



RANGITIKEI
DISTRICT COUNCIL
Making this place home.

ORDER PAPER

EREWHON RURAL WATER SUPPLY MANAGEMENT SUB-COMMITTEE MEETING

Date: Tuesday, 4 March 2025

Time: 4.00pm

Venue: Kokako Street Pavilion
2 Kokako Street
Taihape

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 (Alternative)
HWTM Andy Watson

For any enquiries regarding this agenda, please contact:

Kezia Spence, Governance Advisor, 0800 422 522 (ext. 917), or via email

kezia.spence@rangitikei.govt.nz

Contact:	0800 422 522 info@rangitikei.govt.nz www.rangitikei.govt.nz (06) 327 0099			
Locations:	<table style="width: 100%; border: none;"> <tr> <td style="width: 33%; vertical-align: top;"> <u>Marton</u> Head Office 46 High Street Marton </td> <td style="width: 33%; vertical-align: top;"> <u>Bulls</u> Bulls Information Centre Te Matapihi 4 Criterion Street Bulls </td> <td style="width: 33%; vertical-align: top;"> <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
<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		
Postal Address:	Private Bag 1102, Marton 4741			
Fax:	(06) 327 6970			

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, 4 March 2025 at 4.00pm.

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AGENDA

1 Welcome

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 3 December 2024** are attached.

Attachments

1. **Erewhon Rural Water Supply Management Sub-Committee Meeting - 3 December 2024**

Recommendation

That the minutes of Erewhon Rural Water Supply Management Sub-Committee Meeting held on 3 December 2024 **[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.

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Unconfirmed

1 Welcome

2 Apologies

Resolved minute number 24/ERWS/013

That the apologies from Mr Peter Batley, Mr Barry Thomas and Mr Steve Stoney be accepted.

Mr P McLaren/Mr B Mallalieu. Carried

3 Public Forum

There was no public forum.

4 Conflict of Interest Declarations

There was no conflict of Interest declared.

5 Confirmation of Order of Business

Mr Stratton had 2 late items to put into the agenda.

6 Confirmation of Minutes

Resolved minute number 24/ERWS/014

That the minutes of Erewhon Rural Water Supply Management Sub-Committee Meeting held on 3 September 2024 **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 G Duncan. Carried

7 Follow-up Actions

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

Mr McLaren asked where were the "glossary of terms". Mr Pedley said he had done a brief description of interest charged and depreciation. Mr McLaren would like a brief description on every charge, Mr Pedley would email them.

Potential growth fund – Mr Plimmer said this is a two tier project and is for capital projects only or loans and for existing infrastructure. Mr Plimmer would like to know who puts in the submission council or the committee.

8 Chair's Report

8.1 Chair's Report - December 2024

There was no chairs report.

9 Reports for Information

9.1 ERWS Financial Summary - 2024/25

Mr Pedley spoke to the report and explained that the metered charges would be on the next report. The committee discussed the \$50,000 grant that council had allocated to the committee. Mr Pedley said his understanding was that Mr Chris Pepper had not billed the committee yet and that the grant had not been used. Mr McLaren stated that the scheme had only been given a preliminary report and that the pipe conditioning report had still not been received. Mr Benadie would follow up with Mr Pepper.

Mr Benadie read the resolution that was passed "That Council approve a grant of up to \$50,000.00 to the Erewhon Rural Water Scheme for 50% of the costs associated with developing an Asset Replacement Programme for the Scheme, noting this would be unbudgeted expenditure."

Resolved minute number 24/ERWS/015

That the report 'ERWS Financial Summary – October 2024' be received.

Mr B Mallalieu/Mr S Plimmer. Carried

9.2 Operations Verbal Report- December 2024

Mr Smith said there had been a couple of blowouts otherwise the scheme was working well. The mag meter had been renewed and the flow meter was fixed. Mr Smith said he had been running the sluices regularly which took him 3 days to do and the water has improved. Mr McLaren said with technology now there must be a smarter way to do this with maybe an automated system? Mr Benadie said he could help with looking into this but could not commit until the end of February. The committee agree to continue with running the sluices. Mr Mallalieu asked about the sale of Mr Smiths business. Mr Smith said he would give the committee a lot of notice but he would like to approach the local plumbers so that he could have a break from the scheme. The committee agreed to Mr Smith approaching the local plumbers.

ITEM 6.1

Resolved minute number 24/ERWS/016

That the Operations Verbal Report –December 2024 Erewhon Rural Water Supply Committee be received.

Mr B Mallalieu/Mr G Duncan. Carried

ATTACHMENT 1

10 Discussion Items

Local Water Done Well

Cr Greg read the submission from the committee for Local Water Done Well.

Resource Consenting Process

The committee discussed the resource consent and the letter of engagement. His Worship the Mayor said they need to see if the committee can independently engage with AgFirst and would need councils consent to employ them.

Resolved minute number 24/ERWS/017

Erewhon Rural Water Scheme (ERWS) recommends that Council –

1. Approves and accepts the Letter of Engagement from the AgFirst organisation dated 28 November 2024 including the approval of the schedule of charges for the consent consultation.
2. In doing so ERWS acknowledges that the consent will be between Rangitikei District Council, owner of the ERWS, and Horizons Regional Council as the regulator.
3. ERWS requests that the grant assistance of up to \$50,000 for 50% of the costs associated with developing an Asset Replacement Programme for the scheme given to ERWS by Rangitikei District Council Ref 22/RDC/348, is able to be used by the Committee as assistance to fund the asset replacement programme which includes the resource consenting process.

Mr G Duncan/Mr B Mallalieu. Carried

The meeting closed at 5.20pm.

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

.....
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
1	5-Sep-24	Glossary of terms was requested to be included.	Warren P	Previously this action was resolved on the by Mr Tombs after a discussion with Mr Duncan in July 2023- according to the status comment. Staff request clarity on the terms wanted.	In progress.

8 Chair's Report

8.1 Chair's Report - March 2025

Author: Jock Stratton, Chair

1. Reason for Report

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

Recommendation

That the Chair's Report –March 2025 be received.

9 Reports for Information

9.1 ERWS Financial Summary - 2024/25

Author: Warren Pedley, Manager Finance and Partnerships

Authoriser: Leanne Macdonald, Group Manager - Corporate Services

1. Reason for Report

1.1 This report provides the Scheme's financial results for the period ended 31 January 2025.

2. Commentary

Operating Statement

1.1 This shows:

1.1.1 An operating cash surplus of \$94k YTD 31 January 2025

1.1.2 Capital expenditure of \$5.4k YTD 31 January 2025

1.1.3 Funding Surplus of \$102k as at 31 January 2025.

3. Annual Plan Budget 2025/26

The 2025/26 draft annual plan budget has been provided for you to consider. On average income and costs have been inflated by CPI of 2.3%.

It needs to be noted that if the scheme continues with the suggested level of capital spend, it will place the Scheme into a deficit situation requiring council to increase its debt portfolio and the debt repayments and cost of interest may need to be factored into future budgets.

Attachments

1. ERWS Financial Summary Jan 2025 [↓](#)

Recommendation 1

That the report 'ERWS Financial Summary – Jan 2025' be received.

Recommendation 2

That the proposed 2025/26 draft Annual Plan budget be included with the 'ERWS Financial Summary – Jan 2025' be reviewed and approved or amended if required.

Erewhon Rural Water Scheme
Operating Statement
YTD Jan 2025

	Jan-25			2023/24	2025/26
	YTD Actual Jan 25	YTD Budget Jan 25	Full Year Budget	Actual	Proposed Budget
OPERATING INCOME					
Metered Charges	162,197	162,194	324,393	324,393	331,854
	162,197	162,194	324,393	324,393	331,854
OPERATING EXPENSES					
Contractors and Prof Services	43,299	49,116	96,154	66,948	98,269
Professional Services MDC	0	4,074	6,087	10,630	0
Rates	8,310	0		6,664	9,066
Erewhon Waterboard Lease	2,931	4,347	7,455	0	7,622
Resource Consents	0	868	1,489	0	1,522
Telephone Costs	430	376	641	695	754
Materials	0	0	704	5,388	719
Insurance	10,707	9,419	17,590	16,200	20,697
Finance Costs	2,432	2,517	4,274	4,634	12,000
	68,109	70,717	134,394	111,159	150,649
Depreciation	93,813	92,114	160,823	155,330	175,083
Internal Charges	57,258	58,779	101,872	93,693	0
Accounting Surplus/(Deficit)	(56,983)	(59,416)	(72,696)	(35,789)	6,122
Add back					
Depreciation	93,813	92,114	160,823	155,330	175,083
Internal Charges	57,258	58,779	101,872	93,693	0
Operating Cash Surplus / (Deficit)	94,088	91,477	189,999	213,234	181,205
Capital Expenditure	5,412	0	378,100	177,651	396,267
Available Finance					
Funding Surplus / (Deficit) b/f	13,932	13,932	13,932	(21,651)	(174,169)
Operating Cash Surplus / (Deficit)	94,088	91,477	189,999	213,234	181,205
Capital Expenditure	(5,412)	0	(378,100)	(177,651)	(396,267)
Funding Surplus/(Deficit) c/f	102,608	105,409	(174,169)	13,932	(389,231)
Book Value of Fixed Assets					
As at 1 July	4,520,241	4,520,241	4,520,241	4,497,920	4,737,518
Additions	5,412	0	378,100	177,651	396,267
Depreciation	(93,813)	(92,114)	(160,823)	(155,330)	(175,083)
Current	4,431,840	4,428,127	4,737,518	4,520,241	4,958,702

ITEM 9.1

ATTACHMENT 1

**Erewhon Rural Water Scheme
Operating Statement
YTD Jan 2025**

9.2 Operations Verbal Report- March 2025

Author: Arno Benadie, Chief Operating Officer

1. Mr Smith, Taihape Plumbing will provide a verbal update at the meeting.

Recommendation

That the Operations Verbal Report –March 2025 Erewhon Rural Water Supply Committee be received.

ITEM 9.2

9.3 Update on Recommendations from the Erewhon Rural Water Scheme**Author: Kezia Spence, Governance Advisor****1. Reason for Report**

1.1 There were two items from the Erewhon Rural Water Scheme meeting held on the 03 December meeting that were passed on to Council.

1.1.1 The submission from the scheme regarding Local Water Done Well.

1.1.2 The recommendation for engagement with AgFirst and the grant assistance of \$50,000 for 50% of the costs associated with developing an Asset Replacement Programme for the scheme.

2. Submission Local Water Done Well

2.1 Council received the submission. The resolution is included below.

Resolved minute number 24/RDC/001

That the submission from the Erewhon Rural Water Scheme on Local Water Done Well be received.

Cr G Maughan/Cr F Dalgety. Carried

3. Recommendation on the engagement and grant.

3.1 Council approved the recommendation; the resolution is included below:

Resolved minute number 24/RDC/002

That Council-

1. Approves and accepts the Letter of Engagement from the AgFirst organisation dated 28 November 2024 including the approval of the schedule of charges for the consent consultation.
2. In doing so ERWS acknowledges that the consent will be between Rangitikei District Council, owner of the ERWS, and Horizons Regional Council as the regulator.
3. Council approves the grant assistance of up to \$50,000 for 50% of the costs associated with developing an Asset Replacement Programme for the scheme given to ERWS by Rangitikei District Council Ref 22/RDC/348, is able to be used by the Committee as assistance to fund the asset replacement programme which includes the resource consenting process.

HWTM/Cr G Maughan. Carried

Recommendation

That the report 'Update on Recommendations from the Erewhon Rural Water Scheme' be received.

ITEM 9.3

10 Meeting Closed.