

ORDER PAPER

HUNTERVILLE RURAL WATER SUPPLY MANAGEMENT SUB-COMMITTEE MEETING

Date: Monday, 13 March 2023
Time: 4.00pm
Venue: Council Chamber
Rangitikei District Council
46 High Street
Marton

Chair: Mr Sam Weston

Membership: Mr Bob Crawford
Mr Mark Dawson
Mr Bernie Hughes
Mr John McManaway
Mr Sam Duncan
Mr Patrick Henderson
Cr Fi Dalgety
Cr Richard Lambert
HWTM Andy Watson

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Notice is hereby given that a Huntermville Rural Water Supply Management Sub-Committee Meeting of the Rangitikei District Council will be held in the Council Chamber, Rangitikei District Council, 46 High Street, Marton on Monday, 13 March 2023 at 4.00pm.

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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 Hunternville Rural Water Supply Management Sub-Committee Meeting held on 21 November 2022 are attached.

Attachments

1. **Hunternville Rural Water Supply Management Sub-Committee Meeting - 21 November 2022**

Recommendation

That the minutes of Hunternville Rural Water Supply Management Sub-Committee Meeting held on 21 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: HUNTERVILLE RURAL WATER SUPPLY
MANAGEMENT SUB-COMMITTEE MEETING**

Date: Monday, 21 November 2022
Time: 4.00 pm
Venue: Council Chamber
Rangitikei District Council
46 High Street
Marton

Present Mr Sam Weston
Mr Mark Dawson
Mr Bernie Hughes
Mr John McManaway
Cr Richard Lambert
HWTM Andy Watson

In attendance Cr Greg Maughan
Mr Peter Beggs, Chief Executive
Mr Dave Tombs, Group Manager – Corporate Services
Mr Ivan O’Reilly, Reticulation Serviceman
Mr Steven Parkinson, Reticulation Serviceman
Mr Andrew Van Bussell, Reticulation Serviceman
Mr Michael Hodder, Advisor to CE (Zoom)
Ms Kezia Spence, Governance Advisor

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UNCONFIRMED

1 Welcome / Prayer

2 Apologies

Resolved minute number 22/HRWS/026

Apologies have been received from Patrick Henderson and Bob Crawford.

John McManaway has advised he would be late.

Cr R Lambert/Mr M Dawson. Carried

3 Public Forum

Nil.

4 Conflict of Interest Declarations

Nil.

5 Confirmation of Order of Business

Simon Taylor has provided a letter from his lawyer which shall be included in late items.

6 Confirmation of Minutes

Resolved minute number 22/HRWS/027

That the minutes of Huntermville Rural Water Supply Management Sub-Committee Meeting held on 28 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.

Cr R Lambert/Mr S Weston. Carried

7 Follow-up Action Items from Previous Meetings

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

There have been no major updates to these actions since the previous meeting.

1. Resolved minute number 22/HRWS/028

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

Cr R Lambert/Mr M Dawson. Carried

8 Chair's Report

8.1 Chair's Report - November 2022

The report was noted.

2. Resolved minute number 22/HRWS/029

That the 'Chair's Report – November 2022' be received.

Mr M Dawson/Cr R Lambert. Carried

9 Reports for Decision

9.1 Huntermville RWS - 2022/23 Financial Summary

Mr Tombs will follow up on any outstanding debtors.

3. Resolved minute number 22/HRWS/030

That the report 'Huntermville RWS – 2022/23 Financial Summary' be received.

Mr S Weston/Cr R Lambert. Carried

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

Mr Hodder took the committee through the report. There is uncertainty with rural water supply from central government, they have set up a working group specifically for the issues, which include the new regulations for drinking water and the mixed use of water from rural water supplies.

The committee acknowledged that there is mixed water usage and therefore it is a waste of resources investigating this. It does mean that the committee is subject to the requirements set by the Water Services Regulator. The Water Services Regulator has approved other solutions but the committee referenced other schemes and the costs associated with this.

The committee is aware that if the supply stayed with Council there would be a loss of expertise as staff will transition to the new entity. Council is able to provide administrative support providing rate invoices and setting levy rates. Mr Tombs would be the best to advise on the financial impact of the scheme staying with Council. The committee acknowledged the need for Council expertise to keep tabs on specific titles. The entity will have to subcontract because they won't have the expertise either.

The committee were concerned regarding the 75% vote and that it needs better clarification whether voting is weighted to units owned or individuals who are a part of the scheme. Mr Hodder stated it was likely equal vote to those in the scheme.

There is an urgency to remove Huntermville Township from the scheme and there have been issues finding a formal agreement between the rural water supply and the township. There needs to be clear communication with the township regarding three waters and what this will mean for the township regarding who will be supplying the water and the rates costs for this.

The Committee recommended a report to Council early in the new year to investigate withdrawing from the entity.

4. Resolved minute number 22/HRWS/031

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

That The Huntermville Rural Water Supply Management Subcommittee recommends to Council that it undertakes following next steps:

- a. Get clarification from the National Transition Unit whether the provision of water to the town of Huntermville will be deemed a separate supply (and managed by the Western Central Services Entity) with the supply to farmers deemed a separate supply;
- b. if the supply to farmers on the Huntermville scheme is found to be 'mixed use' *and* if the National Transition Unit deems the supply to farmers on the Huntermville scheme is a separate supply, decide (in consultation with scheme members) whether this portion of the Huntermville scheme is to be put forward as an exception to automatic transfer to the Western Central Services Entity.

Mr S Weston/Cr R Lambert. Carried

9.3 Operations Report-November 2022

Mr Steven Parkinson was introduced to the committee as a new water technician.

The committee questioned whether there are a number of fixes or costs that will continue. Mr Van Bussell and Mr O'Reilly stated these are ad hoc fixes as there are some areas that have been poorly installed or use of incorrect materials over the decades.

Resolved minute number 22/HRWS/032

That the 'Huntermville Rural Water Supply - Operations Report' to the 1 November 2022 Huntermville Rural Water Supply Sub-Committee be received and the two projects stated in 2.4 and 2.5 proceed.

Mr J McManaway/Mr S Weston. Carried

10. Late Items

Mr Taylor has requested a water unit as this was promised during the purchase of his property. John stated that this has not occurred since we only allow two units at a time. The land is now owned by Mt Hui holdings.

1.

Defer this item to the next meeting. Council will provide evidence and look into their records and write back on behalf of the committee.

Resolved minute number 22/HRWS/033

That Fi Dalgety join the HRWS committee.

Mr S Weston/Cr R Lambert. Carried

Resolved minute number 22/HRWS/034

That the committee receive the tabled letter from Simon Taylor regarding units.

That the committee request Council to reply to Mr Taylor requesting evidence that the HRWS committee approved the transfer of one unit from Mr Willis prior to purchase

Cr R Lambert/Mr M Dawson. Carried

The meeting closed at 5.51pm.

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

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Chairperson

ITEM 7.1 **7 Follow-up Action Items from Previous Meetings**

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

Author: **Kezia Spence, Governance Advisor**

1. Reason for Report

1.1 On the list attached are items raised at previous Huntermville 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 Huntermville Rural Water Supply Meetings’ be received.

Current Follow-up Actions

Item	From Meeting Date	Details	Person Assigned	Status Comments	Status
1	21-Nov-22	Response to units for Mr Taylor	Andrew Van Bussell	Update to be provided at the meeting.	In progress
2	21-Nov-22	The committee request follow up on outstanding debtors	Dave Tombs	Details were emailed to members 1 Dec 2022.	Closed
3	30-May-22	As per resolution 22/HRWS/015 : Staff to investigate and implement the best solution for the repair at Lilburns farm, with Mr van Busseel advising the Chair of approximate costs when known.	Andrew van Busseel / Ivan O'Reilly	25 July Committee meeting: Mr Flintoff advised that the repair will cost around \$16,000 + GST. The Committee advised that they were happy with this figure and for the solution to proceed.	In progress
4	28-Mar-22	As per resolution 22/HRWS/004 : That the Committee directs staff to replace the Rathmoy break Pressure Tank with a timber tank (of the same size) in a new site, at a cost of \$50,000.	Andrew van Busseel / Anna Thompson	Andrew will provide an update at the meeting.	In progress
5	13-Dec-21	Regarding section 2.2 of the Operations Report (engine failure for pumps): Staff to approach the supplier and request compensation / replacement pumps. If the supplier does not agree to do this, staff will bring a full report to the March 2022 HRWS meeting.	Andrew van Busseel / Anna Thompson	Update 28 Mar 22: Noting the refusal of either company to cover the cost, Mr van Busseel will seek assurances / a warranty from them to help avoid any repeat of this situation in the future.	In progress
6	20-Sep-21	HWTM and the CE offered their assistance with negotiations with KiwiRail, for the purpose of getting a water line installed on the viaduct. Mr Flintoff to provide the Chief Executive with an email summary of this issue.	Andrew Van Bussell/CE	Update 28 Mar 22: Mr Flintoff has received advice from the Chief Executive and is pursuing this issue with Kiwirail.	In progress

ITEM 8.1

8 Chair's Report

8.1 Chair's Report - March 2023

Author: Sam Weston, Chair

Authoriser:

1. Reason for Report

- 1.1 A verbal update may be provided by Mr Weston.

Recommendation

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

9 Reports for Decision

9.1 Hunterville RWS - 2022/23 Financial Summary

Author: Dave Tombs, Group Manager - Corporate Services

Authoriser: Dave Tombs, Group Manager - Corporate Services

1. Reason for Report

1.1 This Report provides the YTD Operating Statement for the 7 months ended January 2023.

2. Commentary

2.1 This shows:

- 2.1.1 Operating Cash Surplus of \$104.7k for the 7 months
- 2.1.2 Capital Expenditure of \$46.1k for the 7 months
- 2.1.3 Notional Cash Reserves of \$795k at 31 January 2023.

Attachments

- 1. **HRWS Financial Summary - Jan 2023** [↓](#)

Recommendation 1

That the report 'Hunterville RWS – 2022/23 Financial Summary' be received.

ITEM 9.1
ATTACHMENT 1

Huntermville Rural Water Scheme
Operating Statement 2022/23

		YTD Actual 7 Months Ended Jan 2023	Full Year Budget 2022/23	Full Year Actual 2021/22	Full Year Budget 2021/22
INCOME					
	Metered Charges	265,143	522,108	528,745	522,110
	Penalty		2,064	8,356	2,004
		265,143	524,172	537,101	524,114
EXPENSES					
	Phone rentals	1,149	2,328	2,883	2,256
	Electricity	137,765	229,452	243,657	181,500
	Insurance	21,055	20,598	22,244	12,476
	Rates - Utility	0	20,124	22,569	19,500
	Member Remuneration	0	0	2,560	0
	MDC Professional Services	0	1,176	0	1,140
	Operational Costs - Contractor	0	1,236	0	1,200
	Reticulation Costs - staff	3,474	19,056	11,171	18,456
	Treatment Costs - staff	0	0	2,450	0
	External Contractors	1,249	14,316	31,930	13,872
	Resource Consents	0	2,588	1,556	0
	Chemicals/consumeables	0	3,612	0	3,504
	Materials/Other	0	12,900	1,986	12,504
		164,692	327,386	343,006	266,408
less	Depreciation	111,417	161,160	204,835	153,600
	Internal Charges	81,961	143,582	0	0
	Accounting Surplus/(Deficit)	(92,927)	(107,956)	(10,740)	104,106
Add back	Depreciation	111,417	161,160	204,835	153,600
	Finance Costs	0	6,493	0	0
	Internal Charges	81,961	143,582	0	0
Plus	Notional Interest Income	4,296	0	6,696	0
	Operating Cash Surplus	104,747	203,279	200,791	257,706
Capital Expenditure					
	Contractor - Reticulation	1,083	26,004	3,272	24,996
	Contractor - Treatment	0	20,796	0	20,004
	Staff - Reticulation *	45,081	0	49,297	0
		46,164	46,800	52,569	45,000
	Annual Cash Surplus	58,583	156,479	148,222	212,706
	Notional Bank bf	736,513		588,291	
	Notional Bank cf	795,096		736,513	

9.2 Operations Report-November 2022

Author: Andrew van Bussel, Operations Manager

1. Leaks and Repairs

1.1 There have been a number of repairs during this period:

- 02-11 Leak on Horrnick's farm.
- 04-11 Install new Marrick, restrictor, and pump buddy- Mangohone Rd.
- 04-11 Low flow on Mark Dawsons.
- 08-11 Put river pump in.
- 12-11 Power Cut – no flow for 6 hours.
- 14-11 Low flow at Mark Dawsons.
- 14-11 Hook up water at Mellington Dairy Shed.
- 14-11 Overflow tank- Horrnick's farm.
- 16-11 Leak on Mrs Webb's.
- 21-11 Meet with Mark Grace to discuss Water for Kiwi Burn.
- 22-11 Leak on Lilburn's farm.
- 23-11 Mark out cable for Kiwi Burn.
- 23-11 Adjust PRV on Nick Tipplings.
- 28-11 Leak on Iron Works Road- digger hit pipe.
- 29-11 Cut concrete and prep for new pump install.
- 6-12 Leak on Robert Nydegger Place – Turakina Valley.
- 08-12 Replace pipe work – mid pump station.
- 12-12 Leak on G Hodgson – Ongo Road.
- 12-12 Install pipe work and pump at pump station.
- 15-12 Hooked up power – mid pump station.
- 16-12 Water Leak on Horricks.
- 16-12 removed river pump.
- 20-12 Commissioned new pump.
- 21-12 Rolled out water line on Lilburn's farm.
- 22-12 No water to Charlie Duncan's tanks.
- 28-12 Leak on Horricks.
- 05-01-23 Leak on Sam Horricks.
- 13-01-23 Leak on Nick Rowes place.
- 13-01-23 Check line at Sam Westons and check Ohingaiti Break tank.
- 16-01-23 fix leak on Ongo Road – Drain valve.
- 18-01-23 Leak at Cooks Road forest.
- 18-01-23 Leak on Bridge – By Otiwhiti.
- 19-01-23 Turn new pump off – making too much noise.
- 23-01-23 Leedstown tank overflowing.
- 25-01-23 Leak on Sam Horricks.
- 26-01-23 Leak on Sam Horricks.
- 31-01-23 Pulled out river pump.
- 07-02-23 Leak on Kenny Duncans.
- 07-02-23 Leak on Mark Graces.

ITEM 9.2

- 07-02-23 Found Kiwirail power cable in Tank site location, organised to shift.
- 10-02-23 Dug up water main, next to Kiwi Rail site, to locate. Behind Mark's house.
- 13-02-23 Leak in Cooks Road Forest.
- 13-02-23 Move power cable for tank site.
- 14-02-23 No power.
- 14-02-23 Leedstown tank overflowing.
- 16-02-23 Leak on Iron Works Road, slip on the hillside.
- 20-02-23 Retrieved river pump out of silt, after flood.
- 21-02-23 Find water line for Star Jones connection, Te Houhou Rd.
- 21-02-23 Prep new Rathmoy tank site.
- 22-02-23 Dig out tank site, and clear overflow drains.
- 22-02-23 Meet with Nick Rowe to discuss pipe work through property.
- 22-02-23 Unload pipe at Horricks.
- 22-02-23 work on Tank site at Mark Graces.
- 23-02-23 Pressure testing around Rathmoy tank.
- 23-02-23 Leak on Mark Graces.
- 27-02-23 Install connection to Star Jones water tank, Te Houhou Rd

2. General

2.1 Middle pump station is complete and the top pump station is almost complete.

2.2 Rathmoy break pressure tank is now programmed for late March due to the flooding events in New Zealand

Recommendation

That the 'Hunterville Rural Water Supply - Operations Report' to the 1 March 2023 Hunterville Rural Water Supply Sub-Committee be received.

10 Reports for Information

10.1 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/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.

11. Closed Meeting