

ORDER PAPER

HUNTERVILLE RURAL WATER SUPPLY MANAGEMENT SUB-COMMITTEE MEETING

Date: Monday, 12 February 2024

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, 12 February 2024 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 **Hunternville Rural Water Supply Management Sub-Committee Meeting held on 6 November 2023** are attached.

Attachments

1. **Hunternville Rural Water Supply Management Sub-Committee Meeting - 6 November 2023**

Recommendation

That the minutes of Hunternville Rural Water Supply Management Sub-Committee Meeting held on 6 November 2023 **[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, 6 November 2023
Time: 4.00pm
Venue: Council Chamber
Rangitikei District Council
46 High Street
Marton

Present Mr John McManaway
Mr Bernie Hughes
Cr Richard Lambert
Cr Fi Dalgety
HWTM Andy Watson

In attendance Mr Ivan O'Reilly, Water/Wastewater Technician
Mr Andrew van Bussell, Operations Manager
Mr Dave Tombs, Group Manager- Corporate Services
Mr Kevin Ross, Chief Executive

Order of Business

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Unconfirmed

1 Welcome

Mr McManaway opened the meeting at 4.21pm.

2 Apologies

Resolved minute number 23/HRWS/017

Apologies received from Sam Weston, Bob Crawford and Mark Dawson.

Mr J McManaway/Cr R Lambert. Carried

3 Public Forum

There was no public forum.

4 Conflict of Interest Declarations

There were no conflicts of interest declared.

5 Confirmation of Order of Business

There was no change to the order of business.

6 Confirmation of Minutes

Resolved minute number 23/HRWS/018

That the minutes of Huntermville Rural Water Supply Management Sub-Committee Meeting held on the 17 July 2023 **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 J McManaway. Carried

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

The report was taken as read.

Resolved minute number 23/HRWS/019

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

Mr J McManaway/Mr B Hughes. Carried

8 Reports for Decision

8.1 Operations Report-July 2023

The contractor on the Rathmoy tank failed and Mr O'Reily is working with the two landowners about the design for this fix. It is anticipated that even though the contractor was unsuccessful there may be establishment costs. This is due to the contractor being unable to tell what is under the ground.

Progress has been made with Kiwirail and a plan has been submitted to them. Currently this is still in the stage of getting permission.

Mr Van Bussell to confirm what will happen with the tank and report this back to the committee at the next meeting.

Resolved minute number 23/HRWS/020

That the 'Huntermville Rural Water Supply – Operations Report 1 September 2023' to the Huntermville Rural Water Supply Sub-Committee be received.

Mr J McManaway/Cr F Dalgety. Carried

9 Reports for Information

9.1 Huntermville RWS - 2022/23 Financial Summary

Historically, the approximate \$99,000 has been spent on salaries for staff which is incorrect as this is not CAPEX but instead maintenance of the scheme.

The units sold is 1738.9 and the cost is approximately \$310 excluding GST, the township has 370 units but is one customer. Mr Tombs will confirm these figures at the next meeting and will advise the township rate per unit.

Resolved minute number 23/HRWS/021

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

Cr F Dalgety/Mr B Hughes. Carried

9.2 Huntermville RWS - 2023/24 Financial Summary

Mr Tombs will amend the \$30,000 of CAPEX into maintenance for this financial year.

The definition of renewal is when an asset is replaced rather than just repaired, therefore this is a CAPEX purchase.

ITEM 6.1

Resolved minute number 23/HRWS/022

That the report 'Huntermville RWS – 2023/24 Financial Summary' be received.

Mr B Hughes/Mr J McManaway. Carried

ATTACHMENT 1

9.3 Formal Advice from Simpson Grierson re Huntermville Rural Water Supply

The committee acknowledged that this opinion was received prior to the election and therefore with a change in government this is likely to impact Three Waters scheme.

Once there is a clearer picture on rural water schemes and Three Waters this would be a good opportunity to connect with other schemes.

Resolved minute number 23/HRWS/023

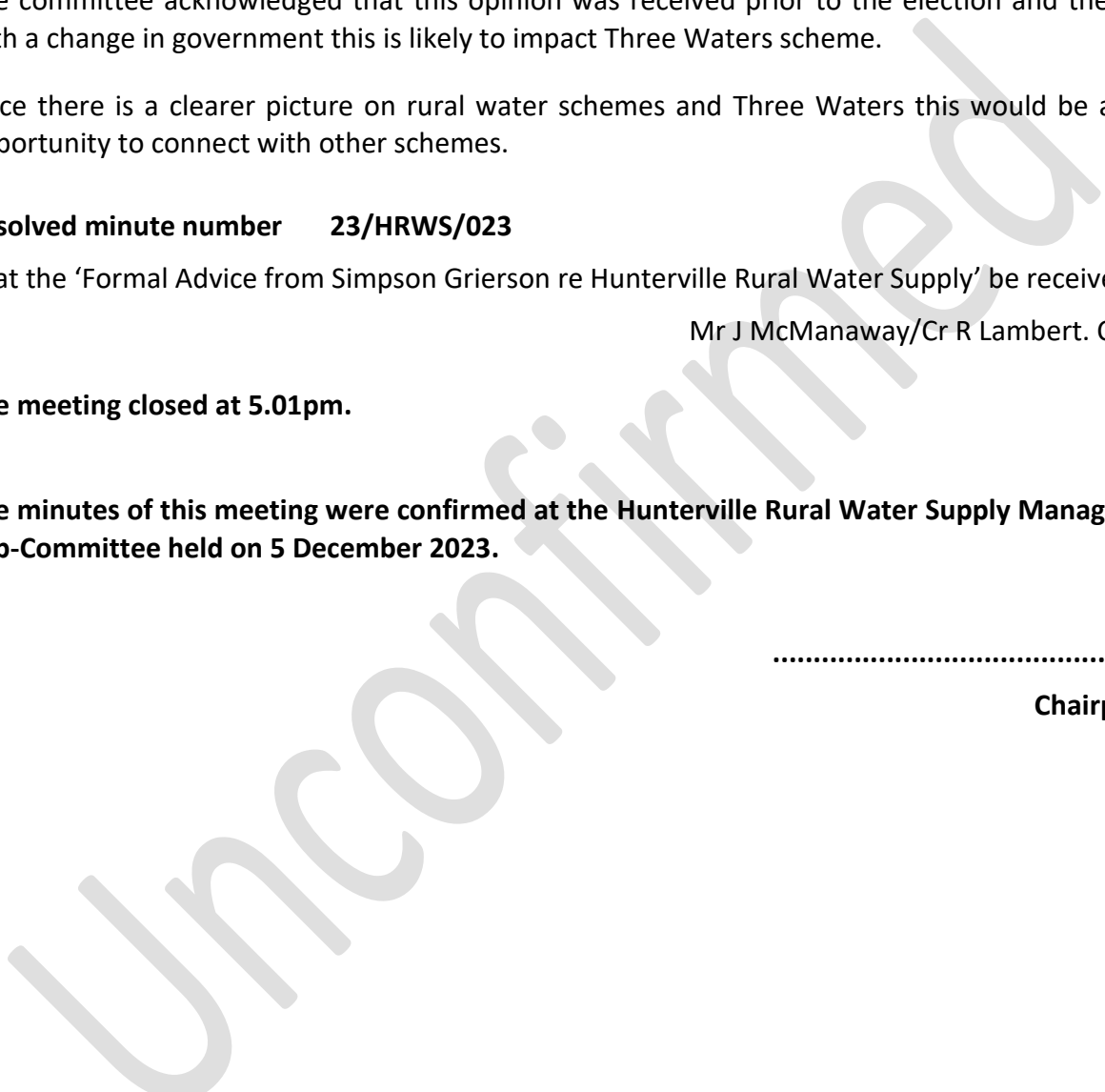
That the 'Formal Advice from Simpson Grierson re Huntermville Rural Water Supply' be received.

Mr J McManaway/Cr R Lambert. Carried

The meeting closed at 5.01pm.

The minutes of this meeting were confirmed at the Huntermville Rural Water Supply Management Sub-Committee held on 5 December 2023.

.....
Chairperson



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	17-Jul-23	Council contribution to scheme	Alex Davenport	Archives have found a contract for upgrades to resevoir and break pressure tanks in 1985	In progress
2	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	Updated 9 May 2023 This is included in the operations report to discuss with committee	In progress
3	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	Updated 9 May 2023 Andrew will provide an update at the meeting.	In progress
4	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 Busseel/CE	Updated 17 July 2023 Andrew will provide an update at the meeting.	In progress

8 Chair's Report

8.1 Chair's Report - February 2024

Author: Sam Weston, Chair

1. Reason for Report

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

Recommendation

That the 'Chair's Report – February 2024' be received.

9 Reports for Decision

9.1 Operations Report-February 2024

Author: Andrew van Bussel, Operations Manager

1. Leaks and Repairs

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

- 01-09 Check north line for leaks.
- 08-09 High Water usage- looking for leaks
- 11-09 Water leak in Cooks Road forest
- 13-09 Install Pump fittings in middle pump station with Speed
- 18-09 Water leak on Wades block Murimotu Road
- 18-09 Noticed 4 wheeler missing from Shed
- 19-09 Kemble to wire up new pump in top pump station
- 21-09 Replace air valve at Nick Tippling's property
- 25-09 Replace tap at Kenny Duncan's property
- 02-10 Set Up Shane Gribbon to drill under river
- 04-10 Gribbon drill shot failed, couldn't get under river
- 10-10 Survey the new line – Horricks and Webbs farm
- 10-10 Put Cables around Horricks Tank – Leedstown tank- used old tank materials to save scheme approx. \$5k
- 24-10 Delivered materials for new Rathmoy tank to site
- 25-10 Put new cable and water line across river at Kenny Duncans
- 26-10 Weld up pipe work for top pump station with Speed
- 27-10 Installed pipe work with Speed
- 30-10 Fix pipe work over the bank at Kenny Duncan's
- 31-10 Water leak at Manifold to Will Partridges tank property
- 31-10 Leak on McIntyre 25mm Line- Murimotu Rd
- 01-11 Changed restrictors and pipe work at Will Partridge's tank
- 01-11 Re-connect line to Kenny Duncans – Fitting failure
- 09-11 Renshaw, Turakina Valley Rd fix leak by tank
- 10-11 Ballcock for John McManaway
- 10-11 Spray around pump stations
- 13-11 Water leak on line to tank at Horrick's property
- 13-11 Clean restrictors on the Rata Line
- 15-11 Comms Fault- reset computer.
- 15-11 Chris Turner Jeffersons Line, fix leak
- 16-11 No water to far tank – Kenny Duncan's property
- 20-11 put river pump in
- 24-11 Scott Parks – Broken Ohingaiti line- felling tree- repaired
- 27-11 Leak by shed on Will Partridges line
- 30-11 No flow to Otairi- found leak by Dave Munn's property
- 03-12 Power cut

- 04-12 Leak on Kenny Duncan’s property
- 07-12 Leak on Alex Dalgety’s property in Murimotu Rd
- 07-12 Installed River pump
- 09-12 Leak on line to Nick Rowe’s Lease Block – Rangatira Rd
- 11-12 Nick Tippling advised of leak – not able to find
- 11-12 Replace pump buddy with ballcock for Georgia Hodgson’s tank – Ongo Rd
- 11-12 Change maric and restrictors on Manaki farm
- 12-12 No water to Rob Kilgour’s house
- 13-12 Hamish Cavanagh advised of leak, due to bull dozer- Vinegar Hill
- 14-12 Clean filters and read meters
- 18-12 Readjusted river pump after heavy rain
- 18-12 Otairi Tank overflowing, replace rubber flange, and shut off valve
- 20-12 Bull Dozer hit line again on Vinegar Hill
- 20-12 Water flow problems – investigating
- 20-12 Fencing contractor hit line on Shane Hurley’s farm
- 21-12 Leak on main line at Sam Crowther’s property
- 21-12 Change ballcock for Sam Weston
- 22-12 Check filters and air locks after fixed leak
- 22-12 Comms issues mid pump station – fixed with Alf Downs
- 23-12 Water issues at tanks for Mellington Dairy- replace ballcock
- 23-12 Water issues to tank at Makaraka
- 27-12 Flow issues to Porewa Line – Bob Crawford’s- replace filters
- 01-01 Leak on tank – John McManaway’s property
- 10-01 Replace ballcock and pipe work to tank by hay shed – Horrick’s property
- 10-01 Change from old tank to new plastic tank at Patrick Henderson’s property
- 11-01 Fix water leak at mid pump station
- 12-01 Clean up around top tank
- 12-01 Leak on Adrian Bull’s farm by tank
- 14-01 Low flow to Patrick Henderson’s property
- 15-01 Check for leaks on Ohingaiti Line, check restrictors
- 15-01 Repositioned the Maric and restrictors to Patrick Henderson’s new tank.
- 15-01 Replace ballcock at John McManaway’s property
- 16-01 Start fencing around Rathmoy tank
- 17-01 Completed fence
- 19-01 Fix pipe work at mid-pump station, and clean out PRV
- 22-01 Water issues at Mellington Dairy – internal issues
- 24-01 Pull down old wooden Kaikarangi Tank
- 25-01 Build working platform at Rathmoy Tank to replace ladder for safety reasons
- 26-01 Low flow to tank – Charlie Duncan’s property, cleaned out PRV in Ongo Rd forest, fixed flow issues

2

2. General

2.1 There will be power outages on 14, 21 and 28 February which will affect the water supply for 8 hours each day.

ITEM 9.1

2.2 The following upgrades have taken place or are on the list to be completed:

- Lilburn’s job has not been completed, work is on-going.
- Progress is being made with Kiwirail regarding pipe replacement on the Makohine viaduct. I will update you further at the meeting.

Recommendation

That the ‘Huntermville Rural Water Supply – Operations Report February 2024’ to the Huntermville Rural Water Supply Sub-Committee be received.

10 Reports for Information

10.1 Hunterville RWS - 2023/24 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 year-to-date (YTD) draft Operating Statement for the 7 months ended January 2024.

2. Commentary

2.1 This shows:

- 2.1.1 YTD Operating Cash Surplus of \$55k
- 2.1.2 YTD Capital Expenditure of \$12k
- 2.1.3 YTD Cash Surplus of \$43k
- 2.1.4 Notional Cash Reserves of \$750k at 31 January 2024.

- 2.2 As discussed at the previous meeting, MDC Reticulation Costs that have previously been reported as a Capital Expense are now reported within Operating Expenses.

- 2.3 At the March 2022 HRWS meeting it was resolved that Interest at 2% would be applied to the Committee's opening bank balance each year and that the rate for 2020/21 and 2021/22.

- 2.4 Officers suggest that this rate be continued.

- 2.5 Officers also invite discussion regarding preferred rate increase for 2024/25. The draft modelling is based on a 12.5% increase.

3. Capital Expenditure

- 3.1 Further information (taken from Council's ledger) regarding the Capital Expenditure is as follows:

Contractor Reticulation

Renewal upgrades	\$7.3k
Rathmoy Fittings	\$1.3k
Station new pump	\$1.8k
GPS survey new pipe Horricks, Webs	\$1.8k

4. Other

4.1 Further to discussion at the previous Sub Committee meeting the following information confirms the rating structure of the Scheme.

4.2 The Scheme is credited with 2 different rates as per Page 72 of the Annual Plan 2023/24:

Hunterville rural <i>(funds Water Hunterville Rural)</i>	Connected rating units	Fixed amount per unit or part unit***	\$353.14	\$483,414
Hunterville rural- urban <i>(funds Water Hunterville Rural)</i>	Connected rating units	Fixed amount per unit or part unit***	\$348.48	\$128,937

The Hunterville Rural rate has 150 accounts, 1,369 Units each paying \$353

The Hunterville Rural-Urban has 1 account (Council), 370 Units, each paying \$348

The total of these rates (inclusive of GST) is \$612k

The GST exclusive amount is \$532k

Attachments

- 1. HRWS Financial Summary - January 2024** [↓](#)

Recommendation 1

That the report ‘Hunterville RWS – 2023/24 Financial Summary’ be received.

Recommendation 2

That, consistent with the March 2022 Committee meeting discussions, interest continue to be applied at 2% on the Scheme’s opening bank balance each year.

Recommendation 3

That the Committee suggests a rate increase of xx% for the Hunterville Rural Water Scheme targeted rates for 2024/25.

Huntermville Rural Water Scheme
Operating Statement 2023/24

Amounts are GST Exclusive

		YTD Actual 7 Months Ended			Full Year Actual	Full Year Budget
		Jan 2024 (draft)	Full Year Budget 2023/24		2022/23	2022/23
INCOME						
	Metered Charges	267,632	532,479		525,025	522,108
	Finance Revenue (per ledger)	0	0		7,483	0
	Kiwi Rail : for pipe realignment	0	0		10,445	0
	Penalty	4,849	2,124		3,678	2,064
		272,481	534,603		546,631	524,172
EXPENSES						
	Phone rentals	1,841	2,376		2,488	2,328
	Electricity	139,956	234,504		258,969	229,452
	Insurance	11,276	20,592		23,011	20,598
	Rates - Utility	0	20,592		24,979	20,124
	Member Remuneration	570	0		570	0
	MDC Professional Services	0	1,212		0	1,176
	Operational Costs - Contractor	0	1,260		0	1,236
	Reticulation Costs - staff	54,246	19,488		7,875	19,056
	Treatment Costs - staff	170	0		0	0
	External Contractors	1,857	15,972		7,559	14,316
	Resource Consents	0	2,688		0	2,588
	Chemicals/consumables	0	3,696		0	3,612
	Materials/Other	7,015	13,200		5,723	12,900
		216,931	335,580		331,174	327,386
less	Depreciation	113,957	161,160		191,000	161,160
	Internal Charges	23,417	143,582		140,563	143,582
	Accounting Surplus/(Deficit)	(81,824)	(105,719)		(116,106)	(107,956)
Add back	Depreciation	113,957	161,160		191,000	161,160
	Finance Costs	0	6,493		0	6,493
	Internal Charges	23,417	143,582		140,563	143,582
Plus	Notional Interest Income adj	0	0		7,247	0
	Operating Cash Surplus/(Deficit)	55,550	205,516		222,704	203,279
Capital Expenditure						
	Contractor - Reticulation	12,171	26,000		82,018	26,000
	Contractor - Treatment	0	20,800		0	20,800
	Staff - Reticulation	0	0		99,696	0
	Horricks Pipe Upgrade	0	0		47,247	0
	Webb Pipe Upgrade	0	0		27,774	0
		12,171	46,800		256,735	46,800
	Cash Surplus/(Deficit)	43,379	158,716		(34,031)	156,479
	Notional Bank bf	707,546			741,577	
	Notional Bank cf	750,925			707,546	
Note Depreciation and Internal Charges include approximate amounts for January						

ITEM 10.1 ATTACHMENT 1

11 Meeting Closed.