

ORDER PAPER

HUNTERVILLE RURAL WATER SUPPLY MANAGEMENT SUB-COMMITTEE MEETING

Date: Monday, 5 August 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, 5 August 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 **Huntermville Rural Water Supply Management Sub-Committee Meeting held on 10 June 2024** are attached.

Attachments

1. **Huntermville Rural Water Supply Management Sub-Committee Meeting - 10 June 2024**

Recommendation

That the minutes of Huntermville Rural Water Supply Management Sub-Committee Meeting held on 10 June 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.

ITEM 6.1
MINUTES



ATTACHMENT 1

UNCONFIRMED: HUNTERVILLE RURAL WATER SUPPLY MANAGEMENT SUB-COMMITTEE MEETING

Date: Monday, 10 June 2024
Time: 4.00pm
Venue: Council Chamber
Rangitikei District Council
46 High Street
Marton

Present Mr Bob Crawford
Mr Mark Dawson
Mr John McManaway
Mr Sam Duncan
Cr Richard Lambert
Cr Fi Dalgety

In attendance Mr Arno Benadie, Chief Operating Officer
Mr Dave Tombs, Group Manager- Corporate Services
Mr Warren Pedley, Management and Systems Accountant
Ms Kezia Spence, Governance Advisor

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10.2 Late Item: Shared Services 5

Unconfirmed

1 Welcome

Mr Crawford opened the meeting at 4.00pm.

2 Apologies

Resolved minute number 24/HRWS/017

Apologies received from Sam Weston, HWTM and Greg Maughan

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

That an update on the Shared Services Agreement be included at the end of the meeting.

6 Confirmation of Minutes

Matters arising:

Andrew van Bussel to have the asset register completed by the end of the month.

The committee requested further information on their insurance for the scheme and that they want to know what is covered and the cost.

The committee discussed the Three Water reforms and how there are unknowns for the rural water schemes. The committee requested Sam Weston to contact chairs of the other schemes.

The approvals of the new units have been completed.

Resolved minute number 24/HRWS/018

That the minutes of Huntermville Rural Water Supply Management Sub-Committee Meeting held on 8 April 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.

Cr R Lambert/Mr M Dawson. Carried

7 Follow-up Actions

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

That item 2 be removed.

Resolved minute number 24/HRWS/019

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

Mr B Crawford/Mr J McManaway. Carried

8 Chair's Report

8.1 Chair's Report - June 2024

There was no report.

9 Reports for Decision

9.1 Operations Report-April 2024

Kiwi rail will no longer be paying for the costs associated. Mr van Bussel responded to questions that no materials have been purchased and therefore no associated costs.

The costs associated with the stretch of pipe at Horrocks line will come to the next committee meeting.

The committee thanked Mr van Bussel for all his work on the scheme over the years and for keeping the committee well informed.

Resolved minute number 24/HRWS/020

That the 'Huntermville Rural Water Supply – Operations Report June 2024' to the Huntermville Rural Water Supply Sub-Committee be received.

Mr M Dawson/Mr J McManaway. Carried

10 Reports for Information

10.1 Hunterville RWS - 2023/24 Financial Summary

Mr Tombs apologised that the changes on the attachment did not flow through to the commentary in the report.

Mr Tombs will email committee members what the penalty cost relates to.

The committee noted that the biggest risk is if they were to move to an entity is that they will not have the ability to access the cash that is currently in their account.

Mr Tombs responded to questions that the reticulation costs for staff were changed from CAPEX to OPEX as requested by the committee.

Resolved minute number 24/HRWS/021

That the report 'Hunterville RWS – 2023/24 Financial Summary' be received, noting that the figures in S2.1 are incorrect as they do not include late adjustments that have been made to the attached finance summary.

Cr R Lambert/Mr J McManaway. Carried

10.2 Late Item: Shared Services

Mr Benadie updated the committee that the shared services agreement with Manawatu District Council will end as of the 30 June and that there will be no changes to delivery of service as Mr O'Reilly will be coming across.

Mr van Bussel will be staying with Manawatu District Council, but all other water staff will be coming across.

The scheme noted that there should have been a report on the shared services agreement coming to an end and that this is a significant change for the scheme due to Mr van Bussel being the schemes liaison person.

The meeting closed at 4.41pm

The minutes of this meeting were confirmed at the Hunterville Rural Water Supply Management Sub-Committee held on 5 August 2024.

.....

Chairperson

Unconfirmed

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	10-Jun-24	The costs of Horrocks Line pipe	Andrew VB	This was not passed on before transition from MDC to RDC.	In progress
2	10-Jun-24	Asset register updated	Andrew VB	This is currently up to date from staff understanding	Completed

ITEM 8.1

8 Chair's Report

8.1 Chair's Report - August 2024

Author: Sam Weston, Chair

Authoriser:

1. Reason for Report

1.1 A verbal update may be provided by Mr Weston.

Attachments

Recommendation

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

9 Reports for Decision

9.1 Operations Report- August 2024

Author: Arno Benadie, Chief Operating Officer

1. This item is a placeholder. Staff will send the report out to committee members prior to the meeting.

Recommendation

That the 'Huntermville Rural Water Supply – Operations Report August 2024' to the Huntermville Rural Water Supply Sub-Committee be received.

10 Reports for Information

10.1 Huntermville 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 draft Operating Statement for the year ended 30 June 2024. These figures are in the process of being finalised and may change.

2. Commentary

2.1 This shows:

- 2.1.1 Operating Cash Surplus of \$105k
- 2.1.2 Capital Expenditure of \$26k
- 2.1.3 Annual Cash Surplus of \$79k
- 2.1.4 Notional Cash Reserves of \$786k at 30 June 2024

3. Capital Expenditure

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

Contractor Reticulation

Renewal upgrades (details provided at previous meeting)	\$7.3k
Rathmoy Fittings	\$1.3k
Station new pump	\$1.8k
GPS survey new pipe Horricks, Webs	\$1.8k
Mid Pump Station	\$5.0k
Control Box	\$2.4k
SP - Brackets and fittings (Lilburns river crossing)	\$5.5k
IOR – make pipework and fittings for river crossing	\$0.9k

Attachments:

1. **HRWS Finance Summary June 2024** [↓](#)

Recommendation 1

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

Hunterville Rural Water Scheme
Financial Statement 2023/24

Amounts are GST Exclusive

		12 Months Ended 30 June 2024 (draft)	Full Year Budget 2023/24	Full Year Actual 2022/23	Full Year Budget 2022/23
INCOME					
	Metered Charges	534,147	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	6,258	2,124	3,678	2,064
		540,405	534,603	546,631	524,172
EXPENSES					
	Phone rentals	3,086	2,376	2,488	2,328
	Electricity	250,183	234,504	258,969	229,452
	Insurance	25,478	20,592	23,011	20,598
	Rates - Utility	11,652	20,592	24,979	20,124
	Member Remuneration	3,130	0	570	0
	MDC Professional Services	0	1,212	0	1,176
	Operational Costs - Contractor	0	1,260	0	1,236
	Reticulation Costs - staff	120,768	19,488	7,875	19,056
	Treatment Costs - staff	612	0	0	0
	External Contractors	8,231	15,972	7,559	14,316
	Resource Consents	0	2,688	0	2,588
	Chemicals/consumables	0	3,696	0	3,612
	Materials/Other	12,514	13,200	5,723	12,900
		435,654	335,580	331,174	327,386
less	Depreciation	195,914	162,468	191,000	161,160
	Finance costs	9,019	2,318	0	0
	Internal Charges	172,438	160,932	140,563	143,582
	Accounting Surplus/(Deficit)	(272,620)	(124,377)	(116,106)	(107,956)
Add back	Depreciation	195,914	162,468	191,000	161,160
	Finance Costs	9,019	2,318	0	6,493
	Internal Charges	172,438	160,932	140,563	143,582
Plus	Notional Interest Income adj	0	0	7,247	0
	Operating Cash Surplus/(Deficit)	104,751	201,341	222,704	203,279
Capital Expenditure					
	Contractor - Reticulation	26,011	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
		26,011	46,800	256,735	46,800
	Cash Surplus/(Deficit)	78,740	154,541	(34,031)	156,479
	Notional Bank bf	707,546		741,577	
	Notional Bank cf	786,286		707,546	

ITEM 10.1 ATTACHMENT 1

11 Meeting Closed.