

MINUTES

COUNCIL HEARINGS MEETING

Date: Wednesday, 16 April 2025

Time: 9.30am

Venue: Council Chamber
Rangitikei District Council
46 High Street
Marton

Present

HWTM Andy Watson
Cr Dave Wilson
Cr Brian Carter
Cr Gill Duncan
Cr Richard Lambert
Cr Coral Raukawa
Cr Jeff Wong
Cr Simon Loudon
Cr Fi Dalgety
Cr Paul Sharland

In attendance

Mrs Carol Gordon, Chief Executive
Mr Arno Benadie, Deputy Chief Executive
Ms Leanne Macdonald, Group Manager – Corporate Services
Ms Katrina Gray, Group Manager – Strategy, Community and Democracy
Mr Michael Hodder, Advisor to the Chief Executive
Ms Kezia Spence, Governance Advisor

Order of Business

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5.1	Hearing of Submissions on the Local Water Done Well - Where's Water @ Rangitikei consultation	3

The Mayor opened the meeting at 9.30am and Cr Wong read the council prayer.

Resolved minute number 25/RDC/057

That the apologies were received from Cr Maughan and Cr Hiroa.

Cr P Sharland/Cr R Lambert. Carried

There were no conflicts of interest declared.

There was no change to the order of business.

The Mayor highlighted that the rules of 10 minutes speaking time.

Ian Rae – Submission 71

Mr Rae provided his notes as a tabled document to officers, these are included as an appendix with the minutes.

Mr Rae spoke of his experience with water CCO's and the failings of these across the country, however if a CCO were set up the importance of having experienced people involved throughout the process.

Summary of key questions from Elected Members and responses

Cr Wilson: You're highly critical of CCO's across the board because you mention different CCO's not just about water, is there a fundamental failing of CCO's? A fundamental issue with them?

Answer: Articles of the incorporations for each case are important, for example Watercare's first priority for Auckland Council was to return a profit, and this became a focus for them. Having a controlling interest is also important, even though Auckland Council is a major shareholder for Watercare they clearly do not have any influence, and this is a worry. The article of the incorporation

should be structured for shareholders such as a council to have a say. Even more important for this council is the impending electoral commission boundaries which is important to keep it tight as you can as part of a CCO.

Cr Duncan: You refer that the Wellington Model is seen as something working, how is that different?

Answer: This is set up as a regional council, it stands as a similar set up as a hospital board and members are elected the same way as councillors, this also comes down to expertise the CCO being set up get the skills on board. Making the comparison of Watercare which did nothing in terms of future proofing, Wellington Water in 20-year period-built reservoirs in Kapiti, created additional waster storage and two new treatment plants sourcing the Hutt River they are far a part in terms of performance.

Mayor: The makeup of the governance board, in current legislation, gives little description who has authority of strategy and pricing, any advice there?

Answer: No, but a matter of setting the CCO up for Council to be a major shareholder and being able to call the shots is important and this is where Auckland has failed. It all comes back to the articles of incorporation.

Cr Wilson: Confirming that in your submission the CCO as a body you are not opposed to, but how it is structured and the importance for ratepayers and council to have a voice within this?

Answer: If set up properly then there should not be a problem but as of recent times, no one has been able to work it properly. This is a fallback option; first preference is that council keeps it under its own control.

Resolved minute number 25/RDC/058

That the report Hearing of Submissions on the Local Water Done Well - Where's Water @ Rangitikei consultation be received.

Cr G Duncan/Cr C Raukawa. Carried

The meeting closed at 9.44am.

The minutes of this meeting were confirmed at the Ordinary Council Meeting held on 30 April 2025.

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Chairperson

Appendix – notes from Submitter 7

GOOD MORNING

FOR THOSE WHO DO NOT KNOW ME

I WAS BORN AND GREW UP IN TAIHAPE, BUT INITIALLY LEFT IN MY LATE TEENS TO STUDY CIVIL ENGINEERING AND HAVE BEEN IN CONSTRUCTION ALL MY WORKING LIFE

MY JOURNEY HAS SEEN ME INVOLVED IN THE TREATMENT AND STORAGE OF POTABLE WATER IN VARIOUS PARTS OF NZ AND MANAGING A NUMBER OF PROJECTS IN WASTEWATER, RANGING FROM PUTTING OTAKI ON TO SEWER IN THE 70'S TO EXTENSIONS TO AUCKLAND'S PURIFICATION WORKS, A NEW TREATMENT PLANT IN TE AROHA, AND MOST RECENTLY UPGRADING WAIOURU'S WASTEWATER PLANT

HOWEVER, I ALSO SPENT SEVEN YEARS IN A SENIOR ROLE WITH AUCKLAND CITY COUNCIL WHERE I BECAME FAMILIAR WITH THE CREATION OF CCO'S WHEN THE SUPER CITY WAS FORMED

SO MY MISSION HERE TODAY IS TO TRY AND CONVINCE YOU NOT TO RUN WITH THE CCO OPTION RECOMMENDED BY YOUR STAFF, TO SOLVE THE 3 WATER ISSUE BEFORE US

I REALISE THAT YOU HAVE MADE YOUR DECISION BASED ON THE INFORMATION GIVEN TO YOU, BUT I DO NOT BELIEVE THAT FORMING A CCO IS THE BEST OPTION FOR YOU OR THE RATEPAYERS

COUNCIL CCO'S DO NOT HAVE A GREAT RECORD IN RECENT TIMES, IN FACT I HAVE

ONLY FOUND ONE SUCCESS STORY AND THAT WAS QUAYSIDE HOLDINGS, A COMMERCIAL ARRANGEMENT BETWEEN Bay Of Plenty DIST COUNCIL AND PORTS OF TAURANGA

HOWEVER, IN THE SAME AREA WE HAD ROTORUA LAKES COUNCIL SET UP A CCO CALLED INFRACORE, IN 2015. TO DELIVER MAINTENANCE OF UTILITIES IN THE REGION.

HOWEVER, IT DID NOT WORK AND ITS FUNCTIONS HAVE RECENTLY BEEN MIGRATED BACK TO COUNCIL

LIKewise, WHEN THE SUPER CITY WAS FORMED IN AUCKLAND MOST OF THE OPERATIONAL FUNCTIONS WERE SET UP AS CCO'S

UNFORTUNATELY, THE FIRST TO FAIL BEING PANAKU HOLDINGS, THE COUNCIL PROPERTY ARM, WHICH IS IN THE PROCESS OF BEING MOVED BACK INTO AUCKLAND COUNCIL,

AND MOST OF YOU WILL BE AWARE OF THE MEDIA PUBLICITY ON AUCKLAND TRANSPORT'S POSITION.

AND LASTLY, I REFER YOU TO WATERCARE – SET UP MANAGE AUCKLAND'S WATER –

THIS HAS TURNED INTO A MONSTER WHICH AUCKLAND COUNCIL HAVE LITTLE CONTROL OVER – THEY PAY THE TOP SALARIES, CHARGE LIKE WOUNDED BULLS –

AS AN EXAMPLE, THEIR FEE TO CONNECT TO ANY NEW DWELLING COSTS SOMETHING LIKE \$20,000,

YET IN THE LAST 50 YEARS WHILE AUCLAND'S POPULATION HAS DOUBLED BUT THEY HAVE NOT MADE ANY INCREASE WHAT-SO-EVER IN WATER STORAGE

I WOULD LIKE FINISH BY

MAKING YOU AWARE OF CHRISTCHURCH CITY COUNCIL'S POSITION

WHEN THEY DID THE SAME DUE DILIGENCE, BUT A COMPLETELY DIFFERENT ANSWER

AND IF I CAN QUOTE THEIR SUMMARY

“A COUNCIL CONTROLLED ORGANISATION IS NOT ONLY DISTANCED FROM US BUT IS VERY EXPENSIVE TO SET UP AND PROBABLY VERY EXPENSIVE TO RUN.

YOU CAN BORROW MORE BUT YOU STILL HAVE TO PAY

IF I HAVE NOT BEEN ABLE TO CONVINCE YOU, AND YOU DO PROGRESS, WITH THE CCO OPTION, MY ONLY REQUEST IS THAT YOU ENGAGE EXPERIENCED LEGAL COUNSEL TO PUT TOGETHER THE ARTICLES OF INCORPORATION.

THERE IS A LADY LOCALLY WHO WAS A PARTNER IN KENSINGTON SWAN IN AUCKLAND OR I AM HAPPY TO RECOMMEND SIMPSON & CO, IN AUCKLAND, WHO ACTED FOR AUCKLAND COUNCIL,

SO, THEY WILL KNOW WHAT WORKS AND WHAT DOESN'T