

ORDER PAPER

EREWHON RURAL WATER SUPPLY MANAGEMENT SUB-COMMITTEE MEETING

Date: Tuesday, 3 June 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

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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, 3 June 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 4 March 2025** are attached.

Attachments

1. **Erewhon Rural Water Supply Management Sub-Committee Meeting - 4 March 2025**

Recommendation

That the minutes of Erewhon Rural Water Supply Management Sub-Committee Meeting held on 4 March 2025 **[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

ATTACHMENT 1

MINUTES



UNCONFIRMED: EREWHON RURAL WATER SUPPLY MANAGEMENT SUB-COMMITTEE MEETING

Date: Tuesday, 4 March 2025

Time: 4.00pm

Venue: Kokako Street Pavilion
2 Kokako Street
Taihape

Present

Mr Jock Stratton
Mr Peter Batley
Mr Barry Thomas
Mr Simon Plimmer (zoom)
Mr Paul McLaren
Mr Benjamin Mallalieu
Cr Jeff Wong (Alternative)
HWTM Andy Watson

In attendance

Mr Andrew van Bussell Water Supply Specialist
Mr Warren Pedley, Management and Systems Accountant
Mrs Leanne Macdonald, GM-Corporate Services
Mr Dene Smith, Taihape Plumbing
Ms Dawn Hesketh, Administration

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1 Welcome

2 Apologies

Resolved minute number 25/ERWS/001

That the apologies from Mr Geoff Duncan, Mr Steven Stoney and Cr Greg Maughan be received.

Mr B Thomas/Mr B Mallalieu. 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 25/ERWS/002

That the minutes of Erewhon Rural Water Supply Management Sub-Committee Meeting held on 3 December 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 B Thomas. Carried

7 Follow-up Actions

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

Mr McLaren asked if Mr Arno Benadie had followed up on the government funding for the Provincial growth fund.

HWTM A Watson had attended a Rural and Provisional meeting. He stated the grant money had virtually gone and ERWS was unlikely to receive any funding.

Mr A Benadie is to email Mr J Stratton with the outcome of potential funding.

Resolved minute number 25/ERWS/003

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

Mr P McLaren/Mr B Thomas. Carried

8 Chair's Report

8.1 Chair's Report - March 2025

There was no chair's report.

9 Reports for Information

9.1 ERWS Financial Summary - 2024/25

Mr W Pedley spoke to the report which is taken as read. The budget is proposed on raising the rates on the basis that ERWS are not planning any major work. If they are, Mrs L McDonald would adjust the forecast accordingly.

Mr W Pedley said the budget is as per what the council has adopted. Any money spent on consents is outside of the \$50,000 grant that has been approved by Council. If the money is not spent by June 2025 ERWS will need to apply to have it carried forward.

Mr J Stratton said ERWS had not allocated Capex funding as yet as they are still in the planning stage.

Ms L MacDonald said the maximum figure for CAPEX is \$50,000 . If more is left required the budget will need to be revised

Me S Plimmer asked what the expected time frame to consider a rate increase.

Ms L MacDonald replied that the Annual Plan planning was staring next week.

Ms L MacDonald spoke about depreciation and capital funding (CAPEX). At the end of the financial year she will be able to tell what CAPEX is left.

Resolved minute number 25/ERWS/004

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

Mr P McLaren/Mr B Mallalieu. Carried

Resolved minute number 25/ERWS/005

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.

Mr B Thomas/Mr P Batley. Carried

9.2 Operations Verbal Report- March 2025

Mr Smith said the scheme was operating fairly well, except for a couple of blow outs on Kelly Land Company. He has had to hire a welder. This line was renewed in approx. 2007 and it is the new pipe that is blowing. Mr Smith has asked Plumbing World for a price for 30 metre of pressure pipe.

He said the sluicing has been effective in clearing the lines.

The scheme entered public excluded during this item.

Resolved minute number 25/ERWS/006

That the public be excluded from the following parts of the proceedings of this meeting.

1. Operations Verbal Report - March 2025

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the *Local Government Official Information and Meetings Act 1987* for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
0.0 - Operations Verbal Report - March 2025	s7(2)(h) - Commercial Activities s7(2)(i) - Negotiations	s48(1)(a)(i)

This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interests protected by Section 6 or Section 7 of the Act which would be prejudiced by the holding or the whole or the relevant part of the proceedings of the meeting in public as specified above.

Mr J Stratton/Mr B Thomas. Carried

The meeting went into open session

Resolved minute number 25/ERWS/007

That the public excluded meeting move into an open meeting,

Mr J Stratton/Mr B Thomas. Carried

Mr van Bussell reported the ATV side by side is costing a lot of money in repair work. Council own this vehicle as part of the general fleet but ERWS pay the maintenance.

Mr van Bussell is to discuss with Mr Benadie options for the purchase and operating costs of a new ATV side by side.

Resolved minute number 25/ERWS/008

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

Mr B Mallalieu/Mr B Thomas. Carried

9.3 Update on Recommendations from the Erewhon Rural Water Scheme

Council received the following update from Council:

- Council approved and accepted the letter of Engagement from the AgFirst organisation, including the approval of the schedule of charges for the consent consultation
- 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.
- 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

Some discussion took place regarding the standard glossary terms which has been presented by Ms L MacDonald

Resolved minute number 25/ERWS/009

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

Mr S Plimmer/Mr P Batley. Carried

The meeting closed at 6.00pm

The minutes of this meeting were confirmed at the Erewhon Rural Water Supply Management Sub-Committee held on 3 June 2025.

.....
Chairperson

7 Chair's Report

7.1 Chair's Report - June 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 –June 2025 be received.

ITEM 7.1

8 Reports for Decision

8.1 Operations Report - June

Author: Andrew van Bussel, Water Supply Specialist

1. Reason for Report

1.1 This report outlines my recommendations for the scheme

2. AC pipe background

Asbestos cement (AC) was used extensively within the pipe network following the Second World War, particularly in the 1960s and 1970s. Asbestos cement pipes were an integral part of infrastructure investment in New Zealand until 1986, when manufacture and installation of AC pipes ceased. AC water pipes are common, not only throughout New Zealand, but across the world.

AC pipe failure rates can be contributed by the following

- Water Ph, alkalinity and temperature.
- Langelier index of the water
- Soil type (pH and alkalinity)
- Soil moisture
- Ground stability
- Pipeline water pressure and fluctuations.
- Original installation issues.
- Correct pipe class for pressure in line.

With water and soil Ph, langelier index, temperature, influences softening of the pipe surfaces causing dissolving of the cement in pipe material causing pipe failure.

1. The science around the failure rates to AC pipe, when to replace pipe is not an exact science. After reading previous Erewhon Rural Water Supply reports and other AC pipe condition reports, being involved with the scheme for the last twenty years and other schemes. With consideration to information gathered by our Maintenance Contractor and his views about what is happening on the scheme. Also having discussion with other network providers. It is my view not to take up the offer for WSP to carry out a condition assessment on the existing AC pipe in the network, at this time.

2. Also Taking in consideration what Rangitikei District Council may look like, due to water reforms (Local Water Done Well) and what is best for the Scheme and their Consumers.

3. By the end of 2024/2025 financial year, the scheme should have over \$180,000.00 in reserves.

It is my view to carry on with following until we know more.

3. Scheme project options

3.1 The scheme committee has engaged AG first to start the reconsenting process for our water take which needs to be submitted by 01/01/2027. Costs are uncertain at this stage. This project we have no choice but to keep progressing and to have consent lodged by 01/01/2027. An updated report will be tabled at meeting.

3.2 The pipe bridge crossing the Rangitikei River is a critical asset of the scheme and will take some time to reinstate if a major failure occurs. It is my recommendation to carry out a condition inspection. This report will contain the following

ITEM 8.1

3.2.1 A pre health and safety assessment and risk audit.

3.2.2 A drone survey.

3.2.3 A desk top assessment carried out by a structural Engineer of the drone footage, this will involve condition assessment, grading, and details of defects.

3.2.4 Provide recommendations for remedial actions to restore pipe bridge to a suitable condition.

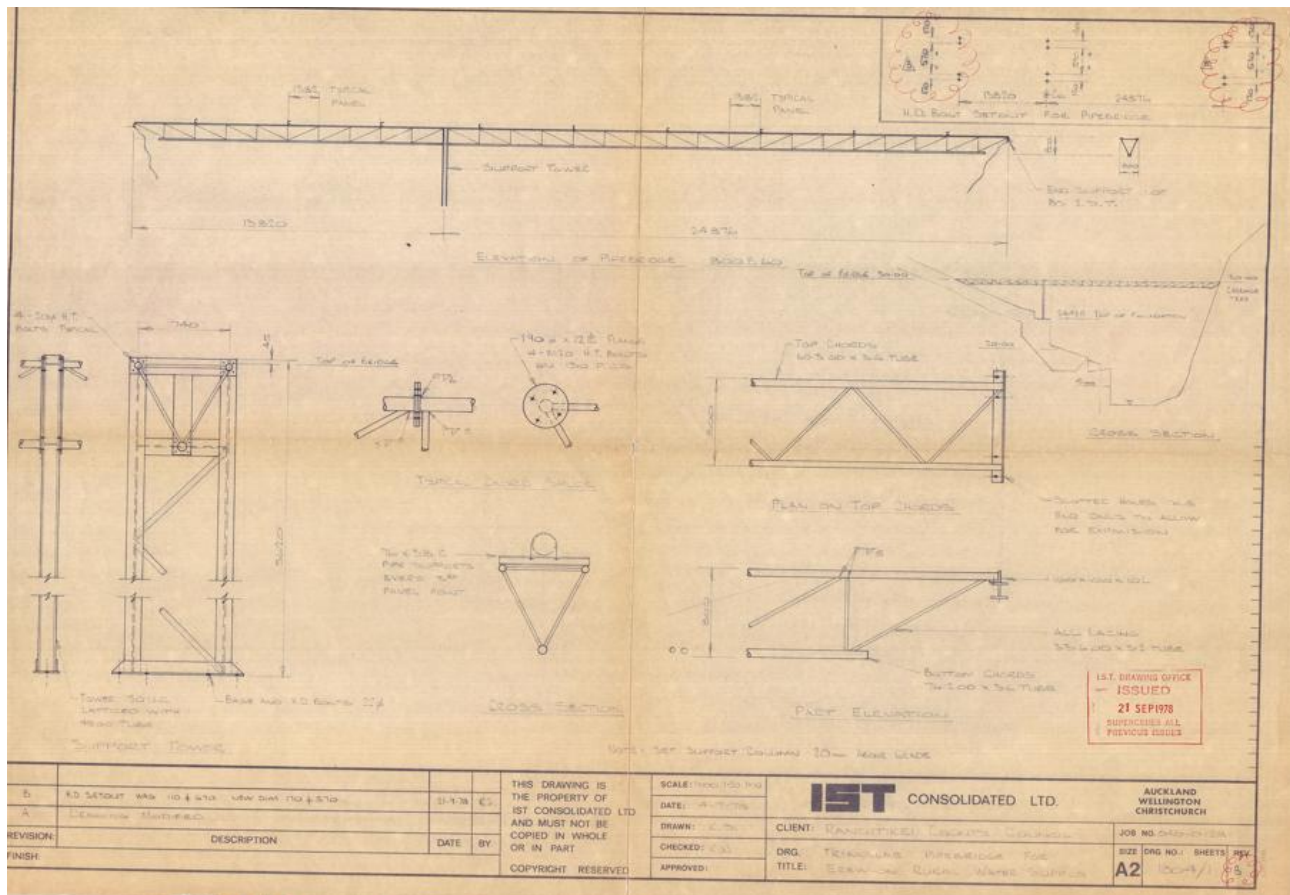
3.2.5 At this stage estimates have come in at \$15,000.00



4. GPS coordinates

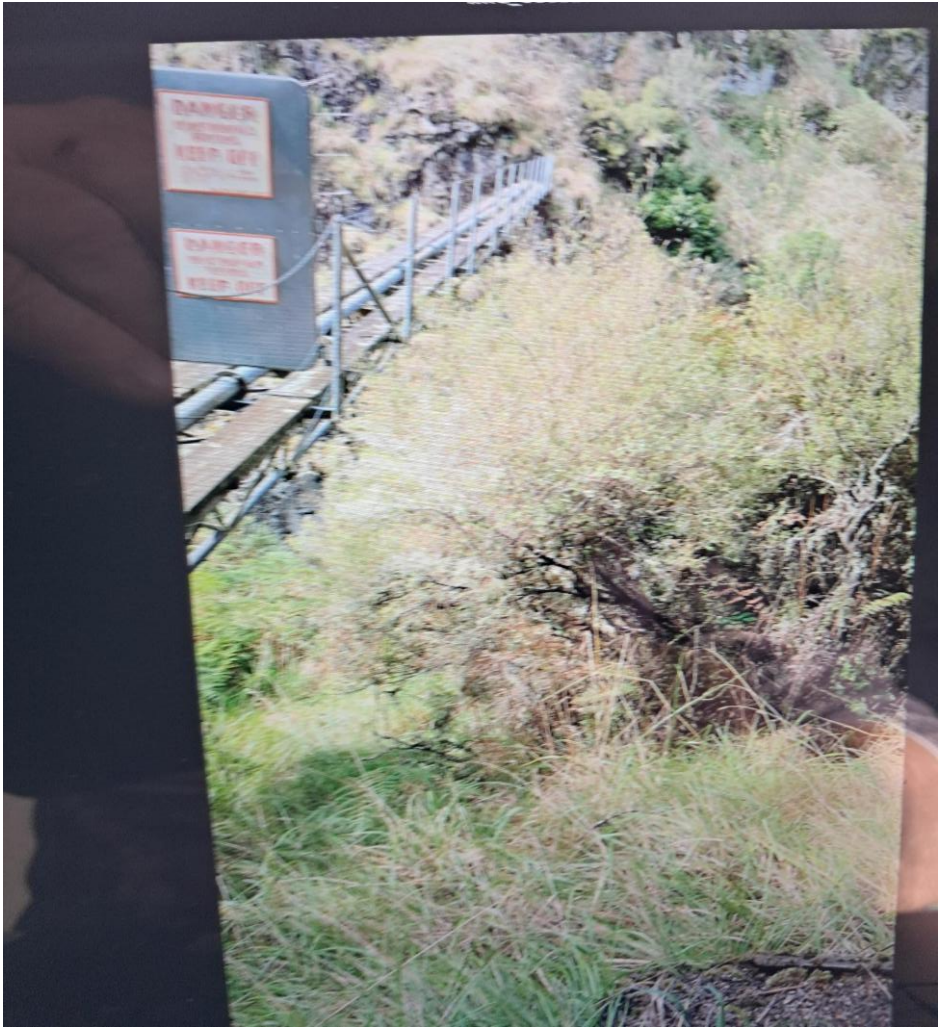
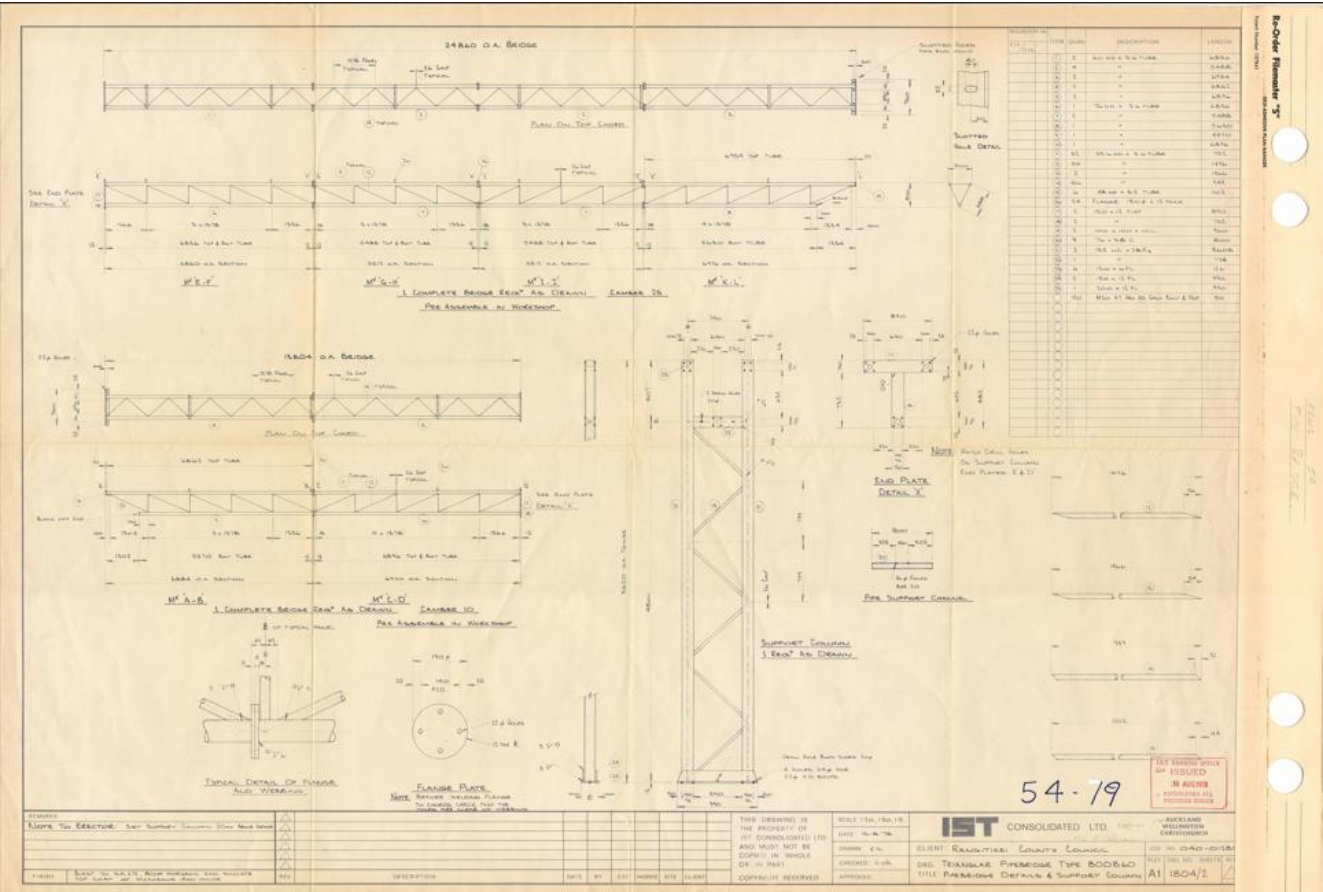
5. -39.583220, 176.052547

ITEM 8.1



6.

ITEM 8.1



4. Pipe renewals

- 4.1 Pipe replacement at Kelly land CO from below rim rock to stream and up the other side total length 550m of 50mm diameter ID, 3500 kpa pressure rating PE pipe. Engineers estimate \$40,000.00. This estimate is on the high side due to the pipe needing to be 35 bar and without seeking firm quotes.



- 4.2 Manguahine from main track through to swamp area and up to the base of RIM rock total length of 275m of 80mm ID 3000 kpa pressure rated PE pipe. Engineers estimate \$38,000.00 this estimate is on the high side due to the pipe needing to be 30 bar and without seeking firm quotes.



- 4.3 Mangaohine river face a continuation of the last project on this line. Consisting of 800m of 125mm ID starting at 1700kpa and finishing up at 3500kpi pressure rated pipe. More engineering is required to select the right pipe and install methodology etc. Costs TBC at next meeting



5. Operations and Maintenance report

- 5.1 The scheme has been running well generally.
- 5.2 Work carried out on scheme
- 5.2.1 Monthly checks carried out
 - 5.2.2 Four monthly checks carried out
 - 5.2.3 Monthly line flushing carried out
 - 5.2.4 Repaired leak on Kelly line (in the same area of proposed renewal)
 - 5.2.5 Repaired leak on Mangaohine station (in the same area of proposed renewal)
 - 5.2.6 Denne and Andrew spent the day investigating pipe replacement alignments and confirming water pressure data.

6. Scheme intake flow data

- 6.1 Will be tabled, waiting on data from Horizons

7. Side by side ATV Proposal

- 7.1 Council owns a Rhino side by side which is over 15 years old this plant resides in Taihape at the reservoir site. Our maintenance contractor uses this to carry out operational tasks and repairs on the scheme. This side by side is now unreliable and Council doesn't want to replace. We have looked at other options.

- 7.2 Received verbal quotes for day hire of an ATV
 - 7.2.1 Keown Honda Wanganui \$250-300/day pending on size and duration plus GST and fuel
 - 7.2.2 Paragon motorcycles \$300/day plus GST and fuel.
 - 7.2.3 AFC Motorcycles Taihape \$300/day plus GST and fuel
- 7.3 Denne Smith is proposing to supply a side by side with a day hire cost of \$200.00 per/day plus GST and fuel, at this stage this is our preferred option.

Recommendation

That the Operations Report – June be received.

Recommendation

That the Erewhon Rural Water Scheme committee undertake a condition inspection at the cost of \$_____

Recommendation

That the Erewhon Rural Water Scheme committee confirm the day hire of _____

ITEM 8.2

8.2 Erewhon RWS - 2024/25 YTD Financial Summary

Author: Warren Pedley, Manager Finance and Partnerships

Authoriser: Leanne Macdonald, Group Manager - Corporate Services

1. Reason for Report

1.1 This Report provides the Operating Statement for the period ended 30 April 2025.

2. Commentary

2.1 This shows:

2.1.1 Operating Cash Surplus of \$67k YTD

2.1.2 Capital Expenditure of \$5k YTD

2.1.3 Notional Cash Reserves of \$76k as at 30 April 2025

3. Discussion and Options Considered

3.1 Nil as for information only.

4. Financial Implications

4.1 On track to OPEX budget for the year. The Capital budget will be under-spent in this financial year.

5. Impact on Strategic Risks

5.1 Nil, considered as part of the Long-term Planning.

6. Strategic Alignment

6.1 Nil, considered as part of the Long-term Planning.

7. Mana Whenua Implications

7.1 Considered as part of Rangitīkei District Council's full 2024-34 Long Term Plan

8. Climate Change Impacts and Consideration

8.1 Considered as part of Rangitīkei District Council's full 2024-34 Long Term Plan

9. Statutory Implications

9.1 Nil.

10. Conclusion

10.1 Monthly report attached for consideration

Attachments:

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

Recommendation 1

That the report 'ERWS Financial Summary - April 2025' be received and approved.

ITEM 8.2

ATTACHMENT 1

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

	Apr-25			2023/24
	YTD Actual Apr 25	YTD Budget Apr 25	Full Year Budget	Actual
OPERATING INCOME				
Metered Charges	162,197	162,194	324,393	324,393
	162,197	162,194	324,393	324,393
OPERATING EXPENSES				
Contractors and Prof Services	64,102	82,877	96,154	66,948
Professional Services MDC	0	5,629	6,087	10,630
Rates	8,310	0		6,664
Erewhon Waterboard Lease	2,931	6,210	7,455	0
Resource Consents	0	1,240	1,489	0
Telephone Costs	630	535	641	695
Materials	0	272	704	5,388
Insurance	15,393	9,419	17,590	16,200
Finance Costs	3,473	3,560	4,274	4,634
	94,839	109,742	134,394	111,159
Depreciation	134,019	132,320	160,823	155,330
Internal Charges	78,164	83,671	101,872	93,693
Accounting Surplus/(Deficit)	(144,825)	(163,539)	(72,696)	(35,789)
Add back				
Depreciation	134,019	132,320	160,823	155,330
Internal Charges	78,164	83,671	101,872	93,693
Operating Cash Surplus / (Deficit)	67,358	52,452	189,999	213,234
Capital Expenditure	5,412	317,081	378,100	177,651
Available Finance				
Funding Surplus / (Deficit) b/f	13,932	13,932	13,932	(21,651)
Operating Cash Surplus / (Deficit)	67,358	52,452	189,999	213,234
Capital Expenditure	(5,412)	(317,081)	(378,100)	(177,651)
Funding Surplus/(Deficit) c/f	75,878	(250,697)	(174,169)	13,932
Book Value of Fixed Assets				
As at 1 July	4,520,241	4,520,241	4,520,241	4,497,920
Additions	5,412	317,081	378,100	177,651
Depreciation	(134,019)	(132,320)	(160,823)	(155,330)
Current	4,391,634	4,705,002	4,737,518	4,520,241

9 Discussion Items

9.1 Local Water Done Well

Author: Michael Hodder, Advisor to the Chief Executive

1. Reason for Report

- 1.1 This item is included to allow officers and committee members to receive updates on Local Water Done Well.

Recommendation

If needed:

ITEM 9.1

10 Public Excluded

Resolution to Exclude the Public

The meeting went into public excluded session [enter time](#)

Recommendation

That the public be excluded from the following parts of the proceedings of this meeting.

- 1 Erewhon Rural Water Supply Management Sub-Committee Meeting - 4 March 2025
2. Contractor Update

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the *Local Government Official Information and Meetings Act 1987* for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
10.1 - Erewhon Rural Water Supply Management Sub-Committee Meeting - 4 March 2025	To confirm the public excluded minutes at the 04 March meeting.	S48(1)(a)
10.2 - Contractor Update	To receive an update from the contractor on work, this report includes financial figures within the contract. s7(2)(h) - Commercial Activities	s48(1)(a)(i)

This resolution is made in reliance on Section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interests protected by Section 6 or Section 7 of the Act which would be prejudiced by the holding or the whole or the relevant part of the proceedings of the meeting in public as specified above.

11 Open Meeting