

ORDER PAPER

EREWHON RURAL WATER SUPPLY MANAGEMENT SUB-COMMITTEE MEETING

Date: Tuesday, 2 June 2026
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 Jeff Wong
Cr Diana Baird (Alternative)
HWTM Andy Watson (Ex-Officio)

For any enquiries regarding this agenda, please contact:

Kezia Spence, Governance Advisor, 0800 422 522 (ext. 917), or via email

kezia.spence@rangitikei.govt.nz

Contact:	0800 422 522 info@rangitikei.govt.nz www.rangitikei.govt.nz (06) 327 0099				
Locations:	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <u>Marton</u> Head Office 46 High Street Marton </td> <td style="width: 50%; vertical-align: top;"> <u>Bulls</u> Bulls Information Centre Te Matapihi 4 Criterion Street Bulls </td> </tr> <tr> <td colspan="2" style="text-align: center; vertical-align: top;"> <u>Taihape</u> Taihape Information Centre 102 Hautapu Street (SH1) Taihape </td> </tr> </table>	<u>Marton</u> Head Office 46 High Street Marton	<u>Bulls</u> Bulls Information Centre Te Matapihi 4 Criterion Street Bulls	<u>Taihape</u> Taihape Information Centre 102 Hautapu Street (SH1) Taihape	
<u>Marton</u> Head Office 46 High Street Marton	<u>Bulls</u> Bulls Information Centre Te Matapihi 4 Criterion Street Bulls				
<u>Taihape</u> Taihape Information Centre 102 Hautapu Street (SH1) Taihape					
Postal Address:	Private Bag 1102, Marton 4741				
Fax:	(06) 327 6970				

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, 2 June 2026 at 4.00pm.

Order Of Business

1	Welcome	4
2	Apologies	4
3	Public Forum	4
4	Conflict of Interest Declarations	4
5	Confirmation of Order of Business	4
6	Confirmation of Minutes	5
	6.1 Confirmation of Minutes	5
7	Chair's Report	11
	7.1 Chair's Report - June 2026.....	11
8	Reports for Information	12
	8.1 Erewhon RWS - Financial Summary - Year to Date 30 April 2026.....	12
	8.2 Operations Report - June 2026	15
9	Meeting Closed.	17

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 3 March 2026** are attached.

Attachments

1. **Erewhon Rural Water Supply Management Sub-Committee Meeting - 3 March 2026**

Recommendation

That the minutes of Erewhon Rural Water Supply Management Sub-Committee Meeting held on 3 March 2026 **[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: EREWHON RURAL WATER SUPPLY
MANAGEMENT SUB-COMMITTEE MEETING**

Date: Tuesday, 3 March 2026

Time: 4.00pm

Venue: Kokako Street Pavilion
2 Kokako Street
Taihape

Present Mr Jock Stratton
Mr Peter Batley
Mr Simon Plimmer
Mr Paul McLaren
Mr Benjamin Mallalieu
Cr Jeff Wong

In attendance Cr Diana Baird
Mr Dene Smith
Mr Danny Hopkins
Mr Warren Pedley, Manager Finance and Partnerships (Zoom)
Ms Kezia Spence, Governance Advisor

Order of Business

1	Welcome	3
2	Apologies	3
3	Public Forum	3
4	Conflict of Interest Declarations	3
5	Confirmation of Order of Business	3
6	Confirmation of Minutes	3
7	Chair’s Report	4
7.1	Chair's Report - March 2026.....	4
8	Reports for Information	4
8.1	Erewhon RWS - Financial Summary - Year to Date 31 January 2026.....	4
8.2	Operations Report – March.....	5

Unconfirmed

7 Chair's Report

7.1 Chair's Report - March 2026

There was no chair's report.

8 Reports for Information

8.1 Erewhon RWS - Financial Summary - Year to Date 31 January 2026

Mr Pedley introduced the report noting there are significant costs relating to contractors and services, expected to more than double compared to last year. This increase is largely driven by ongoing repairs and maintenance across the network, including continuation repairs and 4x4-related work, with approximately \$134,000 attributed to maintenance contractors. The Aorangi payment of \$1,250 per quarter (CPI adjusted) was also noted. Concerns were raised about being over budget, with no financial projections completed to date. Mr Pedley advised he would provide a more detailed breakdown of costs following further discussions with Mr van Bussel particularly in relation to increased repairs on the network.

Mr Smith highlighted that repairs have focused on key areas, including Pukerimu and ongoing works in the Mangaohane areas, with additional high-priority sections identified, though potentially expensive. Costs associated with sluicing (approximately \$3,500 monthly), leak repairs, and operational expenses such as side-by-side vehicle use (around \$200 per day) were noted as contributing to budget pressures. Mr Pedley will further analyse and report back to Mr Stratton regarding these concerns.

In relation to rate setting, it was noted that this is based on a three-year capital programme, with little capital expenditure undertaken in recent years. A potential overdraft position of \$108,000 was discussed, which could be covered by Council, though this would require a formal recommendation and agreement, including repayment terms and possible interest at Council cost. The committee discussed whether to proceed with the capital expenditure (CAPEX) programme, noting a lack of clear direction from the previous meeting. Scheme users are seeking greater certainty, and a rates increase was discussed as a possible mechanism to accelerate planned works. It was agreed that a longer-term plan (including the 10-year plan) should be revisited, prioritising high-leak areas that are costly to maintain, such as sections in the Hanna Block, where multiple failures have occurred despite no renewals in the past 18 years.

The need for a structured and disciplined approach was emphasised, including obtaining quotes, setting timelines, and developing a clear plan before engaging with Council and scheme users. Key projects identified include works in Pukerimu (from the bridge upstream), Kelly Line, Mangaohane Swamp, sections above the river, and areas from Pukerimu yards down to the Rangitikei River. It is intended that some or all of these projects be scoped and quoted to support funding discussions

with Council and enable work to commence early the following summer. Obtaining quotes from contractors and having them independently reviewed was recommended.

It was noted that if the committee enters a deficit position, engagement with Council and clear communication with scheme users will be required, particularly if rates are to increase. Any proposed rate increase must be well justified and communicated. A reminder regarding the potential rates increase will be included in the December meeting agenda.

Cr Baird left the meeting at 5:00pm.

Resolved minute number 26/ERWS/003

That the report 'ERWS Financial Summary – Jan 2026 be received and approved.

Mr S Plimmer/Mr P McLaren. Carried

Resolved minute number 26/ERWS/004

That the Erewhon Rural Water Scheme Committee do not increase rates for the 2026/27.

Mr P McLaren/Mr P Batley. Carried Unanimous

8.2 Operations Report – March

Mr Smith provided an operational update, noting that the scheme is generally progressing well, although there has been a continued run of repairs. Discussion included the treatment of certain pipe-related costs and whether these should be coded as CAPEX or maintenance, with a follow-up action to confirm correct coding.

A request for a quote for the Mangaohane Swamp project from Mr van Bussel was noted as a follow-up action.

The meeting moved into public excluded at 5:26pm to discuss matters relating to privacy and negotiations, including staff pay rates.

The Mayor arrived at 5.36pm.

The meeting moved out of public excluded at 5:40pm.

Resolved minute number 26/ERWS/005

That the Operations Report – March be received.

Mr J Stratton/Mr P McLaren. 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 2 June 2026.

.....

7 Chair's Report

7.1 Chair's Report - June 2026

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 2026 be received.

8 Reports for Information

8.1 Erewhon RWS - Financial Summary - Year to Date 30 April 2026

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 2026.

2. Commentary

2.1 This shows:

2.1.1 Operating Cash deficit of \$26.5k for the period ended 30 April 2026

2.1.2 Capital Expenditure of \$6.2k for the period ended 30 April 2026

2.1.3 Notional Cash Reserves of \$171.7k as at the 30 April 2026

3. Discussion and Options Considered

3.1 At the last meeting Officers have presented the draft 2026/27 Annual Plan which resulted in the committee electing not to increase rates next year. Pending further analysis of Contractor and Professional Service costs (which has now been provided) and uncertainty around the capital plan, the rest of the budget was not approved. This matter now needs to be closed

3.2 The revised draft 2026/27 Annual Plan is presented in the attached report reflecting amendments to the capital plan and Contractor and Professional Services costs.

3.2.1 Capital expenditure for 2026/27 reflects the approval of the \$5m Council loan being available in order to go to tender for the capital programme of work. While Council is aware the \$5m may not be required in full next year, the figure needs to be available in order that the committee can go to tender for the full programme of work to gain the best opportunities.

3.2.2 Once a price and the timing of the proposed capital programme has been accepted, the Annual budget can be revised to reflect the phasing of the programme. Subsequent Annual Plans will reflect timing for balance of the programme and also the repayment of the loan schedule (yet to be confirmed) and the cost of funds.

3.2.3 Contractor and Professional Service costs for 2026/27 have been revised to reflect a budget more consistent with the 2025/26 current run rate.

4. Financial Implications

4.1 Nil

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 2026** [↓](#)

Recommendation

That the report 'ERWS Financial Summary – April 2026 be received and approved.

ITEM 8.1 ATTACHMENT 1

Erewhon Rural Water Scheme
Operating Statement
YTD 30 April 2026

	Apr-26			2024/25	2026/27
	YTD Actual	YTD Budget	Full Year Budget	Actual	Draft Budget
OPERATING INCOME					
Metered Charges	162,197	162,194	324,388	324,393	324,388
Interest	0	0	0	522	0
RDC Grant for Asset replacement	0	0	50,000	0	0
	162,197	162,194	374,388	324,915	324,388
OPERATING EXPENSES					
Contractors and Prof Services	164,254	81,860	98,271	89,616	197,105
Rates	10,022	7,550	9,064	8,310	10,663
Erewhon Waterboard Lease	2,057	6,350	7,623	11,907	4,244
Resource Consents	0	1,270	1,524	0	0
Telephone Costs	0	630	756	658	0
Materials	78	600	720	0	738
Insurance	12,283	17,240	20,696	18,517	15,477
Finance Costs	0	3,280	3,938	0	0
	188,694	118,780	142,592	129,008	228,227
Depreciation	147,465	145,840	175,079	160,837	266,061
Internal Charges	0	0	0	99,733	0
Accounting Surplus/(Deficit)	(173,962)	(102,426)	56,717	(64,663)	(169,900)
Add back					
Depreciation	147,465	145,840	175,079	160,837	266,061
Internal Charges	0	0	0	99,733	0
Operating Cash Surplus / (Deficit)	(26,497)	43,414	231,796	195,907	96,161
Capital Expenditure	6,205	330,220	396,267	5,412	5,000,000
Available Finance					
Funding Surplus / (Deficit) b/f	204,427	204,427	204,427	13,932	293,049
Operating Cash Surplus / (Deficit)	(26,497)	43,414	231,796	195,907	96,161
Capital Expenditure	(6,205)	(330,220)	(396,267)	(5,412)	(5,000,000)
Funding Surplus/(Deficit) c/f	171,725	(82,379)	39,956	204,427	(4,610,790)
Book Value of Fixed Assets					
As at 1 July	5,404,261	5,404,261	5,404,261	4,520,241	5,625,449
Additions	6,205	330,220	396,267	5,412	5,000,000
Depreciation	(147,465)	(145,840)	(175,079)	(160,837)	(266,061)
Revaluations				1,039,445	-
Current	5,263,001	5,588,641	5,625,449	5,404,261	10,359,388

8.2 Operations Report - June 2026

Author: Andrew van Bussel, Water Supply Specialist

1. Reason for Report

1.1 Maintenance carried out in the last Three months this is what has been invoiced (some invoices where not recorded when this was written)

- Scheduled checks were carried over this period
- Weir screens were cleaned out, this is an annual activity Denne to update
- Repaired leak on Pukerimu
- Replaced valve box lid at Smyths Hutt
- Carried out flushing sluices (this activity frequency has been reduced by half and will monitor scheme operation for 12 months and report back to committee)

Erewhon Rural Water Supply Pipe renewals for this year

Kelly land

Ducting pipe has been installed under stream, waiting on 50mm id PE pipe to be manufactured and tested before we will order pipe for this renewal project to be carried out.

Mangohine swamp

Pipe has been delivered, this pipe has been welded together, waiting on digger contractor to help install pipe with Denne

Denne could update at meeting

Resource consent progress

Hi Andrew,

Further to our conversation, below is a brief overview of where things are at with the consent application process.

The data collation from the continuous monitoring sensor is taking longer than expected. The unseasonal summer didn't help, with the equipment staying in longer, to try and capture low flows. Nathan is still to provide Laura with data she can use to start her assessment. I have been following up on this. Laura has indicated that she hopes she can get the data in time to provide an advice memo by 30 June, otherwise she may need to look at a contract extension.

I had a Teams meeting with Suz and Shaina from Ngāti Whitikaupeka on 5 May as an update on where things were at. They are still happy with how things are progressing from our end but indicated that they would likely want a Cultural Impact Assessment completed, which is a standard process.

I caught up with Levi Waldron over the phone, end of April, around comms with Ngāi Te Ohuake as we've had no luck communicating with Richard Steedman to date (understand he is snowed under

ITEM 8.2

the treaty settlement process). He was going to check in around this but have not heard back. Suz from Ngāti Whitikaupeka has also been trying to help in this space, but I have heard nothing.

Juliet to contact Robert Martin, to see if he can help.

Any questions, or if any further information needed, let me know.

Ngā mihi,

Juliet

Bridge maintenance

Will supply a works program and costings for maintenance to Rangitikei bridge crossing at next meeting.

Thanks Andrew van Bussel

Recommendation

That the Operations Report – June 2026 be received.

9 Meeting Closed.