

ORDER PAPER

EREWHON RURAL WATER SUPPLY MANAGEMENT SUB-COMMITTEE MEETING

Date: Tuesday, 1 September 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
Cr Jeff Wong
Cr Diana Baird (alternate)
HWTM Andy Watson (Ex-Officio)

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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, 1 September 2026 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: Petra Fleming, Governance Advisor

1. Reason for Report

- 1.1 The minutes from **Erewhon Rural Water Supply Management Sub-Committee Meeting held on 2 June 2026** are attached.

Attachments

1. **Erewhon Rural Water Supply Management Sub-Committee Meeting - 2 June 2026**

Recommendation

That the minutes of Erewhon Rural Water Supply Management Sub-Committee Meeting held on 2 June 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

ATTACHMENT 1

MINUTES



RANGITIKEI
DISTRICT COUNCIL
Making this place home.

UNCONFIRMED: EREWHON RURAL WATER SUPPLY MANAGEMENT SUB-COMMITTEE MEETING

Date: Tuesday, 9 June 2026
Time: 4.00pm
Venue: Kokako Street Pavilion
2 Kokako Street
Taihape

Present

- Mr Peter Batley
- Mr Geoff Duncan
- Mr Barry Thomas
- Mr Simon Plimmer
- Mr Benjamin Mallalieu
- HWTM Andy Watson
- Cr Jeff Wong
- Cr Diana Baird (zoom)

In attendance

- Mr Calum Wilbur, Senior Accountant (zoom)
- Mr Andrew van Bussel, Water Supply Specialist (zoom)
- Mr Brent Manning, Contractor Assets
- Mr Dean Smith, Taihape Plumbing
- Ms Dawn Hesketh, Administration

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Unconfirmed

1 Welcome

Mr Duncan opened the meeting at 4.00pm

2 Apologies

Resolved minute number **26/ERWS/006**

That the apologies from Jock Stratton and Paul McLaren be received.

Mr P Batley/Mr B Thomas. 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 were no changes to the order of business.

6 Confirmation of Minutes

Resolved minute number **26/ERWS/007**

That the minutes of Erewhon Rural Water Supply Management Sub-Committee Meeting held on 3 March 2026 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 Batley/Mr B Mallalieu. Carried

7 Chair's Report

7.1 Chair's Report - June 2026

There was no chair's report.

8 Reports for Information

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

Officers spoke to the report, noting that the budget needed to be finalised at this meeting.

The committee will develop the upcoming programme and distribute the \$5 million budget as needed.

There is no change to the meter charge rate for the year. Mr Duncan asked how the valuation had been done, Officers noted it had been done by an outside agency.

Officers noted there had been some quite major issues and leaks that had been dealt with in the last year.

Resolved minute number 26/ERWS/008

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

Mr S Plimmer/Mr B Thomas. Carried

8.2 Operations Report - June 2026

Mr van Bussel spoke to his report, and is hoping to get some 50mm pipe in the next couple of months.

Mr Smith stated he would be doing some bridge maintenance and cutting back trees to allow air to get in to enable the area to dry out.

Mr van Bussel would report back at the next meeting about contractors and the right planking to repair the bridge.

Mr Smith suggested getting in a digger during the summer period to clear weeds and other vegetation at the uptake.

HWTM said resource consent from Horizons would be needed. Mr van Bussel and Mr Smith would discuss this further. Mr van Bussel will consult with Horizons and also thinks iwi should be involved.

HWTM spoke about the effect of three waters reform on the scheme.

Mr Smith spoke about a leak in early May on Kaingaroa caused by a digger with the pipes close to the surface. Mr Smith and Mr van Bussel would discuss this. A reminder to landowners re obligation with digging will be sent out with the next rates demand.

Mr Manning spoke regarding his assessment of the scheme so far. He will collaborate with Mr Van Bussel to develop a procurement plan and outline recommendations for projects like the bridge requirement.

HWTM left the meeting at 4:50pm.

ITEM 6.1

ATTACHMENT 1

With the council-wide drinking water assessment complete, the finalised draft will now be submitted to the council and subsequently released to the public.

The Erewhon Rural Water Supply will be classed as mixed use as 50% or more is used for agriculture.

Resolved minute number 26/ERWS/009

That the Operations Report – June 2026 be received.

Mr P Batley/Mr B Mallalieu. Carried

The meeting closed at 5.00pm

The minutes of this meeting were confirmed at the Erewhon Rural Water Supply Management Sub-Committee held on 1 September 2026.

.....
Chairperson

7 Reports for Information

7.1 Erewhon Scheme Information

Author: Geoff Duncan, Erewhon Rural Water Scheme

1. Summary

- 1.1 The Erewhon Rural Water Scheme (ERWS) is a gravity-fed rural water supply scheme sourcing water from the Reporoa Stream/Bog at an elevation of approximately 1,100 metres. The scheme supplies approximately 1,550 cubic metres of water per day and was commissioned in 1980 under the former Taihape Borough Council.
- 1.2 The scheme is administered by Rangitīkei District Council (RDC) on behalf of scheme users and is supported through a combination of user charges and Council administration.

2. Scheme Overview

Item	Details
Scheme Name	Erewhon Rural Water Scheme (ERWS)
Water Source	Reporoa Stream/Bog
Supply Type	Constant Flow/Gravity Fed
Approximate Daily Supply	1,550m ³ per day
Source Elevation	Approximately 1,100 metres
Commissioned	1980
Current RDC Book Value	\$5,301,305 (as of 1 July 2025)
Financial Year	1 July – 30 June
Current Resource Consent Expiry	1 July 2027
The first water storage tank on each connected property (the supply tank) is owned by the Scheme.	

3. Historical Information

- 3.1 Scheme-related reports, resource consent information, and historical records can be accessed through the Rangitīkei District Council website:
- 3.2 **Current Scheme Information**
- 3.3 Council → Meetings – Council and Committees → Rural Water Supply → Erewhon
- 3.4 **Historical Records**
- 3.5 Home → Council → About Council → Archives → RDC Archives → Erewhon
- 3.6 Additional background information is available within the document titled *Historical Context*, attached to the 29 September 2021 Order Paper.

4. Understanding User Charges

4.1 Scheme users are invoiced six-monthly based on their allocated water units.

Example	
Description	Calculation
Allocation	36.29 units
Rate	\$121.00 per unit
Six-Month Charge	\$4,391.09

4.2 A unit represents the volume of water supplied per day.

4.3 For example:

- 36.29 units = 36,290 litres per day
- 36,290 litres ÷ 1,440 minutes per day
- = 25.2 litres per minute

4.4 Users can calculate their own supply rate using the same methodology.

5. Financial Terminology

5.1 The following terms are commonly used in ERWS financial reporting:

Operating Income	Income generated from water charges: Supplied Units (m ³ /day) × Approved Rate × Two Billing Periods. Reported exclusive of GST
Other Income	May include grants, loans, interest income, other non-operational revenue
Operating Expenses	Day-to-day costs of operating the scheme, reported exclusive of GST.
Contractors and Professional Services	Costs associated with: Routine maintenance, operational repairs, monitoring and reporting requirements, some capital works. These activities are generally overseen by the Management Committee and exclude Council staff costs.
Rates	While the scheme owns no land, RDC pays a regional council levy on water utility infrastructure assets. The scheme contributes a proportion of this cost based on the depreciated value of ERWS assets relative to RDC's total water infrastructure asset base.
Waterboard Lease	Annual lease payment made to Aorangi-Awarua Trust, adjusted annually for inflation. The lease secures: Access to the water source; and the water supply easement granted to RDC on behalf of ERWS. This arrangement was established through a Māori Land Court order dated 14 March 2006, providing the right to: "...extract and convey water in free and unimpeded flow from the source." Further information is

	contained within the attachment to the 9 May 2018 Order Papers.
Resource Consent Costs	Fees paid to Horizons Regional Council associated with: Consent administration, compliance monitoring, freshwater environmental monitoring.
Telephone Costs	Costs associated with telemetry, modem communications, and automation systems operating on the scheme.
Materials	Routine maintenance materials, fittings, and consumables. Excludes capital expenditure items.
Insurance	The scheme contributes a proportionate share of RDC's water infrastructure insurance programme. The extent of cover should be reviewed periodically, noting that coverage may be limited to specific events such as natural disasters.
Finance Costs	RDC administers the scheme's finances through its internal treasury function. Interest may be charged where the scheme account remains overdrawn for extended periods.
Depreciation	A non-cash accounting expense recognising the gradual reduction in asset value over time. While depreciation is identified in financial reporting, it is currently fully offset and does not result in an equivalent annual capital funding contribution.
Internal Charges	Represents Council corporate support services and overhead allocations. These costs are currently identified but fully offset in scheme reporting.
MDC and PSU Charges	Historically related to time spent on the scheme by Manawātū District Council (MDC) and Public Service Unit (PSU) personnel. These charges no longer apply.

6. Governance and Management

- 6.1 The Erewhon Rural Water Scheme is administered by Rangitīkei District Council and supported by the Erewhon Rural Water Scheme Management Committee.
- 6.2 The Management Committee provides oversight of operational maintenance and scheme-related matters, while Council retains responsibility for governance, financial and asset administration, regulatory compliance, and reporting.
- 6.3 The Committee has 11 members including two Councillors and the Mayor. The quorum for this Committee is 7 members.

Recommendation

That the report 'Erewhon Scheme Information' be received.

7.2 Erewhon RWS - Financial Summary - Year ended 30 June 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 ending 30 June 2026. Whilst there is no reason for the attached financial results to change, it is important to note they are still subject to audit which will be completed in September/October 2026.

2. Commentary

- 2.1 This shows:

- 2.1.1 Operating Cash surplus of \$125.6k for the year ended 30 June 2026
- 2.1.2 Capital Expenditure of \$34.6k for the year ended 30 June 2026
- 2.1.3 Notional Cash Reserves of \$295.4k as at the 30 June 2026

3. Discussion and Options Considered

- 3.1 This is for information only.

4. Financial Implications

- 4.1 There are no financial implications.

5. Impact on Strategic Risks

- 5.1 This is considered as part of the Long-term Planning.

6. Strategic Alignment

- 6.1 This is considered as part of the Long-term Planning.

7. Mana Whenua Implications

- 7.1 Mana Whenua implications are considered as part of Rangitikei District Council's full 2024-34 Long Term Plan

8. Climate Change Impacts and Consideration

- 8.1 Climate change impacts are considered as part of Rangitikei District Council's full 2024-34 Long Term Plan

9. Statutory Implications

- 9.1 There are no statutory implications.

10. Conclusion

- 10.1 The monthly report is attached for consideration.

Attachments:

1. ERWS Financial Summary - June 2026 [↓](#)

Recommendation

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

ITEM 7.2

ATTACHMENT 1

**Erewhon Rural Water Scheme
Operating Statement
Year Ended 30 June 2026**

	Jun-26			2024/25	2026/27
	YTD Actual	YTD Budget	Full Year Budget	Actual	Budget
OPERATING INCOME					
Metered Charges	324,393	324,388	324,388	324,393	324,388
Interest	5,826	0	0	522	0
RDC Grant for Asset replacement	0	50,000	50,000	0	50,000
	330,219	374,388	374,388	324,915	374,388
OPERATING EXPENSES					
Contractors and Prof Services	177,126	98,271	98,271	89,616	197,105
Rates	10,022	9,064	9,064	8,310	10,663
Erewhon Waterboard Lease	4,119	7,623	7,623	11,907	4,244
Resource Consents	0	1,524	1,524	0	0
Telephone Costs	0	756	756	658	0
Materials	78	720	720	0	738
Insurance	13,289	20,696	20,696	18,517	15,477
Finance Costs	0	3,938	3,938	0	0
	204,634	142,592	142,592	129,008	228,227
Depreciation	177,050	175,079	175,079	160,837	266,061
Internal Charges	0	0	0	99,733	0
Accounting Surplus/(Deficit)	(51,465)	56,717	56,717	(64,663)	(119,900)
Add back					
Depreciation	177,050	175,079	175,079	160,837	266,061
Internal Charges	0	0	0	99,733	0
Operating Cash Surplus / (Deficit)	125,585	231,796	231,796	195,907	146,161
Capital Expenditure	34,601	396,267	396,267	5,412	5,000,000
Available Finance					
Funding Surplus / (Deficit) b/f	204,427	204,427	204,427	13,932	295,411
Operating Cash Surplus / (Deficit)	125,585	231,796	231,796	195,907	146,161
Capital Expenditure	(34,601)	(396,267)	(396,267)	(5,412)	(5,000,000)
Funding Surplus/(Deficit) c/f	295,411	39,956	39,956	204,427	(4,558,428)
Book Value of Fixed Assets					
As at 1 July	5,404,261	5,404,261	5,404,261	4,520,241	5,261,812
Additions	34,601	396,267	396,267	5,412	5,000,000
Depreciation	(177,050)	(175,079)	(175,079)	(160,837)	(266,061)
Revaluations				1,039,445	-
Current	5,261,812	5,625,449	5,625,449	5,404,261	9,995,751

7.3 Operations Report - September 2026

Author: Andrew van Bussel, Water Supply Specialist

1. Reason for Report

- 1.1 To provide an operational update for the Erewhon Rural Water Supply.

2. Maintenance updates

- 1.1 An update is provided regarding maintenance carried out in the last three months. The following has been invoiced (some invoices were not recorded when this was written)

- Scheduled checks were carried over this period.
- Repaired leak at Peter Batleys.
- Carried out leak repairs at Pukerimu Gilbert yards.
- Repaired leak at Rakanui.
- Clear around pipe bridge as per engineer's report.
- Carried out water samples for Central District Water.
- 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). This is a work in progress.

- 1.2 The following Erewhon Rural Water Supply Pipe renewals are planned for this year:

Kelly land

- 2.1.1 Ducting pipe has been installed under stream, pipe supplier will be producing a sample of 50mm 35 bar PE pipe for testing in the next two weeks, this is a cost to pipe supplier. Once we have those results, I will then seek pipe and install costs and get that back to the Committee as soon as possible.

Mangohine swamp

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

- 2.1.3 Denne could update at meeting.

Resource consent progress

- 2.1.4 See Attachment 1.

Bridge maintenance

- 2.1.5 Went out to contractors that could carry out replacing the walkway on pipe bridge.

- 2.1.6 This contractor needed to have all the health and safety requirements to carry out this work.

ITEM 7.3

Attachments:

1. Resource Consent [↓](#)

Recommendation

That the report Operations Report – September 2026 be received.



Erewhon Rural Water Supply Consent renewal update 26 October 2026

Where things are at

Work is continuing on the replacement resource consent application for the Erewhon Rural Water Supply.

The existing consents were due to expire on 1 July 2027 but have been extended to 31 December 2027 following recent legislative changes. This provides some additional time, although there remains uncertainty around the Government's resource management reforms and the transitional consenting arrangements that may apply. The intention remains to progress the replacement application as soon as practicable, rather than rely on the extended expiry date.

Continuous flow monitoring was undertaken over summer 2025/26 to improve our understanding of flows in the Reporoa Stream. Review of the data has identified some uncertainty around very low flows, as a reasonable proportion of the record falls below the range where stream flow has been directly measured. Further technical assessment is therefore required to understand the reliability of these low-flow estimates and what this means for the effects of the take. We are also looking at whether the rating curve can be refined to improve confidence in the low-flow estimates.

Traverse Environmental is currently preparing its initial technical advice. This will review the monitoring results and stream ecology, consider the implications of the uncertainty around low flows, and identify any further assessment required. A draft may be available by 1 September; otherwise, I will be able to provide a verbal update by 1 September on expected delivery.

Consultation and cultural assessment

A Teams update was held with Suz and Shaina on 5 May 2026. They remained comfortable with progress and indicated that a Cultural Impact Assessment (CIA) is likely to be requested. The next step is to confirm the scope, timing and cost of this once the technical work is sufficiently advanced.

Efforts to engage with Ngāi Te Ohuake are continuing, with assistance sought to establish the most appropriate engagement pathway. One option is to contact Robert Martin to help identify who is best to approach. **The Committee may also wish to consider whether a further approach should be made to Richard Steedman.**

What still needs to be done

The key remaining work is to:

- Complete Traverse Environmental's initial technical review and determine what can reasonably be concluded about low flows, stream ecology and the effects of the take.
- Once the initial technical advice is received, check in with Horizons to discuss the findings, proposed approach and whether any further information or assessment is likely to be required for the application.
- Prioritise iwi engagement, including progressing discussions with Ngāti Whitikaupeka around the scope and timing of a CIA and continuing efforts to engage with Ngāi Te Ohuake.
- Address the existing weir and associated damming consent, including fish passage and whether any further specialist assessment is required.
- Consider potential effects on the sensitive wetland upstream. Initial advice indicates hydraulic effects from the weir on the main wetland are unlikely, although potential ecological connectivity is also being considered.
- Prepare the AEE and supporting application once the technical and consultation workstreams are sufficiently advanced. A further update will be provided to the Committee once Traverse's initial advice has been received and the proposed pathway has been discussed with Horizons.

Information sought from the Committee

It would be useful to know whether Committee members have any knowledge of a waterfall on the Reporoa Stream near its confluence with the Rangitikei River. In particular, it would be helpful to understand whether this is a single drop/fall (and, if known, its approximate height) or more of a cascade or chute.

Key risks and considerations

- Low-flow effects remain an area of uncertainty. If the assessment confirms that the take represents a significant proportion of stream flow during dry periods, further assessment may be required to determine the significance of these effects and whether additional mitigation, monitoring or consent conditions are required. The findings may also be relevant to Horizons' consideration of notification.
- Ecological effects and fish passage remain to be confirmed. Depending on the ecological values identified, further specialist assessment or mitigation may be required for the take and/or existing weir.
- Iwi engagement and cultural assessment remain important to the consenting pathway. A CIA is likely to be requested by Ngāti Whitikaupeka, while engagement with Ngāi Te Ohuake remains outstanding. This may identify additional matters that need to be addressed through the application and could have implications for scope, timing and cost.
- There remains some regulatory uncertainty. The consent extension provides additional time, but the timing and content of the Government's transitional resource management framework remain unclear. While the intention remains to progress the application as soon as practicable, any relevant changes to the consenting framework will need to be kept under review.
- Overall timing and cost remain uncertain. These will become clearer once Traverse's initial advice is received and the iwi engagement/CIA requirements are better understood.

8 Discussion Items

8.1 Rural Water Schemes Briefing

Author: Jock Stratton, Chair

1. Reason for Report

- 1.1 A briefing on the future implications for Rural Water Schemes was given to Council on 30 July 26.
- 1.2 This briefing will also inform the Committee during the upcoming changes. The presentation is attached.
- 1.3 This report is for information only, no decision is required.

Attachments:

1. Rural Water Schemes Presentation [↓](#)

Recommendation

That the discussion item, including the Rural Water Schemes Presentation be received.



Local Water Done Well – a recap

Resolved minute number 25/RDC/111

That Rangitikei District Council **notes** the advantages and disadvantages of transferring the three 'mixed-use' rural water supply schemes (Erewhon, Hunterville and Omatane) to the Water Services Council-Controlled Organisation (WS-CCO) and the outcome of discussion with the chairs of these three schemes and **resolves** to not include the three 'mixed-use' rural water supply schemes in the list of water assets to be transferred to the WS-CCO, and to signal the Council's intention for a discussion about a service arrangement with the WS-CCO Board within the first two years of its establishment for any scheme which requests this.

Cr G Maughan/Cr F Dalgety. Carried



If transferred	
Advantages	Disadvantages
Access to a larger pool of professional expertise in the WS-CCO staff focussed on the provision of water services, with potential to improve the effectiveness and efficiency of the schemes, and extend them.	Loss of Council interest and support (i.e. potentially rather isolated within the WS-CCO).
Ready access to finance for capital upgrades (because of higher LGFA limit for the WS-CCO)	Loss of scheme member management control, in terms of levels of service, maintenance, charges, capital programme.⁴⁰
Council not 'distracted' by what would be an outlier activity (and the costs of preparing the prescribed plan, strategy and reports for that)	Uncertainty of pricing, and the prospect of it becoming unaffordable
	Loss of local knowledge of schemes (especially for Hunterville and Erewhon) which may reduce maintenance of the reticulation and the reliability of supply.
	Unknown willingness to negotiate with Taumata Arowai over acceptable solutions.
If not transferred	
Advantages	Disadvantages
Current scheme management continues, with direct Council interest and support	- Additional cost to Council in terms of preparing⁴¹: - A drinking water catchment plan and consult on it - Develop a water services strategy and consult on it - Prepare and adopt an annual water services report
Maintenance of Erewhon (by knowledgeable Taihape contractor) and Omatane (by scheme members) can continue	Need to secure servicing arrangement for Hunterville, as this is currently done by Council staff who will transfer to the new WS-CCO
Scheme members able to influence the timing of capital works and the rates to be set for scheme members.	There may be nobody at Council with any expertise in water reticulation, management of takes etc., which may increase the costs to the schemes when this advice is needed.
Council able to negotiate with Taumata Arowai on the nature and timing of implementing acceptable solutions.	Because of the ring-fencing requirement, Council may need to increase charges to gain the funding needed for the agreed capital programme. (Council will not have any other water revenue.)



Roles and responsibilities

- Water Organisation
- Water Service Provider
- Water suppliers
- Regulated suppliers
- Water Services Authority (Taumata Arowai) - drinking water compliance, reporting and Wastewater Environmental Performance Standards (WEPS)
- Commerce Commission
- Regional Council(s) as consent authority
- Ministry for Cities, Environment, Regions & Transport (formerly DIA) - monitoring WSDP/Non-financial measures reporting
- Fire & Emergency NZ (FENZ)



LG (Water Services) Act 2025

Key sections (as related to RDC Rural Water Schemes as a Mixed Use RWS- MURWS):

- RDC will remain a Water Services Provider (WSP)
- Obligations as a WSP
 - Water Services Strategy (WSS)*
 - Annual Budget
 - Annual Report
- (and per Comm Comm ID disclosure regime**, in Regulation):
 - Strategic Asset Management Plan (SAMP) and AMPs***
 - Investment Development Plan (IDP)***
 - Annual Delivery Report (ADR)

* By July 2027

** ID regime implemented from 2026/27 reporting year

*** Transitional period (per Comm Comm advice)



Mandatory components for TLAs as WSPs

- Primary legislation is LG (Water Services Act) 2025, per;
 - Water Services Strategy (WSS) (by 31 July 2027)
 - Separate annual budget and annual reporting (under the LG(WS) Act)
 - Information disclosure* to the Commerce Commission (including a Strategic Asset Management Plan, Asset Management Plan, Investment and Delivery Plan and an Annual Delivery Report for the mixed-use rural supplies),
 - Ring-fencing of revenue and expenditure for the mixed-use rural supplies (although Council may still choose to underwrite overheads as now).

*NB: ID regime implemented from 2026/27 reporting year



Requirements for all Water Service Providers

- Water Service CCOs e.g. Central Districts Water
- Territorial Local Authorities (TLAs) as WSP through In-house business units (IBU)
- Private or community water schemes
- Registered water suppliers
- Householders have separate responsibilities under the Building Act



New requirements for Council

- Water Services Strategy (by 31 July 2027)
- Separate annual budget and annual reporting (under the LG(Ws) Act)
- Information disclosure to the Commerce Commission (including a Strategic Asset Management Plan, Asset Management Plan, Investment and Delivery Plan and an Annual Delivery Report for the mixed-use rural supplies),
- Ring-fencing of revenue and expenditure for the MURWS (although Council may still choose to underwrite overheads as now)



Water supplier categories (per WSA)

Networked Supplies

Piped water sent to multiple properties. ♦ The Water Services Authority - Taumata A...

- **Small:** Serves 26 to 100 people.
- **Medium:** Serves 101 to 500 people.
- **Large:** Serves more than 500 people. ♦ The Water Services Authority - Taumat... +2

Self-Supplied Buildings

Water provided to buildings on a single property (like a school or marae). ♦ The Water Services Authority - Taumata A...

- **Small:** Serves up to 25 people.
- **Medium:** Serves up to 500 people across up to 10 buildings.
- **Large:** Serves more than 500 people across up to 10 buildings. ♦ The Water Services Authority - Taumat... +3

Rural & Other Supplies

- **Mixed-use Rural:** Supplies water where at least 50% is for farm use (stock or irrigation) and less than 50% is for domestic drinking water.
- **Very Small:** Serves 25 or fewer people (up to 50 people for max 60 days a year).
- **Water Carrier:** Water delivered by truck or trailer tanks.
- **Temporary:** Used only for a short time at events (like festivals). ♦ The Water Services Authority - Taumat... +3

Erewhon,
Hunterville,
Omatane RWS



Compliance - Drinking Water Quality Assurance Rules (DWQAR) changes

- Regulatory roles and changes e.g. WSA moving from guidance to mandatory criteria in the latest revision to Drinking Water Quality Assurance Rules (DWQAR) e.g;
 - Focus on source water and treatment rules
 - New requirements within networks e.g. pressure monitoring
 - Requirements for Suitably Qualified or Experienced Person (SQEP)
 - Minor changes e.g. to reporting year
- Guidance to come (separately, from Taumata Arowai as the WSA)
- Includes Mixed-Use Rural Water Supplies (MURWS) - the alternative pathway to DWQAR is Acceptable Solution(s)



Compliance for MURWs – Acceptable Solution

Each Acceptable Solution is a legal document that sets requirements. This goes hand in hand with guidance to help you understand what you need to do to meet those requirements.

Acceptable Solution	Supply attributes	Key information
Mixed-use Rural	• At least 50% of water supplied is for farm use (e.g. for irrigation or stock water). • Up to 50% is used by people as drinking water. • No limit on number of people served.	Read the Acceptable Solution Read the supporting guidance



Implications of maintaining the characteristics of a MURWS

- Reticulation of water from the rural supplies to farm dwellings will remain in place.
- Registration with Water Services Authority - Taumata Arowai
- Acceptable solution at each dwelling (if the source water tests are favourable): likely initial cost and ongoing maintenance obligations
- Alternative compliance path agreed with Taumata Arowai (if the source water is not suitable for using the acceptable solution): likely cost and ongoing maintenance obligations i.e. Drinking Water Quality Assurance Rules (DWQAR)

These requirements remain whether the supplies are managed by the Council, or CDW, or by the schemes through one or more community trust.



Implications of remaining with Council as MURWS

Present Council subcommittee structures will remain in effect, and the subcommittees will continue to monitor operations, budgets and recommend annual charges for Council to administer and collect. Council will still need to have a drinking-water safety plan (including a source water management plan) which will be monitored by Taumata Arowai.

- Council staff providing or supporting water services delivery will transfer to Central Districts Water by 1 July 2027. Before then a decision is needed on how to continue maintaining the supplies:
 - service agreement with CDW (possibly as part of the formal transfer agreement to be agreed between the Council and CDW), or
 - contract with local businesses.
- Plus the Water Services Strategy and subsequent documents e.g. SAMP, AMPs, IDP



Some exemptions possible?

What for? Information disclosure

"Regulated suppliers who are not a 'minor aspect' supplier but consider that they should also be subject to similarly reduced disclosure requirements under the determination can apply for an exemption under s 57U of the Commerce Act. We will consider these exemption requests on a case-by-case basis."

Compliance exemptions?

A drinking water supplier may apply for an exemption from a limited set of requirements or duties under sections 57 and 58 of the Water Services Act 2021.

<https://www.taumataarowai.govt.nz/drinking-water-suppliers-and-operators/for-drinking-water-suppliers/ways-to-comply/exemptions>

"The Water Services Act 2021 recognises that for some suppliers it may be disproportionate to require compliance with some legislative requirements and duties due to the scale, complexity and risk profile of their water supply. In such cases, the WSA may exempt suppliers from certain requirements of the Act if they are still able to ensure safe drinking water is provided to consumers".



Additional factors to consider

For Hunterville:

160 connections, >200 population supplied. Including pub and properties at Ohingaiti?

Hunterville township as a downstream supply. So no possibility to remove as a Drinking Water supply:

Options are compliance via;

- Acceptable Solution
- Drinking Water Quality Assurance Rules (DWQAR) i.e. treatment -expensive, complex to maintain compliance
- Separate requirement to have a supply arrangement (with CD Water) for assurance of supply quality and in order to meet treatment and distribution rules requirements: e.g;
- Source water testing (for Hunterville RWS); to include for cyanobacteria testing
- Seek acknowledgement (through Taumata Arowai) to provide untreated water (to Hunterville urban, as CD Water will further treat and distribute supply) e.g. captured in bulk supply agreement with CDW

For Erewhon:

27 connections, no Marae, schools or halls connected?

Options are for DW closure OR compliance via DWQAR or Acceptable Solution

For Omatane:

13 connections, including Omatane hall?

As for Erewhon albeit at a smaller scale



Options for RDC

- Retain schemes as resolved (i.e. no transfer, Council ownership, responsibility/liability for funding and future compliance) and;
 - Seek exemptions?
- Seek to transfer schemes and assets (inc. liabilities) to CDW
- Divest schemes (compliance and finance liabilities transfer to owners)



Legislative process

Per S73-75 of LG (Water Services) Act 2025:

S73 allows for a Water Service Provider to;

(a) close down a water service*; or

(b) transfer a water service to an entity that represents the community [where service is provided]

- Subject to prior assessment, including from Medical Officer of Health or WSA, and a referendum requiring support;

(i) for a proposed closure, by 75% or more of the votes cast by eligible voters; or

(ii) for a proposed transfer, by more than 50% of the votes cast by eligible voter

S74 (1) requires that TLA must first assess the effects of the closure on

- (i) the public health of the community that would be affected by the closure; and
- (ii) the environment in the district of that community; and

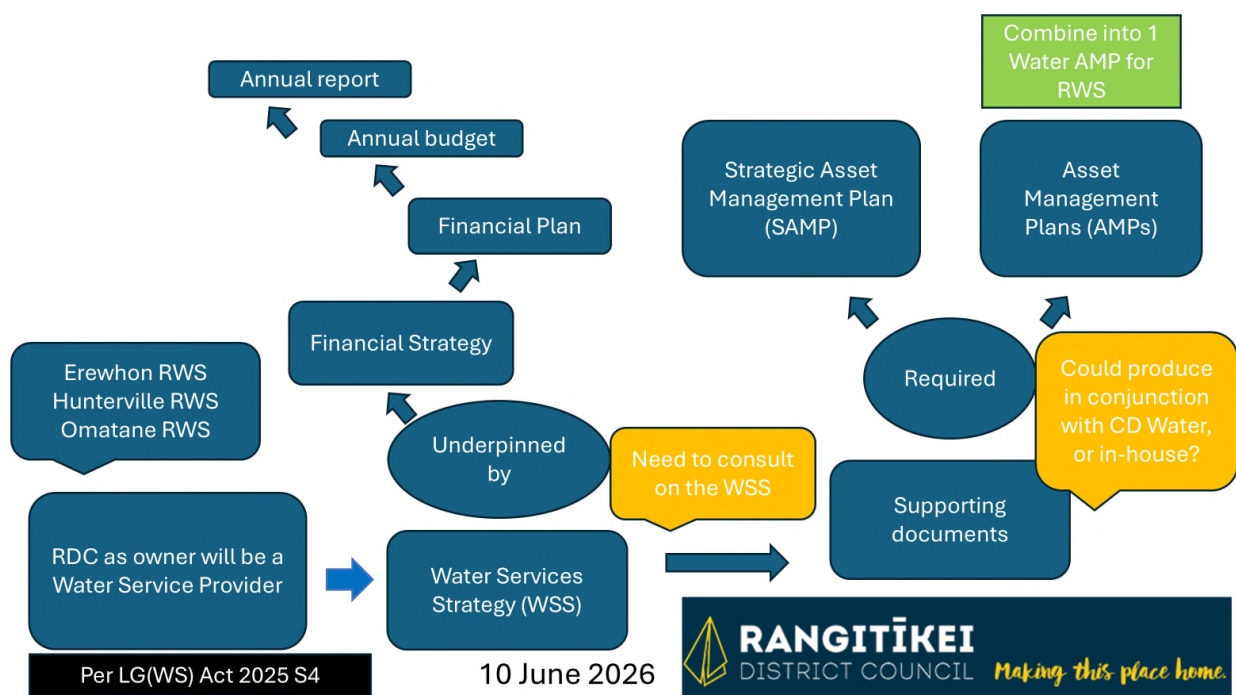
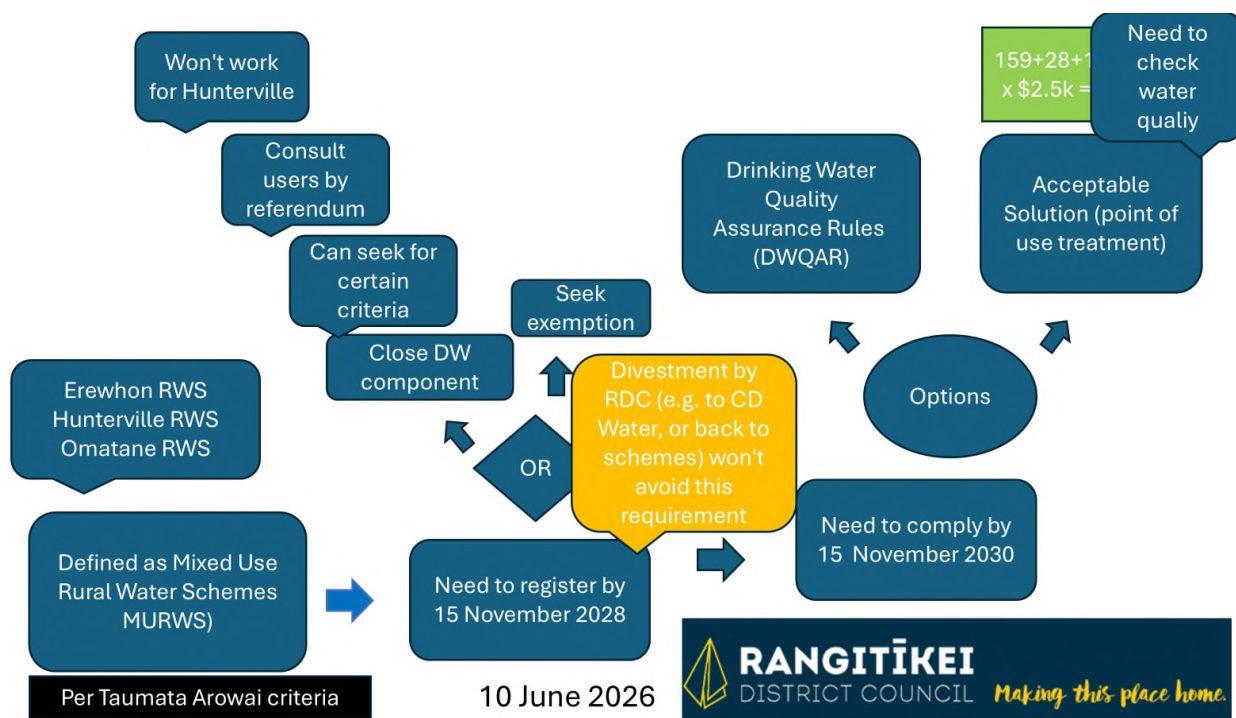
S75 stipulates the requirements for conduct of a binding referendum

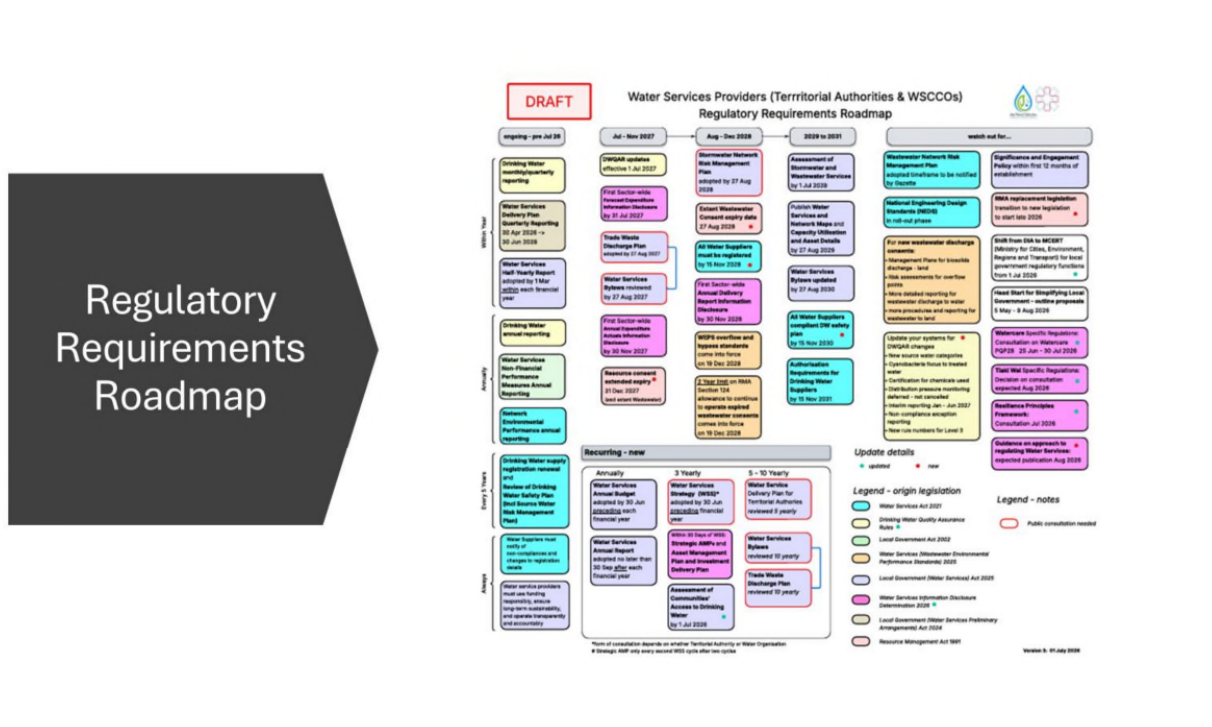
*must have <200 people supplied



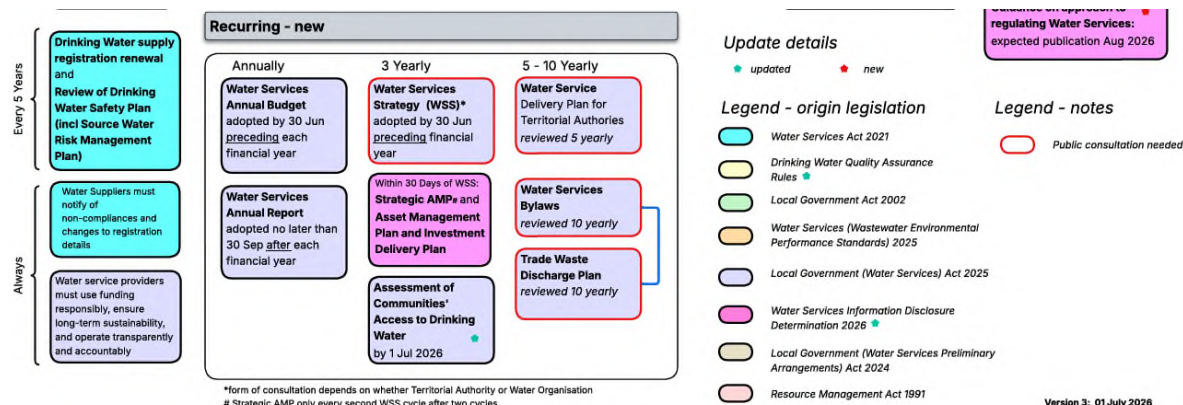
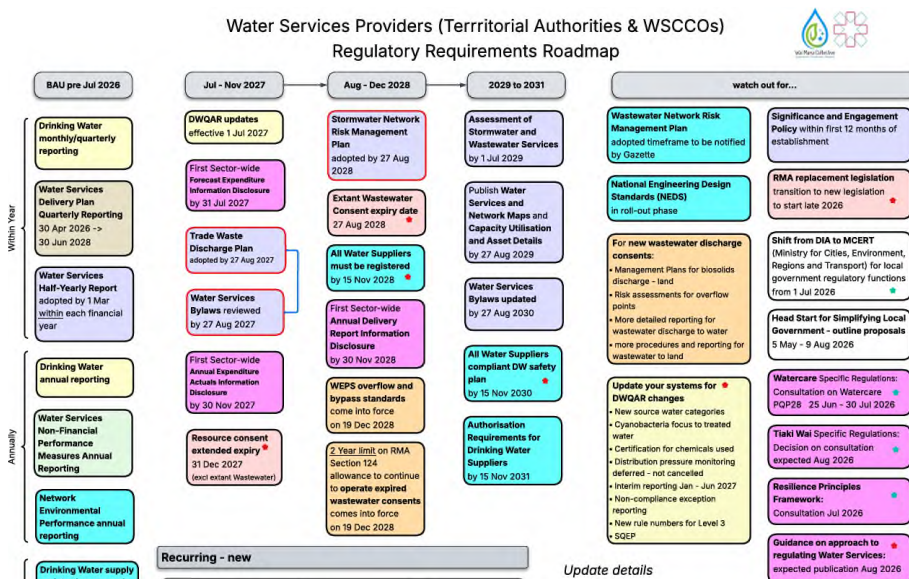
ITEM 8.1

ATTACHMENT 1





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9 Meeting Closed.