



Rangitikei District Council

Telephone: 06 327 0099

Facsimile: 06 327 6970

Rangitikei
UNSPOILT...

Hunterville Rural Water Supply Management Sub-Committee

Order Paper

**Monday 14 December 2015,
3.00pm**

**Council Chamber, Rangitikei District Council
46 High Street, Marton**

Website: www.rangitikei.govt.nz

Email: info@rangitikei.govt.nz

Chair
Bob Crawford

Membership
Mark Dawson, Bernie Hughes, Brett Journeaux
John McManaway, Paul Peterson, Sam Weston, Councillor Dean McManaway
Ex officio, His Worship the Mayor, Andy Watson

Please Note: Items in this Agenda may be subject to amendments or withdrawal at the Meeting. It is recommended therefore that items not be reported upon until after adoption by the Council. Reporters who do not attend the Meeting are requested to seek confirmation of the Agenda material or proceedings of the Meeting from the Chief Executive prior to any Media reports being filed.



Rangitikei District Council

Hunternville Rural Water Supply Sub-Committee Meeting

Order Paper – Monday 14 December 2015 – 3:00 p.m.

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The quorum for the Hunternville Rural Water Supply Management Sub-committee is 4.

At its meeting of 28 October 2010, Council resolved that "The quorum at any meeting of a standing committee or sub-committee of the Council (including Te Roopu Ahi Kaa, the Community Committees, the Reserve Management Committees and the Rural Water Supply Management Sub-committees) is that required for a meeting of the local authority in SO 2.4.3 and 3.4.3.

1 Welcome

2 Apologies

3 Notification of late items

4 Confirmation of minutes

Recommendation

That the Minutes of the Hunterville Rural Water Supply Sub-Committee meeting held on 12 November 2015 be taken as read and verified as an accurate and correct record of the meeting.

5 Matters arising

6 Chair's report

The Chair to give a verbal report.

7 Financial report

A report is attached.

File ref:

Recommendation

That the Hunterville Rural Water Supply Financial Statement be received.

8 Hunterville Rural Water Supply – Operations report

A report will be tabled at the meeting.

File ref: 6-WS-3-4

Recommendation

That the 'Hunterville Rural Water Supply – Operations report', dated December 2015 be received.

9 Update on potential changes to the Scheme

This will include a presentation on the potential implications of using an alternative water source as the town's supply.

10 Proposed rates for 2016/17

The draft budgets for the 2016/17 Annual Plan have been prepared, so the provisional rates for the scheme will be discussed with the Committee

11 General Business

12 Next meeting

15 February 2015, 3.00 pm

13 Meeting closed

Attachment 1

Rangitikei District Council

Hunternville Rural Water Supply Sub-Committee Meeting

Minutes – Monday 12 October 2015 – 3:00 p.m.

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Present: Mr Bob Crawford (Chair)
Mr Mark Dawson
Mr Bernie Hughes
Mr Sam Weston
Cr Dean McManaway
His Worship the Mayor, Andy Watson

In attendance: Mr Ross McNeil, Chief Executive
Mr George McIrvine, Finance and Business Support Group Manager
Mrs Joanna Saywell, Utilities Asset Manager
Mrs Priscilla Jeffrey, Governance Administrator

Tabled Item: **Item 9:** Report entitled 'Hunterville Rural Water Supply, Operations Report'
Document entitled 'Blackley Construction Limited Pricing Schedule'

1 Welcome

The Chair welcomed everyone to the meeting.

2 Apologies

Resolved minute number **15/HRWS/023** **File Ref**

That apologies for absence from Mr Brett Journeaux be received.

Mr Hughes / Mr Weston. Carried

3 Notification of late items

Nil

4 Confirmation of minutes

Resolved minute number **15/HRWS/024** **File Ref**

That the minutes of the Hunterville Rural Water Supply Sub-Committee meeting held on 10 August 2015 be taken as read and verified as an accurate and correct record of the meeting.

Cr McManaway / Mr Weston. Carried

5 Matters arising

Nil

6 Chair's report

In his verbal report the Chair commented on his communications with Mr Jack Henderson regarding power to his pump shed however not much progress had been made. Mr Henderson wanted to access more units than his current allocation, but it was difficult to get extra water to that location.

Resolved minute number **15/HRWS/025** **File Ref**

That the Chair's verbal report be received.

Mr Crawford / Cr McManaway. Carried

7 Correspondence

Nil

8 Financial report

Mr McIrvine spoke to the Year End Financial Statement. The major variance was over electricity, which had cost \$45,000 more than the budgeted \$130,000. It was unclear whether the new pumps were contributing to this. This would need to be considered in preparing the 2016/17 budget for the scheme. The deficit for the year was \$55,000.

Members were asked what information they wished to have. In discussion, there was a consensus for more in depth financial reporting, including –

- A comparison of financial results with those of last year,
- Detailed analysis on the electricity consumption,
- Comparison on the metered supply charges,
- Detailed analysis on the reserve funds.

Resolved minute number

15/HRWS/026

File Ref

That the Hunterville Rural Water Supply Financial Statement be received.

Mr Dawson / Mr Hughes. Carried

Undertaking

Subject

Financial Report

Mr McIrvine to provide to the Hunterville Rural Water Supply Management Subcommittee's next meeting [December 2015] more in-depth reporting on the electricity expenditure (comparison on the metered supply charges) and detailed analysis on the reserves funds at its next meeting.

9 Hunterville Rural Water Supply – Operations report

Mrs Saywell and Mr van Bussel spoke to the report.

Consideration was also given to the tabled Blackley Construction Limited's pricing schedule.

The Chair advised that he had made enquiry on the costing for the temporary repair to be undertaken at the Rata site and the amended pipe size for drilling under the river. Council staff had advised him this would cost between \$3,000 and \$5,000, pending on labour hours. However, this did not take into account the different size pipes required. A revised quote had not yet been obtained.

Mr van Bussel advised that the hardware and software upgrade was not fully completed because the contracted electrician had had an accident (elsewhere). Members looked for more detail at the next meeting. .

During discussion Mr McNeil gave a verbal update on the stage 2 application and potential implications of using an alternative water source as the town's supply. He talked about the options and the posed consequences of those options adding that these factors were still to be determined by way of a feasibility study. Before consultation was undertaken there were the 'what ifs' to be worked through. It could be that the bore water may not be of a standard acceptable for use. Testing on quantity and quality needed to be undertaken.

Resolved minute number **15/HRWS/027** **File Ref** **6-WS-3**

That the 'Hunterville Rural Water Supply – Operations report', dated October 2015 be received.

Mr Hughes / Mr McManaway. Carried

Undertaking **Subject** **Hunterville Rural Water Supply – Operations report**

Mr van Bussel to investigate and report back to the Hunterville Rural Water Supply Management Subcommittee's next meeting [December 2015] on

- a revised quote for an excavator to dig the trench for the Rata pipeline,
- the nature of the software and hardware upgrades, and how it has been funded, and
- the funding basis for the new roof.

10 General Business

Nil

11 Next meeting

14 December 2015, 3.00pm

12 Meeting closed – 4.09 pm

Confirmed/Chair: _____

Date:

Attachment 2

Rangitikei District Council*

Water and Wastewater

Rural Water

60617. Water Supply Hville Rural Cost Centre

Summary Account Details

For Period November as at 08 Dec 2015 note the month of November is not yet closed.

Summary Account	YTD Actuals	YTD Operating Budget 2015/16	YTD Variance	YTD Actuals 2014/15	YTD Budget 2014/15	Total Operating Budget 2015/16	Full Year Actuals 2014/15	Full Year Budget 2014/15	Full Year Budget 2013/14	Full Year Actuals 2013/14	Full Year Actuals 2012/13	Full Year Budget 2012/13
Fees and Charges	-127	0	127	0	0	0	0	0	0	0	-177	0
Metered Supply Charges	-172,465	-148,290	24,175	-198,008	-201,785	-355,895	-397,660	-403,570	-380,875	-373,278	-314,803	-525,300
Rates Penalties	-397	0	397	-105	0	0	-244	0	0	-32	-10	0
Rate Reallocation	-35,767	-35,994	-227	-37,924	-37,926	-71,990	-76,403	-75,847	-75,305	-73,436	0	0
Transfer to Reserves	0	0	0	0	0	-8,669	8,954	10,653	9,587	8,487	-4,959	0
Treasury Interest	0	0	0	0	0	14,147	16,447	27,333	25,518	18,274	18,528	28,631
Treasury Interest Received	0	0	0	0	0	-8,669	-8,954	-10,653	-9,587	-8,487	-8,760	0
Internal Charges and Recoveries	25,264	29,050	3,786	31,203	31,600	69,714	76,403	75,847	73,268	73,436	65,359	67,308
Contracted Service Expenses	4,201	835	-3,366	11,078	7,550	2,000	14,562	18,117	17,504	19,170	4,936	24,950
Depreciation	56,160	56,160	0	42,601	55,900	134,783	90,108	134,156	132,816	127,804	131,367	132,309
Employee Related Expenses	0	0	0	0	0	0	0	0	0	0	103	0
Governance Expenses	0	1,300	1,300	0	1,590	3,120	3,760	3,815	3,686	2,880	3,120	3,600
Insurance	5,898	3,690	-2,208	9,833	9,680	3,690	9,833	9,680	10,395	9,680	9,906	10,073
IT and Communications	1,398	3,040	1,642	1,567	3,430	7,300	3,362	8,233	7,955	4,273	4,361	8,542
Legal Fees	0	0	0	0	0	0	0	0	0	0	0	0
Loss on Sale of Assets	0	0	0	0	0	0	6,725	0	0	187	34,071	0
Professional Services	11,735	16,665	4,930	23,883	2,815	40,000	42,850	6,751	43,089	39,004	13,051	56,370
Other Expenses	70,578	78,390	7,812	77,238	90,269	164,135	192,319	200,993	152,329	185,976	154,897	193,518
Grand Total	-33,523	4,846	38,369	-38,634	-36,877	-6,334	-17,938	5,508	10,380	33,938	110,990	1

Rangitikei District Council*
Water and Wastewater
Rural Water

Other Expenses Summary Account
Account Details
For Period November

Account	YTD Actuals	YTD Operating Budget 2015/16	YTD Variance	YTD Actuals 2014/15	YTD Budget 2014/15	Total Operating Budget 2015/16	Full Year Actuals 2014/15	Full Year Budget 2014/15	Full Year Budget 2013/14	Full Year Actuals 2013/14	Full Year Actuals 2012/13	Full Year Budget 2012/13
60617563. Electricity	58,603	58,335	-268	63,631	54,530	140,000	175,461	130,875	125,000	172,328	133,999	136,400
6061756702. Rates - Utility	10,066	17,135	7,069	10,620	11,174	17,135	10,620	11,174	6,946	5,785	10,642	6,750
6061768102. Operational Costs External Con	0	0	0	0	4,480	0	0	10,747	10,383	251	409	10,140
6061768201. Reticulation Costs Principal Contractor	0	0	0	0	16,200	0	0	38,881	1,000	603	6,744	30,000
60617697. Resource Consents	0	835	835	0	1,080	2,000	980	2,588	2,500	1,800	1,358	835
60617699. Materials	1,909	2,085	176	2,987	2,805	5,000	5,258	6,728	6,500	5,210	1,746	9,393
Grand Total	70,578	78,390	7,812	77,238	90,269	164,135	192,319	200,993	152,329	185,976	154,897	193,518

Comment

Electricity looks like it is tracking to budget but it should be noted that from this point last year till year end there was \$111,830 of electricity used. This would indicated that we will be over budget by \$30,000 by year end

HUNTERVILLE RURAL WATER SUPPLY**OUTSTANDING DEBT**

		<u>8/12/2015</u>
140113000	Wildfern Group Ltd	291.40
140178000	Manawatu District Council	1165.55
140203000	Glenlea Forests Ltd	145.70
140210000	Glencoe Land Co Ltd	1165.55
Grand Total		<u>\$ 2,768.20</u>

MDC- PROFESSIONAL SERVICES JULY - OCT 2015**60617 630 03**

<u>MONTH</u>	<u>Name</u>	<u>MTD Hours</u>	<u>\$</u>
JUL	Andrew Burberry	7	245.00
JUL	Ivan O'Reilly	43	1505.00
JUL	Michael Wilton	30	1050.00
AUG	Andrew Burberry	2	70.00
AUG	Michael Wilton	14	490.00
AUG	Daniel Yakas	2	100.00
AUG	Ivan O'Reilly	37.5	1312.50
SEP	Ivan O'Reilly	60.5	2117.50
SEP	Michael Wilton	22.5	787.50
SEP	Daniel Larson	2	70.00
SEP	Daniel Yakas	2	100.00
OCT	Andrew Burberry	18	630.00
OCT	Andrew van Bussel	5	400.00
OCT	Ivan O'Reilly	39.5	1382.50
OCT	Michael Wilton	17	595.00
			<u>\$ 10,855.00</u>

HRWS - Staff Time (MDC)**6061777303****\$**

JUL	Andrew Burberry	3	105.00
AUG	Andrew Burberry	6	210.00
AUG	Brian Jones	7	315.00
AUG	Joanna Saywell	2	160.00
			<u>\$ 790.00</u>

Operational Costs External Contractor**60617692**

<u>Date</u>	<u>Detail</u>	<u>Value</u>
21/07/2015	AP P V Mackenzie 105530/01 Two days digger hire @ \$200 per day RFS150154	400.00
31/07/2015	AP Alf Downs Contr 106183/01 To Supply ex TCL - HRWS - Andrew	1092.00
30/04/2015	AP Alf Downs Contr 105043/01 Hunterville Rural Water Level fault-Ivan	571.30
7/10/2015	AP Speed Engineeri 106897/01 Disable top pump and reset for Hunterville Ru	300.00
31/10/2015	AP Alf Downs Contr 106709/03 New Alarm System-HRWS	1737.49
6/11/2015	AP P V Mackenzie 106823/01 Digger Hire - HRWS	100.00
		<u>\$ 4,200.79</u>

Materials**60617 699**

<u>Date</u>	<u>Detail</u>	<u>Value</u>
6/07/2015	AP Rural Timber & 105655/01 Lid at Gordon McPhees-HRWS	115.18
8/07/2015	AP Farmlands Co-op 105759/01 Ballcock - Sam Weston - HRWS	22.17
24/07/2015	AP Chesters Plumbi 105937/01 Fittings for Stores	808.85
24/07/2015	AP Chesters Plumbi 105936/01 Fittings for Stores	438.88
30/07/2015	AP Chesters Plumbi 106025/01 2 80 mm long gibolts	253.84
31/08/2015	AP Speed Engineeri 107279/01 Dead end caps for Rata Job-HRWS	270.00
		<u>\$ 1,908.92</u>

HRWS Reticulation Contractor**6061776201**

<u>Date</u>	<u>Detail</u>	<u>Value</u>
30/09/2015	AP Chesters Plumbi 106571/01 RFS1502300 50mm gibbolts	219.30
6/10/2015	AP P V Mackenzie 107169/01 digger hire Otairi	100.00
		<u>\$ 319.30</u>

HRWS Treatment Contractor**6061776301**

<u>Date</u>	<u>Detail</u>	<u>Value</u>
31/07/2015	AP Alf Downs Contr 105867/01 HRWS - Install new PLC Control & Scada	8,578.02
31/08/2015	AP Alf Downs Contr 106534/01 HRWS - Install new PLC Control & Scada progre	1,077.50
8/10/2015	AP Envirohaz 106953/01 Location Test certificates HRWS	448.5
		<u>\$ 10,104.02</u>

Water Supply Hville Rural

Statement of Operations

Oct-15

Revenue

Rates

Account	Detail	YTD Actual 2015/16	Ytd Budget 2015/16	FYR Budget 2015/16	YTD Actual 2014/15
60617018	User Charges & Contributions	127	0	0	
60617 123	Penalty	397	0	0	105
60617 142	Metered Supply Charges	75	118,632	355,895	0
	Total Rates	599	118,632	355,895	105

Apportioned Rates Revenue

60617 802	Treasury Int Recd	0	0	8,669	0
60617 808 01	General Rates	35,767	35,994	71,990	37,924
60617 809 01	Interest Charged Rate A/C	0	0	-10,899	0
60617 809 03	Treasury Int Rec'd/Tsf to Rese	0	0	-3,248	0
60617 811	Transfer to Reserves	0	0	8,669	0
	Total Apportioned Rates Revenue	35,767	35,994	75,181	37,924

Internal Charges

60617 179 1100	Allocated o/heads CEO	3,596	3,252	9,751	2,821
60618 179 1400	Allocated o/heads Cust Service	682	760	2,276	0
60617 179 2100	Allocated o/heads Fin Services	6,881	7,276	21,828	5,879
60617 179 2500	Allocated o/heads Stat Plannin	1,936	2,676	8,033	2,462
60617 179 5100	Allocated o/heads Assets	9,059	10,036	30,102	13,994
	Total Internal Charges	22,154	24,000	71,990	25,156

Expenditure

60617 343 01	Telephone Costs	1,009	1,400	4,200	1,091
60617 562 08	Depreciation - Infrastructure	44,928	44,928	134,783	42,601
60617 563	Electricity	58,603	46,668	140,000	50,093
60617 565	Insurance	5,898	3,690	3,690	9,833
60617 567 02	Rates - Utility	10,066	17,135	17,135	10,620
60617 588	Member Remuneration	0	1,040	3,120	0
60617 630 01	Professional Services - MDC	0	13,332	40,000	0
60618 630 02	MDC Charges - PSU				540
60617 630 03	MDC Charges - Retic	10,855			13,470
60617 630 04	MDC Charges - Treatment	880			2,505
60617 692	External Contractors	4,201	668	2,000	9,398
60617 697	Resource Consents		668	2,000	
60617 698	Chemicals & Consumables		1,032	3,100	
60617 699	Materials	1,639	1,668	5,000	711
	Total Expenditure	138,079	132,229	355,028	140,862
	Net Surplus	-123,867	-1,603	4,058	-127,989

Account	Detail	YTD Actual 2015/16	Ytd Budget 2015/16	FYR Budget 2015/16
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Capital - Renewals Infrastructure

60617 721	Treasury Loans Repaid			4,449
60617 762 01	HRWS Reticulation - Contractor	319		
60617 763 01	HRWS Treatment - Contractor	10,104	18,816	56,450
	Total Capital - Renewals Infra	10,423	18,816	60,899

Capital - Projects

60617 773 03	HRWS Reticulation - Staff Time	790		
60617 799	Capital Contra			
	Total Capital - Projects	790		
	Net Projects	11,213	18,816	60,899

Equity

60617 966	HVL RWS REVAL.RESERVE	1,355,810		
60617 990	Public Equity H/Ville Rural Wa	4,086,152		
60617 995	Hunterville RWS Reserve	171,746		
	Net Surplus	-123,867	-1,603	4,058
	Working Capital	140,964	20,419	56,841
	Total Equity	5,630,805	18,816	60,899

Non Current Assets

60617878	Infrastructure	44,928		
60617 886	Water Supply Schemes	-5,947,269		
60617 886 01	Provision for depreciation	217,782		
	Net Projects	-11,213	-18,816	-60,899
	Total Non Current Assets	-5,695,772	-18,816	-60,899

Non Current Liabilities

60617 950	Internal Loan	64,967		
	Total Non Current Liabilities	64,967		

	Net Assets	5,630,805	18,816	60,899
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Rural Water Supplies Cash Flow Statement

Hunternville Rural Water

For the period ended

31 October 2015

	YTD Actual 2015/16	YTD Budget 2015/16	FYR Budget 2015/16
Revenue			
Operating revenue	127		
General rates	36,239	154,626	431,076
Interest received** (See note below)			
Total revenue	36,366	154,626	431,076
Expenses			
Operating expenses	138,079	132,229	355,028
Overheads	22,154	24,000	71,990
Interest paid			
Add back non-cash items	-44,928		
	115,305	156,229	427,018
Net cash surplus from operating	-78,939	-1,603	4,058
Capital items			
Capital expenditure	11,213		
Loan repayments			
Total capital	11,213	0	0
Net cash surplus(deficit)	-90,152	-1,603	4,058
Notional bank account			
Opening balance 1 July 2015	-50,811		
Cash surplus(deficit) above	-90,153		
Closing balance	-140,964	0	0

Attachment 3



REPORT

SUBJECT: **Hunternville Rural Water Supply, Operations Report**

TO: Hunternville Rural Water Supply Management Committee

FROM: Andrew van Bussel, Operations Manager

DATE: 1 December 2015

FILE: 6-WS-3-4

1 Leaks and Repairs

1.1 There have been a number of repairs during this period:

5/10	R Swainson – change ballcock
7/10	Speed Engineering to adjust seal on the top pump station
8/10	Otairi pump not working
9/10	Alf Downs to fix short in cable of Otairi pump
13/10	Change ballcock at Ohingaiti break tank
13/10	Alf Downs back to further repair cable at Otairi pump
14/10	Check top pump station for leaks – all okay
28/10	Connect tank in Te Hou Hou Road for Tumihau Trust
28/10	Water leak at 5 Putorino Road
30/10	Power cut – reset pumps at middle pump station
31/10	Otiwhiti – low flow going to tank
4/11	Power cut – reset pumps at middle pump station
7/11	Pole fuse blown – Cooks Road – reset pumps
11/11	Otiwhiti – mark out line
22/11	Power cut – reset pumps at middle pump station
24/11	C Duncan - Otamaire tank no water, broken pipe due to slip on hill

2 General

- 2.1 As discussed in the last report, the Ohingaiti break tank has been purchased but still needs to be installed. This is likely to have to wait until the beginning of summer when access is easier. Meter calibration will be undertaken once this is installed. Update: Ivan has been in contact with Paul Illston who will move the tank when he thinks it is dry enough - approximate cost of \$400.00.
- 2.2 The Rata pipeline was damaged in the June floods has been scheduled for repair as soon as weather permits and an application has been lodged for funding.

- 2.3 Ivan will be starting the cleaning of tank restrictors prior to the Christmas break.

3 Previous Meeting Queries

- 3.1 The quote for the excavator to dig the trench for Rata Pipeline will be tabled.
- 3.2 The software and hardware upgrade which is used for the new control system and scada was purchased and funded out of the last financial year. Install and commissioning will be funded out of this financial year. The funds in this renewal budget come from the water charges.
- 3.3 The new roof was funded out the renewals budget in the last financial year. The funds in this renewal budget come from the water charge.

4 Recommendation

- 4.1 That the 'Hunterville Rural Water Supply, Operations report' dated 1 December 2015 be received.

Andrew van Bussel
Operations Manager