



Rangitikei District Council

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Rangitikei
UNSPOILT...

Hunterville Rural Water Supply Management Sub-Committee

Order Paper

**Monday 19 June 2017
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,
Ex officio, His Worship the Mayor, Andy Watson

Councillor Dean McManaway

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

Agenda – Monday 19 June 2017 – 3:00 PM



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1 Welcome

2 Apologies

3 Members' conflict of interest

Members are reminded of their obligation to declare any conflicts of interest they might have in respect of items on this agenda.

4 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, be dealt with as a late item at this meeting.

5 Confirmation of Minutes

Recommendation

That the Minutes of the Hunterville Rural Water Supply Sub-Committee meeting held on 3 April 2017 be taken as read and verified as an accurate and correct record of the meeting.

File ref: 3-CT-3-2

6 Chair's Report

A verbal report will be provided at the meeting.

Recommendation

That the Chair's Report to the Hunterville Rural Water Supply Sub-Committee meeting on 19 June 2017 be received.

7 Council decisions on recommendations from the Committee

At the meeting on 27 April 2017 Council resolved 17/RDC/143: that the rate for the 2017-2018 financial year be set at \$285 including GST per unit as per recommendation 17/HRWS/009

8 Council responses to queries raised at previous meetings

- Mr Miller: vesting of assets information – will be provided as a verbal update

9 Hunterville Rural Water Supply – Operations Report

A report is attached.

File ref: 6-WS-3-4

Recommendations

That the 'Hunterville Rural Water Supply – Operations report' dated 1 June 2017 be received.

10 Financial Report – February 2017

A report is attached, containing Financial Statements and corresponding commentary for the 10 months ending 30 April 2017.

File ref: 3-CT-3-1

Recommendation

That the Financial Statements and corresponding commentary for the period ending 30th April 2017 be received.

11 Tutaenui Community Irrigation/Stock Water Scheme – update on pre-feasibility study

A verbal update will be provided at the meeting.

12 Options for management of the Hunterville Rural Water Supply Scheme

A report is attached.

File ref: 6-WS-3-4

Recommendations

- 1 That the report 'Options for management of the Hunterville Rural Water Supply Scheme' be received and noted as (for the Council) constituting a review of delivery of services under section 17A of the Local Government Act 2002.
- 2 That the Hunterville Rural Water Supply Subcommittee recommends to Council that it
EITHER
- 3 continues the present arrangements to support the Scheme;
OR
- 4 develops in more detail a proposal for a joint arrangement which gives the Scheme committee or some other body authorised by a majority of the owners of properties connected to the Scheme the responsibility for managing the Scheme subject to conditions agreed between the Scheme members and the Council.

13 Late Items

As accepted in item 4.

14 Next Meeting

Monday 7 August 2017, 3.00pm

15 Meeting dates for the rest of 2017

- 2 October
- 4 December

16 Meeting Closed

Attachment 1



Rangitikei District Council

Huntermville Rural Water Supply Sub-Committee Meeting

Minutes – Monday 3 April 2017 – 3:00 p.m.

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Present:

Mr Bob Crawford - Chair
Mr Brett Journeaux
Mr Bernie Hughes
Mr John McManaway
Cr Dean McManaway
His Worship the Mayor, Andy Watson

In attendance:

Mr George McIrvine, Finance & Business Support Group Manager
Mr Andrew van Bussel, Operations Manager – Utilities
Mr David Rei Miller, Asset Engineer – Roading and Utilities
Mr Andy Sargent, Management and Project Accountant
Ms Linda Holman, Governance Administrator

1 Welcome

The meeting started at 3pm. The Chair welcomed everyone to the meeting.

2 Apologies

Apologies were received from Mr Sam Weston. It was noted that Mr Ivan O'Reilly is on leave.

Mr B Hughes / Mr B Journeaux. Carried

3 Members' conflict of interest

Members are reminded of their obligation to declare any conflicts of interest they might have in respect of items on this agenda. No conflicts of interest were noted.

4 Confirmation of order of business

No late items were noted.

5 Confirmation of Minutes

Resolved minute number	17/HRWS/007	File Ref	3-CT-3-2
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That the Minutes of the Hunterville Rural Water Supply Sub-Committee meeting held on 20 February 2017 be taken as read and verified as an accurate and correct record of the meeting.

Mr B Journeaux / Mr B Hughes. Carried

6 Chair's Report

No report was made.

7 Council decisions on recommendations from the Committee

No recommendations were made to Council at the previous meeting.

8 Council responses to queries raised at previous meetings

- Mr van Bussel: the mass text system appears to be working - noted
- Mr Miller: vesting of assets information – no documents have been found as yet, so will report back at the next meeting

9 Hunterville town water charges and usage

Confirmation was made that Hunterville town is charged for 370 units annually and metered use accounted for approximately 32% of those units in the 2015-2016 financial year. Considering the unmetered use the figure is closer to 40%.

Discussion was held as to whether the unused units could be used by the rural scheme. Technically the answer is yes – there is capacity in the infrastructure for approximately 150 cubic metres per day to “go back up the line”; however, Mr van Bussel has strong reservations as this could have negative effects in the summer time.

10 Quote for new impellers and wear rings

A verbal update on the purchase of new impellers and wear rings for the Acme pump at the middle pump station was provided by Mr van Bussel. The impellers have been ordered and will be delivered in approximately six weeks.

His Worship the mayor left the meeting at 3.20pm and returned at 3.25pm

11 Hunterville Rural Water Supply – Operations Report

2.1 Kiwirail have changed the positioning of the pipe, to be positioned on the handrail - but this may incur a charge. A decision has not yet been made on this matter.

Resolved minute number	17/HRWS/008	File Ref	6-WS-3-4
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That the ‘Hunterville Rural Water Supply – Operations report’ dated 1 April 2017 be received.

Mr B Journeaux / Mr J McManaway. Carried

12 Progressive modelling of increase of depreciation charges

Mr McIrvine explained that 6.5% over four years is \$1.10 a unit every year for 4 years, and 13% = \$2.20 a unit.

Mr Miller identified that not everything had been recorded in the asset register, so this is currently being updated. Mr Miller has taken photographs at various sites and is in discussion with Mr van Bussel; it is a work in progress but is now up from 19 lines to 63. This will help decide upon the amount of depreciation to be set and will also provide good information for insurance purposes. Assets that hadn't been in the register need a value assigned but the end result is that the register will more accurately reflect reality.

Mr Journeaux queried where the current year's depreciation figure of \$90,000 came from. Mr McIrvine answered that it came from historical costings.

13 Financial Report – February 2017

Mr McIrvine noted that the expenditure is on track, but that the recent MagiQ software update has caused a few errors. Mr Crawford noted that there are no major outstanding debtors

Improvements on last year have come from upgraded hardware has gaining efficiencies and electricity savings. Mr Journeaux queried whether there is confidence that next year's costings will be similar to this year. Consensus was that due to the wet summer the costs were lower this year than normal, so rate-setting for future years should take this into account.

Mr van Bussel noted that there is infrastructure to do in the near future, including work on time-of-use pumping and building the programme with the contractor. Next year's work includes overhauling 2 pumps and installing new impellers to increase efficiency. These are capital costs, not operational costs.

Current rate: \$280 per unit per year.

Further discussion was held around the different options for funding depreciation. It was decided to set the rate for the 2017-2018 financial year at \$285 including GST per unit.

Resolved minute number	17/HRWS/009	File Ref
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That the rate for the 2017-2018 financial year be set at \$285 including GST per unit.

Cr D McManaway / Mr B Journeaux. Carried

Resolved minute number	17/HRWS/010	File Ref	3-CT-3-1
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That the Financial Statements and corresponding commentary for the period ending 28 February 2017 be received.

Mr B Journeaux / Mr B Hughes. Carried

14 Tutaenui Community Irrigation/Stock Water Scheme – update on pre-feasibility study

Mr Miller noted that Mr Murray Robinson has commenced interviewing people in the district and that the results will be reported to the next meeting. Additionally, engineering consultants are currently completing their report.

It was noted that Mr Ross Kane of Speirs Foods pointed out at a recent meeting the huge potential for wise water use on smaller, fertile flat lands in the Rangitikei with a horticultural, rather than agricultural focus. It was also noted that, at a conceptual level, if Hunterville town was to come off the scheme then the excess units could be moved around to people who have expressed an interest in purchasing more units.

Mr Journeaux noted that this hasn't changed anything immediately, and the status quo is in place for now. Mr Crawford noted that once the issues are sorted then users can be canvassed to find out who wants more water. If people want to sell/buy units they need to agree between themselves and then bring it to the committee to be recorded for future information.

15 Updating the Rural Water Supply Policy

It was noted that the amended policy has been sent to the Omatane and Erewhon Rural Water Schemes for approval or further amendment. Once all of the Rural Water Schemes are in agreement the amended policy will be sent to Council for final approval.

16 Late Items

Nil.

17 Next Meeting

Monday 19 June 2017, 3.00pm

18 Meeting dates for the rest of 2017

- 7 August
- 2 October
- 4 December

19 Meeting Closed 4.10pm

Confirmed/Chair: _____

Date: _____

Attachment 2



REPORT

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

TO: Hunternville Rural Water Supply Management Committee

FROM: Andrew van Bussel, Operations Manager

DATE: 1 June 2017

FILE: 6-WS-3-4

1 Leaks and Repairs

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

30/3	Steve Drysdale Survey of Burmac Valves (attached)
10/4	Clean sand out of cyclone
11/4	Colin Cronin – lift river pump out
20/4	Fibreglass tank split – Florence
20/4	Repair Leaks in top tank liner
28/4	No power at Hunternville middle pump station
28/4	Leak on main 4inch line – Horrocks
2/5	Connect new tank for Florence
2/5	Replace ballcock – Richard Lambert
3/5	Replace ballcock – John McManaway
5/5	Leak at Robert Nydegger's tank
11/5	Leak at Horrocks – split pipe
11/5	Leak at Mrs Webb's
14/5	Leak at Horrocks
25/5	Leak at Dave Munn's
26/5	Locate water pipe for Pickfords
28/5	Comms fault at bottom pump station
30/5	State Highway 1 Rata – leak at tank
30/5	Locate water pipe for Pickfords
6/6	Leak at Mrs Webb's
6/6	Digger hit comms cable at Mark Graces

2 General

2.1 Makohine Viaduct – Kiwi rail did not approve the first plan as we are not permitted to connect the water main to the bridge structure. We have decided to hang the waterpipe from the hand rail. The estimate for this work has increased to approximately \$9,000. Once the plans have been finalised we will resubmit them to Kiwi rail for approval.

- 2.2 The line through Webb's property needs addressing due to the number of repairs undertaken. The Webb's have requested they would like the whole line to be renewed through their property as they intend to restrict access for repairs from May next year. We are in the process of gaining prices for this work to present to the next committee meeting.
- 2.3 Steve Drysdale from Deeco Services undertook an assessment on all the Control Valves (Report attached). The estimate to undertake the repairs identified is \$1325.40.
- 2.4 Pump Overhaul – Speed Engineering is currently working on this.
- 2.5 Alf Downs and Control Box have started programming the off-peak pumping control.

3 Recommendation

- 3.1 That the 'Hunternville Rural Water Supply, Operations report' dated 1 June 2017 be received.

Andrew van Bussel
Operations Manager

Control Valve report for Rangitikei DC

19/5/2017

On 30/03/2017, Steve Drysdale of Deeco Services Wellington travelled up to the Rangitikei area to assess the condition and operation of various pressure and level control valves.

This action was requested by Andrew van Bussel of the Rangitikei DC.

The valves assessed are as below:

1. Leedstown valve, model 750.60.080mm modulating level control valve
2. Kakarangi valve, model 750.60.100mm modulating level control valve
3. Rathmore valve, model 750.60.100mm modulating level control valve
4. Wairata valve, model 750.66.050mm, bi-level control valve
5. Forks valve, model 723.050mm, pressure sustaining/reducing valve
6. Muns valve, model: 600HLR040 direct acting pressure reducing valve and 730.050Q 50mm quick pressure relief valve
7. Gibbons Road Valve, model PRV040mm (irrigation plastic spec, direct acting) and 730.050Q 50mm quick pressure relief valve.
8. Kilmeister Valve, model PRV040mm (irrigation plastic spec, direct acting) and 730.050Q 50mm quick pressure relief valve.

Findings

1/ Leedstown valve



This valve is leaking and needs to be re-kitted. The valve was also leaking from the indicator assembly "O" rings which need to be replaced at the same time.

2/ Kakarangi valve



This valve tested ok, but the indicator assembly “O” rings where leaking, which need to be replaced when convenient.

3/ Rathmore valve



This valve tests out ok, but when convenient it would be useful to fit a ball valve where the line goes into the wall to allow easy access to test.

4/ Wairata valve



This valve appeared to be sound, however the #66 float pilot was not working properly. This float pilot may have lost its "timing" (the barrel had been rotated putting the ports out of sequence).

Ivan was able to supply a basic #66 float pilot I had re-timed a few years ago. I have re-tested this and am happy with the way it works, I will send this back to you.

The existing #66 float pilot should be removed and the float & linkages fitted to the tested new #66 pilot.

Please advise when this work is being carried out, and I will provide a circuit diagram, or we can arrange for me to do this when I am up next.

5/ Forks



This valve was completely submerged in the pit, a brass fitting had cracked and was filling the pit. This fitting was replaced on the spot. Unfortunately, due to a lack of system demand, other than a hydrostatic test, this valve was not able to be function tested.

If a system demand could be arranged (hydrant opened or tank drained), correct operation of the valve could be quickly verified.

6/ Muns



This direct acting pressure reducing valve, and the associated Bermad 730.050Q quick relief valve, were both working perfectly.

7/ Gibbons Road



This valve is an irrigation spec Bermad PRV. It is not the correct valve for this application, a Wilkins NR3040 and up/downstream gauge on tees would be the best choice.

Mainly due to a low flow rate, I was unable to ascertain the correct operation of this valve, however the 730.050Q valve worked perfectly when tested, but dumped the system pressure completely when open. Having no idea of the correct setting, we were reluctant to change any of the valve settings. I was not sure there was actually any pressure reduction happening at all.

8/ Kilmeister



Exactly same scenario as above, (just a steeper hill to climb!)

Please don't hesitate to get in touch with any questions, or if you need further information.

Regards,
Steve Drysdale
19/05/2017

Attachment 3

HUNTERVILLE RURAL WATER SUPPLY FINANCIAL STATEMENTS
COMMENTARY FOR THE 10 MONTHS ENDING:
30th April 2017

The commentary supporting the performance to date as outlined within the presented financial report is as follows:

Performance:

➤ **Metered Revenue against budget**

As shown is tracking close to budget at \$213.3k

Billing in May 2017 due 20th June 2017 is \$240.6k

Or an increase of 12.8% over the previous November 2016 billing period

➤ **General Rates**

This is tracking as per the budget at \$81.2k

➤ **Interest Charged**

This shows a variance of \$8k down on budget

➤ **Expenditure against budget**

This is showing a variance (unfavourable) of \$17k being an increase in spending Activities

– Please see page 3 of the “Financial Statements” for further details relating to the expenditure of \$322.1k against the period budget of \$305.9k

Debtors:

➤ As at 20th December 2016 totalled \$201,362

➤ As at 22nd March 2017 totalled \$669.85

➤ As at 21st April 2017 totalled \$588.85

➤ As at 31st May 2017 totalled \$241,133.70 with over dues totalling \$534.70 and; current being \$240,599.00

- for further details relating to these debtor values please see pages 13 to 15 of the “Financial Statements”

Capital Renewals

➤ Spend to date is \$23.5k against a budget of \$126.4k

Capital Projects:

➤ Spend to date is \$1.1k and is against HRWS Reticulation – Staff Time

Water Usage / Supplied:

- Monthly usage from the Rangitikei River for the month of April 2017 totalled 39,875 m3 against a consented value of 75,000 m3 or 53.2%
- YTD usage from the Rangitikei River for the 10 months totalled 390,464 m3 against a consented value for the same period of 760,000 m3 or 51.4%

Electricity costs still remain high and are running at \$0.20 per m3 against a budget of \$0.16 per m3 being \$0.04 higher or 25%

- for further details relating to these water values
please see pages 10 to 12 of the "Financial Statements"

Andrew Sargent
06th June 2017
Management & Project Accountant

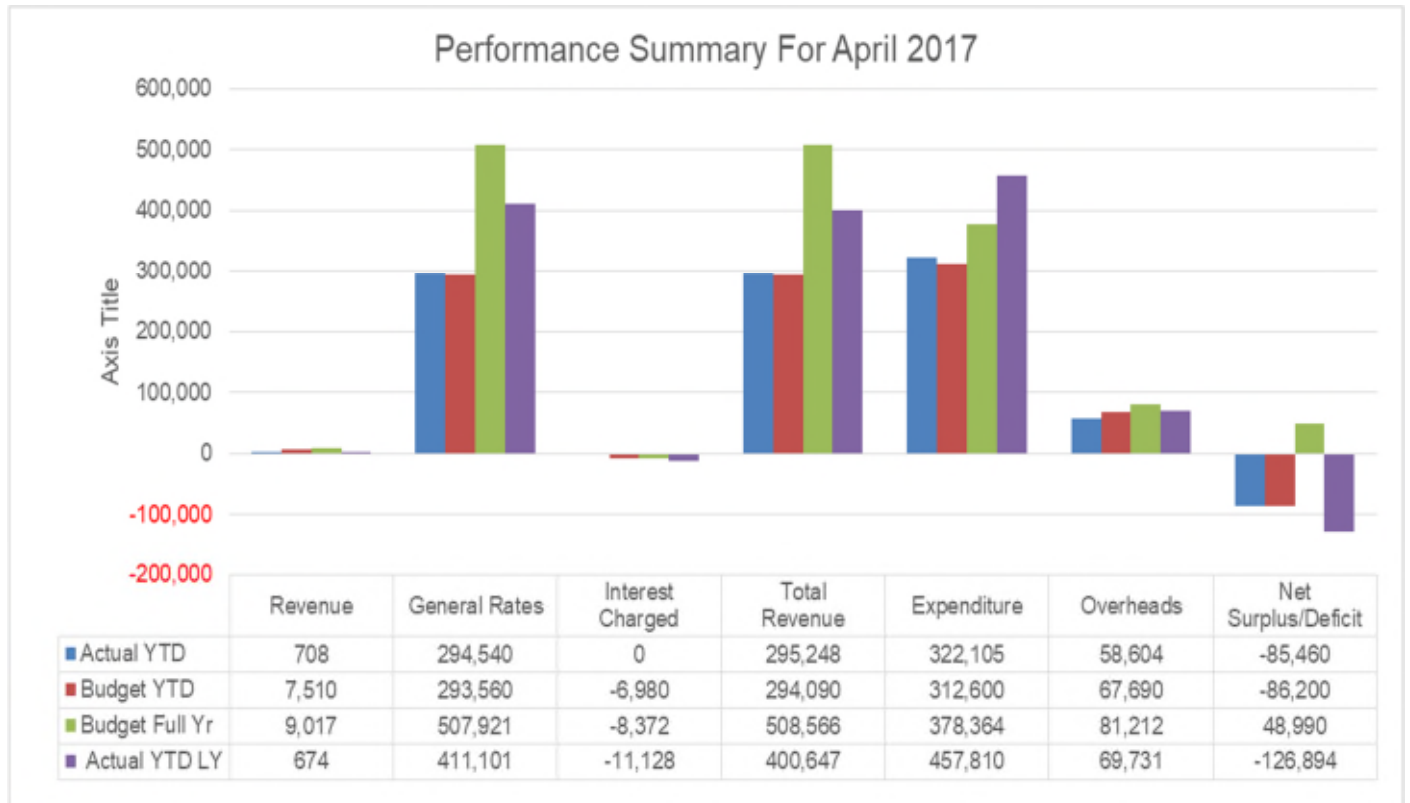
HUNTERVILLE RURAL WATER SUPPLY FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE SUMMARY

As at 30 April 2017

Performance Summary

	Actual YTD	Budget YTD	Budget Full Yr	Actual YTD LY
Revenue	708	7,510	9,017	674
General Rates	294,540	293,560	507,921	411,101
Interest Charged	0	-6,980	-8,372	-11,128
Total Revenue	295,248	294,090	508,566	400,647
Expenditure	322,105	312,600	378,364	457,810
Overheads	58,604	67,690	81,212	69,731
Net Surplus/Deficit	-85,460	-86,200	48,990	-126,894



Water Supply Hunterville Rural

Statement of Operations

As at 30 April 2017

Revenue

Account	Detail	YTD Actual 2016/17	YTD Budget 2016/17	FYR Budget 2016/17	YTD Actual 2015/16
Rates					
60617018	General Revenue	435	0	0	127
60617123	Penalty	273	0	0	547
60617142	Metered Supply Charges	213,327	214,867	429,734	344,619
	Total Rates	214,035	214,867	429,734	345,292

Apportioned Rates Revenue

60617802	Treasury Int Recd	0	7,510	9,017	8,587
6061780801	General Rates	81,213	81,213	81,213	69,731
60617809		0	-2,520	-3,026	-3,248
6061780901	Interest Charged Rate A/C	0	-6,980	-8,372	-11,128
6061780903	Treasury Int Rec'd/Tsf to Rese	0	0	0	0
60617810		0	0	0	-8,587
60617811	Transfer to Reserves	0	-7,510	-9,017	0
	Total Apportioned Rates Revenue	81,213	71,713	69,815	55,355

Internal Charges

606171791100	Allocated o/heads CEO	10,381	8,830	10,593	10,908
606171791400	Allocated o/heads Cust Service	2,067	1,960	2,347	2,107
606171792100	Allocated o/heads Fin Services	18,685	18,520	22,221	20,621
606171792500	Allocated o/heads Stat Plannin	6,151	7,350	8,817	7,497
606171795100	Allocated o/heads Assets	21,319	31,030	37,234	28,598
	Total Internal Charges	58,604	67,690	81,212	69,731

Expenditure

6061734301	Telephone Costs	2,055	3,630	4,358	3,948
6061756208	Depreciation - Infrastructure	112,086	112,090	134,503	167,778
60617563	Electricity	155,658	121,040	145,250	179,516
60617565	Insurance	1,315	8,470	10,168	6,536
6061756608	Loss on Sale - Infrastructure	0	0	0	18,957
6061756702	Rates - Utility	4,856	14,820	17,778	10,066
60617588	Member Remuneration	0	0	3,237	3,200
6061763001	Professional Services - MDC	977	34,580	41,500	335
6061863002	MDC Charges - PSU	0	0	0	0
6061763003	MDC Charges - Retic	0	0	0	25,868
6061763004	MDC Charges - Treatment	0	0	0	1,498
6061768201	Reticulation Costs - Staff	26,204	0	0	12,093
6061768301	Treatment Costs - Staff Time	2,788	0	0	240
60617692	External Contractors	8,566	1,730	2,075	20,744
60617697	Resource Consents	2,060	1,730	2,075	630
60617698	Chemicals & Consumables	0	2,680	3,215	0
60617699	Materials	5,541	4,320	5,188	6,403
	Total Expenditure	322,105	305,090	369,347	457,810
	Net Surplus	-85,460	-86,200	48,990	-126,894

		YTD Actual 2016/17	YTD Budget 2016/17	YTD Expenditure Variance	Against Budget
	Expenditure Details				
<u>60617563</u>	Electricity	155,658.09	121,040.00	34,618.09	Unfavourable
<u>6061768201</u>	Reticulation Costs - Staff	26,204.00	0.00	26,204.00	Unfavourable
<u>60617692</u>	External Contractors	8,565.86	1,730.00	6,835.86	Unfavourable
<u>6061768301</u>	Treatment Costs - Staff Time	2,788.00	0.00	2,788.00	Unfavourable
<u>60617699</u>	Materials	5,540.85	4,320.00	1,220.85	Unfavourable
<u>60617697</u>	Resource Consents	2,059.50	1,730.00	329.50	Unfavourable
<u>6061756608</u>	Loss on Sale - Infrastructure	0.00	0.00	0.00	n/a
<u>60617588</u>	Member Remuneration	0.00	0.00	0.00	n/a
<u>6061863002</u>	MDC Charges - PSU	0.00	0.00	0.00	n/a
<u>6061763003</u>	MDC Charges - Retic	0.00	0.00	0.00	n/a
<u>6061763004</u>	MDC Charges - Treatment	0.00	0.00	0.00	n/a
<u>6061756208</u>	Depreciation - Infrastructure	112,085.80	112,090.00	-4.20	Favourable
<u>6061734301</u>	Telephone Costs	2,054.52	3,630.00	-1,575.48	Favourable
<u>60617698</u>	Chemicals & Consumables	0.00	2,680.00	-2,680.00	Favourable
<u>60617565</u>	Insurance	1,315.41	8,470.00	-7,154.59	Favourable
<u>6061756702</u>	Rates - Utility	4,856.00	14,820.00	-9,964.00	Favourable
<u>6061763001</u>	Professional Services - MDC	976.50	34,580.00	-33,603.50	Favourable
	Total Variance	322,105	305,090	17,015	Unfavourable

Water Supply Hville Rural

As at 30 April 2017

Account	Detail	YTD Actual 2016/17	Ytd Budget 2016/17	FYR Budget 2016/17
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Capital - Renewals Infrastructure

60617721	Treasury Loans Repaid	0	3,710	4,449
60617722	Treasury Loans Raised	0	-75,000	-90,000
6061776201	HRWS Reticulation - Contractor	19,175	24,730	29,677
6061776301	HRWS Treatment - Contractor	4,374	172,980	207,573
	Total Capital - Renewals Infra	23,549	126,420	151,699

Capital - Projects

6061777303	HRWS Reticulation - Staff Time	1,148	0	0
60617799	Capital Contra	0	0	0
	Total Capital - Projects	1,148	0	0
	Net Projects	24,697	126,420	151,699

Equity

60617966	HVL RWS REVAL.RESERVE	1,351,125	0	0
60617990	Public Equity H/Ville Rural Wa	3,963,944	0	0
60617995	Hunterville RWS Reserve	180,334	0	0
	Net Surplus	-85,460	-86,200	48,990
	Working Capital	47,671	212,620	102,709
	Total Equity	5,457,613	126,420	151,699

Non Current Assets

60617878	Infrastructure	112,086	0	0
60617886	Water Supply Schemes	-5,989,974	0	0
6061788601	Provision for depeciation	384,454	0	0
	Net Projects	-24,697	-126,420	-151,699
	Total Non Current Assets	-5,518,131	-126,420	-151,699

Non Current Liabilities

60617950	Internal Loan	60,518	0	0
	Total Non Current Liabilities	60,518	0	0

	Net Assets	5,457,613	126,420	151,699
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Rural Water Supplies Cash Flow Statement

Hunterville Rural Water
For the period ended
As at 30 April 2017

YTD Actual YTD Budget FYR Budget
2016/17 2016/17 2015/16

Revenue

Operating revenue	708	0	0
General rates	81,213	81,213	81,213
Metered Supply Charge	213,327	214,867	429,734
Interest received** (See note below)	0	-9,500	-11,398
Total revenue	295,248	286,580	499,549

Expenses

Operating expenses	322,105	305,090	369,347
Overheads	58,604	67,690	81,212
Interest paid			
Add back non-cash items (Depreciation)	-112,086	-112,090	-134,503
	268,622	260,690	316,056

Net cash surplus from operating

26,625 25,890 183,493

Capital items

Capital expenditure	24,697
Loan repayments	0
Total capital	24,697

Net cash surplus(deficit)

1,929

Notional bank account

Opening balance 1 July 2016	-49,599
Cash surplus(deficit) above	1,929

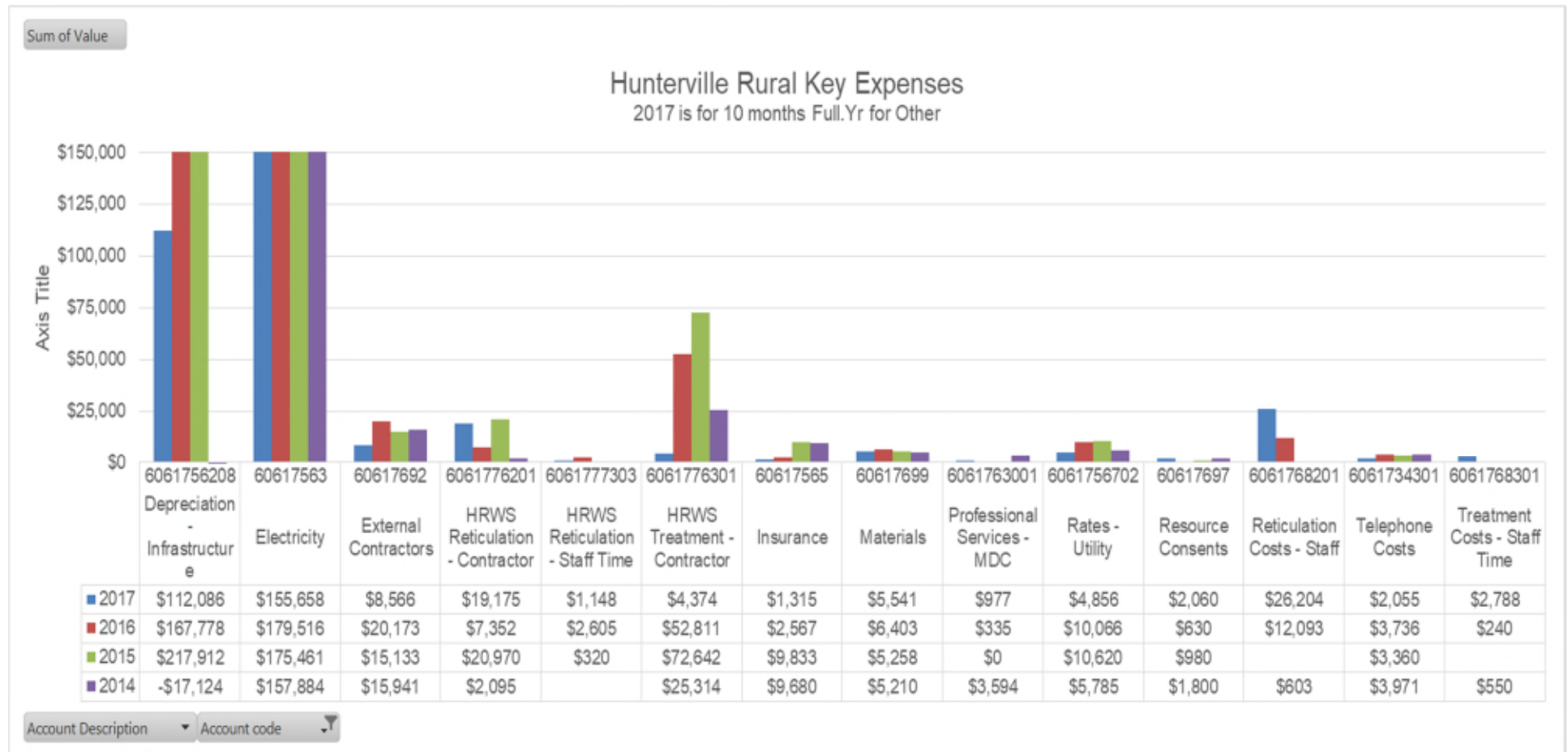
Closing balance / (Working Capital)

-47,670

Net Surplus	-85,460
Add back depn	-112,086
	-197,546
Less Net Projects	-24,697
Cash surplus (deficit) above	1,929
Opening Balance	-49,599
	-47,670

0

Sum of Value		Year				
Account Description	Account code	2017	2016	2015	2014	
[-] Depreciation - Infrastructure	6061756208	\$112,086	\$167,778	\$217,912	-\$17,124	
[-] Electricity	60617563	\$155,658	\$179,516	\$175,461	\$157,884	
[-] External Contractors	60617692	\$8,566	\$20,173	\$15,133	\$15,941	
[-] HRWS Reticulation - Contractor	6061776201	\$19,175	\$7,352	\$20,970	\$2,095	
[-] HRWS Reticulation - Staff Time	6061777303	\$1,148	\$2,605	\$320		
[-] HRWS Treatment - Contractor	6061776301	\$4,374	\$52,811	\$72,642	\$25,314	
[-] Insurance	60617565	\$1,315	\$2,567	\$9,833	\$9,680	
[-] Materials	60617699	\$5,541	\$6,403	\$5,258	\$5,210	
[-] Professional Services - MDC	6061763001	\$977	\$335	\$0	\$3,594	
[-] Rates - Utility	6061756702	\$4,856	\$10,066	\$10,620	\$5,785	
[-] Resource Consents	60617697	\$2,060	\$630	\$980	\$1,800	
[-] Reticulation Costs - Staff	6061768201	\$26,204	\$12,093		\$603	
[-] Telephone Costs	6061734301	\$2,055	\$3,736	\$3,360	\$3,971	
[-] Treatment Costs - Staff Time	6061768301	\$2,788	\$240		\$550	
Grand Total		\$346,801	\$466,304	\$532,490	\$215,302	

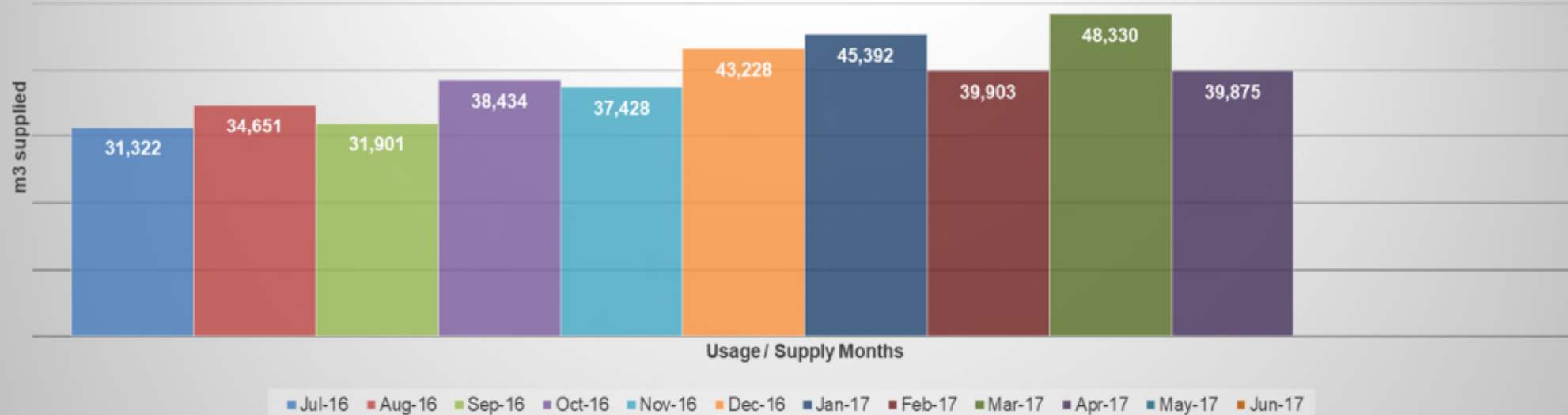


Sum of Value				Year	T
Account Description	Account code	Month	Transaction description	2017	
Electricity	60617563	Jul-16	AP Meridian Energy 110054/01 Well Pump Water Supply Cooks Road	\$2,993	
			AP Meridian Energy 110054/02 Middle Pump Water Supply Cooks Road	\$4,920	
			AP Meridian Energy 110248/08 Power 9 June to 8 July 2016	-\$313	
			AP Meridian Energy 110417/01 Middle Pump Water Supply Cooks Road	\$4,992	
		Aug-16	AP Meridian Energy 110300/01 Well Pump Water Supply Cooks Road	\$3,247	
			AP Meridian Energy 110300/02 Middle Pump Water Supply Cooks Road	\$5,399	
			AP Meridian Energy 110300/03 Top Pump Water Supply Cooks Rd	\$5,367	
			AP Meridian Energy 110550/08 Power 9 July to 8 August 2016	\$906	
		Sep-16	AP Meridian Energy 110622/01 Well Pump Water Supply Cooks Road	\$3,277	
			AP Meridian Energy 110622/02 Middle Pump Water Supply Cooks Road	\$5,671	
			AP Meridian Energy 110622/03 Top Pump Water Supply Cooks Rd	\$5,690	
			AP Meridian Energy 111001/08 Power 9 August to 8 September 2016	\$130	
		Oct-16	AP Meridian Energy 111084/01 Well Pump Water Supply Cooks Road	\$2,814	
			AP Meridian Energy 111084/02 Middle Pump Water Supply Cooks Road	\$4,848	
			AP Meridian Energy 111084/03 Top Pump Water Supply Cooks Rd	\$4,908	
			AP Meridian Energy 111265/08 Power 9 September to 8 October 2016	\$27	
		Nov-16	AP Meridian Energy 111266/01 Well Pump Water Supply Cooks Road	\$3,364	
			AP Meridian Energy 111266/02 Middle Pump Water Supply Cooks Road	\$5,911	
			AP Meridian Energy 111266/03 Top Pump Water Supply Cooks Rd	\$5,881	
			AP Meridian Energy 111538/08 Power 9 October to 8 November 2016	\$392	
		Dec-16	AP Meridian Energy 111537/01 Well Pump Water Supply Cooks Road	\$3,354	
			AP Meridian Energy 111537/02 Middle Pump Water Supply Cooks Road	\$5,762	
			AP Meridian Energy 111537/03 Top Pump Water Supply Cooks Rd	\$5,688	
			AP Meridian Energy 111983/08 Power 25 November to 24 December 2016	\$698	
		Jan-17	AP Meridian Energy 111985/02 Middle Pump Water Supply Cooks Road	\$6,716	
			AP Meridian Energy 111985/03 Top Pump Water Supply Cooks Rd	\$6,701	
			AP Meridian Energy 112339/08 Power June 2016 - July 2017	\$135	
			Purchase Orders Jan 17	\$135	
			ReversePurchase Orders Jan 17	-\$135	
		Feb-17	AP Genesis Energy 112443/08 Power 1 January to 31 January 2017	\$76	
			AP Contact Energy 112491/02 Middle Pump Water Supply Cooks Road	\$6,670	
			AP Contact Energy 112759/02 Middle Pump Water Supply Cooks Road	\$741	
			AP Contact Energy 112491/03 Top Pump Water Supply Cooks Rd	\$6,622	
			AP Contact Energy 112491/01 Well Pump Water Supply Cooks Road	\$4,034	
			AP Meridian Energy 111985/01 Well Pump Water Supply Cooks Road	\$3,909	
		Mar-17	AP Genesis Energy 112734/08 Power 1 February to 28 February 2017	\$79	
			AP Contact Energy 112732/02 Middle Pump Water Supply Cooks Road	\$6,251	
			AP Contact Energy 112732/03 Top Pump Water Supply Cooks Rd	\$6,325	
			AP Contact Energy 112732/01 Well Pump Water Supply Cooks Road	\$3,752	
			AP Genesis Energy 113168/08 Power	\$74	
		Apr-17	AP Contact Energy 113167/02 Middle Pump Water Supply Cooks Road	\$7,018	
			AP Contact Energy 113167/03 Top Pump Water Supply Cooks Rd	\$6,535	
			AP Contact Energy 113167/01 Well Pump Water Supply Cooks Road	\$4,095	
Electricity Total				\$155,658	
External Contractors	60617692	Jul-16	AP Alf Downs Contr 110356/01 Hunterville Rural Bore Pump 2 fault	\$477	
			AP Cronin Wells En 110223/01 HRWS - removing the bore pump	\$405	
			AP DK Plumbing Ltd 109960/01 Servicing Reservoir zip	\$241	
			AP DK Plumbing Ltd 110136/01 Fittings for reservoir	\$22	
		Aug-16	AP Alf Downs Contr 110708/01 HRWS Comms Fault Progress 2	\$2,150	
			AP Alf Downs Contr 110710/01 HRWS Plant Training - Train Operators SCADA	\$294	
			AP Alf Downs Contr 110759/01 Hunterville Rural Comms Fault	\$826	
		Sep-16	AP Alf Downs Contr 111063/01 HRWS Add User to After Hours	\$195	
			AP Filtration Tech 110575/01 Servicing of Regulator HRWS	\$369	
			AP P V Mackenzie 110276/01 Digger Hire HRWS	\$100	
		Oct-16	AP Alf Downs Contr 111502/01 HRWS Callout to reset comms Fault Top Pump St	\$512	
		Nov-16	AP Alf Downs Contr 111789/01 HRWS- Change Speed on Pumps - Ivan	\$328	
			AP Envirohaz 111387/01 Renew Test Certificates-HRWS	\$459	
			Correct Codings	-\$263	
		Dec-16	AP Alf Downs Contr 112101/01 HRWS Pumps not enough flow	\$203	
		Jan-17	AP Cronin Wells En 112291/01 River Pump in at HRWS	\$270	
			AP Alf Downs Contr 112487/01 Hunterville Rural PLC Fault-Reset PLC	\$117	
		Feb-17	AP Alf Downs Contr 112874/01 HRWS Pump Issues - J138214	\$172	
			AP Alf Downs Contr 112883/01 HRWS Middle Pump Station 2 Changeover Prog1	\$300	
			AP Alf Downs Contr 112885/01 HRWS Callout to Pump Station Fault-J138160	\$1,121	
		Apr-17	AP Cronin Wells En 113461/01 Remove River Pump -HRWS	\$270	
External Contractors Total				\$8,566	

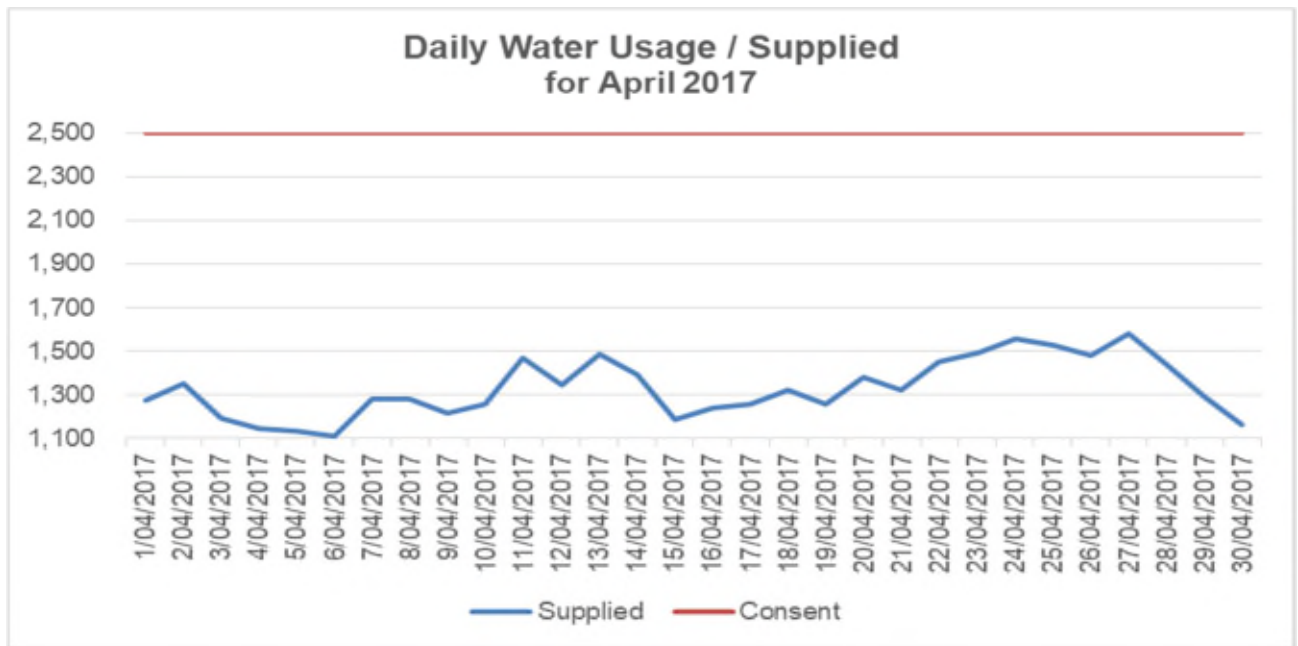
Sum of Value				Year
Account Description	Account code	Month	Transaction description	2017
HRWS Reticulation -	6061776201	Jul-16	Aaron Uings MISCELLANEOUS	\$0
			AP Alf Downs Contr 110788/01 HRWS Rural Bore Pump 2 - Progress 2	\$1,268
			AP Brown Brothers 110094/01 New Hitachi 6" pump - HRWS RFS 1602161	\$11,370
			AP Cronin Wells En 110437/01 Put HRWS Pump back in Intake- RFS1602161	\$405
			AP Humes Pipeline 111920/01 Mangakino Viaduct Renewal	\$1,486
			AP Speed Engineeri 110789/01 HRWS RFS1602161 Remove Old Pump and Make up	\$2,981
			AP P V Mackenzie 111329/01 Digger hire	\$200
			AP P V Mackenzie 111330/01 Digger hire	\$200
			AP Chesters Plumbi 112694/01 HRWS - New Meter at Otairi Station	\$1,265
HRWS Reticulation - Contractor Total				\$19,175
HRWS Treatment - C	6061776301	Jul-16	AP Filtration Tech 110608/01 HRWS Standard Chlorine Injector with Tails	\$1,098
			AP Filtration Tech 110608/02 HRWS Standard Chlorine Injector with Tails	\$195
			AP Brown Brothers 111880/01 Supply 1 x 75kw Weg W21 electric motor to fit	\$3,081
HRWS Treatment - Contractor Total				\$4,374
Materials	60617699	Aug-16	AP T & J Mcilwaine 110542/01 bags of cement	\$304
			AP Track Industrie 110509/01 4 x Marack brass valves HRWS	\$958
		Oct-16	AP Chesters Plumbi 110963/02 Gibaults for HRWS	\$272
		Nov-16	AP Chesters Plumbi 111396/01 parts for stock	\$1,368
			AP Chesters Plumbi 111459/01 3 x gibaults-HRWS	\$381
		Dec-16	AP Chesters Plumbi 111999/01 parts for stock	\$116
		Jan-17	AP Chesters Plumbi 112138/01 parts for stock	\$327
			AP Chesters Plumbi 112293/01 parts for stock	\$123
		Feb-17	AP Acuflo Industri 112471/01 parts for main renewal in mangaweka-kereru st	\$388
		Mar-17	AP Chesters Plumbi 113109/01 Gibault and Reducing Valves - HRWS	\$636
			AP Speed Engineeri 113612/01 Make up Steel Pipe HRWS- Inv22885	\$668
Materials Total				\$5,541
Reticulation Costs - S	6061768201	Jul-16	MDC Charges JULY 4th - 31st July	\$2,300
		Aug-16	REV'd	\$1,748
			MDC STAFF HOURS AUGUST 16	-\$1,748
			MDC STAFF HOURS AUGUST 16	\$1,748
		Sep-16	MDC STAFF HOURS SEPTEMBER 16	\$1,720
		Oct-16	MDC Staff Hours November	\$3,958
			MDC Staff Hours October	\$2,160
			Reversal MDC Nov processed in Oct.16 Mth	-\$3,958
		Nov-16	MDC Staff Hours November	\$3,958
		Dec-16	MDC Staff Hours Dec.16 Allocation	\$1,336
		Jan-17	MDC Staff Hours Jan.17 Allocation	\$2,574
			MDC Staff Hours Feb.17 Allocation	\$3,802
		Mar-17	MDC Staff Hours Mar.17 Allocation	\$4,356
		Apr-17	MDC Staff Hours Apr.17 Allocation	\$2,250
Reticulation Costs - Staff Total				\$26,204
Treatment Costs - Sta	6061768301	Aug-16	REV'd	\$410
			MDC STAFF HOURS AUGUST 16	-\$410
			MDC STAFF HOURS AUGUST 16	\$410
		Sep-16	MDC STAFF HOURS SEPTEMBER 16	\$246
		Oct-16	MDC Staff Hours November	\$492
			MDC Staff Hours October	\$246
			Reversal MDC Nov processed in Oct.16 Mth	-\$492
		Nov-16	MDC Staff Hours November	\$492
		Dec-16	MDC Staff Hours Dec.16 Allocation	\$410
		Jan-17	MDC Staff Hours Jan.17 Allocation	\$164
			MDC Staff Hours Feb.17 Allocation	\$164
		Mar-17	MDC Staff Hours Mar.17 Allocation	\$164
		Apr-17	MDC Staff Hours Apr.17 Allocation	\$492
Treatment Costs - Staff Time Total				\$2,788

Hunterville RWS - Rangitikei River Water Usage / Supplied

for the 10 months ending April 2017



Days	31	31	30	31	30	31	31	28	31	30	31	30		
											Apr-16	May-16	Jun-16	Total
											n/a	22,038	57,598	79,635
Actual as a % of Consent												28.4%	76.8%	
Consent	77,500	77,500	75,000	77,500	75,000	77,500	77,500	70,000	77,500	75,000	75,000	77,500	75,000	912,500
Water Supplied to:	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Total	
Hunterville RWS from Rangitikei River	31,322	34,651	31,901	38,434	37,428	43,228	45,392	39,903	48,330	39,875				390,464
Actual as a % of Consent	40.4%	44.7%	42.5%	49.6%	49.9%	55.8%	58.6%	57.0%	62.4%	53.2%				



Date:	Supplied	Consent	Daily %
1/04/2017	1,273	2,500	50.9%
2/04/2017	1,350	2,500	54.0%
3/04/2017	1,192	2,500	47.7%
4/04/2017	1,145	2,500	45.8%
5/04/2017	1,133	2,500	45.3%
6/04/2017	1,108	2,500	44.3%
7/04/2017	1,282	2,500	51.3%
8/04/2017	1,279	2,500	51.2%
9/04/2017	1,219	2,500	48.8%
10/04/2017	1,260	2,500	50.4%
11/04/2017	1,470	2,500	58.8%
12/04/2017	1,348	2,500	53.9%
13/04/2017	1,485	2,500	59.4%
14/04/2017	1,391	2,500	55.6%
15/04/2017	1,189	2,500	47.6%
16/04/2017	1,238	2,500	49.5%
17/04/2017	1,256	2,500	50.2%
18/04/2017	1,320	2,500	52.8%
19/04/2017	1,255	2,500	50.2%
20/04/2017	1,382	2,500	55.3%
21/04/2017	1,322	2,500	52.9%
22/04/2017	1,448	2,500	57.9%
23/04/2017	1,490	2,500	59.6%
24/04/2017	1,555	2,500	62.2%
25/04/2017	1,526	2,500	61.0%
26/04/2017	1,482	2,500	59.3%
27/04/2017	1,577	2,500	63.1%
28/04/2017	1,441	2,500	57.6%
29/04/2017	1,293	2,500	51.7%
30/04/2017	1,166	2,500	46.6%
Total	39,875	75,000	53.2%

YTD Months: = 10 304 365
 m3 Consent Usage 760,000 912,500
 100.0%

m3 Water Usage/Supplied 390,464
 51.4%

Operational Expenditure

	Actual YTD	Budget YTD	Budget Full Yr
Telephone Costs	2,055	3,630	4,358
Depreciation - Infrastructure	112,086	112,090	134,503
Electricity	155,658	121,040	145,250
Insurance	1,315	8,470	10,168
Loss on Sale - Infrastructure	0	0	0
Rates - Utility	4,856	14,820	17,778
Member Remuneration	0	0	3,237
Professional Services - MDC	977	34,580	41,500
MDC Charges - PSU	0	0	0
MDC Charges - Retic	0	0	0
MDC Charges - Treatment	0	0	0
Reticulation Costs - Staff	26,204	0	0
Treatment Costs - Staff Time	2,788	0	0
External Contractors	8,566	1,730	2,075
Resource Consents	2,060	1,730	2,075
Chemicals & Consumables	0	2,680	3,215
Materials	5,541	4,320	5,188
Total	322,105	305,090	369,347

Cost per m3 Water Usage/Supplied

Actual YTD	at 51.4%	Budget YTD	Difference	Budget Full Yr
\$0.01	\$0.00	\$0.00	-\$0.00	\$0.00
\$0.29	\$0.15	\$0.15	-\$0.00	\$0.15
\$0.40	\$0.20	\$0.16	\$0.05	\$0.16
\$0.00	\$0.00	\$0.01	-\$0.01	\$0.01
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.01	\$0.01	\$0.02	-\$0.01	\$0.02
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.05	-\$0.04	\$0.05
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
\$0.07	\$0.03	\$0.00	\$0.03	\$0.00
\$0.01	\$0.00	\$0.00	\$0.00	\$0.00
\$0.02	\$0.01	\$0.00	\$0.01	\$0.00
\$0.01	\$0.00	\$0.00	\$0.00	\$0.00
\$0.00	\$0.00	\$0.00	-\$0.00	\$0.00
\$0.01	\$0.01	\$0.01	\$0.00	\$0.01
\$0.82	\$0.42	\$0.40	\$0.02	\$0.40

at 51.4% = \$0.42
 Difference = \$0.02

Hunternville Rural Water Supply

Debtors as at 31st May 2017 - with 1-30 days Due 20th June 2017

Billing Location	Name	Account	1-30 Days	31-60 Days	61-90 Days	91+ Days
Hunternville RWS	Hawtree Roy George	140240000	-54.95	0.00	0.00	0.00
	Hicks Trevor	140109000	102.35	0.00	0.00	0.00
	Maraku Paiaka	140156100	358.45	20.00	0.00	206.25
	Potaka Tauaiti Pehitane	140173000	420.50	0.00	0.00	0.00
	Rangitikei District Council	140135000	51,875.85	0.00	0.00	0.00
	Rata Marae	140183100	280.40	0.00	0.00	308.45
	Scoon Jenine Charmaine	140159500	-23.75	0.00	0.00	0.00
	Swainson Ian Ernest	140192000	-229.70	0.00	0.00	0.00
	Weston Samuel James	140206200	1,401.60	0.00	0.00	0.00
		140206100	560.80	0.00	0.00	0.00
	Leary Robert Charles	140100000	280.40	0.00	0.00	0.00
	James Bull Holdings Ltd	140100100	981.45	0.00	0.00	0.00
	Hinau Station Ltd	140101000	701.05	0.00	0.00	0.00
		140133000	560.80	0.00	0.00	0.00
	Hughes Bernard Thomas	140101501	420.60	0.00	0.00	0.00
	Cole David Christopher	140102000	308.45	0.00	0.00	0.00
	Jones Tessa Elizabeth	140103000	280.40	0.00	0.00	0.00
	Brew Stefan	140104000	420.60	0.00	0.00	0.00
	Hiwera Estates Ltd	140105000	280.40	0.00	0.00	0.00
	Bull James	140106000	7,529.00	0.00	0.00	0.00
		140106100	1,402.05	0.00	0.00	0.00
	Makaraka Ltd	140106200	3,435.00	0.00	0.00	0.00
	Lindsay Bull Ltd	140107000	5,397.90	0.00	0.00	0.00
	Cameron Bruce Alex	140108000	4,065.95	0.00	0.00	0.00
	Rewa Valley Ltd	140110000	841.25	0.00	0.00	0.00
		140110100	3,645.35	0.00	0.00	0.00
		140131100	4,907.15	0.00	0.00	0.00
		140181000	420.60	0.00	0.00	0.00
		140182000	6,028.80	0.00	0.00	0.00
		140189501	1,682.45	0.00	0.00	0.00
		140230000	1,121.65	0.00	0.00	0.00
	Georgetti Geoffrey Lyndon	140111000	841.25	0.00	0.00	0.00
		140126000	841.25	0.00	0.00	0.00
	McConachy Colin Donald	140112000	462.70	0.00	0.00	0.00
	Coleman Est Peter Lyell	140112100	294.45	0.00	0.00	0.00
	Wildfern Group Ltd	140113000	280.40	0.00	0.00	0.00
	Crawford Robert Erle	140114000	3,645.35	0.00	0.00	0.00
	Dalgety Alexander Charles	140115000	560.80	0.00	0.00	0.00
	White Andrew James	140116000	280.40	0.00	0.00	0.00
	Rakau Taonga Whenua Topu Trust	140117000	280.40	0.00	0.00	0.00
	Down Muriel Olga	140118000	280.40	0.00	0.00	0.00
	John McManaway	140118500	420.60	0.00	0.00	0.00
	Duncan Charles Boyd	140119000	560.80	0.00	0.00	0.00
	Saw Pit Gully Ltd	140120000	1,822.65	0.00	0.00	0.00
	Pohonui Land Co Ltd	140120100	280.40	0.00	0.00	0.00
	Flockhart Estates Ltd	140120500	5,608.20	0.00	0.00	0.00
	Puketoi Estates Ltd	140121000	2,243.25	0.00	0.00	0.00
	NZ Carbon Farming (Koraenui) L	140122000	140.20	0.00	0.00	0.00
	Bradley Stuart Gregory	140123000	560.80	0.00	0.00	0.00
	Florence Russell John	140125000	210.30	0.00	0.00	0.00
	Wallace Ian Malcolm	140127000	308.45	0.00	0.00	0.00
	Goodwin Albert Bruce	140128000	280.40	0.00	0.00	0.00
	Grace Christopher Russell	140129000	2,383.50	0.00	0.00	0.00
		140129100	560.80	0.00	0.00	0.00
		140129200	2,383.50	0.00	0.00	0.00
		140129300	2,523.70	0.00	0.00	0.00

Hunternville Rural Water Supply (continued) page 2.

Debtors as at 31st May 2017 - with 1-30 days Due 20th June 2017

Billing Location	Name	Account	1-30 Days	31-60 Days	61-90 Days	91+ Days
		140191000	280.40	0.00	0.00	0.00
	Hammond David Andrew	140130000	701.05	0.00	0.00	0.00
	Cameron Shaun Alex	140131000	1,822.65	0.00	0.00	0.00
	Lambert Andrew	140131200	1,822.65	0.00	0.00	0.00
	Nydegger Robert	140132000	2,804.10	0.00	0.00	0.00
		140163000	560.80	0.00	0.00	0.00
	Henderson John Francis Cliffor	140133100	2,804.10	0.00	0.00	0.00
	Kilmister Farms Ltd	140137000	588.85	0.00	0.00	0.00
	Chin W T Forests Limited	140138000	420.60	0.00	0.00	0.00
	Argyle Farms Ltd	140139000	420.60	0.00	0.00	0.00
	Lambert Richard Bruce	140140000	841.25	0.00	0.00	0.00
		140164500	701.05	0.00	0.00	0.00
	Ferguson Craig	140141000	280.40	0.00	0.00	0.00
	Leen Denis Timothy	140142000	701.00	0.00	0.00	0.00
	Voelkerling Shane Reginald	140143000	560.80	0.00	0.00	0.00
	McAlley William Murray	140146000	560.80	0.00	0.00	0.00
		140147000	981.45	0.00	0.00	0.00
	Ferndene Land Co Ltd	140148000	280.40	0.00	0.00	0.00
	Henderson John F C	140149000	280.40	0.00	0.00	0.00
	Parkes William Lowry	140150000	280.40	0.00	0.00	0.00
		140167000	280.40	0.00	0.00	0.00
		140211000	140.20	0.00	0.00	0.00
	McManaway Dean Francis	140151000	420.60	0.00	0.00	0.00
	McIntyre Richard Colin	140151005	560.80	0.00	0.00	0.00
		140174000	420.60	0.00	0.00	0.00
		140176000	3,925.75	0.00	0.00	0.00
	McManaway John Charles	140152000	7,290.65	0.00	0.00	0.00
		140153000	2,383.50	0.00	0.00	0.00
	Dawson Mark Wade	140154000	6,169.00	0.00	0.00	0.00
	Pourewa Ltd Partnership	140155000	5,888.60	0.00	0.00	0.00
		140168000	841.25	0.00	0.00	0.00
		140181100	420.60	0.00	0.00	0.00
	J H & Y M Marsh Land Co Ltd	140157000	560.80	0.00	0.00	0.00
	Rowe John Hammond	140158000	1,009.50	0.00	0.00	0.00
	Davenport Gary Rees	140160000	140.20	0.00	0.00	0.00
	Kilgour Allan Robert	140162000	1,402.05	0.00	0.00	0.00
	Hurley Michael Charles James	140164000	1,051.55	0.00	0.00	0.00
	Otairi Station Limited	140165000	15,422.55	0.00	0.00	0.00
	Jones Deborah Jane	140165100	280.40	0.00	0.00	0.00
	Duncan David John	140166000	5,608.20	0.00	0.00	0.00
	Peina John	140168100	420.60	0.00	0.00	0.00
	Dickson Scott George	140169000	4,206.15	0.00	0.00	0.00
	Pilet Murray John	140170000	1,402.05	0.00	0.00	0.00
	MacPhee Gordon Angus	140171000	140.20	0.00	0.00	0.00
	Potaka Henare	140172000	280.40	0.00	0.00	0.00
	MH & ID Rowe Ltd	140175000	1,402.05	0.00	0.00	0.00
	Murphy Paul Munro	140177000	2,018.95	0.00	0.00	0.00
	Manawatu District Council	140178000	1,121.65	0.00	0.00	0.00
	Metekingi Huhana	140179000	280.40	0.00	0.00	0.00
	Duncan Douglas Mckelvie	140180000	308.45	0.00	0.00	0.00
	Tumihau Trust	140183000	1,261.85	0.00	0.00	0.00
	Murray Stuart Robert	140185000	140.20	0.00	0.00	0.00
	Leary Malcolm John	140186000	701.05	0.00	0.00	0.00
	Renshaw Christopher Rhodes	140187000	280.40	0.00	0.00	0.00
	Rhodes PG & Son Ltd	140188000	4,626.75	0.00	0.00	0.00
		140188500	701.05	0.00	0.00	0.00

Hunternville Rural Water Supply (continued) page 3.

Debtors as at 31st May 2017 - with 1-30 days Due 20th June 2017

Billing Location	Name	Account	1-30 Days	31-60 Days	61-90 Days	91+ Days
	Thomson Rita Barbara	140189000	420.60	0.00	0.00	0.00
	Lourie Properties Ltd	140189000A	10.00	0.00	0.00	0.00
	Ross Andrew	140190000	280.40	0.00	0.00	0.00
	Taiuru Rakeipoho	140193000	280.40	0.00	0.00	0.00
	Pickford Jeffrey B	140194000	701.05	0.00	0.00	0.00
	Partridge William Teil	140195000	1,009.50	0.00	0.00	0.00
	BGSH Ltd	140196000	701.05	0.00	0.00	0.00
	Brennan Shane Anthony	140197000	1,121.65	0.00	0.00	0.00
	Willis Thomas David	140198000	701.05	0.00	0.00	0.00
	Blakely Neville Ashley	140198500	420.60	0.00	0.00	0.00
	McDougall Farms Ltd	140199000	701.05	0.00	0.00	0.00
	Harding Leighton Kellick	140199100	280.40	0.00	0.00	0.00
	Beaumont Paul	140200000	280.40	0.00	0.00	0.00
	Tutu Totara Ltd	140201000	280.40	0.00	0.00	0.00
	Tutu Totara Dairy Ltd	140201100	308.45	0.00	0.00	0.00
	Hamerton Bryan Holden	140201200	280.40	0.00	0.00	0.00
	Otiwhiti Station Land Based Tr	140202000	140.20	0.00	0.00	0.00
		140202100	140.20	0.00	0.00	0.00
	Glenlea Forests Ltd	140203000	140.20	0.00	0.00	0.00
	Glencoe Trading Ltd	140204000	1,261.85	0.00	0.00	0.00
	Westwood Land Co Ltd	140205000	280.40	0.00	0.00	0.00
	McKay Christopher William	140205500	280.40	0.00	0.00	0.00
	Burgess Donal G	140208000	1,402.05	0.00	0.00	0.00
	Rybinski Paul Stephen	140209000	140.20	0.00	0.00	0.00
	Glencoe Land Co Ltd	140210000	1,121.65	0.00	0.00	0.00
	Hunternville Rugby Club	140220000	981.45	0.00	0.00	0.00
	Bell Robert Francis	140250000	140.20	0.00	0.00	0.00
	Sanderson Alison Irene (Stanle	140260000	420.60	0.00	0.00	0.00
	Trow Duncan James	140270000	280.40	0.00	0.00	0.00
	Agnew Contractors Ltd	140280000	701.05	0.00	0.00	0.00
	Harley Gregory John	140290000	280.40	0.00	0.00	0.00
	Harding Ross Alexander	140300000	2,804.10	0.00	0.00	0.00
	Jeune Mark Haig Somerset	140310000	420.60	0.00	0.00	0.00
	Turner Christopher	140320000	2,804.10	0.00	0.00	0.00
	Walshe Martin Thomas	140330000	420.60	0.00	0.00	0.00
Hunternville RWS Total			240,599.00	20.00	0.00	514.70

Attachment 4



REPORT

SUBJECT: **Options for management of the Hunterville Rural Water Supply Scheme**

TO: Hunterville Rural Water Supply Subcommittee

FROM: Michael Hodder, Community & Regulatory Services Group Manager

DATE: 14 June 2017

FILE: 6-WS-3-4

1 Background

- 1.1 Section 17A(1) of the Local Government Act 2002 requires a local authority to review the cost-effectiveness of current arrangements for meeting the needs of communities within its district or region for good-quality local infrastructure, local public services, and performance of regulatory functions. The first round of reviews is due by 8 August 2017 and every six years thereafter.
- 1.2 The review is required to consider (at least) the following options:
- a. The local authority exercising responsibility over governance, funding and delivery
 - b. The local authority exercising responsibility over governance and funding with responsibility for delivery being delegated to a council controlled organisation, and other local authority, or another person or agency.
- 1.3 For the second option, delegating delivery to another local authority does not appear feasible. It is possible that, taking the District's rural water supplies as a collective, the formation of a Rangitikei-specific council controlled organisation could be viable. However, this overlooks the origins of each rural water scheme and the very substantial input from the properties served by each scheme into establishing and maintaining the infrastructure. So the practical options are the status quo, divestment or a joint arrangement.

2 Legal issues

- 2.1 Part 7 Sub-part 2 of the Local Government Act 2002 specifies the Council's obligations and restrictions relating to water services. Before closing down or transferring a small water service, Council must get the views of the Medical Officer of Health, prepare a management plan (including the capability of the Scheme committee to manage the supply), and undertake a binding referendum of scheme members. Alternatively, Council may enter into a joint arrangement with another entity for the delivery of the service. In this case, consultation must be done in

accordance with Part 6 of the Act (i.e. having regard for Council's significance and engagement policy as well as the consultation principles in section 82)

- 2.2 No distinction is drawn between potable and non-potable supplies. The restrictions on divestment are couched in terms of "ownership" and also "or other interest"
- 2.3 As a scheme servicing more than 200 people, Council is unable to use the provisions of sections 131-137 to transfer the scheme wholly or partly to the Committee. The only alternative is a local act of Parliament, as was done for the Cold Creek Rural Water Supply Scheme in South Taranaki.
- 2.4 Following considerable consultation, on 27 March 2015, the Ministry of Health issued its *Rural agricultural drinking-water supply guideline*. This applies to all stock-water schemes servicing more than 25 people. The guideline is based on the assumption that rural water supplies used for commercial agriculture will also be used for household purposes. However, only water used for human consumption, domestic and food preparation needs to meet the drinking-water standards. Monitoring and backflow prevention will be required. These obligations may be placed on the scheme users; otherwise, Council is the default position.¹

3 Current status

- 3.1 The scheme is managed by the Hunterville Rural Water Supply Management Subcommittee, comprising representatives of scheme users plus a nominated Councillor and Council support. Typically the Subcommittee meets once a year.
- 3.2 Depreciation on all Rangitikei's rural water supplies (including Hunterville) is a book entry only: there is no funding for depreciation; any capital renewals or upgrades must be loan-funded by scheme users.
- 3.3 Council overheads for rural water supply schemes, while showing in each scheme's accounts, are funded District-wide within the uniform annual general charge.
- 3.4 The scheme infrastructure (including below ground assets) is covered by Council's insurance policy and the Local Authorities Protection Programme for below-ground assets.

¹ The provisions of the Health Act 1956 relating to water supplies are currently being phased in and, when fully in force will require all water suppliers to take all practicable steps to comply with the Drinking-water Standards for New Zealand 2005 (Revised 2008). The drinking-water provisions of the Act include a new category of water supply; a Rural Agricultural Drinking-water Supply. The Ministry has developed the Guideline to give water suppliers flexibility in demonstrating compliance with the requirements of the drinking-water provisions of the Act. By following the Guideline and implementing a water safety plan, a rural agricultural water supplier would be able to demonstrate that they had taken all practicable steps to comply with the Health Act 1956, even if not fully complying with the Drinking-water Standards for New Zealand 2005 (Revised 2008).

4 Options

a. Status quo

- 4.1 The current arrangements remain, including attendance by Council staff at the scheme Subcommittee meetings, liaison with Horizons over compliance with the conditions of consent, provision of technical and financial advice, insurance cover, and rating for ongoing maintenance of the scheme
- 4.2 No statutory formalities are required to continue the current arrangements, other than noting that the decision has been made in the context of section 17A of the Local Government Act 2002.

b. Divestment

- 4.3 This would end Council's formal relationship with the scheme. As noted above, this could be achieved only by a local Act of Parliament because of the number of people serviced by the scheme. It would mean establishing a new legal entity which represented the community currently serviced by the Hunterville scheme.² It would mean writing out the scheme's assets from the Council's asset register. The scheme would assume responsibility for securing financial and technical advice and for ensuring insurance cover. As a private scheme, alternative arrangements would be needed to control access to the pipes running across the various farms.
- 4.4 It would also mean transferring the resource consent to the new legal entity (Horizons has a procedure for this, which is currently not charged for). The new legal entity would be responsible for monitoring the scheme's performance (i.e. water use) and liaising with Horizons. Renegotiation of the consent would not be undertaken by Council. It would be feasible – if scheme members desired it – for Council to continue rating members of the scheme.
- 4.5 Divestment does not look a feasible option for the time being, given the present joint study with MPI about the configuration of the scheme and the considerations over the Hunterville town supply.

c. Joint arrangement

- 4.6 This option would broadly mirror the approach taken by Manawatu District Council with the Kiwitea rural water supply scheme, which is a forerunner of the joint arrangement as provided for by section 137. The specific terms of a lease with Hunterville might be different, but will need to comply with the requirement of section 137(4) that the Council:
 - continues to be legally responsible for providing the water services;

² Whether establishing the Committee as an incorporated society would suffice for this purpose has not been tested.

- retains control over the pricing of water services and the development of policy relating to them; and
- retains ownership of the infrastructure (whether or not in place at the beginning of the joint arrangement or developed or purchased during its term)

What both parties are likely to look for is the appropriate balance between independence (for the Scheme) and accountability (for the Council).

- 4.7 This option would require Council to follow a consultative process which aligns with its Significance and Engagement Policy and the consultation principles of section 82 of the Local Government Act 2002 – no referendum is required.

5 Conclusions

- 5.1 From the outset, the Scheme committee has had the lead role in determining how the scheme operates, with Council providing support through a bylaw, liaison with Horizons, and technical and financial advice. The costs for these administrative services are shown as internal charges to the Scheme but since 2013/14 have been funded through a uniform targeted rate across all District ratepayers. Insurance cover is separately charged, but benefits from Council's overall arrangements with its insurer and the Local Authorities Protection Programme. It seems unlikely that these costs would reduce if the Scheme were to assume direct responsibility for these arrangements.
- 5.2 Irrespective of who controls and manages the scheme, it will be subject to conditions of the water take set by Horizons. Since it cannot be demonstrated that fewer than 25 people are supplied from the scheme, it will be subject to the Ministry of Health's Rural Agricultural Drinking water Supply Guideline.
- 5.3 Council has no statutory obligation to transfer the scheme to its members, or to enter into a joint arrangement, apart from its general obligation to review delivery of services before August 2017 and thereafter at least once every six years. It seems preferable to have certainty about the configuration of the scheme before giving detailed consideration to a joint arrangement or divestment.
- 5.4 Irrespective of what option is preferred and implemented, Council is able to continue rating members for the costs of the scheme.

6 Recommendations

- 6.1 That the report 'Options for management of the Hunterville Rural Water Supply Scheme' be received and noted as (for the Council) constituting a review of delivery of services under section 17A of the Local Government Act 2002.
- 6.2 That the Hunterville Rural Water Supply Subcommittee recommends to Council that it

EITHER

6.3 continues the present arrangements to support the Scheme;

OR

6.4 develops in more detail a proposal for a joint arrangement which gives the Scheme committee or some other body authorised by a majority of the owners of properties connected to the Scheme the responsibility for managing the Scheme subject to conditions agreed between the Scheme members and the Council.

Michael Hodder
Community & Regulatory Services Group Manager