



RANGITIKEI

DISTRICT COUNCIL

Making this place home.

Hunterville Rural Water Supply Management Sub-Committee

Order Paper

**Monday 16 December 2019
4.00pm**

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

Website: www.rangitikei.govt.nz
Telephone: 06 327-0099

Email: info@rangitikei.govt.nz
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Chair
Brett Journeaux

Membership
Bob Crawford, Mark Dawson, Bernie Hughes,
John McManaway, Paul Peterson, Sam Weston,
His Worship the Mayor, Andy Watson
Councillor Richard Lambert

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

Huntermville Rural Water Supply Sub-Committee Meeting

Agenda – Monday 16 December 2019 – 4:00 p.m.

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

Council’s Standing Orders (adopted 31 October 2019) 11.2 provide: The quorum for Council committees and sub-committees is as for Council, ie half the number of members if the number of members (including vacancies) is even or a majority if the number of members is odd.

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

The Minutes from the meeting held on 30 September 2019 are attached.

Recommendation:

That the Minutes of the Hunterville Rural Water Supply Sub-Committee meeting held on 30 September 2019 {as amended/without amendment} be taken as read and verified as an accurate and correct record of the meeting.

6 Chair's Report

A verbal report will be provided at the meeting.

7 Council decisions on recommendations from the Committee

There were no recommendations from the Committee.

8 Questions put at previous meeting for Council advice or action

Mr Dahl to provide information on how Non-Current Liabilities went from \$134,131 in 2017/18 to \$180,000 in 2018/19.

A verbal update will be provided at the meeting.

Operational staff to install a flow meter at the Ohingaiti break tank, this will be assessed for a few weeks to determine the daily flows on this line.

A verbal update will be provided at the meeting.

9 Hunterville Rural Water Supply – Operations Report

A report is attached.

File ref: 6-WS-3-4

Recommendation:

That the 'Hunterville Rural Water Supply – Operations Report' to the 16 December 2019 Hunterville Rural Water Supply Sub-committee be received.

10 Hunterville Bore – Update

A verbal update will be provided at the meeting.

11 Hunterville Rural Water Supply – Financial Report

A report is attached.

File ref: 6-WS- 3-4

Recommendation:

That the 'Hunterville Rural Water Supply Financial Statements Commentary Update for the 4 months ending 31 October 2019' to the 16 December 2019 Hunterville Rural Water Supply Sub-Committee be received.

12 Late Items

As accepted in item 4.

13 Next Meeting

Monday 3 February 2020, 4.00pm

14 Meeting Closed

Attachment 1



Rangitikei District Council

Hunternville Rural Water Supply Sub-Committee Meeting

Minutes – Monday 30 September 2019 – 4:00 p.m.

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Present:

Mr Brett Journeaux
Mr Bernie Hughes
Mr John McManaway
Mr Sam Weston
Cr Dean McManaway
His Worship the Mayor, Andy Watson

In attendance:

Mr Ivan O'Reilly, Reticulation Serviceperson
Mr Arno Benadie, Principal Advisor – Infrastructure
Mr Ashley Dahl, Financial Services Team Leader
Ms Tania Whale, Finance Officer
Ms Bonnie Clayton, Governance Administrator

1 Welcome

The Chair welcomed everyone to the meeting at 4.03pm.

2 Apologies

That the apology for absence from Mr Bob Crawford, Mr Mark Dawson and Mr Paul Peterson be received and the apology for lateness from be received.

Mr J McManaway/Mr S Weston. Carried

3 Members' conflict of interest

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

There were no conflicts declared.

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, Potential for Flat Hills to be on scheme be dealt with as a late item at this meeting.

5 Confirmation of Minutes

Resolved minute number	19/HRWS/047	File Ref	3-CT-3-2
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That the Minutes of the Hunterville Rural Water Supply Sub-Committee meeting held on 29 July 2019 be amended to show Cr D McManaway as an apology.

Mr B Journeaux/Mr B Hughes. Carried

Resolved minute number	19/HRWS/048	File Ref	3-CT-3-2
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That the Minutes of the Hunterville Rural Water Supply Sub-Committee meeting held on 29 July 2019 as amended 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

There were no updates to provide.

7 Council decisions on recommendations from the Committee

There were no recommendations from the Committee.

8 Questions put at previous meeting for Council advice or action

There were no questions put to council for advice at the previous meeting.

9 Hunterville Rural Water Supply – Operations Report

Mr O'Reilly spoke to the Operations Report updating the Committee:

The pipe on the viaduct is near the end of its life; this was looked into approximately 6-8 months ago. Kiwi Rail are requesting rent for the pipe. The repair job does not appear to be a huge job: Kiwi Rail has advised that a Sunday is the best time to carry out the work, and would be approximately one day's worth of work. This will need to be done in summer when the weather improves.

His Worship the Mayor noted that there are ongoing negotiations with Kiwi Rail and suggested that reticulation staff could meet with him to discuss the request for rent and the need to have the pipe repaired.

Resolved minute number **19/HRWS/049** **File Ref**

That the 'Hunterville Rural Water Supply – Operations Report' to the 30 September 2019 Hunterville Rural Water Supply Sub-committee be received.

Cr D McManaway/Mr B Hughes. Carried

10 Hunterville Bore – Update

Mr Benadie updated the Committee:

Feedback received from Manawatu District Council advises that the Bore is currently producing water at 15 litres per second, along with a lot of fine sand. It is taking some time to get tests due to the removal of the sand and the need to take the sand offsite to Bonny Glenn as Horizons has shut down all clean fill sites. The Bore is currently at 330 meters, hopefully will be complete before Christmas.

The Committee discussed the need to find out where the extra water will go to remain viable, there is an option to pump the extra water down the line to those with less pressure but will need storage.

11 Hunterville Rural Water Supply – Financial Report

Mr Dahl spoke to the financial report, he advised the Committee that Council Policy requires to have assets revalued every 3 years. WSP Opus undertook the valuation for the year ending 30 June 2019. It was noted that there has been a \$103,000 decrease in total equity from \$6.8

million in 2016. Mr Dahl updated the Committee that the 2019/20 budget has been formulated and this will be presented to the Committee in the next meeting.

Undertaking Subject

Mr Dahl to provide information on how Non-Current Liabilities went from \$134,131 in 2017/18 to \$180,000 in 2018/19.

Resolved minute number 19/HRWS/050 File Ref

That the 'Hunterville Rural Water Supply Financial Statements Commentary Update for the 12 months ending 30 June 2019' to the 30 September 2019 Hunterville Rural Water Supply Sub-Committee be received.

Mr B Hughes/Cr D McManaway. Carried

12 Late Items

Potential for Flat Hills to be on scheme

His Worship the Mayor, updated the Committee on a request from Flat Hills to be part of the scheme. It was agreed to look into options as would need to consider any further requests to join the scheme.

The Committee discussed future proofing of the scheme, with His Worship the Mayor noting the application submitted via the Provincial Growth Fund.

Undertaking Subject

Operational staff to install a flow meter at the Ohingaiti break tank, this will be assessed for a few weeks to determine the daily flows on this line.

13 Next Meeting

Monday 16 December, 4.00 pm.

14 Meeting Closed

5.04pm.

Confirmed/Chair: _____

Date:

Attachment 2

REPORT

SUBJECT: **Huntermville Rural Water Supply - Operations Report**

TO: Huntermville Rural Water Supply Management Committee

FROM: Andrew van Bussel, Operations Manager

DATE: 28 November 2019

FILE: 6-WS-3-4

1 Leaks and Repairs

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

- 25-09 - Leak on Porewa Road, Higgins hit pipe.
- 04-10 - Put water meter on Ohingaiti break tank.
- 10-10 - Variable Speed at middle pump station, replace analog on pump.
- 15-10 - Replace bore cock on Bulls property.
- 22-10 - Higgins hit pipe on Porewa Road, in culvert.
- 01-11 - Put new pipe across road at Porewa.
- 07-11 - Replace tap and clean restrictor for John Henderson in Ohingaiti.
- 11-11 - Low flow on Manarki Farm.
- 12-11 - Otairi pump station not working, due to leak on farm.
- 13-11 - Dave Munn property, tank overflow. Change bore cock.
- 14-11 - Check leak on Rangatira Road by Mellington cow shed.
- 14-11 - Put pressure reducing valve on Marae at Rata.
- 25-11 - No water at Ohingaiti tank.
- 26-11 - Paul Murphy low flow, all ok at tank must have leak on farm.
- 27-11 - Meter blocked on Ohingaiti break tank.
- 28-11 - Put new meter on Ohingaiti break tank with inline filter.
- 28-11 - Richard McIntyre, clean out restrictor.
- 29-11 - Put river pump in.
- 30-11 - Run river pump for 2 hours.

2 General

- Arno to update committee on Huntermville Town Bore project.
- Dave Flintoff working on Kiwi Rail Crossing.
- Axillary Pumping all organised for Summer.

3 Recommendation

- 3.1 That the 'Hunternville Rural Water Supply - Operations Report' to the 16 December 2019 Hunternville Rural Water Supply Sub-committee be received.

Andrew van Bussel
Operations Manager

Attachment 3

**HUNTERVILLE RURAL WATER SUPPLY FINANCIAL STATEMENTS
COMMENTARY UPDATE FOR THE 4 MONTHS ENDING:
31st October 2019**

This commentary provides key areas of note relating to the 4 months Financial Performance of the Hunterville Rural Water Scheme for the period ending 31st October 2019 with the comments being specific to the following area's;

- 1. Operational Revenue**
- 2. Operational Expenditure**
- 3. Net Surplus/(Deficit)**
- 4. Net projects**
- 5. Working Capital**
- 6. Equity**
- 7. Net Assets**

1. Operational Revenue:

Rates:

Against the year to date (YTD) budget is down by \$169k

This is due to the billing period and the current allocation of the full year budget (FYR divided by 12 months)

Apportioned rates:

Against the YTD budget is up by \$38k

This is also due to the billing period and the current allocation of the full year budget (FYR divided by 12 months)

Total Revenue is down by \$131k on the YTD budget

2. Expenditure:

Internal charges against the YTD budget is down by \$3k

Operational Expenditure against the YTD budget is down by \$38k

Total Expenditure is down by \$40k on the YTD budget

For additional details

Please refer to;

- i. The Statement of Operations on [Page # 4](#)

3. Net Surplus(Deficit):

The deficit against the YTD budget is up by \$87k

4. Net Projects:

At \$16k against the YTD budget of \$15k is up by \$1k with,

The full year budget is \$46k and has been allocated to the following area

- i. Water Reticulation Renewals at \$46k

5. Working Capital Required:

At- \$163k shows an increase of \$71k from the 30th June 2019 working capital of -\$234k

6. Equity:

For the period has reduced since June 2019 by \$18k

7. Net Assets:

For the period has reduced since June 2019 by 18k

Due to the following;

- Non-Current Assets – decreased by \$18k
- Non-Current Liabilities have remained the same

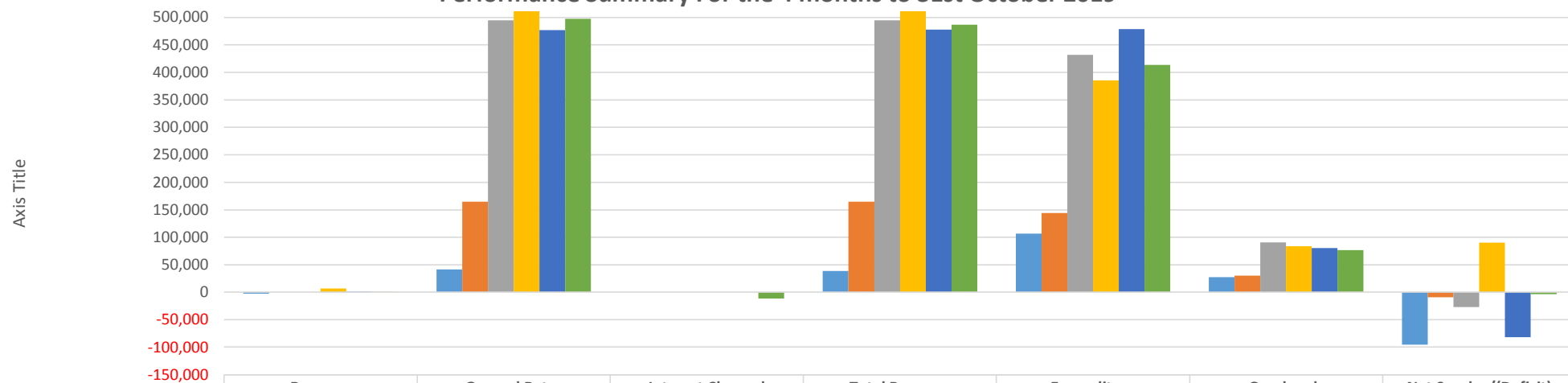
Ashley Dahl
29th November 2019
Team Leader Financial; Services

HUNTERVILLE RURAL WATER SUPPLY FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL PERFORMANCE SUMMARY
For the 4 Months Ending 31st October 2019

Performance Summary

	Actual YTD 2019/20	Budget YTD 2019/20	Budget FYR 2019/20	Actual FYR 2018/19	Actual FYR 2017/18	Actual FYR 2016/17
Revenue	-2,526	0	0	6,534	1,126	708
General Rates	41,308	164,910	494,730	552,070	476,830	497,496
Interest Charged	0	0	0	0	0	-11,497
Total Revenue	38,782	164,910	494,730	558,604	477,956	486,707
Expenditure	106,383	143,885	431,656	385,319	478,867	413,573
Overheads	27,510	30,089	90,267	83,371	80,581	76,585
Net Surplus/(Deficit)	-95,111	-9,064	-27,193	89,914	-81,492	-3,451

Performance Summary For the 4 months to 31st October 2019



	Revenue	General Rates	Interest Charged	Total Revenue	Expenditure	Overheads	Net Surplus/(Deficit)
Actual YTD 2019/20	-2,526	41,308	0	38,782	106,383	27,510	-95,111
Budget YTD 2019/20	0	164,910	0	164,910	143,885	30,089	-9,064
Budget FYR 2019/20	0	494,730	0	494,730	431,656	90,267	-27,193
Actual FYR 2018/19	6,534	552,070	0	558,604	385,319	83,371	89,914
Actual FYR 2017/18	1,126	476,830	0	477,956	478,867	80,581	-81,492
Actual FYR 2016/17	708	497,496	-11,497	486,707	413,573	76,585	-3,451

Water Supply Hunterville Rural
Statement of Operations
For the 4 Months Ending 31st October 2019
Revenue

Account	Detail	YTD Actual 2019/20	YTD Budget 2019/20	2019/20 Variance to YTD Budget	FYR Budget 2019/20	FYR Actual 2018/19	FYR Actual 2017/18	FYR Actual 2016/17
Rates								
60617018	General Revenue	0	0	0	0	523	870	435
60617123	Penalty	-2,526	0	-2,526	0	6,011	256	273
60617142	Metered Supply Charges	701	167,582	-166,881	502,747	476,061	427,932	423,937
	Total Rates	-1,825	167,582	-169,407	502,747	482,596	429,058	424,644
Apportioned Rates Revenue								
60617802	Treasury Int Recd	0	0	0	0	0	0	9,017
6061780801	General Rates	40,607	0	40,607	0	81,213	51,701	76,585
60617809	Internal Interest Paid	0	2,672	-2,672	8,017	-5,204	-2,803	-3,026
6061780901	Interest Charged Rate A/C	0	0	0	0	0	0	-11,497
6061780903	Treasury Int Rec'd/Tsf to Rese	0	0	0	0	0	0	0
60617810	Treasury Interest Rec'd	0	0	0	0	0	0	-9,017
60617811	Transfer to Reserves	0	0	0	0	0	0	0
	Total Apportioned Rates Revenue	40,607	2,672	37,935	8,017	76,009	48,898	62,063
Internal Charges								
606171791100	Allocated o/heads CEO	5,660	6,360	-700	19,080	15,423	12,466	11,902
606171791400	Allocated o/heads Cust Service	1,114	1,107	7	3,320	3,110	2,885	2,424
606171792100	Allocated o/heads Fin Services	8,133	7,311	822	21,932	23,017	23,810	22,947
606171792500	Allocated o/heads Stat Planning	1,891	3,858	-1,967	11,575	10,736	9,368	8,830
606171795100	Allocated o/heads Assets	10,712	11,453	-741	34,360	31,086	32,051	30,484
	Total Internal Charges	27,510	30,089	-2,579	90,267	83,371	80,581	76,585
Expenditure								
6061734301	Telephone Costs	848	856	-8	2,568	2,618	2,768	2,463
6061756208	Depreciation - Infrastructure	33,626	43,607	-9,981	130,822	131,419	131,179	130,822
60617563	Electricity	55,615	61,620	-6,005	184,860	166,320	206,945	191,119
60617565	Insurance	4,900	6,295	-1,395	18,886	16,816	10,442	10,908
6061756608	Loss on Sale - Infrastructure	0	0	0	0	0	0	0
6061756702	Rates - Utility	0	6,314	-6,314	18,942	15,356	16,447	5,332
60617588	Member Remuneration	0	0	0	0	1,360	2,860	3,200
6061763001	Professional Services - MDC	1,295	14,740	-13,445	44,219	0	873	1,818
6061863002	MDC Charges - PSU	0	0	0	0	0	0	0
6061763003	MDC Charges - Retic	0	0	0	0	0	0	0
6061763004	MDC Charges - Treatment	0	0	0	0	0	0	0
6061768201	Reticulation Costs - Staff	5,157	0	5,157	0	27,072	61,378	34,414
6061768301	Treatment Costs - Staff Time	0	0	0	0	1,050	4,133	3,936
60617692	External Contractors	558	7,189	-6,631	21,567	14,967	33,207	20,813
60617697	Resource Consents	0	737	-737	2,211	0	1,489	2,060
60617698	Chemicals & Consumables	0	685	-685	2,054	3,735	0	1,087
60617699	Materials	4,384	1,842	2,542	5,527	4,604	7,146	5,601
	Total Expenditure	106,383	143,885	-37,502	431,656	385,319	478,867	413,573
	Net Surplus/(Deficit)	-95,111	-9,064	-86,047	-27,193	89,914	-81,492	-3,451

Water Supply Hville Rural

As at 31st October 2019

Account	Detail	YTD Actual 2019/20	YTD Budget 2019/20	FYR Budget 2019/20	FYR Actual 2018/19	FYR Actual 2017/18	FYR Actual 2016/17	YTD 2019/20 less FYR Actual 2018/19
Capital - Renewals Infrastructure								
60617721	Treasury Loans Repaid	0	0	0	0	0	0	0
60617722	Treasury Loans Raised	0	0	0	0	0	0	0
6061776201	HRWS Reticulation - Contractor	9,759	15,405	46,215	0	46,552	19,216	9,759
6061776301	HRWS Treatment - Contractor	0	0	0	30,473	34,864	15,121	-30,473
	Total Capital - Renewals Infra	9,759	15,405	46,215	30,473	81,416	34,337	-20,714

Capital - Projects

6061777303	HRWS Reticulation - Staff Time	6,531	0	0	22,594	1,097	0	-16,063
60617799	Capital Contra	0	0	0	-53,068	-82,513	-34,337	53,068
	Total Capital - Projects	6,531	0	0	-30,473	-81,416	-34,337	37,005
	Net Projects	16,290	15,405	46,215	0	0	0	16,291

Equity

60617966	HVL RWS REVAL.RESERVE	2,773,920	0	0	2,773,920	2,631,503	2,631,503	0
60617990	Public Equity H/Ville Rural Wa	3,861,877	0	0	3,766,285	3,960,493	3,963,944	95,592
6061799401	Water Supply Hunt Rural Surp/Def Reserve	0	0	0	0	-142,227	0	0
60617995	Hunterville RWS Reserve	206,532	0	0	206,532	198,818	189,350	0
	Net Surplus	-95,111	-9,064	-27,193	89,914	-81,492	-3,451	-185,025
	Working Capital	-162,554	24,469	73,408	-234,651	39,303	-47,123	72,097
	Total Equity	6,584,664	15,405	46,215	6,602,000	6,606,397	6,734,223	-17,336

Non Current Assets

60617886	Water Supply Schemes	6,782,000	0	0	6,782,000	7,002,530	6,921,114	0
60617878	Provision for depreciation	-33,626	0	0	0	0		-33,626
6061788601	Provision for depreciation	0	0	0	0	-262,001	-130,822	0
	Net Projects	16,290	15,405	46,215	0	0	0	16,290
	Total Non Current Assets	6,764,664	15,405	46,215	6,782,000	6,740,529	6,790,292	-17,336

Non Current Liabilities

60617950	Internal Loan	180,000	0	0	180,000	134,131	56,069	0
	Total Non Current Liabilities	180,000	0	0	180,000	134,131	56,069	0

	Net Assets	6,584,664	15,405	46,215	6,602,000	6,606,397	6,734,223	-17,336
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Hunterville RWS <u>Operating</u> <u>Expenditure Summary</u>	YTD. Actual 2019/20	YTD Budget 2019/20	YTD Expenditure Variance to Budget	<u>Comment</u>	FYR. Budget 2019/20	FYR Budget 2020 less YTD Actual 2020 Variance
Chemicals & Consumables	0	685	-685	Favourable	2,054	2,054
Depreciation - Infrastructure	33,626	43,607	-9,981	Favourable	130,822	97,196
Electricity	55,615	61,620	-6,005	Favourable	184,860	129,245
External Contractors	558	7,189	-6,631	Favourable	21,567	21,009
Insurance	4,900	6,295	-1,395	Favourable	18,886	13,986
Materials	4,384	1,842	2,542	Unfavourable	5,527	1,143
MDC Charges & Reticulation Costs	6,452	14,740	-8,288	Favourable	44,219	37,767
Member Remuneration	0	0	0	Favourable	0	0
Rates - Utility	0	6,314	-6,314	Favourable	18,942	18,942
Resource Consents	0	737	-737	Favourable	2,211	2,211
Telephone Costs	848	856	-8	Favourable	2,568	1,720
<u>Total Variance</u>	106,383	143,885	-37,502	Favourable	431,656	325,273

Overdue Debtors as at 31 October 2019

Account	Balance	31-60 Days	61-90 Days	91+ Days Reason
140109000	85.55	0.00	0.00	85.55 Payment Plan
140159000	197.80	0.00	0.00	197.80 Penalty not paid
140169000	6957.05	0.00	0.00	6957.05 Property Selling
140169000	474.35	0.00	0.00	474.35 Penalty not paid
	<u>7714.75</u>	<u>0.00</u>	<u>0.00</u>	<u>7714.75</u>