

MINUTES

HUNTERVILLE RURAL WATER SUPPLY MANAGEMENT COMMITTEE MEETING

Date: Monday, 20 September 2021

Time: 4.00 pm

Venue: Council Chamber
Rangitikei District Council
46 High Street
Marton

Present

- Mr Sam Weston
- Mr Bob Crawford
- Mr Bernie Hughes
- Mr John McManaway
- Mr Sam Duncan
- Mr Patrick Henderson
- Cr Richard Lambert (*via Zoom*)
- HWTM Andy Watson

In attendance

- Mr Peter Beggs, Chief Executive
- Mr Arno Benadie, Chief Operating Officer
- Mr Dave Tombs, Group Manager – Corporate Services
- Mr Dave Flintoff, Reticulation Team Leader
- Mr Ash Garstang, Governance Advisor

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1 Welcome

The meeting began at 4.02 pm.

2 Apologies

Resolved minute number **21/HRWS/009**

That the apology for Mr Mark Dawson be received.

Mr B Hughes/Mr B Crawford. Carried

3 Public Forum

No public forum.

4 Conflict of Interest Declarations

No conflicts of interest.

5 Confirmation of Order of Business

An amended report for the Financial Update was distributed to Committee members via email 17 Sep 21.

Two late items were discussed (items 10.1 and 10.2).

6 Confirmation of Minutes

Resolved minute number **21/HRWS/010**

That the minutes of the Hunterville Rural Water Supply Management Sub-Committee meeting held on 21 June 2021, without amendment, be taken as read and verified as an accurate and correct record of the meeting, and that the electronic signature of the Chair of this committee be added to the official minutes document as a formal record.

Mr B Hughes/Mr B Crawford. Carried

His Worship the Mayor and Mr Peter Beggs joined the meeting at 4.07 pm.

7 Follow-up Action Items from Previous Meetings

7.1 Follow-up Action Items from previous Huntermville Rural Water Supply Meetings

Mr Tombs advised that the item seeking further information on “*where in the accounts is the depreciation funded by the scheme and where is it showing*” is still in progress (not closed). This will be re-opened.

Recommendation

That the report ‘Follow-up Action Items from previous Huntermville Rural Water Supply Meetings’ be received.

8 Chair’s Report

8.1 Chair's Report - September 2021

Mr Weston advised that he had been in communication with a land owner about pine trees on a property near Vinegar Hill. The trees are marked for removal, but Mr Weston is unsure what date this will take place, although Mr Flintoff believed that it may be around January/February 2022. Water pipes may have to go around the trees.

9 Reports for Information

9.1 Huntermville Rural Water Scheme - Financial Update

Mr Tombs spoke to the amended report that had been emailed to Committee members 17 Sep 21. He advised the Committee that his intention was for financial updates to be more ‘cash focused’, in order for them to be clearer and more comprehensible.

The Committee spoke about the nature of maintenance with the schemes assets. Generally, repairs will be uncommon but expensive, especially if new pumps are required. Mr Tombs advised that the cash surpluses that the scheme has can be used to proactively maintain assets and this may help to reduce unforeseen costs.

In response to a query, Mr Tombs confirmed that the surplus in the general account is internally loan funded back to Council, although historically this has not been done consistently and it is a source of confusion. Mr Tombs will continue to look into this as a part of his investigations into historic account figures.

Mr Tombs advised that he will continue to investigate past financial statements from previous years and seek to link these to the current financials (2021/22). He will provide the Committee members with final closure on this by the end of October 2021.

Resolved minute number **21/HRWS/011**

That the amended report 'Huntermville Rural Water Scheme - Financial Update', as emailed to Committee members on 17 September 2021 and as presented in this meeting, be received.

Mr B Crawford/Mr B Hughes. Carried

9.2 Huntermville Rural Water Scheme - Operations Update

The Committee asked what the status of the water pipe on the viaduct was. The Mayor advised that KiwiRail are wanting to charge a large amount of money as an ongoing contract. An alternative option would be to create another line, but this would also be very expensive. He offered both his and the Chief Executive's assistance to staff in negotiations with KiwiRail on this issue. Mr Flintoff accepted this offer, and he will provide a summary of the issue to the Chief Executive via email.

Resolved minute number **21/HRWS/012**

That the report 'Huntermville Rural Water Scheme – Operations Update' be received.

Mr B Crawford/Mr J McManaway. Carried

10 Late Items

10.1 Request from Scheme User

Mr Weston advised the Committee that he had received a request from a scheme user. This user has a property that sits on both sides of SH1, and he would like to move his restrictor from one side of the highway to the other. Mr Weston had advised the user that in the event that the Committee approved this work, it would be at the users cost – the user was happy with this.

The Committee agreed that the user should submit a written request to the Committee along with a map, detailing exactly what is being requested and the reasons for it. The Committee would then consider this request at a future meeting.

10.2 Three Waters Reform

The Mayor provided a general update on the status of the reforms. Officially, Council has until the end of 2021 to opt-out of the reforms, although there remains the possibility that central government will mandate inclusion in the reforms for all councils. Mr Beggs agreed, noting that the tone of central governments conversation around participation in the reforms had changed over recent months, and that they now seemed determined to negotiate with local authorities until they agreed to participate / opt-in.

Mr Benadie left the meeting at 4.46 pm.

Mr Beggs provided an update on the new water regulator, Taumata Arowai. He advised that although the water standards for drinking water are not significantly changing, the enforcement of these standards is going to be increased and prosecution for serious non-compliance may start occurring. If the Three Waters Reforms go ahead the status of the Huntermville scheme may change in the future, depending on how the new water entity treats the scheme. Currently it is unknown if or how this might occur. The Committee highlighted the risk of Council being responsible for maintaining the scheme in future, but with no staff to carry out this work (due to staff moving to a new water entity).

There is some uncertainty around whether the Huntermville scheme will become subject to water regulations in future. Although the scheme is 'non-potable', it does supply water to Council, who then supplies it to Huntermville urban residents after further treatment. Mr Tombs confirmed that it would not be possible to count the Huntermville township as 'one user' (under Council) – legal advice received by staff had stated that each resident of the township would be considered as an individual user, meaning that the user base of the scheme could be above a certain threshold that mandates more stringent water regulations. The Committee discussed the possibility of including information in the schemes next annual letter, reminding users that the scheme supplied stock water and that any use of it for drinking water requires individual treatment at the users end. The Committee agreed not to investigate bulk treatment options, but rather to leave this entirely over to users. Mr Beggs advised that the new water regulator is providing a selection of "acceptable solutions" to private water suppliers who are non-compliant.

In response to a query, Mr Beggs advised that the timeframe for registering a rural water scheme and demonstrating compliance under the new regulator is 2025. The new water entities, if established, will not begin their work until 2024.

The Mayor advised that the new water entities would operate on a framework of 'co-governance' with iwi, although he noted that the governance structure is very complicated. This has raised concerns among councils, especially smaller ones such as the Rangitikei District Council, as it may be difficult for them to have a voice in the governance of the water entity.

In response to a query, the Mayor advised that there have been instances of non-compliance for water quality in our district. Council has committed money within the Long Term Plan 2021-31 in order to meet current water compliance standards.

The meeting closed at 5.22 pm.

The minutes of this meeting were confirmed at the Huntermville Rural Water Supply Management Sub-Committee held on 13 December 2021.

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Chairperson