

# MINUTES

## HUNTERVILLE RURAL WATER SUPPLY MANAGEMENT SUB-COMMITTEE MEETING

**Date:** Monday, 28 March 2022

**Time:** 4.00 pm

**Venue:** Council Chamber  
Rangitikei District Council  
46 High Street  
Marton

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**Present** Mr Sam Weston [*via Zoom*]  
Mr Mark Dawson  
Mr Bernie Hughes  
Mr John McManaway  
Mr Sam Duncan  
Cr Richard Lambert [*via Zoom*]  
HWTM Andy Watson (ex officio)

**In attendance** Mr Peter Beggs, Chief Executive  
Mr Arno Benadie, Chief Operating Officer  
Mr Dave Tombs, Group Manager – Corporate Services  
Mr Andrew van Bussel, Operations Manager  
Mr Ivan O'Reilly, Reticulation Serviceman  
Mr Ash Garstang, Governance Advisor

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## **1 Welcome**

Mr Weston opened the meeting at 4.02 pm.

## **2 Apologies**

That the apology for Bob Crawford be received.

## **3 Public Forum**

No public forum.

## **4 Conflict of Interest Declarations**

No conflicts were declared.

## **5 Confirmation of Order of Business**

Item 10.2 (Operations Report – March 2022) was discussed before item 9.1 (Rathmoy Tank Replacement).

## **6 Confirmation of Minutes**

Mr van Bussel updated the Committee on the broken pump motor. A report provided by Brown Brothers Engineering (supplier of the pump) indicated that the breakdown was due to an overheating or voltage issue, likely due to the absence of a choke on the cords. Mr van Bussel confirmed that the breakdown was not due to a lack of water flow, as there are warning signals in place for that. Due to the breakdown being a result of an installation error, Brown Brothers Engineering will not cover the cost.

Mr van Bussell advised that the cost of the new pump was \$12,000.

Mr Duncan arrived at 4.09 pm.

Mr van Bussel advised that Alf Downs (who installed the pump) are refusing liability and will not cover the cost either. The Committee expressed its disappointment with this situation, noting that it was not fair that the cost of this breakdown had fallen on the Committee to cover. Mr van Bussel will seek assurances / a warranty from the companies involved to avoid a future repeat of this situation. He further advised that the new pump has a choke installed, and staff will install

chokes on other pumps that require it as well. In response to a query, Mr van Bussel confirmed that there is no cost to installing chokes on existing pumps.

**Resolved minute number 22/HRWS/001**

That the minutes of the Huntermville Rural Water Supply Management Committee meeting held on 13 December 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 M Dawson/Mr B Hughes. Carried

## **7 Follow-up Action Items from Previous Meetings**

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

Staff provided updates to the Committee around the broke pump, as per item 6.

**Resolved minute number 22/HRWS/002**

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

Mr J McManaway/Mr M Dawson. Carried

## **8 Chair's Report**

### **8.1 Chair's Report - March 2022**

Mr Weston asked staff if a transfer of units among old properties had taken place. In response, Mr O'Reilly advised that he was not aware of this issue. Mr Duncan will follow up on this at his end and advise staff if needed.

**Resolved minute number 22/HRWS/003**

That the 'Chair's Report – March 2022' be received.

Mr S Weston/Mr J McManaway. Carried

## 9 Reports for Decision

### 9.1 Rathmoy Tank Replacement

Mr van Bussel advised that the Rathmoy tank leakage has contributed to the slip at Mr Grace's property. He would like to move the tank site to a new location (behind the homestead) to avoid further erosion issues.

In response to a query, Mr van Bussel advised that an overall estimate of the cost would come in at around \$55,000. There would be no need to remove old pipes.

#### **Resolved minute number 22/HRWS/004**

That the Committee directs staff to replace the Rathmoy break Pressure Tank with a timber tank (of the same size) in a new site, at a cost of \$50,000.

Mr M Dawson/Mr B Hughes. Carried

### 9.2 Huntermville RWS - Historic Financial Reporting

Mr Tombs advised that he has recreated the scheme's balance sheet for July 2021, going from 2017 figures as a starting point. This now shows that the scheme has \$581,000 in the bank as of July 2021.

The Committee noted that the new balance statement was a marked improvement on the financial reporting from previous years. Mr Weston advised that his own analysis of old minutes had resulted in him arriving at similar figures as those shown in the new balance sheet. It was agreed that the historic financial queries had now been addressed. Mr Weston, Mr McManaway and Mr Tombs will meet to do to a final review of the old figures and identify if there are any obvious omissions or mistakes.

The Committee discussed the current rate per unit for the scheme and whether an increase was needed for 2022/23. Mr Tombs advised that with a 7% increase, the cost would rise to \$380 per unit (including GST) for rural users. It was noted by the Committee that the scheme had seen steep rate increases in recent years, due in part to the confusion around the schemes financial position, and this had effectively resulted in scheme users being overcharged. Due to this, the Committee felt that a break from a rates increase was warranted and affordable. Mr Tombs noted that the draft Annual Plan for 2022/23 includes mention of a rates increase, and that Committee members may wish to advise users to disregard this information.

Mr Beggs advised the Committee that there was still confusion around how the ownership of the scheme may be affected by the Three Waters Reform, particularly due to the scheme supplying both urban and rural users. In any case, it is likely that Council staff in this area will transfer to the new water entity in 2024.

#### **Resolved minute number 22/HRWS/005**

That the report 'Huntermville RWS – Historic Financial reporting' be received.

Mr M Dawson/Mr B Hughes. Carried

**Resolved minute number 22/HRWS/006**

That the Committee provides feedback on the proposed 30 June 2021 balances to be incorporated into future financial reporting, and:

Mr Weston, Mr McManaway and Mr Tombs will meet to verify the opening cash balance.

Mr M Dawson/Mr B Hughes. Carried

**Resolved minute number 22/HRWS/007**

That the Committee confirms its preferred way to treat Interest from 2020/21 onwards, is to set a rate for every 2 years, with an interest rate of 2% for 2020/21 and 2021/22.

Mr S Weston/Mr J McManaway. Carried

**Resolved minute number 22/HRWS/008**

That the Committee requests a 0% increase to the rate per unit for 2022/23.

Mr S Weston/Mr J McManaway. Carried

## **10 Reports for Information**

### **10.1 Huntermville RWS - 2021/22 Financial Update**

Mr O'Reilly noted that the new pumps have not been installed.

**Resolved minute number 22/HRWS/009**

That the report 'Huntermville RWS – 2021/22 Financial Update' be received.

Mr S Weston/Mr M Dawson. Carried

### **10.2 Operations Report - March 2022**

Taken as read.

**Resolved minute number 22/HRWS/010**

That the 'Operations Report – March 2022' be received.

Mr S Weston/Mr J McManaway. Carried

**The meeting closed at 5.29 pm.**

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**The minutes of this meeting were confirmed at the Huntermville Rural Water Supply Management Sub-Committee held on 30 May 2022.**

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**Chairperson**