

ORDER PAPER

HUNTERVILLE RURAL WATER SUPPLY MANAGEMENT SUB-COMMITTEE MEETING

Date: Monday, 21 November 2022

Time: 4.00 pm

Venue: Council Chamber
Rangitikei District Council
46 High Street
Marton

Chair: Mr Sam Weston

Membership: Mr Bob Crawford
Mr Mark Dawson
Mr Bernie Hughes
Mr John McManaway
Mr Sam Duncan
Mr Patrick Henderson
Cr Richard Lambert
HWTM Andy Watson

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Notice is hereby given that a Huntermville Rural Water Supply Management Sub-Committee Meeting of the Rangitikei District Council will be held in the Council Chamber, Rangitikei District Council, 46 High Street, Marton on Monday, 21 November 2022 at 4.00 pm.

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AGENDA

1 Welcome / Prayer

2 Apologies

3 Public Forum

4 Conflict of Interest Declarations

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

5 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, [enter item number](#) be dealt as a late item at this meeting.

6 Confirmation of Minutes

6.1 Confirmation of Minutes

Author: Kezia Spence, Governance Advisor

1. Reason for Report

- 1.1 The minutes from **Huntermville Rural Water Supply Management Sub-Committee Meeting held on 25 July 2022** are attached.

Attachments

1. **Huntermville Rural Water Supply Management Sub-Committee Meeting – 25 July 2022**

Recommendation

That the minutes of Huntermville Rural Water Supply Management Sub-Committee Meeting held on 25 July 2022 **[as amended/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.

ITEM 6.1
MINUTES



ATTACHMENT 1

UNCONFIRMED: HUNTERVILLE RURAL WATER SUPPLY MANAGEMENT SUB-COMMITTEE MEETING

Date: Monday, 25 July 2022
Time: 4.00 pm
Venue: Council Chamber
Rangitikei District Council
46 High Street
Marton

Present Mr Sam Weston
Mr Bob Crawford
Mr Bernie Hughes
Cr Richard Lambert

In attendance Mr Arno Benadie, Chief Operating Officer
Mr Dave Tombs, Group Manager – Corporate Services
Mr Sam Zhang, Manager – Financial Services
Mr Dave Flintoff, Reticulation Team Leader
Mr Ivan O’Reilly, Reticulation Serviceman
Mr Steven Parkinson, Reticulation Serviceman
Mr Ash Garstang, Governance Advisor
Cr Fi Dalgety [*via Zoom*]

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1 Welcome

The meeting opened at 3.58 pm.

2 Apologies

Resolved minute number 22/HRWS/017

That the apologies for Mr Henderson and Mr Dawson be received.

Cr R Lambert/Mr B Hughes. Carried

3 Public Forum

No public forum.

4 Conflict of Interest Declarations

No conflicts were declared.

5 Confirmation of Order of Business

There was a late item (water supply to Mr Hurley's tank) discussed as part of item 10.1 (Operations Report – July 2022).

6 Confirmation of Minutes

Resolved minute number 22/HRWS/018

That the minutes of Hunterville Rural Water Supply Management Sub-Committee Meeting held on 30 May 2022, as amended, 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.

Amendment:

Correct the first sentence of page 6 (grammatical error).

Mr B Crawford/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

Mr Flintoff advised that the repair at Lilburns farm (action item 1) will cost around \$16,000 + GST. The Committee confirmed that they were happy for this repair to proceed.

Mr Weston confirmed that himself and Mr McManaway were satisfied with the opening cash balance that has led to the 30 June 2021 balance (action item 3), and that this item can now be closed.

Resolved minute number 22/HRWS/019

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

Mr B Hughes/Cr R Lambert. Carried

8 Chair's Report

8.1 Chair's Report - July 2022

Mr Weston advised that he had attended a discussion around the Three Waters Reform. The task force from this have made several recommendations, which he has distributed to Committee members. He has suggested to the Mayor and Chief Executive that a meeting be held with the chairs of the three rural water scheme Committees (Huntermville, Erewhon and Omatane) and is awaiting a response to this.

Resolved minute number 22/HRWS/020

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

Mr S Weston/Mr B Crawford. Carried

9 Reports for Decision

9.1 Reduction in Water Usage (Mac Keene)

Taken as read.

Resolved minute number 22/HRWS/021

That the Committee agrees to reduce Mr Keene's water usage to 5 units.

Mr S Weston/Mr B Hughes. Carried

9.2 Huntermville RWS - 2021/22 Financial Update

Taken as read.

Resolved minute number 22/HRWS/022

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

Mr S Weston/Cr R Lambert. Carried

Resolved minute number 22/HRWS/023

That the members of the Huntermville RWS confirm that they are satisfied with:

- The format of the financial information that is now being presented at their quarterly meetings; and
- That any material accounting anomalies that may have been included in earlier reports have been addressed.

Mr B Crawford/Mr B Hughes. Carried

10 Reports for Information

10.1 Operations Report - July 2022

Mr Weston advised that Mr van Bussel had indicated to him that he would put together a basic assets register for the scheme. Mr Benadie advised that he would prefer to avoid this, and instead provide information to the Committee from the existing assets register. Mr Benadie confirmed that he will liaise with Mr van Bussel to ensure that this information is provided to the Committee.

Mr Hurley's Tank

Mr O'Reilly advised that there are several slips on the Otiri line going to Mr Hurley's property, which is affecting the pipes. The Committee agreed that a short-term fix was required so that Mr Hurley would have water throughout summer. The Committee also agreed that a long-term fix around the placement of the pipes should be investigated in the future.

Resolved minute number 22/HRWS/024

That the Operations Report – July 2022 be received.

Mr B Hughes/Mr B Crawford. Carried

Resolved minute number 22/HRWS/025

That staff completes a temporary fix to get water into Mr Hurley's tank, and notes that a permanent fix will be investigated at a later stage.

Mr S Weston/Mr B Crawford. Carried

The meeting closed at 4.26 pm.

The minutes of this meeting were confirmed at the Huntermville Rural Water Supply Management Sub-Committee held on 21 November 2022.

.....
Chairperson
Chairperson

ITEM 7.1 **7 Follow-up Action Items from Previous Meetings**

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

Author: Kezia Spence, Governance Advisor

1. Reason for Report

1.1 On the list attached are items raised at previous Huntermville Rural Water Supply meetings. Items indicate who is responsible for follow up, and a brief status comment.

Attachments:

1. **Follow-up Actions Register** [↓](#)

Recommendation

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

ITEM 8.1

8 Chair's Report

8.1 Chair's Report - November 2022

Author: Sam Weston, Chair

1. Reason for Report

- 1.1 A verbal update may be provided by Mr Weston.

Attachments

Recommendation

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

9 Reports for Decision

9.1 Hunterville RWS - 2022/23 Financial Summary

Author: Dave Tombs, Group Manager - Corporate Services

Authoriser: Dave Tombs, Group Manager - Corporate Services

1. Reason for Report

- 1.1 This Report provides the draft YTD Operating Statement for the four months ended October 2022.

2. Commentary

2.1 This shows:

- 2.1.1 A draft Operating Cash Deficit of \$77k for the two months (primarily as Income is not recognised until later in the year)
- 2.1.2 Capital Expenditure of \$21.7k for the two months
- 2.1.3 Notional Cash Reserves of \$637.5k at 31 October 2022

Attachments

1. [HRWS Financial Summary - Oct 2022](#) ↓

Recommendation 1

That the report 'Hunterville RWS – 2022/23 Financial Summary' be received.

9.2 Rural water supplies-options under the Government's three waters reform programme

Author: Michael Hodder, Advisor to the Chief Executive

Authoriser: Peter Beggs, Chief Executive

1. Reason for Report

- 1.1 Attached is a briefing paper which backgrounds the three waters reform programme, the Government's consideration to rural water supplies, the characteristics of Rangitikei's rural water supply schemes and suggested next steps.

2. Context

- 2.1 Committee members will be aware that the Water Services Entities Bill, introduced into Parliament in June 2022, proposes setting up four regional entities which would manage the provision of drinking water, wastewater and stormwater currently provided by territorial authorities such as Rangitikei District Council. Rangitikei is in the Western-Central Services Entity (initially known as 'Entity B'). A National Transition Unit (under the auspices of the Department of Internal Affairs) is already working with councils to ensure the handover is in place by 1 July 2024.
- 2.2 The government has been clear that the focus of reform for water supplies is drinking water and that supplies which are demonstrably non-potable and solely used for stock (or irrigation) purposes will not be transferred to the new entities. However, as detailed in the briefing paper, a working group appointed to consider rural water supplies concluded that most of these supplies were 'mixed use' (i.e. providing drinking water as well as stock water to scheme subscribers). The working group considered that the vast majority of such rural supplies should be transferred to the regional entities but recommended that there could be a case for exceptions. Cabinet agreed to that.
- 2.3 Council has been clear for a while that all its rural water supply schemes are for stock water only. However, any connections to premises which are for drinking water (even if given some additional treatment prior to the water entering the premises), will be deemed as providing drinking water. In every case they will be subject to the requirements set by Taumata Arowai – the Water Services Regulator. This agency has recently approved an alternate solution for mixed use rural supplies (essentially ultra-violet disinfection just before the water enters the premises).
- 2.3 In declaring the characteristics of each scheme to the National Transition Unit, Council will need to demonstrate knowledge of all connections made within subscriber properties. As outlined in the briefing paper, the outcome of such an audit is the basis for determining the options available to each scheme. It is not intended to stop current use of the rural supply for drinking water if that is what a farmer has put in place.
- 2.4 From the outset the Huntermville scheme was unique in providing water both to farmers and to the Huntermville township. Even though the water provided to the town is subject to secondary treatment, it is not yet clear to Council whether that service automatically means that the whole of the Huntermville rural water supply scheme is deemed 'mixed use', irrespective of any drinking water connections on farms. This issue needs to be resolved with the National Transition Unit.

- 2.5 A second Bill, the Water Services Entities Amendment Bill, is due to be introduced into Parliament before Christmas. This is unlikely to change the situation outlined in the briefing paper as the provisions in this Bill were foreshadowed by Cabinet in June 2022

Attachments:

1. **Rural water supplies – options under the Government’s three waters reform programme** [↓](#)

Recommendation

That the memo (and attached briefing paper) ‘Rural water supplies – options under the Government’s three waters reform programme’ be received.

Recommendation

- 1.1 That The Huntermville Rural Water Supply Management Subcommittee recommends to Council that it undertakes following next steps:

- a. conduct an audit to determine the scale of drinking water on all rural properties on the Huntermville scheme (to be funded as a transition cost rural water supply met by the Government);
- b. get clarification from the National Transition Unit whether the provision of water to the town of Huntermville will be deemed a separate supply (and managed by the Western Central Services Entity) with the supply to farmers deemed a separate supply;

EITHER

- c. if the supply to farmers on the Huntermville scheme is demonstrably 100% stock water (i.e. found to have no drinking water connections) and thus not transferred to the Western Central Services Entity, decide the future arrangement for managing the scheme in consultation with scheme members.

OR

- d. if the supply to farmers on the Huntermville scheme is found to be ‘mixed use’ *and* if the National Transition Unit deems the supply to farmers on the Huntermville scheme is a separate supply, decide (in consultation with scheme members) whether this portion of the Huntermville scheme is to be put forward as an exception to automatic transfer to the Western Central Services Entity.

9.3 Operations Report-November 2022

Author: Andrew van Bussel, Operations Manager

1. Leaks and Repairs

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

- 31-08 Leak on Horricks
- 07-09 Replace bearing in middle pump Station
- 08-09 Put new pressure valve in Otairi Line
- 09-09 No water at Charlie Duncan's- leak on hillside
- 12-09 Middle pump station- replace seal in pump
- 13-09 Start Rolling out pipe on Shane Hurley's
- 15-09 Change pressure valve at Gibbons Road
- 03-10 No water Richard McIntyres tank- Murimotu Road
- 07-10 Leak at Horricks property
- 10-10 Leak at Horricks by water tank, broken tee on line
- 19-10 Meet with Sam on Mellington Dairy to discuss units
- 19-10 No water at Otairi
- 28-10 Check Otairi Pump station for fault
- 28-10 Leak at Horricks property
- 01-11 Leak on Otairi – Shane Hurley's line, slip on hillside
- 02-11 Leak on Mrs Webb's property

2. General

2.1 New pumps and motors have arrived, pipe work is underway completion end November.

2.2 Rathmoy break pressure tank has been finalised with land owner site access completed, tank supplier has been booked in for early January.

2.3 River pump has been installed due to recent river levels and is pumping when needed.

2.4 Leedstown line from Web's to Horrock's pipe replacement cost \$34,000.00

2.5 Will table Horrock's line pipe replacement cost.

Recommendation

That the 'Huntermville Rural Water Supply - Operations Report' to the 1 November 2022 Huntermville Rural Water Supply Sub-Committee be received.

10 Next Meeting

The next meeting is to be advised.

11 Meeting Closed