



Rangitikei District Council

Omatane Rural Water Supply Sub-Committee Meeting

Minutes – Wednesday 12 August 2015 – 3:00 p.m.

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Present:

- Mr A McKay, Chairperson
- Mr N Gregory
- Mr D Hammond
- Mr L Kelly
- Mr A Ramsay
- Mr J Taylor

In Attendance:

- Ms J Saywell, Utilities Asset Manager
- Mr A van Bussel, Operations Manager
- Cr R Rainey
- Cr A Gordon
- Mr M Thomas
- Ms R Baird, Administration

1 Apologies

That the apology for Mr Bird for absence be received.

Mr McKay/Mr Kelly. Carried

2 Confirmation of minutes

Mr McKay said he would like more written detail on the explanation given from Mr Mclrvine regarding the financial statement.

The scheme receives general rates which covers any council overheads charged to the scheme. Note these by accounting standards need to be shown as a cost against this activity and the other general ratepayers pick up this cost so there is no net cost to the scheme which effectively gets the services from council free including engineers finance insurance etc. Depreciation is not funded on the scheme assets.

Resolved minute number **15/ORWS/006** **File Ref**

That the minutes of the Omatane Rural Water Supply Sub-Committee meeting held on 15 April 2015 be taken as read and verified as an accurate and correct record of the meeting, with the amendment of more detail in the financial report given by Mr George Mclrvine.

Mr McKay/Mr Kelly. Carried

3 Matters Arising

Ms Saywell would follow up the schemes insurance and what they are covered for.

4 Water Manager's Report

Mr Hammond gave a verbal report and said he had cleaned the intake and fixed a break in the main line.

Resolved minute number **15/ORWS/007** **File Ref**

That the Water Managers Report, be received.

Mr Hammond/Mr Kelly. Carried

5 Scheme Overseer's Report

Mr van Bussel said there was nothing to report but had Horizons contact him as there was no signal coming from the flow meter. Mr van Bussel asked if any of the members were dialling in. Mr Kelly said they still do not have access into the Horizons website. Mr van Bussel said he would need to send Shane Gunn to look at the flow meter and he would need transport, Mr Kelly offered his four wheeler. Mr McKay said he would take Shane to the flow meter.

Mr van Bussel said the flow meter needs to be verified and the scheme would need to do a blue tick or a volumetric test. The members discussed this. Mr van Bussel said they could get Shane Gunn to do the volumetric test when he checks the flow meter.

6 Financial Report

Mr Kelly asked why the metered supply charge increased by \$7000.00. Mr Thomas noted that the increase would be due to the renewals on the capital expenditure which was \$6411.00. Ms Saywell said the software that is used may have noted that it is time for a renewal so has put an amount in the column. Mr Taylor asked what was the schemes cash balance, Cr Rainey said the balance goes into a general fund. Mr Taylor said the “book entries” are clouding the actual cash terms. The question was asked “is the scheme being rated for more than what is spent and does the balance roll over”. Cr Rainey and Cr Gordon would go and meet with Mr McIrvine the following day to ask the questions posed from the members, Mr McKay would try and meet with them too.

Resolved minute number **15/ORWS/008** **File Ref**

That the Statement of Operations for period ending 31 May 2015, be received.

Mr van Bussel/Mr Thomas. Carried

7 Options for management of the Omatane Rural Water Supply Scheme

Mr McKay said the members had met and discussed the options and had decided to stay with the current arrangements, but have decided to leave their decision until their queries about the financial report are answered. Mr McKay asked what is the minimum involvement that council could be involved with the scheme. Cr Rainey said that council could still charge the general rate on their behalf.

Resolved minute number **15/ORWS/009** **File Ref**

That the report “Options for management of the Omatane 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 (and potentially an approach applicable to the District’s other rural water supply schemes) and that the members have decided to continue the present arrangements to support the scheme until all members are satisfied with the outcome of the questions posed to the finance department.

Mr McKay/Mr Kelly. Carried

8 Members/Questions

Mr Hammond advised the committee that he would be going off the scheme by winter next year. Mr van Bussel said the members may want to look at selling Mr Hammonds units. Mr Kelly said the scheme may work better with less people on it. Mr Gregory said the units could be offered to neighbouring properties.

Cr Rainey asked why the committee was considering staying with council if they have so many reservations. Mr Kelly said that for many years they have had a good relationship with council but need clarification on the financials.

9 Date of next meeting

Wednesday 10 August 2016

10 Meeting Closed

4:15pm

Confirmed/Chair: _____

Date: