



Notice is hereby given that a Meeting of the Te Anau Basin Water Supply Subcommittee will be held on:

Date: Tuesday, 12 March 2019
Time: 2.00pm
Meeting Room: Southland District Council Te Anau Office, 116
Venue: Town Centre, Te Anau

Te Anau Basin Water Supply Subcommittee Agenda OPEN

MEMBERSHIP

Chairperson	Keith Thompson
Deputy Chairperson	Murray Hagen
Members	Steve Bayler
	Henry Douglas
	Bill Hunter
	Graham Johnston
	Rex Millar
	Councillor Ebel Kremer

IN ATTENDANCE

Committee Advisor	Jenny Labruyère
	Bill Witham

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Full agendas are available on Council's Website
www.southlanddc.govt.nz

Note: The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. Should Members require further information relating to any reports, please contact the relevant manager, Chairperson or Deputy Chairperson.

Terms of Reference – Water Supply Subcommittees Te Anau Basin, Five Rivers and Matuku

The activity of the Southland District Council's Water Supply Subcommittees is framed by Southland District Council policies and plans. The responsibilities of these Water Supply Subcommittees include:

- Providing feedback to Council officers on relevant plans and strategies (including Asset Management Plans).
- Receiving operational and financial reports.
- Community engagement and representing community views to Council.

The Te Anau Basin, Matuku and Five Rivers Water Supply Subcommittees shall have the following delegated powers and be accountable to Council for the exercising of these powers:

- (a) Power to recommend the annual budget relating to the relevant water supply scheme.
- (b) Power to approve expenditure outside Council's authorised officer levels but within the budget of the water supply schemes. All decisions to approve expenditure outside Council's authorised officer levels must be made by way of a resolution at a meeting of the Water Supply Subcommittees. Any such decisions must be reflected in the minutes of the meeting.
- (c) Power to approve new connections to the relevant water supply scheme.
- (d) Power to approve expenditure outside of the relevant annual budget for emergency works.
- (e) Policies relating to water schemes;

In addition to the power to approve expenditure outside of the relevant annual budget for emergency works, this Subcommittee can also recommend unbudgeted expenditure to Council for approval.

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1 Apologies

At the close of the agenda no apologies had been received.

2 Leave of absence

At the close of the agenda no requests for leave of absence had been received.

3 Conflict of Interest

Committee Members are reminded of the need to be vigilant to stand aside from decision-making when a conflict arises between their role as a member and any private or other external interest they might have.

4 Public Forum

Notification to speak is required by 5pm at least two days before the meeting. Further information is available on www.southlanddc.govt.nz or phoning 0800 732 732.

5 Extraordinary/Urgent Items

To consider, and if thought fit, to pass a resolution to permit the committee to consider any further items which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, and the Chairperson must advise:

- (i) the reason why the item was not on the Agenda, and
- (ii) the reason why the discussion of this item cannot be delayed until a subsequent meeting.

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

"Where an item is not on the agenda for a meeting,-

- (a) that item may be discussed at that meeting if-
 - (i) that item is a minor matter relating to the general business of the local authority; and
 - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
- (b) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion."

6 Confirmation of Minutes

- 6.1 Meeting minutes of Te Anau Basin Water Supply Subcommittee, 06 November 2018



Te Anau Basin Water Supply Subcommittee

OPEN MINUTES

Unconfirmed

Minutes of a meeting of Te Anau Basin Water Supply Subcommittee held in the Southland District Council Te Anau Office, 116 Town Centre, Te Anau on Tuesday, 6 November 2018 at 2.00pm.

PRESENT

Chairperson

Keith Thompson

Members

Steve Bayler

Henry Douglas

Murray Hagen

Bill Hunter

Graham Johnston

Rex Millar

Councillor Ebel Kremer

APOLOGIES

Councillor Ebel Kremer

IN ATTENDANCE

Committee Advisor

Jenny Labruyere

Operations Manager

Bill Witham

1 Apologies

An apology for non-attendance was lodged by Councillor Kremer.

Moved Member Hunter, seconded Member Millar and **resolved:**

That the Te Anau Basin Water Supply Subcommittee accept the apology for non-attendance lodged by Councillor Kremer.

2 Leave of absence

There were no requests for leave of absence.

3 Conflict of Interest

There were no conflicts of interest declared.

4 Public Forum

There was no public forum.

5 Extraordinary/Urgent Items

There were no Extraordinary/Urgent items.

6 Confirmation of Minutes

Resolution

Moved Member Hunter, seconded Member Douglas

Confirms the minutes of Te Anau Basin Water Supply Subcommittee meeting, held on 14 August 2018 as a true and correct record of the proceedings.

Reports

7.1 Financial Report for the year ended 30 June 2018

Record No: R/18/7/17859

Operations Manager, Water and Waste, Bill Witham presented the report.

Mr Witham explained the underspend on the current projects being a total of \$24,157.77 and sought whether the subcommittee would allow these funds to be put towards the Kakapo Reservoir Tanks Renewal project rather than raising a loan for the project.

Mr Witham updated Members on the fish screen that is being prepared for installation at the water intake on the Duncraigen scheme to make this compliant under Environment Southland requirements. Mr Witham also outlined the next steps to be progressed towards the transfer of the Duncraigen Scheme to Landcorp.

Resolution

Moved Member Johnston, seconded Member Bayler **and resolved**

That the Te Anau Basin Water Supply Subcommittee:

- a) Receives the report titled “Financial Report for the year ended 30 June 2018” dated 2 November 2018.**
- b) Agrees to utilise the under spent budget from the other pipeline renewals that were underspent rather than raising a separate loan for the Kakapo Reservoir Tanks Replacement project.**

7.2 Direction-setting for Annual Plan 2019/2020

Record No: R/18/10/24743

Operations Manager, Water and Waste, Bill Witham presented the report.

Mr Witham outlined the purpose of the report is to confirm the direction determined for the 2nd year of the LTP.

Mr Witham advised the report provides an overview of the forecasted projects and services for the Te Anau Basin Water Supply Subcommittee in 2019/2020. It includes any variations from what was anticipated in year two of the Long Term Plan 2018-2028 (“LTP”).

Mr Witham added the direction-setting provided by the Te Anau Basin Water Supply Subcommittee will be incorporated into the Council’s Draft Annual Plan for 2019/2020. If consultation is required, this will occur in February 2019 and March 2019.

Furthermore Mr Witham added that once the plan is finalised (and subject to any changes resulting from submissions), the direction given for 2019/2020 will be used to set rates for the year beginning 1 July 2019.

Mr Witham recognised that extraordinary projects or changes to the level of service may be needed outside of the LTP process. He added the Annual Plan process is an opportunity to raise these extraordinary projects or events, to ensure the on-going needs of the community are being met.

Council has streamlined its 2019/2020 Annual Plan process, and all extraordinary projects for the local area that were received by Council in the project plan template prior to 21 September have been included in the 2019/2020 Annual Plan.

Mr Witham advised the Te Anau Basin Water Supply Subcommittee have no variances for year two of the LTP, and it is recommended to accept Option 1 budgets as proposed in this report.

In summarising Mr Witham added that following the recommendations made to Council, any variances will be summarised in Council's Draft 2019/2020 Annual Plan. If there are significant or materially different variances from the LTP, these will be included in a consultation document and released for consultation in February 2019 and, the final Annual Plan including changes made as a result of consultation, will be adopted by Council in June 2019.

Resolution

Moved Member Johnston, seconded Member Hunter **and Resolved**

That the Te Anau Basin Water Supply Subcommittee:

- a) **Receives the report titled "Direction-setting for Annual Plan 2019/2020" dated 2 November 2018.**
- b) **Determines that this matter or decision be recognised not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Notes that any extraordinary projects for the local area have been included in the 2019/2020 Annual Plan, as identified through Council process in the project plan for extraordinary projects/activities/events project template completed by 21 September 2018.**
- e) **Agree that the budgets for the year commencing 1 July 2019 be adopted for inclusion in the Council's Draft 2019/2020 Annual Plan as included in the report.**
- f) **Requests the setting of the following rates and charges (including GST) for the year commencing 1 July 2019 based on the approved budgets in (e) above.**

Rate Description	Rate (GST Incl)
Te Anau Basin Water Supply Subcommittee Rate	\$454,642

The meeting concluded at 2.55pm

CONFIRMED AS A TRUE AND CORRECT RECORD AT A MEETING OF THE TE ANAU BASIN WATER SUPPLY SUBCOMMITTEE HELD ON TUESDAY 6 NOVEMBER 2018.

DATE:.....

CHAIRPERSON:.....

Financial Report for the period ended 31 January 2019

Record No: R/19/3/4231
Author: Bill Witham, Manager Operations - Water and Waste
Approved by: Matt Russell, Group Manager Services and Assets

Decision Recommendation Information

Water and Waste Engineer's Report

- 1 The monthly operations report for Downer has been included with this report. The report includes data on Downer's district wide operations activities which are presented on a town-by-town basis.
- 2 Several service have been received over the summer months with the Kakapo scheme in particular struggling at times. Downer staff have found several leaks and faulty connections however this work is ongoing.

Project list

- 3 The table below shows all of the projects that are currently planned for Te Anau Rural Water Supply in 2018/19.

Project Name	Type	Year	Budget	Staff Comments
Consent renewal preparation (Ramparts)	REN	2018/19	\$20,000	Underway
Consent Renewal Preparation (Kakapo)	REN	2018/19	\$20,000	Underway
Replacement tanks (Kakapo)	REN	2018/19	\$40,000	Tanks constructed, awaiting delivery.
Consent Renewal Preparation (Homestead)	REN	2018/19	\$20,000	Underway
Consent Renewal Preparation (Princhester)	REN	2018/19	\$20,000	Underway

Financial Considerations

Loans

- 4 The table below outlines the community loans as at 30 June 2018. The interest rate applicable on these loans for the 2018/19 year is 4.65%.

	Business Unit	Balance June 2017	Years Remaining
Electrical Upgrade	26960	\$9,537	4
Te Anau Water Renewal	26960	\$8,827	1

Reserves

5 Reserves are projected as:

	Opening balance 30 June 18	Long Term Plan balance at 30 June 18	Forecast Closing 30 June 18
Te Anau Rural General Reserve	\$1,525	\$1,525	\$1,525

Recommendation

That the Te Anau Basin Water Supply Subcommittee:

- a) **Receives the report titled “Financial Report for the period ended 31 January 2019” dated 7 March 2019.**

Attachments

A Te Anau Rural water supply financial report to 31 January 2019 [↓](#)

Te Anau Rural Water Supply Community Financial Report

58.33% Of Year



For the Period Ended January 2019

2018/2019 Financial Year

Income	Annual Budget	Actual Income to Date	Income to Date %	Full Year Projection	Annual Budget vs Projection Var	Annual Budget vs Projection %
26960 Water Supply Overheads	98,121	57,238	58%	98,122	1	0%
26961 Water Supply Ramparts	74,438	43,423	58%	74,439	1	0%
26962 Water Supply Mount York	33,029	19,267	58%	33,029	0	0%
26963 Water Supply Takitimu	48,460	28,269	58%	48,460	1	0%
26964 Water Supply Kakapo	61,490	35,870	58%	61,491	1	0%
26965 Water Supply Homestead	28,779	16,788	58%	28,779	0	0%
26966 Water Supply Princhester	25,243	14,725	58%	25,243	0	0%
26967 Water Supply - Duncraigen	10,732	6,260	58%	10,732	0	0%
Subtotal Water & Waste Business Units	380,292	221,841	58%	380,296	4	0%
Total	380,292	221,841	58%	380,296	4	0%
Expenditure	Annual Budget	Actual Spent to Date	Spent to Date %	Full Year Projection	Annual Budget vs Projection Var	Annual Budget vs Projection %
26960 Water Supply Overheads	171,655	100,265	58%	172,340	(684)	0%
26961 Water Supply Ramparts	74,438	44,842	60%	75,193	(754)	(1%)
26962 Water Supply Mount York	33,029	23,312	71%	36,552	(3,523)	(11%)
26963 Water Supply Takitimu	48,460	34,447	71%	54,145	(5,684)	(12%)
26964 Water Supply Kakapo	61,490	35,767	58%	60,826	665	1%
26965 Water Supply Homestead	28,779	15,511	54%	27,099	1,679	6%
26966 Water Supply Princhester	17,758	13,621	77%	20,845	(3,087)	(17%)
26967 Water Supply - Duncraigen	10,732	5,816	54%	10,115	618	6%
Subtotal Water & Waste Business Units	446,341	273,581	61%	457,114	(10,770)	(2%)
Total	446,341	273,581	61%	457,114	(10,770)	(2%)

Te Anau Rural Water Supply Community Financial Report

58.33% Of Year



For the Period Ended January 2019

2018/2019 Financial Year

Capital Expenditure	Annual Budget	Actual Spent to Date	Spent to Date %	Full Year Projection	Annual Budget vs Projection Var	Annual Budget vs Projection %
26961 Water Supply Ramparts	20,000	0	0%	8,333	11,667	58%
26964 Water Supply Kakapo	60,000	54,183	90%	79,183	(19,183)	(32%)
26965 Water Supply Homestead	20,000	0	0%	8,333	11,667	58%
26966 Water Supply Princhester	20,000	4,450	22%	24,450	(4,450)	(22%)
Subtotal Water & Waste Business Units	120,000	58,633	49%	120,300	(299)	0%
Total	120,000	58,633	49%	120,300	(299)	0%
Funding Adjustments (Contributions, Loans, Provisions, Reserves, Forestry Dividend)	Annual Budget	Actual Adjustments to Date	Adjustments to Date %	Full Year Projection	Annual Budget vs Projection Var	Annual Budget vs Projection %
26960 Water Supply Overheads	73,534	81,829	111%	120,437	46,903	64%
26961 Water Supply Ramparts	20,000	0	0%	8,333	(11,667)	(58%)
26964 Water Supply Kakapo	60,000	0	0%	25,000	(35,000)	(58%)
26965 Water Supply Homestead	20,000	0	0%	8,333	(11,667)	(58%)
26966 Water Supply Princhester	12,515	0	0%	5,215	(7,300)	(58%)
Subtotal Water & Waste Business Units	186,049	81,829	44%	167,318	(18,731)	10%
Total	186,049	81,829	44%	167,318	(18,731)	(10%)

Dunraigen Rural Water Supply Transfer

Record No: R/19/3/4315

Author: Bill Witham, Manager Operations - Water and Waste

Approved by: Matt Russell, Group Manager Services and Assets

Decision

Recommendation

Information

Purpose

- 1 To outline the steps required to transfer the Dunraigen rural water supply the Pamu (Landcorp) and seek a recommendation to proceed with the transfer.

Executive Summary

- 2 Southland District Council (Council) have sought legal advice as to the appropriate steps needed to transfer the Dunraigen rural water supply to Pamu. It has been advised that the next step is seek a recommendation from the Te Anau Rural Water Supply Subcommittee (the Subcommittee) to proceed and then take that recommendation to the Services and Assets Committee (the Committee) for approval.

Recommendation

That the Te Anau Basin Water Supply Subcommittee:

- a) **Receives the report titled "Dunraigen Rural Water Supply Transfer" dated 8 March 2019.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Agrees in principle to proceed to negotiate a transfer.**
- e) **Does not agree in principle to proceed.**

Background

- 3 The Te Anau Rural Water Supply Subcommittee has been considering for some time the option of transferring the Duncraigen Rural Water Supply to Pamu (Landcorp)

Issues

- 4 Council has sought legal advice to ascertain the appropriate steps to follow in this process as difficulties have arisen in similar transfers elsewhere in New Zealand.

Factors to Consider

Legal and Statutory Requirements

- 5 The Local Government Act 2002 does not prevent the transfer of this scheme as it is not a drinking water supply.

Suggested Steps

- 6 Council have sought legal advice as to the appropriate steps needed to transfer the Duncraigen rural water supply to Pamu. The suggested steps are as follows:
- (a) seek agreement in principle from the Subcommittee to proceed to negotiate a transfer.
 - (b) if approved, to have the Committee consider the Subcommittee's recommendation.
 - (c) if approved staff negotiate and document a draft transfer agreement (subject to Subcommittee approval).
 - (d) take the final agreement to the Committee for approval.
 - (e) Implement the transfer in accordance with the terms of the agreement.

Assessment of Significance

- 7 Council does not consider this is an item of significance in terms of Section 76 of the Local Government Act 2002.

Recommended Option

- 8 That the Subcommittee agrees in principle to proceed to negotiate a transfer.

Next Steps

- 9 If the recommendation is to proceed, approval to do so will also be sought from the Service and Assets Committee.

Attachments

There are no attachments for this report.