

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

**Date:** Tuesday, 7 March 2017  
**Time:** 2.00pm  
**Meeting Room:** SDC Office,  
**Venue:** 116 Town Centre, Te Anau

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## Te Anau Basin Water Supply Subcommittee Agenda OPEN

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### MEMBERSHIP

<b>Chairperson</b>	Keith Thompson
<b>Deputy Chairperson</b>	Murray Hagen
<b>Members</b>	Henry Douglas
	Bill Hunter
	Graham Johnston
	Rex Millar
	Graeme Mulligan
	Ray Tibbles
<b>Councillor</b>	Ebel Kremer

### IN ATTENDANCE

<b>Committee Advisor</b>	Jenny Labruyère
<b>Operations Engineer</b>	Bill Witham

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**Full agendas are available on Council's Website**  
[www.southlanddc.govt.nz](http://www.southlanddc.govt.nz)

## **Terms of Reference for Water Supply Subcommittees**

This committee is a subcommittee of Southland District Council and is responsible to:

- Approve the annual budget
  - Review the asset management plan and financial strategy in respect of each individual scheme
  - Review quarterly operation and financial reports
  - Seek the views of consumers of the water scheme
  - Ensure the scheme is operated to best advantage of the consumers
  - Approve new connections to the scheme
  - Recommend the level of annual water charges to Council
  - Recommend changes to Council policies relating to water schemes
  - Recommend emergency works outside of budget
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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](http://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, held 08 November 2016

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# Te Anau Basin Water Supply Subcommittee

## OPEN MINUTES

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Minutes of a meeting of Te Anau Basin Water Supply Subcommittee held in the SDC Office, Te Anau on Tuesday, 8 November 2016 at 2.00pm.

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### PRESENT

<b>Chairperson</b>	Keith Thompson
<b>Members</b>	Bill Hunter
	Graham Johnston
	Rex Millar
<b>Councillor</b>	Ebel Kremer

### IN ATTENDANCE

<b>Committee Advisor</b>	Jenny Labruyère
<b>Operations Manager</b>	Bill Witham

## **1 Apologies**

An apologies for non-attendance was lodged by Members Douglas and Hagen.

Resolution

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

**That the Te Anau Basin Water Supply Subcommittee accept the apologies for non-attendance lodged by Members Douglas and Hagen.**

## **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 were no persons in Public Forum.

## **5 Extraordinary/Urgent Items**

There were no Extraordinary/Urgent items.

## **6 Confirmation of Minutes**

Resolution

Moved Member Hunter, seconded Member Johnston

**That the minutes of Te Anau Basin Water Supply Subcommittee meeting, held on 12 July 2016 be confirmed as a true and correct record.**

## **Reports**

### **7.1 Action Sheet**

**Record No: R/16/11/17971**

Action sheet issues affecting the subcommittee were tabled.

Issue arising from the Action Sheet included;

#### **Tank Replacement**

Members agreed a report providing costings and options be available for the February meeting and that the tank replacement project on the Mount York scheme be given priority.

Pipeline Replacement

The Operations Manager advised a report is to be provided in regard to the pipeline replacements on Ramparts, Kakapo and Takitimu scheme prior to these projects going out for tender.

Members requested this report be available for the next meeting of the subcommittee.

**Resolution**

Moved Member Johnston, seconded Member Millar

**That the Te Anau Basin Water Supply Subcommittee:**

- a) **Receives the report titled “Action Sheet” dated 2 November 2016.**
- b) **Requests staff provide reports on the tank replacement at Mt York scheme and pipeline replacement on the Ramparts, Kakapo and Takitimu schemes, such reports to be tabled at the subcommittee’s February meeting.**

**7.2 Works and Finance Report to Te Anau Basin Water Supply Subcommittee for the period ended 30 September 2016**

**Record No: R/16/10/16516**

Works and Finance report for the period ended 30 September 2016 for the Te Anau Basin Water Supply subcommittee, prepared by B Witham (Operations Manager), was tabled.

In discussing the report members suggested an amendment to the project list for the item “Replace reservoir tanks ahead of schedule be for the Mount York scheme” rather than the Kakapo scheme as listed.

Members also requested a timeframe for expected completion of projects be available in the project list suggesting this would track projects so as not to be lost if not completed within the financial year that they are programmed for.

Other issues raised included;

- Questioned whether the Duncraigen Scheme ownership should remain with Council or Landcorp?
- Kakapo Scheme baffle and tank issues at the head of the scheme may need to be considered for future planning.

**Resolution**

Moved Member Johnston, seconded Member Millar

**That the Te Anau Basin Water Supply Subcommittee:**

- a) **Receives the report titled “Works and Finance Report to Te Anau Basin Water Supply Subcommittee for the period ended 30 September 2016” dated 26 October 2016.**



- b) Requests the project list be amended as outlined in second paragraph of this minutes.
- c) Requests that staff provide completion date of projects be provided in future project list reports.

### **7.3 Financial Report to Te Anau Basin Water Supply Subcommittee for the year ended 30 June 2016**

**Record No: R/16/8/12456**

Financial Report to Te Anau Basin Water Supply Subcommittee for the year ended 30 June 2016, prepared by B Witham (Operations Manager), was tabled.

Mr Witham outlined to the subcommittee the reasons for significant budget variances, these included;

#### **Ramparts**

Electricity costs were significantly under budget

#### **Kakapo**

The project to replace reservoir tanks was not undertaken and the regulatory water meter project was completed significantly under budget. General maintenance throughout the year also ended up being under budget.

#### **Homestead**

Material Damage Insurance, Electricity and Routine Maintenance costs were all under budget.

Mr Witham then presented a detailed project list which gave members the status of projects that were planned for 2015/2016.

Issues raised during the discussion included;

- Water meter on Kakapo scheme and requested an update at the next meeting on usage tracking.
- Sought clarification in regard to the differences in budget on the Homestead scheme.

#### **Resolution**

Moved Member Hunter, seconded Member Johnston

**That the Te Anau Basin Water Supply Subcommittee:**

- a) **Receives the report titled “Financial Report to Te Anau Basin Water Supply Subcommittee for the year ended 30 June 2016” dated 26 October 2016.**
- b) **Requests staff provide an update at the next meeting on usage tracking, and also provide clarification in regard to the differences in budget on the Homestead scheme.**

#### **7.4 Mt York Tank Replacement Options**

**Record No: R/16/11/17961**

Report by B Witham (Operations Manager), providing information to the Board on three options to replace the reservoir tanks at Mt York, was tabled.

Mr Witham outlined the three options for replacing the reservoir tanks at Mt York are concrete, polyethylene and heavy duty polyethylene. The per tank costs are as follows:

Concrete: \$3,800 x 12 \$46,200.

Polyethylene \$3,000 x 12 \$36,000.

HD Polyethylene \$3,800 x 12 \$45,600.

Mr Witham added;

- The cost of transporting the concrete tanks to the base of Mt York is \$7,200.
- The cost of transporting the plastic tanks may be around \$5,800 if a pilot vehicle is not required.
- The plastic tanks require additional means of anchoring which should cost around \$250 per tank or \$3,000 total.
- Staff are still awaiting cost estimates for transport up the hill and installation.

In discussing the report Members expressed a desire that this project be given priority in particular costings for location installation comparisons be way of a report to the next meeting.

#### **Resolution**

Moved Member Millar, seconded Member Johnston

**That the Te Anau Basin Water Supply Subcommittee:**

- a) Receives the report titled “Mt York Tank Replacement Options” dated 2 November 2016.**
- b) Requests staff give this project priority in particular costings for location installation comparisons be way of a report to the next meeting.**

#### **7.5 Annual Plan 2017/2018 - Confirmation of Budgets**

**Record No: R/16/10/17581**

Report by B Witham (Operations Manager), providing an overview of the forecasted services for the Te Anau Basin Water Supply Subcommittee in 2017/2018, was tabled.

Members noted it includes any variations from what was forecasted in year three of the 10 Year Plan 2015-2025.

Mr Witham added that Council has streamlined its 2017/2018 Annual Plan process

and as a result the subcommittee is only required to review its estimates for significant changes. In addition, consideration should be given to funding any significant changes from reserves where appropriate.

Mr Witham advised the draft estimates will be incorporated into the Council's Draft Annual Plan. If consultation is required, this will occur in February 2017 and March 2017. Once the plan is finalised (and subject to any changes resulting from submissions), the estimates shown for 2017/2018 will be used to set rates for the year beginning 1 July 2017.

Mr Witham outlined variances from year three of the 10 year plan adding there are no significant changes from what was originally included in year three of the plan.

Furthermore Mr Witham outlined the potential impact on the rates adding consideration should be given to whether all or some of the additional costs or projects could be funded from reserves or loans.

In conclusion Mr Witham advised the estimates will be summarised in Council's Draft Annual Plan. If there are significant or materially different variances from the 10 Year Plan including changes made as a result of consultation, will be adopted by Council in June 2017.

### **Resolution**

Moved Member Hunter, seconded Member Johnston

**That the Te Anau Basin Water Supply Subcommittee:**

- a) **Receives the report titled "Annual Plan 2017/2018 - Confirmation of Budgets" dated 2 November 2016.**
- 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) **Approves variations in the Te Anau Water Supply Subcommittee budgets from year three of the 10 Year Plan.**
- e) **Budgets for the year commencing 1 July 2017 be adopted for inclusion in the Council's Draft Annual Plan.**
- f) **Requests the levy of the following rates and charges (including GST) for the year commencing 1 July 2017 based on the approved budgets in (e) above.**

<u><b>Rate Description</b></u>	<u><b>Rate (GST Incl)</b></u>
Rural Water Supply	\$448,336

The meeting concluded at 3.20pm

CONFIRMED AS A TRUE AND CORRECT  
RECORD AT A MEETING OF THE TE ANAU  
BASIN WATER SUPPLY SUBCOMMITTEE  
HELD ON 8 NOVEMBER 2016

**DATE:**.....

**CHAIRPERSON:**.....

## Works and Finance Report to Te Anau Basin Water Supply Subcommittee for the period ended 31 January 2017

Record No: R/17/2/3481  
Author: Bill Witham, Operations Manager - Water and Waste Services  
Approved by: Ian Marshall, Group Manager Services and Assets

☐ Decision ☐ Recommendation ☒ Information

### Water and Waste Engineer's Report

- 1 The monthly operations reports from Downer are provided to the Subcommittee advisor as they are published. They include data on Downer's district-wide operations activities which are presented on a town by town basis.

### Project List

- 2 The table below shows all of the projects that are currently planned for Te Anau Rural Water Supply in 2016/2017:

Project Name	Type	Year	Budget	Status	Officer's Comment
Replace reservoir tanks ahead of schedule (Kakapo)	REN	15/16	\$85,000	Tender	Council will use this budget to replace the Mt York tanks and reprogram the Kakapo tanks for a later date.
Pipeline Renewal (Ramparts)	REN	16/17	\$83,000	Tender	Ramparts, Takitimu and Kakapo pipeline projects combined tender.
Pipeline Renewal (Takitimu)	REN	16/17	\$125,000	Tender	Ramparts, Takitimu and Kakapo pipeline projects combined tender.
Switchboards (Mt York)	REN	16/17	\$100,000	Investigation	Investigation work in progress.
Pipeline Renewal (Kakapo)	LOS	15/16	\$189,000	Tender	Ramparts, Takitimu and Kakapo pipeline projects combined tender.

### Financial Considerations

#### Development and Financial Contributions

- 3 The table below outlines the balance of Development and Financial contributions for your Kakapo Water to 30 June 2016 plus any amounts invoiced for this financial year to date. Spending of these funds is considered by Council staff when projects are in the planning stage. Once identified as a potential funding source for a project, confirmation from the Group Manager Services and Assets is sought before undertaking the project to ensure that the relevant policy and legislative requirements are met.

Water Kakapo	\$7,549
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### Loans

- 4 The table below outlines the community loans as at 30 June 2016. The interest rate applicable on these loans for the 2016/2017 year is 6.25%.

	Business Unit	Balance June 2016	Years Remaining
Electrical Upgrade	26960	\$13,587	6

### Reserves

## Reserve Balances - Annual Plan

### Te Anau Rural Water Supply

Opening Balance	Current Budget	Forecast Budget	2017/2018
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### Local

Te Anau Rural Water Supply General - RES	\$96,969	\$14,523	\$14,523	\$17,184
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### Total Reserves

\$96,969	\$14,523	\$14,523	\$17,184
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## Recommendation

That the Te Anau Basin Water Supply Subcommittee:

- a) Receives the report titled “Works and Finance Report to Te Anau Basin Water Supply Subcommittee for the period ended 31 January 2017” dated 28 February 2017.

## Attachments

- A Te Anau Basin Water Supply Financial Reports, 31 January 2017 [↓](#)

## Te Anau Rural Water Supply Community Financial Report

58.33% Of Year

For the Period Ended January 2017

Income	<u>Annual Budget</u>	<u>Actual Income to</u> <u>Date</u>	<u>Income to</u> <u>Date %</u>	<u>Full Year</u> <u>Projection</u>
26960 Water Supply Overheads	(7,609)	(5,954)	78%	(7,635)
26961 Water Supply Ramparts	87,065	51,009	59%	87,287
26962 Water Supply Mount York	133,094	77,977	59%	133,433
26963 Water Supply Takitimu	44,345	25,981	59%	44,458
26964 Water Supply Kakapo	74,116	43,423	59%	74,305
26965 Water Supply Homestead	33,712	19,751	59%	33,798
26966 Water Supply Princhester	15,778	9,244	59%	15,818
26967 Water Supply - Duncraigen	7,045	4,127	59%	7,063
Subtotal Water & Waste Business Units	387,546	225,558	58%	388,525
Total	387,546	225,558	58%	388,525
Expenditure	<u>Annual Budget</u>	<u>Actual Spent to</u> <u>Date</u>	<u>Spent to Date</u> <u>%</u>	<u>Full Year</u> <u>Projection</u>
26960 Water Supply Overheads	6,753	1,169	17%	3,983
26961 Water Supply Ramparts	87,065	41,406	48%	77,608
26962 Water Supply Mount York	33,094	17,638	53%	31,019
26963 Water Supply Takitimu	44,345	27,854	63%	46,280
26964 Water Supply Kakapo	74,116	34,415	46%	64,170
26965 Water Supply Homestead	33,712	14,420	43%	27,991
26966 Water Supply Princhester	15,778	9,794	62%	15,824
26967 Water Supply - Duncraigen	7,045	6,093	86%	8,917
Subtotal Water & Waste Business Units	301,908	152,790	51%	275,793
Total	301,908	152,790	51%	275,793

Item 7.1 Attachment A

## Te Anau Rural Water Supply Community Financial Report

58.33% Of Year

For the Period Ended January 2017

Capital Expenditure	<u>Annual Budget</u>	<u>Actual Spent to Date</u>	<u>Spent to Date %</u>	<u>Full Year Projection</u>
26961 Water Supply Ramparts	83,000	5,702	7%	40,285
26962 Water Supply Mount York	100,000	0	0%	41,667
26963 Water Supply Takitimu	125,000	0	0%	52,083
26964 Water Supply Kakapo	274,000	0	0%	114,167
Subtotal Water & Waste Business Units	582,000	5,702	1%	248,202
Total	582,000	5,702	1%	248,202
<b>Funding Adjustments</b> (Contributions, Loans, Provisions, Reserves, Forestry Dividend)	<u>Annual Budget</u>	<u>Actual Adjustments to Date</u>	<u>Adjustments to Date %</u>	<u>Full Year Projection</u>
26960 Water Supply Overheads	14,362	(5,750)	(40%)	235
26961 Water Supply Ramparts	83,000	0	0%	34,583
26963 Water Supply Takitimu	125,000	0	0%	52,083
26964 Water Supply Kakapo	274,000	0	0%	114,167
Subtotal Water & Waste Business Units	496,362	(5,750)	(1%)	201,068
Total	496,362	(5,750)	(1%)	201,068



## Te Anau Basin Rural Water Main Renewals

Record No: R/17/2/2329  
Author: Joe Findley, Contracts Administrator  
Approved by: Bill Witham, Operations Manager - Water and Waste Services

☐ Decision ☒ Recommendation ☐ Information

### Purpose

- 1 This report is to consider the options for funding the proposed renewals of three separate lengths of rural water main within the Te Anau Basin, specifically related to the Ramparts, Takitimu and Kakapo schemes.

### Executive Summary

- 2 The objective of this report is to outline the funding options for the renewal of three separate lengths of rural watermain on the Ramparts, Takitimu and Kakapo Rural water schemes. The proposed works involves the replacement of; 870m of 80mm diameter PVC pipeline, 3602m of 32mm PE pipeline and 1563m of 50mm PE pipeline across the Ramparts, Takitimu and Kakapo Rural Water Schemes.
- 3 Initial costs estimated by Councils Water and Waste Department are \$389,961.00 (excl GST), which includes for Tendering, Construction, Water and Waste Services Department supervision costs and a contingency sum of \$64,993.50.

### Recommendation

That the Te Anau Basin Water Supply Subcommittee:

- a) **Receives the report titled “Te Anau Basin Rural Water Main Renewals” dated 1 March 2017.**
- 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) **Recommends to Council that the Te Anau Basin Rural Water Main Renewals projects be approved for construction.**

## Content

### Background

- 4 The proposed project is for the renewal of three separate sections of rural water main in the Te Anau Basin, specifically related to the Ramparts, Takitimu and Kakapo schemes. The pipelines in question were constructed between 1972 and 1975, the table below has a breakdown of the pipeline details and the associated repairs for each length.
- 5 The three sections of main and the increasing instance of required maintenance were highlighted by Downer Ltd two years ago.

### 6 Ramparts

7 From	8 To	9 Diameter	10 Length	11 Previous Failures
12 Intersection with main on Landcorp block, refer map	13 Consumer Tank 25, Glenkylie Dairy Farm Ltd, 757 Ramparts Rd	14 32mm PE	15 2060m	16 21 repairs

### 17 Takitimu

18 From	19 To	20 Diameter	21 Length	22 Previous Failures
23 North East corner of J W West property	24 Takitimu booster Pumphouse outside 233 Gillespie Road	25 80mm PVC	26 870m	27 9 repairs

28

### 29 Kakapo

30 From	31 To	32 Diameter	33 Len gth	34 Previous Failures
35 Consumer tank 26, P H Priergaard	36 South West corner of R & C Hayes property	37 50mm PE	38 1570 m	39 12 repairs
40 South West corner of R & C Hayes property	41 Consumer tank 30, C & S Smith	42 25mm PE	43 1460 m	44 23 repairs

## Issues

- 45 The increasing instance of required maintenance for all three sections of main is an issue highlighted by Downer Ltd two years ago. The high number failures can be attributed to the age of the assets, the nature in which they were constructed and the materials used in their construction.
- 46 The high number of repairs create issues for continuous supply of water to the affected consumers and the risk of loss of supply increases substantially the longer the asset renewals are pushed out.

## Factors to Consider

### Legal and Statutory Requirements

- 47 This work will be completed in conjunction with affected property owners under Section 181, Local Government Act 2002.

### Community Views

- 48 The proposed works have been programmed in the Councils LTP for renewal within the 2016/2017 season. Water and Waste Staff have consulted with the Te Anau Basin Water Supply Sub Committee who directed Staff to generate this report for further consideration.

## Costs and Funding

- 49 The estimated costs for the works are detailed in the table below;

50	Scheme	51	Construction	52	Contingency	53	SDC	54	Total
55	Ramparts	56	\$92,350.00	57	\$20,317.00	58	\$9,235.00	59	\$121,902.00
60	Takitimu	61	\$64,150.00	62	\$14,113.00	63	\$6,415.00	64	\$84,678.00
65	Kakapo	66	\$138,925.00	67	\$30,563.50	68	\$13,892.50	69	\$183,381.00
70		71	\$295,425.00	72	\$64,993.50	73	\$29,542.50	74	\$389,961.00

- 75 The project is to be funded wholly from Loans raised through the Annual Plan process 2016/2017. The loan repayments have been included in the draft Annual Plan for 2017/2018 as previously discussed. The total repayments for these loans (over a 25year period) will be \$28,327.00 annually, based on a 5.15% interest rate.

## Policy Implications

- 76 Nil

## Analysis

### Options Considered

- 77 The following three options have been discussed for consideration;

### Analysis of Options

**Option 1 – Renewal of three separate sections of water main; 2060m of 40mmOD MDPE PE100 PN12 and included associated works on the Ramparts Rural Water Scheme, 870m of 90mmOD MDPE PE100 PN12 and included associated works on the Takitimu Rural Water Scheme, 1570mOD MDPE PE100 PN12 AND 1550mOD MDPE PE100 PN12 and included associated works on the Kakapo Rural Water Scheme. Refer to attached maps.**

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> <li>• Greatly reduces maintenance expenditure on the Ramparts, Takitimu and Kakapo schemes</li> <li>• Increases reliability of all three sections of of main and subsequently reduces the risk of non-supply to consumers on these section of main</li> <li>• Demonstrates a proactive approach to the renewal of these assets and consideration for the associated risks involved with deferring the renewals</li> </ul>	<ul style="list-style-type: none"> <li>• Capital cost involved with completing the project</li> <li>• Minor disruption to affected property owners while construction takes place</li> </ul>

**Option 2 – Complete only the Kakapo RWS portion of the project and defer the renewal of the Ramparts and Takitimu portions until the following year.**

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> <li>• Short term reduction in costs (I.e. a saving of 50% of the capital cost this year)</li> <li>• Greatly reduces maintenance expenditure on the Kakapo scheme</li> <li>• Increases reliability of this section of Kakapo scheme and subsequently reduces the risk of non-supply to consumers on this section of main</li> </ul>	<ul style="list-style-type: none"> <li>• Increased cost of repairs when failures occur for the two remaining sections of main</li> <li>• Risk of maintenance costs to increase to the two remaining sections of main, given the Contractor has highlighted the criticality of these mains. Continued deferral of renewals could cause the Contractor unforeseen cost which it may wish to be reimbursed for</li> <li>• Increased risk of non-supply to consumer tanks when failures occur on the two remaining sections of main</li> <li>• The requirement to upgrade the two remaining sections of main in the future in some form or other</li> </ul>

**Option 3 – Do nothing;**

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> <li>• Short term reduction in cost (I.e. No capital expenditure)</li> </ul>	<ul style="list-style-type: none"> <li>• Increased cost of repairs when failures occur</li> <li>• Risk of maintenance costs to increase to these three sections of main, given the Contractor has highlighted the criticality of these mains. Continued deferral of renewals could cause the Contractor unforeseen cost which it may wish to be reimbursed for</li> <li>• Increased risk of non-supply to consumer tanks when failures occur</li> <li>• The requirement to upgrade the water mains in the future in some form or other</li> </ul>

**Assessment of Significance**

- 78 Upon assessing the proposed recommendation against the Council's Significance and Engagement Policy, the Water and Waste Department does not believe that the recommendation constitutes a significant decision.
- 79 This is based on the recommendation not having an impact on the Council's direction and level of service and the cost being less than 10% of annual expenditure.

**Recommended Option**

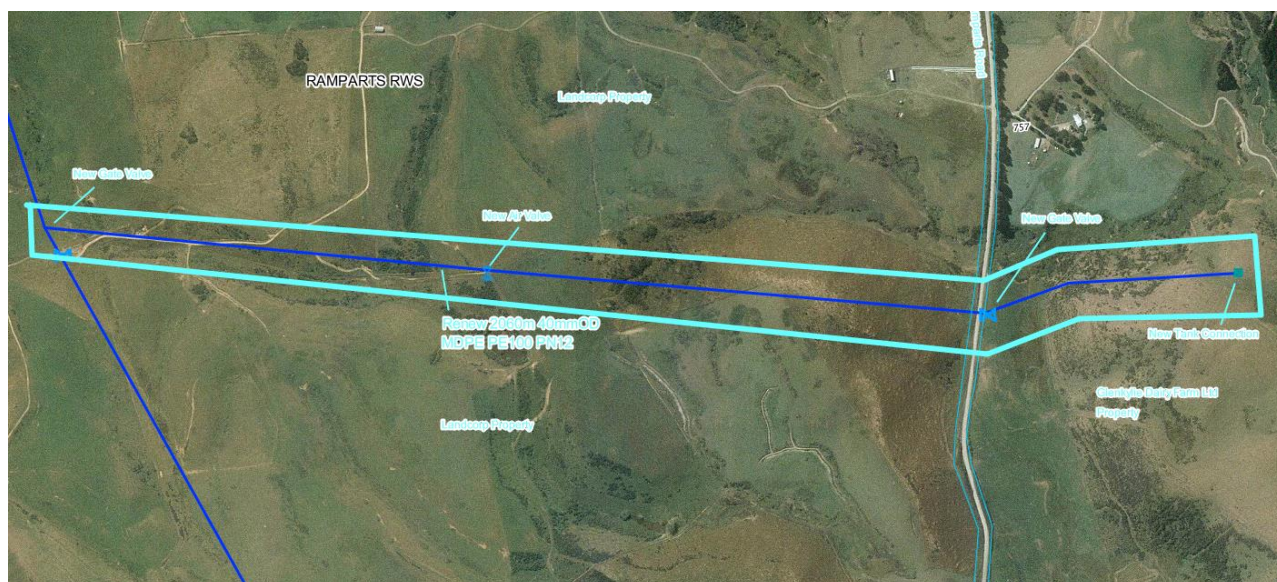
- 80 Council believes the best option is to proceed with the renewal of all the proposed lengths of Water main as discussed in Option 1 above. This is the most cost effective means of ensuring a reduction of the associated risk of non-supply of water to the affected land owners.
- 81 Council's Water and Waste Department recommends that the Te Anau Basin Water Supply Subcommittee approves to proceed with tendering the works discussed in Option 1, using the funds allocated to the project through the LTP process.

**Next Steps**

- 82 If approval for the funding of the project is given, Council will put a Contract Document out to tender to Council approved Contractors. Tendering under the lowest price conforming, the works to be awarded under delegated authority if the lowest price is within budget, so there is no delay in the commencement of the works.
- 83 Given the price and scale of the works, a full tender is the preferred option to ensure the best value for money is obtained for the project.

## **Attachments**

- A Ramparts RWS map [↓](#)
- B Takitimu RWS map [↓](#)
- C Kakapo RWS Map [↓](#)

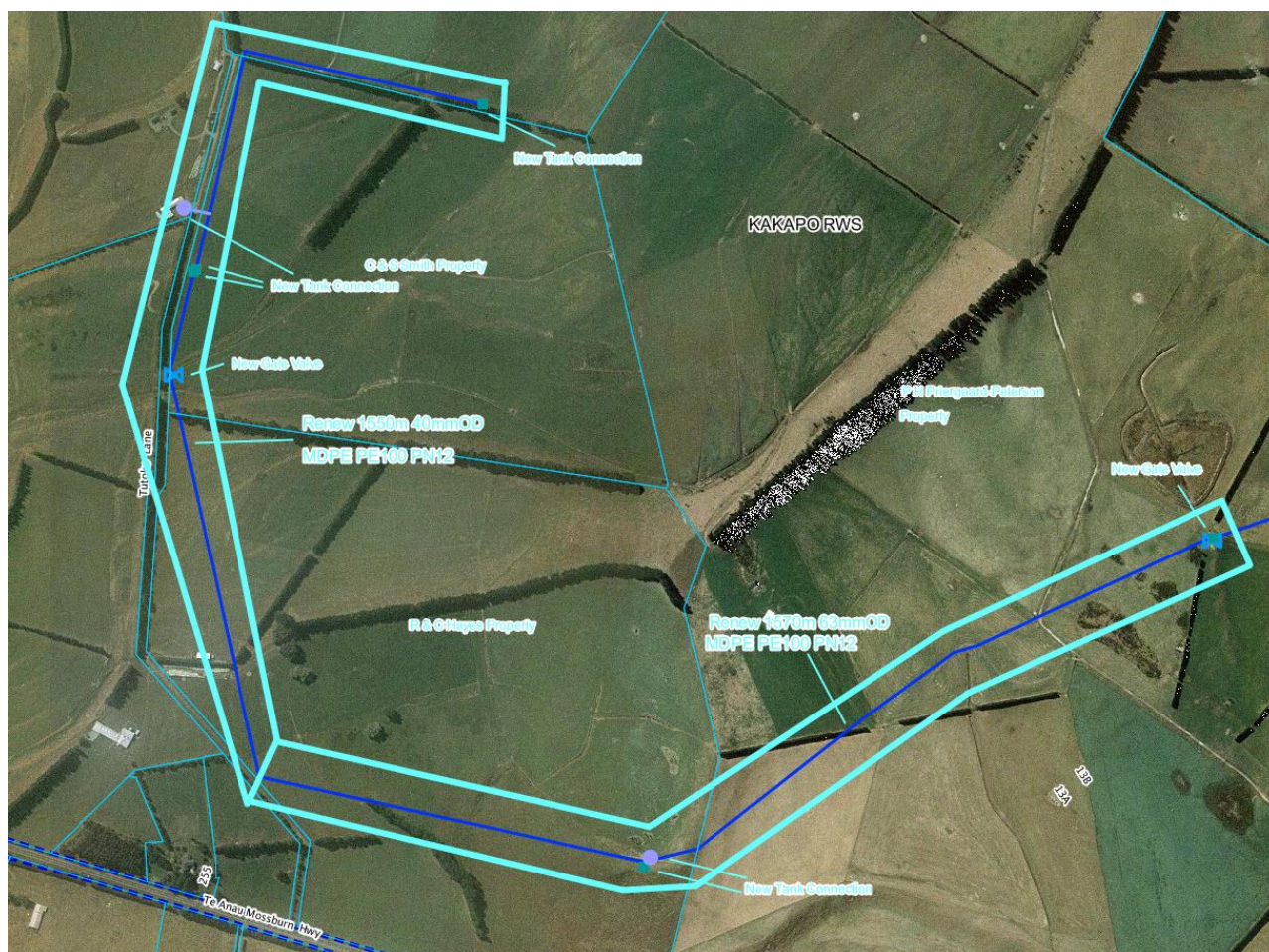




Item 7.2 Attachment B









## Mt York Tank Replacements

Record No: R/17/3/3625  
Author: Bill Witham, Operations Manager - Water and Waste Services  
Approved by: Ian Marshall, Group Manager Services and Assets

☐ Decision ☐ Recommendation ☐ Information

### Purpose

- 1 This report is to recommend the replacement of the Mt York Reservoir tanks and present the preferred materials and estimated costs.

### Content

- 2 The preferred material based on previous consultation with the Te Anau Rural Water Supply Subcommittee and Water and Waste Staff is Heavy Duty Polyethylene. Council is recommending a total of six new 30000 litre tanks and new manifold pipework.
- 3 The estimated cost to install and commission the new tanks is \$62234 which includes Construction and Water and Waste Services Department costs.
- 4 No budget is currently allocated for this project. It is proposed to use the current Kakapo tank renewal budget and create a new future project for Kakapo tanks. Only one of the Kakapo tanks is currently needing attention and will be repaired or replaced from the current Kakapo tank budget

### Recommendation

That the Te Anau Basin Water Supply Subcommittee:

- a) Receives the report titled "Mt York Tank Replacements" dated 1 March 2017.
- 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) Recommends to Council that the Mt York Reservoir Renewals project be approved for construction at an estimated cost of \$62234 and utilises the Kakapo tank renewal budget.

### Attachments

There are no attachments for this report.

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

**Date:** Tuesday, 7 March 2017  
**Time:** 2.00pm  
**Meeting Room:** SDC Office  
**Venue:** 116 Town Centre, Te Anau

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## **Te Anau Basin Water Supply Subcommittee Triennial Public Meeting Agenda OPEN**

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### **MEMBERSHIP**

<b>Chairperson</b>	Keith Thompson
<b>Deputy Chairperson</b>	Murray Hagen
<b>Members</b>	Henry Douglas Bill Hunter Graham Johnston Rex Millar Graeme Mulligan Ray Tibbles
<b>Councillor</b>	Ebel Kremer

### **IN ATTENDANCE**

<b>Committee Advisor</b>	Jenny Labruyere
<b>Operations Engineer</b>	Bill Witham

Contact Telephone: 0800 732 732  
Postal Address: PO Box 903, Invercargill 9840  
Email: [emailsdc@southlanddc.govt.nz](mailto:emailsdc@southlanddc.govt.nz)  
Website: [www.southlanddc.govt.nz](http://www.southlanddc.govt.nz)

**Full agendas are available on Council's Website**  
[www.southlanddc.govt.nz](http://www.southlanddc.govt.nz)

## **Terms of Reference for Water Supply Subcommittees**

### **1. SCOPE OF ACTIVITIES**

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.

### **2. MEMBERSHIP**

#### **2.1 Te Anau Basin Water Supply Subcommittee**

The total membership of the Te Anau Basin Water Supply Subcommittee will be nine. Membership of the Subcommittee shall be determined by an election at a triennial public meeting.

The Subcommittee representation shall comprise:

- A water supply consumer from each of the following areas:
  - Duncraigen,
  - Homestead,
  - Kakapo,
  - Mt York,
  - Princhester,
  - Ramparts,
  - Takitimu.
- Two representatives appointed by Landcorp; and
- One Councillor of Southland District Council.
- A quorum will consist of five members.

The Chairperson shall be elected by vote of the Subcommittee.

### **3. Meeting Schedule**

#### **3.1 Te Anau Basin Water Supply Subcommittee**

Three meetings per annum or as required. Meetings outside of the regular meeting schedule shall be called by the Chairperson.

#### **4. DELEGATIONS**

##### **4.1 Power to Act**

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<sup>1</sup>:

- (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 Committee can also recommend unbudgeted expenditure to Council for approval

#### **TABLE OF CONTENTS**

### **PROCEDURAL**

- 7 Welcome**
- 8 Apologies**
- 9 Chairperson's Report**
- 10 Public Forum**
- 11 Election and Appointment of Scrutineers**
- 12 Announcements of Results and Conclusion of Meeting**

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<sup>1</sup> Local Government Act 2002, Schedule 7, Clause 32