

MINUTES

Downlands Water Supply Committee Meeting

Monday, 12 July 2021

**Minutes of Timaru District Council
Downlands Water Supply Committee Meeting
Held in the Meeting Room 1, District Council Building, King George Place, Timaru
on Monday, 12 July 2021 1.00pm**

Present: Cr Richard Lyon, John McDonald, Cr Sally Parker, Mayor Nigel Bowen, Cr Paddy O'Reilly, Cr Sandy McAlwee, Cr Stuart Barwood, Cr Bill Wright

In Attendance: Group Manager Infrastructure (Andrew Dixon), Acting Group Manager Commercial and Strategy (Ashley Harper), Drainage and Water Manager (Grant Hall), Water Services Stimulus Package Technical Specialist (Judy Blakemore), Executive Assistant Infrastructure (Michelle Heal)

1 Apologies

There were no apologies.

2 Identification of Items of Urgent Business

There were no items of urgent business.

3 Identification of Matters of a Minor Nature

There were 5 matters of minor nature identified to be discussed later in the meeting:

- Update on upgrade contracts
- Potential source of Arowhenua water supply
- Upcoming changes in policy in relation to allocation and storage
- Consumer queries on applications
- Site Visit date

4 Declaration of Conflicts of Interest

There were no declarations of conflicts of interest.

5 Chairperson's Report

The Chair thanked the Acting Group Manager Commercial and Strategy and team for their work on progressing the Joint Committee Agreement to completion. To date the Chair has received no consumer complaints.

Resolution 2021/4

Moved: Cr Richard Lyon

Seconded: Cr Sally Parker

That the Committee receive the verbal Chairperson's Report.

Carried

6 Confirmation of Minutes

6.1 Minutes of the Downlands Water Supply Committee Meeting held on 15 June 2020

Resolution 2021/5

Moved: Cr Stuart Barwood
Seconded: Mr John McDonald

That the Minutes of the Downlands Water Supply Committee Meeting held on 15 June 2020 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

Carried

6.2 Minutes of the Downlands Water Supply Committee Meeting held on 22 February 2021

Resolution 2021/6

Moved: Cr Bill Wright
Seconded: Cr Paddy O'Reilly

That the Minutes of the Downlands Water Supply Committee Meeting held on 22 February 2021 be confirmed as a true and correct record of that meeting and that the Chairperson's electronic signature be attached.

Carried

7 Reports

7.1 Downlands Water Scheme: Joint Committee Agreement

The members took the report as read and discussed as presented the proposed Joint Committee Agreement – Downlands Water Scheme (JCA).

The members discussed the changes and differences between the current agreement for the Downlands Joint Standing Committee and the proposed draft Joint Committee Agreement;

- The Downlands Water Scheme boundaries are defined via a map of the scheme.
- The Te Ana Wai Water Treatment enhancement project is described because this project represents significant expenditure which results in significant borrowing requirements.
- Clarification is provided to both the Governance role of the Joint Standing Committee and the role of the Downlands Water Scheme Managers, being the Timaru District Council.
- Defines arrangements with respect to contracts, debt and borrowing.
- In Schedule 2 the quorum for meetings is now 1 member representing each Council, as opposed to a nominated elected member representing each Council. This means that for Mackenzie and Waimate District Councils their 'jointly appointed' member can now be counted to make a quorum.

This final draft has also been provided to PriceWaterhouseCoopers (PWC) who have been engaged to provide a formal assessment as to whether the agreement will comply with International Accounting Standards, particularly around equity accounting and debt responsibilities. This is the key item that AuditNZ have identified as a concern and requires resolution.

It was agreed that further clarification was required in relation to the wording within Clause 4.3 (f) in the use of “advising and recommending” rather than “directing”.

It was advised that it was each Council’s responsibility to provide for their representatives remuneration in relation to meeting attendance.

Resolution 2021/7

Moved: Cr Stuart Barwood

Seconded: Cr Sally Parker

That the Downlands Joint Standing Committee supports and recommends to the Mackenzie, Timaru and Waimate District Councils that the proposed new Joint Committee Agreement be approved subject to clarification to 4.3 (f) being provided by the Acting Group Manager Commercial and Strategy, if required.

Carried

8 Consideration of Urgent Business Items

There were no urgent business items.

9 Consideration of Minor Nature Matters

Updated on upgrade contracts

The Drainage and Water Unit Manager provided an update on the works progressing on site such as:

- Intake upgrade – out of river works now completed, commissioning works underway with no issues being experienced
- Raw water ponds are now filling
- Plant building structures and civil work are in progress, the membrane plant is in transit, and the steel components to the treated water reservoir are due to be delivered in the upcoming weeks
- Pipeline Stage 1 - 1 of the 5 sections has been lined successfully, the contractor is currently installing the bypass line, preparing for pulling the liner for the next two sections
- Pipeline Stage 2 – pending receiving written approval from Waka Kotahi (NZTA) allowing ECan to progress the Resource Consent enabling construction to commence
- Downlands small mains – design is in progress
- Cannington reticulation upgrade – contract has been let and is in progress
- Kakahu pump station – quotation for construction is currently pending CEO sign off
- Covering of the two ponds is expected to be completed by next financial year
- Albury is already connected to Downlands – reticulated since 1940
- Camerons source is to be decommissioned when the treatment plant is commissioned
- User Communications – Facebook, written advertising, radio advertising, word of mouth

Site Visit

The members agreed that a site visit to the new works would occur on Monday 2 August with the parties organising their own transport to and from, leaving around 1pm from Timaru District Council, meeting at Pleasant Point and Cave. Council officers will organise the site visit and be in contact with the members closer to the time.

Potential source of Arowhenua water supply

The members discussed Downlands being a potential option to supply the Arowhenua private water supply scheme with up to 28 units to a single tank. The Arowhenua private water scheme would remain the water supplier and responsible for their own infrastructure. The members agreed this was not their preferred option and other options should be investigated further.

Upcoming changes in policy in relation to allocation and storage

The members provided comment and discussion to Council officers in relation to:

- Dwelling allocation increasing from 900 to 1,000 litres per day
- Minimum storage required for new, altered and upgraded connections increasing from 10,000 to 30,000 litre tank (or 3 days supply whichever is the greater)
- Transfer of existing units between multiple connection points on a property

Council officers will give further consideration to the above, amending the current policy as required and provide the same including supporting information to the Committee for their consideration and approval.

Consumer queries on applications

It was agreed that more work was required on identifying the location of increased demand including modelling to identify and determine where reticulation upgrades may be required to ensure fairness in water allocation and prevent water unit banking.

The Drainage and Water Unit Manager is working with the Communication team to compile another update and promotional programme.

Financials

Council officers are happy to provide assistance and clarification where required in relation to the financial reporting.

3 Waters Reform

The Drainage and Water Unit Manager provided a brief update on the 3 Waters Reform. It was advised the detail of the model to determine what the charging would be under the 3 Waters reform has not been provided therefore we are uncertain how the modelling works, or calculates urban vs rural.

The Meeting closed at 2.35pm.

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Chairperson