

Seadown Water Scheme Workshop Notes – 4 November

12pm session – 42 people

Background

- Because this comes from a legacy open race scheme, it means TDC is responsible (in many cases) up to the ballcock of the trough. Properties that have gone in since the 90's, TDC are responsible up to the tank.
- Early tanks were unrestricted, but newer tank connections have been restricted which controls the amount of water that goes into the tank.
 - Ballcock to a trough (612)
 - Unrestricted connection to a tank (223)
 - Restricted connection to a tank (133)
- Have been issues with the scheme in terms of delivering a level of service (water at times of day, pressure etc.)

Issues

- People not sure what their point of supply is.
- How much water should we store on our property?
 - Min 10,000l – ideally 30,000l – minimum of three days storage.
 - If we could provide storage at the source (reservoir) we provide increased resilience for supply.
- Costs – whole of life cost over 50 years (Opex + Capex + 50% contingency). These numbers have been developed in order to compare different options.
 - Insufficient funds for upgrades. A lot of funds go into depreciation which is used for renewals. The rest goes into operational costs.
 - TDC fully funds depreciation. It sits in the bank account associated with the scheme, however, this is for renewals only, not upgrades.
 - **ACTION** – TDC to provide accounts info (balance sheet and P&L).
- Are restricted and unrestricted supplies being charged the same?
 - Yes. This is inequitable and a key issue with the scheme.
 - Originally a restricted tank was supplying a house on 1800l a day. The troughs are unrestricted.
 - There is a lack of consistency in how the scheme is delivered.
 - There are only four approved installers if we want to get things connected and/or changes.
 - All houses should have tanks (some are small header tanks).
 - There is a real risk of backflow if people have private bores that are connected to the network.
 - Biggest constraint is the supply of raw water.
- What is the allocation? 1300 cubic m a day for the whole scheme. Do you need an allocation for domestic and then an allocation per area for the farm?
 - Downlands and Te Moana are going up to 65l per ha a day.

- Seadown doesn't have an allocation. To move to a fully restricted scheme we would need to work out an allocation.
- People who are irrigating are on separate schemes.
- What's the ECAN consent, can we guarantee supply at the same levels?
 - PC7 – submitted against the restriction to a community water supply. We have another consent (Opua) that we can draw on if we breach our Seadown consent. This is temporary as we shouldn't be breaching our consent.
- If land loses stockwater the farmers need to be compensated. If it doesn't have stockwater, it isn't farmland. This needs to be included in the calculations.
 - Neither of the options are outlining a change in land use.

Three waters reform

- What's to stop the government coming in and pulling the rug out from under our feet?
 - The scheme will have to meet the requirements of the Drinking Water Services Bill, regardless of the entity running it.
 - We want to get ahead of the eight ball, so this is in train before the new entity gets set up. We need to progress this within the next three years (this LTP) and then get the next LTP set up so that it's already underway.

Option 1A

- Option 1 uplifts the hydraulic performance of the scheme, it doesn't deal with unfairness and inconsistency. It operates in much the same way the scheme does now, but the LOS improves. There remain underlying issues.
- It doesn't provide the incentive to use water efficiently.
- Most water schemes are restricted, they have been designed to ensure no one can abuse the scheme (unless the remove the restrictor).
- What is the impact of subdivisions and future subdivisions. We have allowed for 10% growth over 50 years. The issue we have is associated with the consent – unless there is much more efficient use of the water and therefore water available to be allocated, there won't be water allocated for domestic use.
- In some areas of the scheme we are unable to provide the hydraulics to provide water to future properties.
- The modelling would indicate which properties need to be restricted, and would have to have on farm retic.
- Modelling is based on providing for 10% growth.

Option 3A

- Turns the whole scheme into a restricted rural scheme (happened to Downlands).
- Is a new tank on someone's property paid for privately or by the users of the scheme? How is the cost going to be allocated? We haven't worked that out, but one way or another it will be paid for by those in the scheme.
- In the past property owners have paid. Water goes to the tank, the tank is owned by the landowner, what he/she does with the water after that is up to them.

ISSUES:

- ① IMPROVED FINANCIAL UNDERSTANDING - ANNUAL OPERATING COST: DEPRECIATION
- ② RESTRICTED & UNRESTRICTED PAYING THE SAME !!
- ③ INCONSISTENT DELIVERY & CHARGING A OPTION 1A DOESN'T FIX THE FAIRNESS ISSUE!
- ④ ≠ APPROVED INSTALLERS
- ⑤ NOT ALL RESTRICTED
- ⑥ ONLY MINIMAL HOUSING GROWTH - ALLOWED FOR IN THE OPTIONS 10% / 50 YEARS
- ⑦ COST ALLOCATIONS & NAMELY NEW TANKS - WHO PAYS.
+ NEW LINE
- ⑧ PROPERTY OWNERS HAVE PAID FOR TANKS IN THE PAST.
- ⑨ THE PEOPLES VOICE BEING LOST THROUGH WATER REFORM.
- ⑩ SOME SEADOWN PEOPLE ARE SUPPLIED BY TIMARU
- ⑪ CONSTENTED WATER BY ECAN.
- ⑫ NO STOCK WATER = NOT FARM LAND
- ⑬ POOR SERVICE FROM CONTRACTORS
- ⑭ WATER THEFT
- ⑮ DEVELOPMENT PRESSURE
- ⑯ SUBDIVISIONS TAKE WATER ALLOCATED TO RURAL USE.

Opportunities

- Could the scheme provide access to funding so users can pay off investments over time? Particularly if they add to the overall value of the farm as an asset - i.e. tanks etc.
- ACTION: Can we set up a Seadown Scheme users association.
- If we get started this work can be prioritised by the new entity.
- Boundary shift - In the SBS area (Southern end) we are also hooked up to the Timaru scheme. Could we be permanently attached to this to provide more supply to Seadown. If we get permanently taken into Timaru we reduce the Seadown rating base.
- Doesn't matter what the land use is, the allocation needs to be the same and based on an area basis.
- Action - can we get some info on Seadown financials for the last 5 years + LTP plans

OPPORTUNITIES

- ① PRIVATE ASSETS I.E. TANKS & COULD BE FUNDED BY THE SCHEME & REPAYED BY THE PRIVATE OWNER TO THE SCHEME
- ② COMING BACK TO A COMMUNITY SCHEME - IMPROVED COMMUNITY PARTICIPATION
- ③ LONG TERM PLAN: FUNDING AVAILABLE NOW. \$5.5 2,3,4 & 5.
- ④ OPPORTUNITY TO GET AHEAD OF 3-W REFORM
- ⑤ SINGLE POINT OF SUPPLY
- ⑥ SEPERATION: PRIVATE BORES, STOCK, DOMESTIC
- ⑦ BEING SUPPLIED BY TIMARU & BOUNDARY SHIFT
- ⑧ CAN USE ALLOCATION FROM OPIA CONSENT WHEN SEADOWN IS OVER ALLOCATED
- ⑨ ALLOCATION BASED ON LAND AREA & DOMESTIC SUPPLY (FIXED)
(VARIABLE)
- ⑩

5pm Session - 27 people

- A real mixture in how the water in the system is delivered to users of the scheme

- How do you know people are suffering from a lack of pressure – aren't people on tanks with adequate supply?
 - Modelling
 - Customer complaints
 - Tanks runs dry
- How's the water treated?
 - UV system and chlorination. Residual chlorine in the system, so it is compliant with the drinking water standards.
- Why has the council allowed more subdivisions and development when they know there are supply issues?
 - It is allowed under the District Plan, partly due to the fact that there are no allocations of supply.
 - We have tried to mitigate this by ensuring new connections must be through a restricted tank
- Why can't we get more water from our supply consent?
- Why bother when three waters are changing and will change the whole situation on us. If we don't we'll end up at the back of the queue.
- Typical losses are 30% of a scheme. Seadown could be up to 40-50%. It isn't monitored to point of supply so it's hard to accurately measure. Due to the configuration of the scheme it's almost impossible.
 - Leaks in council reticulation
 - Leaks on farm

Issues

- Subdivisions have been allowed which have affected the water pressures and Levels of Service in neighbouring properties.
- Assets are reaching the end of their lives.
- Increasing development continues to draw on water and make the situation worse (not necessarily true – it is more of a reallocation of demand for a different use).
- When we hit a pipe - delays to getting service / repairs.
- There are times where we exceed our consent.
- Te Mana o te Wai – we have to reprioritise the use of water.
- Water is used inefficiently – makes getting an increase in consents very unlikely.
- The costs to users are unclear.
- More connections will take more water.
- Inaction – perceived passive participation of the council
- Underinvestment.
 - Why govt had enacted the 3W reform?

ISSUES:

- ① NEW SUBDIVISION IS IMPACTING ON EXISTING USER SUPPLY.
- ② DELAYS TO GETTING SERVICE
- ③ ESTIMATE OF WHAT OUR FUTURE COSTS ARE
- COMBINED OPEX & CAPEX
- ④ ONLY NOMINAL 10% GROWTH
- ⑤ MORE CONNECTIONS ARE PERMITTED USING WATER ALREADY ALLOCATED
- ⑥ COSTS INCLUDE ALL ON PROPERTY COSTS i.e. PIPING TO TANKS - TANKS TO TROUGHS
- ⑦ SUPPLYING STOCK WITH DRINKING WATER
- ⑧ IN ACTION 2 WHY HAVE THESE PROBLEMS BEEN RESOLVED
- ⑨ NEW WATER REGULATOR WILL HAVE HIGHER EXPECTATIONS

Opportunities

- If we make the system more efficient we can provide for growth
- Can we store more water somewhere in the scheme?
- Can we hook some houses (Kennel Rd) into the Timaru Urban Scheme permanently?
- Can we get more water for our consent?
- Determine how many new connections have come online over the past xx years.

OPPORTUNITIES

- ① \$5M HAS BEEN BUDGETED IN THE LONG TERM PLAN
YEARS 2, 3, 4, 5, 6
- ② DEFINING THE NUMBER OF NEW/RECENT CONNECTIONS
- ③ SUMMARY OF FINANCIAL INFORMATION.