



UNCONFIRMED MINUTES

**Allandale Rural Water Supply Ratepayers
Annual General Meeting**

7 March 2019

**MINUTES OF MACKENZIE DISTRICT COUNCIL
ALLANDALE RURAL WATER SUPPLY RATEPAYERS ANNUAL GENERAL MEETING
HELD AT THE COUNCIL CHAMBERS, FAIRLIE
ON THURSDAY, 7 MARCH 2019 AT 4.00PM**

PRESENT: Neil Campbell (Chair), Steven Whittaker, Tony Harbraken, Stephen Adams, Mitch Taylor, Noel Macpherson

IN ATTENDANCE: Cr Stuart Barwood, Paul Morris (Group Manager Finance), Geoff Horler (Utilities Manager), Charlotte Borrell (Committee Administrator)

1 OPENING

Neil Campbell informed the committee that he is running late. Stephen Whittaker was nominated as acting chairman and opened the meeting.

2 APOLOGIES

COMMITTEE RECOMMENDATION

Moved: Cr Stephen Adams
Seconded: Cr Steven Whittaker

That the following apologies be accepted Andrew Johnson, Roland Johnson, Ashley Biggs, Ralph Moffatt, David Williams, Peter Grant, Cr Anne Munro, Suzette van Aswegen (Chief Executive), Graham Smith (Mayor).

3 PUBLIC FORUM

There was no public forum.

4 DECLARATIONS OF INTEREST

There were no declarations of interest.

5 REPORTS

5.1 CONFIRMATION OF MINUTES OF THE MEETING ON TUESDAY, MAY 24, 2018

MATTERS ARISING FROM MINUTES:

Neil Campbell (Chairman) was not present for this discussion.

There was discussion around drinking water standards. Geoff Horler (Utilities Manager) explained water testing process and that additional testing is being undertaken to get passes on water quality. There are no fails for Allandale this year.

Paul Morris (Group Manager Finance) explained process of setting the water rates and recommended that the 2020 AGM be held in late January.

COMMITTEE RESOLUTION ALL/2019/8

Moved: Cr Tony Harbraken
Seconded: Cr Steven Whittaker

1. That the minutes of the Annual General Meeting of the Allandale Rural Water Supply Ratepayers Committee, held on Tuesday, May 24, 2018, be confirmed and adopted as a correct record of the meeting.

CARRIED

5.2 CHAIRMAN'S REPORT

Neil Campbell gave a verbal report to the group. The scheme continues to function well. We are not having the headworks issues anymore due to more ongoing maintenance of a general nature. What's looming in the near future is that the number of units allocated is at maximum so the committee need to look at demand and future allocation and where to go with the consent moving forward (discussed further in general business). The quality of the water should be appreciated and monitoring is more proactive than reactive now which is very positive.

COMMITTEE RESOLUTION ALL/2019/9

Moved: Cr Neil Campbell
Seconded: Cr Steven Whittaker

That the report be received and Mr Campbell thanked for his work as chairman over the previous year.

CARRIED

5.3 FINANCIAL REPORT AND BUDGET

PURPOSE OF REPORT

The report has been prepared for the Committee members to review the Financial Report for the year ended 30 June 2018 and determine the budget for the 2019/2020 year.

Neil Campbell (Chairman) was not present for the beginning of this discussion.

Paul Morris (Group Manager Finance) spoke to the report. There is an error on page 26 of the agenda. The dates for the three columns to the right should read 31/12/2018, 30/06/2019, and 30/06/2020. The figures are correct.

There is a deficit due to unbudgeted treatment and testing costs. There were also tank inspection costs higher than budgeted. There is \$10,000 budgeted for pipe replacement and this will be completed by end of this year. Mr Morris advised that non capital expenditure must be recovered in future years. The council has set the rate to cover the current deficit.

There has been some unbudgeted expenditure on the pumps at Spur Road, the cost needs to be recovered due to this work being unbudgeted. Spur Road has a small deficit for power due to the electricity provider estimating costs, however there is an offset from individual users of the pump paying for their usage.

Neil Campbell (Chairman) arrived at 4.28pm.

Discussion was held on the pipework replacement around Hamilton Road. As there are 10 units maximum, there is not a lot of value in doing a large amount of work. The system is 40mm at the moment, but it is not a great cost going up to 63mm. Geoff Horler (Utilities Manager) will investigate this.

There was discussion around B grade shares when selling a property. Mr Horler recommended that B grade shares be removed when a property is sold. The committee agreed that property owners should be advised that B shares could be revoked. Mr Horler will ensure B shares are noted on the LIM moving forward, he will advise Pauline Jackson (Revenue Officer) that A and B splits are required on the LIM.

COMMITTEE RESOLUTION ALL/2019/10

Moved: Cr Steven Whittaker

Seconded: Cr Neil Campbell

1. That the report be received.

CARRIED

COMMITTEE RESOLUTION ALL/2019/11

Moved: Cr Steven Whittaker

Seconded: Cr Neil Campbell

2. That the financial report for the year ended 30 June 2018 be adopted.
3. That the budget for 2019/2020 be adopted as presented.

4. That the water supply recommend to Council a rate requirement of \$273.61 (GST Incl.) per unit to achieve an income requirement of \$130,620 for the Allandale section of the scheme.
5. That the water supply recommend to Council a rate requirement of \$187.43 (GST incl) per unit to achieve an income requirement of \$12,320 for the Spur Road scheme.

CARRIED

5.4 ELECTION OF CHAIRPERSON AND ELECTION OF COMMITTEE

Paul Morris (Group Manager Finance) took the chair for the election process.

All present ratepayers agreed on the chairperson and committee elected.

COMMITTEE RESOLUTION ALL/2019/12

Moved: Cr Steven Whittaker

Seconded: Cr Tony Harbraken

1. That (Neil Campbell) be elected chairperson of the Allandale Rural Water Supply Ratepayers Committee for 2019/20.

CARRIED

2. COMMITTEE RESOLUTION ALL/2019/13

Moved: Cr Neil Campbell

Seconded: Cr Tony Harbraken

3. That the members of the committee for 2019/20 are (remain the same with addition of Mitch Taylor).

4. CARRIED

5.5 GENERAL BUSINESS

There was discussion around the consented volumes and that if all users took their full allocation the scheme would be over consent. This year the scheme has been operating at 50-60%. The surplus capacity is due to current users not taking up their full allocation. There is further demand and currently there can be 20 more units allocated.

Geoff Horler (Utilities Manager) informed the committee that the consent expires in 2030 and they could apply to increase the consent. The committee agreed it would be beneficial to apply for an increase sooner rather than later. If there is demand from the community the committee should look at meeting it. If the Allandale consent is increased there needs to be discussion around consumers putting their houses on the scheme. The B consents need to be tidied up also. Costs for applying to increase the consent need to be gathered so this process can be started.

Mr Horler is looking at installing SCADA at Spur Road. The pump hours there are steady and it is not pumping a lot. A flow meter would be beneficial there.

Neil Campbell will start the discussion about increasing units and also supplying households due to the issue with nitrate levels in bore water.

The Meeting closed at 5.34pm.

The minutes of this meeting were confirmed at the Allandale Rural Water Supply Ratepayers Annual General Meeting held on .

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CHAIRPERSON