

Report No:	RMCB11-08-08
File No:	
Date:	2 August 2011
Decision Required	

REPORT SUMMARY

Report to: Motueka Community Board
Meeting Date: 9 August 2011
Report Author: Jeff Cuthbertson, Utilities Asset Manager
Subject: **MOTUEKA AND POHARA WATER SUPPLIES**

EXECUTIVE SUMMARY

The proposal is to include the Motueka and Pohara Water Supply areas into the Urban Water Club. The Motueka and Pohara Water Supply areas are currently individual closed water accounts.

RECOMMENDATION/S

That the report be received.

DRAFT RESOLUTION

THAT the Motueka Community Board receives the Motueka and Pohara Water Supplies Report, RESC11-08-08.

THAT the Motueka Community Board recommends to Council that the inclusion of the Motueka Water Supply and the Pohara Water Supply into the Urban Water Club be included in the Draft 2012 Long Term Plan as noted in the report MCB11-08-08.

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Subject: **MOTUEKA AND POHARA WATER SUPPLIES**

1. Purpose

- 1.1 The purpose of this report is to gain approval from the Motueka Community Board to include Motueka and Pohara water supplies as part of the Urban Water Club. This has been considered and approved by the Engineering Services Committee to be included in the Ten Year Plan following consideration by the Community Board.

2. Background

- 2.1 The Motueka and Pohara water supplies both supply pressurised water to urban communities. Firefighting water is supplied in accordance with the requirements of the New Zealand Fire Service Code of Practice. Water is supplied via water meters and its quality is in accordance with the Drinking Water Standards of New Zealand 2005.
- 2.2 Water is sold to consumers at the same metered rate and daily charge as any other urban water supply consumer in Council's Water Club.
- 2.3 **Motueka Water Supply** – Approximately 30% of Motueka township is supplied with a pressurised water supply. Water is sourced from two bores located at Fearon Street and at the Motueka Recreation Centre. Water from these two sources pressurises the reticulation with pumps. No water storage reservoirs are located within the Motueka Water Supply network.
- 2.4 Water is supplied into the reticulation network at an average working pressure of 600 Kpa (60 metres of head). Council's Urban Water Club provides for a level of service that states that at a minimum all consumers should receive water equal to or above 300 Kpa (30 metres of head).

- 2.5 The Motueka Water Supply is tested in accordance with the New Zealand Drinking Water Standards 2005. Full compliance with the Drinking Water Standards is not achieved. Two years ago a contaminant issue was identified as a result of compliance testing. All procedures following during this event complied with the requirement of the Medical Officer of Health and the Drinking Water Standards.
- 2.6 Water is provided via water meters and is charged for as per the advertised fees for consumption per m³ as set out in Council's Annual Plan. It should be noted that there is no daily charge for water in Motueka as not all the township is reticulated.
- 2.7 A firefighting charge is rated in Motueka as this provides funding for both pressurised fire hydrants and the maintenance of a combination of wells and fire upstand pipes. Where there are no pressurised fire hydrants, the Fire Service must extract water from the wells and fire upstand pipes by sucking water using their fire appliances.
- 2.8 If the proposal to include Motueka water supply in the Water Club was accepted, the reticulated community would be treated like any other Urban Water Club community and be charged the daily charge. The area outside of the reticulated network would be identified solely as the fire fighting area and charged as at present.
- 2.9 Presently the Motueka water supply has its own separate "closed" budget.
- 2.10 Pohara Water Supply** – The Pohara Water Supply supplies water to the Pohara Valley residents and the Pohara camping ground. The water supply was constructed to service the Tarakohe Cement Workers Village located in the Pohara Valley. Council gained ownership of the scheme following the closure of the cement works.
- 2.11 Water is pumped from Winter Creek. Water is held at a weir adjacent to Haile Lane and allows gravity water to feed the coarse screen water filter. Treated water is then pumped to a reservoir located in Falconer Road. Water is then distributed from the reservoir to the community and the camping ground.
- 2.12 The Pohara water supply is tested in accordance with the New Zealand Drinking Water Standards 2005 and full compliance is not achieved. Any fresh in the stream can cause discoloration of the water supply which has resulted in non-compliance.

- 2.13 Generally the water supply can cope quite well but with the additional loadings placed on the water supply during the summer holiday period (mainly from the camping ground), any disruption to the water supply causes issues.
- 2.14 The Pohara water supply has its own separate closed account. At present the account is in deficit (-\$387,884). It would appear that the account went into deficit when Council installed a new reticulation main from the Pohara Valley to secure supply to the Pohara camping ground and to provide water to Tarakohe and Ligar Bay. It appears that once the new reticulation was installed, water was provided to the Pohara camping ground but the other line to Tarakohe and Ligar Bay was never used.
- 2.15 Adding to the deficit issue is that the Pohara water supply is a closed account and with only 51 connections and consumers paying the same water rate as all other metered consumers, there is insufficient funds to pay off the loan, any interest or operations and maintenance costs.
- 2.16 The Pohara water supply has pressurised fire hydrants within the reticulated network.

3. Consultation

- 3.1 It is intended to consult on this recommendation with the respective Community Board. A consultation plan will ensure that all potential properties affected by this change are informed as to the cost effects of this change.

4. Financial/Budgetary Considerations

- 4.1 There should be no change to the Motueka consumers that pay the m³ rate.
- 4.2 The Motueka consumers that presently pay the m³ rate they will also now pay the daily charge.
- 4.3 The Motueka consumers that do not pay the m³ rate and are not connected to the reticulation network but are within the water supply area will not pay the fire fighting rate but pay the daily charge.
- 4.4 Motueka consumers outside the water supply area that presently pay the firefighting rate will have no extra charges.
- 4.5 There will be no change to consumers on the Pohara water supply.

- 4.6 The present debt in the Pohara water account will be absorbed into the Urban Water Club Account.

5. Options

- 5.1 Option 1 - It is proposed to incorporate the Motueka Water Supply and the Pohara Water Supply in the Urban Water Club.
- 5.2 If this is approved the actual change over within Council's accounting system would occur after adoption of the Long Term Plan in July 2012.
- 5.3 Option 2 - If the community board decides to leave the water schemes as they are then consideration will need to be made on how Council will fund the deficit in the Pohara water supply budget.

6. Pros and Cons of Options

- 6.1 Absorbing the reticulated area of the Motueka Water Supply and the Pohara Water Supply into the Urban Water Club will mean these water supply communities will reap the financial support of the Urban Water Club especially when upgrading these supplies to comply with the New Zealand Drinking Water Standards.
- 6.2 Absorbing the Pohara Water Supply into the Urban Water Club Account will result in the current financial debt being spread across the Urban Water consumers.

7. Evaluation of Options

- 7.1 Staff recommend Option 1 to incorporate the Motueka and Pohara Water Supplies into the Urban Water Club Account.

8. Significance

- 8.1 This is not a significant decision according to the Council's Significance Policy.

9. Recommendation

That the report is received

10. Timeline/Next Steps

10.1 These decisions need to be made so that staff have the ability to consult and provide funding details for the 2012 Ten Year Plan.

11. Draft Resolution

11.1 THAT the Motueka Community Board receives the Motueka and Pohara Water Supplies Report, MCB11-08-08 and;

11.2 THAT the Motueka Community Board recommends to Council that the inclusion of the Motueka Water Supply and the Pohara Water Supply into the Urban Water Club be included in the Draft 2012 Long Term Plan as noted in the report MCB11-08-08.