

# Methven Community Board

## AGENDA

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### Notice of Meeting:

A meeting of the Methven Community Board will be held on:

**Date:** Monday 2 March 2020  
**Time:** 10.30am  
**Venue:** Board Room, Mt Hutt Memorial Hall  
160 Main Street, Methven

### Membership

Chairperson	Dan McLaughlin
Deputy Chairperson	Sonia McAlpine
Members	Kelvin Holmes Ron Smith <i>Richie Owen (elected on 18/02/20)</i>
Council appointees	Cr Rodger Letham Cr Liz McMillan

28 February 2020

## Methven Community Board

Timetable	
Time	Item
10.30am	Meeting commences

### ORDER OF BUSINESS

- 1 Apologies**
- 2 Extraordinary Business**
- 3 Declarations of Interest**
- 4 Confirmation of Minutes** **1**  
- 20 January 2020
- 5 Declaration of new Board Member** **3**
- 6 Reports**
  - 6.1 Environmental Services **3**
  - 6.2 Infrastructure **3**
  - 6.3 Governance & Business Support **5**

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## **4 Minutes – 20 January 2020**

Minutes of the Methven Community Board meeting held on Monday 20 January 2020, commencing at 10.30am, in the Mt Hutt Memorial Hall Boardroom, 160 Main Street, Methven.

### **Present**

Dan McLaughlin (Chairman), Sonia McAlpine, Ron Smith, Cr Liz McMillan and Cr Rodger Letham.

### **Also present**

Mayor Neil Brown.

### **In attendance**

Jane Donaldson (Group Manager Strategy & Compliance), David Askin (Open Spaces Manager), Martin Lo (Graduate Engineer) and Clare Harden (Community Administration Officer).

### **Presentation: (10.35am-10.55am)**

Safe Communities Co-ordinator, Lesley Symington.

#### **1 Apologies**

Kelvin Holmes

Sustained

#### **2 Mayor's speaking rights**

**That** Mayor Neil Brown be granted speaking rights for the term.

McLaughlin/McAlpine

Carried

#### **3 Declarations of Interest**

Nil.

#### **4 Confirmation of Minutes**

**That** the minutes of the Methven Community Board meeting held on 2 December 2019, be taken as read and confirmed.

McAlpine/Letham

Carried

#### **5 Safe Communities Presentation**

Lesley Symington (Safe Communities Co-ordinator) presented the Methven Safe Community Plan and Community Transport Survey.

### **6.1 Environmental Services**

#### **Structural changes**

Jane Donaldson (Group Manager Strategy & Compliance) reported on structural changes in Council which will see the name of the Environmental Services area changed to the Strategy and Compliance Group.

Council's Leadership Team has also been renamed as the Executive Team.

## **Building consents**

It was noted that the number of building consents issued are down across the whole of the district and not just Methven, but the total value of consents has increased.

## **6.2 Infrastructure**

### **Water supply and wastewater**

The Board noted that they will be invited to a Council workshop on infrastructure to discuss the future of Methven water supply and wastewater.

### **Trees at Methven walkway and cemetery**

Clean-up of the larger trees in the Methven Walkway and the Methven Cemetery remains on the work programme. The date for the work is still to be confirmed. In the meantime, Open Spaces will undertake the weed spraying of this area.

An informal discussion on the planting and work programme was held after the meeting with the Open Spaces Manager, David Askin, who will provide a written report at the Board's meeting on 2 March.

### **Speed limit review**

The Board has been invited to make a submission and provide feedback on the speed limit review when consultation starts.

## **6.3 Governance & Business Support**

### **By-election 2020**

The Board has arranged a meet the candidates evening on 28 January 2020. Ron Smith will liaise with the candidates and confirm details.

### **Methven Reserve Board**

Ron Smith suggested it would be useful to have a Community Board appointee on the Methven Reserve Board and it was agreed that the Community Board's terms of reference will be amended to include this. Ron Smith was appointed as the MCB's representative on the reserve board.

### **Finance report**

The Board received the November 2019 finance report.

Clarification has been sought on the amount shown for depreciation of light plant.

The meeting concluded at 11.57am.

Dated 2 March 2020

----- **Chairman**

## 5 Declaration

Richard Owen will read aloud the statutory declaration pursuant to Clause 14 of Schedule 7 of the Local Government Act 2002 and sign the written declaration, which will be witnessed by the Deputy Mayor and Group Manager Service Delivery (on behalf of the Chief Executive).

## 6 Reports

### 6.1 Environmental Services

#### 6.1.1 Building Consents

Month	2019 Consents Issued	2019 Consents Issued YTD	2019 Value of Work	2019 Value of Work YTD
Jan	7 (2)	7 (2)	\$1,116,380 (\$43,500)	\$1,116,380 (\$43,500)
Feb	2 (4)	9 (6)	\$8,241 (\$537,615)	\$1,124,621 (\$581,115)
Mar	3 (7)	12 (13)	\$116,419 (\$1,392,875)	\$1,241,040 (\$1,973,990)
Apr	1 (6)	13 (19)	\$5,000 (\$951,800)	\$1,246,040 (\$2,925,790)
May	6 (7)	19 (26)	\$340,673 (\$1,015,470)	\$1,586,713 (\$3,941,260)
Jun	3 (2)	22 (28)	\$298,329 (\$7,500)	\$1,885,042 (\$3,948,760)
Jul	4 (5)	26 (33)	\$954,698 (\$83,500)	\$2,839,740 (\$4,032,260)
Aug	2 (2)	28 (35)	\$26,000 (\$474,800)	\$2,865,740 (\$4,507,060)
Sep	4 (9)	32 (44)	\$506,500 (\$2,592,230)	\$3,372,240 (\$7,099,290)
Oct	0 (0)	32 (44)	\$0 (\$0)	\$3,372,240 (\$7,099,290)
Nov	5 (2)	37 (46)	\$649,800 (\$341,200)	\$4,022,040 (\$7,440,490)
Dec	1 (4)	38 (50)	\$300,000 (\$605,747)	\$4,322,040 (\$8,046,237)

Month	2020 Consents Issued	2020 Consents Issued YTD	2020 Value of Work	2020 Value of Work YTD
Jan	1 (7)	1 (7)	\$10,000 (\$1,116,380)	\$10,000 (\$1,116,380)

Note: figures in brackets are for the corresponding month the previous year.

### 6.2 Infrastructure

#### 6.2.1 Roading updates

A Roading officer will attend the meeting to update the Board and respond to concerns about paver cleaning, water cutting on Forest Drive, footpath to the cemetery and the stormwater issue on Mackie Street.

The recently appointed Methven townsman will attend the meeting to be introduced to the Board.

#### 6.2.2 Water Supply and Wastewater

Council held budget workshops where business cases were considered for the Methven reservoir upgrade and Methven groundwater source investigations. Council has agreed to proceed with the options proposed in the officer's report and budget provision has been made.

- Methven reservoir upgrade – additional funds (\$221,700)
- Methven groundwater source investigation (\$240,000)

The business case reports are appended for the Board's consideration.

**Appendix 1**

Board members have been invited to attend the Infrastructure Committee Workshop on Monday 23 March (1.30pm) where there will be further opportunity to discuss Methven water and wastewater.

### 6.2.3 SH77/R72 McLennans Bush Road Intersection

NZTA and ADC roading officers have confirmed there will be no further work at this intersection. Council is responsible for two legs of the intersection and consider that both are suitable for the site. Increased signage to inform the Stop requirements is in place. There is an advance warning of the compulsory Stop ahead and the Stop signs are 'gated', ie double the standard on both sides of the road to increase awareness. There are also good pavement markings to indicate the Stop requirement and these were in good condition at the time of the road crash that instigated further investigation of this intersection.



### 6.2.4 Trees at Methven Walkway and Cemetery

As a result of discussions at the previous meeting between the Methven Community Board and the Open Spaces Manager, the following plan was agreed to in relation to the Methven Cemetery:

- plantings to include a mix of natives and rhododendrons;
- planting will be at no cost to Council and will be organised (including funding) by the board;
- spraying of the area will continue to be undertaken by Ron Smith;
- the row of pinus radiata trees on the eastern boundary are to be removed by ADC.

### 6.2.5 Recycling yard

The Methven recycling yard will undergo maintenance work in March and access will be restricted, and at times will need to be closed. Contractors will be on site from Tuesday 3 March.

Work being undertaken involves the re-shaping of the drop-off surface to allow for improved surface water run-off, to help prevent pot-holing in winter. The contractors will also address the issue with the steep ramp at the recycling yard.

The Line Road entrance will be closed on Tuesday 3 and Wednesday 4 March. The Methven Chertsey Road entrance will be closed on Thursday 5 and Friday 6 March. The entire facility will be closed on Monday 9 and Tuesday 10 March, and will be fully operational from Wednesday 11 March.

### 6.2.6 Speed Limit Review

The closing date for submissions on the speed limit review is 8 March 2020, with submission hearings scheduled in the first week of April. Methven Community Board's feedback is sought on the proposed changes, and in particular those in the Methven area. The Board received information the speed changes for Methven on 20 January and the full consultation document is available online.

### 6.2.7 Discretionary Funding – Mt Harding Track

Attached for the Board's consideration are costings for the walkway on Mt Harding Road (from Mary Holmes boundary to RDR).

Distance 725m

Track would need topped up with Silica Sand and then a layer of Lime Chip

2 loads of sand @ 300 per load	600.00
60 metres of lime chip @ 30 per metre	1800.00
Total	2400.00

Build bridge for creek

3 metres concrete @ 185 per metre	555.00
Steel for bridge	500.00
Mesh for bridge – 4 sheets @ 300 per sheet	1200.00
Labour	500.00
Total	2755.00

Overall cost	2755.00
	2400.00
	<b>5155.00</b>

Maintenance to tracks yearly

AP20 @35.00	approx 28m	1000.00
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## 6.3 Governance & Business Support

### 6.3.1 By-election 2020

Voting in the by-election closed at noon on Tuesday 18 February. Richard Owen received 354 votes and was successfully elected to the Board. Tammy Dickson and Leonie Campbell received 158 votes and 53 votes respectively.

The voter return in the Methven Community Board by-election was 48.84%, being 567 votes.

### 6.3.2 Council and Board Delegations

Council has adopted the Delegations Manual 2020, after a review following the triennial elections. The updated Delegations reflect various legislative, policy and staffing changes, and changes to Council's governance structure.

Council is aware that Methven Community Board wants to review its terms of reference. A report and draft terms of reference will be provided to the Board meeting on 6 April. The Board's proposed changes will be recommended to Council for consideration and the Delegations Manual will be updated accordingly.

### 6.3.3 Local Governance Statement

Council has adopted the Local Governance Statement for the current term. This document, which is required to be adopted within six months of a triennial election, provides information about Council's responsibilities, structure and governance processes. The document references the Methven Community Board arrangements and will be updated to include the Board's new elected member. The Local Governance Statement can be viewed online.

The Board will also be asked to approve revised Standing Orders and a Code of Conduct. These documents will be considered by the Board in April/May.

### 6.3.4 Customer Request Management

Summary of requests for service appended.

**Appendix 2**

### 6.3.5 Financial Report

The January 2020 report is appended.

**Appendix 3**

Hamish Riach  
**Chief Executive**

#### **Attachments**

#### ***Pgs 9-27***

Appendix 1	Annual Plan business case proposals (Methven)
Appendix 2	CRM report
Appendix 3	Financial reports January 2020



**Annual Plan 2020/21**  
**Additional budget / change in use**  
**request**



21 January 2020

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## ***Methven Reservoir Upgrade – Additional Funding***

Activity manager      *Andrew Guthrie, Assets Manager*  
Group manager        *Neil McCann, Group Manager Service Delivery*

### **Purpose**

1. The treated water storage for the Methven water supply is due to be upgraded in the 2019-20 financial year. Budget has been allocated for this purpose and detailed design will begin soon.
2. Concept designs have been completed and indicative costs provided. These indicate that the total funding needed to provide new resilient storage and to carry out repairs to and refurbishment of the existing concrete reservoir will exceed what was allocated.
3. This funding request is for additional renewal funds (\$221,700) to ensure the project can be completed and all objectives achieved.

### **Strategic case**

#### **Strategic context**

##### *Links to strategic documents*

4. Under the Health Act 1956, we are obligated to improve, promote and protect public health within the district (section 23). The provision of safe and reliable water supply services, which meet applicable legislation and standards, promotes public health.
5. Furthermore, as a drinking water supplier Council has a statutory duty under section 69S of the Health Act 1956 to ensure adequate supply of drinking water.
6. The Methven reservoir project was included in the Long Term Plan 2018-28 and is identified as a key renewal in the Drinking Water Activity Management Plan 2018-28.
7. The primary goal of the upgrade project is to ensure that the Methven water supply has an adequate volume of seismically resilient treated water storage.  
A secondary goal is to provide for enough storage to cater for current and future demand.

8. Along with the infiltration gallery renewal previously completed, and the raw water trunkmain renewal and treatment process upgrades currently being worked on, this is part of a long-term process to improve and secure the Methven water supply as a whole.

#### *Links to the four well-beings*

9. Water supply is a core service we provide to the community and is important to everyone. Provision of potable water is essential for life and directly contributes to the wellbeing of residents and economic prosperity.
10. Upgrading the treated water storage at Methven is a key part of promoting the social and economic well-being of the Methven community, through ensuring Council can provide a reliable, continuous supply of safe and wholesome drinking water.
11. Repairs to the existing reservoir help protect a valuable natural resource by ensuring that water is not being wasted through leaks at the reservoir.

#### *Māori and tangata whenua involvement*

12. Progress on Council's water projects has been discussed as part of our six weekly liaison meetings with Aoraki Environmental Consultancy Limited (AECL).
13. This particular project will be subject of specific discussion at the next meeting with AECL scheduled for 3 February 2020.

#### *Previous Council decisions*

14. This project was originally approved by Council as part of the 2015-25 LTP, where \$794,000 was allocated for design and construction of a replacement reservoir in 2020-22.
15. This was carried forward into the 2018-28 LTP, where the funding allocation was left the same but the project was brought forward by a year to 2019-21.

### **The need for change**

16. The treated water storage for the Methven water supply currently comprises a single 810m<sup>3</sup> concrete reservoir. This reservoir is essential; without the buffer it provides, the scheme would be unable to supply water at times of peak demand and supply would be lost if the treatment process needed to be shut down for any reason.
17. This reservoir has been assessed as a seismic risk, and as a result the top water level has been reduced and only approximately 700m<sup>3</sup> is currently available. It is likely to be significantly damaged, and potentially unusable, after a major earthquake.
18. There are a number of significant leaks evident in the reservoir, and the state of the interior is unknown. To do a thorough investigation it would be necessary to drain the reservoir, which is not practical without a backup reservoir.

19. The pathway being pursued by Officers is to install and commission a new 500m<sup>3</sup> seismically resilient tank, and then to carry out a condition assessment and repairs to the existing concrete tank. The outcome is an adequate volume of storage that can be relied upon in the event of a major earthquake, and retaining the existing reservoir means that the total storage available is approximately 1200m<sup>3</sup>, a significant upgrade on the present situation.

### The need for investment

Need for investment	Percentage
To meet additional demand	8%
To improve the level of service	
To replace existing assets / maintain existing level of service	92%

20. The percentages given above reflect the weighting of the overall project.
21. The original split recognised that the new reservoir would increase the available storage, and the 8% was allocated in proportion to the expected growth in demand.

### Economic case

22. In this analysis, the options presented reflect the budget already allocated and committed to the reservoir replacement. As this project is already approved and design is being pursued, cancelling it outright has not been shown as an option.
23. When the project was originally conceived, the assumption was that the existing concrete reservoir would need to be replaced with a similar-sized replacement (approximately 800m<sup>3</sup>). Following visits and assessments by structural engineering experts, it emerged that a more cost-effective approach would be to retain and repair the reservoir, and to add a resilient tank to provide seismic security. This gives a total capacity of approximately 1200m<sup>3</sup>.
24. Option 1 (status quo) is to build the new resilient reservoir, but not to undertake any condition assessment or repair of the existing reservoir. According to the estimates provided, the cost for this portion of the work is likely to be around \$715,000. Therefore if additional funding were not to be approved, the new reservoir portion of the work is likely to be able to be managed within the budget already approved for 2019-20, so the additional cost is likely to be zero.
25. There is a cost, financial and reputational, associated with water being lost to leaks from the reservoir. The volume of water lost is not easy to measure and varies with time. To a first approximation the financial cost is listed as zero, although this is not strictly the case.
26. Option 2 (Carry out condition assessment and repairs) has been estimated at \$276,750. This will cover the repairs to the defects actually identified and expected to be present

based on expert experience with reservoirs of this age. Should the amount of repair required exceed this amount, it is likely that Officers would not pursue repairs but would seek to replace the reservoir instead as a more cost-effective option.

27. Some of this amount can be covered from funding remaining in the existing allocation, and the remainder (\$221,700) is the subject of this request.

Option 1 – Status quo		Option 2 - Carry out condition assessment and repairs (additional funds required)
Capital costs	\$ 0	\$ 221,700
Operating Costs	\$ 0 There is some cost associated with treating the lost water, but an estimate has not been made here	\$ 0 additional in LTP period
<b>Analysis of non-monetary benefits</b>		
Better management of the natural resource	No	<b>Yes</b>
Reduces risk of contamination through better sealing of the reservoir	No	<b>Yes</b>
Better-maintained assets provide confidence to the community and drinking water authorities	No	<b>Yes</b>
Preferred option	No	<b>Yes</b>

28. The preferred option is Option 2, because it allows for the realisation of the full useful life of the existing reservoir and helps make proper, efficient use of the water resource without losses from our own reservoir.

## Financial case

	2020/21	2021/22	2022/23	2023/24	Total						
Capital expenditure	\$ 221,700	\$ 0	\$ 0	\$ 0	\$ 221,700						
Operating expenditure	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0						
Total expenditure	\$ 221,700	\$ 0	\$ 0	\$ 0	\$ 221,700						
Revenue	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0						
Where is the funding coming from?	Targeted rate										
Signed off by Finance	<p><i>Assuming the \$221,700 is intended to be loan funded, with a targeted rate to pay off the principle &amp; interest.</i></p> <p><i>Increases to the group water rate over these years are:</i></p> <table><tr><td><i>2020/21</i></td><td><i>2021/22</i></td><td><i>2022/23</i></td></tr><tr><td><i>\$0.50 / 0.11%</i></td><td><i>\$1.80 / 0.40%</i></td><td><i>\$1.80 / 0.40%</i></td></tr></table> <p><i>After the 2022/23 year the \$ / % increase in the group water rate will steadily drop (as the loan is paid off, less interest is charged each year).</i></p> <p><i>Rachel Sparks, Finance Manager.</i></p>					<i>2020/21</i>	<i>2021/22</i>	<i>2022/23</i>	<i>\$0.50 / 0.11%</i>	<i>\$1.80 / 0.40%</i>	<i>\$1.80 / 0.40%</i>
<i>2020/21</i>	<i>2021/22</i>	<i>2022/23</i>									
<i>\$0.50 / 0.11%</i>	<i>\$1.80 / 0.40%</i>	<i>\$1.80 / 0.40%</i>									

## Management case

29. This project is not dependant on any other programme of work or project. Direct links with the groundwater source investigations (the subject of a separate business case) are not anticipated.
30. The reservoir upgrade project has been planned and will be managed and delivered by our Projects and Operations team as part of their business as usual. The addition of inspection and repairs will not place an undue burden on the team.
31. Allowance has been made within the requested budget for specialist inspection and subsequent solution design.
32. It is intended that the work will be carried out in the winter months (or at least before summer) to minimise the impact of any temporary shutdowns required.

## Significance and engagement assessment

Requirement	Explanation
Is the matter considered significant?	Yes
Level of significance	Low
Level of engagement selected	Inform
Rationale for selecting level of engagement	<p>The project is assessed as significant because it ultimately affects the whole of the Methven community.</p> <p>However, in other regards the project is narrow in scope and technical in nature and as such there is limited opportunity for lay-people to influence the form of these projects.</p> <p>The choice of solution will be determined by industry practice and advice from engineering experts.</p> <p>More formal consultation is therefore not considered necessary at this point.</p>
Reviewed by Strategy & Policy	<p>Toni Durham</p> <p>Strategy &amp; Policy Manager</p>

## Executive Team decision

Leadership team decision	
<input checked="" type="checkbox"/> Business case approved	<input type="checkbox"/> Business case declined
<input type="checkbox"/> Further information required by	Explanation
Project priority ranking	
<input type="checkbox"/> Low priority	<input type="checkbox"/> Moderate priority
<input type="checkbox"/> High priority	

## Appendix one – significance and engagement assessment tool

Criteria	Explanation		Assessment Rating (L, M or H)
1. Strategic asset?	<i>Low</i>	No	L
	<i>Medium</i>	No	
	<i>High</i>	Yes	
2. Number of people affected	<i>Low</i>	Less than 100	H
	<i>Medium</i>	Less than 500	
	<i>High</i>	Greater than 500	
3. Level of impact on people affected	<p>Criteria 3-9 require qualitative assessment. Refer to 'Suggested thresholds for determining significance' (Report Writing 101)</p> <p>Remember:</p> <ul style="list-style-type: none"> <li>- Front page newspaper test</li> <li>- Impact on individuals and group</li> <li>- Potential benefits versus risks</li> <li>- Financial cost of the outcome</li> <li>- Potential precedent set</li> <li>- Related to land or water?</li> <li>- Of political interest?</li> </ul>		L
4. Level of <i>current</i> community interest			L
5. Level of <i>potential</i> community interest			M
6. Of political interest to Te Rūnanga o Arowhenua as mana whenua?			L
7. Cost of proposal			L
8. Impact on rates			M
9. Impact on levels of service			M
10. Overall assessment of risk	Risk level to be determined by Corporate Risk Policy as L, M or H		M
11. Overall assessment of health and safety considerations	Assessment to be determined by considering health and safety implications		M
<i>Total</i>	<i>Low</i>		5
	<i>Medium</i>		5
	<i>High</i>		1
Significant issue?	If the score for 'high' is one or more then the issue is 'significant'		Yes
Level of significance	<i>Low</i>	Score of 33% or below	Low (32%)
	<i>Medium</i>	Score between 34% and 67%	
	<i>High</i>	Score of 68% or above	

22/01/2020

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## ***Methven Water Supply Groundwater Source Investigations (Exploratory Drilling)***

Activity manager      *Andrew Guthrie; Assets Manager*  
Group manager      *Neil McCann; Group Manager Service Delivery*

### **Purpose**

1. Officers are seeking funding for a new project involving the drilling of an exploratory bore near the Methven Water Supply intake gallery.
2. The aim is to locate and develop a deep groundwater source of sufficient quality and quantity to bridge the periods when the existing intake gallery is affected by high turbidity.
3. The cost of drilling and testing an exploratory bore up to 200 metres deep has been estimated in the range \$160,000 - \$240,000.
4. **If successful**, additional funding of less than \$1M would be sought as part of the 2021-31 Long Term Plan to implement the groundwater source. The cost of implementing a new source is highly dependent on the viable yield of the source. The additional operating costs cannot be determined with any great certainty for the same reason but they are not expected to exceed \$50,000 per annum (including DISP, electricity & routine maintenance).

### **Strategic case**

#### **Strategic context**

##### *Links to strategic documents*

5. Under the Health Act 1956, we are obligated to improve, promote and protect public health within the district (s.23). The provision of safe and reliable water supply services, which meet applicable legislation and standards, promotes public health.
6. Furthermore, as a drinking water supplier Council has a statutory duty under section 69S of the Health Act 1956 to ensure adequate supply of drinking water and under section 69V to comply with drinking-water standards.



7. This project is consistent with our existing direction and obligations to upgrade Council water supplies for compliance with the Drinking Water Standards for New Zealand (DWSNZ 2008).
8. This (new) project is a product of the programmed Water Treatment Optimisation Project which was part of a package of water projects contained in the 2018-28 Long Term Plan as part of Council's response to the Havelock North Contamination Incident Inquiry findings.

#### *Links to the four well-beings*

9. Water supply is a core service we provide to the community and is important to everyone. Provision of potable water is essential for life and directly contributes to the wellbeing of residents and economic prosperity.
10. The overarching aim of this project is to address the need for periodic boil water notices on the Methven water supply. Boil water notices are an imposition on households, schools and result in additional unbudgeted costs for businesses, in particular those within the hospitality industry.
11. Environmentally, the water sourced for drinking water occurs within sustainable limits set by Environment Canterbury through their resource consent. If successful, this project would reduce Council's reliance on very shallow and hydraulically connected groundwater near the North Branch Ashburton River.

#### *Māori and tangata whenua involvement*

12. Progress on Council's water projects has been discussed as part of our six weekly liaison meetings with Aoraki Environmental Consultancy Limited (AECL).
13. This particular project will be subject of specific discussion at the next meeting with AECL scheduled for 3 February 2020.

#### *Previous Council decisions*

14. There are no previous Council decisions relevant to this matter.

### **The need for change**

15. During periods of high rainfall in the Methven water supply and North Branch Ashburton River catchments, the Methven source water increases in turbidity.
16. The source water quality can deteriorate to a level at which the existing treatment plant is no longer considered protozoal compliant. When this occurs, Council must issue a boil water notice for the scheme.
17. It should be noted that not much has changed in terms of the Methven water supply. The increased vigilance around compliance has arisen since the 2016 Havelock North water contamination incident and the Ministry of Health's response.

18. Boil water notices have been issued on the Methven water supply seven times during the last three years:

Issued	Cause	Contamination Detected? (Yes/No)	Lifted	Duration (Days)
30/06/2017	Power fail incident	No	03/07/2017	2.79
21/07/2017	Rain event	No	28/07/2017	6.58
14/08/2017	Rain event	No	15/08/2017	1.00
12/01/2018	Rain event	No	16/01/2018	4.06
20/02/2018	Rain event	No	02/03/2018	10.02
20/11/2018	Rain event	No	21/11/2018	1.21
01/06/2019	Rain event	No	04/06/2019	3.18

19. In the 2019/20 year, Council funded investigations to identify how the existing treatment plant could be optimised in order to address those periods of non-compliance and the associated boil water notices.
20. The water supply investigations were undertaken by Beca consultants. Beca have a wealth of experience in the water engineering field and are well respected in the industry.
21. The outcome of those investigations, which included a 4 month period of additional water quality monitoring, was a conclusion by Beca that the existing treatment plant cannot be optimised sufficiently to address the compliance issues.
22. Beca's findings indicate that an alternative treatment system would be required. This will involve either conventional coagulation/flocculation/filtration type treatment or membrane. Either of these systems is likely to be in the \$3.5M - \$4.5M price range.
23. As part of the investigations, Beca also considered the feasibility of bridging the periods of poor water quality using additional storage of raw or treated water. This work confirmed that volumes required to bridge the periods were significant and that it was impractical to consider this option further.
24. Beca also investigated groundwater first as an alternate source, and then as a bridging source. This prompted some detailed review the available data and science. This review determined that it was unlikely that sufficient water would be found to fully supply the scheme, but a suitable bridging source might be found.
25. It is understood that if an exploratory bore was successful, the construction and commissioning of that bore as a new emergency source would be substantially lower cost than the other new treatment options.

## The need for investment

Need for investment	Percentage
To meet additional demand	0%
To improve the level of service	100%
To replace existing assets / maintain existing level of service	0%

26. This project is to address a deficiency in current levels of service on the Methven Water Supply which manifests as periodic boil water notices. The project is entirely focussed on improving that level of service issue and addressing protozoal compliance.

## Economic case

27. Based on the investigations to date, there are three new options to address the non-compliance and periodic need for boil water notices on the Methven water supply.
28. Option 1 – Status Quo. This option is not viable as the supply has periods when it is not protozoa compliant. This means the supply is not meeting the DWSNZ and by extension means Council is not meeting its statutory obligations under the Health Act.
29. Option 2 – Groundwater Source Investigations (Exploratory Drilling). This option involves drilling an exploratory bore near the Methven water supply intake or raw water pipelines with the aim of locating high quality deep groundwater. The maximum depth is 150m-200m deep. It should be noted, that if successful there will be additional costs to develop and implement the new emergency source. This would be a second stage considered as part of the 2021-31 Long Term Plan development.
30. Option 3 – Conventional Treatment Upgrade. This option involves progressing the detailed design, construction, and commissioning of a conventional treatment plant utilising coagulation, flocculation and filtration steps. The existing cartridge filtration equipment would be removed and utilised elsewhere if possible.
31. Option 4 – Membrane Treatment Upgrade. This option involves progressing the detailed design, construction, and commissioning of a membrane treatment plant. The existing cartridge filtration equipment would be removed and utilised elsewhere if possible.

	Option 1 – Status quo	Option 2 – Groundwater Source Investigations	Option 3 – Conventional Treatment Upgrade	Option 4 – Membrane Treatment Upgrade
Capital costs	\$0	\$240,000	\$4,470,000	\$4,470,000+
- Stage 2		< \$1,000,000		
Operating Costs	Existing	< \$50,000	Greater than Option 1 & 2	Greater than Options 1,2 & 3
	<b>Analysis of non-monetary benefits</b>			
Protozoal Compliance	No	Yes (if successful)	Yes	Yes
Meets Levels of Service	No	Yes	Yes	Yes
Preferred option	No	Yes	No	No

32. The preferred option is Option 2, because of the significant capital cost implications of Options 3 and 4, officers consider that it is worth exploring groundwater as a solution to the current issues. If successful, the cost to implement the groundwater solution is much less expensive than the other two viable options.

33. Other options considered but rejected were:

- **Bridging storage** – comprising the storing of sufficient raw or treated water in order to continue to supply the scheme during the periods when the gallery source is compromised. This option had a very high capital cost and the amount of storage required was considered unfeasible to construct.
- **Combining treatment sites** – involves joining Methven to another scheme that does not have a compliance issue. Combining treatment sites did not address the fundamental issue of compliance for Methven water supply however this option might be considered for other schemes – e.g. Methven Springfield.

## Financial case

34. This is new capital expenditure for infrastructural asset additions and is typically loan funded over a period of 25 years.

35. The affordability of water upgrades necessary for compliance is a matter of some concern and as part of Council's management of this issue, the household water supplies (all schemes except Methven Springfield and Montalto) were grouped for the purposes of rating.

	2020/21	2021/22	2022/23	Total						
Capital expenditure	\$240,000	\$1,000,000	\$0	\$1,240,000						
Operating expenditure (New)	\$0	\$6,000	\$44,000	\$50,000						
Total expenditure	\$240,000	\$1,006,000	\$44,000	\$1,290,000						
Revenue	\$ -	\$ -	\$ -	\$ -						
Where is the funding coming from?	New Loan	New Loan & Targeted Rates	Targeted Rates	New Loan & Targeted Rates						
Signed off by Finance	<p><i>Increases to the group water rate over these years are:</i></p> <table><tr><td><i>2020/21</i></td><td><i>2021/22</i></td><td><i>2022/23</i></td></tr><tr><td><i>\$0.50 / 0.11%</i></td><td><i>\$4.00 / 0.89%</i></td><td><i>\$10.00 / 2.22%</i></td></tr></table> <p><i>After the 2022/23 year the \$ / % increase in the group water rate will steadily drop (as the loan is paid off, less interest is charged each year).</i></p> <p><i>Rachel Sparks, Finance Manager.</i></p>				<i>2020/21</i>	<i>2021/22</i>	<i>2022/23</i>	<i>\$0.50 / 0.11%</i>	<i>\$4.00 / 0.89%</i>	<i>\$10.00 / 2.22%</i>
<i>2020/21</i>	<i>2021/22</i>	<i>2022/23</i>								
<i>\$0.50 / 0.11%</i>	<i>\$4.00 / 0.89%</i>	<i>\$10.00 / 2.22%</i>								

## Management case

36. This project is not dependant on any other programme of work or project.
37. The management of the Groundwater Source Investigations project can be managed within current resources available.
38. As an investigation phase project, it will be overseen by the Assets Team within Council. The Assets Manager would be responsible for completion of the project.
39. The project would be scheduled for completion within the first six months of the 2020/21 financial year, with the intention to confirm viability of the option prior to January 2021 and 2021-31 LTP budget preparation.

## Significance and engagement assessment

40. This project was assessed as a significant. This was due only to the number of people potentially affected as consumers on the Methven water supply.
41. The assessment yielded a score of 41% and therefore in the range of medium significance.

Requirement	Explanation
Is the matter considered significant?	Yes
Level of significance	Medium (significance score of 41%)
Level of engagement selected	Level 2 – Comment, informal two-way communication.
Rationale for selecting level of engagement	<p>Water upgrades, particularly those driven by compliance, are highly technical in nature and as such there is limited opportunity for lay-people to influence the form of these projects.</p> <p>More formal consultation is not considered necessary at this point as the proposed project is consistent with our overall intent to address the incidence of boil water notices and bring the scheme into DWSNZ compliance.</p>
Reviewed by Strategy & Policy	<p>Toni Durham</p> <p>Strategy &amp; Policy Manager</p>

## Executive Team decision

Leadership team decision		
<input checked="" type="checkbox"/> Business case approved	<input type="checkbox"/> Business case declined	
<input type="checkbox"/> Further information required by	Explanation	
Project priority ranking		
<input type="checkbox"/> Low priority	<input type="checkbox"/> Moderate priority	<input type="checkbox"/> High priority

## Appendix one – significance and engagement assessment tool

Criteria	Explanation		Assessment Rating (L, M or H)
1. Strategic asset?	<i>Low</i>	No	L
	<i>Medium</i>	No	
	<i>High</i>	Yes	
2. Number of people affected	<i>Low</i>	Less than 100	H
	<i>Medium</i>	Less than 500	
	<i>High</i>	Greater than 500	
3. Level of impact on people affected	<p>Criteria 3-9 require qualitative assessment. Refer to ‘Suggested thresholds for determining significance’ (Report Writing 101)</p> <p>Remember:</p> <ul style="list-style-type: none"> <li>- Front page newspaper test</li> <li>- Impact on individuals and group</li> <li>- Potential benefits versus risks</li> <li>- Financial cost of the outcome</li> <li>- Potential precedent set</li> <li>- Related to land or water?</li> <li>- Of political interest?</li> </ul>		M
4. Level of <i>current</i> community interest			L
5. Level of <i>potential</i> community interest			M
6. Of political interest to Te Rūnanga o Arowhenua as mana whenua?			M
7. Cost of proposal			M
8. Impact on rates			L
9. Impact on levels of service			M
10. Overall assessment of risk	Risk level to be determined by Corporate Risk Policy as L, M or H		M
11. Overall assessment of health and safety considerations	Assessment to be determined by considering health and safety implications		M
<i>Total</i>	<i>Low</i>		4
	<i>Medium</i>		6
	<i>High</i>		1
Significant issue?	If the score for ‘high’ is one or more then the issue is ‘significant’		Yes
Level of significance	<i>Low</i>	Score of 33% or below	41%
	<i>Medium</i>	Score between 34% and 67%	
	<i>High</i>	Score of 68% or above	

## Methven CRM

Application ID	Completed	Received	Description	Description	Street
CRM3800083/20	18/02/2020	17/02/2020	Rubbish	Bin Request	Main Street
CRM1800015/20	17/02/2020	11/02/2020	R&M	Sewer	Main Street
CRM0900019/20	17/02/2020	17/01/2020	Abandoned Vehicle	Vehicle	Patton Street
CRM1200008/20	17/02/2020	21/01/2020	Appearance	Open Spaces	Main Street
CRM1200007/20	17/02/2020	20/01/2020	Parks/Trees	Open Spaces	Main Street
CRM2400193/20	10/02/2020	05/02/2020	R&M	Water Main	Spaxton Street
CRM2400139/20	07/02/2020	27/01/2020	R&M	Water Main	South Belt
CRM2400166/20	07/02/2020	29/01/2020	R&M	Water Main	Jackson Street
CRM0800052/20	04/02/2020	04/02/2020	Property File	Property File	Forest Drive
CRM3800038/20	04/02/2020	21/01/2020	Rubbish	Bin Request	Camrose Avenue,
CRM3800034/20	04/02/2020	16/01/2020	Rubbish	Bin Request	Racecourse Avenue
CRM0900027/20	03/02/2020	21/01/2020	Abandoned Vehicle	Vehicle	Spaxton Street
CRM1200016/20	03/02/2020	28/01/2020	R&M	Open Spaces	Township
CRM2400137/20	31/01/2020	24/01/2020	R&M	Water Main	Hobbs Road
CRM2600003/20	30/01/2020	27/01/2020	Parking	Roads/Footpath	Forest Drive
CRM0800039/20	28/01/2020	28/01/2020	Property File	Property File	Forest Drive
CRM2400128/20	28/01/2020	23/01/2020	R&M	Water Main	Camrose Avenue
CRM0800036/20	28/01/2020	27/01/2020	Property File	Property File	Jackson Street
CRM0800023/20	21/01/2020	20/01/2020	Property File	Property File	South Belt
CRM2400097/20	20/01/2020	16/01/2020	R&M	Water	Township
CRM2300009/20	15/01/2020	13/01/2020	R&M	Open Spaces	South Belt
CRM0100129/20		11/02/2020	Wandering Dog	Animals	Alford Street
CRM0500005/20		13/01/2020	TripHazard	Open Spaces	Cushmor Drive
CRM0500006/20		13/01/2020	TripHazard	Open Spaces	Morgan Street
CRM0500007/20		14/01/2020	TripHazard	Open Spaces	Main Street
CRM0500022/20		11/02/2020	clean/clear	Roads/Footpath	Talbot Place
CRM0900046/20		04/02/2020	Abandoned Vehicle	Vehicle	Hall Street
CRM1000062/20		23/01/2020	Compliance	Noise Complaint	Main Street
CRM1200015/20		28/01/2020	R&M	Open Spaces	Township
CRM1200025/20		13/02/2020	R&M	Open Spaces	Mcmillan Street
CRM1200026/20		13/02/2020	Rubbish	Bin Request	Mcmillan Street
CRM1600152/20		12/02/2020	clean/clear	Roads/Footpath	Alington Street
CRM2300015/20		16/01/2020	R&M	Open Spaces	Township
CRM2400196/20		05/02/2020	BurstPipe	Water Main	Main Street
CRM2400224/20		12/02/2020	BurstPipe	Water Main	Main Street
CRM2400225/20		11/02/2020	R&M	Water Main	Allen Street
CRM2400230/20		17/02/2020	R&M	Water Main	Spaxton Street
CRM2400244/20		19/02/2020	R&M	Water Main	Main Street
CRM3500002/20		24/01/2020	Compliance	Noise Complaint	Forest Drive
CRM3800082/20		17/02/2020	Rubbish	Bin Request	Racecourse Avenue



## Monthly Income and Expenditure Report - 139 - Methven Community Board

For the Month Ended 31st January 2020

	Month Actual	Year To Date Actual	Full Year Budget	Remaining Full Year Budget
<b>Income</b>				
Rental	-182.61	-182.61	0.00	182.61
Targeted Rates	5,941.93	41,593.45	70,750.00	29,156.55
Treasury Internal Recoveries	4.18	414.13	582.00	167.87
<b>Total Income</b>	<u>5,763.50</u>	<u>41,824.97</u>	<u>71,332.00</u>	<u>29,507.03</u>
<b>Expenditure</b>				
Salary / Wages	827.92	7,820.81	15,874.04	8,053.23
Allowances	0.00	6.12	1,299.96	1,293.84
Indemnity Insurance	102.35	716.45	3,033.00	2,316.55
Conference Expenses	0.00	127.21	0.00	-127.21
Staff Travel Costs	0.00	0.00	300.00	300.00
Stationery	0.00	121.74	0.00	-121.74
Telephone / Tolls	0.00	1,446.00	0.00	-1,446.00
Subscriptions / Periodicals	0.00	275.00	0.00	-275.00
Insurance	8.10	56.70	0.00	-56.70
Suppers & Receptions	0.00	250.00	300.00	50.00
Advertising	0.00	0.00	500.00	500.00
Grants - Discretionary	0.00	0.00	10,000.00	10,000.00
Donations	0.00	0.00	500.00	500.00
Sundry Expenditure	0.00	844.00	0.00	-844.00
Rents / Leases	121.74	121.74	0.00	-121.74
Internal Rental	102.17	715.19	1,226.04	510.85
People and Capability	1,241.55	11,321.59	20,488.19	9,166.60
Treasury	62.60	307.86	507.35	199.49
Rates	106.62	1,762.50	1,032.17	-730.33
Community Relations	20.35	108.57	233.10	124.53
Business Support	908.25	8,691.69	15,690.85	6,999.16
Communication	15.60	101.92	179.23	77.31
<b>Total Expenditure</b>	<u>3,517.25</u>	<u>34,795.09</u>	<u>71,163.93</u>	<u>36,368.84</u>
<b>Net Surplus/(Deficit)</b>	<u>2,246.25</u>	<u>7,029.88</u>	<u>168.07</u>	<u>-6,861.81</u>
<b>Capital Expenditure</b>				
	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
<b>Net Cash Movement</b>	<u>2,246.25</u>	<u>7,029.88</u>	<u>168.07</u>	<u>-6,861.81</u>
<b>Cash Reserves</b>				
Separate Reserves	0.00	0.00	168.00	
Plus Net Surplus/(Deficit)		7,029.88		
Less Capital Expenditure		0.00		
<b>Closing Cash Reserves</b>		<u>7,029.88</u>		

## Monthly Reserve Board Transactions Report - 31st January 2020 - 139 - Methven Community Board

<u>Transaction Date</u>	<u>General Ledger Account</u>	<u>General Ledger Description</u>	<u>Reference</u>	<u>Transaction Description 1</u>	<u>Transaction Description 2</u>	<u>Transaction Description 3</u>	<u>Financial Period</u>	<u>Amount</u>
<b>Category of Income or Expense: 10137 - Rental</b>								
20/01/2020	10137	Rental	FI61955	Payment of inv 102874 debtc Mt Hutt Hall Rental			7	60.87
20/01/2020	10137	Rental	FI61955	Payment of inv 103718 debtc Mt Hutt Hall Rental			7	60.87
20/01/2020	10137	Rental	FI61955	Payment of inv 103720 debtc Mt Hutt Hall Rental			7	60.87
<b>Total Rental</b>								<b>182.61</b>
<b>Category of Income or Expense: 10145 - Targeted Rates</b>								
01/01/2020	10145	Targeted Rates	FI61827	Rates in Advance 2019/2020 P&R \$ARINVCE 221005	1/12 Rates Strike		7	-5,941.93
<b>Total Targeted Rates</b>								<b>-5,941.93</b>
<b>Category of Income or Expense: 30101 - Salary / Wages</b>								
12/01/2020	30101	Salary / Wages	E 12/01/2020	Community Board Remunerz Coy 1 Period Type E	Comp Ref 448.0000 Com		7	413.96
26/01/2020	30101	Salary / Wages	E 26/01/2020	Community Board Remunerz Coy 1 Period Type E	Comp Ref 448.0000 Com		7	413.96
<b>Total Salary / Wages</b>								<b>827.92</b>
<b>Category of Income or Expense: 30110 - Indemnity Insurance</b>								
01/01/2020	30110	Indemnity Insurance	FI61837	Insurance - Personal Acciden Standing Jnl P3-P12	I00617919		7	3.32
01/01/2020	30110	Indemnity Insurance	FI61838	Statutory Liability Standing Jnl P3-P12	I00617785		7	6.44
01/01/2020	30110	Indemnity Insurance	FI61840	Insurance - Employers Liabili Standing Jnl P3-P12	I00617786		7	1.89
01/01/2020	30110	Indemnity Insurance	FI61841	Insurance - Crime Standing Jnl P3-P12	I00617791		7	4.89
01/01/2020	30110	Indemnity Insurance	FI61844	Insurance - London Markets Standing Jnl P3-P12	I00623465		7	58.98
01/01/2020	30110	Indemnity Insurance	I00617927	Insurance - JLT Consultancy Fee	Jardine Lloyd		7	26.83
<b>Total Indemnity Insurance</b>								<b>102.35</b>
<b>Category of Income or Expense: 30314 - Insurance</b>								
01/01/2020	30314	Insurance	FI61837	Insurance - Personal Acciden Standing Jnl P3-P12	I00617902		7	8.10
<b>Total Insurance</b>								<b>8.10</b>
<b>Category of Income or Expense: 30612 - Rents / Leases</b>								
31/01/2020	30612	Rents / Leases	FI62016	Payment of inv 104462 debtor 111111			7	121.74
<b>Total Rents / Leases</b>								<b>121.74</b>
<b>Category of Income or Expense: 31002 - Internal Rental</b>								
01/01/2020	31002	Internal Rental	FI61823	Internal Rental	Standing Jnl P1-P12		7	102.17
<b>Total Internal Rental</b>								<b>102.17</b>

**Category of Income or Expense: 40122 - People and Capability**

11/02/2020	40122	People and Capability	FI62179	HR Allocation	7	1,071.66
11/02/2020	40122	People and Capability	FI62179	HR Allocation	7	169.89

<b>Total People and Capability</b>	<b>1,241.55</b>
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**Category of Income or Expense: 40125 - Treasury**

11/02/2020	40125	Treasury	FI62182	Rec Admin Allocation	7	57.12
11/02/2020	40125	Treasury	FI62182	Rec Admin Allocation	7	5.48

<b>Total Treasury</b>	<b>62.60</b>
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**Category of Income or Expense: 40126 - Rates**

11/02/2020	40126	Rates	FI62184	Rates Allocation	7	70.65
11/02/2020	40126	Rates	FI62184	Rates Allocation	7	35.97

<b>Total Rates</b>	<b>106.62</b>
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**Category of Income or Expense: 40127 - Community Relations**

11/02/2020	40127	Community Relations	FI62185	Comm Serv Allocation	7	5.70
11/02/2020	40127	Community Relations	FI62185	Comm Serv Allocation	7	14.65

<b>Total Community Relations</b>	<b>20.35</b>
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**Category of Income or Expense: 40128 - Business Support**

11/02/2020	40128	Business Support	FI62187	Rec Admin Allocation	7	241.74
11/02/2020	40128	Business Support	FI62187	Rec Admin Allocation	7	666.51

<b>Total Business Support</b>	<b>908.25</b>
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**Category of Income or Expense: 40129 - Communication**

11/02/2020	40129	Communication	FI62186	Communication Allocation	7	9.50
11/02/2020	40129	Communication	FI62186	Communication Allocation	7	6.10

<b>Total Communication</b>	<b>15.60</b>
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<b>Net Surplus / (Deficit)</b>	<b>2,242.07</b>
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## Discretionary Fund Expenditure Guidelines

Ashburton District Council provides the Methven Community Board with an annual discretionary fund for the purpose of supporting projects and initiatives that benefit the Methven community and to support the operation of the Methven Community Board and its members. Provision of funds should be in line with Council's Community Grants and Funding Policy.

1. The Board may use this fund at any time during the financial year to:
  - a. Support community projects that directly benefit the Methven community.
  - b. Support projects suggested by community members or Board Members.
  - c. Upskill the Methven Community (e.g. by having community speakers and/or workshops).
2. Discretionary funds cannot be used to:
  - a. Fund a commercial organisation.
  - b. Support a project already receiving a Council grant.
  - c. Fund any capital works or projects.
  - d. Support retrospective requests.
3. Requests for and decisions on funding shall be discussed at each Board meeting and outcomes recorded in Board minutes. Updates (e.g. receipts) are to be provided once the money is spent and recorded in Board minutes.