

Report 09.419  
Date 27 July 2009  
File E/06/32/03

Committee Regional Sustainability  
Author Murray Kennedy, Divisional Manager  
Water Supply, Parks and Forests

## **Divisional report for period ended 30 June 2009**

### **1. Divisional performance**

#### **1.1 Strategic**

Preliminary work for the Parks Network Strategy review has been completed and this will form the basis for a Councillors' workshop in August 2009.

Uncertainty surrounding CO<sub>2</sub> emissions trading resulted in unacceptable electricity tender prices for two and three years out, so the contract has been retendered for one year. A separate Committee report deals with this issue.

#### **1.2 Parks**

Printing an information brochure completes the current concessions policy process and hopefully the community will welcome the simplification approved by Council.

Even though the Wainuiomata Mainland Island is fenced on two sides, the mobility of pigs is certainly highlighted by the recent pig control operation that netted 27 animals.

#### **1.3 Marketing and Design**

Results of the public awareness survey carried out regarding summer water conservation are included in the manager's section. It is pleasing to note that, even though there was reasonable summer rainfall, the public awareness regarding water conservation has improved.

A standard methodology for measuring water consumption, particularly domestic consumption where there are no water meters, is being agreed with our customers. This will enable agreed figures to be published in the Water Supply Annual Report.

## 1.4 Water Supply

Delays in achieving approval for the 1080 drop in the Hutt Catchment have been frustrating, particularly, as a result of earlier experience, the approval process was started months before the expected drop date. Approval has now been obtained but is to the earlier regime, which will require extensive pumping from the Stuart Macaskill Lakes with the subsequent cost.

It is pleasing to record that all the public health risk management plans have been submitted to the Regional Public Health Drinking Water Assessor. Even though the Government has delayed the requirements for their submission, it is pleasing to have completed this process.

Seasonal ills have taken their toll on our Water Supply staff so, while normal service has been possible, it has meant that some of our project work has had to be delayed.

A water supply infrastructure risk workshop was held in May. Attendance included two customer representatives. Outcomes from the workshop will be incorporated in ongoing planning work.

## 1.5 Development and Strategy

The documentation for a consent application to take more water at the Kaitoke weir was completed just after the end of the period. This is now being reviewed internally.

The next water supply enhancement project is to increase the storage in the Stuart Macaskill Lakes. A number of options are available and the September Committee meeting has been targeted for a report.

## 2. Financial performance for the year ended 30 June 2009

Last year Actual \$000s		Full year Actual \$000s	Full year Forecast \$000s	Full year Budget \$000s
	<b>Water Supply</b>			
27,219	Income	28,079	27,577	27,325
(25,995)	Expenditure	(28,195)	(28,217)	(28,789)
<u>1,224</u>	<b>Operating surplus (deficit)</b>	<u>(116)</u>	<u>(640)</u>	<u>(1,464)</u>
1,264	Operations	741	596	350
1,846	Strategy and Asset	509	116	(400)
(1,966)	Support	(1,293)	(1,337)	(1,423)
52	Engineering Consultancy	(73)	(15)	9
28	Laboratory Services	--	--	--
<u>1,224</u>	<b>Operating surplus (deficit)</b>	<u>(116)</u>	<u>(640)</u>	<u>(1,464)</u>
	<b>Parks</b>			
6,407	Income	6,547	6,522	6,466
(6,615)	Expenditure	(7,056)	(7,205)	(7,119)
<u>(208)</u>	<b>Operating surplus (deficit)</b>	<u>(509)</u>	<u>(683)</u>	<u>(653)</u>

The Water Supply performance is considerably less than the budget deficit.

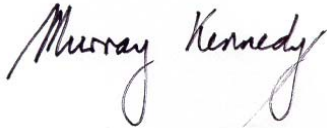
The Chief Financial Officer will provide more detail in this report to Council. However, external revenue was \$336,000 above budget from the sale and lease of redundant assets. Financial costs were \$297,000 less than budget because of lower interest rates and reduced debt. Power and chemical costs were lower than expected, partly because of the lowest water sales volume in the last nine years.

### **3. Recommendations**

*That the Committee:*

1. ***Receives the report.***
2. ***Notes the content of the report.***

Report prepared by:

A handwritten signature in black ink that reads "Murray Kennedy". The signature is written in a cursive style with a large, looped 'M' and 'K'.

Divisional Manager, Water Supply, Parks and Forests

#### **Attachment 1**

Parks', Marketing and Design, Water Supply, and Development and Strategy reports for the period ended 30 June 2009