

# Water-Related Services



## WHAT THIS GROUP OF ACTIVITIES INCLUDES

This group of activities is undertaken to provide and maintain efficient, reliable and safe water, wastewater, stormwater and trade waste services. The Council undertakes the activities in this group because of statutory obligations and public demand. Under section 130(2) of the Local Government Act 2002, the Council must continue to provide these water services to those communities that have been serviced. Delivery of these network services by non-Council operators has, to date, proved unfeasible to the market or unacceptable to the community.

## The activities undertaken within this group include:

- Water
- Wastewater
- Stormwater
- Trade waste

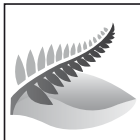
## WHAT WILL THIS GROUP OF ACTIVITIES COST

The table below provides an overview of the budget at a Group of Activities level. Information related specifically to each activity can be found on the following pages.

Annual Plan 2009/10 \$000		LTCCP 2010/11 \$000	Annual Plan 2010/11 \$000	Variance 2010/11 \$000
<b>OPERATIONAL</b>				
<b>EXPENDITURE</b>				
3,677	Depreciation	3,851	3,771	(80)
569	Interest Paid	796	834	37
5,388	Operations	5,892	5,318	(574)
<b>9,635</b>	<b>Total Expenditure</b>	<b>10,540</b>	<b>9,923</b>	<b>(616)</b>
<b>REVENUE</b>				
232	Development Contributions	237	232	(5)
94	User Fees & Charges	96	172	76
25	General Rates	27	32	5
0	Interest Income	0	0	0
0	Sundry Income	0	110	110
1,508	Subsidies & Grants	6,491	6,345	(146)
7,448	Targeted Rates	8,442	7,148	(1,294)
<b>9,306</b>	<b>Total Revenue</b>	<b>15,292</b>	<b>14,040</b>	<b>(1,252)</b>
<b>329</b>	<b>Net Cost (Surplus) of Operations</b>	<b>(4,752)</b>	<b>(4,117)</b>	<b>635</b>
<b>NON OPERATIONAL</b>				
<b>EXPENDITURE</b>				
329	Transfer from (surplus)/deficit	(4,752)	(4,117)	635
6,340	Capex *	11,635	11,987	352
756	Loan Repayments	726	756	30
232	Payments to Reserves	237	403	166
(2,146)	less Depreciation not Funded	(2,105)	(2,307)	(202)
<b>5,510</b>	<b>Total Funding Requirement</b>	<b>5,742</b>	<b>6,723</b>	<b>981</b>
<b>FUNDED BY</b>				
1,447	Depreciation Reserve	1,638	1,747	109
1,243	Development Contribution Reserve	60	58	(2)
2,792	Loans Raised	3,940	4,319	379
28	Operational Reserve	104	599	495
0	Sale of Assets	0	0	0
<b>5,510</b>	<b>Total Funding Applied</b>	<b>5,742</b>	<b>6,723</b>	<b>981</b>
<b>* CAPITAL EXPENDITURE</b>				
3,679	Level of Service	9,446	9,832	386
1,290	Growth	79	77	(2)
1,371	Renewals	2,110	2,078	(32)

# WATER

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



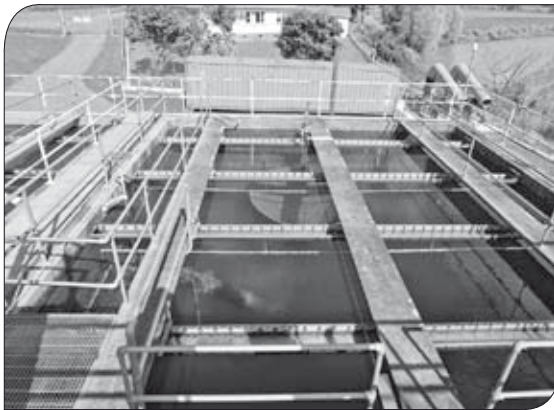
CLEAN PROTECTED ENVIRONMENT



ENVIRONMENTALLY RESPONSIBLE DEVELOPMENT

## WHAT WE DO AND WHY WE DO IT

Water is an essential resource in our community and the Council is charged with ensuring water is of a high standard, is safe to drink and that supply is adequate for all the community. In response to this the Council manages a number of water supply assets for the District and is required to adhere to a number of statutory requirements, standards and policies. Under section 130(2) of the Local Government Act 2002, the Council must continue to provide water services to those communities that have been serviced.



## WHAT WE ARE GOING TO DO

### Whakatane water treatment plant alternative

**abstraction points:** The Council will investigate and start to develop a solution for alternative water abstraction points including either an upstream or ground water source. At a cost of \$1.38m this project will help to ensure the continuity of water supply when river conditions are not appropriate (e.g. salinity levels).

### Whakatane water treatment plant filter upgrade:

Upgrading the water treatment plant filters at a cost of \$426,000 will increase operational efficiency of the treatment plant and improve water quality.

**Waimana pump replacement:** During the 2010/11 year the Council will replace the Waimana pump at a cost of \$10,000 to ensure continued and consistent water supply. This follows a pump condition assessment conducted in 2009/10.

**Plains Water Supply:** Testing of the Paul Road bore has been completed and this water source is recognised as being of sufficient quality and quantity to be able to supply the Plains Water Scheme on a long term basis. The Council has applied to Environment Bay of Plenty for a resource consent and has been negotiating with the landowner for the purchase of the land.

The Plains Water Supply Special Committee has recognised that a long term planning horizon was required to avoid a repetition of the issues currently being faced by the Plains Water Scheme in the future. The Council will be developing the capital works programme for the Plains Water Scheme in 2010/11 for inclusion in the 2012-2022 LTCCP based on a 50 year strategy which identifies the scheme boundaries and all water sources. Consultation with the major stakeholders of the scheme is programmed to be undertaken in 2011/12.

## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**Provide a continuous, safe, uninterrupted, and cost effective water system throughout the District's urban, residential and commercial areas that complies with drinking water and fire standards.**

- » Satisfaction with the overall quality and reliability of the mains water scores 73.7 or higher (Very good service) in Council's Perception Survey
- » Less than 40 incidences leading to complaints regarding taste and odour of water.
- » 95% of water supply systems with adequate pressure to fill a 15 litre bucket in one minute.

**Plains connections upgrade:** The Council will replace the Plains water connections and install back-flow preventers where these are not already installed. \$50,000 has been provided in the 2010/11 year which forms the second year of a three year programme.

**General renewals and replacements:** The Council will continue to provide for the maintenance of the water supply network at a total cost of \$200,000 for the 2010/11 year. This includes the ongoing programme of progressively replacing aging or faulty pipes, connections and meters across all schemes.

**Ministry of Health capital assistance projects:** The Council intends to undertake a number of projects that are reliant on subsidies from partner agencies. Notably this includes the Ministry of Health (MoH) Drinking Water Assistance Program (DWAP) which is currently under review. The following projects may not proceed in the 2010/11 year if the subsidy from MoH can not be secured:

- **Ruatoki:** increase the water storage capacity of the Ruatoki water supply system and extend the pipe network to reach more homes \$370,000 (includes MoH subsidy of \$351,500).
- **Edgecumbe and Matata:** replacement of water connections and installation of meters \$450,000 (includes MoH subsidy of \$427,500).
- **Edgecumbe and Te Teko:** replacement and upgrade of pipes to provide greater capacity \$634,400 (includes MoH subsidy of \$602,680).

## WHAT WILL THIS ACTIVITY COST

	Annual Plan 2010/11 \$000
Expenditure	5,427
Revenue	5,539
<b>Net Cost (Surplus) of Operations</b>	<b>(112)</b>
Capital Expenditure	4,040

## WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- Reduced expenditure due to savings associated with completion of pressure management projects \$98,600.
- Reduced expenditure associated with changes to the water sampling and monitoring processes \$24,500.
- Additional rating amount totalling \$172,794 in targeted rates has been included to fund the 2008/09 deficit. This rate income is used to reduce overdrawn operating reserve balances from prior years deficits.



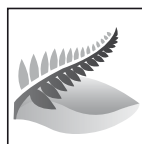
## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

- » Number and level of water supply gradings received.  
(The Ministry of Health grades water quality between A & E for water source and between a & e for water reticulation. A indicates the highest standard and e lowest. U stands for ungraded)

Whakatane	Aa
Ohope	Aa
Edgecumbe	Db
Matata	Ab
Murupara	Ab
Taneatua	Ab
Ruatoki	Bb
Waimana	Ab
Plains	Db
Te Mahoe	Ab

## WASTEWATER

### WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



CLEAN PROTECTED ENVIRONMENT



ENVIRONMENTALLY RESPONSIBLE DEVELOPMENT

### WHAT WE DO AND WHY WE DO IT

The Council is responsible for the provision and management of six wastewater schemes situated at Whakatane, Ohope, Edgecumbe, Taneatua, Murupara, and Te Mahoe. The Council's key focus is to ensure wastewater is managed in an appropriate way. The Council maintains a number of assets to provide this service including treatment plants, pump stations, trunk mains, mains and service lines.

***90% of blockages and breakages affecting the system in Whakatane are responded to within one hour.***

### WHAT WE ARE GOING TO DO

**Ohope treatment plant investigations:** Investigations and design for the Ohope wastewater treatment plant upgrade will be undertaken during 2010/11 at a cost of \$60,000 with construction planned for 2011/12.

**Murupara ponds desludging:** This project, costing \$300,000 will increase the performance and capacity of the ponds.

**Murupara and Whakatane pipe renewals:** The Council will continue with the second year of a ten year project to progressively replace or reline aging pipes in Murupara and Whakatane at a cost of \$450,000 in 2010/11.

**McAlistair Street pipe upgrade:** The purpose of this \$500,000 project is to replace the main wastewater pipelines in McAlistair Street to increase capacity and provide in line storage capability.

**Ministry of Health capital assistance projects:** The Council intends to undertake a number of projects that are reliant on subsidies from partner agencies including the Ministry of Health (MoH). The Council is seeking to secure funding through the Sanitary Works Subsidy Scheme (SWSS) which is currently under review. The scope and timing of projects will be affected by the outcome of applications. MoH capital assistance projects include:

- **Edgecumbe waste water system upgrade:** Upgrade of the pump stations and repair, replacement or reline pipes depending on their condition \$980,000 (includes MoH subsidy of \$813,400).

### WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**To provide high quality, efficient and reliable wastewater systems that are affordable and meet the reasonable needs of the urban and commercial communities**

- » Satisfaction with having a reliable disposal of waste water and sewerage scores 77 or higher (Excellent service) in Council's Perception Survey.
- » 90% of blockages and breakages affecting the system in Whakatane are responded to within one hour. (Note: Actual works required to remedy breakages and blockages will vary according to the extent of fault).
- » 90% of blockages and breakages affecting the system in other urban areas are responded to within three hours. (Note: Actual works required to remedy breakages and blockages will vary according to the extent of fault).

- Matata wastewater system development:**  
 Since 2003, the Council has intended to develop a new domestic waste water system for Matata as a solution to stream contamination from domestic septic tanks. This project was delayed by the Matata debris flows in 2005. The cost estimate for the project was originally \$4.48m and the Council had secured a subsidy from the Ministry of Health of \$3.72m. Project estimates have substantially increased since the original proposal to around \$10m. To partially offset cost increases, a more feasible option is being pursued involving piping of waste to Edgecumbe and increasing the capacity of the Edgecumbe treatment plant to cope with the additional waste stream. The Council are in the process of applying for increased funding from the Ministry of Health before proceeding.

### WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- Reduced expenditure of \$35,000 associated with review of maintenance and repairs requirements.
- Additional rating amount totalling \$49,088 in targeted rates has been included to fund the 2008/09 deficit. This rate income is used to reduce overdrawn operating reserve balances from prior years deficits

### WHAT WILL THIS ACTIVITY COST

	Annual Plan 2010/11 \$000
Expenditure	2,638
Revenue	6,985
<b>Net Cost (Surplus) of Operations</b>	<b>(4,348)</b>
Capital Expenditure	7,453



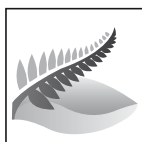
### WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

To provide high quality, efficient and reliable wastewater systems that are affordable and meet the reasonable needs of the urban and commercial communities cont.

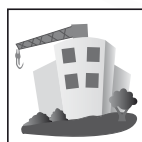
- » High quality and effective reticulated waste water systems are provided in:
  - Whakatane
  - Ohope
  - Edgecumbe
  - Murupara
  - Taneatua
  - Te Mahoe

# STORMWATER

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



CLEAN PROTECTED ENVIRONMENT



ENVIRONMENTALLY RESPONSIBLE DEVELOPMENT

## WHAT WE DO AND WHY WE DO IT

The Council manages stormwater systems in Whakatane, Taneatua, Otarawairere, Matata, Te Mahoe, Edgecumbe, Te Teko, Ohope, Murupara and Taiwhakaea. Each of these locations has its own issues and geographical challenges to ensure stormwater is effectively and efficiently managed and causes little disruption in the community. The Council provides stormwater systems because of statutory obligations and public demand.

The design standard for Whakatane's urban stormwater reticulation system is to cope with a one in 10 year event with no surface flooding and a one in 50 year event with surface flooding drained away using overland flow paths. Low-lying parts of the Whakatane urban area have stop-banks as protection from the Whakatane River. The river and stopbanks are managed by Environment Bay of Plenty. Through the town there are canals and open drains that link to pumps. The higher parts of the urban area channel high volumes of stormwater to the lower areas of town.

## WHAT WE ARE GOING TO DO

The Council will continue to provide for the maintenance of stormwater systems during the 2010/11 year.

No major new capital projects will be progressed.

## WHAT WILL THIS ACTIVITY COST

	Annual Plan 2010/11 \$000
Expenditure	1,715
Revenue	1,373
<b>Net Cost (Surplus) of Operations</b>	<b>342</b>
Capital Expenditure	493

## WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- Reduced expenditure of \$52,250 associated with review of maintenance and repairs requirements

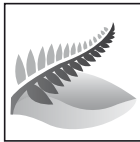
## WHAT ARE OUR PERFORMANCE TARGETS FOR THE YEAR

**Provide a quality continuous, safe, uninterrupted, and cost effective urban stormwater system accessible throughout Whakatane (including Otarawairere), Ohope, Edgecumbe, Matata Murupara, Taneatua, Te Mahoe and Te Teko.**

- » Satisfaction with the overall effectiveness of the stormwater systems scores 64.0 or higher (Fair: needs improvement) in Council's Perception Survey.
- » All blockages affecting the system in Whakatane are responded to within one hour.
- » (Note: Actual works required to remedy blockages will vary according to the extent of fault).
- » All blockages affecting the system in other urban areas are responded to within three hours. (Note: Actual works required to remedy blockages will vary according to the extent of fault).
- » 75% of storm-water systems are built to meet one in ten year rainfall event.

# TRADEWASTE

## WHICH COMMUNITY OUTCOMES DOES THIS CONTRIBUTE TO



CLEAN PROTECTED ENVIRONMENT



ENVIRONMENTALLY RESPONSIBLE DEVELOPMENT

## WHAT WE DO AND WHY WE DO IT

Tradewaste refers to waste discharged into the Council's wastewater system from industrial and commercial premises. The Council undertakes this activity because of statutory obligations. The main objectives are to protect the environment, people and community assets required for essential services.

## WHAT WE ARE GOING TO DO

### Operating under the tradewaste bylaw:

The Council is implementing a new charging formula for the disposal of trade waste in the District. This follows the adoption of a new Trade Waste Bylaw in September 2008 which established a user pays charging policy for Trade Waste discharge.

Under the Bylaw, all commercial, industrial, manufacturing or trade businesses that discharge to the wastewater system will need to apply to the Council for a Trade Waste Consent.

From 1 July 2010 all activities that require a trade waste consent under the Council's Trade Waste Bylaw will be liable to pay trade waste charges.

Implementation of the new charging formula in the 2010/11 year follows identification of, and consultation with, affected parties during 2009/10.

## WHAT WILL THIS ACTIVITY COST

	Annual Plan 2010/11 \$000
Expenditure	142
Revenue	142
<b>Net Cost (Surplus) of Operations</b>	<b>0</b>
Capital Expenditure	0

## WHAT ARE THE KEY DIFFERENCES FROM THE LTCCP

- The 2010/11 year is the second year that the Council will undertake the Tradewaste activity under the Whakatane Tradewaste Bylaw.

*Tradewaste refers to waste discharged into the Council's wastewater system from industrial and commercial premises*