

# Water Services

## Sub Activities:

**Kaikoura Urban Water Supply,  
East Coast Rural Water Supply,  
Kincaid Rural Water Supply,  
Fernleigh Rural Water Supply,  
Oaro Rural Water Supply,  
Peketa Rural Water Supply**

## Goal





To provide water infrastructure that meets the needs of the community, ensures a healthy standard of living, and minimises effects on the environment.

## Nature and Scope of Activity

With the development of the new Ocean Ridge urban water supply, there are now seven public water supply systems in the Kaikoura district. Of these water supplies, East Coast and Fernleigh are essentially supplies for stock and irrigation, although these do also supply domestic households. Kincaid is becoming more and more a domestic supply, due to intensive growth and subdivision over that area. The remainder service domestic households and commercial activities.

Council has purchased a secure ground water source of exceptional water quality and reliable quantity, which should provide Kaikoura with sufficient water to meet expected demands for the foreseeable future. This ground water source began supplying the town, taking over from the previous Waimangarara river intake gallery, in September 2006.

## Effects on the Community

<b>Economic</b>		The provision of quality, potable water on demand is essential for many industries within the district to function. Water is vital not only for agriculture, horticulture and fisheries, but also for tourism accommodation and facilities.
<b>Environmental</b>		Water use for irrigation enhances the vitality and splendour of our environment, and Council has continued its leak detection programme to eliminate wastage of this precious resource.
<b>Social</b>		Clean, pure, potable water is fundamental to the health and safety of all residents and visitors.
<b>Cultural</b>		In Kaikoura, much of what is ingrained in our culture is water based, including swimming at the local pool.

## Community Outcomes

The following table highlights how Water Services contribute to the achievement of our Community Outcomes.

Community Outcome	How the Water Services Activity Contributes	Performance Measure
<b>Sustainable Development</b>	By providing adequate water and wastewater infrastructure, appropriately funded to meet future development needs.	Ensure Asset Management Plans (AMPs) include 10 year projections of growth
<b>Quality Water and Wastewater Services</b>	<p>Improve water supply quality and reliability, improving alternate supply sources, and increasing storage capacity, to meet the reasonable requirements of each community.</p>	<p><u>Kaikoura Urban</u></p> <p>Achieve a minimum MoH B grade for water source, treatment and reticulation.</p> <p>Reticulation provides sufficient quantity and pressure for fire fighting purposes.</p> <p>Reservoirs provide 24 hours storage.</p> <p><u>Kincaid</u></p> <p>Achieve a minimum MoH B grade for water source, treatment and reticulation.</p> <p>The combined reservoir volume should equate to 24 hours storage at average daily flow.</p> <p><u>East Coast, Oaro and Peketa</u></p> <p>Achieve a minimum MoH C grade for each water source and treatment.</p>
	Provide for the improvement of infrastructural services in small communities, by investigating the provision of water supply systems where the community requests it or the legislation requires it.	Asset Management Plans may be modified according to the results of Council's Assessment of Water and Sanitary Services, and following consultation with each community.

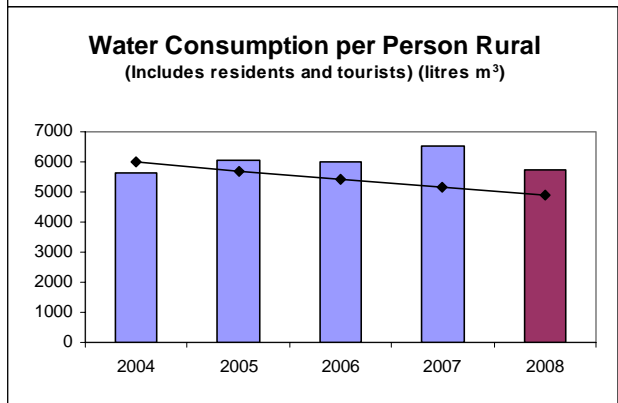
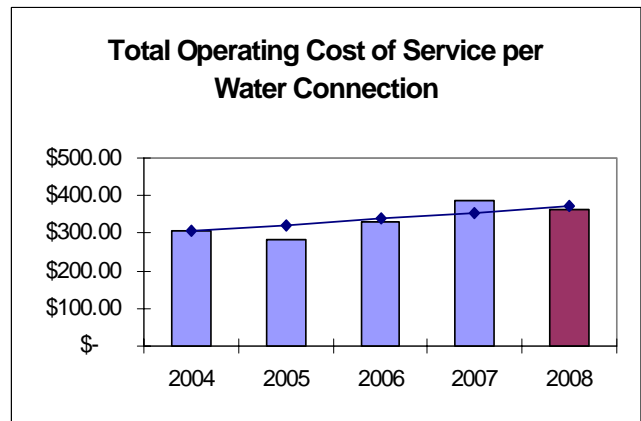
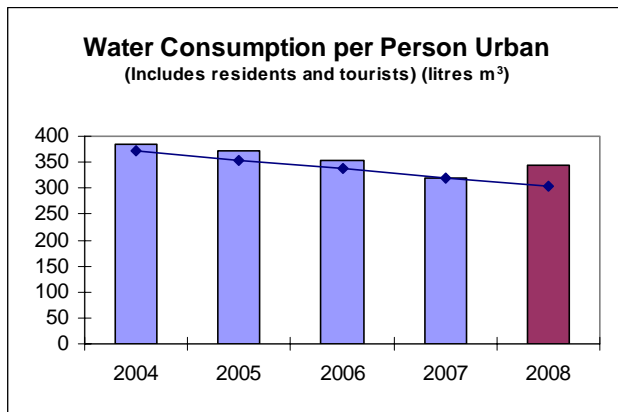
<b>Community Outcome</b>	<b>How the Water Services Activity Contributes</b>	<b>Performance Measure</b>
<b>Quality Standard of Affordable Housing</b>	Ensure that new dwellings have access to a potable water supply, which is provided at an affordable cost.	Total operating cost of service per connection (Kaikoura Urban).
<b>Environmental Protection and Enhancement</b>	Ensure the sustainable management of resources by promoting water conservation	Reduction of water consumption per annum (cubic metres used by each resident and tourist over the whole district)

## Report on Performance

<b>Performance Measure</b>	<b>Last Year</b>	<b>Target 2007/2008</b>	<b>Actual Result 2008</b>
Asset Management Plans include 10 year projections of growth	Projections are included in Asset Management Plans	Projections included in Asset Management Plans	Projections are included in Asset Management Plans
Kaikoura Urban: Achieve a minimum Ministry of Health (MoH) B grade for water source, treatment and reticulation	There urban supply has been assessed and confirmed as secure by the Ministry of Health, however the grading is still outstanding	B grade for water source within one year	The urban supply has achieved a B grade for the water source and treatment.
Kaikoura Urban: Reticulation provides sufficient quantity and pressure for fire fighting purposes	Of the fire hydrants assessed, 96% provide sufficient quantity and pressure for fire fighting purposes	90-95% of reticulation	100% of fire hydrants provide sufficient pressure, and 96% of fire hydrants provide sufficient quantity, for fire fighting purposes
Kaikoura Urban: Reservoirs provide 24 hours storage	11 hours	11 hours	11 hours
Kincaid: Achieve a minimum MoH B grade for water source, treatment and reticulation	The Kincaid supply is yet to be assessed by the Ministry of Health	B grade achieved	The Kincaid supply is yet to be assessed by the Ministry of Health
Kincaid: Within ten years the combined reservoir volume should equate to 24 hours storage at average daily flow	4 hours	4 hours	4 hours

Performance Measure	Last Year	Target 2007/2008	Actual Result 2008
East Coast, Oaro and Peketa: Achieve a minimum MoH C grade for each water source and treatment	Not graded	Not graded	Not graded
Asset Management Plans may be modified according to the results of Council's Assessment of Water and Sanitary Services, and following consultation with each community	Public Health Risk Management Plans have been completed for the rural water supplies, and Asset Management Plans are proposed to be amended to reflect this, following consultation with each community	Implement practical recommendations from Council's assessment of Water Services	Peketa water supply has a new treatment system, Oaro has increased storage capacity, Fernleigh a new bore, reservoirs and telemetry, and Kincaid will soon benefit from a series of new storage reservoirs

**KEY:** The line in each graph indicates the Councils desired trend, and for 2008 the Actual Target



## Level of Achievement

Significant progress has been made with water services infrastructure, and it is most pleasing for the Kaikoura Urban Water Supply to have achieved a “B” grading from the Ministry of Health for its water source and treatment. The Ministry has further confirmed that the urban water source is of sufficient quantity and reliability to provide for the Kaikoura township for a minimum of 30 years.

Council’s engineers are confident that the water supply would have achieved an “A” grading for its water, except that a MoH requirement to publicly advertise “plumbo-solvency” (the potential for some domestic plumbing fittings to allow traces of metal to accumulate) was not met within the required timeframes.

Following development of the Public Health Risk Management Plans for each of the rural water supplies, Council has been able to secure funding from the Ministry of Health to complete the practical and highest priority recommendations that came from those plans. This has entailed substantial capital upgrading of Peketa, Oaro, and Kincaid supplies. East Coast supply is predominantly a supply for stock and irrigation, so was not able to gain funding assistance from MoH. Fernleigh has been able to complete its upgrades without MoH funding, due to significant development in the area in recent years and therefore having established a fund of development contribution revenues.

## Operating Cost of Service Statement: Water Services

FOR THE YEAR ENDED 30 JUNE 2008

	2008 BUDGET \$	2008 ACTUAL \$	2007 ACTUAL \$
<b>Operating Expenses</b>			
<u>Kaikoura Urban Water Supply</u>			
Operations	338,096	337,820	341,891
Loan Interest	73,211	67,511	73,503
Depreciation	189,189	169,733	172,619
	600,496	575,064	588,013
<u>Other Water Supplies</u>			
East Coast	29,808	40,964	28,727
Kincaid	38,067	22,888	21,210
Fernleigh	-	413	529
Oaro	16,608	12,130	15,167
Peketa	4,077	3,972	3,934
Loan Interest	2,520	2,727	2,719
Depreciation	113,383	116,329	78,174
	204,463	199,423	150,460
<b>Total Operating Expenses</b>	<b>804,959</b>	<b>774,487</b>	<b>738,473</b>
<b>Funded by:</b>			
Targeted Rates & Charges	509,928	522,649	435,576
Water Meter Charges	140,000	137,840	117,861
User Fees & Charges	8,000	42,649	115,427
Development Contributions	183,181	115,676	110,282
	<b>841,109</b>	<b>818,814</b>	<b>779,146</b>
<b>Operating Surplus/(Deficit)</b>	<b>36,150</b>	<b>44,327</b>	<b>40,673</b>

## Capital Cost of Service Statement: Water Services

FOR THE YEAR ENDED 30 JUNE 2008

	2008 BUDGET \$	2008 ACTUAL \$	2007 ACTUAL \$
<b>Capital Expenditure</b>			
<u>Kaikoura Urban Water Supply</u>			
New/Upgrade Assets	-	60,966	390,505
Renewals	61,913	45,853	137,024
Increasing Levels of Service	-	-	-
	61,913	106,819	527,529
<u>Rural Water Supplies</u>			
New/Upgrade Assets	21,000	91,449	157,330
Renewals	11,763	14,344	-
Increasing Levels of Service	-	-	-
	32,763	105,793	157,330
<u>Capital Debt Servicing</u>			
Loan Principal	77,863	62,053	74,322
<b>Total Capital Expenditure</b>	<b>172,539</b>	<b>274,665</b>	<b>759,181</b>
<b>Funded by:</b>			
Transfers from/(to) Reserves	(166,181)	(55,724)	301,715
Loans	-	-	166,000
Depreciation	302,570	286,062	250,793
Operating Surplus/(Deficit)	36,150	44,327	40,673
	<b>172,539</b>	<b>274,665</b>	<b>759,181</b>

### Capital Expenditure: Acquisition of Assets

The Kaikoura Township residents now benefit from a new secure ground water source, providing water of exceptional quality to the urban area. During the 2007/2008 year, substantial aging pipe infrastructure has been replaced on Churchill Street and the Esplanade, and the new pump station at Fords Reservoir has been completed. The urban water source and treatment system has achieved a "B" grading from the Ministry of Health, and our engineers are confident that it would have achieved an "A" grading except that a requirement to publicly advertise plumbo-solvency had not been completed within the timeframe.

Funding from the Ministry of Health has enabled upgrading of the Oaro and Peketa water supplies; Oaro has increased storage capacity and Peketa has new treatment facilities. Council is in the process of developing a series of reservoirs for the Kincaid water supply, which will ultimately provide 24 hour storage for those consumers. The Fernleigh water supply now has a new ground water bore, to eliminate water shortages that troubled this supply last year, plus new reservoirs and telemetry.