



Report 09.128  
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Committee Regional Sustainability  
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Water Supply, Parks and Forests

## Divisional report for period ended 28 February 2009

### 1. Divisional performance

#### 1.1 Strategic

We are continuing to work with Hutt City Council and its officers to explain the interaction between the various water sources on the Hutt River, including the Waiwhetu aquifer, and the rather complex issue of algae growth. A further presentation will be made at a Hutt City Council workshop on 18 March and a verbal update can be provided to the Committee. A presentation was also made on these issues to Upper Hutt City Council on 25 February.

Water consumption on a year to date basis is approximately 3 percent less than at the same time in the previous year. While some of this can be attributed to less water usage over summer, it may be that the economic impact has created a slight reduction in demand for commercial and industrial properties. A more definitive analysis will be available over the coming winter period. However, some of the Auckland cities are reporting that the metered sales to non-domestic users are down slightly.

Nine years ago the Council approved a policy of having at least one level of redundancy in critical parts of our water supply system. Some other utilities have a similar policy for a level of redundancy, yet there have been instances where this has not been adequate. Within the next two months, staff will be running an internal workshop to review the policy and this will subsequently be reported to the Committee.

Work on the Regional Parks' Network Strategy is making good progress. The key is to ensure that it does not become too broad and we are then unable to resource it adequately and meet the target dates.

#### 1.2 Parks

Summer is always a busy time in the parks, with increased visitor numbers, and the Manager, Parks' report reflects this.

Progress is being made on controlling the alder trees around Lake Wairarapa, as shown in the photo of the trial spraying programme later in the report.

### **1.3 Marketing and Design**

Adequate rainfall in February and early March meant that it was possible to curtail the summer water advertising campaign earlier than was allowed for. Maximum demand was relatively modest this year, with only two days exceeding 180 million litres.

Attendances are good for the Regional Outdoors Programme and a complete round-up can be provided at the next Committee meeting.

### **1.4 Water Supply**

Water supply was relatively routine for the period and the total Stuart Macaskill Lakes' volume did not fall below 80 percent over the summer period.

ISO accreditation has been maintained and the improvement opportunities raised by the auditor will be actioned before the next annual audit.

### **1.5 Development and Strategy**

The two projects with some immediacy are to raise the maximum water level in the Stuart Macaskill Lakes and lodge a resource consent to obtain more water at the Kaitoke weir. Between them they will then restore the security of supply standard of a 2 percent probability of shortfall. It appears that, in conjunction with raising the Stuart Macaskill Lakes, some remedial work will be needed to the embankments to bring them up to the latest earthquake design standards. It must be remembered that the lakes were designed some 25 years ago and during the intervening period there has been an increase in engineering knowledge about seismic performance. However, any remedial work to the embankments is not expected to be major.

## **2. Financial performance for the period ended 28 February 2009**

Details of the financial performance are shown in the table on page 3.

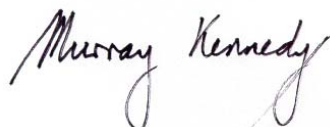
Last year Year to date Actual \$000s		Year to date Actual \$000s	This year Full year Forecast \$000s	Full year Budget \$000s
<b>Water Supply</b>				
17,981	Income	18,011	27,149	27,325
17,274	Expenditure	(18,288)	(28,563)	(28,789)
<u>707</u>	<b>Operating surplus (deficit)</b>	<u>(277)</u>	<u>(1,414)</u>	<u>(1,464)</u>
735	Operations	670	464	350
1,273	Strategy and Asset	2	(446)	(400)
(1,332)	Support	(908)	(1,413)	(1,423)
3	Engineering Consultancy	(41)	(19)	9
28	Laboratory Services	--	--	--
<u>707</u>	<b>Operating surplus (deficit)</b>	<u>(277)</u>	<u>(1,414)</u>	<u>(1,464)</u>
<b>Plantation Forestry</b>				
3,118	Income	2,549	6,550	7,436
(4,125)	Expenditure	(3,886)	(7,030)	(7,650)
<u>(1,007)</u>	<b>Operating surplus (deficit)</b>	<u>(1,337)</u>	<u>(480)</u>	<u>(214)</u>
<b>Reserve Forests</b>				
567	Income	558	1,861	2,023
(1,204)	Expenditure	(1,302)	(2,125)	(2,258)
<u>(637)</u>	<b>Operating surplus (deficit)</b>	<u>(744)</u>	<u>(264)</u>	<u>(235)</u>
<b>Parks</b>				
4,319	Income	4,329	6,523	6,466
(3,997)	Expenditure	4,423	7,245	(7,119)
<u>322</u>	<b>Operating surplus (deficit)</b>	<u>(94)</u>	<u>(722)</u>	<u>(653)</u>

### 3. Recommendations

*That the Committee:*

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

Report prepared by:



Divisional Manager, Water Supply, Parks and Forests

#### Attachment 1

Parks', Marketing and Design, Water Supply, and Development and Strategy reports for the period ending 28 February 2009