



Report 06.407
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Committee Utility Services
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Water Supply, Parks and Forests

Divisional Report for period ending 31 July 2006

1. Purpose

To:

- Comment on items of interest/note.
- Receive the attached activity reports for July 2006 (Attachment 1).

2. Significance of the decision

The matters for decision in this report do not trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Divisional Performance (Water and Plantation Forestry)

3.1 Greater Wellington Water

The Health (Drinking Water) Amendment Bill, now before a Select Committee of Parliament, represents a major change in drinking water legislation. For the first time the drinking water standard will be mandatory and there are financial penalties for non compliance for various sections of the Bill. A separate report to the Committee includes the Greater Wellington draft submission to the Select Committee.

During May the average flow over the Kaitoke weir was 65m³ a second. On this basis the equivalent of the total annual water supply to the four cities passed over the weir in 10 days. While the weir flow was double the average July flow, it does help to illustrate there is not a raw water problem in the Wellington area but only a storage problem to cope with summer demand.

The capital works programme for 2005/06 was expansive with just over \$6M being invested. The two major projects, namely State Highway 2 – State Highway 58 deviation and the Karori Pumping Station were very near completion at the end of the financial year.

Steady progress is being made on the Wellington Water Management Plan and this is currently being reviewed externally. It is expected it will be submitted to the Committee for consideration in November.

It is unfortunate that Capacity has still not been able to account for the significant increase in consumption of water in Wellington City. GW staff have been working with Capacity to try and understand what the problem is.

Quality and Environmental control are key drivers for the water business. It is therefore pleasing to report that we have recently been accredited with the latest ISO 14000 Environmental Management Standard. We previously held the earlier standard.

3.2 Forestry

Harvesting crews have been shuffled through various parts of the forest to cope with the adverse ground conditions over the last 2 months. Given the conditions, a total harvested tonnage from the plantation forests of 11,625 for June and July is a very good effort. A slight appreciation of the NZ dollar over the last few months though is biting in to the export returns.

With the Reserve Forests there are some issues with the logging contractor and a search for a replacement contractor has started. Production of 1,464 tonnes in June was also a good effort, given the rather adverse weather conditions in the Wairarapa.

4. Financial for the Period Ending 30 June 2006

Last Year to Date		Year to Date Actual \$000s	Year to Date Budget \$000s	Year End Forecast \$000s	Year End Budget \$000s
	Water Supply				
26,969	Income	27,121	26,827	27,098	26,827
26,096	Expenditure	27,180	27,644	27,433	27,644
873	Operating Surplus	(59)	(817)	(335)	(817)
622	Operations	373	-	531	-
531	Strategy and Asset	236	-	(170)	-
(280)	Support Services	(651)	(876)	(696)	(876)
(2)	Engineering Consultancy	(23)	8	(25)	8
2	Laboratory Services	6	1	25	1
873	Operating Surplus (Deficit)	(59)	(817)	(335)	(817)
	Plantation Forestry				
3,893	Income	4,026	4,083	4,116	4,083
4,195	Expenditure	4,185	4,448	4,469	4,448
(302)	Operating Surplus (Deficit)	(159)	(365)	(353)	(365)

5. Recommendations

That the Committee:

- 1. Receive the report.*
- 2. Note the content of the report.*

Report prepared by:

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Attachment 1: Water Supply and Plantation Forestry Report to 31 July 2006