



TE KAUNIHERA Ā-ROHE O
ŌTOROHANGA
DISTRICT COUNCIL

Open Agenda

ŌTOROHANGA DISTRICT COUNCIL EXTRA-ORDINARY MEETING

10 June 2025

Notice is hereby given that an extra-ordinary meeting of the Ōtorohanga District Council will be held in Waikōwhitiwhiti (Council Chambers), Ōtorohanga District Council, 17 Maniapoto Street, Ōtorohanga on Tuesday, 10 June 2025 commencing at 10.00am.

Tanya Winter, Chief Executive

5 June 2025

OPEN TO THE PUBLIC AGENDA

Ōtorohanga District Council membership

Chairperson	His Worship the Mayor, Max Baxter
Deputy Chairperson/Kāwhia Tihiroa Councillor	Deputy Mayor, Annette Williams
Kāwhia Tihiroa Councillor	Kit Jeffries
Kio Kio Korakonui Councillor	Rodney Dow
Ōtorohanga Councillor	Katrina Christison
Ōtorohanga Councillor	Steve Hughes
Rangiātea Councillor	Jaimee Tamaki
Rangiātea Councillor	Roy Willison
Waipā Councillor	Roy Johnson
Wharepūhunga Councillor	Cathy Prendergast

All attendees at this meeting are advised that the meeting will be electronically recorded (audio and video) for the purpose of webcasting to the ŌDC's YouTube channel. Every care will be taken to maintain individuals' privacy however attendees are advised they may be recorded as part of the general meeting proceedings.

For use in both opening and closing meetings

A Member will provide the words of their preference or may choose to use the following:

Mā te whakapono	<i>By believing and trusting</i>
Mā te tūmanako	<i>By having faith and hope</i>
Mā te titiro	<i>By looking and searching</i>
Mā te whakarongo	<i>By listening and hearing</i>
Mā te mahi tahi	<i>By working and striving together</i>
Mā te manawanui	<i>By patience and perseverance</i>
Mā te aroha	<i>By all being done with compassion</i>
Ka taea e tātou	<i>We will succeed</i>

For use in blessing food

A Member will provide the words of their preference or may choose to use the following:

Nau mai e ngā hua o te wao	<i>I welcome the gifts of food from the forest</i>
O te ngakinga	<i>From the cultivated gardens</i>
O te wai tai	<i>From the sea</i>
O te wai māori	<i>From the fresh waters</i>
Hei oranga mō tātou	<i>For the goodness of us all</i>
Tūturu whakamaua	<i>Let this be my commitment to all!</i>
Kia tina! Tina! Hui e! Tāiki e!	<i>Drawn together and affirmed!</i>

Opening formalities	Ngā tikanga mihimihi	
Commencement of meeting	Te tīmatanga o te hui	5
Opening prayer/reflection/words of wisdom	Karakia/huitao/whakataukī	5
Apologies	Ngā hōnea	5
Late items	Ngā take tōmuri	5
Declaration of conflict of interest	Te whakapuakanga pānga taharua	5

Decision reports	Ngā pūrongo whakatau
There are no reports.	

Information only reports	Ngā pūrongo mōhiohio anake
Item 247 Preferred Model for Delivery of Water Services - Deliberations Report	7

Public excluded	Take matatapu
There are no reports.	

Closing formalities	Ngā tikanga whakakapi	
Closing prayer/reflection/words of wisdom	Karakia/huritao/whakataukī	17
Meeting closure	Katinga o te hui	17

This Open Agenda was prepared by Manager Governance, Kaia King and approved for distribution by Chief Executive, Tanya Winter on 5 June 2025.

Commencement of meeting

Te tīmatanga o te hui

The Chairperson will confirm the livestream to YouTube is active then declare the meeting open.

Opening prayer/reflection/words of wisdom

Karakia/huitao/whakataukī

The Chairperson will invite a member to provide opening words and/or prayer/karakia.

Apologies

Ngā hōnea

A Member who does not have leave of absence may tender an apology should they be absent from all or part of a meeting. The meeting may accept or decline any apologies. For clarification, the acceptance of a members' apology constitutes a grant of 'leave of absence' for that specific meeting(s).

Should an apology be received the following is recommended: *That Ōtorohanga District Council receive and accept the apology from ... for (non-attendance, late arrival, early departure).*

Late items

Ngā take tōmuri

Items not on the agenda for the meeting require a resolution under section 46A of the Local Government Official Information and Meetings Act 1987 stating the reasons why the item was not on the agenda and why it cannot be dealt with at a subsequent meeting on the basis of a full agenda item. It is important to note that late items can only be dealt with when special circumstances exist and not as a means of avoiding or frustrating the requirements in the Act relating to notice, agendas, agenda format and content.

Should a late item be raised, the following recommendation is made: *That Ōtorohanga District Council accept the late item due to to be heard*

Declaration of conflict of interest**Te whakapuakanga pānga taharua**

Members are reminded to stand aside from decision making when a conflict arises between their role as an elected member and any private or external interest they may have.

A conflict can exist where:

- The interest or relationship means you are biased; and/or
- Someone looking in from the outside could have reasonable grounds to think you might be biased.

Should any conflicts be declared, the following recommendation is made: *That Ōtorohanga District Council receive the declaration of a conflict of interest from for item ... and direct the conflict to be recorded in Ōtorohanga District Council's Conflicts of Interest Register.*

Decision reports**Ngā pūrongo whakatau**

There are no reports.

Information only reports**Ngā pūrongo mōhiohio anake**

DISCLAIMER: The reports attached to this Open Agenda set out recommendations and suggested resolutions only. Those recommendations and suggested resolutions DO NOT represent Ōtorohanga District Council policy until such time as they might be adopted by formal resolution. This Open Agenda may be subject to amendment either by the addition or withdrawal of items contained therein.

Item 247 Preferred Model for Delivery of Water Services - Deliberations Report

To Ōtorohanga District Council

From Mark Lewis, Group Manager Engineering & Assets
Nardia Gower, Group Manager Strategy & Community

Type **INFORMATION REPORT**

Date 10 June 2024



1. Purpose | Te kaupapa

- 1.1. To provide an analysis of submissions received on the preferred option for the future delivery of water services for Ōtorohanga District to assist Ōtorohanga District Council (ŌDC) with its deliberations.

2. Executive summary | Whakarāpopoto matua

- 2.1. Following a comprehensive assessment, ŌDC adopted for community consultation an aggregated council controlled organisation (CCO) model - Waikato Water Done Well (WWDW) - as its preferred model for the future delivery of the district's water services. Consultation on the preferred model was open from 9 April to 6 May 2025, and during this period a range of tried and tested engagement tactics were used to encourage the public to provide feedback.
- 2.2. A total of four (4) submissions were received by the close of the submission period and one submitter elected to be heard. An oral hearing was held on 27 May 2025, enabling the submitter to speak to their submission and for elected members to ask questions for clarification.
- 2.3. It is anticipated that ŌDC will make a final decision on its preferred water services delivery model at its meeting on 24 June 2025, having considered feedback received via submissions. The decision will then enable ŌDC to complete its water service delivery plan (WSDP) for submission to the Minister of Local Government prior to the due date of 3 September 2025.

3. Staff recommendation | Tūtohutanga a ngā kaimahi

That the Ōtorohanga District Council receive the report titled 'Preferred Model for Delivery of Water Services - Deliberations Report (document number 827430) noting:

- a) the staff recommendations/suggested responses to submitters; and,
- b) a decision on the final preferred water services delivery option for inclusion in ŌDC's Water Services Delivery Plan will be made on 24 June 2025.

4. Discussion | He kōrerorero

4.1. Between 9 April and 6 May 2025, ŌDC has used a broad range of communication and engagement tools to inform and consult the community on its preferred option for the long term delivery of district water services. Although the evidence suggests good uptake of information from the different communication tactics employed, only four submissions were received by the closing date of 6 May 2025, with one submitter requesting to be heard.

4.2. Table 1 below summarises submitter preferences in relation to the options outlined in ŌDC's Consultation Document.

TABLE ONE: SUBMITTER OPTION PREFERENCES		
OPTION	DESCRIPTION	NUMBER
Option One: Waikato Water Done Well (Preferred)	Asset-owning CCO, with other rural/ provincial councils in the region	2
Option Two: Enhanced Status Quo	Internal business unit	1
No Stated Preference		1
TOTAL		4

4.3. In addition to indicating support or otherwise to ŌDC's preferred option for water service delivery, submitters also made comments or raised questions on aspects of the proposal. Feedback from submitters is summarised in Appendix 1 (attached) noting that copies of the full submissions were circulated via the 27 May 2025 ŌDC agenda. The summary also sets out staff recommendations for responding to the points made by submitters for ŌDC's consideration – the subject of this meeting.

Next Steps

4.4. Having deliberated on the points raised by submitters, ŌDC will, at its meeting on 24 June 2025:

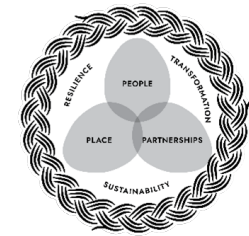
- a. Confirm its intended model for the delivery of water services for the district for inclusion in its WSDP; and,
- b. Confirm its responses to submitters to the feedback given in submissions.

4.5. All submitters will be written to responding to the points raised in their submission.

5. Appendices | Ngā āpitihanga

Number	Title
1	Summary of Submissions and Staff's Recommended Responses

**APPENDIX ONE:
SUMMARY OF SUBMISSIONS AND STAFF'S RECOMMENDED
RESPONSES**



SUBMISSION	SUB NUMBER	SUBMITTER COMMENTS - SUMMARY	RECOMMENDED RESPONSE
Acknowledgement of Council's due diligence	1	Noted the mahi and thoroughness of the analysis of the options and thanked Council for looking after the community's interest.	Acknowledge the submitter's comments and thank them for participating in this important decision.
Need for re-consultation should one or more councils decide not to join WWDW	2	Submitter asked, if one or more council back out of WWDW due to opposition from their ratepayers, will ŌDC reconsider the preferred option and reconsult ratepayers?	<p>Thank the submitter for their thoughtful question.</p> <p>Advise that ŌDC has been cautious in its deliberations about whether WWDW is the best model for the delivery of water services for the district. The key issue for us is not the number of councils agreeing to be a part of the CCO but rather ensuring ŌDC is financially no worse off under WWDW than under the ESQ model. We have made this very clear to our council colleagues and, this is reflected in the establishment strategy which forms part of the Shareholders' Agreement. The strategy expressly states that a core expectation of the CCO Board, when setting charges in its first water services strategy (which applies from 1 July 2027 to 30 June 2030), will target a price path that is lower than the status quo projected by ŌDC. This will be reiterated by ŌDC as part of the Statement of Expectations prepared by the shareholders for the CCO Board. In addition, before formal transition of our water services to the CCO occurs we will be doing an assessment and should it show that we will be worse off, then we will need to reconsider our position.</p>

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Supported a water service delivery approach that was sustainable, enabling, future focussed and collegial.	3	<p>Expressed support for a water services delivery approach that:</p> <ul style="list-style-type: none"> • Is safe, compliant, reliable, environmentally resilient, and cost efficient • Enables regional growth and development • Addresses the critical need for future-focused infrastructure • Supports WRC's work in improving the health of regional waterbodies and freshwater ecosystems • Aligns with WRC's integrated catchment management activities and regional flood protection and drainage services. 	<p>Note the submitter's comments. Advise that following a robust analysis, we concluded that our preferred option - WWDW - will deliver long term, sustainable outcomes for <u>water supply</u> and <u>wastewater</u> services for our district. Specifically, it will provide:</p> <ul style="list-style-type: none"> • Greater resilience with better borrowing capacity for unexpected events such as plant failures, civil defence and other emergencies • Opportunities for more effective service delivery • Greater financial flexibility, allowing for continued investment in water infrastructure • A stronger, collective voice on matters of regional and national interest in relation to water from a coalition of like-minded councils. <p>At this stage, ŌDC intends to continue to deliver <u>stormwater</u> and <u>flood protection</u> services in-house. In this regard, we look forward to continuing the positive relationship we have with WRC in the delivery of these services benefitting both district and regional residents.</p>

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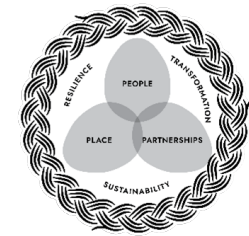
SUBMISSION	SUB NUMBER	SUBMITTER COMMENTS - SUMMARY	RECOMMENDED RESPONSE
Opposed establishment of a Council-Controlled Organisation (CCO) for water services.	4	<p>Opposed establishment of CCO (preferred option) for the following reasons:</p> <ul style="list-style-type: none"> • Risks distancing decision-making from the community - the people of Ōtorohanga, including mana whenua, deserve to have a direct voice in how water is managed • Mana whenua are kaitiaki, with a long-standing spiritual, cultural, and practical relationship with wai (water). Local governance allows for more direct and meaningful engagement with mana whenua to uphold these responsibilities. • Retaining local control of water services supports ŌDC's obligations under Te Tiriti o Waitangi to engage in genuine partnership with mana whenua. A CCO model risks prioritising operational efficiency over Tiriti-based decision making. • Borrowing at scale does not guarantee better outcomes for smaller districts. Rural and smaller communities risk carrying 	<p>Acknowledge the submitter's reasons for supporting the ESQ model in preference to the establishment of a CCO.</p> <p>Local Voice and Influence</p> <p>Advise that retaining the quintessential voice of our district and maintaining authentic relationships with our iwi and hapū partners is of paramount importance to us as a Council. These matters have been front of mind throughout our investigations of water services delivery and will continue to inform our decision making.</p> <p>Adopting WWDW as our preferred model for the delivery of water services was a tough call. However, on balance, our view was that the district would be better served, taking an inter-generational perspective, by working with like minded councils who understood and faced similar challenges to Ōtorohanga. We also concluded that the local voice would be enhanced by a model that honoured collaboration and respected the individuality of it members. Through the process to date, we have been reassured that our colleagues have similar aspirations with respect to the communities they represent. Furthermore, we are confident that the decision making framework set out in the Shareholders' Agreement ensures that the voice of smaller</p>

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		<p>disproportionate costs without receiving equitable benefit.</p> <ul style="list-style-type: none"> • A shared regional entity may impose uniform policies that are not suitable or necessary for the unique needs of our district. • ŌDC already delivers water services effectively. 	<p>councils is not eclipsed by that of larger councils. We have taken time to ensure the CCO Board's accountability framework enables ŌDC to influence the CCO decisions as needed.</p> <p>Te Tiriti o Waitangi Obligations</p> <p>ŌDC values its relationships with mana whenua and remains committed to fulfilling its obligations under Te Tiriti o Waitangi. While more work needs to be progressed, we believe that the ability of Iwi to influence decisions with respect to water services delivery will be available under WWDW. Council's participating in WWDW have made strenuous efforts to provide avenues for Iwi to be able to influence decisions relating to water (albeit within the confines of the legislation set by the government). These include:</p> <ul style="list-style-type: none"> • At a shareholder level, in the early months of the CCO, the shareholder councils will engage with relevant Iwi Chairs to prepare a proposal on how best to partner with Iwi, in relation to shareholder decision-making. The proposal will be presented to each shareholding council for approval. • At a CCO level, ensuring WWDW maintains and enhances the existing relationships councils have with local hapū and Iwi. To this end, existing relationships that relate to water will
Support for Enhanced Status Quo (ESQ)	4	<p><u>Supported</u> ESQ option for the following reasons:</p> <ul style="list-style-type: none"> • Respects and elevates mana whenua voice by providing a more effective and direct framework for partnering • Better able to uphold kaitiakitanga and tikanga through local oversight • Keeping water governance close to the people supports locally grounded, culturally responsive decision-making • Delivers on the key outcomes sought for investment in infrastructure, improved 	

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		<p>compliance, and service resilience, whilst staying connected</p> <ul style="list-style-type: none"> • Principle of te mana o te wai is honoured at a local level 	<p>be identified and included in the legally-binding Transfer Agreement between ŌDC and the CCO.</p> <ul style="list-style-type: none"> • At a Board level, ensuring the CCO board has directors with certain competencies; including a strong knowledge of settlements pertinent to particular service areas and experience of integrating Te Ao Māori and Tikanga Māori in a professional board environment. • At an operational level, when preparing its water services strategy, the Board is required to respond to the expectations set by shareholding councils. Again, as part of the Shareholders' Agreement, the WWDW councils have set out what must be provided in any Statement of Expectations. This includes – <ul style="list-style-type: none"> - How shareholding councils require the CCO to conduct its relationships with hapū, Iwi, and other Māori organisations - That it effectively partners with Iwi to build on existing obligations of councils (including giving effect to Te Ture Whaimana) - That it establishes and maintain processes to provide opportunities for hapū and Iwi to contribute to the

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			<p>decision-making. Further, the CCO is expected to consider ways in which it may foster the development of hapū and Iwi capacity to contribute to these processes.</p> <p>Affordability Equity Issues</p> <p>We note your concerns with respect to the district shouldering a disproportionate burden of the cost of the proposed CCO. Council has also needed to reassure itself that WWDW is the financially prudent option for our district. We have carefully run the ruler over the financial modelling for the CCO and while comfortable with WWDW's base forecast, we have opted to take a cautious approach by only agreeing to transfer our water services to the CCO in July 2027 on the basis that district ratepayers are no worse off under this arrangement than it would be under the ESQ option.</p> <p>Efficiency</p> <p>Thank you for your comments regarding Council's competence with respect to water management. We are grateful for the calibre of staff we have overseeing our current water services. Our analysis of WWDW suggests that the CCO will build on and strengthen existing services by enabling more effective, resilient delivery. Examples include:</p>

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			<ul style="list-style-type: none">• Better buying power and potentially the chance to rationalise items such as equipment and leases• Greater ability to attract and retain staff• Greater resilience when unexpected events occur such as plant failures, civil defence, and other emergencies• Less duplication and improved operational and asset management systems.

Closing prayer/reflection/words of wisdom

Karakia/huritao/whakataukī

The Chairperson will invite a Member to provide the closing words and/or prayer/karakia.

Meeting closure

Katinga o te hui

The Chairperson will declare the meeting closed.