

## **Executive Summary**

Waimate District Council (WDC) has commissioned Beca Valuations Ltd (Beca) to produce this Asset Management Plan (AMP) for their wastewater assets. This AMP demonstrates WDC compliance with the requirements of the Local Government Amendment Act 2002 for its wastewater assets.

### **The Assets**

WDC wastewater assets comprise:

- Sewerage reticulation pipes, manholes, outlets, pits, pumps and building;
- Sewage treatment ponds, pipes, chambers, outlets and dykes;
- Effluent disposal irrigation pipes and dykes.

### **Levels of Service**

Under the WDC LTCCP (Long Term Council Community Plan) and Draft Annual Plan 2007-2008 the Council has set minimum Levels of Service which support their core values and strategic outcomes such as providing and safeguarding the health needs of the community and provision of affordable top quality services. WDC should assign ledger codes to cover expenditure required to achieve those targets.

### **Future Demand and Growth**

Information taken from the 2001 National Census shows a decrease in the population by approximately 7% from that of the 1996 census.

In support of this, WDC's Long Term Financial Strategy assumes zero growth in population and rating base. While there are ongoing minor developments occurring each year in and around Waimate requiring extensions to the pipework, there are no significant population or industry growth pressures foreseen.

The wastewater system is currently operating well below design capacity and the level of wastewater assets within the District is considered adequate.

### **Lifecycle Management Planning**

Council has good knowledge of its wastewater assets through a detailed asset register that captures comprehensive asset information. This information must be kept up to date to remain useful.

Beca analysis indicates that the assets are generally in good condition although a majority of the earthenware pipes can be classed as being in average to below average condition.

From the long term financial profile (refer financial summary) a substantial allowance is needed in year 2021-22 for renewals due to the required renewals of many elements of the wastewater system.

## **Financial Summary**

Analysis has been undertaken on current expenditure with the inclusion of a 20 year expenditure plan based on operational, maintenance, renewals and development costs. Peaks in expenditure over \$500,000 p.a. occur in 2007-2008 (\$294,000 for operational and maintenance expenditure, \$289,000 for capital expenditure including renewal expenditure).

In 2021-22 there is an extraordinary renewals cost of approximately \$1.01 million forecast that will require significant planning to distribute the costs over several years.

Current Depreciated Replacement Cost is \$12,014,000 and annual financial depreciation is estimated to be \$126,800.

## **Asset Management Practices**

WDC does have an asset system. However it is recommended that WDC implement a system to record information gained from customer complaints and from the weekly asset inspections by WDC Utilities Services Unit. This would enable service profiles to be established across the network and allow better analysis of wastewater problem areas.

## **Plan Improvement**

A detailed plan of improvement tasks and target dates is included in Section 8.1 along with a graphical representation of a gap analysis that is contained in Appendix D.