

9. WATER SUPPLY ASSET MANAGEMENT PLAN 2005

General Manager responsible:	General Manager City Environment Group, DDI 941 8656
Officer responsible:	City Water and Waste Manager
Author:	Paula Southen, Reticulation Asset Management Planner

PURPOSE OF REPORT

1. The purpose of this report is to gain approval for the revised 2005 Water Supply Asset Management Plan (AMP).

EXECUTIVE SUMMARY

2. The 2002 Water Supply Asset Management Plan has been reviewed and updated. A summary of the Asset Management Plan has been produced to allow the Council to consider and adopt the 2005 plan (attached).

FINANCIAL AND LEGAL CONSIDERATIONS

3. The AMP includes a 20 year financial forecast. The first 10 years align with the expenditure contained in the 2006/16 LTCCP. It is intended that the plan provide the basis for expenditure levels in future LTCCP's.
4. Asset Management Plans are a key input to the Long-Term Council Community Plan (LTCCP). Schedule 10 of the Local Government Act 2002 identifies the requirements for asset management and the Asset Management Plan provides the detail from which the Group of Activities information in the LTCCP is drawn.

STAFF RECOMMENDATIONS

It is recommended that the Council adopt the Water Supply Asset Management Plan 2005 as précised in the Summary Water Supply Asset Management Plan 2005.

BACKGROUND ON THE WATER SUPPLY ASSET MANAGEMENT PLAN

5. The objective of asset management is to provide the desired level of service in the most cost effective manner for present and future customers. The Asset Management Plan documents the Council's Asset Management Practices as they relate to water supply. The Asset Management Plan includes:
 - A description of the assets, their condition, capacity and performance.
 - A definition of the current levels of service aligned to the information in the 2006/16 LTCCP.
 - An assessment of the effects of current demand and future growth.
 - A risk management plan.
 - Lifecycle management plan, including operations and maintenance, renewals and new assets.
 - Long term (20 year) financial forecasts.
 - A plan for the improvement of the asset management plan and asset management practices.
6. Preparation for the Asset Management Plan for Water Supply began in 1995 and the plan was first adopted by Council in 1998. The plan was fully reviewed and adopted by the Council again in May 2002.
7. The plan was reviewed in 2005. This review updated the asset data and forecasts but did not change any of the underlying philosophy or methods from the 2002 revision.
8. The Asset Management Plan has now reached a stage where formal approval is sought. A summary plan has been produced to provide an overview of the Asset Management Plan and to allow the Council to consider and adopt the 2005 plan.
9. The Summary Plan was presented and discussed at the Liveable City Portfolio Group Meeting on 1 December 2005. Some additions and alterations have been made to the summary as a result.
10. Although the Asset Management Plan contains some strategic elements it is primarily a management plan. The need to produce a separate Strategic Plan for Water Supply has been identified. The strategy will be influenced by rules adopted by ECan in their Natural Resources Regional Plan (NRRP) and will build on the strategies identified in the Asset Management Plan. Work on the strategy has now commenced and it is planned to bring this before the Council in 2007.