



Report 07.332
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Committee Utility Services
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Wholesale Water Capital Works Programme 2006/07 - Transfer of Funding from 2006/07 to 2007/08

1. Purpose

The purpose of this report is to present details of funds not spent in 2006/07 that are required in 2007/08 in order to complete the projects to which the funding is assigned.

2. Significance of the decision

The matters 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. Summary of transfer of funding for Capital Works

Report 07.25 reviewed expenditure on the Wholesale Water Capital Works Programme at 31 December 2006. This report indicated in section 4.4 that funding of \$500,000 would probably need to be transferred to 2007/08 to fund delayed projects. The transfer of funding required for the seven projects involved has now been reduced to \$437,000.

4. Details of projects that have experienced delays

4.1 Power factor correction at Waterloo

The specialist electrical engineering resources required to undertake this project have been fully committed on higher priority and urgent work. A start early in the new financial year has been programmed.

Budget 2006/07	\$60,000
Forecast expenditure 2006/07	nil
Proposed funding transfer	\$60,000

4.2 Upgrading the lime system at Waterloo

Technical issues around how best to deploy dosing points and manage water flows have delayed work on this project. These issues have now been resolved and completion over the next few months is expected.

Budget 2006/07	\$100,000
Forecast expenditure 2006/07	\$35,000
Proposed funding transfer	\$65,000
Funding already allocated in 2007/08	\$75,000
Total funding 2007/08	\$140,000

4.3 Construction of centrate sewer at Wainuiomata WTP

Expressions of interest for this work have been received from contractors. Tenders will be called in early June and it is expected that a contract will be awarded very early in July.

Budget 2006/07	\$120,000
Forecast expenditure 2006/07	\$20,000
Proposed funding transfer	\$100,000

4.4 Filter to waste facilities at the Wainuiomata WTP

Work has begun on this project, and substantial completion of the physical works is expected by 30 June. However software programming and commissioning will be carried out next financial year. The total estimate of cost for the project has been reduced by \$40,000.

Budget 2006/07	\$200,000
Forecast expenditure 2006/07	\$110,000
Proposed funding transfer	\$50,000

4.5 Main replacement at Moera

This work is assigned to GRWC forces. However other, higher priority work has taken longer than anticipated, delaying a start on this project.

Budget 2006/07	\$50,000
Forecast expenditure 2006/07	nil
Proposed funding transfer	\$50,000

4.6 Minor capacity upgrading of the distribution network

This work is of medium priority as it is required to ensure that a larger population can be adequately serviced during a severe drought. It was assigned to GRWC forces, however other higher priority work has taken longer than anticipated, delaying a start on this project. Initial investigation has identified that less work is required than was originally expected, resulting in \$200,000 reduction in the project budget.

Budget 2006/07	\$300,000
Forecast expenditure 2006/07	nil
Proposed funding transfer	\$100,000

4.7 Design of emergency pumping station at Whitehead Road

Technical difficulties experienced in commissioning new pumps at Karori have delayed the transfer of staff onto this project. Design work is now underway and completion of the pumping station before June 2008 is planned.

Budget 2006/07	\$20,000
Forecast expenditure 2006/07	\$8,000
Proposed funding transfer	\$12,000
Funding already allocated in 2007/08	\$200,000
Total funding 2007/08	\$212,000

5. Recommendations

That the Committee:

1. *receives the report and notes its contents.*
2. *recommends to the Policy, Finance and Strategy Committee that \$437,000 be transferred from the 2006/07 Wholesale Water Capital Works Programme to the 2007/08 capital works programme to fund the completion of projects for which the funding was assigned.*

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