

Te Wai o Waitoa | Waitoa Water

Te Tūtohu Whakahounga | Change Proposal



Kupu Whakataki | Introduction

The way water is supplied to Waitoa needs to change. For many years, Fonterra Cooperative Group has provided water to around 130 homes in Waitoa.

Fonterra notified Council that it no longer intends to provide water to the Waitoa community, meaning the current arrangement cannot continue.

Council has identified and assessed a range of practicable options for ensuring Waitoa continues to have access to safe drinking water. The two main options considered were:

- Self-supply for individual Waitoa properties
- Connection to the existing Council water supply.

Council is proposing that Waitoa is connected to the existing Council water supply – in-line with the Waitoa Community Panel recommendation.

You can find more information on the options and reasoning for the preferred option in this document.

Why are we consulting the wider district?

Council is proposing to increase the targeted water rate (paid by all property owners connected to Council supply) in the Matamata-Piako District to help fund a new water connection for the Waitoa community.

This consultation is about whether you support the proposed approach, knowing it would mean ensuring the Waitoa village has a long term secure and healthy water supply.

Waitoa community

Waitoa is a small rural settlement in the Matamata-Piako District, located on State Highway 26 approximately 10 kilometres south-west of Te Aroha. It has an estimated population of 300 residents and approximately 120–130 residential properties.

The settlement includes a defined residential area, with nearby industrial activity and surrounding rural land uses typical of small communities in the district. Many residents travel to nearby towns such as Te Aroha or Morrinsville for everyday activities.

Waitoa has a history of manufacturing and food-processing activity, including the Fonterra dairy factory and poultry processing operations in the wider area.

Te Rautaki o nāianeī | The current approach

Fonterra has supplied the Waitoa village with high-quality drinking water for several years. Fonterra has notified Council they no longer wish to provide water to the Waitoa community, therefore **maintaining the current approach is not an option.**

Te Tūtohu Whakahounga - Rāpopotanga | The change proposal - summary

Council is proposing that **the Waitoa Community is connected to the Te Aroha Council water supply** – in-line with the recommendation of the Waitoa Community Panel.

Connecting the Waitoa village to the Council water supply means Waitoa would have a reticulated water network, just as our main towns Matamata, Morrinsville and Te Aroha do.

What does this mean for Matamata-Piako ratepayers?

It is not affordable for the 130 residential properties in Waitoa to pay for the full project. The Waitoa Community Panel and Council have agreed in principle that Waitoa property owners would be liable for 15% of the total cost of the project.

Council has also agreed in principle that property owners who pay targeted water rates in the wider Matamata-Piako District would fund 85% of this project.

Sharing costs between small communities and the wider district to maintain affordability for long-term projects is not new and is consistent with past decisions. See examples on page 97 of the 25 September 2024 Council meeting agenda [here](#).

Council is proposing to increase the targeted water rate for all property owners in the district who pay targeted rates.

The estimated costs are below.

Estimated cost: Council supply

The **overall** cost of the project is estimated to be \$8.2 million (based on 2025/26 figures).

Council cost:

Council proposed to fund 85% of the project.

Capital projects like this are typically funded through loans, and the costs to service that loan (payments and interest) are added to rates. Water is charged as a targeted rate to all ratepayers with a water supply across the district.

Waitoa property owner cost:

Council proposed that the Waitoa community would need to contribute 15% of that cost by paying either:

- \$2,091 to \$4,207 per year, or;¹
- A lump sum

District-wide property owners (who pay targeted rates):

An estimated additional \$34 to \$36 per year on top of the targeted water rate.²

From 1 October 2026, Matamata-Piako Council water and wastewater services will be delivered by Waikato Waters Ltd and responsible for setting and charging water and wastewater rates. The proposed increase to targeted water rates for resident in the district is an estimate based on MPDC financial information and is subject to Waikato Water Ltd decisions.

¹ High-level cost assumption depending on repayment period. The following assumptions were applied to calculations: instalments are paid over 3, 5, or 7 years. The works are done over the 2027 FY and operational by 2028. \$8.2m project includes no allowances for any associated land purchases. Expenses not adjusted for inflation. Assume 5% interest rate. Assume assets have useful life of 80 years. Assume 130 Waitoa properties. Figures include GST.

² Estimated additional cost may vary depending on repayment period of 3, 5, or 7 years.

Horopaki | Background

Fonterra formally notified Council it no longer wishes to continue its role of providing water to the Waitoa village, which was magnified by new water regulations introduced in 2021 by central government.

Finding an alternative option for water supply to the Waitoa village is a complex issue that is not just about pipes and water, but also about providing reliable water to the Waitoa community for the long term.

A Waitoa Community Panel reviewed several technical reports, listened to experts (including independent specialists), and investigated the costs and practicalities of two main options: each Waitoa property having self-supplied water (e.g. water tanks) or connecting to the Council water supply.

The Waitoa Community panel also made sub-recommendations that can be found at mpdc.nz/waitoacommunitypanel

Following four workshops over seven weeks, the Panel provided its recommendations to Council at the [17 December 2025 meeting](#). The main recommendation is:

Waitoa is connected to the Council water supply on the understanding that the Waitoa ratepayers are liable for 15% of the total project cost.

Council agreed in principle to all the Panel's recommendations and will make a final decision following district-wide consultation.

From 1 October 2026, Matamata-Piako District Council will no longer provide water and wastewater services, and will transfer these services to a new water entity – Waikato Waters Ltd.

This means that Matamata-Piako District Council is not be responsible for planning, delivering, or financing this project. All the financial information in this proposal is an estimate and does not reflect the actual project cost or proposed targeted rates increase. The final costs will be subject to Waikato Waters Ltd decision-making.

Council intends to make a final decision prior to the transfer of water assets and use its position as a shareholder to advocate for the prioritisation of this project to prevent cost increases and for the wellbeing of Matamata-Piako residents as appropriate.

Reasons for the change proposal

Fonterra have notified Council they wish to withdraw from its role in supplying water to Waitoa, meaning doing nothing is not an option. Council established a Waitoa Community Panel in late 2025 to investigate all practicable options.³

Council is proposing to connect approximately 130 residential properties in the Waitoa village to the Te Aroha water supply following thorough analysis of all practicable options and the recommendation from the Waitoa Community Panel.

Council compared the option for self-supply to connecting Waitoa to the Council supply and following expert advice and the recommendations of the Waitoa Community Panel, agreed to propose that the Waitoa village be connected to the Council water supply. See [Appendix 1](#) for the comparison of options.

Other considerations

Fonterra has offered to contribute \$500,000 towards the 15% contribution from Waitoa property owners. This has not been included in the estimated costs as above and would result in reduced costs to Waitoa ratepayers. This contribution would not impact the estimated district-wide targeted water rates.

Council has agreed in principle to investigate options to use the proceeds from Waitoa Community Hall sale in 2021 to help fund this project.⁴ This would be subject to further discussion with the contributors to the hall and has not been included in the projected cost to ratepayers.

³ See the [background](#) information document provided to the panel with information on the options considered.

⁴ [Minutes of ordinary meeting of Matamata-Piako District Council - Wednesday, 17 December 2025](#) page

Implications of the change proposal

Implications for:	Matamata-Piako District Council	Matamata-Piako residents	Waitoa residents	Waikato Waters Ltd	Waikato Waters communities in the collective area
Rates and debt	No impact on rates and debt.	Increase targeted water rates for property owners district-wide that pay targeted water rates.	Increase targeted water rates for all Waitoa property owners.	Will take on debt for this project and set water rates for the district – the rates include funding this project.	Funding for Matamata-Piako district water projects is ring-fenced until 1 July 2027 at the latest. This proposal is not expected to impact the collective Waikato Waters area or rates. However, this is subject to Waikato Waters Ltd decisions.
Charges to water services	No impact – MPDC will no longer supply water or wastewater services from 1 October 2026.	Will increase targeted water rates. Estimates show an additional \$34 to \$36 per year for 3 to 7 years.	All Waitoa residents will be charged for water services, with instalments in the short-term. Waitoa property owners connected to Council water supply will be charged ongoing targeted water rates in the long term.	This project is expected to be incorporated in charges to water services in the future. It is not certain when this project will be included in water services charges.	This change proposal is not expected to impact water service charges to communities in the wider Waikato Waters area and is expected to only impact Matamata-Piako district ratepayers. However, this is subject to Waikato Water Ltd decisions.

Implications for:	Matamata-Piako District Council	Matamata-Piako residents	Waitoa residents	Waikato Waters Ltd	Waikato Waters communities in the collective area
Levels of service	May impact growth, which impacts levels of service and rates in the long term. Waitoa connection to the Council supply could impact property values in the long term and support growth. Growth impacts levels of service for other Council activities and services.	Will impact levels of service for water.	Will impact levels of service for water. Waitoa residents will receive water services from Waikato Waters Ltd and ongoing maintenance of the service.	Will impact levels of service for water as Waikato Waters Ltd will need to plan and deliver water connection to the Waitoa village and include the ongoing provision of water to Waitoa in its levels of service planning in the long term.	
Decision-making	Whilst decisions of past Councils do not bind Council, the community could expect consistency from Council. A decision to establish a Council water supply in Waitoa might create a similar expectation in other parts of the district.			Responsible for setting rates and water services and delivery for Matamata-Piako District from 1 October 2026.	
The environment					The connection of the Waitoa village to the Te Aroha Council water supply means water allocation would also need to service Waitoa. The Piako catchment was above

Implications for:	Matamata-Piako District Council	Matamata-Piako residents	Waitoa residents	Waikato Waters Ltd	Waikato Waters communities in the collective area
					<p>its secondary water allocation limit in January and June 2023 according to WRC. Water allocation is solely a regional council activity, but allocation is particularly critical during low flow or drought conditions.</p>

Other options considered:

Self-supply

Self-supply means each Waitoa property would have its own water system. Generally, this means each Waitoa property would have a water tank and each property owner would collect, store, treat, and maintain their own water supply. The most common way to do this is rainwater tanks, but bores may also be a viable option.

Waitoa property owners would need to consider the tank placement, roof shape and layout, and ensure tanks are kept away from any septic tanks. The installation of a rainwater tank has Council requirements including building consents and setback rules.⁵

The Waitoa property owners would be responsible for all maintenance and there is no legal requirement for treatment on domestic self-supply, but there are best practice guidelines. Waitoa property owners would need a plumber to install/connect a tank and assess the best options for each site and pipework.

Estimated cost: self-supply⁶

Council cost:	Waitoa community cost:	District-wide cost to Targeted
This option would not be funded by Council or Waikato Waters Ltd.	Approximately \$25,000–\$35,000 per property to install a rainwater system (including a tank, pump, filtration, and installation). ⁷ Homeowners would need to budget up to \$1,000 per year for maintenance	This would not impact rates for the wider community.

⁵ More information on the rules and consents required are available.

[Waitoa Water Background Information.pdf](#) on page 21.

⁶ See Appendix 2 in [Waitoa Water Background Information.pdf](#) for more information

⁷ These numbers are based on retail prices and do not include any bulk discounts, mates rates or any other discounts that may be applied.

Reasons to not choose this option

Self-supply for the Waitoa community is not preferred by Council and was not recommended by the Waitoa Community panel as the set-up cost for individual property owners and ongoing maintenance cost is high. It was also not recommended as there is no guaranteed consistent water supply to properties.

[Appendix 1](#) compares the two options. Connecting to a Council supply provides assurance that water is meeting national regulations, the supply is reliable and is less reliant to rainfall.

Other options considered:

WSP undertook a high-level engineering investigation in 2023 to assess options for a Council supply to the Village.

Connection to Council water supply

- Connection to the Te Aroha supply via State Highway 26
- Connection to the Te Aroha supply via Waihekeau and Ngarua Roads
- Connection to the Te Aroha supply via Waihekeau and Seddon Roads
- A supply from the Waitoa River, treatment plant, and reservoir

Staff reached several conclusions from this options report:

- Connection to the Te Aroha Water supply is a better option taking into consideration the whole of life costs. This is because there will be no additional treatment costs.
- The Waitoa Village property owners are unlikely to be able to afford to fund any of the options without some external contribution(s).
- Council should consider costs and potential longer term benefits when selecting the best option for a supply. For example, a connection via State Highway 26 could possibly provide a future option for the Waihou community. This might also allow for costs to be shared over more properties. The Waihou Community has not raised any water supply issues with Council in recent times.

For more information on all the options considered, you can go [here](#).

Appendix 1: How the options compare

Aspect	Council Supply (proposed)	Self-Supply (not proposed)
Capital	<p>Between approximately \$2,000 and \$4,000 per Waitoa property owner per year for 3 to 7 years.</p> <p>Additional \$34 to \$36 on top of targeted water rates district-wide for 3 to 7 years.</p>	<p>\$25,000 to \$35,000 per Waitoa property.</p> <p>No cost impact to district wide targeted water rates.</p>
Ongoing cost	Ongoing water rates (as set by Waikato Waters Ltd) for Waitoa residents and wider district.	<p>Up to \$1,000 per year for Waitoa property owners.</p> <p>No ongoing cost for wider district.</p>
Water reliability	Generally high - can be subject to restrictions.	Dependant on rainfall, storage and maintenance.
Safe water	Subject to water standards and regulated.	<p>Owner responsibility to maintain best practice.</p> <p>Building consent for new tanks/plumbing required.</p>
Maintenance	Waikato Water Ltd responsibility.	Waitoa property owner responsibility.
Emergency	<p>Hydrants available in a fire.</p> <p>Water infrastructure is designed, engineered and upgraded to be resilient and available during emergencies.</p>	<p>Owner can add an extra tank.</p> <p>No regulations – guidelines only.</p>
Timeframe	1-2 years (consultation, design and build)	Immediate (dependant on contractor availability)

Ngā Whakaarotanga ā-Ture | Legal Considerations

Local Government Act 2002

Local Government (Water Services) Act 2025

Ētahi atu mōhiohio | More information

For more information on the Waitoa Water project, consultation, and Council decisions to date, you can go to [Let's Talk](#).


Feedback Process


Whether you agree, oppose or you have suggestions on things we could change for this proposal, we want to hear from you.

Please be aware that feedback made to Council is public information. Your feedback will be used and reproduced for purposes such as reports to Councillors, which are made available to the public and media.


For more information about this proposal, and to see what else we are consulting on, go to [Let's Talk](#).

How to give your feedback

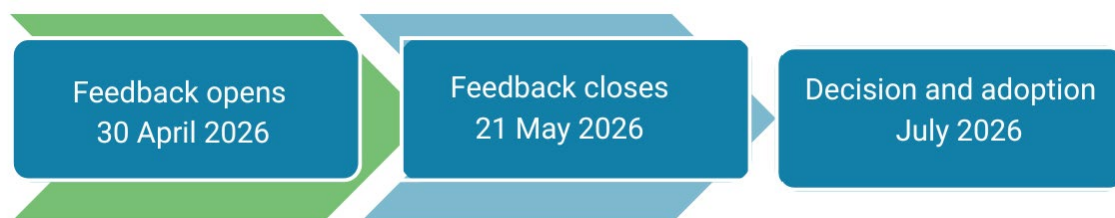
 Online: Go to [Let's Talk](#) to fill out the online form.

 Mail to: 'Waitoa Water feedback', PO Box 266, Te Aroha 3342

 Email: submissions@mpdc.govt.nz

 In person: You can drop your feedback form into any of our libraries or Council offices.

Ngā rā Matua | Key Dates



Puka whakahoki kōrero | Feedback form – Waitoa Water

Name/Organisation: _____

For individuals please simply write name/names, for organisations please write the full organisation name

Email: _____ **Phone:** _____

Address: _____

Town: Matamata Morrinsville Te Aroha Waitoa Other: _____

Age: Under 18 18–24 25–34 35–44 45–64 65–74 75+

Submission and Feedback Session:

We will be holding a session for people to ask questions and make a formal submission in person. Staff will be there to support you to complete a submission online or using a hard-copy form. Keep an eye on our website and Facebook page for the date, time, and location.

Still have questions?

If you have questions about this Change Proposal or need clarification before making a submission, please email us at info@mpdc.govt.nz and we'll be happy to help.

Please note: questions sent by email are not treated as submissions



Your feedback

1. Do you have feedback on the Change Proposal?

Please provide your comments below

Please provide your feedback by 21 May 2026

Privacy statement: Please be aware that feedback made to Council is public information. Feedback will be used and reproduced for purposes such as reports to Elected Members, which are made available to the public. Submitters will be able to access a summary of feedback and deliberations to understand how feedback has been considered and how decisions were reached.

Note that individual feedback will be made publicly available in full (including your name and any organisation you represent), unless you request confidentiality and this may be able to be accommodated under the Local Government Official Information and Meetings Act 1987.

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www.mpd.govt.nz/contact-us/privacy-policy