

REPUBLIC OF KENYA

NYANDARUA COUNTY ASSEMBLY

1ST ASSEMBLY- 5TH SESSION

OFFICIAL REPORT

Tuesday 30th May, 2017

The Assembly met at the Assembly Chamber at 2:30 p.m.

[The Speaker (Hon. Ndegwa Wahome) in the Chair]

PRAYER

QUORUM CALL AT THE COMMENCEMENT OF THE SITTING

(The clerk-at-the-table confirms there is no quorum)

Speaker: Very well, quorum having not been recognized, I now invoke the provisions of Standing Order 34 and direct that the quorum bell be rung for an initial ten minutes or until such a time within the ten minutes that the quorum will have been achieved

*(The quorum bell is rung for six minutes and the quorum is achieved
as confirmed by the clerk-at-the-table)*

Hon. Members, quorum having been recognized, we will proceed with the business for the sittings

First order.

COMMUNICATION FROM THE CHAIR

PROGRESS REPORT ON THE CONSIDERATION OF AMENDMENTS FOR NYANDARUA COUNTY ALCOHOLIC DRINKS CONTROL ACT NO. 1, 2014

Speaker: Hon. Members, I had promised that I would make a communication on the issue of the Alcoholic Drinks Control Act No. 1, 2014 in relation to a petition that had been filed in the Assembly and further to a case that has been filed at the High Court in Nyahururu. The communication goes as follows;

Hon. I have a communication to make in following terms:

On Tuesday the 23rd day of March 2017, the Committee on Education, Labour, Culture and Social Services laid before the House, a progress report on the consideration of amendments for Nyandarua County Alcoholic Drinks Control Act No. 1, 2014. In the report, the Committee asked for the guidance of the chair on how to proceed with a matter under consideration subject to *sub judice* rule as announced under Article 87 of the Standing Orders.

This report was informed by the fact that on 22nd day of March 2017, the County Assembly was served with a court order prohibiting the County Government against charging for single business permits and alcoholic drinks control licenses in judicial review case No. 12 of 2017 at the High Court of Kenya filed in Nyahururu. The County Assembly has been enlisted as an interested party in the matter.

Hon. Members, a glimpse at Article 87 of the Standing orders provides that:

- (1) Subject to paragraph (5), no Member shall refer to any particular matter which is *sub judice* or which, by the operation of any written law, is secret.
- (2) A matter shall be considered to be *sub judice* when it refers to active criminal or civil proceedings and the discussion of such matter is likely to prejudice its fair determination.
- (3) In determining whether a criminal or civil proceeding is active, the following shall apply-
 - (a) Criminal proceedings shall be deemed to be active when a charge has been made or a summons to appear has been issued;
 - (b) Criminal proceedings shall be deemed to have ceased to be active when they are concluded by verdict and sentence or discontinuance;
 - (c) Civil proceedings shall be deemed to be active when arrangements for hearing, such as setting down a case for trial, have been made, until the proceedings are ended by judgment or discontinuance;
 - (d) appellate proceedings whether criminal or civil shall be deemed to be active from the time when they are commenced by application for leave to appeal or by notice of appeal until the proceedings are ended by judgment or discontinuance.
- (4) A Member alleging that a matter is *sub judices* shall provide evidence to show that paragraphs (2) and (3) are applicable.
- (5) Notwithstanding this Standing Order, the Speaker may allow reference to any matter before the Assembly or a Committee.

The impugned law addressed in the report of the committee arose out of a petition presented by Nyandarua County Recreational and Entertainment Self-help Group. The petitioners in their prayers sought for the review of the Act to address various matters of concern to them. Key among them was prayer No. 8 that,

The Act introduced several licenses namely:

- i. Trade license
- ii. Liquor license
- iii. Health license

Prayer No. 9 was that the several licenses in relation to one trade license are bureaucratic and cumbersome which hampers alcoholic drinks business in Nyandarua County.

Prayer No. 10 was that the alcoholic drinks business community in Nyandarua County feels that there is need for harmonization of all licenses in relation to alcoholic drinks business.

Hon. Members, you will appreciate that the Assembly has had very lengthy discourse in matters of alcoholic drinks regulations and control. Through the Committees of Education, Labour, Culture and Social Services, Delegated County Legislation and the Assembly in general and committee in particular, have held many consultative meetings and engagement of various stakeholders to find a solution of the issue that has arisen. The petitioners have attended various meetings with committee to find an amicable solution and answers to their prayers in the petition. However, it is important to take cognizance that the said petitioners have also approached the High Court in the suit aforementioned on the same matters and issues which were to be addressed in the petition.

Article 196 of the Standing Orders provides for mandatory requirements for consideration of a petition in the County Assembly. Among them is Article 196(g) which,

(g) Indicate whether the issues in respect of which the petition is made are pending before any court of law or other constitutional or legal body.

In the petition, the petitioners aver in paragraph 17 of their supporting affidavit of their petition that the issue raised herein in this petition are not pending before any court of law, tribunal or quasi-judicial body for that matter. However, during the pendency for consideration of the petition by the Assembly, the petitioners did move to the High Court, sued the County Government, and enlisted the County Assembly as an interested party in the matter. The petitioners have breached a cardinal rule in consideration of the petitions by the Assembly as some of the prayers before the Assembly are substantially before the High Court and inter-parties hearing date for the application is set for 20th day of June 2017. Therefore, the application in the High Court is active and with a date to boot.

Hon. Members, arising from the foregoing, I find as follows;

- i. That the petitioners in this petitions are the same parties as applicants in the judicial review case No. 12 at the High Court in Nyahururu
- ii. That some of the prayers by the petitioners before the committee are substantially the same matters raised in the judicial review case mentioned above.
- iii. That the provisions of the Article 87 of the Standing Orders are duly applicable in the matter and the matters under consideration arising out of the petition are therefore *sub judice*.
- iv. That the petitioners have breached the basic rule of equity being that he who comes to equity must come with clean hands. The petitioners being the same parties before the Assembly and in the High Court must bear the opportunity cost and only have one recourse at a time and at the present, the High Court takes precedence.

Hon. Members, the following is my considered ruling and I will now give directions as follows;

- i. That the Committee does shelve the petition till the matters raised in the High Court as aforesaid are conclusively heard and determined.
- ii. That the Committee is not stopped from further considering any amendment to the Nyandarua County Alcoholic Drinks Control Act as the *sub judice* rule cannot restrict on the legislative authority of the Assembly. These amendments can be

initiated by the committee or a member, through an amendment bill *suomoto*, that is, the committee's or person's own motion.

Hon. Members, I urge the committee and the House to stand guided. Actually, the order from the High Court is that the government has been stopped from levying the three licenses - for single business, liquor, and health. However, we have not been stopped from doing our legislative work and the Committee on Education is encouraged to bring an amendment bill to the Nyandarua County Alcoholic Control Act No. 1, 2014, with speed for purposes of amendment since we had already received sufficient raw materials from all the stakeholders.

Next order.

PAPER(S) LAID

REPORT ON THE STATUS OF NDARAGWA AND CAPTAIN ECO-TOILETS

Yes, Chairperson of the Committee on Health Services and Member for Githabai, Hon. Peter Njoroge Kairu.

Hon. Peter Kairu: Thank you Mr Speaker, I beg to lay on the table, the Report of the Joint Committee of the Committee on Health Services and the Committee on Roads, Public Works and Transport on the Status of Ndaragwa and Captain Eco-toilets.

Speaker: The paper is duly laid and is now a property of this House, and, the House Business Committee shall advice on how the same shall be processed.

Next order.

NOTICE OF MOTION

ADOPTION OF REPORT ON THE STATUS OF NDARAGWA AND CAPTAIN ECO-TOILETS

Yes, Chairperson of the Committee on Health Services and Member for Githabai, Hon. Peter Njoroge Kairu.

Hon. Peter Kairu: Thank you Mr Speaker. I beg to the notice of the following motion:

That this House adopts the Report of the Joint Committee of the Committee on Health Services and the Committee on Roads, Public Works and Transport on the Status of Ndaragwa and Captain Eco-toilets as a report of this House and the recommendations therein as the resolutions of this House.

Speaker: Very well, the notice is duly given and the House Business Committee shall give further directions on the matter.

Next order.

MOTION(S)

ADOPTION OF THE REPORT ON THE AUDITED REPORT OF NYANDARUA WATER AND SANITATION COMPANY

Yes the Member for Githioro and the Chairperson Committee on Public Account and Investments, Hon. Silvester Kagiri Mwangi.

Hon. Silvester Kagiri: Thank you Mr Speaker. I beg to move the following motion:

That this House does adopt the Report of the Public Accounts and Investment Committee on the Audited Report of Nyandarua Water and Sanitation Company limited for the year ending 30th June 2015 as a report of this House and the recommendations therein as the resolutions of this House.

Mr Speaker, this is a report of its kind and as we said earlier, these are the first reports on the side of investment. We have been dealing with the audited reports for the accounts but this one together with the one on OLWASCO that we tabled last week is special. This is one of the companies that we have as investments. Before I go to the queries that had been raised by the Auditor General, we noted that regardless of the name, the company covered very small parts of Nyandarua, that is, Ndaragwa and the rest of the county is not covered. Therefore, it is a company where its jurisdiction is only in Ndaragwa.

The Auditor General raised various issues. We noted the company operates within Nyahururu town yet it is in Laikipia County. I am saying that we might have to make a recommendation in future for the company to relocate to Nyandarua so that it can cover the entire county. I am of the opinion that the company should relocate to Ol'kalou since it is the headquarters of this county.

Mr Speaker, I would like to take the members through the queries raised by the Auditor general. I will go straight to page 5 whereby issue of sustainability of the services offered by the company was raised. You will note that the company recorded a loss of Kshs.3,571,963 which is an increase of the loss from Kshs.1,392,648 which was recorded in the financial year 2013/2014. This implied that the accumulation loss increased from Kshs.8,337,274 to 11,909,237 as at 30th June 2013.

Mr Speaker, the Auditor General pointed out that these are accumulated losses meaning that the company does not have any profits and has been incurring losses year in year out. Further, the current liability balances which stood at Kshs.10,737,027 exceed the total current asset balance of Kshs.3,390,713 resulting to a negative working capital of Kshs.6,846,314 as at 30th June 2015 which is an indication that the company may be experiencing difficulties in settling its obligations as and when they fall due. The company's financial position is precarious and its continued existence is a growing concern because it is dependent upon continued support from the government and creditors.

Those were the issues that were raised by the Auditor General Mr Speaker. From the little literature of the report, you can see that the company is at its deathbed. The liabilities are more than the assets. Therefore, even if the creditors decided to auction or sue it, the assets are not in a position to offset the liabilities.

Mr Speaker, we went ahead and invited the management team and they honoured the invitations. They came and gave their explanations. We tried as much to show the management that it is not business as usual. They have to comply with the new dispensation because there before, they used to fall under the defunct country councils and such documents as this never came to them. We tried to advise that they try to their level best to change this trend and keep their house in order.

After the submissions, the committee made various observations based on the fact that the company has accumulated huge losses which will be very hard to offset should it continue with its loss-making trend.

The company has extremely high overhead cost which by far supersedes its revenue. The growth of the company will be at risk if it does not receive financial support from the government or creditors.

The management's submission fell short of articulating its plans to ensure that the company makes significant profits. Changing the board of directors may not suffice. We noted that the board of directors was changed and you can see from the report, the list of current directors and I noted that some of these people are officers of this county. They include the Chief Officer of the Department of Water, Environment, Energy and Natural Resources and so we are hoping that the management will improve on their foresight.

The recommendations of the committee were that the company ought to put in place viable measures to cut on the overhead costs and increase its revenue. Besides, the County Government, through the Department of Water, Irrigation, Environment, Energy and Natural Resources should consider injecting a loan into the company to ensure it remains afloat. The same department should also ensure that forensic audit is conducted to establish the reasons why the company is making such huge losses and anyone found culpable should be dealt with in accordance with the law.

Mr Speaker, this has become a trend and since there is no oversight body, the company will continue making such losses if the trend does not change. This in turn implies that the people of Nyandarua will not receive these services.

The second query from the Auditor General is about an Unaccounted for Water (UFW). I wish to take the House back to the previous report of OLWASCO. This issue is raising many concerns. There is the balance or percentage that has been set as indicated by the Auditor General. It has been set at 25 percent by the law. It is unallowable if this rises above 25 percent unless there are other issues that are going on. However, 25 percent is allowable because it was set factor in the unforeseen factors. For instance, if a road is being done and the grader cuts the pipes. Therefore, before the pipes are repaired, a lot of water might be lost.

On page 12, if you translate the cubic metres of water lost into cost, you will note that 24.8 percent was lost. If you calculate with the rates they charge, it will add up Kshs.5,836,662. In essence, we are saying that if the company can seal all the loopholes that are apparent, a lot can be saved.

After scrutinizing what the Auditor General had said and analysing the submissions by the witnesses, the committee observed that there is massive loss of revenue due to an unaccounted for water. The explanation by the management on the high levels of unaccounted for water is insufficient as the percentage of unaccounted for water is inexcusable.

The management has an extremely unreliable water monitoring and evaluation system. Lastly, given the first area the company should serve, the number of consumers meters replaced is insignificant. They covered a very small area yet Nyandarua is quite big.

On this issue, the committee recommended that the Nyandarua Water and Sanitation Company management should introduce a reliable monitoring and evaluation system to reduce the high percentage of the non-revenue water. It should also carry out thorough field audit to ensure that water meters are fixed and operational. Besides, the company's management should liaise with department of public works to avoid destruction of water pipes when they are doing some repairs and maintenance of some of the roads with dilapidated infrastructure.

If the company follows those recommendations, I am optimistic that they will be able to supply water.

The last query raised by the Auditor General relates to the increased cost. We could not understand this area as a committee though they tried to explain. The query was that the company

recorded an increase in the cost of water bill from Kshs.234,290 in the year ending 30th June 2014 to Kshs.2,590,265 in the year ending 20th June 2015.

Mr Speaker, you can see the magnitude of the discrepancy although they tried to explain. They said that the increase in overhead cost was occasioned by an increase of purchase of water from Nyahururu Water and Sanitation Company for resale. We could not understand why this was so yet some of these sources of water are within Nyandarua. Then how comes, that we now purchase water from Nyahururu? The company did not explain this issue well although we did not go deeper than that. We therefore need to put a lot of thoughts on this one because the water originates from Nyandarua and later Nyandarua buys water from Nyahururu. It requires some investigations.

The committee had various observations. The company does not harness its own water for sale. Instead, it procures water from Nyahururu Water and Sanitation Company and subsequently supplies to its customer base. Secondly, the management did not articulate any plans either to reduce its overhead costs or to supply its own water. We attempted to ask them on what measures they are putting in place so that they can have their own water instead of letting our people to be exploited but they could not explain. Further, the company may never make any significant profits if it does not start distributing its own water. As stated earlier, this company is making many losses. We also recommended that County Government through the Department of Water, Irrigation, Environment, Energy, and Natural Resources should liaise with the company to ensure that the company harnesses and supplies its own water. Since water is a devolved function, Nyandarua should ensure that it helps the company so that the people will get access to water.

We have concluded that water is extremely essential and it is unfortunate that although Nyandarua is a water catchment area, supplying water to places as far as Nairobi, it is contradictory that our people do not benefit from this resource. Arguably, the problem lies with the water company that has been licensed to supply water to us. Nyandarua Water and Sanitation Company for example, other than pumping its water from a borehole or a river, it relies on Nyahururu Water and Sanitation Company resulting to inflated overhead cost which is detrimental to its sustainability. Additionally, the company bears extremely high cost of unaccounted for water that is never billed to customers resulting to losses of revenue.

Mr Speaker, water is a devolved function and it is upon the County Government to ensure that Company's licensed to provide water to the people of Nyandarua is not a growing concern. This should be done through close monitoring of company's operations and settling their financial obligations and/or when they fall due.

We had three queries that we were dealing with. Those were therefore our findings and recommendations and since this company is a 'child' of Nyandarua, they should nurture that child. I think we do not have any other investment in this county. It is only OLWASCO and NYARUWASCO and before we go to other investments, we should ensure that the 'child' is already walking. We should ensure that the people who are trying to cripple the child are gotten rid of. If the company did as recommended by the committee, many people will have clean water in their homes in the coming one or two years. The billing will also be affordable. This is possible if Nyandarua County Government set a budget for this company.

With those few remarks, I beg to call upon Hon. Suleiman Kihika who doubles up as my Vice Chair to come and second the motion.

Speaker: The Member for Kanjuiri Ridge Ward and Vice Chair of the Public Accounts and Investment Committee.

Hon. Kihika Kimani: Thank you Mr Speaker. I rise to second the motion that this House does adopt the Report of the Public Accounts and Investment Committee on the Audited Report of

Nyandarua Water and Sanitation Company limited for the year ending 30th June 2015 as a report of this House and the recommendations therein as the resolutions of this House.

Mr Speaker, as the chairperson has mentioned on this report, we were only dealing with three queries. Therefore, the report was very short but I can insist that we have our water coming from Nyandarua. If we are able to manage the water sources in Nyandarua, all areas will get rid of water problems within the county. One of the recommendations is that if we can relocate the operations of the company from Nyahururu to Nyandarua, we can manage our water and have sufficient water.

The report is self-explanatory since the chairperson has gone through. However, the managers of this company are not answerable to any person or any body and I think it is the reason why they are reluctant and if we can keep following them up and ensuring that what we recommend is implemented, the company can be managed in a better manner.

Without much ado, I second the motion as moved by the chairperson of the committee. Thank you.

(Question proposed)

Yes, County Member for Engineer Hon. Tiziana Wanjiru Mwangi.

Hon. Tiziana Mwangi: Thank you Mr Speaker for giving me the chance to support this motion that was moved by my able chair, Hon. Kagiri. There is a clear lack of proper water management. There are people who are not benefitting from water from Nyandarua yet they are Nyandaruan especially those in Nyahururu. We also have water problem in Ndaragwa. This is because water is not managed properly. It is possible to do irrigation so that we stop providing relief food every year. Actually, the Committee on Agriculture, Livestock Development, and Fisheries had articulated, we can devise a lasting solution instead of allocating money for relief food in every financial year. The people always pay bills for the water yet they do not receive the water.

I therefore think the House has the powers to ensure that some of these recommendations are implemented. We have been saying so many things that do not happen yet we have the Governor and implementers of the resolutions of the House. We keep writing reports using *wanjiku's* funds but nothing is implemented. Therefore, this is something that we should look at.

Whenever we pass anything in this House, we have the implementation committee, which should be following up. Sasumua Dam, which is in our county, does not benefit our people at all because the water goes to Nairobi but the water comes from Nyandarua. We do not benefit at all. Even those who are around the dam do not benefit. We also have the Konoike dam, which goes all the way to Nakuru, yet our people are not benefitting.

I do not see why we should be sitting here when our people are suffering. Other people benefit from the resources of this county and yet we are glaring at these issues and we do not take any actions. The Committee on Implementation should be following up to ascertain what has been implemented or not because sixty days are enough for implementing.

Thank you Mr Speaker, I beg to support.

Speaker: Yes the Deputy Leader of Majority and Member for Kipipiri Hon. Michael Njoroge Kirumba.

Hon. Michael Kirumba: Thank you very much Mr Speaker. Equally, I wish to air my sentiments and in support of this motion. As the name of the company suggests, this Nyandarua Water and Sanitation Company, and you find that this company is only known in Nyahururu. The people in this company should also know what their mandate should be in line with what the name

suggests. Appreciating that water is a devolved function; it is upon this Assembly to ensure that services are being delivered to the people just as we dealt with OLWASCO. We raised issues in that report. The issues that are replicated in this report.

Mr Speaker, Nyandarua is a water tower but you will be surprised that nothing is happening out there. Some of the big rivers we have drain our top soil and water all the way to Lake Naivasha. This leaves this county bare and without water. It is important that we acknowledge that these people should be ploughing money back to our county so that we can mitigate the apparent soil erosion. They are expected to have a corporate social responsibility. We expect that if we were to leave this place better than we found it.

If you recall during your earlier days, you would have noted that there were strict ministries of water and that of public works then. Each department was very careful especially when there was water leakage on roads. If the pipes are leaking because the trenches that they are digging are not good enough, it is possible because the graders are destroying them. The next thing you will find is that the roads become clogged and dilapidated. There are using no standards. These same people should be advising small community water projects on how to do it in the right manner.

Mr Speaker, water is so important that it is anticipated that it might trigger the third world war. have time and again seen the magnitude of the conflicts in places where there is water scarcity. Therefore, this report should get to the next level by ensuring that this company introduces very reliable monitoring and evaluation systems, which reduce loss of water.

Water is a natural resource. We sell this water to towns that are around including Gilgil, Naivasha, Nakuru and Nairobi yet we don't have water for domestic use. The Water Act, 2002 is very clear on how water should be utilized. First, it should be used for human consumption then for livestock use before it goes to irrigation and other uses. Therefore, I think that although we are sitting on a water tower and we are not benefiting, it is important that these reports be taken to the next level in terms of implementation.

Mr Speaker, I have cases along Malewa River whereby we have very small community water groups, which draw water from the same source, which will ultimately cause conflicts. Just recently when we had a prolonged drought and dry spell, people along Malewa River were demonstrating because the horticultural farm there were alleged to have directed all the water to its farm. This is because there is no a clear-cut way in which we can manage the water resource for large-scale use. If you go Wanjohi ward on your way to Geta ward, you can identify over ten small groups drawing water from that river. If this company was to supply the water it would reach very many people because they would use bigger pipes. The smaller these groups are, the higher the operational costs they incur.

Therefore, recognizing all those issues, the report has come at the right time even though our term is ending. However, it will be on record so that the next Assembly will have somewhere to start in terms of this critical resource because water is life. We shall have appreciated that the cost they are charging us is unjustified given the fact that most of the water is supplied through gravity. The cost ought to be very low.

It is with these perspectives that I support this report. Thank you Mr Speaker.

Speaker: Yes Member for Gatimu, Hon. John Kieru Wambui.

Hon. Kieru Wambui: Thank you Mr Speaker, I would wish first to appreciate the efforts of this committee led by *mshimiwa* Kagiri who is the Member for Githioro and the Chairperson of the committee because they are doing some good work, and, at very exceptional moments. I know what it takes to come up with a report and therefore, congratulations. More so, I would like to say that as we approach the end of this term, we recognize that his committee has been one of

the most active committees in this House. We appreciate your work and God will reward your hard work you demonstrate for the people of Nyandarua.

Secondly, I would like to further thank the committee because this is a very disturbing matter to me for some time. Let me say that Gatimu ward has two water sources; one is at Kamwana while the other is at Kibathi. These are the Kisa Well Projects that are managed by Nyandarua Water and Sanitation Company, which existed even before devolution, and it works for the government up to now. With the kind of anomalies that this Committee is pointing out especially on their incompetence, I am also worried that we might not have an umbrella body, which I thought we would have in the name of, may be, Nyandarua Water, managing water points, companies and projects within this county. Not unless the management of this company changes, I believe we have the wrong people currently.

I say this because, as the chairperson stated, the company only serves very few parts of Ndaragwa and OlJoro-orok. Actually, my ward has four water points and Nyandarua only manages two of them, that is, Kibathi and Kamwana. In Weru ward, they only manage one. From there, the company only manages two other sources in Ndaragwa ward. We did not expect that because they have the most qualified and competent personnel that meet government's standards to manage water properly. With these credentials, we did not expect them to bring such problems.

We continue blaming NYAKANJA, which is managed by farmers without technical knowhow yet people with these qualifications and they are supported by the government, are finding themselves in worse problems. How do we solve it? I do not know whether the Senate passed the Mining and Natural Resources Bill. I participated in this bill on behalf of CAF. The bill was trying to address some of these natural resources including water. The management of water in that bill was coming expressly to the County Governments. However, the management of water sources was being left to the National government in conjunction with the County Governments. If this bill passes we will be expected to have an umbrella body that will collapse all other water companies and projects. This body will therefore be able to take of all that within the county. Actually, the bill proposes that the licenses will only be given to county government, which will then not have powers to transfer or to designate the authority of distributing water to another person or entity. That means that there will be only 47 licenses, one of which will be for Nyandarua. If it comes and of course, there will be regulations on how to manage water, I expect that Nyandarua Water and Sanitation Company has some of the people that we would pick and work with. To the contrary, people in Kibathi are encountering problems equally as people in Ndaragwa. Water is rationed because it is pumped four times in a week. Therefore, if you don't have the capacity to store water for your consumption and for the livestock, you will suffer.

We have plenty of water in Ol'bolossat and even in Kamwana dam, which is recognized as one of the water sources in this country. This is the dam that makes Thompson Falls to flow and have water day in day out. Ewaso Nyiro dries up but Kmwana dam never dries. Actually, it has provided water for Worrian Swamp for many years. This is the same source of water, from which the people of Nyahururu are now harvesting and selling to us. Probably what Hon. Kagiri and his committee do not understand is that the infrastructure to collect the water was built in Nyahururu by AFD. It was not done in Nyandarua for that and therefore, they decided to do it there. In fact, they say Nyahururu has more water than it can consume. They have over 70 percent of unutilized water. This is why we buy water to Ndaragwa and Gatimu because Nyahururu has more than they need.

Mr Speaker therefore, this issue actually went to Water Resources Management Authority (WRMA). This is because Laikipia County was charging more than it is supposed to charge

according to the gazette government-to-government rates. I hear that the matter was sorted but according to your report, it is clear that the matter was not sorted. Because, if the rates are put here, you will realize that there is more than meets the eye.

The Auditor General's report says that there is a lot of unaccounted for water. They have also put it at 49 percent implying that almost half of the water is unaccounted for. The company only provides half. This is unacceptable to me and I cannot agree with this because it is pure lies. We know what these people have done many connections. There have been rumours going around that they are new connections that are not being attributed or voted to the company. The last time that the Governor did a reshuffle and actually changed the director, he did it because the directors did not agree with what they were being told to do especially on the power bill, new connections, and the accounts to pay.

Remember Mr Speaker, the Kibathi water project was actually Kisa Well Water Project by the company. When the company collapsed, I actually proposed that the county government takes up the company. This was done through Nyandarua Water Company. However, when they picked it up, issues of where to pay the money arose. Actually, they were paying the money to the wrong account and therefore, what was being received in the right account was little while that which was going into the wrong account was more. At some point, the Governor decided to do a reshuffle because there was an issue of funding in Ndaragwa. About Kshs.20, million had been allocated in the budget and then a donor came in and wanted to provide additional funds for the project in Gatimu. However, it was said that Gatimu had benefitted in the previous financial allocations through the government funds and that Gikingi project amounted to about Kshs.14 million. It was therefore proposed that the project be undertaken in Ndaragwa. Hence, the money was removed from the budget.

It was expected in the company, through some dubious dealings, that some people would get money. I hope you can remember Hon. Waweru, the MP for Ndaragwa intervening in the Governor's office because there were some monkey business going on. That matter affected some of the money they were borrowing. I remember some members of the board came up with a very funny proposal to borrow Kshs.200 million. I do not know where they wanted to borrow the amount from but the Governor okayed but the director refused to sign which led to his transfer. When another person was brought in, he also refused to sign because you cannot borrow Kshs.200 million yet you cannot make one or three million shillings. This is the money I think was being borrowed for campaigns.

That aside, I want to give solutions now that we are plagued by all these problems. Do not let these, Hon. Kagiri, to convince you otherwise. I know the board members and I have met them one by one. They give me different stories and now because time is not on our side, I decided to remove Kibathi and Kamwana from the management of the company. The people can manage the water for themselves or else the government can institute another water management body that is not a company. Just because they are a company, they say that they are autonomous and therefore they can do those things without accounting and under the watch of the county government. Unfortunately, the county government is aware that they use illegal infrastructure to fulfil their desires because we have senior officials sitting in the board but they let it happen.

The only way to resolve it is to use the Mining and Natural Resources Bill, if it passed. This will ensure that the County Government shall constitute County Water Management Authority because there were some authorities that were constituted to handle the issues of water management at the county. Then, the water sources were to be managed by the national government in conjunction with WRMA. Therefore, I am proposing that these companies be dismantled and there

be proper management of water because if at my home, my mother pays around Kshs.480 and she is always upset because water does not get there. In a month, she tells me that water comes for four times and yet they say that they pump water four times a week. You know, women can be very accurate and they will always tell you all the days that water came with precision. Were it not for my mother's borehole, we could not have any water to drink. Then she tells me that she cannot pay that amount of for the government I work for. This is a case example of my tribulations.

I usually answer very tough and difficult questions in the public domain. They always ask, '*kshs.480 niyanini*'. I also ask the same question because that amount is paid every month. Considering the population of Kibathi, Riverside, Gikingi and Kayole, you can imagine the amount of money these company is making. Moreover, with this amount of money, they say that the power bill is too high and that is the reason they cannot pump water every day.

Mr Speaker, I am proposing that they be using the solar power instead of hydroelectric power. I gave this proposal to the director who then told me that solar power could not pump water to expected capacity. Another director told me that there are some dubious deals between the water company and the Kenya Power. You then wonder why one would want us to continue paying Kenya Power yet we can use solar power by telling us that solar power cannot pump water for the public. We have seen successful scenarios where water is pumped by solar power. Why not in Nyandarua? That is the reason we are proposing that we change because the use of hydroelectric power is eating up *wanjiku's* money.

I was talking with one of the directors who is a very young man but I won't mention the name. He was illustrating to me how solar powered pumping will reduce the bill from Kshs.480 to Kshs.120. This is because the bill will be left only for management which will be in a position to manage the water with only Kshs.120 being the standing charge. This is possible. I therefore propose that in future, even for members who are here including Member for Njabini/Kiburu who is actually very happy to have found me speaking, we change the hydroelectric powered systems to solar powered system. I know that the Hon. Members will agree with me despite the fact it might be expensive. Out of the research we did with the director and Eng. Gaiko, we found that a solar powered system will require a solar powered pump, because they are different, that will cost kshs.1.8 million and the system, which will cost about kshs.3.4 million including the installation cost. So the tentative amount of about Kshs.6 million will be able to ensure that there is a proper solar powered system for a project. The water project will be in a position to fill a tank of 500 cubic metres in capacity within 24 hours. Eng. Gaiko demonstrated that and it is actually possible.

We should forget about the power bills and embrace solar power Mr Speaker. If we do this, some of the problems that *wanjiku* is facing in this county will be outdated. I support this report and propose that we also do a law for water in Nyandarua, in future, that will allow us to manage the water for ourselves. I therefore thank you and thank this committee for the report.

But before I forget, there was an issue of the water pipes breakage. This issue is always there but we have also seen that they want to ensure that the pipes pass through areas with minimum cost since if an area has a bush, they don't want to clear it but they want the pipes to be installed alongside the road. Actually, they want it to cut across the road and then it continues. Let these water companies know. If you are installing a pipe, please clear the bush and put the pipe there. However, if you put the pipe at the centre of the roads which are frequently maintained, we will be in this cycle of problems. I would like to say that as a county government, we had three tanks for them implying that we have boosted their distribution capacity. We have even done distribution for them. A total of 19 kilometres of piping in Gatimu ward to be precise yet there is no increase in revenues. These are lies. If they are providing water and they are making money, why then don't

they add more tanks and put up effective distribution channels? The county government has done that. If the government has chipped in, what then do you collect? This is a cost benefit analysis. We have companies making profits. We have given them three tanks costing Kshs.7 million. We have also given them pipes that counts for almost 19 kilometres and even installing for them. I wish we did this to a welfare group instead of company. What are the revenues that they are posting for us? These are only negatives. This sheer thievery was taking place here. It was too late When I realized that Mr Speaker.

Don't worry Hon. Kagiri, we are coming back and we shall be taking the bull by the horns. To that end, I support and I call the motion mover to respond.

Speaker: The mover, the Chairperson of the Public Accounts and Investments Committee and Member for Githioro, Hon. Silvester Kagiri Mwangi.

Hon. Silvester Kagiri: Thank you Mr Speaker. I wish to thank the members who contributed to this motion. I also thank the Member for Gatimu who is affected directly by this issue. I wish we, as a committee, knew he had that he heard that very crucial information with him. We could have invited him in our committee so that he could shed light on the operations of the company. This information is very crucial to the people of Nyandarua.

Mr Speaker, if only the county government relied on the information we have, they problem of water could be a thing of the past. This is my wish. If we manage our resources prudently, Nyandarua County will one day be the county where people from other counties will be coming to see for themselves because we will have set a very good example. Since what the Member for Gatimu has said is in the Hansard, I hope that one day these things will be communicated to the relevant authorities. If the information is taken to the EACC or the auditors, the solution will have been found.

With those remarks, I beg to move.

(Question put and agreed to)

Speaker: This is a limited company, which holds shares only on the status of the trustees. No directors there can get any dividends from that company. They only hold the shares as trustees of the government and the trustees of this county. They can therefore not hide behind the corporate veil. However, the main query is, did we appoint these directors to provide water to our people with water or we did this to give them jobs because they are our friends? That is the tragedy of this county. This is because you just put some people in positions and you do not expect them to deliver on anything but they are there because they are your friends and therefore they earn a salary and we continue lagging behind. Actually, I do not think it is fair and we shall continue talking about these things. How can a water company register losses? It has not happened anywhere save for Nyandarua. From the water sources that have been mentioned, the company does not buy water from these sources. We have offered the infrastructure and then this company end up registering losses. I think some these guys should be locked up in jail and the case thrown away into the sea so that they can remain there forever. Some of these issues are not fair to us as a people.

I hope that the Committee on Public Account and Investments will follow up on some of these issues. We shall communicate as usual because it is our duty under the law and we cannot abdicate the same but it is increasingly disappointing that we are saying that we are not able to charge 49 percent of the water that we have given out. Again, even the water they charge, they get Kshs.480

and they are not supplying any water. Besides, you go to the office every morning believing that this is a board that sits and writes minutes and agrees on what they are supposed to do about this county. Therefore, we are going to raise the concern and we hope that the right people will wake up from their deep slumber and do what they are supposed to do for the people of this county.
Next order.

ADJOURNMENT

Hon. Members, having exhausted the business for the sitting, this House will then adjourn to tomorrow Wednesday, the 31st day of May 2017 at 9.00 a.m.

(The House rose at 3.52 pm)