

Agenda for a meeting of the Waters Governance Board to be held Audio Visually on **TUESDAY, 21 SEPTEMBER 2021** commencing at **10.00am**.

1. **APOLOGIES AND LEAVE OF ABSENCE**
2. **CONFIRMATION OF STATUS OF AGENDA**
3. **DISCLOSURES OF INTEREST** **5**
 The Register of Interests document is attached for the Board's information.
4. **CONFIRMATION OF MINUTES** **10**
 Meeting held on Tuesday, 10th August 2021
5. **ACTIONS REGISTER** **19**
6. **REPORTS**
 - 6.1 Three Waters Governance Report – September 2021 **22**
 - 6.2 Risk Register Update – September 2021 **34**
 - 6.3 Waters Reform Engagement Period Feedback *Circulated under separate cover*
7. **EXCLUSION OF THE PUBLIC** **44**

GJ Ion
CHIEF EXECUTIVE

TERMS OF REFERENCE AND DELEGATION

Reports to:	The Council
Chairperson:	Ms Rukumoana Schaafhausen
Membership:	Mr Garth Dibley Mr David Wright Mr Gavin Ion (Chief Executive) Ms Jackie Colliar (Board Intern)
Meeting frequency:	Monthly
Quorum:	A majority of members (excluding the Board Intern)

The Waters Governance Board is a subordinate decision-making body of the Waikato District Council established under Schedule 7 of the Local Government Act 2002.

Purpose and Terms of Reference:

1. To provide governance and oversight of the development and implementation of the Council contract with Watercare Services Limited ('Watercare').
 2. To ensure the activity goals are clearly established, and strategies are in place for achieving them.
 3. To establish policies for strengthening the performance of the water activity including ensuring management and the contractor are proactively seeking to build the business through innovation, initiative, technology, new products and the development of its business capital.
 4. To monitor the performance of management through the Chief Executive.
 5. To ensure high standards of health & safety are maintained by management and Watercare and undertaking appropriate due diligence.
 6. To decide on whatever steps are necessary to protect the Council's financial position and the ability to meet its debts and other obligations when they fall due, and ensuring that such steps are taken.
 7. To ensure the water activity's financial statements are true and fair and otherwise conform to law.
 8. To ensure the water activity adheres to high standards of ethics and corporate behavior.
 9. To ensure the water activity has appropriate risk management/regulatory compliance policies in place.
 10. To look to improve environmental outcomes from this activity.
 11. To consider kaitiakitanga as part of decision-making.
 12. To monitor and ensure Watercare are meeting their obligations.
 13. To report to Council twice yearly on progress with Waters' Management.
 14. To provide innovation and ideas that could improve profitability, service levels or environmental outcomes.
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15. To hold Watercare to account over the delivery of the operational and capital programmes.
16. To work with Council to agree the overall funding requirements of the business.
17. To undertake any other matters considered relevant by the Board or referred to the Board by the Council.

The Board is delegated the following powers to act:

- Agree the form of the transactional arrangement with Watercare.
- Negotiate with Watercare and recommend to Council the final, or any amended, contract value for waters management.
- Conclude the contract (after Council approval of contract value) and terms and conditions, including any amendments, with Watercare.
- Ensure that transitional contract requirements are met by Watercare and Council.
- Hold Watercare to account for their performance at all levels.
- Monitor and oversee the performance of staff and Watercare in terms of the water activity.
- Consider and ensure improvements or innovation are implemented by Watercare or through the Chief Executive as appropriate.
- Approve changes to the operation of the contract with Watercare.
- Develop strategies to improve contractual performance or to improve business practices.
- Recommend to Council infrastructure strategy and Asset Management Plans for adoption.
- Develop an annual works programme (operating and capital) and submit to council for final approval.
- Approve alterations and transfers within the programme of capital and operational works as prepared for the Long Term Plan and Annual Plan, subject to the overall scope of the programme remaining unchanged and the programme remaining within overall budget.
- Set and ensure Watercare's adherence to health and safety requirements, and wellbeing practices.
- Set and maintain standards of ethics and corporate behavior.
- Consider development opportunities for the Waters' business.
- Define and set levels of service for Waters' management now and in the future.
- Responsible for the financial performance of the contract and operation.
- Approve and/or amend existing or new contracts relating to the delivery of three waters' services and operation unless additional funding by the Council is required or the approval or amendment is inconsistent with Council Policy.
- Recommend to Council any new or additional funding requirements over and above that contained within the Long Term Plan.
- Develop plans to improve the overall resilience of the Waters' networks and allow for growth.

- Consider the impact of growth on the Waters' infrastructure.
- Implement and monitor the risk management framework for the waters' management and activity.
- Approve the annual and half yearly financial statements for the Waters' operation and provide any relevant commentary to the Council.
- Annually review the Board composition, structure and succession and make recommendations to council on these matters.
- Ensure the Waters' business delivered by Watercare provides value for the community in terms of the four wellbeings.
- Determine the approach for resource consent applications for the Waters' business, and monitor progress of those applications on behalf of the Council.
- Review and monitor existing strategic resource consents.
- Ensure that Kaitiakitanga and environmental outcomes are key decision making considerations for the Board.
- Uphold the vision and strategy of the Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010.

Open Meeting

To	Waters Governance Board
From	GJ Ion Chief Executive
Date	14 September 2021
Prepared by	Matt Horsfield Democracy Advisor
Chief Executive Approved	Y
Reference #	GOV1301
Report Title	Register of Interests

1. EXECUTIVE SUMMARY

A copy of the Register of Interests is attached for the Board's information. The register will be updated following receipt of information during the year.

2. RECOMMENDATION

THAT the report from the Special Infrastructure Projects Manager be received.

3. ATTACHMENTS

Register of Interests – Waters Governance Board

Register of Interests – Waters Governance Board

Ruku Schaafhausen

Companies and Trusts	Te Waharoa Investments Ltd AgResearch Miro Hautupua Ltd Contact Energy Ltd Kaitaki Guardian Services Ltd
Community organisations	Equippers Trust Tindall Foundation Princes Trust New Zealand
Other appointments	Chair, Freshwater Iwi Leaders Group
Property within the District	Nil
Any other interests	Nil

Garth Dibley

Companies and Trusts	Water New Zealand – Director
Community organisations (membership)	Electricity Networks Association – member E-Charge working group – MfE member
Other appointments	Director of Smartco Infratec NZ Ltd – Chairperson
Property within the District	Yes - Tamahere
Any other interests	Nil

David Wright

Companies and Trusts	Director, David Wright Limited Trustee, Tervuren Trust Trustee, Solomon Islands Tourism Infrastructure Development Fund (Incorporated) Chair of Waimea Water Ltd Chair, Solomon Islands Airport Corporation Limited Haapa Research Limited Interim Chief Executive Officer – Central Economic Development Agency
Community organisations	Chair, Tokelau Renewable Energy Steering Group
Other appointments	Chair, Central Air Ambulance Rescue Limited Chair, Search and Rescue Services Limited
Property within the District	Nil
Any other interests	Nil

Gavin Ion

Companies and Trusts	Trustee and Beneficiary in a family trust
Community organisations	<p>Member Swimming Waikato Technical Panel</p> <p>Member Swimming New Zealand Technical Advisory Committee</p> <p>Chairperson Swimming Waikato</p> <p>Member of the Waikato Regional Sports Facility Plan Steering Group</p> <p>Member of Institute of Directors</p> <p>Member of International City Managers' Association</p> <p>Member of Chartered Accountants of Australia and New Zealand</p> <p>Member of Business Leaders Health & Safety Forum Steering Group</p> <p>RMA Commissioner</p> <p>Member of the Waikato Caring for Communities Committee</p>
Other appointments	<p>Chief Executive, Waikato District Council</p> <p>Director, Waikato Local Authority Shared Services Limited</p> <p>Chair, Audit & Risk Committee (WLASS)</p>
Property within the District	Nil
Any other interests	Nil

Jackie Colliar

Companies and Trusts	Te Whakakitenga O Waikato Inc Member of Te Arataura
Community organisations	Nil
Other appointments	Trustee and Chair of Taniwha Marae Waipa District Council – Co-Governance Committee Waikato Regional Council – Co-Governance Committee Waikato River Authority Board Member
Property within the District	Nil
Any other interests	Employee of Hamilton City Council Project Lead for the Subregional Three Waters project on behalf of Future Proof Project Manager of the Hamilton Waikato Metro Wastewater Detailed Business Case Project

Open Meeting

To	Waters Governance Board
From	Gavin Ion Chief Executive
Date	14 September 2021
Prepared by	Matt Horsfield Democracy Advisor
Chief Executive Approved	Y
Reference #	GOV1301
Report Title	Confirmation of Minutes

1. EXECUTIVE SUMMARY

To confirm the minutes of the Waters Governance Board meeting held on 10 August 2021

2. RECOMMENDATION

THAT the minutes of the meeting of the **Waters Governance Board** held on **Tuesday 10 August 2021** be confirmed as a true and correct record.

3. ATTACHMENTS

WGB Minutes – 10 August 2021

MINUTES for a meeting of the Waters Governance Board Meeting of the Waikato District Council held via audio-visual conference on **TUESDAY, 10 AUGUST 2021** commencing at **10.00am**.

Present:

Mr D Wright *via Audio Visual*
Mr G Dibley
Mr GJ Ion (Chief Executive, Waikato District Council)

Attending:

Ms C Nutt (Waters Contract Relationship Manager)
Mr M Horsfield (Democracy Advisor)

Ms M Telfer (Watercare)
Mr R Kumar (Watercare)
Mr P Crabb (Watercare)
Mr R Pullar (Watercare)

APPOINTMENT OF CHAIRPERSON FOR THIS MEETING

Resolved: (Mr Ion/Mr Dibley)

THAT the Waters Governance Board appoints Mr Wright as Acting Chairperson for this meeting.

CARRIED

WGB2108/01

APOLOGIES AND LEAVE OF ABSENCE

Resolved: (Mr Ion/Mr Wright)

THAT an apology be received from Ms Schaafhausen.

THAT an apology for lateness be received from Mr Dibley

CARRIED

WGB2108/02

CONFIRMATION OF STATUS OF AGENDA ITEMS

Resolved: (Mr Wright/Mr Ion)

THAT the agenda for a meeting of the **Waters Governance Board Meeting** held on **Tuesday, 10 August 2021** be confirmed and all items therein be considered in open meeting with the exception of those items detailed at agenda item 7 which shall be discussed with the public excluded.

CARRIED

WGB2108/03

DISCLOSURES OF INTEREST

There were no disclosure of interest.

Mr Wright requested his Register of Interests details be updated to add the following non-financial interest.

- Interim Chief Executive Officer – Central Economic Development Agency.

Mr Wright requested the following details be deleted from the Register of Interests.

- Chief Executive – Red Meat Profit Partnership
- Member – Audit & Risk Committee, Internet New Zealand Incorporated.

CONFIRMATION OF MINUTES

Resolved: (Mr Wright/Mr Ion)

THAT the minutes of a meeting of the **Waters Governance Board Meeting** held on **Tuesday, 29 August 2021** be confirmed as a true and correct record of that meeting.

CARRIED

WGB2108/04

REPORTS

Actions Register Agenda Item 5

The report was taken as read and the following matters were noted:

- Discussion was held regarding the proposed Te Kauwhata water take consents strategy and engagement with the Te Kauwhata Water Association, and whether the best long-term solution was to invest through the Te Kauwhata Water Association or Waikato District Council and Watercare invest in their own assets.

ACTION: Staff to report back to the Board's meeting being held on Tuesday, 21 September 2021, with further detail and background regarding the reasonings for the preferred option of further capital investment through the Te Kauwhata Water Association for Te Kauwhata water assets.

- Council and Watercare had met their KPI's for water loss results. Watercare has met their KPI's through drone leak detection surveillance and water meter reading. Increasing the frequency of meter reading comes with a cost but it increases detection of water loss. Discussion was held regarding the likely costs for increased meter readings and drone leak detection.

ACTION: Staff to report back to the board regarding the costs of increasing the frequency of metered water billing that in turn may reduce water leak write offs

- Draft letter to the Local Government Minister to be circulated to the board before being sent to the Minister.

Resolved: (Mr Ion/Mr Wright)

THAT the report from the Special Infrastructure Projects Manager be received.

CARRIED

WGB2108/05

Approval for the Appointment of a Water Reform Project Manager Agenda Item 6.1

The Water Contract Relationship Manager noted the following matters:

- Discussion was held regarding the funding solutions for the appointment of a Water Reform Project Manager. It was likely that funding would come from the Government support package for three waters reform.
- The position will likely be an external appointment.
- The board noted their wish to understand the scope of the position.

Resolved: (Mr Wright/Mr Ion)

THAT the report from the Special Infrastructure Project Manager be received;

AND THAT subject to Council agreeing to proceed with the water reform process, approval be given to appoint a Project Manager for water reform.

CARRIED

WGB2108/06

Three Waters Governance Report for July 2021

Agenda Item 6.2

Mr Telfer noted the following matters:

- The Board had discussed the failure of the UV system at the Meremere Wastewater Treatment Plant, and the plants future replacement.
- Discussion held regarding the incident relating to misuse of the fork hoist at the Huntly Water Treatment Plant. An investigation had been held and Worksafe had visited the site and approved the investigation undertaken by Watercare.
- Te Kauwhata MABR trial has now begun after shipping delays.
- Discussion held as to why the Council and Watercare have different dry weather sewage overflow KPI's.
- Confirmation had been received from Wai Comply that the Huntly Water Treatment Plant was compliant during the filtration replacement error, and the plant would be recorded as compliant for 2021.

Resolved: (Mr Wright/Mr Ion)

THAT the report from the Special Infrastructure Projects Manager be received.

CARRIED

WGB2108/07

2020/21 Waters Long Term Plan Performance Target Results and Service Summary
Agenda Item 6.3

Mr Wright noted the following matters:

- Mr Wright read out notes provided by Ms Schaafhausen, who was not in attendance that the report should include mana whenua in the Service Summary

Resolved: (Mr Ion/Mr Dibley)

THAT the report from the Special Infrastructure Projects Manager be received.

CARRIED

WGB2108/08

EXCLUSION OF THE PUBLIC

Agenda Item 7

Resolved: (Mr Wright/Mr Ion)

THAT the public be excluded from the following parts of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Item 1 Confirmation of Minutes	Good reason to withhold exists under Section 6 or Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
Item 2.1 Actions	Good reason to withhold exists under Section 6 or Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
Item 3.1 Business Case – Te Kauwhata Water Supply Reservoir & Reticulation Upgrades		
Item 3.2 Business Case – Whangamarino Water		

Treatment Plant and Supply Pump Upgrades	
Item 3.3 Business Need – Network Renewals Programme 2021-2021	
Item 3.4 Proposal to vary agreement due to the Three Waters Reform	
Item 3.5 Water Financial Results for 202	

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item No.	Section	Interest
PEX Item 1 Confirmation of Minutes		Refer to the previous Public Excluded reason in the agenda for this meeting.
PEX Item 2 Actions		Refer to the previous Public Excluded reason in the agenda for this meeting.
PEX Item 3.1 Business Case – Te Kauwhata Water Supply Reservoir & Reticulation Upgrades	7(2)(b) 7(2)(i)	Protect Information where the making available of the information: (ii) Would be likely unreasonably to prejudice the commercial position of the person who supplied or who is subject of the information; or Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or
	7(2)(j)	Prevent the disclosure or use of official for improper gain or improper advantage.
PEX Item 3.2 Business Case – Whangamarino Water Treatment Plant and Supply Pumps Upgrades	7 (2) (b) 7 (2) (i)	Protect Information where the making available of the information: (ii) Would be likely unreasonably to prejudice the commercial position of the person who supplied or who is just if the information or Enable any local authority holding the information to carry on, without prejudice or disadvantage,

		negotiations (including commercial and industrial negotiations) or
	7 (2) (j)	Prevent the disclosure or use of official information for improper gain or improper advantage.
PEX Item 3.3		Protect information where the making available of the information:
Business Need- Network Renewals Programme 2021- 24	7 (2) (b)	(ii) Would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject or who is the subject of the information or
	7 (2) (i)	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) or
		Prevent the disclosure or use of official information for improper gain or improper advantage.
	7 (2) (j)	Protect Information where the making available of the information:
PEX Item 3.4 Proposal to vary Agreement due to the Three Waters Reform	7 (2) (b)	(ii) Would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information; or
	7 (2) (j)	Prevent the disclosure or use of official information for improper gain or improper advantage.
PEX Item 3.5 Waters Financial Results for 2020/21	7 (2) (b)	Protect Information where the making available of the information:
		(ii) Would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information; or
	7 (2) (j)	Prevent the disclosure or use of official information for improper gain or improper advantage.

AND THAT Mr Telfer, Mr Kumar, Mr Pullar and Mr Crabb be permitted to remain at this meeting, after the public has been excluded, because of her knowledge of Watercare. This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because of Watercare's role and responsibility for those matters.

CARRIED

WGB2108/09

Having resumed open meeting and there being no further business the meeting was declared closed at 12:13PM.

Minutes approved and confirmed this day of 2021.

David Wright
ACTING CHAIRPERSON

Unconfirmed

Open Meeting

To	Waters Governance Board
From	Carole Nutt Water Contract Relationship Manager
Date	13 September 2021
Prepared by	Matt Horsfield Democracy Advisor
Chief Executive Approved	Y
Reference #	GOV1301
Report Title	Actions Report

1. EXECUTIVE SUMMARY

To update the Waters Governance Board on actions arising from previous meetings.

2. RECOMMENDATION

THAT the report from the Special Infrastructure Projects Manager be received.

3. ATTACHMENTS

Actions Register

Waters Governance Board Actions Register

OPEN MEETING

Meeting Date	Action	To Action	When	Status
20/11/19	<p>The Board to be provided with:</p> <ul style="list-style-type: none"> ▪ The proposed Te Kauwhata water take consents strategy. 	Ian Cathcart	September 2021	<p>Once the water supply contract is signed (99% complete) WDC will continue engagement with TKWA to secure the water take.</p> <p>Integrated plan for waters in TK workshop was 28 July and a further meeting has been held with Iwi.</p> <p>Consent process being coordinated by external consultant and meeting occurred mid-June and we're supplying information for the application.</p>
11/2/2019	Investigation into forums held by other Councils in respect of engagement with mana whenua. Iwi and Community Partnerships Manager, Sam Toka, to present the vision to the next meeting of the Board.	Sam Toka / Gavin Ion	September 2021	<p>Council has agreed on the formation of four forums to cover the District. The issue of how to recognise the time commitment from mana whenua is still to be agreed with Council.</p> <p>Waikato-Tainui have requested further engagement on this matter.</p>
30/03/2021	<p><u>Draft Letter – Minister of Local Government and Water Governance Board representatives</u></p> <p>The Chief Executive to include Raglan Wastewater Treatment Plant consultation group expectations within the draft letter outlining issues to be discussed at the proposed meeting with the Minister of Local Government and Water Governance Board representatives.</p>	GI	August 2021	<p>The letter has been updated to reflect recent government decisions around support funding and sent.</p> <p>A zoom meeting with the Minister is planned for 22 September to discuss.</p>

Waters Governance Board Actions Register

Meeting Date	Action	To Action	When	Status
29/06/2021	<p><u>Three Waters Governance Report for May 2021</u></p> <p>Two Actions completed last month, remaining action:</p> <ul style="list-style-type: none"> ▪ Raglan WWTP - Watercare to undertake additional monitoring and sampling to understand the levels of non-compliance. 	MT	September 2021	The testing and monitoring were delayed due to the COVID lockdown and are expected to begin from mid-September.
10/08/2021	Staff to report back to the Board's meeting being held on Tuesday, 21 September 2021, with further detail and background regarding the reasonings for the preferred option of further capital investment through the Te Kauwhata Water Association for Te Kauwhata water assets.	IC/CN	21 September 2021	Included in Report that was circulated to the Board in August
10/08/2021	Staff to report back to the board regarding the costs of increasing the frequency of water leak detection, and include the off-set costs due to the reduction of water leak write off's and other hidden costs.	CN	October 2021	

Open Meeting

To	Waters Governance Board
From	Carole Nutt Waters Contract Relationship Manager
Date	10 September 2021
Prepared by	Watercare Services Ltd
Chief Executive Approved	Y
Reference #	WGB2021; ECM # 3245876
Report Title	Three Waters Governance Report - September 2021

I. EXECUTIVE SUMMARY

A copy of the Three Waters Governance Report for September 2021 is attached for the Board's information.

2. RECOMMENDATION

THAT the report from the Waters Contract Relationship Manager be received.

3. ATTACHMENTS

- Waikato District Council Three Waters Governance Report – September 2021

WAIKATO DC THREE WATERS GOVERNANCE REPORT

SEPTEMBER 2021



Mathew Telfer
Operation Manager
Watercare Waikato
September 2021

1. Highlights and lowlights

- There was one recordable injury or lost time in August.(detailed below)
- The construction of the Meremere plant is progressing well as the construction phase nears completion, with the commissioning started in August and, although disrupted, was maintained during the lockdown.
- A positive performance operationally in August with all measures achieved.
- The actions of the Water networks team repaired a complicate burst main at a 90 degree bend on the supply pipe between the Te Kauwahata water plant and the reservoir without impacting a single customer. This was also completed during lockdown and with the complexity of physical distancing.

2. Health & Safety

- There was one Lost Time Injury (LTI) and 0 Restricted Duties Injury (RDI) involving Watercare employees in August.
- There were zero recordable injuries involving contractors in August.
- The 12-month average Lost Time Injury Frequency Rate (LTIFR) for employees is 3.56 per million hours, under our target of ≤ 5 .
- The 12-month average Total Recordable Injury Frequency Rate (TRIFR) for employees is 5.34 per million hours, under our target of ≤ 20 .

The LTI in August was because of an infection to the operators hand. This was caused by scrapes on a knuckle while working with wastewater resulting in a swollen finger. Gloves were worn and hands were washed frequently however gloves split and broke multiple times. Tasks were not 'normal' daily tasks and involved much more manual handling.

Actions

A reminder has been given to the team to attend to any scratches immediately and ensure PPE is used appropriately to eliminate the risk of infections.

Figure 1: LTIFR Values

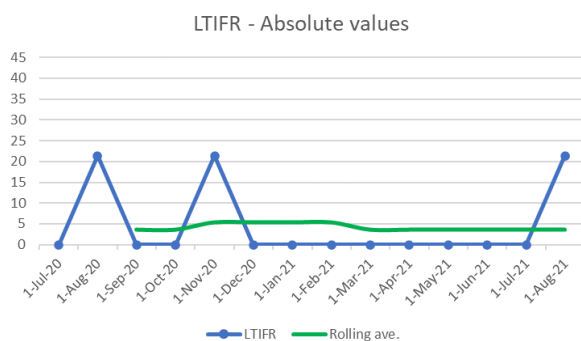
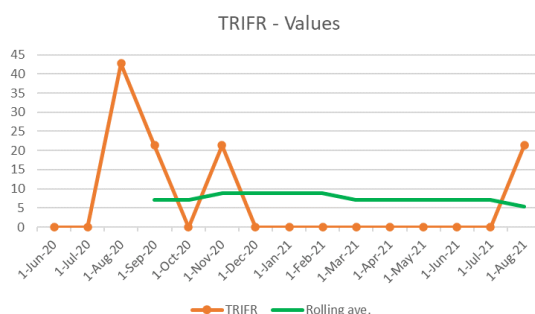


Figure 2: TRIFR Values



3. Key Performance Indicators – July and August

- All measures were achieved in July and August. (August results Below)

4. Operational

Ngaruawahia WTP upper plant buildings re-roofing project was completed in August, and the scaffold has been removed.



Meremere WWTP early commissioning of the aerated and anaerobic tanks has commenced. The Wastewater Operator Rhiannan is involved in observing the commissioning to understand and operate the plant once commissioned.

Generator Plug Installations – McKay completed all generator plug installations in the first week of August for Huntly, Raglan, and Ngaruawahia. A new project encompassing all remaining sites is being planned, with the aim to roll this out before July 2022. This will make power outages significantly easier to manage as it will not require generators to be hard-wired into the cabinet; a serviceman can easily carry this out safely and quickly.

Complex Meter Project – Work leading up to the Level 4 lockdown was progressing well. Only three of the 111 signed agreements have not been completed, bringing the completed site to approximately 108 of the 180 meters resolved. Unfortunately, this project has been put on hold due to the COVID lockdown, but work will recommence once it is appropriate.

Reservoir Upgrade Project – Total Height Safety (THS) completed one site visit and started installation works, but like the complex meter project, it has been put on hold. They are a Christchurch-based company, so we do not expect to recommence work until Level 2 once inter-regional travel is appropriate. There are two remaining trips planned for THS to complete the required work.

Faults of significance – 3 significant network fault occurred during July (2) and August:

- **Nero St WW Pump station power cable replacement**
During the upgrade of the 63mm MDPE pipe at Nero St PS, Waipa Civil accidentally struck the power cable supplying the site. The cable required replacement, and this was carried out by McKay in conjunction with WEL Energy.
- **Overflow at Lorenzen Bay Rd**
On 13 July, an overflow at a manhole occurred due to a blockage from a discarded washing machine hose. The overflow had spilled into an open SW drain, but fortunately, the blockage was cleared in time, and the overflow was contained within the drain and was able to be vacuumed up. Investigation revealed no sewer had entered the harbour, as the overflow had occurred approximately 230m from the harbour. Sampling indicated no presence of sewer in the receiving environment.
- **Hall Road, Te Kauwhata Water Main break (Cover photo)**
On Sunday 29th Aug, a significant break occurred on the 200mm line on Hall Road, which feeds the Te Kauwhata reservoir. A massive drop in line pressure was noted at 1 am, and the fault location was identified at approximately 5.30 am. The line was isolated, and tankers were used to transport potable water from Huntly to the T.K. reservoir to ensure the continuation of supply. The break was repaired, and flow from the plant to the reservoir resumed at approximately 6 pm.



5. Planning and Project Delivery

5.1 Planning

There are several work packages for the Watercare Professional Engineering services panel in progress including;

- Raglan WS model system performance assessment
- The Raglan WW model - Further data capture is underway before the system performance modelling of current and future population scenarios.
- The Central Waikato WS model calibration is complete; system performance assessment is underway.
- We are working with WDC on population modelling and the distribution of future population overland to rezoned and existing developed areas (infill) for Raglan and Central Waikato.

5.2 Development/Growth:

- River Road North development agreement is still being progressed by WDC.
- Interactions continue with the potential developers in Te Kauwhata, Horotiu and Meremere (Tainui Group Holdings). The Horotiu Developer has agreed to begin discussions on land for the proposed Washer Rd Pump Station. A concept design of the pump station to confirm land requirements has commenced. The developer would like LTP funding for the pump station to be moved forward to the 21/22 year from 22-25 years, WDC finance team has modelled the impacts of this change.

5.3 Project delivery

Operations

- SCADA system upgrade - Neo is still progressing with As-Built drawings received from McKay. This includes: Liaising with McKay and re-visiting sites to complete and confirm their markups.
 - Neo completed additional site visits to Concord sites and delivered the electrical and control drawings associated with design package 4.
 - Neo is currently working on the electrical and control systems design associated with package 5 delivery.
 - Functional descriptions (level 1) are being developed for three of the Franklin sites.

Infrastructure delivery

Network Renewals

- Raglan: Utility mapping, route planning, and drone surveys are complete for the sites in Raglan and the pipe installation is underway.
- Ngāruawāhia: Network Renewals are underway. The new pipelines in Ngāruawāhia, Galbraith St and Waipa Esplanade are complete. Connections are being planned to bring the new Waingaro Rd main into service.
- Huntly: Connections are being planned along Hakanoa Street to bring the new main into service. The pipe installation is underway in Harris Street.



Watermain Renewals: service location and pipe drilling works

Pond Desludging (DIA funded)

- Desludging works continue at Huntly WWTP. The dry solids percentage is meeting targets, and the centrifuge caking issue has been resolved. Production is back on track and being monitored closely.

Projects Delivery

- The preliminary design of the Ngaruawahia Esplanade pipeline main renewal is being completed in stages; the detailed design is expected in September. Geotech work is being rescheduled following the COVID lockdown.
- The Meremere MBR equipment is being livened, and staged commissioning has commenced. Progress has slowed with border restrictions in place (construction progress is detailed below)
- Whangamarino WTP Upgrade and the Te Kauwhata Reservoir Upgrade construction contracts are being finalized. The award will complete once the Waikato has returned to Alert Level 2.
- The design of the Tuakau Interceptor Pump Station Upgrade is being finalised; this project enables increased dairy flows and growth from Pokeno as well as servicing flows from Whangarata Business Park.
- Raglan WTP Upgrade – Procurement complete. Works contract to be awarded when alert levels drop to 2.
- Ngaruawahia WTP Upgrade - Detailed design and procurement is progressing. Works awaiting business case approval by the Waters Governance Board Meeting
- Huntly WWTP concept design – Concept report completed
- Te Kauwhata WWTP Phase 1 upgrade – Spartan contractors have been engaged and will commence on-site on the 13th of September. The delay was due to the Level 4 lockdown
- Te Kauwhata WWTP Phase 2 – The order for the MABR has been placed with Suez, and the design kick-off meeting has commenced. The Mangere MABR trial has commenced after the delivery of the new membrane in Late July; 70% detailed design is continuing.
- Ngaruawahia WWTP – 5 -yearly Treatment review report development has commenced.
- Raglan WWTP – Concept design for Tertiary membrane has commenced

6. Compliance

- All August compliance reports for Drinking Water and Wastewater are due to be submitted to Wai-comply and Waikato Regional Council during the second week of September 2021.
- Drinking-Water 2020-21 Annual Surveys were completed in DWO, DWSNZ Compliance achieved for all WDC WTPs and Zones except for Te Akau non-compliance due to an approved WSP not in place for compliance year. Te Akau new WSP was Approved by DWA Wai-Comply in July and DWSNZ compliance achieved since April 2021.
- The water take consents 2020-21 audit reports received from WRC with the overall compliance as follows:
 - **Huntly/Ngaruawahia** RC 136806- Full Compliance
 - **Te Akau** RC 110226- Full Compliance
 - **Raglan** RC 118341- Low-Risk Non-compliance (previously referred to as High-level of compliance)
 - **Port-W** RC 136297- Low-Risk Non-compliance (previously referred to as High-level of compliance)
- WSL is currently in progress with reviewing the DWS sampling points and will be replacing or upgrading the sampling points that are not dedicated to DWS sampling in the coming months.

6.1 Abatement notices

Meremere WWTP abatement resolution

The Meremere WWTP is being commissioned in stages:

- Stage 1 – Coarse screening and raw sewage pump station, including compressed air and service water systems
- Stage 2 – Building biomass in the biological process tanks
- Stage 3 – MBR system
- Stage 4 – Discharge pump station and UV disinfection

Stage 1 is almost complete, waiting on final automation. Stage 2 has started and, unfortunately, is on hold until regional travel across the Alert Level boundary is possible for specialist construction workers.

Te Kauwhata WWTP abatement resolution

A capital solution is currently in design to address the abatement notice.

The upgrade project will be delivered in 3 phases to ensure the plant is compliant in the shortest possible timeframe.

Notwithstanding the current challenges around international shipping, it is expected that phases 1 and 2 will be completed in mid-2022.

Raglan stormwater abatement resolution

The Raglan stormwater Discharge Consent has an Abatement Notice for the 2018/2019 compliance period highlighting non-compliances. The main issues are:

- o Flooding at Cambrae Road
- o Water Quality results and mitigation (hydrocarbons and heavy metals)
- o High-risk site identification and education
- o Reporting (changes to SW network)
- o Review of the Stormwater Management Plan
- o Review and update the monitoring program

Watercare has completed a detailed review of the non-compliant consent conditions. All items have been closed out except for the Flooding issue at Cambrae Road. Currently, a 'do nothing' solution may be acceptable (with WRC removing the abatement notice). We are waiting for a legal review/advice from WDC to progress and potentially update the property LIMs.

7. Customer

Due to COVID lockdown occurring in mid-August meter reading, planned new connections and replacements are deemed as non-essential under level 4. This has meant estimated readings were produced to ensure customers received invoices. Customers were advised to alert us of any reason the estimate should not be considered correct.

8. Strategic Resource Consents

Raglan WWTP resource consent application

- A public e-meeting was held on 24 August 2002. The meeting allowed an update on the earlier months advanced site soil reporting. Greater 'in good faith' discussions with landowners and users of the three key sites seen as likely sub-surface drip locations is now enabled (i.e. golf club, Wainui Reserve, and hapū owned farmland). Engagement with golf club reps has advanced, where further meetings are planned upon delivery of a conceptual plan. This should occur in September by way of e-meetings. Engagement with hapū will be jointly led by WSL (offering technical/conceptual work) and the WDC Property Department, who have the skills to will work through any agreeable solution to lease, swap, or acquire land by sale. Valuation work is underway, allowing face-to-face engagement to occur when able.

Matangi WWTP resource consent application

- Upgrades provide environmental betterment that should align with relevant objectives and policies of River Legislation embedded in the Waikato Regional Plan, given that Mātangi sits within the Middle Waikato River Catchment.
- Planned upgrades include the introduction of carbon dosing, increased circulation to optimise treatment, and increased buffer storage (tanks) to allow greater control of discharge during patches of extreme winter weather. Images also highlight examples of recent work within private property, undertaken to lessen network flow to the plant during wet weather events

1. Key Performance Indicators

KPI – description	Results	Target 2021/2022
	Water	
<i>The extent to which the Council’s drinking water supply complies with Part 4 of the drinking water standards (bacteria compliance criteria). (Number of zones that comply, maximum 18)</i>	18	18
<i>The extent to which the Council’s drinking water supply complies with Part 5 of the drinking water standards (bacteria compliance criteria). (Number of zones that comply, maximum 15)</i>	15	15
<i>Where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured: - Attendance for urgent call-outs: from the time that Council receives a notification to the time that service personnel reaches the site.</i>	August - 30 July 2021 - August 2021 Result - 30	≤ 60 mins
<i>Where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured: - Resolution of urgent call-outs: from the time that Council receives a notification to the time that service personnel confirms resolution of the fault or interruption.</i>	August - 114 July 2021 - August 2021 Result - 95	≤ 120 mins
<i>Where Council attends a call out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured: - Attendance for non-urgent call-outs: from the time that Council receives a notification to the time that service personnel reaches the site</i>	August - 1 July 2021 -August 2021 Result - 1	≤ 3 days
<i>Where Council attends a call out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured: - Resolution of non-urgent call-outs: from the time that Council receives a notification to the time that service personnel confirms resolution of the fault or interruption.</i>	August - 1 July 2021- August 2021 Result - 1	< 3 days

<p><i>The total number of complaints received by Council about any of the following (expressed per 1000 connections to the networked reticulation system):</i></p> <ul style="list-style-type: none"> - Drinking water clarity - Drinking water taste - Drinking water odour - Drinking water pressure or flow - Continuity of supply <p>- The local authority's response to any of these issues</p>	<p>August – 2.00</p> <p>July 2021 -August 2021 Result – 3.55</p>	<p>≤ 22/1000</p>
Wastewater		
<p><i>The number of dry weather sewage overflows from Council's system is expressed per 1000 sewage connections to that sewage system.</i></p> <ul style="list-style-type: none"> - Non-sensitive receiving environments 	<p>August – 0.00</p> <p>July 2021 - August 2021 Result – 0</p>	<p>≤ 2/1000</p>
<p><i>The number of dry weather sewage overflows from Council's system is expressed per 1000 sewage connections to that sewage system.</i></p> <ul style="list-style-type: none"> - Sensitive receiving environments 	<p>August- 0</p> <p>July 2021 - August 2021 Result - 0</p>	<p>≤ 2/1000</p>
<p><i>Where Council attends to sewage overflows resulting from a blockage or other fault in its sewage system, the following median response times measured:</i></p> <ul style="list-style-type: none"> - Attendance time: from the time that Council receives a notification to the time that service personnel reaches the site. 	<p>August - 17</p> <p>July 2021 – August 2021 Result - 17</p>	<p>≤ 60 mins</p>
<p><i>Where Council attends to sewage overflows resulting from a blockage or other fault in its sewage system, the following median response times measured:</i></p> <ul style="list-style-type: none"> - Resolution time: from the time that Council receives a notification to the time that service personnel confirms resolution of the blockage or other fault. 	<p>August – 107</p> <p>July 2021 – August 2021 Result – 107</p>	<p>≤ 240 mins</p>
<p><i>The total number of complaints received by Council about any of the following (expressed per 1000 connections to the sewage system):</i></p> <ul style="list-style-type: none"> - Sewage odour - Sewage system faults - Sewage system blockages <p>- Council's response to issues with its sewage system</p>	<p>August – 0.55</p> <p>July 2021 – August 2021 Result – 0.95</p>	<p>≤ 10/1000</p>

	<i>Health and Safety</i>	
<i>Safety: Lost time injury frequency rate (LTIFR) per million hours worked</i>	3.56	≤ 5
<i>Safety: Total recordable injury frequency rate (TRIFR) per million hours worked</i>	5.34	≤ 20
<i>Safety: 100% of Notifiable (or serious non-notifiable) Events reported to WDC within 2 hours of the occurrence</i>	100% No events YTD	100%
<i>Safety: 100% of Notifiable Event reports supplied to WDC within 21 business days</i>	100% No events YTD	100%
<i>Safety – the percentage of complaints resolved within ten working days</i>	100%	95%
<i>Safety- Health and safety Audit programme and action plan completed (6 monthly and then annually)</i>	100%	1
<i>Safety - All site emergency plans to be drilled six-monthly as per drill schedule</i>	100%	> 100%
<i>Safety - Monthly Health and safety meeting held with all workers</i>	1	> 90%
<i>Safety-Critical risk audit to be conducted by HSW BP Bi-monthly</i>	100%	1
<i>Safety -Actions required to be closed within one month</i>	100%	> 90%

Open Meeting

To	Waters Governance Board
From	Keith Martin Water Services Manager
Date	13 September 2021
Prepared by	Keith Martin
Chief Executive Approved	Y
Reference #	WGB2021, ECM # 3245777
Report Title	Risk Register Update – September 2021

1. EXECUTIVE SUMMARY

This report is to give the Board an update on the risk register. The report outlines the extreme and high risks in the WDC risk register.

2. RECOMMENDATION

THAT the report from the Water Services Manager be received.

3. DISCUSSION

The paper covers the update of the WDC risk register and there are 71 risks are on the register.

The risks are under active management as updated in the attached tables.


4. CONCLUSION

The risks are being managed and reported via monthly operations report and quarterly Board reports.


5. ATTACHMENT

- Risk Register


Risk Tables

 Risk Register (Standard)												
Project Name:		Watercare Contract Three Waters				Project Number:						
Completed By:		Reviewed by Keith Martin				Date:		10/09/2021				
Risk Ref #	Risk Statement <i>Risk statement to include "Bad outcome - cause"</i>	Gross Risk score			Treatment plan <i>What can we do about each significant risk to either eliminate it or reduce it?</i>	Residual Risk score			Contingency <i>If the risk becomes reality...what action(s) will we implement?</i>	Risk Owner <i>Who will take responsibility for this risk? (One person!)</i>	Monitoring/ Reporting <i>Who will monitor and report on this risk?</i>	Timeframe <i>What is the frequency for monitoring/ reporting?</i>
		Likelihood	Consequence	Factor		Likelihood	Consequence	Factor				
19	Financial loss and ability to afford capital works via the Housing Infrastructure Fund (HIF) is compromised. Lose access to the interest free element of HIF.	5	4	Extreme	Project team to be set up to ensure this funding is utilised. The critical part is the report being written by WSL consultants (Stantec) for the servicing strategy from Meremere to Huntly. Agreement signed. Regular meetings in place with Lakeside to manage the delivery of infrastructure	3	3	Moderate		Relationship Manager	Relationship Manager	Quarterly risk reporting
40	Insufficient funds for Raglan WWTP consent application and plant upgrade in current LTP	5	5	Extreme	Reviewed estimates for both consent processing and plant upgrade in the 2021 LTP. Consent processing	2	4	Moderate		Relationship Manager	Relationship Manager	Quarterly risk reporting
47	Abatement notice at Te Kauwhata WWTP is not complied with in time	4	5	Extreme	Strategy developed with Watercare. Part of the Mid Waikato Servicing Strategy. HIF funding secured. Community engagement has commenced and Project Manager appointed to co-ordinate the engagement. Plan agreed with WRC and exhaustive work being undertaken by Watercare.	2	4	Moderate	Revisit the plan and adapt it with community and WRC approval.	Special Infrastructure Project Manager	Relationship Manager	Monthly Operations report
60	Contract for Hamilton City water supply to WDC has lapsed and is mid negotiation with cost exposure impacting savings anticipated in the LTP Watercare model	5	4	Extreme	Agreement to continue on same terms and conditions as existing expired contract in light of waters reform has been agreed to. CE's to formally sign.	2	1	Low		Special Infrastructure Project Manager	Relationship Manager	Quarterly risk reporting


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		likelihood	consequence	Factor		likelihood	consequence	Factor				
5	Volumes of water per customer Volumetric charging could adversely impact on revenue. Revenue not sufficient to cover costs.	3	4	High	Volumetric charging is relatively new to the district so we could see behaviours change. Close tracking of volumes sold will need to be undertaken. Historic data used in 2021 LTP to ensure risk is covered.	2	4	Moderate	Consider impacts in next LTP or annual plan process	Relationship Manager	Relationship Manager	Quarterly risk reporting
6	Population Growth - Customer numbers don't increase to the extent anticipated in the model so revenue is impacted. Revenue not sufficient to cover costs.	3	4	High	WDC have the revenue risk. The revenue requirements are reviewed every year. Growth numbers are derived from modelling at lower risk scenarios. The source of data is the National Institute of Demographic and Economic Analysis (NIDEA)	2	4	Moderate	2021 LTP has utilised latest growth figures	Relationship Manager	Relationship Manager	Quarterly risk reporting
9	Not meeting Operational Period conditions. Relationship Manager in co-ordinating role needs dedicated time to actively manage all necessary project management responsibilities and tidy up historical issues	4	4	High	Due to Waters Reform have agreed to remain in transition period and monitor	1	2	Low		Relationship Manager	Relationship Manager	Quarterly risk reporting
10	WSL consultation with Auckland Consultation required by WSL specific to s137 LGA mean that there is uncertainty of the outcome. Depending on outcome, it could result in WSL being unable to	3	5	High	Early consultation to determine impact and structure contract to allow for this has been deferred until the future of local government is clearer. Some consultation expected as per 18.2(b) on WSL	2	4	Moderate		Relationship Manager	Relationship Manager	Quarterly risk reporting


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		likelihood	Consequence	Factor		likelihood	Consequence	Factor				
11	Change in billing of Waters related charges from Council to WSL. Some existing WDC ratepayers may no longer qualify for the Government funded rate rebate scheme as charges from a CCO cannot	3	4	High	WDC need to look at creating a relief fund to cover off possible debt issues. The Rate Rebate act is currently being reviewed. The contract has a focus on hardship requiring Watercare to look for innovation	2	4	Moderate		Relationship Manager	Relationship Manager	Quarterly risk reporting
16	Public Health risk. Non - Compliance risk with DWS. Drinking water quality gets worse	3	5	High	Retention of trained staff members. Continue with renewal schedules as planned. Asset remediation plan is to be confirmed ahead of transition period. WDC has made funds available to enable immediate focus on critical risk items (safety, abatement notices at	2	5	Moderate		Relationship Manager	Relationship Manager	Quarterly risk reporting
17	Revenue not sufficient and price of water increases out of control. Costs blow out and are significantly different from LTP	3	5	High	Ensuring that the WGB controls price and WSL control costs. Open book basis and fair and reasonable return principle will control this risk. The LOS priced in the LTP must be adhered to rather than	2	4	Moderate		Relationship Manager	Relationship Manager	Quarterly risk reporting
20	Disgruntled customers. Accounts balance not correct. Reconciliation work. Customers handed to WSL not handled in a seamless manner, accounts paid to wrong party.	3	4	High	Ensure that WSL have a clear process to manage, WDC to be involved in planning and a clear comms plan in place before transition date. No change to contact methods, emails ph number (or bank account payment to be made to) during the Transition Period.	1	4	Low		Relationship Manager	Relationship Manager	Quarterly risk reporting


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		likelihood	Consequence	Factor		likelihood	Consequence	Factor				
21	Development Agreements are not put in place in a timely manner. WDC or WSL exposed to costs to get agreements in place retrospectively. Developer may not be able to connect to services in timely manner (or at all)	4	4	High	Focus is being placed on closing off development agreement discussions and continuing active dialogue with developers. A working group has been set up between in WDC associated with the weekly 'Water Wash Up' meetings to address outstanding and future	3	4	High		Special Infrastructure Project Manager	Relationship Manager	Quarterly risk reporting
24	Delivery of Smart Water compromised. Poor customer experience, different from past experience.	4	3	High	Manage this program in the transition plan.	3	3	Moderate		Relationship Manager	Relationship Manager	Quarterly risk reporting
25	Laboratory (via LASS) testing and sampling services are suspended or service levels decrease and we do not have a sampling contractor in place. major compliance issues and lack of reactive testing for overflows and DW complaints	3	4	High	WSL provid these services now	1	1	Low		Relationship Manager	Relationship Manager	Quarterly risk reporting


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		likelihood	consequence	Factor		likelihood	consequence	Factor				
26	Disjoint on WDC or ACC bylaws in use and effective date	3	4	High	WSL/Council to review bylaws (new SW Bylaw). Provide input to creation or bylaw review to reflect this contractual relationship during the Transition Period	2	3	Moderate		Relationship Manager	Relationship Manager	Quarterly risk reporting
27	Disjoint between WDC Consents Planners/District Planners and WSL Planning. Increased timeframes to respond, financial consequence that WSL cannot	4	4	High	WSL to provide input to WDC Infrastructure Strategy; understanding of AMP; stakeholder identification; clear communication process and	3	3	Moderate		Relationship Manager	Relationship Manager	Quarterly risk reporting
29	Support systems necessary to maintain LOS are not available or reliable through transition period into	3	4	High	New IM stream lead required to ensure the integration occurs. Maintenance of existing systems until new	3	4	High	Continue to use WDC systems	Relationship Manager	Relationship Manager	Quarterly risk reporting
30	Communications to WDC customers is poor. Internal and external customer not aware of what is happening in waters resulting in complaints	3	5	High	Comms Operations Mandate to spell out who does what and when.	2	4	Moderate		Relationship Manager	Relationship Manager	Quarterly risk reporting
34	Significant hazards related to third party staff / contractor operations				Implement WSL health and safety management system. Development of appropriate SOP's and permit to work systems					Relationship Manager	Relationship Manager	Quarterly risk reporting


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		likelihood	Consequence	Factor		likelihood	Consequence	Factor				
35	Control system failures lead to a failure of water or wastewater treatment process. Non compliance with regulations.	3	4	High	Continue with Control system upgrade project. Implement SOPs for manual operation of plant and equipment	2	3	Moderate		Relationship Manager	Relationship Manager	Monthly Operations report
36	Failure of critical suppliers and contractors. Inability to meet contract or performance KPIs	3	4	High	Due diligence on contractors and suppliers prior to engagement	2	3	Moderate		Relationship Manager	Relationship Manager	Quarterly risk reporting
37	Significant wastewater discharge to the environment and uncontrolled dry weather overflows	3	4	High	Ensure routine network maintenance and in place and completed. Public education programmes regarding fats etc	2	3	Moderate		Relationship Manager	Relationship Manager	Quarterly risk reporting
38	Incomplete or insufficient asset planning and investment to service growth (Ohinewai)	4	3	High	Continued liaison between WSL and WDC regulatory planning team to ensure awareness of new developments as early as possible. Growth forum as the way to ensure collaboration is happening	2	2	Low		Relationship Manager	Relationship Manager	Quarterly risk reporting


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		likelihood	consequence	Factor		likelihood	consequence	Factor				
43	Non compliance with discharge consents not in abatement or further abatement notices	4	3	High	Identification of required upgrades early to allow upgrade costs to be included in LTP funding plan. Continued liaison with regulators. Paper submitted to WGB June 2020.	4	3	High		Relationship Manager	Relationship Manager	Quarterly risk reporting
48	Abatement notice at Meremere WWTP is not complied with in time	3	4	High	Council approved budget early June to upgrade the plant. Working with WRC to agree timing of abatement notice compliance date. New consent issued. Stage 2 to upgrade plant has been undertaken and currently under going commissioning.	2	2	Low	Stage 2 to upgrade plant has been undertaken and currently under going commissioning	Special Infrastructure Project Manager	Relationship Manager	Monthly Operations report
49	Long Term resource consent application for Raglan WWTP is poor or not completed in time.	4	4	High	Short term 36 month consent gives WDC the time to work with Watercare to achieve the best outcome.	3	4	High		Special Infrastructure	Relationship Manager	Monthly Operations
50	Procurement savings in business case over estimated and contract implementation shows savings will not	3	5	High	Get clarity on true costs as soon as possible Consider LTP budget re-evaluation - completed and	2	4	Moderate		Relationship Manager	Relationship Manager	Quarterly risk reporting
53	Transition costs greater than budget	3	4	High	Transition and Start-up costs risk Underwritten by WDC with transition budget cap in place	2	3	Moderate		Relationship Manager	Relationship Manager	Quarterly risk reporting

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		likelihood	consequence	Factor		likelihood	consequence	Factor				
56	Regulatory Risks- Higher standards expected during the term of the contract. WGB will play a part in anticipating, planning and reacting to this.	4	3	High	Contract acknowledges this and change management process allows for consideration and management.	4	2	Moderate		Relationship Manager	Relationship Manager	Quarterly risk reporting
61	TKWA contract has expired and needs reviewing to modernise, add KPIs and ensure consent to take water will be committed to by the association. The new drinking water regulation may impose WDC oversight on the association regardless of whether the asset owner or not.	5	3	High	Supply continues using the lapsed agreement. Consultant being engaged to manage the process to clear up the maintenance contract, resource consent strategy and supply contract. Maintenance contract terminates 30 June and is largely lapsed with TKWA delivering it themselves. Supply contract is 95% complete awaiting final amendments from TKWA.	5	3	High	A resource consent and new intake can be obtained by WDC and this has been considered in the Mid Waikato Servicing Strategy. Workshops have been completed with TKWA, Watercare and WDC to plan for how to approach this. Once the supply contract is signed the focus will move to the	Special Infrastructure Project Manager	Relationship Manager	Quarterly risk reporting
62	Risk of prosecution for failure to meet requirements of stormwater consents across the district. A letter of direction was received from WRC for the 2020 Stormwater audit.	5	3	High	Complete the required actions from the letter including an update of the Stormwater Management Plan. The contract requires a review of the approach to stormwater. Stormwater Engineer in place to manage this. A letter of direction for PARTIAL COMPLIANCE was received for the 2019-20 compliance year but included this commentary "I acknowledge all the hard work and effort that has been done during the last year to improve compliance and reporting of WDC's stormwater activities. I know that the existing abatement notice has had most of its required	4	3	High		Relationship Manager	Relationship Manager	Quarterly risk reporting

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		likelihood	Consequence	Factor		likelihood	Consequence	Factor				
66	Te Akau water quality compliance	4	4	High	Remove bore water supply and tanker treated water from Raglan Treatment plant	2	2	Low				
67	Te Kauwhata water abstraction resource consent with TKWA lapses or is not regained	3	5	High	TKWA hold consent. TKWA have agreed they will seek renewal of consent. Richard Bax working with TKWA on WDC requirements to assist consent application,. Consent expires 2024	2	4	Moderate				
68	Pokeno and Tuakau wastewater treatment service is not in place for growth leading to environmental overflows or inability to grow the town	3	4	High	Ability for services to receive wastewater should industrial users require additional capacity ahead of watercare plant upgrade and WDC network upgrade. Managing it by not allowing new wet industries until upgrades are planned	3	3	Moderate				
71	Supply chain for critical spares impacted by COVID19	4	4	High	WSL have opportunity in planning and in shared resources to mitigate. Where critical spares have been identified as long lead time and in scarce supply, orders have been placed. Where logistics have been the limiting factor, air freight has been used in the most urgent of cases and max min stock control based on utilisation and known lead times	3	3	Moderate		Relationship Manager	Relationship Manager	Quarterly risk reporting

Open Meeting

To	Waters Governance Board
From	Gavin Ion Chief Executive
Date	13 September 2021
Prepared by	Matt Horsfield Democracy Advisor
Chief Executive Approved	Y
Reference #	GOV1318
Report Title	Exclusion of the Public

I. RECOMMENDATION

THAT the public be excluded from the following parts of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
PEX Item 1 Confirmation of Minutes	Good reason to withhold exists under Section 6 or Section 7 Local Government Official Information and Meetings Act 1987	Section 48(1)(a)
PEX Item 2 Action Register		
PEX Item 3.1 Te Kauwhata Irrigation Association Incorporated Water Supply Agreement Update		

PEX Item 3.2 Audit of Three Waters Agreement		
PEX Item 3.3 Waters Financial Results to 31 August 2021		
PEX Item 3.4 Business Case – Tauwhare Pa Low Pressure Wastewater Pump Scheme		
PEX Item 3.5 Business Case – Ngaruawahia Water Treatment Plant Discharge Pipeline UV Installation		

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

Item No.	Section	Interest
PEX Item 1 Confirmation of Minutes		Refer to the previous Public Excluded reason in the agenda for this meeting.
PEX Item 2 Action Register		Refer to the previous Public Excluded reason in the agenda for this meeting.
PEX Item 3.1 Te Kauwhata Irrigation Association Incorporated Water Supply	7 (2) (b) 7 (2) (b) (ii)	Protect Information where the making available of the information: Would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information; or

	7 (2) (i)	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or
	7 (2) (j)	Prevent the discourse or use of official information for improper gain or improper advantage.
PEX Item 3.2 Audit of Three Waters Agreement	7 (2) (b)	Protect Information where the making available of the information:
	7 (2) (b) (ii)	Would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information; or
	7 (2) (j)	Prevent the discourse or use of official information for improper gain or improper advantage.
PEX Item 3.3 Waters Financial Results to 31 August 2021	7 (2) (b)	Protect Information where the making available of the information:
	7 (2) (b) (ii)	Would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information; or
	7 (2) (i)	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or
	7 (2) (j)	Prevent the discourse or use of official information for improper gain or improper advantage.
PEX Item 3.4 Business Case – Tauwhare Pa Low Pressure Wastewater Pump Scheme	7 (2) (b)	Protect Information where the making available of the information:
	7 (2) (b) (ii)	Would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information; or
	7 (2) (i)	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or
	7 (2) (j)	Prevent the discourse or use of official information for improper gain or improper advantage.

PEX Item 3.5 Business Case – Ngaruawahia	7 (2) (b)	Protect Information where the making available of the information:
Water Treatment Plant Discharge Pipeline UV Installation	7 (2) (b) (ii)	Would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information; or
	7 (2) (i)	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or
	7 (2) (i)	Prevent the disclosure or use of official information for improper gain or improper advantage.

AND THAT Mr Telfar be permitted to remain at this meeting, after the public has been excluded, because of his knowledge of Watercare. This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because of Watercare's role and responsibility for those matters.