

Agenda for the meeting of the Waters Governance Board to be held in via Audio Visual Conference on **TUESDAY, 14 DECEMBER 2021** commencing at **10.00am**.

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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	6 December 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 Register of Interests 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 Director – WEL Networks
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	6 December 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 Tuesday, 2 November 2021.

2. RECOMMENDATION

THAT the minutes for the meeting of the Waters Governance Board held on Tuesday, 2 November 2021 be confirmed as a true and correct record.

3. ATTACHMENTS

WGB Minutes – 2 November 2021

MINUTES for a meeting of the Waters Governance Board Meeting of the Waikato District Council held via audio-visual conference on **TUESDAY, 2 NOVEMBER 2021** commencing at **10.05am**.

Present:

Ms R Schaafhausen (Chair)
Mr D Wright
Mr G Dibley
Mr GJ Ion (Chief Executive, Waikato District Council)
Ms J Colliar (Intern)

Attending:

Cr Patterson

Mr R MacCulloch (General Manager Service Delivery)
Ms C Nutt (Waters Contract Relationship Manager)
Mr K Martin (Waters Manager)
Mr S Toka (Iwi and Community Partnership Manager)
Ms Z Al-Khaleefa (Three Waters Contract Engineer)
Ms L Cillars (Management Accountant)
Mr M Horsfield (Democracy Advisor)

Mr M Telfer (Watercare)
Ms S Danks (Watercare)
Mr R Pullar (Watercare)
Ms P Luijken (Watercare)
Mr P Crabb (Watercare)
Mr S Howard (Watercare)
Mr D Hurdle (Watercare)
Ms B Strothers (Watercare)

APOLOGIES AND LEAVE OF ABSENCE

All members were present.

CONFIRMATION OF STATUS OF AGENDA ITEMS

Resolved: (Mr Wright/Mr Dibley)

THAT the agenda for a meeting of the **Waters Governance Board Meeting** held on Tuesday, 2 November 2021 be confirmed and all items therein be considered in open meeting with the exception of those items detailed at agenda item 6.7.

CARRIED

WGB2111/01

DISCLOSURES OF INTEREST

There were no disclosures of interest.

CONFIRMATION OF MINUTES

Resolved: (Mr Wright/Mr Dibley)

THAT the minutes for the meeting of the **Waters Governance Board** held on Tuesday 21 September 2021 be confirmed as a true and correct record.

CARRIED

WGB2111/02

REPORTS

Actions Report
Agenda Item 5

The Water Contract Relationship Manager and General Manager Service Delivery noted the following matters:

- Te Kauwhata Water Take Consent – Staff to return to the board in the early 2022 regarding the full application for water take consent.
- Metro Waste Project – A report had yet to come, with the information still being collated for the project. Council was looking at alignment with Watercare projects. Important to ensure alignment with sub-regional projects. Ms Colliar noted that this was in relation to mana whenua engagement, specifically to Te Kauwhata Wastewater Treatment plan and the obligations to Nga Muka.

ACTION: That staff review how Council can align engagement with mana whenua with the Metro Waste Project as well as the Council's other wastewater programmes.

Resolved: (Mr Ion/Mr Wright)

THAT the Actions report be received.

CARRIED

WGB2111/03

Health & Safety Report

Agenda Item 6.1

Ms Strothers provided a presentation and noted the following:

- Provided an overview of Watercare's commitment to health and safety. Three areas of focus were leadership, systems and people.
- Safety needs also covers bullying and harassment.
- Health, Safety and Wellbeing – Plan for 2021 on focuses leadership & governance, People Capability and Engagement, System Improvement, Critical Risk Management and Contractor Engagement, with deliverable outcomes.
- COVID – Consuming a lot of time from a health and safety perspective, as staff wellbeing was critical provide safe water for the community.
- There had been opportunities for staff to engage with their colleagues throughout isolation and working from home. There was also additional pressure that staff who were working in the community were at risk of contracting COVID.
- Consultation process was underway regarding mandatory COVID vaccinations. Feedback from staff had been supportive, with over 90% in favour.
- There were safety committees for each operational site. Feedback was collated on a shared site to review consistency and whether items should be escalated.
- There was a independent whistleblower service.
- There was random drug and alcohol testing for roles that may create a safety risk and post-incident testing. This was not extended to contractors. Noted that it can be included in employment contracts.
- Safety culture had become an important KPI. Culture surveys had been circulated and will be measured over time.
- Stand point from Waikato District Council to Watercare – Both organisations to work together on health and safety policy.
- There had been feedback regarding Watercare staff to be say consulted regarding the process for mandatory vaccinations.

- Question raised what Watercare was doing to check in with people under lockdown. Noted that staff energy levels and engagement had been drained under lockdown.
- Teams were engaged as much as possible regarding COVID safety in the field. Important to have different communication options for staff. There were different risks for people working from home, with family interruptions and constant zoom meetings. There had been training and wellbeing opportunities available for staff, and flexibility for staff to take leave.
- The Chair noted that she was happy to meet with Watercare staff virtually to thank them for the hard work under lockdown conditions.

ACTION: Future monthly health and safety report to include much deeper dives regarding lead and wellbeing indicators.

Resolved: (Mr Ion/Mr Dibley)

THAT the Health & Safety presentation be received.

CARRIED

WGB2111/04

Three Waters Governance Report – October 2021

Agenda Item 6.2

Mr Telfer noted the following matters:

- Staff had been unable to find the cause of the Huntly water quality event. Event was managed without any impact to customers.
- Two performance measures were not achieved in October 2021 – these relate to response times for urgent faults. There were a low number of jobs during October 2021, however the jobs were quite complicated.
- Impact of COVID – Meremere Wastewater Treatment Plant Commissioning - The contractor continues to operate the plant, but under level 3 and 4 restrictions the contractor had not been able to access the plant. This has sped up commissioning activities.

ACTION: A report from Watercare to be provided to the Infrastructure committee regarding an update for capital works.

- The board will approve the capital works report from Watercare out of cycle before the next meeting.
- No health and safety issues in October 2021. There had been a focus on driver improvement across the Watercare Team.

- Meremere wetlands flooding – This had been managed. The catchment was small, which was susceptible to storms. The new plant will have a variable level pond, with more retention available. New consent grants 24 hour treated discharges.

ACTION: Watercare to provide information regarding how much storm flow was allowed for the new Meremere Wastewater Treatment plant.

- Cambrae Road Flooding – A letter had been found that the pipe was legal. It was previously believed that the pipe was illegal. Waikato Regional Council will need to confirm their view regarding the letter.
- Compliance – No results had been produced yet regarding compliance with Waicomply. This was expected to take some time.
- KPI's – Response time was sixty-six (66) mins for critical call outs, which was not within the KPI's. The yearly median was 32 mins. Noted that there was an expectation that call outs fall within the 60 min response time.
- Meremere Waste Water Treatment Plant – Explanation provided regarding time bypass discharges, which were specific times that discharges were allowed under the current consent. Watercare works with Waikato Regional Council when this occurs. It was considered a breach by Waikato Regional Council. Watercare was attempting to reduce discharges however there had been significant weather events that had created challenges. Questions raised whether mana whenua partners had been informed regarding discharges.

ACTION: Mr Telfer to check whether local Mana Whenua and other stakeholders were aware of the discharges.

ACTION: A deep dive to be provided at a future meeting regarding stormwater activities and future plans.

- Te Kauwhata Water Treatment Plant – There was a plant shutdown due to workers being unable to operate the plant in manual mode as they were unfamiliar with the process. The problem was due to a failed actuator which was a rare fault. Watercare will provide a more detailed standard operating procedure regarding operating the plant in manual mode.
- SCADA system update – Questions regarding time and costs of the scale of the system upgrade.
- Flushing Networks – High lead notification was received. This was due to the laboratory not following standard operating procedures when testing samples.

Resolved: (Mr Dibley/Mr Wright)

THAT the Three Waters Governance Report – October 2021 be received.

CARRIED

WGB2111/05

Te Kauwhata Wastewater Treatment Plant Update – October 2021

Agenda Item 6.3

Ms Danks noted the following matters:

- Operation compliance had not improved since July, as new works had not come online.
- Phase 1 – UV disinfection. This was DIA funded work. Contractor on site and equipment had been received. Site supervision had been an issue and a consultant was supervising the installation. On track to finish in February 2022, and the pump station has arrived,
- Phase 2- MABR completion. Stainless steel has arrived in Auckland and screen will arrive in December 2021. Designs were complete and commenced power supply upgrade.
- Phase 3 – Ultimate Upgrade. Pre concepts designs had been developed and costed. Three options were identified, one full MABR plant and two hybrid MABR activated sludging options. All three options are over the allocated budget. The growth estimates are higher than the HIF (Housing Infrastructure Fund) estimated. Watercare looking at how to reduce costs.
- MABR Trial – Trial at the Mangere Plant has been working for month. This was vital for when the Te Kauwhata plant would open in April 2022. Ultrafiltration will be needed to remove suspended solids.
- Consenting programme – This will be driven by growth. The objective had been set to drive options assessment and analysis. There were four discharge options. These include continued discharge of reclaimed water to Lake Waikare, discharge to the Waikato River, discharge to land, and reuse of treated wastewater. Looking at a three pronged approach to reduce the need of discharge to the lake or the river.
- Reclamation of the wetland area around the plant – Questions raised whether this had been discussed with Waikato Regional Council. The wetland was engineered during the original construction of the plant. The wetland was in a poor state.
- The Futureproof sub-regional three waters work, the Te Kauwhata Wastewater Treatment Plant upgrade will be used as a case study for different way to manage water service.
- Changes in density projections had been reflected within the current concepts and plans for future works.
- Watercare was confident that the deadlines set with the Waikato Regional Council will be met. The order for the filtration units for the suspended solids will need to be placed in early 2022.

- Watercare was confident that funding from the DIA for the UV disinfection will be finished by February 2022 and all equipment has been delivered. Not expecting another delay unless there was another level 4 lockdown.
- Watercare was confident that the performance for the Te Kauwhata MABR plant will be strong.
- Questions raised regarding mana whenua consultation – Watercare were working with mana whenua for strategies for the three plant options, and cultural expectations for the options. Watercare will work with mana whenua as they begin to scope the three options.

Resolved: (Mr Ion/Mr Wright)

THAT the Te Kauwhata Wastewater Treatment Plant Update – October 2021 be received.

CARRIED

WGB2111/06

Mana Whenua Forums

Agenda Item 6.4

The Iwi and Community Partnerships Manager noted the following matters:

- Waikato District Council had approved mana whenua forums, for the north, south, east and west areas of the district. The northern forum will include the areas of Port Waikato, Meremere, Mercer, Pokeno, Rangiriri, Te Kauwhata and surrounding areas. The southern forum will include Ohinewai, Huntly, Taupiri and Ngaruawahia. The eastern forum will include Tamahere, Eureka, Tauwhare and Gordonton. The western forum will include Te Kowhai, Whatawhata, Waingaro, Raglan and Te Akau.
- The mana whenua forums will allow Watercare and Council to talk to the same people regarding engagement.
- The report went to Council for mana whenua remunerations and was approved for \$50,000. Terms of Reference for the forums were currently under development. The Council looked at Hamilton City Council and Tauranga City Council regarding their remuneration settings.
- Forums were important to develop strong relationships and foundations with hapu.
- The list of marae chairs and stakeholders was updated every three months for possible changes.
- The Council was leading the forums, with Waikato-Tainui.
- Important that a list of key projects be produced to ensure that the correct mana whenua groups can engage with council and their own people.

- Important that information be sent to all marae groups, so marae can start thinking of who to nominate.
- Forums were designed for regular contact and engagement, rather than a substitute for specific engagement regarding particular projects. For example, the Te Kauwhata Wastewater Treatment Plant, consultation will continue with established stakeholders including local hapu.
- Mana Whenua forums need to be structured and meaningful for all involved.
- Questions raised regarding the layers of communication and how the mana whenua fit within this as well as the scope of mana whenua groups. Noted it was important that the design of the forums can cover all aspect of important legislative change including three waters and RMA reform.

Resolved: (Mr Dibley/Mr Ion)

THAT the Mana Whenua Forums report be received.

CARRIED

WGB2111/07

Resource Consent Status Overview

Agenda Item 6.5

The Water Contract Relationship Manager noted the following matters:

- All the water take consents were compliant or close to compliant.
- There were issues relating to the wastewater discharge consents with Te Kauwhata and Meremere with abatement notices and Huntly, Raglan and Ngaruawahia with formal warnings in place. All three treatments plants will need upgrading to meet compliances. Desludging will help increase performance, and was completed in Huntly and underway in Ngaruawahia.
- Ngaruawahia Plant upgrade – Not budgeted till 2029 in the current LTP period. Council looking at options to pump wastewater to the Pukete plant.
- Huntly Plant – More pressure will be placed on Huntly if the Ohinewai development moves forward. Looking at the option for bringing funding forward for the upgrade.
- Ohinewai Sleepyhead development - Appeals were currently underway and progress was being made. Council applied for the Infrastructure Acceleration Fund to update the treatment plant. The application was now on the reserve list. This will help accelerate the Ohinewai project and Kainga ora developments in Huntly.
- Desludging in Huntly – Only a quarter of the sludge was removed at the Huntly treatment plant. This was due to budgeting costs. This may be looked at depending on

future plant upgrades. There should be plans to look at improvements before any upgrades go forth, especially as there was a formal notice. There were interim solutions, such as MBBR systems which would require a \$3-4 million investment.

ACTION: Report to be delivered to the board regarding options to bring Huntly Wastewater Treatment into compliance.

- Ohinewai development – First stage will be the foam factory, which will have onsite wastewater treatment. However the future stages of the development will require an upgrade for the Huntly treatment plant. Council had indicated the costs to Sleepyhead for the upgrade but no detailed discussions have taken place.
- Council does not have a discharge consent for wastewater network overflows. Watercare aims was to always limit overflows occurring, and from reaching the environment. There had been significant investment in the network to reduce overflows happening.

Resolved: (Mr Wright/Mr Ion)

THAT the Resource Consent Status overview report be received.

AND THAT the board supports in principle bringing forward the upgrade of the Huntly Wastewater Treatment Plant.

CARRIED

WGB2111/08

2022 Schedule of Meetings

Agenda Item 6.6

The report was received and no discussion was held.

Resolved: (Mr Ion/Ms Schaafhausen)

THAT the Waters Governance Board approves the schedule of Board meetings for 2022 as follows:

- Tuesday, 1 February,
- Tuesday, 15 March,
- Tuesday, 26 April,
- Tuesday, 7 June,
- Tuesday, 19 July,
- Tuesday, 30 August,
- Tuesday, 11 October, and
- Tuesday, 22 November,

noting that each meeting will be scheduled to commence at 10.00am.

CARRIED

WGB2111/09

EXCLUSION OF THE PUBLIC

Agenda Item 7

Resolved: (Mr Ion/Mr Wright)

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 Raglan Wastewater Treatment Plant Consenting Update – Land Irrigation		
PEX Item 3.2 Water Financial Results to 30 September 2021		
PEX Item 3.3 Business Case – Te Kauwhata Treatment Plant Upgrade Phase 2.2 Ultrafiltration		
PEX Item 3.4 Network Renewals and the Ngaruawahia Pipeline to the Wastewater Treatment Plant Discussion Paper		
PEX Item 3.5 Volumetric Water Billing Frequency		

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 Raglan Wastewater Treatment Plant Consenting Update – Land Irrigation	7 (2) (c)	Protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information-
	7 (2) (c) (i)	Would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied; or
	7 (2) (a)	Enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations); or
PEX Item 3.2 Water Financial Results to 30 September 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) (j)	Prevent the disclosure or use of official information for improper gain or improper advantage.
PEX Item 3.3 Business Case – Te Kauwhata Wastewater	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

Treatment Plant Upgrade Phase 2.2 Ultrafiltration	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.
	7 (2) (b)	Protect Information where the making available of the information:
PEX Item 3.4 Networks Renewals and the Ngaruawahia Pipeline to the Wastewater Treatment Plant Discussion Paper	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 Volumetric Water Billing Frequency	7 (2) (h)	Enable any local authority holding the information to carry out, without prejudice or disadvantage commercial activities.

AND THAT representatives from Watercare be permitted to remain at this meeting, after the public has been excluded. 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

WGB2111/10

Having resumed open meeting and there being no further business the meeting was declared closed at 2:05PM

Minutes approved and confirmed this day of 2021.

Rukumoana Schaafhausen
CHAIRPERSON

Unconfirmed

Open Meeting

To	Waters Governance Board
From	Carole Nutt Water Contract Relationship Manager
Date	6 December 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 Actions Report be received.

3. ATTACHMENTS

Actions Register

Waters Governance Board Actions Register

OPEN MEETING

Meeting Date	Action	To Action	When	Status
20/11/19	The Board to be provided with: <ul style="list-style-type: none"> The proposed Te Kauwhata water take consents strategy. 	Carole Nutt	Next update March 2022	The water supply contract has been fully signed and is in place. WDC are working with TKWA to secure renewal of TKWA's water take consent Initial discussions have commenced on level of detail required for a consent application if Council are to submit our own water take consent.
21/09/21	<u>Risk Register</u> Report to come to the November Board meeting regarding the impact of supply constraints and the risks of delay and cost increases.	Watercare	November 2021	Paper on capital works programme included in December Agenda. The impacts of Covid-19 are continuing to be monitored and assessed as we move through the current financial year. Risk added to contract risk register.
2/11/21	<u>Health & Safety Report</u> Future monthly health and safety report to include much deeper dives regarding lead and wellbeing indicators.	Watercare	December 2021	Latest report includes more H&S information and commentary on wellbeing matters in progress.
2/11/21	<u>Three Waters Governance Report – October 2021</u> <ul style="list-style-type: none"> A report from Watercare to be provided to the Infrastructure committee regarding an update for capital works. <i>(Completed, on 1/12/21 INF agenda)</i> Watercare to provide information regarding how much storm flow was allowed for the new Meremere Wastewater Treatment plant. Mr Telfer to check whether local Mana Whenua and other stakeholders were aware of the discharges. A deep dive to be provided at a future meeting regarding stormwater activities and future plans. 	Watercare	December 2021	<ul style="list-style-type: none"> Report provided to December Infrastructure Committee meeting and copied to Waters Governance Board Verbal update to be provided at next meeting Verbal update to be provided at next meeting A section on stormwater is included in the Governance reports for the December meeting
2/11/21	<u>Resource Consent Status Overview</u> Report to be delivered to the Board regarding options to bring Huntly Wastewater Treatment into compliance.	Watercare	February 2022	Further work is required and will be presented early in 2022

Open Meeting

To	Waters Governance Board
From	Carole Nutt Waters Contract Relationship Manager
Date	2 December 2021
Chief Executive Approved	Y
Reference #	WGB2021
Report Title	Taumata Arowai Update

1. EXECUTIVE SUMMARY

Taumata Arowai became the new water services regulator on 15 November and has been invited to meet the Waters Governance Board. Local representative Jody Pickrang will take the board through a brief presentation on Taumata Arowai, key messages for water suppliers, regulatory delivery matters, planned public consultation on draft new drinking water standards and operational rules, and an introduction to Hinekōrako.

2. RECOMMENDATION

THAT the presentation, Taumata Arowai Update, be received.

3. ATTACHMENTS

- Attachment: Taumata Arowai Update

Taumata Arowai Update



Ko wai, ko au, ko tātou

Ko te wai ahau, ko ahau te wai.
He whakaaturanga tātau nō te wai.
Ko te ora te wai ko te ora o te
tangata.
He taonga te wai me tiaki.
Ko wai tātou.
Ko wai tātou.

I am wai, wai is me.
We are reflections of our wai.
The health of te wai is the health of te
tangata.
Wai is a taonga that must be protected.
Ko wai tātou.
We are wai. Wai is us.



What I will cover today

- **Our current state:**
 - Operational
 - Key messages for water suppliers
- **Introducing Rōpu Regulatory**
- **Public consultation on draft standards, rules in early 2022**
- **Introduction to Hinekōrako, our new self-service portal for suppliers and labs**
 - What it is, how you can use it and when you can register
- **Pātai/ Questions**



Our current state

Operational

- **We are the dedicated Water Services regulator.**
- **Taumata Arowai takes a lead from Te Mana o te Wai**
 - These principles are about restoring and preserving the health, wellbeing, and balance between water, people, and environment.
- **Duty of care to supply safe drinking water** will apply to all water supplies from Day 1.
- **Culture shift:** from water safety plans to continuous risk management planning
 - Water Safety Plans will be reviewed, but not approved.
- **Taumata Arowai will provide guidance**, but the focus will be on drinking water suppliers taking accountability and conducting good risk management practices.

Key messages | For all drinking water suppliers

- Existing Drinking Water Standards New Zealand will continue in force until 1 July 2022. You will need to notify us if you do not meet the current drinking water standards.
- For the first year, Taumata Arowai regulatory activities will be responsive, based on risk through notifications and complaints.



Key messages | For all drinking water suppliers

- Continue to carry out drinking water quality monitoring activities in accordance with your current arrangements Drinking-water Standards for New Zealand
- Notify Taumata Arowai if there are issues which could affect the safety, compliance or sufficiency of the drinking water you supply. If the matter is **urgent call 04 889 8350**
- When responding to an incident you must, as a minimum, undertake the relevant actions specified in the Water Services Act 2021 and your drinking water safety plan for the affected supply



Key messages | For registered water suppliers

- Currently registered drinking water supplies will continue to be registered.
- Routine water quality reporting will **not** commence until July 2022.
- You will need to notify exceedances and occurrences of notifiable risks and hazards.
- You will have to update your drinking water safety plan and submit it by the end of the first year (Nov 2022).
- **From year 2** the focus is likely to shift to source water risk management, consumer engagement, improved risk management, performance monitoring and compliance and enforcement.



Key messages | For Water Carriers

- All registered drinking water carriers will continue to be registered. You will need to check your registration details on our system and update as appropriate. We will contact you.
- Those that are not registered must be registered by the end of the first year.
- All drinking water carriers must submit a drinking water safety plan by end of first year. Guidance will be developed in conjunction with the sector.
- You will need to notify Taumata Arowai if you have do not meet the current drinking water standards.

Introducing Rōpū Regulatory

Regulatory delivery

- **A national team with local presence gives us:**
 - a range of skillsets
 - focus on local issues
 - better consistency
 - backup coverage.

- **We've been busy:**
 - Calling drinking water suppliers to confirm contact details
 - Recruiting new team members
 - Preparing to transition registrations



Delivery team



Jody Pickrang, Hamilton



Melinda Sando
Lead Advisor – Large suppliers
Based in Wellington



Peter Wood, Palmerston North



Helen Graham, Christchurch



Rachel East, Dunedin



Regulatory Policy team

- The Regulatory Policy team is responsible for developing regulatory and operational policy to support the effective functioning water services regulatory regime—now and into the future.
- We will develop external guidance that will educate, guide, inform and support building sector capability.
- Key role to support our regulatory delivery team with policies and procedures that reflect good regulatory practice.
- Large work programme over the coming years.



Public consultation early 2022

Public consultation – early 2022

- We have drafted new Drinking Water Standards, Operational Rules, Aesthetic Solutions and Acceptable Solutions with input from sector reference groups from across Aotearoa.
- The following drafts for Acceptable Solutions have been updated and are available on our website (taumataarowai.govt.nz):
 - Draft Drinking Water Acceptable Solutions for Roof Water Supplies
 - Draft Drinking Water Acceptable Solutions for Bore and Spring Water Supplies
 - Draft Drinking Water Acceptable Solutions for Rural Agriculture Water Supplies.
- The drafts for Standards and Operational Rules are available on our website.
- The Water Services Act places clear obligations on Taumata Arowai to consult on these drafts. We welcome your feedback during public consultation in early in 2022.
- The existing Ministry of Health rules are likely to apply until 1 July 2022.

Introducing Hinekōrako

Hinekōrako self-service portal

Hinekōrako is the ⁴⁴Māori name for the lunar rainbow, an optical phenomenon brought about when light from the moon deflects through tiny droplets of water.



Hinekōrako

- **What is Hinekōrako?**
 - A self-service web-based portal for drinking water suppliers and labs.
 - Your primary channel for sharing information with Taumata Arowai.
- **Who is Hinekōrako for?**
 - All registered drinking water suppliers and IANZ accredited labs need to set up an account.
- **What can you use it for?**
 - Update your supply and contact details.
 - Submit notifications about supplies and view previous notifications.
 - Add multiple portal users.
 - Submit drinking water safety plans and view previous ones.
 - Register temporary supplies.
- Hinekōrako will also host the public register of supplies and labs.



Hinekōrako

- **How do you register for Hinekōrako?**
 - Registered drinking water suppliers will receive an email from Taumata Arowai inviting you to set up your account and confirm your contact and supply information.
- **When do you register for Hinekōrako?**
 - Registrations will be staggered. You'll receive an email after we take over as regulator.
- **Who else will use Hinekōrako?**
 - Laboratories will use it to update their details and submit notifications to us
 - Members of the public will use it to look up details of supplies and labs on the public registers and submit concerns and complaints about their drinking water.

Pātai | Questions?

Open Meeting

To	Waters Governance Board
From	Keith Martin Waters Manager
Date	30 November 2021
Prepared by	Hermanus Kruger Process Engineer
Chief Executive Approved	Y
Reference #	WGB2021
Report Title	Small water schemes

I. EXECUTIVE SUMMARY

This report provides an overview of the required upgrades and costs to meet the draft drinking water standards as at March 2021. All costs and the scope of upgrades will need to be updated to determine, at minimum, the concept level design and monitoring requirements. Further this would allow quantity surveyor verified concept level costs to be determined for budgeting purposes before any upgrade or changeover to individual household level private water supply systems may be actioned.

I.1 SMALL WATER SCHEMES OVERVIEW

There are three small water schemes: Te Ākau, Port Waikato and Onewhero (as displayed below) under the ownership and management of Council. All three schemes will not be compliant with the draft Drinking Water Standards for New Zealand (DWSNZ) being formalised by Taumata Arowai currently.

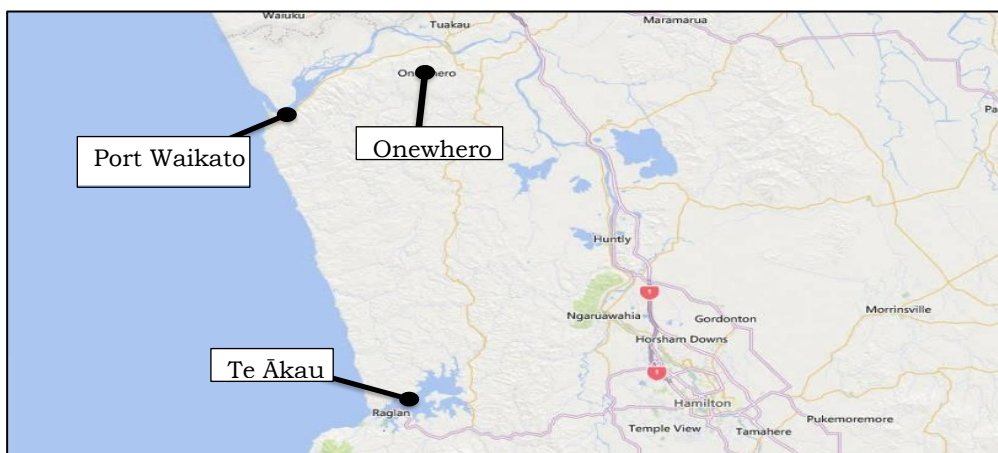


Figure I: Port Waikato, Onewhero and Te Ākau small water supply scheme locations

All three schemes are closed schemes and do not allow additional connections. Therefore no capacity upgrades are planned now or in the future.

All three schemes require upgrading to meet the DWSNZ or one of the Taumata Arowai “acceptable solutions”.

As an alternative to upgrading the water treatment plants, Council may choose to decommission the small water schemes and provide each house currently connected to the water network with its own water tank and water pump. A referendum to shut down the small water schemes would be required. A referendum requires 75% of supplied owners to agree to have the scheme shut down which is unlikely to occur at this time.

It should be noted that under Water Reform, any private small water supply supplying drinking water to two or more houses may be handed over to council, should the private water scheme choose not to maintain the scheme to the new drinking water rules.

Council met with the Te Ākau community 30 May regarding the need to change the current system (bore supplied raw water) over to treated chlorinated tankered water being supplied to the reservoir. At this time the community was informed that an investigation was underway around future treatment and supply options, but no mention of the current recommended way forward was made. No engagement with local Iwi or Hapu and no engagement with the Port Waikato or Onewhero supplied property owners has occurred at this time. Council plan to complete community and IWI/Hapu engagement as part of the recommendations made within this report.

2. RECOMMENDATION

THAT the small waters schemes report be received;

AND THAT the Waters Governance Board approve reallocation of some of the \$750K budget for the three schemes previously assigned to decommission the schemes be reassigned to engage a consultant to conduct a concept design for a Taumata Arowai “acceptable solution” for each scheme. That a quantity surveyor approved cost for the three options, upgrade, tankered supply or changeover to individual household private supply (e.g. roof water) be determined;

AND FURTHER THAT the Waters Governance Board approve liaison with communities to acquire feedback on a way forward once costs of options are received;

AND FURTHER THAT the results of these engagements and costing shall be presented to the Water Governance Board to determine a preferred way forward for each scheme in a future meeting.

3. BACKGROUND AND FURTHER DETAIL ON SMALL WATER SCHEMES

3.1 TAUMATA AROWAI'S STANCE ON SMALL WATER SCHEMES AS AOTEAROA'S INDEPENDENT WATER SERVICES REGULATOR

Taumata Arowai was elevated on 15 November 2021 to its full role as independent water services regulator for Aotearoa, replacing the previous responsibilities of the Ministry of Health, under the Water Services Act 2021.

Taumata Arowai have outlined the following regarding small water schemes:

“For drinking water suppliers, we are keeping our messages simple. You have a duty to ensure the drinking water you provide is safe.

“Because smaller suppliers serve a smaller population (less than 500 people) and are less complex, there are mechanisms built into the legislation to provide a pragmatic approach to managing their risks. One of these mechanisms is called Acceptable Solutions.

“Applying an Acceptable Solution is a way for small suppliers to ensure they are providing safe drinking water in a practical and cost-effective way” Mr Bayfield said that small suppliers could include a community water scheme, a farm providing water to several households, a marae, community hall, rural school or holiday homes sharing the same water supply.

“During the initial years, we will provide information and guidance to smaller suppliers on what solutions including the Acceptable Solutions could look like for the diverse types of water supply arrangements that exist. We will seek input into the development of that guidance and Acceptable Solutions through reference groups and open consultation.

“The door will also be open to the development of new Acceptable Solutions over time, so that modern technology and approaches to supplying safe drinking water can be accommodated

3.2 THREE SCHEMES OVERVIEW

There are three small water schemes: Te Ākau, Port Waikato and Onewhero (as displayed below) under the ownership and management of Council. Table 1 presents a summary of the characteristics of each scheme

Table 1: Port Waikato, Onewhero and Te Ākau small water supply scheme characteristics

Very small water schemes	Port Waikato	Onewhero	Te Ākau
Water source limit and consent	200 m ³ /day until 2051	No consent (Permitted water take activity)	68 m ³ /day until 2024
Water source	Waikato River	Onewhero Spring	Bore (out of commission and currently water is being tankered to the reservoir)
Properties supplied	20 properties including a daycare, campground and marae	13	26
Existing storage capacity	46 m ³	0 m ³ (Will require a reservoir installation in future)	45 m ³
Existing WTP capacity	148 m ³ /day	65 m ³ /day	68 m ³ /day

3.3.1 Current status

The existing water treatment infrastructure for both schemes have sufficient design capacity to meet existing peak day demands, Port Waikato water treatment plant is currently operating at around 50% of the design capacity and Onewhero is currently operating at around 35% of the design capacity.

3.3.1 Water take and consent

The existing water take consent for Port Waikato (expiry 2051) is significantly higher than historic demands. Onewhero does not have a water take consent as it falls within the allowable volume for a permitted activity under the Regional Plan.

Table 01: Port Waikato supply statistics (m³/day)

	Average day treated demand (m ³ /day)	Peak day treated demand (m ³ /day)	Treated Peak day factor	Connections	Average demand (L/conn/day)
2016/17	18	50	2.78	17	1,084
2017/18	22	60	2.73	17	1,323
2018/19	33	80	2.42	17	1,924
2019/20	38	80	2.11	17	2,264

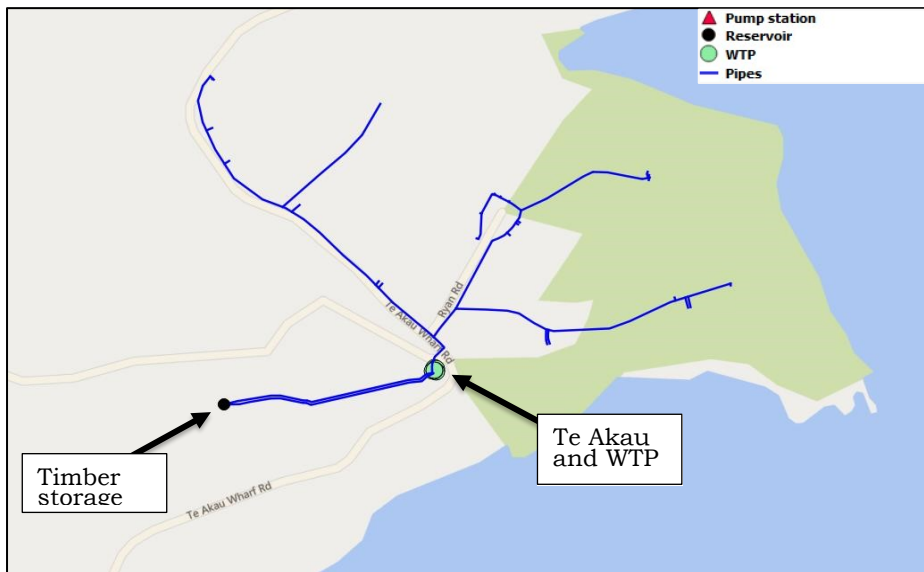
Table 02: Onewhero supply statistics (m³/day)

	Average day treated demand (m ³ /day)	Peak day treated demand (m ³ /day)	Treated Peak day factor	Connections	Average demand (L/conn/day)
2016/17	2.3	15	6.52	12	194
2017/18	1.9	15	7.89	12	157
2018/19	2.4	10	4.17	12	202
2019/20	2.0	15	7.50	13	152

3.4 TE ĀKAU SCHEME

3.4.1 Overview

Te Ākau is a small village on the northern side of the Raglan Harbour (Whāingaroa), across from Raglan itself. The water system supplies 26 properties.



Te Ākau system

3.4.2 Current status

Te Ākau bore is out of commission due to failure of the bore pump. Treated water is currently transported from Raglan by tanker and delivered to the Te Ākau Reservoir for distribution to Te Ākau residents. Options for repair or replacement of the bore pump are currently under review.

3.4.3 Water take and consent

The existing water take consent for Te Ākau (expiry 2024) is significantly higher than historic demands as displayed in table 03 which gives an indication of the scale of the supply.

Table 03: Te Ākau supply statistics (m³/day)

	Average day treated demand (m ³ /day)	Peak day treated demand (m ³ /day)	Treated Peak day factor	Connections	Average demand (L/conn/day)
2015/16	5.1	20	3.92	Incomplete	
2016/17	3.2	16	5.00	23	138
2017/18	3.6	15	4.17	26	140
2018/19	5.9	16	2.71	26	228
2019/20	7.5	15	2.00	26	287

The Te Ākau consent is due to expire in 2024. Te Ākau is currently operating at around 20% of the design capacity.

3.5 MOST RECENT ASSESSMENT OF POTENTIAL UPGRADES AND COST TO MEET DWSNZ

Watercare engaged Lutra to conduct an assessment of each plant and Table 2 summarises the three water schemes, the upgrades required to meet the draft DWSNZ (as at March 2021) for each scheme and a concept level desktop based indicative cost for the proposed upgrade at +50% - 50% accuracy (for comparison purposes). Reassessment of costs will need to be done prior to long term cost planning.

A high level assessment of the upgrade options (whose high level costs are displayed) was conducted by the WDC Water team in order to compare the level of treatment and monitoring to the most recent Taumata Arowai Acceptable treatment levels. The shortfall of the presented and priced systems is presented in Table 2.

Table 2: Small water schemes current known upgrade requirements and high level comparative cost

Very Small Schemes	Port Waikato	Onewhero	Te Ākau
Existing WTP capacity	148 m ³ /day	65 m ³ /day	68 m ³ /day
Treatment upgrade for quality	Plant Upgrade with Online Monitoring: <ul style="list-style-type: none"> • Post-filtration online UVT meter; • pH monitoring at the outlet, next to the chlorine dose point; • Pressure monitoring at the filter outlet. • SCADA HMI; • Historian; • Telemetry; • Full automatic control via PLC 	Plant Upgrade with Online Monitoring: <ul style="list-style-type: none"> • Coarse Pre-filter; • Cartridge Filtration system; • Sodium hypochlorite dosing system; • Raw water UVT meter; • SCADA HMI; • Historian; • Telemetry; • Full automatic control via PLC 	Plant Upgrade with Online Monitoring: <ul style="list-style-type: none"> • Raw water UVT meter; • Validated duty/standby UV reactors; • New sodium hypochlorite system; • New hydrochloric acid dosing; • SCADA HMI; • Historian; • Telemetry; • Full automatic control via PLC
Minimum ±50% High level NPV cost to upgrade provided by 3 Lutra reports¹	CAPEX: \$280 K OPEX: \$35 K pa NPV: \$720 K	CAPEX: \$2607 K OPEX: \$25 K pa NPV: \$560 K	CAPEX: \$270 K OPEX: \$30 K pa NPV: \$630 K + \$50K additional cost to reinstall water bore Currently under tanker supply which is the lowest cost short term solution
Critical shortfall items from Taumata Arowai Acceptable Solutions (for current Lutra pricing above)	<ul style="list-style-type: none"> • No end user sampling point that remotely measures FAC and pH daily • No measurement of free available chlorine (FAC) 30 min after treatment • No Turbidity measurement post treatment • No Clarification process 	<ul style="list-style-type: none"> • No end user sampling point that remotely measures FAC and pH daily • No reservoir installed • No on-site storage <ul style="list-style-type: none"> - Disallows guarantee of 30 min chlorine contact time before distribution 	<ul style="list-style-type: none"> • No end user sampling point that remotely measures FAC and pH daily • No measurement of free available chlorine (FAC) 30 min after treatment

¹ Provided prices are for comparison purposes only and more accurate prices will need to be investigated prior to long term budget planning.

Table 3 summarises the essential investigations and actions required to make an informed decision on the way forward for each of the three small water schemes. Table 3 further summarises the critical liaison that needs to be done irrespective of the way forward presented and the feedback provided will inform the final way forward decided upon by the Water Governance Board in a future meeting.

Table 3: Recommended liaison and action for the three WDC small water schemes

Very Small Schemes	Port Waikato	Onewhero	Te Ākau
Recommended liaison	High level liaison regarding maintaining water supply with community and relevant local Iwi/Hapu	High level liaison regarding maintaining or removing water supply with relevant local Iwi/Hapu	High level liaison regarding maintaining or removing water supply with community and relevant local Iwi/Hapu
Recommended action	<p>1. Assess and price the cost of upgrading the system to exactly meet the Taumata Arowai “Acceptable Solution”</p> <p>4. Determine the cost to users if scheme is upgraded</p> <p>Add to annual/long term plan for upgrade for compliance.</p> <p>Inform community of plan</p> <p>Add cost to upgrade the scheme to long term plan.</p>	<p>1. Assess and price the cost of upgrading the system to exactly meet the Taumata Arowai “Acceptable Solution” for Spring and Bore Drinking Water Supplies.</p> <p>2. Assess price of a tankered solution.</p> <p>3. Assess the cost to decommission the scheme and install a compliant system in each household. (Would require a referendum with 75% householder approval)</p> <p>4. Determine the cost to users if scheme is upgraded, replaced with tankered water or closed</p> <p>Determine option that offers the highest security at the lowest price to council and users.</p> <p>Engage with community regarding the council’s selected preferred solution and other options.</p> <p>Present results to WGB, determine way forward and update long term plan.</p>	<p>1. Assess and price the cost of upgrading the system to exactly meet the Taumata Arowai “Acceptable Solution” for Spring and Bore Drinking Water Supplies.</p> <p>2. Assess price of a tankered solution.</p> <p>3. Assess the cost to decommission the scheme and install a compliant system in each household. (Would require a referendum with 75% householder approval)</p> <p>4. Determine the cost to users if scheme is upgraded, replaced with tankered water or closed</p> <p>Determine option that offers the highest security at the lowest price to council and users.</p> <p>Engage with community regarding the council’s selected preferred solution and other options.</p> <p>Present results to WGB, determine way forward and update long term plan.</p>
Additional investigations required for each scheme	<p>1. Assess state of network and suitability to install necessary network monitoring.</p> <p>2. Assess state of reservoirs and install reservoir at Onewhero</p> <p>Use the result of the above investigations to help inform decisions, monitoring and network upgrade and maintenance requirements.</p>		

4. CONSIDERATION

4.1 FINANCIAL

Under the Long Term Plan 2021-31 we have budgeted an operational cost to decommission each scheme and no allowance has been made for capital expenditure for upgrades or potential increased operating costs to ensure proposed new compliance standards are met.

Recovery of spend to continue providing a public supply may be done through a district wide rate, a separate targeted consumption rate or a separate capital works targeted rate for each of the schemes.

Under water reform the recovery of this spend under a location specific targeted rate becomes uncertain due to the likely desire for new entities to have a blanket consumption rate for all regions under their purview.

4.2 LEGAL

Should the closing of one of the water supply schemes be proposed there is a 15+ month process involved with a referendum to gain approval from the community to do so with the possibility of the process not succeeding.

This process is outlined here:

Process	Completed by	Estimated time (minimum)
Options analysis to establish the status of the water supply and budgetary requirement for an upgrade with various feasible treatment options.	Watercare and WDC	Two months
Decision to close water supply based on the above option analysis.	Water Governance Board	One month
Review the likely effect of the closure on: <ul style="list-style-type: none"> The public health of the community; and The environment in the district of that community; 	Waikato DC and Watercare Waikato	Two months
Consultation with Medical Health Officer with the above documentation.	WDC, Watercare and Ministry of Health	Two months
Alternative water supply assessments and consultation with Medical Health Officer Compare the quality and adequacy of the existing water service with the likely quality and adequacy of the alternative service referred	WDC and Watercare	Three months
Consultation with stakeholders	WDC and Watercare	One month
Document preparation and Consultation with communities	WDC and Watercare	One month
Document Preparation for referendum with the help of electoral officer.	WDC	One month
Voting Period for referendum	WDC	One month

Process	Completed by	Estimated time (minimum)
Voting Close and inform the outcome to public	WDC	Two weeks
Any other unforeseen delays between the above steps.		One month

4.3 ENGAGEMENT AND EXTERNAL STAKEHOLDERS

The following external stakeholders will be engaged with (where engagement has already occurred in-part it is stated):

Stakeholder	Te Ākau	Port Waikato	Onewhero
Internal			
Community Boards/Community Committees	Te Ākau / Port Waikato Rep Richard Thompson thompson07@xtra.co.nz 0272047928		Onewhero Community Board Rep Kandi Ngataki kandi4onewherotuakau@gmail.com 0212468475
Other community groups	Horongarara Community Group Committee <i>(met with on 27 May at Council office and have had ad hoc engagement with on matters relating to bore)</i>	-	-
Waikato-Tainui / Local iwi / Hapū		Waikato Tainui: Taroi Rawiri Environment Manager Taroi.rawiri@tainui.co.nz 021802232 Waikato Tainui Kahurimu Flavell Iwi Engagement Officer Kahurimu.flavell@tainui.co.nz	
Households	Once way forward established, consult with Landowners <i>(met with Te Ākau South community 30 May stating that an investigation is underway and highlighted no definitive long term solution or position was made)</i>	Once way forward established, consult with Landowners	Once way forward established, consult with Landowners
Business/Other	Fire & Emergency NZ <i>(met with on 13 April at Council office and subsequent correspondence with in relation to</i>	-	-

Contact will be made with the above groups including Iwi/Hapū and identification of additional interested parties will occur.

Council, including our Pouhono Iwi ki te Haapori (Iwi and Community Partnerships Manager) will engage with these groups and with the relevant community boards/committees. This engagement will include discussing options such as upgrade, tankered supply or individual supply with decommission of a scheme to gain feedback.

Where the recommended outcome is no level of service change, engagement may not be required.

5. CONCLUSIONS

The three Council managed small water schemes, Te Ākau, Onewhero and Port Waikato, require an infrastructure change or upgrade in order to meet the proposed Drinking Water standards New Zealand (DWSNZ). An assessment of the current information available regarding the changes needed to meet these standards has yielded the following conclusions:

- Under the Long Term Plan 2021-31 we have budgeted an operational cost to decommission each scheme and no allowance has been made for Capital expenditure for upgrades.
- The costs for upgrades or changes currently available is incomplete and requires a concept level investigation and design.
- Taumata Arowai will mandate that should the WTP and network schemes be maintained, they must be upgraded to meet the minimum treatment and conveyancing standards and the minimum daily sampling requirements undertaken.
- Further work is required to determine of the option that offers the best balance of cost and security of water supply.
- Liaison with the relevant communities and Iwi or Hapū groups is required if a change in the level of supply is proposed.

Open Meeting

To	Waters Governance Board
From	Carole Nutt Waters Contract Relationship Manager
Date	2 December 2021
Prepared by	Watercare Services Ltd
Chief Executive Approved	Y
Reference #	WGB2021
Report Title	Three Waters Governance Report - November 2021

1. EXECUTIVE SUMMARY

The Three Waters Governance Report prepared by Watercare Services Ltd dated November 2021 is attached for the Board's information.

2. RECOMMENDATION

THAT the Three Waters Governance Report – November 2021 be received.

3. ATTACHMENTS

- Attachment I: Waikato District Council Three Waters Governance Report – November 2021

WAIKATO DC THREE WATERS GOVERNANCE REPORT

NOVEMBER 2021



Mathew Telfer
Operation Manager
Watercare Waikato
December 2021

1. Highlights and lowlights

- There were no recordable injuries or lost time in October.
- The Meremere Wastewater Membrane Bioreactor Plant is operational, building biomass, and is undergoing process performance testing. The new consent and resolution of the abatement notice are expected in early December.
- All performance measures were achieved in October
- A meeting with Taumata Arowai was held and Jody Pickrang will present at the next Governance board meeting.
- Waikato Covid lockdown level 3 requires staff to either work in the field or from home until further notice. Working in the Pukete office has been minimised to essential work only.

2. Health and Safety

2.1. What we've seen this month














- There was no Lost Time Injury (LTI) and 0 Restricted Duties Injury (RDI) involving Watercare employees in October.
- There were zero recordable injuries involving contractors in October and November.
- There has been an increase in staff abuse by customers in Auckland we believe is associated with the frustration from the current lockdown. While we have not seen the same trend in the Waikato, we informed the field staff at their next toolbox meeting, so they are aware.
- The focus for the month was Plant and equipment.
- A COVID vaccination policy has been mandated for all sites operated by Watercare. The organisation is working with staff to ensure the first vaccination is confirmed by 1 December and the second by 15 January. Council has also requested that while they develop a vaccine policy as an interim measure, any staff, and contractors on Waikato District Council sites, are fully vaccinated and only enter Council sites.

2.2. Looking ahead

- Wellbeing workshops were held for staff in November to support the team during the difficulty of Covid lockdown.
- The focus for November is Driving, and Vehicles and toolbox talk will be held
- An internal health and safety Audit will be completed in December and confirming the focus for the external Council audit is scheduled for Jan/Feb 2022.

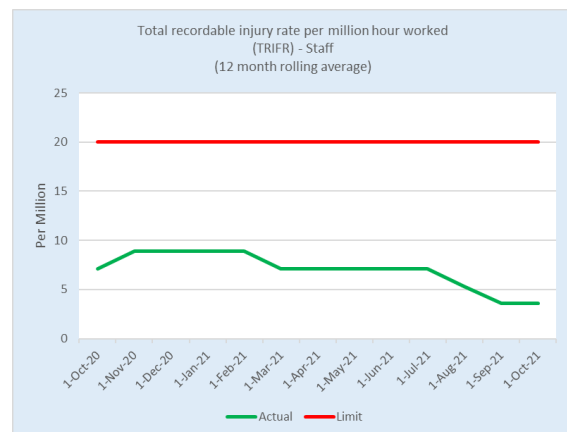
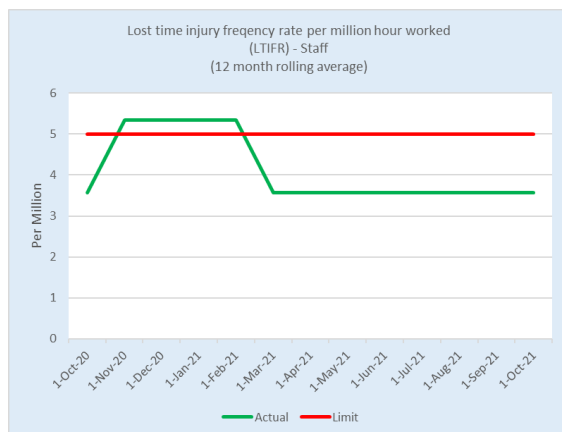
2.3. Critical risks

Watercare is assessing one of our critical risks each month as per the schedule below.
October - Working with Suspended loads (Appendix 1).

	Review Date		Review Date
 Working in confined spaces	May 2021	 Working with fixed plant and equipment	February 2022
 Working with mobile plant	June 2021	 Working in or near live traffic (includes road corridors, construction and operational sites)	March 2022
 Driving / using vehicles	July 2021	 Working at Height	April 2022
 Working alone or isolated	August 2021	 Working around waterbodies	May 2022
 Working with hazardous materials	September 2021	 Digging and working in excavations (includes tunnelling)	June 2022
 Working with suspended loads	October 2021	 Working with flammables or in explosive/flammable areas	July 2022
 Working with or near live energy (electrical, mechanical, pneumatic, hydraulic, etc)	January 2022		

2.4. October metrics

- There were no significant events in October



3. Operations

3.1. Treatment

Wastewater samples from all sites continue to be collected for Covid testing, and this has been labour intensive. Cost recovery will be discussed with ESR.

- The Huntly WTP coagulation dosing was changed back to Alum from PACL on 5 October. This follows the plant processes becoming more stable. Clarifiers #1, #2, #3, #4, and #5 have been drained, cleaned, re-seeded, and returned to service. All setpoints for compliance were changed back from the 3 Log criteria to 4 Log criteria on 8 October following the incident.
- Te Kauwhata WTP has had several issues relating to UPS and PLC failures. The primary UPS will be replaced with a unit of larger capacity. PLC input and output cards are hard to source, and delivery is generally delayed by 4 to 6 months. Due to the impact of delays we will

review the control strategy for plants using PLC units for control including the Te Kauwhata Water Association head works raw water.

- The Ngaruawahia WTP#2 Filter sand media replacement is scheduled for the first week of November (DIA funded).
- The Meremere WWTP plant suffered an unplanned power outage for approx. 5 hours on 12 October. The installation of emergency generator coupling and change over switch has been accelerated.
- Raglan WWTP has missed several effluent tidal discharges early in the month. The Pond levels remained in control while this was investigated and resolved by McKay Electrical.
- Te Kauwhata WWTP Plant upgrade project phase 1 is making good progress with contractors on-site installing the pump wet well and preparing the site for the UV process building and equipment pad.



- Both Te Kowhai WWTP and Matangi WWTP experienced several unplanned power outages and comms failures due to bad weather conditions in October.

3.2. Networks

- District-Wide Pump Station Renewals – Renewals continue to progress on Pump Stations throughout the District. Wallis St PS and Daisy St PS both had pumps refurbished to optimise performance. Hopuhopu Reserve PS work was completed in the first week of Oct and Fuller Pump & Crane continue to work through the other 8 pump stations.
- Complex Meter Project – Unfortunately, works in this space have slowed due to restrictions around Covid 19. As the nature of the works requires contractors to enter private property to carry out the necessary disconnections and reconnections, this creates a challenging task in adhering to Covid 19 rules and guidelines. Three meters were split into 8 in Oct - Main St, Parry St, Church St, and remedial works were carried out at Waingaro Rd.
- Reservoir Inspections – NES was engaged to carry out inspections of the steel reservoirs throughout the District. Jackson St Reservoir (Central Districts) has recently had an inspection. Potential entry points for birds to enter were identified, and these issues were fixed in the last week of Oct. The inspection of the Huntly reservoirs was completed in November identifying another leak in the Reservoir. A meeting has been requested with the provide progress discussions about the ongoing concerns related to the reservoirs.



3.3. Stormwater

- Current Raglan abatement notice work is still ongoing. We are awaiting feedback from WRC since they provided a letter that legalised the pipe in 2006, suggesting their previous response needs to be revised. This will enable option 2 to be constructed (combination of pipe and open channel – NOTE: This option was accepted by WRC in early November).
- The 2020-2021 annual SW report for WRC has been issued – feedback from WRC usually follows over the next 6-8 months.
- Stantec has commenced assisting Watercare's SW deliverables being:
 - Level of service (10% complete)
 - Mapping of SW systems (5% complete)
 - Finalising the design guideline (20% complete)
 - Graphical responsibilities delineation (30% complete)
- WSL is currently finalising a business case for SW quality investigations across the District and looking to commence in November.
- WSL is currently drafting a business case for retrofitting water treatment devices at Raglan and looking to commence in November.

4. Planning and project deliver

4.1. Infrastructure Planning

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

- Raglan WS model system performance assessment – System performance workshop held with planning and operations staff. Consultant developing upgrade options for current and future scenarios.
- The Raglan WW model - has finalised with WDC population data and system performance analysis completed. We are awaiting updated data from Nero PS before progressing option development.
- The Central Waikato WS model system performance assessment was completed, and the option development is underway.

- Installation of permanent rain gauges in WDC's townships is completed for all six sites. The remaining task is to connect to SCADA system, COVID restrictions have paused this work.
- Assessment of Pokeno WW flows was undertaken in response to a request from Synlait to increase their discharge flow.
- The concept Design for the proposed Washer Rd WW pump station is complete, and discussions are underway with the Developer about moving the project forward in LTP and implementation.
- Leak detection utilising drones in the Meremere and Te Kauwhata area is complete. It identified several locations that will be investigated further by Operations.

Internally staff worked on/with:

- Continuing work with Watercare's Auckland staff on the Infor asset management system.
- The implementation of Pokeno dairy factories monitoring and control panels will occur early November.
- Preparation work for the Tuakau WS model update.

4.2. Development and growth

- We continue to work with WDC GIS team on spatial modelling of the latest population growth model.
- A meeting was held with Tainui Group Holdings about the options for the Meremere Industrial zoned land.
- River Road North development agreement has been completed by WDC, Watercare has assisted in this effort.
- WSL provided advice re servicing of potential Food and Beverage industry.
- Further discussions with WDC and Washer Rd Horotiu Developer revolving around WW pump station is required to service the area.

4.3. Project delivery

- The Ngāruawāhia pipeline is due to complete preliminary design in November. The project forms the main part of the current wastewater network upgrades programme. Strategic alignment was presented at the recent WDC Water Board meeting.
- The design of the Tuakau Interceptor Pump Station Upgrade is complete, and a Tender is being prepared for December. The project enables increased dairy flows and growth from Pokeno as well as servicing flows from Whangarata Business Park.
- The Pokeno to Tuakau pipeline concept design will be completed in November, and the detailed design will follow. An independent assessment has provided an estimated scheme cost which is higher than the initial estimate. A presentation will be given at the next board meeting to update the board on the concept design and discuss the project's strategic position in the catchment

4.4. Treatment plant upgrade programme

- Raglan WTP Upgrade – Procurement complete. The installation contract has commenced with the work to be completed this calendar year.
- Ngaruawahia WTP Upgrade – The works are currently being tendered.

- Te Kauwhata WWTP Phase 1 upgrade – Spartan contractors have commenced works on site. The pump station has been installed, and the platform for the UV is being constructed.
- Te Kauwhata WWTP Phase 2 – The order for the MABR has been placed with Suez, and Stage 2 preliminary design will be complete in November. The Mangere MABR trial is progressing. It is expected physical works will commence in March.
- Ngaruawahia WWTP – A draft of the 5 yearly Treatment review report has been delivered to the Watercare Waikato Compliance Team.
- Raglan WWTP – Concept design for Tertiary membrane will be completed in November.
- Biosolids Strategy – Work has commenced, and the strategy will be delivered in February.

5. Compliance

5.1. October results and actions

- All October compliance reports for Drinking Water and Wastewater are due to be submitted to Wai-comply and Waikato Regional Council during the second week of November 2021.
- Quarterly (Jul-Sept) DWS assessment completed by DWA Wai-comply concluded all WDC WTPs and zones complies with DWSNZ.
- Huntly WTP turbidity incident on 18 September 2021- EIR submitted to the DWA confirmed full compliance, and Huntly WTP achieved the Protozoa compliance for October 2021.
- Huntly distribution high Lead (Pb) event- EIR submitted to the DWA concluded no risk of Pb contamination in the network with all follow-up sampling returned the Pb results below the DWSNZ MAV limit. WSL communicated to the lab regarding the longer flushing requirements for the plumbosolvency-related sampling. DWA confirmed no further action is required.
- Taumata Arowai is becoming the new regulator from 15 November 2021. WSL/WDC meeting with TA scheduled for 12 November 2021.
- The backflow policy is being reviewed to address non-compliance with the Health Act 1956 and Health (Drinking Water) Amendment Act 2007/Waters Services Bill 2021 legislation which requires all testable backflow devices to be tested annually. A proposal will be presented at the December Governance Board meeting.

5.2. Abatement notices

- The Meremere WWTP commissioning is complete and the new process is online. Performance tests are planned for November. The Plant is meeting all the process criteria except for total nitrogen, which will be resolved once there is sufficient biomass.

The wastewater treatment plant transitions to the new consent and the resolution of the abatement notice in December.



Meremere WWTP Upgrade – The process is now online

- A capital solution for the Te Kauwhata WWTP 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. It is expected that phases 1 and 2 will be completed in mid-2023.
- The Raglan stormwater Discharge Consent has an Abatement Notice for the 2018/2019 compliance period highlighting non-compliances. The outstanding issue was:
 - Flooding at Cambrae Road – awaiting WRC response to proposed option 2
 - which was received and accepted in November. The construction work to address the non-compliance is now being planned.

6. Customer

6.1. Service and billing

- WDC Water Supply Bylaw 2014 reviewed and effective from 1 October;
 - Water applications reviewed and updated
 - New leak Remission Policy
 - New internal policy for multiple meters
 - SOPs reviewed and updated as required
- Reassessment of the water restrictions is underway
- Customer water billing information DLE Flyers is currently in progress with the WDC communications team and ongoing discussions with updates and requirements.
- Reviewed content on Waikato District Council website for three waters sections
- Collaboration meetings were held with Council on multiple meters and new connections.

6.2. Tradewaste

- Pivotal (trade waste software) now has Waikato district trade waste data added, and testing has begun. This will allow better tracking. No new applications were received this month.
- Hamilton City Council Trade waste bylaw review discussions have started with Waikato District and Hamilton City.

7. Strategic resource consents.

Raglan WWTP resource consent application

- MBIE business travel planning is underway to allow Nexgen subsurface drip irrigation (SDI) experts to further visit three sites for refined testing in November (Nexgen staff will be arriving from Auckland and Whanganui). An investigation outcome will be refined development of a theoretical annual discharge field pattern for existing and future flow of treated wastewater to land.
- The focus for the November visit will be the Mangatawhiri Road location, where the owner is comfortable for 'in good faith' investigations and acquisition business case preparation to occur. Various types of theoretical SDI could suit the Mangatawhiri Road location, allowing:
 - a medium rate discharge during winter months (allowing some discharge when most soils are saturated) ;
 - Cut and carry locations and plantation locations (Eucalyptus- coppicing potential for firewood etc. -see image)

- WDC Property Department Staff has started meaningful engagement with potential partners, aligned with the WDC acquisition strategy. The SDI discharge field methodology can be configured to any successful acquisition of land.

8. 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).</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).</i>	15	15
<i>Attendance for urgent call-outs: from the time that Council receives a notification to the time that service personnel reaches the site.</i>	October - 13 Year to date - 30	≤ 60 mins
<i>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>	October – 38 Year to date - 93	≤ 120 mins
<i>Attendance for non-urgent call-outs: from the time that Council receives a notification to the time that service personnel reaches the site</i>	October – 1 Year to date - 1	≤ 3 days
<i>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>	October – 1 Year to date - 1	< 3 days
<i>The total number of complaints related to Water services received by Council (expressed per 1000 connections to the networked reticulation system):</i>	October – 0.71 Year to date Result – 4.64	≤ 22/1000
	Wastewater	
<i>The number of dry weather sewage overflows from Council's system (expressed per 1000 sewage connections to that sewage system.)</i>	October – 0.17 Year to date Result – 0.26	≤ 2/1000

<i>The number of dry weather sewage overflows from Council's system (expressed per 1000 sewage connections to that sewage system.)</i>	October – 0 Year to date Result - 0	≤ 2/1000
<i>Attendance time: from the time that Council receives a notification to the time that service personnel reaches the site.</i>	October – 52 Year to date Result - 45	≤ 60 mins
<i>Resolution time: from the time that Council receives a notification to the time that service personnel confirms resolution of the blockage or other fault.</i>	October – 160 Year to date Result – 140	≤ 240 mins
<i>The total number of complaints received by Council about any of the following (expressed per 1000 connections to the sewage system):</i>	October – 0.26 Year to date Result – 2.01	≤ 10/1000
Stormwater		
<i>The number of Stormwater flood/blockage events that affected habitable floors (expressed per 1000 connections):</i>	October – 0 Year to date Result – 0	< 5
<i>The total number of complaints received by Council about the performance of the stormwater system (expressed per 1000 connections):</i>	October – 0.07 Year to date Result – 0.35	< 1.25
<i>Level of compliance, number of the following, Abatement, infringement notices, enforcement orders or convictions</i>	2020/21 - 0 (1 existing Abatement Raglan from 2018/19)	0
Health and Safety		
<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>	3.56	≤ 20

<i>Safety: 100% of Notifiable (or serious non-notifiable) Events reported to WDC within 2 hours of the occurrence</i>	100%	100%
	No events YTD	
<i>Safety: 100% of Notifiable Event reports supplied to WDC within 21 business days</i>	100%	100%
	No events YTD	
<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%

Appendix 1

Critical Risk Review – Working with Suspended Loads

1. Working With Suspended Loads:

Lifting loads suspended from cranes or other machinery involves working with loads traversing at height.

Rigging refers to the use of certified lifting equipment to secure and lift the load.

2. Suspended Loads include:

- **Mechanical lifting** – Cranes, telehandlers, hiab cranes, forklift trucks, jacks and gantries.
- **Critical lifting operations** – Tandem lift involve using multiple cranes,
- **Equipment, Plant and Lifting Accessories** – Monorail beam and associated chain blocks and push trolley
The setup certification inspection and audit requirements are currently being reviewed for push trolleys in plant areas and pump stations
- Slings, lifting tackle (strops, chains, wire ropes, hooks, shackles, etc.) used in rigging a load.

Watercare examples include:

- Loads suspended at height are performed on Watercare construction and Infrastructure project sites
- At pump stations chain blocks, push trolleys and, monorails are used to raise, lower, and move heavy pumps and other equipment
- Deliveries and movement of equipment at all sites

3. What it looks like for Watercare

Cranes are used extensively in Watercare’s construction projects. Across Watercare, construction and infrastructure project teams can be working with suspended loads at any given time.

Projects can operate in very restricted areas, near urban areas of the community, close to open excavations adjacent work parties, overhead power lines buildings and structures.

4. Potential Harm:

- Suspended loads falling from height are infrequent but have significant potential consequences
- The consequence of a suspended load falling from height has the potential for plant & equipment damage, serious harm injuries, crush injuries or even a fatality
- Failure of Plant or equipment in suspended loads falling onto a worker in the absence of the required exclusion zones.



Controls currently in place:

- Before any lifting takes place a suitably qualified person creates a lift plan
- The lift plan is then reviewed and approved by a suitably qualified and authorised lift permit approver
- If applicable, a Temporary Traffic Management Plan (TMP) is completed and approved before lifting takes place
- Exclusion zones are put in place so no one can enter or work in proximity of the lift
- Damage
- Before any lift commences a visual inspection of all lifting equipment is conducted by the dogman to ensure the equipment is tagged, in test, and there is no sign of any on a regular basis all lifting equipment undergoes testing by an external certifier and is tagged to confirm that is fit to use
- Toolbox meetings are held to communicate any new work that is about to take place and any actions workers need to follow

Training & Competency

- Hiab
- Sling Regular Loads Safely & Rigging and Slings (Dogman)
- Overhead Gantry
- Spotter training

Control of Work and PPE

- Permits are required prior to work starting
- All staff working with suspended loads are required to have full personal protective equipment
- Following an incident, a thorough investigation is conducted, and a safety alert is created and shared with WSL staff and contractors to keep them updated with current and prospective hazards and risks.

Open Meeting

To	Waters Governance Board
From	Carole Nutt Waters Contract Relationship Manager
Date	2 December 2021
Chief Executive Approved	Y
Reference #	WGB2021
Report Title	Backflow Testing Programme

I. EXECUTIVE SUMMARY

Council is not meeting the requirements of the Health Act 1956 and Health (Drinking Water) Amendment Act 2007/Waters Services Bill 2021 legislation in relation to testing of backflow prevention systems. Council wants to increase its testing of testable backflow prevention systems from its current regime of approximately 10% per annum to 100% per annum to ensure the safety of the water supply network and meet compliance requirements.

2. RECOMMENDATION

THAT the Backflow Testing Programme report be received;

AND THAT the Waters Governance Board approve the increase in testing of testable backflow prevention systems to 100% per annum;

AND FURTHER THAT Council determines the most appropriate funding mechanism to recover the cost seeking consultation where required.

3. BACKGROUND

Backflow is the unintentional reverse flow of water to its normal or intended direction occurring when pressures change. This reverse flow of water within a plumbing system can result in contaminants being drawn back into the water supply system affecting the quality of the drinking water.

Backflow may be caused by a sudden drop in pipe pressure causing the water to siphon back into the water supply system. Alternatively, this can occur when the water supply system is directly connected to equipment, such as a boiler or a private bore, which is at a higher pressure than the water supply system. This forces water into the water supply system. Backflow is prevented by installing an appropriate backflow prevention system/device.

Please refer to the attached 'New Backflow Testing Programme and Policy' report prepared by Watercare for details on specific details on the number of devices, financial impacts and other information to support the change.

4. DISCUSSION AND ANALYSIS OF OPTIONS

4.1 DISCUSSION

Council together with Watercare are in the process of creating an internal policy that outlines council's approach to backflow prevention that will apply to all connections to council's water supply system. Also under development is a Code of Practice to define the requirements for installation and testing of boundary backflow devices.

Historically the 10% testing programme undertaken has not been directly on-charged to customers other than through the district wide targeted rate.

4.2 OPTIONS

Do nothing is not considered an option as council would remain non-compliant and the water supply network at risk of contamination. The options discussed below are on the basis Council will implement a 100% testing per annum programme and discusses the different options available to fund the increase in costs.

Any increase in backflow testing within the current financial year above the budgeted 10% can be funded from the prior year operating surplus as part of the fixed fee paid to Watercare. This is not a sustainable option for future years.

Option A – Charge Customer a Fee

In anticipation of increasing the backing testing programme, through the Long Term Plan 2021-31, council introduced a new backflow testing and repair fee applicable from 01 July 2021. The fee including GST per backflow device is:

Backflow Preventor Testing	2021/2022	2022/2023	2023/2024
Testing Backflow Preventor 20 MM	\$74.80	\$82.28	\$90.51
Repair Backflow Preventor 20 MM	\$144.00	\$172.80	\$207.36

Under this option, an education and engagement strategy will be carried out to inform customers of the need and benefits of testing together with the new charges they can expect to incur. To-date customers have not been charged for individual testing or any repairs to the backflow prevention system associated with their property.

The backflow preventor device is owned by council which doesn't necessary lend itself to individual customer charging.

Option B – Increase the District Wide Targeted Water Supply Rate

All customers connected to the council water supply benefit from the unintentional reverse flow of water that a backflow system is designed to prevent. On this basis, it may be more appropriate to charge all customers rather than only those who have a backflow prevention device.

This option spreads the cost over all ratepayers receiving a public water supply and would be less per individual ratepayer than if only charged to those who have a backflow prevention system associated with their property.

The exact cost to the ratepayer will need to be fully modelled and can be done as part of the Annual Plan process scheduled to occur over December and January. An indicative figure is \$35 including GST per property.

This option could trigger the Significance and Engagement Policy if it results in a targeted rates increase of more than 10% of existing rates per property. If the Policy is triggered, consultation will be required, and we recommend this is done as part of the Annual Plan process.

Option B is the staff recommended option

Option C – Charge to Targeted Water Supply Rate Reserve

Similar to a bank account, council holds a specific targeted rate reserve to collect funding and charge operational costs to in relation to water supply. This reserve is currently in deficit and the increased costs could be charged to the reserve for recovery in a later year noting charging may be determined by an Economic Regulator under Waters Reform.

A further note on Waters Reform, the Waters Reform ‘better off’ funding criteria has not been detailed to know when Council could consider utilising this fund, the majority of the fund is not available until July 2024.

5. CONCLUSION

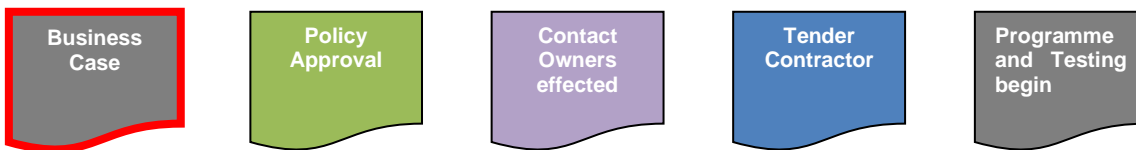
To comply with Health Act 1956 and Health (Drinking Water) Amendment Act 2007 and the Water Services Bill 2021, Council will need to increase its backflow testing and monitoring programme. While this was considered at a high level during the compilation of the Long Term Plan, the extent of the cost (and therefore recovery) was not fully known. A range of options exist to fund the increase in costs have been provided for the Board’s consideration with staff recommending an increase to the district wide targeted water supply rate.

6. ATTACHMENTS

- Attachment I: Watercare - New Backflow Testing Programme and Policy

Watercare Waikato

New Backflow Testing programme and policy



Date: 29/11/21
Version: 0.2
Status: Draft

Prepared by: Jaime Wara

Document Purpose:

To provide an update to the Waikato District Council on the assessment completed to meet Health Act 1956 and Health (Drinking Water) Amendment Act 2007 and the Water Services Bill 2021;

- Protecting water supplies from the risk of backflow
- A Policy to outline an approach to backflow prevention
- Define the requirements for installation and testing of backflow devices

Raised by

Responsibility	Functional area	Facility/asset/ Location	Driver	Priority	Business owner rep supporting the need
Jaime Wara	Watercare Waikato	District Wide	Legalisation		WDC

Distribution to: Ian Cathcart, Keith Martin and Carole Nutt

1 Recommendation

That the Waikato District Council approves the proposal for the new Backflow Prevention Policy and Code of practice to ensure it meets Taumata Arowai distribution system rules, the five areas including:

- Backflow protection
- Watermain hygiene
- Facilities operation and maintenance
- Residual disinfection, disinfection by-products, and plumbosolvent metals
- Microbiological monitoring

A work package for the annual monitoring program is awarded for all testable Backflow devices within the Waikato District.

The recommendation is made to adopt the WDC Backflow Prevention Policy and Code of Practice 2021 as a solution to address non-compliance with the current and proposed Taumata Arowai legislative requirements.

2 Background

Waikato District has a large number of backflow devices in the network (24% of meters) because of the high number of low flow meters. There are 4,141 (708 to be site-specific surveyed) testable Backflow Prevention Devices (BFP) recorded against 17,305 water meters across the district.

The Waikato District Council (WDC) network currently has an annual budget of \$30k allocated to backflow testing (\$27.9k - 2020 and \$28.2k - 2019). This budget allows for 10% of all testable backflow devices in the Waikato District to be tested annually. That 10% figure does not comply with the Health Act 1956 and Health (Drinking Water) Amendment Act 2007/Waters Services Bill 2021 legislation which requires all testable backflow devices to be tested annually.

The current testing program is undertaken at the Councils costs and is not on-charged to customers.

An evaluation of Watercare Aucklands processes and policy was completed to support creating the Waikato Backflow policy and code of practice. The assessment highlighted on average, 10% of tested backflow devices are found to be faulty annually.

2.1 Need to be addressed

The Waikato District Council is currently not meeting the requirements of the Health Act 1956 and Health (Drinking Water) Amendment Act 2007/Waters Services Bill 2021 legislation.

3 Project scope

This initiative creates a new District Policy and Code of practice that will outline an approach to backflow prevention and define the requirements for installation and testing of backflow devices to meet the Health Act 1956 and Health (Drinking Water) Amendment Act 2007/Waters Services Bill 2021 legislation.

The new policy and practice align with the current processes and user-pays methodology within Watercare, which ensures all backflow devices are tested annually at the property owner's cost.

The proposed solution recognises this as an additional cost to individual ratepayers. A communications plan will be required and, where possible, site-specific surveys and the ability to opt-out by reducing risk before annual testing and fees are applied.

The scope of the project excludes:

- Upcoming water reforms

3.1 Current scope vs proposed

Item	Current State	Proposed	Comments
Health Act 1956 and Health (Drinking Water) Amendment Act 2007 and Waters Services Bill 2021 legislation.	Not meeting	User pays able to meet all tested	Provides means to meet legislation
Policy	Franklin District Council Policy dated pre-2010	Waikato District Council Backflow Prevention Policy 2021	Provides WDC with an aligned policy to Watercare and current practices and legislation
Code of Practice	Not any	Waikato District Council Backflow Prevention Code of Practice 2021	Provides Waikato District Council with current practices and solutions for testing and maintenance
Testing	Under 10% tested annually and recorded	100% tested annually and recorded	
Charging	Fixed Budget per year	Owner pays annually	<ul style="list-style-type: none"> User pays annually as part of consumption invoicing Removes alternate testing

4 Project Deliverables/Outputs

The implantation plan and contractor appointment is to be complete by 1 February 2022:

1. Data assessment and validation of current scope
 - a. Evaluation of 708 meters without confirmed backflow devices
 - b. Review existing testing data completed
2. Engage property owners with advice and opting out options (if no risk) e.g. zero consumption or empty properties.
 - a. Creation and implementation of communication plan
3. The contractor engagement
 - a. Scheduling and costs confirmed
 - b. Each year annual works to be awarded at Watercare discretion
 - i. Potentially after the initial year to review in-house resources or external/local contractors.
4. On-going monitoring and user-pays charging

5 Funding

The proposal is for Waikato District Council to fund the first year of the monitoring program to bring the backflow devices into compliance. The estimated cost for testing is \$250k to \$300k, and based on an estimated 20% failure rate in the first year, an estimated \$200k for backflow repair or replacement.

The total estimated annual budget is \$450k to \$500k, against a current budget of \$30k. This budget increase is not accounted for within the contract's current budget.

After the first year, a clearer understanding of the costs will be known, and an appropriate cost recovery user pays methodology can be implemented.

The recommendation is to implement a user pays model with the owners of properties with testable backflow devices incurring the cost for the testing and replacement (if necessary) of backflow devices:

The proposed charging framework,

Waikato District Council to conduct the annual test (per Council Fees and Charges 2022-23):-

- The cost for testing by Waikato District Council contractors is **\$82.28 (GST inclusive)**
- If required, repairs are necessary **\$172.80.00 (GST inclusive)**.

The testing charge can be billed annually as a separate one-off charge as part of the owner's six-monthly invoice and the repair costs as required.

Open Meeting

To	Waters Governance Board
From	Keith Martin Waters Manager
Date	2 December 2021
Prepared by	Keith Martin
Chief Executive Approved	Y
Reference #	Waters Governance Board 2021
Report Title	Pokeno Tuakau Wastewater Network Upgrades

I. EXECUTIVE SUMMARY

This report is to update the Board with the background and updates on the projects that make up the upgrading of the wastewater network between Pokeno and Tuakau.

This area has faced significant pressure from growth based on residential development and industry. Growth demand, whilst anticipated by Council, has been faster than expected. Industrial growth from existing business and interest in new industry establishing in the area has surpassed Council's initial expectations.

Cost estimates against the works allocated in the LTP are exceeding budget. The purpose of this report is to enable discussion and seek direction from the Waters Governance Board about the works required to be undertaken whilst considering the options that supports the districts growth.

2. RECOMMENDATION

THAT the Pokeno Tuakau Wastewater Network Upgrades Overview Report be received;

AND THAT growth projections and assumptions against current activity and forecasted growth of both housing and industry demand over the next ten years be reviewed to ensure planning is keeping pace with actual utilisation and demand;

AND FURTHER THAT the growth forecast of Pokeno and Tuakau be shared with Watercare Auckland to enable the future planned upgrades of Watercare's Pukekohe WWTP to accommodate Pokeno and Tuakau growth aspirations;

AND FURTHER THAT options be looked at to accommodate funding of \$35.02M for the Tuakau Interceptor Pump Station Upgrade (Stage 2), the new Whangarata Rail to Bollard Low Gravity Sewer (Stage 3) and decommissioning.

3. DISCUSSION

The Pokeno/Tuakau Wastewater Network business case discusses the current capacity of the wastewater network between Pokeno and Tuakau as anticipated in the LTP. Watercare has completed detailed design on the first work packages and the cost estimates are exceeding funding allocated in the LTP.

The report discusses our existing network capacity, the 2019 assumptions around growth including wet industry. Unfortunately, our wet industry customers have historically been variable in their forward-looking demand profile as their commercial drivers and business plans reflect their market insights which can be very fluid. What is not mentioned or reflected in the Watercare report, due to commercial sensitivities, is that Council has recently been approached by an existing wet industry that requires a 50% increase in their wastewater discharge by February 2022 and a 100% increase in their wastewater volume over ten years.

Wastewater from Pokeno and Tuakau is not treated by Council. Council has a bulk discharge agreement with Watercare, and all flows are treated at Watercare's Pukekohe WWTP.

Watercare are just completing an Upgrade to the Pukekohe WWTP which will provide wastewater treatment for 55,000 people equivalents(pe). The next upgrade will be started in 2026 and finished in 2029 providing wastewater treatment for 88,000pe. The third and final upgrade is planned for 2035 to accommodate 118,000pe.

Wastewater from the existing wet industries of Yashili and Synlait is pre-treated on site prior to being discharged to the network. Even with pre-treatment, the wastewater is high in nutrient. Yashili and Synlait current flows consume 2/3 thirds of Pukekohe WWTP treatment capacity due to nutrient load rather than volume. With the proposed increases in volume from the wet industry over the next ten years, the planned upgrade capacity is severely reduced just by their planned increased flow without considering increased housing and the impacts of new industry establishing themselves in the Tuakau and Pokeno areas. One commercial customer has recently requested an increase equivalent to 575 HUE(housing equivalent units) from 2023.

To accommodate wet industry and small business growth, Council will need to engage with those businesses to ensure we understand their growth requirements. Local industry will need to commit to volumes and provide timeframes in order that, if possible, Council can align industry timing with our upgrade program. Development agreements would be required to be negotiated once the demand profile and timing was finalised.

The proposed wastewater network upgrades have been augmented to increase network capacity in a staged way up to approximately 230 - 250 litres per second (l/s).

the basis of this decision was:

- It matched the capacity of the gravity sewer upstream and downstream of the Tuakau Interceptor Pump Station
- The predicted wet industry at the time of the strategy 93l/s as a maximum, however a more likely scenario now seems between 60- 70 l/s..

- The proposed district plan is increasing the residential land zoning in line with population forecasts.

The staged upgrade packages to achieve the increased network capacity and their status/timing are as follows:

- Package 1: Second Rising Main from Synlait to Market St Pump Station- this project is complete.
- Package 2: Tuakau Pump Station Stage 1 Upgrade - increases capacity from 100 to 160l/s - designed to be tendered in 2021.
- Package 3: Whangarata Rail to Bollard Low Gravity Sewer – this provides service to the Whangarata Business zone plus will increase the capacity of Market St PS from 90l/s to between 100 and 110l/s. It is designed and being priced currently and planned for implementation in 2024.
- Package 4: Pokeno Rising Main Stage 1 (Munro to Whangarata) – route selected and concept design complete. This stage will increase the capacity of Market St PS from 100l/s to between 110 and 125l/s. Planned for completion in 2025.
- Package 5: Hitchen 2 Pump Station – rebuild this pump station, currently a 30 l/s, new station to replace Market St as main Pokeno pump station discharging 230-250l/s via new rising main to Tuakau. Planed for completion in 2026.
- Package 6: Pokeno Rising main Stage 2 (Hitchens PS to Munro) - route selected and concept design complete. This will enable the upgraded Hitchens Pump Station to become the main Pokeno pump station discharging 230-250l/s via new rising main to Tuakau. Planned for completion in 2026.
- Package 7: Tuakau Pump Station Upgrade and Rising Main Duplication – increases pump station capacity from 160 l/s to 230 -250 l/s. Planned for completion in 2027

4. CONCLUSION

The wastewater network upgrades are vital to ensure Council maintains levels of service and accommodate growth. Cost estimates used in the LTP have increase significantly. Waters Governance Board are asked to consider bringing forward the 10 year LTP budget and utilising the funding in the most significant required infrastructure, the Tuakau Interceptor Pump Station Upgrade (Stage 2) and the new Whangarata Rail to Bollard Low Gravity Sewer (Stage 3). The balance of the required infrastructure will be incorporated in the next LTP. Failure to provide this upgrade will significantly reduce growth opportunities and slow development within Pokeno and Tuakau.

The Board does not have the delegated authority to change the LTP timeline and financial implications. The Board can substitute work but not incur additional financial consequences. Council approval will be required for this to happen.

The recommendations included in the report will enable the Waters Governance Board and Council to be updated on the revised pressures the infrastructure will be facing. Steps to be taken are:

- Watercare to update and revise growth predictions for Pokeno including latest flow projections from wet industries.
- Watercare re-evaluate servicing strategies to cater for this growth.
- Watercare continue to develop work package 2 (Tuakau Pump Station Stage 1 Upgrade) & work package 3 (Whangarata Gravity Sewer) and prepare Business cases for the Waters Governance Board.

Identified wastewater network upgrades are required to be completed to keep pace with current growth. The cost of network upgrade packages has escalated since 2019. The Whangarata gravity sewer is required for servicing the Whangarata Business zoned land. Whilst this upgrade would satisfy demand if status quo remained for the next 10 years, the growth demand of existing wet industries over the same time could consume network capacity.

Business cases are attached for the Whangarata gravity sewer and the Tuakau Pump Station. They are vital to continuing to support growth and maintaining minimum levels of service.

Existing wet industry will need to contribute to network upgrades and treatment plant upgrades to accommodate their future higher wastewater flows and load. Council will seek a commitment from industry as to their future requirements and seek to enter into Development Agreements so growth demands can be balanced with their business growth requirements

5. ATTACHMENTS

- Business Case - Pokeno Tuakau Wastewater Network Upgrades

Open Meeting

To	Waters Governance Board
From	Gavin Ion Chief Executive
Date	7 December 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 Three Waters Capital Delivery Programme		

PEX Item 3.2 Asset Condition Assessment Methodologies		
PEX Item 3.3 Waters Financial Results to 31 October 2021		
PEX Item 3.4 Unexpected Reservoir Maintenance		

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 Three Waters Capital Delivery Programme	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)	Prevent the disclosure or use of official information for improper gain or improper advantage.

PEX Item 3.2 Asset Condition Assessment Methodologies	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) (h)	enable any local authority holding the information to carry out, without prejudice or disadvantage commercial activities.
PEX Item 3.3 Waters Financial Results to 31 October 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 disclosure or use of official information for improper gain or improper advantage.
PEX Item 3.4 Unexpected Reservoir Maintenance	7 (2) (a)	Maintain legal professional privilege; or
	7 (2) (b)	enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)