

MINUTES for a meeting of the Waters Governance Board Meeting of the Waikato District Council held via audio-visual conference on **TUESDAY, 26 APRIL 2022** commencing at **10.05am**.

Present:

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

Attending:

Cr E Patterson

Mr J Mackie (Department of Internal Affairs)

Mr R MacCulloch (General Manager Service Delivery)
Mr G King (Chief Information Officer)
Mr V Ramduny (Strategic Projects Manager)
Ms C Nutt (Waters Contract Relationship Manager)
Mr K Martin (Waters Manager)
Mr D Sharma (Three Waters Reform Project Manager)
Ms J Bell-Wymer (Corporate Planner)
Ms L Cilliers (Management Accountant)
Ms Z Al-Khaleefa (Three Waters Contract Engineer)
Mr M Horsfield (Democracy Advisor)

Ms R Chenery (Chief Information Officer - Watercare)
Mr M Telfer (Watercare)
Mr G King (Watercare)
Mr J Turner (Watercare)

APOLOGIES AND LEAVE OF ABSENCE

All members were present.

CONFIRMATION OF STATUS OF AGENDA ITEMS

Resolved: (Mr Ion/Mr Dibley)

THAT the agenda for a meeting of the **Waters Governance Board Meeting** held on **Tuesday, 26 April 2022** be confirmed and all items therein be considered in open meeting with the exception of those items detailed at agenda item 7 which shall be discussed with the public excluded.

CARRIED

WGB2204/01

DISCLOSURES OF INTEREST

There were no disclosures of interest.

CONFIRMATION OF MINUTES

Resolved: (Mr Dibley/Mr Ion)

THAT the minutes for a meeting of the **Waters Governance Board Meeting** held on **Tuesday, 15 March 2022** be confirmed as a true and correct record of that meeting.

CARRIED

WGB2204/02

REPORTS

Actions Register
Agenda Item 5

The Waters Contract Relationship Manager noted the following matters:

- Remunerations – A verbal update would be provided in public excluded section of the meeting.
- Huntly Wastewater Upgrade – There had been a number of meetings with Sleepyhead, Waikato Regional Council (WRC) and a large number of internal meetings discussing the possibility of bring the wastewater plant upgrade forward.
- Watercare had contacted Nga Muka to organise a appropriate date for a meeting. It was important to organise a meeting with as many board members present as possible,

Resolved: (Ms Schaafhausen/Mr Ion)

THAT the Actions Register be received.

CARRIED

WGB2204/03

Three Waters Reform Project Update – April 2022

Agenda Item 6.1

Ms Schaafhausen noted she had a non-financial conflict of interest due to her role on the National Transition Unit – Three Waters Programme.

The Three Waters Reform Project Manager noted the following matters:

- Received a data and digital request for information from the National Transition Unit (NTU). Developed a working group in Council, with Watercare and Council provide separate spreadsheets.
- NTU needed to provide a provision to allow the two separate spreadsheets to be received.
- Information had been requested from the Rural Supply Technical working group on shared working schemes, and with agriculture supplies and drinking supplies. Hine Korako provides a the source for information to suppliers and laboratories,
- Taumata Arowai had asked for feedback for the proposed drinking water standards.
- Council had developed a decision matrix based off the better off funding criteria and Blueprint aspirations. Staff had been given six weeks to provide feedback for possible projects, with an aligned programme to work with Iwi. Looking to submit the application to DIA by August 2022.
- The Waters Manager would be on the local transition team, with weekly meetings from next week.
- What was decision process for the better off funding package, would it go to Council or the Waters Governance Board? It would be a Council decision and could cover a wide spectrum of Council activities. If possible projects involve three waters, the WGB would be able to express their views on the project.
- Important that Councillors were kept informed with work going on in this space.
- Were staff considering the acceleration of waters projects for better off funding? Yes, waters would be added to the long list for consideration. This may include bringing forward funding outside the LTP for projects such as the Huntly Wastewater Treatment Plant upgrade.

- There would likely be difficulties with the capacity of the market, as Council's across the country receive cash injections.

Resolved: (Mr Wright/Mr Ion)

That the Waters Governance Board receives the report and notes that the project management for water reform is ongoing.

CARRIED

WGB2204/04

Better Off Funding - Presentation

Agenda Item 6.2

Mr Mackie noted the following matters:

- The Better Off Funding Package consisted of \$2billion over five (5) years in two (2) tranches which would be released to local authorities. Became available from 11 April 2022 to 30 September 2022 for funding proposals for the first tranche of funding.
- There were high level objectives to support communities to move from a low carbon economy, provide infrastructure for developments that meets the criteria and place making projects such as pools and parks.
- Packages will need to be submitted to the Department of Internal Affairs (DIA) before 30 September 2022.
- The funding criteria was tight. It could not be used as a replacement for funding of existing projects in the Long Term Plan (LTP), but could be used to enhance and accelerate existing projects in the LTP.
- Funding could be rolled forward to tranche two (2) in July 2024.
- No guarantee that tranche two (2) funding follow through if there was a change in Government.
- It was strongly recommended that contingency projects were considered due to global and local instability.
- Each project would be subject to a wellbeing assessment.
- Funding Release – First 10% would be released and payable up front, then actual costs and arrears could be invoiced on a monthly basis. The reporting requirement would be six monthly.
- There would be a process for project substitution should an issue arise.

- Methodology for the allocation for funds to the Councils was based on a weighting 75% relating to population, 20% relating to deprivation in the district and 5% relating to land area.
- Council was working on creating a long list of projects for tranche one (1) and two (2), with Iwi engagement beginning on 3 May to look at projects that Iwi were interested in progressing. Projects would be shortlisted using the DIA criteria.
- Was funding linked to Council's three waters assets? No, it did not look at the valuation of the assets.
- Is there any costs to funding that will be incurred to Council? The costs should be built into the funding programme.
- Is there a business case that shows the financial value for the project? No, as long as it meets the criteria.
- There was no catch that Council's had to support the three waters reform to receive the funding. A waiver could be sought for Councils to apply for funding after the local government elections.

Resolved: (Mr Wright/Mr Ion)

THAT the Better Off Funding – Presentation be received.

CARRIED

WGB2204/05

Three Waters Governance Report – April 2022
Agenda Item 6.3

Mr Telfer noted the following matters:

- Achieved performance outcomes in Feb and March. Year to date measures were on track to be achieved.
- Activities for water restrictions were well received. There were no restrictions this summer.
- Cyclone Dovi – Power outages impacted a number of plants and pump stations. Watercare was looking at more permanent generators at critical sites.
- Locations for the permanent filling stations had been confirmed.
- COVID – Operational teams had been split up. 60% of the team had been impacted by COVID however with teams being split up the impacts were limited.

- Health & Safety – There was a health and safety event on 12 April, that related to the installation of the MABR plant at Te Kauwhata. A subcontractor crushed their finger between two metal objects. It was a two person job done by one person. Worksafe was notified but did not investigate.
- Welding training had been provided to the teams, three staff were able to use the training immediately.
- Raglan filters at the Water Treatment Plant - They had been constructed and in place for additional level of security in disaster situations. There had been issue with the water quality during the Kaikoura earthquake. The filters would be used to mitigate quality issues. It was a DIA funding project and would be completed by July 2022.
- Complex Meters – 75% of the Complex meters had been completed, 8% were waiting for approval. 90% were expected to be done in the next few months. 3% had been uncontactable with Council's legal team looking to contact them. The project had been ongoing for a number of years with the aim to get these properties separately metered.
- Removal of the Hopu Hopu Water Treatment Plant – It had been addressed and it was good to see the work completed.
- The report highlights the SCADA comms losses – what does this mean and what happens to that real time data? SCADA could be impacted due to power outages, lack of connectivity and server events. The events that occurred were largely due to loss of power. When SCADA was not operating, staff would have to manually monitor plants. It was a resource drain to operate in this way. The second event was due to damage from an excavator.
- Congestion at the Te Kauwhata Site – Watercare were working with the contractor to mitigate congestion on the site. The incident in April was not due to congestion.

Resolved: (Ms Schaafhausen/Mr Dibley)

THAT the Three Waters Governance Report – April 2022 be received.

CARRIED

WGB2204/06

Compliance Summary – March 2022

Agenda Item 6.4

Mr Telfer noted the following matters:

- There were a number of compliance challenges in the wastewater area. The ongoing maintenance of the plants was challenging. DIA funding provided desludging of the ponds at Huntly and Ngaruawahia but it could disturb the ponds, which could create some negative results.
- Te Kauwhata Plant compliance will be addressed in December when the MABR would be in place with the next stages following on to addressing discharges.
- OEM manuals and reports for each of the plants - They had not been maintained as well as it should have been and Watercare was looking to have them updated by July 2022.
- Status being assigned to different plants, what was the difference between Ngaruawahia plant (Moderate non-compliance) and Raglan (Significant non-compliance). There was a progression of non-compliance. N The status criteria was set by WRC and takes in account the number of non compliances and interprets the significance of the non-compliances.

ACTION: Compliance Summary report to be provided to the Waters Governance Board quarterly.

Resolved: (Ms Schaafhausen/Mr Dibley)

THAT the Compliance Summary – March 2022 report be received.

CARRIED

WGB2204/07

Trade Waste and Wastewater Bylaw

Agenda Item 6.5

The Waters Contract Relationship Manager noted the following matters:

- Tradewater and Wastewater Bylaw was due for renewal. Council had 16 months to carry out the review. A workshop would be held next week with Council, to get a steer of what should remain and what should be removed.
- Following that, there would be early engagement with key stakeholders followed by open consultation.

- How does the allocation process work for new entrants? It was first come first serve, and if it was in the north of the district it was dependent on the capacity of the wastewater plant in Tuakau. If infrastructure needs to be upgraded, developer agreements could help pay for the upgrade. The Bylaw does not cover this however development agreements cover this.

Resolved: (Mr Wright/Mr Ion)

THAT the Waters Governance Board:

- a. receives the Trade Waste and Wastewater Bylaw report;**
- b. advises of any specific areas or topics to be considered as part of the TradeWaste and Wastewater Bylaw 2016 review.**

CARRIED

WGB2204/08

Stormwater Improvement Areas

Agenda Item 6.6

The Three Waters Contract Engineer noted the following matters:

- Monthly workshop had been held with internal and external staff, including Watercare, Waikato District Alliance and WRC. The workshops had identified problems in the stormwater spaces, which included the design standards.
- Watercare, in consultation with Council had developed the Stormwater Guidelines document. The purpose of the document was to provide best practice for developers, with increased maintenance efficiencies and reduce environmental impacts. Watercare and Council had gone out to external stakeholders for feedback.
- The other major piece of work to come out from the workshops included delineation and demarcation of stormwater assets. This work had clearly defined maintenance responsibilities.
- The graphics in the report did not intend to outline perfect design scenarios but to outline ownership and maintenance responsibilities.
- What sort of overall philosophy was being sought for stormwater guidelines, particularly centralised stormwater treatment? Need to be cognisant of the long term operating costs?
- What document do developers use for stormwater guidelines? Council had provided preferred treatment devices to developers. There were many outlines, including from WRC but Council's new guidelines specified best practice and referenced other guidelines with a focus on the Waikato District.

Resolved: (Ms Schaafhausen/Mr Ion)

That the Waters Governance Board:

- a. receives the Stormwater Improvement Areas report;
- b. notes that certain stormwater problem areas have been identified and addressed; and
- c. notes that improvement in the stormwater space is ongoing.

CARRIED

WGB2204/09

EXCLUSION OF THE PUBLIC

Agenda Item 7

Resolved: (Mr Wright/Mr Ion)

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

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

| General subject of each matter to be considered | Reason for passing this resolution in relation to each matter | Ground(s) under section 48(1) for the passing of this resolution |
|---|--|---|
| Item number PEX 1 Confirmation of Minutes Item PEX 2.1 Actions Register Item PEX 3.1 Waters Financial Results to 28 February 2022 Item PEX 3.2 SCADA Upgrade Project | Good reason to withhold exists under Section 6 or Section 7 Local Government Official Information and Meetings Act 1987 | Section 48(1)(a) |

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 |
|--|----------------|--|
| Item PEX 1 Confirmation of Minutes | 7(2)(a) | Refer to the previous Public Excluded reason in the agenda for this meeting. |
| Item PEX 2 Actions Register | 7(2)(a) | Refer to the previous Public Excluded reason in the agenda for this meeting. |
| Item 3.1 Waters Financial Results to 28 February 2022 | 7 (2) (b) (ii) | To protect information that would otherwise unreasonably prejudice a person's commercial position. |
| | 7 (2) (h) | To enable commercial activities to be carried out without prejudice or disadvantage. |
| Item 3.2 SCADA Upgrade Project | 7 (2) (b) (ii) | To protect information that would otherwise unreasonably prejudice a person's commercial position. |
| | 7 (2) (h) | To enable commercial activities to be carried out without prejudice or disadvantage. |
| | 7 (2) (h) | To enable negotiations to carry on without prejudice or disadvantage. |
| | 7 (2) (l) | To prevent use of the information for improper gain or advantage. |
| | 7 (2) (j) | |

AND THAT Mr Telfer, Ms R Chenery and Mr Turner be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of Watercare. This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because of their roles and responsibilities for those matters.

CARRIED

WGB2204/10

Resolutions WGB2204/11– WGB2204/15 are contained in the public excluded section of these minutes.

Having resumed open meeting and there being no further business the meeting was declared closed at 12:25pm.

Minutes approved and confirmed this day of 2022.

David Wright
CHAIRPERSON

Unconfirmed