

Agenda for a meeting of the Waters Governance Board meeting to be held in the Committee Rooms 1 & 2, District Office, 15 Galileo Street, Ngaruawahia on **TUESDAY 7 MAY 2019** commencing at **4.00pm**.

Information and recommendations are included in the reports to assist the Committee in the decision making process and may not constitute Council's decision or policy until considered by the Committee.

1. APOLOGIES AND LEAVE OF ABSENCE

2. CONFIRMATION OF STATUS OF AGENDA

Mr M Stanton from Stanton Reid will be in attendance to discuss item PEX 2.1.

3. DISCLOSURES OF INTEREST

4. CONFIRMATION OF MINUTES

Meeting held on Wednesday 24 April 2019 2

5. EXCLUSION OF THE PUBLIC 8

GJ Ion
CHIEF EXECUTIVE

Open Meeting

To	Waters Governance Board
From	Gavin Ion Chief Executive
Date	26 April 2019
Prepared by	Wanda Wright Committee Secretary
Chief Executive Approved	Y
Reference #	GOV1303
Report Title	Confirmation of Minutes

1. EXECUTIVE SUMMARY

To confirm the minutes of a meeting of the Waters Governance Board held on Tuesday 24 April 2019.

2. RECOMMENDATION

THAT the minutes of a meeting of the Waters Governance Board held on Tuesday 24 April 2019 be confirmed as a true and correct record of that meeting.

3. ATTACHMENTS

WGB Minutes – 24 April 2019

MINUTES of a meeting of the Waters Governance Board Meeting of the Waikato District Council held in Committee Rooms 1 and 2, District Office, 15 Galileo Street, Ngaruawahia on **WEDNESDAY 24 APRIL 2019** commencing at **7.34am**.

Present:

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

Attending:

Mr J Quinn (Communications, Marketing & Engagement Manager)
Mr K Pavlovich (Waters Manager)
Mrs W Wright (Committee Secretary)

APOLOGIES AND LEAVE OF ABSENCE

All members were present.

CONFIRMATION OF STATUS OF AGENDA ITEMS

Resolved: (Mr Ion/Ms Schaafhausen)

THAT the agenda for a meeting of the Waters Governance Board Meeting held on **Wednesday 24 April 2019** be confirmed and all items therein be considered in open meeting with the exception of those items detailed at agenda item 6 which shall be discussed with the public excluded.

CARRIED on the voices

WGBI904/01

DISCLOSURES OF INTEREST

It is noted that Mr Dibley is a Board Member of Water New Zealand.

It is noted that Ms Schaafhausen is the Chair of the Freshwater Iwi Leaders Group.

It is noted that Mr Wright is the Chair of Wellington Water Limited and also a director of Waimea Water Ltd.

CONFIRMATION OF MINUTES

Resolved: (Mr Wright/Mr Dibley)

THAT the minutes of a meeting of the Waters Governance Board Meeting held on Friday 22 March 2019 be confirmed as a true and correct record of that meeting.

CARRIED on the voices

WGBI904/02

REPORTS

Delegations

Agenda Item 5.1

The following key points were raised by Mr Ion:

- No major changes were made to the original proposed delegations, only some tweaks suggested by the Council's legal department.
- Clarification was given that the arrangement with Watercare is no longer planned to be any form of franchise. Staff are considering how to describe the final form of the contractual relationship.

The Board members discussed, and agreed amendments to the recommended delegations.

Action: A workplan on how to execute the delegations will be developed and brought back to the 7th May Board meeting for discussion.

Resolved: (Mr Wright/Mr Dibley)

THAT the report from the Chief Executive be received;

AND THAT the delegations previously approved at the February Board meeting be revoked (WGBI902/09);

AND FURTHER THAT the following delegations *as amended* for the Waters Governance Board be recommended to the Council for approval:

- **To agree the form of the transactional arrangement with Watercare**
- **To negotiate with Watercare and recommend to Council the final contract value for waters management**
- **To conclude the contract (after Council approval of contract value) and terms and conditions with Watercare**
- **Take such actions as are required to make the arrangement with Watercare operational by 1 July 2019, with any residual elements timetabled and noted**
- **To hold Watercare to account for their performance at all levels**

- To monitor and oversee the performance of staff and Watercare in terms of the water activity
- To 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.
- Develop an annual works programme (operating and capital) and submit to council for final approval
- To set and ensure Watercare's adherence to health and safety requirements, and wellbeing practices
- To set and maintain standards of ethics and corporate behaviour
- To consider development opportunities for the Waters business
- Define and set levels of service for waters management now and in the future
- Responsibility for the financial performance of the contract and operation
- Develop plans to improve the overall resilience of the waters' networks and allow for growth
- To 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 council
- Annually review the Board composition, structure and succession and make recommendations to council on these matters
- To ensure the waters' business delivered by Watercare provides value for the community in terms of the four wellbeings
- That Kaitiakitanga and environmental outcomes are key decision making considerations for the Board
- To uphold the vision and strategy of the Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010.

CARRIED on the voices

WGBI904/03

Rate Rebate implications of the Watercare transition

Agenda Item 5.2

The Board discussed the impact of the Watercare arrangement on access for ratepayers to the rates rebate scheme once Council enters the operational phase where the direct relationship is with Watercare.

The Board expressed concern that this entire arrangement needed to protect the interests of vulnerable people.

Action: The Communications, Marketing and Engagement Manager would develop a communication plan to the Community regarding Council's strategy around protecting vulnerable people in terms of water rates and charges.

Resolved: (Ms Schaafhausen/Mr Wright)

THAT the report from the General Manager Service Delivery be received;

AND THAT the Chief Executive will report back to the Board around strategies to protect vulnerable people in terms of the three waters charging;

AND FURTHER THAT the Chief Executive and the Chair will advocate to the Government regarding the ongoing access to the Rate Rebate Scheme.

CARRIED on the voices

WGBI904/04

Branding of the Waters Business

Agenda Item 5.3

Mr Quinn emphasised the importance of having branding to identify with. The Board agreed with the views expressed in the report.

Resolved: (Mr Wright/Mr Dibley)

THAT the report from the General Manager Service Delivery be received;

AND THAT approval is given for the Communications Stream to approve co-branding (WDC primary, WSL secondary) during the transition period (to 1 July 2021);

AND FURTHER THAT approval is given for further discussions between WDC and WSL on branding post-transition, with a view to work towards a WSL only branding option for after 1 July 2021 that WSL can use in the Waikato district and potentially elsewhere.

CARRIED on the voices

WGBI904/05

EXCLUSION OF THE PUBLIC

Agenda Item 6

Resolved: (Ms Schaafhausen/Mr Ion)

THAT the report from the Chief Executive be received;

AND THAT the public be excluded from the meeting during discussion on the

following items of business:

- i. Confirmation of Minutes dated Friday 22 March 2019

REPORTS

a. Contract Negotiations

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

Reason for passing this resolution to withhold exists under:	Ground(s) under section 48(1) for the passing of this resolution is:
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Section 7(2)(b)(i),(ii)
Section 7(2)(i)
Section 7(2)(j)

Section 48(1)(a)

b. Location Update

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

Reason for passing this resolution to withhold exists under:	Ground(s) under section 48(1) for the passing of this resolution is:
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Section 7(2)(b)(i),(ii)
Section 7(2)(i)
Section 7(2)(j)

Section 48(1)(a)

Resolutions WGB1904/06 – WGB1904/09 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 9.34am.

Minutes approved and confirmed this _____ day of _____ 2019.

Rukumoana Schaafhausen
CHAIRPERSON

Open Meeting

To	Water Governance Board
From	Gavin Ion Chief Executive
Date	1 May 2019
Prepared by	Wanda Wright Committee Secretary
Chief Executive Approved	Y
Reference	GOV1301
Report Title	Exclusion of the Public

I. EXECUTIVE SUMMARY

To exclude the public from the whole or part of the proceedings of the meeting to enable the Board to deliberate and make decisions in private on public excluded items.

2. RECOMMENDATION

THAT the report of the Chief Executive be received;

AND THAT the public be excluded from the meeting to enable the Board to deliberate and make decisions on the following items of business:

REPORTS

a. Pricing Methodology for the Operational Phase of the Watercare Contract

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

Reason for passing this resolution to withhold exists under: **Ground(s) under section 48(1) for the passing of this resolution is:**

Section 7(2)(b)(i)(ii)
Section 7(2)(i)
Section 7(2)(j)

Section 48(1)(3)(d)

b. Update on the Contract Negotiations

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

Reason for passing this resolution to withhold exists under: Ground(s) under section 48(1) for the passing of this resolution is:

Section 7(2)(b)(i)(ii)

Section 48(1)(3)(d)

Section 7(2)(i)

Section 7(2)(j)

AND FURTHER THAT Mr Stanton is permitted to remain in the meeting to assist the Board with its discussions on Item PEX 2.1 – Pricing Methodology for the Operational Phase of the Watercare Contract.

3. ATTACHMENTS

Nil