

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 **WEDNESDAY 20 NOVEMBER 2019** commencing at **9:00am**.

1. APOLOGIES AND LEAVE OF ABSENCE

2. CONFIRMATION OF STATUS OF AGENDA

3. DISCLOSURES OF INTEREST

4. CONFIRMATION OF MINUTES

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GJ Ion
CHIEF EXECUTIVE

Open Meeting

To	Waters Governance Board
From	Gavin Ion Chief Executive
Date	2 October 2019
Prepared by	Lynette Wainwright Committee Secretary
Chief Executive Approved	Y
Reference #	GOV1303
Report Title	Confirmation of Minutes

I. EXECUTIVE SUMMARY

To confirm the minutes of the Waters Governance Board meeting held on Wednesday 18 September 2019.

2. RECOMMENDATION

THAT the minutes of the meeting of the Waters Governance Board held on Wednesday 18 September 2019 be confirmed as a true and correct record of that meeting.

3. ATTACHMENTS

WGB Minutes – 18 September 2019

MINUTES of a meeting of the Waters Governance Board Meeting of the Waikato District Council held in Committee Rooms 1 & 2, District Office, 15 Galileo Street, Ngaruawahia on **WEDNESDAY 18 SEPTEMBER 2019** commencing at **9.14am**.

Present:

Ms R Schaafhausen (Chair)
Mr D Wright
Mr GJ Ion (Chief Executive, Waikato District Council)

Attending:

Mr I Cathcart (General Manager Service Delivery)
Ms C Nutt (Project Manager)
Ms C Pidduck (Legal Counsel)
Mr K Pavlovich (Waters Manager)
Mrs L Wainwright (Committee Secretary)

APOLOGIES AND LEAVE OF ABSENCE

Resolved: (Ms Schaafhausen/Mr Wright)

THAT an apology be received from Mr Dibley and Ms Colliar.

CARRIED on the voices

WGBI909/01

CONFIRMATION OF STATUS OF AGENDA ITEMS

Resolved: (Ms Schaafhausen/Mr Wright)

THAT the agenda for a meeting of the Waters Governance Board Meeting held on Wednesday 18 September 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

WGBI909/02

DISCLOSURES OF INTEREST

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 Ion)

THAT the minutes of a meeting of the Waters Governance Board Meeting held on Thursday 29 August 2019 be confirmed as a true and correct record of that meeting.

CARRIED on the voices

WGBI909/03

REPORTS

Risk Register Update
Agenda Item 5.1

The General Manager Service Delivery summarised the report and briefed the Board on the following key points:

- The top 10 Waikato Water Risks identified in the attachment to the staff report.
- Impact between HIF funding and slower than expected uptake of Kiwi Build in the Te Kauwhata area.
- Cost blowout different from LTP. Discussions had been held with Watercare on this matter.
- Asset conditions not agreed. Council had employed a Community Assets Manager who will be responsible for this risk in terms of the asset condition, methodology and repeatable methodology throughout the contract.
- Disjoint between Consents Planners and WSL Planning – Workshop had been held on Friday 20 September 2019.
- Delivery of smart water. Smart water is delivered by Shared Services and a letter had been sent to them advising that the Board would be supporting Shared Services until 2019/20 financial year.
- Risk rating - an explanation was provided on the difference between treated and untreated risks.

ACTION: Staff to clarify the difference between treated and untreated risk and report back to the next meeting of the Board.

- Raglan resource consent. Disposal options had been considered. Two options would require an upgrade to the existing treatment plant. Further work to be undertaken with Watercare to obtain the best outcome for the community.

- Council have sent a letter to Watercare which agreed that the content of the disengagement plan can be moved back until the end of November 2019. The ops mandates are delayed until the end of November 2019 unless they could be completed in a timely fashion. 2 or 3 ops mandates are approximately 70% done; the communications ops mandate is completed, which was noted as one of the most important in terms of visible external communication.
- The initial review of the asset management plan was currently being undertaken. The review would confirm whether what was recorded in the AMP was what could be done over the next 21 months. The innovative services around reducing discharges into the Raglan harbour, pursuing carbon neutrality and the hardship funding issue were noted.
- 4 significant risks have been identified through the mobilisation:
 - i. the resource consent application for Raglan R110;
 - ii. R111 and R112 - the abatement notices at Meremere and Te Kauwhata wastewater treatment plants.

These had been updated into the risk register and are awaiting input from Watercare.

A conversation may be required with the Regional Council, and possibly at a Ministerial level, to request leeway to allow Watercare to assist in implementing a solution.

Resolved: (Mr Wright/Mr Ion)

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

CARRIED on the voices

WGBI909/04

Communications and Relationship Matrix

Agenda Item 5.2 The following matters were discussed:

- The General Manager Service Delivery advised that Sharon Danks was the confirmed Relationship Manager.
- The joint charter would be reviewed by Watercare in the early part of the contractual term.
- Majority of WDC staff were looking forward to the transition to Watercare.
- A hangi for Waters staff and their families would be held on Friday 27 September 2019.

Resolved: (Mr Wright/Mr Ion)

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

CARRIED on the voices

WGBI909/05

Transition Plan Update

Agenda Item 5.3

A verbal report was presented on the following matters:

- Watercare were currently in negotiations with their insurance provider on a separate insurance package.
- People – There was one redundancy out of 29 roles offered by Watercare. Exit/entry medicals and background checks were completed.
- Health & Safety inductions would be completed with new staff on 23 September 2019 at the WDC offices.
- Property – lease completed for office staff to be based in Te Rapa. A move in mid-November would be expected.
- Licence to occupy for field staff was in place for Brownlee Ave, Ngaruawahia.
- Valuation of vehicles to be sold to Watercare was underway. The WDC tracking systems would be removed and Watercare's tracking systems installed.
- Health & Safety plan had been drafted by Watercare and would be made available to WDC.
- Customer stream. There would be no change in the way customers contact Council. Integration for complaints between the Council and Watercare would be critical to mitigate customer frustration.

- Asset stream. Asset remediation plan would be rolled up and treated as a project by Watercare.
- Procurement space. Council suppliers had been notified of the change and Watercare had identified the suppliers with which they wish to continue working.

2020 Schedule of Meetings

Agenda Item 5.4

ACTION: The Board requested staff to co-ordinate meeting and governance dates for the 2020 year through an online Doodle Poll and report back to the October Board meeting.

Resolved: (Mr Wright/Mr Ion)

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

CARRIED on the voices

WGBI909/06

EXCLUSION OF THE PUBLIC

Agenda Item 6

Resolved: (Mr Wright/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:

Confirmation of Minutes dated 29 August 2019

REPORTS

a. Te Kauwhata Water Supply Network – Verbal Report

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 48(1)(a)

CARRIED on the voices

WGBI909/07

Resolutions WGB/909/08 - WGB/909/09 are contained in the public excluded section of these minutes.

GENERAL BUSINESS

The Chief Executive discussed future reports required to be presented to the Board as follows:

- Health & Safety reports – to include lead and lag key indicators.
- Key operational and financial matrix.
- How to give effect to the roles and responsibility of the Board.
- Compliance - abatement notices, water consents, customer service requests/problems.
- 23 October 2019 meeting date to be retained.
- Risk report to be on a quarterly basis.
- CAPEX and OPEX vs budgets.

ACTION: Ms Schaafhausen to invite the Minister of Local Government to the November 2019 Board meeting.

Having resumed open meeting and there being no further business the meeting was declared closed at 10.42am.

Minutes approved and confirmed this day of 2019.

Rukumoana Schaafhausen
CHAIRPERSON

Open Meeting

To	Waters Governance Board
From	Gavin Ion Chief Executive
Date	7 November 2019
Chief Executive Approved	Y
Reference #	GOV1301
Report Title	Roles and Responsibilities

I. EXECUTIVE SUMMARY

To provide an update to the Waters Governance Board ("the Board") regarding how the Board gives effect to the roles and responsibilities it has been assigned.

2. RECOMMENDATION

THAT the report from the Chief Executive be received.

3. BACKGROUND

The Board requested that staff report back on how the roles and responsibilities delegated to the Board could be given effect to.

4. DISCUSSION AND ANALYSIS OF OPTIONS

4.1 DISCUSSION

A detailed schedule has been provided which outlines what is required and progress to date. Some of the responsibilities were specific to the Watercare contract and have already been met. In some cases, it is too early in the life of the contract to provide answers or updates. Dates have been suggested when this might be appropriate.

4.2 OPTIONS

This report is for information and discussion. Arising from the conversation, changes and updates may be required. In other words, the Board could choose to accept the schedule as a response, amend it, improve it or request changes.

5. CONSIDERATION

5.1 FINANCIAL

There are no direct financial consequences of this report. Actions arising from the report may require funding or resourcing.

5.2 LEGAL

The contract with Watercare is a legally binding contract which will be the key to meeting a number of the responsibilities and accountabilities listed.

5.3 STRATEGY, PLANS, POLICY AND PARTNERSHIP ALIGNMENT

This report is written to inform the Board around how it might give effect to Council's direction.

5.4 ASSESSMENT OF SIGNIFICANCE AND ENGAGEMENT POLICY AND OF EXTERNAL STAKEHOLDERS

(Ascertain if the Significance & Engagement Policy is triggered or not and specify the level/s of engagement that will be required as per the table below (refer to the Policy for more detail and an explanation of each level of engagement):

Highest levels of engagement	Inform <input checked="" type="checkbox"/>	Consult <input type="checkbox"/>	Involve <input type="checkbox"/>	Collaborate <input type="checkbox"/>	Empower <input type="checkbox"/>
<i>Tick the appropriate box/boxes and specify what it involves by providing a brief explanation of the tools which will be used to engage (refer to the project engagement plan if applicable).</i>	This report is to generate a discussion with the Board regarding its role.				

State below which external stakeholders have been or will be engaged with:

Planned	In Progress	Complete	
		✓	Internal
			Community Boards/Community Committees
			Waikato-Tainui/Local iwi (provide evidence / description of engagement and response)
			Households
			Business
			Other Please Specify

There is nothing significant that directly arises from this report.

6. CONCLUSION

This report outlines how the Board could give effect to the roles and responsibilities it has been assigned.

7. ATTACHMENTS

Roles & Responsibilities

WATERS GOVERNANCE BOARD

<u>Delegation</u>	<u>Required Actions</u>	<u>Update</u>
To agree the form of the transactional arrangement with Watercare.	Conclude the contractual negotiations.	Completed. Contract signed 16 August.
To negotiate with Watercare and recommend to Council the final contract value for waters management.	Recommend approval of the contractual sum to Council.	Formally approved by Council on 14 August. The contract with Watercare was signed on 16 August.
To conclude the contract (after Council approval of contract value) and terms and conditions with Watercare.	Conclude the contractual negotiations.	Completed. Contract signed 16 August.
Take such actions as are required to make the arrangement with Watercare operational by 1 July 2019, with any residual elements timetabled and noted.	Conclude negotiations in time to enable a 1 July start to the arrangement.	The timeline was modified as the negotiations progressed. A revised timeline of having the arrangement operational by 1 October 2019 was put in place. The contract was signed on 16 August and the deadline of 1 October was achieved. The contract details remaining steps that need to be completed so the contract will be fully operational.
To hold Watercare to account for their performance at all levels.	Monitor the contract through Council staff. Review reports and updates regarding progress. Meet with the Watercare Board on at least an annual basis to review progress.	First reports are due to the November Board meeting.
To monitor and oversee the performance of staff and Watercare in terms of the water activity.	Monitor the contract through Council staff. Review reports and updates regarding progress. Meet with the Watercare Board on at least an annual basis to review progress.	First reports are due to the November Board meeting.
To consider and ensure improvements or innovation are implemented by Watercare or through the Chief Executive as appropriate.	Information regarding innovation and best practice will be incorporated in Watercare reporting.	The information will be available in future Board reports.
Approve changes to the operation of the contract with Watercare.	Consider proposals from Council, staff, Board members or Watercare as required.	No immediate requirements for change have been identified. It is expected there will be a settling in period until the operation establishes momentum.
Develop strategies to improve contractual performance or to improve business practices.	This is a future action which will be informed by the operation of the contract. It may require input from Council, staff, Board members or Watercare as required.	The first report from Watercare is due in November. It may be some time before this responsibility kicks into gear but this will depend on the results.
Develop an annual works	In the initial stages, this will be	It is likely that the LTP workplan will

programme (operating and capital) and submit to Council for final approval.	informed by the approved LTP. Changes from the planned work may arise as the condition assessment work is undertaken on the assets. In this case an updated work programme would be submitted to Council in February/March for approval.	stand for the coming year as the contract will still be in its infancy when Council would need to agree an updated plan. If needed, The Board could consider a submission to the Annual Plan process in May 2020 if warranted.
To set and ensure Watercare's adherence to health and safety requirements, and wellbeing practices.	The Board needs to undertake due diligence regarding Watercare's health & safety performance. This will include commentary through the monthly report, discussions through the Relationship Manager role once established and site visits and inspections by staff and/or by Board members.	The starting point will be the monthly report from Watercare (due for the November Board meeting). Site visits should be planned for future meetings. The Chief Executive will schedule a site visit to understand how work is being done in practice.
To set and maintain standards of ethics and corporate behaviour.	The Board needs to have a discussion about ethics and behavior. As part of this, the Board should review the Council's Code of Conduct which sets out a general framework about the behavior of Councillors and elected members.	The Chief Executive to provide a copy of Council's Code of Conduct once this is updated and approved by Council.
To consider development opportunities for the Waters business.	Opportunities identified by Council, staff, the Board, Watercare or others will be investigated and reported back to the Board. Following an initial evaluation, if warranted, a detailed business case will be prepared for consideration by the Board.	Consideration is being given to how best to service the Te Kauwhata community into the future.
Define and set levels of service for waters management now and in the future.	Some levels of service are specified in the Watercare contract. There is also a stated objective to move to Auckland standards over time. A report will be prepared by staff to generate a discussion on this topic in early 2020.	The Board approved the contract which incorporates some current and some future levels of service. A future report will inform progress and assist with defining any concerns the Board have.
Responsibility for the financial performance of the contract and operation.	Feedback on financial performance will be provided through the monthly report. Given the nature of the contract, this should be in line with expectations.	The first monthly report is due to the November Board meeting.
Develop plans to improve the overall resilience of the waters' networks and allow for growth.	Staff to work with Watercare to provide a report on the resilience of our three waters network. This requirement will evolve as Watercare come to understand and review our networks.	No action at present. The work to inform a report will take place during the transition phase of the contract.
To consider the impact of growth on the Waters' infrastructure.	This is already happening at a macro level through the co-ordination of population modelling and infrastructure planning. The performance in this area will	Council has an infrastructure strategy which is informed by population projections and forecast demand. Watercare are already adding value

	develop as Council builds its own data analytics team. This team will work with Watercare to get a better picture of demand and requirements in the future.	in this area through their knowledge and expertise. This input will increase as Watercare understand the specifics of the Waikato District operations.
Implement and monitor the risk management framework for the waters' management and activity.	A regular reporting regime around risks and issues is provided.	The next report will be presented to the November Board meeting.
Approve the annual and half yearly financial statements for the waters' operation and provide any relevant commentary to Council.	Watercare will provide the financial information for the waters' operation as required.	No action required at this stage.
Annually review the Board composition, structure and succession and make recommendation to Council on these matters.	The Board has been in place for one year now. The Board needs to agree when to undertake such a review.	Discuss timing and requirements at the November Board meeting.
To ensure the waters' business delivered by Watercare provides value for the community in terms of the four wellbeings.	Prepare a report after one year of operation to determine how the contract is delivering from a 4 wellbeings perspective.	No action required at this time.
That Kaitiakitanga and environmental outcomes are key decision making considerations for the Board.	Board Self-evaluation required as to how this is being factored into our decision making. To start this process, I suggest a report be prepared by staff for the December meeting.	No progress yet.
To uphold the vision and strategy of the Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010.	The requirement and importance of the vision and strategy have been incorporated into the contract. I suggest that staff prepare a report on how this accountability is being met in mid-2020.	No progress yet.

Open Meeting

To	Waters Governance Board
From	Ian Cathcart General Manager Service Delivery
Date	20 November 2019
Chief Executive Approved	Y
Reference #	WGB2019
Report Title	Future Meeting Items

I. EXECUTIVE SUMMARY

This report is to give the Board a perspective on ideas for future meetings.

2. RECOMMENDATION

THAT the report from the **General Manager Service Delivery** be received.

3. DISCUSSION

The paper covers some ideas for future meetings which have been raised. The focus has been on contract start up and bedding in while resources are stretched. These items can be scheduled once more time is available.

Item 1

This has been raised as something to consider for the WDC ponds or other sites.

Vector PowerSmart will install a 1 MW floating solar array on top of Watercare's Rosedale wastewater treatment pond. Simon Mackenzie, Vector Group Chief Executive, says the project marks a number of firsts for New Zealand. "It's the first time floating solar will be seen in New Zealand and the first megawatt-scale solar project to be confirmed."

Watercare Chief Executive Raveen Jaduram says the project is a "fantastic" example of how utilities can work together for the benefit of their communities. "As a large user of energy, it's important that we look at ways of reducing our environmental footprint and becoming more self-sufficient. Innovative solutions like this on top of wastewater ponds are a smart way to reduce operational costs."

Project

The project – expected to cost \$2.5 million – will see more than 2,700 solar panels installed and involve 3,000 floating pontoons at Watercare's Rosedale site in Auckland's North Shore.

Vector PowerSmart is aiming to complete the build in the first quarter of next year. The array's output will supplement electricity from the grid and co-generation from biogas, which is already generated on-site from wastewater treatment.

Electricity will be used for pumping and aeration for natural bacteria that help break down the waste as part of the treatment process. Mackenzie says the system will be able to generate enough power over a year to run the equivalent of 200 average New Zealand homes for a year.

Watercare

Auckland City Council-owned Watercare supplies around 365 million litres of water and treats about 460 million litres of waste water each day. Solar appears a key part of how the firm intends to meet goals of cutting annual energy use by 8 GWh by 2022 and reaching energy self-sufficiency at its Mangere and Rosedale plants by 2025.

Mercury Solar and Infratec have already worked to develop solar systems for Watercare.

The Pukekohe Wastewater Treatment Plant's 122 kW array - provided by Mercury Solar - was commissioned in February. Another 142 kW system at Watercare's Redoubt Road Reservoir – which is paired with a 221 kWh Tesla battery – has been installed in a project led by Infratec and is now being commissioned, a Watercare spokesperson says

Item 2

The following has been raised as a very succinct strategy (view in attachment 1):

<https://www.wef.org/globalassets/assets-wef/1---about/house-of-delegates/wef-strategic-plan-9.2018.pdf>

The objectives of the contract cover some elements of this plan and of course these were developed at the joint board workshop and prior to that by Councillors. The charter for how we will work together has some elements of this as well, that lies due for review between the parties.

Consideration can be given to move to this sort of strategic summary document over the next nine months. Compiling a similar document is suggested as a target for the next meeting between the two Boards.

4. CONCLUSION

Articulating the strategy and sharing new ideas is one way we can get value from the relationship with Watercare and leverage off their expertise and larger scale.

5. ATTACHMENTS

Strategic Plan

STRATEGIC PLAN

MISSION

- Since 1928, the Water Environment Federation and its members have protected public health and the environment.
- As a global water sector leader, our mission is to:
 - Connect water professionals
 - Enrich the expertise of water professionals
 - Increase the awareness of the impact and value of water
 - Provide a platform for water sector innovation

VISION

- A community of empowered professionals creating a healthy global water environment

CORE VALUES

Water Environment Federation
the water quality people®

CRITICAL OBJECTIVES & STRATEGIC GOALS

- 1** Develop an engaged membership that is representative of the multiple practice areas of the water environment industry.

 - a. Increase diversity and inclusiveness in the water sector through engagement and membership growth.
 - b. Partner with Member Associations for mutual organizational success.
- 2** Provide a broad range of professional content and programming that is relevant and widely valued by the water sector worldwide.

 - a. Leverage WEFTEC to better engage water professionals.
 - b. Increase offerings in practice growth areas to meet water sector priorities while maintaining WEF's core excellence.
 - c. Expand global and sector diversity of participants in WEF content/programming to foster information-sharing and enrich member value.
 - d. Provide a broad, relevant spectrum of opportunities for water sector professionals to learn and share information.
 - e. Lead the development and adoption of national standards for operator certification.
- 3** Generate an increased public awareness of the value of water leading to increased funding to protect water quality through appropriate levels of infrastructure, management approaches, and services.

 - a. Be a visible and effective partner that increases public awareness of the value of water, water professionals, and resource recovery at national levels.
 - b. Provide tools for members, Member Associations, utilities, and others to communicate the value of water, water professionals, and resource recovery to the public and decision-makers.
 - c. Educate decision makers and elected officials on the infrastructure funding gap and other water policy issues, and engage potential stakeholders.
- 4** Establish the conditions that promote accelerated development and implementation of innovative technologies and approaches in the water sector.

 - a. Drive an increase in resource recovery in the water sector.
 - b. Drive research and innovation in the water sector.
 - c. Promote the adoption of innovative utility management and financing practices.
 - d. Promote sector-wide action toward development of a water workforce that is diverse and prepared to meet the future needs of the water sector.
- 5** Operate a sustainable business that supports our mission, and enables WEF to seize new opportunities in the emerging water sector.

 - a. Invest in WEF's personnel and business assets to ensure that they can continue to support the achievement of WEF's mission and objectives.
 - b. Adopt environmentally sustainable business practices for WEF operations and events and seek to influence the adoption of sustainable practices by those with which WEF does business.
 - c. Expand revenue and diversify revenue sources.
 - d. Ensure that WEFTEC can evolve with business and technology advancements and continues providing for the financial sustainability of WEF.

Adopted December 2011 | Revised September 2018

Open Meeting

To	Waters Governance Board
From	Ian Cathcart General Manager Service Delivery
Date	20 November 2019
Chief Executive Approved	Y
Reference #	WGB2019
Report Title	Raglan Wastewater Treatment Plant short term consent application

1. EXECUTIVE SUMMARY

This report is to give the Board an update on the recent lodging of a short term consent application for the Raglan wastewater treatment plant. The 36 month consent will effectively allow Waikato District Council (WDC) to legally continue to operate the plant while further investigation is undertaken with Watercare and the community to find the best treatment and discharge outcome.

2. RECOMMENDATION

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

3. DISCUSSION

The paper covers the latest status of the Raglan wastewater treatment plant short term resource consent application. The summary is that used to inform internal stakeholders of the current position.

WDC/WSL

For more than six years, Waikato District Council has been working towards a better and more sustainable way to deliver water services across the district. This process has considered different regional structures and models. After several iterations it was determined by Council in 2018 to engage with Watercare who are Auckland Council's CCO for water and wastewater services (not stormwater).

A new 29 year arrangement has been put in place for Watercare to deliver the three waters services for Council as of 1 October 2019. A Waters Governance Board (a subordinated decision making body of Council) is in place to ensure the contract delivers on the objectives of Council. With this relationship now in place, Council can leverage Watercare's

technical expertise and procurement experience to get the best outcomes for the Raglan community regarding the wastewater treatment plant and its consent.

Interim consent needed

Compressed timeframes for any application preparation prior to expiry has been a concern expressed throughout Key Stakeholder Group (KSG) engagement. Confidence was held originally by the project team, that the time set was workable and an application work schedule was prepared at the onset of the project to achieve this.

With unforeseen complexities experienced throughout the application drafting to date, it was recognised that additional preparation time was needed. WDC started their thinking at a 12 month short term consent however the project team felt 18 months may be more suitable. Seeking a medium term consent (5-7 years) was also tabled, where the project team considered that such a long term of consent could be seen poorly by the community.

Compiling the short term consent application has therefore been the focus of recent work. Advice after Simpson Grierson completed a legal review of the draft application indicated that 36 months is a more realistic short term consent. The reasons for this was that the 18 month longer duration would better provide for a cost effective contingency if a period beyond the original time frame sought was needed.

The key to getting the best long term outcome is the inclusion of Watercare and stakeholders to assist the creation of the best solution. With the advice received and, the consideration that the land purchase for any land application solution could be lengthy, WDC consider the best term sought for the short term consent is 36 months. This does not stop WDC applying for a 35 year long term consent sooner. The pace of stakeholder engagement and development of the ultimate solution will impact directly the submission date of the long term consent.

Next steps

Investigation toward the longer term solution will not stop with the lodgement of the November application. Work undertaken for non-marine solutions will continue. Known matters are that a part land based (re-use) solution is technically available, where critical components for any success include both (i) land availability and (ii) affordability. Progression in respect to both private and Council land options is needed now, which is complex work, with timeframes to allow for this outside WDC control to an extent.

It is important that the KSG understand that (i) the sensitivity of such work means that step by step updates on progress isn't possible and (ii) Investigating land based re-use options has been the core work undertaken to date, and will continue to be.

The community will be engaged with by WDC. This is the first strategic resource consent we are running with the new structure of WDC as communication lead and the face to the community with Watercare providing project management and technical advice (Beca are the main consultant used to date too).

The plan for community engagement is as below:

- WDC to prepare a draft website update & Q&A. this will be for public and stakeholder consumption.
- WDC will work to source a time, date and suitable location for a public meeting in late November. WDC will consider what public information materials we might be able to put together in time for this meeting (hand-outs, a poster, etc).
- WDC executives will be leading the meeting with Watercare staff in attendance too.
- The purpose of the public meeting will be to have a WDC senior executive speak to the public information that we will make available on the website etc. and take questions. They will clearly understand the what, where, why, how of this consent project, and talk about it plainly.

WDC will present a positive story, taking our time to get this right (hence the interim consent), and approaching with good-faith the possibility of exploring other options that have better environmental outcomes. This is what the community wants.

4. CONCLUSION

Significant progress has been made to make the short term consent application to maintain legal compliance. Recognising WDC now have Watercare to assist there is urgency to forge ahead with engagement and find a solution as part of the long term consent application.

5. ATTACHMENTS

N/A

Open Meeting

To	Waters Governance Board
From	Ian Cathcart General Manager Service Delivery
Date	20 November 2019
Chief Executive Approved	Y
Reference #	WGB2019
Report Title	Relationship Manager Waters Contract - recruitment and work update

I. EXECUTIVE SUMMARY

This report is to give the Board an update on the recruitment of the Relationship Manager for the Waters Contract. The recruitment is underway and the current focus is tidying historic issues and getting the extreme and high risks under control.

2. RECOMMENDATION

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

3. DISCUSSION

The recruitment of the Waters Relationship Manager is underway after the Water Manager left to pursue an opportunity at Matamata-Piako District Council on 4 October 2019.

The timeline and process for recruitment is:

- Advertise 1 November (advert in Attachment 1)
- Close 14th November
- Notify interviewees on 15th.
- Interview and appoint by 6th December.
- Anticipated start date in late January.

In the interim the General Manager Service Delivery is covering the role while still in offline capacity (until the end of November 2019). The secondment of the WDC Watercare Project Manager ended on 31 October 2019 although up to 50% of capacity is available to continue to assist the water transition in a limited way.

The current workload for the Relationship Manager role is being assessed and consists of closure of historic items, understanding and assessing risks while managing the contract.

A weekly “Water Wash Up” focus group has been set up to tackle some pressing items that must be closed off prior to arrival of the new Relationship Manager. This is working in tandem with the management of the top five risks that can be passed to the new appointee with a robust plan with direction for them to follow.

4. CONCLUSION

The recruitment is underway for the new role. To enable the new appointee to hit the ground running a focus is being placed on:

1. Tidying historic issues and,
2. Getting the extreme and high risks visible, understood by all and with a clear plan for the future.

5. ATTACHMENTS

Relationship Manager Waters Contract Advert

Attachment:
Advert for the role.

RELATIONSHIP MANAGER WATERS CONTRACT

This exciting role will work in the Contracts and Partnering department of the Service Delivery team. You will ensure delivery of the new three waters contract with Watercare. The role will report direct to the GM for Service Delivery until June 2021 while the contract is in a transition period. You will ensure contractual KPIs are being achieved and the objectives of the contract are met.

To deliver successfully in this role you'll come from a relatively specialised background, having worked in an analytical, contract management or financial business partnering role - working with the business and your customers on contract delivery and performance. You will have;

- *A tertiary qualification in engineering, finance or law*
- *Experience in working in a commercial environment supporting contract delivery*
- *Excellent verbal and written communication abilities*
- *Proven ability to operate in a collaborative environment*
- *Familiarity or experience in managing projects*
- *High level of personal resilience*
- *Strong analytical capability*
- *Water services experience is preferred*

This is a role for someone wanting to grow their commercial skills in a newly created and demanding role. You'll work with internal and external customers and be capable build strong relationships inside of your brand of a commercial framework. You'll be responsible for operationalising the contract with internal stakeholders to get the most from the relationship with Watercare. You'll also;

- *Scrutinise monthly claims and business cases.*
- *Assist in the preparation of annual budgets and input into the LTP planning cycle*
- *Interact with external strategic suppliers to the water business*
- *Have oversight over strategic resource consent application processes, bylaw re-writing and regional three waters initiatives.*
- *Engage internal and external subject matter experts to ensure sustainable management of WDC water assets*
- *Lead a drive for efficiency and seek out effective ways of delivering outcomes*
- *Liaise with and report to the Waters Governance Board each month*
- *Provide input to development agreements*
- *Engage and manage external auditors to ensure the contract is being delivered*
- *Provide support to the WDC finance, assets and contracts team around the contract*

Open Meeting

To	Waters Governance Board
From	Ian Cathcart General Manager Service Delivery
Date	20 November 2019
Prepared by	Sharon Danks Business Manager, Watercare Waikato
Chief Executive Approved	Y
Reference #	GOV2019
Report Title	Waikato District Council Three Waters Monthly Performance Report – October 2019

1. EXECUTIVE SUMMARY

A copy of the Waikato District Council Three Waters Monthly Performance Report – October 2019, is attached for the Board's information.

2. RECOMMENDATION

THAT the report from the **General Manager Service Delivery** be received.

3. ATTACHMENTS

Waikato District Council Three Waters Monthly Performance Report – October 2019

WAIKATO DC

THREE WATERS

MONTHLY

PERFORMANCE REPORT

OCTOBER 2019



Sharon Danks
Buisness Manager
Watercare Waikato
7th October 2019

1. Health & Safety

One near miss incident has been reported involving the failure of a wheel hub on a tandem axel road trailer being used to transport containerised sludge (in an IBC) from the Port Waikato Water Treatment Plant. This incident resulted in one of the wheel hubs disintegrating and the wheel dislodging from the trailer at a speed of approximately 30 km/h. The trailer wheel was retrieved from the roadside and the damaged trailer towed to the Port Waikato camp ground for overnight storage.

The trailer has since been recovered and taken to an engineering company for assessment and repair. Inspection of the damaged hub flange showed a fatigue fracture. This should have been evident in the last road worthy testing round. All similar hubs will now be inspected and replaced if showing signs of fatigue.

2. Key Performance Indicators

KPI – Description	Result Oct-19	Target 2019/2020
Water		
The extent to which Council's drinking water supply complies with Part 4 of the drinking water standards (bacteria compliance criteria). (Number of zones that comply, maximum 18)	18	18
The extent to which Council's drinking water supply complies with Part 5 of the drinking water standards (bacteria compliance criteria). (Number of zones that comply, maximum 18)	15	15
Where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured: - Attendance for urgent call-outs: from the time that Council receives notification to the time that service personnel reach the site.	48*NOTE 1	40 mins
Where Council attends a call-out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured: - Resolution of urgent call-outs: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption.	102	120 hours
Where Council attends a call out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured: - Attendance for non-urgent call-outs: from the time that Council receives notification to the time that service personnel reach the site.	1	<3 days

Where Council attends a call out in response to a fault or unplanned interruption to its networked reticulation system, the following median response times measured: - Resolution of non-urgent call-outs: from the time that Council receives notification to the time that service personnel confirm resolution of the fault or interruption.	1	<3days
The total number of complaints received by Council about any of the following (expressed per 1000 connections to the networked reticulation system): - Drinking water clarity - Drinking water taste - Drinking water odour - Drinking water pressure or flow - Continuity of supply - The local authority's response to any of these issues	1.44	22/1000
Stormwater		
Council's level of compliance with resource consents for discharge from its stormwater system, measured by the number of the following notices, orders or convictions received in relation to those consents: - Abatement notices - Infringement notices - Enforcement orders - Convictions	0	0
Wastewater		
The number of dry weather sewage overflows from Council's system expressed per 1000 sewage connections to that sewage system. - Non-sensitive receiving environments	0.35	<2/1000
The number of dry weather sewage overflows from Council's system expressed per 1000 sewage connections to that sewage system. - Sensitive receiving environments	0.35	<2/1000
Where Council attends to sewage overflows resulting from a blockage or other fault in its sewage system, the following median response times measured: - Attendance time: from the time that Council receives notification to the time that service personnel reach the site.	41	≤ 1 hour (45 mins)
Where Council attends to sewage overflows resulting from a blockage or other fault in its sewage system, the following median response times measured: - Resolution time: from the time that Council receives notification		

to the time that service personnel confirm resolution of the blockage or other fault.	128	≤ 4 hours (150 mins)
The total number of complaints received by Council about any of the following (expressed per 1000 connections to the sewage system): - Sewage odour - Sewage system faults - Sewage system blockages - Council's response to issues with its sewage system	1.92	≤ 10/1000
Council's level of compliance with resource consents for discharge from its wastewater system, measured by the number of: - Abatement notices - Infringement notices - Enforcement orders	2	≤ 2
Council's level of compliance with resource consents for discharge from its wastewater system, measured by the number of: - Convictions	0	0
Health and Safety		
Safety: Lost time injury frequency rate (LTIFR) per million hours worked	0	≤ 5
Safety: Total recordable injury frequency rate (TRIFR) per million hours worked	0	≤ 20
Safety: 100% of Notifiable (or serious non notifiable) Events reported to WDC within 2 hours of occurrence	No Events in October	100%
Safety: 100% of Notifiable Event reports supplied to WDC within 21 business days	No Events in October	100%

Only contractual KPI's that can be determined with a single months data are reported in October 2019 report . Additional KPIs will be reported quarterly and annually.

***NOTE 1** In October the average KPI is greater than the annual average for the 18/19 FY and the KPI target for WSL. There has been a high proportion of reported faults in Raglan. As it takes approximately 45 minutes to drive to Raglan from Ngaruawahia, . As the year progresses it is likely the target will be achieved. The WDC target for this KPI is 1 hour.

3. Operational Update

3.1 General

October 2019 was the first month of the transitional period of the Watercare services agreement. Key achievements during the month include:

- The transfer of all Waikato District Council Waters staff to Watercare. Staff were issued with WSL digital hardware for use in the office and the field.
- Relocation of staff to the new premises at 3B Pukete Road, Te Rapa.



3.2 Treatment

Call outs of Significance

1. Te Kauwhata Water Treatment Plant communications failure 14th October:

The raw water intake pumps at the river were not able to communicate with the plant for control. Upon investigation one of the Ethernet cards was replaced and when the issue was not resolved the power packs supplying the racks of cards were also replaced. It has also been identified that the PLC used at this site and at the raw water site are obsolete and parts are not available for repairs. Replacement of the PLC's will be included in the asset remediation program. The plant was manned continuously for 48 hours during the communication issues.

2. Port Waikato Water Treatment Plant communications failure 31st October:

Communications were lost from the Port Waikato reservoir RTU. Initial checks revealed the power pack, which was installed in 1997, had failed and further investigation revealed damage to the RTU as there was no fuse protection in place. The plant will still operate in auto mode but requires a manual start signal and visual monitoring of the reservoir level to initiate manual stop. Work has continued to resolve this issue. It is proposed that replacement of the RTU and the PLC are included in the asset remediation program.

General work flow

A number of plant failures at water and wastewater sites have resulted in short notice response during normal hours of work. This includes Raglan and Te Kauwhata Wastewater blower cooling fan motor failures and enclosure fan failures.

We have identified numerous aging and obsolete assets and equipment requiring replacement and upgrade. These assets will be consolidated in the Condition assessment report and replaced as part of the Asset Remediation Plan.

Other Key tasks completed include :

- Ngaruawahia Water Treatment Plant Clarifier No. 2 bi-annual de-sludging.
- Port Waikato Water Treatment plant clarifier de-sludging is required every 2 weeks as the summer demand increases. A process review will be completed at this plant to see if this task can be reduced.
- A review of the design of the Ngaruawahia UV installation design completed by WSP-Opus has identified numerous flaws and constructability issues. We will redesign the installation using a similar installation in Warkworth as a template.

3.3 Networks

Key tasks completed include:

The SCADA RTU project moved forward with the Robertson Street pilot site install carried out. Issues and challenges with the install were noted and these lessons learned will translate across to the wider SCADA project. Whilst there are still minor issues to work through, the pilot sites are now functional. Work to novate the contract for the project from WDC to WSL is

yet to be completed. We have engaged a consultant to draft a scoping document for the second phase of the RTU project and this piece of work is due early November 19.

The transfer of suppliers from WDC to WSL procurement systems has gone well and has allowed for a continuation of business as usual with minimal disruption to routine work. Transferring of services is still being carried out as required, however the vast majority of suppliers are set up on the WSL procurement system.

We engaged with Iwi at Port Waikato on Council's behalf to address concerns in regard to stormwater in the area. Jetting was carried out on the network and contractors have been engaged to carry out remedial work such as re-establishment of wingwalls and vegetation control to alleviate the concentrated flooding at Maraetai Rd.

October reactive operations have been as expected for the month, with an increase in water leaks and quality observed due to the drier, hotter weather. Noted increase in water leaks in Raglan, a trend which has been observed in previous years, although fibre drilling has resulted in a number of jobs in the area as well. Wastewater and stormwater, meanwhile, are seeing an expected reduction coinciding with drier conditions.

3.4 Planning

Key tasks completed include:

- Huntly Septage Processing Facility – Electrical contract awarded and underway (Northern Electrical). This project will be delivered by WDC.
- Raglan and Te Kauwhata WWTP Step Screens – commissioning completed.
- Te Kauwhata WTP 4.5 ML/day upgrade – prelim design awarded to Beca

Call Off Packages to the Watercare PES panel in the process of either being put out for Consultant pricing or approval by Watercare include:

- Pokeno Wastewater Network Upgrades
- Horotiu Flood Modelling
- Mid Waikato Water and Wastewater Servicing Strategy
- Te Kauwhata Reservoir and Bulk water main upgrades

Development / Growth related matters being worked on included:

- POAL - WW pump station site and network – revised Horotiu WW servicing strategy.
- River Road Ngaruawahia – modified method of servicing requires gravity network upstream of Regent St Pump Station. Business Case to be submitted to WGB November meeting
NOTE – this will be submitted by the 15th of November
- Synlait Dairy Factory Pokeno – rising main and fibre optic connection between Market St WW pump Station – issues damage to existing Rising main, Scada control, DA and future flows, Pukekohe WWTP capacity issues, Trade Waste and Development agreements
- Ohinewai Sleepyhead Development
- Ongoing “Water Wash up” meetings with WDC on outstanding DA and RC issues which require resolution

3.5 Abatement Notice Resolution

Meremere WWTP

Consent renewal is planned to be lodged post the December WGB meeting where a report establishing strategic direction will be submitted for endorsement.

WRC Abatement notices require TSS exceedance and Discharges outside permitted discharge periods to be addressed. Inflow and Infiltration reduction programme is underway and has already seen a reduction of discharges out of permitted periods this winter. More defect rectifications are planned prior to Christmas. Watercare are proposing a sidestream MBR for this site, concept design has been progressing and Principals requirement written, tendering of this project is anticipated by early December, with commissioning in December 2020.

Te Kauwhata WWTP

WRC abatement notice on this plant requires Total Kjeldahl Nitrogen (TKN), Total Nitrogen (TN), Total Phosphorus (TP) loads and E.coli exceedances to be addressed. There is also a requirement to develop short term capacity for increase loads residential development from Lakeside and Te Kauwhata structure plan areas prior to the HIF funded new WWTP. The Mid Waikato Servicing Strategy will recommend preferred mid to long term options for WWTPs including potential plant consolidation options.

The preferred option is to convert the existing oxidation ponds to an Activated Sludge system. A consultant is developing a Feasibility Study of this option to understand solid separation and recirculation plus aeration requirements. The feasibility study with an implementation timeline will be completed by December. It is also anticipated that the desludging of the ponds is required this summer, as this will assist in plant performance and is also a necessary requirement as pre-works to the Activated Sludge conversion. Pond aeration improvement will also be undertaken in the next 2 months.

3.6 Shared Services

Planning will commence for the transition of Laboratory and trade waste services to WSL internal providers in December with a view to the transition occurring on the 1 July 2020 after the LASS contract ends. Watercare will formally notify shared services of the intention to withdraw in March 2020.

For the 20/21 financial year Watercare will participate in the smart water programme in conjunction with Waikato District Council while the customer facing activities remain with the council. A separate commercial arrangement with Hamilton City Council will be required for this work.

3.7 Compliance

All interim October compliance reports were submitted to WRC and WRPHS on schedule.

Compliance results were as per previous month with the exception of Te Kauwhata WWTP where the e.coli non-compliance was significantly higher than normal. This is due to the failure of the blowers. Additional resampling once the blowers were repaired showed e.coli levels in the treated effluent were trending down.

Watercare has scheduled a kick off meeting for the update of the Water Safety plans to the new standard on the 12th of November. Resources from Watercare Auckland will be used to update the plans in conjunction with operational staff in the Waikato.

3.8 Customer

The Customer team have identified and added 29 new water meters to the billing stream as part of data cleansing this month. These had not previously been read or billed as they were not captured at time of subdivision. Included in this group was the industrial water use Hynds bulk meter with their first invoice sent out this month. This work was completed in conjunction with the Waikato District Council Northern Infrastructure Programme manager. There are estimated to be another 45 meters to be add based on an assessment of the available data and Water are is currently working with Council Land Development Engineers to confirm locations.

3.9 Condition Assessment / Asset Remediation

Condition Assessment

A consultant has been engaged in October 2019 to complete the remainder of the condition assessment of above ground assets. A kick of workshop will be held on the 5th and 6th of November. The field work will be completed in December and January, with the final consolidated report to be completed by late February.

The condition assessment will follow a similar procedure to the initial investigation. All assets will be assessed in the field and a condition rating score will be assigned. Assets with a high condition rating score will be included in the asset remediation plan.

In additional attribute data will be collected for the assets assessed. This data will be used to populate the new asset register and Enterprise asset management system which will be developed and implemented over the next 21 months.

Asset Remediation Plan

The asset remediation Plan will be finalised following the completion of the condition assessment. It is expected the finalised Asset remediation will submitted in March 2020.

The majority of the poor condition assets in the draft asset remediation plan fell within the electrical and control system assets. On this basis we have met with Mckays Electrical to discuss the scope of the first package of remediation works. Mckays are currently pricing the works and Watercare expect to award this work in late November.

3.10 Strategic Resource Consents

Raglan WWTP Resource consent

The temporary consent 18 month is on track to be lodged on the 14th of November. This consent will allow time to determine the an acceptable design for the WWTP and allow public key stakeholder and iwi consultation on the proposed solutions .

A consenting strategy paper from the long term Raglan WWTP consent will be attached in appendix 2 for endorsement by the Water Governance Board. This will be submitted on the 15th of November.

Meremere WWTP Resource Consent renewal strategy .

A consenting strategy paper for Meremere WWTP will be submitted in the December 2019 Water Governance Board report.

4. Asset Integrity / Systems Improvements

Digital

A discovery workshop was held to develop a road map for the transition of compliance data from CS-View and Water Outlook to Watercare systems. This transition will commence in November with parallel systems being run until completion.

A new Health and Safety reporting tool called **I-care** was rolled out to all staff in the week of 28th of October. This tool allows for reporting of incidents, hazards and close calls. In addition, there is a suite of field inspections for staff to complete in the field.

5. Financials

The detailed financial performance tables can be found in Appendix 1.

To be finalised 15th November

Open Meeting

To	Water Governance Board
From	Gavin Ion Chief Executive
Date	13 November 2019
Prepared by	Lynette Wainwright 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:

Confirmation of Minutes dated Wednesday, 18 September 2019

REPORTS

a. Risk Register 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:**

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

Section 48(1)(a)

b. Five High Risks Workshop 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 Ground(s) under section 48(1) for the
withhold exists under: passing of this resolution is:

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

Section 48(1)(a)

3. ATTACHMENTS

Nil