
IAWAI – Flowing Waters, Board Meeting

UNCONFIRMED OPEN MINUTES

7 May 2026, 9.30am

Minutes of a meeting of the IAWAI – Flowing Waters Board, held at Waikato District Council, on Thursday 7 May 2026 at 9.30am

PRESENT

Chairperson Kevin Lavery

Members Dave Chambers

Tim Manukau

Also Present Peter Winder, Chief Executive Officer

Natasha Yarrall, Director Governance and CE Office

Andrew Parsons, Chief Growth and Strategy

Nathan King, Chief Financial Officer

Gavin Ion, Director, Establishment Programme

Vishal Ramduny, Water Services Strategy Manager

Keith Martin, Waters Manager, Waikato District Council

Megan May, General Manager, Waikato District Council

1. Welcome and karakia

Tim Manukau opening the meeting with a karakia

2. Apologies

None

3. Declarations of Interest

The register of interests was noted.

Tim Manukau requested his Membership on the Waikato Regional Water Safety Governance Forum, be added to the register.

Dave Chambers and Kevin Lavery noted new interests since the last meeting (included on the register).

There were no meeting specific recusals required based on the agenda.

4. Minutes from previous meeting

Approved

5. Public Forum

None

6. CE's report

Peter Winder presented his Chief Executive's report.

He noted the change process underway, with a focus on culture building and change with incoming staff ahead of 1 July 2026. This will inform the behaviours and the way we want to work into the future.

Peter acknowledged the opportunity ELT had to engage on Te Ture Whaimana recently, with an observation that IAWAI provides an opportunity for councils to work together in ways they previously haven't. This will be useful in the context of proposed local government reform coming up.

He noted a sense that councils and IAWAI is in a good space ahead of go live, in 38 days.

Dave and Tim acknowledged they were pleased to see ELT learning and engagement into the community.

Kevin questioned in terms of staffing, whether thought had been given to a staff baseline survey; and requested an update on staff accepting offers.

Peter noted that everyone has accepted their transfer except one – with a couple of contracts still under negotiation. The next step is to fill around 40 vacancies for roles where there wasn't a clear transfer. There has been strong interest internally and externally for these roles.

Although IAWAI is not yet operational, Dave was interested in how IAWAI would be placed if there was a future dry weather event. Andrew noted we actively monitor lake levels in Taupo. Levels are currently very high. The operations team are also in the process of managing water management demands across the network. We are in a good position at the moment.

From Waikato, Keith noted water storage looking forward was also good. He noted some water take from a spring. Seismic risks was a vulnerability here.

More generally, Dave suggested some further consideration and refinement to the length of some of the papers being produced – to reduce unnecessary information/ repetition.

7. Establish IAWAI Programme Report

Gavin Ion spoke to this paper.

The overall picture presented is that on 1 July, IAWAI will be operational. Things will work. But there will be some things behind the scenes that will need to be tidied up.

He noted the recent implementation of an upgraded payroll system from HCC which is now in use and functioning well. The IAWAI system has also been set up to go live from 1 July, which there is a level of confidence in. The roll out of the HCC system now gives IAWAI a fallback option with HCC if needed.

On digital more broadly, there remains a lot of work underway. This is on track. One of the challenges is reporting and populating the data.

Transfer of assets remains straightforward. The freehold land will be transferred by 1 July. Land deferred will transfer later. Contract novation is underway, but a lot more to do, which is being worked through. Consents, designation and notice of requirements are also in hand.

We remain under budget, by around \$800,000. This doesn't mean we're compromising things.

The go-live tracker has shifted from a lot of red, to much more green since the last report.

The Board noted relief at the payroll system roll out; discussed ongoing work with central government to resolve some of the challenges faced to transfer land; and the work with councils on bylaws.

They requested that the "still to do" list be built into the reporting rhythm.

They expressed support for the work overall to get to 1 July, with Dave commenting that the transition was "first class" – and offered congratulations to the team.

8. Insights and Deliberation: Water Services Strategy

Peter Winder and Vishal Ramdun presented this report.

Peter began by acknowledging and expressing appreciation for the huge amount of work by Vishal to develop the strategy.

He noted the report is long and reflects the seriousness we've taken in responding to submissions.

Vishal noted 125 submissions were received through the formal consultation process undertaken between 3 March and 12 April.

The analysis of the submissions is provided in the attachments to the report. He noted generally the feedback received, including from shareholder and Waikato Tainui was very supportive.

Key themes were:

- Affordability – Broad support for IAWAI's reduced proposed increases in water charges, alongside a strong desire for water and wastewater charges to remain affordable over time.
- Capital delivery – General support for the capital works programme, with submitters seeking greater clarity on the pace of delivery, staging, and prioritisation of projects, particularly in the context of a potential slowdown in growth.
- Environment and resilience – Strong expectations that the services provided by IAWAI will protect the environment and be resilient to future shocks and stresses, including climate-related impacts.
- Growth – Strong support for the principle that growth should pay for growth and for the introduction of water and wastewater growth charges, alongside concerns regarding the timing of implementation, calculation methodology, and certainty for developers and communities.

Other matters raised through general feedback included:

- General support for the proposed Southern Hamilton Wastewater Treatment Plant, but some concern expressed about its preferred location; and
- Mixed views on the introduction of water meters in Hamilton.

Key quantitative feedback from submissions includes:

- Growth-pays-for-growth - 78% of respondents either support or partially support IAWAI applying a *growth pays for growth* approach for new residential and commercial development, including the use of water and wastewater growth charges to fund growth-related infrastructure.
- Growth charges for secondary dwellings - 67% of respondents either support or partially support the proposal to treat secondary minor dwellings as 0.5 HUEs.
- Significance and Engagement Policy - 61% of respondents either support or partially support IAWAI's proposed Significance and Engagement Policy.
- Waiver Policy – 67% of respondents either support or partially support IAWAI's proposed Waiver Policy.

Staff have considered the feedback and while there is general support, staff have made recommendations for the staff to consider, including:

- Incorporating an explicit reference to Te Mana o te Wai, reflecting IAWAI's acknowledgement of, and commitment to, the national freshwater management framework.
- Incorporating an explicit reference to Te Mana o te Moana, recognising that IAWAI's operations have implications for the health and wellbeing of the marine environment.
- The removal of the non-residential growth charge from this WSS to allow for further consideration as part of WSS 2
- And that a Waiver be applied for new papakaainga developments in 2026/27.

Vishal acknowledged the work of the finance teams in both councils, and others who have contributed to the strategy.

Peter noted that following decisions today, the final WSS will come back for approval at the June meeting, including setting the charges.

In terms of the financials, staff are working through the last generation of shifts in response to work in progress. There will be a revised set of financials. While these are shifts in the detail, they won't affect the substance.

Kevin expressed his support for the work done, noting we're in a good place.

On the Southern Wastewater Treatment Plant, Kevin noted June consideration of the site and consenting strategy for this.

Tim queried the number of submissions received, compared to what a usual process might expect. Vishal acknowledged that the numbers were low, with Peter adding that we had originally planned to use council annual plan consultation and piggyback off that, but councils didn't end up consulting on these.

Peter noted though the good conversations with stakeholders and developers throughout the process through a more targeted engagement, and drop in sessions held. Engagement on

WSS2 is expected to look a lot different, aligned with a broader campaign of who IAWAI is – and building on lessons learned, and some fundamental issues to raise.

Dave noted the significance of this discussion. He welcomed the changes in response to consultation feedback.

In talking about the strategy, he asked staff not to lose sight of previous prices forecast, and what IAWAI has saved because of this strategy – which is real for people.

He noted that two-thirds of the capital programme is growth, and we should continue to be clear on this, as it shows the significance of the scale of challenge we face.

Finally, he noted wording in the report that “excludes growth charges for non-residential” and instead wanted to be clear that we’re not excluding non-residential. Rather we’re not ready to introduce this. There are continued bespoke arrangements with developers that growth can pay for growth while further work is done on how these charges will come together for WSS 2. There are no free-kicks, and this is not forgotten about.

Resolved

The Board

1. Received the report acknowledging all submissions received, including feedback from the shareholding councils - Hamilton City Council and Waikato District Council - and IAWAI’s iwi partner, Waikato-Tainui, together with the proposed staff response.
2. Agreed to amend the Water Services Strategy, in response to this feedback, to:
 - a) Include a more explicit reference to Te Mana o te Wai, reflecting IAWAI’s commitment to national freshwater standards and to working with Waikato Waters, whose activities affect the health and wellbeing of both the Waikato and Waipā Rivers; and
 - b) Include a more explicit reference to Te Mana o te Moana, acknowledging IAWAI’s commitment to ceasing discharge from the Raglan Wastewater Treatment Plant into Whaaingarua Harbour in favour of a land-based solution, and recognising the implications of IAWAI’s commitment to Te Ture Whaimana given that the Waikato River flows into the sea at Te Puaha o Waikato.
 - c) Include reference to carbon emissions monitoring, delivered through shared service arrangements.
 - d) Review water and wastewater growth charges for non-residential development for consideration in WSS2.
3. Approved the introduction of residential water supply and wastewater growth charges, applying to residential development that creates a net increase in demand where a building consent, or equivalent consent-exempt development pathway is lodged on or after 1 July 2026, in accordance with the application and charging framework set out in the paper to this meeting titled **Growth Charges for IAWAI’s Water Services Strategy**.
4. Approved the application of ½ Household Unit Equivalent (HUE) when applying water supply and wastewater growth charges to secondary minor dwellings.

5. Requested that staff review water and wastewater growth charges for non-residential development for consideration in WSS2.
6. Approved the inclusion of a growth charge waiver for papakaainga developments in the proposed Waiver Policy for 2026/27 and notes the amendments made to the Waiver Policy (**Attachment 3**) to reflect this.
7. Noted that a harmonised Waiver Policy will be considered as part of Water Services Strategy 2 to enable consistent policy provisions to apply across both Waikato District and Hamilton City.
8. Noted the consequential amendments to the Fees and Charges Schedule (**Attachment 2**) to reflect the relevant staff recommendations above.
9. Noted that no changes are proposed to the Significance and Engagement Policy (**Attachment 4**).
10. Noted that staff are completing a further refinement of the capital works programme to reflect the expected year end position immediately prior to the transfer of responsibility, and in consideration of the current global economic and supply chain situation. This will be reflected in the final Water Services Strategy for adoption.
11. Noted that work to complete and verify the allocation of costs associated with shared services will be completed shortly and that the impact of this will be reflected in the final Water Services Strategy for adoption.
12. Noted that any financial amendments to the Water Services Strategy arising from the Board's deliberations and/or corrections to the draft Strategy will be incorporated into the final version for consideration for adoption in June 2026.

9. Growth Charges for IAWAI's Water Services Strategy

Peter Winder noted the connection between this paper and the decisions on the Water Services Strategy. This paper was important to set out and agree the detail on how the growth charge would be applied.

Dave noted his comments in line with discussion on item 8, that non-residential development will be charged through bespoke arrangements negotiated while the future charges are worked through.

Resolved:

The Board

1. Approved the introduction of residential water supply and wastewater growth charges as part of the Water Services Strategy, applying to residential development that creates a net increase in demand where a building consent, or equivalent consent-exempt development pathway is lodged on or after 1 July 2026, in accordance with the application and charging framework set out in Attachment 1 of this report.
2. Confirmed that work should continue to consider charging of a water supply and wastewater growth charges for non-residential development, with the intention that these be considered for inclusion in the next review of the Water Services Strategy following further analysis and engagement. Noted that bespoke

agreements with developers will continue in the interim to support the growth pays for growth approach.

3. Approved the inclusion of a waiver for residential growth charges for papakaainga developments in the proposed Waiver Policy for 2026/27, and noted amendments made to the Waiver Policy attached to the paper considered at this meeting, titled Water Services Strategy 2026-2036 Deliberations Report.
4. Requested staff to continue to work on other tools to move closer to growth paying for growth as part of the wider review of pricing and charging for the next Water Services Strategy.

10. Conflict of Interest Policy

Natasha Yarrall presented this policy for approval.

She noted that IAWAI already has an established practice for declaring and managing interests.

Directors are routinely asked to declare interests, including potential conflicts, both on appointment and at each meeting, and those interests have been transparently managed to date.

Under good governance practice, this policy supports formalisation of our approach.

The policy does not introduce a fundamentally new approach. Rather, it formalises what we already do.

Dave questioned the interaction between the policy and the role of the IAWAI Forum. Natasha noted that the intention is for the policy to be owned by the Board, but that it would be discussed with the IAWAI Forum to provide assurances of how IAWAI is managing any conflicts.

The Board sought staff consideration of an additional principle to be included in the policy of regular (for example annual) engagement with the Forum on the policy.

Resolved

The Board

1. Approved the IAWAI Board Directors Conflict of Interest Policy (Attachment 1)

11. IAWAI Alternate Representation on the Future Proof Implementation Committee

Peter and Kevin spoke to this decision sought.

Board Chair, Kevin Lavery, is the appointed non-voting member representing IAWAI on the Future Proof Implementation Committee.

The IAWAI Chief Executive currently attends meetings but is not a formally appointed alternate to the Board Chair.

Future Proof has advised that any formal alternate member must be officially appointed by the IAWAI Board.

Resolved

The Board

- a. Approved the appointment of the IAWAI Chief Executive, Peter Winder, as an alternate member to the Board Chair, Kevin Lavery, on the Future Proof Implementation Committee, with full ability to attend and participate in meetings in Kevin Lavery's absence.

12. Consideration of Public Excluded Agenda

The Board resolved

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public-excluded agenda.

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 follows.

General subject of each matter to be considered	Ground(s) under section 48(1) for the passing of this resolution.
Operational Technology Cyber Security	Section 7(2)(j) of the Act (to prevent the disclosure or use of official information for improper gain or improper advantage), and section 7(2)(f)(ii) (to protect systems and assets), namely information relating to operational technology cyber security arrangements.
Approval of Chief Executive KPIs	Section 7(2)(a) – protecting the privacy of natural persons Section 7(2)(g) – maintaining effective conduct of public affairs through free and frank expression in an employment context

Meeting ended 12:10pm