



KOMITI NGĀ WAI HANGARUA WELLINGTON WATER COMMITTEE

21 May 2024

Order Paper for the meeting to be held in the
Council Chambers, 2nd Floor, 30 Laings Road, Lower Hutt,
on:

Friday 24 May 2024 commencing at 10:00 am

The meeting will be livestreamed on Hutt City Council's Facebook page.

*Members of the public wishing to speak to items on the agenda are asked to contact
democraticserviceteam@huttcity.govt.nz*

Membership

Mayor A Baker
Mayor C Barry (Chair)
Deputy Mayor M Sadler-Futter
Cr R Connelly (Deputy Chair)
Mayor W Guppy
H Modlik
L Rauhina-August
A Rutene

Mayor T Whanau

Cr T Brown
R Faulkner
Cr C Kirk-Burnnand
Cr R Leggett
Cr A Ellims
Deputy Mayor H Swales
K Tamanui
Cr G Tupou

Porirua City Council
Hutt City Council
South Wairarapa District Council
Greater Wellington Regional Council
Upper Hutt City Council
Te Rūnanga O Toa Rangatira
Taranaki Whānui ki Te Upoko o Te Ika
Ngāti Kahungunu ki Wairarapa Tamaki Nui a Rua
Treaty Settlement Trust
Wellington City Council

Wellington City Council (Alternate)
Te Rūnanga O Toa Rangatira (Alternate)
Greater Wellington Regional Council (Alternate)
Porirua City Council (Alternate)
South Wairarapa District Council (Alternate)
Upper Hutt City Council (Alternate)
Taranaki Whānui ki Te Upoko o Te Ika (Alternate)
Hutt City Council (Alternate)

Wellington Water Committee

Terms of Reference

Purpose

The Wellington Water Committee ("the Committee") is established to:

- Provide governance and leadership across issues which are related to the planning, delivery and management of water services to communities serviced by Wellington Water Limited;
- Provide governance oversight of Wellington Water Limited, including by exhibiting good governance practice;
- Provide a forum for the representatives of Wellington Water Limited's shareholders and mana whenua to meet, discuss and co-ordinate on relevant issues and, through their representatives, to exercise their powers; and
- Strive for consistency across all client councils so all customers receive a similar level of service.

Status

The Committee is, for the purposes of the Local Government Act 2002, a joint committee of the Lower Hutt City Council, Porirua City Council, Upper Hutt City Council, Wellington City Council, South Wairarapa District Council and the Wellington Regional Council.

Specific responsibilities

The Committee's responsibilities are:

Governance oversight responsibilities

Shareholder and mana whenua governance oversight of Wellington Water Limited and of the network infrastructure for the delivery of bulk water, water reticulation, wastewater and stormwater services in the geographical areas of Wellington Water Limited's operations, including by:

- Receiving and considering the half-yearly and annual reports of Wellington Water Limited;
- Receiving and considering such other information from Wellington Water Limited as the Committee may request on behalf of the parties to the Shareholders and Partnership Agreement and/or receive from time to time;
- Undertaking performance and other monitoring of Wellington Water Limited;
- Considering and providing recommendations to the parties to the Shareholders and Partnership Agreement on proposals from Wellington Water Limited;
- Providing co-ordinated feedback, and recommendations as needed, on any matters requested by Wellington Water Limited or any of the parties to the Shareholders and Partnership Agreement;
- Providing recommendations to the parties to the Shareholders and Partnership Agreement regarding regional studies which the Shareholders need to be cognisant of;
- Providing recommendations to the parties to the Shareholders and Partnership Agreement regarding water conservation;
- Agreeing the annual Letter of Expectation to Wellington Water Limited;

- Receiving, considering and providing agreed feedback and recommendations to Wellington Water Limited on its draft statement of intent;
- Receiving, considering and providing recommendations to the parties to the Shareholders and Partnership Agreement regarding Wellington Water Limited's final statement of intent.
- Agreeing when Shareholder meetings, or resolutions in lieu of Shareholder meetings, are required, without prejudice to Shareholder and Board rights to call meetings under Wellington Water Limited's constitution and;
- Seeking and interviewing candidates for Wellington Water Limited's Board as needed and recommending to the holders of Class A Shares appointments and/or removals of directors of Wellington Water Limited;
- Recommending the remuneration of directors of Wellington Water Limited;
- Monitoring the performance of the Board of Wellington Water Limited; and
- Providing recommendations to the parties to the Shareholders and Partnership Agreement regarding changes to these terms of reference, the Shareholders and Partnership Agreement and the constitution of Wellington Water Limited.

Membership

The membership of the Committee will be as specified in the Shareholders and Partnership Agreement. With the exception of the Committee Members nominated by the Mana Whenua Partners Entities, each appointee must be an elected member of the appointing Shareholder.

Chairperson

The Chairperson and Deputy Chairperson will be elected by the Committee once all Committee members have been appointed.

Quorum

Subject to the below for Committee meetings to appoint directors of Wellington Water Limited, for a meeting of the Committee to have a quorum, a majority of Committee Members, or their appointed Alternates, must be present, and the number making up the majority must include at least an equal number of Shareholder appointed Committee Members as MWPE nominated Committee Members.

Where the Committee is providing a forum for the Shareholders to meet and exercise their powers in relation to Wellington Water Limited, the requirements of Wellington Water Limited's constitution will prevail.

Clause 11.3 of the company's constitution provides that Directors shall be appointed and removed by the unanimous resolution of the Shareholders holding Class A Shares. For this matter the quorum for the Committee meeting is therefore attendance by all Committee Members (or their Alternates) for the holders of the Class A Shares.

Alternates

Each Committee Member appointed to the Committee must have an Alternate.

Other Shareholder attendee

Each Shareholder-appointed elected member Committee member will be entitled to invite an officer attendee to Committee meetings, provided however that the additional attendee will not have any voting rights on the Committee.

Decision-making

The Committee will strive to make all decisions by consensus.

In the event that a consensus on a particular matter before the Committee is not able to be reached, each Committee Member has a deliberative vote. In the situation where there is an equality of votes cast on a matter, the Chairperson does not have a casting vote and therefore the matter subject to the vote is defeated and the status quo is preserved.

Other than for those matters for which the Committee has effective decision-making capacity through these Terms of Reference, each Shareholder retains its powers to make its own decisions on matters referred to it by the Committee and on matters specified in Part 1 of Schedule 2 to the Shareholders and Partnership Agreement (for clarity, this means that only Shareholders have voting rights in relation to the matters specified in Part 1 of Schedule 2).

Secretariat services

Unless otherwise agreed from time to time by all of the elected member Committee Members, the Council for which the Chairperson is an elected member will provide secretariat services to the Committee. The Chairperson will be responsible for managing the agenda at Committee meetings.

Standing Orders

The Standing Orders of the Council providing secretariat services to the Committee will apply to Committee meetings, subject to the provisions for meeting quorum and decision making as set out in these terms of reference taking precedence.

Remuneration

Each Shareholder will be responsible for remunerating the elected member Committee Member appointed by it to the Committee, and their Alternate, for any costs associated with those persons' membership on the Committee.

The Shareholders will also be responsible for remunerating (in equal shares) the Committee Members nominated by Mana Whenua Partner Entities, and their Alternates, and appointed to the Committee by the Shareholders, for any costs associated with those persons' membership on the Committee.

Administration

Reports to be considered by the Committee may be submitted by any of the Shareholders, any of the Mana Whenua Partner Entities, or Wellington Water Limited.

Duration of the Committee

In accordance with clause 30(7) of Schedule 7 to the Local Government Act 2002, the Committee is not deemed to be discharged following each triennial election.

Appendix Common delegations by Shareholders

Governance oversight responsibilities

- Each Shareholder will delegate to the Committee the responsibilities and powers necessary to participate in and carry out the Committee's governance oversight responsibilities.

Shareholders' responsibilities

- Each Shareholder will delegate to its appointed elected member Committee Member and, in accordance with these terms of reference, that person's Alternate, all responsibilities and powers in relation to the agreement of:
 - when Shareholder meetings, or resolutions in lieu of Shareholder meetings, are required (without prejudice to Shareholder and Board rights to call meetings under Wellington Water Limited's constitution); and
 - the appointment, removal and remuneration of Wellington Water Limited's directors.

KOMITI NGĀ WAI HANGARUA | WELLINGTON WATER COMMITTEE

Meeting to be held in the Hutt City Council Chambers, 2nd Floor, 30 Laings Road,
Lower Hutt on
Friday 24 May 2024 commencing at 10:00 am.

ORDER PAPER

PUBLIC BUSINESS

1. OPENING FORMALITIES - KARAKIA TIMATANGA

Whakataka te hau ki te uru	<i>Cease the winds from the west</i>
Whakataka te hau ki te tonga	<i>Cease the winds from the south</i>
Kia mākinakina ki uta	<i>Let the breeze blow over the land</i>
Kia mātaratara ki tai	<i>Let the breeze blow over the ocean</i>
E hī ake ana te atakura	<i>Let the red-tipped dawn come with a</i>
He tio, he huka, he hau hū	<i>sharpened air.</i>
Tihei mauri ora.	<i>A touch of frost, a promise of a glorious</i>
	<i>day.</i>

2. APOLOGIES

H Modlik, Te Rūnanga O Toa Rangatira

3. PUBLIC COMMENT

Generally, up to 30 minutes is set aside for public comment (three minutes per speaker on items appearing on the agenda). Speakers may be asked questions on the matters they raise.

4. CONFLICT OF INTEREST DECLARATIONS

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member and any private or other external interest they might have.

5. CHAIR'S STATEMENT

A verbal statement by the Chair.

6. MINUTES

Meeting minutes Komiti Ngā Wai Hangarua | Wellington Water Committee
15 March 2024

7. **LOCAL WATER DONE WELL - LEGISLATION AND WATER SERVICE DELIVERY PLAN UPDATE**
- A verbal update by the Programme Director, Water Reform – Wellington Water Councils.
8. **COMPANY AND GOVERNANCE UPDATE**
- Report No. WWC2024/2/59 by Wellington Water Limited 20
9. **ACUTE WATER SHORTAGE UPDATE 24 MAY 2024**
- Report No. WWC2024/2/60 by Wellington Water Limited 81
10. **REPORTING OF ANNUAL MEASURES TO TAUMATA AROWAI**
- Report No. WWC2024/2/61 by Wellington Water Limited 89
11. **MEETING SCHEDULE FOR 2024/25**
- Memorandum dated 17 May 2024 by the Democracy Advisor, Hutt City Council 93
12. **INFORMATION ITEM**
- Wellington Water Committee Forward Programme 2024**
- Memorandum dated 7 May 2024 by the Democracy Advisor, Hutt City Council 96
13. **QUESTIONS**
- With reference to section 32 of Standing Orders, before putting a question a member shall endeavour to obtain the information. Questions shall be concise and in writing and handed to the Chair prior to the commencement of the meeting.

14. EXCLUSION OF THE PUBLIC

CHAIR'S RECOMMENDATION:

“That the public be excluded from the following parts of the proceedings of this meeting, namely:

15. APPOINTMENT OF DIRECTORS TO WELLINGTON WATER LIMITED

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:

(A)	(B)	(C)
General subject of the matter to be considered.	Reason for passing this resolution in relation to each matter.	Ground under section 48(1) for the passing of this resolution.
Appointment of Directors to Wellington Water Limited.	The withholding of the information is necessary to protect the privacy of natural persons. (s7(2)(a)).	That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exist.

This resolution is made in reliance on section 48(1) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or 7 of that Act which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as specified in Column (B) above.”

Jack Kilty
Democracy Advisor
Hutt City Council

KOMITI NGĀ WAI HANGARUA | WELLINGTON WATER COMMITTEE

Minutes of a meeting held in the Council Chambers,
Level 2, Hutt City Council, 30 Laings Road, Lower Hutt on
Friday 15 March 2024 commencing at 10:00 am

PRESENT: Mayor C Barry (HCC) (Chair)
Mayor A Baker (PCC)
Cr R Connelly (GWRC) (Deputy Chair)
H Modlik (Te Rūnanga O Toa Rangatira) (from 10.05am)
Mayor W Guppy (UHCC)
Mayor T Whanau (WCC)

APOLOGIES: Mayor Connelly and Lee Rauhina-August

IN ATTENDANCE: Cr T Brown (WCC) (Alternate)
W Walker, Chief Executive, PCC
J Miller, Chief Executive, HCC (part meeting)
G Swainson, Chief Executive, UHCC
J Smith, Chief Executive, SWDC (via Zoom)
D List, Programme Director, Water Reform – Wellington
Water Councils
T Haskell, Chief Executive, WWL
J Alexander, Group Manager, Network Strategy and Planning,
WWL
P Wells, Manager, Service Planning, WWL
C Barker, Director, Regulatory Services, WWL
N Leggett, Board Chair, WWL
P Dougherty, Board member, WWL
A Hare, Board member, WWL
B Bayfield, Board member, WWL
K Stannard, Head of Democratic Services, HCC
H Clegg, Minute Taker, HCC

PUBLIC BUSINESS**1. OPENING FORMALITIES - KARAKIA TIMATANGA**

Whakataka te hau ki te uru
Whakataka te hau ki te tonga
Kia mākinakina ki uta
Kia mātaratara ki tai
E hī ake ana te atakura
He tio, he huka, he hau hū
Tihei mauri ora.

*Cease the winds from the west
Cease the winds from the south
Let the breeze blow over the land
Let the breeze blow over the ocean
Let the red-tipped dawn come with a sharpened air
A touch of frost, a promise of a glorious day.*

2. APOLOGIES

RESOLVED: (Mayor Barry/Mayor Baker)

Minute No. WWC 24101

"That the apologies received from Mayor Connelly and Lee Rauhina-August be accepted and leave of absence be granted."

3. PUBLIC COMMENT

There was no public comment.

H Modlik joined the meeting at 10.05am.

4. CONFLICT OF INTEREST DECLARATIONS

There were no conflict of interest declarations.

5. CHAIR'S STATEMENT

The Chair provided a verbal update attached as page 10 to the minutes.

6. MINUTES

RESOLVED: (Mayor Barry/Mayor Guppy)

Minute No. WWC 24102

"That the minutes of the meeting of the Komiti Ngā Wai Hangarua | Wellington Water Committee held on Monday, 11 December 2023, be confirmed as a true and correct record."

7. LOCAL WATER DONE WELL - LEGISLATION AND WATER SERVICE DELIVERY PLAN UPDATE

The Programme Director, Water Reform – Wellington Water Councils delivered a presentation attached as page 11 to the minutes.

8. COMPANY AND GOVERNANCE UPDATE

Report No. WWC2024/1/64 by Wellington Water Limited (WWL)

The Chief Executive, WWL and the WWL Board Chair elaborated on the report.

The WWL Board Chair emphasised the focus on managing the risk of water shortage for the upcoming summer and future while engaging with Taumata Arowai. He acknowledged the financial constraints of each council. He reminded that WWL had advised all councils to invest \$30 billion over the next 30 years to achieve strategic goals and address network risks. He urged the region to collaborate to meet these goals and cautioned members about the challenges with compliance for the wastewater treatment plants. He also hoped that water meters would be provided in all Long Term Plans to improve water conservation.

The Chief Executive, WWL reported that WWL had good employee engagement and retention levels. She advised that the capital programme and renewals target were on track, and the installation of new equipment at the Te Marua treatment plant was progressing well. She said that WWL focused on addressing the acute water shortage. She highlighted that WWL had submitted their first report to Taumata Arowai and must comply with the requirements of Greater Wellington Regional Council. She clarified that WWL was in good shape, with staff committed to improving water quality in the region.

In response to questions from members, the Chief Executive of WWL acknowledged all the organisations that had offered assistance regarding the leaking pipes. She added that staff were working with local contractors who had spare capacity and had also created a trial programme with the New Zealand Plumbing Association. She pointed out the significant risk involved in repairing a network, as the work could affect all network users instead of repairs on private property, which only affected a single user. She advised feedback from this trial would be available in two weeks.

In response to questions from members, the Chief Executive, WWL advised that this year's budget was affected by overspending in the Wellington City Council's renewals budget last year. She explained that this led to three contractors losing their projects. However, she added that two of these contractors had found contracts elsewhere, and the third was helping WWL in another capacity until the new capital works programme began on 1 July 2024. She recognised the work of Hutt City Council officers to enable WWL to manage its budget more effectively.

The Chief Executive, WWL agreed to explain further the acronyms used in upcoming reports' graphics.

In response to further questions from members, the Chief Executive, WWL acknowledged that allotting more resources to mitigate the risk of an acute water shortage would have a negative impact on all other aspects of three waters, including the environment. She agreed to provide a more comprehensive overview and update the members as more information became available from approved Long Term Plans. She informed members that each plant had its unique issues and that all were reaching the end of their life cycle, except for the Porirua plant, which had recently undergone some upgrades. She agreed that a workshop could be arranged to provide a better

understanding of the challenges, and Mana Whenua would be involved in the first instance.

In response to further questions from members, the Chief Executive, WWL advised that the ability to move finances between projects for each council differed between each council. However, she noted that most councils could adapt to changing requirements. She also emphasised the importance of balancing each Long Term Plan.

In response to further questions from members, the WWL Board Chair affirmed that reporting to each council would improve. He said this would be achieved by using dashboards and providing more specific information about each wastewater treatment plant as new information became available.

Mayor Barry took the opportunity to thank all team members for their work so far.

RESOLVED: (Mayor Barry/Mayor Baker)

Minute No. WWC 24103

"That the Committee receives and notes the report."

9. IMPACTS OF INDICATIVE REGIONAL THREE WATERS INVESTMENT 2024-34

Report No. WWC2024/1/65 by Wellington Water Limited (WWL)

The Group Manager, Network Strategy and Planning, WWL elaborated on the report.

In response to questions from members, the Group Manager, Network Strategy and Planning, WWL confirmed that the figures on page 75 of the agenda were accurate. Mayor Whanau also verified this information.

In response to questions from members, the Director Regulatory Services, WWL clarified that due to the limited amount of leaks that could be fixed with the current level of investment, WWL had not been able to improve its water usage levels so far. However, he confirmed that sufficient measures were in place within the network to assess whether increased investments in fixing water leaks. He said that the Hutt City area would decrease water usage for that local authority area in the future.

In response to questions from members, the Group Manager Network Strategy and Planning, WWL explained that the investment for the first three years of each Long Term Plan was insufficient and that the number of renewals would not be enough. She also stated that the state of each wastewater treatment plant was another significant risk. However, she pointed out that there were opportunities as well. She highlighted that focusing on drinking water, fixing leaks, and water meters would benefit the region in the long run. She agreed that presenting a report demonstrating how the three water systems and networks function together would benefit members and the public. She noted that this would help staff better understand how priorities were established and assist with future planning for WWL.

In response to questions from members, the Manager, Service Planning replied that more investment was required from each council to enable risks to be reduced. He also stated that ongoing projects had already influenced the level of investment for the next three years, and once they were completed, new investments could be directed towards new

projects. He added that programme dynamics were constantly changing, new issues were evolving, and staff provided each council with the most up-to-date information.

RESOLVED: (Mayor Barry/Mayor Baker)

Minute No. WWC 24104

“That the Committee:

- (1) notes the level of investment required to address known risks and opportunities in the region and deliver against all the strategic priorities. This is estimated to be a total of \$30B capital investment (CAPEX) over 30 years;*
- (2) notes that SWDC has deferred adopting a long-term plan and instead will be undertaking an annual planning process as enabled by the Water Services Acts Repeal Bill (Part 8);*
- (3) notes that Greater Wellington Regional Council, Hutt City Council, Porirua City Council, Upper Hutt City Council, and Wellington City will be consulting on a proposed total CAPEX programme of \$3.63B for three waters investment in their 2024-34 Long Term Plans. This represents 48% of the Wellington Water Limited’s recommended maximum deliverable programme of \$7.58;*
- (4) notes these councils will be consulting on a proposed total operational expenditure (OPEX) programme of \$1.46B for three waters investment in their 2024-34 Long Term Plans, which represents 84% of the Wellington Water Limited’s recommended OPEX budget of \$1.73B;*
- (5) notes that investment below the funding level recommended by Wellington Water Limited will exacerbate the critical risks faced by the region as well as create new risks; and*
- (6) agrees that this report be shared with each individual shareholder council, as it is important for each council to understand the regional situation.”*

10. ACUTE WATER SHORTAGE RISK

Report No. WWC2024/1/66 by Wellington Water Limited (WWL)

The Director, Regulatory Services, WWL elaborated on the report.

In response to questions from members, the Director, Regulatory Services, WWL provided an update on the project at Te Marua. He stated that the project had been reassessed and the staff worked hard to ensure the upgrades were completed earlier than initially anticipated. He said the goal was to fully operational the plant before next summer. He emphasised that the plant upgrade was one of the measures to mitigate the risk of an acute water shortage. He added that other measures included increasing leak detection and repairs, which were expected to lead to reduced water usage levels in the future. He stressed the importance of a public education programme to help people understand the impact of private leaks on the overall water network. He suggested the best way to detect leaks on private property was through meters.

Mayor Baker stated that the public often confused leaks with pipe renewals and emphasised the need to communicate the differences, including financial aspects better.

In response to a question from a member about the increased investment of Hutt City Council for expediting the leak repair programme, the Chief Executive, WWL, stated that a new project team would be formed. She also mentioned that an implementation plan would be submitted to Hutt City Council within the next two weeks. She assured that the work specific to Hutt City Council would not be affected by or reliant on financial decisions made by other councils.

RESOLVED: (Mayor Barry/Cr Connelly)

Minute No. WWC 24105

"That the Committee receives and notes the report."

11. WELLINGTON WATER LIMITED - DRAFT STATEMENT OF INTENT 2024-27

Report No. WWC2024/1/67 by Wellington Water Limited (WWL)

RESOLVED: (Mayor Barry/Cr Connelly)

Minute No. WWC 24106

"That the Committee:

- (1) notes the revised timeline for delivering the draft Statement of Intent 2024-27; and*
- (2) agrees to provide Wellington Water Limited with a one-month extension in accordance with Schedule 8, Part 1, Clause 4 of the Local Government Act 2002 to deliver the final Statement of Intent 2024-27 to the Committee by 31 July 2024."*

12. WELLINGTON WATER LIMITED HALF YEAR REPORT TO 31 DECEMBER 2023

Report No. WWC2024/1/68 by Wellington Water Limited (WWL)

The Chief Executive, WWL elaborated on the report.

In response to questions from members, the Chief Executive acknowledged the failure to meet the national fluoride level requirement and explained that the network had only one fluoride treatment plant. She mentioned plans for multiple fluoride treatment plants and the introduction of upgraded PPS equipment and health monitoring measures to minimise the risk of gas exposure.

RESOLVED: (Mayor Barry/Mayor Baker)

Minute No. WWC 24107

"That the Committee receives and notes the Half-Year Report to 31 December 2023 attached as Attachment 1 to the report."

13. LETTER OF EXPECTATION

Report No. WWC2024/1/63 by the Chief Executive, Porirua City Council (PCC)

The Chief Executive, PCC elaborated on the report.

In response to questions from members, the Chief Executive, PCC confirmed that the Letter of Expectation reflected all council views and had been distributed to relevant officers for feedback.

Cr Connolly preferred that Wellington Water Limited (WWL) further investigate point 6 of the key expectations and suggested that modifications could be made once a draft document was presented to the committee at the next meeting. She agreed that Taumata Arowai should be mentioned at the start of the document and felt that key expectation 1 was too complex.

The Chief Executive, PCC responded by acknowledging several separate pieces of work contained within key expectation 1. She explained that the reference to having a single framework was related to the issue that WWL faced around the diversity of expectations across all councils.

RESOLVED: (Mayor Barry/Mr Modlik)

Minute No. WWC 24108

"That the Committee:

- (1) notes and receives the report;*
- (2) approves the annual shareholder and partners' Letter of Expectation to Wellington Water Limited (attached as Attachment 1 to the report); and*
- (3) authorises the Wellington Water Committee Chair to sign the letter."*

14. ROLE OF WELLINGTON WATER LIMITED IN AN EMERGENCY

Report No. WWC2024/1/69 by Wellington Water Limited (WWL)

The Director Regulatory Services, WWL elaborated on the report.

In response to questions from members, the Director of Regulatory Services, WWL acknowledged the need for a significant water source in Wellington City. He emphasised the importance of treating all drinking water before consumption and that he would report back with further details regarding this matter.

RESOLVED: (Mayor Barry/Mayor Whanau)

Minute No. WWC 24109

"That the Committee receives and notes the report."

15. INFORMATION ITEM

Wellington Water Committee Forward Programme 2024

Memorandum dated 1 March 2024 by the Senior Democracy Advisor

RESOLVED: (Mayor Barry/Mayor Baker)

Minute No. WWC 24110

"That the Committee receives and notes the draft Forward Programme and future workshop topics for the Wellington Water Committee for 2024 attached as Appendix 1 to the memorandum."

16. QUESTIONS

There were no questions.

17. **CLOSING FORMALITIES - KARAKIA WHAKAMUTUNGA**

Unuhia!	<i>Release us from the supreme sacredness of our tasks</i>
Unuhia!	<i>To be clear and free</i>
Unuhia i te uru-tapu-nui	<i>in heart, body and soul in our continuing journey</i>
Kia wātea, kia māmā	<i>Oh Rongo, raise these words up high</i>
Te ngākau, te tinana, te wairua i te	<i>so that we be cleansed and be free,</i>
ara takatū	<i>Yes indeed, we are free!</i>
Koia rā e Rongo whakairihia ake ki	<i>Good and peaceful</i>
runga	
Kia wātea, kia wātea!	
Ae rā, kua wātea!	
Hau, pai mārire.	

There being no further business, the Chair declared the meeting closed at 11.25am.

Mayor C Barry
CHAIR

CONFIRMED as a true and correct record
Dated this 24th day of May 2024

Kia ora koutou, I'll just give a brief update on what's been happening since we last met.

Acute water shortage

Wellington and South Wairarapa remain at Level 2 water restrictions. The next two weeks remain important, as we get through March which typically sees drier, hotter weather.

Wellington Water confirm that the likelihood of Level 3 water restrictions at this point is reducing. There is now a 16% chance of increasing restrictions to Level 3, and a 5% chance of going to Level 4. But we aren't out of the woods yet.

We thank residents and organisations for taking proactive steps to reduce their water use this summer.

Regional plan for water service delivery model

Councils across the Wellington region are considering a proposal on a joined-up approach to develop a new affordable and sustainable water delivery model at Council meetings this month. This marks the first step in developing a water service delivery plan and future delivery model for the Wellington region.

We will hear more on how this is progressing from Dougal this morning.

LTP discussions

Councils are now heading into consultation periods for their Long Term Plans, where investment into water is a key discussion point. As a region, we are investing over \$3.6bn capex into water infrastructure which we know is significantly less than Wellington Water has recommended.

Councils have been clear that the investment recommended by Wellington Water Limited is unaffordable due to council debt headroom constraints and impact on ratepayers. This makes our focus on a future model all the more critical.

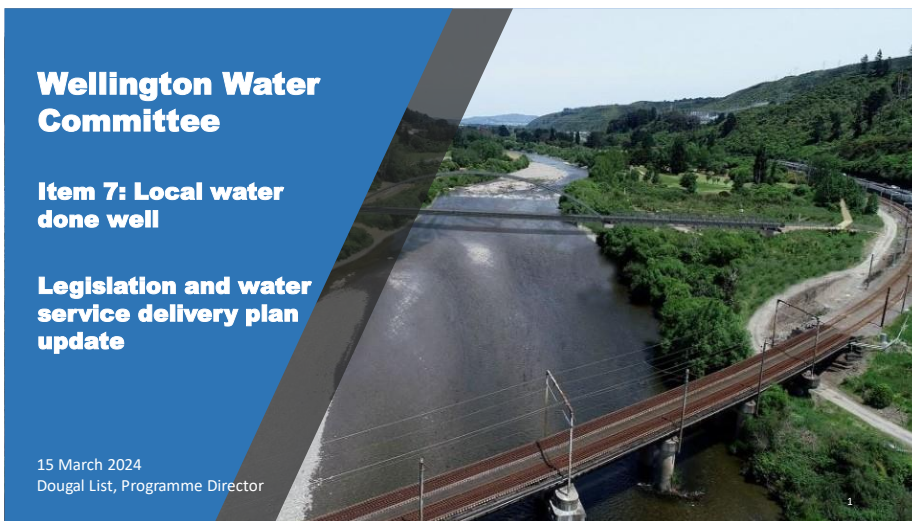
Regional highlights

Great progress is being made installing new wastewater infrastructure in Wellington's CBD. This will support the city's growth and prevent overflows into the harbour. Work is now complete on building a new pump station along Taranaki Street and we're making good progress renewing 3.2km of pipes and 7 pump stations.

We have completed the installation of about 270 metres of pipe along Victoria and Wakefield Street, and on track to complete around 900 metres along Taranaki Street by the end of this year – five months ahead of schedule.

Preventing water loss remains a priority for Wellington Water. Since August, Wellington Water have fixed 227 service connections saving over 2 million litres of water per day.

Service connections are located beneath footpaths or roads, at the point where main water pipes connect to private property pipes – usually involving pipework, fittings and tobies. This proactive service connection renewal work is in addition to the work Wellington Water do every day to respond and fix reported leaks. Mayor Campbell Barry



Legislative change – three Bills

Legislative change

New framework will include:

- stronger central government oversight
- economic and quality regulation
- financially sustainable delivery models

Bill 2 – mid-2024

- Framework for councils to develop a future water service delivery plan within 12 months of enactment

Bill 3 - late 2024 to early 2025

- Long-term requirements for financial sustainability
- provide for a complete economic regulation regime
- structural and financing tools, including a new type of financially independent council-controlled organisation

1 REPEAL LEGISLATION: LAY FOUNDATION FOR NEW SYSTEM
INTRODUCED AND ENACTED FEB 2024

- Restore continued council ownership and control of water services, and responsibility for service delivery.
- Provide support options to help councils complete and include water services in their 2024-28 long-term plans.

2 ESTABLISH FRAMEWORK AND TRANSITIONAL ARRANGEMENTS
INTRODUCED AND ENACTED MID 2024

- Provide a framework for councils to self-determine future service delivery arrangements for a water service delivery plan (to be submitted within 12 months).
- Establish foundational information disclosure requirements for first step towards economic regulation.
- Streamline requirements for establishing council-controlled organisations under the Local Government Act to enable councils to start shifting the delivery of water services into more financially sustainable configurations, should they wish to do so.
- Provide technical and advisory support to Auckland Council to determine how they wish to create a financially sustainable model for Watercare.

3 ESTABLISH ENDURING SETTINGS AND BEGIN TRANSITION
INTRODUCED DECEMBER 2024 AND ENACTED MID 2025

- Set long term requirements for financial sustainability.
- Provide for a range of structural and financing tools, including a new class of financially independent council-controlled organisations.
- Consider the water regulator's empowering legislation to ensure the regulatory regime is effective, efficient, and fair, and standards are proportional to different types of drinking water supplies.
- Provide for a complete economic regulation regime.
- Establish regulatory backing powers, to be used when required to ensure effective delivery of financially sustainable or safe water services.
- Refine water service delivery system settings to support the new system, such as consented industry standards.

✓ Passed

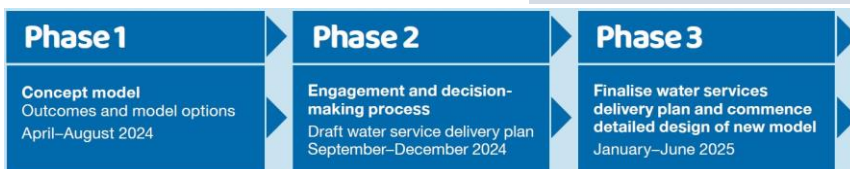
Water services delivery plan for Wellington region

Regional approach being developed

- Councils in the region considering establishment of a joint process and MoU
- To date, support confirmed by UHCC, HCC and WCC
- Joint Advisory Oversight Group – elected members and Iwi / Māori Partners
- Clear council decision making accountability and off-ramps
- Phased approach - alignment with legislation and Government support

Indicative Phases and timing

- Set up – councils, governance, process
- Concept model – by August
- Engagement and decision making, draft plan - by late 2024
- Finalise water service plan and detailed design – by mid 2025
- Establishment – from mid 2025



Komiti Ngā Wai Hangarua | Wellington Water Committee

21 May 2024

Report no: WWC2024/2/59

Company and Governance Update

Appendices

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Author: External Author (Wellington Water Ltd)

Report no:

Company and Governance Update

Purpose of Report

1. To provide an overview of the Three Waters activities across the metropolitan area of Wellington and the South Wairarapa District Council.

Recommendations

That the Committee receives and notes the report.

How to read this report

2. There are three parts, as follows:
 - i. Governance Update,
 - ii. Water Committee Priorities, and
 - iii. Operational Achievements and Issues.

Governance Update

3. The key Governance conversations held and actions taken by the Board of Wellington Water (Board) since the last meeting of the Wellington Water Committee (Committee) include:
 - i. Approved the draft SOI.

Draft Statement of Intent for 2024-27

4. Feedback on the Draft Statement of Intent for 2024-27 (SOI) was received from members of the Water Committee on 2 May. Overall, the feedback was supportive of the direction of the document.
5. We are incorporating feedback into the draft SOI, and will also update the draft once councils have agreed their LTP funding levels. A final version will be presented to the Water Committee at the 26 July meeting.

Summary of Quarter 3 Performance

6. The Quarter 3 Overview is included as Appendix 1.
7. There has been an increase of serious health and safety incidents in Q3, which have been investigated thoroughly.
8. Staff engagement capital score has dropped a little, and our retention and recruitment rates remain healthy.
9. The primary focus for the company this quarter has been managing the risk of acute water shortage. Getting through a summer where we were faced with a higher risk of tighter restrictions without moving to Level 3 water restrictions took a cross-organisational effort and a good response from councils and the public.
10. We have worked closely with councils in the development and audit of Long-Term Plans. We acknowledge the significant investments being made to improve the region's water infrastructure. However, there are resulting risks and issues in the region's ability to deliver the Committee's five strategic priorities.
11. Suitable fluoridation equipment has been ordered to replace the unreliable equipment, and we are expecting to have this installed with improved reliability by May 2024. The team continue their programme of ongoing planned maintenance to ensure that the equipment at the fluoride facilities are running as they should. We have seen some improvements with reliability with all treatment plants achieving regulated targets in April. A long-term solution to upgrade the entire fluoridation system is needed in order for us to ensure we can reliably meet the MoH targets for fluoride.
12. Four of the wastewater treatment plants remained non-compliant due to capacity, mechanical and environmental factors. We have commenced a review of Veolia's performance.

The Water Committee Priorities

Ensuring a smooth transition through water reform to the new entity in 2024

13. We will support councils in their pathway to a new model for delivery of water services.

Three Waters Investment Planning for 2024-34

14. We have been working with all councils on the preparation of their long term plans for audit and consultation and continue to actively support councils to finalise them.
15. As part of this, Wellington Water is providing Councils with additional information on their draft programmes, including an update to Council active risks registers, and advice on the DIA Level of Service outcomes that would be achieved.
16. We are also working to finalise the Capex programmes for each Council, taking into account any impacts from the latest forecast positions for the FY23/24 programmes, as well as any updated information about arising investment needs, the timing of planned investments or updates to cost information which have become known since the programmes were developed in Q4 2023. This information is required by Councils to support their timelines for LTP decision making.
17. Draft Opex programmes continue to be updated to reflect Councils' support for increased investment in leak detection and repair activities.

18. SWDC has chosen to defer completion of the LTP until next year, and are instead undertaking an enhanced annual planning process. However, we note that they are using the budgets developed for year 1 of the LTP for their consultation and decision-making processes.
19. We have included as Appendix 2 updated tables on recommended and proposed expenditure by council and by water type.
20. We are developing new versions of the Investment and Delivery Snapshots to provide councils with a simple overview of how investment relates to service delivery and what risks remain for the year ahead. A sample is included as Appendix 3.

Sustainable water supply and reducing consumption

21. Responding to the possibility of an acute water shortage over summer has been a key focus. We are now evaluating the success of steps taken in order to minimise this risk for next summer, and we are progressing action on reducing the backlog of leaks. The separate paper on the Water Supply and Demand Risk provides a full update to the Committee.
22. Ongoing and sustainable investment is required to address water loss and the delivery of strategically significant projects e.g. residential water meters project, the upgrade of the Te Mārua water treatment project, and initial investigations to support the development of the proposed Pākuratahi Lakes.
23. A new role, Head of Water Metering Programme Establishment joined us recently to lead this work. Early priorities include recruiting key resources, agreeing with our client councils how we work together to deliver an integrated implementation plan (including the governance model for this) and continuing with priority work so we have momentum going into the new financial year and the implementation phase.
24. We continue to engage with plumbers to find ways to collaborate and reduce water loss. Work is underway on a “Tradeline” to allow plumbers in the region to use one dedicated phone number to access technical support, escalate issues and create new jobs where issues are discovered while they are onsite. We are developing a trial around work on tobies. Before any work is done on the public network, we need to make sure the drinking water standards are met by all our contractors and sub-contractors. Doing so, protects public health and ensures that we and our councils are meeting our legal obligations. The question of whether plumbing qualifications are suitable has been referred to Water NZ, Connexis Infrastructure Training and the Plumbers, Gasfitters and Drainlayers Board.

Regulatory performance

25. Taumata Arowai annual reporting was completed and submitted on time to the regulator. A paper is provided to the committee outlining the report and the use Taumata Arowai will make of the information.
26. All Water Treatment Plants have returned to compliance with the Ministry of Health standard.
27. A high level of engagement with GWRC has occurred in the last few months and they continue to appreciate the transparency we bring to issues and in return have been constructive on agreeing the way ahead on a variety of issues.

Operational Achievements and Issues

People

28. Three serious incidents occurred in Q3 (two electrical cable strikes and an uncontrolled fall). These incidents were thoroughly investigated, with lessons learned shared across Wellington Water and our wider whānau.
29. Our retention and recruitment rates remain healthy. Our recent recruitment campaign to attract more frontline service personnel has concluded. We successfully secured 15 additional entry-medium level personnel. Our focus going forward is to attract highly experienced service personnel who can supervise other personnel.
30. Our unplanned turnover is currently sitting at 13% (12 month rolling average).
31. The staff engagement capital score for Q3 is slightly down, at 58%.

Wellington Water corporate budget

32. Wellington Water has made significant cost management efforts over the first three quarters of the year through slowing recruitment and reducing contractor spend. \$2.9m in savings has been reallocated to council opex, and we are forecasting a surplus, to be kept in reserve for the next financial year. We will continue to manage costs carefully in 24/25 and beyond.

Opex Delivery

33. At the end of April we have spent \$100m. The re-allocation of corporate budget to council opex has allowed us to put more effort into finding and fixing leaks, and with additional funding provided from some councils we are forecasting below budget overall.
34. So far this financial year we have fixed over 7,300 leaks and surveyed 1,399km of the network for leaks around the region. At the end of April, we had 2415 open leaks for repair. This is a good improvement from where we were 2 months ago with ~3700 open leaks for repair.
35. All four metropolitan councils have provided additional funding for use in reducing the leaks backlog. We've continued to increase productivity from our own crews, plus using the additional money to engage more contractor resource to find and fix leaks. We are seeing a downward trend in open leaks overall which reflects this continued effort.
36. Wellington City Council has provided an additional \$2m ring-fenced for leak repairs this financial year. This work had a slow start and the average cost/repair is higher due to the use of external resources to perform this work as opposed to our in-house delivery model. It does take time to build capacity and momentum to perform additional work.
37. Hutt City Council has provided \$2.8m for next financial year with the request that we start spending it now. This project is underway.
38. Operational reports are provided as Appendix 4.

Capex Delivery

39. Capital delivery is now forecast to be above the high end of the capital range for full year. Three councils are forecast to be over budget, all of which have approved expenditure to forecast levels.
40. At the end of April, spend on the capital delivery programme was \$251m at a regional programme level.

Council	Total spend by end of April 2024
Greater Wellington Regional Council	\$78,409k
Hutt City	\$48,531k
Porirua City	\$55,239k
South Wairarapa District	\$4,861k
Upper Hutt City	\$12,978k
Wellington City	\$51,375k
Total	\$251,393k

41. The expected capital delivery range for the region is \$233-328m for the year.
42. Here is the data on metres of pipe constructed on a quarterly basis, split by council.

	Q1 Total	Q2 Total	Q3 Total	YTD Actual Total	Year End Forecast
HCC	2,843	3,353	3,449	9,645	12,339
WCC	1,629	976	696	3,301	3,535
PCC	1,024	657	877	2,558	3,446
UHCC	864	193	0	1,057	1,460
SWDC	98	80	0	178	178
GWRC	212	228	105	545	665
Total	6,670	5,486	5,127	17,283	21,623

43. The team achieved the following milestones:
- Handover of Omaroro Reservoir to the city in February with a community celebration.
 - The new Taranaki Street Pumping Station is practically complete, with final completion expected in Quarter 4.
 - Taranaki Street wastewater rising main programme: Project is expected to be practically complete five months ahead of schedule (Dec 24). Three trenchless drives (using guided auger bore (GAB) technology) have been completed which has minimised traffic impact and reduced contaminated soil compared to open trenching.
 - Te Mārua WTP improvements: Achieving increased treatment capacity before summer is still at risk, but this is our #1 priority this year. To date the project has commissioned: lime silo and system, primary CO2 tank, and plant generator. In the coming months we'll complete: new caustic storage tank, secondary CO2 tank, and upgraded sludge dewatering system. The Dissolved Air Flotation construction continues.
 - Completion of Kaitoke Pipe Bridge, with overall project on track for handover before the end of the year.

44. There was a slowdown in work at the end of 2023 with a number of projects put on hold (mainly due to funding uncertainty) with less work available to the panels and initiation of work delayed until greater certainty was reached. This has had a flow on effect into giving certainty to our panels, we are aware of resources being diverted away to other work (consultants) or actively looking for and have sourced work outside the panel structure (both consultants and contractors). While all contractors are exposed to the lower work availability, the smaller tier 2 contractors are particularly impacted. The risk is that resources may not be available when an upswing in the delivery programme occurs, and it may delay the programme. We continue to work with the panels and provide as much forward planning information as possible.

Wastewater Treatment Plants

45. The Martinborough, Moa Point, Western and Seaview Wastewater Treatment Plants were all non-compliant at the end of April due to either capacity, mechanical or environmental factors.
46. Details of the status of wastewater plant non-compliance are provided in the latest monthly Wastewater Treatment Plant and Water Treatment Plant dashboard reports, attached as Appendix 5.
47. We are commencing a follow-up review to the independent review of the Regional Wastewater Treatment Plant (RWWTP) Services Contract carried out in 2021, to clarify the causes of poor plant performance and identify where further improvements may be made to bring the plants back to compliance.

Growth update

48. We have prepared a workshop for the Committee on the current issues around growth and capacity planning.

Environmental Water Quality update

49. We are engaging with the hearings process for GWRC's Plan Change 1 to their Natural Resources Plan. The plan change addresses water quality and sets contaminant reduction targets in Te Whanganui-a-Tara (Wellington Harbour), Te Awarua-o-Porirua (Porirua Harbour) and Moana Raukawa (Cook Strait) catchments. It does not address South Wairarapa.
50. Wellington Water is committed to improving the health of the region's waterways and harbours but has concerns regarding the ability of the region to meet the proposed new standards particularly given the level of investment signalled in councils' LTPs. We will continue to engage with GWRC to develop consensus on a framework for environmental improvements that can be sustainably implemented over time.
51. Wellington Water is working with Porirua City Council, Te Rūnanga o Toa Rangatira, Wellington City Council and Greater Wellington Regional Council to develop *Te Awarua o Porirua Whakaritenga (Porirua Harbour Accord)* - an agreement between these parties to ensure water quality and health of streams and the harbour in Porirua are improved.

Net Zero Carbon update

52. We continue our work on monitoring operational and capital carbon emissions and identifying options to reduce emissions.
53. We have rolled out the capital carbon guidance document with Wellington Water staff as well as our consultancy and contractor panel to provide guidance to monitor embodied carbon in our capital carbon programme. The next step will be monitoring and reporting the data.
54. Work is underway on identifying alternative pathways for managing the biosolids (sludge) produced in the region's wastewater treatment plants than disposal to landfill. We will be discussing this issue with mana whenua to improve our understanding of their perspective.

Technology Systems

55. We have not made significant investment in technology systems for three years because they would have been decommissioned under Affordable Water Reform. As a result, the current state of the Wellington Water technology environment is not fit for purpose, with significant gaps in core systems, scale issues, and some critical platforms nearing end of life.
56. This creates inefficiencies, challenges with transparency (reporting), and operational and cyber risk. With uncertainty over the length of time remaining for Wellington Water, and in the interests of a good set up of a new entity, investment is required in new technology to support ongoing water services delivery.
57. Initial investment estimates are \$20-\$50m capex over 3-5 years, with ongoing operational costs of \$3-\$5m. This figure was not included in LTPs as they were developed under previous reform plans. Need for this investment was flagged as a risk if Reform plans changed.
58. In Q1 FY25 we will be developing the investment case required to provide Councils with clarity on the issues and options to resolve them. Ahead of the investment case some funding will be required for work on critical platforms coming end of life in FY25 and 26.

'As Built' Plans backlog

59. In April, the Wellington Water Digital Products & Services Team (DPS) completed a significant milestone and there are now zero 'as built' plans in the processing queue that are older than six weeks.
60. 'As built' plans are documents which show what has been constructed and core asset information such as location, size and material. Having them processed and in the asset management systems is key to Wellington Water's ability to operate and maintain the water assets.
61. The 'as built' processing queue existed when Wellington Water was formed and grew as the volume of work Wellington Water carried out increased, three years ago it was at 700. Depending on the complexity of the 'as built' it can take anywhere between half an hour and several days to process.
62. Councils have provided dedicated investment to enable Wellington Water to keep up with managing increasing volumes of asset data and to address asset data

completeness and quality issues since FY23. This investment has enabled this milestone to be reached and this work has a significant impact on improving asset operation and maintenance.

Connecting the Water Committee to Individual Councils

63. The Committee has a major role in providing leadership to the six councils who own Wellington Water. At the Committee meeting you are receiving and discussing material that all councils will receive via Wellington Water's ongoing advice on operations.
64. We have provided a summary report (Appendix 6) to assist with individual councils understanding of the material the Committee is working on.

Climate Change Impact and Considerations

65. There are no direct climate change impacts or considerations from the matters addressed in this report.

Appendices

There are six appendices for this report.

1.	Quarter 3 Overview
2.	Recommended and proposed Capital Expenditure and Operational Expenditure by Council by Water Type
3.	Sample Investment & Delivery Snapshot
4.	Regional and council Operations Reports
5.	Wastewater Treatment Plant, and Water Treatment Plant dashboard reports
6.	Summary for Councillors of papers to the WWC meeting

Author: Tonia Haskell

External Author (Wellington Water Ltd)



Wellington Water Quarterly Overview

An overview of the work Wellington Water has delivered for its council owners in the region.

Quarter 3, 2023-24: January – March 2024

About this document

Wellington Water prepares several regular reports for our council owners, regulators and other key stakeholders.

Most of these are for special purposes – financial, risk, specific projects – and go directly to the relevant council officers.







This document is intended for a wider audience. It provides an overview of our working environment, activity and performance, from a regional perspective.

It is prepared alongside and sometimes in advance of other reporting, so there can be slight differences in the data used in this versus detailed technical reports.

This report will be made publicly available and published on our website. Where possible, we aim to publish most of our information and advisory papers on our website: wellingtonwater.co.nz

As a regional water services provider, Wellington Water is focused on restoring balance among the needs of water, people and the environment.

We do this through applying our council owners' investment in six strategic areas:

-  Look after existing infrastructure
-  Support growth
-  Ensure sustainable drinking water supply for the future
-  Improve water quality of our rivers, streams and harbours
-  Reduce our carbon emissions and adapt to the impacts of climate change
-  Increase resilience to natural hazards

These strategic investment areas underpin our ability to deliver customer outcomes: safe drinking water, water that is safe to enter the environment, protection from the impacts of flooding, and resilience to major natural events.



Our water, our future.

Quarter 3, 2023-24: January – March 2024

Regional strategy and delivery

Wellington Water's direction is towards Te Ika Rō Wai, where the needs of water, the environment and people are in balance. Te Ika Rō Wai can be understood as the fish in the water. For fish to thrive, the water they swim in needs to be pure. If we carry out our role well, and care for water at every stage as it passes back to the environment, this will restore and support manaakitanga, the ability of mana whenua to provide for people and to care for the environment.

The region faces big challenges in achieving this balance. These include the amount of water consumed by people and lost through leaks; and the quality of water that leaves networks and returns to the environment, in both planned and unplanned discharges.

Our role is to provide investment advice to councils to maintain and develop their assets. We also operate their networks and develop and deliver programmes of work to renew and replace the aging assets in the region. We create value for our shareholders by aligning this work with regional priorities, and through procurement and delivery models that individual councils could not achieve independently.

This year we are preparing advice for councils for their long-term plans. The process has been complicated by the Government's policy changes around water reforms.

Core delivery focus areas

We are focused on delivering our core services. Keeping to the core for us means:

1. Sufficient water supply for our communities
2. Safe drinking water
3. Removing and treating wastewater before returning it to the environment
4. Stormwater risks and impact are managed

In a time where all our council owners are facing inflationary pressures and financial constraints, we are acutely aware of every dollar we are provided by councils and ratepayers. Therefore, we prioritise our work carefully to ensure that we are applying resources and people on the right things (e.g., our core services) and to the areas needed most.

Underpinning these core areas of delivery is our ongoing programme of planned maintenance and reactive responses to network outages, and our capital delivery programme which aims to replace and renew as many of the aging assets in our region as possible before they reach the end of their operational lives.








Our ability to deliver hinges on our people. We continue to take care of our people during a time of change and sector reform. This means we are committed to ensuring our people, and the people in our supplier whanau are engaged, informed and supported.



Our water, our future.

Quarter 3, 2023-24: January – March 2024

Delivery highlights for Q3

-  16,453.7 million litres safe drinking water delivered to Wellington metropolitan region.
-  500.7 million litres safe drinking water delivered to South Wairarapa.
-  11,760 million litres of wastewater was treated at the Wellington metropolitan treatment plants.
-  132 million litres of wastewater was treated at the South Wairarapa treatment plants.
-  10,604 customer calls were received and dealt with by our Customer Experience team.
-  62 significant network outages across the region were responded to by crews.
-  0 habitable floors flooded. Habitable floors flooded is a measurement required by the Department of Internal Affairs. We can only report the incidents we know of – not every incidence is reported to us or councils.



Our water, our future.

Quarter 3, 2023-24: January – March 2024

Supporting long-term planning for 2024-34

As the region's water services provider, we provide our council owners with investment advice on their water assets in the region. We do this through the annual planning process and the long-term planning process. Through this, Councils then make decisions on what to fund.

We provide councils with investment advice based on best practice and achieving the best water outcomes for communities and the environment. Our advice is based on the strategic priorities set by the Wellington Water Committee for the region. We then work through a process with each of our councils based on their priorities and what they can afford. This includes advice on the risks and consequences of not investing. This quarter there has been a lot of activity for the 2024-2034 Long-Term Planning and this process is underway for all our councils.

Our 2024-2034 Long-Term Planning advice

We have provided councils with **three levels of capital investment advice** for the region:

- 1 **\$30 billion over 30 years** - the total capital investment **needed** to deliver the region's strategic priorities.
- 2 **\$7.6 billion over 10 years** - this is our **recommended level** of capital investment based on the maximum that can be delivered (a 30% uplift of work year on year that plateaus at \$1b per year).
- 3 **\$2.8 billion baseline programme** – based on funding assumptions from councils' 21-31 LTPs. This is the basic level of capital investment to keep the lights on but won't improve the region's water assets to a sustainable and manageable level.

Councils have been clear that the recommended level of investment is unaffordable and across the region councils are consulting on funding levels that are closer to the baseline programme. The likely levels of funding will exacerbate the region's critical risks and create new ones.

Of particular concern is the ability to supply water to communities in the coming summers and the longer-term costs of deferring this investment now. Based on councils' proposed level of funding, there will be limited work to support population growth, renew infrastructure at a sustainable rate, improve water quality and resilience and reduce carbon emissions.



Quarter 3, 2023-24: January – March 2024

Our water, our future.

Long-Term Plan advice – current status

Our councils are currently consulting on their 2024-2034 Long-Term Plans, which outlines their proposed level of funding into their water assets and the services we provide on their behalf. Councils are expected to make their final investment decisions and finalise their Long-Term Plans by the end of June 2024.

In the meantime, we are supporting councils in this process by providing them with information about the expected outcomes and levels of service based on their proposed investment. This will also include being clear on the risks and issues arising from unfunded activities. We'll make any needed updates to the draft investment plans as well as any changes arising from the Council consultation processes. This advice will be provided to councils during Quarter 4.

We continue to receive high public interest in the investment advice we have provided councils and the likely impact of the investment for customers and ratepayers. To be transparent, we have published the investment advice we provided councils for the first stages of the LTP process on our website -

<https://www.wellingtonwater.co.nz/resources/documents/documents/document-library/>

Providing a sufficient supply of drinking water

Ours and our councils' ability to provide a sustainable supply of drinking water remains at risk. Water use across the cities in metropolitan Wellington is at an all-time high. The network is old with increasing leaks (around 44% water loss on average for the metropolitan councils), people are using a lot of water and population growth is adding to the issue.

Managing the water shortage risk for the 2023/2024 summer

For the 2023/2024 summer period, our modelling showed a significant risk of councils having to put in place tighter water restrictions for longer periods of time to avoid the risk of an acute water shortage (e.g. asking people to significantly reduce their indoor water use).

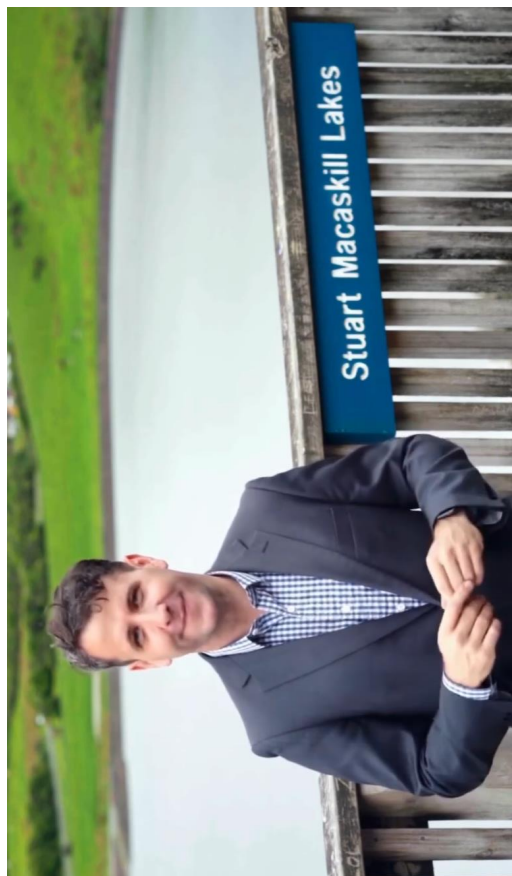
We have been clear with our councils and the public that we are unable to materially reduce this risk during summer within our current level of funding and resources and the constraints of the aging network. Instead, our focus has been on getting ready to respond if tighter restrictions were needed, ensuring the public understand the risk, help them to prepare, and asking for their help by being careful with their water use.

During this quarter, our councils had to move the region up to Level 2 Water Restrictions and we kept a close eye on demand for water during two critical points in the summer (Wellington Anniversary and Waitangi long weekends) when traditionally water use significantly increases.

Our aim was to avoid having to go up a further level in restrictions. To do this we increased our engagement and communications with local communities, the public and other relevant public agencies (WREMO, FENZ, Te Whatu Ora, and Taumata Arowai).

We worked to reach a wide range of people in the region through increased media coverage, advertising, and using our channels to get the message out there. The community stepped up to the challenge and thanks to public efforts, water use stayed steady during the critical times in the summer, and we avoided going up to Level 3 this summer.

Thanks to our councils, WREMO and all the agencies who supported our efforts and worked with us to manage what was a tricky summer.



Wellington Water Committee Chair, Mayor Barry filming a video outside the region's drinking water storage lake explaining how the region's drinking water system works and the importance of conserving water during summer



Our water, our future.

Quarter 3, 2023-24: January – March 2024

Providing safe drinking water

Drinking water compliance

We have continued to provide the region with safe drinking water this quarter.

The one exception is that the water at the Waterloo Water Treatment plant remains non-compliant with the new chlorine rules that were introduced by Taumata Arowai late last year. This impacts up to 800 Lower Hutt households.

The new rule requires water to have longer contact time with chlorine than was previously required. This is to further reduce the risk of treated water becoming contaminated within the supply network as it flows from the treatment plant to households and is a precaution against the slim possibility of contaminants getting through the treatment process.

Meeting the new rules requires significant upgrades to the network. We are working with Greater Wellington Regional Council and Hutt City Council on this and some of the upgrades have already been completed with more due to start in July 2024. We estimate that it could take up to two years before we can achieve full compliance.

In the meantime, the water being supplied from the Waterloo Water Treatment Plant complies with the previous standard, so it is still safe to drink.

As previously reported, all water treatment plants in South Wairarapa remain non-compliant and significant investment is needed to bring these plants into compliance.



The Waterloo Water Treatment Plant, which supplies around 40% of the Wellington metropolitan region's water supply.



Quarter 3, 2023-24: January – March 2024

Our water, our future.

Providing fluoridated drinking water

Fluoridating the drinking water

Due to a number of unexpected operational events, equipment issues, and health and safety improvements, in February 2024, we publicly announced a drop in fluoride levels in the drinking water across the Wellington metropolitan region. This means we have not been able to consistently meet the Ministry of Health (MoH) fluoride target levels of 0.7 – 1.0ppm, 95% of the time.

This is reflected in this quarter's compliance results for fluoride. It's important to note that all four metropolitan Water Treatment Plants have been fluoridating the drinking water at the right levels however we have not met the MoH's target of fluoridating 95% of the time. This is measured on a monthly basis and while we have met this requirement some months in the quarter we have not achieved this consistently for the whole three month period. In some months we have been just under the 95% threshold.

Equipment issues at Gear Island has meant we are replacing the current pumps at the fluoride facility with new more suitable pumps. We expect to have these installed in quarter 4.

We continue with our programme of ongoing planned maintenance to ensure that the equipment at the fluoride facilities are running as they should. This means that we will have to turn off the fluoride facilities from time to time. If a facility is off for more than a few days in a month, this quickly impacts our ability to meet the MoH target for fluoride.

A long-term solution to upgrade the entire fluoridation system at all the metropolitan Water Treatment Plants would be needed to reliably meet the MoH target levels for fluoride.

We are currently doing some planning on what the best long-term solution would look like. This will include considering back-up capacity and options at the plants so we can continue to fluoridate drinking water if a facility fails or needs to be turned off for maintenance work, which we commonly have to do.

Throughout the quarter we continued to notify the public via our website and our social media channels every time there was a fluoride outage. We also continued to provide our Board, councils, and the Wellington Water Committee with monthly updates on our fluoride performance and any non-compliances. [We also publish this information on our website.](#)

Fluoride compliance at the Wellington metropolitan water treatment plants – Q3

Water Treatment Plant	Jan	Feb	Mar
Waterloo	●	●	●
Wainuiomata	●	●	●
Te Mārua	●	●	●
Gear Island	●	●	●

● Compliant

● Compliant but with noted issues

● Not compliant

For the months that we are not compliant, we have fluoridated the drinking water at the right levels but did not meet MoH's target of fluoridating 95% of the time.



Quarter 3, 2023-24: January – March 2024

Our water, our future.

Removing and treating wastewater

The Moa Point, Western, and Seaview Wastewater Treatment Plants were non-compliant this quarter. This is due to capacity, mechanical, and environmental factors.

Moa Point Wastewater Treatment Plant

At Moa Point we are seeing higher daily average concentration of solids in the wastewater. We are working on changes to the treatment process and urgent refurbishments to address this. However, ongoing mechanical issues with the plant's sludge handling system and UV system is preventing us from bringing the plant back into compliance.

Western Wastewater Treatment Plant

For the Western Wastewater Treatment Plant there has been high levels of solids coming into the plant. We've made some changes to the treatment process, and while we are seeing some improvements, this isn't enough to meet compliance. We continue to investigate this issue and make further adjustments.

Seaview Wastewater Treatment Plant

The Seaview Plant was non-compliant this quarter due to a higher level of bacteria in the wastewater. This is due to issues with the biological treatment process and mechanical issues in the UV systems. We're working on improvements to these areas to return the plant back to compliance as soon as possible. The plant continued to receive complaints about odour throughout the quarter but the number of complaints did reduce towards the end of Q3 as we completed work on replacing the biofilter media which is responsible for breaking down the odour-causing compounds in the air at the plant.

Porirua Wastewater Treatment Plant

The Porirua Plant was fully compliant at the beginning of this quarter. A short spike in the level of bacteria in the wastewater in February and two discharges from the plant, which caused some discoloration at Rukutane Point, meant that by the end of Q3 the plant was largely compliant but with noted issues. All incidents are being investigated.

South Wairarapa Wastewater Treatment Plants

All South Wairarapa wastewater treatment plants continue to deal with ongoing performance issues. They all require significant investment to return to full compliance or to avoid further instances of non-compliance.

Compliance status for the region's wastewater treatment plants – Q3

Wastewater Plant	Jan	Feb	Mar
Moa Pt	●	●	●
Porirua	●	●	●
Seaview	●	●	●
Western	●	●	●
Featherston	●	●	●
Greytown	●	●	●
Lake Ferry	●	●	●
Martinborough	●	●	●



Increasing transparency around network overflows

As part of our commitment to transparency, we have started publishing information about [wastewater overflows from the network on our website](#). This will be updated monthly and reflects network overflows recorded at selected, monitored sites across the metropolitan region. It is not representative of all network overflows, but we are working on providing the public with a more accurate picture of this.



Our water, our future.

Quarter 3, 2023-24: January – March 2024

Delivery of the region's capital works programme

We continued to make good progress in our Capital Works Programme this quarter.

In Q3 our total spend on the capital delivery programme was \$225M at a regional programme level. This is an increase of 31% on the same period last financial year. We are currently forecasting to deliver \$336m of capital investment at year end.

We have made a commitment to the Water Committee to track and report on the kilometres of pipe we have laid on a quarterly basis. For Q3 we have laid 5.1 kilometres of pipe across the region against a quarterly target of 5 kilometres, bringing the year-to-date total to 17.3 kilometres of pipe laid.

KMs of pipe for this financial year

Councils	Water	Wastewater	Stormwater	Q1 Total	Q2 Total	Q3 Total	YTD Total	YTD Mains Total	YTD Laterals Total	Year End Forecast
HCC	4.9	4.6	0.1	2.8	3.4	3.4	9.6	8.2	1.4	12.3
WCC	2.1	0.9	0.3	1.6	1.0	0.7	3.3	2.7	0.6	3.5
UHCC	0	1.1	0	0.9	0.2	0	1.1	0.5	0.6	1.5
PCC	2.6	0	0	1.0	0.7	0.9	2.6	2.4	0.2	3.4
GWRC	0.5	0	0	0.2	0.2	0.1	0.5	0.5	0	0.7
SWDC	0	0.2	0	0.1	0.1	0	0.2	0.2	0	0.2
Total	10.1	6.7	0.4	6.7	5.5	5.1	17.3	14.5	2.8	21.6

Figures are in Kilometres

Delivery across the Capital Works Programme for the quarter has included the official opening of the Omāroto Reservoir in February with the site and the land above the underground reservoir being reopened for public use. We also made great progress on installing a new wastewater pipe and pump station in Taranaki St with work now ahead of schedule, and a new wastewater storage tank being constructed in Porirua is starting to take shape.



New section of pipe being installed as part of the Taranaki Street Rising Main Project in central Wellington.



Sections of the new wastewater storage tank in Porirua being built. Once completed the tank will hold wastewater during times of heavy rain to reduce overflows into the environment.



Mayor Whanau & Wellington Water CEO Tonia Haskell at the official opening of the Omāroto Reservoir in February.



Quarter 3, 2023-24: January – March 2024

Our water, our future.




Operational network maintenance

Finding and fixing leaks

We continue with our programme of work to find and fix the most significant leaks (those losing the most water and that have the most impact to public supply and/or safety) across the region. Recently WCC, HCC, PCC and UHCC have provided us with additional funding to fix more leaks in their cities. This is starting to have a positive impact on the backlog of leaks around the metropolitan region.

Leaks by the numbers - across the region

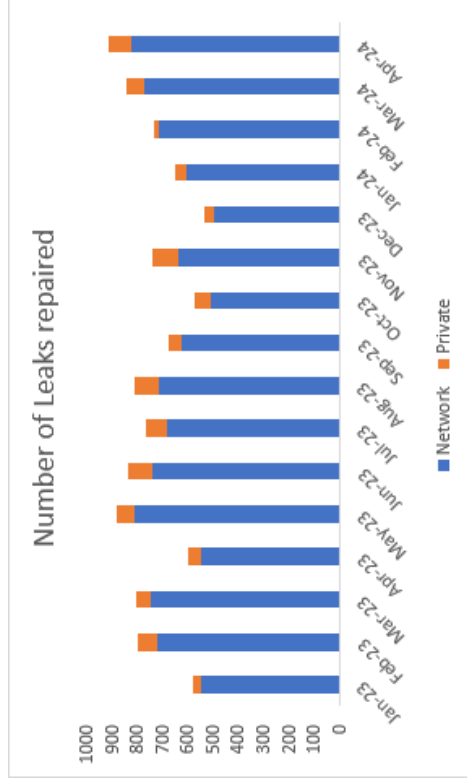
As at 1 May 2024:

-  **7,284** leaks fixed this financial year (from 1 July 2023) (8042 total last year)
-  **2,415** confirmed open leak jobs
-  **1,399km** of the network proactively surveyed for leaks since 1 July 2023

We continue to update the public and our councils on our programme to find and fix leaks on a weekly basis. You can find this information on our [website](#).

Public and private leaks repaired across the region

Overall, regionally we have seen an increase in the number of leaks (public network and private) that have been found and fixed this quarter, which correlates with the increased investment by councils in repairing more leaks.



Quarter 3, 2023-24: January – March 2024

Our water, our future.

Ready to respond when needed

A core service we provide to our councils is the ability to respond to unexpected outages as they occur on the network. When dealing with an aging network where many assets are near or past the end of their operational lives, we are continuing to see a high frequency of service interruptions, whether it's through leaks, bursts or other unplanned events. The value of our model is that we have crews ready to respond to these events when they occur, including the resources to communicate and engage with those in the community that are impacted by these events.

This quarter we mobilised our crews to respond to a total of **62 significant network outages** across the region, on behalf of our councils.

Plimmerton Reservoir

A significant outage of note this quarter was when a drinking water pipe which feeds water to the Plimmerton Reservoir burst in February. At the time of the burst the reservoir levels were at 85% full, with around 23-24 hours worth of water remaining. The crews had initially estimated an 8-hour repair time but due to our swift response crews were able to fix the pipe within 4 hours without having to turn the water off or any impact to residents and customers. While this incident did not attract a lot of attention, had the team on the ground not responded as well as they did, the impacts to the public could have been significant. As our Customer Information and Resolution Lead, Ropeti Taito describes it "we were like water ninjas sweeping in and repairing the burst with no one even noticing the burst had occurred!"



Site of the burst drinking water pipe which feeds into the Plimmerton Reservoir

Our response



Around 5 teams responded to the incident covering coordination of resources through to the crews on the ground



0 customer enquiries or complaints due to our swift response



4 hours to repair the burst with no impact to the public



Our water, our future.

Quarter 3, 2023-24: January – March 2024



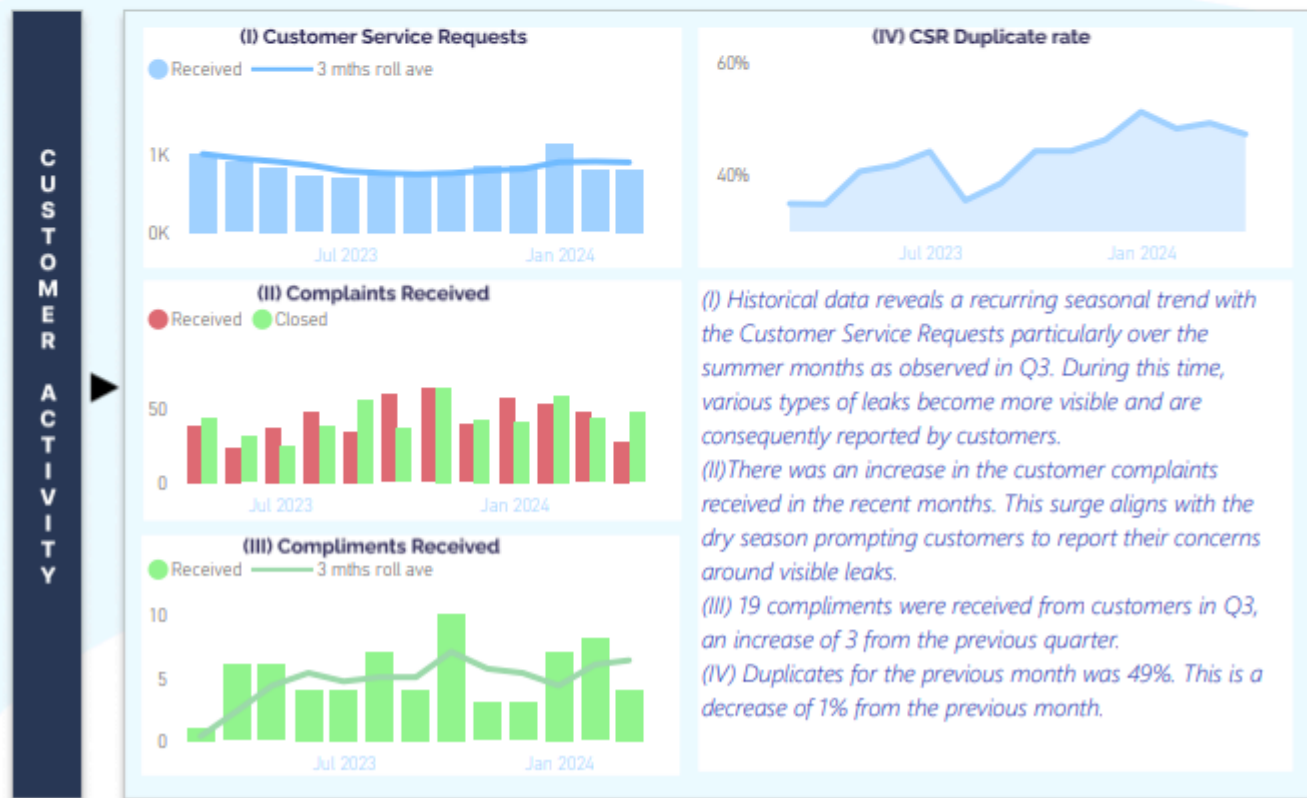
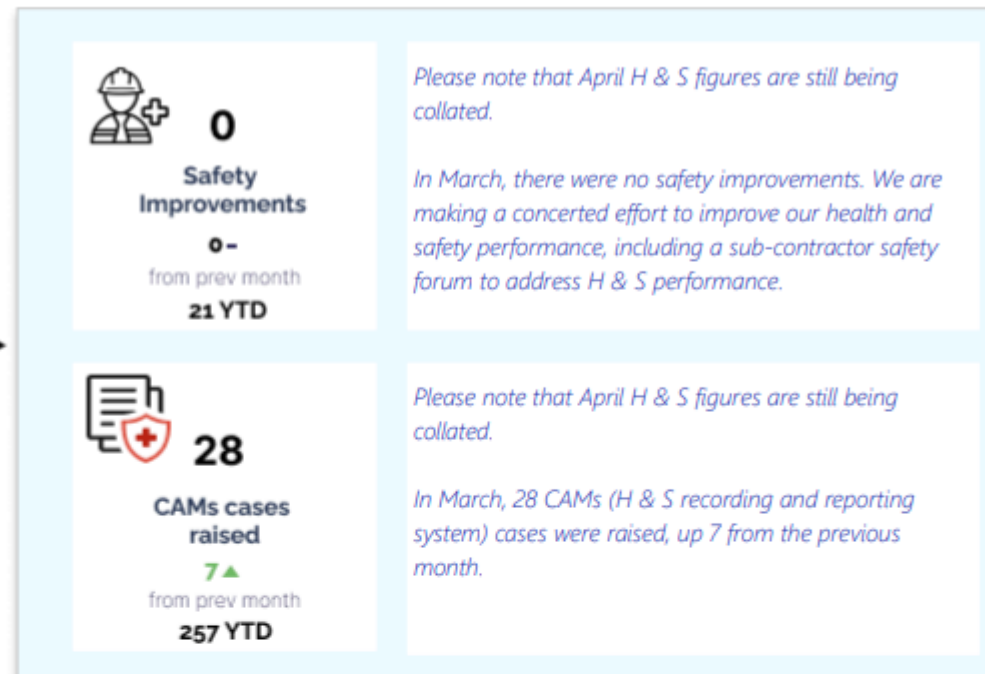
April Operations Report * - WCC

CUSTOMER OPERATIONS GROUP

HEALTH & SAFETY (H & S) LAG INDICATORS (AT A GLANCE) *



H & S LEAD INDICATORS *



CUSTOMER SATISFACTION

*Note that Customer Satisfaction and Health and Safety are reported on a regional level. *Also that Report provides a snapshot in time. Analysis Date: 08/05/24

Komiti Ngā Wai Hangarua | Wellington Water Committee |

21 May 2024

Report no: WWC2024/2/60

Acute Water Shortage Update 24 May 2024

Appendices

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1	Acute Water Shortage Update 24 May 2024	82
2	Water Restriction Risk Dashboard - 2 May 2024	85
3	Letter to Wellington Water - Monitoring information	86

Author: External Author (Wellington Water Ltd)

Komiti Ngā Wai Hangarua Wellington Water Committee

21 May 2024

Report no: WWC2024/2/61

Reporting of Annual Measures to Taumata Arowai

Appendices

No.	Title	Page
1	Reporting of Annual Measures to Taumata Arowai	90

Author: External Author (Wellington Water Ltd)



TO: Chair and Members
Komiti Ngā Wai Hangarua | Wellington Water Committee

FROM: Jack Kilty, Democracy Advisor, Hutt City Council

DATE: 17 May 2024

SUBJECT: MEETING SCHEDULE FOR 2024/25

Purpose of Memorandum

1. For the Komiti Ngā Wai Hangarua | Wellington Water Committee (the Committee) to adopt its meeting schedule for the rest of 2024/25.

Recommendations

That the Committee:

- (1) agrees to the meeting schedule from November 2024 until December 2025 as follows:
 - (a) Friday, 13 December 2024 commencing at 10 am;
 - (b) Friday, 14 March 2025 commencing at 10 am;
 - (c) Friday, 23 May 2025 commencing at 10 am;
 - (d) Friday 25 July 2025 commencing at 10 am; and
 - (e) Friday, 26 September 2025 commencing at 10 am;
- (2) confirms the venue for its meeting will be the Council Chambers, Hutt City Council, 30 Laings Road, Lower Hutt;
- (3) delegates authority to the Chair in consultation with the Chief Executive of Porirua City Council to alter the date, time, or venue of a meeting, or cancel a meeting, should circumstances require this; and
- (7) notes that the meeting times will be publicly notified by Hutt City Council's Democratic Services business unit.

Background

2. During its December 2023 meeting, the Committee scheduled meetings until September 2024. This was due to the Three Waters reform.

Discussion

3. The adoption of the schedule by the Committee will ensure a transparent and democratic process and enable effective planning of the upcoming decisions. It also helps the members to plan their commitments for the rest of the triennium.
4. The schedule of meetings is based on the 2023 meeting schedule agreed by the Committee in December 2023.
5. Various factors, such as availability, the importance of the decisions to be taken, and other logistical considerations, were considered while preparing the meeting schedule.

Proposed meeting arrangements for 2024/25

6. Officers have contacted members to arrange appropriate dates for the Committee to meet in late 2024 and 2025.
7. It is envisaged that the Committee will usually meet on five occasions each year, with additional meetings arranged as required.
8. The last meeting cycle (November 2025) will be scheduled following the 2025 local body elections.
9. Workshops have also been scheduled to follow the Committee meetings.

Wellington Water Committee Terms of Reference

10. Under the Committee's Terms of Reference, the council for which the Chair is an elected member will provide secretariat services to the Committee. The Chair is responsible for managing the agendas at Committee meetings.
11. The Standing Orders of the Council providing secretariat services to the Committee will apply to Committee meetings subject to the provisions for meeting quorum and decision making as set out in the Terms of Reference taking precedence.
12. It is proposed that the venue for Committee meetings be held in the Council Chambers at Hutt City Council, 30 Laings Road, Lower Hutt. This will improve administrative efficiency given that the Democratic Services business unit at Hutt City Council provides the secretariat support.

Legal considerations

13. In accordance with clause 30(7) of Schedule 7 to the Local Government Act 2002, the Committee is not deemed to be discharged following each triennial election.
14. As a result of the Local Government Electoral Legislation Bill Act, members can attend meetings remotely through audio or audio-visual connections, and this will count towards the quorum. This change is now permanent, and Councils can manage remote participation according to their Standing Orders.
15. Starting from 1 October 2024, this new rule will take effect, after the temporary rules for severe weather allowances expire on 30 September 2024. Hutt City Council will consider amending its Standing Orders before 1 October 2024.
16. The meetings will be publicly notified in accordance with the Local Government Official Information and Meetings Act 1987. A copy of the agenda for each meeting will be made available for public inspection at the main office of each shareholding local authority. The meeting schedule will also be published on Hutt City Council's website.

Appendices

There are no appendices for this Memorandum.

Author: Jack Kilty
Democracy Advisor
Hutt City Council

Approved By: Kathryn Stannard
Head of Democratic Services
Hutt City Council



TO: Chair and Members
Komiti Ngā Wai Hangarua | Wellington Water Committee

FROM: Jack Kilty, Democracy Advisor, Hutt City Council

DATE: 07 May 2024

SUBJECT: WELLINGTON WATER COMMITTEE FORWARD PROGRAMME 2024

Purpose of Memorandum

1. To provide the Wellington Water Committee (the Committee) with a Forward Programme of work and workshops planned for the committee for 2024.

Recommendation

That the Committee receives and notes the draft Forward Programme and future workshop topics for the Wellington Water Committee for 2024 attached as Appendix 1 to the memorandum.

Background

2. The Terms of Reference for the committee require the committee to provide governance and leadership across issues relating to the planning, delivery and management of water services to communities serviced by Wellington Water Limited (WWL).
3. The Forward Programme provides a planning tool for members, officers and WWL staff to coordinate programmes of work.
4. The draft Forward Programme for 2024 is attached as Appendix 1 to the memorandum.

Forward Programme

5. The Forward Programme is a working document and is subject to change regularly. Any changes to the Forward Programme made by officers and WWL staff will be made in consultation with the Chair.

Appendices

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1	Forward Programme 2024	97

Author: Jack Kilty
Democracy Advisor

Approved By: Kathryn Stannard
Head of Democratic Services

