

**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**

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**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	<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 sharpened air</i>
He tio, he huka, he hau hū	<i>A touch of frost, a promise of a glorious day.</i>
Tihei mauri ora.	

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.

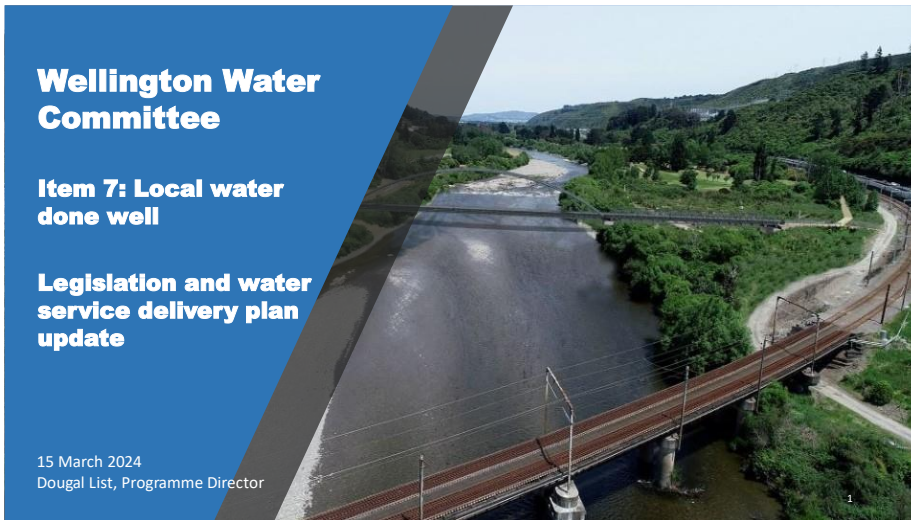
### **Regional highlights**

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:**

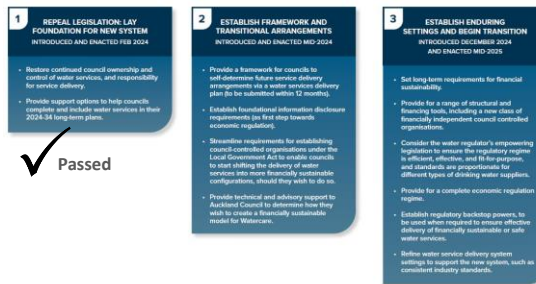
- stronger central government oversight
- economic and quality regulation
- financially sustainable delivery models

**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



**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

