

HUTT CITY COUNCILKOMITI NGĀ WAI HANGARUA | WELLINGTON WATER COMMITTEE

Minutes of a meeting held in the Hutt City Council Chambers on
Monday 11 December 2023 commencing at 11:00 am

<u>PRESENT:</u>	<p>Mayor C Barry (HCC) (Chair)</p> <p>Cr R Connelly (GWRC) (Deputy Chair)</p> <p>Cr T Brown (WCC)</p> <p>Mayor A Baker (PCC)</p> <p>Mayor W Guppy (UHCC)</p> <p>H Modlik (Te Rūnanga O Toa Rangatira)</p> <p>L Rauhina-August (Taranaki Whānui ki Te Upoko o Te Ika)</p> <p>A Rutene (Ngāti Kahungunu ki Wairarapa Tamaki Nui a Rua Treaty Settlement Trust) (via audio-visual link)</p>
<u>APOLOGIES:</u>	<p>Mayor M Connelly (SWDC)</p>
<u>IN ATTENDANCE:</u>	<p>R Faulkner (Te Rūnanga O Toa Rangatira) Alternate</p> <p>W Walker, Chief Executive, PCC</p> <p>D List, Programme Director, Water Reform – Wellington Water Councils (part meeting)</p> <p>T Haskell, Chief Executive, WWL</p> <p>J McKibbin, Group Manager, Network Management Group, WWL</p> <p>J Alexander, Group Manager, Network Strategy and Planning, WWL</p> <p>T Harty, Acting Group Manager, Customer Operations, WWL</p> <p>F Clark, Head of Strategy, WWL</p> <p>P Clarke, Tumuaki Māori, Principle Māori Advisor, WWL</p> <p>P Wells, Manager, Service Planning, WWL</p> <p>I Dennis, Transition Programme Manager, WWL</p> <p>S Watkins, Head of Governance, Planning and Performance, WWL</p> <p>C Barker, Director, Regulatory Services, WWL</p> <p>C Mathews, Manager Waste, Water and Resilience WCC (via audio-visual link)</p> <p>N Leggett, Board Chair, WWL</p> <p>P Dougherty, Board member, WWL (via audio-visual link)</p> <p>M Puketapu, Board member, (via audio-visual link)</p> <p>L Southey, Board member, WWL</p> <p>S McLean, Group Manager, Corporate Services, GWRC (via audio-visual link)</p> <p>G Swainson, Chief Executive, UHCC (via audio-visual link)</p> <p>J Smith, Chief Executive, SWDC (via audio-visual link)</p>

C Parish, Head of Mayor's Office, HCC
 B Hodgins, Strategic Advisor, HCC
 V Gilmour, Democracy Advisor, 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 23501

"That the apology received from Mayor M Connelly (SWDC) be accepted and leave of absence be granted."

3. PUBLIC COMMENT

There was no public comment.

4. CONFLICT OF INTEREST DECLARATIONS

There were no conflict of interest declarations.

5. CHAIR'S STATEMENT

The Chair provided a verbal update attached as pages 10-11 to the minutes.

6. THREE WATERS REFORMS - LEGISLATION AND PROGRAMME UPDATE

The Programme Director, Water Reform – Wellington Water Councils explained that although the water reforms were uncertain, they remained a top priority on central government's agenda. He added that the reforms programme under the Department of Internal Affairs had been paused. However, councils could engage in holistic reforms, provide feedback on the outcomes they wished to achieve, and assist in policy development. He mentioned the challenges of investment, balancing the budget, and affordability. He highlighted the recent advice from Standard & Poor's regarding the financial difficulties councils were facing. Furthermore, he explained that the central government had not yet provided any direction and was not expected to do so before Christmas.

7. MINUTES

RESOLVED: (Mayor Barry/Mayor Guppy)

Minute No. WWC 23502

“That the minutes of the meeting of the Komiti Ngā Wai Hangarua | Wellington Water Committee held on Friday, 6 October 2023, be confirmed as a true and correct record.”

8. COMPANY AFFORDABLE WATER REFORM TRANSITION REPORT

Report No. WWC2023/5/399 by Wellington Water Limited (WWL)

The Transition Programme Manager, WWL and the Chief Executive, WWL elaborated on the report.

The Transition Programme Manager, WWL advised that the National Transition Unit (NTU) had halted all activities, and WWL had wound up its liaison with the Department of Internal Affairs and refocused the personnel within WWL. He acknowledged concerns regarding staff wellbeing and assured that the staff were well supported. He further advised that WWL would continue to work with the NTU to ensure that any resources or artifacts created were not lost while work on the new regime continued.

RESOLVED: (Mayor Barry/Mayor Baker)

Minute No. WWC 23503

“That the Committee receives and notes the report.”

9. COMPANY AND GOVERNANCE UPDATE

Report No. WWC2023/5/400 by Wellington Water Limited (WWL)

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

The Board Chair emphasised that the Board believed it was important that the seven risks, along with key issues, were signalled at a governance level. He noted that the Board was aware of councils' significant funding restraints. He informed members that WWL had been very clear about the water shortage risk in the region this summer, ensuring all partners, regulators and emergency service providers were informed. He explained that the best way to mitigate the risk was to ensure all partners worked together to care for vulnerable communities.

The Chief Executive, WWL advised WWL was required to provide safe drinking water to the region while investing in its future through the capex programme. She added that WWL staff continued to be engaged and valued and that two Mana Whenua partner agreements were signed. However, she said that the future of the region's drinking water was in danger due to 45% of all treated water being lost to leaks. She acknowledged each council's Long Term Plan (LTP) processes, understood the financial challenges each council faced, and urged all councils to find a path of solidarity moving forward.

In response to questions from members, the Chief Executive, WWL acknowledged the health and safety incidents and reassured members that they had been thoroughly investigated. She added that WWL had been informed that no exemptions would be granted regarding chlorine levels. However, she said the way forward was uncertain because 100% compliance would require an investment of several tens of millions of dollars.

In response to further questions from members, the Chief Executive, WWL advised that a course correction was undertaken at the end of Quarter 1, with savings in overheads being reallocated to the opex budget. She said the teams were working hard to ensure they remained within budget. She explained that dealing with leakages was more efficient if they worked according to a yearly plan, allocating similar resources each week unless unforeseen issues arose. She added that the resources allocated to the leakages programme depended on the amount of money each council provided. She clarified that no additional money was set aside for unexpected pipe bursts.

The Chief Executive, WWL agreed to provide a report with council area breakdown details on the number of pipes laid over the first third of the year. She noted that the report would acknowledge that Wellington City received 66% of new pipes.

RESOLVED: (Mayor Barry/Cr Connelly)

Minute No. WWC 23504

"That the Committee receives and notes the report."

10. REGIONAL INVESTMENT 2024-34

Report No. WWC2023/5/401 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 WWL would report back once all draft Long Term Plans had been set. She advised that funding would only be available for the first two criteria, which would make it increasingly difficult for the principles of Te Mana o Te Wai to comply with. She confirmed the committee had set the order of the criteria, with Improving Environmental Quality being number four. The Chief Executive, WWL added that while WWL would like to fund all criteria, it could only operate on the funds received from each council and make priority calls based on the directions given by each council.

The Chair clarified that the criteria list was a list of priorities, with each council directing their priorities to WWL, not a ranked list.

Mayor Baker added that each council could not afford to do everything and called for a message to be sent to central government indicating the need for a change in the funding model for water.

Cr Brown mentioned that Wellington City Council prioritised the sludge minimisation facility to achieve zero emissions.

H Modlik expressed concern that a deficit in resourcing caused today's problems. He emphasised that affordability was a major issue and a national dilemma. He urged the committee to adopt a unified regional approach to resolve the water issues in the region, even if it meant going into debt. He mentioned that Ngati Toa would make significant investments in the region.

There was a general discussion on whether each council should endorse the regional statement before a joint response was issued. Members noted that the committee's purpose was to provide regional guidance and leadership. They also suggested that each council could provide its endorsement through Long Term Plans.

RESOLVED: (Mayor Barry/Mayor Baker)

Minute No. WWC 23505

"That the Committee:

- (1) endorses the position statement (Regional Investment Statement) attached as Appendix 1 to the report, which sets out the agreed Regional Strategic Priorities, the risks of constrained and uncoordinated investment and the recommended shareholder investment to make progress towards achieving the regional outcomes for both operational and capital expenditure;*
- (2) notes that endorsing the Regional Investment Statement fulfils the Committee's regional leadership function whilst respecting that individual councils will make their own decisions in their own context;*
- (3) notes that Councils are signalling that Wellington Water Limited's recommended programme,*

which totals \$7.6 billion over the next 10 years (the maximum deliverable) for the 2024-34 period, will be unaffordable because of fiscal constraints and concerns about the impact on ratepayers;

(4) notes that investment below the recommended levels and inconsistent with the Regional Investment Statement will exacerbate the critical risks faced by the region and create new risks at a local and system level; and

(5) notes the Wellington Water Board received on 9 November 2023 an assessment of the likely impacts and consequences of funding below the recommended programme and closer to the Long Term Plan baseline; and

(6) notes that Wellington Water Limited has provided an abridged version of the Board report to the Committee."

Mayor Guppy requested that his dissenting vote be recorded against the above matter.

11. ACUTE WATER SHORTAGE RISK

Report No. WWC2023/5/402 by Wellington Water Limited (WWL)

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

RESOLVED: (Mayor Barry/Mr Modlik)

Minute No. WWC 23506

"That the Committee receives and notes the report."

12. BROADER THEMES IDENTIFIED IN FLUORIDATION INQUIRY

Report No. WWC2023/5/403 by Wellington Water Limited (WWL)

J McKibbin, Group Manager, Network Management Group, WWL stated that response times have significantly improved since the report was written. He acknowledged that the Asset Management team was operating under constraints but that funding from the Stimulus Package had provided valuable insights into pipe infrastructure. He also mentioned that funding was now being utilised and limited resources were available.

Cr Connelly emphasised the importance of constantly monitoring the organisational culture, asset management, and assurance. She thanked WWL for the weekly updates and acknowledged that communications from the company had greatly improved. She suggested that WWL's organisational aspects be reviewed after the summer months. The Chief Executive, WWL advised that she would work with the Board Chair.

RESOLVED: (Mayor Barry/Mayor Guppy)

Minute No. WWC 23507

"That the Committee:

- (1) *receives and notes the report; and*
- (2) *accepts it as evidence that Wellington Water Limited has demonstrated that the broader themes from the Inquiry into the Cessation of Water Fluoridation have been adopted and implemented into other areas of the organisation's culture and operations to the degree achievable within funding constraints."*

13. INFORMATION ITEMS

a) Meeting Schedule 2024

Memorandum dated 22 November 2023 by the Head of Democratic Services

RESOLVED: (Mayor Barry/Mayor Baker) **Minute No. WWC 23508**

"That the Committee agrees to the meeting schedule for the Wellington Water Committee for 2023 as follows:

- (a) *Friday, 15 March 2024 commencing at 10.00am followed by a workshop at Hutt City Council Chambers; Hutt City Council, 30 Laings Road, Lower Hutt;*
- (b) *Friday, 24 May 2024 commencing at 10.00am followed by a workshop at Hutt City Council Chambers, Hutt City Council, 30 Laings Road, Lower Hutt;*
- (c) *Friday, 26 July 2024 commencing at 10.00am followed by a workshop at Hutt City Council Chambers, Hutt City Council, 30 Laings Road, Lower Hutt; and*
- (d) *Friday, 27 September 2024 commencing at 10.00am followed by a workshop at Hutt City Council Chambers, Hutt City Council, 30 Laings Road, Lower Hutt."*

b) Wellington Water Committee Forward Programme 2024

Memorandum dated 3 November 2023 by the Democracy Advisor

The Chair asked officers to organise a workshop in February 2024 to allow members to propose suggestions for the Letter of Expectation. He asked all members to consider suggestions before the workshop.

RESOLVED: (Mayor Barry/L Rauhina-August) **Minute No. WWC 23509**

"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."

14. QUESTIONS

There were no questions.

15. **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 12.22pm.

Mayor C Barry
CHAIR

CONFIRMED as a true and correct record
Dated this 15th day of March 2024

Wellington Water Committee statement

Kia ora koutou,

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

Urgent water reform

Councils are facing the challenge of needing to invest more in water infrastructure, while also dealing with funding pressures. There is a real need for certainty from the government on what water reform looks like, particularly as councils prepare their Long Term Plans. We want to work alongside government to find the best solution to this problem.

Last week LGNZ President Sam Broughton and I met with Local Government Minister Simeon Brown. It was a positive meeting where we talked about his focus on water services. There is a clear willingness to work and partner with local government. The Minister has committed to signalling their general direction towards water reform before Christmas. The Minister is aware of the need for clarity and he's committed to getting wide buy-in from the sector on water reform.

Regional updates

Donald Street Pump Station (SWDC)

Improving the resilience and capacity of the wastewater network is crucial, so we're pleased that the Donald Street Pump Station in Pae tū Mōkai Featherston is fully operational.

The project was delivered ahead of schedule, and it's expected to significantly reduce wastewater overflows in the eastern part of town.

Tawa Main Road (WCC)

The Tawa Main Road Watermain Project is improving the performance and resilience of Tawa's drinking water network. All 465m of watermain and all water services are now laid, and this project is on track to be completed before Christmas.

Pipe renewals

Seven streets in Lower Hutt and Wellington have been completed, with another three expected to be finished before Christmas. This project has upgraded and replaced approximately 1665m of leaking galvanised iron rider mains across these all these streets, as well as replacing 93 customer connections.

This resulted in significant water leaks being prevented due to the nurture of galvanised pipes.

About 95% of the work has been done using trenchless techniques resulting in less disruption for residents and carbon saving for the work.

Whakawhirinaki/Silverstream Pipe Bridge (GWRC)

We've completed installing the new bulk water pipe along Eastern Hutt Road through the carpark and reserve area, which will be reinstated. The concrete for the third pile crosshead for the bridge was recently poured.

The pipeline in the Manor Park Golf Course just had the first scour pipe installed, which needed to cross both the fourth and seventh fairways.

Water shortage

The risk of tighter water restrictions and water shortages is greater than ever before.

In fact, modelling predicts that this summer we have a 24 percent chance of triggering Level 4 Water Restrictions – that means on top of no outdoor water use (which is brought in at Level 3).

Following the launch of Our Wai Can Run Dry, the risk of a water shortage and tighter water restrictions has received significant media interest.

Messaging has gone out across Wellington, Lower Hutt, Upper Hutt and Porirua (as South Wairarapa has a lower risk of tighter water restrictions this summer), and as of December 3rd had made over 2 million impressions across multiple channels.

Wellington Water, councils and WREMO continue to work closely to identify opportunities for engagement and education on the risk, and encouraging the public to prepare.

It's important to remember that this is a long-term issue. The risk is real in an average summer, not just a hot and dry one. Councils and Wellington Water will continue to work on leaks in the network and improving resilience, and we'll be looking for ways to reduce our water use right along with our residents.

Xmas message

Finally I want to wish everyone a safe, happy and restful holiday season and reflect on a productive 2023. And also thank you to our workers who are performing their roles throughout this holiday period to make sure our services continue to run smoothly.