

HUTT CITY COUNCIL
KOMITI NGĀ WAI HANGARUA | WELLINGTON WATER COMMITTEE

Minutes of a meeting held via Zoom on
Friday 18 March 2022 commencing at 10.00am

PRESENT:

(via audio visual)

Mayor C Barry (Chair) (HCC)
Mayor W Guppy (Deputy Chair) (UHCC)
Mayor A Baker (PCC)
Mayor A Beijen (SWDC)
Ms L Rauhina-August (Taranaki Whānui ki Te Upoko o
Te Ika)
Cr S Rush (WCC)
Cr J van Lier (GWRC)

APOLOGIES:

No apologies.

NON-ATTENDANCE:

Ms M Pomare, Te Rūnunga o Toa Rangatira

IN ATTENDANCE:

(via audio visual)

Deputy Mayor H Swales (UHCC Alternate)
Deputy Mayor G Emms (SWDC Alternate)
Deputy Mayor T Lewis (HCC Alternate)
Cr I Pannett (WCC Alternate) (part meeting)
Cr R Leggett (PCC Alternate) (part meeting)
Ms W Walker, Chief Executive, PCC
Mr C Crampton, Chief Executive, WWL (part meeting)
Ms L Carroll, Chair WWL Board (part meeting)
Mr M Underhill, Director, WWL Board (part meeting)
Mr D List, Project Director, Regional Water Reform, PCC
(part meeting)
Mr M Ford, Group Manager Business Services/Chief
Financial Officer, WWL (part meeting)
Ms T Haskell, Group Manager, Network Development and
Delivery, WWL (part meeting)
Mr K Locke, Group Manager Customer Operations, WWL
(part meeting)
Mr C Barker, Director, Regulatory Services, WWL (part
meeting)
Mr M Hall, Manager Commercial, Business Improvement and
Procurement, WWL (part meeting)
Mr E Stitt, Chief Advisor Service Delivery, WWL (part
meeting)
Mr F Clarke, Principal Advisor, Strategy, WWL(part meeting)
Ms S Watkins, Manager Business Planning and Performance
Reporting, WWL
Mr L Davies, Governance Coordinator, WWL (part meeting)
Mr B Hodgins, Strategic Advisor, HCC (part meeting)
Ms K Stannard, Head of Democratic Services, HCC

Mrs A Doornebosch, Democracy Advisor, HCC

PUBLIC BUSINESS

1. OPENING FORMALITIES - KARAKIA TIMATANGA

Kia hora te marino	<i>May peace be wide spread</i>
Kia whakapapa pounamu te moana	<i>May the sea be like greenstone</i>
He huarahi mā tātou i te rangi nei	<i>A pathway for us all this day</i>
Aroha atu, aroha mai	<i>Let us show respect for each other</i>
Tātou i a tātou katoa	<i>For one another</i>
Hui e Tāiki e!	<i>Bind us together!</i>

2. APOLOGIES

There were no apologies.

3. PUBLIC COMMENT

There was no public comment.

4. CONFLICT OF INTEREST DECLARATIONS

There were no conflict of interest declarations.

5. CHAIR'S STATEMENT

A written transcript of the Chair's Statement is attached as pages 12 and 13 to the minutes.

6. MINUTES

RESOLVED: (Mayor Barry/Mayor Baker)

Minute No. WWC 22101

"That the minutes of the meeting of the Komiti Ngā Wai Hangarua | Wellington Water Committee held on Monday, 29 November 2021, be confirmed as a true and correct record."

7. **WATER REFORMS - REGIONAL UPDATE**

Mr Dougal List, Project Director, Porirua City Council (PCC) presented slides on the Three Waters reforms attached as pages 14 and 15 to the minutes. He noted useful feedback had been received from all councils.

In response to questions from members, the Project Director, PCC said some iwi felt well informed and had good representation in the working group process. He acknowledged that some iwi and hapū were feeling left out of the process and there was a mixed level of understanding regarding the reforms. He advised the feedback had been passed on to the Department of Internal Affairs and a focus around iwi engagement moving forward would be addressed.

The Chief Executive, PCC advised a hui would be held later in March 2022 for iwi representatives on the Committee to be briefed and discuss future iwi engagement on water reforms.

8. WELLINGTON WATER LIMITED - COMPANY UPDATE (22/307)

Report No. WWC2022/1/4 by Wellington Water Limited

The Board Chair, Wellington Water Limited (WWL) elaborated on the report. She said the Board had concerns regarding the transition phase of the water reforms especially in relation to staff resourcing. She noted the recent changes in isolation rules for COVID had reduced frontline staff absences from 30% to 12% and added WWL was managing urgent servicing. She said the Board would shortly review its governance frameworks including the establishment of a People and Culture Subcommittee and an Annual Board Work Programme. She noted the fatality at Omāroro Water Reservoir in March 2022 and advised Worksafe was now undertaking an investigation. She noted that HEB Construction as the Person Conducting a Business (PCBU) would undertake an investigation and the draft report was expected by the end of March 2022. She highlighted WWL was also responsible for ensuring its responsibilities were fulfilled. She acknowledged WWL staff for providing support to the whānau and attending the tangi. She expressed her deepest condolences to the family.

In response to a question from a member, the Board Chair advised WWL staff would reach out to iwi representatives on the Committee if any incidents occurred at sites in the future.

In response to questions from members, the Chief Executive, WWL said he would provide advice to members on the contamination vulnerabilities identified in the Asset Condition Assessments at the Omāroro Reservoir and what risks surrounded this. He said WWL staff would issue on behalf of the Committee, an enhanced version of the Wastewater Treatment Plant compliance and diagrams by the end of March 2022.

In response to questions from members, the Principal Advisor, WWL said WWL staff had been advancing work on the business case for universal smart water meters. He advised discussions were ongoing with the National Transition Unit and Greater Wellington Regional Council to ensure any further plans would have a life beyond the water reforms transition in 2024. The Chief Executive, WWL advised these discussions would include how to address sustainable water supply risk and the balance between the provision of water meters and new water sources.

Mayor Barry left the meeting at 10.49am. Mayor Guppy chaired the meeting.

Mayor Barry rejoined the meeting at 10.52am and resumed the chair.

RESOLVED: (Mayor Barry/Mayor Guppy)

Minute No. WWC 22102

"That the Committee receives and notes the report."

9. **WELLINGTON WATER LIMITED HALF YEARLY REPORT AS AT 31 DECEMBER 2021** (22/308)

Report No. WWC2022/1/3 by Wellington Water Limited

The Board Chair of Wellington Water Limited elaborated on the report.

RESOLVED: (Mayor Barry/Mayor Baker)

Minute No. WWC 22103

"That the Committee receives Wellington Water Limited's Half-Year Report to 31 December 2021 attached as Appendix 1 to the report."

10. **WELLINGTON WATER LIMITED 2021/22 CAPITAL WORKS PROGRAMME** (22/309)

Report No. WWC2022/1/52 by Wellington Water Limited

The Group Manager, Network Development and Delivery, Wellington Water Limited (WWL) elaborated on the report. She noted the biggest risk realised in the month since writing the report was COVID. She said this would impact the capital programme for March 2022. She noted WWL staff would reassess the delivery programme for the rest of the year and what impact these delays would have on years two and three. She advised a draft Long Term Plan (LTP) programme had been distributed to WWL panels for review and staff were working through the design and plan phases. She said this would ensure the LTP endured the water reforms process. She said once complete WWL staff would meet with client councils to plan work programmes for each council.

RESOLVED: (Mayor Barry/Mayor Guppy)

Minute No. WWC 22104

"That the Committee notes the report."

11. **WELLINGTON WATER LIMITED - REGIONAL WASTEWATER TREATMENT PLANT CONTRACT REVIEW** (22/310)

Report No. WWC2022/1/5 by Wellington Water Limited

The Chief Executive, Wellington Water Limited (WWL) elaborated on the report.

Mayor Baker noted the review of the Porirua Wastewater Treatment Plant (WWTP) had gone well and thanked WWL staff for the work completed to date.

In response to questions from members, the Chief Executive, WWL noted the implementation plan was scheduled for delivery. He said this would be submitted to the Steering Group and then the Board of WWL. He said it was then expected to be circulated to Councils and Committee members in April 2022. He noted WWL had appointed a new Contract Manager and new Programme Manager for overseeing this implementation. He said the reason WWL chose Veolia as an international supplier was to encourage new ideas but noted this was lacking in the review's findings. He advised part of the implementation plan was to secure a programme to show how to bring those ideas and international expertise to the table. He noted WWL had provided updates to various councils, and the response to this had been positive. He said the independent reviewers would assess the implementation after six months. He highlighted New Zealand's restricted labour market limited opportunity to secure other suppliers in New Zealand but there were credible international suppliers. He advised that the review concluded that WWL should proceed with the contract as it stood. He noted the CEO of Veolia Australasia now attended every Board meeting and there was a good line of communication between New Zealand and the rest of Australasia. He said he would report back to Ms Rauhina-August on who provided the wording for the Future State as noted on page 15 of the Independent Review Report. He said officers would provide an update on costs to oversee the implementation of the review findings at the next Committee meeting.

Ms Rauhina-August left the meeting at 11.08am and rejoined the meeting at 11.10am.

RESOLVED: (Mayor Barry/Cr van Lier)

Minute No. WWC 22105

"That the Committee:

- (1) receives the Wastewater Treatment Plant Review, 'the Review' attached as Appendix 1 to the report;*
- (2) notes the implementation plan which addresses all recommendations contained within the Review will be completed on 23 March 2022;*
- (3) notes the Wellington Water Committee will receive a summary of the implementation plan once it is endorsed by the Steering Group."*

12. **WELLINGTON WATER LIMITED - DRINKING WATER REGULATION UPDATE**
(22/448)

Report No. WWC2022/1/6 by Wellington Water Limited

The Director, Regulatory Services, Wellington Water Limited (WWL) elaborated on the report. He highlighted the responsibility of WWL to engage with councils in drafting a Source Water Risk Management Plan, which was a new requirement from Taumata Arowai. He advised during this process, WWL had taken on board feedback from Mana Whenua and would seek further feedback from iwi and councils. He highlighted Taumata Arowai's expectation that WWL would provide drinking water safety plans by November 2022. He noted by the beginning of 2023 WWL would have reporting templates complete and would be able to share these with the WWL Board and Committee.

In response to questions from members, the Director, Regulatory Services, WWL said the Source Water Risk Management Plans would be developed by July 2022. He noted a water safety plan had been finalised for Wellington and WWL staff were currently drafting a plan for South Wairarapa. He said he would distribute the Mana Whenua Whaitua Implementation Plan to members.

RESOLVED: (Mayor Barry/Mayor Baker)

Minute No. WWC 22106

"That the Committee:

(1) receives the Regulation Update; and

(2) notes the enclosed briefing pack."

13. **WELLINGTON WATER LIMITED - SIX MONTHLY VALUE FOR MONEY REPORT**
(22/311)

Report No. WWC2022/1/7 by Wellington Water Limited

The Chief Executive, Wellington Water Limited (WWL) elaborated on the report.

In response to questions from members, the Chief Executive, WWL advised staff would provide future updates on the metrics inside the contractor and consultant panels and how WWL constructed value for money across the panels. He said WWL staff would also provide an update on the Value for Money process for extending consultant and contractor panel agreements at the next Committee meeting.

RESOLVED: (Mayor Barry/Mayor Guppy)

Minute No. WWC 22107

"That the Committee receives the Six-Monthly Value for Money report attached as Appendix 1 to the report."

14. WELLINGTON WATER LIMITED - DRAFT STATEMENT OF INTENT 2022-25
(22/312)

Report No. WWC2022/1/8 by Wellington Water Limited

The Board Chair, Wellington Water Limited (WWL) elaborated on the report. She said over the remaining two years of operation the focus would be on delivery for WWL owners. She highlighted WWL would also focus on staff retention including requests for assistance from the National Transition Unit. She noted WWL wanted a clear intent to focus on the delivery of the Waste Water Treatment Plant, network services and steadily build the CAPEX programme. She highlighted the need to form strong working relationships with partners and the NTU to ensure the company provided a seamless transition for customers across to the new Entity C structure in two years' time.

The Chair asked for a clear outline of the reporting process for the Statement of Intent and how councils could provide feedback on this process.

RESOLVED: (Mayor Barry/Cr van Lier)

Minute No. WWC 22108

"That the Committee:

- (1) receives Wellington Water Limited's draft Statement of Intent 2022-25 attached as Appendix 1 to the report;*
- (2) provides combined shareholder feedback on Wellington Water Limited's draft Statement of Intent by Monday, 2 May 2022;*
- (3) endorses the outlined approach to finalise Wellington Water Limited's Statement of Intent 2022-25 to allow for alignment with council annual plan decision-making; and*
- (4) 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 2022-25 to the Committee by 31 July 2022."*

15. FLUORIDATION OF DRINKING WATER

The Director, Regulatory Services, Wellington Water Limited (WWL) presented slides attached as pages 16 and 17 to the minutes. He noted WWL had four fluoridation plants located at Waterloo, Wainuiomata, Gear Island and Te Mārua. He said the Waterloo plant was dosing and had good reliability. He highlighted the Waterloo plant produced more water than it was capable of fluoridating, so some of that water was diverted to the Gear Island plant to be fluoridated. He said the Wainuiomata plant was dosing with fluoride and the equipment was operable and reliable. He said this plant's reliability could be enhanced so WWL would consider a control system to optimise its operation. He advised the Gear Island plant was not dosing and the plant was not reliable. He said the fluoridation room had some structural issues and WWL had requested engineers to assess this. He noted in the short term WWL would ensure the fluoridation room was safe and commence repairs to the fluoridation system or consider an external containerised solution. He said over the medium term an option could be to close the Gear Island plant and extend the Waterloo plant capacity.

He noted it was possible to add extra fluoridation capacity into the Waterloo plant, but this would mean water supplied to Petone and Korokoro would also be fluoridated where historically they had been provided with unfluoridated water. He noted the Te Mārua plant provided all the water supply for Petone and most of Wellington city. He said there were some concerns with the reliability of this plant and the baffle curtain which controlled the flow of water and blended the fluoridated water. He said divers were going to assess the baffle curtain and prepare the fluoride plant to dose again. He noted this plant was historically unreliable. He advised WWL had ordered a new baffle curtain as a long term replacement. He said if the curtain was repairable WWL officers were confident the fluoridation plant would be operating again within a month.

In response to questions from members, the Director, Regulatory Services, WWL advised that at no point had there been any concern or risk to the health or the quality of the drinking water supplied. He said that when the plants had malfunctioned this had always been identified and remedied before reaching the consumer. He confirmed the water supply to Porirua was sourced at the Te Mārua Treatment Plant. He said Regional Public Health had released advice to consumers and this was available on its website.

The Chief Executive, WWL noted WWL had been in contact with the Ministry of Health who had asked WWL to keep Taumata Arowai informed regarding the fluoride issue. He advised Greater Wellington Regional Council had agreed to receive funding requests for short term operational costs and medium to long term CAPEX costs. He noted the Chief Advisor Service Delivery, WWL would be the Project Lead and WWL would create a programme of work which would be monitored. He agreed to provide a status document and a high level plan to members going forward.

In response to questions from members, the Chief Executive, WWL advised he would circulate the implementation plan to members once it was available. He noted WWL had been in contact with the District Health Boards and Regional Public Health. He said WWL staff would provide a regulatory check of all requirements for the supply of drinking water. He noted this would also be consolidated into the inquiry.

The Chair acknowledged the support being provided by Greater Wellington Regional Council funding to resolve these issues.

RESOLVED: (Mayor Barry/Cr van Lier)

Minute No. WWC 22109

"That the Committee receives and notes the update on Fluoridation of Drinking Water."

16. **INFORMATION ITEM**

Wellington Water Committee Forward Programme 2022 (22/474)

Memorandum dated 24 February 2022 by the Democracy Advisor

The Chair noted the programme would be updated for the next meeting, including an update on the independent inquiry into fluoride in drinking water supplies.

RESOLVED: (Mayor Barry/Mayor Baker) **Minute No. WWC 22110**

"That the Committee receives and notes the Forward Programme for 2022 attached as Appendix 1 to the memorandum."

17. **EXCLUSION OF THE PUBLIC**

RESOLVED: (Mayor Barry/Cr van Lier) **Minute No. WWC 22111**

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

18. *Appointment of Directors to Wellington Water Limited (22/285)*

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)
<i>General subject of the matter to be considered.</i>	<i>Reason for passing this resolution in relation to each matter.</i>	<i>Ground under section 48(1) for the passing of this resolution.</i>
<i>Appointment of Directors to Wellington Water Limited.</i>	<i>The withholding of the information is necessary to protect the privacy of natural persons. (s7(2)(a)).</i>	<i>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.</i>

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."

There being no further business the Chair declared the public portion of the meeting closed at 12.08pm. The non public portion of the meeting closed at 1.05pm.

Mayor C Barry
CHAIR

CONFIRMED as a true and correct record
Dated this 27th day of May 2022

Chair's Statement

Wellington Water Committee 18 March 2022

Kia ora everyone, before we begin I would like to give a brief statement.

Overview of fluoride situation

I would like to provide a brief overview of where we are at with the Gear Island and Te Marua fluoride facilities.

Firstly, I want to make it very clear that our drinking water is safe and poses no public health risk according to health experts.

However, we as a committee are very disappointed to hear that fluoridation at these facilities was stopped, and that the closing of these facilities were not reported accurately to the board or the committee.

The Water Committee fully supports the Board's decision to review what has happened by appointing an independent investigation on the matter. I'm pleased to say that Doug Martin will take up the investigation, which will likely take 8 weeks to complete.

Ultimately, we need to find accountability so that we can resolve this issue, and ensure transparency is maintained at Wellington Water.

Infrastructure skills centre

Moving on, I'm really pleased to see Wellington Water drive their infrastructure skills centre – a six week course for youth which provides them the foundational skills, capabilities and knowledge to establish a meaningful career in the water industry.

We know in this region that a budget line alone doesn't deliver results, and we need the workforce to back it up.

Unfortunately, having contracted COVID-19 this week, I was unable to go out and visit the team. However, I'm looking forward to visiting them soon, and meeting the young people who will help us front up to the challenges we face within our three water networks.

Barber grove wastewater sod turning

I want to congratulate the team on the sod turning for the Barber Grove to Seaview wastewater treatment plant pipe duplication project.

This is a project that has been years in the making, and is critical to the Hutt Valley's wastewater infrastructure.

When completed, the duplicated pipe will service 90% of the Hutt Valley's wastewater (150,000 residents) and reduce the risk of wastewater entering Te Awa Kairangi and the Waiwhetu stream in an earthquake.

General shout out to WW workers

I also want to give a massive shoutout to everyone at Wellington Water who have been working hard to keep up with demand while teams have been impacted by COVID-19.

I know this has resulted in some jobs taking a bit longer to complete with less workers on the ground, so thank you to our communities across the region for their understanding and patience.

Acknowledgement of passing employing

Finally I want to acknowledge the tragic event that happened at Omāroro Reservoir earlier this month. Sadly a worker on site passed away after an accident on site.

On behalf of the committee, I want to share my sincere condolences to the family and all those who worked with him.



Wellington Water Committee

Three Waters reforms update

- Headline updates
- Key challenges

Wendy Walker and Dougal List, Programme Director – water reforms for Wellington region
18 March 2022

1

Headlines - policy

Key updates and next steps

- New Director – Hamiora Bowkett started 11 March
- Responses to 8-week letter process sent to councils
- Working Group [report](#) on governance released 9 March
- Cabinet response – expected by mid-April
- Release of revised Bill and Select Committee process – from May
- Further legislation including economic regulation late - 2022

Key policy mahi for councils next 3 months

- Council briefings / updates as required on Working Group report and legislation
- Select Committee process
- Council submissions – joint / individual councils
- Public information / engagement to support understanding and directing people to Select committee

Headlines - transition

Key updates and next steps

- NTU new Director – Heather Shotter + Board Chair Brian Roche
- NTU actively recruiting – risk of staff loss + WWL impacts
- Significant number of data / information requests
- Significant technical / transition programme
- Establishment of working / reference groups – including on people, asset transfer and finance
- Release of 'better off funding' criteria by March
- Development of 'no worse off' methodology inc. debt and assets from April
- Funding for transition costs

Key transition mahi for WWL and councils next 3 months

- Council updates - funding
- Resourcing
- Prepare for and response to data requests
- Better off funding process / criteria / applications
- Input to working groups

3

Key challenges and how we are meeting these

Key challenges

- Impacts on the business while also resourcing this work efficiently and effectively
- Approach to transition for WWL to mitigate business impacts
- Lack of funding and resources for work
- Timeline and requirements remain unclear
- Political decisions and process from Government
- Public understanding is low and significant misinformation

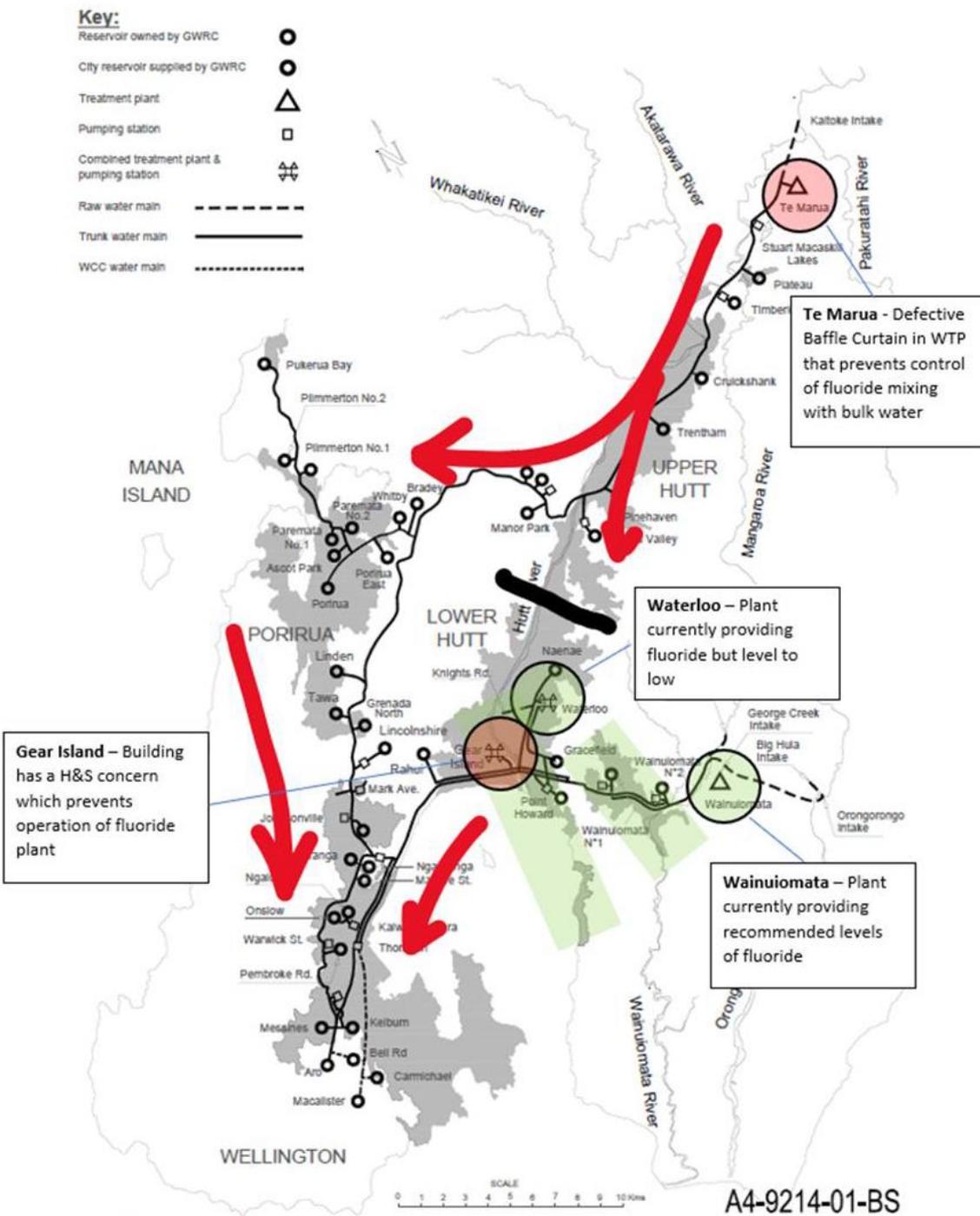
Meeting these challenges

- Shared resources / team across the 9 Wellington councils and WWL
- Transition lead / manager in each council to coordinate
- Specialist resources – external and internal
- Develop transition strategy for WWL with owners and NTU
- Build relationships and clarity of process with DIA and Transition Unit
- Involvement in working groups
- Clear public information
- Engagement and sharing of information across Entity C and other councils

4

Wellington Region Path back to fluoridation

Waterloo	Wainuiomata
<p>DOSING Current Fluoride dosing equipment operable but can't fluoridate the amount of water Waterloo produces.</p> <p>RELIABILITY</p>	<p>DOSING Current Fluoride dosing equipment operable</p> <p>RELIABILITY</p>
<p>DOSING Short-term – 1 month System control optimization.</p> <p>RELIABILITY</p>	<p>DOSING Short-term – 1 month system control optimization.</p> <p>RELIABILITY</p>
<p>DOSING Medium-term – 6 months Ongoing maintenance and increase of spare parts held</p> <p>RELIABILITY</p>	<p>DOSING Medium-term – 6 months Ongoing maintenance and increase of spare parts held</p> <p>RELIABILITY</p>
<p>DOSING Long-term – 12 months+ Replace fluoridation plant. 1-3 years.</p> <p>RELIABILITY</p>	<p>DOSING Long-term – 12 months+ Replace fluoridation plant. 1-3 years</p> <p>RELIABILITY</p>
Gear Island	Te Marua
<p>DOSING Current Fluoride room has structural concerns making the room unsafe for operators – survey of room underway</p> <p>RELIABILITY Fluoride plant condition assessment underway</p>	<p>DOSING Current Divers booked to assess Baffle Curtain</p> <p>RELIABILITY Reinstate Fluoride plant - historically equipment unreliable New Baffle Curtain ordered</p>
<p>DOSING Short term - 1 month Make fluoride dosing room safe.</p> <p>RELIABILITY Commence Repairs to Fluoride system or source external containerized solution.</p>	<p>DOSING Short term – 1 month If possible complete repair of curtain,</p> <p>RELIABILITY Restart fluoridation plant</p>
<p>DOSING Medium term – 6 months Ongoing maintenance and sourcing of critical spares. Additional dosing safeguards</p> <p>RELIABILITY Close Gear Island and expand Waterloo capacity#</p>	<p>DOSING Medium term – 6 months+ Ongoing maintenance and sourcing of critical spares</p> <p>RELIABILITY New Baffle Curtain installed</p>
<p>DOSING Long-term – 12 months+ Replace fluoridation plant.</p> <p>RELIABILITY</p>	<p>DOSING Long term – 12 months+ Options assessment, design procure and build new fluoridation plant</p> <p>RELIABILITY</p>
<p># This would require relevant council decision to fluoridate Petone and Korokoro</p>	



Greater Wellington wholesale water supply network

A4-9214-01-BS