



AGENDA | Rārangi Take

**Council Meeting
Hui a te Kaunihera**

Wednesday, 24 April 2024 – 9.00am

**Council Chamber
Hauraki House
1 William Street
PAEROA**



Membership

Mayor | Koromatua

D A Adams

Councillors | Ngā Kaikaunihera

Cr R D T Broad
Cr P D Buckthought
Cr S Croymans
Cr C A Daley
Cr N Gray
Cr S A Holmes
Cr J L Martyn
Cr P A Milner
Cr B Ranchhod
Cr A W Rattray
Cr A M Spicer
Cr J R Tilsley
Cr R L Wilkinson

Executive Leadership | Te Rōpū whakahaere

L D Cavers
D Peddie
A de Laborde
P Thom

Chief Executive | Tumuaki

L D Cavers

Ngā Karakia Timatanga (opening)

(1)

Kia tau te rangimarie
Kia whakapapa pounamu te
moana
Hei huarahi ma tatou i te rangi
nei
Aroha atu, aroha mai
Tatou i a tatou katoa
Hui e! Taiki e!

May peace be widespread
May the sea be like greenstone
A pathway for us all this day
Let us show respect for each other
For one another
Bind us all together!

(2)

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 atākura he tio,
he huka, he hauhunga.
Haumi e! Hui e! Tāiki e!

Get ready for the westerly
and be prepared for the southerly.
It will be icy cold inland,
and icy cold on the shore.
May the dawn rise red-tipped on ice
on snow, on frost.
Join! Gather! Intertwine!

Karakia Whakamutunga (closing)

Kia whakairia te tapu
Kia wātea ai te ara
Kia turuki whakataha ai
Haumi e. Hui e. Tāiki e!

Restrictions are moved aside
So the pathways is clear
To return to everyday activities
Join Gather Intertwine!



COUNCIL AGENDA | Rārangi Take

Wednesday, 24 April 2024 – 9.00am

Order of Business

Pages

Meeting opening | Karakia timatanga | Cr Milner

Procedural | Ā-Tikanga

1. **Apologies | Ngā Matangaro or Te hunga kāore I tae**

2. **Declarations of Late Items | Whāki pānga**

Items not on the agenda for the meeting require a resolution under section 46A of the Local Government Official Information and Meetings Act 1987 stating the reasons why the item was not on the agenda and why it cannot be dealt with at a subsequent meeting on the basis of a full agenda item.

3. **Declarations of Interests | Whakapuakitanga Whaipānga**

Members are reminded to declare and stand aside from decision making when a conflict arises between their role as an elected member and any private or other external interest they may have.

4. **Confirmation of Minutes | Te Whakaū i ngā Meneti**

4.1 Council (unconfirmed) Minutes – 27-03-2024

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5. **Committee Minutes | Komiti**

5.1 Community Partnerships Committee (unconfirmed) Minutes – 10-04-2024

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5.2 Regulatory Hearings Committee (unconfirmed) Minutes – 18-03-2024

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6. **Reporting (for decision) | Pūrongo me whakatau**

6.1 Representation Review Initial Proposal
(Dale Ofsoske from Election Services will attend)

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6.2 2024 Jiading International Youth Friendship Camp Invitation

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6.3 Council's submission to the Waikato Regional Council 2024-34 Long Term Plan

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6.4 Waihi Outdoor Recreation Hub – Update and External Funding

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6.5 Kerepehi Water Treatment Plant – New Emergency Power Supply Generator

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6.6 Paeroa Hills Paper Road Purchase

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6.7 HDC23-024 Paeroa Consignment Stock – Contract Award

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6.8	Overspends for District Wide Reactive Renewals Plants Pump Stations and District Treatment Asset Renewals	96
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8.	<u>Public Excluded Business Ngā Hui Kāore anō mō te Hāpori</u>	
8.1	Item 1: Additional Funds for the New Ramp Access for Ngatea Swimming Pool Project	207
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	Meeting closing Karakia whakamutunga	

Ngā take kia tū te hui o te Kaunihera anake |

Reasons for Matters to be taken with the Public Excluded

The public be excluded from the following parts of the proceedings of this meeting.

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:

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) Under Section 48(1) for the Passing of this Resolution
1	Additional Funds for the New Ramp Access for Ngatea Swimming Pool project	Section 7(2)(i) Prejudice to Commercial Position/Negotiations To enable the local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations.	Section 48(1)(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 would exist.
2	Tirohia Resource Consent Appeal Costs	Section 7(2)(i) Prejudice to Commercial Position/Negotiations To enable the local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations.	Section 48(1)(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 would exist.
3	Legal Proceedings by "Ours Not Mines" and Costs	Section 7(2)(f)(i) – Maintain the effective conduct of public affairs through: (i) The free and frank expression of opinions by or between or to members or officers or employees of any local authority, or any persons to whom section 2(5) of this Act applies, in the course of their duty.	Section 48(1)(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 would exist.

HAURAKI DISTRICT COUNCIL MEETING

MINUTES OF A MEETING OF THE HAURAKI DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, WILLIAM STREET, PAEROA ON WEDNESDAY, 27 MARCH 2024 COMMENCING AT 9.00 AM

PRESENT

D A Adams (His Worship the Mayor), Cr P A Milner (Deputy Mayor), Cr R D T Broad, Cr P D Buckthought (from 9.10am), Cr S Crooymans, Cr C A Daley, Cr N Gray, Cr S Holmes – via Zoom (9.00am-1.42pm), Cr A Rattray, Cr A M Spicer, Cr J R Tilsley (9.00am-1.42pm) and Cr R L Wilkinson

IN ATTENDANCE

L D Cavers (Chief Executive), A de Laborde (Group Manager – Service Delivery), D Peddie (Group Manager – Business Support), P Thom (Group Manager – Community Development), M Negus (Procurement Officer), C Mischewski (Senior Strategic Planner), L Robcke (Senior Project Planner), G Doherty (Project Manager), L Tansey (Transportation Team Leader), C Moore (Manager, Projects and Operations), J McIver (Community Growth Manager), K McLaren (Community Development Advisor - Social) and C Black (Council Secretary)

Meeting opening | Karakia timatanga

The Mayor opened the meeting with a karakia.

APOLOGIES | Te hunga kāore i tae

RESOLVED

THAT the apology for lateness of Cr. P Buckthought and for the absence of Cr. J Martyn and Cr. B Ranchhod be received and sustained.

C24/67

Wilkinson/Broad

CARRIED

LATE ITEMS | Whāki Pānga

There were no late items.

DECLARATIONS OF INTERESTS | Whakapuakitanga Whaipānga

There were no declarations of interests.

CONFIRMATION OF MINUTES | Te Whakaū i ngā Meneti

COUNCIL MINUTES – 28 02-2024 - 3587022

RESOLVED

THAT the minutes of the meeting of the Hauraki District Council held on Wednesday, 28 February 2024 are received and be confirmed as a true and correct record with the exception of the following amendment; that resolution no. C24/40 to be amended to state; that in accordance with Section 6.1 of the Traffic and Parking Bylaw 2022, the Council approves a 30 minute timed parking at 91 – 129 (left) and one Mobility Park at 129 (left) Normanby Road, Paeroa, generally outside Four Square, Paeroa, and

THAT the Schedule 3 of the Traffic and Parking Bylaw be amended to show this change.

C24/68

Spicer/Tilsley

CARRIED

COUNCIL MINUTES – 13-03-2024 - 3596292**RESOLVED**

THAT the minutes of the meeting of the Hauraki District Council held on Wednesday, 13 March 2024 for the adoption of the 2024-34 Long Term Plan supporting information and consultation document are received and confirmed as a true and correct record.

C24/69

Milner/Wilkinson

CARRIED**RECEIPT AND ADOPTION OF COMMITTEE MINUTES | Ngā Meneti ki Komiti**FINANCE COMMITTEE (UNCONFIRMED) MINUTES – 26-02-2024 – 3587294**RESOLVED**

THAT the minutes of the Finance Committee meeting held on Monday, 26 February 2024 be received and the recommendations therein adopted.

C24/70

Crooymans/Milner

CARRIED**Reporting (for decision) | Pūrongo me whakatau**AMENDMENTS TO STANDING ORDERS – MARCH 2024 – 3599319

The Community Growth Manager provided updated information to the elected members on amendments to LGNZ (Local Government New Zealand) Standing Orders 2022 and sought approval to adopt the updated standing orders in relation to allowing elected members to attend Council and Committee meetings via audio-visual means.

RESOLVED

THAT the Council receives the report titled Amendments to LGNZ Standing Orders – March 2024 (document number 3599319).

C24/71

Daley/Ratray

CARRIED

Cr. P Buckthought attended at 9.10am.

RESOLVED

THAT the Council approves and adopts the amendment allowing elected members to attend meetings via audio-visual means and counted towards the quorum as per S.O. 13.7, and

THAT the Council's current Standing Orders be updated to reflect this change.

C24/72

Broad/Wilkinson

CARRIED2024-25 DOG REGISTRATION, IMPOUNDING AND STOCK IMPOUNDING FEES – 3596650

The Group Manager of Community Development sought Council approval for the Dog Registration, Dog and Stock Impounding fees for the 2024/25 year.

RESOLVED

THAT the Council receives the report titled 2024-25 Dog Registration, Impounding and Stock Impounding Fees (document no. 3596650).

C24/73

Buckthought/Tilsley

CARRIED

RESOLVED

THAT Council approves Option 2: that pursuant to Section 37 and Section 68 of the Dog Control Act 1996, the Fees and Charges as detailed in Appendix A, Schedule 1 of the report is adopted as the scale of fees for Dog Registration and Impounding Fees for the 2024/25 dog registration year, (as amended) and

THAT pursuant to Section 14 of the Impounding Act 1955, the fees and charges detailed in *Appendix A of Schedule 1 of the report be adopted.

C24/74

Gray/Daley

CARRIED

*Appendix A

Dog Registration and Impounding Fees

	Fee \$	Penalty Fee \$	Maximum Fee \$
General Dogs Entire	135.00	67.50	202.50
General Dogs Desexed	100.00	50.00	150.00
Dogs in excess of three (3)	45.00	22.50	67.50
ROL Dogs – Entire	75.00	Loss of licence	202.50
ROL Dogs – Desexed	60.00	Loss of licence	150.00
Dangerous Dogs – Entire	202.50	101.25	303.75
Dangerous Dogs – Desexed	150.00	75.00	225.00

Impounding Fees

Item	Fee
First impounding	\$75.00
Second impounding	\$120.00
Third impounding	\$180.00
Sustenance fee (additional charge)	\$15.00 per day
Microchipping fee to be paid for unregistered dogs before release from the pound	\$35.00

Other Dog Fees

Miscellaneous dog fees	Fee
Consent to keep more than two dogs in an urban area in accordance with the Dog Control Bylaw 2016	\$60.00
Responsible Owner Licence (ROL) application fee	\$40.00
Transferred ROL Property Inspection Fee	\$30.00
Replacement dog registration tag (for lost or damaged tags)	\$5.00

Stock Impounding Fees

Stock Impounding	Fee
Stallion, ass, mule or bull over the age of nine months	\$50.00
Mare, gelding, colt, filly, foal, ox, cow, steer, heifer or calf	\$50.00
Ram, ewe, wether, lamb or goat	\$50.00
Boar, sow or other pig*	\$50.00
Deer	\$50.00
Sustenance fee per day or part day	\$15.00
<i>*The fee for the pig category is recommended to be significantly higher because of the potential damage that could be caused to the pound facilities.</i>	

Type of stock	Trespass on paddock, meadow, grass or stubble	2024/25 fee	Trespass on any grown or growing crop land, reserve, cemetery or burial ground	2024/25 fee
Horse, mare, gelding, colt, filly, foal, bull, cow, steer, heifer, calf, ass, mule or deer	\$2.50	\$7	\$6.00	\$10.00
Ram, ewe, wether or lamb	\$1.00	\$5	\$1.50	\$6.00
Goat, boar, sow or other pig	\$6.00	\$7	\$12.00	\$15.00

Stock Callouts	Fee
Following charges apply for each impounding occurrence and for stock on roads callouts, whether or not the stock is impounded.	
Animal Control Officer	\$175.00
Advertising	Actual cost
Repeat impounding	Double the per day charge
Transportation and cost of attendance, call out and vehicle charges	Actual cost

COUNCIL SUBMISSION ON PROPOSED PLAN CHANGE 6: EXTENSION OF MARTHA MINERAL ZONE – 3596711, SUBMISSION # 3594977

The Senior Project Planner provided Council with information on the need for Council to make a submission on Proposed Plan Change 6: Extension of the Martha Mineral Zone (known as PPC6). A copy of the draft submission prepared by staff was included for the member's consideration.

RESOLVED

THAT the Council receives the report titled Council Submission on Proposed Plan Change 6 Extension of Martha Mineral Zone (3594977).

C24/75

Spicer/Wilkinson

CARRIED

RESOLVED

THAT the Council approves Option 2, to lodge the attached submission (document #3594977) on Proposed Plan Change 6 with the Hauraki District Council.

C24/76

Spicer/Buckthought

CARRIEDAbstentions:

Councillors A. Rattray, the Mayor and Cr. Milner abstained from voting on the motion.

NGATEA NETBALL COURTS UPGRADE OPTIONS – 3599331

The Project Manager provided options and costings for the repair of the Ngatea netball courts, currently located in the Hugh Hayward Domain, for the Council to consider contributing towards the Netball Centre upgrade project.

RESOLVED

THAT the Council receives the report titled Ngatea Netball Courts Subsidence Repair report, (document number 3599331).

C24/77

Adams/Wilkinson

CARRIED

A number of options were provided for the members to consider that were outlined in the report.

Following discussion on the item, the Mayor proposed that consideration of the Ngatea Netball Courts Project adjourn and reconvene for a decision following the Waikato Regional Council presentation.

The meeting adjourned at 10.17am
The meeting reconvened at 10.30am

PRESENTATION: WAIKATO REGIONAL COUNCIL (WRC) LONG TERM PLAN 2024-2034 #3602424

Waikato Regional councillors – Cr. Robert Cookson, Greg Ryan (WRC Integrated Catchment Management Director) attended the meeting in person including Chair. Pamela Storey (via Zoom). The councillors provided a PowerPoint presentation outlining the key focus of the Regional Council's LTP 2024-34. Consultation on the LTP is open from 2 April until 2 May 2024. Mayor, Councillors and staff were invited to provide feedback to the LTP as part of the consultation process.

HDC Submission to Waikato Regional Council Long Term Plan 2024-2034

It was decided that a councillor-working group be formed to work with staff in preparing a submission on behalf of the Hauraki District Council on the Waikato Regional Council's Long Term Plan 2024-34 and that the makeup of the group be Cr. Spicer, Cr. Broad, the Mayor and Cr. Milner.

CONTINUATION OF NGATEA NETBALL COURTS UPGRADE OPTIONS – 3599331

Further consideration was given to the support of funding towards the Ngatea Netball Courts upgrade project.

RESOLVED

THAT Council approves Option 6, drainage and reshape resurface using synthetic materials, and

THAT Council approves unbudgeted capital expenditure of \$180,000 in the Sports and Recreation activity in the 2023/24 financial year, and that the unbudgeted expenditure be funded from existing community grants budgets; 50% - Plains Community Recreational Facilities Development Fund / 50% - District Community Projects Assistance Fund.

C24/78

Spicer/Buckthought

CARRIED**ALL OF GOVERNMENT (AoG) ELECTRICITY CONTRACT PROCUREMENT PROCESS (TRANCHE 23) – 3598773**

The Procurement Officer sought Councils formal pre approval to continue with the All of Government Procurement process for electricity supply.

RESOLVED

THAT Council receives the report titled All of Government Electricity Contracts (Tranche 23), (document number 3598773).

C24/79

Tilsley/Ratray

CARRIED**RESOLVED**

THAT Council approves Option 1: proceed with AoG Electricity Contract procurement process (Tranche 23), estimated total value of \$8,659,068.05 excl. GST over 36 months, and

THAT Council delegate to the CEO the authority to approve the lowest offer for the categories of its electricity supply under the All of Government Procurement (AoG) process once recommendation has been received for MBIE.

C24/80

Buckthought/Broad

CARRIED**ANZAC DAY PARADES BUDGET REVIEW- 3599274**

The Community Development Advisor (Social) has sought direction from Council on the continued funding of traffic management for Hauraki ANZAC Day Parades.

RESOLVED

THAT the Council receives the report titled ANZAC Day Parades Budget Review, (document number 3599274).

C24/81

Adams/Croymans

CARRIED**RESOLVED**

THAT Council approves Option 2: fund traffic management costs for the ANZAC Day parades for 2024 from the Governance Civic Events budget to the value of \$15,000, and

THAT Council meet with the RSA to discuss options with regard to traffic management going forward.

C24/82

Adams/Milner

CARRIED

The meeting adjourned for lunch at 12.18pm
The meeting reconvened at 12.47pm

Reporting (for information) | Ngā Pūrongo Whakamārama

HAURAKI GULF FORUM UPDATE – MARCH 2024 – 3599297

The Community Development Advisor (Social) provided an update from recent meetings of the Hauraki Gulf Forum.

RESOLVED

THAT the Council receives the report titled Hauraki Gulf Forum update, (document number 3599297).

C24/83

Ratray/Tilsley

CARRIED

CHIEF EXECUTIVE'S MONTHLY REPORT – MARCH 2024 3598591

The Chief Executive provided his monthly report covering the month of March 2024.

RESOLVED

THAT the Council receives the report titled Hauraki Gulf Forum Update, (document number 3598591).

C24/84

Milner/Wilkinson

CARRIED

Updates:

- Recruitment and recent staff changes.
- LGNZ four monthly report - the report summarised LGNZ's work on behalf of member councils which is produced three times a year. It complements their regular communication channels, including Keeping it Local (our fortnightly e-newsletter), providing a more in-depth look at what they do.
- Subscription to AKONA – learning and development programme – Council's Audit and Risk Committee has agreed that Council take up training opportunities with AKONA. It was noted that the subscription for AKONA was part of the LGNZ subscription for the coming year.

LOCAL GOVERNMENT FUNDING AGENCY (LGFA) – DRAFT STATEMENT OF INTENT 2024-27 - 3598735

The Group Manager Business Support advised councillors of LGFA's draft Statement of Intent for 2024-27 and sought feedback.

RESOLVED

THAT the Council receives the report titled LGFA Draft Statement of Intent 2024-27, (document number 3598735).

C24/85

Daley/Gray

CARRIED

The members did not have any feedback to provide on the LGFA draft statement of intent.

CO-LAB DRAFT STATEMENT OF INTENT 2024-25 - 3598706

The Group Manager - Business Support advised councillors of CoLAB's draft Statement of Intent for 2024/25 and sought feedback. The report also itemised the various activities of CoLAB.

RESOLVED

THAT the Council receives the report titled CoLAB Draft Statement of Intent 2024/25, (document number 3598706).

C24/86

Tilsley/Crooymans

CARRIED

The members did not have any feedback to provide on the CoLAB's draft statement of intent.

TRANSPORTATION ACTIVITY REPORT – FIRST QUARTER 2024 - 3598586

The Transportation Team Leader provided an overview on the strategic context, maintenance programme, project progress, risks and financial performance of Council's Transportation Activities for the first quarter 2024.

RESOLVED

THAT the Council receives the report titled Transportation Activity Report – December 2023 to February 2024 (document no. 3598586).

C24/87

Buckthought/Spicer

CARRIED

Cr Holmes and Cr Tilsley left the meeting at 1.42pm.

COMMUNICATIONS AND STRATEGIC PLANNING REPORT -3597827

The Group Manager Community Development provided Council with an update on the Communications and Strategic Planning work programmes for the previous three months (December 2023 – February 2024).

RESOLVED

THAT the Council receives the report titled Community Development Activity Report; Communications and Strategic Planning – March 2024, (document no. 3597827).

C24/88

Spicer/Gray

CARRIED

Meeting closing | Karakia whakamutunga

The Mayor closed the meeting with a karakia at 1.51pm.

CONFIRMED

D A Adams
Mayor

24 April 2024

HAURAKI DISTRICT COUNCIL
COMMUNITY PARTNERSHIPS COMMITTEE

MINUTES OF A MEETING OF THE COMMUNITY PARTNERSHIPS COMMITTEE HELD IN THE COUNCIL CHAMBERS, WILLIAM STREET, PAEROA ON WEDNESDAY, 10 APRIL 2024 COMMENCING AT 9.00AM

PRESENT

Cr A M Spicer (in the Chair) D A Adams (His Worship the Mayor – Deputy Chair), Cr P A Milner (Deputy Mayor), Cr R D T Broad, Cr S Crooymans, Cr C A Daley, Cr N Gray (from 9.13am), Cr S Holmes – via Zoom, Cr J Martyn – via Zoom and Cr J R Tilsley

IN ATTENDANCE

L D Cavers (Chief Executive), P Thom (Group Manager – Community Development), K McLaren (Community Development Advisor - Social), A Tahere (Community Development Advisor - Economic), L Beer (District Events Co-ordinator), L Randall (Community Advocacy Officer), J Stephenson (Community Employment Liaison), G Wharerau (Community Development Admin Support/C Black (Council Secretary)

Meeting opening | Karakia timatanga

Cr Tilsley opened the meeting with a karakia.

APOLOGIES | Te hunga kāore I tae**RESOLVED**

THAT the apology of Cr. A Rattray, Cr. P Buckthought and Cr. R L Wilkinson and for lateness of Cr. N Gray, be received and sustained.

CPC24/11

Tilsley/Daley

CARRIED**DECLARATION OF LATE ITEMS | Whāki Pānga**

Cr Spicer declared a conflict of interest in relation Item 5.1 in relation to the Waihi Lions request for funding.

CONFIRMATION OF MINUTES | Te Whakaū i ngā Meneti

COMMUNITY PARTNERSHIPS COMMITTEE MINUTES – 14-02-2024 - 3582352

RESOLVED

THAT the minutes of the meeting of the Community Partnerships Committee held on Wednesday, 14 February 2024 are received and confirmed and are a true and correct record.

CPC24/12

Adams/Spicer

CARRIED

Reporting (for decision) | Pūrongo Me WhakatauCOMMUNITY INITIATIVES REPORT APRIL 2024 - 3604178

The Community Development Advisor (Social) provided the Committee with an update report on social initiative related activities over the past month/s.

RESOLVED

THAT the Committee receives the report titled Community Initiatives Report April 2024, (document number 3604178).

CPC24/13

Milner/Crooymans

CARRIED

Cr. Gray attended the meeting at 9.13am.

REQUESTS FOR FINANCIAL ASSISTANCEWhiritoa Lifeguard Service

The Whiritoa Lifeguard Service has sought financial assistance towards the waiver of consent fees for the redevelopment of their clubhouse.

RESOLVED

THAT the Committee approve a grant of up to \$1,200 from the District General Fund to the Whiritoa Lifeguard Service towards the payment of consent fees (lodgement only) for their new clubhouse.

CPC24/14

Adams/Tilsley

CARRIEDSt John Waihi Area Committee

The St John Waihi Area Committee has sought financial assistance towards the waiver of consent fees for the rebuild of a new Ambulance Station in Waihi. The approximate costs of consent lodgement for the project are around \$1,400.

RESOLVED

THAT the Committee approve a grant of up to \$1,400 from the District General Fund to the St John Waihi Area Committee towards the payment of consent fees (lodgement only) for the new Ambulance Station in Waihi.

CPC24/15

Adams/Tilsley

CARRIEDWhiritoa Conservation Trust

The Whiritoa Conservation Trust has sought financial assistance towards operational costs in support of their rodent eradication programme.

RESOLVED

THAT the Committee approve a grant of \$1,000 from the Waihi Ward Community Assistance Fund to the Whiritoa Conservation Trust towards rodent eradication program operational costs.

CPC24/16

Spicer/Broad

CARRIED

Cr Spicer declared AN interest in the request from the Waihi Lions and took no part in the discussion and decision.

Waihi Lions

The Waihi Lions have sought a waiver for the fees associated with the use of the Waihi Memorial Hall for their book fair event to be held on over the Kings Birthday weekend

RESOLVED

THAT the Committee approve a grant of \$470 from the Waihi Ward Community Assistance Fund to the Waihi Lions towards hall hire costs for the 2024 book fair.

CPC24/17

Holmes/Broad

CARRIED

Presentation | Nga Whakawhiwhi

BARNARDOS – TURUA EARLY LEARNING CENTRE – Presentation doc. #3609855

Matt Reid (CEO, Barnardos Early Learning) and representatives from Barnardos attended and provided a presentation on their development project to construct an early learning centre (as the existing facility is not fit for purpose) and a community playground in Turua. The centre will support the Turua community and surrounding Hauraki Plains.

Reporting (for information) | Ngā Pūrongo Whakamārama

COMMUNITY ADVOCACY REPORT – APRIL 2024 – 3603929

The Community Advocacy Officer provided an update report on Community Advocacy activities to date.

RESOLVED

THAT the Committee receives the report titled Community Advocacy Report – April 2024, (document 3603929).

CPC24/18

Milner/Croymans

CARRIED

MAYORS TASKFORCE FOR JOBS REPORT APRIL 2024 - 3604027

The Community Employment Liaison and support staff provided an update report on the activities and progress of the Mayor's Taskforce for Jobs initiatives rolled out locally by Council under the brand 'Gr8 Job Hauraki'.

RESOLVED

THAT the Committee receives the report titled Mayors Taskforce for Jobs Report April 2024, (document 3604027).

CPC24/19

Spicer/Adams

CARRIED

ECONOMIC UPDATE REPORT APRIL 2024 - 3604942

The Event Business Support Coordinator provided the Community Partnerships Committee with an update report on economic and event related activities over the past months.

The newly appointed Community Development Advisor (Economic), Ariana Tahere contracted to fill staff parental leave for 12 months, was introduced to the Committee. Ariana provided an overview of her background and what she hoped to bring to the role.

RESOLVED

THAT the Committee receives the report titled Economic Update Report April 2024, (document 3604942).

CPC24/20

Spicer/Adams

CARRIED

Under Veranda Lighting Costs – Positive Paeroa Inc.

Positive Paeroa Inc. have engaged with staff and have agreed to the formation of a working group to specifically address the under veranda lighting issues and to identify funding sources for an upgrade of the lighting.

Staff sought feedback from the members on the possibility of Council contributing to the power costs of the under veranda lighting to reduce the risk whilst the working group find a solution.

RESOLVED

THAT Council underwrites the Positive Paeroa Inc. power bill for the Paeroa main street under-veranda lighting for 30 June 2024, and

THAT Council advise Positive Paeroa Inc. to make a submission to the Long Term Plan 2024-34 on the ongoing funding of the operation and maintenance of the under-veranda lighting.

CPC24/21

Spicer/Adams

CARRIED

Meeting closing | Karakia whakamutunga

Cr Tilsley closed the meeting with a karakia at 10.24am

CONFIRMED

A Spicer
Chairperson

12 June 2024

HAURAKI DISTRICT COUNCIL
REGULATORY HEARINGS COMMITTEE

MINUTES OF A MEETING OF THE REGULATORY HEARINGS COMMITTEE HELD IN THE COUNCIL CHAMBERS, WILLIAM STREET, PAEROA ON MONDAY, 18 MARCH 2024 COMMENCING AT 9.00AM

PRESENT Mayor, D A Adams (Chairperson) and Cr A Spicer

IN ATTENDANCE P Thom (Planning & Environmental Services), E Kroukam (Development Engineer), C Moore (Manager, Projects and Operations), M Matich (Regulatory Team Leader), D Hannah and C Hannah (Dog Control Officers), A Harris (Animal Control Administrator) and C Black (Council Secretary)

Meeting opening | Karakia timatanga

Cr Spicer opened the meeting with a karakia.

Appointment of Chair

RESOLVED

THAT the Mayor, D A Adams be appointed as Chair in the absence of the Chair and Deputy Chair.

RHC24/01 Spicer/Adams **CARRIED**

APOLOGIES | Te hunga kāore i tae

RESOLVED

THAT the apology of Cr. P Milner and Cr. A Rattray be received and sustained.

RHC24/02 Adams/Spicer **CARRIED**

LATE ITEMS | Whāki Pānga

There were no late items.

DECLARATIONS OF INTERESTS | Whakapuakitanga Whaipānga

There were no conflicts of interest.

CONFIRMATION OF MINUTES | Te Whakaū i ngā Meneti

REGULATORY HEARINGS COMMITTEE MINUTES – 21-08-2023 - 3481198

RESOLVED

THAT the minutes of the meeting of the Regulatory Hearings Committee held on Monday, 21 August 2023 are received and confirmed as a true and correct record.

RHC24/03

Adams/Spicer

CARRIED

Reasons for Matters to be taken with the Public Excluded
Ngā take kia tū te hui o te Kaunihera anake

RESOLVED

THAT the public be excluded from the following parts of the proceedings of this meeting.

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:

Item No.	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) Under Section 48(1) for the Passing of this Resolution
1	Objection to Menacing Classification	Section 7(2)(a) – Protect the privacy of natural persons, including that of deceased natural persons.	Section 48(1)(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 would exist.
2	Dispensation to have more than three dogs	Section 7(2)(a) – Protect the privacy of natural persons, including that of deceased natural persons.	Section 48(1) (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 would exist.
3	Development Contributions Reconsideration for ITR Investments Ltd (Utemaster) for a new Warehouse at 116 Kerepehi Road, Kerepehi	Section 7(2)(b)(i) - Protect information where the making available of the information: Would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.	Section 48(1) (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 would exist.

RHC24/04

Spicer/Adams

CARRIED

confidential pages 21-27 have been removed

RESOLVED

THAT the public be re-admitted to the meeting and that the business in committee discussed be confirmed.

RHC24/11

Spicer/Adams

CARRIED

Chair, Mayor Adams closed the meeting with a karakia at 10.10am

CONFIRMED

P A Milner
Chairperson

22 April 2024

unconfirmed

MŌ TE WHAKATAUNGA FOR DECISION



To Mayor and Councillors

Author Community Growth Manager

Meeting date 24 April 2024

File reference Document: 3544737
Appendix A: 3561969 – statistics work sheet
Appendix B: Invite from Department of Internal Affairs
Appendix C: 3613539 - District Wards with mesh block option

Subject **2024 Representation Review Initial Proposal**

1 TE WHAIKUPU | RECOMMENDATIONS

THAT Council

- a) Receives the report titled 2024 Representation Review Initial Proposal (document number 3544737).
- b) Considers the options outlined in the invite from Department of Internal Affairs (Appendix B),
- c) Adopts, as its initial proposal, one of the following options (after determining the total number of councillors, the number of wards, boundaries and names, the number of councillors to be elected from each ward and whether communities and community boards are established, after taking into consideration all relevant information and informal consultation):
- d) Approves Option 1- Fifteen councillors (plus the Mayor) elected from three current wards (Plains Ward with four councillors, Paeroa Ward with four councillors, Waihi Ward with five councillors), and one Māori Ward with two councillors, with/without community boards,
OR
- e) Approves Option 2- Thirteen councillors (plus the Mayor) elected from three current wards (Plains Ward with four councillors, Paeroa Ward with three councillors, Waihi Ward with four councillors), and one Māori Ward with two councillors, with/without community boards,
OR
- f) Approves Option 3- Twelve councillors (plus the Mayor) elected from three current wards (Plains Ward with three councillors, Paeroa Ward with three councillors, Waihi Ward with four councillors), and one Māori Ward with two councillors) with/without community boards, noting that this is not compliant with the fair representation rule ($\pm 10\%$),
OR

- g) Approves Option 4- Eleven councillors (plus the Mayor) elected from three current wards (Plains Ward with three councillors, Paeroa Ward with three councillors, Waihi Ward with three councillors), and one Māori Ward with two councillors) with/without community boards, noting that this is not compliant with the fair representation rule ($\pm 10\%$),

OR

- h) Approves Option 5- Seven councillors (plus the Mayor) elected from three current wards (Plains Ward with two councillors, Paeroa Ward with two councillors, Waihi Ward with two councillors), and one Māori Ward with one councillor) with/without community boards, noting that this is not compliant with the fair representation rule ($\pm 10\%$),

AND

- i) THAT consultation material on the initial proposal be publically available from 03 May 2024 with submissions on the initial proposal and any other considerations open until 07 June 2024.

2 TE ARONGA | PURPOSE

The purpose of this report is to provide an initial proposal for its review of representation arrangements (number of councillors, ward boundaries and names, etc.,) that will apply for the 2025 and 2028 triennial elections.

The matter or suggested decision does not involve a new activity, service, programme, project, expenditure or other deliverable.

3 TE WHAKARĀPOPOTANGA | SUMMARY

The Local Electoral Act 2001 (LEA) requires local authorities to undertake a review of their representation arrangements at least once every six years and subsequently is required to undertake a review in 2024 (for the 2025 and 2028 triennial elections).

Council resolved to establish a Māori Ward(s) for the 2025 and 2028 local elections on 25 October 2023; this review will include a Māori ward(s) but it does not revisit the decision to establish Māori Wards. It is worth noting that the coalition government has strongly indicated their intent to bring back the poll (or referendum) provisions for Māori wards so a poll may be required with the 2025 Local Government Election process.

It is considered, the current three wards and their boundaries are an appropriate reflection of the districts communities of interest. Hence, changes to ward boundaries has not been considered this term; the number of councillor options is somewhat limited by the $\pm 10\%$ rule.

There are two options that would meet the legislative requirements – options 1 and 2. Option 3 would be a good choice but is 1.11% outside of the threshold for one ward.

4 WHAKAPAPA | BACKGROUND

The Local Electoral Act 2001 s19H requires local authorities to undertake a review of their representation arrangements at least once every six years. The Council carried out its last review in 2018 (for the 2019 and 2022 triennial elections) and is therefore required to undertake another review this year (- 2024, for the 2025 and 2028 triennial elections).

Current representation arrangements are the Mayor (elected at large), 13 councillors (elected from three wards), no Māori ward(s), and no community boards. The representation makeup per ward is as follows:

Ward	Pop	Cnrs	Average	Fits s19V(2)	% Variation
Plains	7,230	4	1,808	Yes	5.09
Paeroa	6,710	4	1,678	Yes	-2.47
Waihi	8,420	5	1,684	Yes	-2.09
Total	22,360	13	1,720		

Table 1: 2019-2022 Representation outcome

Section 19V(2) of the Local Electoral Act 2001 directs that the population of each ward divided by the number of members to be elected by that ward, produces a figure no more than 10% greater or smaller than the population of the district divided by the total number of elected members. For Table 1 the variation is between 1,548 and 1,892 (or 1,720 ±10%).

Council resolved to establish a Māori Ward(s) for the 2025 and 2028 local elections on 25 October 2023.

A recent review of these statistics gives the following breakdown:

Ward	Total	General	Māori
Plains	7,220	6,380	840
Paeroa	6,720	5,430	1,290
Waihi	8,410	7,330	1,080
Total	22,350	19,140	3,210

Table 2: 2023 Total by Ward

Schedule 1A s2 of the Local Electoral Act 2001 provides a formula for calculating the number of members to be elected by the electors of one or more Māori wards of the district of a territorial authority (Māori ward members):

$$nmm = mepd \div (mepd + gepd) \times nm$$

where—

nmm is the number of Māori ward members

mepd is the Māori electoral population or estimated Māori electoral population of the district

gepd is the general electoral population or estimated general electoral population of the district, and

nm is the proposed number of members of the territorial authority (other than the Mayor).

So, with the statistics above, the calculation $[nmm = 3,210 / (3,210 + 19,140) * 13]$ would add 2¹ Māori members – either 2 Māori wards with 1 member each or 1 Māori ward (across the district) with 2 members - to Council.

Iwi Māori have expressed a desire for one Māori Ward across the district with 2 members.

¹ If the number of the Māori ward members (other than the mayor) calculated under subclause (1) includes a fraction, the fraction must be disregarded unless it exceeds a half. If the fraction exceeds a half, the number of Māori ward members must be the next whole number above the number that includes the fraction. Ref. LEA2001-Sch1A-2(3).

It is important to note that both the National/NZ First and National/ACT coalition agreements state that they will “Restore the right to local referendum on the establishment or ongoing use of Maori wards, including requiring a referendum on any wards established without referendum at the next Local Body elections”.

To date Government has indicated their intention to introduce a Bill to restore binding polls on the establishment of Māori wards with the change (- to the legislation) to be enacted by the end of July 2024; a subsequent poll would occur at the same time as the 2025 local government election. The outcome of the poll would apply for the 2028 and 2031 local government elections.

As part of the ensuring government policy Council will be given the option to either rescind the decision to create the Māori ward or, to hold a binding poll on the question of Māori wards at the 2025 local government election.

This may mean the Māori ward(s) are in place for one term depending on the outcome of the 2025 poll; another representation review may then be required in 2027 (for 2028).

Should Council choose to rescind their resolution to establish Māori wards once the Bill is passed (expected to be end of July 2024), this would impact on the current representation review and initial and final proposals, if already resolved.

The Department of Internal Affairs has invited Mayors, Chairs, Chief Executives and elected members to an information webinar on Friday 19 April at 2:00pm to explain the transitional provisions in the policy and answer any technical questions (refer Appendix B).

In terms of the representation review, the preferences and views of interested and affected people will need to be formally sought. The representation options are somewhat limited as there is a need to meet legislative requirement to avoid any challenges or ongoing debates. A comprehensive and informative communications strategy will be in place to explain the various options to the community and seek their ideas of other considerations; this will begin once Council has identified what the initial option(s) are.

5 NGĀ TAKE | ISSUES

In determining the number of Councillors per Ward we are faced with the $\pm 10\%$ rule which limits the options available. For example (-excluding the Māori Ward):-

- a) To have 9 Councillors – Plains 3, Paeroa 3, and Waihi 3. The Paeroa and Waihi Wards would be outside the 10% threshold ($\pm 14.89\%$)
- b) To have 8 Councillors – Plains 3, Paeroa 2, and Waihi 3. The Plains and Paeroa Wards would be outside the 10% threshold (-11.11% $+13.48\%$)
- c) To have 6 Councillors – Plains 2, Paeroa 2, and Waihi 2. The Paeroa and Waihi Wards would be outside the 10% threshold ($\pm 14.89\%$)
- d) To have 3 Councillors – Plains 1, Paeroa 1, and Waihi 1. The Paeroa and Waihi Wards would be outside the 10% threshold ($\pm 14.89\%$)

These four options would limit Māori representation to 1 – that will pose a significant concern for Māori as the district itself is quite a large area for them to cover.

In the recommendations, Options 1 and 2 meet the $\pm 10\%$ threshold, the third doesn't meet the threshold for one ward and the last two have two wards that fail the threshold test. If one

of the options that did not meet the $\pm 10\%$ rule (i.e. non-compliant) but was the preferred option of the community at large, a case for dispensation by way of an appeal would need to be presented to the Local Government Commission (LGC); non-compliance is allowable if justified and demonstrated to the LGC.

Adjusting the ward boundaries so that an option would fall within the threshold has been considered as a table top exercise however the outcome(s) did not entirely achieve the goals with any confidence that the community would be unanimous in support of such changes. For example, option three would meet the threshold if mesh blocks covering approximately 65 people within the Plains Ward were relocated to the Paeroa Ward. However, this would require reassigning a number of mesh blocks and may likely split communities of interest; attached map of the district by wards (Appendix C) includes a sample for this approach.

Establishing community boards must also be a consideration but there is the belief that the elected members (- Mayor and Councillors) can (and do) effectively represent the community without duplicating roles. Public meetings are held every quarter in various communities and this year there has been a lot of community engagement that the elected members have been involved in or lead. Examples are the long-term plan, place-making projects, adaptation plans, Wharekawa Coast 2120 plan, events such as a night at the museum, neighbourhood barbecue, and various drop in sessions (- Turua, Kaiaua, Kerepēhi, Whiritoa, Ngatea, Paeroa, Waihi to name a few).

The possibility of including one or more 'at large' representative(s) option is another consideration however due to the district having relatively varied communities of interest and the subsequent success of the ward approach there may not be anything to gain.

6 WHAIWHAKAARO RAUTAKI O NGĀ TAKE | STRATEGIC CONSIDERATIONS

6.1 Mana Whenua/Māori

The review includes provision for up to two representatives for Māori. Council's decision to have Māori ward(s) indicates their commitment to the Tiriti principles. The opportunity for Māori representation at the Council table will ensure this commitment is progressed.

Engagement with Māori has been progressed through the Iwi Liaison team and engagement will continue through the coming months. Iwi Chair hui have been held with information on the subject being presented to them. The consensus from Iwi leaders is for there to be one ward with two representatives for Māori. This will ensure Māori cultural values including mātauranga (knowledge), tikanga (protocols) and kaitiakitanga (guardianship) are recognised.

Any decisions by Council relating to whenua (land), wāhi tapu (sacred sites), taonga (valued flora and fauna) or waiora (water, river, streams) would benefit significantly from having two Māori representatives at the table.

Iwi Māori will also need to provide a name for the Māori Ward.

6.2 Strategic alignment

The review itself is not relevant to the Long Term Plan as it has its own legislative obligations and will set the number of elected members for the governance table.

Community Outcomes are the adopted goals and aspirations that Council aims to achieve in all aspects of its leadership, policy development and service delivery and to promote the interests of the community – now and in the future; the decision of how many representatives are required will ensure a positive outcome for the wellbeing of our communities.

6.3 Policy and bylaw consistency

In terms of the representation review no policies and bylaws are applicable.

6.4 Climate change implications

The decision will not be impacted by a changing climate.

6.5 Issue risks and mitigations

Risk		What is being done about the risk?
Financial/economic	<ul style="list-style-type: none"> • The risk is a possible increase in the democracy budget • The risk is expected to be of minor impact. • The likelihood of the risk occurring is likely. 	<ul style="list-style-type: none"> • The remuneration and allowances for elected members is determined by the Remuneration Authority – we have no control over the governance remuneration pool. • The current governance remuneration pool is not likely to change significantly i.e. there may only be CPI increases.
Legal compliance	<ul style="list-style-type: none"> • The risk is that the Local Government Commission disagrees with the decision of Council • The risk is expected to be of minor impact. • The likelihood of the risk occurring is possible. 	<ul style="list-style-type: none"> • The intention is to stay within the legislative obligations. However, should the community support an option that is practical and reasonable, Council would need to ensure there is ample evidence to support the decision and withstand any challenge.
Political reputation	<ul style="list-style-type: none"> • The risk is there will be negative reaction to the/any proposal from individuals or local interest groups • The risk is expected to be of minor impact. • The likelihood of the risk occurring is possible. 	<p>A comprehensive and informative communications strategy will be in place to explain the various options.</p>

6.6 Financial and resource implications of issue

There is not expected to be any impacts on current or programmed resourcing.

The Remuneration Authority reviews the remuneration settings for local government every 3 years. This includes assessment of each council's place on its appropriate size index (i.e. regional, unitary or territorial index) and the issuing of revised indices, plus decisions on each council's governance remuneration pool and minimum allowable councillor remuneration for each council.

7 NGĀ KŌWHIRINGA A MĀTOU | OPTIONS AVAILABLE

The following options have been identified for consideration:

- Retaining the status quo and adding an additional ward for two Māori representatives;
- Changing the number of seats available to have a fair and practicable number of elected members at the Council table.

7.1 Option 1: Retain status quo plus additional Māori Ward Councillors

Fifteen councillors (plus the Mayor) elected from three current wards (Plains Ward - four councillors, Paeroa Ward - four councillors, Waihi Ward - five councillors), and one Māori Ward - two councillors, with/without community boards:

Ward	Pop	Cnrs	Average	Fits Rule	% Variation
Plains	6,380	4	1,595	Yes	8.33
Paeroa	5,430	4	1,358	Yes	-7.80
Waihi	7,330	5	1,466	Yes	-0.43
Total-Gen	19,140	13	1,472	±147.2	
Māori	3,210	2	1,605	Yes	0.00
Total	22,350	15			

Table 3: Option 1 - 15 Councillors

Option 1: Retaining the status quo plus additional Māori Ward Councillors	
Provide a summary of option:	The current structure of 3 Wards – Plains, Paeroa and Waihi - were the result of the last review; adding a Māori ward(s) would require minimal changes.
Advantages:	There would be no change for the general electors. Iwi Māori will have identifiable representation within Council.
Disadvantages:	There would be an increase in the number of representatives on Council resulting in an increase in democracy activity.

Risk mitigation:	<p>Financially – it is anticipated that an increase in the remuneration budget (pool) to cover the two additional representatives may not occur.</p> <p>Legally - there is no risk as the threshold will be within $\pm 10\%$.</p> <p>Reputation-wise, there may be a drive to lower the number of representatives.</p>
Financial costs:	It is anticipated that an increase in the remuneration budget (pool) for the two additional representatives would not occur.
Rates Impact:	<p>There is no expected change to forecast rates, as funding for this option is provided for in existing budgets.</p> <p>There is no anticipated change in the total remuneration pool available to Councillors.</p>
Debt Impact:	There is no change to forecast debt, as funding for this option is provided for in existing budgets.

Option 1: Significance Assessment - Criteria	Level of significance
Does the recommendation involve a transfer of ownership or control, or abandonment of a strategic asset?	No
Is there a legal requirement to engage with the community?	Yes
What is the level of financial consequence?	Low
What is the proportion of the community affected?	High
What is the impact on the current and future social, economic, environmental or cultural well-being of the district?	High
What is the level of community interest?	Expected to be moderate
Are the likely consequences controversial?	Expected to be low
What is the level of consequence in relation to land or a body of water?	No significance
Does this recommendation trigger a break of one or more of Councils rates caps or debt caps?	No
What is the impact on the ability for Council to carry out any activity in the LTP?	Low
Extent of community views already known on this recommended approach	Low
Option 1 is considered to be of overall low significance.	

7.2 Option 2: 13 Councillors – 11 General and 2 Māori.

Thirteen councillors (plus the Mayor) elected from three current wards (Plains Ward - four councillors, Paeroa Ward - three councillors, Waihi Ward - four councillors), and one Māori Ward - two councillors, with/without community boards:

Ward	Pop	Cnrs	Average	Fits Rule	% Variation
Plains	6,380	4	1,595	Yes	-8.33
Paeroa	5,430	3	1,810	Yes	4.02
Waihi	7,330	4	1,833	Yes	5.32
Total-Gen	19,140	11	1,740	± 174.0	
Māori	3,210	2	1,605	Yes	
Total	22,350	13		.	

Table 4: Option 2 - 13 Councillors

Option 2: 13 Councillors – 11 General and 2 Māori	
Provide a summary of option:	The Plains ward will have 4 representatives, Paeroa has 3, Waihi has 4 and Māori ward has 2 representatives.
Advantages:	The average ratio of elected members to population will be within the ±10% rule.
Disadvantages:	Paeroa and Waihi wards general population has decreased and they will lose one representative each.
Risk mitigation:	Financially – it is anticipated that an increase in the remuneration budget (pool) may not occur. Legally - there is no risk as the threshold will be within ±10%. Reputation-wise, there may be a drive to increase the number of representatives.
Financial costs:	It is anticipated that an increase in the remuneration pool would not occur.
Rates Impact:	There is no expected change to forecast rates, as funding for this option is provided for in existing budgets. There is no anticipated change in the total remuneration pool available to Councillors.
Debt Impact:	There is no change to forecast debt, as funding for this option is provided for in existing budgets.
Option 2: Significance Assessment - Criteria	Level of significance
Does the recommendation involve a transfer of ownership or control, or abandonment of a strategic asset?	No
Is there a legal requirement to engage with the community?	Yes

Option 2: Significance Assessment - Criteria	Level of significance
What is the level of financial consequence?	Low
What is the proportion of the community affected?	High
What is the impact on the current and future social, economic, environmental or cultural well-being of the district?	High
What is the level of community interest?	Expected to be moderate
Are the likely consequences controversial?	Expected to be moderate
What is the level of consequence in relation to land or a body of water?	No significance
Does this recommendation trigger a break of one or more of Councils rates caps or debt caps?	No
What is the impact on the ability for Council to carry out any activity in the LTP?	Low
Extent of community views already known on this recommended approach.	Low
Option 2 is considered to be of overall medium significance.	

7.3 Option 3: 12 Councillors – 10 General and 2 Māori

Twelve councillors (plus the Mayor) elected from three current wards (Plains Ward - three councillors, Paeroa Ward - three councillors, Waihi Ward - four councillors), and one Māori Ward - two councillors, with/without community boards:

Ward	Pop	Cnrs	Average	Fits Rule	% Variation
Plains	6,380	3	2,127	No	11.11
Paeroa	5,430	3	1,810	Yes	-5.43
Waihi	7,330	4	1,833	Yes	-4.26
Total-Gen	19,140	10	1,914	± 191.4	
Māori	3,210	2	1,605		
Total	22,350	12			

This option [3] does not meet the Section 19V(2) percentage variation for the Plains Ward (-65 persons too many, alternatively if the Paeroa and Waihi Wards were to increase by 65 persons each then the Plains Ward would come within the 10% threshold).

It may be important to note that for the 2022 LGE, of the 15,332 potential votes only 6,218 votes (40.56%) were received. The percentage breakdown per ward was as follows:

Ward	Potential Votes	Actual Votes	% voted
Plains	4,564	1,877	41.13%
Paeroa	4,836	1,999	41.34%
Waihi	5,932	2,342	39.48%
Total	15,332	6,218	40.56%

Option 3: 12 Councillors – 10 General and 2 Māori	
Provide a summary of option:	The Plains ward will have 3 representatives, Paeroa have 3, Waihi have 4 and Māori ward have 2 representatives.
Advantages:	A committee of 12 plus the Mayor is considered a workable formula.
Disadvantages:	The Plains Ward will be outside of the threshold due to having an additional 65 persons.
Risk mitigation:	Financially – it is anticipated that an increase in the remuneration budget (pool) may not occur. Legally - there is a risk as the threshold for one Ward will be above 10% by 1.11%. Reputation-wise, there may be a drive to increase the number of representatives.
Financial costs:	It is anticipated that an increase in the remuneration pool would not occur.
Rates Impact:	There is no expected change to forecast rates, as funding for this option is provided for in existing budgets. There is no anticipated change in the total remuneration pool available to Councillors.
Debt Impact:	There is no change to forecast debt, as funding for this option is provided for in existing budgets.
Option 3: Significance Assessment - Criteria	Level of significance
Does the recommendation involve a transfer of ownership or control, or abandonment of a strategic asset?	No
Is there a legal requirement to engage with the community?	Yes
What is the level of financial consequence?	Low
What is the proportion of the community affected?	High
What is the impact on the current and future social, economic, environmental or cultural well-being of the district?	High
What is the level of community interest?	Expected to be high
Are the likely consequences controversial?	Expected to be high

Option 3: Significance Assessment - Criteria	Level of significance
What is the level of consequence in relation to land or a body of water?	No significance
Does this recommendation trigger a break of one or more of Councils rates caps or debt caps?	No
What is the impact on the ability for Council to carry out any activity in the LTP?	Low
Extent of community views already known on this recommended approach.	Low
Option 3 is considered to be of overall high significance.	

7.4 Option 4: 11 Councillors – 9 General and 2 Māori

Eleven councillors (plus the Mayor) elected from three current wards (Plains Ward - three councillors, Paeroa Ward - three councillors, Waihi Ward - three councillors), and one Māori Ward - two councillors, with/without community boards:

Ward	Pop	Cnrs	Average	Fits Rule	% Variation
Plains	6,380	3	2,127	Yes	0.00
Paeroa	5,430	3	1,810	No	-14.89
Waihi	7,330	3	2,443	No	14.89
Total-Gen	19,140	9	2,127	±212.7	
Māori	3,210	2	1,605		
Total	22,350	11		.	

This option [4] does not meet the Section 19V(2) percentage variation for both the Paeroa and Waihi Wards. Paeroa ward would need to gain 313 people or Waihi lose 313, to enable this option to fall within the variation threshold.

Option 4: 11 Councillors – 9 General and 2 Māori	
Provide a summary of option:	The Plains ward will have 3 representatives, Paeroa has 3, Waihi has 3 and Māori ward has 2 representatives.
Advantages:	The Plains, Paeroa and Waihi Wards will have the same number of representatives.
Disadvantages:	Both Paeroa and Waihi Wards will be outside of the ±10% threshold.
Risk mitigation:	Financially – it is anticipated that an increase in the remuneration budget (pool) may not occur.

	Legally - there is a risk as the threshold for two Wards will be outside of the $\pm 10\%$. Reputation-wise, there may be a drive to increase the number of representatives.
Financial costs:	It is anticipated that an increase in the remuneration pool would not occur.
Rates Impact:	There is no expected change to forecast rates, as funding for this option is provided for in existing budgets.
Debt Impact:	There is no change to forecast debt, as funding for this option is provided for in existing budgets.
Option 4: Significance Assessment - Criteria	
Level of significance	
Does the recommendation involve a transfer of ownership or control, or abandonment of a strategic asset?	No
Is there a legal requirement to engage with the community?	Yes
What is the level of financial consequence?	Low
What is the proportion of the community affected?	High
What is the impact on the current and future social, economic, environmental or cultural well-being of the district?	High
What is the level of community interest?	Expected to be high
Are the likely consequences controversial?	Expected to be high
What is the level of consequence in relation to land or a body of water?	No significance
Does this recommendation trigger a break of one or more of Councils rates caps or debt caps?	No
What is the impact on the ability for Council to carry out any activity in the LTP?	Low
Extent of community views already known on this recommended approach.	Low
Option 4 is considered to be of overall high significance.	

7.5 Option 5: 7 Councillors – 6 General and 1 Māori

Seven councillors (plus the Mayor) elected from three current wards (Plains Ward - two councillors, Paeroa Ward - two councillors, Waihi Ward - two councillors), and one Māori Ward - one councillor, with/without community boards.

Ward	Pop	Cnrs	Average	Fits Rule	% Variation
Plains	6,380	2	3,190	Yes	0.00
Paeroa	5,430	2	2,715	No	-14.89
Waihi	7,330	2	3,665	No	14.89
Total-Gen	19,140	6	3,190	±319.0	
<hr/>					
Māori	3,210	1	3,210		
<hr/>					
Total	22,350	7			

This option [5] does not meet the Section 19V(2) percentage variation for both the Paeroa and Waihi Wards. Paeroa ward would need to gain 313 people and Waihi ward lose 313 people to enable this option to fall within the variation threshold.

Option 5: 7 Councillors – 6 General and 1 Māori	
Provide a summary of option:	The Plains ward will have 2 representatives, Paeroa has 2, Waihi has 2 and Māori ward has 1 representative.
Advantages:	The Plains, Paeroa and Waihi wards will have the same number of representatives.
Disadvantages:	The diversity at the table may be somewhat limited.
Risk mitigation:	Financially – it is anticipated that an increase in the remuneration budget (pool) may not occur. Legally - there is a risk as the threshold for two Wards will be outside of the ±10%. Reputation-wise, there may be a drive to increase the number of representatives.
Financial costs:	It is anticipated that an increase in the remuneration pool would not occur.
Rates Impact:	There is no expected change to forecast rates, as funding for this option is provided for in existing budgets.
Debt Impact:	There is no change to forecast debt, as funding for this option is provided for in existing budgets.
Option 5: Significance Assessment - Criteria	Level of significance
Does the recommendation involve a transfer of ownership or control, or abandonment of a strategic asset?	No
Is there a legal requirement to engage with the community?	Yes
What is the level of financial consequence?	Low
What is the proportion of the community affected?	High

Option 5: Significance Assessment - Criteria	Level of significance
What is the impact on the current and future social, economic, environmental or cultural well-being of the district?	High
What is the level of community interest?	Expected to be high
Are the likely consequences controversial?	Expected to be high
What is the level of consequence in relation to land or a body of water?	No significance
Does this recommendation trigger a break of one or more of Councils rates caps or debt caps?	No
What is the impact on the ability for Council to carry out any activity in the LTP?	Low
Extent of community views already known on this recommended approach.	Low
Option 5 is considered to be of overall high significance.	

8 TE KOWHIRINGA MATUA | RECOMMENDED OPTION

Staff recommend proceeding with Option 2- thirteen councillors (plus the Mayor) elected from three current wards (Plains Ward with four councillors, Paeroa Ward with three councillors, Waihi Ward with four councillors), and one Māori Ward with two councillors, without community boards. This option is within the 10% threshold and retains the current total number of councillors for the district. Paeroa and Waihi wards general population has decreased but there will be overall representation by the inclusion of two councillors from the Māori ward.

After the consideration of options, the recommendation is considered to be of overall high significance and as such the recommended form of engagement based on the recommended option is to: involve the community.

9 KIA UIA KI TE HAPORI WHĀNUI ME NGĀ PĀPAHO | ENGAGEMENT AND COMMUNICATION

Based on the recommended form of engagement being involve the community, the proposed engagement and communication approach is: community engagement via Council website, Korero Mai page (survey), e-newsletter, facebook, newspaper advertising, radio interviews, and promotion at community/ward events within the district during the submission period.

10 TE ARA KI MUA | NEXT ACTIONS

The table below sets out the next key steps:

Action	Responsibility	By When
Resolve proposed representation arrangements	Mayor and Councillors, Community Growth Manager	No later than 31 July 2024 (24 April 2024)
Public notice of 'initial' proposal and invites submissions.	Communications Officer, Community Growth Manager	Within 14 days of resolution and no later than 8 August 2024. (3 May 2024)
Submissions close	Community Growth Manager	Not less than one month after public notice. (7 June 2024)
If no submissions then proposal becomes final		
Consider submissions, may make resolution to amend proposal (report review by 17 June 2024)		Within 8 weeks of closing date for submissions. (26 June 2024)
Public notice of 'final' proposal		Within 8 weeks of closing date for submissions. (5 July 2024)
Appeals and objections close		Not less than 1 month after date of Public notice, no later than 3 December 2024. (12 August 2024)
No appeals or objections – proposal becomes 'final'		Public notice – 23 August 2024
Forward appeals, objections and other relevant information to LGC		As soon as practicable no later than 20 December 2024
LGC considers resolutions, submissions, appeals and objections and makes decision		Before 11 April 2025
Determination subject to appeal to High Court on a point of law.		Appeal lodged within one month of determination,

11 TUHUTORO | REFERENCES

Local Electoral Act 2001:

<https://www.legislation.govt.nz/act/public/2001/0035/latest/whole.html>

12 WHAKAPAI | APPROVAL

Prepared by	John McIver Community Growth Manager
Reviewed by	Dale Ofsoske Electoral Officer - IESL
Approved by	Langley Cavers Chief Executive

APPENDIX A: Statistics worksheet – M-3561969

Ward	Pop	Cnrs	Average	Fits Rule	% Variation
Plains	7,230	4	1,808	Yes	5.09
Paeroa	6,710	4	1,678	Yes	-2.47
Waihi	8,420	5	1,684	Yes	-2.09
At large					
Total	22,360	13	1,720	± 172.0	
MEP					
	3,210	2	1,605		
Population 2022					
	22,360				

current (2022)

Ward	Total	General	Māori	% Māori
Plains	7,220	6,380	840	11.6%
Paeroa	6,720	5,430	1,290	19.2%
Waihi	8,410	7,330	1,080	12.8%
Total	22,350	19,140	3,210	14.4%

(2023)

OPTION 1:

Ward	Pop	Cnrs	Average	Fits Rule	% Variation
Plains	6,380	4	1,595	Yes	8.33
Paeroa	5,430	4	1,358	Yes	-7.80
Waihi	7,330	5	1,466	Yes	-0.43
Total-Gen	19,140	13	1,472	± 147.2	
Māori	3,210	2	1,605		
Total	22,350	15			

OPTION 2:

Ward	Pop	Cnrs	Average	Fits Rule	% Variation
Plains	6,380	4	1,595	Yes	-8.33
Paeroa	5,430	3	1,810	Yes	4.02
Waihi	7,330	4	1,833	Yes	5.32
Total-Gen	19,140	11	1,740	± 174.0	
Māori	3,210	2	1,605		
Total	22,350	13		.	

OPTION 3:

Ward	Pop	Cnrs	Average	Fits Rule	% Variation
Plains	6,380	3	2,127	No	11.11
Paeroa	5,430	3	1,810	Yes	-5.43
Waihi	7,330	4	1,833	Yes	-4.26
Total-Gen	19,140	10	1,914	± 191.4	
Māori	3,210	2	1,605		
Total	22,350	12		.	

OPTION 4:

Ward	Pop	Cnrs	Average	Fits Rule	% Variation
Plains	6,380	3	2,127	Yes	0.00
Paeroa	5,430	3	1,810	No	-14.89
Waihi	7,330	3	2,443	No	14.89
Total-Gen	19,140	9	2,127	± 212.7	
Māori	3,210	2	1,605		
Total	22,350	11		.	

OPTION 5:

Ward	Pop	Cnrs	Average	Fits Rule	% Variation
Plains	6,380	2	3,190	Yes	0.00
Paeroa	5,430	2	2,715	No	-14.89
Waihi	7,330	2	3,665	No	14.89
Total-Gen	19,140	6	3,190	± 319.0	
<hr/>					
Māori	3,210	1	3,210		
<hr/>					
Total	22,350	7		.	

APPENDIX B: INVITE FROM DIA – WEBINAR 19 APRIL 2024 14:00HRS

DIA Information webinar on Māori Wards

Kia ora koutou,

As you may be aware, the Minister of Local Government Simeon Brown has announced the Coalition Government will restore the rights of communities to determine whether to introduce Māori wards. A link to the Minister's press release can be found [here](#).

The Government has announced that any local authority who established Māori wards or have resolved to establish Māori wards will have the option to disestablish those wards or reverse their decision prior to the 2025 local elections.

The Government also announced that local authorities will be required to hold a binding poll at the 2025 local elections if they established Māori wards without holding a poll. The result of the poll will take effect from the 2028 local elections.

Local authorities who decide to disestablish their Māori ward or reverse their decision to establish a Māori ward will not be required to hold any poll at the 2025 local elections.

The Department of Internal Affairs would like to invite you to an information webinar on **Friday 19 April at 2pm** to explain the transitional provisions in the policy and answer any technical questions.

While this meeting is not a public meeting, it is open to Mayors, Chairs, Chief Executives and elected members. **We would appreciate if Chief Executives could forward this invite on to elected members.** Please also forward the invite to anyone else you think should attend.

If you have any further questions, please do not hesitate to reply to this email.

The link to the webinar can be found below:

Meeting ID:

Passcode:

Ngā mihi,

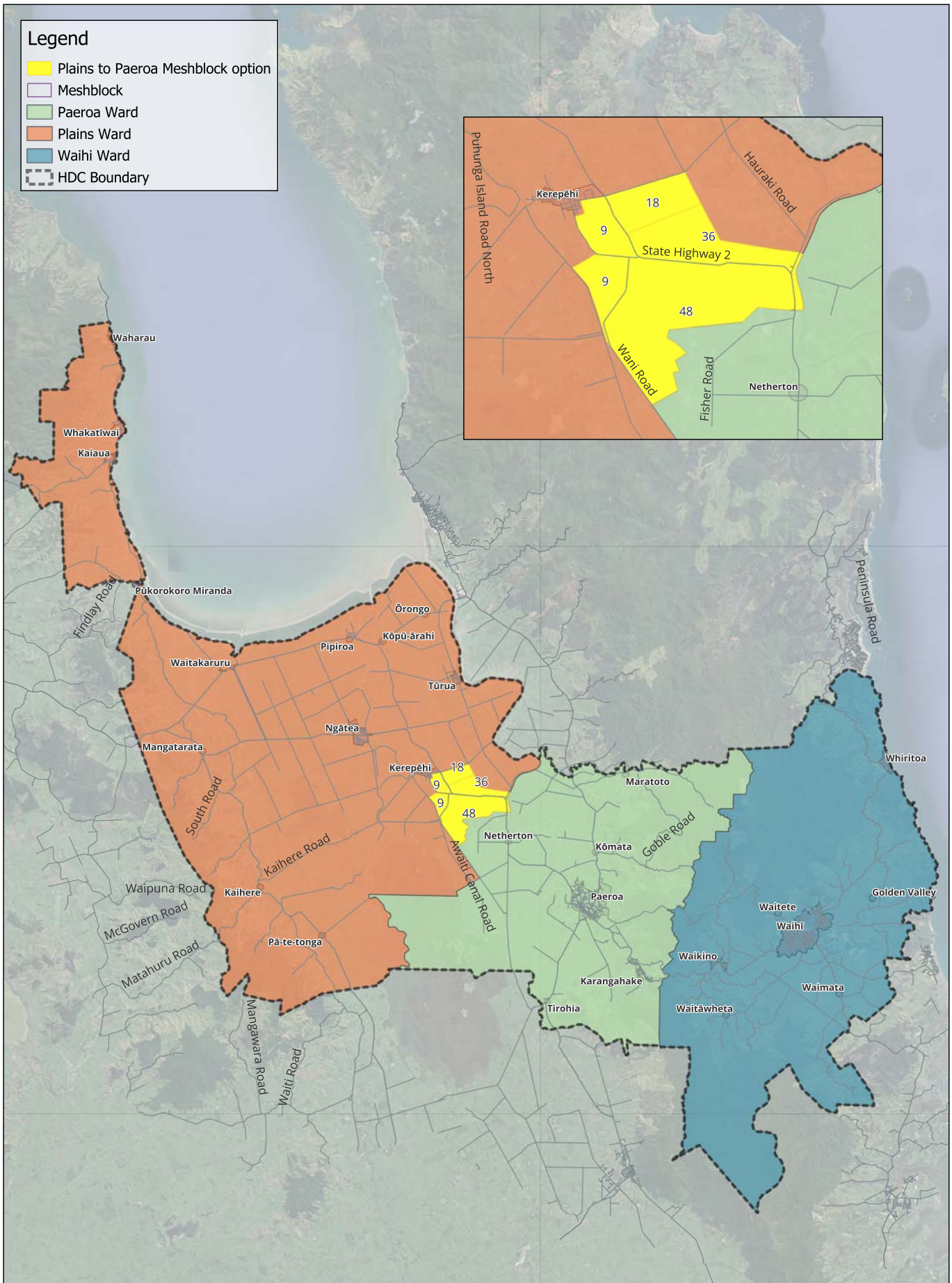
Te Tari Taiwhenua | Department of Internal Affairs

45 Pipitea Street | PO Box 805, Wellington 6140, New Zealand | www.dia.govt.nz



Te Tari Taiwhenua
Internal Affairs

APPENDIX C: M-3613539 - PLAINS TO PAEROA MESH BLOCK OPTION SAMPLE



Legend

- Plains to Paeroa Meshblock option
- Meshblock
- Paeroa Ward
- Plains Ward
- Waihi Ward
- HDC Boundary

Hauraki District Council Wards - 2018 Population by Meshblock

Projection: NZTM
 Print Size: A3 Portrait
 Date: 16/04/2024

Scale: 1 to 230,000
 Map By: HDC GIS
 Source: Stats NZ 2018 Meshblock Population

Hauraki District Council does not guarantee that this map is without flaw of any kind and disclaims all liability for any errors, loss or other consequences which may arise from relying on any information depicted.
 File Location: M:\Projects\Democratic Process\Establishment of Māori Wards Research.gxz



MŌ TE WHAKATAUNGA FOR DECISION



To Mayor and Councillors

Author John McIver
Community Growth Manager

Meeting date 24 April 2024

File reference Document: 3612750
Appendix A: 3600515

Subject **2024 Jiading International Youth Friendship Camp Invitation**

1 TE WHAIKUPU | RECOMMENDATIONS

THAT Council

- a) Receives the report titled 2024 Jiading International Youth Friendship Camp Invitation (document number M-3612750)
- b) Approves Option 1 – decline the invitation from the People’s Government of Jiading District Shanghai,

OR
- c) Approves Option 2 - accept the invitation from the People’s Government of Jiading District Shanghai for two students and one adult to attend the 2024 Jiading International Youth Friendship Camp,

AND
- d) Approves <<TBD>> attend the 2024 Jiading International Youth Friendship Camp as the official support person,

AND
- e) Approves budgeted operating expenditure of \$7,000.00 for the travel related costs for 2024 Jiading International Youth Friendship Camp from the Extended relationships-operating budget for 2023/2024.

2 TE ARONGA | PURPOSE

The purpose of this report is to advise Council of an invitation to participate in and to provide financial assistance towards the travel costs of a delegation to the Jiading International Youth Friendship Camp in July/August 2024.

3 TE WHAKARĀPOPOTANGA | SUMMARY

The Council's sister city agreement with Jiading District gives opportunities for educational/cultural exchanges between the three colleges within Hauraki District and the three high schools in Jiading. Included with this agreement has been the Council's support for two students to participate in an annual international youth friendship camp held in Jiading. This event hasn't been held since 2019 and has resumed this year.

The colleges have been made aware of this opportunity, however, there are other constraints that they face, i.e. full schedules for the term/year already, and they may struggle to nominate students for consideration.

The camp provides an opportunity for students to contribute and experience cultures not only of Shanghai (Chinese) but also of other countries that will be participating.

It is recommended that Council accept the invitation.

4 WHAKAPAPA | BACKGROUND

Council has received an invitation from our Sister City, Jiading, for two students (a boy and a girl) and a support person (chaperon) from our district to attend an International Camp in Jiading from 28 July to 02 August 2024.

This event includes students from other countries that Jiading has a sister city relationship with and reports from students and support persons that have attended over the past years indicate it is a valuable experience. The camp programme consists of a mixture of cultural experiences and visits to well-known Shanghai tourist venues.

The Mayor had asked staff to investigate if there is support for this request from the colleges within our district. Two of the three colleges (- Waihi and Hauraki Plains) have indicated their support.

If Council is in support of this invitation, the colleges will then be asked to provide names of students for consideration and the Governance Leadership Team will interview each nomination. The successful nomination(s) will need to have a valid passport and commit to this time away from New Zealand.

A support person would accompany the students. The People's Government of Jiading District, Shanghai will cover all expenses in China, but travel costs to China would need to be met by the students and support person.

5 NGĀ TAKE | ISSUES

Last time (-2019) Council funded \$1,000 per delegate attending the Friendship Camp to Jiading and two of the Wards granted \$500 each from their community assistance fund.

Currently, return travel for one person from Auckland to Pudong International Airport Shanghai plus visa cost and insurance is estimated at \$2,295. Total estimated cost of two students and one support person is estimated at \$6,885.

If Council decides to subsidise the cost of attendance at the same level as the Education Exchange to Jiading, staff are recommending that \$7,000 be budgeted for this event.

6 WHAIWHAKAARO RAUTAKI O NGĀ TAKE | STRATEGIC CONSIDERATIONS

6.1 Mana Whenua/Māori

There is no impact on mana whenua/Māori; nominations will come from the local colleges.

This decision does not relate to land or body of water.

6.2 Strategic alignment

- This activity is set in the current long-term plan. This initiative may contribute to the Manaaki Toiora - Growing Skills and the local workforce strategy

6.3 Policy and bylaw consistency

Policies and bylaws applicable to the issue include:

- No policies or bylaws are applicable.

6.4 Climate change implications

The decision will not be impacted by a changing climate.

6.5 Issue risks and mitigations

Risk		What is being done about the risk?
Financial/economic	<p>The risk is that the nominee(s) may cancel late due to unforeseen circumstances</p> <p>The risk is expected to be of minor impact. The likelihood of the risk occurring is unlikely.</p>	Interviews of nominees will include questions relating to risk
Health and safety	<p>The risk is that a participant requires medical assistance</p> <p>The risk is expected to be of insignificant impact. The likelihood of the risk occurring is unlikely.</p>	Regular health and safety briefings, and travel insurance to cover any eventuality purchased.

6.6 Financial and resource implications of issue

There is not expected to be any impacts on current resourcing.

7 NGĀ KŌWHIRINGA A MĀTOU | OPTIONS AVAILABLE

The following options have been identified for consideration:

- Decline the request.
- Support the request for two students and one support person

7.1 Option 1:

Option 1: Decline the invitation	
Provide a summary of option:	decline the invitation from the People’s Government of Jiading District Shanghai, China
Advantages:	No time or expenditure incurred
Disadvantages:	Students may miss the opportunity to participate in an international activity
Risk mitigation:	No risk
Financial costs:	No costs
Rates Impact:	No impact
Debt Impact:	No impact
Option 1: Significance Assessment - Criteria	
	Level of significance
Does the recommendation involve a transfer of ownership or control, or abandonment of a strategic asset?	No
Is there a legal requirement to engage with the community?	No
What is the level of financial consequence?	Low
What is the proportion of the community affected?	Low
What is the impact on the current and future social, economic, environmental or cultural well-being of the district?	Low
What is the level of community interest?	Expected to be low
Are the likely consequences controversial?	Expected to be low
What is the level of consequence in relation to land or a body of water?	No significance
Does this recommendation trigger a break of one or more of Councils rates caps or debt caps?	No

Option 1: Significance Assessment - Criteria	Level of significance
What is the impact on the ability for Council to carry out any activity in the LTP?	Low
Extent of community views already known on this recommended approach	Low
Option 1 is considered to be of overall low significance.	

7.2 Option 2

Option 2: Accept the invitation	
Provide a summary of option:	accept the invitation from the People’s Government of Jiading District Shanghai for two students and one adult to attend the 2024 Jiading International Youth Friendship Camp, and approves the appointment of <<TBD>>to attend the 2024 Jiading International Youth Friendship Camp as the official support person
Advantages:	Continues the friendship with sister city Jiading District, China.
Disadvantages:	No identified disadvantage, although there will be some timing issues
Risk mitigation:	Nominees will be advised of the financial commitment
Financial costs:	One-off operating cost. 06435.0454.0402 [NOTE: as of 2024/20234 this Extended relationships/Sister cities budget will not be available]
Rates Impact:	There is no expected change to forecast rates, as funding for this option is provided for in existing budgets.
Debt Impact:	There is no change to forecast debt, as funding for this option is provided for in existing budgets.
Option 2: Significance Assessment - Criteria	Level of significance
Does the recommendation involve a transfer of ownership or control, or abandonment of a strategic asset?	No
Is there a legal requirement to engage with the community?	No
What is the level of financial consequence?	Low
What is the proportion of the community affected?	Low
What is the impact on the current and future social, economic, environmental or cultural well-being of the district?	Low
What is the level of community interest?	Expected to be low

Option 2: Significance Assessment - Criteria	Level of significance
Are the likely consequences controversial?	Expected to be low
What is the level of consequence in relation to land or a body of water?	No significance
Does this recommendation trigger a break of one or more of Councils rates caps or debt caps?	No
What is the impact on the ability for Council to carry out any activity in the LTP?	Low
Extent of community views already known on this recommended approach.	Low
Option 2 is considered to be of overall low significance.	

8 TE KOWHIRINGA MATUA | RECOMMENDED OPTION

Staff recommend proceeding with Option 2 - accept the invitation from the People’s Government of Jiading District Shanghai for two students and one adult to attend the 2024 Jiading International Youth Friendship Camp, AND approves <<TBD>> attend the 2024 Jiading International Youth Friendship Camp as the official support person,

After the consideration of options, the recommendation is considered to be of overall low significance and as such the recommended form of engagement is to: not carry out any specific consultation or engagement.

9 KIA UIA KI TE HAPORI WHĀNUI ME NGĀ PĀPAHO | ENGAGEMENT AND COMMUNICATION

Based on the recommended form of engagement being inform the community, the proposed engagement and communication approach is: an article in the e-newsletter, facebook post.

10 TE ARA KI MUA | NEXT ACTIONS

The table below sets out the next key steps:

Action	Responsibility	By When
Receive nominations from the colleges	Community Growth Team	30 April 2024
Interview nominees, receive passports, complete visa application form(s)	Governance Leadership team	Early May

Action	Responsibility	By When
Advise Jiading Foreign Affairs Office of outcome, request letter of invitation	Community Growth Team	After passports received – early May
Purchase air tickets, organise visa(s)	Community Growth Team	Early May
Debrief delegation and organise travel to Auckland International airport.	Community Growth Team	Mid-July
Report from delegation to Council	Community Growth Team	August/September

11 TUHUTORO | REFERENCES

www.jiading.gov.cn

12 WHAKAPAI | APPROVAL

Prepared by	John McIver Community Growth Manager
Reviewed by	Peter Thom Group Manager – Community Development
Approved by	Peter Thom Group Manager – Community Development

APPENDIX A: INVITATION TO PARTICIPATE IN 2024 JIADING IYFC

Kia Ora Mayor Toby,

I hope this email finds you well.

I am writing to express our sincere gratitude for your ongoing interest and support towards the international friendship exchange programs in Jiading District.

On behalf of the Foreign Affairs Office of Jiading District, I am pleased to inform you that after a long hiatus, the Jiading International Youth Friendship Camp will resume this year. It is with great pleasure that we extend a heartfelt invitation to Hauraki District to send delegates to attend this year's camp.

The camp will maintain its traditional format and will take place from July 28th to August 2nd this year, aligning with previous years. We have invited representatives from friendly cities such as New Zealand, Japan, South Korea, Germany to participate in the event.

During the camp, we will offer participants the opportunity to experience the essence of traditional Shanghai culture and also organize visits to witness modern developmental achievements. We kindly request Hauraki District to nominate one male and one female student delegate to participate, accompanied by one adult chaperone. English will be the primary language of communication throughout the event.

Please be assured that Jiading District will cover all expenses related to accommodation, meals, and local transportation for the duration of the camp. For specific requirements and registration forms, please refer to the attached documents.

We eagerly anticipate your response and hope that Hauraki District will join us in this enriching cultural exchange opportunity.

Thank you for your attention, and we look forward to hearing from you soon.

Warm regards,



SHEN Xiaowei (申晓伟)

Section Chief
Foreign Affairs Office of Jiading

<http://www.jiading.gov.cn>

MŌ TE WHAKATAUNGA FOR DECISION



To The Mayor and Councillors

Author Charan Mischewski
Senior Strategic Planer

Meeting date Wednesday, 24 April 2024

File reference Document: 3612977

Subject **Council submission on the Waikato Regional Council Draft 2024-34 Long Term Plan**

1 TE WHAIKUPU | RECOMMENDATIONS

THAT Council

- a) Receives the report titled Council submission on the Waikato Regional Council Draft 2024-34 Long Term Plan, (document number 3612977).
- b) Approves Option 1: Adopt the Council submission to the Waikato Regional Council Draft 2024-34 Long Term Plan [as circulated/and as amended].

OR

- c) Approves Option 2: Does not make a submission on the Waikato Regional Council Draft 2024-34 Long Term Plan.

2 TE ARONGA | PURPOSE

This report asks the Council to consider and adopt the Council submission on the Waikato Regional Council Draft 2024-34 Long Term Plan.

3 WHAKAPAPA | BACKGROUND

At the Council meeting of 27 March 2024 representatives from the Waikato Regional Council presented on the Waikato Regional Council draft 2024-34 Long Term Plan. The draft 2024-34 Long Term Plan and Consultation Document can be viewed at [2024-2034 Long Term Plan | Waikato Regional Council](#)

The Consultation Document has several key areas of focus including the following four key consultation topics:

- Investing more in our region's biodiversity – the proposal is to increase the per property rate for this work to bring investment in line with inflation costs.

- Simplifying public transport investment – the Regional Council is proposing to directly rate the southern Waikato councils for public transport and there are different region-wide funding models presented.
- Regional economic development funding – this includes the question of whether the Regional Council should continue to operate the Regional Development Fund and whether it should fund Te Waka for the next three years.
- Changes to the funding of primary industry compliance – a change is proposed where 20 per cent of the funding contribution will come from the general rate. Currently the full cost of the permitted activity monitoring programme is funded by a targeted rate on properties 2 hectares or greater.

There are also other areas of work highlighted in the Consultation Document including:

- Improving Whangamarino Wetland and Lake Waikare.
- Developing a regional strategy for water security.
- Understanding our coastal marine areas – this includes increased investment in specialised monitoring equipment and new work programmes in the Firth of Thames.
- Stepping up pest management - increased investment in the surveillance and control of several priority pest plant programmes, and funding to address and support a range of freshwater and marine biosecurity issues.
- For peat's sake – working with key stakeholders to test identified opportunities to reduce peat subsidence and greenhouse gas emissions.
- Wharekawa Coast 2120 - engaging an expert to help develop funding options for Waikato Regional Council projects in the Wharekawa Coast 2120 Community Plan.
- Developing a regional spatial plan.
- Te Huia: passenger rail service – this includes information about the risk to future service improvements and the renewal of rolling stock.
- Discontinuing the sustainable homes initiative.

There is also a change in the focus of the Waikato Regional Council Draft 2024-34 Infrastructure Strategy. The focus has moved away from the assumption the Council will maintain, renew or replace assets, and instead it will change the way it invests in, manages and pays for infrastructure in the future. The Council will use the Sustainable Infrastructure Decision-making Framework (SIDF) in its decision making process. It has noted it will work with the community to make long term decisions on whether levels of service should be altered, or if a different approach should be taken in how a catchment and its risks are managed.

4 NGĀ TAKE | ISSUES

The Mayor, Deputy Mayor and Councillors Spicer, Daley, Tilsley, Broad, Crooymans and Gray met to discuss feedback to the Waikato Regional Council Draft 2024-34 Long Term Plan on 10 April 2024. The Council's feedback needs to be submitted prior to 4pm on Thursday, 2 May 2024.

At the time of writing this report, the submission is being finalised. It will be circulated to all Councillors for consideration prior to this Council meeting. While the Mayor has delegated authority to approve Council submissions, in this instance we have time for the Council to consider and adopt the submission.

5 WHAIWHAKAARO RAUTAKI O NGĀ TAKE | STRATEGIC CONSIDERATIONS

5.1 Strategy, Planning, Policy and bylaw alignment

The Council’s strategy, planning, policy, and bylaws have been considered during the drafting of the submission.

6 NGĀ KŌWHIRINGA A MĀTOU | OPTIONS AVAILABLE

The following options have been identified for consideration:

- Adopt the Council submission on the Waikato Regional Council Draft 2024-34 Long Term Plan.
- Retain the status quo – do not make a submission.

6.1 Option 1

Option 1: Adopt the Council submission on the Waikato Regional Council Draft 2024-34 Long Term Plan	
Provide a summary of option:	The Council normally makes a submission to the Waikato Regional Council Long Term Plan. However, it is at the discretion of the Council. This option is for the Council to make a submission.
Advantages:	The Council has committed to advocating on behalf of the Hauraki District to regional and central government.
Disadvantages:	There are no identified disadvantages with making a submission.
Financial costs:	Other than staff time to prepare the submission, there are no additional costs.
Option 1: Significance Assessment - Criteria	
Does the recommendation involve a transfer of ownership or control, or abandonment of a strategic asset?	No
Is there a legal requirement to engage with the community?	No
What is the level of financial consequence?	Low
What is the proportion of the community affected?	High
What is the impact on the current and future social, economic, environmental or cultural well-being of the district?	Medium
What is the level of community interest?	Expected to be low
Are the likely consequences controversial?	Expected to be low
What is the level of significance in relation to land or a body of water?	Low significance

Option 1: Significance Assessment - Criteria	Level of significance
Does this recommendation trigger a break of one or more of Councils rates caps or debt caps?	No
What is the impact on the ability for Council to carry out any activity in the LTP?	Low
Extent of community views already known on this recommended approach	Medium
Option 1 is considered to be of overall low significance.	

6.2 Option 2

Option 2: Do not make a submission	
Provide a summary of option:	As noted above, the Council does not have to make a submission on the Waikato Regional Council Draft 2024-34 Long Term Plan. It is at the discretion of the Council. This option is for the Council not to make a submission.
Advantages:	There are no advantages identified with not making a submission. It is well known that the Council does not necessarily represent the opinion of every person in the District, and people can make their own submission.
Disadvantages:	The Council has committed to advocating on behalf of the District in its Community Outcomes.
Financial costs:	Other than staff time to prepare the submission, there are no additional costs.
Option 1: Significance Assessment - Criteria	Level of significance
Does the recommendation involve a transfer of ownership or control, or abandonment of a strategic asset?	No
Is there a legal requirement to engage with the community?	No
What is the level of financial consequence?	Low
What is the proportion of the community affected?	High
What is the impact on the current and future social, economic, environmental or cultural well-being of the district?	Medium
What is the level of community interest?	Expected to be low
Are the likely consequences controversial?	Expected to be low
What is the level of significance in relation to land or a body of water?	Low significance
Does this recommendation trigger a break of one or more of Councils rates caps or debt caps?	No

Option 1: Significance Assessment - Criteria	Level of significance
What is the impact on the ability for Council to carry out any activity in the LTP?	Low
Extent of community views already known on this recommended approach	Medium
Option 1 is considered to be of overall low significance.	

7 TE KOWHIRINGA MATUA | RECOMMENDED OPTION

Staff recommend proceeding with option 1.

After the consideration of options, the recommendation is considered to be of overall low significance and as such the recommended form of engagement based on the recommended option is to: not carry out any specific consultation or engagement.

8 KIA UIA KI TE HAPORI WHĀNUI ME NGĀ PĀPAHO | ENGAGEMENT AND COMMUNICATION

Based on the recommended form of engagement being inform the community, the proposed engagement and communication approach is to notify the community that the Council has made a submission to the Waikato Regional Council Draft 2024-34 Long Term Plan.

9 TE ARA KI MUA | NEXT ACTIONS

The table below sets out the next key steps:

Action	Responsibility	By When
Submit the Council's submission	Strategic Planning	Prior to 2 May 2024

10 TUHUTORO | REFERENCES

The draft 2024-34 Long Term Plan and Consultation Document can be viewed at [2024-2034 Long Term Plan | Waikato Regional Council](#)

11 WHAKAPAI | APPROVAL

Prepared by	Charan Mischewski - Senior Strategic Planner
Reviewed by	Nina Murphy - Strategic Planning Manager
Approved by	Peter Thom - Group Manager Community Development

MŌ TE WHAKATAUNGA FOR DECISION



To Mayor and Councillors

Author Ruth Vivian
Project Manager

Meeting date 24/04/2024

File reference Document: 3596486

Subject **Morgan Park – Recreation Space Update and request for resolution to apply for external funding**

1 TE WHAIKUPU | RECOMMENDATIONS

THAT Council

- a) Receives the report titled Morgan Park – Recreation Space Update and request for resolution to apply for external funding (document number 3596486).
- b) Approves Option 1, Retain the status quo.
OR
- c) Approves Option 2, to approve a resolution for Hauraki District Council to apply directly to the Lions Foundation and Trust Waikato for external funding for the Morgan Park Recreation Space, AND updates the capital project budget for 2023/24 to reflect external funds received to \$295,000.

2 TE ARONGA | PURPOSE

The purpose of this report is to provide an update on the Waihi Outdoor Recreation Hub project, which is a joint project between the Hauraki District Council and the Waihi Community Forum Charitable Trust (WCFCT), and to request a resolution for the Hauraki District Council to apply for external funding for this project to the Lions Foundation and Trust Waikato. This report will also seek resolution to update the capital project budget based on external funding received to date.

3 TE WHAKARĀPOPOTANGA | SUMMARY

The Waihi Community Forum Charitable Trust (WCFCT) is working on a project with Council to provide an outdoor recreation hub at Morgan Park in Waihi including a pump track and brand new skate park and associated facilities. While the WCFCT will look after the project, the assets will be vested back to the Council and maintenance of these assets will sit with the Council when complete.

The WCFCT are seeking external funding for this project. The Lions Foundation and Trust Waikato are large funders that WCFCT wish to apply to, however since the assets from this project will be vested back to the Hauraki District Council these funders require the funding application to come directly from the Hauraki District Council and need a Council resolution to support this.

4 WHAKAPAPA | BACKGROUND

The Waihi Community Forum Charitable Trust (WCFCT) presented to Council in December 2022 on their proposal to partner with the Council to create a new pump track, skate park and create a 'hub' area at Morgan Park in Waihi. Council confirmed its support to work in partnership with the Waihi Community Forum on these projects at this time.

A further report went to Council in June 2023 to formally resolve this support for the project and request some funding towards the project. Council resolved to work in partnership with the WCFCT and to provide funding from the Waihi Ward Community Recreational Facilities Development Fund to a value of \$150,000. These funds are conditional on other funding applications results so access to these funds will be at a later date once further funds have been secured. As part of the resolution, an MOU between the WCFCT and HDC was also requested. The MOU between Council and WCFCT was signed in November 2023.

The WCFCT have successfully run community events to gather feedback on what the community wants in a skate park, pump track and recreation space at Morgan Park. They have talked with the community and run online surveys to get a good understanding of community preferences.

Rich Landscapes, an award winning specialised landscape architect company, were engaged in late 2023 to use the community feedback to produce a concept design and develop indicative pricing that can be used for external funding applications. Rich Landscapes completed their own community engagement and spent some time in the district to firm up ideas for the concept design. The concept design was delivered in late 2023. The concept is aspirational with different areas forming stages so that certain areas of the recreation hub may progress as funding becomes available but allows for items to be scaled back if adequate funds are not secured.

The main components of the concept design include a pump track, skate park, a central area, exercise equipment, playground upgrades, toilets and carpark upgrades.

To date, the WCFCT have successfully fundraised \$215,000. Currently a large funding application is sitting with the Lotteries Commission and the WCFCT anticipate feedback on the outcome of this in June 2024.

The WCFCT plan to use the first round of successful funds to progress with the construction of the pump track and move the concept design into developed design for the skatepark and other components of the recreation hub.

5 NGĀ TAKE | ISSUES

Funding Applications

This project has been supported by Council as a joint funding project and further funding has been included in the LTP for 2024/25, on the basis that this money is funded externally. i.e. there is no rates impact as the funds included in the LTP are to be externally funded.

WCFCT are responsible for sourcing funds for this project, however a couple of providers have indicated that due to the assets being vested back to the Council, the Council must apply directly. The Lions Foundation and the Trust Waikato both require HDC to apply directly for funding and require a Council resolution.

Significant funding is required to progress through the design and construction phases for this project. It is therefore important that the WCFCT exhaust all funding opportunities available so that a sufficient project budget is obtained.

If we do not apply for these funds directly, it reduces the pool of funds available for this project and may reduce the scope of items that can be delivered.

Project Budget:

Currently the project is in the HDC capital project list with two project lines relating to the 1351_001 - Waihi Skate Park and 1347_001 - Waihi Adult Sports Equipment. It is requested that we amalgamate these project lines and form a project 'Morgan Park: Recreation space' and update the project budget to \$295,000 for 2023/2024 to include external funding received to date. An update on the funding is below.

	2023/2024	2024/2025
1351_001 - Waihi Skate Park	\$80,000	\$170,000 (Carparked funds to be requested to be carried forward to 2024/25)
1347_001 - Waihi Adult Sports Equipment		\$22,628 (Carparked funds to be requested to be carried forward to 2024/25)
External Funding Received and Waihi Community Forum Contribution	\$215,000	
LTP Morgan Park Recreation Space (Joint Funding)		Funds to be confirmed after consultation period.
Waihi Ward Community Recreational Facilities Development Fund		\$150,000
Total	\$295,000	\$342,628

Next Steps

A council working party has been formed for this project. Terms of reference for the working party will need to be drafted, to reflect how the Council and the WCFCT will work together going forward.

The concept includes facilities such as toilets and playground upgrades, which may require a Council contribution. As these and other matters arise, we will liaise with the working party.

The WCFCT wish to progress with construction of the pump track as soon as funds are confirmed; they anticipate this being from June 2024. If funds permit, further design work can occur to develop the skatepark and associated services at the hub. Further consultation with the community and Council will occur when the development of these are designs are being worked through.

6 WHAIWHAKAARO RAUTAKI O NGĀ TAKE | STRATEGIC CONSIDERATIONS

6.1 Mana Whenua/Māori

The proposed project and the facilities within it, contributes to the social and cultural wellbeing of the Waihi community and wider Hauraki communities, bringing together whanau and positively enables health and wellness for both those participating in recreation activities and those spectating.

6.2 Strategic alignment

The 2023/24 Annual Plan included money for a skate park upgrade at Morgan Park and also funds for adult exercise equipment. The 2024-34 Long Term Plan includes this project as a key project within the consultation document.

This project contributes to the Hauraki Community Outcomes offering a space that allows families and people to come together socially, recreationally and for exercise.

6.3 Policy and bylaw consistency

Policies and bylaws applicable to the issue include:

- No policies and bylaws are applicable to the issue.

6.4 Climate change implications

The decision will result in a no or negligible change in greenhouse gas emissions.

The decision will not be impacted by a changing climate.

6.5 Issue risks and mitigations

Risk		What is being done about the risk?
Financial/economic	<p>The risk is that not enough funding is received to complete the project.</p> <p>The risk is expected to be of minor impact.</p> <p>The likelihood of the risk occurring is possible.</p>	<p>The project is dependent on adequate funding being received. No contracts are to be entered into until enough funds exist. This is dictated within the MOU.</p>

6.6 Financial and resource implications of issue

The WCFCT wish to apply for \$500,000 to the Lions Foundation to contribute towards the pump track construction and developed/detailed design phases of the skatepark and other components.

Trust Waikato require 70% of total funding to be in place before we can apply for funding so the amount required for this application will be determined later on in the process.

7 NGĀ KŌWHIRINGA A MĀTOU | OPTIONS AVAILABLE

The following options have been identified for consideration:

- Option 1: Retain the status quo.
- Option 2: Approve the Council applying for funding for the Morgan Park Recreation Space from external funding providers (Lions Foundation and Trust Waikato) and update the capex budget to reflect external funding received to date.

7.1 Option 1:

Option 1: Retain the status quo	
Provide a summary of option:	Council does not approve applying for funding to external organisations. Council does not update the project budget in the capital list.
Advantages:	Nil
Disadvantages:	Funds are not secured to build the pump track and progress with the skatepark and recreation hub.
Risk mitigation:	This option will not mitigate any risk.
Financial costs:	No financial costs to Council at this time.
Rates Impact:	There is no expected change to forecast rates.
Debt Impact:	There is no change to forecast debt.

Option 1: Significance Assessment - Criteria	Level of significance
Does the recommendation involve a transfer of ownership or control, or abandonment of a strategic asset?	No
Is there a legal requirement to engage with the community?	No
What is the level of financial consequence?	Low
What is the proportion of the community affected?	Low
What is the impact on the current and future social, economic, environmental or cultural well-being of the district?	Low
What is the level of community interest?	Expected to be low
Are the likely consequences controversial?	Expected to be low
What is the level of consequence in relation to land or a body of water?	No significance
Does this recommendation trigger a break of one or more of Councils rates caps or debt caps?	No
What is the impact on the ability for Council to carry out any activity in the LTP?	Low
Extent of community views already known on this recommended approach	Low
Option 1 is considered to be of overall low significance.	

7.2 Option 2

Option 2: Approve the Council applying for funding for the Morgan Park Recreation Space from external funding providers and update the capital budget to reflect external funding received to date.	
Provide a summary of option:	Council resolves to apply for funding from the Lions Foundation and Trust Waikato directly. Council updates the capital budget to include funds obtained from external organisations.
Advantages:	This option gives the project a chance of gaining a larger budget to progress to building a recreation hub at Morgan Park, which will benefit the community.
Disadvantages:	No disadvantages.
Risk mitigation:	Funds may be secured via external sources giving the project a larger budget to work with.
Financial costs:	No costs to Council at this time.
Rates Impact:	There is no expected change to forecast rates.

Debt Impact:	There is no change to forecast debt.
Option 2: Significance Assessment - Criteria	Level of significance
Does the recommendation involve a transfer of ownership or control, or abandonment of a strategic asset?	No
Is there a legal requirement to engage with the community?	No
What is the level of financial consequence?	Low
What is the proportion of the community affected?	Low
What is the impact on the current and future social, economic, environmental or cultural well-being of the district?	Low
What is the level of community interest?	Expected to be low
Are the likely consequences controversial?	Expected to be low
What is the level of consequence in relation to land or a body of water?	No significance
Does this recommendation trigger a break of one or more of Councils rates caps or debt caps?	No
What is the impact on the ability for Council to carry out any activity in the LTP?	Low
Extent of community views already known on this recommended approach.	Low
Option 2 is considered to be of overall low significance.	

8 TE KOWHIRINGA MATUA | RECOMMENDED OPTION

Staff recommend proceeding with option two - Approve the Council applying for funding for the Morgan Park Recreation Space from external funding providers and update the capex budget to reflect external funding received to date.

After the consideration of options, the recommendation is considered to be of overall low significance and as such the recommended form of engagement is to: not carry out any specific consultation or engagement.

9 KIA UIA KI TE HAPORI WHĀNUI ME NGĀ PĀPAHO | ENGAGEMENT AND COMMUNICATION

Based on the recommended form of engagement being collaborate with the community, the proposed engagement and communication approach is: collaborate with the community as the project progresses. The wider community will also be informed as the project progresses.

10 TE ARA KI MUA | NEXT ACTIONS

The table below sets out the next key steps:

Action	Responsibility	By When
Inform Waihi Community Forum Charitable Trust of decision	HDC PMO	April 2024
HDC apply to external funders	HDC PMO	May 2024

11 TUHUTORO | REFERENCES

Not applicable.

12 WHAKAPAI | APPROVAL

Prepared by	Ruth Vivian Project Manager
Reviewed by	Campbell Moore Manager – Projects and Operations
Approved by	Adrian de Laborde Service Delivery Group Manager

MŌ TE WHAKATAUNGA FOR DECISION



To Mayor and Councillors

Author Andre Tibshraeny (and Terri Casey)
Project Managers

Meeting date 24 April 2024

File reference Document: 3596358

Subject **Kerepehi Water Treatment Plant - New Emergency Power Supply Generator**

1 TE WHAIKUPU | RECOMMENDATIONS

THAT Council

- a) Receives the report titled Kerepehi Water Treatment Plant - New Emergency Power Supply Generator, (document number 3596358).
- b) Approves Option 1: Approval to fund replacement generator retrospectively.
- c) Approves unbudgeted capital expenditure of \$172,000 in the water supply activity in the 2023/24 year, and that the unbudgeted expenditure be funded from debt.

2 TE ARONGA | PURPOSE

The purpose of this report is to seek approval from Council to fund the replacement of the Kerepehi water treatment plant generator.

3 TE WHAKARĀPOPOTANGA | SUMMARY

In summary, the backup generator at the Kerepehi water treatment plant has failed earlier than staff had anticipated. As a backup is required to ensure water supply continuity in the event of power failure, we have had to lease a generator at a cost of approximately. \$1,000 per day. A replacement generator has been procured and installed urgently; this report seeks retrospective approval of this purchase.

4 WHAKAPAPA | BACKGROUND

The existing generator at the Kerepehi water treatment plant has, after 17 years, failed. The existing generator has had extensive previous use at Tetley Quarry, before being put in place as an alternative power supply at the Kerepehi treatment plant.

In anticipation of failure, due to the generator nearing the predicted end of its useful life, staff conducted a Request for Quotation process last year. Quotes were obtained from five reputable suppliers for the supply and commissioning of a new vandal proof and all weather proof generator that meets all required technical specifications.

The Kerepehi water treatment plant services the whole of the Plains area.

5 NGĀ TAKE | ISSUES

In November 2023 via Council workshop, the Council deferred the budget for this project to the following year. At that time, the decision to postpone funds for this project was appropriate to lesson financial burden, given the timing of that expenditure was not yet required and it was possible that the generator may last a bit longer. Unfortunately since then, the existing generator has failed.

Staff have been in contact with the supplier who had originally provided the successful quote, and they have agreed to supply the generator at the same rate as was quoted last year (2023).

As the generator has now failed, Council has been put in the position where we have had to lease a generator in the interim, at a cost of approx. \$1,000 per day. Due to this not being a sustainable solution, a replacement generator was procured and is in the process of being installed as a matter of urgency in April 2024. Therefore, this report seeks retrospective approval to fund the replacement generator.

5.1 Funding the replacement

Unfortunately, the previously deferred funds have not been included in the proposed 2024 Long Term Plan budgets, resulting in this project no longer having any funding available. Staff are now seeking retrospective approval from Council to fund this project in the 2023/24 financial year.

The total project cost has come in at \$172,000. This includes the supply of the generator and installation costs, as well as the necessary housing for the generator.

6 WHAIWHAKAARO RAUTAKI O NGĀ TAKE | STRATEGIC CONSIDERATIONS

6.1 Mana Whenua/Māori

This matter is not likely to have any impact on Maori.

6.2 Strategic alignment

The replacement of generators for our water treatment plants to ensure uninterrupted supply to our communities is a project that has been included in past long term and annual plans. This project directly contributes to the Vibrant and Safe Communities community outcome – “we have a reliable drinking water supply”. The provision of generators is essential to ensure a reliable drinking source in the event of power failure.

6.3 Policy and bylaw consistency

While there is a Water Supply bylaw, this is not of relevance to this project.

6.4 Climate change implications

There is no known alternative generator available that may be more environmentally friendly.

The decision will result in a no or negligible change in greenhouse gas emissions. It is most likely that the new generator will emit less greenhouse gasses than our old generator and even the current one we are leasing, as the new generator contains the latest generator technology.

The decision will be impacted by a changing climate. It could be said that a changing climate may result in an increased frequency of weather events, resulting in possible power failures, which would result in an increased need for the use of this generator.

6.5 Issue risks and mitigations

Risk		What is being done about the risk?
Financial/economic	<p>There was the risk that if a replacement was not procured, Council would incur substantial ongoing costs to lease a replacement. Not having a backup could also pose a financial risk to the agricultural sector that relies on water supply to operate business.</p> <p>The risk is expected to be of moderate impact. The likelihood of the risk occurring is possible.</p>	<p>A replacement generator has been procured. This report seeks retrospective approval of that purchase.</p>

6.6 Financial and resource implications of issue

The financial implication of this issue is that funding the replacement generator must now be retrospective.

7 NGĀ KŌWHIRINGA A MĀTOU | OPTIONS AVAILABLE

The following option/s have been identified for consideration:

- Option 1: Approve the funding of the generator retrospectively.

7.1 Option 1:

Option 1: Approve funding of generator retrospectively	
Provide a summary of option:	<p>Since the generator failed in January 2024, we have been leasing a generator at a cost of approximately \$1,000 a day. Therefore, a</p>

	replacement generator has been procured and installed urgently, to save money in the long term.
Advantages:	The Council is no longer in the position where it is having to lease a generator at approximately \$1,000 per day.
Disadvantages:	If the Council does not approve the funding of the generator, there will be a shortfall of \$172,000 and the amount will be included in the end of year overspend total, which Council will need to address at that time anyway.
Risk mitigation:	This option reduces the overall longer term financial risk to Council; we no longer need to lease a generator.
Financial costs:	The one off capital cost is \$172,000. This will be funded from debt.
Rates Impact:	This option results in a 0.11% increase in water rates. This option results in a \$1.27 increase per ratepayer funding the Water Supply activity.
Debt Impact:	This option results in a \$172,000 increase in debt.
Option 1: Significance Assessment - Criteria	
	Level of significance
Does the recommendation involve a transfer of ownership or control, or abandonment of a strategic asset?	No
Is there a legal requirement to engage with the community?	No
What is the level of financial consequence?	Medium
What is the proportion of the community affected?	Medium
What is the impact on the current and future social, economic, environmental or cultural well-being of the district?	Low
What is the level of community interest?	Expected to be low
Are the likely consequences controversial?	Expected to be low
What is the level of consequence in relation to land or a body of water?	No significance
Does this recommendation trigger a break of one or more of Councils rates caps or debt caps?	No
What is the impact on the ability for Council to carry out any activity in the LTP?	Low
Extent of community views already known on this recommended approach	Low
Option 1 is considered to be of overall low significance.	

8 TE KOWHIRINGA MATUA | RECOMMENDED OPTION

Staff recommend proceeding with option one: retrospectively approve the funding for the generator.

After the consideration of options, the recommendation is considered to be of overall low significance and as such, the recommended form of engagement is to: inform the community.

9 KIA UIA KI TE HAPORI WHĀNUI ME NGĀ PĀPAHO | ENGAGEMENT AND COMMUNICATION

Based on the recommended form of engagement being: inform the community, the proposed engagement and communication approach is: low key, information only communication regarding the project (if anything – this is essentially an operational matter).

10 TE ARA KI MUA | NEXT ACTIONS

The table below sets out the next key steps:

Action	Responsibility	By When
Finance to action		

11 TUHUTORO | REFERENCES

Not applicable.

12 WHAKAPAI | APPROVAL

Prepared by	Terri Casey Project Manager
Reviewed by	Campbell Moore Manager Projects and Operations
Approved by	Adrian de Laborde Group Manager Service Delivery

MŌ TE WHAKATAUNGA FOR DECISION



To Mayor and Councillors

Author Terri Casey
Project Manager

Meeting date 24 April 2024

File reference Document: 3599115
Appendix A: Paeroa Hills Road Stopping Application (3588207)

Subject **Paeroa Hills Paper Road Purchase – Council Report**

1 TE WHAIKUPU | RECOMMENDATIONS

THAT Council

- a) Receives the report titled Paeroa Hills Paper Road Purchase, (document number 3599115).
- b) Approves Option 2: support the application to stop the paper road (Logan Road).

2 TE ARONGA | PURPOSE

The purpose of this report is to provide the Council with the opportunity to consider their support of the proposal for Paeroa Hills Limited to purchase a section of Logan Road paper road, to enable a further area of their development of the former Paeroa Racecourse.

3 TE WHAKARĀPOPOTANGA | SUMMARY

Paeroa Hills Limited have requested in writing to purchase a section of the Logan Road paper road (Paeroa), that adjoins the subdivisions' east boundary. The developers have obtained written support for their proposal from all affected landowners.

4 WHAKAPAPA | BACKGROUND

The site formerly known as Paeroa Racecourse is currently in the process of applying for the necessary consents to develop the site into the Paeroa Hills residential subdivision. The developer has previously completed the Private Plan Change process to rezone the Racecourse from Reserve (Active) to residential and Reserve (Passive) to facilitate a mix of residential, commercial and open space activities in accordance with a new Structure Plan for the site. The Plan Change became operative from 16 December 2022.

In February 2024, Council received a written application from Paeroa Hills Limited to acquire a section of the paper road known as Logan Road, Paeroa. The section immediately adjoins the subdivisions east boundary, as shown in Appendix A to this report.

5 NGĀ TAKE | ISSUES

The paper road known as Logan Road, adjoins four rural properties. These are situated to the east of the proposed subdivision. The paper road is illustrated below:



During investigations staff have discovered the following:

- Logan Road is not contiguous and has historically been stopped.
- Logan Road if ever constructed, would provide additional access to a very low density residential area. The affected properties already have access via Alpha Road, Colin Drive or Fairview Terrace.
- This low density residential zone, whereby the affected properties are located, is largely above our reservoir level, so would not be able to get residential water or wastewater connections and would need to be self-sufficient. The area is also very steep making it not particularly attractive for further residential development. Meeting Council's design standards would be difficult, and expensive. Therefore it is unlikely the paper road would ever be used as a legal road corridor.

The proposed purchase of a section of the paper road would likely provide an improved access solution if the road were to ever be constructed. Paeroa Hills Limited will create a legal road to its east boundary, where the remainder of the paper road can link into the development's internal road network.

The portion of paper road that is proposed to be purchased will be amalgamated with the development, and enable Paeroa Hills to create further residential lots for housing.

All four affected owners have met with Paeroa Hills individually, and discussed the proposal. All owners have signed their agreement with the proposed acquisition of the paper road. These documents are attached as Appendix A to this report.

Paeroa Hills Limited have agreed to meet the survey and legal costs relating to the purchase of the section of paper road.

6 WHAIWHAKAARO RAUTAKI O NGĀ TAKE | STRATEGIC CONSIDERATIONS

6.1 Mana Whenua/Māori

Paeroa Hills Limited have been undertaking ongoing engagement with Iwi separately.

6.2 Strategic alignment

This matter has relevance to the District Plan and the Growth Strategy, both of which will be addressed via consenting processes.

6.3 Policy and bylaw consistency

Policies and bylaws applicable to the issue include:

- A development such as this will trigger the Development Contributions Policy; this will be addressed at the consent stage.

6.4 Climate change implications

The decision will result in a no or negligible change in greenhouse gas emissions.

The decision will not be impacted by a changing climate.

6.5 Issue risks and mitigations

Risk		What is being done about the risk?
Legal compliance	If we don't follow the legal process to stop the road, the sale will be null and void. The risk is expected to be of moderate impact. The likelihood of the risk occurring is possible.	This is being mitigated by following the process as outlined in Schedule 10 of the LGA, in relation to the stopping of roads.
Political reputation	As per above, if we do not follow due process, the reputational risk to our politicians is that they are seen to be favouring particular members of the public over others.	We are mitigating this risk by following due process.

Risk		What is being done about the risk?
	The risk is expected to be of moderate impact. The likelihood of the risk occurring is possible.	

6.6 Financial and resource implications of issue

There are no impacts on current or programmed resourcing, and any financial costs relating to this matter will be met by the developer.

7 NGĀ KŌWHIRINGA A MĀTOU | OPTIONS AVAILABLE

The following options have been identified for consideration:

- Option 1: Retain the status quo – decline the application
- Option 2: Support the developer’s application

7.1 Option 1:

Option 1: Retain the status quo – decline the application	
Provide a summary of option:	This option involves the Council declining the developer’s application to purchase a section of Logan Road.
Advantages:	Council retains all land for the future in case there is a need to construct Logan Road.
Disadvantages:	If the Council decline the application to purchase a section of Logan Road, the potential scale of the development will be limited, and this could be detrimental to the Council / developer relationship; particularly if there is no logical reason to decline the application.
Risk mitigation:	Retaining status quo would mitigate all risks as no action is being taken to create any risk.
Financial costs:	Status quo, no action, will mean there is no financial cost to either party.
Rates Impact:	There would be no rates impact.
Debt Impact:	There would be no debt impact.
Option 1: Significance Assessment - Criteria	Level of significance
Does the recommendation involve a transfer of ownership or control, or abandonment of a strategic asset?	No
Is there a legal requirement to engage with the community?	No
What is the level of financial consequence?	Low

Option 1: Significance Assessment - Criteria	Level of significance
What is the proportion of the community affected?	Low
What is the impact on the current and future social, economic, environmental or cultural well-being of the district?	Low
What is the level of community interest?	Expected to be low
Are the likely consequences controversial?	Expected to be low
What is the level of consequence in relation to land or a body of water?	No significance
Does this recommendation trigger a break of one or more of Councils rates caps or debt caps?	No
What is the impact on the ability for Council to carry out any activity in the LTP?	Low
Extent of community views already known on this recommended approach	Low
Option 1 is considered to be of overall low significance.	

7.2 Option 2

Option 2: Support the developer’s application to purchase paper road	
Provide a summary of option:	Option two involves the Council supporting the developer’s application to purchase a section of Logan Road.
Advantages:	The Paeroa Hills subdivision is developed to its full potential, and adjoining properties have an access point into the development’s internal road network.
Disadvantages:	There are no known disadvantages.
Risk mitigation:	Council will follow the process set out in legislation.
Financial costs:	There should be no financial cost to Council as all costs will be met by the developer.
Rates Impact:	No rates impact.
Debt Impact:	No debt impact.
Option 2: Significance Assessment - Criteria	Level of significance
Does the recommendation involve a transfer of ownership or control, or abandonment of a strategic asset?	No
Is there a legal requirement to engage with the community?	Yes

Option 2: Significance Assessment - Criteria	Level of significance
What is the level of financial consequence?	Low
What is the proportion of the community affected?	Low
What is the impact on the current and future social, economic, environmental or cultural well-being of the district?	Low
What is the level of community interest?	Expected to be low
Are the likely consequences controversial?	Expected to be low
What is the level of consequence in relation to land or a body of water?	Low significance
Does this recommendation trigger a break of one or more of Councils rates caps or debt caps?	No
What is the impact on the ability for Council to carry out any activity in the LTP?	Low
Extent of community views already known on this recommended approach.	Low
Option 2 is considered to be of overall low significance.	

8 TE KOWHIRINGA MATUA | RECOMMENDED OPTION

Staff recommend proceeding with option two: support the application to stop the paper road.

After the consideration of options, the recommendation is considered to be of overall low significance and as such the recommended form of engagement is to: consult with the community.

9 KIA UIA KI TE HAPORI WHĀNUI ME NGĀ PĀPAHO | ENGAGEMENT AND COMMUNICATION

Based on the recommended form of engagement being consult with the community, the proposed engagement and communication approach is: follow the Local Government Act (Schedule 10) road stopping process. As part of this process, an appropriate level of engagement will be required. The proposal will be publicly notified, as well as marked with signage at the site. If objections are received, the matter will be taken to the Environment Court for decision.

10 TE ARA KI MUA | NEXT ACTIONS

The table below sets out the next key steps:

Action	Responsibility	By When
Advise the applicant of the Council’s decision	Terri Casey	April 2024
Applicant to survey the relevant land.	Paeroa Hills	2024 - ongoing
LINZ to approve surveyed land.	Paeroa Hills and LINZ	
Public notification of proposed road stop – 40 working days.	Council	
Environment Court – if applicable	Council and Paeroa Hills	
A valuation of surveyed land is completed.	Council and Paeroa Hills	
Council Report: purchase price agreed with Council.	Paeroa Hills and Council	
Work through legal steps.	Paeroa Hills and Council	
Sell portion of road (if applicable)	Paeroa Hills and Council	

11 TUHUTORO | REFERENCES

Not applicable.

12 WHAKAPAI | APPROVAL

Prepared by	Terri Casey Project Manager	Kim Donnelly Property Manager
Reviewed by	Campbell Moore Manager Projects and Operations	
Approved by	Adrian de Laborde Group Manager Service Delivery	

MŌ TE WHAKATAUNGA FOR DECISION



To Mayor and Councillors

Author Michelle Negus, Procurement Officer

Meeting date 24th April 2024

File reference Document: [M3614036](#)
Appendix A: [M3544362](#)

Subject HDC23-024 Paeroa Consignment Stock – Contract Award

1 TE WHAIKUPU | RECOMMENDATIONS

That the Council

- a) Receives the report titled HDC23-024 Paeroa Consignment Stock – Contract Award M3549707.
- b) Approves the appointment of Promains Limited for the Paeroa Consignment stock contract for 20 months at an estimated cost of \$665,680.03 excl GST.

2 TE ARONGA | PURPOSE

The purpose of this report is to seek approval from the Council to appoint Promains Limited as the preferred supplier to supply the Hauraki District Council with water and waste water related consignment stock.

3 TE WHAKARĀPOPOTANGA | SUMMARY

This tender is for the contract to procure the supply of consignment goods for Hauraki District Council's. A range of products will include water fittings products, being drinking water, wastewater and storm-water products.

Suppliers will be required to store, and manage the required consignment stock onsite at Hauraki District Council's Paeroa Depot.

This procurement will reduce product cost by 23% per annum, and will mitigate the risk of carrying inventory. These risks include depreciation costs of 3-6%, insurance cost of 1-3%, and obsolete inventory cost of 6-12%.

There are also added benefits:

- Free Monthly discovery workshops
- Free Recycling of PE products

- Standardising of products
- On time delivery

4 WHAKAPAPA | BACKGROUND

The details of the current supply arrangement are day to day purchasing as required for stores. With no stock management system in place the Works Team recognise the need to improve stock holding, and manage a better supply chain for their critical products.

There is no budget allocated to inventory for reactive work; the products identified are being used for ongoing operational cost, the cost will be recovered from existing budgets as jobs get allocated for reactive work.

The contract advertised for Paeroa Consignment Stock is 20 months with options to extend (i.e. 1+1) contract, to commence as soon as possible.

The price of the conforming tender received was \$435,101.25 excl GST (per annum with a 7% product increase estimate per year).

Negotiations took place date on 14 November 2023 and the final consignment list and pricing was signed off on 22 November 2023, with a value of \$416,722.24 excl GST (per annum with a 7% product increase estimate per year).

The prices submitted were made up of prices for the following goods and services listed below:

- Products
- Inventory Management
- Discovery Workshops

5 NGĀ TAKE | ISSUES

We require a supplier who has the capability and capacity to replenish all required consignment stock on time to the required standard; and can support HDC staff to achieve their overall objective to add value by reducing cost; without compromising on quality and product features; assuring operational efficiency.

We currently do not have the resources to manage and deliver stock effectively; there is no stock management system in place and there is currently not clear guidance and training done on products development and system installations.

There is no insight into what items are slow-moving and fast moving, posing the risk of stockouts of high-demand products and HDC ending up with dead stock that can result in substantial amounts of waste. This waste can negatively impact the environment if not disposed of properly.

The tender was advertised on the GETS website and one conforming tender was received, indicating that there are limited suppliers in the market that can provide consignment stock on site.

The chosen methodology to decide the successful tenderer was lowest price conforming (LPC). This means that the quote that is both capable of full delivery on time, and gives the lowest price over whole-of-life, will likely be selected as the successful respondent. The tender followed a one envelope system where preconditions and mandatory conditions

were assessed first and price submissions were reviewed once conditions were met from tenderer, on a pass or fail basis. Normally the responses are ranked in ascending order based on price but only one response was received.

The tender evaluation team (TET) compared the products quoted to products previously purchased/quoted on in 2022 from multiple suppliers to determine if the quote submitted is in line with market prices.

Some items priced were a bit more than anticipated; the tender evaluation team (TET) agreed to negotiate these items with the supplier.

The following table shows the final breakdown of costs received by Promains Limited, with the preferred tenderer contract value of \$665,680.03 excl GST (20 months):

Item	Description	Total price per month	Total price per annum
1	Products*	\$32,377.43	\$388,529.20
1.1	Product escalations	\$34,643.85	\$415,726.24
2	Inventory Management & personnel*	\$83	\$996
3	Product Discovery Workshops/ Training*	Free	Free
4	Equipment if any*	\$0	\$0
	Totals (excl GST)	\$34,726.85	\$416,722.24

6 WHAIWHAKAARO RAUTAKI O NGĀ TAKE | STRATEGIC CONSIDERATIONS

6.1 Mana Whenua/Māori

There is no impact on mana whenua/Maori, as these are standard products we procure to maintain existing water and wastewater assets.

6.2 Strategic alignment

Adopting the consignment inventory model will enable HDC's Works Team to focus on innovative ways to manage the water and wastewater improvements effectively at a higher quality standard. This will have a ripple effect on operations by keeping infrastructure up to scratch and reactive costs down. Aligning the procurement strategy for this project with Council's LTP Infrastructure Strategy.

The LTP Infrastructure Strategy aims to provide ongoing safe, well-maintained core infrastructure, organised and prepared to deal with natural hazards. This insures our infrastructure keeps performing at the desired levels.

This procurement will contribute to the following Community Outcomes:

- Healthy Environment
- Vibrant and Safe Communities

What procurement outcomes are expected?

- Efficient management of procurement activities to reduce transaction cost that will enable cost reduction.
- Effective management to minimise acquiring and holding cost; this also will help in cost reduction.
- Effective contract negotiation and management in order to reduce the cost of inputs.
- Encourage long-term business relationships with suppliers to add value (innovation, suggestions of new products).
- Effective communication with user departments to enhance specifications, so that business needs are fulfilled more efficiently and at lower cost.
- Selecting and managing supplier, in order to improve the quality of inputs, with consequent improvement in the quality of outputs.

6.3 Policy and bylaw consistency

Policies and other requirements:

- Regional Infrastructure Technical Specifications (RITS)
- Health and Safety Policy
- Supplier Code of Conduct
- Procurement Policy

6.4 Climate change implications

Broader Outcomes was one of the Pre-Conditions: The supplier must support the transition to net zero emissions and waste reduction from industry.

Promains Limited use and encourage the use of electric vehicles wherever practicable and possible. Each of their sites has electric forklifts.

In addition to the above, the supplier has proposed a recycling initiative, a way for HDC to contribute to planting native trees through the disposal of their recyclable HDPE, civil trade waste and infrapipe.

The supplier will also recycle all PE products at no cost to HDC.

The decision will result in a moderate decrease in greenhouse gas emissions.

The decision will be impacted by a changing climate.

6.5 Issue risks and mitigations

[Nb: use Council's Risk Management Framework if further clarification is needed]

Risk		Consequences	What is being done about the risk?
Financial/economic	<p>The risk is Budget constraints and rising cost associated with these services, fuel costs, inflation, materials and resources and can have an impact on service delivery.</p> <p>The risk is expected to be of moderate impact. The likelihood of the risk occurring is almost certain.</p>	<p>Pay for products at a higher rate. Uncontrolled spend. or Product standards drop due to affordability reduction.</p>	<p>Award contract to one supplier to gain control of spend and price increases.</p>
Health and safety	<p>The risk is General injury of supplier, staff or visitor on site can result in reputational damage, lost time injury, public safety hazards.</p>	<p>Health & Safety inquiries, supplier unable to deliver products.</p>	<p>Appoint supplier that have:</p> <ul style="list-style-type: none"> • SHE Pre-Qual or Tōtika registered • Liability Insurance

Risk		Consequences	What is being done about the risk?
	The risk is expected to be of moderate impact. The likelihood of the risk occurring is possible.		
Legal compliance	<p>The risk is Pipe and fittings are non-compliant.</p> <p>The risk is expected to be of major impact. The likelihood of the risk occurring is possible.</p>	<p>Forced recalls. Incorrect product can be installed. HDC can get a fine if not compliant. Health risk to people.</p>	<p>Supplier to standardise product list according to requirements. Include into contract requirements - products supplied must comply with AUS/NZ standards and compliance certificates or product should have compliance mark. Audit done according to DWQAR rules and regulations</p>
Operations	<p>The risk is Council staff insufficiently trained and equipped with necessary tools to manage stock.</p> <p>The risk is expected to be of minor impact. The likelihood of the risk occurring is possible.</p>	<p>Additional work required because of manual systems. No visibility of product movement and requirements. Stockout of high demand items. End up with obsolete stock that takes up space.</p>	<p>Appoint a supplier that offers a consignment stock solution.</p>
Information (and communication, IT and data)	<p>The risk is Ownership of intellectual property rights becomes the property of the supplier.</p> <p>The risk is expected to be of moderate impact. The likelihood of the risk occurring is possible.</p>	<p>Loss of data and information needed to operate smoothly if contract ends.</p>	<p>Include clause in contract that mitigates risk.</p>
Environment	<p>The risk is Inability to dispose of used or contaminated pipe and fittings</p>	<p>Clogging up storeroom. Pay 3rd party supplier to recycle fittings and pipes, incurring extra cost.</p>	<p>Preferred supplier must have a recycling policy in place or should be able to offer product</p>

Risk		Consequences	What is being done about the risk?
	<p>that can't be used.</p> <p>The risk is expected to be of minor impact. The likelihood of the risk occurring is possible.</p>		disposal solution for pipe and fittings.

6.6 Financial and resource implications of issue

Looking at previous spend our average spend between 2020 and 2023 for utilities inventory is \$223,498 each year; with an expected annual inflation of 7%.

In the last 3 years demand has drastically increased, as shown in the below table

Financial year: MagiQ# 3476385	Financial year	Amount Ex GST	Funding type
	2020/21	\$87,689	Opex
	2021/22	\$164,490	Opex
	2022/23	\$236,208	Opex

If we don't manage the above spend correctly it can have a negative effect on our procurement and community outcomes, and will cause a ripple effect on our service delivery as a whole.

7 NGĀ KŌWHIRINGA A MĀTOU | OPTIONS AVAILABLE

The following options have been identified for consideration:

- Option 1: Appoint Promains Limited as the preferred supplier to supply Consignment stock to the Paeroa depot for 20 months with an option to renew for 1+1 years.
- Option 2: Retaining the status quo.

7.1 Option 1:

Option 1: Appoint Promains Limited as the preferred supplier to supply Paeroa Consignment Stock							
Provide a summary of option:	Promains Limited be awarded contract HDC23-024 Paeroa Consignment Stock						
Advantages:	<p>Manage a better supply chain of critical products by lowering costs and changing levels of service.</p> <p>Cost savings breakdown</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="2" style="text-align: center;">Savings</th> </tr> </thead> <tbody> <tr> <td>Product Cost</td> <td style="text-align: right;">23%</td> </tr> <tr> <td>Inventory Carrying Cost</td> <td style="text-align: right;">21%</td> </tr> </tbody> </table> <p>Added benefits:</p>	Savings		Product Cost	23%	Inventory Carrying Cost	21%
Savings							
Product Cost	23%						
Inventory Carrying Cost	21%						

	<ul style="list-style-type: none"> • Free Monthly discovery workshops • Free Recycling of PE products • Standardising of products • On time delivery
Disadvantages:	None
Risk mitigation:	<p>This mitigates the risks of Council carrying their own stock and transfers the risk to the supplier.</p> <p>Stock outs of critical items</p> <p>Waste</p> <p>Poor quality products and services</p>
Financial costs:	Expenditure for this portion of the project is below the forecasted estimates.
Rates Impact:	Inventory is an asset that doesn't have an impact on the ratepayer; the potential savings may transfer to an activity but the detail of that breakdown is not yet know.
Debt Impact:	The impact of awarding this contract will have a positive impact on our cash flow (debt) as it will reduce the level of inventory required on our own balance sheet.

Option 1: Significance Assessment - Criteria	Level of significance
Does the recommendation involve a transfer of ownership or control, or abandonment of a strategic asset?	No
Is there a legal requirement to engage with the community?	No
What is the level of financial consequence?	Low
What is the proportion of the community affected?	Low
What is the impact on the current and future social, economic, environmental or cultural well-being of the district?	Low
What is the level of community interest?	Expected to be low
Are the likely consequences controversial?	Expected to be low
What is the level of consequence in relation to land or a body of water?	No significance
Does this recommendation trigger a break of one or more of Councils rates caps or debt caps?	No
What is the impact on the ability for Council to carry out any activity in the LTP?	Low
Extent of community views already known on this recommended approach.	Low

Option 1: Significance Assessment - Criteria	Level of significance
Option 2 is considered to be of overall low significance.	

7.2 Option 2

Option 2: Retaining the status quo																											
Provide a summary of option:	Day to day purchasing as required for stores																										
Advantages:	None																										
Disadvantages:	Can have a negative effect on our procurement and community outcomes and will cause a ripple effect on our service delivery as a whole.																										
Risk mitigation:	This option will not mitigate any risks.																										
Financial costs:	See section 6.6																										
Rates Impact:	Inventory is an asset that doesn't have an impact on the ratepayer; the potential savings may transfer to an activity but the detail of that breakdown is not yet known.																										
Debt Impact:	There is no budget for inventory but cost will be recover from existing budgets when work are charged to specific jobs. It will result in the same level of expenditure currently used. Carrying Inventory is expensive normally 20% to 30% of the total inventory value. See table below																										
	<table border="1"> <thead> <tr> <th rowspan="2">Financial year:</th> <th rowspan="2">Financial year</th> <th rowspan="2">Amount excel GST</th> <th rowspan="2">Funding type</th> <th colspan="2">Inventory Carrying Cost</th> </tr> <tr> <th>20%</th> <th>30%</th> </tr> </thead> <tbody> <tr> <td></td> <td>2020/21</td> <td>\$87,689</td> <td>Opex</td> <td>\$17,537.80</td> <td>\$26,306.70</td> </tr> <tr> <td></td> <td>2021/22</td> <td>\$164,490</td> <td>Opex</td> <td>\$32,898.00</td> <td>\$49,347.00</td> </tr> <tr> <td></td> <td>2022/23</td> <td>\$236,208</td> <td>Opex</td> <td>\$47,241.60</td> <td>\$70,862.40</td> </tr> </tbody> </table>	Financial year:	Financial year	Amount excel GST	Funding type	Inventory Carrying Cost		20%	30%		2020/21	\$87,689	Opex	\$17,537.80	\$26,306.70		2021/22	\$164,490	Opex	\$32,898.00	\$49,347.00		2022/23	\$236,208	Opex	\$47,241.60	\$70,862.40
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Option 2: Significance Assessment - Criteria	Level of significance
Does the recommendation involve a transfer of ownership or control, or abandonment of a strategic asset?	No
Is there a legal requirement to engage with the community?	No
What is the level of financial consequence?	Low
What is the proportion of the community affected?	Low
What is the impact on the current and future social, economic, environmental or cultural well-being of the district?	Medium

Option 2: Significance Assessment - Criteria	Level of significance
What is the level of community interest?	Expected to be low
Are the likely consequences controversial?	Expected to be low
What is the level of consequence in relation to land or a body of water?	No significance
Does this recommendation trigger a break of one or more of Councils rates caps or debt caps?	No
What is the impact on the ability for Council to carry out any activity in the LTP?	Low
Extent of community views already known on this recommended approach	Low
Option 1 is considered to be of overall low significance.	

8 TE KOWHIRINGA MATUA | RECOMMENDED OPTION

Staff recommend proceeding with Option 1:

- Promains Limited be awarded the contract for the value of (\$665,680.03 excl GST for 20 months).

After consideration of the options, the recommendation is considered to be of overall low significance and as such the recommended form of engagement based on the recommended option is to: not carry out any specific consultation or engagement.

9 KIA UIA KI TE HAPORI WHĀNUI ME NGĀ PĀPAHO | ENGAGEMENT AND COMMUNICATION

Based on the recommended form of engagement being inform the community, the proposed engagement and communication approach is not to engage at this time.

10 TE ARA KI MUA | NEXT ACTIONS

The table below sets out the next key steps:

Action	Responsibility	By When
Award Contract to Promains Limited	Michelle Negus	April 2024
Transition from current stock holding to consignment stock	Promains Limited	May 2024

11 TUHUTORO | REFERENCES

Tender Evaluation Report – [M3544362](#)

12 WHAKAPAI | APPROVAL

Prepared by	Michelle Negus Procurement Officer
Reviewed by	Campbell Moore Manager for Projects and Operations
Approved by	Adrian de Laborde Group Manager Service Delivery

MŌ TE WHAKATAUNGA FOR DECISION



To Mayor and Councillors

Author Julia Stringer
Utilities Administrator

Meeting date 24/04/2024

File reference Document: 3600993

Subject **District Wide Reactive Renewals Plants Pumpstations and District Treatment Asset Renewals Overspends.**

1 TE WHAIKUPU | RECOMMENDATIONS

THAT Council

- a) Receives the report titled District Wide Reactive Renewals Plants Pumpstations and District Treatment Asset Renewals Overspends, (document number 3600993).
- b) Approves the overspends for the District Wide Reactive Renewals Plants Pumpstations and District Treatment Asset Renewals Projects.
- c) Approves Budget increase in the Capital Project - District Treatment Asset Renewals of \$392,477.00 in the Water Supply Activity in the 2023/24 Financial Year.

Approves Budget increase in the Capital Project - District Wide Reactive Renewals Plants/Pumpstations of \$282,071.00 in the Wastewater Activity in the 2023/24 Financial Year.
- d) Consider these decisions to be low under the Significance and Engagement Policy 2023.

2 TE ARONGA | PURPOSE

The purpose of this report is to show that the capex overspends on projects District Wide Reactive Renewals Plants Pumpstations and District Treatment Asset Renewals were a necessity, due to our ageing infrastructure and assets being inadequate, past their standard replacement dates, and in need of constant repair.

Hauraki District Council are no longer meeting their levels of service, legislative or compliance requirements and to address these risks, the Water Services Activity have had to replace machinery, sections of infrastructure and assets under reactive repairs to address equipment, system and compliance failures, as well as health and safety concerns.

Moving forward, the work orders linked to these projects have been closed with new child work orders linking to each plant being raised with the intention of working more proactively and forward planning our works, rather than replacing assets out our reactive budget.

3 TE WHAKARĀPOPOTANGA | SUMMARY

Council owns and manages a wide range of assets including our water and wastewater treatment plants and like most assets they need to be maintained. As stated in our Long Term Plan 2021-2031 page 38, Council has a history of only replacing infrastructure when the maintenance costs started to increase or the service level decreased.

This underinvestment has meant that a lot of our improvements and asset replacement has been done reactively when equipment has failed or has begun to impact on compliance and health and safety regulations and therefore has been largely unbudgeted and had to be done under urgency.

Description	2022/23 Actual	2023/24 Actual	2023/24 Budget	Forecast Spend (Pro rata for 12 months + 5%)
1027_001 - District Treatment Asset Renewals (Miscellaneous).	\$486,587	\$451,443	\$239,644	\$632,021
1059_001 - District Wide Reactive Renewals Plants Pumpstations.	\$270,323	\$322,995	\$170,122	\$452,193

2023/24 Waste Water Overspends Broken Down

Magic #	Cost	Job Description
3446123	\$ 16,451.00	Repair work to gravel driveway at Kerepehi STP.
3469396	\$ 16,312.13	Replace faulty instruments at Whiritoa STP.
3471047	\$ 14,227.50	Replace broken pH probes and new level transmitters for plants.
3502063	\$ 13,798.14	Replacement DO sensor at Paeroa STP.
3476649	\$ 12,240.00	New portable probes for operators.
3451826	\$ 11,479.65	ATI, turbidity probe replacement at Kerepehi STP
3442843	\$ 9,683.64	Replacement make-up tank for sodium bicarbonate dosing Waitakaruru.
3508508	\$ 8,995.21	Service and replace broken UV lamps/fittings to help meet compliance.
3516475	\$ 6,509.78	Upgrade aerator at Waihi STP.
3443328	\$ 6,130.05	Flow control valve failing to open and close properly, replaced valve.
3452867	\$ 5,989.65	Upgrade aerator to have a soft started at Waihi STP.
3450976	\$ 5,478.06	Upgrade aerator to have a soft started at Paeroa STP.
3494777	\$ 5,464.23	Install level sensors in Waihi STP Pond for remote monitoring.
3474462	\$ 4,769.35	Install sockets for dosing pump and bicarb mixture.
3490240	\$ 4,742.50	Replace broken pH probes and new level transmitters for plant control.
3472010	\$ 4,117.39	Aerator tripping, motor replaced.
3494773	\$ 4,060.81	Change of automation equipment.
3512043	\$ 3,887.00	Investigation into site power requirements for generators.
3494779	\$ 3,705.44	Install level sensors in Waihi STP Pond for remote monitoring.
3509476	\$ 3,363.00	PLC controller stuck by lightning.
3455161	\$ 2,130.00	Waihi STP improve process control on saturator vessel.
3472007	\$ 1,283.56	Replacement solenoid on process air-line (for J-cell operation).
3447811	\$ 1,017.00	Add light above J-cell for safer operation and easier remote monitoring.
3452869	\$ 998.60	Upgrade Paeroa STP screw press to allow for easier clearing of blockages.
3509466	\$ 887.88	Install high level pump for the existing float chamber to help compliance.
3506068	\$ 635.00	Better heaters for sludge-eating bacteria/enzyme trial make-up tanks.
3512699	\$ 610.20	Trial sludge-eating enzymes to minimise future costs of desludging.
3440922	\$ 323.90	Replace "clean" water pump VSD at Waihi STP.
3505492	\$ 67.97	Fittings to build brew/hot water tank. Compliance.
3505828	\$ 22.83	Fittings to build hot water tank for bacteria brew. Compliance.

2023/24 Water Overspends Broken Down

Magiq #	Cost	Job Description.
3444148	\$ 26089.00	Spare membrane rack and repairing damaged rack.
3490228	\$ 19995.69	Upgrade hydrocyclone pump at Dell to improve raw water supply.
3501964	\$ 19592.52	Scales for chlorine drums to determine remaining mass.
3498643	\$ 18624.00	Second set of emergency chlorine capping if the Karangahake Gorge is closed.
3498643	\$ 15444.75	Spare membranes to bridge gap until full replacement.
3506299	\$ 15078.00	Raw water compliance - monitoring requirement work.
3490598	\$ 10975.25	Improve screening at Managatarata to prevent debris ingress when in flood.
3511888	\$ 9878.00	Replace PACl injection point at Waitakaruru - help minimise crystal blockages.
3470227	\$ 8979.75	Upgrade intake screens at Mangatarata to mitigate high river level debris risk.
3507268	\$ 8851.98	Upgrade Waitawheta air burst for remote operation and reduce safety concerns.
3501217	\$ 8825.00	Assess transformer ratings and site power requirements.
3510428	\$ 8488.66	Install pressure gauge after pre-screens at Waihi.
3504738	\$ 8407.00	Install accurate flow sensors on monitoring compliance instrument.
3469765	\$ 8068.04	Replace filter 1 primary turbidity compliance instrument at Waitakaruru.
3447807	\$ 7874.08	Replace backwash pump at Waitakaruru.
3472017	\$ 7603.22	Turbidity meter broken on cell, no redundancy for compliance.
3471888	\$ 6793.20	Replacement sand filter nozzles for Waitakaruru - end of life.
3444154	\$ 6510.00	Upgrade SCADA to show compliance parameter.
3498466	\$ 5926.00	Additional jar tester for use during poor weather or for investigations.
3489437	\$ 5405.55	Trial chlorine vacuum regulator for Kerepehi.
3489439	\$ 5369.81	Trial chlorine vacuum regulator for Waitakaruru.
3508575	\$ 4933.00	Connect new chlorine scales to SCADA.
3495958	\$ 4530.00	Improve operation of reticulation pumps to reduce brown water.
3516482	\$ 4301.00	Connect new chlorine scales to SCADA.
3462236	\$ 3104.00	Install conductivity probe as per new drinking water standard requirements.
3509473	\$ 2801.00	Waihi Intake - Get run and fault feedback on airburst compressor.
3495957	\$ 2190.00	Change plant set-points to ensure 4 log credits from the UVs – Compliance.
3474474	\$ 1905.75	Improve control of manganese residuals.
3472016	\$ 1643.00	Link live UVT value with UV reactors for compliance parameter.
3447810	\$ 1584.00	Automate generator start function to be done remotely on tablets.
3495884	\$ 1250.00	Trialling new manganese control media.
3444014	\$ 1204.00	Replace electrical equipment on Kerepehi Cell 3 Filtrate Pump (no standby).
3448786	\$ 670.74	Install a folding platform at Paeroa chlorine room for health and safety.
3509472	\$ 562.00	Compliance monitoring automated to minimise human error.
3510430	\$ 450.00	Fix and correct dosing equations for polymer.
3474459	\$ 120.00	Automate CIP chemical addition (hypochlorite addition).
3450975	\$ 5413.62	Replace soft started on intake pump at Mangatarata.

4 WHAKAPAPA | BACKGROUND

Hauraki District Council has a duty to provide safe drinking water and the task of reaching regulated set standards for the wastewater that flows into our waterways. Implications of the Taumata Arowai regulations and changes to legislation means higher standards for water treatment and compliance costs.

Over the last few years Government has enacted a suite of legislative and regulation changes to improve the current management of freshwater. Regional Councils have the task of setting the standards for the wastewater and stormwater that flows from our pipes into our waterways, these regulations do not take into account the actual effect that Council's current discharges are having on the waterways. They simply require a higher degree of treatment than previous consents.

We provide safe drinking water to dwellings, commercial and industrial premises and many rural properties. We are unique in the fact that nearly 65% of the water we supply is consumed by our rural communities for agriculture, primarily as drinking water for stock. The provision of safe drinking water is a public health priority and our four water treatment plants supply approximately 7,366 properties via 582km of pipes.

New Zealand's Drinking-Water Standards need us to test source waters and treated water to ensure we provide safe drinking water to the community, while the National Policy Statement for Freshwater Management calls for a higher degree of treatment, and increased environmental compliance standards requires higher investment into our water and wastewater treatment plants.

We operate seven wastewater schemes in the District, which services approximately 5,720 properties. Our wastewater activity involves the collection, treatment and disposal of wastewater for seven urban townships in our district. At our treatment plants the wastewater is treated to clean it before releasing it – mostly to waterways. We also make sure that trade wastes are appropriately collected and treated.

We provide this service to protect public health, to mitigate the risks of pollution and disease associated with wastewater and protect the receiving environments from the effects of wastewater products and by-products.

We face significant challenges with the future of our wastewater treatment plants as our resource consents expire, and (as stated above) the National Policy Statement on Freshwater Management and regional Plan Changes require a higher standard of treatment before water can be discharged.

5 NGĀ TAKE | ISSUES

Water is fundamental to all aspects of life. Representing a crucial vein to well-being in all societies, water resources underpin economic growth, environmental sustainability, and prosperity.

In the coming century, climate change and a growing imbalance among freshwater supply, consumption, and population will alter the water cycle dramatically. Many regions of the world are already limited by the amount and quality of available water.

In the next 30 years alone, the earth's population is projected to rise by approximately one-third and because the human population will grow faster than increases in the amount of accessible fresh water, availability of fresh water will decrease in the coming century. Climate change will cause a general intensification of the earth's hydrological cycle in the next 100 years, with generally increased precipitation, evapotranspiration, and occurrence of storms, and significant changes in biogeochemical processes influencing water quality.

The growing demands on freshwater resources create an urgent need for investment in our treatment plants and infrastructure as well as better monitoring, assessment, and forecasting of water resources, all of which will help to allocate water more efficiently among competing needs as well as ensuring we have a reliable drinking water supply for future generations to come.

6 WHAIWHAKAARO RAUTAKI O NGĀ TAKE | STRATEGIC CONSIDERATIONS

6.1 Mana Whenua/Māori

Wai is a taonga of paramount importance to Maori. Most, if not all Iwi will have reference to a body of water whether it is a river, a lake, sea or a spring. The Waitangi Tribunal in the Whanganui River Report (Wai 167, 1999) stated:

"Water, whether it comes in the form of rain, snow, the mists that fall upon the ground and leave the dew, or the spring that bursts from the earth, comes from the longing and loss in the separation of Rangī-o-te-ra and Papatuanuku in the primal myth. The tears that fall from the sky are the nourishment from the land itself. The life-giving water is founded upon a deep quality of sentiment that, to Maori, puts it beyond the realm of a mere usable commodity and places it on a spiritual plane."

Water has a mauri and as such must be kept in its natural state as far as it is possible to do so. Water as wai ora, the purest form of water, sustains, protects and enhances life. It is essential for the wellbeing and nourishment of all things whether it be in the physical or spiritual realm. It is avoided if it is un-clean whether physically or spiritually and cannot be purified without effort.

For Māori, great care must be taken in managing human impacts on freshwater. To honour the mana of water requires practices and policies that first acknowledge the needs of a body of water or waterway. Once these needs have been provided for and are maintained, the water will be able to sustain a full range of environmental, social, cultural, and economic values held by iwi and a community.

As such the protection of water is essential, this relationship with water is indivisible and cannot be viewed within the precepts of western ownership. Water is a taonga of paramount importance to Maori as it forms an integral part of both the ecosystem and the cosmology of the environment.

Iwi have a range of values in water, both spiritual and physical. These interests are both historic and contemporary and cover a range of uses and purposes, including the inherent health of the water-body, mahinga kai, cultural and recreational use, and access to water for economic development purposes. The health and well-being of the Iwi is closely related to the health of their water-bodies. As kaitiaki, Iwi also have an inherent responsibility to sustainably manage their natural resources for the benefit of both current and future generations.

The Resource Management Act recognises this relationship between Iwi and water [s6 (e)], as well as the role of kaitiakitanga [s7 (a)] and the Treaty [s8] in managing our natural resources. Treaty settlements are also increasingly giving further recognition to the role of iwi as kaitiaki for significant natural features and water ways.

The principles of *Te Tiriti o Waitangi* have been considered and the following principles; partnership, active protection, mutual benefit, right of development and informed decision making are relevant to this decision as it has benefits for Māori, we are able to enhance our practice around caring for the wai and reducing our discharge and overflows into the awa with the approval of this decision.

As per Article 1 of *Te Tiriti* this decision does not require Iwi engagement, Article 1 is about Governance and the ability to ensure positive outcomes are achieved with our decision making.

6.2 Strategic alignment

Our community outcomes must stay at the forefront of the decisions we make, the aim we have is to have ecosystems that are protected, restored and respected, to minimise waste, and have rivers, stream and wetlands that are healthy while using water carefully and reducing our carbon footprint to minimise climate change.

The Water Services Activity are here to provide safe drinking water, protect public health, to mitigate the risks of pollution and disease associated with wastewater and to protect the receiving environments from the effects of wastewater products and by-products and if wastewater is not properly treated, then the environment and human health can be negatively impacted.

6.3 Policy and bylaw consistency

Policies and bylaws applicable to the issue include:

- Activity Management Policy
- Compliance Monitoring and Enforcement Policy
- Financial Policies
- Significance and Engagement Policy
- Trade waste and Wastewater Bylaw
- Zero-Carbon Promise
- The Local Government Act 2002
- The Resource Management Act 1991
- The Health Act 1956

6.4 Climate change implications

Climate change is one of the greatest challenges facing the water industry. Water is one of our most precious natural resources and is fundamental for maintaining human and ecological health and economic prosperity. Yet, we are over-exploiting, underinvesting, and degrading water resources at an alarming rate. Even more concerning, climate change is significantly accelerating these challenges and creating new ones for many aspects of freshwater management.

Only 3% of the planet's water is freshwater, and of this, two-thirds is captured in glaciers and polar ice. As the Water Services Team for Hauraki district Council we have a duty of care to protect our water and environment now and for our current and future population to have safe, reliable and available drinking water.

Living with climate change will mean coping with the impacts on water, whether too much or too little, and taking the necessary steps to reduce the vulnerabilities of our communities and economy.

When Cyclone Gabrielle swept across large parts of Aotearoa in February last year, it displaced thousands of people as flooding caused landslides, damaged homes, trapped people on roofs, ruined farmland and closed roads. The water infrastructure failures from Cyclone Gabrielle and Cyclone Hale showed us that as a district (and a country as a whole) we have a low resilience to climate change in our network and water infrastructure and that the historic lack of investment in strengthening our water infrastructure is leaving us open to potential catastrophe.

More work is needed to establish a clear picture of the exact vulnerability of our water infrastructure but it clear there is a need to invest more in replacing our assets and upgrading our infrastructure if it is to provide the most essential of public health needs under intensifying climate disruption.

The decision will result in a no or negligible change in greenhouse gas emissions.

The decision will respond to impacts of a changing climate.

6.5 Issue risks and mitigations

Risk		What is being done about the risk?
Financial/economic	<p>The risk is in order to accommodate these costs there will need to be changes to budgets. But retaining the status quo will see an increase in unbudgeted expenses in the form of increasing repairs and replacements needed on an aged and under-invested infrastructure.</p> <p>The risk is expected to be of major impact. The likelihood of the risk occurring is almost certain.</p>	<p>The impact currently on the Council's debt is unknowable as repairs and unforeseen replacements are <i>ad hoc</i>.</p>
Legal compliance	<p>The risk of retaining status quo is our original consents have either expired or are up for renewal and there is the potential of prosecution from Waikato Regional Council as regulators for failure to meet compliance limits.</p> <p>The risk is expected to be of major impact. The likelihood of the risk occurring is likely.</p>	<p>The frequency of non-compliant wastewater outflows have been lowered significantly while safeguarding health and the environment with the improvements made to our networks and infrastructure this financial year.</p>
Political reputation	<p>The risk is public interest and concern about water quality and equity is rising which means we must work to strengthen public trust and expectations.</p> <p>The risk is expected to be of major impact. The likelihood of the risk occurring is possible.</p>	<p>While water management has been central to the achievement of a range of beneficial social outcomes in our district, it has increasingly drawn criticism from the public in regard to the level of service that is expected.</p>

Risk		What is being done about the risk?
Environment	<p>The risk is that the unpredictability of extreme weather events impacted by climate change, and the increase in frequency and severity, requires water systems to be prepared for both extremes – too much & too little water - with a heightened sense of urgency.</p> <p>The risk is expected to be of major impact. The likelihood of the risk occurring is almost certain.</p>	<p>The Water Services Activity are looking at how increasing resilience in our network can include strategies like water reuse or diversification as well as leveraging technology as an important component of creating water infrastructure that is sustainable and environmentally responsible.</p>

6.6 Financial and resource implications of issue

We continue to carry out repairs as required, until they are unable to be repaired and need to be replaced as a matter of urgency. With our current model of investment this is likely to impose significant social, economic, and environmental costs on current and future generations along with ongoing risks to public health and Hauraki District Council’s reputation.

7 NGĀ KŌWHIRINGA A MĀTOU | OPTIONS AVAILABLE

The following options have been identified for consideration:

- Retaining the status quo.
- Approve the overspends for the District Wide Reactive Renewals Plants Pumpstations and District Treatment Asset Renewals Projects.

7.1 Option 1:

Option 1: Retaining the status quo	
Provide a summary of option:	Not approving the overspends for the District Wide Reactive Renewals Plants Pumpstations and District Treatment Asset Renewals Projects.
Advantages:	Nil as this expenditure has already been incurred.
Disadvantages:	Continued repair costs. Continued health and safety risk. Continued compliance failures.
Risk mitigation:	Shortages of water and infrastructure breakages can lead to social, political, and economic disruption.
Financial costs:	03500.0312 – Reactive Repairs
Rates Impact:	There is no expected change to forecast rates, as funding for this option is provided for in existing budgets.

Debt Impact:	There will be changes to forecast debt, as funding for this option provided for in the existing budgets under estimated the work needed on our ageing network and infrastructure.
Option 1: Significance Assessment - Criteria	
	Level of significance
Does the recommendation involve a transfer of ownership or control, or abandonment of a strategic asset?	No
Is there a legal requirement to engage with the community?	No
What is the level of financial consequence?	High
What is the proportion of the community affected?	High
What is the impact on the current and future social, economic, environmental or cultural well-being of the district?	High
What is the level of community interest?	Expected to be high
Are the likely consequences controversial?	Expected to be high
What is the level of consequence in relation to land or a body of water?	High significance
Does this recommendation trigger a break of one or more of Councils rates caps or debt caps?	No
What is the impact on the ability for Council to carry out any activity in the LTP?	High
Extent of community views already known on this recommended approach	High
Option 1 is considered to be of overall high significance.	

7.2 Option 2

Option 2: Approve overspends for the District Wide Reactive Renewals Plants Pumpstations and District Treatment Asset Renewals Projects.	
Provide a summary of option:	Council approves the overspends for the District Wide Reactive Renewals Plants Pumpstations and District Treatment Asset Renewals Projects.
Advantages:	Reduces risks to our treatment team. Health and Safety is improved. Has the best chance of improving compliance at our Treatment Plants.
Disadvantages:	Unbudgeted expenditure.
Risk mitigation:	Option 2 will mean that there is long-term financial improvements with a decrease in every day running costs as well as a decrease in money spent on reactive repairs and monitoring. Health and safety is improved with compliance likely to be achieved and consents renewal more likely to be granted, while modern and innovative technologies have the potential to lower the running costs of our ageing infrastructure.

Financial costs:	The one off capital cost is \$392,477.00 for Water Supply and \$282,071.00 for Wastewater. This will be funded from debt.
Rates Impact:	<p><u>Water</u> This option results in a 0.24% increase in water rates.</p> <p>This option results in a \$2.90 increase per water ratepayer.</p> <p><u>Wastewater</u> This option results in a 0.05% increase in non-water rates.</p> <p>This option results in a \$2.93 increase per wastewater ratepayer.</p>
Debt Impact:	This option results in a \$674,545.00 increase in debt.
Option 2: Significance Assessment – Criteria	
Option 2: Significance Assessment – Criteria	Level of significance
Does the recommendation involve a transfer of ownership or control, or abandonment of a strategic asset?	No
Is there a legal requirement to engage with the community?	No
What is the level of financial consequence?	High
What is the proportion of the community affected?	High
What is the impact on the current and future social, economic, environmental or cultural well-being of the district?	High
What is the level of community interest?	Expected to be moderate
Are the likely consequences controversial?	Expected to be high
What is the level of consequence in relation to land or a body of water?	High significance
Does this recommendation trigger a break of one or more of Councils rates caps or debt caps?	No
What is the impact on the ability for Council to carry out any activity in the LTP?	Low
Extent of community views already known on this recommended approach.	Medium
Option 2 is considered to be of overall low significance.	

8 TE KOWHIRINGA MATUA | RECOMMENDED OPTION

Staff recommend proceeding with option 1. Approve overspends for the District Wide Reactive Renewals Plants Pumpstations and District Treatment Asset Renewals Projects.

After the consideration of options, the recommendation is considered to be of overall low significance and as such the recommended form of engagement is to: not carry out any specific consultation or engagement.

9 KIA UIA KI TE HAPORI WHĀNUI ME NGĀ PĀPAHO | ENGAGEMENT AND COMMUNICATION

Based on the recommended form of engagement being inform the community. The proposed engagement and communication approach is that Staff consider that the Council does have enough of an understanding of community views and preferences on this matter.

The level of engagement considered appropriate for this matter, at this point in time, is to not to engage at this time.

10 TE ARA KI MUA | NEXT ACTIONS

The table below sets out the next key steps:

Action	Responsibility	By When
Present Decision Report to Council	Adrian de Laborde Julia Stringer	24/04/2024

11 TUHUTORO | REFERENCES

Treaty of Waitangi
Long Term Plan 2021-2031
Resource Management Act 1991

12 WHAKAPAI | APPROVAL

Prepared by	Julia Stringer Utilities Administrator
Reviewed by	Campbell Moore Manager Projects and Operations
Approved by	Adrian de Laborde Group Manager Service Delivery

FOR INFORMATION NGĀ MŌHIOTANGA



To Mayor and Councillors

Author Langley Cavers
Chief Executive

Meeting date 24 April 2024

File reference Document: 3610722
Appendix A: MoLG to Mayors and Chair
Appendix B: Information for Councils 5 April 2024

Subject **Chief Executive's Monthly Report – April 2024**

1 [TE WHAIKUPU | RECOMMENDATIONS](#)

THAT Council

a) Receives the report titled Chief Executive's Monthly Report, (document number: 3610722).

2 [TE ARONGA | PURPOSE](#)

The purpose of this report is to provide an update on staff changes and matters that the Chief Executive wishes to bring to the attention of elected members.

3 [WHAKAHOUNGA KAIMAHI | STAFF UPDATE](#)

New appointments:

- Contract Engineer (Works) – starting 22 April
- Projects and Operations Administrator – starting 6 May

Internal Staff Movements:

- None to report this month

Leavers/Resignations:

- None to report this month

Recruitment is underway/offers pending for the following positions:

- Treatment Technician (Cadet)
- Water Services Manager
- Serviceperson (Projects)
- Communications Officer
- Serviceperson (Parks)

- Building Control Officer
- Management Accountant

4 WHAKAHOUTANGA RATONGA WAI | WATERS UPDATE

On Friday 5 April the Minister of Local Government has made public announcements about the first steps of the rollout of the Local Water Done Well programme of reforms.

The announcement was accompanied by a letter to all Mayors and Regional Council Chairs, and a fact sheet. A copy of the letter is attached as Appendix A and the fact sheet as Appendix B.

The upcoming Local Government Water Services (Transitional Provisions) Bill will spell out what the obligations around service delivery planning are (what and by when), and will provide a bespoke process for those local authorities wanting to move quickly to establish CCOs under the Local Government Act to do so.

This legislation is expected either later in April or in early May with enactment scheduled by the end of June.

Our service delivery plans will be due no later than one year from the date of commencement.

A service delivery plan will set out our proposed approach to the long-term delivery of each of drinking water, sewage treatment disposal, and stormwater treatment and disposal. The plan will need to demonstrate that services are meeting the applicable health and environmental standards in a financially sustainable way.

Better Off funding

Cabinet has agreed that we will retain our existing allocation of Better Off funding. We have been advised that DIA will work in partnership with councils to identify opportunities for councils to redirect unspent Better Off funding to increase investment in water infrastructure or to help establish new water services delivery organisations.

Council Transition Support funding

Cabinet has also agreed that current Council Transition Support funding will be retained. Remaining funding can be used by councils for work relating to Local Water Done Well. This could be used to support the transition to Local Water Done Well, including supporting the establishment of new water services delivery organisations, or other planning work to support the transition to Local Water Done Well.

Hon Simeon Brown

Minister for Energy
Minister of Local Government
Minister of Transport
Minister for Auckland
Deputy Leader of the House

Appendix A



To: All Council Mayors + Greater Wellington Regional Council Chair

Dear Mayor / Chair

Local Water Done Well stage 2: Establishing the framework and transitional arrangements for the new water services system

This morning I will be making an announcement about the next stage of Local Water Done Well (LWDW).

I wanted to provide you with a heads-up in advance of my announcement, and to share key information that will be of interest.

Cabinet has agreed to the first set of policies that will establish the Local Water Done Well framework and the transitional arrangements for the new water services system.

This includes streamlined processes for setting up water services council-controlled organisations (water services CCOs), requirements for councils to develop Water Services Delivery Plans, and steps towards future economic regulation.

The policies will be introduced through legislation to be passed by mid-2024, as part of the second stage of our implementation plan.

Attached to this letter you will find information prepared for councils, covering:

- Water Services Delivery Plans
- Steps towards future economic regulation
- Streamlined processes for establishing water services CCOs
- Indicative policy, legislation and related council activity timings for LWDW
- Retaining current Better Off and Transition Support funding arrangements.

I also wanted to acknowledge the important role that you have played in getting to this point, and in the work that lies ahead of us.

Role of local government in implementing LWDW

The Coalition Government strongly believes in empowering communities and supporting local governance in managing and delivering water services.

We believe that communities are best placed to make decisions about things that directly affect them – like the future of their water assets, and ensuring sustainable, high-quality management of water services.

And underpinning all of this, we believe in setting clear expectations and bottom lines. This means stronger support and oversight from central government, to promote efficiency and accountability within the sector.

Today's announcement is another step forward in delivering on these fundamental elements of LWDW – and empowering local government to lead the way in delivering the changes required for your communities.

My expectation is that discussions and decisions are already happening at a local level, both within and between councils.

Today's announcement and next steps

The Cabinet decisions I will be announcing today will be given effect to in legislation, which is expected to be introduced and enacted around the middle of the year, subject to Parliamentary timelines.

There will be an opportunity to provide feedback as part of the select committee process.

Around the middle of this year is also when I expect to provide details on a range of options for councils to choose from to access long-term borrowing for investment in water services, in many cases by working together.

These funding and financing tools will be implemented through further legislation setting out the enduring settings for LWDW to be introduced in December 2024 and passed by mid-2025.

The Government recognises that certainty around timings, and details of the new regime, is needed quickly – for councils, for your communities and for the water sector.

I look forward to sharing further details as our policy is developed, and to seeing the progress of conversations between councils about your future service delivery arrangements.

Current Better Off and Council Transition Support funding arrangements will be retained

The Government has reviewed all funding under the previous Government's water reform programme and considered opportunities to retain existing funding arrangements to support LWDW.

The existing funding arrangements were designed to work for the previous government's model, and it makes sense to relook at these to ensure this money is being spent to support the transition to LWDW.

Cabinet has agreed to retain and redirect existing funding programmes, and has asked the Department of Internal Affairs to work with councils to align these to LWDW.

This includes retaining current Better Off funding for all councils, but for officials to work with councils to identify opportunities to redirect unspent Better Off funding to increase investment in water infrastructure or to help establish new water services delivery organisations.

Current Council Transition Support funding will also be retained to enable councils to use this funding for work relating to LWDW.

This includes supporting the establishment of new water services delivery organisations, or other planning work to support the transition to LWDW.

The Department will work with councils on any changes to current contractual arrangements to reflect decisions in relation to aligning funding to LWDW.

I have asked my officials to follow up with councils to provide further details.

Support for councils' early discussions about possible future service delivery arrangements

As previously indicated, I have instructed officials at the Department to be available to assist with early discussions that councils may be having about their possible future service delivery arrangements.

Please contact Hamiora Bowkett, Executive Director, Water Services Policy, Legislation and Stewardship, by emailing waterservices@dia.govt.nz, should your council wish to set up initial discussions with Department officials.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Simeon Brown".

Hon Simeon Brown

Minister of Local Government

[Appendix B](#)

**Te Tari Taiwhenua
Internal Affairs**

April 2024

Local Water Done Well: Information for councils

This document provides an overview of policy decisions that will be reflected in the proposed Local Government Water Services (Transitional Provisions) Bill, which will soon be considered for introduction to Parliament. It also contains information on other transitional matters that may be of interest to councils.

It is based on Cabinet decisions announced by the Minister of Local Government in April 2024.

Introduction

Measures to be introduced through new legislation in mid-2024 will establish the Local Water Done Well framework and the transitional arrangements for the new water services system.

The measures include requirements for councils to develop Water Services Delivery Plans, steps towards future economic regulation, and streamlined processes for setting up water services council-controlled organisations (water services CCOs).

Water Services Delivery Plans

What are they?

The overarching purpose of the Plans is for councils – individually or jointly – to publicly demonstrate their intention and commitment to deliver water services in ways that are financially sustainable, meet regulatory quality standards for water network infrastructure and water quality, and unlock housing growth.

What do they mean for councils?

Through the development of these Plans, councils will provide an assessment of their water infrastructure, how much they need to invest, and how they plan to finance and deliver it through their preferred service delivery model.

Ringfencing of water services and revenue from other council activities is a key feature of the Plans.

The Plans will be a way for councils to provide transparency to their communities about the costs and financing of water services, and empower them to make decisions about managing and delivering high-quality water services that reflect their local needs and circumstances.

The Plans can also be prepared jointly, and so provide an opportunity for councils to have conversations with other councils about joint arrangements for water services delivery.

Local Water Done Well: Information for councils (April 2024)

What information do they need to cover?

The Plans cover information across three key areas:

1. Financial and asset information	Information about each council’s financial and asset information and performance measures, pricing and other related policies, methodologies, and assumptions
2. Investment required	Planned levels of investment, approach to operations, and whether these are sufficient to deliver proposed level of service, meet infrastructure standards and meet regulatory standards
3. Service delivery arrangements	Councils’ proposed service delivery arrangements – including proposals for joint arrangements, across more than one council

To demonstrate financial sustainability, councils will have to show what needs to be invested to deliver water services to regulated standards and to provide for growth. They will also have to show how they will fund and finance long-term investment in water infrastructure, including renewals and operating costs.

What is the process and timeline for producing a Plan?

Activity	Indicative timing / milestone
DIA releases Plan guidance Councils formally begin development of Plans	Mid-2024 Local Government Water Services (Transitional Provisions) Bill enacted
DIA/council check-in Councils identify contact point(s), whether they will be submitting an individual or joint Plan, whether they need technical support	+ 3 months (following Bill enactment)
DIA/council check-in(s) to monitor progress	+ 6-9 months (following Bill enactment)
Councils submit final Plan to DIA	Within 12 months (of Bill enactment)
DIA accepts the Plan meets statutory requirements or refers back to council for further work	Following submission of Plan
Council publishes Plan on council website	Once Plan is accepted by DIA

What happens if council(s) don’t submit a Plan?

There will be a series of check-ins by the Department of Internal Affairs throughout the Plan development process to ensure councils are on track in preparing and submitting an acceptable plan. There will be guidance and some ‘light touch’ technical support provided by DIA.

During the Plan preparation process, councils may request, and the Minister of Local Government will be able to appoint, a Crown Facilitator who could provide additional assistance (at councils’ expense). For example, the Crown Facilitator could assist and advise a council on how to prepare a Plan, or work across a group of councils to facilitate or negotiate a joint Plan (including providing an arbitration role if requested and agreed by councils).

Local Water Done Well: Information for councils (April 2024)

If a council fails to submit a plan by the statutory deadline, the Minister of Local Government will be able to appoint someone to prepare a Plan on that council's behalf, and (if necessary) to direct the council to adopt and submit this Plan (a 'regulatory backstop' power). Again, any expenses associated with this appointee and the preparation of the Plan would be covered by the council.

Key information



Plans are one-off, transitional documents, to set a pathway forward to sustainability.



Plans can be developed by individual councils, or jointly where groups of councils are planning to jointly establish a water organisation.



Plans must include drinking water, wastewater and stormwater – but councils have flexibility about transferring stormwater in proposed new service delivery arrangements.



It will be up to councils to determine how best to engage with their communities as part of the Plan development process.



Plans have no regulatory function – LTPs continue to be councils' primary planning and accountability document.



Plans cover a 10-year timeframe, with detailed information provided on the first three years.

Steps towards future economic regulation

Economic regulation is a key feature of Local Water Done Well. It is intended to ensure consumers pay efficient, cost-reflective prices for water services, that those services are delivered to an acceptable quality, and that water services providers are investing sufficiently in their infrastructure.

Development of an economic regulation system for water services will be led by the Ministry of Business, Innovation and Employment. Relevant provisions would be included in the third Local Water Done Well Bill (to be passed in mid-2025), and implemented by the Commerce Commission after that point.

Through the Water Service Delivery Plans, councils will be asked to provide baseline information about their water services operations, assets, revenue, expenditure, pricing, and projected capital expenditure, as well as necessary financing arrangements.

This is not a regulatory information gathering exercise, but is a useful first step to build the capability of councils and prepare the Commerce Commission ahead of the full economic regulation regime being introduced from the middle of next year.

All councils that have water service delivery responsibilities (either directly or through existing council-controlled organisations) will be subject to these requirements. As well as the Plans being published, information collected through them will be shared with the Commerce Commission, to help them with the development of the future regulatory regime.

The Bill will also provide for some councils to be subject to an early form of information disclosure by the Commerce Commission, prior to the full economic regulation regime.

Local Water Done Well: Information for councils (April 2024)

This will build on the information collected through the Plans, and is intended to be for councils that have more advanced asset/financial management practices, or those that moved quickly to establish new organisations and are ready for a faster track toward more detailed oversight.

Streamlined processes for establishing council-controlled organisations

Under Local Water Done Well, a range of structural and financing tools will be available to councils to use for water services including a new class of financially independent council-owned organisations.

These options will be included in the third Local Water Done Well Bill, with policy decisions expected to be announced in mid-2024. This Bill is expected to be introduced in December 2024, and passed in mid-2025.

However, it is recognised that some councils may want to move quickly to start shifting the delivery of water services into more financially sustainable models. The Local Government Water Services (Transitional Provisions) Bill will include provisions that help streamline the process for establishing water services CCOs, as currently provided for under the Local Government Act 2002.

The Bill will contain a bespoke set of consultation and decision-making arrangements that will enable councils to streamline this process, while continuing to provide the opportunity for community input. These streamlined arrangements are voluntary for councils to choose to use, as an alternative to some of the standard requirements in the Local Government Act.

The arrangements include provisions that:

- Clarify that councils can set up joint committees that can consult on a proposal across multiple districts (instead of each council carrying out separate consultation), and to make recommendations to participating councils
- Set minimum consultation and information requirements – so one round of consultation is required, and information only needs to be provided on the analysis of two options (status quo + preferred option)
- Enable councils to consider the collective benefits/impacts of a proposal (across multiple districts), in addition to the interests of their individual districts – and to factor in the view of other participating councils.

Current Better Off and Transition Support funding arrangements will be retained

Cabinet has agreed to retain existing funding arrangements under the previous Government's water reform programme, and has asked the Department of Internal Affairs to work with councils and Iwi Collectives to align these to Local Water Done Well.

This includes:

Local Water Done Well: Information for councils (April 2024)

- Retaining current Better Off funding for all councils, but for the Department of Internal Affairs to work with councils to identify opportunities to redirect unspent Better Off funding to increase investment in water infrastructure or to help establish new water services delivery organisations.
- Retaining current Council Transition Support funding to enable councils to use this funding for work relating to Local Water Done Well, including supporting the establishment of new water services delivery organisations, or other planning work to support the transition to Local Water Done Well.

The Department of Internal Affairs will work with councils on any changes to current contractual arrangements to reflect decisions in relation to aligning funding to LWDW.

The Department of Internal Affairs will follow up with individual councils to provide further details.

Next steps

The Government will provide details in mid-2024 on the broader range of structural and financing tools, including through the New Zealand Local Government Funding Agency (LGFA), which will be available to councils to ensure they can access the long-term debt required for investment in water services infrastructure. These tools will be implemented through further legislation that will establish the enduring settings for the new system.

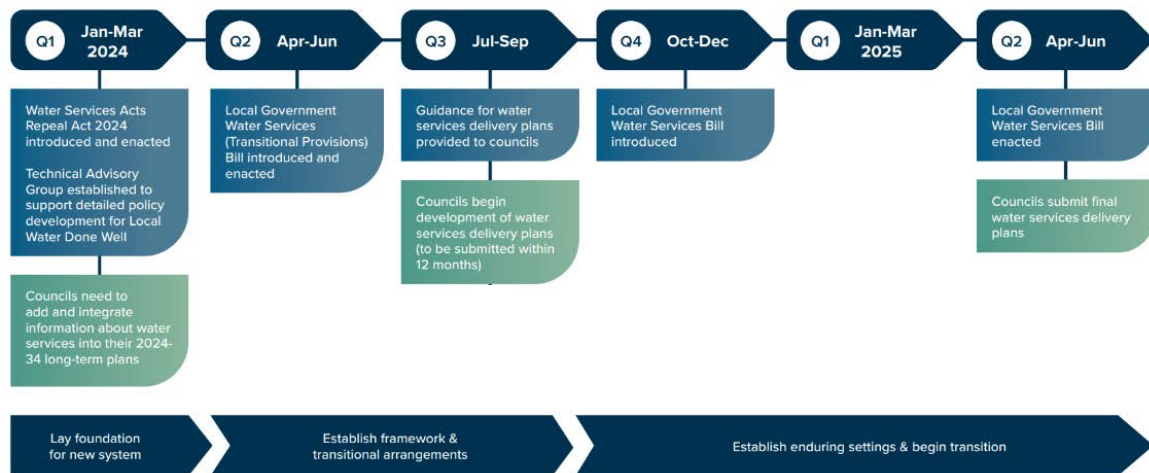
Policy areas to be included in further legislation include:

- Setting long-term requirements for financial sustainability
- Providing for a range of structural and financing tools, including a new class of financially independent council organisations
- Planning, accountability and reporting frameworks for water services
- Considering the empowering legislation for Taumata Arowai to ensure the regulatory regime is efficient, effective, and fit-for-purpose, and standards are proportionate for different types of drinking water suppliers
- Providing for a complete economic regulation regime
- Considering additional Ministerial powers of assistance and intervention in relation to water services, and regulatory powers to ensure effective delivery of financially sustainable water services.

Indicative timeline

The below timeline provides an indicative outline of policy, legislation and related council activity. It is subject to parliamentary processes and timetables.

Local Water Done Well: Information for councils (April 2024)



Further information

Once the proposed Local Government Water Services (Transitional Provisions) Bill has been introduced to Parliament, it will be available at www.legislation.govt.nz.

For further information about Local Water Done Well, visit www.dia.govt.nz/Water-Services-Policy-and-Legislation

Questions? Contact waterservices@dia.govt.nz

FOR INFORMATION NGĀ MŌHIOTANGA



To Mayor and Councillors

Author Duncan Peddie
Group Manager Business Support

Meeting date 31 March 2024

File reference Document: 3612736

Subject **Financial Report for the period to 31 March 2024**

1 TE WHAIKUPU | RECOMMENDATIONS

THAT Council

- a) Receives the report titled Financial Report for the period to 31 March 2024, (document number 3612736).
- b) That Council notes the Finance Committees continued approval, due the uncertainty surrounding the 3-Waters process over the past months, the continued noncompliance with:

the recommended parameters for the fixed/floating interest rates as set out in the Liability Management Policy up to and including the date of the next Committee meeting, as it believes it is prudent to do so for the reasons set out in the treasury paper submitted to them on the 22nd April 2024.

2 TE ARONGA | PURPOSE

The purpose of this report is to provide the Council with cumulative financial information for the year to date to enable it to monitor the financial performance of the organisation; to inform the Council of budget requests made under the delegated financial authority and to seek approval for further requests for additional budget

3 WHAKAPAPA | BACKGROUND AND CONTEXT

A local authority must manage its revenues, expenses, assets, liabilities, investments, and general dealings prudently and in a manner that promotes the current and future interests of the community.

To enable the Council to act prudently and in a manner that promotes the current and future interests of the community, financial performance must be monitored on a regular basis.

Council amended the financial delegation to the Chief Executive on the 29 January 2020. The delegation requires regular reporting of any approvals made under delegation under the Chief Executive delegation.

4 APPROVALS MADE UNDER CHIEF EXECUTIVE DELEGATIONS

No additional expenditure requests have been submitted for approval under the Delegation Policy to the Chief Executive.

5 ADDITIONAL BUDGET REQUESTS APPROVED BY COUNCIL DURING 2023/24

For information purposes we have included below a list of requests brought to, and approved, by Council since the adoption of the 2023/24 Annual plan.

Meeting Date	Resolution	Description	OPEX 23/24	CAPEX 23/24
02/08/23	C23/222	Thames Hauraki Aquatic Facility Feasibility Study	\$6,500	
02/08/23	C23/225	Paeroa Pool conversion to Salt water		\$75,000
02/08/23	C23/226	Waihi Arts Centre and Museum Earthquake Strengthening		\$90,000
02/08/23	C23/229	Additional Expenditure to complete the Transition and Mobilisation Activities	\$40,000	
02/08/23	C23/233	Additional Operational Expenditure for the Resources Applicable to the Approved Opening Days and Hours at the Transfer Stations	\$30,000	
02/08/23	C23/234	Additional funding - Paeroa Refuse Transfer Station Upgrade		\$482,000
02/08/23	C23/236	Retrospective approvals unbudgeted expenses associated with the tender process for the new Waste Contract	\$250,000	
02/08/23	C23/244	Budget Increase - Ngatea North Development		\$Confidential
02/08/23	C23/244	Budget Increase - Kerepehi Raw Water Tank project		\$Confidential
02/08/23	C23/249	Delegation to pursue unbudgeted land acquisition		\$Confidential
27/09/23	C23/249	unbudgeted capital expenditure to the purchase of two new aerators for the Waihi Sewage Treatment Plant		\$240,000
25/10/23	C23/315	Request to Carry forward unspent budgets from previous years. * No impact on rates as provided for in previous years BOF - Bettor off Project - externally funded no impact on rates		
		Conservation Initiatives for SNA/Heritage funding	\$44,532*	
		Wharakawa Coast	\$118,457*	

Meeting Date	Resolution	Description	OPEX 23/24	CAPEX 23/24
		Property file digitisation programme	\$103,280*	
		Purchase of digitisation tool	\$37,725*	
		BOF - Developing a partnership model with Hauraki Iwi	\$67,484	
		BOF - Hauraki Plains Adaption Plan	\$93,555	
		BOF - Community Placemaking and Planning program for Paeroa, Ngatea and Kerepehi	\$8,327	
		BOF - Programme Management Cost	\$36,421	
25/10/23	C23/315	Net – Capital Carry forwards from 22/23 Retrospective approvals for CAPEX overspends in 2022/23 (Table 7). Future year CAPEX budgets spent in 2022/23 (Table 9)		\$21,344,514 \$998,660 \$424,563
25/10/23	C23/319	Additional funding for Waihi Main Street Renewals		\$1,910,000
29/11/23	C23/368	1011_001 - Footpath Renewal – Paeroa. Reinstate for 23/24		\$189,384
29/11/23	C23/368	1011_003 - FP Renewal - Paeroa - Western side of Arney St to be replaced from Kea Crossing to King St. Reinstate for 23/24		\$171,950
29/11/23	C23/368	1355_001 - Turua playground - replacement modular playground Reinstate 2023/24		\$47,400
29/11/23	C23/368	1357_001 - Training Lights for Hugh Hayward Domain - Joint funding (100,000) Reinstate for 2023/24		\$255,000
29/11/23	C23/368	1012_002 - Front Miranda Rd Footpath Renewal RP11 - 157 m budget increase		\$55,500
29/11/23	C23/368	1099_001 - WPDD Capital contribution to WRC Muggeridge pump		\$93,934
29/11/23	C23/368	1301_001- District pools – covers		\$15,800
29/11/23	C23/368	defer the 2023/24 capital projects as listed in M3529649 M3536432		(26,784,976)
31/01/24	C24/11	Bring forward \$200,000 from 2024/25 budgets for the Hauraki House renovation		\$200,000
28/02/24	C24/40	Installation of 30 minute parking limits and one mobility park outside Four Square Paeroa	\$5,000	
28/02/24	C24/42	bring forward budget from 2024/25 year for the CEO recruitment to 2023/24	UNKOWN	
28/02/24	C24/44	Hauraki Rail Trust Charitable Trust funding request	\$27,027	
27/03/24	C24/78	Ngatea Netball Courts grant	\$180,000	

6 FINANCIAL REPORT

In Summary

For the nine months to the end of February 2024

Revenue

Non-rates revenue is tracking (\$528k) (6.1%) behind budget.

The principal revenue variances are:

- (\$196k) relates to transfer station revenue down against that budgeted
- (\$431k) relates to kerbside collection due to lower than budgeted presentation rates for the red lid bins.
- (\$267k) in RMA Implementation where Actual subdivision applications are 21% under that budgeted
- (154k) Building services
- \$215k unbudgeted transitional funding for 3 waters

Expenditure

Council is (\$590k) (1.4%) over budget on its operational expenditure.

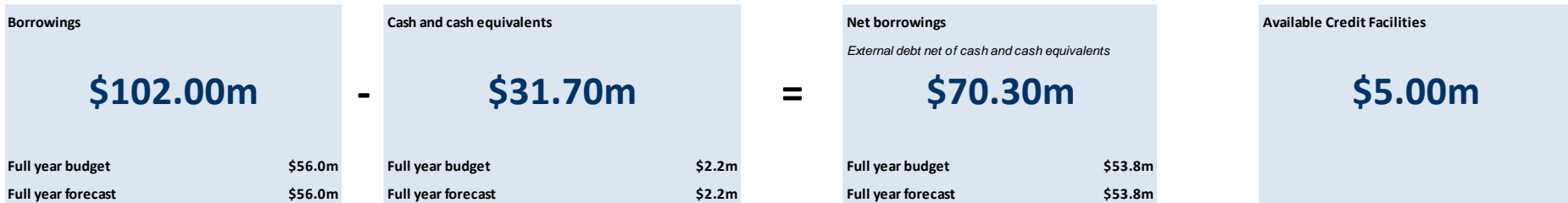
The principal expenditure variances are:

- Waste Management (\$358k)
Transfer stations (\$307k) due to start-up costs previously approved by Council (C23/223).
- Wastewater (\$297k)
Treatment costs are higher than budget (\$234k), as are reactive repairs to plants, reticulation (\$48k) and pump stations (\$55k).
- Water – 77k
Reactive repairs across the reticulation network unfavourable variance to budget (\$545k). Treatment (388k) unfavourable variance due to reactive repairs (\$149k) generator hire (481k) and Chemical costs (104k) offset by deferred desludging of \$751k and Other \$109k favourable variances
- Roading – \$234k
Network management is \$319k under budget and the Hauraki Community Connections budget of \$82k is so far unspent. Partially offsetting these is unfavourable variances in lighting (\$154k) and footpath maintenance (\$18k)

This gives an overall unfavourable variance to budget year to date of (\$1.118m) or 3.4%

Hauraki District Council Financial Measures

Key Indicators for the 9 months ended 31 March 2024



Annual - Financial Strategy debt caps (audited Financial Statements)	Performance against debt caps as at 30 June 2023	Compliance with debt caps
Total net external debt will not exceed 175% of total revenue in any year.	93.9%	YES - 54% of cap
Net interest expense is ≤ 15% of rates revenue in any year.	4.8%	YES - 32% of cap
Net interest expense is ≤ 10% of total revenue in any year.	3.3%	YES - 33% of cap
Net external debt per rating unit is ≤ \$8,000 in any year.	\$4,385	YES - 55% of cap

Monthly - Financial Strategy Policy Parameters as at 31 March 2024

Loan Maturity Profile Limit			Proportion of maturities	Compliance with policy
Period	Minimum %	Maximum %		
0 to 3 years	15%	60%	19%	Yes
3 to 7 years	25%	85%	81%	YES
7 years plus	0%	60%	0%	YES

At present Council is within its funding parameters set under its Liability Policy. Council’s capital works programme requires a significant increase in borrowing over the next 24 months.

Council will be outside of its Parameters by April 2024. As such, March’s LGFA tender will need to place debt maturity in 2028 and beyond. Council has prefunded the \$13m debt maturing in April 2024, \$2m in the August, and a further \$9m in maturing in October 2024.

Council has a \$3m BNZ and \$2m LGFA standby facility.

Bespoke borrowing covenant update.

In September 2022 Council considered the Special budget request for Priority Water and Wastewater Projects. As part of this paper it was identified that Council might well breach the LGFA borrowing covenant that “Total Net External debt would not exceed 175% of total revenue in any year”. It was suggested and Council agreed that staff should seek to attain a bespoke borrowing covenant from the LGFA to undertake these projects.

On the 13th of March 2023 Council received notification from the LGFA that its Board had approved a bespoke net debt to total revenue borrowing covenant of 210% subject to:

- The net debt to total revenue covenant of 210% applies only for the period through to July 2026. After that date, the covenant will revert to 175%
- If the 3-Waters Programme does not proceed as currently outlined in the Water Services Entity Bill, then Council will seek an external credit rating.
- Council is expected to remain compliant to the other three LGFA financial covenants above.

Policy Liquidity Ratio	Compliance with policy
>=110% ¹	Yes – 112%

As debt levels rise Council will need to attain more undrawn facilities in order to maintain liquidity compliance.

Parameters for the fixed/floating interest rates	Compliance with policy -No
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The 3-Waters legislation has been repealed by the current government. Accordingly, this strategy is based upon the retention of 3-waters in Council.

The following chart shows the dollar amount of debt that is fixed and how this changes as time progresses. The chart takes a snapshot as at 31 March 2024 based on the Current Debt figures, the debt as at June 2023, the Annual Plan 2023/24, and then years 2024/25 through to 2033/34 per the draft 2024-34 LTP.

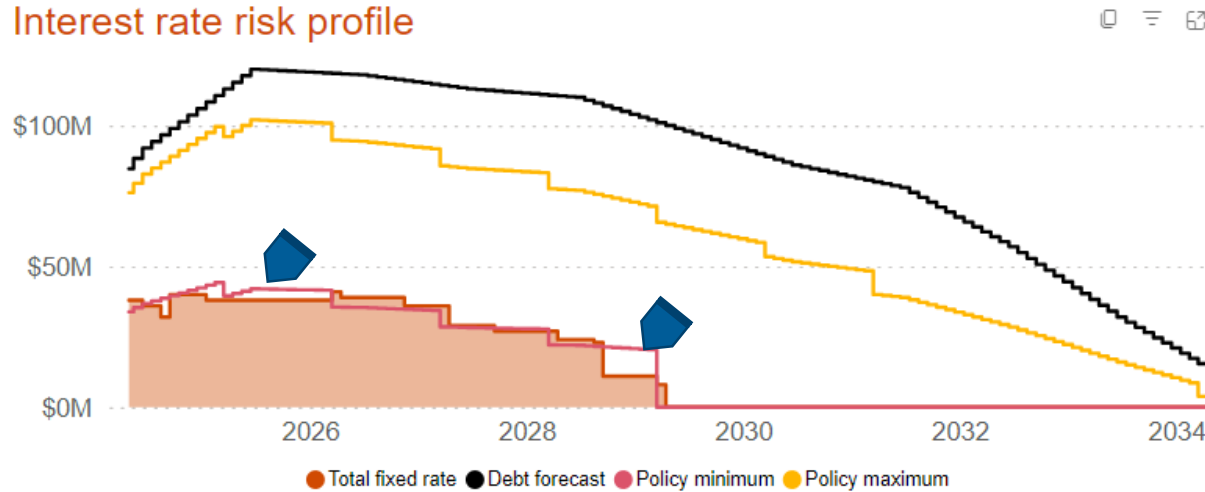
¹ Being external loans, committed debt facilities together with short term investments will be greater than 110% of forecast debt requirements

The red part of the graph shows the amount of debt which is fixed (this includes fixed rate bonds together with payer swaps) meaning debt which gets repriced in one year or later.

Based on the above forecast borrowing Council is outside the parameters set in relation to the portion of fixed/floating interest rates.

Debt Forecast 2024 LTP Retaining 3-Waters

Interest rate risk profile



Under the above scenario Council is outside the recommended parameters set under its Liability Management and Investment Policy. Previously we have been operating under the direction from the previous government that Councils 3-waters activities and associated debt would be transferred to new entity by 2026. We are now actively pursuing opportunities to hedge interest rates when opportunities arise. However we are still outside of policy parameters.

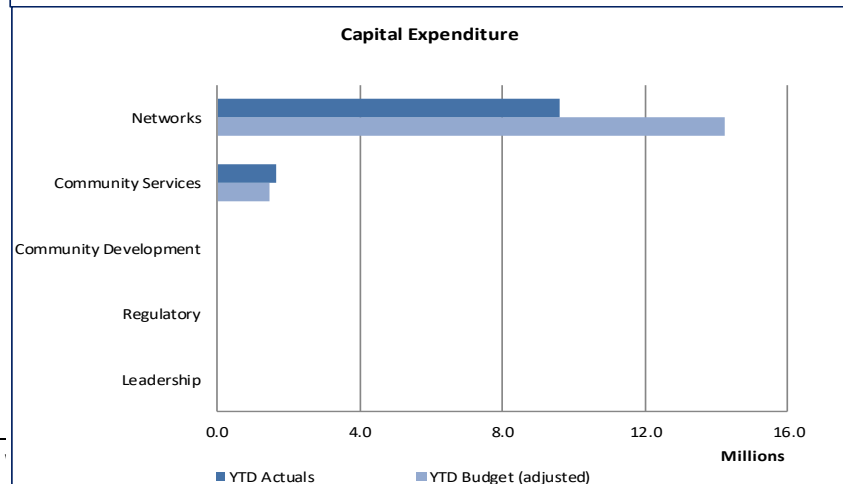
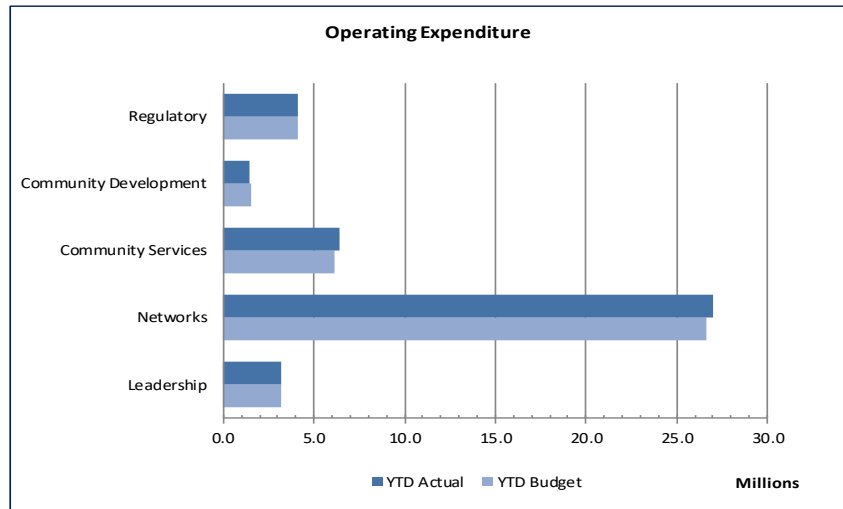
Accordingly we recommend that Council acknowledges that such an approach is outside the recommended set parameters in relation to its funding strategy, and notes for the reasons above that it approves any noncompliance with the Policy recommendations.

The above matters have been discussed with the Audit and Risk Committee, and more recently Councils Finance Committee, since April 2022 where they have consistently acknowledged that Council is outside the recommended set parameters and the reasons for this noncompliance, The Committee has endorsed this noncompliance with the Policy recommendations.

Groups of activities overview - Financial Measures

Key Indicators for the 9 months ended 31 March 2024

Operating Revenue (excluding Rates & Roading capital funding from NZTA)		Operating Expenditure		Capital Expenditure		
	\$8,102,623	-	\$42,225,266		\$11,232,689	
Unfavourable YTD	\$(528,307)		Unfavourable YTD	\$(590,128)	Favourable YTD	\$4,422,020
YTD budget	\$8,630,930		YTD budget	\$41,635,138	YTD Forecast	\$15,654,709
Full year budget	\$11,933,901		Full year budget	\$57,992,729	Full year budget (Original)	\$31,918,350
Full year forecast	\$11,405,594		Full year forecast	\$58,582,857	Full year forecast	\$20,989,495



Revenue

Regulatory - Unfavourable variance (\$267k) Actual subdivision applications are 21% under that budgeted. While Building Service income had an unfavourable variance of (\$154k)

Community Development - Mayors for Jobs Taskforce reimbursement (\$126k) behind budget. Revenue is linked to the expenditure

Roading - NZTA Subsidy under budget (\$95k) this is linked to the work programme is forecast to step up over summer.

Waste Management - Kerbside revenue down (\$431k) due to presentation rates for red lid bins of 45% compared to budget of 80%.

Water - unbudgeted government grant of 215k

Operating Expenditure

Regulatory - Building services expense (\$43k) ahead of budget due to the use of external contractors to assist with BCA accreditation, IANZ audit non compliances.

Community Development - Mayors Taskforce for jobs \$126k under budget. This expenditure is funded externally through MBIE

Community Services - Pensioner housing rates expense exceeds budget primarily as a result of the transition to SUIP rating (\$60k).
Toilets: Reactive maintenance for the year has already been consumed (76k).

Networks -
Waste Management - Transfer Stations - (\$307k) due to additional start up costs. Council approved additional budget of \$174k (C23/232) and an additional \$40k to complete the transition (C23/223).

Water
Reticulation reactive repairs (\$545k) over budget across the reticulation network.
Treatment costs are also ahead of budget by \$(234k) due in part to chemicals & repairs.

Leadership - Better off projects for Hauraki Plains Adaption Plan and a partnership model with Hauraki Iwi progressing

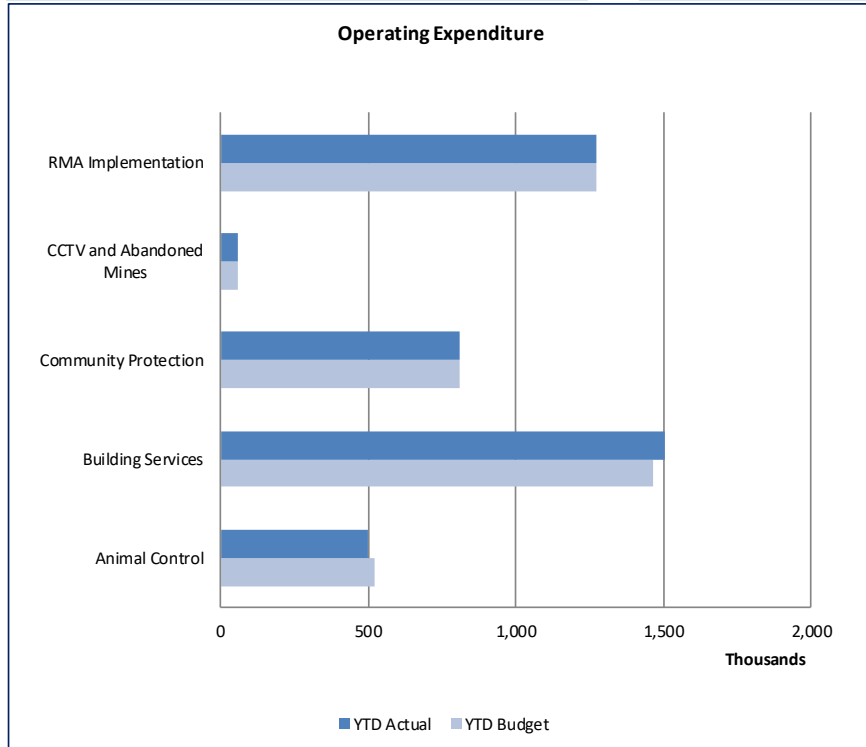
Capital Expenditure

Capital expenditure is tracking well above the approved programme for Recreation primarily due to Hauraki Rail Trail - construction Pipiroa Bridge to Kopu.
The balance of the Capital works programme lagging behind YTD budget in a number of activities.

Regulatory Financial Measures

Key Indicators for the 9 months ended 31 March 2024

Operating Revenue (excluding Rates)		Operating Expenditure		Capital Expenditure	
	\$1,495,175	-	\$4,144,804		\$0
Unfavourable YTD	\$(385,227)	Unfavourable YTD	\$(9,733)	Favourable YTD	\$0
YTD budget	\$1,880,402	YTD budget	\$4,135,071	YTD Forecast	\$0
Full year budget	\$2,400,549	Full year budget	\$5,518,269	Full year budget (Original)	\$0
Full year forecast	\$2,015,322	Full year forecast	\$5,528,002	Full year forecast	\$0



Operating Revenue (Excluding Rates)

RMA Implementation: Unfavourable variance \$(277k) Actual subdivision applications are 21% under that budget. The National Policy Statement for Highly Productive Land has also had a negative impact on the number of subdivisions

Building Services: Building consents - inspections/monitoring is (\$161k) behind budget due to a reduction in the number of building consent applications.

Operating Expenditure

Building Services: Building services expense (\$43k) ahead of budget. Due to the use of external contractors to assist with BCA accreditation, IANZ audit non compliances.

Animal Control: Operating contract lower than budget \$2k per month. forecast a favourable variance of \$24k for the year.

Community Development Financial Measures

Key Indicators for the 9 months ended 31 March 2024

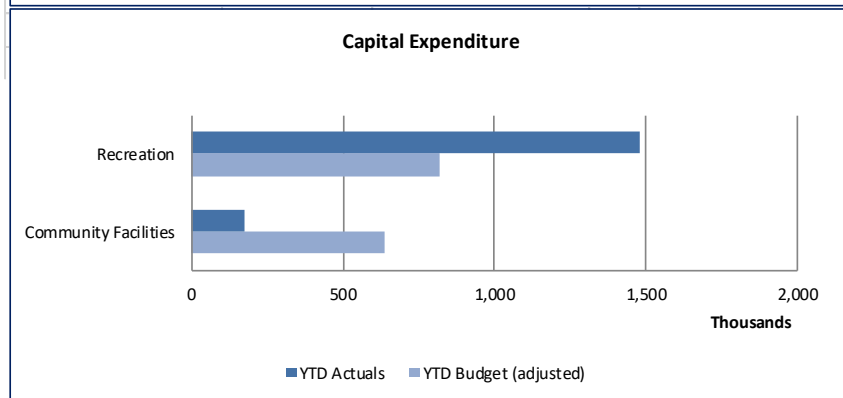
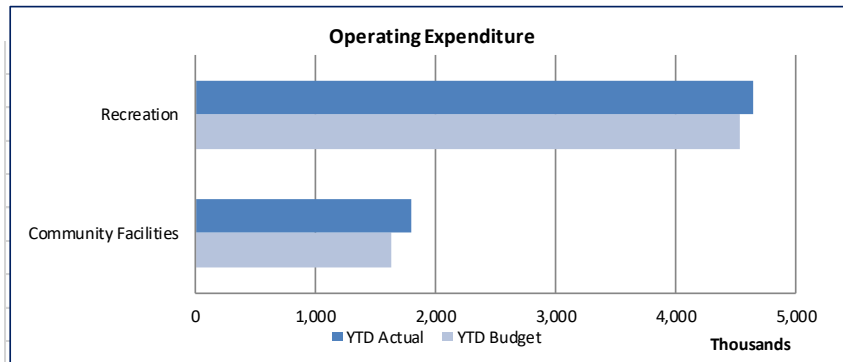
Operating Revenue (excluding Rates)		Operating Expenditure		Capital Expenditure	
	\$270,732	-	\$1,434,283		\$0
Unfavourable YTD	\$(105,018)	Favourable YTD	\$65,032	Favourable YTD	\$0
YTD budget	\$375,750	YTD budget	\$1,499,315	YTD Forecast	\$0
Full year budget	\$501,000	Full year budget	\$1,948,579	Full year budget (Original)	\$0
Full year forecast	\$395,982	Full year forecast	\$1,883,547	Full year forecast	\$0

	<p><u>Operating Revenue (Excluding Rates)</u></p> <p>Mayors Taskforce for Jobs funding received from MBIE \$126k under budget. Revenue is linked to expenditure.</p> <p><u>Expenditure</u></p> <p><u>Social Initiatives:</u> Mayors Taskforce for Jobs \$126k behind budgeted programme.</p> <p>Grants and Donations \$132k over budget comprising a number of grants approved by Council C23/191.</p> <p><u>Extended relationships</u> Currently \$33k under budget. We are currently waiting on feedback from the colleges as to their support for an International Youth Leadership Camp being held by Jiading China this year.</p>
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Community Services Financial Measures

Key Indicators for the 9 months ended 31 March 2024

Operating Revenue (excluding Rates)		Operating Expenditure		Capital Expenditure		
	\$803,653	-	\$6,444,187		\$1,653,700	
Favourable YTD	\$130,804		Unfavourable YTD	\$(279,205)	Unfavourable YTD	\$(201,348)
YTD budget	\$672,849		YTD budget	\$6,164,982	YTD Forecast	\$1,452,352
Full year budget	\$888,112		Full year budget	\$8,895,684	Full year budget (Original)	\$2,153,100
Full year forecast	\$1,018,916		Full year forecast	\$9,174,889	Full year forecast	\$1,936,169



Operating Revenue (Excluding Rates)

Library revenue down against budget across all revenue streams (\$29k)
 Favourable variance in Cycleway \$40k from government grants received.
 \$98k received from MBIE for the Patetonga Toilet capital project, not budgeted for.

Operating Expenditure

Recreation:

Mowing costs \$125k over budget. This is due to mowing needing to be done at least fortnightly across the district due to high rates of grass growth. There is also the added cost of traffic management as it is now required for any roadside mowing.

Community Facilities:

- Pensioner housing rates expense exceeds budget primarily as a result of the transition to SUIP rating (\$60k). Mowing costs are also \$16k over budget partially due to higher traffic management costs
- Toilets: Reactive maintenance for the year has already been consumed (\$76k).

Capital Expenditure

Capital expenditure is tracking well above the approved programme for Recreation primarily due to Hauraki Rail Trail - construction Pipiroa Bridge to Kopu.
 Community Facilities is lagging behind budget.

Networks Financial Measures

Key Indicators for the 9 months ended 31 March 2024

Operating Revenue (excluding Rates & capital funding)

\$5,229,993 -

Unfavourable YTD	\$(146,352)
YTD budget	\$5,376,345
Full year budget	\$7,710,135
Full year forecast	\$7,563,783

Operating Expenditure

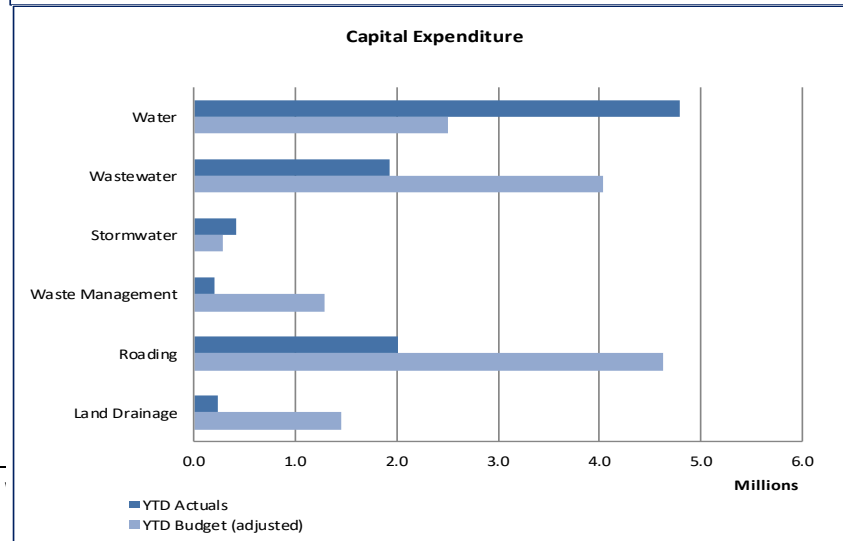
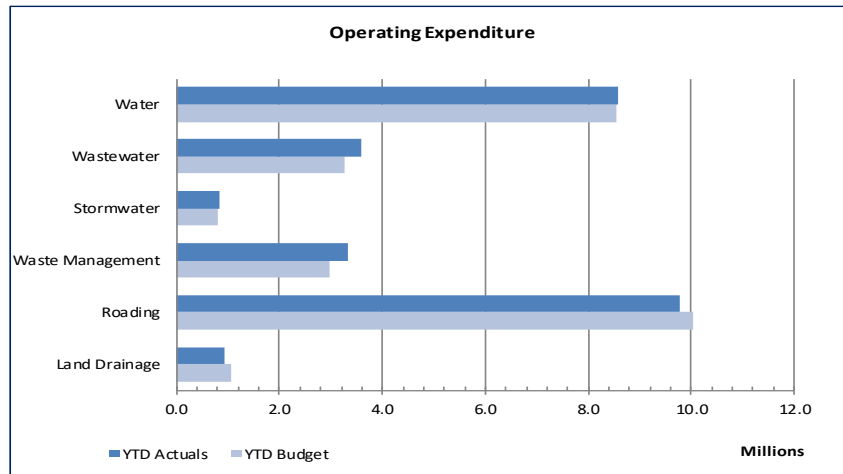
\$27,014,642

Unfavourable YTD	\$(342,121)
YTD budget	\$26,672,521
Full year budget	\$37,023,253
Full year forecast	\$37,365,374

Capital Expenditure

\$9,578,989

Favourable YTD	\$4,623,368
YTD Forecast	\$14,202,357
Full year budget (Original)	\$29,765,250
Full year forecast	\$19,053,326



Operating Revenue (Excluding Rates)

Waka Kotahi revenue is under budget by (\$95k) it is linked to expenditure levels.

Transfer station revenue is tracking behind budget (\$196k) with lower than anticipated volumes
 Kerbside collection revenue is lagging behind budget (\$431k) as presentation rates for the waste bins are around 45% compared to the 80% budgeted.
 \$215k in unbudgeted Government grants

Operating Expenditure

Water - Reactive repairs across the reticulation network unfavourable variance to budget (\$545k). Treatment (388k) unfavourable variance due to reactive repairs (\$149k) generator hire (481k) and Chemical costs (104k) offset in part by deferred desludging of \$751k

Wastewater - Pumpstation reactive repairs across the network (\$55k) over budget. Repairs to the reticulation network (\$48k) over budget. Treatment costs (\$234) - with chemicals ahead of budget (\$64k) this is forecast to continue. As is repairs to treatment plants (\$93k)

Waste Management -

Transfer Stations - (\$307k) due to additional start up costs. Council approved additional budget of \$174k (C23/232) and an additional \$40k to complete the transition (C23/223).

Roothing - Footpath maintenance over budget by (\$18k) and is likely to be over budget at year end.

Lighting costs are (\$154k) over budget. Due to weather and an declining asset performance
 Network management is \$319k in part due to staff vacancies

Land Drainage - Pump costs due to below average rainfall this year to date. Budget likely to come under budget this year, however this will depend on the rainfall over the next 3 months. Mechanical cleaning costs under budget \$80k

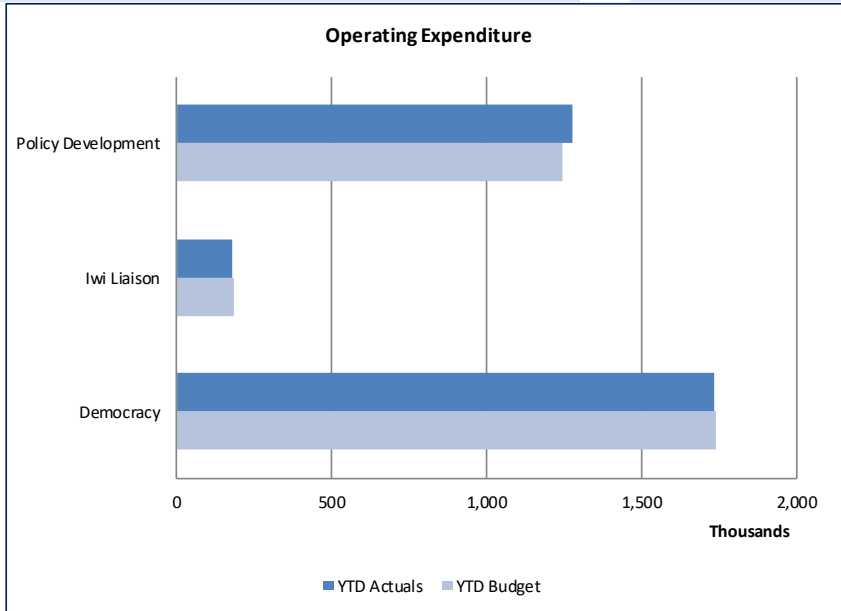
Capital Expenditure

Capital works programme tracking ahead of profiled budgets for water but behind in all others.

Leadership Financial Measures

Key Indicators for the 9 months ended 31 March 2024

Operating Revenue (excluding Rates)		Operating Expenditure		Capital Expenditure	
	\$303,070	-	\$3,187,350		\$0
Unfavourable YTD	\$(22,514)	Unfavourable YTD	\$(24,101)	Favourable YTD	\$0
YTD budget	\$325,584	YTD budget	\$3,163,249	YTD Forecast	\$0
Full year budget	\$434,105	Full year budget	\$4,606,944	Full year budget (Original)	\$0
Full year forecast	\$411,591	Full year forecast	\$4,631,045	Full year forecast	\$0



Operating Revenue (Excluding Rates)

Revenue is linked to expenditure incurred in the better off projects highlighted below which are funded by the DIA.

Operating Expenditure

Policy Development: Expenditure includes \$230k incurred under the better off project for Hauraki Plains Adaption Plan . Total budget is \$1.07M \$93.5K of unspent budget carried forward from 22/23. We forecast an overspend in this budget equal to the unspent amount bought forward from last year.

Iwi Liaison: Expenditure includes \$95k incurred under the better off project for developing a partnership model with Hauraki Iwi. Total budget is \$539k. \$67.5K of unspent budget carried forward from 22/23. We forecast an overspend in this budget equal to the unspent amount bought forward from last year.

Capital Expenditure

No capital spend or budget for this group of activities.

7 TE ARA KI MUA | NEXT ACTIONS

The table below sets out the next key steps:

Action	Responsibility	By When
Table Finance Report for February 2024	Finance Manager	27 March 2024

8 WHAKAPAI | APPROVAL

Prepared by	Steve Baker Finance Manager
Reviewed by	Duncan Peddie Group Manager Business Support
Approved by	Duncan Peddie Group Manager Business Support

FOR INFORMATION NGĀ MŌHIOTANGA



To	Mayor and Councillors
Author	Julia Stringer Utilities Administrator
Meeting date	24 th April 2024
File reference	Water Services Activity Report – Fourth Quarter 2023 Document: 3586758 Appendix A - Rainfall Appendix B - Financials Appendix B – Taumata Arowai 2023 Annual Report Summary Appendix C – Capex Reporting – Summary of Projects
Subject	Water Services Activity Report – First Quarter 2024

1 TE WHAIKUPU | RECOMMENDATIONS

THAT Council

- a) Receives the report titled Water Services Activity Report – First Quarter 2024, (document number 3586758).

2 TE WHAKARĀPOPOTANGA | SUMMARY

This report summarises performance and issues in the Water Services team. The body of the report refers to the First Quarter 2024 (January 2024 – March 2024).

3 TE ARONGA | PURPOSE

The purpose of this report is to provide an overview on the maintenance activities, project progress, risks and financial standing of the Water Services activity.

4 WHAKAPAPA | BACKGROUND AND CONTEXT

This report provides an overview of the activities in the Water Services environment.

5 NGĀ TĀTAI AHUMONI | FINANCIAL MEASURES

See Appendix B.

6 HAUORA ME TE HAUMARU | HEALTH AND SAFETY

A number of small incidents and risks have been reported and are being dealt with through the Damstra (ex-Vault) system.

7 WAI MĀORI | WATER SUPPLY

7.1 Water Networks Operations Notebook

Water Loss

- Two Magflow meters have been installed on the Ōhinemuri network, which has allowed us to narrow down the search for water breaks.
- Largest leaks have been narrowed down to Rotokohu Road and Tirohia south of Cadman Rd.
- A third Magflow meter is being installed on Ōhinemuri North.

7.2 Water Network Disruption Event - January 4th, 2024¹

Incident Description:

- Date: January 4th, 2024.
- Time: Approximately 09:00 AM.
- Location: State Highway 2 (Paeroa Trunk Main).
- Component Failure: 300mm to 100mm fabricated steel bend.

Network Impact:

- Burst failure of the fabricated steel bend resulted in disruption to the Paeroa Trunk Main and water supply to AgriSea.
- To isolate the leak, the 300mm South outlet valve at the reservoir was closed, limiting supply to the Paeroa Township and Ōhinemuri Rural through the remaining 150mm North outlet.

Communication and Response:

- 10:00 AM: Hauraki District Council Communications Team and Customer Service Representatives notified of the network disruption.
- 10:40 AM: Councillors informed of the incident's severity, with updates relayed to Communications and Customer Services.
- Due to the non-standard nature of the fabricated fitting, procurement presented a challenge.
- Water Services Manager personally informed key businesses, particularly those in hospitality, on the main street of Paeroa.

Resolution:

- Repairs were completed by 04:30 PM, with network flushing concluding by 07:30 PM, restoring full functionality.

Post-Event Analysis:

- The incident highlighted the need for improved communication protocols during high-risk or significant events.
- A cross-departmental information gathering process is underway to streamline future communication strategies.

7.3 Water Treatment Operations Notebook

Hauraki District Council is reporting Non-Financial Performance Targets (NFPTs) against the bacterial and protozoal aspects of the *Water Services (Drinking Water Services for New Zealand) Regulations 2022*.

It is understood that there is support for this approach by the Department of Internal Affairs, the Office of the Auditor-General and Local Government New Zealand.

¹ Section 7.2 AI generated from original staff reporting.

We have been advised the Department of Internal Affairs is considering an amendment to tidy this up but any such amendment may not be place before our LTP is adopted.

It is recommended we include the following disclosure:

"The Non-Financial Performance Measures Rules 2013 required local authorities to report their compliance with the bacterial and protozoal contamination criteria of the New Zealand Drinking Water Standards 2005. These standards have been superseded by the Water Services (Drinking Water Services for New Zealand) Regulations 2022 (the regulations) and therefore the council is reporting against these measures relying upon the relevant incorporation by reference provisions in New Zealand law."

Waihi WTP:

- Reticulation demand is high, and therefore we are losing reservoir storage volume during the day and only making approximately 3% per night.
- Work has started on clearing Walmsley Dam after the Anniversary weekend flooding.
- Masons have broken ground at Waihi WTP for the membrane extension project.

Kerepēhi WTP:

- Work has started on the new raw water main from the Waihou intake.
- Membrane plant racks are being repaired at a rate of one each week due to age, with additional costs in the replacement of small items such as O-rings and bottom/top clovers.

Paeroa WTP:

- All membranes have now been replaced.
- One membrane rack has been repaired at this site due to wear and tear.

Waitakaruru WTP:

- EPIC is working on the Quarry/Mangatarata SCADA automation.
- There has been few issues this summer with quarry water being too clean to treat and therefore the water treatment team pulling longer than usual days to work on this.
- Star-Link has been installed at the Quarry to address communication issues.

The Treatment Team Leader position has been filled and she started on the 8th of April 2024.

7.3 Capital Works

- Ōhinemuri Pipeline Encasement – Complete.
- District Cast Iron Pipe Renewal - Procurement Phase.
- District Wide Pipe Renewal Programme – Procurement Phase.
- District Water Meter Renewals – Procurement Phase.
- Karangahake Mackaytown Pump Refurbishments – Start Up Phase.
- Paeroa Raw Water Pumps – Awaiting Construction Season.
- Colour, Turbidity and pH Monitoring at Intakes – Procurement Phase.
- Waihi Second Membrane – Construction Phase.
- Communications/Control Integration for Waitakaruru/Quarry/Mangatarata Intake – Planning Phase.
- Waihou Intake Control Upgrade – Construction Phase.
- Raw Water Tank Kerepēhi – Construction Phase.
- Kerepēhi Raw Water Main – Construction Phase.
- Concrete Pipe Replacement – Construction Phase.
- Water Supply - Wharf Street 3 Waters Upgrade – Design Phase.
- Pressure Improvements Orongo – Construction Phase.
- Steen Road Consent – Implementation Phase.
- Cyanotoxin Investigation and Implementation – Start Up Phase.
- Repair the Gabions at the Quarry Intake – Start Up Phase.
- Housing of Generator at Kerepēhi – Previously On Hold but now a Priority.

8 WAIKINO | WASTEWATER

8.1 Wastewater Networks Operations Notebook

We now only have six pumpstation cabinets that have not been upgraded and only three of those are not on SCADA. A safety audit has been carried out by XP Electrical to prioritise the cabinets and as a result we are obtaining quotes for the Smith Street pumpstation in Waihi and the pumpstation in Hauraki Road, Turua.

8.2 Wastewater Treatment Operations Notebook

All wastewater ponds, except Whiritoa Waste Water Treatment Plant (WwTP), have been completely desludged. Whiritoa is planned to be done over the next two summers, in conjunction with the installation of pond liners.

We are trialling a proprietary biological treatment process at Whiritoa WwTP, which if successful will reduce the amount of sludge we have to remove. If proven, we will trial related technologies at other plants in hopes of improving compliance.

Whiritoa WwTP automation upgrade project is physically complete. This will help us avoid unnecessary over-irrigation non-compliances.

Waitakaruru WwTP upgrade mechanical works are complete. Electrical and control upgrades are in progress.

8.3 Capital Works

- Waihi Resource Consents – Awaiting Resource Consents.
- Whiritoa Irrigation Block Renewals – Construction Phase.
- Whiritoa Upgrading WwTP – Awaiting Construction Season.
- Kerepēhi Sewer – In Start Up Phase.
- Paeroa Upgrading WwTP - Construction Phase.
- Paeroa WwTP – Inlet Works RFT - Design Phase.
- Waitakaruru Resource Consents – Awaiting Resource Consents.
- Paeroa Meters – Start Up Phase.

9 WAIĀWHĀ | STORM WATER

9.1 Storm Water Networks Operations Notebook

Settlers Drive Pond planting is about to commence now that the wetter weather is arriving.



We have also selected the next site for planting which is the half of the drain between McMillan Street and the Hauraki Plains College field as shown below.

The second half will be programmed for the next financial year.



9.2 Capital Works

- Criterion Bridge Storm Water Pumpstation Upgrade – In Design Phase.
- Comprehensive Storm Water Discharge Consents - District Wide – In Implementation Phase.
- Storm Water - Wharf Street 3 Waters Upgrade – In Design Phase.

10 TE WHAKAAWA WHENUA | LAND DRAINAGE

Rainfall at Ngatea has been about average for January and February and the pumps have done little work. The spray programme is well into its annual programme.

10.1 Rainfall and Flood Events

January had 75mm (119% of average), and February had 56mm (81% of average). The total rainfall since July 2023 is running at 86% of average and is continuing to look like another year of less than average rainfall.

The highest depth of rainfall recorded in 24 hours was 42mm on 15 January 2024, and as a consequence there has been no flooding issues and no days when water has not been cleared from the surface of the land within 3 days.

10.2 Operations Notebook

Maintenance programmes continue.

Vegetation Control: Spraying continues as weather allows and the annual helicopter programme has been completed.

156.5km of drains have been sprayed so far in the Eastern Plains area, 107.7km in the Western Plains area and 36.7km in the Paeroa Rural areas.

Mechanical Cleaning: The mechanical cleaning programme for 2023/24 has continued since last winter with 23.2km being cleaned across all drainage areas.

Other works: General maintenance with all drainage districts has been undertaken, this includes:

- Inspection and clearing of floodgates as necessary.
- All pumps checked and kept operational.

Pump operation for 2023/24 has been less than average with the hours so far being only 58% of average.

10.3 Capital Work

The capital works programme for land drainage consists of:

- Assessing and raising stop banks.
- Refurbishing floodgates, pumps and pump screens.

The work for the communication improvements at all five land drainage Pumpstations is currently underway. This includes a new switchboard at the Miranda Pumpstation.

Work on the Maukoro canal left stopbank has commenced and the completion of the Hot Springs canal left stopbank topsoil shaping and re-grassing is to be completed in April.

11 TŪTOHU | COMPLIANCE

11.1 Resource Consent Compliance (Waikato Regional Council)

Below is a summary of the compliance status from the Waikato Regional Council (WRC) audit results from 2021-2022 and what has been received for 2022-2023.

Following that is an update for each plant. Annual reports cover July to June and are submitted to WRC by 30 September each year.

2022-2023 WRC Annual Audit Results				
Site	Result	Letter of direction	Formal Warnings	Abatement notices
Kerepēhi WTP				
Paeroa WTP				
Waihi WTP				
Waitakaruru WTP	Moderate Non-Compliance	X	X	X
Kerepēhi WwTP				
Ngātea WwTP	Moderate Non-Compliance	X	X	Already in place (29/10/20)
Paeroa WwTP	Moderate Non-Compliance	X	X	Already in place (29/10/20)
Turua WwTP				
Waihi WwTP				Already in place (29/10/20)
Waitakaruru WwTP	Moderate Non-Compliance	X	X	X
Whiritoa WwTP				Already in place (21/12/21)

2021-2022 WRC Annual Audit Results				
Site	Result	Letter of direction	Formal Warnings	Abatement notices
Kerepēhi WTP	Reports not audited – low risk site. Both years to be audited in 2023/24.			
Paeroa WTP				
Waihī WTP				
Waitakaruru WTP	Moderate Non-Compliance	X	X	X
Kerepēhi WwTP	Full compliance	X	X	X
Ngātea WwTP	Moderate Non-Compliance	X	X	Already in place (29/10/20)
Paeroa WwTP	Moderate Non-Compliance	X	X	Already in place (29/10/20)
Turua WwTP	Low Risk Non-compliance	X	X	X
Waihī WwTP	Moderate Non-Compliance	X	X	Already in place (29/10/20)
Waitakaruru WwTP	Moderate Non-Compliance	X	X	X
Whiritoa WwTP	Significant Non-Compliance	X	X	Already in place (21/12/21)

Audit results received;

Waitakaruru WTP: The 2021-2022 audit resulted in a moderate non-compliance due to a significant breach in abstraction rates and volumes from Waitakaruru River prior to Summer 2021-2022. Programming was brought back to within consented limits January 2022 and an application for a new consent with higher abstraction allowances is underway. The moderate non-compliance in 2022-2023 is mostly due to backwash water discharge exceeding solids limits and not to breaches in abstraction. Desludging work on the WTP ponds was started 11/12/23 and will be completed after the stage 1 sludge is transferred to the Kerepēhi ponds.

Ngātea WwTP: Desludging was completed November 2021. Discharge quality has since improved but is not compliant. 2022-2023 audit results gave a moderate non-compliance due to discharge quality, although WRC acknowledged this has significantly improved.

Paeroa WwTP: Desludging was completed December 2022 and plant upgrades are in planning stages. The 2022-2023 audit resulted in a moderate non-compliance due to discharge volumes outside of consented limits (mainly around wet weather events) and discharge quality outside of consented limits. Discharge quality continues to breach limits in 2023/2024.

Waitakaruru WwTP: Not part of the desludging project. Moderate non-compliance received for the 2022-2023 audit due to discharge quality outside of consented limits and volume breaches around wet weather events. Quality remains non-compliant in 2023/24 mostly linked to dosing control issues with the new anoxic tank, around which work is ongoing.

Not received;

Kerepēhi WwTP: Desludging was completed March 2022. Trade waste discharge effected treatment capabilities in September 2022 with discharge breaching limits for BOD and E.coli but this was fixed by the end of November 2022. 2023-2024 compliance is on track.

Turua WwTP: Desludging completed June 2022 and a new curtain installed July 2022. Discharge quality didn't meet solids limits in 2022-2023 after HDC received a low risk non-compliance in the 2021-2022 audit for the same reason. 2023-2024 compliance is tracking close to TSS discharge limits again. Algal growth is the most likely cause and we are looking into how to remove this from the discharge.

Waihī WwTP: Desludging completed September 2022 and DAF sludge has been re-routed away from the ponds. The 2021-2022 audit resulted in a moderate non-compliance due to high nitrogen levels in the discharge although WRC did note that these have since improved towards consented limits in 2022-2023. 2023-2024 is showing a significant decline in discharge quality due to issues with the DAF system and discharge channel which is taking time to fix.

Whiritoa WwTP: The 2021-2022 audit resulted in a significant non-compliance due to over-irrigation and environmental effects downstream. Due to the weather during 2022-2023 there was, again, a significant amount of necessary irrigation breaches. The automation upgrade was completed in August 2023 which will make this plant easier to run and prevent any unnecessary breaches. Pond desludging and relining will also hopefully commence over the next summer period, although this is not required to be completed until January 2027. Loading over the Christmas/New Year's break also resulted in loss of oxygen in the ponds which affected their treatment ability, results from March show the quality is now within limits.

Kerepēhi WTP: This was not audited in 2021-2022 due to being low risk but annual take volume and backwash pond discharge quality significantly exceeded consent limits and has done so again in 2022-2023. Results for both annual reports will be reported this year. A project to desludge the ponds began 27/03/24. Intake volume is tracking below limits so far for 2023-2024 although we are not yet out of the peak season.

Paeroa WTP: This was not audited in 2021-2022 due to being low risk. Results for both annual reports will be reported this year. No major issues expected.

Waihi WTP: This was not audited in 2021-2022 due to being low risk. Results for both annual reports will be reported this year. No major issues expected.

11.2 Drinking Water Compliance (Taumata Arowai)

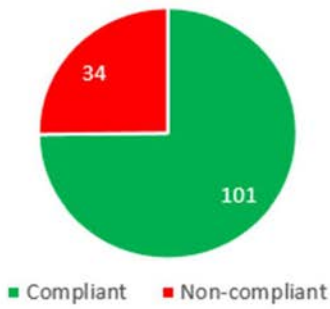
The first annual report to Taumata Arowai was submitted February 2024. This report covers the calendar year and all of the Drinking Water Quality Assurance Rules (DWQAR) which came into place November 2022. The results of this report have been summarised in the following charts and the full report has been attached in Appendix C.

Each supply has a number of rules that must be met based on the processes present. HDC is required to report on whether each rule was compliant or non-compliant for the year and if non-compliant, report how many non-compliant periods. All sampling results related to the DWQAR are also required to be submitted.

For most monitoring rules (i.e. online monitoring at the WTPs) there is a daily compliance period so the non-compliant period count shows how many days of the year the rule was not met. For others, for example where we are required to have specific procedures in place, the rules may have a compliance period of one year. The count of both compliant/non-compliant rules and periods is shown below.

This change to reporting non-compliant periods mean that we can see a more accurate picture of how our water supplies are operating, which is an improvement on the previous years. It does not, however, have the ability to show whether a bacterial or protozoal barrier was in place for each day, which is the case for some of our multi-barrier plants. Taumata Arowai have said they will be looking into this and how they report on our information.

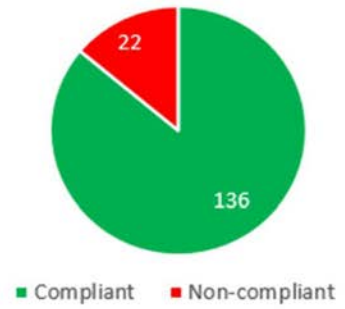
Kerepehi - all rules



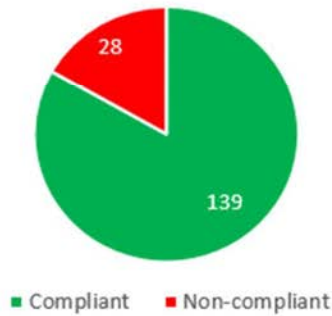
Waitakaruru - all rules



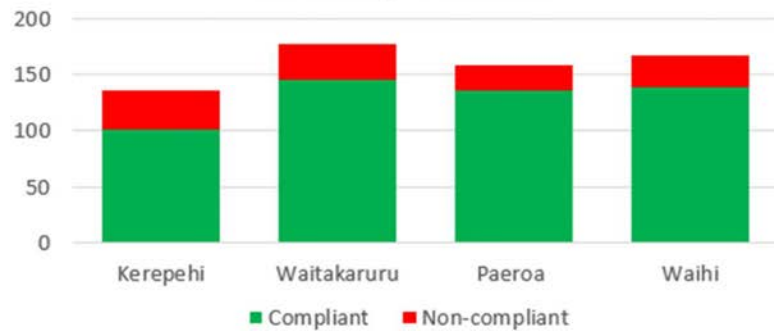
Paeroa - all rules



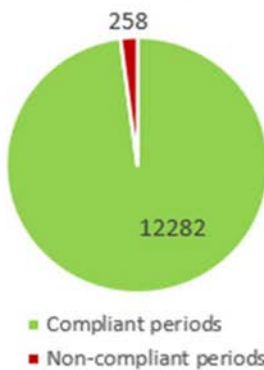
Waihi - all rules



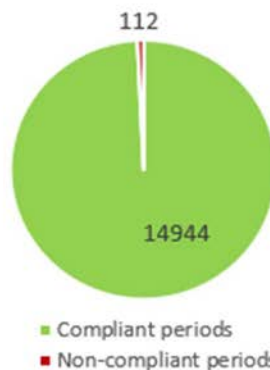
Summary - All rules



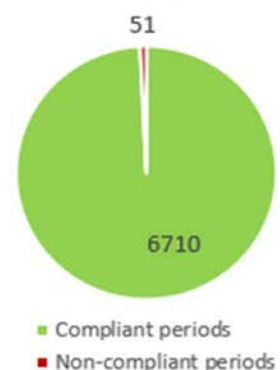
Kerepehi - all periods



Waitakaruru - all periods



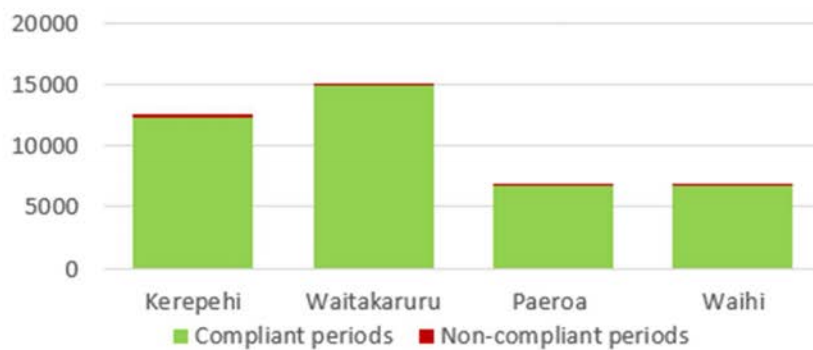
Paeroa - all periods



Waihi - all periods



Summary - All compliance periods



12 WHAKARĀPOPOTANGA | SUMMARY

Overall, the Water Services Activity is performing as per the agreed performance standards.

13 WHAIKUPU | RECOMMENDATION

That the monthly report be received.

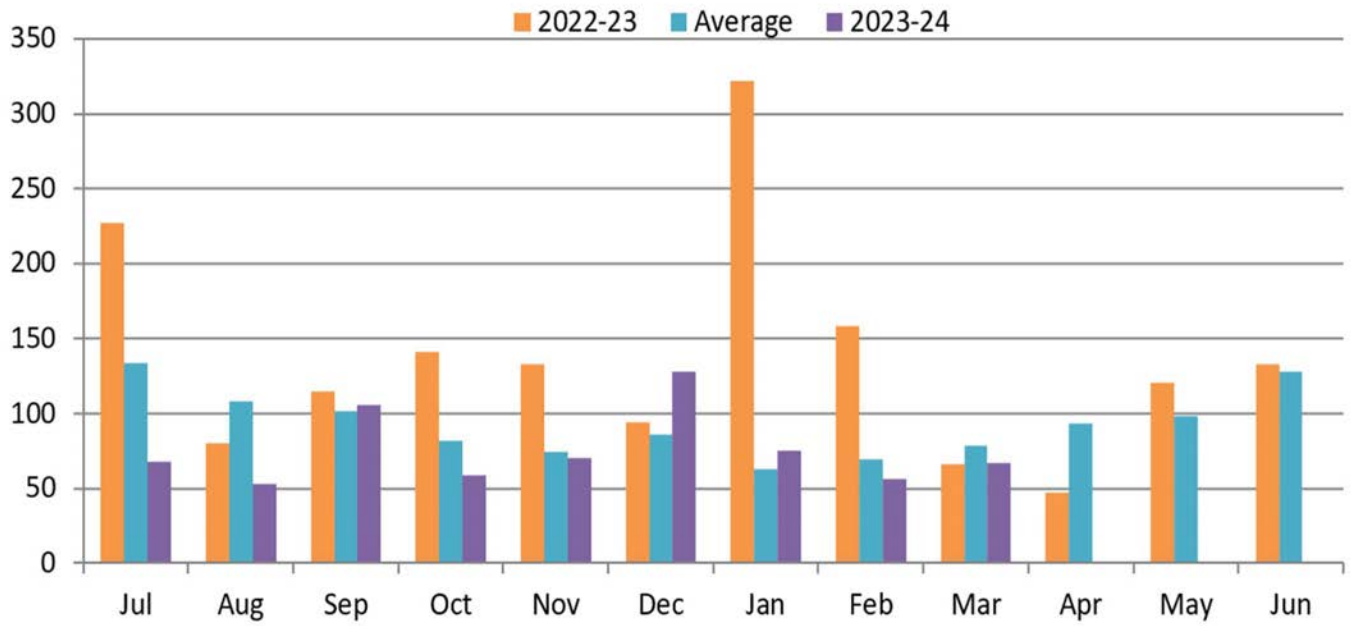
14 WHAKAPAI | APPROVAL

Prepared by	Julia Stringer, Karen Steffek, Dave Richards, Jessica Youngman and Guy Russell
Reviewed by	Julia Stringer Utilities Administrator
Approved by	Adrian de Laborde Group Manager Service Delivery

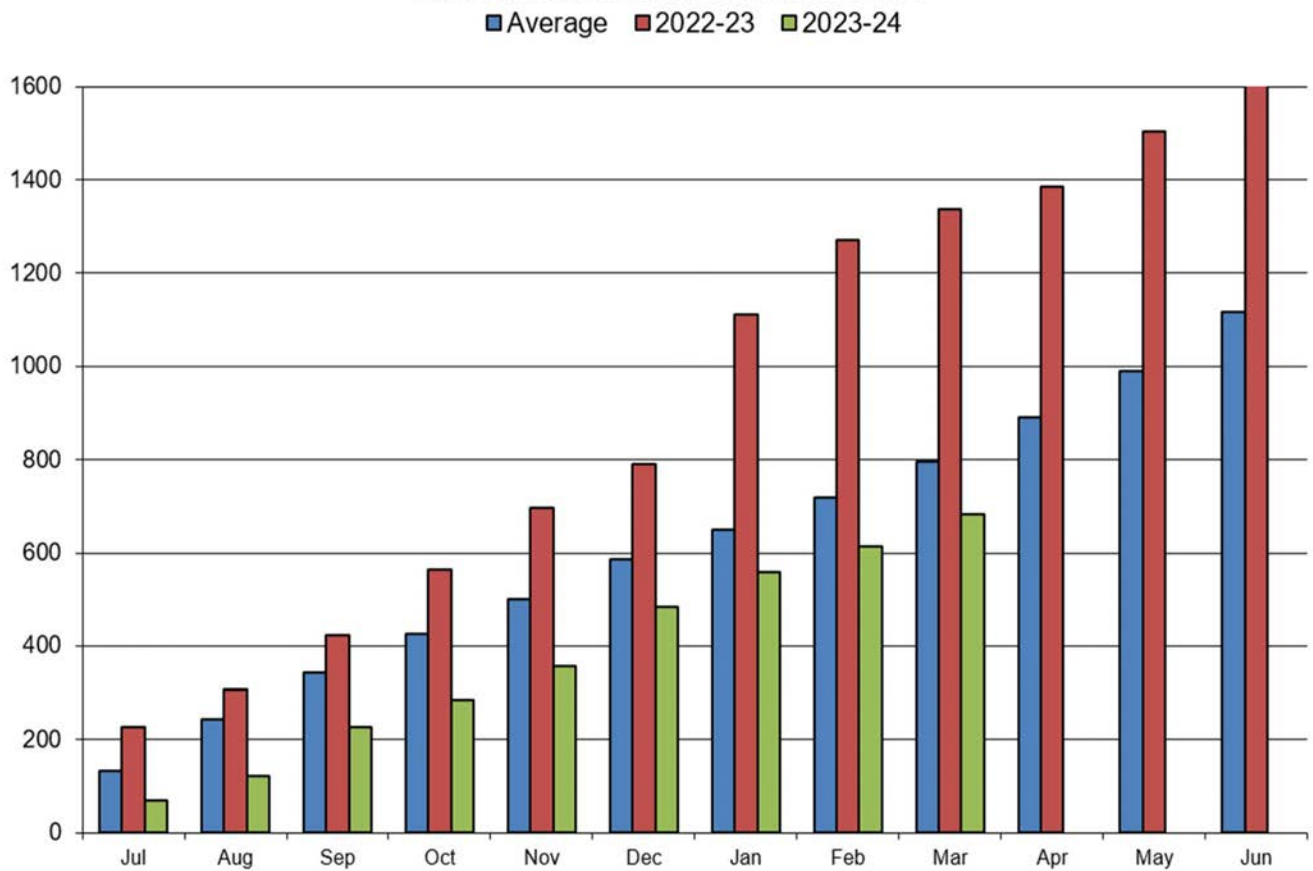
15 APPENDIX A - NGATEA MONTHLY RAINFALL

Ngatea Monthly Rainfall													Haywards Road (to 1999). HDC Depot (2000 on)
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Totals
1993	36.0	28.5	95.0	50.0	123.0	181.5	8.0	111.0	58.0	37.0	100.0	28.5	857
1994	81.0	47.5	51.5	64.0	78.0	116.0	155.0	100.5	153.0	112.5	30.0	26.5	1016
1995	37.0	71.0	196.5	245.5	88.5	181.0	203.5	74.0	73.0	94.0	136.5	128.5	1529
1996	29.5	89.5	88.5	227.5	82.0	166.5	137.5	147.0	149.0	34.0	72.5	222.0	1446
1997	4.5	51.0	195.0	58.0	97.5	138.5	64.5	65.5	221.5	61.0	39.0	49.0	1045
1998	12.0	97.0	67.0	48.0	56.5	97.0	299.0	104.0	48.0	100.0	85.0	89.0	1103
1999	81.0	28.0	81.0	91.0	45.0	94.5	142.0	132.0	88.0	53.0	206.5	109.5	1152
2000	60.0	11.5	52.5	171.0	85.0	75.5	154.5	114.0	97.5	48.0	96.5	79.0	1045
2001	16.5	156.5	49.0	169.0	165.5	50.0	74.5	121.0	47.5	134.0	114.0	177.0	1275
2002	117.0	39.5	50.5	62.0	61.0	168.5	135.0	79.0	75.5	73.0	34.5	54.0	950
2003	110.0	105.0	102.0	134.0	73.0	124.5	101.5	58.5	155.0	107.0	36.5	111.5	1219
2004	98.5	230.0	11.5	21.0	175.5	106.5	120.5	112.0	119.0	80.0	56.0	130.5	1261
2005	30.5	32.0	32.5	7.0	147.5	118.0	152.5	59.0	87.0	145.5	65.5	107.0	984
2006	37.0	47.5	34.5	120.0	82.0	86.0	76.0	108.0	57.0	90.5	64.0	36.0	839
2007	56.0	27.0	146.0	45.0	41.0	92.0	281.0	95.0	68.5	76.0	40.0	53.0	1021
2008	2.0	35.0	40.5	146.5	71.0	152.5	253.0	166.0	52.0	94.0	47.0	61.0	1121
2009	59.0	120.0	30.0	72.0	91.0	150.0	124.0	91.0	85.0	119.0	35.0	81.0	1057
2010	63.0	4.0	13.0	44.0	139.0	230.5	90.0	229.0	146.0	18.0	28.0	62.0	1067
2011	270.0	9.0	172.0	85.0	101.0	110.0	127.0	57.0	74.0	76.0	15.0	157.0	1253
2012	63.0	82.0	130.0	39.0	111.0	52.0	179.0	130.0	85.0	69.0	71.0	64.0	1075
2013	2.0	17.0	23.0	128.0	162.0	117.0	48.0	122.0	133.0	41.0	104.0	96.0	993
2014	41.0	8.0	35.0	98.0	42.0	237.0	109.0	110.0	137.0	73.0	50.0	72.0	1012
2015	10.0	44.0	79.0	114.0	136.0	59.0	121.0	185.0	96.0	51.0	125.0	19.0	1039
2016	103.0	167.0	39.0	51.0	96.0	137.0	152.0	100.0	162.0	82.0	66.0	50.0	1205
2017	24.0	107.0	341.0	255.0	142.0	63.0	131.0	98.0	127.0	117.0	50.0	9.0	1464
2018	100.0	213.0	49.0	127.0	106.0	175.0	116.0	119.0	46.0	134.0	93.0	228.0	1506
2019	21.0	15.0	40.0	98.0	52.0	59.0	128.0	157.0	105.0	84.0	40.0	54.0	853
2020	10.0	15.0	43.0	25.0	83.0	264.0	85.0	116.0	43.0	23.0	114.0	30.0	851
2021	47.0	33.0	50.0	39.0	94.0	104.0	83.0	71.0	132.0	116.0	84.0	67.0	920
2022	18.0	57.0	29.0	21.0	99.0	144.0	227.0	80.0	115.0	141.0	133.0	94.0	1158
2023	322.0	159.0	66.0	47.0	121.0	133.0	68.0	53.0	106.0	59.0	70.0	128.0	1332
2024	75.0	56.0	67.0										
Ave.	63	69	78	94	98	128	134	109	101	82	74	86	1110
Max	322	230	341	255	176	264	299	229	222	146	207	228	1529
Min.	2	4	12	7	41	50	8	53	43	18	15	9	839

Current year compared to average (1993-2023)



Ngatea Rainfall Annual accumulation 2022-23

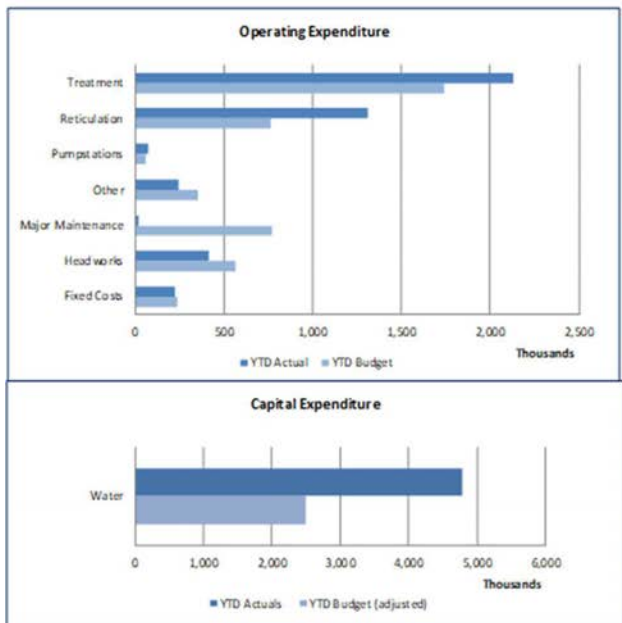


16 APPENDIX B - FINANCIALS

Water Financial Measures

Key Indicators for the 9 months ended 31 March 2024

Operating Revenue (excluding Rates & capital funding)		Operating Expenditure		Capital Expenditure	
\$212,236		\$8,482,810		\$4,791,447	
Favourable YTD	\$212,236	Favourable YTD	\$76,573	Unfavourable YTD	\$(2,286,205)
YTD budget	\$0	YTD budget	\$8,559,383	YTD Forecast	\$2,505,242
Full year budget	\$0	Full year budget	\$11,881,227	Full year budget (Original)	\$10,272,050
Full year forecast	\$212,236	Full year forecast	\$11,804,654	Full year forecast	\$3,351,173

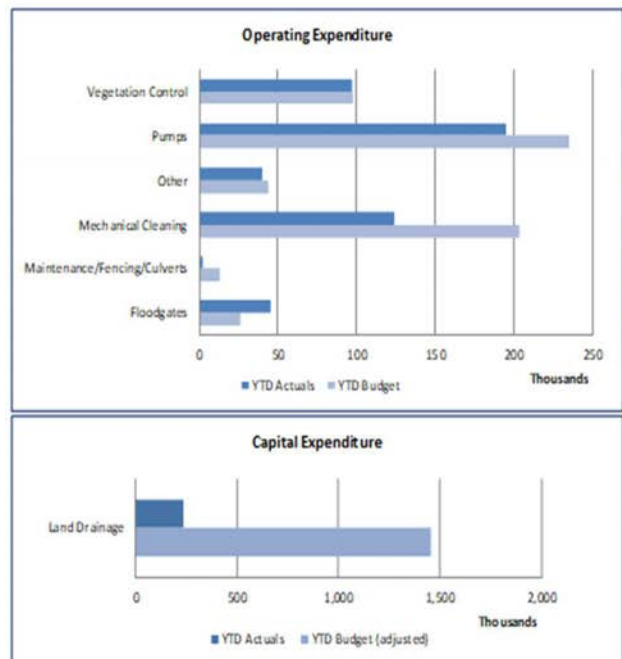


Revenue
 \$215k in government transitional funding towards 3-Waters Transition Support
 Budgeted Income from Development Contributions has not materialised.

Expenditure
 Treatment - (\$388k) unfavourable variance
 - Reactive repairs (\$149k) primarily in Kerepehi (\$65k) and Waitakaruru (\$56k)
 - Operating costs (\$93k) due to hire of generator (\$81k)
 - Chemical costs (\$104k) are higher than budget due to supply chain and inflationary pressures
 Reticulation - (\$545k) More breaks in the network than envisaged due to number of faults (\$447k) with Waihi (\$160k); Paeroa (\$148k).
 Other - a number of small positive variances.
 Major Maintenance \$751k favourable variance relating to desludging work that has not progressed to date.
 Headworks - \$150k favourable variance due to lower than anticipated reactive works

Capital Expenditure
 Capital works programme is ahead of schedule.

Operating Revenue (excluding Rates)		Operating Expenditure		Capital Expenditure	
\$0		\$931,055		\$236,135	
Favourable YTD	\$0	Favourable YTD	\$114,765	Favourable YTD	\$1,216,433
YTD budget	\$0	YTD budget	\$1,045,820	YTD Forecast	\$1,452,568
Full year budget	\$0	Full year budget	\$1,476,685	Full year budget (Original)	\$162,000
Full year forecast	\$0	Full year forecast	\$1,361,920	Full year forecast	\$1,936,757



Operating Revenue (Excluding Rates)
 No income for this Activity

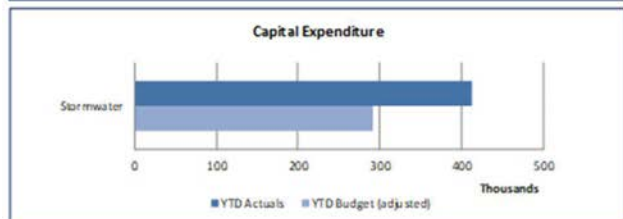
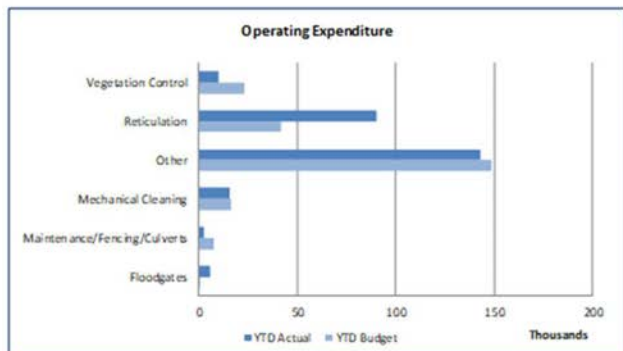
Operating Expenditure
 Pumps - favourable variance due to lower than anticipated rainfall year to date.
 Mechanical Cleaning - under budget by \$80k. We are expecting total costs to be approximately \$200k by year end and be about \$70k under budget.

Capital Expenditure
 Capital Programme tracking behind budget profile.

Storm Water Financial Measures

Key Indicators for the 9 months ended 31 March 2024

Operating Revenue (excluding Rates & capital funding)		Operating Expenditure		Capital Expenditure	
	\$5,763		\$821,984		\$412,478
Unfavourable YTD	\$(23,253)	Unfavourable YTD	\$(25,981)	Unfavourable YTD	\$(121,454)
YTD budget	\$29,016	YTD budget	\$796,003	YTD Forecast	\$291,024
Full year budget	\$38,703	Full year budget	\$1,110,225	Full year budget (Original)	\$509,200
Full year forecast	\$15,450	Full year forecast	\$1,136,206	Full year forecast	\$411,232



Revenue
N/A

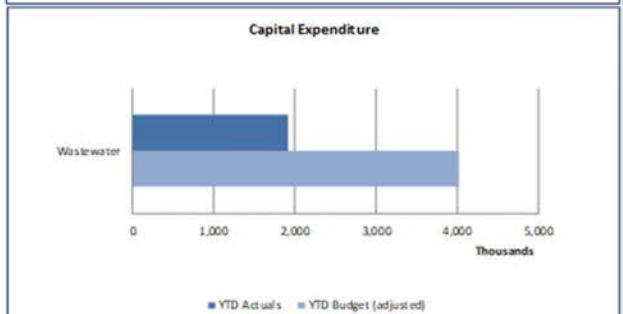
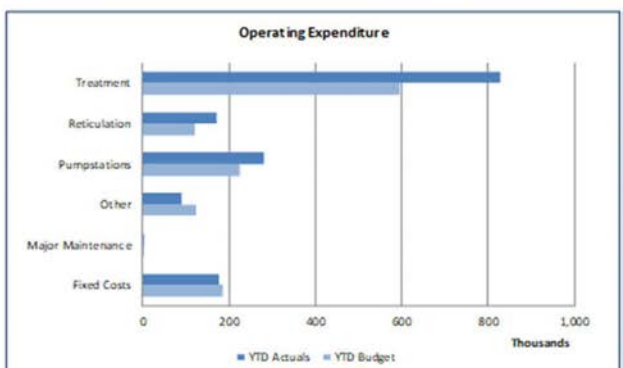
Operating Expenditure
Reticulation - Reactive repairs (\$48k) over budget due to post cyclone repairs and a wet winter.
Vegetation Control - less vegetation work required this year..

Capital Expenditure
Capital works programme progressing ahead of budgeted timetable

Wastewater Financial Measures

Key Indicators for the 9 months ended 31 March 2024

Operating Revenue (excluding Rates & capital funding)		Operating Expenditure		Capital Expenditure	
	\$150,142		\$3,576,467		\$1,924,526
Favourable YTD	\$35,365	Unfavourable YTD	\$(296,621)	Favourable YTD	\$2,103,597
YTD budget	\$114,777	YTD budget	\$3,279,846	YTD Forecast	\$4,028,123
Full year budget	\$451,481	Full year budget	\$4,423,529	Full year budget (Original)	\$10,131,200
Full year forecast	\$486,846	Full year forecast	\$4,720,150	Full year forecast	\$5,462,831



Revenue
Septage fees tracking above budget. However DC's are tracking well behind budget.

Expenditure
Treatment (\$234k) - Prices of chemicals have increased substantially due to local availability and overseas shipping costs - Chemical costs are higher than budget (\$58k). Reactive Repairs (\$93k) due to higher level of faults across the network.
Pumpstations (\$55k) - Repairs at pumpstations are higher than anticipated (\$25k) and routine maintenance (\$41k) over budget due to increase in faults.
Reticulation (\$48k) - Issues in the reticulation network have resulted in an unfavourable variance (\$16k) while investigations are (\$18k) over budget.

Capital Expenditure
Capital works programme behind the budget profile.

17 APPENDIX B – TAUMATA AROWAI 2023 ANNUAL REPORT SUMMARY

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Note: Yellow rows are rules reported to Taumata Arowai on a monthly basis, the rest are reported annually.

Rule ID	Rule Requirement	Rule Type	Compliance Period	Reporting Period	Supply Component ID	Complies With Rule	Non Compliant Periods	Notes
G3	Drinking water suppliers demonstrating compliance against level 3 Rules must report to Taumata Arowai the water quality monitoring information set out in tables 5, 6 and 7.	Assurance	1 year	Annually	N/A	TRUE	0	
G4	Reporting against Level 1, level 2 and level 3 monitoring rules that are not included in tables 3, 4, 5, 6, and 7 must be made to Taumata Arowai annually within 40 working days of the end of each calendar year.	Assurance	1 year	Annually	N/A	TRUE	0	
G5	Drinking water suppliers demonstrating compliance with level 2 and level 3 Rules, must report to Taumata Arowai on their performance against all assurance rules annually within 40 days of the end of each calendar year. ⁶	Assurance	1 year	Annually	N/A	TRUE	0	
G6	All samples collected from drinking water supplies for monitoring that are analysed by laboratories, must be labelled with the unique source, treatment plant, distribution zone, or Water Carrier Service identifier allocated by Taumata Arowai, to show where the sample was collected from and the time and date that the sample was collected.	Assurance	1 year	Annually	N/A	TRUE	0	
G7	Drinking water suppliers must take reasonably practicable steps to ensure that samples for E. coli, total coliforms, or other microbiological contaminants are delivered to a laboratory within 24 hours of the sample being collected, and at a water temperature that is no higher than the water temperature at the time of sampling but above zero degrees Celsius.	Assurance	1 year	Annually	N/A	TRUE	0	
G8	All water samples that require laboratory analysis and are used to demonstrate compliance with these Rules must be: 1. analysed by a laboratory accredited by IANZ for the type of analysis being undertaken; and 2. collected according to any instructions and specifications provided by the laboratory.	Assurance	1 year	Annually	N/A	TRUE	0	
G9	Equipment used for the analysis of single samples (grab samples) by drinking water suppliers, to demonstrate compliance with any rule, must be calibrated/verified in accordance with the instrument manufacturer's specified procedures and frequency.	Assurance	1 year	Annually	N/A	TRUE	0	Field FAC meters calibration checked annually by Co-Lab.
G10	All work (planned or unplanned) on a water supply must be completed by suitably trained or experienced personnel.	Assurance	1 year	Annually	N/A	TRUE	0	
G11	Drinking water suppliers must prepare a hygiene code of practice for people working on a water supply which must include: 1. maintenance of personal hygiene at all times; and 2. prohibition of people working on a water system who are experiencing any gastrointestinal illness; and 3. protection of the work site, materials, and tools from contamination; and 4. how all reasonable steps will be taken to minimise the entry of contamination into the water supply during any activity.	Assurance	1 year	Annually	N/A	FALSE	1	Hygiene CoP completed December 2023.
G12	Continuous on-line monitoring equipment used to demonstrate compliance with any rule must: 1. be calibrated in accordance with the instrument manufacturer's specified procedures and frequency; and 2. have calibration verified in accordance with the instrument manufacturer's specified procedures.	Assurance	1 year	Annually	N/A	FALSE	1	Not all calibration and verification frequencies defined or met.
D3.1	Drinking water suppliers must prepare and implement a backflow prevention programme to protect their distribution system against the risk of backflow.	Assurance	1 year	Annually	All	TRUE	0	

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Note: Yellow rows are rules reported to Taumata Arowai on a monthly basis, the rest are reported annually.

Rule ID	Rule Requirement	Rule Type	Compliance Period	Reporting Period	Supply Component ID	Complies With Rule	Non Compliant Periods	Notes
D3.2	Periodic surveys of backflow risks to a distribution system to determine medium and high-risk sites must be undertaken by the drinking water supplier at least once every five years to assess the adequacy of backflow protection across the distribution system.	Assurance	1 year	Annually	All	TRUE	0	
D3.3	Where backflow requirements at a point of supply are deemed inadequate, the drinking water supplier must notify the local authority with details of the situation and risk, determine the backflow device that should be installed at the point of supply and ensure that it is installed in a timeframe commensurate with the risk but as soon as reasonably practicable.	Assurance	1 year	Annually	All	TRUE	0	
D3.4	Testing of all testable backflow prevention devices installed at a point of supply specifically to protect the network (generally boundary devices) ⁶⁴ must be undertaken, at least annually.	Assurance	1 year	Annually	All	FALSE	1	No testing completed in 2023.
D3.5	A drinking water supplier must maintain a register of the location of all point of supply testable backflow protection devices, device types, assessed risk level and the results of testing of all devices.	Assurance	1 year	Annually	All	TRUE	0	
D3.6	Access to a water network through use of a standpipe is not permitted except by Fire and Emergency New Zealand, other emergency services, the drinking water supplier, or authorised contractors to the drinking water supplier where it is reasonably necessary to access the network for the operation of the drinking water supply.	Assurance	1 year	Annually	All	TRUE	0	Water Supply Bylaw 2019, section 2.1.1
D3.7	Before carrying out or commissioning repairs to pipes in a water distribution system, a drinking water supplier must undertake and keep records of a risk assessment to determine the risk of contamination of the network and the procedures required to minimise that risk.	Assurance	1 year	Annually	All	FALSE	1	Audit of WaterOutlook checklist shows this is not filled for every job.
D3.8	All materials used in construction and repairs must be free of visible contamination and remain protected from contamination until installation.	Assurance	1 year	Annually	All	TRUE	0	
D3.9	All tools contacting the water supply or its parts, particularly cutting surfaces, must be adequately disinfected prior to commencing work and subsequently as necessary when tools contact soil or backfill material.	Assurance	1 year	Annually	All	FALSE	1	Audit of WaterOutlook checklist shows this is not always filled out and also shows instances of disinfection not being completed.
D3.10	Disinfection of mains (when required) must follow best management practices including but not limited to methods such as tablet, slug, spray chlorination, or equivalent as appropriate.	Assurance	1 year	Annually	All	TRUE	0	
D3.11	Drinking water suppliers must develop and document standard operating procedures for planned, unplanned and emergency repairs.	Assurance	1 year	Annually	All	FALSE	1	SOPs to be completed in 2024.
D3.12	Drinking water suppliers that have storage facilities within a distribution system must prepare a water storage management plan for the operation of storage facilities which includes the minimum and maximum operating levels, target turnover rates, inspection, and cleaning.	Assurance	1 year	Annually	All	FALSE	1	Water Storage Management Plan to be completed in 2024.
D3.13	All storage facilities must be subject to an annual security and contamination inspection and assessment by the drinking water supplier.	Assurance	1 year	Annually	All	TRUE	0	
D3.14	Drinking water suppliers must prepare and use written disinfection procedures for storage facilities that are consistent with industry best management practices.	Assurance	1 year	Annually	All	TRUE	0	
D3.15	All new storage facilities, and existing storage facilities that have been drained for maintenance purposes, must be cleaned and disinfected and tested for E. coli prior to being brought (back) into use.	Assurance	1 year	Annually	All	TRUE	0	Not required 2023.

Distribution Zone - All zones

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Note: Yellow rows are rules reported to Taumata Arowai on a monthly basis, the rest are reported annually.

Rule ID	Rule Requirement	Rule Type	Compliance Period	Reporting Period	Supply Component ID	Complies With Rule	Non Compliant Periods	Notes
D3.16	Divers' suits, rafts, remotely operated vehicles (ROVs) and other materials used during inspection, maintenance or other activities within storage facility interiors must be made from materials acceptable for contact with drinking water and suitable for disinfection.	Assurance	1 year	Annually	All	TRUE	0	Contractors procedures checked and appropriate.
D3.17	All equipment and materials entering storage facilities must be disinfected immediately prior to entry according to industry best management practices.	Assurance	1 year	Annually	All	TRUE	0	Contractors procedures checked and appropriate.
D3.18	A written sampling plan for determinands to be sampled in relation to disinfection, disinfection by-products and plumbosolvent metals must be prepared including a system map indicating sampling locations and response procedures to be followed when sample results do not meet prescribed levels.	Assurance	1 year	Annually	All	TRUE	0	See HDC Sampling Plan, 10/11/22.

⁶ Water suppliers demonstrating compliance against VSC, level 1, WC, TDWS or VP rule modules are not required to report to Taumata Arowai their performance against the Rules but are still required to comply with any applicable Rules.

⁶⁴ Does not include devices that are installed downstream of the point of supply and/or within buildings that have the primary purpose of protecting building users.

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Note: Yellow rows are rules reported to Taumata Arowai on a monthly basis, the rest are reported annually.

Rule ID	Rule Requirement	Rule Type	Compliance Period	Reporting Period	Supply Component ID	Complies With Rule	Non Compliant Periods	Notes	
General Rules	G13	For continuous monitoring equipment that is used to demonstrate compliance against treatment Rules (T1, T2, T3), the separation between data records must be no more than 1 minute. ⁷	Assurance	1 year	Annually	TP00070	TRUE	0	
	G14	Generation of continuous monitoring data that is used to demonstrate compliance against T3 treatment Rules or D3 Distribution Rules, must not be interrupted for a period of more than 15 consecutive minutes, or for a total of more than 72 minutes in any one-day compliance period, for compliance to be achieved.	Assurance	1 year	Annually	TP00070	FALSE	1	See T3.1
	G15	For continuous monitoring equipment that is used to assess source water or to demonstrate compliance against distribution zone Rules, the separation between data records must be no more than 30 minutes.	Assurance	1 year	Annually	S00045	FALSE	1	All continuous monitoring instruments live 03/10/2023.
	G17	Where continuous monitoring equipment that is used to demonstrate compliance (excludes source water monitoring) fails, or is not otherwise able to provide data, grab samples can be taken to substitute for continuous data if analyses of the parameters is undertaken for at least every 30-minute period that the continuous monitoring equipment is not operating.	Assurance	1 year	Annually	TP00070	TRUE	0	
Source Water Rules	S3.1	Water suppliers must determine the class of source water for each of the source waters that are used, based on the Source Water Protozoa Log Credit Treatment Requirements.	Assurance	1 year	Annually	S00045	TRUE	0	Class 3, 4-log required.
	S3.3-ecol	All source waters must be monitored for the determinands and at the frequencies set out below; 2 per month: E. coli and total coliforms Monthly: Iron, manganese, colour, nitrate Annually: Alkalinity, antimony, arsenic, barium, cadmium, calcium, chloride, chromium, copper, lead, magnesium, mercury, nickel, sodium, sulphate. ³⁵ Continuous: Conductivity, pH, Turbidity ⁴¹	Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3-coli		Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3-iron		Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3-mang		Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3-colo		Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3-nitr		Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3-alka		Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3-anti		Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3-arse		Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3-bari		Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3-cadm		Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3-calc		Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3-chid		Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3-chro		Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3-copp		Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3-lead		Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3-magn		Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3-merc		Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3-nick		Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3-sodi		Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3-sulp		Monitoring	N/A	Annually	S00045	TRUE	0	
	S3.3C-cond		Monitoring	N/A	Annually	S00045	FALSE	0	continuous monitoring installed 03/10/2023, 278 manual samples taken over the year, not all days covered.
	S3.3C-ph		Monitoring	N/A	Annually	S00045	FALSE	0	continuous monitoring installed 03/10/2023, 305 manual samples taken over the year, not all days covered.
	S3.3C-turb		Monitoring	N/A	Annually	S00045	TRUE	0	Tag change from YHOINT_AT101.PV to YHOINT_AIT_101_AI.PV on 12/09/23.
	S3.5		Additional monitoring of Class 2, Class 3 and Class 4 source waters must be undertaken either during or immediately after a severe or extreme weather event or other events which could adversely affect source water quality. ^{31 32}	Monitoring	N/A	Annually	S00045	FALSE	0
S3.6	Monitoring of source water must be undertaken for any determinand additional to those set out in Table 16 and 18 if the determinand has been identified in the drinking water supply Source Water Risk Management Plan as presenting a potential risk to the drinking water supply.		Monitoring	N/A	Annually	S00045	FALSE	0	Quarterly samples taken as stated in the SWRMP but not all determinands listed able to be sampled.
S3.7	Water sources must be categorised as either low-risk, medium-risk or high-risk for the presence of cyanobacteria.	Assurance	1 year	Annually	S00045	TRUE	0	Medium-risk	
S3.8	When a water supply is categorised as medium or high-risk under rule S3.7, a cyanobacteria / cyanotoxin response plan must be prepared which includes vigilance levels for assessing the presence of cyanobacteria and alert levels related to the presence of cyanotoxins, monitoring for cyanobacteria/cyanotoxins and the action that will be taken to protect consumers.	Assurance	1 year	Annually	S00045	TRUE	0	Testing being done as stated in latest update (draft) of cyanobacteria management plan using DWG ch9 matrix.	
S3.9	If a water supplier becomes aware of the presence of cyanobacteria in source water, monitoring to determine the level of cyanobacteria and/or cyanotoxin levels must be considered in accordance with the cyanobacteria/cyanotoxin response plan.	Assurance	1 year	Annually	S00045	TRUE	0	Testing being done as stated in latest update (draft) of cyanobacteria management plan using DWG ch9 matrix.	
T3.1-fac	All water passing through the treatment plant must be treated with chlorine and must be monitored in accordance with Table 19.	Monitoring	1 day	Annually	TP00070	TRUE	0		
T3.1-ph		Monitoring	1 day	Annually	TP00070	TRUE	0		
T3.1-turb		Monitoring	1 day	Annually	TP00070	TRUE	0		
T3.1-flow		Monitoring	1 day	Annually	TP00070	TRUE	0		
T3.1-leve		Monitoring	1 day	Annually	TP00070	FALSE	2	12/02/2023 - 18:12-19:06 55 minutes no data due to a powercut. 13/12/23 10:31-14:22 Data lost for reservoir 3 only. Flow to reticulation during this period.	
T3.1-face		Monitoring	1 day	Annually	TP00070	TRUE	0		