



**CENTRAL
HAWKE'S BAY**
DISTRICT COUNCIL



Finance and Infrastructure Committee Meeting Agenda

Thursday, 24 February 2022

9:00am

Council Chamber, 28-32 Ruataniwha
Street, Waipawa

Together we Thrive! E ora ngātahi ana!

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- 1 **KARAKIA**
- 2 **APOLOGIES**
- 3 **DECLARATIONS OF CONFLICTS OF INTEREST**
- 4 **STANDING ORDERS**

RECOMMENDATION

THAT the following standing orders are suspended for the duration of the meeting:

- 21.2 Time limits on speakers
- 21.5 Members may speak only once
- 21.6 Limits on number of speakers

And that Option C under section 22 General procedures for speaking and moving motions be used for the meeting.

Standing orders are recommended to be suspended to enable members to engage in discussion in a free and frank manner.

5 **CONFIRMATION OF MINUTES**

Finance and Infrastructure Committee Meeting - 7 October 2021

RECOMMENDATION

That the minutes of the Finance and Infrastructure Committee Meeting held on 7 October 2021 as circulated, be confirmed as true and correct.

**MINUTES OF CENTRAL HAWKES BAY DISTRICT COUNCIL
FINANCE AND INFRASTRUCTURE COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBER, 28-32 RUATANIWHA STREET, WAIPAWA
ON THURSDAY, 7 OCTOBER 2021 AT 9.00AM**

PRESENT: Mayor Alex Walker (Apology)
Cr Tim Aitken
Deputy Mayor Kelly Annand
Cr Gerard Minehan
Chairperson Brent Muggeridge
Dr Roger Maaka (Apology)
Cr Jerry Greer (Apology)
Cr Kate Taylor
Cr Exham Wichman (Apology)
Cr Pip Burne

IN ATTENDANCE: Joshua Lloyd (Group Manager, Community Infrastructure and Development)
Monique Davidson (Chief Executive)
Nicola Bousfield (Group Manager, People and Business Enablement) Via Zoom
Brent Chamberlain (Chief Financial Officer) Via Zoom
Darren de Klerk (Director Projects and Programmes) via Zoom
Caitlyn Dine (Governance and Support Officer)

1 KARAKIA

Cr Taylor lead the Karakia

2 APOLOGIES

COMMITTEE RESOLUTION

Moved: Deputy Mayor Kelly Annand

Seconded: Cr Pip Burne

That the apology of Mayor Walker, Dr Maaka, Cr Wichman and Cr Greer be noted.

CARRIED

3 DECLARATIONS OF CONFLICTS OF INTEREST

NIL

4 STANDING ORDERS

COMMITTEE RESOLUTION

Moved: Cr Gerard Minehan

Seconded: Deputy Mayor Kelly Annand

THAT the following standing orders are suspended for the duration of the meeting:

- 20.2 Time limits on speakers
- 20.5 Members may speak only once
- 20.6 Limits on number of speakers

And that Option C under section 21 General procedures for speaking and moving motions be used

for the meeting.

Standing orders are recommended to be suspended to enable members to engage in discussion in a free and frank manner

CARRIED

5 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION

Moved: Cr Gerard Minehan

Seconded: Cr Tim Aitken

That the minutes of the Finance and Infrastructure Committee Meeting held on 12 August 2021 as circulated, be confirmed as true and correct.

CARRIED

6 REPORT SECTION

6.1 RESOLUTION MONITORING REPORT

PURPOSE

The purpose of this report is to present to the Committee the Finance and Infrastructure Resolution Monitoring Report. This report seeks to ensure the Committee has visibility over work that is progressing, following resolutions from Council.

COMMITTEE RESOLUTION

Moved: Deputy Mayor Kelly Annand

Seconded: Cr Pip Burne

That, having considered all matters raised in the report, the report be noted.

CARRIED

Mrs Davidson presented this report.

Cr Muggeridge noted that the item Draft Financial Report and Carry Forwards for the 2020/2021 Financial Year should be noted as Completed as the annual plan has been adopted.

6.2 FINANCE AND INFRASTRUCTURE COMMITTEE PRIORITY REPORT
<p>PURPOSE</p> <p>The purpose of this report is to present to the Finance and Infrastructure Committee an update on key priorities.</p>
<p>COMMITTEE RESOLUTION</p> <p>Moved: Cr Pip Burne Seconded: Cr Tim Aitken</p> <p>That, having considered all matters raised in the report, the report be noted.</p> <p style="text-align: right;">CARRIED</p>
<p>MOTION</p> <p>Moved: Chairperson Brent Muggeridge Seconded: Cr Kate Taylor</p> <p>That Council urgently seek Waka Kotahi investment and decisions into safety concerns of two ket intersections in Waipawa and Waipukurau, and note Councils grave concerns about the lack of urgency on this matter.</p> <p style="text-align: right;">CARRIED</p>

Mrs Davidson presented this report.

6.3 KEY PROJECT STATUS REPORT - BIGWATERSTORY
<p>PURPOSE</p> <p>Following the conception of #thebigwaterstory, Council set about implementing the programme. A programme manager was appointed and focus given to defining the projects that form the programme in greater detail.</p> <p>More recently in mid 2020, Council created a project management office (PMO) to oversee and deliver the growing capital programme.</p> <p>The purpose of this key project status report serves as an opportunity to formally report to elected members on the progress of each of the projects in the relevant programme and their expected delivery against time, scope, budget and quality standards against the larger programme objectives.</p>
<p>COMMITTEE RESOLUTION</p> <p>Moved: Cr Gerard Minehan Seconded: Cr Kate Taylor</p> <p>That, having considered all matters raised in the report, the report be noted.</p> <p style="text-align: right;">CARRIED</p>

Mr de Klerk presented this report.

6.4 KEY PROJECT STATUS REPORT - BIGWASTEWATERSTORY

PURPOSE

Following the conception of #thebigwaterstory, Council set about implementing the programme. A programme manager was appointed and focus given to defining the projects that form the programme in greater detail.

Council have recognised the growing programme, and in mid 2020 a project management office (PMO) was established and is growing as the programme and opportunities grow.

The six wastewater plants form a significant programme of works themselves, and we have prudently decided to report on the progress of these six wastewater plants and their subsequent upgrades and re-consenting separately from #thebigwaterstory. This programme has been named #thebigwastewaterstory.

The purpose of this key project status report serves as an opportunity to formally report to elected members on the progress of each of the projects and their expected delivery against time, scope, budget and quality standards against the larger programme objectives.

COMMITTEE RESOLUTION

Moved: Deputy Mayor Kelly Annand

Seconded: Cr Pip Burne

That, having considered all matters raised in the report, the report be noted.

CARRIED

Mr de Klerk presented this report.

6.5 SUMMARY OF ANNUAL COMMUNITY HALLS MEETING

PURPOSE

The purpose of this report is to present to Council for its receipt the annual reports from each of the district's rural halls covering the period 1 July 2020 – 30 June 2021.

COMMITTEE RESOLUTION

Moved: Cr Tim Aitken

Seconded: Cr Kate Taylor

That, having considered all matters raised in the report, the report be noted.

CARRIED

Mrs Leaf presented this report.

6.6 ELECTED MEMBERS EXPENSES FOR JULY 2021 TO AUGUST 2021
<p>PURPOSE</p> <p>The purpose of this report is to update the Committee on the Elected Members' Expenses for the four months covering July 2021 to August 2021.</p>
<p>COMMITTEE RESOLUTION</p> <p>Moved: Deputy Mayor Kelly Annand Seconded: Cr Gerard Minehan</p> <p>1. That, having considered all matters raised in the report, the Elected Members Expenses for July 2021 to August 2021 report be noted.</p> <p style="text-align: right;">CARRIED</p>

Mr Chamberlain presented this report.

6.7 REVIEW OF TERMS OF REFERENCE FOR THE HAWKES BAY DRINKING WATER GOVERNANCE JOINT COMMITTEE
<p>PURPOSE</p> <p>The purpose of this report is to seek a resolution to disestablish the Hawke's Bay Water Governance Joint Committee.</p>
<p>COMMITTEE RESOLUTION</p> <p>Moved: Cr Kate Taylor Seconded: Cr Pip Burne</p> <p>That having considered all matters raised in the report:</p> <p>a) That the Committee receives the "<i>Review of Terms of Reference for the Hawke's Bay Drinking Water Governance Joint Committee</i>" report.</p> <p>b) That the Committee Recommends to Council that:</p> <p style="margin-left: 40px;">a. The Hawke's Bay Drinking Water Governance Joint Committee be disestablished, having concluded the functions for which it was set up, and that governance oversight of drinking water safety be transferred to the Regional Leaders' Forum.</p> <p style="margin-left: 40px;">b. The Hawke's Bay Drinking Water Joint Working Group be retained and report directly to the Regional Leaders' Forum, with a report on its future institutional and administrative support to be prepared for consideration and approval by the Regional Leaders' Forum.</p> <p style="text-align: right;">CARRIED</p>

Mr Lloyd presented this report.

Meeting adjourned for a morning tea break at 10:20am

Meeting resumed at 10:45am into public excluded business.

RESOLUTION TO EXCLUDE THE PUBLIC

COMMITTEE RESOLUTION

Moved: Deputy Mayor Kelly Annand
 Seconded: Cr Kate Taylor

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

The general subject matter 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 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
7.1 - Public Excluded Resolution Monitoring Report	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(b)(i) - the withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret</p> <p>s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p>	s48(1)(a)(i) - 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 under section 6 or section 7
7.2 - Receipt of and Confirmation of Legal Approach - Waipukurau Centennial Library and Waipukurau Memorial Hall	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege	s48(1)(a)(i) - 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 under section 6 or section 7
7.3 - Acquisition of Land for the provision of a Pound Facility.	<p>s7(2)(b)(ii) - the withholding of the information is necessary to 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</p> <p>s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest</p> <p>s7(2)(i) - the withholding of the information is necessary to</p>	s48(1)(a)(i) - 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 under section 6 or section 7

	enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	
CARRIED		

6 DATE OF NEXT MEETING

<p>COMMITTEE RESOLUTION</p> <p>Moved: Cr Gerard Minehan Seconded: Deputy Mayor Kelly Annand</p> <p>THAT the next meeting of the Central Hawke's Bay District Council Finance and Infrastructure Committee be held in 2022 .</p> <p style="text-align: right;">CARRIED</p>
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2 TIME OF CLOSURE

The Meeting closed at *Meeting closed 11:59am.*

The minutes of this meeting were confirmed at the Finance and Infrastructure Committee Meeting held on .

.....
CHAIRPERSON

6 REPORT SECTION

6.1 RESOLUTION MONITORING REPORT

File Number: COU1-1410
Author: Monique Davidson, Chief Executive
Authoriser: Monique Davidson, Chief Executive
Attachments: 1. Resolution Monitoring Report [↓](#)

PURPOSE

The purpose of this report is to present to the Committee the Finance and Infrastructure Resolution Monitoring Report. This report seeks to ensure the Committee has visibility over work that is progressing, following resolutions from Council.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as not significant.

DISCUSSION

The monitoring report is **attached**.

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

NEXT STEPS

An updated Resolution Monitoring Report will be presented at the next Committee meeting on 7 October 2021.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.



Finance and Infrastructure Committee - Resolution Monitoring Report February 2022

Key					
Completed					
On Track					
Off Track					
Item Number	Item	Council Resolution	Resolution Date	Responsible Officer	Progress Report
5.30	Adoption of Land Transport Strategic Framework	a) That the Finance and Infrastructure Committee adopt with amendments the Land Transport Strategic Framework.	18/06/2020	Josh Lloyd	On Track An update on progress against Land Transport Strategic Framework Initiatives is provided as part of regular reporting to Committee.

Item Number	Item	Council Resolution	Resolution Date	Responsible Officer	Progress Report
7.50	Preferred Option for Design and Construction of Kairakau Water Upgrade	<p>a) The Finance and Infrastructure Committee approve Option 1 to upgrade and construct a water treatment plant to meet DWSNZ and safeguard ongoing water supply.</p> <p>b) The Finance and Infrastructure Committee approve to locate the new treatment plant on land outlined in Scenario 2 – being to lease the existing Manawarakau Trust land neighbouring the existing spring and raw water storage</p> <p>c) The Finance and Infrastructure Committee approve to increase the project budget to \$850,000 using existing waters budgets and/ or Tranche One – 3 Waters stimulus funding while ensuring no impact on rates.</p> <p>d) That officers do additional work on the removal of the hardness in the water to meet community outcomes and report back to the Finance and Infrastructure Committee for consideration as part of the Long Term Plan 2021 – 2031</p> <p>e) That Council continue to monitor changes in regulations and guidance from Taumata Arawai on the roof water supply</p>	3/06/2021	Darren de Klerk	<p>On Track</p> <p>DDK 15/02/22 > Contract awarded, design underway, construction onsite to start April 2022, long term discharge on hold for the time being, managing via onsite storage.</p> <p>DDK 07/21 » Paper brought to council in June 2021 confirming project to progress to design and construction including hardness. later paper to brought to decide long term solution for hardness discharge.</p> <p>DDK 02/04/21 > Paper taken to council progressing the project to detailed design and then construction with additional resolutions around hardness - update to be brought back in June 2021</p> <p>MK 27/07/2021 > Procurement paper approved by council in June, Tender documents developed and issued to market 27/07/2021. Funded lwi engagement being developed with external archaeological oversight and support.</p> <p>DDK 24/09/2021 - Tender Evaluation and negotiations underway before a future update / or decision provided to council</p>
6.60	Waipukurau Second Water Supply/Waipawa Link - Go/no go Report	<p>a) That council endorse and approve proceeding with Option 2 (Plan C) to continue with components of construction and design.</p> <p>b) That council approves redistributing \$1.1m of DIA funding to bringing forward the replacement of the Abbotsford rising main – subject to DIA approval.</p> <p>c) That council supports the reallocation of funding set aside for Abbotsford rising main renewal in Year 2 or 3 of the LTP be redirected back to this project to backfill the removal of DIA funds now.</p> <p>d) That council acknowledge the current project budget forecasting, but no decision to amend project budget is being considered until the project progresses further.</p>	12/08/2021	Darren de Klerk	<p>DDK 14/02/2022 > Works are ongoing for Recommendation A and D. an Go/ No Go paper expected April 2022.</p> <p>DDK 24/09/2021 > Works are ongoing for Recommendation A and D. an Go/ No Go paper expected March 2022.</p> <p>Recommendation B is going through DIA approval and once approved will allow Recommendation C to be finalised.</p>

Item Number	Item	Council Resolution	Resolution Date	Responsible Officer	Progress Report
6.80	Infiltration and Inflow Strategy	<p>a) That the Finance and Infrastructure Committee approves the recommendation to adopt the I&I Management Strategy.</p> <p>b) That the Finance and Infrastructure Committee support and endorse Option 1.</p>	12/08/2021	Darren de Klerk	<p>DDK 14/02/22 - Contractor award underway, works to commence as per of the strategy.</p> <p>DDK 24/09/21 Operational, investigations are underway to support Recommendation B, and a policy for cost recovery may be brought back for approval</p>
6.90	Request to bring forward Pourerere public toilet capital funding	a) The capital and renewal funding in year 2 of the 2021 - 2031 Long Term Plan for the Pourerere Beach public toilets be brought forward to the current year (year 1) to support funding from Ministry of Business Innovation and Employment's Tourism Infrastructure Fund.	12/08/2021	Jennifer Leaf	Funding has been brought forward and project set up. A 5 pan and a single pan dry vault units have been ordered for Pourerere. The contract with MBIE has been signed to receive their funding. Due to large numbers of toilets in the works. The Pourerere ones are scheduled to be installed in September and therefore demolition will take place in late winter.
6.10	Draft Financial Report and Carry Forwards for the 2020/2021 Financial Year	<p>a) That Council receives the report entitled Draft Financial Report and Carry Forwards for the 2020/2021 Financial Year.</p> <p>b) Council approve the proposed allocations to carry forwards and special funds for the 2020/2021 Financial Year.</p> <p>c) Council approve that the 2020/2021 activity surpluses in the general rate funded activities be used to fund the deficits in the general rate funded activities as proposed.</p> <p>d) Council approves funding the \$428k shortfall in drinking water renewal budget via loan funding by reducing the renewal funding by the same amount for the 2021/2022 financial year.</p>	12/08/2021	Brent Chamberlain	Complete - The Annual Report has been completed, audited, and adopted by Council. Carry Forwards and budget adjustments made as resolved.
6.20	Finance and Infrastructure Committee Priority Report	That Council urgently seek Waka Kotahi investment and decisions into safety concerns of two ket intersections in Waipawa and Waipukurau, and note Council's grave concerns about the lack of urgency on this matter.	7/10/2021	Josh Lloyd	Concerns have been raised with Waka Kotahi, however no progress made.

Item Number	Item	Council Resolution	Resolution Date	Responsible Officer	Progress Report
6.70	Review of Terms of Reference for the Hawkes Bay Drinking Water Governance Joint Committee	<p>a) That the Committee receives the "Review of Terms of Reference for the Hawke's Bay Drinking Water Governance Joint Committee" report.</p> <p>b) That the Committee Recommends to Council that:</p> <p>a. The Hawke's Bay Drinking Water Governance Joint Committee be disestablished, having concluded the functions for which it was set up, and that governance oversight of drinking water safety be transferred to the Regional Leaders' Forum.</p> <p>b. The Hawke's Bay Drinking Water Joint Working Group be retained and report directly to the Regional Leaders' Forum, with a report on its future institutional and administrative support to be prepared for consideration and approval by the Regional Leaders' Forum.</p>	7/10/2021	Josh Lloyd	<p>The review of the ToR has been completed with the governance group disbanded and the working group remaining.</p>

6.2 FINANCE AND INFRASTRUCTURE COMMITTEE PRIORITY REPORT

File Number: COU1-1410

Author: Monique Davidson, Chief Executive

Authoriser: Monique Davidson, Chief Executive

Attachments: 1. LTSF Reporting - Feb 2022 [↓](#)

PURPOSE

The purpose of this report is to present to the Finance and Infrastructure Committee an update on key priorities.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as not significant.

BACKGROUND

Following the 2019 Triennial Local Body Elections, Council took the time to reset Council priorities, and agree on priorities for Committees.

The role of the Finance and Infrastructure Committee is:

- To assist Council to oversee financial and non-financial performance, including the delivery of the Council's Capital Programme.
- To monitor Council activities and services performance against budget, Annual Plans, the Long Term Plan, Annual Reports and corporate and financial policies.
- The Finance and Infrastructure Committee also receives enforcement and compliance performance activity reporting to ensure financial and non-financial performance oversight of its regulatory functions.
- To provide governance oversight of Council's operational programmes, services, activities and projects related to infrastructural assets.
- To enable the progress of the Council's operational activities, projects and services.

The Finance and Infrastructure Committee has delegations to:

- Develop and adopt plans, projects and policies that advance the Council's vision and goals in relation to its key Financial Strategy and Infrastructure Strategy while complying with the purpose of the Local Government.
- Monitoring the financial and non-financial performance of the organisation with a particular emphasis on the delivery of the capital works programme. Implementation and effectiveness of strategies, plans and policies.
- Specifically monitor and provide oversight of significant projects, including reviewing business cases and agreed on next steps of significant projects.
- The Finance and Infrastructure Committee is responsible for assisting Council in its general overview of procurement and tender activity. The Committee will accept and consider

tenders which exceed the Chief Executive's delegated authority to approve, for projects approved by Council through an Annual Plan or Long Term Plan. The Committee will make a recommendation to Council on the outcome of a tender process for resolution when above delegations.

- The Finance and Infrastructure Committee has delegation to approve or award contracts beyond the Chief Executive's delegated authority within the parameters of approved AP/LTP Budgets up to \$4 million.
- To establish a special committee, working group or community forum as needed.

The monitoring report which provides an update on the key priorities of the committee is below:

DISCUSSION

Key Priority	Responsible Officer	Progress Update
Lead and monitor the Wastewater Treatment Plan projects for across Central Hawke's Bay.	Darren de Klerk	On Track - A Specific Key Project Status Report is included in this agenda.
Monitor the implementation of #thebigwaterstory	Darren de Klerk	On Track - A Specific Key Project Status Report is included in this agenda.
Complete and lead the Rates Review	Brent Chamberlain	On Track – As part of the adoption of the Long Term Plan it was agreed to undertake a further Rates Review to review the rural/urban split. With the delayed QV revaluation and predicted movements impacting urban more than rural, this is unlikely to occur this financial year.
Monitor the implementation and progress of Provincial Growth Fund projects.	Darren de Klerk	On Track - A Specific Key Project Status Report is included in this agenda.
Review the current Treasury Policy – Investment, Debt and Liability Management policies.	Brent Chamberlain	Complete – Paper to adopt revised Policy is under separate cover for this meeting.

Monitor the implementation of the non-rateable income strategic framework.	Monique Davidson	<p>On Track - Considerable effort continues to be given to the attraction of non-rateable income. The COVID-19 context has provided considerable opportunity for Council in the acceleration of capital investment to act as an economic stimulus. Council are actively working with the government on seeking external funding to deliver on Council and community priorities. At the time of writing this report, key achievements that align with this framework include funding for Mayors Taskforce for Jobs pilot and beyond, redeployment capital packages, water reform, Tourism Infrastructure Fund and PGF projects. Government have recently announced the opening of the Tourism Infrastructure Fund, and Officers are turning attention to preparing applications for this fund.</p> <p>Further work will continue over the coming months following the adoption of the Long Term Plan 2021 – 2031, to assess key policies that form part of the non-rateable income strategic framework.</p>
Develop a Land Transport Strategic Framework and ensure governance input into the three-year business plan before NZTA submission.	Josh Lloyd	Completed – See attached update on implementation of the Land Transport Strategic Framework

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

NEXT STEPS

The Finance and Infrastructure Committee will receive an updated monitoring report at the next meeting.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

Land Transport Strategic Framework – Update (February 2022)

Councils Land Transport Strategic Framework (2020-2025) (the Framework) provides strategic direction and guidance to the Land Transport activity of Central Hawke's Bay District Council. The Framework contains principles labelled as 'pillars' that each have a number of associated actions that together are intended to achieve an adopted vision statement to:

“deliver safe, reliable and lasting road assets that connect our people and places, and allow our district to prosper”

This update is part of routine reporting on progress against a number of the actions listed within the Framework.

4 Pillars of the Framework

The four pillars of the framework are illustrated below. Further sections provide an update of in-progress actions under each pillar (color coded).

The list of actions in progress is non-exhaustive and is a snapshot in time of the actions that are current priorities and areas of focus for the team.



Beyond the work/progress described in the table below, a focus of the Land Transport Team during the reporting period has been the repair of Kairakau Rd. While reactive in nature, the necessitated repairs to the road are causing a relook at Councils asset management planning approach for roads in known geologically unstable areas. This work is expected to be reported upon in future meetings and will flow through into work programmes and approaches in the next iteration of the Land Transport Asset Management Plan.

Focus and energy has also been applied during the period to working closely with Waka Kotahi to see needed improvements to pedestrian safety on the SH2 link through Waipawa. Officers have spent time with Waka Kotahi and with community to understand what solutions may exist for the obvious concerns raised over a long period of time. Officers are frustrated to date with the lack of practical and short-term solutions offered by Waka Kotahi but are continuing to pursue a number of opportunities including potential funding available through the 'Streets for People Fund'.

Pillar	Action	Progress (February 2022)
Safety above all else	Reduced frequency of serious and fatal accidents on our network with roads as a major contributing factor	The 12 intersections identified through CHBs safety study have been programmed with work set to start soon on the Ngahape, Woburn, Hatuma intersection.
	Reduce natural hazards	80 trees have recently been removed from Wimbledon Road along with individual trees as identified in our program and public requests due to developing safety issues with them.
Connected and Resilient Infrastructure and Communities	Reduced frequency and duration of road closures across the district	Work is underway to develop emergency response panel – Waka Kotahi input has been sought as their approval will be needed for the procurement exercise. We have developed a schedule of prices for repair work for tenderers to bid on. Discussions are still ongoing with Waka Kotahi. We have only had one emergency and that was Kairakau road in November where the contract for the repair was direct awarded.
	Actively and effectively engage/communicate with our most affected communities and residents	Council have leveraged new tools and technology including improved mapping/dashboarding to communicate road network information. This has focused primarily on planned capital works and providing updates on road closures during emergency events. This work is aligned with that of Hastings District Council creating a standard interface for public.
Protecting our Natural and Built Environments	Council is seen as an enabler of local projects	Council have worked with contracting partner Stantec to participate in a planned community planting programme. This has not progressed over the summer/xmas period and will be picked up in the Autumn planting season.
	Minimized impact of dust	Council have rated for seal extensions through the 2021 LTP. We have a priority list which we will be actioning when the weather is right for sealing. Site progress will be reported throughout the work. Seal designs are being completed by Stantec for Kyle Road, Gibraltar Road and Grainger Lane. The work will commence once the designs have been completed. The amount of work accomplished will be dependent on the design but work on the highest priority (Kyle Road) will be done this fiscal.
Economic Resilience and Financial Sustainability	Fiscal Prudence and Optimal Investment Decision Making	A new internal reporting and monitoring framework is in the final stages of development utilizing Councils core roading asset management system (RAMM). The new approach will see all works (planned and reactive) loaded consistently into the tool allowing backward and forward looking reporting on project and financial performance. This development has

		been a priority for a number of months and is providing good results for the team with increased visibility of network performance.
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6.3 ELECTED MEMBERS EXPENSES FOR SEPTEMBER 2021 TO DECEMBER 2021

File Number: COU1-1410

Author: Brent Chamberlain, Acting Chief Financial Officer

Authoriser: Monique Davidson, Chief Executive

Attachments:

PURPOSE

The purpose of this report is to update the Committee on the Elected Members' Expenses for the four months covering September 2021 to December 2021.

RECOMMENDATION

That, having considered all matters raised in the report, the Elected Members Expenses for September 2021 to December 2021 report be noted.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as being of some importance.

DISCUSSION

For the sake of transparency the table below shows the elected members' expenses for the past four months. The expenses included in the totals below are mileage reimbursement, car expenses, Councillor iPad data charges, phone costs, meeting and conference expenses including accommodation and meals. Also included is conference, training and development costs.

In the below table is the Elected Member Expenses for the period September 2021 to December 2021.

	Mileage Expenses	Conferences, Meetings & Training	Phone and Ipads	Total
Mayor Alex Walker	Work Car Supplied	517.63	144.84	662.47
Cr Kelly Annand	-	265.20	60.00	325.20
Cr Tim Aitken	-	573.39	60.00	633.39
Cr Jerry Geer	-	-	60.00	60.00
Cr Gerald Minehan	-	-	60.00	60.00
Cr Brent Muggeridge	-	-	60.00	60.00
Cr Kate Taylor	542.36	2,303.04	60.00	2,905.40
Cr Exham Wichman	-	-	60.00	60.00
Cr Pip Burne	-	42.83	60.00	102.83
Roger Maaka	-	-	60.00	60.00
Total	542.36	3,702.09	684.84	4,929.29

During this period, as per Schedule 7 of the Local Government Act 2002 and the Local Government Members (2021/22) (Local Authorities) Determination 2022, a vehicle has been provided to the Mayor for restricted private use.

As per the Determination, Restricted Private Use means—

- a) the vehicle is usually driven home and securely parked by the mayor or regional chairperson; and
- b) the vehicle is otherwise generally available for use by other local authority members or staff on local authority business; and
- c) the vehicle is used solely for local authority business; and
- d) all travel in the vehicle is recorded via GPS tracker.

FINANCIAL AND RESOURCING IMPLICATIONS

There are no financial or resourcing implications included in this report. These costs are covered within existing budgets.

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

RECOMMENDATION

That, having considered all matters raised in the report, the Elected Members Expenses for September 2021 to December 2021 report be noted.

6.4 HALF YEAR FINANCIAL REPORTING TO DECEMBER 2021

File Number: COU1-1410

Author: Brent Chamberlain, Acting Chief Financial Officer

Authoriser: Monique Davidson, Chief Executive

Attachments: 1. December 2021 Financial Report [↓](#)

PURPOSE

The purpose of this report is to provide the Committee with a summary of Council's financial performance and highlight the key financials for the first half of 2021/22 financial year.

RECOMMENDATION

That, having considered all matters raised in the report, the report on Council's second quarter financial performance for the 2021/22 financial year be noted.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as being of some significance.

DISCUSSION

The aim of this report is to provide Council with a summary of the financial performance of Council and highlights the key trends for the first half for the year ended 30 June 2022.

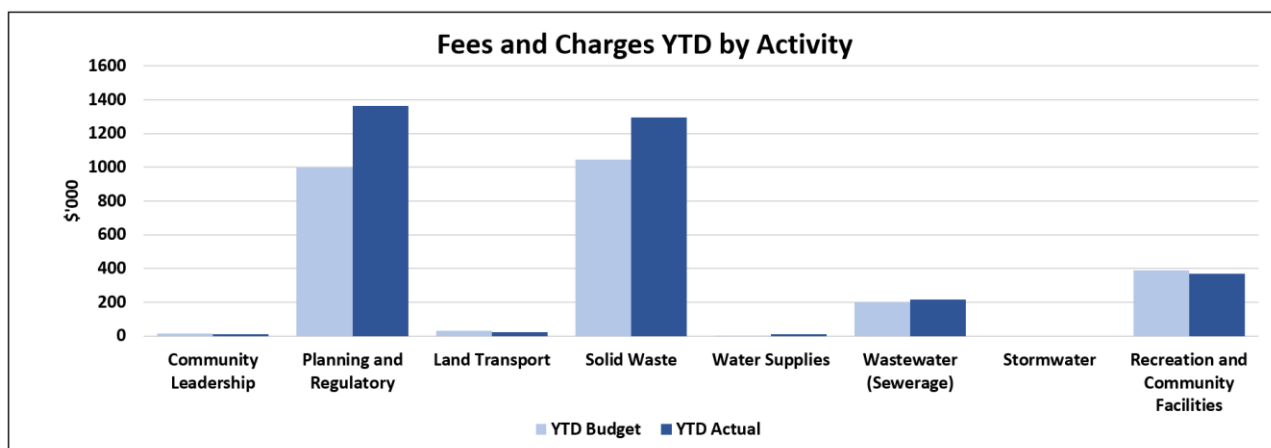
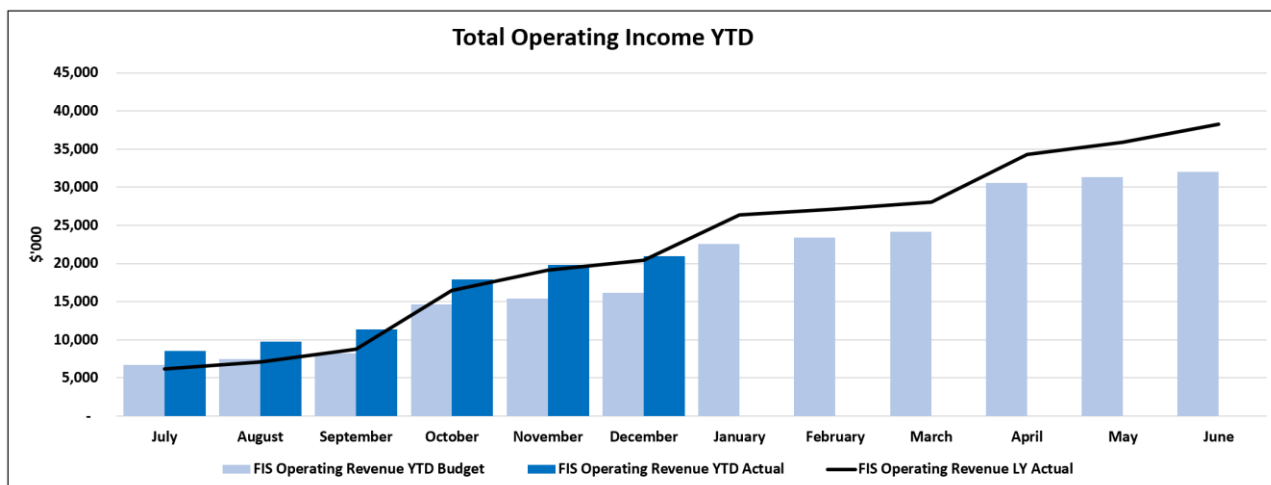
The report contains a Financial Overview for Whole of Council and the Groups of Activities.

Budget Commentary

At a high level, operating revenue is \$4.80m ahead of budget at December 2021 (\$20.9m achieved versus \$16.1m budget).

This difference is largely caused by unbudgeted external funding - 3 Waters Reform \$1.0m operational, Economic Development Work Creation \$2.25m, He Ringa Whanau Ora \$0.2m, Nga Tipuna \$0.3m, and Land Transport \$0.2m (mainly PGF driven).

The balance is driven by additional fees and charges and is volume related. For example, Council continues to experience a high demand for Resource Consents and Building Consents and this revenue is \$397k up on budget. Likewise the landfill volumes are up \$250k mainly on the back of desludging the waste water ponds.



Just like revenue, operating costs are also up on budget by \$4.1m (actually spent \$17.6m versus a budget of \$13.5m).

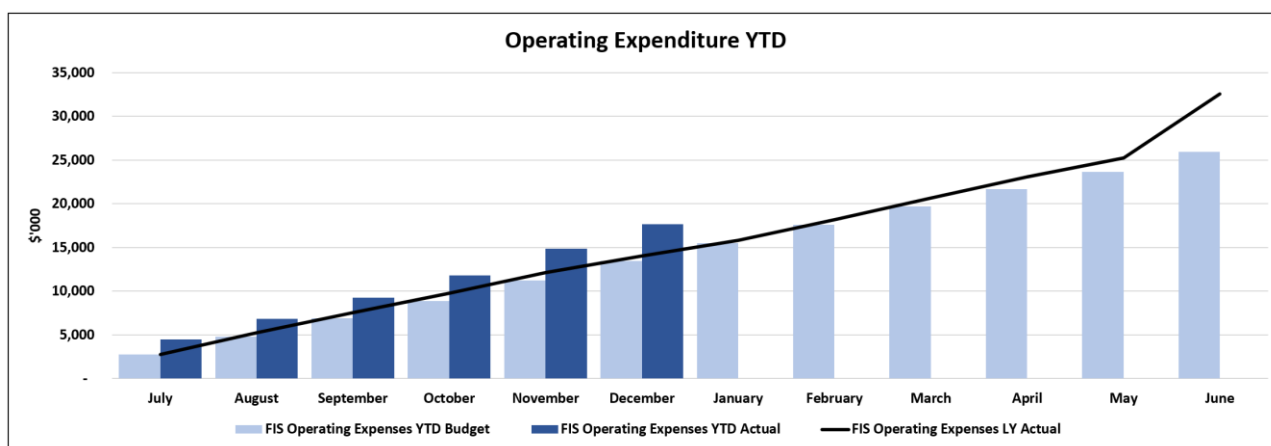
The unbudgeted revenue, also comes with unbudgeted costs - \$1.8m of Work Creation payments. Note that this project should be rate neutral which suggests at 31 December Council is holding \$0.45m of unspent work creation revenue.

In terms of business as usual, Council is also experiencing cost overruns which is a mixture of demand/volume driven, and operational overspends.

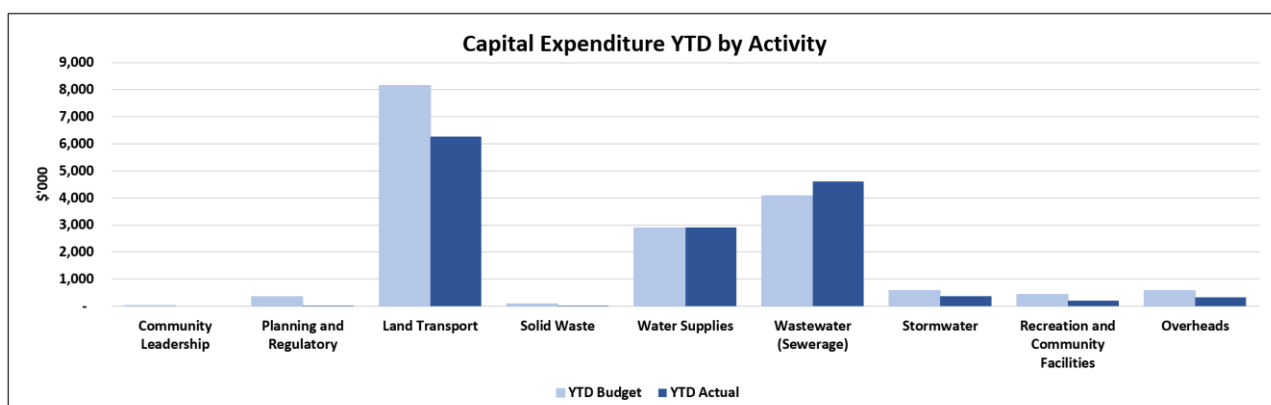
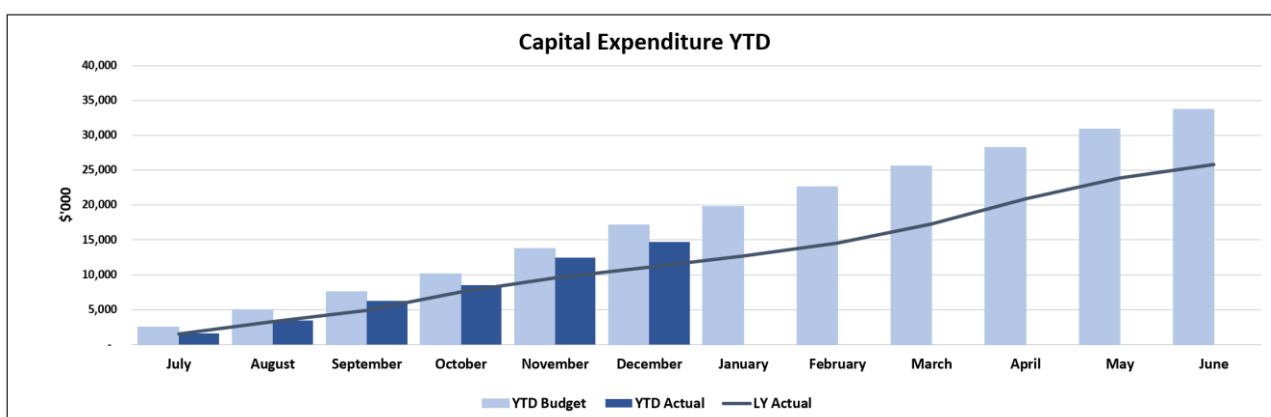
For consents, matching to the additional revenue, Council has spent an additional \$491k on outsourcing and legal advice for consent processing (note this is largely offset by \$397k of additional income and the residual of this cost is yet to be billed to the customer [work in progress] - overspend shouldn't exceed additional revenue).

Solid Waste is \$377k overspent (again largely offset by the additional revenue of \$250k) due to disposal of accumulated timber demolition at the transfer station, and the cost of carbon credits (volume driven – note this financial report predates the recent price escalations and retrospective cost recovery reported on separately), and the start-up costs of the expanded kerbside/trailer recycling service. Also offsetting this operational over spend is an underspend in capital of \$62k.

Council has also been undertaking the 3 waters reform program incurring \$1.8m of unbudgeted costs (offset by unbudgeted revenue).



Council is \$2.4m behind budget in capital expenditure (\$14.7m spend versus budget of \$17.1m) despite having 3 waters stimulus money to spend. Land Transport is \$1.4m behind budget (mainly timing regarding PGF and annual resealing programs), and Council is also behind in upgrading its recreation and community facilities, the property file digitalisation, and the pound programs (timing related).

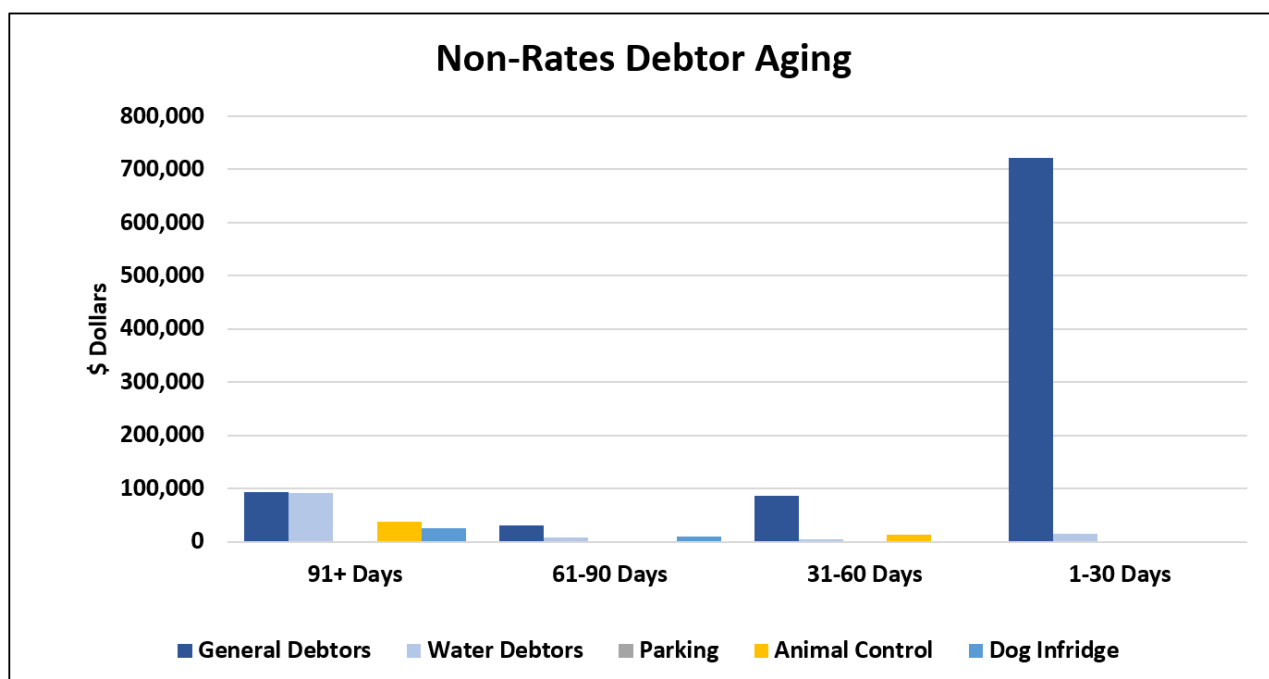
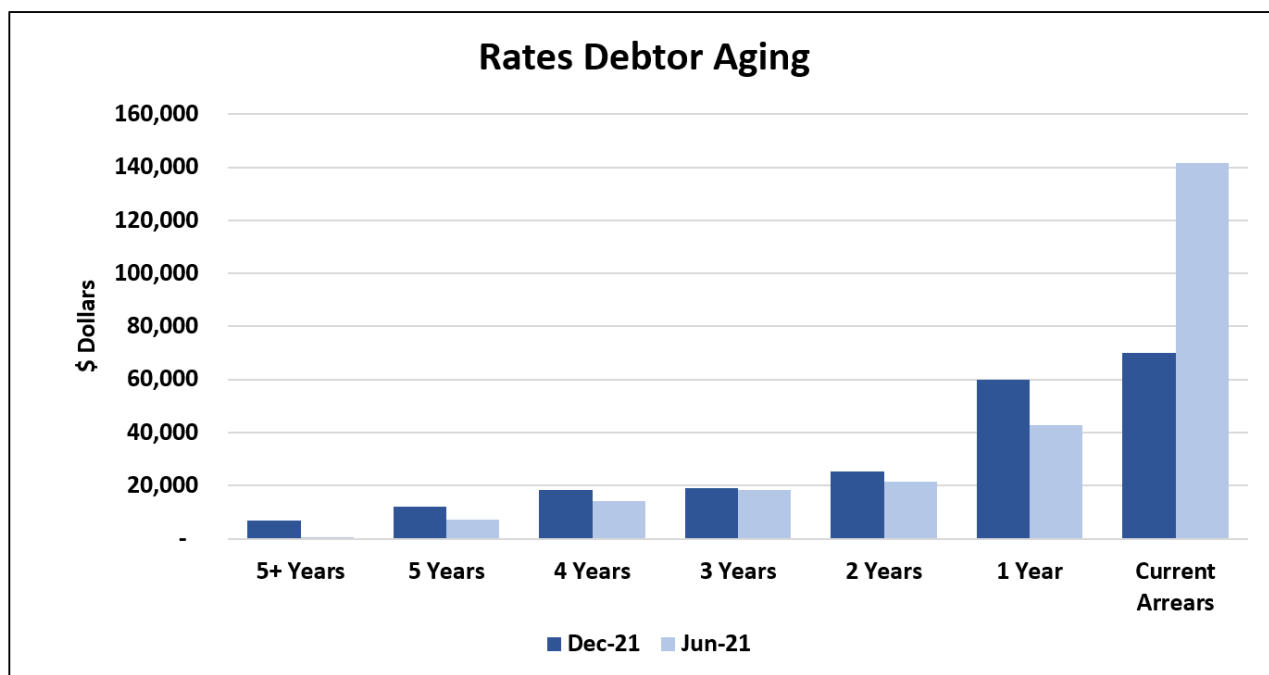


Cash Position

At the end of December Council was holding \$10.1m in its call and a further \$2.5m in term deposits meaning it has plenty of funding available to fund its capital program for the months ahead.

Part of the reason Council was holding so much cash in December was due to the quarterly rates that were received at the end of November, and a \$4.5m term deposit that matured right on the 31 December.

Debtors



Council Officers continue to work with our debtors to ensure collection. Included in our non-rates debtors is a large number of smaller debtors, with only a handful of large debtors including Mayors Taskforce for Jobs \$287k (Trance 2 funding), Tararua District Council and other commercial landfill users, and Council's Trade Waste users.

Treasury Policy

The table below shows that Council is compliant with its existing treasury policy. Council's external debt is currently \$22m (\$20m as at 30 June 2021).

Treasury Compliance with Policy

Liquidity (Liquid Assets + Debt / Debt)

✓	Policy Limit >115%	Actual 153%
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Finance Costs / Total Revenue

✓	Policy Limit <20%	Actual 0.8%
---	-----------------------------	-----------------------

Finance Costs / Total Rates Revenue

✓	Policy Limit <25%	Actual 2.1%
---	-----------------------------	-----------------------

Debt to Operating Revenue

✓	Policy Limit <150%	Actual 37.0%
---	------------------------------	------------------------

<u>Debt Position</u>	<u>Draw Date</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Amount 30/06/2021</u>	<u>Amount Now</u>	<u>Movement</u>
LGFA - Fixed Rate	28/08/2017	25/08/2025	3.85%	2,000,000	2,000,000	-
LGFA - Fixed Rate	22/07/2019	15/04/2024	2.19%	10,000,000	10,000,000	-
LGFA - Fixed Rate	16/12/2019	15/04/2023	1.96%	4,000,000	4,000,000	-
LGFA - Fixed Rate	16/03/2020	15/04/2027	2.03%	4,000,000	4,000,000	-
LGFA - Fixed Rate	18/07/2021	18/07/2022	1.25%	-	2,000,000	2,000,000
ANZ Seasonal Facility (\$1,500,000)				-	-	-
Total Debt			2.19%	20,000,000	22,000,000	2,000,000

Comprehensive Income and Expenditure Statement

The budget commentary above is all based on the FIS (Funding Impact Statement) view of Councils finances (as required by the Local Government Act 2002).

When you display the same data using IFRS (International Financial Reporting Standards – standard accounting reporting format) then Councils revenue is inflated by capital grants (such as NZTA, PGF, and MBIE funding). For this financial period this includes the NZTA funding assistance and the 3 Waters Reform monies.

Offsetting this is the disclosure of depreciation (\$6.0m) as a cost.

By including this external funding, Council is showing an \$6m Comprehensive Income Surplus as at 31 December 2021.

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;

- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

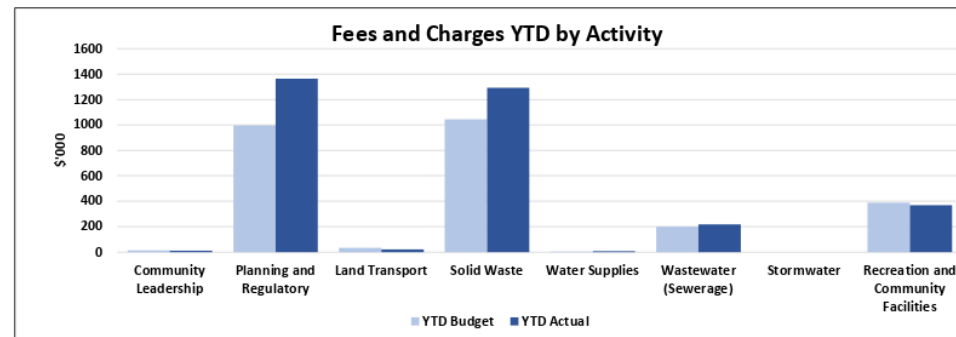
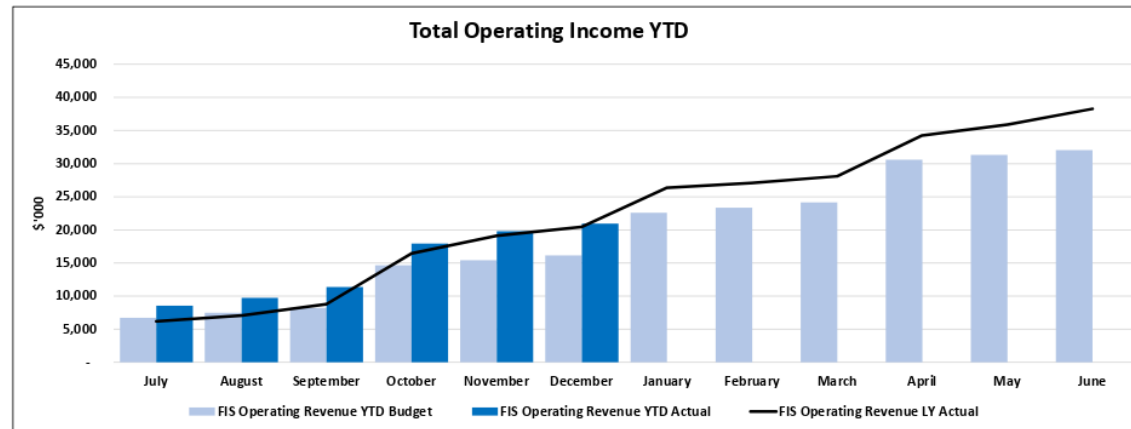
NEXT STEPS

Officers will continue to monitor and manage the finances of Council.

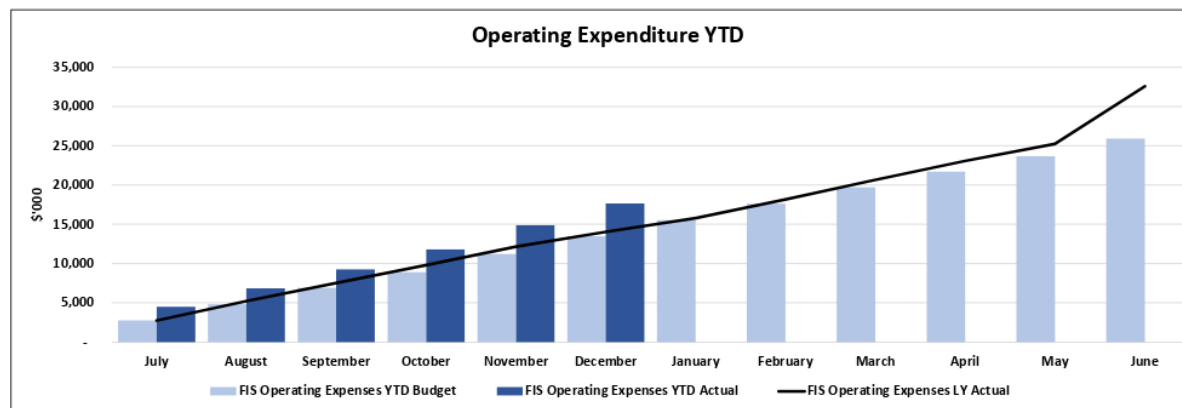
RECOMMENDATION

That, having considered all matters raised in the report, the report on Council's second quarter financial performance for the 2021/22 financial year be noted.

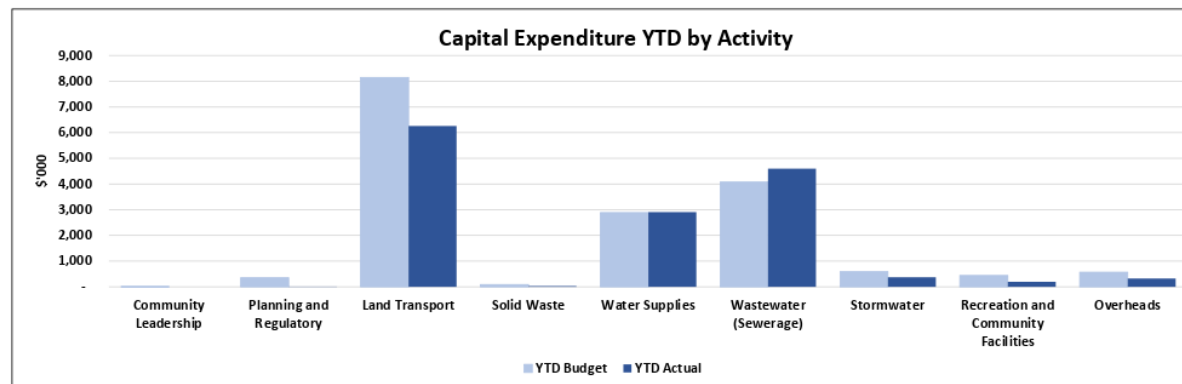
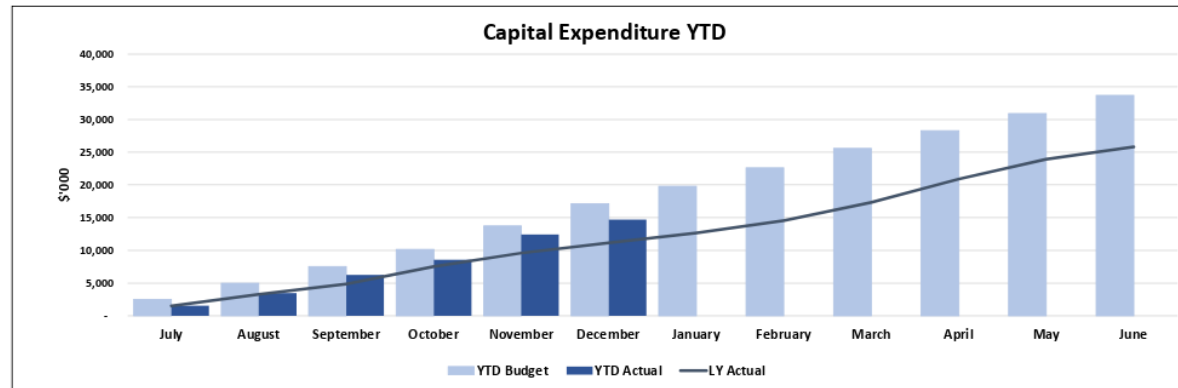
OPERATING INCOME



OPERATING EXPENDITURE



Capital Expenditure



Central Hawke's Bay District Council
For the Period July 2021 - December 2021

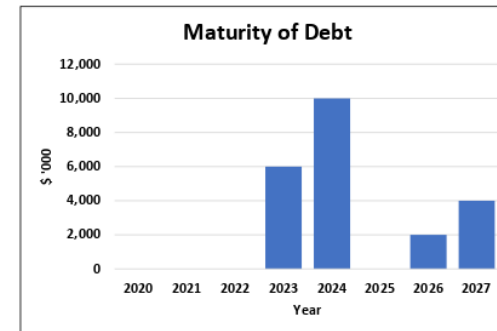
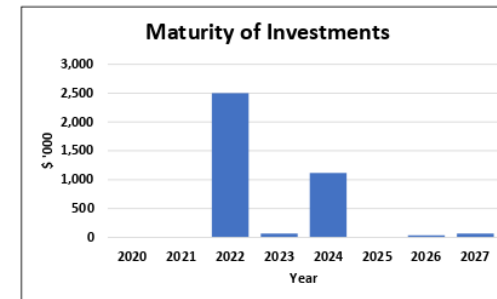


Cash and Investment Position

	Maturity Date	Int Rate (Face)	Int Rate (Actual)	Amount 30/06/2021	Amount Now	Movement
ANZ Cheque and Call Accounts						
				2,622,814	10,107,076	7,484,262
LGFA Notes	25/08/2025	3.54%	3.54%	32,000	32,000	0
LGFA Notes	15/04/2024	1.79%	1.79%	160,000	160,000	0
LGFA Notes	15/04/2023	1.56%	1.56%	64,000	64,000	0
LGFA Notes	15/04/2027	1.63%	1.63%	64,000	64,000	0
ANZ Bond	1/09/2023	3.71%	3.71%	355,000	355,000	0
ASB Bond	7/09/2023	3.33%	3.33%	600,000	600,000	0
Westpac Term Deposit	31/12/2021	0.94%	0.94%	4,500,000	-	(4,500,000)
Westpac Term Deposit	30/09/2021	0.83%	0.83%	2,500,000	-	(2,500,000)
Westpac Term Deposit	29/10/2021	0.88%	0.88%	3,000,000	-	(3,000,000)
BNZ Term Deposit	19/07/2021	0.55%	0.55%	3,000,000	-	(3,000,000)
Westpac Term Deposit	18/03/2022	1.25%	1.25%		2,500,000	
Total Investments				14,275,000	3,775,000	(13,000,000)
Total Cash and Investments Held				16,897,814	13,882,076	(5,515,738)

Debt Position

<u>Debt Position</u>	Draw Date	Maturity Date	Interest Rate	Amount 30/06/2021	Amount Now	Movement
LGFA - Fixed Rate	28/08/2017	25/08/2025	3.85%	2,000,000	2,000,000	-
LGFA - Fixed Rate	22/07/2019	15/04/2024	2.19%	10,000,000	10,000,000	-
LGFA - Fixed Rate	16/12/2019	15/04/2023	1.96%	4,000,000	4,000,000	-
LGFA - Fixed Rate	16/03/2020	15/04/2027	2.03%	4,000,000	4,000,000	-
LGFA - Fixed Rate	18/07/2021	18/07/2022	1.25%	-	2,000,000	2,000,000
ANZ Seasonal Facility (\$1,500,000)				-	-	-
Total Debt			2.19%	20,000,000	22,000,000	2,000,000

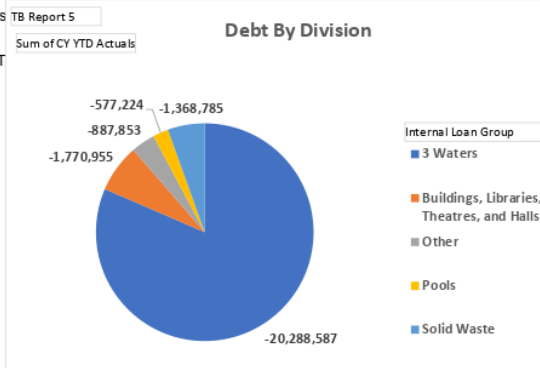


Actual	0%	0%	0%	20%	50%	0%	10%	20%
Policy	35%	35%	35%	35%	35%	35%	35%	35%
Met	Y	Y	Y	Y	N	Y	Y	Y

Central Hawkes Bay District Council
For the Period July 2021 - December 2021

TB Report 5 Internal Loans

Row Labels	Sum of CY YTD
3 Waters	- 20,288,587
Buildings, Libraries, Theatres, and Halls	- 1,770,955
Other	- 887,853
Pools	- 577,224
Solid Waste	- 1,368,785
Grand Total	- 24,893,405

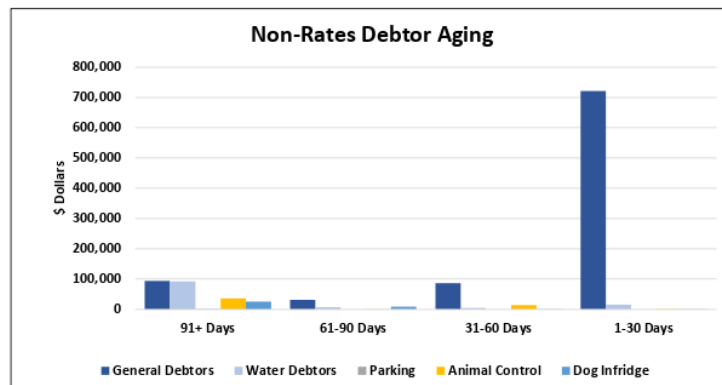
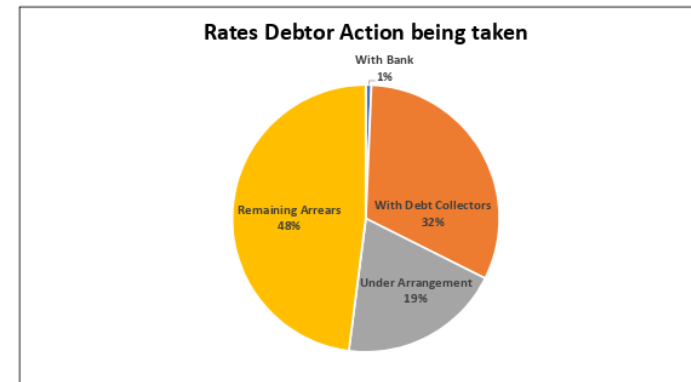
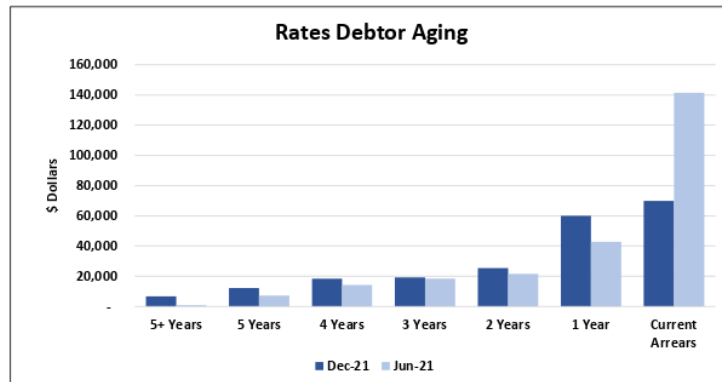


Treasury Compliance with Policy		
<u>Liquidity (Liquid Assets + Debt / Debt)</u>		
✓	Policy Limit > 115%	Actual 153%
<u>Finance Costs / Total Revenue</u>		
✓	Policy Limit < 20%	Actual 0.8%
<u>Finance Costs / Total Rates Revenue</u>		
✓	Policy Limit < 25%	Actual 2.1%
<u>Debt to Operating Revenue</u>		
✓	Policy Limit < 150%	Actual 37.0%

Central Hawkes Bay District Council
For the Period July 2021 - December 2021
Subsidies and grants for capital expenditure



Rates Outstanding



Non Rating Debtors includes Mayors Taskforce for Jobs \$287k (Trance 2 funding), Tararua District Council \$67k (Landfill Charges), Springhill Farm \$43k (Resource Consent), Ovation \$41k (Trade Waste), Kiwi Cans \$41k (Landfill Charges).

Rates - Lamberg Rating Sale approved by High Court. Otane Bowling Green - club dissolved, need to go through abandoned land process.

Central Hawkes Bay District Council
For the Period July 2021 - December 2021
 Month



Comprehensive Income and Expenditure Report

	YTD Actuals	YTD Budget	Bud Var	FLAG	Comments
Operating Income					
General rates, uniform annual general charges and rates penalties	7,699,657	7,694,246	5,411	!	Level of early rates discounts is up on previous year and budget, and rates penalties are down (first penalty date was during lock down and additional grace period was given resulting in lower penalties), offset by growth in the district.
Targeted rates	3,917,584	3,964,528	(46,944)	✖	Water Meter Rates revenue down on budget. Waipawa's second water read wasn't processed till January 2022
Subsidies and Grants (Operating and Capital)	14,350,497	9,617,076	4,733,421	✓	Unbudgeted external funding- 3 Waters Reform \$3.2m, Economic Development Work Creation \$2.25, Nga Tipuna \$0.3m, He Ringa Whanau Ora \$0.2m, offset by being \$1.2m behind in Land Transport across both PGF and day to day operations.
Fees, charges	3,282,441	2,676,316	606,125	✓	Resource Consents and Building Consents are up \$397k on budget collectively, landfill up \$250k, Tradewaste and water connections up \$24k, offset by Dog Registration down \$19k, Municipal Theatre down \$17k, Cemeteries \$3k, Libraries \$5k, Land Transport Charges \$10k.
Interest and dividends from investments	60,211	35,352	24,859	✓	Interest on additional Term Deposits we are holding
Development Contributions	223,193	1,223,238	(1,000,045)	✖	Lack of DC's invoiced YTD, mainly wastewater Capital Contribution. This driven largely by timing of invoicing in the development lifecycle. DC invoices issued at 22.4 stage (completion of subdivision). At the end of November 2021 there was \$759k of development contributions and \$753k of developer agreements too be billed, for consents issued under the new developmet contribution policy.
Other Income	176,072	124,464	51,608	✓	
TOTAL	29,709,654	25,335,220	4,374,434	✓	
Applications of Operating					
Payments to staff	3,537,373	3,623,316	85,943	!	Savings through vacancies and new LTP positions not yet filled
Payments to suppliers	13,893,891	9,516,080	(4,377,811)	✖	Unbudgeted Economic Recovery \$1.8m, Nga Ara Tipuna \$0.2m, Consenting \$0.4m, 3 Waters Reform \$1.8m, Landfill \$0.4m (Carbon Credits, Waste Minimisation)
Depreciation and Amortisation	6,033,160	6,347,838	314,678	!	Savings against budget - mainly 3 Waters and Land Transport due to the way our budget model treats revaluations
Finance costs	241,389	366,198	124,809	✓	Interest Savings due to locking in rates < 2.5% forecast in LTP
TOTAL	23,705,814	19,853,432	(3,852,382)	✖	
Operating Surplus/(Deficit)	6,003,841	5,481,788	522,053	✓	

Central Hawkes Bay District Council
For the Period July 2021 - December 2021



Funding Impact Statement Report

Sources of Operating	YTD Actuals	YTD Budget	Bud Var	FLAG	Comments
General rates, uniform annual general charges and rates penalties	7,690,657	7,694,248	5,411	🟡	Level of early rates discounts is up on previous year and budget, and rates penalties are down (first penalty date was during lock down and additional grace period was given resulting in lower penalties), offset by growth in the district.
Targeted rates	3,917,584	3,964,528	(46,944)	🔴	Water Meter Rates revenue down on budget. Waipawa's second water read wasn't processed till January 2022)
Subsidies and Grants for Operating Purposes	5,840,823	1,860,205	4,180,618	🟢	Unbudgeted external funding- 3 Waters Reform \$1.0m, Economic Development Work Creation \$2.25m, Nga Tipuna \$0.3m, He Ringa Whanau Ora \$0.2m, \$0.2m in Land Transport across both PGF and day to day operations.
Fees, charges	3,282,340	2,876,316	606,024	🟢	Resource Consents and Building Consents are up \$397k on budget collectively, landfill up \$250k, Tradewaste and water connections up \$24k, offset by Dog Registration down \$19k, Municipal Theatre down \$17k, Cemeteries \$3k, Libraries \$5k, Land Transport Charges \$10k.
Interest and dividends from investments	60,211	35,352	24,859	🟢	Interest on additional Term Deposits we are holding
Local authorities fuel tax, fines, infringement fees and other receipts	142,253	111,988	30,267	🟢	
TOTAL	20,942,867	16,142,613	4,800,254	🟢	
Applications of Operating					
Payments to staff	3,537,373	3,623,316	85,943	🟡	Savings through vacancies and new LTP positions not yet filled
Payments to suppliers	14,235,073	9,970,934	(4,264,139)	🔴	Unbudgeted Economic Recovery \$1.8m, Nga Ara Tipuna \$0.2m, Consenting \$0.4m, 3 Waters Reform \$1.8m, Landfill \$0.4m (Carbon Credits, Waste Minimisation)
Finance costs	241,389	342,306	100,917	🟢	Interest Savings due to locking in rates < 2.5% forecast in LTP
Other operating funding applications	(366,419)	(454,854)	(88,435)	🟢	
TOTAL	17,647,416	13,481,702	(4,165,714)	🔴	
Net Operating Cash Flows	3,295,451	2,660,911	634,540		

Central Hawkes Bay District Council
For the Period July 2021 - December 2021



Funding Impact Statement Report Continued

Sources of Capital	YTD Actuals	YTD Budget	Bud Var	FLAG	Comments
Subsidies and grants for capital expenditure	8,509,874	7,956,871	552,803	✓	3 Waters Stimulus Money \$1.9m offset by Land Transport Subsidies - mainly PGF
Gross proceeds from sale of assets	0	12,498	(12,498)	✗	Lack of Vehicle Sales - timing with first 2 vehicles sold in January 2022
Development and financial contributions	223,193	1,223,238	(1,000,045)	✗	Lack of DC's invoiced YTD, mainly wastewater Capital Contribution. This driven largely by timing of invoicing in the development lifecycle. DC invoices issued at 22.4 stage (completion of subdivision). At the end of November 2021 there was \$759k of development contributions and \$753k of developer agreements too to be billed, for consents issued under the new development contribution policy.
Increase (decrease) in debt	2,000,000	2,000,000	0	!	Borrowed \$2m, 364 days @ 1.25% pa
TOTAL	10,732,867	11,192,607	(459,740)		
Applications of Capital					
to meet additional demand	187,836	951,756	764,120		Under Budget in 3 Waters \$0.711m (mainly reticulation upgrades)
to improve the level of service	5,039,781	4,738,158	(301,623)	✗	Over 3 Waters \$1,131k (3 waters stimulus spend over \$2.4m, under in BAU \$1.3m), under Budget in Land Transport \$0.5m, Pound \$0.3m (phasing of budget)
to replace existing assets	9,479,827	11,457,460	1,977,933	✓	Land Transport \$1.4m under budget (primarily in PGF, minor events, and summer sealing program), 3 Waters \$70k (Drinking and Wastewater over, offset by storm water \$368k under), Recreation & Community Facilities \$250k (Mainly Parks, Retirement Housing, and Community Halls), Overhead Departments \$217k (mainly the digitalisation project and vehicle replacements - timing related)
Increase (decrease) in reserves	(68,140)	(34,386)	33,754	✗	
Increase (decrease) of investments	(10,500,000)	(2,526,093)	7,973,907	✗	Reduction in Term Deposits
TOTAL	4,138,804	14,586,895	10,448,091		
Net Capital Cash Flows	6,594,062	(3,394,288)	9,988,350		
Grand Total	9,889,513	(733,377)	10,622,890		

6.5 REVIEW OF TREASURY MANAGEMENT POLICY

File Number: COU1-1408

Author: Brent Chamberlain, Chief Financial Officer

Authoriser: Monique Davidson, Chief Executive

Attachments: 1. Treasury Policy Review [↓](#)

PURPOSE

The matter for consideration by the Finance and Infrastructure Committee is to consider the attached draft Treasury Policy (incorporating Investment and Liability policies) for adoption as recommended by Risk and Assurance.

RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report:

- a) That Finance and Infrastructure adopt the revised Treasury Policy (incorporating Investment and Liability policies).**

EXECUTIVE SUMMARY

Council's Treasury Management Policy was originally written by PriceWaterhouse Coopers in 2016. In the lead up to the Long Term Plan the policy was reviewed by officers, and the amendments were adopted by Council on the 24 September 2020.

Council has now employed Bancorp Treasury as its Treasury Advisors, and the first task assigned to them is to undertake a review of Council's existing Treasury Policies.

This task has now been completed with the resultant draft treasury policy attached. The main changes include an alteration to fixed/floating debt control limits, and the introduction of an investment matrix.

BACKGROUND

Council's Treasury Management Policy was originally written by PriceWaterhouse Coopers in 2016. In the lead up to the Long Term Plan the policy was reviewed by officers, and the amendments were adopted by Council on the 24 September 2020.

Council has now employed Bancorp Treasury as its Treasury Advisors, and the first task assigned to them is to undertake a review of Council's existing Treasury Policies.

In particular, Bancorp Treasury were asked to consider:

- Council's desired to review its Investment Strategy with the view of maximising non-rate payer income streams
- Council's debt strategy in light of expected rising interest rates, and the debt profile outlined in Council's Long Term Plan
- The possible impact that Central Governments 3 Waters Reform proposal would have on Council's debt if the proposal was to proceed

DISCUSSION

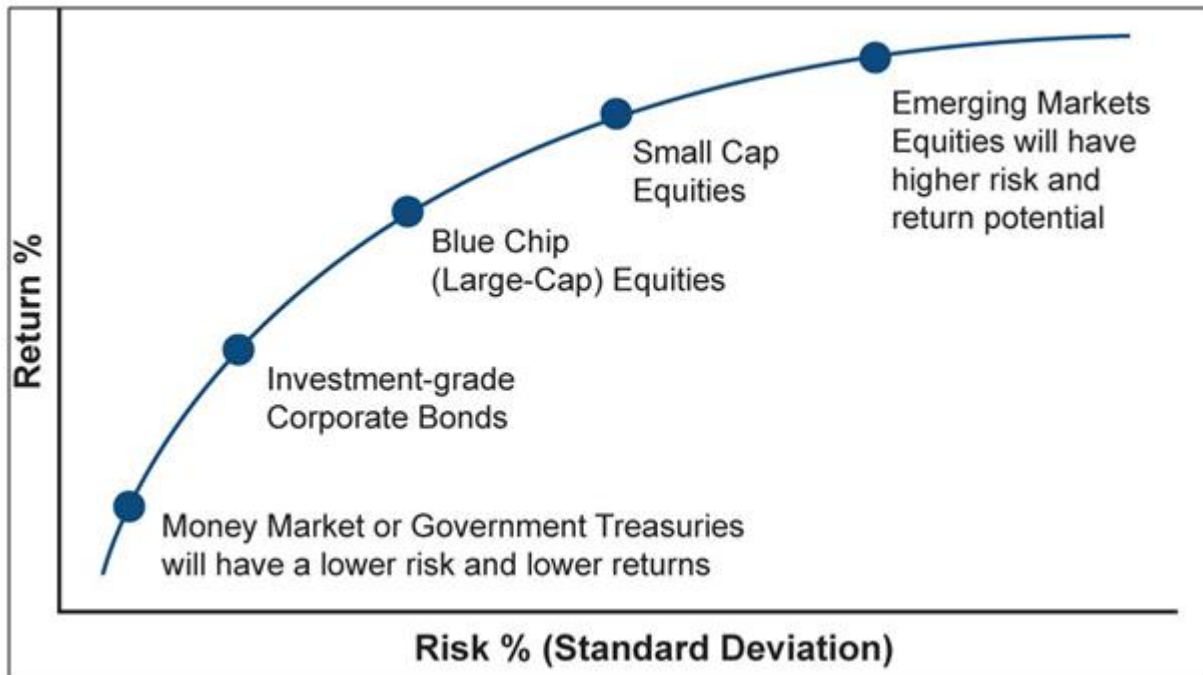
Due to the expected Debt profile contained in the Long Term Plan, Council has requested Officers engage professional treasury advice in order to minimise treasury risk.

Officers have also been asked to maximise non-rating revenue sources (including investment returns), in order to keep rate increases to a minimum.

Bancorp Treasury were engaged by Council to provide specialist treasury advice late July 2021.

Bancorp Treasury referred Officers to Eriksen Global for some specific investment advice. Eriksen Global provided Risk and Assurance a Strategic Investment Review paper on 16 September 2021 for consideration.

This paper prompted a debate about risk vs reward (see graph below).



The clear direction around the table was Council is investing public money and should be careful about chasing high rewards as they come with high risks.

That investing in equities was too far along the continuum, but greater use of corporate bonds should be considered.

Given much of Council's investments are already invested in internal debt, to move this investment to bonds Officers would need to replace the internal debt with external debt to recycle these funds. The benefit to the return would only be the margin between the internal debt rate of return and the bond rate of return, but Council would be inheriting 100% of the bond default risk. Therefore Councillors felt the additional return did not justify the additional risk at this time.

However, there is still a desire from Councillors at a future date to revisit investments in a wider context, and not just focusing on treasury management. In terms of this wider context Council needs to consider things such as its desire to create non-rates revenue, investment opportunities created by external funding (and in particular the transition of existing debt to the 3 Waters Entity C), and developing a wider carbon credit strategy.

Based on previous discussions, and the discussions held between Bancorp Treasury and Officers (which were all treasury focused), Bancorp have provided a marked up copy of Council's existing Treasury Policy for consideration (see attachment). Note that adopting amendment this does not preclude Council from revisiting investment strategies at a later date.

Most of the changes proposed are tidying up of wordings, the main substantive changes are:

1. Being more prescriptive about the use of fixed rate debt vs floating rate debt, with a maximum fixed rate duration added of 8 years. Currently a minimum of 50% of all debt must be fixed. Bancorp Treasury is proposing this be replaced with the following table:

Fixed/Floating Interest Rate Risk Control Limits		
	Minimum Fixed Rate	Maximum Fixed Rate
0 – 2 years	40%	100%
2 – 4 years	20%	80%
4 – 8 years	0%	60%

This change allows for greater flexibility than a single bucket approach, and will mean Council is better able to respond to future interest rate movements through the use of swaps (a financial instrument that allows the debt and interest rate fix mechanism to be decoupled – ie the fixing agreement is separate from the loan agreement and could be between different financial institutions).

- Council's existing policy lists the types of investments Council can undertake, and in a separate table lists the 3rd party counter risk limits (the maximum amount Council can invest with any single institution).

It proposed that this is replaced with the following table which lists the investment category type, the limit of each category it is allowed to hold, the minimum credit worthiness of each investment.

Authorised Asset Classes	Maximum limit as a Percentage of the Total Portfolio	Approved Financial Market Investment Instruments (must be denominated in NZ dollars)	Credit Rating Criteria – S&P (or Moody's or Fitch equivalents)	Limit for each issuer subject to overall portfolio limit for issuer class
New Zealand Government or Government Guaranteed	100%	Government Bonds Treasury Bills	Not Applicable	Unlimited
Rated Local Authorities	50%	Commercial Paper	S&P ST rating of 'A-1' or LT 'A-' or 'A'	\$2 million
		Bonds/MTNs/FRNs	S&P ST rating of 'A-1+' or LT 'A+' or better	\$4 million
Unrated local authorities where rates are used as security	25%	Bonds/MTNs/FRNs	Not applicable	\$2 million
New Zealand Registered Banks	100%	Call/Term Deposits	S&P ST rating of 'A-1' or LT 'A-' or 'A'	\$3 million
		Bonds/MTNs/FRNs	S&P ST rating of 'A-1+' or LT 'A+' or better	\$12 million
State Owned Enterprises	33%	Commercial Paper	S&P ST rating of 'A-1' or LT 'A-' or 'A'	\$2 million
		Bonds/MTNs/FRNs	S&P ST rating of 'A-1+' or LT 'A+' or better	\$4 million
Corporates	25%	Commercial Paper	S&P ST rating of 'A-1' or LT 'A-' or 'A'	\$1 million
		Bonds/MTNs/FRNs	S&P ST rating of 'A-1+' or LT 'A+' or better	\$2 million
Financials	25%	Commercial Paper	S&P ST rating of 'A-1' or LT 'A-' or 'A'	\$1 million
		Bonds/MTNs/FRNs	S&P ST rating of 'A-1+' or LT 'A+' or better	\$2 million

- Council's existing policy doesn't benchmark the effectiveness of Councils decision making (in relation to the average financing costs including hedging costs) against a predetermined marker.

It proposed to introduce the following benchmark so that Council can see the effectiveness of its policy settings and decision making:

Given the Fixed/Floating Interest Rate Risk Control Limits of this policy, the market benchmark (composite) indicator rate will be calculated as follows:

- 30% Average 90 day bill rate for reporting month.
- 10% 2 year swap rate at end of reporting month.

- 10% 2 year swap rate, 2 year ago.
- 10% 4 year swap rate at end of reporting month.
- 10% 4 year swap rate, 4 years ago.
- 15% 8 year swap rate at end of reporting month.
- 15% 8 year swap rate, 8 years ago.

The actual reporting benchmark is the 12 month rolling average of the monthly calculated benchmarks using the above parameters. This is compared to actual cost of funds, excluding all credit margins and fees.

Representatives from Bancorp Treasury attended the November Risk and Assurance committee and talked through the changes with that committee, and at the conclusion of the item the recommendation was:

“That Risk and Assurance recommend to Council the revised Treasury Policy (incorporating Investment and Liability policies) be recommended to Council for adoption.”

RISK ASSESSMENT AND MITIGATION

Risk mitigation is one of the main drivers for having a Treasury Management Policy. Two of the three material changes have a direct impact on Council's risk profile – interest rate risk, and investment failure risk. Both proposed changes are consistent with policies used by Bancorp Treasury's other Council clients.

FOUR WELLBEINGS

The decision in this report doesn't immediately change any budgets, but potentially changes the settings used to make debt and investment decisions in the future which will have a flow on impact to future budgets and economic wellbeing.

DELEGATIONS OR AUTHORITY

Finance and Infrastructure Committee has the delegation to approve this policy on behalf of Council.

SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as significant given any changes potentially change the Council's financial strategy contained in the Long Term Plan.

However the proposed draft changes to the policy do not materially change any of the settings contained in the Financial Strategy, or have any budgetary impacts.

OPTIONS ANALYSIS

Finance and Infrastructure has two options available to it:

1. That after receiving the proposed Treasury Management Policy, it can adopt the Treasury Management Policy.
2. That after receiving the proposed Treasury Management Policy, it can choose not to adopt the Treasury Management Policy and request further work on it be undertaken on the policy.

Recommended Option

This report recommends option number one, that Finance and Infrastructure adopts the draft Treasury Policy for addressing the matter.

NEXT STEPS

Officers will take the advice of Finance and Infrastructure on this matter.

Officers continue to work with Bancorp Treasury as their advisors to ensure that Council's treasury management is compliant with this policy, and will seek advice before and future debt drawdowns or investment decisions (outside of normal cash flow management) are made.

RECOMMENDATION

- a) That Finance and Infrastructure adopt the revised Treasury Policy (incorporating Investment and Liability policies).**



**CENTRAL
HAWKE'S BAY**
DISTRICT COUNCIL

Treasury Management Policy (including Investment and Liability Policies)

Adopted: 13 May 2021

Together we Thrive! E ora ngātahi ana!

Treasury Management Policy

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PURPOSE OF THIS POLICY

The purpose of the Treasury Management Policy ("Policy") is to outline approved policies and procedures in respect of all treasury activity to be undertaken by Central Hawke's Bay District Council ("Council"). The formalisation of such policies and procedures will enable treasury risks within Council to be prudently managed.

As circumstances change, the policies and procedures outlined in this Policy will be modified to ensure that treasury risks within Council continue to be well managed.

It is intended that the Policy be distributed to all personnel involved in any aspect of the Council's financial management. In this respect, all staff must be completely familiar with their responsibilities under the Policy at all times.

SCOPE AND OBJECTIVES OF THIS POLICY

Scope

- This document identifies the Policy of Council in respect of treasury management activities, incorporating both borrowing and investment activity.
- The Policy has not been prepared to cover other aspects of Council's operations, particularly transactional banking management, systems of internal control and financial management. Other policies and procedures of Council cover these matters.

Treasury Management Objectives

The objective of this Policy is to control and manage interest costs, investment returns and risks associated with treasury management activities, incorporating both borrowing and investment activity.

Statutory objectives

- All external borrowing, investments and incidental financial arrangements (e.g. use of interest rate hedging financial instruments) will meet requirements of the Local Government Act 2002 and incorporate the Liability Management Policy and Investment Policy.
- Council is governed by the following relevant legislation:
 - Local Government Act 2002, in particular Part 6 including sections 101, 102, 104, 105 and 113.
 - Local Government (Financial Reporting and Prudence) Regulations 2014, in particular Schedule 4.
 - Trustee Act 1956. When acting as a trustee or investing money on behalf of others, the Trustee Act highlights that trustees have a duty to invest prudently and that they shall exercise care, diligence and skill that a prudent person of business would exercise in managing the affairs of others.
- Council will not transact with any Council Controlled Trading Organisation (CCTO) on terms more favourable than those achievable by Council itself, without charging any rate or rates revenue as security.
- A resolution of Council is not required for hire purchase, credit or deferred purchase of goods if:
 - The period of indebtedness is less than 91 days (including rollovers); or
 - The goods or services are obtained in the ordinary course of operations on normal terms for amounts not exceeding in aggregate, 5.0% of the Council's consolidated annual operating budget for the year (as determined by Council's Significance and Engagement Policy).

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General objectives

- Ensure that all statutory requirements of a financial nature are adhered to.
- Minimise Council's costs and risks in the management of its external borrowings.
- Minimise Council's exposure to adverse interest rate movements.
- Arrange and structure external long-term funding for Council at a favourable margin and cost from debt lenders. Optimise flexibility and spread of debt maturity terms within the funding risk limits established by this Policy statement.
- Maintain appropriate liquidity levels and manage cash flows within Council to meet known and reasonable unforeseen funding requirements.

- Manage investments to optimise returns ~~in the long term~~ whilst balancing risk and return considerations.
- Develop and maintain relationships with financial institutions, brokers and ~~the~~ LGFA.
- Comply, monitor and report on borrowing covenants and ratios under the obligations of Council's lending/security arrangements.
- To minimise exposure to credit risk by dealing with and investing in credit worthy counterparties.
- Borrow funds, invest and transact risk management instruments within an environment of control and compliance.
- Monitor, evaluate and report on treasury performance.
- Ensure the Council, management and relevant staff are kept abreast of the latest treasury products, methodologies, and accounting treatments through training and in-house presentations.
- Ensure adequate internal controls exist to protect Council's financial assets and to prevent unauthorised transactions.

In meeting the above objectives, Council is, above all, a risk averse entity and does not seek risk in its treasury activities. Interest rate risk, liquidity risk, funding risk, investment risk or credit risk, and operational risks are all risks which Council seeks to manage, not capitalise on. Accordingly, activity which may be construed as speculative in nature is expressly forbidden.

Policy setting and management

Council approves Policy parameters in relation to its treasury activities. ~~The CFOE~~ has overall financial management responsibility for the Council's borrowing and investments, and related activities, ~~with oversight from the CE.~~

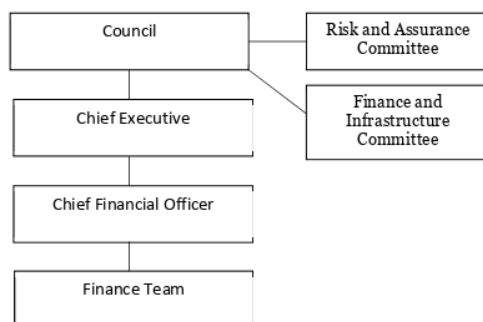
The Council exercises ongoing governance over its subsidiary companies (CCO/CCTO), through the process of approving the Constitutions, Statements of Intent, and the appointment of Directors/Trustees of these organisations.

Commented [MO2]: The CE should have oversight and the CFO the responsibility for the management of the risks

GOVERNANCE AND MANAGEMENT RESPONSIBILITIES

Overview of Management Structure

The following diagram illustrates those individuals and bodies who have treasury responsibilities. Authority levels, reporting lines and treasury duties and responsibilities are outlined in the following section:



Council

The Council has ultimate responsibility for ensuring that there is an effective Policy for the management of its [financial market](#) risks. In this respect the Council decides the level and nature of risks that are acceptable, given Council's statutory objectives [and risk tolerance](#).

The Council is responsible for approving the Policy. While the Policy can be reviewed and changes recommended by other persons, the authority to make or change Policy cannot be delegated.

In this respect, the Council has responsibility for:

- Approving the long-term financial position of Council through the Long Term Plan (LTP) and Financial Strategy along with the adopted Annual Plan.
- Approve and adopt the Liability Management and Investment Policies (the Treasury Management Policy).
- [Monitors and reviews the ongoing treasury risk management performance of the Council to ensure that the treasury function is operating in such a way as to ensure that the Council's strategic objectives are being met.](#)
- Approval for one-off transactions falling outside Policy.

Finance and Infrastructure Committee

Under delegation from Council:

- Monitor and review treasury activity through at least six monthly reporting, supplemented by exception reporting.

Risk and Assurance Committee

Under delegation from Council:

- Review formally, on a three yearly basis, the Treasury Management Policy document.
- Evaluate and recommend amendments to the Treasury Management Policy to Council.

Chief Executive Officer (CE)

While the Council has final responsibility for the Policy governing the management of treasury risks, it delegates overall responsibility for the day-to-day management of such risks to the ~~CE~~CFO. The CE has approval and monitoring responsibilities over the treasury function.

Commented [MO3]: AS before the CE does not have day to day management responsibility but should have oversight

Chief Financial Officer (CFO) and Finance Team

The CFO along with the Finance Team share the treasury tasks and responsibilities of the treasury function ensuring an adequate segregation of treasury duties and cross-checking of treasury activity. Oversight is maintained by the CE through regular reporting and approval delegations.

Commented [MO4]: The CFO has responsibility for the day to day management of the treasury activities

Commented [MO5]: Note that the CE has oversight here

Delegation of authority and authority limits

Treasury transactions entered into without the proper authority are difficult to cancel given the legal doctrine of "apparent authority". Also, insufficient authorities for a given bank account or facility may prevent the execution of certain transactions (or at least cause unnecessary delays).

To prevent these types of situations, Council's Delegations Register must be complied with at all times.

LIABILITY MANAGEMENT POLICY

Introduction

Council's liabilities are comprised of borrowings and various other liabilities. Council maintains external borrowings in order to:

- Raise specific debt associated with projects and capital expenditures.
- Raise finance leases for fixed asset purchases.
- Fund the balance sheet as a whole, including working capital requirements.
- Fund assets whose useful lives extend over several generations of ratepayers.

Borrowing provides a basis to achieve inter-generational equity by aligning long-term assets with long-term funding sources, and ensure that the cost are met by those ratepayers benefiting from the investment.

Borrowing limits

Debt will be managed within the following limits:

Item	Council Limit	LGFA Limit
Net External Debt / Total Revenue	<150%	<175%
Net Interest on External Debt / Total Revenue	<10%	<20%
Net Interest on External Debt / Annual Rates Income	<20%	<25%
Net Debt / Council Equity	<10%	
External, term debt + committed bank facilities + unencumbered cash/cash equivalents to existing external debt.	>115%	>110%

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- Total Revenue is defined as cash derived and earnings from rates, government capital grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes non-government capital contributions (e.g. developer contributions and vested assets).
- Net external debt is defined as total external debt less unencumbered cash/cash equivalents.
- The liquidity ratio is defined as external debt plus committed LGFA/bank facilities, plus unencumbered cash/cash equivalents divided by external debt.
- Net interest on external debt is defined as the amount equal to all interest and financing costs (on external debt) less interest income for the relevant period.
- Annual Rates Income is defined as the amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 (including volumetric water charges levied) together with any revenue received from other local authorities for services provided (and for which the other local authorities rate).
- Disaster recovery requirements, urgent financing of emergency-related works and services are to be met through the special funds and liquidity policy.

Asset management plans

In approving new debt Council considers the impact on its external borrowing limits as well as the economic life of the asset that is being funded and its overall consistency with Council's LTP and Financial Strategy.

Borrowing mechanisms

Council is able to externally borrow through a variety of market mechanisms including issuing ~~steek~~ bonds, commercial paper (CP), direct bank borrowing, accessing the short and long-term wholesale debt capital markets either directly or through the LGFA, or internal borrowing of reserve and special funds. In evaluating strategies for new borrowing (in relation to source, term, size and pricing) the following is taken into account:

- Council's projected debt requirements.

- The size and the economic life of the project.
- Available terms from banks, the LGFA and debt capital markets.
- Council's overall debt maturity profile, to ensure concentration of debt is avoided at reissue/rollover time.
- Prevailing interest rates and margins relative to term for debt issuance, the LGFA, debt capital markets and bank borrowing.
- The market's outlook on future interest rate movements as well as its own.
- Legal documentation and financial covenants considerations.
- Alternative funding mechanisms such as leasing should be evaluated with financial analysis in conjunction with traditional on-balance sheet funding. The evaluation should take into consideration, ownership, ~~term~~, redemption value and effective cost of funds.

Council's ability to readily attract cost effective borrowing is largely driven by its ability to rate, maintain a strong financial standing and manage its relationships with the LGFA, and financial institutions/brokers.

Security

Council's external borrowings and interest rate management instruments will generally be secured by way of a charge over rates and rates revenue offered through a Debenture Trust Deed. Under a Debenture Trust Deed, Council's borrowing is secured by a floating charge over all Council rates levied under the Local Government Rating Act. The security ~~offered-provided~~ by Council ranks all lenders equally ~~or pari-passu with other lenders~~.

From time to time, and with Council approval (or through an approved person as per the delegations register), security may be offered by providing a charge over one or more of Council's assets, where it is beneficial and cost effective to do so.

- Any internal borrowing will be on an unsecured basis.
- Any pledging of physical assets must comply with the terms and conditions contained within the Debenture Trust Deed.

Debt repayment

The funds from all asset sales, operating surpluses, grants and subsidies will be applied to specific projects or the reduction of debt and/or a reduction in borrowing requirements, unless the Council specifically directs that the funds will be put to another use.

Debt will be repaid as it falls due in accordance with the applicable borrowing arrangement. Subject to the appropriate approval and policy limits, a loan may be rolled over or re-negotiated as and when appropriate.

Council will manage debt on a portfolio basis and will only externally borrow when it is commercially prudent to do so.

Commented [SR6]: Need a special comment on this ?

Commented [MO 7R6]: Possibly could be expanded on but not sure of wording

Commented [SR8]: Do we need this ?

Commented [MO 9R8]: Agree not necessary

Guarantees/contingent liabilities and other financial arrangements

Council may act as guarantor to financial institutions on loans or enter into incidental arrangements for ~~organisations, clubs, trusts,~~ Council-controlled trading organisations or Business Units, when the purposes of the loan are in line with Council's strategic objectives.

~~Council will ensure that sufficient funds or lines of credit exist to meet amounts guaranteed. Guarantees given will not exceed any amount agreed by Council in aggregate. The Finance Team monitors guarantees and reports six-monthly to the CE.~~

Commented [MO10]: Should these be included as Council may not have any control over the management and therefore has an exposure it has no oversight/ management of

Commented [MO11]: Who has the responsibility to approve these loans

Internal borrowing of special funds

Special Funds must generally be used for the purposes for which they have been set aside. Council may, however, modify such purposes from time to time. Funds held in excess of the special funds requirement are held as ratepayers equity reserves, and can be utilised as needed. Recorded special fund balances must be used for their intended purpose.

~~Council maintains its funds in short term maturities emphasising counterparty credit worthiness and liquidity. The interest rate yield achieved on the funds therefore is a secondary objective~~

Commented [MO12]: This is too vague and needs to be defined – up to 1 year ?

Commented [RW13R12]: Define

Commented [SR14R12]: Is vague so remove

Any internal borrowing of equity reserves must be reimbursed for interest revenue lost.

The cost of internal borrowing is set by the Finance Team from time to time.

For reasons of cost distribution, records on internal borrowings will be maintained to ensure Funds are not disadvantaged.

New Zealand Local Government Funding Agency (LGFA) Limited

Despite anything earlier in this Policy, Council may borrow from the New Zealand Local Government Funding Agency Limited (LGFA) and, in connection with that borrowing, may enter into the following related transactions to the extent it considers necessary or desirable:

- Contribute a portion of its borrowing back to the LGFA as an equity contribution to the LGFA. For example borrower notes.
- Provide guarantees of the indebtedness of other local authorities to the LGFA and of the indebtedness of the LGFA itself.
- Commit to contributing additional equity (or subordinated debt) to the LGFA if required.
- Secure its borrowing from the LGFA and the performance of other obligations to the LGFA or its creditors with a charge over the Council's rates and rates revenue.
- Subscribe for shares and uncalled capital in the LGFA.

INVESTMENT POLICY

Introduction

Council generally holds investments for strategic reasons where there is some community, social, physical or economic benefit accruing from the investment activity. Generating a commercial return on strategic investments is considered a secondary objective. Investments and associated risks are monitored and managed, and reported at least six-monthly to the Finance and Services Committee. Specific purposes for maintaining investments include:

- For strategic and intergenerational purposes consistent with Council's LTP and AP.
- The retention of vested land.
- Holding short term investments for working capital and liquidity requirements.
- Holding assets (such as property and land parcels) for commercial returns.
- Provide ready cash in the event of a natural disaster. The use of which is intended to bridge the gap between the disaster and the reinstatement of normal income streams and assets.
- Invest amounts allocated to specific reserves.
- Invest funds allocated for approved future expenditure.
- Invest proceeds from the sale of assets.

Council recognises that as a responsible public authority all investments held, should be low risk, giving preference to conservative investment policies and avoiding speculative investments. Council also recognises that low risk investments generally mean lower returns.

To minimise raising external debt, Council can internally borrow from equity, reserves and investment funds, in the first instance to meet operational and capital spending requirements.

Policy

Council's general Policy on investments is that:

- Council may hold financial, property, and equity investments if there are strategic, commercial, and economic or other valid reasons.
- Council will keep under review its approach to all investments and the credit rating of approved creditworthy counterparties.

Mix of investments

Council maintains investments in the following assets:

- Equity investments
- Property investments
- Financial investments

Equity investments

It may be appropriate to have limited investment(s) in equity (shares) when Council wishes to invest for strategic, economic development or social reasons.

Council will approve equity investments on a case-by-case basis, if and when they arise.

Generally such investments will be (but not limited to) Council Controlled Trading Organisations (CCTO) or Council Controlled Organisations (CCO) to further district or regional economic development. Council does not invest in offshore entities.

Council reviews performance of these investments as part of the annual planning process to ensure that stated objectives are being achieved.

Any disposition of these investments requires approval by Council. Acquisition of new equity investments requires Council approval. The proceeds from the disposition of equity investments will be taken to the Capital Projects Fund.→

All income, including dividends, from Council's equity investments is included in general revenue.

Equity investment performance is reported to the Finance and Services Committee at least annually, along with the consideration of and approval of the Statement of Intent.

New Zealand Local Government Funding Agency Limited

Despite anything earlier in this Policy, Council may invest in shares and other financial instruments of the New Zealand Local Government Funding Agency Limited (LGFA), and may borrow to fund that investment.

Council's objective in making any such investment will be to:

- Obtain a return on the investment.
- Ensure that the LGFA has sufficient capital to remain viable, meaning that it continues as a source of debt funding for the Council.

As a borrower, Council's LGFA investment includes borrower notes.

Property investments

Council's primary reason to own property is to allow it to achieve its strategic objectives as stated in the LTP or deemed to be a core Council function. Council reviews property ownership through assessing the benefits of continued ownership in comparison to other arrangements which could deliver the same results. This assessment is based on the most financially viable method of achieving the delivery of Council services. Council generally follows similar assessment criteria in relation to new property investments.

Council may also hold investment properties that are not held for core function delivery purposes, where such a property is held for commercial returns (both rental returns and capital gains). Any purchase of investment properties must be approved by Council Resolution.

Council reviews the performance of its property investments at least annually and ensures that the benefits of continued ownership are consistent with its stated objectives. Council's policy is to dispose of any property that does not achieve a commercial return having regard to any restrictions on title or other requirements or needs to achieve Council objectives. All income, including rentals and ground rent from property investments is included in the consolidated revenue account. All rented or leased properties will be at an acceptable commercial rate of return so as to minimise the rating input, except where Council has identified a level of subsidy that is appropriate.

Proceeds from the disposition of property investments are used firstly in the retirement of related debt and then are credited to the Capital Projects Fund.

~~Council's investment in properties, other than reserves and those required for own occupation/core service delivery and infrastructural services, will not exceed 50% of total fixed assets in the land and building category.~~

Commented [SR15]: Lets confirm the 50% is still appropriate.

Commented [MO16R15]: Agree

Any purchased properties must be supported by a current registered valuation, substantiated by management including a fully worked capital expenditure analysis.

Financial investments

Objectives

Council's primary objectives when investing is the protection of its investment capital. Accordingly, Council may only invest in approved creditworthy counterparties. For financial investments (excluding equity and property investments) Council should only hold investments that are permissible with a underlying the parameters set out in Appendix A, credit rating of AA- or above. Credit ratings are monitored and reported at least six-monthly.

Commented [MO 17]: This is too restrictive need an investment matrix see end of document

Council's investment portfolio will be arranged to provide sufficient funds for planned expenditures and allow for the payment of obligations as they fall due. Council prudently manages liquid financial investments as follows:

- Any liquid investments must be restricted to a term that meets future cash flow and capital expenditure projections.
- Council may choose to hold specific reserves in cash and financial investments. Interest income relating to special reserves is allocated to those accounts annually based on the opening balance.
- Internal borrowing will be used wherever possible to minimise external borrowing.

Trust funds

Where Council hold funds as a trustee, or manages funds for a Trust, then such funds must be invested on the terms provided within the Trust Deed. If the Trust's Investment Policy is not specified, then this Policy should apply.

Commented [MO 18]: What sort of funds does this envisage managing – any equity investments if so then needs a policy

Investment management and reporting procedures

Council's policy for the management and reporting of investments includes:

- The legislative necessity to maintain efficient financial systems for the recording and reporting (inter alia) of:
 - All revenues and expenditures;
 - All assets and liabilities; and
 - The treatment and application of special funds.
- Adherence to Council's financial processes and delegations to Council's staff to invest surplus short-term funds and negotiate reinvestments, subject to the provision of adequate cash resources to meet normal expected cash demands;
- Treasury reporting is completed on at least a six-monthly basis.

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RISK RECOGNITION / IDENTIFICATION MANAGEMENT

The definition and recognition of liquidity, funding, investment, interest rate, counterparty credit, operational and legal risk of Council is detailed below and applies to both the Liability Management Policy and Investment Policy.

Interest rate risk on external borrowing

Risk recognition

Interest rate risk is the risk that funding costs (due to adverse movements in market wholesale interest rates) will materially exceed or fall short of projections included in the LTP or Annual Plan so as to adversely impact revenue projections, cost control and capital investment decisions.

The primary objective of interest rate risk management is to manage and reduce uncertainty relating to interest rate movements through fixing/hedging of interest costs. Certainty around interest costs is to be achieved through the management of underlying interest rate exposures.

Interest rate risk control limits

Exposure to interest rate risk is managed and mitigated through the risk control limits below. Council's forecast core external debt as determined by the CE in consultation with the CFO should be within the following fixed/floating interest rate risk control limits and will apply when forecast 12 month core debt exceeds \$10 million.

Core external debt is defined as gross external debt. When approved forecasts are changed, the amount of fixed rate protection in place may have to be adjusted to ensure compliance with the Policy minimums and maximums.

Fixed/Floating Interest Rate Risk Control Limits		
	Minimum Fixed Rate	Maximum Fixed Rate
0 – 2 years	40%	100%
2 – 4 years	20%	80%
4 – 8 years	0%	60%

Master Fixed / Floating Risk Control Limits	
Minimum Fixed Rate	Maximum Fixed Rate
50%	100%

- "Fixed Rate" is defined as an interest rate repricing date beyond 12-63 months forward on a continuous rolling basis.
- "Floating Rate" is defined as an interest rate repricing within 12-63 months.
- The percentages are calculated based on the rolling 12-month projected core debt levels calculated by management.

The fixed rate amount at any point in time should be within the following maturity bands:

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Fixed-Rate Maturity Limit

Fixed-Rate Maturity Limit		
Period	Minimum Hedge %	Maximum Hedge %
1 to 4 years	15%	100%
4+ years	0%	60%

— A fixed-rate maturity position that is outside the above limits, however self-corrects within 90 days is not in breach of this Policy. Maintaining a maturity profile beyond 90 days requires specific approval by Council.

- Any interest rate swaps with a maturity beyond 10-8 years must be approved by Council.
- Hedging outside the above risk parameters must be approved by Council.
- At all times these instruments must be used within the context of the prudent financial objectives of Council's treasury function.

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Approved financial instruments

Approved financial instruments (which do not include shares or equities) are as follows:

Category	Instrument
Cash management and borrowing	<p>Bank overdraft</p> <p>Committed cash advance and bank/LGFA accepted bill facilities</p> <p>Loan stock/bond issuance</p> <ul style="list-style-type: none"> Floating Rate Note (FRN) Fixed Rate Note (Medium Term Note/Bond) Commercial paper (CP)/Promissory notes
Financial investments – no more than 12-month term (except for LGFA borrower notes, investments linked to debt pre-funding and bank bonds)	<p>Bank call/term deposits</p> <p>Bank registered certificates of deposit (RCDs)</p> <p>Secured/unsecured senior bank bonds for terms up to 5-years</p> <p>LGFA borrower notes Refer to Appendix A.</p>
Interest rate risk management	<p>Forward rate agreements ("FRAs") on:</p> <ul style="list-style-type: none"> Bank bills <p>Interest rate swaps including:</p> <ul style="list-style-type: none"> Forward start swaps Start date < 24 months, unless linked to existing maturing swaps Swap maturity extensions and shortenings <p>Interest rate options on:</p> <ul style="list-style-type: none"> Bank bills (purchased caps and one for one collars) Interest rate swaptions (purchased swaptions and one for one collars only)
Foreign exchange management	<ul style="list-style-type: none"> Spot foreign exchange Forward exchange contracts (including par forwards)
Carbon price risk management	<ul style="list-style-type: none"> New Zealand Units (NZUs) and Assigned Amount Units (ZAAUs) Emission Reduction Units (ERUs), Certified Emission Reduction Units (CERs), Removal Units (RMUs) – until such time as inadmissible on the NZ Emission Trading Scheme (ETS)

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Commented [SR21R20]: OK with this as focus is on net debt - will discuss

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Any other financial instrument must be specifically approved by the Council on a case-by-case basis and only be applied to the one singular transaction being approved.

Liquidity risk/funding risk

Risk recognition

Cash flow deficits in various future periods based on long term financial forecasts are reliant on the maturity structure of cash, short-term financial investments, loans and bank facilities. Liquidity risk management focuses on the ability to access committed funding at that future time to fund the gaps. Funding risk management centres on the ability to re-finance or raise new debt at a future time at acceptable pricing (fees and borrowing margins) and maturity terms of existing loans and facilities.

A key factor of funding risk management is to spread and control the risk to reduce the concentration of risk at one point in time so that the overall borrowing cost is not unnecessarily increased and desired maturity profile compromised due to changing market conditions or unexpected credit events.

Liquidity/funding risk control limits

To ensure funds are available when needed Council ensures that:

- There is sufficient available operating cash flow, liquid investments (cash/cash equivalents) and unused committed bank facilities to meet cash flow requirements between rates instalments as determined by the Finance Team.
- For liquidity purposes Council maintains the following:
External term debt plus committed bank facilities, plus unencumbered cash/cash equivalents to existing external debt of at least 115%.
Unencumbered liquid financial investments (cash/cash equivalents) used for liquidity management purposes are to not have a maturity term greater than 30 days.
- Council has the ability to pre-fund up to 12 months forecast debt requirements including re-financings.
- The CE-CFO after consulting with the CE has the discretionary authority to re-finance existing external debt.
- Council will only borrow from strongly rated banks with a minimum long-term credit rating of at least "A+" (S&P, or equivalent Fitch or Moody's rating).
- The maturity profile of the total committed funding in respect to all external term debt and committed bank facilities is to be controlled-managed by the following control system. No more than the greater of \$10m, or 35% of Councils total debt can mature in any 12 month rolling period.

A funding maturity profile that is outside the above limits, however self-corrects within 90 days is not in breach of this Policy. Maintaining a maturity profile beyond 90 days requires specific approval by Council.

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Counterparty credit risk

Counterparty credit risk is the risk of losses (realised or unrealised) arising from a counterparty defaulting on a derivative financial instrument where the Council is a party. -The credit risk to Council in a default event will be weighted differently depending on the type of instrument entered into.

Credit risk will be regularly reviewed by the Finance and Services Committee at least six-monthly. Treasury related transactions would only be entered into with approved counterparties.

Counterparties and limits are only approved on the basis of the following Standard & Poor's (S&P, or equivalent Fitch or Moody's rating) long and short-term credit ratings matrix for NZ Registered Banks of AA- /AA-1. Limits should be spread amongst a number of counterparties to avoid concentrations of credit exposure.

exposure.

Counterparty / Issuer	Minimum S&P long term / short term credit rating	Investments maximum per counterparty (\$m)	Risk management instruments maximum per counterparty (\$m)	Total maximum per counterparty (\$m)
NZ Government	N/A	Unlimited	None	Unlimited
Local Government Funding Agency (LGFA)	AA-/AA-1	10.0	5.0	15.0
NZ Registered Bank	AA-/AA-1	10.0 (with the exception of Council's transactional bank which may exceed this for up to 5 working days)	5.0	15.0

Credit ratings should be reviewed by the Finance Team on an ongoing basis and in the event of material credit downgrades should be immediately reported to the CE and assessed against exposure limits. Counterparties exceeding limits should be reported to the Council.

Exposures to each counterparty are calculated and reported as follows:

- Interest rate contracts - determined by adding 3% of the notional 'face' value of the contract to its mark-to-market valuation. If this sum is negative (i.e. the instrument is substantially 'out of the money'), there is no counterparty credit exposure on the contract.
- Foreign exchange contracts - determined by multiplying the notional value of outstanding transactions by 10%.

Risk management

To avoid undue concentration of exposures, financial instruments should be used with as wide a range of approved counterparties as possible. The approval process must take into account the

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liquidity of the market and prevailing market conditions the instrument is traded in and repriced from.

Foreign currency

Council has minor foreign exchange exposure through the occasional purchase of foreign exchange denominated services, plant and equipment.

All individual commitments over NZ\$100,000 equivalent are hedged using approved foreign exchange instruments, once expenditure is approved, legal commitment occurs and the purchase order is placed, exact timing, currency type and amount are known. Only approved foreign exchange instruments are used.

Council shall not borrow or enter into incidental arrangements, within or outside New Zealand, in currency other than New Zealand currency. Council does not hold investments denominated in foreign currency.

Emissions Trading Scheme (ETS)

The objective of the ETS carbon credit policy is to minimise the financial impact of carbon price movements on Council's forward carbon liability. The objective requires balancing Council's need for price stability with the benefit of realising market opportunities to reduce costs as they arise. ETS is risk managed on a case-by-case basis, with any strategy approved by the CE.

Operational risk

Operational risk is the risk of loss as a result of human error (or fraud), system failures and inadequate procedures and controls. Detailed controls and procedures are agreed between the CE and CFO on an annual basis.

Legal risk

Legal risks relate to the unenforceability of a transaction due to an organisation not having the legal capacity or power to enter into the transaction usually because of prohibitions contained in legislation.

Council will seek to minimise this risk by adopting Policy regarding:

- The use of standing dealing and settlement instructions (including bank accounts, authorised persons, standard deal confirmations, contacts for disputed transactions) to be sent to counterparties.
- The matching of third party confirmations and the immediate follow-up of anomalies.

The use of expert advice.

Agreements

Financial instruments can only be entered into with **approved** banks that have in place an executed ISDA Master Agreement with Council. All ISDA Master Agreements for financial instruments and carbon units must be signed under seal by Council.

Financial covenants and other obligations

Council must not enter into any transactions where it would cause a breach of financial covenants under existing contractual arrangements. Council must comply with all obligations and reporting requirements under existing bank funding facilities, LGFA, Trustee and legislative requirements.

MEASURING TREASURY PERFORMANCE

In order to determine the success of Council's treasury management function, the following benchmarks and performance measures have been prescribed.

Those performance measures that provide a direct measure of the performance of treasury staff are to be reported to the Finance and Services Committee on, at least, a six-monthly basis.

Management	Performance
Operational performance	<ul style="list-style-type: none">• All Policy limits must be complied with, including (but not limited to) counterparty credit limits, control limits and exposure limits.• All treasury deadlines are to be met, including reporting deadlines.
Management of debt and interest rate risk (borrowing costs)	<ul style="list-style-type: none">• The actual borrowing cost (taking into consideration any costs/benefits of entering into interest rate management transactions) should be below the budgeted YTD/annual interest cost amount.• <u>Interest rate risk management compared to a policy derived benchmark.</u>
Treasury investment returns	<ul style="list-style-type: none">• The actual investment income should be above the budgeted YTD/annual interest income amount.

CASH MANAGEMENT

The Finance Team has responsibility to manage the day-to-day cash and short-term cash management activities of Council. The Finance Team prepares rolling cash flow and debt forecasts to manage Council's cash management and borrowing requirements. The overdraft facility is utilised as little as practical with any operational surpluses prudently invested.

REPORTING

When budgeting interest costs and investment returns, the actual physical position of existing loans, investments, and interest rate instruments **including all fees** must be taken into account.

Treasury reporting

Regular treasury reporting on **at least a quarterly basis is to be provided to six monthly is provided to the Finance Risk and Assurance & Infrastructure Committee. The reports should contain the following.**

- **Total debt facility utilisation, including any debt sourced from a bank, the capital markets and the LGFA.**
- **Interest rate maturity profile against percentage hedging limits.**
- **New hedging transactions completed - interest rate risk management.**
- **Weighted average cost of funds.**
- **Funding profile against the policy limits.**
- **Liquidity profile against the policy limits.**
- **Details of financial market investments held including, type of instrument, nominal amount, maturity date and interest rate.**
- **Exception reporting as required.**
- **Summary of any unresolved exception reports.**
- **Statement of policy compliance.**
- **Commentary on economic conditions and the debt markets.**

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Accounting treatment of financial instruments

Council uses financial arrangements ("derivatives") for the primary purpose of reducing its financial risk to fluctuations in interest rates.

Under New Zealand Public Benefit Entity (PBE) International Public Sector Accounting Standards (IPSAS) **hedge accounting** changes in the fair value of derivatives go through the Statement of Comprehensive Revenue and Expense unless derivatives are designated in an effective hedge relationship.

Council's principal objective is to manage Council's interest rate risks within approved limits and chooses not to hedge account. Council accepts that the marked-to-market gains and losses on the revaluation of derivatives can create potential volatility in Council's financial accounts.

The Finance Team is responsible for advising the CE of any changes to relevant New Zealand Public Sector PBE Standards which may result in a change to the accounting treatment of financial arrangements.

All derivative instruments must be revalued (marked-to-market) at least six-monthly for reporting purposes.

Benchmarking

The Finance Team has Council discretion to manage debt and interest rate risk within policy control limits. Thus the actual funding rate achieved must be compared against an appropriate external benchmark interest rate that assumes a risk neutral position within policy. In this respect, a risk

neutral position is always precisely at the mid-point of the minimum and maximum control limits specified in the policy.

Given the Fixed/Floating Interest Rate Risk Control Limits of this policy, the market benchmark (composite) indicator rate will be calculated as follows:

- 30% Average 90 day bill rate for reporting month.
- 10% 2 year swap rate at end of reporting month.
- 10% 2 year swap rate, 2 year ago.
- 10% 4 year swap rate at end of reporting month.
- 10% 4 year swap rate, 4 years ago.
- 15% 8 year swap rate at end of reporting month.
- 15% 8 year swap rate, 8 years ago.

The actual reporting benchmark is the 12 month rolling average of the monthly calculated benchmarks using the above parameters. This is compared to actual cost of funds, excluding all credit margins and fees.

Compliance with the Reporting against benchmarking standard is not required if debt is less than \$10 million.

POLICY REVIEW

The Policy is to be formally reviewed on a triennial basis in conjunction with the LTP.

The CFO has the responsibility to prepare the annual review report (following the preparation of annual financial statements) that is presented to the CE. The report will include:

- Recommendation as to changes, deletions and additions to the Policy.
- Overview of the treasury function in achieving the stated treasury objectives and performance benchmarks.
- Summary of breaches of Policy and one-off approvals outside Policy. —

Council receives the report, approves Policy changes and/or rejects recommendations for Policy changes. The Policy review should be completed and presented to the Council, through the Finance and Services Committee within five months of the financial year-end.

APPENDIX A: AUTHORISED INVESTMENT CRITERIA

Authorised Asset Classes	Maximum limit as a Percentage of the Total Portfolio	Approved Financial Market Investment Instruments (must be denominated in NZ dollars)	Credit Rating Criteria – S&P (or Moody's or Fitch equivalents)**	Limit for each issuer subject to overall portfolio limit for issuer class
New Zealand Government or Government Guaranteed	100%	Government Stock Treasury Bills	Not Applicable	Unlimited
Rated Local Authorities	50%	Commercial Paper	S&P ST rating of 'A-1' or LT 'A-' or 'A'	\$2 million
		Bonds/MTNs/FRNs	S&P ST rating of 'A-1+' or LT 'A+' or better	\$4 million
Unrated local authorities where rates are used as security	25%	Bonds/MTNs/FRNs	Not applicable	\$2 million
New Zealand Registered Banks	100%	Call/Term Deposits	S&P ST rating of 'A-1' or LT 'A-' or 'A'	\$3 million
		Bonds/MTNs/FRNs	S&P ST rating of 'A-1+' or LT 'A+' or better	\$120 million
State Owned Enterprises	33%	Commercial Paper	S&P ST rating of 'A-1' or LT 'A-' or 'A'	\$2 million
		Bonds/MTNs/FRNs	S&P ST rating of 'A-1+' or LT 'A+' or better	\$4 million
Corporates	25%	Commercial Paper	S&P ST rating of 'A-1' or LT 'A-' or 'A'	\$1 million
		Bonds/MTNs/FRNs	S&P ST rating of 'A-1+' or LT 'A+' or better	\$2 million

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Central Hawke's Bay District Council

Financials	25%	Commercial Paper	S&P ST rating of 'A-' or LT 'A-' or 'A'	\$1 million
		Bonds/MTNs/FRNs	S&P ST rating of 'A-1+' or LT 'A+' or better	\$2 million

Procurement Policy
ADOPTED: 13th May 2021

E ora ngātahi ana! ¹

6.6 ADOPTION OF FEES AND CHARGES 2022/23

File Number:

Author: Brent Chamberlain, Acting Chief Financial Officer

Authoriser: Monique Davidson, Chief Executive

Attachments: 1. Fees and Charges Schedule 2022/2023 [↓](#)

PURPOSE

The matter for consideration by the Committee is the adoption of the Fees and Charges for 2020/21.

RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report:

1. That the Finance and Infrastructure Committee recommend to Council the adoption of the Fees and Charges for the financial year dated 2022/23 as set out in Attachment 1.
2. That in making this recommendation, note that Council give notice pursuant to Section 103 of the Local Government Act 2002 of its intention to prescribe the fees payable for the period 1 July 2022 to 30 June 2023 in respect of certificates, authorities, approvals, consents, and services given or inspections made by the Council under the Local Government Act 2002, the Building Act 2004, the Building (Infringement Offences, Fees, and Forms) Regulations 2007, the Amusement Devices Regulations 1978, the Resource Management Act 1991, Health (Registration of Premises) Regulations 1966, Sale and Supply of Alcohol (Fees) Regulations 2013, the Gambling Act 2003, the Burial and Cremation Act 1964, and the Central Hawke's Bay District Council Bylaws as set out in the Fees and Charges Schedule 2022/23.
3. That in making this recommendation, note that Council give notice pursuant to Section 103 of the Local Government Act 2002 of its intention to prescribe the fees payable relating to the solid waste activity as set out in the Fees and Charges Schedule 2022/23 be effective from 6th April 2021.

BACKGROUND

As part of the Annual Plan, Council Officers have reviewed the Schedule of Fees and Charges as part of the Annual Plan budgetting process.

The fees and charges noted in the schedule for 2022/23 relate to certificates, approvals, consents, and services given or inspections made by the Council under the Local Government Act 2002, the Building Act 2004, the Building (Infringement Offences, Fees, and Forms) Regulations 2007, the Amusement Devices Regulations 1978, the Resource Management Act 1991, Health (Registration of Premises) Regulations 1966, Sale and Supply of Alcohol (Fees) Regulations 2013, the Gambling Act 2003, the Burial and Cremation Act 1964, and the Central Hawke's Bay District Council Bylaws as set out in the Schedule of Fees and Charges 2022/23.

Council is required under Section 103 of the Local Government Act 2002, to give notice of its fees and charges payable for the period 1 July 2020 to 30 June 2021 as part of the Revenue and Financing Policy.

DISCUSSION

As part of the review of fees and charges, Officers have considered whether Revenue and Financing Policy is being met and therefore, whether a change in fees and charges was required.

For the majority of fees and charges, officers are recommending either no change or an inflationary adjustment to be made.

Where the activity is not recovering sufficient costs and isn't currently fully meeting the Revenue and Financing Policy, the fee increases being proposed exceed inflation. This is the case for Solid Waste where pricing has been influenced by the Emissions Trading Scheme and the price of Carbon Credit Units. Given that the obligations under the Emissions Trading Scheme are based on a calendar year, rather than Council's financial year, the revised fees and charges relating to the solid waste activity need to come into place from the 1st April 2021 otherwise Council will not be collecting the correct Carbon Credit income to meet its expected carbon credit liability at the end of the year.

In addition the National Waste Levy will increase from \$20 to \$30 per tonne in July. This will result in an increase in landfill gate fees which will be passed through to commercial users, and also necessitate an increase in fees and charges at the transfer station for refuse and the price of refuse bags. The pricing impact of these changes will be reported to a later Council meeting.

The Retirement Housing Rental planned changes were delayed by Covid Restrictions in 2021, and will not be amended again till September 2022 (being 12 months from the last increase).

Some of our Council's Fees and Charges are set by regulations, or are influenced by Central Government policy. The charges in these areas are largely out of Council's hands and have seen some of the larger increases year on year.

RISK ASSESSMENT AND MITIGATION

Officers have been mindful to, where possible, keep increases to inflation.

However, Officers have also tried to ensure that Council's Revenue and Financing Policy has been adhered to ensuring that the charges for activities follow the benefit and beneficiary of the activity, rather than falling on the general ratepayer.

Officers have also been mindful of the various pieces of legislation governing the various Council activities, to ensure that Council is in adherence with these pieces of legislation with these proposed changes.

FOUR WELLBEINGS

Fees and Charges have been set with the affordability of the end-user and local economy in mind, while at the same time ensuring that the charges for activities follow the benefit and beneficiary of the activity, rather than falling on the general ratepayer.

Some of the fees and charges (such as those in the solid waste area) have been influenced by Central Government Policies, where New Zealand is a participant in the Paris Climate Agreement and has agreed to reduce its carbon dioxide emissions. This is being done through a Carbon Emissions Trading Scheme where polluters are being encouraged to reduce emissions through price.

DELEGATIONS OR AUTHORITY

Council has the ability to set its fees and charges under the Local Government Act 2002, the Building Act 2004, the Building (Infringement Offences, Fees, and Forms) Regulations 2007, the Amusement Devices Regulations 1978, the Resource Management Act 1991, Health (Registration of Premises) Regulations 1966, Sale and Supply of Alcohol (Fees) Regulations 2013, the Gambling Act 2003, the Burial and Cremation Act 1964, and the Central Hawke's Bay District Council Bylaws. The Finance and Infrastructure Committee are considering this report, with the intent to recommend to Council for adoption at Council meeting on 6 April 2022.

SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as significant because it has a material impact on the Council's abilities to deliver the services included in the Long Term Plan.

OPTIONS ANALYSIS

Council has three options.

Option 1 is to recommend the approval of the Fees and Charges for the financial year dated 2022/23 as set out in Attachment 1.

Option 2 is to retain the current fee structure.

Option 3 is to ask for more work to be done on the proposed fees and charges structure, and for this to come back to a future Council meeting for adoption.

	<u>Option 1</u> Adopt Proposed Fees and Charges as set out in Attachment 1.	<u>Option 2</u> Retain Current Fee Structure.	<u>Option 3</u> Request Rework on Proposed Fees and Charges.
Financial and Operational Implications	This option ensures that Council is able to meet the budgets within the Annual Plan.	This option will see Council under recover costs in some areas, and is likely to result in an overall deficit at year end.	This option ensures that Council is able to meet the budgets within the Annual Plan, but will require additional officer time.
Long Term Plan and Annual Plan Implications	This is consistent with the Annual Plan 2022/23.	This is unlikely to meet the Annual Plan 2022/23.	This is consistent with the Annual Plan 2022/23.
Promotion or Achievement of Community Outcomes	This aligns with the Council's Community Outcomes.	This aligns with the Council's Community Outcomes.	This aligns with the Council's Community Outcomes.
Statutory Requirements	Council is required to adopt the Fees and Charges prior to charging the fees based on the legislative requirements that the Fees and Charges are set under.	Council is required to adopt the Fees and Charges prior to charging the fees based on the legislative requirements that the Fees and Charges are set under.	Council is required to adopt the Fees and Charges prior to charging the fees based on the legislative requirements that the Fees and Charges are set under.
Consistency with Policies and Plans	This aligns with the Council's Community Outcomes and Central Government's Policies.	This could cause breaches of Council's Revenue and Financing Policy, and won't be consistent with Central Government's messaging.	This aligns with the Council's Community Outcomes and Central Government's Policies.

Recommended Option

This report recommends Option 1 to adopt the proposed Fees and Charges as set out in Attachment 1. for addressing the matter.

NEXT STEPS

Following the approval of the Schedule for Fees and Charges, from the 1st July 2022, the Fees and Charges will be updated on all forms and on the website.

RECOMMENDATION

1. That having considered all matters raised in the report:
2. That the Finance and Infrastructure Committee recommend to Council the adoption of the Fees and Charges for the financial year dated 2022/23 as set out in Attachment 1.
3. That in making this recommendation, note that Council give notice pursuant to Section 103 of the Local Government Act 2002 of its intention to prescribe the fees payable for the period 1 July 2022 to 30 June 2023 in respect of certificates, authorities, approvals, consents, and services given or inspections made by the Council under the Local Government Act 2002, the Building Act 2004, the Building (Infringement Offences, Fees, and Forms) Regulations 2007, the Amusement Devices Regulations 1978, the Resource Management Act 1991, Health (Registration of Premises) Regulations 1966, Sale and Supply of Alcohol (Fees) Regulations 2013, the Gambling Act 2003, the Burial and Cremation Act 1964, and the Central Hawke's Bay District Council Bylaws as set out in the Fees and Charges Schedule 2022/23.
4. That in making this recommendation, note that Council give notice pursuant to Section 103 of the Local Government Act 2002 of its intention to prescribe the fees payable relating to the solid waste activity as set out in the Fees and Charges Schedule 2022/23 be effective from 6th April 2021.

Administration

1 July 2022 to 30 June 2023

Administration Fees and Charges approved for 1 July 2022 to 30 June 2023.

All fees and charges are inclusive of GST (except as noted *).

Council Chamber	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Note: Non-Council organisations and clubs using the Council Chamber will be charged \$30.00 per hour with a minimum charge of \$60.00. This includes the use of the kitchen and crockery.		
Minimum Charge	\$60.00	\$60.00
Hourly Charge	\$30.00	\$30.00

Photocopying	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Note: Note: there is no discount if the customer supplies their own paper		
A4 Single Sided per sheet	\$0.20	\$0.20
A4 Double Sided per sheet	\$0.40	\$0.40
A4 Colour Single Sided	\$1.50	\$1.50
A3 Single Sided per sheet	\$0.40	\$0.40
A3 Double Sided per sheet	\$0.80	\$0.80
A3 Colour Single Sided	\$3.00	\$3.00
A2 Single Sided per sheet (Council Office Only)	\$2.50	\$2.50
A1 Single Sided per sheet (Council Office Only)	\$5.00	\$5.00
A4 Scanning for first page	\$1.00	\$1.00
A4 Scanning for extra pages	\$0.20	\$0.20

Photocopying	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
A1 and A2 Scanning to USB drives only (Council Office Only)	\$10.00	\$10.00

Laminating	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
A4 size	\$2.00	\$2.00
A3 size	\$4.00	\$4.00

Animal Control

1 July 2022 to 30 June 2023

Animal Control Fees and Charges approved for 1 July 2022 to 30 June 2023.

All fees and charges are inclusive of GST (except as noted *).

Dog Registration	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Note: Proportionate fees apply for dog registration from 1st August for all dogs legally required to be registered from that date and pups that turn 3 months of age after that date.		
Town Dogs	\$108.00	Delete
Town Dogs on or before 1 August		\$110.00
Town Dogs after 1 August		\$165.00
Responsible Dog Owner	\$71.50	Delete
Responsible Dog Owner on or before 1 August		\$73.00
Responsible Dog Owner after 1 August		\$109.50
Rural Dogs	\$51.00	Delete
Rural Dogs on or before 1 August		\$52.00
Rural Dogs after 1 August		\$78.00
Working Dogs (As per Dog Control Act 1996)	\$51.00	Delete
Working Dogs (as per Dog Control Act 1996) on or before 1 August		\$52.00
Working Dogs (as per Dog Control Act 1996) after 1 August		\$78.00
Responsible Dog Owner Property Inspection for first time Application	\$50.00	\$50.00
Transfer of Selected Owner Policy (Responsible Dog Owner) or more than two dogs permit from another district	\$25.00	\$25.00

Dog Registration	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Gold Card Dog Owner (Early Bird Discount does not apply and not available after 1st August 2021)	\$45.00	\$50.00
Dangerous/Menacing Dog	150% of the applicable registration category	150% of the applicable registration category
Penalty for payment received after 1 August	50% of standard registration fee	50% of standard registration fee
Dog Impounding		
First impounding	\$75.00	\$75.00
Second impounding	\$90.00	\$90.00
Third impounding	\$130.00	\$130.00
Daily charge	\$16.00	\$16.00
After hours opening fee	\$50.00	\$50.00
Costs associated with, but not limited to, vet treatment, supplementary feeding or whelping		Actual Cost
Housing dog at other facilities (if required) - veterinary clinics, boarding kennels		Actual Cost
Other Charges		
Microchipping	\$25.00	\$25.00
Replacement tags	\$5.00	\$12.00
Collars - Large	\$10.00	\$10.00
Collars - Small	\$10.00	\$10.00
Rehoming fee	\$230.00	\$230.00
Application to keep more than two dogs	\$50.00	\$50.00

Dog Registration	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Voluntary Handover (surrender dog)	\$40.00	\$40.00
Seizure fee	\$80.00	\$100.00
Officer time	\$80.00	\$120.00
Ranging Charges		
Note: Pursuant to the Impounding Act 1955		
Staff attendance at incidents of stock on roads including State Highways (per hour)	\$250.00	\$250.00
Travel costs (per km)	\$1.00	\$1.10
Minimum charge	\$100.00	\$100.00

Impounding fees for stock (excluding dogs)	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Note: Trespass rates shall be additional and as described in the Regulation to the Impounding Amendment Act 1980.		
Impounding for every animal per day	\$20.00	\$20.00
Sustenance for every animal per day	\$16.00	\$16.00
Notice to owner by post or delivery	\$15.00	\$15.00
Notice to owner by advertisement[s]	At cost	Actual Cost
Transport to Pound [By transport operators or other]	At cost	Actual Cost
Transport to Pound [By Council]	At cost	Actual Cost
Transport to Pound [By droving]	At cost	Actual Cost
Minimum charge for any impounding	\$200.00	\$200.00

Impounding fees for stock (excluding dogs)	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Minimum Charge for second and subsequent impounding of stock from same owner - additional fee.	\$250.00	\$250.00

Bylaws and Compliance	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Attendance at bylaw breaches	\$200.00	\$200.00
Travel Costs (per km)	\$1.10	\$1.10
Minimum Charge	\$200.00	\$200.00

Building

1 July 2022 to 30 June 2023

Building Fees and Charges approved for 1 July 2022 to 30 June 2023.

All fees and charges are inclusive of GST (except as noted *).

Building Fees	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Note: The actual fee payable includes the cost of time taken to process each application, project information memorandum, building consent or compliance schedule and the cost of the inspections required.		
Note: Extra charges may be applicable for development levies. These will be assessed on a case by case basis. Please contact Council for exact costs.		
Note: Levies payable to the Ministry of Business, Innovation and Employment (payable on all applications where work is valued over \$20,444 including GST)		
Note: Levies payable to BRANZ (payable on all applications where work is valued over \$20,000 including GST)		
Note: Pursuant to Building Research Association Legislation, materials, labour and plant costs must be included in the total value of building work for the calculation of levies.		
Note: The accreditation fee is to cover continuing Central Government accreditation costs relating to the Building Act 2004.		
Note: All building consent, building consent amendment, code compliance certificate, certificate of acceptance and certificate for public use fees are charged on an actual and reasonable cost recovery basis as per the fees and charges below. Fees are payable prior to the grant/issue of the applicable consent/certificate.		
Consent Fees		
Solid Fuel Burner - Free Standing (including accreditation fee) plus travel fees	\$275.00	\$275.00
Solid Fuel Burner - In Built (including accreditation fee) plus travel fees	\$375.00	\$375.00
Marquee Consent / Inspection Fee	\$185.00	\$185.00
Note: Plus actual and reasonable costs for above		

Building Fees	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Minor plumbing and drainage works including new connections, replacement septic tanks and effluent fields, demolition work and swimming pool fences	Actual and reasonable costs	Actual and reasonable costs
Note: Plus actual and reasonable costs for above		
Additions and alterations or similar building works up to value of \$50,000	Actual and reasonable costs	Actual and reasonable costs
Dwellings, commercial/industrial buildings and building alterations, repiling and in ground pools	Actual and reasonable costs	Actual and reasonable costs
Pole Barn / Garage / Carport / Conservatory under \$20,000	Actual and reasonable costs	Actual and reasonable costs
Amendment to building consent	Actual and reasonable costs	Actual and reasonable costs
Administrative Charges		
Administration Fee - under \$20,000	\$295.00	\$295.00
Administration Fee - over \$20,000	\$550.00	\$550.00
Administration Fee - over \$100,000 and commercial buildings	\$750.00	\$750.00
Issue of Compliance Schedule	\$275.00	\$275.00
Compliance Schedules update and reissue	\$215.00	\$215.00
Non Consented Compliance Schedules / Warrant of Fitness check (per specified system) hourly rate	\$175.00	\$180.00
Building Warrant of Fitness Audit Fee (per hour)	\$140.00	\$180.00
Inspection Fee - Zone 1	\$215.00	\$220.00
Inspection Fee - Zone 2	\$225.00	\$230.00
Inspection Fee - Zone 3	\$245.00	\$250.00

Building Fees	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Inspection Fee - Zone 4	\$275.00	\$280.00
Inspection Fee - Outside Zone 4	\$315.00	\$320.00
Re-Inspection Fee	As per zone fee	As per zone fee
Inspections for which no other fee has been paid (mileage will be charged for inspections outside the district) - eg effluent system subdivision inspections	\$300.00	\$300.00
BRANZ and MBIE Levy	Actual cost	Actual cost
Section 72 administration (Building subject to natural hazards)	Actual and reasonable costs	Actual and reasonable costs
Section 75 administration and Certification (Building across 2 or more allotments)	Actual and reasonable costs	Actual and reasonable costs
Central Government Accreditation Recovery Fee - under \$20,000	\$45.00	\$45.00
Central Government Accreditation Recovery Fee - under \$100,000	\$75.00	\$75.00
Central Government Accreditation Recovery Fee - over \$100,000	\$130.00	\$130.00
Central Government Accreditation Recovery Fee - Commercial	\$195.00	\$195.00
Hourly Charge Out Rate Administration	\$140.00	\$140.00
Hourly Charge Out/Processing Rate - Building Consent Officer/Monitoring and Compliance	\$175.00	\$180.00
Hourly Charge Out Rate - Plan check of building consent	\$175.00	\$180.00
Hourly Charge Out Rate - Pre-lodge of building consent	\$175.00	\$180.00

Building Fees	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Hourly Charge Out/Processing Rate - Building Control Team Lead	\$195.00	\$195.00
Online portal submission fee	Actual cost - to be set by provider	Delete
GoGet Administration Portal Fee - all consents		\$45.00
GoGet Administration Fee - all consents	\$50.00	\$105.00
Travel Costs (per km)	\$1.10	\$1.10
Peer review of engineering reports	Actual and reasonable costs	Actual and reasonable costs
Property File Request	\$35.00	\$35.00
GIS Map Information		
A4	\$10.00	\$10.00
A3	\$14.00	\$14.00
A2	\$25.00	\$25.00
A1	\$30.00	\$30.00
Every Day Map Requests (With Photograph)		
Note: A request that involves less than 15 minutes to produce		
A4	\$20.00	\$20.00
A3	\$28.00	\$28.00
A2	\$50.00	\$50.00
A1	\$60.00	\$60.00
Special Map Request Charges		

Building Fees	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Note: Note: Specialised maps are those which require new layers to be added, minor analysis work and/or specialised printing techniques. In addition to the printing charges outlines above, there is a charge based on actual time taken plus any disbursements.		
Hourly charge out rate	\$165.00	\$165.00
Minimum charge for specialist maps	\$80.00	\$80.00
Information Memoranda		
Note: About LIMs - Urgent Lim Applications are no longer available		
Property Information Memoranda	\$370.00	\$370.00
Land Information Memoranda - ten (10) working days (Residential Property)	\$350.00	\$350.00
Land Information Memoranda (Commercial)	\$625.00	\$625.00
Certificate of Title	\$35.00	\$35.00
Miscellaneous Consents		
Certificate of Public Use	\$350 deposit Plus actual and reasonable costs	\$350 deposit Plus actual and reasonable costs
Certificate of Acceptance	\$500 deposit Plus actual and reasonable costs	\$500 deposit Plus actual and reasonable costs
Applications for Change of use of a building	\$500 deposit Plus actual and reasonable costs	\$500 deposit Plus actual and reasonable costs
Swimming Pool Fences		
Compliance Inspection for existing fence (deposit)	\$200.00	\$220.00

Cemeteries and Crematoria

1 July 2022 to 30 June 2023

Cemeteries and Crematoria Fees and Charges approved for 1 July 2022 to 30 June 2023.

All fees and charges are inclusive of GST (except as noted *).

Cemeteries and Crematoria	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
<p>Note: Fees include 'burial plot fees' plus 'internment fees' and potentially 'other cemetery fees'. The sale of reserve plots is restricted to one and then only in conjunction with the burial of a member of the same family. (With each application a standard form is filled out so that an accurate record of the reserve plot is kept. A copy of this form is also forwarded to the local Funeral Director) Those persons who have reserved plots on behalf of another person or for family members cannot reserve a further plot until the original reserved plots are used. Pursuant to section 10 (4) of the Burial and Cremation Act 1964 the exclusive right of burial will lapse after sixty (60) years. All plots not used after 60 years will be offered for re-sale following deliberate effort to trace the purchaser or descendants thereof. The cost of general grounds maintenance in the cemetery including mowing plots in the lawn cemetery areas is carried out by Council and paid for in the Burial Plot Fee. However, maintenance of headstones, fences, concrete-work, etc on any plot is the responsibility of the deceased's descendants and relatives.</p>		
Burial Plot Fees		
Adult	\$850.00	\$850.00
Children under 13	No Charge	No Charge
Baby -Waipukurau Cemetery Memorial only	No Charge	No Charge
RSA Burial Plot	No Charge	No Charge
Ashes Plot Fees		
Lawn Ashes	\$275.00	\$345.00
Ashes Garden Plot	\$350.00	\$420.00
Ashes Family Garden Area (8 plots - where available)	\$2,500.00	\$2,500.00
Ashes Family Garden Area (10 plots- where available)	\$3,000.00	\$3,500.00
RSA Ashes Plots	No Charge	No Charge

Cemeteries and Crematoria	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Interment Fees		
Standard	\$900.00	\$900.00
Children under 13 and Babies	No Charge	No Charge
Ashes Interment	\$250.00	\$180.00
Afterhours Burial Interment fees - This fee will apply to burial interments that begin after 1.00pm Saturday and 4.00pm on weekdays. There are no burial interments on Sundays or Public Holidays. This fee is additional to the interment fee.	\$750.00	\$750.00
Afterhours Ashes Interment Fees - This fee will apply to burial interments that begin after 1.00pm Saturday or anytime Sunday or public holidays and 4.00pm on weekdays. This fee is additional to the interment fee.	\$500.00	\$500.00
Other Cemetery Fees		
Memorial Plaque on Wall - Takapau Cemetery	\$100.00	\$100.00
Monumental Permit Fee - A monumental permit is required for all new headstones and plaques, including ash garden plaques within the cemetery. It also applies to major monumental works.	\$50.00	\$50.00
The Transfer of Burial Rights	\$50.00	\$50.00
Double Depth (more than one burial where ground permits). This fee is additional to the interment fee	\$250.00	\$250.00
Breaking Concrete	Actual Costs	Actual Costs
Disinterment	Actual Costs	Actual Costs
District-wide Reservations (maximum of one adjoining plot at the time of interment)	200% of the current plot fee	200% of the current plot fee

Cemeteries and Crematoria	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Manual Records Search Fee - per entry (per hour) plus actual costs	\$150.00	\$150.00

Land Transport Group

1 July 2022 to 30 June 2023

Land Transport Group Fees and Charges approved for 1 July 2022 to 30 June 2023.

All fees and charges are inclusive of GST (except as noted *).

Land Transport Group	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Vehicle Crossings		
Note: Vehicle crossings must be installed by a contractor approved by the Council. Council must approve the design and location of crossing prior to installation. Full cost must be paid by the applicant.		
Note: The applicant shall supply to the Council an estimate of the cost of the vehicle crossing along with a bond of 150% of the estimate prior to approval to construct being granted by the Council. The estimate must be not more than 30 days old and must be provided by a Contractor acceptable to Council.		
Note: Bond is refundable.		
Note: The vehicle crossing must be constructed within 12 months of being granted the approval to proceed or the Council will construct the crossing using the bond.		
Note: Extra charges will be applicable for development levies. These will be assessed on a case by case basis. Please contact Council for exact costs.		
Administration Fee payable at time of Vehicle Crossing application	\$210.00	\$225.00
Bond Administration Fee	\$60.00	\$70.00
Temporary Road Closure		
Application	\$415.00	\$425.00
Road Inspection Staff (per inspection)	\$275.00	\$285.00
Travel Costs (per km)	\$1.10	1.10

Land Transport Group	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Licence to Occupy - Road Reserve		
Note: Pursuant to section 150 of the Local Government Act 2002.		
Application Fee	No Charge	Delete
Annual Licence Fee (up to one acre (4000m	No Charge	Delete
Annual Licence Fee (larger than one acre (4000m	No Charge	Delete
Livestock Crossing Permit		
Application	\$210.00	\$225.00
Road Stopping		
Application	\$2,500.00	\$2600.00
Plans and Consents		
Generic Traffic Management Plan (annual fee)	\$1,650.00	\$1800.00
Individual Traffic Management Plan	\$155.00	\$175.00
Corridor Access Request with Traffic Management Plan (4 months)	\$410.00	\$425.00
Corridor Access Request with Traffic Management Plan (12 months)	\$1,250.00	\$1300.00
Corridor Access Request	\$310.00	\$325.00
Generic Overweight Permit	\$260.00	\$275.00
Individual Overweight Permit	\$155.00	\$175.00

Library Services

1 July 2022 to 30 June 2023

Library Services Fees and Charges approved for 1 July 2022 to 30 June 2023.

All fees and charges are inclusive of GST (except as noted *).

Library Charges	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Note: All residents of Central Hawke's Bay have free membership.		
Standard Free Fiction Issue	Free	Free
Rental Book - Category A (4 weeks)	\$1.00	\$1.00
Rental Book - Category B (4 weeks)	\$0.90	\$0.90
Rental Book - Category C (4 weeks)	\$0.80	Free
Rental Book - Category D (4 weeks)	Free	Free
Rental Book - Category E (4 weeks)	Free	Free
Note: Rental Book Automatic Renewal Fee - Where item not returned within issue period		
Rental Book Renewal Fee - Category A (4 weeks)	\$1.00	\$1.00
Rental Book Renewal Fee - Category B (4 weeks)	\$0.90	\$0.90
Rental Book Renewal Fee - Category C (4 weeks)	\$0.80	Free
Rental Book Renewal Fee - Category D (4 weeks)	Free	Free
Rental Book Renewal Fee - Category E (4 weeks)	Free	Free
Magazines	\$1.00	\$1.00
Magazines - Teens and Students	Free	Free
Magazines - Older	Free	Free
Holds - up to 1 week	Free	Free

Library Charges	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Library Request books from libraries with reciprocal agreement	\$10.00	\$10.00
Library Request books from other libraries	\$25.00	\$25.00
Books for Sale	Library Services Manager Discretion	Library Services Manager Discretion
Lost books (Adults Content)	Replacement item cost plus \$5.50 processing fees	Replacement item cost plus \$5.50 processing fees
Lost books (Children's Content)	Replacement item cost only	Replacement item cost only
Printing - A4 Single Sided per sheet	\$0.20	\$0.20
A4 Double Sided per sheet	\$0.40	\$0.40
A4 Colour Single Sided	\$1.50	\$1.50
A3 Single Sided per sheet	\$0.40	\$0.40
A3 Double Sided per sheet	\$0.80	\$0.80
A3 Colour Single Sided	\$3.00	\$3.00
Scanning for first page	Free	Free
Scanning for extra pages	Free	Free
Aotearoa Peoples Network Kaharoa printing - per page (black and white)	\$0.20	\$0.20
Aotearoa Peoples Network Kaharoa printing - per page (colour)	\$0.50	\$0.50
3D Printing charged per gram	\$0.11	\$0.11
A4 size - Laminating	\$3.00	\$3.00

Library Charges	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
A3 size - Laminating	\$4.00	\$4.00
DVDs Set - 3 week issue	\$7.00	\$7.00
DVDs Restricted - 3 week issue	\$7.00	\$7.00
DVDs Category A - 1 week issue	\$5.00	\$5.00
DVDs Category B - 1 week issue	\$4.50	\$4.50
DVDs Category C - 1 week issue	Free	Free
DVDs Restricted - 1 week issue	\$5.00	\$5.00
School DVD's - 1 week all categories	Free	Free
Note: DVD Automatic Renewal Fee - Where item not returned within issue period		
DVDs Set - 3 week issue	\$7.00	\$7.00
DVDs Restricted - 3 week issue	\$7.00	\$7.00
DVDs Category A - 1 week issue	\$5.00	\$5.00
DVDs Category B - 1 week issue	\$4.50	\$4.50
DVDs Category C - 1 week issue	Free	Free
DVDs Restricted - 1 week issue	\$5.00	\$5.00
School DVDs - 1 week all categories	Free	Free
Waipawa Meeting Room rental - commercial (day)	\$50.00	\$50.00
Waipawa Library Meeting Room - Not for Profit	Free	Free
Waipawa Library Meeting room -Regular Meetings	Managers discretion	Managers discretion
Te Huinga Wai: Not for Profit/Schools: Up to 15 people		2 hours - \$15 ½ day \$30

Library Charges	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
		Full day \$50
Te Huinga Wai: Not for Profit/Schools: 15+ people		2 hours - \$30 ½ day \$40 Full day \$60
Te Huinga Wai: Corporate, Commercial Up to 15 people		2 hours - \$30 ½ day \$60 Full day \$80
Te Huinga Wai: Corporate, Commercial 15+ people		2 hours - \$40 ½ day \$80 Full day \$120
Replacement Library Cards	\$2.50	\$2.50
Book Covering	\$4.00	\$4.00
Bond for temporary membership	\$20.00	\$20.00
Book Bags	\$2.00	\$2.00
Road Code Bond	\$10.00	\$10.00
Aotearoa Peoples Network Kaharoa Internet Access	Free	Free

Licences

1 July 2022 to 30 June 2023

Licences Fees and Charges approved for 1 July 2022 to 30 June 2023.

All fees and charges are inclusive of GST (except as noted *).

Registration of Premises	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Annual Registration of Premises		
Food premises / Food control plans	\$410.00	\$420.00
Verification Fee - Hourly Rate	\$155.00	\$165.00
Prepacked food only/low risk	\$210.00	\$220.00
Re-inspection for failure to comply / failure of CAR hourly rate	\$155.00	\$165.00
Offensive Trades: Operating under Schedule 3 of Health Act 1956	\$205.00	\$200.00
Hairdressers Registration	\$160.00	\$170.00
Cake Makers Registration	\$100.00	\$100.00
Camping Grounds	\$210.00	\$230.00
Funeral Directors	\$210.00	\$210.00
Animal Sale Yards	\$210.00	\$210.00
Transfer of Registration	\$110.00	\$110.00
Registration of event on public / open space (Small)	\$75.00	Delete
Registration of event on public / open space (Medium/Large)	\$160.00	Delete
Registration of event on public / open space		\$75.00

Registration of Premises	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Street tables and chairs	\$210.00	\$210.00
Food Control Plan Registration	\$210.00	\$210.00
Food Control Plan Renewal	\$110.00	\$110.00
National Programme Registration	\$110.00	\$110.00
National Programme Renewal	\$75.00	\$75.00
Other Applications		
Sale of Liquor Certificate (Building)	\$75.00	\$75.00
Compliance and Monitoring		
Complaint driven investigation resulting in issue of improvement notice by food safety officer	\$150.00	\$150.00
Application for review of issue of improvement notice	\$150.00	\$150.00
Monitoring of food safety and suitability, i.e. at an event	\$150.00	\$150.00

Liquor	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Note: Fees set by Regulation under Sale and Supply of Alcohol Act		
Other Applications		
Managers Certificate Application	\$316.25	\$316.25
Temporary Authority / Temporary Licence	\$296.70	\$296.70
Permanent Club Charters annual fee	\$632.50	\$632.50
Extract from registrar	\$57.50	\$57.50

Liquor	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Sale of Liquor Certificate (Building)	\$75.00	\$75.00
District Licensing Committee Costs	Actual Costs	Actual Costs
Liquor Licensing Officer (per Hour)		\$170.00
Application Fees		
Very low risk application	\$368.00	\$368.00
Low risk application	\$609.50	\$609.50
Medium risk application	\$816.50	\$816.50
High risk application	\$1,023.50	\$1,023.50
Very high risk application	\$1,207.50	\$1,207.50
Annual Fees		
Very low risk application	\$161.00	\$161.00
Low risk application	\$391.00	\$391.00
Medium risk application	\$632.50	\$632.50
High risk application	\$1,035.00	\$1,035.00
Very high risk application	\$1,437.50	\$1,437.50
Special Licence Applications		
Class 1 - 1 large event, more than 3 medium events or more than 12 small events	\$575.00	\$575.00
Class 2 - 1 to 3 medium events or 3 to 12 small events	\$207.00	\$207.00
Class 3 - 1 to 2 small events	\$63.75	\$63.75

Hawkers, Pedlars, Itinerant Traders, Markets and Street Stalls	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Trading Licence (Public Places)		
Trading in Public Places Annual Fee		\$75.00
Hawker/Itinerant Trader	\$50.00	\$50.00
Lease/Rent of private land or buildings	\$200.00	\$200.00
Markets - Event Organisers - seasonal	\$75.00	\$80.00
Markets - Food Stall Holder - seasonal	\$25.00	\$30.00
Street Stalls, Raffle Days, Street Collections - Non Commercial	No permit fee is required	No permit fee is required

Vehicle Stands	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Licences For Vehicle Stands On Streets (Omnibus and Taxicabs)		
Annual Rental	\$200.00	\$200.00
Application	\$115.00	\$115.00

Amusement Devices and Shooting Galleries	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Note: The Permit Fee for Amusement Devices is in addition to any Ground Rental etc that may be required.		
Amusement Devices Permit Fees		

Amusement Devices and Shooting Galleries	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
For one device, for the first 7 days of proposed operation or part thereof	\$11.50	\$11.50
For each additional device operated by the same owner, for the first 7 days or part thereof	\$2.30	\$2.30
For each device for each further period of 7 days or part thereof	\$1.15	\$1.15
Annual Fixed Amusement Facility	\$115.00	\$115.00

Class 4 Gaming Licensing	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Note: Pursuant to the Gambling Act 2003.		
Application Fee	\$250.00	\$250.00
License Inspection Fee	\$150.00	\$150.00

Skateboard and Bicycle Confiscation	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Return of confiscated skateboards and bicycles	\$50.00	\$50.00

Advertising Signs	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Hoardings and Signs		
Application and Permit	As per resource consent fees	As per resource consent fees
Annual Licence Fees (per m ² or part thereof per month)	\$2.00	\$2.00

Noise Complaints

1 July 2022 to 30 June 2023

Noise Complaints Fees and Charges approved for 1 July 2022 to 30 June 2023.

All fees and charges are inclusive of GST (except as noted *).

Noise Complaints	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Note: Pursuant to Section 36(1) and 36(3) of the Resource Management Act 1991, Council may require the person who is liable to pay one or more of the below charges, to also pay an additional charge to recover actual and reasonable costs in respect of the matter concerned.		
Noise Complaints		
Seizure charge for noise emission equipment	\$200.00	\$200.00
Abatement Notice Fee	\$60.00	\$60.00

Parking Fees

1 July 2022 to 30 June 2023

Parking Fees Fees and Charges approved for 1 July 2022 to 30 June 2023.

All fees and charges are inclusive of GST (except as noted *).

Parking Fees	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Note: Note: Fixed by the Land Transport Act (Schedule B, Part 1 - Offences parking wardens may enforce)		
Not more than 30 minutes but less than an hour	\$12.00	\$12.00
More than 30 minutes, but less than 1 hour	\$15.00	\$15.00
More than 1 hour, but less than 2 hours	\$21.00	\$21.00
More than 2 hours, but less than 4 hours	\$30.00	\$30.00
More than 4 hours, but less than 6 hours	\$42.00	\$42.00
More than 6 hours	\$57.00	\$57.00
Unlawfully on disability carpark	\$150.00	\$150.00
Parking on or within 6 metres of an intersection	\$60.00	\$60.00
Parking on or near a pedestrian crossing	\$60.00	\$60.00
Parking on broken yellow lines	\$60.00	\$60.00
Double Parking	\$60.00	\$60.00
Inconsiderate Parking	\$60.00	\$60.00
Parking on a clearway	\$60.00	\$60.00
Parking on a bus-only lane	\$60.00	\$60.00
All other parking offences	\$40.00	\$40.00

Towage Fees	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
The towage fees as set out in the Transport (Tow Fees) Notice 2004 are:		
Where the vehicle gross weight does not exceed 3500kgs - Between hours of 0700 and 1800 Monday to Friday (other than Public Holiday)	\$53.67	\$53.67
Where the vehicle gross weight does not exceed 3500kgs - Between hours of 0700 and 1800 Monday to Friday any other time	\$71.56	\$71.56
Where the vehicle gross weight exceeds 3500kgs - Between hours of 0700 and 1800 Monday to Friday (other than public holidays)	\$132.89	\$132.89
Where the vehicle gross weight exceeds 3500kgs - Between hours of 0700 and 1800 Monday to Friday any other time	\$204.44	\$204.44

Recreation and Community Facilities Group

1 July 2022 to 30 June 2023

Recreation and Community Facilities Group Fees and Charges approved for 1 July 2022 to 30 June 2023.

Manager may adjust fees to fit an hourly rate and booking fee.

All fees and charges are inclusive of GST (except as noted *).

Parks and Reserves	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Russell Park		
Changing Rooms (per season)	\$250.00	\$250.00
Junior Fields (all - per season)	No Charge	No Charge
Senior Fields (all - per season)	\$250.00	\$250.00
Districtwide Parks		
Casual hire - field/area (per day) major codes (additional games, tournaments etc), social clubs, service clubs, schools	\$65.00	\$80.00
Overnight groups (excluding children or youth groups)		\$160.00
Key Bond	\$100.00	\$100.00
Commerical Event Bond (eg circus)	\$1,000.00	\$1,000.00
Special Opening or Closing of Gate	\$75.00	\$75.00
Rubbish Bin Supply and Removal per bin	\$12.00	\$12.00
Other Service required including reline marking, cleaning, rubbish removal - actual cost per hour including vehicle	\$60.00	\$60
Wedding Ceremonies	No Charge	No Charge

Parks and Reserves	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Pourerere Beach Freedom Camping		
For permits issued for a one week period between the 20th December and 6th February each summer. At all other times no fee applies.		
Note: Booking Administration Fee	\$35.00	\$35.00

Central Hawke's Bay Municipal Theatre	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
<p>Notes: See terms and conditions for inclusions to room hire</p> <p>*See below unless pre-agreed rate</p> <p>*The Places and Open Spaces Manager has the discretion to establish new fees and charges for events, catering and other beverages as required.</p>		
Stephenson Transport Auditorium (Large Venue)*		
Full Community Organisations/Fundraisers/Schools per hour: Everything (but kitchen- which we operate at those events))	\$150.00	\$150.00
Standard Community Organisations/Fundraisers/Schools per hour (Auditorium stage & either dress circle or backstage)	\$125.00	\$125.00
Basic Community Organisations/Fundraisers/Schools per hour (Auditorium & Stage)	\$100.00	\$100.00
Floor Only Community Organisations/Fundraisers/Schools per hour	\$80.00	\$80.00
Full Community Organisations/Fundraisers/Schools Full Day	\$900.00	\$900.00

Central Hawke's Bay Municipal Theatre	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Full Community Organisations/Fundraisers/Schools Full Day	\$800.00	\$800.00
Basic Community Organisations/Fundraisers/Schools Full Day	\$700.00	\$700.00
Floor Only Community Organisations/Fundraisers/Schools Full Day	\$600.00	\$600.00
Full Corporate Organisations/Private Events per hour	\$225.00	\$225.00
Standard Corporate Organisations/Private Events per hour	\$200.00	\$200.00
Basic Corporate Organisations/Private Events per hour	\$175.00	\$175.00
Floor Only Corporate Organisations/Private Events per hour	\$150.00	\$150.00
Full Corporate Organisations/Private Events Full Day	\$1,500.00	\$1,500.00
Standard Corporate Organisations/Private Events Full Day	\$1,400.00	\$1,400.00
Basic Corporate Organisations/Private Events Full Day	\$1,200.00	\$1,200.00
Floor Only Corporate Organisations/Private Events Full Day	\$1,000.00	\$1,000.00
Gwen Malden Chambers (Smaller Venue)		

Central Hawke's Bay Municipal Theatre	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Full Community Organisations/Fundraisers/Schools per hour (includes kitchen & stage)	\$60.00	\$60.00
Standard Community Organisations/Fundraisers/Schools per hour (floor & stage)	\$40.00	\$40.00
Full Community Organisations/Fundraisers/Schools Full Day	\$300.00	\$300.00
Standard Community Organisations/Fundraisers/Schools Full Day	\$250.00	\$250.00
Full Corporate Organisations/Private Events per hour	\$100.00	\$100.00
Standard Corporate Organisations/Private Events per hour	\$85.00	\$85.00
Full Corporate Organisations/Private Events Full Day	\$800.00	\$800.00
Standard Corporate Organisations/Private Events Full Day	\$700.00	\$700.00
Pack-In/Pack-Out		
Pack-In/Pack-Out Half-Day	\$125.00	\$125.00
Pack-In/Pack-Out Full-Day	\$250.00	\$250.00
Backstage Change Rooms (ideal for weddings) per hire	\$30.00	\$30.00

Central Hawke's Bay Municipal Theatre	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Kitchen Hire		
Corporate Organisations/Private Events kitchen only per hour	\$25.00	\$25.00
Items below if hired externally may come at a higher cost		
Cutlery & Crockery Hire		
Champagne Flutes	\$0.60	\$0.60
Wine Glasses	\$0.60	\$0.60
Carafes	\$4.00	\$4.00
Cutlery (Knife/Fork/Spoon)	\$1.50	\$1.50
Side Plates	\$0.70	\$0.70
Dinner Plates	\$0.70	\$0.70
Bowls	\$0.70	\$0.70
Serving platters (assortment) from	\$1.20	\$1.20
Equipment Hire		
Screen & Projector	\$150.00	\$150.00
Round Tables (1.5m diameter)	\$23.00	\$23.00
Trestle Tables	\$18.00	\$18.00
Round Table Cloths (floor length)	\$20.00	\$20.00
Trestle Table Cloths	\$12.00	\$12.00

Central Hawke's Bay Municipal Theatre	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Decorative Hire		
Arch	\$60.00	\$60.00
Red carpet runner	\$60.00	\$60.00
Ivy wall	\$350.00	\$350.00
Food & Beverage – price list available on request		

Retirement Housing	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Note: Residential Rents are GST exempt supplies and therefore do not include GST		
Note: These fees will be effective from late September 2022, being not less than 12 months from the previous increase. Retirement housing rentals have been included in the Fees and Charges Schedule purely for review and information purposes. They do not form part of the Special Order procedures. New tenancies that occur during the year may be negotiated at rentals which exceed the below Rentals and are reviewed annually. Residential Rents are GST exempt supplies and therefore do not include GST		
Wellington Road Waipukurau (per week)		
Single Occupancy	\$192.00	\$225.00
Married Occupancy	\$202.00	\$235.00
Kingston Place Waipawa or Ruahine Place Waipukurau (per week)		
Single Occupancy	\$172.00	\$210.00
Married Occupancy	\$187.00	\$225.00

Resource Management

1 July 2022 to 30 June 2023

Resource Management Fees and Charges approved for 1 July 2022 to 30 June 2023.

All fees and charges are inclusive of GST (except as noted *).

Resource Management	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Note: Pursuant to Section 36, 36(1) and 36(3) of the Resource Management Act 1991, Council may require the person who is liable to pay one or more of the below charges, to also pay an additional charge to recover actual and reasonable costs in respect of the matter concerned.		
Note: Extra charges will be applicable for development levies. These will be assessed on a case by case basis. Please contact Council for exact costs.		
Land Use and Subdivision Consents		
Notified Applications (deposit)	\$5000 plus actual and reasonable costs	\$5000 plus actual and reasonable costs*
Non Notified Applications (deposit)	\$0.00	\$0.00
Deemed Permitted Boundary Activity (s87AAB)	\$250.00	\$260.00
Variation of Conditions of Consents (s127)	Actual and reasonable costs	Actual and reasonable costs*
Extension of Time application (s125)	Actual and reasonable costs	Actual and reasonable costs*
Subdivision Consents 1-8 Lots	Actual and reasonable costs	Actual and reasonable costs*
Subdivision Consents more than 8 Lots	Actual and reasonable costs	Actual and reasonable costs*
Subdivision Compliance Fee (section 223 and/or 224 and Deamalgamation Certification s241 (3) Resource Management Act 1991) (1-7 lots)	\$650.00	\$650.00
Subdivision Compliance Fee (section 223 and/or 221 Resource Management Act 1991) - more than 8 lots	\$1,500.00	\$1,500.00

Resource Management	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Engineering check for section 224	Actual and reasonable costs	Actual and reasonable costs*
ROW application (S348 LGA)	Actual and reasonable costs	Actual and reasonable costs*
Property file creation (payable at 223/224 application)	\$75 per new lot	\$80 per new lot
Designations and heritage orders (New and alterations)		
Certificate of Compliance (s139)(Deposit)	Actual and reasonable costs	Actual and reasonable costs*
Notice of Requirement		
Outline Plan of Works (s176A)	Actual and reasonable costs	Actual and reasonable costs*
Consent Notices and miscellaneous subdivision documents (ie: Deamalgamation Certification s241(3), Cancellation of Easement s243(e), Certificate Confirming Allotments s226(e)(ii).	\$250.00	\$250.00
Monitoring and Compliance		
Monitoring fee (per hour)	Actual and reasonable costs	Actual and reasonable costs*
Engineering Plan Approval	Actual and reasonable costs	Actual and reasonable costs*
Chargeout rates Per Hour		
Administration	\$140.00	\$140.00
Planner	\$170.00	\$175.00
Senior Planner, 3 Waters and Land Transport	\$180.00	\$185.00
Manager, Team Leader	\$195.00	\$195.00

Resource Management	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Engineers	Actual and reasonable costs	Actual and reasonable costs*
Technical Report Peer Review	Actual and reasonable costs	Actual and reasonable costs*
Administrative Charges		
Bond Administration Fee	\$175.00	\$200.00
Supply of documents	Photocopying Costs	Photocopying Costs
District Plan Charges		
Private District Plan Change (Deposit)	\$15,000.00	\$15,000.00
Designations and heritage orders (New and alterations) (Deposit)	\$1,500.00	\$1,500.00
District Plan (including Planning Maps) Electronic	\$50.00	\$50.00
District Plan (including Planning Maps) Hardcopy	Actual and reasonable costs	Actual and reasonable costs
Inspection Fee - Zone 1	\$215.00	\$215.00
Inspection Fee - Zone 2	\$225.00	\$225.00
Inspection Fee - Zone 3	\$245.00	\$245.00
Inspection Fee - Zone 4	\$275.00	\$275.00
Inspection Fee - Outside Zone 4	\$315.00	\$315.00
Travel Costs (per km)	\$1.10	\$1.10
Sale of Liquor Certificate (RMA)	\$140.00	\$140.00
Objection of RMA decisions (Section 357) (Deposit)	\$1000 lodgement fee plus actual and reasonable charges	\$1000 lodgement fee plus actual and reasonable charges*

- Includes 10% administration fee if applicable

Development Contributions	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Districtwide	\$1,621.50	\$1,621.50
Waipukurau	\$28,522.30	\$28,522.30
Waipawa	\$28,522.30	\$28,522.30
Otane	\$28,522.30	\$28,522.30
Takapau	\$8,676.75	\$8,676.75
Porangahau	\$23,259.90	\$23,259.90

Solid Waste Group

1 July 2022 to 30 June 2023

Solid Waste Group Fees and Charges approved for 1 July 2022 to 30 June 2023.

All fees and charges are inclusive of GST (except as noted *).

Refuse and Greenwaste	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Note: The following conditions apply to all trade refuse users of the landfill and transfer stations:		
Note: The disposal of Special wastes (as defined in the landfill management plan) at the landfill requires the Waste Generator to complete the "Special Waste Questionnaire" and "Waste Profile Declaration". Special waste will be only accepted after Council's approval of the application.		
Note: Hazardous waste, Prohibitive waste and Trade waste (as defined in Council's Solid Waste Bylaw) will not be accepted at Council facilities.		
Note: Council will invoice commercial users at appropriate intervals. The assessment of volumes of refuse for charging will be based on the volume of refuse in the vehicle, not the compacted volume in the landfill. Council's assessment of volumes will be final.		
Note: Unless agreed with Council NO truckloads of trade refuse or loads of clean fill greater than 0.2m. Such loads may be accepted at the landfill and will be charged for separately at the landfill charge.		
Note: Unless agreed with Council or the landfill operator no after hour access is allowed to the landfill or transfer stations. No keys to the landfill or transfer stations will be issued.		
Note: Special/Difficult Refuse is waste that is bulky, lightweight or requiring immediate burying due to containing offensive odour, or is easily windblown, attractive to vermin, has health implications, contains asbestos, or as required by the Council or landfill operator.		
Note: *Based on \$30 Waste Levy (excluding GST) and Carbon Credits (GST exempt). These prices are subject to change during the year based on third party pricing. Please note: Carbon Credit increase from January 1, 2022 the price is \$73.17		

Landfill (minimum charge of \$60.00)	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023

Landfill (minimum charge of \$60.00)	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Minimum Charge (0.75 of a tonne) - plus Waste Levy + Carbon Credits	\$102.75	\$105.00
Standard Refuse (per tonne) plus Waste Levy + Carbon Credits	\$137.00	\$140.00
Special/Difficult Refuse (per tonne)	Actual Costs of disposal (Min standard refuse rate charge)	Actual Costs of disposal (Min standard refuse rate charge)
Landfill Keg Tag Bond	\$20.00	\$20.00
Landfill Admin Fee for Manual Dockets	\$50.00	\$50.00
Asbestos (per tonne)	\$315.00	\$315.00
Expanded polystyrene (EPS) / Poly Panel		\$1550.00

Transfer Station - Refuse	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Car	\$18.00	\$22.50
Van or Ute with a contained load being either a wheelie bin/drum/small wool sack/ up to 2 bags	\$18.00	\$22.50
Utilities and Vans	\$33.00	\$41.25
Trailers up to 2m long	\$33.00	\$41.25
Trailers over 2m long, up to 4m	\$49.00	\$61.25
Trailers over 4m long	\$65.00	\$81.25
Flat Deck Truck	Landfill or pre agreed measured m ³ rate	Landfill or pre agreed measured m ³ rate

Transfer Station - Refuse	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Other Truck	Landfill or pre agreed measured m ³ rate	Landfill or pre agreed measured m ³ rate
Per cubic metre (compacted)	\$101.00	\$126.25
Per cubic metre (not compacted)	\$48.00	\$60.00
Weighed load at Transfer Station (Incl. weigh fee). Fee + per tonne fee	\$40.00	\$50.00
Vehicle and Trailer	Charged for both individually	Charged for both individually
Mixed loads	Charged at refuse rate	Charged at refuse rate
Car Bodies (not accepted)	CHBDC's scrap metal partner	CHBDC's scrap metal partner
Concrete/Bricks (per cubic metre)	\$80.00	\$100.00
Wood (per cubic metre)	\$80.00	\$100.00

Steel	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Note: Metal and Steel only accepted at Waipukurau Transfer Station		
Minimum Charge	\$20.00	\$20.00
Utilities and Trailers up to 2.0m	\$45.00	\$45.00
Trailers over 2.0m	\$60.00	\$60.00

Electronic	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023

Electronic	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Television (Old)	\$40.00	\$40.00
Television (flat screen)	\$25.00	\$25.00
Monitor (old)	\$20.00	\$20.00
Monitor (new flat screen)	\$14.00	\$14.00
Printer/Scanner (small)	\$18.00	\$18.00
Printer/Scanner (large)	\$50.00	\$50.00
Laptops and Tablets	\$6.00	\$6.00
Photocopier Small/Medium	\$50.00	\$50.00
Photocopier Large	\$70.00	\$70.00
Small Appliances/Drills/Alarm Clocks/Cameras	\$7.00	\$7.00
Heaters/Fans	\$7.00	\$7.00
Vacuums	\$12.00	\$12.00
Microwaves	\$12.00	\$12.00
DVD/VCR players	\$10.00	\$10.00
Stereo Systems and Gaming Consoles	\$7.00	\$7.00
Stereo Speakers per unit	\$4.00	\$4.00
Washing Machines/Dryers/Dishwashers	\$29.00	\$29.00
Fridges/Freezers	\$45.00	\$45.00
Stoves	\$29.00	\$29.00
Keyboards and Docking Stations	\$4.00	\$4.00
Electric Bike Batteries/UPS	\$30.00	\$30.00

Electronic	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
General Furniture and Whiteware	\$29.00	\$29.00

Paint	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Paint (up to 4 litre can)	\$2.00	\$2.00
Paint (over 4 litre can)	\$4.00	\$4.00

Transfer Station - Greenwaste	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Car	\$13.00	\$14.00
Wheelie bin/ drum/ small wool sack / up to 2 bags	\$13.00	\$14.00
Utilities and Vans	\$25.00	\$26.00
Trailers up to 2.0m long	\$25.00	\$26.00
Trailers over 2m long, up to 4m	\$35.00	\$36.00
Trailers over 4m long	\$45.00	\$46.00
Flat Deck Truck	Measured m ³ rate	Measured m ³ rate
Other Truck	Measured m ³ rate	Measured m ³ rate
Per cubic metre	\$35.00	\$36.00

Tyre Disposal	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Car	\$10.00	\$10.00
Motorcycle	\$10.00	\$10.00
4x4	\$15.00	\$15.00
Truck	\$20.00	\$20.00
Tractor	\$50.00	\$50.00
Tyres on rims	2x individual tyre charge	2x individual tyre charge

Refuse bags / Recycling bin Charges	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Refuse Bag - 35 litre	\$1.90	\$2.40
Refuse Bag - 60 litre	\$2.30	\$2.90
Refuse Bag 35 litre (Box of 500)	\$850.00	\$1,065
Refuse Bag 60 litre (Box of 500)	\$1,000.00	\$1,250
Recycling Bin	\$25.00	\$25.00

Unauthorised dumping	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Note: Council may prosecute persons caught dumping rubbish unlawfully.		
Staff time for investigating and clearing per hour	\$150.00	\$150.00
Travel Costs (per km)	\$1.10	\$1.10
Minimum Charge	\$200.00	\$200.00

Storm Water Group

1 July 2022 to 30 June 2023

Storm Water Group Fees and Charges approved for 1 July 2022 to 30 June 2023.

All fees and charges are inclusive of GST (except as noted *).

Storm Water	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
New Connections		
Note: Storm water connections must be installed by a contractor approved by the Council for installation of storm water connections. Connections at the applicant's expense.		
Note: Connections to a Council piped stormwater system will incur an installation Administration fee		
Application fee	\$135.00	\$135.00
Inspection fee	\$135.00	\$135.00
Installation Administration fee	\$200.00	\$200.00
Existing Connections		
Note: Work and repair to existing connections to Council's storm water drain, kerb and channel, or open drain. All physical work associated with repair at applicant's expense.		
Inspection fee	\$132.00	\$132.00

Wastewater (Sewerage) Group

1 July 2022 to 30 June 2023

Wastewater (Sewerage) Group Fees and Charges approved for 1 July 2022 to 30 June 2023.

All fees and charges are inclusive of GST (except as noted *).

Sewerage	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
New Connections		
Note: Sewerage connections must be installed by a contractor approved by the Council for the installation of sewerage connections. Connections at the applicant's expense.		
Note: Extra charges will be applicable for development levies. These will be assessed on a case by case basis. Please contact Council for exact costs.		
Application fee	\$135.00	\$135.00
Installation Administration fee	\$200.00	\$200.00
Inspection fee	\$135.00	\$135.00
New Connections	Contractors cost	Contractors cost
Disconnections and Reconnections	Contractors cost	Contractors cost
Reconnection following Council imposed disconnection	Contractors cost	Contractors cost
Existing Connections		
Note: Work and repair to existing connections to Council sewer main. All physical work associated with repair at applicant's expense.		
Inspection fee	\$132.00	\$132.00

Discharge of Trade Waste	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Note: Charges for the discharge of Trade Waste and conditions thereof are recovered under the Central Hawke's Bay District Council Trade Waste Bylaw 2018 and the draft Trade Waste Bylaw 2021. The following charges are provided for in Schedule C.		
A1 Connection Fee	\$344.00	\$344.00
A2 Compliance Monitoring	\$135.00	\$135.00
A3 Disconnection Fee	\$344.00	\$344.00
A4 Discharge Registration Fee	\$270.00	\$270.00
A5 Discharge Registration Fee	\$135.00	\$135.00
A6 Reinspection Fee	\$135.00	\$135.00
Administration Charges		
Tankered Waste Annual Administration Charge	\$270.00	\$270.00
Conditional Annual Administration Charge	\$405.00	\$405.00
B Trade Waste Charges		
B1 Volume	\$0.26	\$0.27
B2 Inert Suspended Solids	\$1.89	\$1.95
B3 Organic Suspended Solids	\$0.26	\$0.27
B4 Biochemical Oxygen Demand	\$1.97	\$2.03
B5 Total Nitrogen	\$2.95	\$3.04
B6 Total Phosphorus	\$9.77	\$10.06
B13 Capital		
B17 Volume capex (Vc)	\$0.79	\$1.58
B18 Biochemical Oxygen Demand capex (BODc)	\$2.18	\$3.45

Discharge of Trade Waste	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
B19 Total Nitrogen capex (TNc)	\$9.56	\$4.91
B20 Total Phosphorus capex (TPc)	\$48.13	\$72.69
B21 Inert Suspended Solids capex (ISSc)	\$0.00	\$0.01
B22 Organic Suspended Solids capex (OSSc)	\$0.00	\$0.04

Tankered Waste	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Tankered Waste Charges		
Tankered Wastes (\$/L)	\$0.02	\$0.02
<p>Note: Wastewater Capital Contributions Recovery For the 2022/23 financial year Council will apply a differential of 0.37 to the Wastewater Capital Contributions Recovery Charges (Fees B17-B20) For further information and detail please read the Revenue and Financing Policy or refer to the trade waste calculator on our website.</p>		

Water Services Group

1 July 2022 to 30 June 2023

Water Services Group Fees and Charges approved for 1 July 2022 to 30 June 2023.

All fees and charges are inclusive of GST (except as noted *).

Water Supply	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Charges for Water		
Note: Extraordinary users may be charged by private arrangement with Council.		
Note: Quarterly water billing will apply for metered water users.		
Note: Extra charges will be applicable for development levies. These will be assessed on a case by case basis. Please contact Council for exact costs.		
Tankered water (taken from standpipes) per m ³	3.85	3.90
Water to metered properties per m ³	2.65	2.75
Common Charges		
Note: Water Connections from the Council main, to and including the toby and/or meter manifold must be installed by a contractor approved by Council for the installation of water connections, at the applicant's expense.		
Application fee	\$135.00	\$135.00
Inspection fee	\$135.00	\$135.00
Installation Administration fee	\$200.00	\$200.00
Debt Recovery - hourly rate	\$135.00	\$135.00
Restrictor Fee (Plus actual costs)	\$135 plus actual costs	\$135 plus actual costs
Installation of testable Backflow Preventer	Contractors Cost	Contractors Cost
Maintenance and Annual Testing Fee	Contractors Cost	Contractors Cost

Water Supply	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Disconnections and Reconnections	\$720.00	\$720.00
Reconnection following Council imposed disconnection	\$380.00	\$380.00
New Connections	Contractors Cost	Contractors Cost

Other Water Services Charges	Fee (incl GST) 2021/2022	Fee (incl GST) 2022/2023
Water Service locates at / hour rate	\$135.00	\$135.00
Waste water service locate / hour	\$300.00	\$300.00
Meter testing	\$270.00	\$270.00
Operational assistance / hour. Minimum charge 1 hour	\$50.00	\$50.00
Technical services / hour	\$135.00	\$135.00
Water Service located at / hour rate	\$135.00	\$135.00

6.7 KEY PROJECT STATUS REPORT - BIGWATERSTORY

File Number: 1234

Author: Darren de Klerk, 3 Waters Programme Manager

Authoriser: Monique Davidson, Chief Executive

Attachments: 1. Key Project Status Report #12 - BigWaterStory [↓](#)

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

PURPOSE

Following the conception of **#thebigwaterstory**, Council set about implementing the programme. A programme manager was appointed and focus given to defining the projects that form the programme in greater detail.

More recently in mid 2020, Council created a project management office (PMO) to oversee and deliver the growing capital programme.

The purpose of this key project status report serves as an opportunity to formally report to elected members on the progress of each of the projects in the relevant programme and their expected delivery against time, scope, budget and quality standards against the larger programme objectives.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as not significant.

BACKGROUND

As part of Project Thrive, the importance of water to our community was one of the loudest messages. This, combined with a vision for growth and prosperity, environmental responsibilities, as well as strong and durable infrastructure, is how **#thebigwaterstory** began.

To deliver the improvements required, Council has developed a programme of upgrades and improvements to ensure that the drinking water, wastewater and stormwater infrastructure is able to meet the current and future needs of the community.

Following Project Thrive, creation of The Big Water Story brand, and adoption of the LTP in 2018, attention and focus have shifted from discussion and consultation to planning and delivery. Projects must be sequenced and prioritised based on several factors. This holistic approach to managing several interrelated projects to achieve a single promised outcome is referred to as Programme Management.

DISCUSSION

A quarterly report to summarise the activity across **#thebigwaterstory** – further content within the attached.

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;

- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

NEXT STEPS

The BigWaterStory is now starting to be normalised as the capital programme and focus may turn to specific projects of interest in future months like the Waipukurau Second water Supply.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.



**Nelson Street/
Reservoir Road
Water Main Renewal**

PROJECT DATES: 22 Feb 2021 – July 2021

PROJECT PROVIDED: [Blank]

KEY CONTACTS:
Ben Schindler
02 537 8000

KEY CONTACTS:
Dave Allen
02 538 9111

PROJECT CONTRACTOR: **HIGGINS**

Project for your guidance and support while we complete this work.

Programme Update #12
Oct 2021 to Jan 2022





#the BIG Water Story

Programme Status Report Overview			
PROGRAMME	#theBigWaterStory		
Release Date	14 February 2022	Report #	12
Key Benefits	<p>The benefits of #thebigwaterstory were communicated to the residents of CHB through workshops and through the 2018 LTP process. The key benefits were to:</p> <ul style="list-style-type: none"> • Upgrade infrastructure to last longer and so we can maintain the service you have always relied on • Meet changing legislative and compliance requirements relevant to 3 waters assets • Build resilience in our waters infrastructure by having second supplies, firefighting capacity and right sized reticulation systems • Take on the learnings from the Havelock North water inquiry • Ensure we are providing for smart growth in the district including the rapidly growing number of new homes being built in our residential areas and forecast over the next 10 years • Supply those who are connected to Drinking Water with a safe, clean and reliable drinking water source in particular those smaller communities • Deal with wastewater and stormwater to ensure minimal impact on our rivers • Ensure we do not burden future generations with aging infrastructure 		
Project Delivery Objectives	<p>To deliver the capital projects in the allocated year/s that together form the Big Water Story to budget and quality whilst ensuring maximum community benefit from these projects.</p> <p>Communicate to the community on the programme and the progress of each project.</p> <p>Provide input through the design and improvement projects to future infrastructure works and asset management plans, to inform where future expenditure and improvements are targeted for the betterment of infrastructure in the district.</p>		

Report/ Document History

Report No.	Report Date	Report Frequency	Project Sponsor	Project Manager
1	28/07/2018	Bi-Monthly	Josh Lloyd	Josh Lloyd - Interim
2	27/08/2018	Bi-Monthly	Josh Lloyd	Darren de Klerk
3	16/11/2018	Bi-Monthly	Josh Lloyd	Darren de Klerk
4	01/02/2019	Bi-Monthly	Josh Lloyd	Darren de Klerk
5	15/08/2019	Bi-Monthly	Josh Lloyd	Darren de Klerk
6	14/02/2020	Bi-Monthly	Josh Lloyd	Darren de Klerk
7	05/06/2020	Bi-Monthly	Josh Lloyd	Darren de Klerk
8	08/10/2020	Bi-Monthly	Josh Lloyd	Darren de Klerk
9	25/02/2021	Bi-Monthly	Josh Lloyd	Darren de Klerk
10	12/08/2021	Bi-Monthly	Josh Lloyd	Darren de Klerk
11	07/10/2021	Bi-Monthly	Josh Lloyd	Darren de Klerk
12	14/02/2022	Quarterly	Josh Lloyd	Darren de Klerk

Sponsor's Project Delivery Confidence Assessment

				
Appears Highly Likely	Appears Probable	Appears Feasible	In Doubt	Appears Unachievable

Programme Manager's Status Summary

Key Questions Impacting on Project Objectives		No	Yes	Explanation & Proposed Controls
1	Are there Business Case Benefit attainment problems?	✓	<input type="checkbox"/>	The business case is self-supporting and based on relatively simple science. The assets are proven to require replacement, upgrade or augmentation. By delivering the specified projects, the asset constraints will be mitigated and business case benefits realised.
2	Are there Scope Control problems?	✓	<input type="checkbox"/>	The scope of the Big Water Story is defined with listed projects. The scope will be better defined as each project progresses through design phases.
3	Will Target Dates be missed?	<input type="checkbox"/>	✓	There is greater confidence most projects will be delivered within timeframes, Waipukurau second supply is unlikely to be completed within the original two-year timeframe. This has been re-forecast to 30 June 2024, and will be re-evaluated as it progresses through its planning lifecycle.
4	Will Project Costs be overrun?	<input type="checkbox"/>	✓	Recent significant cost inflation and overruns are likely due to the current heightened strains on the market. Project costs have been developed as part of the LTP 21-31, the current market volatility has seen some project costs exceed budgets while others have seen savings made. General funding is a risk.
5	Are there Quality problems?	✓	<input type="checkbox"/>	The risk of poor quality outcomes (e.g. poorly constructed projects) is considered low. The quality of physical works is considered a non-negotiable and is managed through routine project management processes.
6	Are there Resource problems?	✓	<input type="checkbox"/>	As the programme has progressed this resourcing risk has been well managed internally, and through engaging a diverse external market to deliver physical and design services.
7	Are there Risk Management problems?	✓	<input type="checkbox"/>	No significant risk management problems perceived at present, risks will be identified below and managed as per project management practices. Safety in design workshops held for each project.
8	Are there Review and Approval problems?	✓	<input type="checkbox"/>	Governance and internal management structures for the review and approval of project and programme outcomes are sufficient to meet the requirements of the Big Water

				Story. Robust gateways in place, in particular for procurements.
9	Are there Teamwork problems?	✓	<input type="checkbox"/>	The team are engaged and enthusiastic about the Big Water Story. New staff and changes in some roles is providing improved team dynamics.
10	Are there Stakeholder problems?	✓	<input type="checkbox"/>	Key affected stakeholders will be communicated with and managed as per defined stakeholder management and communication plans for each project.
11	Are there lwi issues?	✓	<input type="checkbox"/>	Impact on lwi considered to be minimal with little impact on land or changes in use of infrastructure planned as part of Big Water Story. Following stakeholder engagement plans will ensure they are identified and engaged with in advance.
12	Are there Communication problems?	✓	<input type="checkbox"/>	Communication Strategy for Big Water Story well developed, website content being updated and templates being used for regular distribution on all projects in line with project specific communication and stakeholder plans.
13	Are there Change Management problems?	✓	<input type="checkbox"/>	Not at present, some change may be imminent in project scope - these will be managed through our design review, and approval process.
14	Are there Health & Safety issues?	✓	<input type="checkbox"/>	H&S management is another non-negotiable for the delivery of all Big Water Story projects. It is mandatory that robust H&S management plans and procedures are provided for each Big Water Story Project. This will develop further as construction progresses through site specific Health and Safety Plans

INTRODUCTION

This report will provide regular information on the fixed objectives and dynamic progress and risks of the Big Water Story.

The report provides an introduction as well as background and contextual information on the Big Water Story and then becomes more detailed discussing programme and project progress and risk.

BACKGROUND

As part of Project Thrive, the importance of water to our community was one of the loudest messages. This, combined with a vision for growth and prosperity, environmental responsibilities, as well as strong and durable infrastructure is how **#thebigwaterstory** began.

To deliver the improvements required, Council has developed a programme of upgrades and improvements to ensure that the drinking water, wastewater and stormwater infrastructure is able to meet the current and future needs of the community.

Following project THRIVE, creation of The Big Water Story brand, and adoption of the LTP in 2018, attention and focus have shifted from discussion and consultation to planning and delivery. Projects must be sequenced and prioritised based on several factors. This holistic approach to managing several interrelated projects to achieve a single promised outcome is referred to as Programme Management.

OBJECTIVE

Following the conception of **#thebigwaterstory**, Council set about implementing the programme, a programme manager was appointed and focus given to defining the projects that form the programme in greater detail.

This key project status report serves as an opportunity to formally report to elected members on the progress of each of the projects and their expected delivery against time, scope, budget and quality standards.

PROGRAMME RISKS

This section will be expanded/ updated in subsequent quarterly Key Project Status Reports. A risk register is live and forms an integral part of the project and ensures the PCG manages and identifies risk appropriately. The Project Governance Group receives risks that are elevated, below is a simplistic overview of risks that are of concern.

Project	Risk	Proposed Control
Waipukurau to Waipawa Water Supply	The project does not align and meet the needs of tangata whenua	Ongoing engagement, telling the bigger picture, focussing on the opportunities and presenting options.
Waipukurau to Waipawa Water Supply	Delay or unrest in relation to consenting the water take	Clear information provided, engagement with stakeholders
Waipukurau to Waipawa Water Supply	Escalations of cost against agreed budgets	Include contingency in budget setting, procure a programme to gain economies of scale, flag early.
Waipukurau to Waipawa Water Supply	Failure of an existing asset – reservoir, pipeline prior to the project being completed	Ensure contingency plans in place, carry spare parts, continue momentum once works commenced.

SH2 Borefield	Ongoing issues affecting new bore operations	Thorough planning and testing, visibility on system and confidence before decommissioning syphon system
Waipawa Trunk Water Main Upgrade (Tikokino/Abbottsford)	Failure of main before pipeline upgraded	Spare parts carried, continue momentum on the programme to maximise renewal.
Waipawa Firefighting	Lack of storage available to undertake appropriate shutdown to connect network	Plan network connections, ensure minimised shutdowns are well communicated
Reservoir Replacements	Staging of projects delays the ability to replace a reservoir in timely fashion	Planning and delivering works as a programme
SH2 to Pukeora Rising Main Replacement	Failure of main before pipeline upgraded	Management of pressure and velocity up the existing main, spare parts.
Water Renewals	Ongoing leaks, cause perception or pressure on asset management plans	Create a clear forward works programme to articulate the why, when
Stormwater Renewals	Additional assets fail ahead of time (Helicoil)	Condition assessment and improved data quality and use of information for decision making.
Growth projects	Growth / Development projects come online faster than works can be designed and completed	Up to date models that are regularly updated to assist with planning.

RISKS to COST and DELIVERY

CHBDC and other council are facing real constraints in terms of:

- Labour market (construction and professional services)
- Materials; and
- The capacity of the construction sector to scale up and meet the demand.
- Cost inflation due to many factors; supply chain, competing demands, COVID-19, lack of resources, market pressure, global impacts, interest rates

PROGRAMME UPDATE – CURRENT

Updated: 10 February 2022

WATER SUPPLY						
PROJECT	STATUS	TIMELINE		PROGRESS	BUDGET	RISK LEVEL
		START	END		TOTAL	
Waipawa to Waipukurau Second Water Supply	<i>Design Build</i>	Aug 2018	June 2024	20% 	<i>\$11.5m- \$14.5m</i>	
Waipukurau SH2 Borefield Upgrade	<i>Commission</i>	June 2018	June 2021	95% 	\$1.415m	
Waipukurau SH2 Turbidity Solution	<i>Build</i>	July 2021	Feb 2022	80% 	\$500k	
Waipukurau Firefighting and Shortfalls Improvements (Years 4-7)	<i>Investigation</i>	July 2021	June 2025	10% 	\$2.5m	
Kairakau Water Supply Upgrade	<i>Tender</i>	Mar 2020	Nov 2022	30% 	\$989k \$300k	
Water Mains Renewal (Reservoir Rd/Nelson St)	<i>Build</i>	Oct 2020	Sep 2021	100% 	\$990k	
Tikokino/ Abbotsford Water Main (Trunk Main Renewal Stage 3-5)	<i>Design and Build</i>	Oct 2021	June 2022	20% 	\$1.1m	
Water Main Renewal (Porangahau Road)	<i>Design</i>	Jan 2022	July 2022	5% 	\$TBC	
Waipawa Firefighting Improvements (Years 1-3)	<i>Build</i>	May 2020	Dec 2021	20% 	\$1.12m	
Pourerere Beach Water – Reconsenting	<i>Consent</i>	Oct 2021	June 2022	20% 	\$30k	
PROJECTS COMPLETED (in the last 12 months)						
Johnson Street Pump Upgrade	<i>Complete</i>	Dec 2020	April 2021	100% 	\$100k	
Waipukurau Firefighting and Shortfalls Improvements (Year 3)	<i>Complete</i>	Aug 2020	Oct 2020	100% 	\$307k	

YEAR 1-3 LTP CURRENT and FUTURE PROJECTS

Water Supplies	2021/22	2022/23	2023/24
Year	YR1	YR2	YR3
to improve the level of service	3,368,900	3,181,722	4,245,192
Bulk Water Metering	100,000	103,000	0
Customer water meters (Demand Management)	0	0	477,405
Installation of new valves for flushing purposes	40,000	41,200	21,218
Installation of testable boundary backflow preventers	51,000	52,530	54,106
SH2 Filtration System (Turbidity Solutions)	500,000	0	0
Water Main Renewal	220,000	0	0
Waipawa water mains Replacement	0	0	493,584
Waipukurau water mains Replacement	0	479,208	493,584
Waipukurau Second Supply	2,333,000	2,402,990	2,652,250
Water source protection	24,900	51,294	0
Water treatment plant improvements	100,000	51,500	53,045
to replace existing assets	1,668,419	3,044,824	8,024,230
Great North Rd - High St Main Replacement	200,000	0	0
Pukeora Reservoir Replacement	0	0	4,774,050
Operational Reactive Renewal	300,000	300,000	300,000
Reticulation renewal including pipes & other retic	0	690,345	720,055
SCADA data security upgrade	50,000	51,500	53,045
Seismic shut off valve programme - all storage sites	0	25,750	26,523
SH2 Replacement AC Main (Risk)	0	772,500	795,675
Standpipe improvements	20,000	20,600	0
Waipawa fire fighting improvements 1-3	494,279	637,199	672,723
Waipukurau fire fighting improvements 4-6	604,140	546,930	682,159
DW TOTAL	5,037,319	6,226,546	12,269,422
Spend to Date	1,594,934		

STORMWATER

PROJECT	STATUS	TIMELINE		PROGRESS	BUDGET	RISK LEVEL
		START	END		TOTAL	
Waipukurau Stormwater Improvements • Nelson/ Reservoir Upgrade	<i>Build</i>	Aug 2021	June 2022	80% <div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	\$390k*	<div><div></div><div></div><div></div></div>
Network Modelling (Waipawa, Otāne and Waipukurau)	<i>Design</i>	Jan 2021	June 2022	50% <div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	\$200k	<div><div></div><div></div><div></div></div>
Stormwater Catchment Management Plan	<i>Design</i>	Jul 2021	June 2023	10% <div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	\$151k	<div><div></div><div></div><div></div></div>
Network Extensions	<i>Design</i>	Jul 2021	June 2022	10% <div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	\$145k	<div><div></div><div></div><div></div></div>
Network Renewals	<i>Design</i>	Jul 2021	June 2023	10% <div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	\$473k	<div><div></div><div></div><div></div></div>
PROJECTS COMPLETED (in the last 12 months)						
Waipukurau Stormwater Helicoil Upgrades • Tutanakei Street	<i>Complete</i>	Sep 2019	Oct 2020	100% <div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	\$315k	<div><div></div><div></div><div></div></div>
Waipawa Stormwater Improvements • Rathbone to Bush drain	<i>Complete</i>	May 2020	Jul 2020	100% <div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	\$183k	<div><div></div><div></div><div></div></div>

YEAR 1-3 LTP CURRENT and FUTURE PROJECTS

Stormwater	2021/22	2022/23	2023/24
Year	YR1	YR2	YR3
to meet additional demand	245,000	885,800	763,849
Bush Drain Restoration and Opportunities	0	25,750	26,523
Developer led projects	100,000	103,000	106,090
Eastern Interceptor upgrade to fit in with sewer works	0	412,000	212,180
Improve performance of open drain racecourse road	0	92,700	0
Improve the Health of Lake Whatuma	0	103,000	106,090
Otane Shortfalls in existing assets	50,000	51,500	53,045
Structure Planning for growth	45,000	46,350	47,741
Takapau Shortfalls in existing assets	50,000	51,500	53,045
Waipukurau CBD Flooding Upgrade	0	0	159,135
to improve the level of service	140,000	309,000	583,495
25A racecourse road Waipawa erosion repair	90,000	0	0
Mcgreevy street drain treatment devices	0	0	265,225

Stormwater Catchment Management Plan	50,000	51,500	53,045
Waipuk industrial area treatment devices	0	257,500	265,225
to replace existing assets	773,500	796,705	820,607
Operational reactive renewals	100,000	103,000	106,090
Condition/Materials assessment	50,000	51,500	53,045
Pah Flat Drain Channel Upgrade and treatment	100,000	103,000	106,090
Proactive open drain performance improvements	150,000	154,500	159,135
Reticulation renewal including pipes & other retic	148,500	152,955	157,544
Waipawa Shortfalls in existing assets	50,000	51,500	53,045
Waipukurau Shortfalls in existing assets	175,000	180,250	185,658
SW TOTAL	1,158,500	1,991,505	2,167,951
Spend to date	373,172		

PROJECT UPDATES

PROJECT: Waipukurau Second Water Supply

STATUS	DESIGN	
TIMELINE	AUG 2018 START DATE	JUN 2024 END DATE
PROGRESS	20%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>
BUDGET	\$12.6m* - LTP \$2.2m - DIA TOTAL PROJECT	\$940k \$1.8m SPEND TO DATE
RISK LEVEL	<div><div></div><div></div><div></div></div> <p>*Funded from 2018 and 2021 LTP (\$8m to date) + \$4.66m in Y2 and Y3 of LTP Subject to a council decision to come.</p>	



SCOPE

To find and construct a new water source bore, pipe a rising main to a reservoir, provide treatment and gravity feed back into Waipukurau to supply a second water supply to the town.

ACHIEVEMENTS

New bore and testing - Production bore yield testing completed

Mains pipeline – Tikokino road Stage 1 upgrade is 100% complete, tie in #1 on Tikokino Road is complete, Stage 2 and 3 on Tikokino Road to Abbottsford Road intersection is underway.

Design - Due diligence across pipeline route via test pits and geotechnical drilling at the proposed reservoir location. Environmental assessment performed.

Engagement - Directly affected landowners continue to be generally supportive with valuation and compensation processes underway. Field trip held with Iwi in Dec 2021.

Reallocation of DIA funding – Council approved in August 2021 to reallocate \$1.1m of the DIA funding from the project to renewals of the Waipawa Trunk water main on Tikokino/ Abbottsford Road known as (Stages 3,4 and 5). This takes the pressure off expending DIA funding at the risk of due diligence and iwi engagement.

Consenting – progressed consent application for additional water take with HBRC. Progressed geotech investigatory bores for the river crossing

PLANNED

Continued design development is ongoing with a current focus on the main to the central reservoir, the central reservoir and the falling main from the reservoir to Waipukurau.

Continued construction of Tikokino rising main Stages 1-5 planned for completion May 2022.

Officers plan to bring a council decision in April 2022 requesting the project either proceed or be re-evaluated.

Consenting application for water take progressing with an external review by GHD and PDP underway.

RISKS

- DIA funding timeframes
- Approval for reservoir site/Timeframes to build reservoirs
- Water quality from test bores
- Strategic assessment of project requirements
- Budget/ Cost escalations
- Land acquisition and easements
- Iwi engagement
- River Crossing



PROJECT: Waipukurau SH2 Drinking Water Bore Upgrade

A: BOREFIELD UPGRADE			
COMMISSION			
STATUS			
TIMELINE	AUG 2018 START DATE	MAR 2022 END DATE	
PROGRESS	95%	<div><div></div></div>	
BUDGET	\$1.4m*	\$1.36m	\$1.417m
	TOTAL PROJECT BUDGET	SPEND TO DATE	EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		

B: TURBIDITY SOLUTION			
BUILD			
STATUS			
TIMELINE	AUG 2021 START DATE	MAR 2022 END DATE	
PROGRESS	80%	<div><div></div></div>	
BUDGET	\$500k	\$337k	\$390k
	TOTAL PROJECT BUDGET	SPEND TO DATE	EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		

SCOPE

A: To upgrade the bores and electrical configuration at the SH2 water borefield source that supplies Pukeora reservoir and Waipukurau. The scope involves upgrading and refurbishing 3 bores, pipework configuration, the electrical components, transformer, fencing and a tank for surplus water. Additional components are to install flow and turbidity meters to contribute towards drinking water standard New Zealand (DWSNZ) compliance.

B: To install a run to waste system to allow the bores on start up and in periods of turbid water the ability to 'run to waste' water that is unable to meet DWSNZ standards for treatment.

ACHIEVEMENTS

Two new bores drilled, new transformer installed and new pipework connected, bypass installed and some redundant pipework removed. 3 new pumps, pipework completed and electrical controls installed

PLANNED

New run to waste system build, final commissioning planned to start late Feb 2022, and then system can be decommissioned.

RISKS

- Bore field operation and commissioning
- Run to waste design and cost
- Shutdown for electrical commissioning



PROJECT: Kairakau Water Supply Upgrade

STATUS	TENDER		
TIMELINE	MAR 2020 START DATE	NOV 2022 END DATE	
PROGRESS	30%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	
BUDGET	\$989k \$300k - TIF TOTAL PROJECT BUDGET	\$288k SPEND TO DATE	\$1.289m EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		

**SCOPE**

Central Hawkes Bay District Council's 2018 Long Term Plan identified a project to upgrade and future proof Kairakau's water supply. This is needed so that council can comply with the Health Act and supply water that meets the drinking water standards or New Zealand (DWSNZ)

**ACHIEVEMENTS**

Successful TIF application of \$300k towards Capex to support project in particular hardness solutions. Iwi engagement with Kairakau Land Trust, including archaeological assessment. Contractor engaged, another community meeting held. HAZOP session, design report received.

PLANNED

Design completed, fabrication to commence. Archaeological assessment completed. Further develop Iwi engagement. Investigate local discharge for WTP hardness waste.

RISKS

Risk identified within this project are updated to:

- Budget
- Completion of lease
- Disturbance of Archaeological items
- Tangata Whenua monitoring support
- Contractor management
- Regulatory changes expected in July 2021

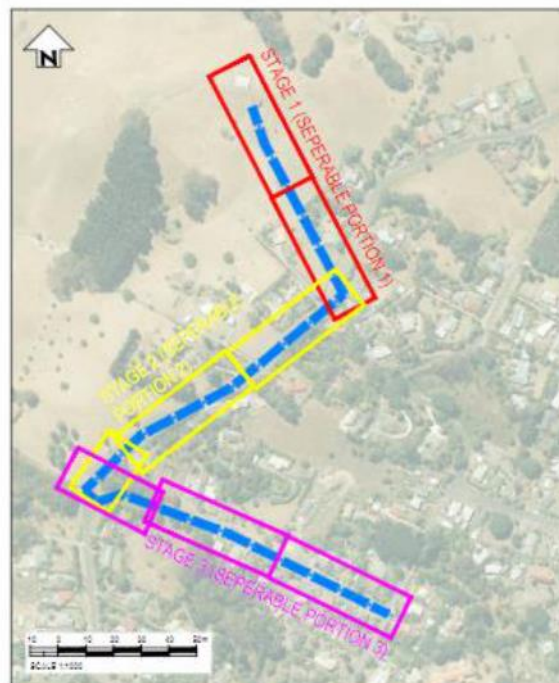
PROJECT: Waipawa Water Firefighting/Pressure Improvements (Stages 1,2 & 3)

STATUS	BUILD		
TIMELINE	MAY 2020	Stage 1 & 2 – Mar 2022	
	START DATE	Stage 3 – May 2022	
		END DATE	
PROGRESS	20%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	
BUDGET	\$1.12m	\$275k	\$850k
	TOTAL PROJECT BUDGET	SPEND TO DATE	EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		

SCOPE

Central Hawkes Bay District Council have committed to a work programme to improve the firefighting capacity, and the shortfalls in the Waipawa Water system. Budget has been set aside initially in the 2018-28 long term plan, and again in the 2021-2031 long term plan, the programme will;

- Improve firefighting capability and capacity.
- Improve shortfalls in network
- Support growth in Waipawa and Ōtāne.

**ACHIEVEMENTS**

Awarded and commenced Stages 1 and 2 to Russell Roads in early September 2021, works commenced in October, most of the pipe laid to Abbottsford Road / Matthew Street intersection from the Abbottsford reservoirs.

PLANNED

Completion of Stage 1 and 2 – alignment with Abbottsford/ Tikokino Road Trunk Water Main Renewal (Stages 4 and 5).

RISKS

Risk identified within this project are;

- Affected stakeholders, businesses
- Water supply
- Existing infrastructure
- Contractor management



PROJECT: CHB Water and Stormwater Renewal – Reservoir/Nelson, Waipukurau

Water Main Renewal			
STATUS	COMPLETE		
TIMELINE	SEP 2020 START DATE	SEP 2021 END DATE	
PROGRESS	100%	<div><div></div></div>	
BUDGET	\$990k TOTAL PROJECT BUDGET	\$811k SPEND TO DATE	\$861k EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		

Stormwater Main Renewal			
STATUS	BUILD		
TIMELINE	SEP 2021 START DATE	MAR 2022 END DATE	
PROGRESS	70%	<div><div></div></div>	
BUDGET	\$550k TOTAL PROJECT BUDGET	\$321k SPEND TO DATE	\$390k EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		

SCOPE

To lay a new 100mm water PE main on the same side as the existing Cast Iron water mains with a new 63mm PE Water Ridermain on the opposing side. This will involve approximately 950m of new water main, 645m of rider main and 66 new water connections.

To improve stormwater performance on Nelson Street that has been prone to surface flooding and ponding. The water main project was strategically planned to enable the new Stormwater pipeline to be installed in the location of the now redundant, old portable water pipeline.

**ACHIEVEMENTS**

Project completed, approx.. 4 weeks left on the stormwater solution, road rebuild underway.

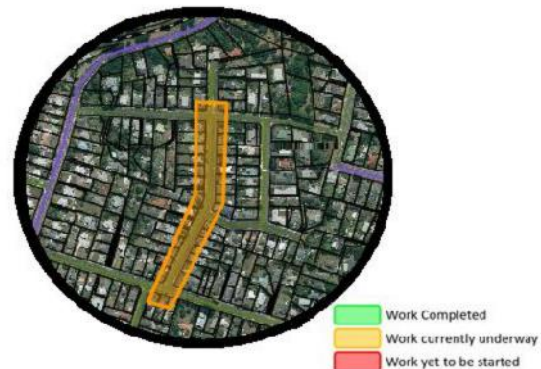
PLANNED

Higgins to complete the stormwater solution, the land transport team to finalise the road solution – AWPT or reseal is underway, due for completion in 6 weeks.

RISKS

Risk identified within this project are;






- Disruptions to homeowners/public
- Reinstatement graffiti
- Scope change – Stormwater improvements



Programme Financial Update

Key Project Statistics	Budget	Expenditure	Variance
	to 30 June 2022	to 31 Jan 2022	
3 Waters Reform – Tranche One	\$11.09m	\$8.4m	\$2.69m
Water Supply Projects	\$15.65m	\$1.54m	\$14.11m
Stormwater Projects	\$1.604m	\$373k	\$1.23m
Total	\$28.35m	\$10.3m	\$18.05m

Project Delivery Confidence Assessment Key

Key	Attention Required	Issues/Risks	Delivery
	Minimal	None	On Time
	Constant	Potential	Delays Probable
	Manage	Exist but resolvable	Delays Likely
	Urgent	Major	Delays
	Critical	Critical	Major delays. Re-scope/Re-assess

Summary of Projects Completed in 2020

PROJECT: Porangahau Water Treatment Upgrade

STATUS	COMPLETED	
TIMELINE	AUG 2018 START DATE	MAR 2020 END DATE
PROGRESS	100%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>
BUDGET	\$1.038m TOTAL PROJECT BUDGET	\$1.079m SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>	



SCOPE

To improve the water supply system in Porangahau to remove iron and manganese, and hardness whilst ensuring we meet DWSNZ compliance. The project will also be looking to improve security of supply and storage whilst meeting the long-term needs and addressing the community concerns.

ACHIEVEMENTS

Work completed and commissioned in Feb 2020. An official opening held in March 2020. Successful operation since.

PROJECT: Te Paerahi Water Storage

STATUS	COMPLETED	
TIMELINE	SEP 2019 START DATE	MAR 2020 END DATE
PROGRESS	100%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>
BUDGET	\$263k TOTAL PROJECT BUDGET	\$302k SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>	



SCOPE

Through a successful tourism infrastructure fund application – council is providing additional storage to Te-Paerahi through at least a 174cm³ reservoir.

ACHIEVEMENTS

Work completed and commissioned in Feb 2020.

PROJECT: Waipukurau Water Firefighting/ Pressure Improvements (Year 3)

STATUS	COMPLETED	
TIMELINE	AUG 2020 START DATE	OCT 2020 END DATE
PROGRESS	90%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>
BUDGET	\$590k TOTAL PROJECT BUDGET	\$307k SPEND
RISK LEVEL	<div><div></div><div></div><div></div><div></div></div>	

**SCOPE**

Central Hawkes Bay District Council created a 7 year works programme with the budget set aside in the 2018-28 long term plan, the programme will improve firefighting capability and capacity and improve shortfalls in network.

Plan and deliver works for the Year 3 and review the improvements and effect on the network prior to commencing future years.

ACHIEVEMENTS

Year 3 works commenced in August 2020, all pipework installed along Northumberland street, Ruataniwha street and Peel street.

PROJECT: Waipukurau Helicoil Replacement – Tutanekai Street

STATUS	COMPLETED	
TIMELINE	JUL 2020 START DATE	OCT 2020 END DATE
PROGRESS	100%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>
BUDGET	\$330k TOTAL PROJECT BUDGET	\$315k SPEND
RISK LEVEL	<div><div></div><div></div><div></div><div></div></div>	

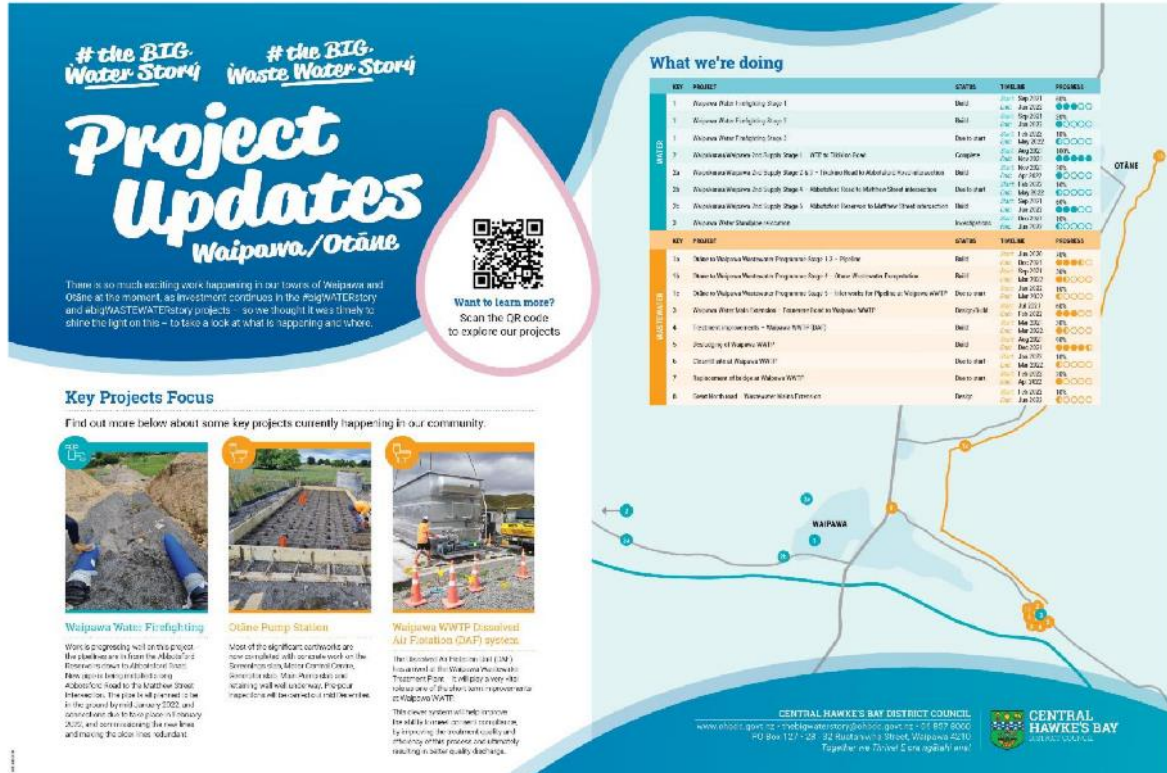
**SCOPE**

Lining an existing 1000mm Helicoil pipe along Tutanekai Street, and a section of 750mm located in the back of properties located off Tavistock Road. This is due to the aluminium helicoil stormwater line corroding and failing causing road repair and the formation of tomo's where debris enters the failed pipeline.

ACHIEVEMENTS

Contractors "Pipeworks" have installed a flexible resin liner to all planned areas, this work completed mid-October. Road rehabilitation and resealing completed

PROGRAMME OVERVIEW

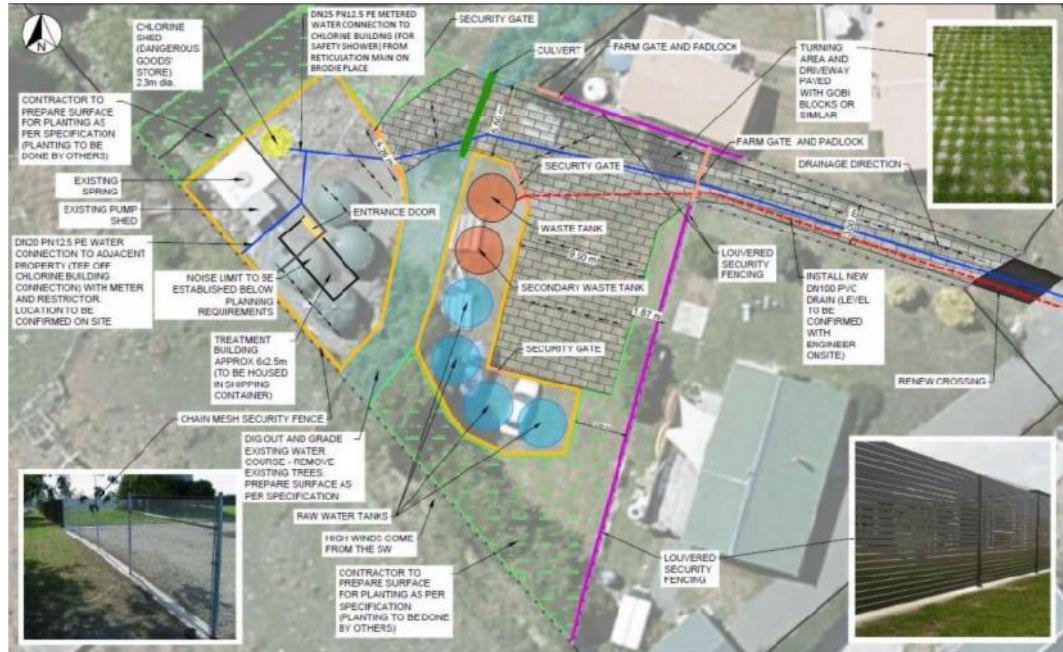


PHOTOS

PROJECT: Waipawa Firefighting Stages 1 to 3



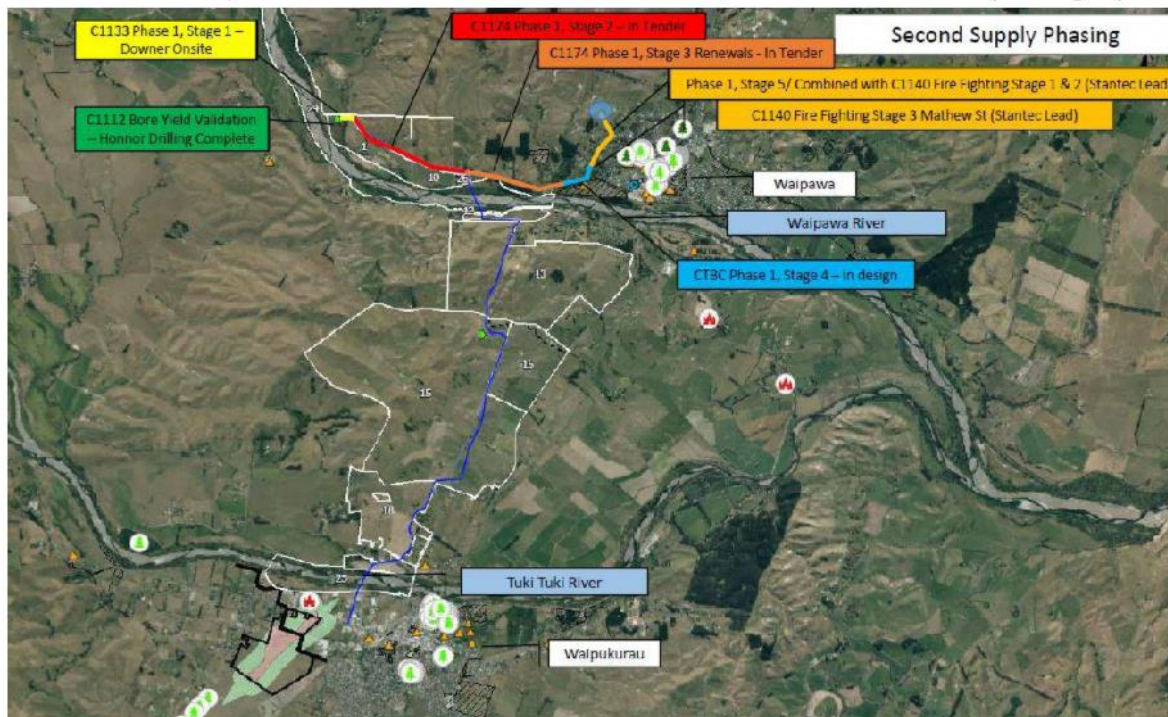
PROJECT: Kairakau Water Upgrade



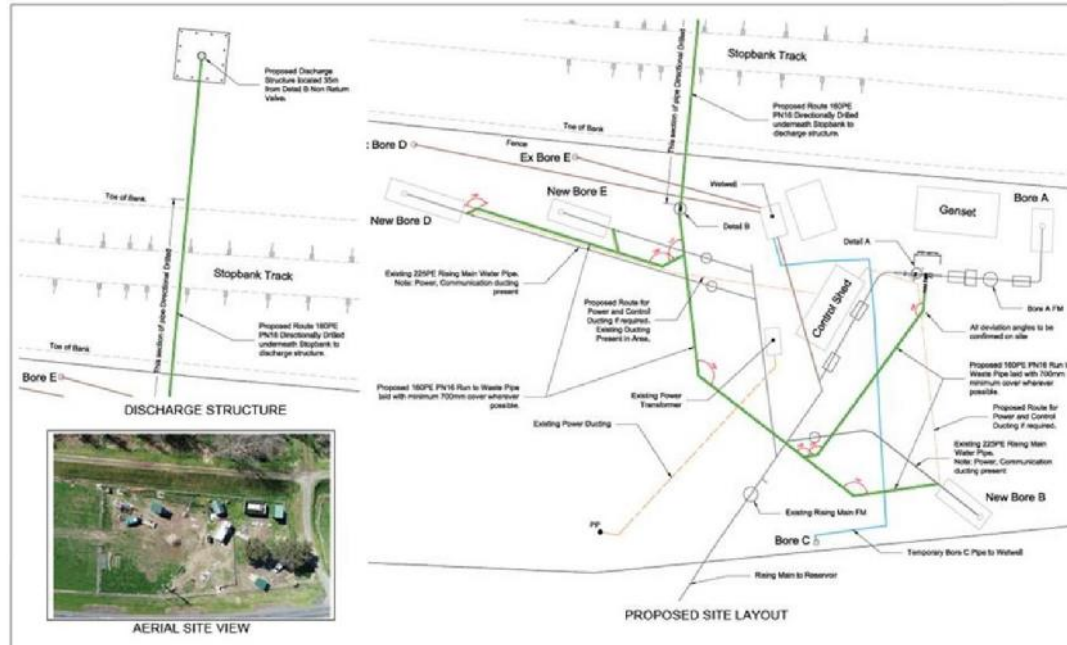
PROJECT: Waipukurau Second Supply – Tikokino Road Stage 1 Connection



PROJECT: Waipawa Trunk Main Renewal - Tikokino/ Abbottsford Road (5 Stages)



PROJECT: SH2 Borefield – Run to Waste Solution



PROJECT: Nelson Street Stormwater Renewal



6.8 KEY PROJECT STATUS REPORT - BIGWASTEWATERSTORY

File Number:

Author: Darren de Klerk, 3 Waters Programme Manager

Authoriser: Monique Davidson, Chief Executive

Attachments: 1. Key Project Status Report #6 - BigWasteWaterStory [↓](#)

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

PURPOSE

Following the conception of #thebigwaterstory, Council set about implementing the programme. A programme manager was appointed and focus given to defining the projects that form the programme in greater detail.

Council have recognised the growing programme, and in mid 2020 a project management office (PMO) was established and is growing as the programme and opportunities grow.

The six wastewater plants form a significant programme of works themselves, and we have prudently decided to report on the progress of these six wastewater plants and their subsequent upgrades and re-consenting separately from #thebigwaterstory. This programme has been named **#thebigwastewaterstory**.

The purpose of this key project status report serves as an opportunity to formally report to elected members on the progress of each of the projects and their expected delivery against time, scope, budget and quality standards against the larger programme objectives.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as not significant.

BACKGROUND

Following charges in relation to the Waipawa wastewater treatment plant in 2016/ 2017, Council commissioned technical reviews into the Waipawa and Waipukurau wastewater plants, in summary the advice received from two independent experts, outlined the plants with their current treatment system and in their current state would never be able to meet consent compliance, in particular for ammonia. Council commenced work to respond to the court order and investigate a new treatment and discharge scheme in 2018.

The Otane wastewater plant had in 2017, received a new consent to upgrade the treatment system onsite and continue to discharge to the 'unnamed farm drain' and eventually to the Papanui stream. In mid-2018, just prior to awarding tenders for this upgrade, Council officers recommended to Council, that the Otane wastewater system be included in the Waipawa and Waipukurau review, and the onsite upgrade be placed on hold. In 2019, it was identified that the best practicable option for Otane was to convey to Waipawa for treatment and ultimately discharge, Otane is now firmly in the planning for the future of these plants. The pipeline is well underway, with the pump station recently being tendered, council is also working with HBRC to amend the consent to acknowledge the work being undertaken at Otane.

The Waipawa plant is currently seeing significant improvements and upgraded treatment infrastructure in the form of a Dissolved Air Flotation (DAF) unit, the oxidation pond has been desludged, and is due to receive wastewater from Otane in early 2022 – subject to a consent being amended and upgrades being completed.

The plants went through a robust community engagement process via a community reference group to identify preferred options to investigate and design for engagement in Long Term Plan

2021. These options were presented at concept design level to the community as formal LTP engagement in early 2021 and adopted in June 2021. While planning is underway for these major long term upgrades, some necessary improvement works continue at all plants.

The Takapau wastewater plant received a 3 year consent extension through to October 2021, to allow Council to investigate different options for discharge. A long term consent was lodged in April 2021, waiting on a s42a report from HBRC and hopefully consent granted in the next few months.

The Porangahau and Te Paerahi wastewater plants both have their consents expiring in May 2021. A short term transitional consent was lodged in February 2021, and a longer term 35 year consent lodged in August 2021. The wastewater plant(s) have section 124 rights allowing operation to continue on the current consent while the new one is being processed.

This programme of work across the six wastewater plants signals the need for specific reporting across this programme and its progress. In addition the need to implement robust management controls through the formation of a project control group and project governance group.

DISCUSSION

The detail is outlined with the attached key project status report.

A lot of work is happening across the wastewater plants and we continue to apply focus on the delivery, communication and operational improvements in order to successfully deliver on short term improvements. Meanwhile we continue to focus on and create the longer-term solution.

Landowner and Iwi engagement and commitment is important in developing the long-term solutions for each of the sites and is an immediate focus of the project team along with consenting requirements.

Stakeholder engagement is now moving into “what are we doing” (progress updates), rather than “what we are proposing” now that the LTP has been adopted.

As most of the short term works are underway, our technical teams current focus has shifted to the further development of the long term improvements.

Physical works contracts are well underway, and contractor availability/resourcing issues, and material supply issues are apparent, with fewer tender submissions, higher tender prices, and issues with meeting work programmes. An overarching programme procurement strategy has been developed and identifies mitigation strategies for some of the risk associated with these early learnings.

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and

- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

NEXT STEPS

Continued delivery of #thebigwastewaterstory, specific focus on commissioning short term improvements, consenting activities, landowner relationships, procurement strategy, mitigating cost inflation and developing design.

RECOMMENDATION

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

Project Status Report Overview			
PROJECT NAME	#theBigWastewaterStory - Key Project Status Report		
Release Date	14 February 2022	Report #	6
Key Benefits	<p>#thebigwastewaterstory is the overarching programme of works required to upgrade and re-consent all six of our wastewater projects. These plants either have compliance problems, or have consents expiring in the near future.</p> <p>Consistent with #thebigwaterstory, the following key objectives identify the drivers for the projects:</p> <ul style="list-style-type: none"> • Upgrade infrastructure so that it will last longer and we can maintain and improve service levels • Meet changing legislative and compliance requirements relevant to 3 waters assets • Ensure we are providing for smart growth in the District including the rapidly growing number of new homes being built in our residential areas and forecast over the next 10 years • Deal with wastewater and stormwater to ensure minimal impact on our rivers • Ensure we do not burden future generations with aging infrastructure <p>The vision created by the wastewater reference group is to ensure:</p> <p>"Our effluent is treated in a sustainable way that creates a resource, protects our environment and continues to do so for generations to come"</p>		
Project Delivery Objectives	<p>To deliver the capital projects in the allocated year/s that align with future resource consents together to budget and quality whilst ensuring maximum community benefit from these projects. Communicate and engage with the community on the programme and the progress of each project.</p> <p>Provide input through the design and improvement projects to future infrastructure works and asset management plans, to inform where future expenditure and improvements are targeted for the betterment of infrastructure in the district.</p>		

Report/ Document History

Report No.	Report Date	Report Frequency	Project Sponsor	Project Director
1	18/06/2020	Quarterly	Josh Lloyd	Darren de Klerk
2	18/10/2020	Quarterly	Josh Lloyd	Darren de Klerk
3	25/02/2021	Quarterly	Josh Lloyd	Darren de Klerk
4	20/07/2021	Quarterly	Josh Lloyd	Darren de Klerk
5	24/09/2021	Quarterly	Josh Lloyd	Darren de Klerk
6	14/02/2022	Quarterly	Josh Lloyd	Darren de Klerk

Sponsor's Project Delivery Confidence Assessment



Appears Highly
Likely



Appears Probable



Appears Feasible



In Doubt



Appears
Unachievable

INTRODUCTION

This report will provide regular information on the fixed objectives and dynamic progress of the wastewater upgrade projects across the district.

The report provides an introduction as well as background and contextual information on the wastewater projects and then becomes more detailed discussing programme and project progress and risk.

BACKGROUND

As part of Project Thrive, the importance of water to our community was one of the loudest messages. This, combined with a vision for growth and prosperity, environmental responsibilities, as well as strong and durable infrastructure is how #thebigwaterstory began.

To deliver the improvements required, Council has developed a programme of upgrades and improvements to ensure that the drinking water, wastewater and stormwater infrastructure is able to meet the current and future needs of the community.

Following project THRIVE, creation of The Big Water Story brand, and adoption of the LTP in 2018, attention and focus have shifted from discussion and consultation to planning and delivery. Projects must be sequenced and prioritised based on several factors. This holistic approach to managing several interrelated projects to achieve a single promised outcome is referred to as Programme Management.

The wastewater projects due to their significance have now been removed from #thebigwaterstory report and will now be reported specifically through this report.

This report will cover the six wastewater plants and provide transparency on the process and developments for each.

OBJECTIVE

To deliver upgrades as outlined in design and consenting packages that are endorsed by community and regional council while remaining fit for purpose, affordable and able to be financed.

This key project status report serves as an opportunity to formally report to elected members on the progress of each of the projects and their expected delivery against time, scope, budget and quality standards.

Overall Confidence Assessment				
Key Questions Impacting on Project Objectives		No	Yes	
1	Are there Business Case Benefit attainment problems?	✓	<input type="checkbox"/>	With the recent adoption of the LTP 21-31, clear direction has been given to the overall programme of works. Each new project undergoes a business case like review to clearly define the projects expected outcomes
2	Are there Scope Control problems?	✓	<input type="checkbox"/>	Options will be identified which when refined will allow us to refine the scope for each option
3	Will Target Dates be missed?	<input type="checkbox"/>	✓	Most projects with physical works underway are expected to be delivered with small delay to commissioning dates. This is attributed to the volume, complexity and supply market pressures of the work required throughout the programme.
4	Will Project Costs be overrun?	<input type="checkbox"/>	✓	Project costs have been developed as part of the LTP 21-31, the current market volatility has seen some project costs exceed budgets while others have seen savings made. General funding is a risk.
5	Are there Quality problems?	✓	<input type="checkbox"/>	None at present
6	Are there Resource problems?	✓	<input type="checkbox"/>	Internal resourcing is tight and stretched to deliver the packages of upgrades – but we continue to make good progress – an additional Project Manager for P2 and P3 has been recruited. The availability of contractor resource is a risk.
7	Are there Risk Management problems?	✓	<input type="checkbox"/>	Risk workshops are held, and registers developed for each project to highlight risks and allow mitigation
8	Are there Review and Approval problems?	✓	<input type="checkbox"/>	The process for internal review and approval is working well.
9	Are there Teamwork problems?	✓	<input type="checkbox"/>	None at present
10	Are there Stakeholder problems?	✓	<input type="checkbox"/>	Community meetings have and will continue to be held for each project at milestones and as information progresses. Key stakeholders are engaged with in person, and via other mediums.
11	Are there Iwi issues?	✓	<input type="checkbox"/>	Iwi engagement is ongoing, and we would benefit from additional focus in this area.
12	Are there Communication problems?	✓	<input type="checkbox"/>	None present, regular updates placed on the CHBDC website
13	Are there Change Management problems?	✓	<input type="checkbox"/>	None present
14	Are there Health & Safety issues?	✓	<input type="checkbox"/>	None present

RISK MANAGEMENT

This section will be expanded/ updated in subsequent quarterly Key Project Status Reports. A risk register is live and forms an integral part of the project and ensures the PCG manages and identifies risk appropriately. The Project Governance Group receives risks that are elevated, below is a simplistic overview of risks that are of concern.

Project	Risk	Proposed Control
Biosolids strategy	There is a risk that any consenting requirements needed for the best practicable residuals management option delay the ability to implement that option.	Well planned and documented workplan and strategy
DAF - Waipawa WWTP	There is a risk that the DAF unit does not perform as expected	Clear wastewater characterisation data provided to tenders
Great North Rd extend main Abbotsford to Tamumu	NZTA not supporting project	Early engagement, robust design with consultant input.
Otane to Waipawa Wastewater pipeline (Stage 2 & 3)	There is a risk that the completion of the remaining section of stage 2 pipeline is delayed	The experienced contractor has completed a walk over of the site and prepared a construction programme with a contingency allowed for. Regular meetings are held onsite to view and discuss progress against the intended programme
Otane to Waipawa Wastewater pipeline (Stage 5)	There is a risk that the completion of the Stage 5 pipeline is delayed	A direct source procurement methodology is proposed in order to utilise the experience and skills of the same contractor who has completed the rest of the pipeline
Otane Wastewater Pump Station	There is a risk that the project costs significantly exceed the budgeted allowance.	Formation of a project brief clearly articulating the project scope. Involvement of experienced consultants in both the design and construction MSQA.
Otane Wastewater Pump Station	There is a risk that the completion of the project is delayed	Contingency built into the project programme to reduce the effect of any small delays.
Trade Waste Review and Improvements	Truck wash solids above acceptable limits for Treatment Plant function	Impose treatment requirements based on new consent levels

Waipawa WWTP Bridge Upgrade	There is a risk that the existing culvert crossing condition deteriorates hindering or negating access to the wastewater treatment plant, prior to the new bridge crossing being complete.	Restrictions have been placed on the existing culvert to minimise the traffic using the crossing and limit their size and speed.
Wastewater Pond Desludging	There is a risk that the Waipukurau desludging creates odour that causes a nuisance to nearby residents	Demisting system around the southern and western sides of the site.
Wastewater Renewals/I&I Work	Flow Data for all Wastewater Treatment Plants potentially inaccurate.	Investigation by East Coast Automation is ongoing.

Communications and Engagement Updates

Communications around the current physical works have been regular and well received, affected landowners continue to be regularly updated and generally supportive of the works.

Engagement through the consenting process for Takapau was minimal with only two submitters on the consent, issues arising were worked through directly with these submitters and HBRC.

It is likely that there will be a need for greater engagement upcoming with the notification of the Porangahau consent at the end of February, a factsheet for the general public is being created and we are working closely with the affected landowner.

Recently a bus trip was held with Iwi to explore options for both river crossings and land irrigation, uptake was unfortunately low. Garnering sufficient and widespread Iwi engagement around the WOW project continues to be a risk.

General Comments

A lot of work is happening across the wastewater plants and we continue to apply focus on the delivery, communication and operational improvements in order to successfully deliver on short term improvements. Meanwhile we continue to focus on and create the longer-term solution.

Landowner and Iwi engagement and commitment is important in developing the long-term solutions for each of the sites and is an immediate focus of the project team along with consenting requirements. Stakeholder engagement is now moving into "what are we doing" (progress updates), rather than "what we are proposing" now that the LTP has been adopted.

As most of the short term works are underway, our technical teams current focus has shifted to the further development of the long term improvements.

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Programme Financial Update

Financial management of these projects requires creation internally of a project specific ID for each project. This allows for management of costs and understanding of progress against budget – further detail available on request

Key Project Statistics Incl. 3 W DIA projects	Budget Whole Life (\$)	Expenditure @ 08 Feb 2022	Variance
Biosolids strategy	\$0	\$0	\$0
CHB Wastewater Dump Stations	\$150,000	\$145,507	\$4,493
DAF - Waipawa WWTP	\$1,000,000	\$786,707	\$213,293
Great North Rd extend main Abbotsford to Tamumu	\$350,000	\$21,667	\$328,333
Otane to Waipawa Wastewater pipeline (Stage 2 & 3)	\$2,400,000	\$1,917,090	\$482,910
Otane to Waipawa Wastewater pipeline (Stage 5)	\$500,000	\$22,774	\$477,226
Otane Wastewater Pump Station	\$1,608,000	\$845,482	\$762,518
Pourerere Rd Watermain	\$500,000	\$367,172	\$132,828
Takapau wastewater upgrade	\$0	\$0	\$0
Te Paerahi and Porangahau wastewater upgrade	\$2,463,414	\$681,998	\$1,781,416
Trade Waste Review and Improvements	\$115,400	\$89,424	\$25,976
Waipawa & Waipukurau WWTP Waveband Remediation	\$300,000	\$70,496	\$229,504
Waipawa WWTP Bridge Upgrade	\$300,000	\$30,220	\$269,780
Wastewater Pond Desludging	\$1,750,000	\$1,633,594	\$116,406
Wastewater Renewals/I&I Work	\$500,000	\$267,409	\$232,591
WOW Minor Improvements	\$461,634	\$230,707	\$230,927
Total	\$13,698,448	\$7,980,315	\$5,718,133

LONG TERM PLAN 2021 AGREED STAGING AND PROGRESS

Project 1: Waipawa, Otane and Waipukurau Upgrades

BPO (Option 1) Summary						
Stage	Asset	Date range	Budget	LTD Spend	Progression	
1	Build Otane to Waipawa Wastewater Conveyance Pipeline and Pump Station	2020-2024	\$15.4m	\$1.895m	30%	
	Build Waipawa to Walker Road Pipeline and Pump Station					
	Undertake Minor Improvements at Waipawa and Waipukurau Wastewater plants					
	Build Stage 1 of the Land Irrigation Site at Walker Road					
2024 Milestone	Have conveyed Otane Wastewater to Waipawa by 2022, Be discharging Otane and Waipawa Wastewater to Walker Road during Dry by 2024					
2	Build stage 1 of the new Wastewater Treatment Plant at Waipawa for Waipawa and Otane	2024-2027	\$18m	N/A	Not Started	
2027 Milestone	Commence treatment of flows for Waipawa and Otane at new treatment plant by 2027					
3	Build Waipukurau to Waipawa Pipeline and Pump Station incl. River crossings	2027-2030	\$8m	N/A	Not Started	
2030 Milestone	Ability to transfer Waipukurau flows to Waipawa					
4	Build Stage 2 of the Land Irrigation Site at Walker Road	2030-2035	\$8.3m	N/A	Not Started	
	Build Stage 2 of the Treatment Plant for Waipukurau flows and future growth					
	Decommission or downsize treatment plants					
2035 Milestone	Full land irrigation and all flows treated through new treatment plant					

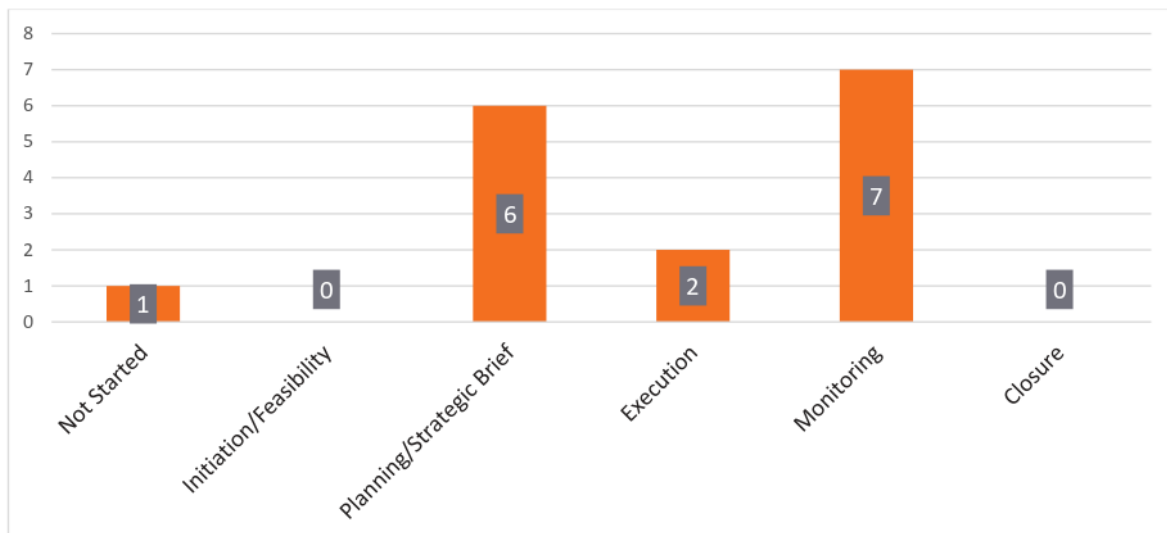
Project 2: Pōrangahau and Te Paerahi Upgrades

BPO (Option 1) Summary						
Stage	Asset	Date range	Budget	LTD Spend	Progression	
1	Treatment improvements to existing ponds (UV, filtration, screens)	2021-2023	\$7.4m	\$682k	10%	
	Pipeline from Te Paerahi WWTP to land discharge area					
	Establish high rate land dispersal					
	Install storage for times irrigation cant occur					
	Establish initial irrigation for Te Paerahi flows					
2024 Milestone	Irrigate to land flows from Te Paerahi, cease discharging to dunes					
2	Pipeline from Porangahau WWTP to land discharge area	2025-2027	\$2.4m	N/A	Not Started	
	Increase storage for times irrigation cant occur					
	Establish remainder of irrigation for all flows					
2027 Milestone	Commence treatment of flows for Waipawa and Otane at new treatment plant by 2027					
3	New combined Wastewater treatment plant at new site	2028-2030	\$7.8m	N/A	Not started	
	Decommission Te Paerahi pond, and downsize Porangahau pond					
2030 Milestone	Treat Waste water from both towns at new wastewater plant					
	Return Te Paerahi Wastewater Pond to Trustees					
	Downsize Porangahau Wastewater Pond to a storage pond for wet weather events only					

Project 3: Takapau Upgrades

BPO (Option 1) Summary						
Stage	Asset	Date range	Budget	LTD Spend	Progression	
1	Build Pipeline to Land Irrigation site	2020-2022	\$1.3m	\$871k	10%	
	Build phase 1 Land Irrigation site for dry weather flows					
	Minor Treatment Plant Improvements					
2024 Milestone	Irrigate to land in the dry low flow river months by 2022					
2	Build wet weather storage	2024-2025	\$1.7m	N/A	Not Started	
	Increase land irrigation size - Phase 2					
2027 Milestone	Irrigate all flows to land by 2025					

Current Projects – Project Lifecycle Stage



Other Upcoming works

Waipawa WWTP Cleanfill site

Planning works is underway to create a clean fill and drill slurry dewatering site at the Waipawa WWTP, a Certificate of compliance was applied for and granted by HBRC. This will tidy up and expand the existing area and provide a facility in preparation for several upcoming projects likely to involve pipe drilling.

Waipukurau DAF

Part of the WOW short term improvements work, replacement of the underperforming Lamella clarifiers at Waipukurau WWTP with DAF units is planned for the 22/23 financial year. Most of the planning has been completed, the project team now awaiting the successful commissioning of the Waipawa DAF to validate the systems performance.

Waipawa to Walker Road Route planning and Walker Road design

Consultant partners Beca and LEI are currently investigating options for both the Waipawa WWTP to Walker Rd pipeline route and the Walker Rd land irrigation design, reports and recommendations to follow.

Year 1 to 3 Long Term Plan Projects

Wastewater (Sewerage)	2021/22	2022/23	2023/24
Year	YR1	YR2	YR3
to meet additional demand	1,496,000	1,540,880	1,587,107
Developer led projects	50,000	51,500	53,045
Reticulation renewal	1,081,000	1,122,430	1,165,103
Operational Reactive Renewal	300,000	300,000	300,000
Structure plan for growth	65,000	66,950	68,959
to improve the level of service	2,968,520	2,127,748	2,170,406
Great North Rd link Abbotsford to Tamumu	350,000	0	0
TEP / PHU wastewater treatment and discharge upgrade	2,085,929	2,127,748	2,170,406
TKP wastewater treatment and discharge upgrade	532,591	0	0
to replace existing assets	3,697,634	4,436,798	5,954,677
District I&I Project	300,000	309,000	318,270
Waipukurau Sth Service Lane main under buildings	200,000	206,000	212,180
WPK WPA OTN wastewater treatment and discharge upgrade	3,197,634	3,921,798	5,424,227
WW TOTAL	8,162,154	8,105,426	9,712,190
Spend to Date	3,060,759		

Project Delivery Confidence Assessment Key

Key	Attention Required	Issues/Risks	Delivery
	Minimal	None	On Time
	Constant	Potential	Delays Probable
	Manage	Exist but resolvable	Delays Likely
	Urgent	Major	Delays
	Critical	Critical	Major delays. Re-scope/Re-assess

Project Manager's Progress Summary				
Project 1 - WOW				
Project	Scope	Achievement	Upcoming	When
CHB Wastewater Dump Stations	New Caravan waste disposal locations.	Waipukurau site delivered and Operational.	Continued investigation of second location	Feb/Mar 22
DAF - Waipawa WWTP	Installation of DAF unit at Waipawa WWTP to replace the existing underperforming Lamella clarifier. This is to improve the treatment system and subsequently improve compliance with current discharge consents until the central WWTP at Waipawa is able to be constructed.	The main DAF unit arrived from China early in December and was placed onsite on the 14th December. Contractor Enviroden has the majority of the physical installation completed with all pipework for the effluent feed line, sludge line, supernatant discharge line and bypass'.	Completion of the initial programming and physical installation work followed by commissioning of the system, optimisation and training of the operators.	Feb 22
Otane to Waipawa Wastewater pipeline (Stage 2 & 3)	To investigate, design and install a new wastewater pipeline to convey wastewater from Ōtāne to Waipawa. Stage 1: White Road to Racecourse Rd Pipeline Stage 2: Racecourse Rd to Waipawa WWTP Pipeline Stage 3: White Road to Ōtāne WWTP Pipeline Stage 4 (a&b): Ōtāne WWTP Pump Station Stage 5: Waipawa WWTP inlet works (to Pond)	Land owner agreement finalised with the one private landowner on the route, all but the central open cut section of pipework installed. Work commenced on this central section with an access track being cleared, temporary fencing installed and arborist work. Air valves for the entire conveyance route ordered and expected to arrive mid February.	Completion of the pipeline, installation of the air valves along entire route.	Mar 22
Otane to Waipawa Wastewater pipeline (Stage 5)	To investigate and design a new wastewater pipeline to convey wastewater from Ōtāne to Waipawa. Stage 5: Waipawa WWTP inlet works (to Pond)	Design completed including Safety in Design and HAZOP meeting including the 3 Waters operations team. Contractor Procurement underway - awaiting approval from Executive Leadership Team	Confirm Contractor procurement and commence work onsite	Feb/Mar 22

Otane Wastewater Pump Station	To investigate and design a new wastewater pipeline to convey wastewater from Ōtāne to Waipawa. Stage 4 (a&b): Ōtāne WWTP Pump Station	Stead Construction procured as main contractor. Majority of civil and structural work completed (all buried pipe, Structural concrete for Pump pad, Motor Control Cabinet and Generator pad and the concrete retaining wall). Centralines engaged for a transformer upgrade.	Subcontractor Max Tarr planned to commence onsite for Mechanical and electrical installations. Completion of power upgrades for the site.	Mar 22
Pourerere Rd Watermain	To secure a long term supply of potable water at the Waipawa WWTP for use in current treatment upgrade projects, improved health and safety measures and availability for use in the future centralised treatment plant.	180PE main installed from Johnson St intersection to the WWTP, initial tie-in to the live network completed	<ul style="list-style-type: none"> Complete final tie-in to the live water supply network. Connect properties on route to new main where already network users or where they have applied for connection. Complete distribution manifold at WWTP treatment shed. 	Feb/Mar 22
Waipawa & Waipukurau WWTP Waveband Remediation	To investigate options for waveband refurbishment and to provide design services to repair pond embankments at the Waipawa and Waipukurau Waste Water Treatment Plants (WWTP) following erosion occurring on the upper part of the pond slopes above the existing waveband. The wave action and energy had led to the erosion of the embankment. The aim to reinstate the slope to a similar profile to the original slope and maintain the existing slope stability of the pond slopes.	Barkers Contractors have completed armoring the Waipukurau Wastewater Treatment Plant pond bank and will be starting works in the Waipawa Wastewater treatment plant in Mid-February.	Barkers will be starting works in the Waipawa Wastewater treatment plant in late February.	Mar 22

Waipawa WWTP Bridge Upgrade	Replacement of the existing culvert stream crossing at the Waipawa WWTP. The existing culvert has been found to be structurally compromised and engineering advice is that it is unable to be repaired. A new culvert is needed to ensure safe access to the WWTP and will also enable better access for large vehicles with less acute entry and departure angles than the existing crossing	RFT documentation prepared and released to selected contractor market. Stantec engaged to provide technical design drawings and review of supplier design as well as ongoing MSQA through construction.	Procurement of supplier/contractor and commencement of work onsite.	Mar 22
WOW Minor improvements	<p>With larger upgrade work completed or underway at the Waipawa, Waipukurau and Otane WWTP's, there is now scope for minor improvements to be implemented at the treatment plants to improve treatment performance in the ponds until the long-term solutions are in place.</p> <p>There are three initial items of optimisation and minor improvements work:</p> <ul style="list-style-type: none"> • Aeration and Pond Layouts • UV Requirements • Screening 	<p>Investigation and design scopes for both UV and Screening approved with consultants Beca and work underway.</p> <p>Aeration and Pond layout scope from Beca being drafted and is to include input from the 3 Waters operations team throughout investigation and design process.</p>	<p>Recommendation report for improvements to both UV treatment and Screening. Completion and sign off of Aeration and Pond layout scopes and commencement of the investigatory work.</p>	<p>Apr 22</p> <p>Feb 22</p>

Project Manager's Progress Summary

Project 2 – Porangahau and Te Paerahi

Project	Scope	Achievement	Upcoming	When
Te Paerahi and Porangahau	To consent and build a land-based discharge system for the Pōrangahau and Te Paerahi wastewater system to accommodate current	Consent lodged August 2021 QMRA report completed and s92 information request responded to	Next key tasks include: Finalised design scoped Procurement Plan developed	Ongoing

Key Project Status Report #6

wastewater upgrade	and future growth and meet community, environmental and cultural aspirations while balancing the affordability constraints of the community.	in full Site visit with HBRC contracted specialists in mid January	Landowner engagement scheduled for late February Engagement with Rongomaraeroa Marae to inform design work required for connecting Marae to wastewater system. Community and Iwi meeting to discuss detail on the wastewater upgrade design and function including info sheet.	
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Project Manager's Progress Summary				
Project 3 - Takapau				
Project	Scope	Achievement	Upcoming	When
Takapau Wastewater Project - Stage 1	Upgrade Takapau's wastewater discharge system to remove current discharge into the Makaretu River. The project will occur over 2 stages. Stage 1 - provision of 2,000m3 of storage and development minimum 5ha irrigation	Consent lodged in April 2021 and publicly notified on 7 October 2021. CHBDC responded to two information requests out of the public notification. Landowner engagement occurred successfully System design scope has been completed.	Revised design scope Procurement Plan Issuing of consent by HBRC	June 2022

Project Manager's Progress Summary				
Project 4 - Residuals				
Project	Scope	Achievement	Upcoming	When
Wastewater Pond Desludging	To remove the large volume of sludge in the facultative ponds at both the Waipawa and Waipukurau Wastewater Treatment Plants as surveys completed at both plants indicate the sludge volume is currently in excess of 40% of the available pond. This level of sludge is having significant impact on operational performance and regulatory compliance.	The existing dried solids from previous desludging operations at both plants have been removed to landfill, both containment area liners replaced due to the condition of the existing liners. Waipawa WWTP desludged with approximately 1900 dry tonnes of sludge removed. Contractors Hydracare have mobilised to Waipukurau WWTP and recently commenced desludging operation.	Continue desludging of the main facultative pond at Waipukurau WWTP. Finish removal of the BAS curtains from the pond.	Ongoing Feb 22
Biosolids strategy	To formulate a strategy and work plan ascertaining the best practicable solution for managing residuals from wastewater treatment processes that aligns with CHBDC's vision for wastewater management.	Draft strategy reviewed by Project Control group	Publishing of strategy Commencement of work to establish residuals management options	Mar 22 Mar 22

Project Manager's Progress Summary				
Project 5 – Flow and Load				
Project	Scope	Achievement	Upcoming	When
Wastewater Renewals/I&I Work	Investigation of wastewater reticulation defects allowing liquid ingress and remediation of defects. Includes hydraulic modelling of Stormwater and Wastewater systems, and identification of stormwater system improvements that reduce I&I. Aimed at reducing treatment upgrade cost, increasing level of service of Stormwater/Wastewater system and reducing environmental contamination.	<p>An I&I Management Strategy and implementation plan for each township has been completed giving a direction for the investigations phasing.</p> <p>Hydraulic modelling for Stormwater and Wastewater systems in Waipawa and Otane scheduled for completion this March.</p> <p>Two investigations contractors have been procured, one as preferred supplier pending contract award, while the other is currently at work in the Waipawa wastewater system.</p> <p>Remediation contractors Downer have completed repairs on some of the worst affected manholes in Otane.</p>	The investigations contract is scheduled for award in February with wider investigative works following according the township-specific management plan. Data management systems need finalising as part of this. Following from these, remediation works will occur to fix defects that were identified. Peaking factors continually assessed and refined.	
Project - Other				
Project	Scope	Achievement	Upcoming	When

Key Project Status Report #6

Great North Rd extend main Abbotsford to Tamumu	Wastewater Main Installation to service future developments in the area, partly funded by developers. Includes design, liaison with NZTA for approval, and physical installation. Potential efficiency with Great North Road water main replacement	Project partner Stantec have been engaged for the design of the main, of which the preliminary stage has been completed. This sets us up nicely for a discussion with NZTA for approval, from which we can commence detailed design and procurement.	The team need to finalise some design drawing for discussion with NZTA. From there, the detailed design phase will kick in and analysis of where the water renewal should be placed will commence. Procurement of a contractor and physical installation follows on from here.	
Trade Waste Review and Improvements	Overhaul of Trade Waste Management and implementation of associated upgrades. Aiming to inform Wastewater Treatment Plant design, incentivise treatment efficiency with pre-treatment measures and develop more effective management structure.	An updated Trade Waste Bylaw has been completed and adopted, as well as an overarching strategy giving us direction and a structured approach. New, more fit for purpose consents have been issued and all traders have implemented treatment measures. Data management and invoicing systems are being continually improved upon and new traders have been identified.	Further data management and invoice changes need finalising as well as installation of discharge meters on some sites. Some newly identified traders need to be assessed for inclusion including food preparation businesses with grease traps, which need a maintenance schedule.	

INDIVIDUAL PROJECT UPDATES

PROJECT: Biosolids strategy

STATUS	Planning/Strategic Brief		
TIMELINE	Nov 2021	Feb 2023	
	START DATE	END DATE	
PROGRESS	10%		
BUDGET	\$0	\$0	Within design
	TOTAL PROJECT	SPEND TO DATE	EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		

SCOPE

To formulate a strategy and work plan ascertaining the best practicable solution for managing residuals from wastewater treatment processes that aligns with CHBDC's vision for wastewater management.

ACHIEVEMENTS

Draft strategy reviewed by Project Control group

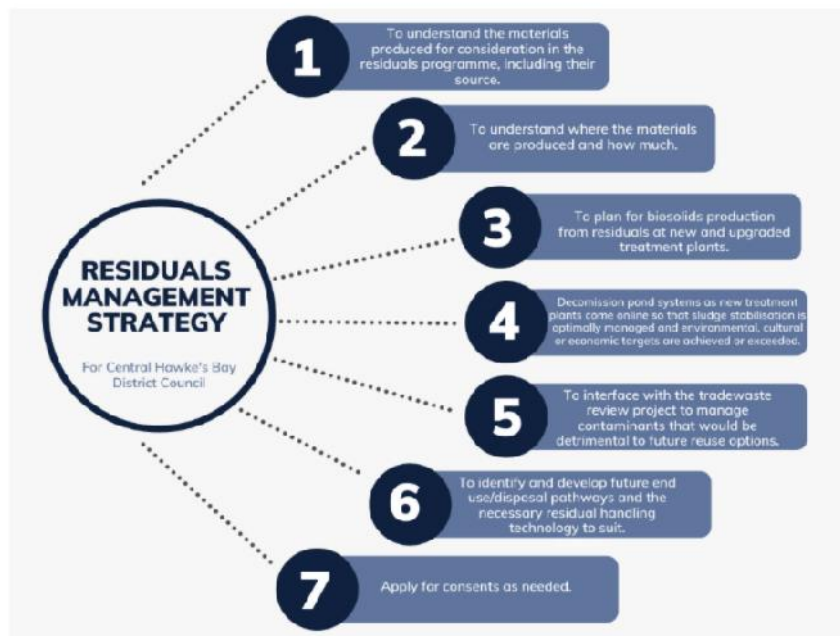
RISKS

Achieving engagement with all relevant stakeholders

PLANNED

Publishing of strategy

Commencement of work to establish residuals management options through characterisation of existing residuals, identification of likely residuals from future upgrades, identification of possible management solutions and engagement with stakeholders



PROJECT: CHB Wastewater Dump Stations

STATUS		Monitoring	
TIMELINE	Jul 2020 <small>START DATE</small>	Jul 2022 <small>END DATE</small>	
PROGRESS	95%		
BUDGET	\$150K <small>TOTAL PROJECT</small>	\$146K <small>SPEND TO DATE</small>	\$150K <small>EXPECTED SPEND</small>
RISK LEVEL	<div><div></div><div></div><div></div></div>		



SCOPE

New Caravan waste disposal locations.

ACHIEVEMENTS

Waipukurau site complete and Operational with Opening held involving NZMCA and other key stakeholders

PLANNED

Investigation of second site elsewhere in CHB, continued engagement with community on potential locations

RISKS

The ability to find a suitable second site that meets community expectations as well as being deliverable with budget constraints



#theBigWastewaterStory Key Project Status Report

Issue Date: 08 February 2022

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PROJECT: DAF - Waipawa WWTP

STATUS	Monitoring		
TIMELINE	Feb 2021 <small>START DATE</small>	April 2022 <small>END DATE</small>	
PROGRESS	80%		
BUDGET	\$1M <small>TOTAL PROJECT</small>	\$787K <small>SPEND TO DATE</small>	\$1.1m <small>EXPECTED SPEND</small>
RISK LEVEL	<div><div></div><div></div><div></div></div>		



SCOPE

Installation of DAF unit at Waipawa WWTP to replace the existing underperforming Lamella clarifier. This is to improve the treatment system and subsequently improve compliance with current discharge consents until the central WWTP at Waipawa is able to be constructed.

ACHIEVEMENTS

The main DAF unit arrived from China early in December and was placed onsite on the 14th December. Contractor Enviroden has the majority of the physical installation completed with all pipework for the effluent feed line, sludge line, supernatant discharge line and bypass'.

PLANNED

Completion of the initial programming and physical installation work followed by commissioning of the system, optimisation and training of the operators.

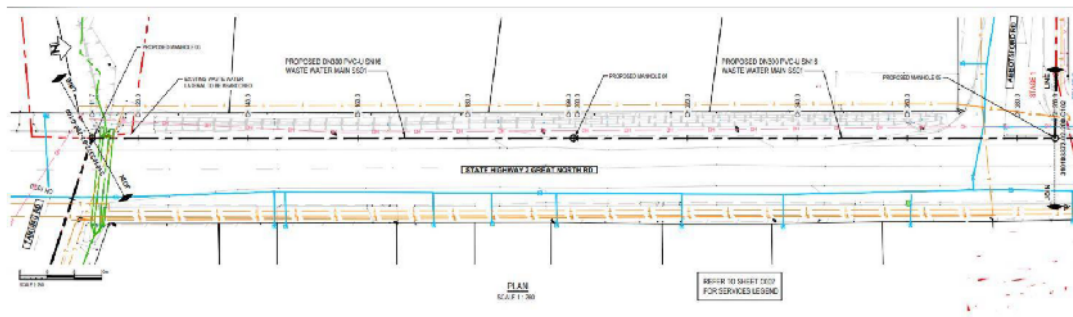
RISKS

- Currently highest risks lie with budget and schedule although risk level is low as some minor delays are unlikely to have a significant impact.



PROJECT: Great North Rd extend main Abbotsford to Tamumu

STATUS			Planning/Strategic Brief		
TIMELINE		Jan 2021	Jul 2022		
		START DATE	END DATE		
PROGRESS		10%			
BUDGET		\$350K	\$22K	\$372K*	
		TOTAL PROJECT	SPEND TO DATE	EXPECTED SPEND	
RISK LEVEL		<div><div></div><div></div><div></div></div>			



SCOPE

Wastewater Main Installation to service future developments in the area, partly funded by developers. Includes design, liason with NZTA for approval, and physical installation. Potential efficiency with Great North Road water main replacement

ACHIEVEMENTS

Project partner Stantec have been engaged for the design of the main, of which the preliminary stage has been completed. This sets us up nicely for a discussion with NZTA for approval, from which we can commence detailed design and procurement.

PLANNED

The team need to finalise some design drawing for discussion with NZTA. From there, the detailed design phase will kick in and analysis of where the water renewal should be placed will commence. Procurement of a contractor and physical installation follows on from here.

RISKS

To be developed

*Additional funding through proposed developer agreement.

PROJECT: Otane to Waipawa Wastewater pipeline (Stage 2 & 3)

STATUS		Monitoring	
TIMELINE	Jul 2019 <small>START DATE</small>	Jun 2021 <small>END DATE</small>	
PROGRESS	85%		
BUDGET	\$2.4M <small>TOTAL PROJECT</small>	\$1.774M <small>SPEND TO DATE</small>	\$2.4M <small>EXPECTED SPEND</small>
RISK LEVEL	<div><div></div><div></div><div></div></div>		

SCOPE

To investigate, design and install a new wastewater pipeline to convey wastewater from Ōtāne to Waipawa.

Stage 1: White Road to Racecourse Rd Pipeline

Stage 2: Racecourse Rd to Waipawa WWTP Pipeline

Stage 3: White Road to Ōtāne WWTP Pipeline

Stage 4 (a&b): Ōtāne WWTP Pump Station

Stage 5: Waipawa WWTP inlet works (to Pond)

**ACHIEVEMENTS**

Land owner agreement finalised with the one private landowner on the route, all but the central open cut section of pipework installed. Work commenced on this central section with an access track being cleared, temporary fencing installed and arborist work. Air valves for the entire conveyance route ordered and expected to arrive mid February.

PLANNED

Completion of the pipeline, installation of the air valves along entire route.

RISKS

- Completion of the project is still at risk of delays caused by weather and supply chain issues. Budget risk remains albeit manageable within the total Ōtāne to Waipawa programme.

PROJECT: Otane to Waipawa Wastewater pipeline (Stage 5)

STATUS		Execution	
TIMELINE	Jul 2021 <small>START DATE</small>	Apr 2022 <small>END DATE</small>	
PROGRESS	20%		
BUDGET	\$500K <small>TOTAL PROJECT</small>	\$23K <small>SPEND TO DATE</small>	\$350K <small>EXPECTED SPEND</small>
RISK LEVEL	<div><div></div><div></div><div></div></div>		

SCOPE

To investigate and design a new wastewater pipeline to convey wastewater from Ōtāne to Waipawa.

- Stage 1: White Road to Racecourse Rd Pipeline
- Stage 2: Racecourse Rd to Waipawa WWTP Pipeline
- Stage 3: White Road to Ōtāne WWTP Pipeline
- Stage 4 (a&b): Ōtāne WWTP Pump Station
- Stage 5: **Waipawa WWTP inlet works (to Pond)**

ACHIEVEMENTS

Design completed including Safety in Design and HAZOP meeting including the 3 Waters operations team.
Contractor Procurement completed

PLANNED

Contractor to commence work onsite

RISKS

- Material supply and the ability of the contractor to complete to programme are the biggest risks to the project success, an early procurement of the incumbent contractor will minimise some of this risk



PROJECT: Otāne Wastewater Pump Station

STATUS		Monitoring	
TIMELINE	Feb 2021 <small>START DATE</small>	Apr 2022 <small>END DATE</small>	
PROGRESS	60%		
BUDGET	\$1.6M <small>TOTAL PROJECT</small>	\$845K <small>SPEND TO DATE</small>	\$1.76m <small>EXPECTED SPEND</small>
RISK LEVEL	<div><div></div><div></div><div></div></div>		

**SCOPE**

To investigate and design a new wastewater pipeline to convey wastewater from Otāne to Waipawa.

Stage 1: White Road to Racecourse Rd Pipeline

Stage 2: Racecourse Rd to Waipawa WWTP Pipeline

Stage 3: White Road to Otāne WWTP Pipeline

Stage 4 (a&b): Otāne WWTP Pump Station

Stage 5: Waipawa WWTP inlet works (to Pond)

**ACHIEVEMENTS**

Stead Construction procured as main contractor. Majority of civil and structural work completed (all buried pipe, Structural concrete for Pump pad, Motor Control Cabinet and Generator pad and the concrete retaining wall). Centralines engaged for a transformer upgrade.

PLANNED

Subcontractor Max Tarr planned to commence onsite for Mechanical and electrical installations. Completion of power upgrades for the site.

RISKS

- Currently the project is at risk of significant delay due to supply chain issues for some critical items (PN25 Valves), all options are being worked through with the contractor and supporting consultants to identify any and all options available to mitigate this risk of delay. Budget overspend is likely and will continue to be additional scrutiny placed on decisions with financial impact.

PROJECT: Pourerere Rd Watermain

STATUS		Monitoring	
TIMELINE	Jul 2021 <small>START DATE</small>	Mar 2022 <small>END DATE</small>	
PROGRESS	80%		
BUDGET	\$500K <small>TOTAL PROJECT</small>	\$367K <small>SPEND TO DATE</small>	\$550K <small>EXPECTED SPEND</small>
RISK LEVEL	<div><div></div><div></div><div></div></div>		

SCOPE

To secure a long term supply of potable water at the Waipawa WWTP for use in current treatment upgrade projects, improved health and safety measures and availability for use in the future centralised treatment plant.

ACHIEVEMENTS

180PE main installed from Johnson St intersection to the WWTP, initial tie-in to the live network completed

PLANNED

- Complete final tie-in to the live water supply network.
- Connect properties on route to new main where already network users or where they have applied for connection.
- Complete distribution manifold at WWTP treatment shed.

RISKS

- Remainder of the project work is well scoped and unlikely to be at risk of budget or time blowouts



PROJECT: Takapau Wastewater Project - Stage 1

STATUS	Planning/Strategic Brief		
TIMELINE	Sep 2017	Dec 2022	
	START DATE	END DATE	
PROGRESS	40%		
BUDGET	\$1.3M	\$870K	\$882K
	TOTAL PROJECT	SPEND TO DATE	EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		

SCOPE

Stage 1 - provision of 2,000m³ of storage and development of minimum 5ha irrigation

ACHIEVEMENTS

Consent lodged in April 2021 and publicly notified on 7 October 2021. CHBDC responded to two information requests out of the public notification. Landowner engagement occurred successfully. System design scope has been completed

PLANNED

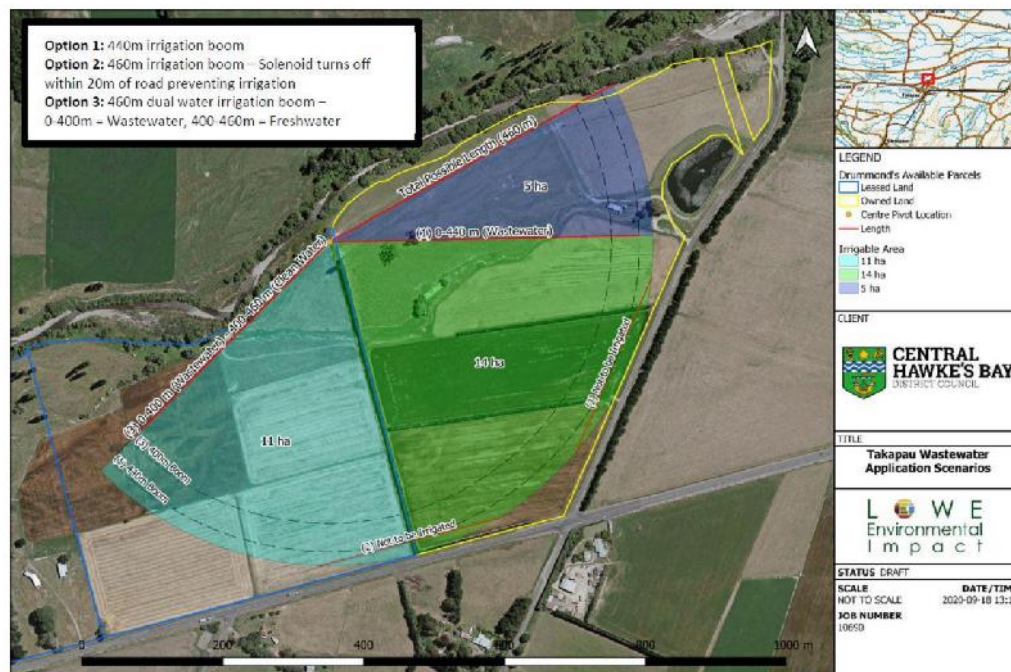
Next key activities include:

- Revised design scope
- Procurement Plan
- Issuing of consent by HBRC

RISKS

Relationships between Council and SFF There is a risk that relationship between Council and SFF (neighbour on new property) becomes strained.

- **Consent** There is a risk that consent approval is delayed
- **Project Cost** There is a risk that cost exceeds funding allocated



PROJECT: Te Paerahi and Porangahau wastewater upgrade

STATUS	Planning/Strategic Brief		
TIMELINE	Dec 2019 <small>START DATE</small>	Jul 2029 <small>END DATE</small>	
PROGRESS	10%		
BUDGET	\$17.6M <small>TOTAL PROJECT</small>	\$682K <small>SPEND TO DATE</small>	\$17.6M <small>EXPECTED SPEND</small>
RISK LEVEL	<div><div></div><div></div><div></div></div>		



SCOPE

To consent and build a land-based discharge system for the Pōrangahau and Te Paerahi wastewater system to accommodate current and future growth and meet community, environmental and cultural aspirations while balancing the affordability constraints of the community.

ACHIEVEMENTS

Consent lodged August 2021

QMRA report completed and s92 information request responded to in full

Site visit with HBRC contracted specialists in mid January

PLANNED

Next key tasks include:

Finalised design scoped

Procurement Plan developed

Landowner engagement scheduled for late February

Engagement with Rongomaraeroa Marae to inform design work required for connecting Marae to wastewater system.

Community and Iwi meeting to discuss detail on the wastewater upgrade design and function including info sheet.

RISKS

- **Relationships between Iwi, landowners and Council** There is a risk that relationships between Iwi, Landowners and Council become strained.
- **Consent** There is a risk that consent approval is delayed
- **WW Pipeline Placement** There is a risk that an alternate option for placement of pipeline conveying wastewater from Te Paerahi to the new site has to be identified
- **Interim discharge management solution** There is a risk that the consent requires CHBDC to implement an interim solution to manage discharge into the Makaramu River until permanent solution is installed
- **Project Cost** There is a risk that cost exceeds funding allocated

PROJECT: Trade Waste Review and Improvements

STATUS		Execution	
TIMELINE	Jan 2021	May 2022	
	START DATE	END DATE	
PROGRESS	60%		
BUDGET	\$160K	\$89K	\$105K
	TOTAL PROJECT	SPEND TO DATE	EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		

SCOPE

Overhaul of Trade Waste Management and implementation of associated upgrades. Aiming to inform Wastewater Treatment Plant design, incentivise treatment efficiency with pre-treatment measures and develop more effective management structure.

ACHIEVEMENTS

An updated Trade Waste Bylaw has been completed and adopted, as well as an overarching strategy giving us direction and a structured approach. New, more fit for purpose consents have been issued and all traders have implemented treatment measures. Data management and invoicing systems are being continually improved upon and new traders have been identified.

PLANNED

Further data management and invoice changes need finalising as well as installation of discharge meters on some sites. Some newly identified traders need to be assessed for inclusion including food preparation businesses with grease traps, which need a maintenance schedule.

RISKS

- **Relationships between Businesses and Council**

There is a risk that relationships between Council and Trade Waste Operators may become strained.



PROJECT: Waipawa & Waipukurau WWTP Waveband Remediation

STATUS	Monitoring		
TIMELINE	Nov 2021	May 2022	
	START DATE	END DATE	
PROGRESS	50%		
BUDGET	\$300K	\$70K	\$235K
	TOTAL PROJECT	SPEND TO DATE	EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		



SCOPE

Beca Ltd. was engaged by Central Hawke's Bay District Council (CHBDC) to investigate options for waveband refurbishment and to provide design services to repair pond embankments at the Waipawa and Waipukurau Waste Water Treatment Plants (WWTP) following erosion occurring on the upper part of the pond slopes above the existing waveband. The wave action and energy had led to the erosion of the embankment. The aim to reinstate the slope to a similar profile to the original slope and maintain the existing slope stability of the pond slopes.

ACHIEVEMENTS

Barkers Contractors have completed armouring the Waipukurau Wastewater Treatment Plant pond bank and will be starting works in the Waipawa Wastewater treatment plant in Mid-February.

PLANNED

Barkers will be starting works in the Waipawa Wastewater treatment plant in late February.

RISKS

- Remainder of the project work is well scoped and unlikely to be at risk of budget blowouts. Waipawa site does have some complexities compared to the Waipukurau site and this could cause some small delays and/or variations.



PROJECT: Waipawa WWTP Bridge Upgrade

STATUS	Planning/Strategic Brief		
TIMELINE	Jul 2021 START DATE	Jun 2022 END DATE	
PROGRESS	15%		
BUDGET	\$300K TOTAL PROJECT	\$30K SPEND TO DATE	\$300K EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		

SCOPE

Replacement of the existing culvert stream crossing at the Waipawa WWTP. The existing culvert has been found to be structurally compromised and engineering advice is that it is unable to be repaired. A new culvert is needed to ensure safe access to the WWTP and will also enable better access for large vehicles with less acute entry and departure angles than the existing crossing

ACHIEVEMENTS

RFT documentation prepared and released to selected contractor market. Stantec engaged to provide technical design drawings and review of supplier design as well as ongoing MSQA through construction.

PLANNED

Procurement of supplier/contractor and commencement of work onsite.

RISKS

- Risk lies mostly with the contractor market and the ability to deliver to budget and meet key milestones



PROJECT: Wastewater Pond Desludging

STATUS		Monitoring	
TIMELINE	Jul 2020 <small>START DATE</small>	Jul 2021 <small>END DATE</small>	
PROGRESS	60%		
BUDGET	\$1.75M <small>TOTAL PROJECT</small>	\$1.634m <small>SPEND TO DATE</small>	\$2.284m <small>EXPECTED SPEND</small>
RISK LEVEL	<div><div></div><div></div><div></div></div>		



SCOPE

To remove the large volume of sludge in the facultative ponds at both the Waipawa and Waipukurau Wastewater Treatment Plants as surveys completed at both plants indicate the sludge volume is currently in excess of 40% of the available pond. This level of sludge is having significant impact on operational performance and regulatory compliance.

ACHIEVEMENTS

The existing dried solids from previous desludging operations at both plants have been removed to landfill, both containment area liners replaced due to the condition of the existing liners. Waipawa WWTP desludged with approximately 1900 dry tonnes of sludge removed. Contractors Hydracare have mobilised to Waipukurau WWTP and recently commenced desludging operation.

PLANNED

Continue desludging of the main facultative pond at Waipukurau WWTP. Finish removal of the BAS curtains from the pond.

RISKS

It is certain that the project cannot be delivered within available budget, work is underway to determine the effect of this and how this can be managed wither within the wider programme or via a reduction in the scope of work. The project team will be closely monitoring the start of the work at Waipukurau, in particular if the works create any noticeable odour or effect treatment compliance.



PROJECT: Wastewater Renewals/I&I Work

STATUS	Planning/Strategic Brief		
TIMELINE	Jul 2020 <small>START DATE</small>	Jun 2023 <small>END DATE</small>	
PROGRESS	20%	<div><div></div></div>	
BUDGET	\$800K <small>TOTAL PROJECT</small>	\$267K <small>SPEND TO DATE</small>	\$767K <small>EXPECTED SPEND</small>
RISK LEVEL	<div><div></div><div></div><div></div></div>		

**SCOPE**

Investigation of wastewater reticulation defects allowing liquid ingress and remediation of defects. Includes hydraulic modelling of Stormwater and Wastewater systems, and identification of stormwater system improvements that reduce I&I. Aimed at reducing treatment upgrade cost, increasing level of service of Stormwater/Wastewater system and reducing environmental contamination.

ACHIEVEMENTS

- An I&I Management Strategy and implementation plan for each township has been completed giving a direction for the investigations phasing.
- Hydraulic modelling for Stormwater and Wastewater systems in Waipawa and Otane scheduled for completion this March.
- Two investigations contractors have been procured, one as preferred supplier pending contract award, while the other is currently at work in the Waipawa wastewater system.
- Remediation contractors Downer have completed repairs on some of the worst affected manholes in Otane.
- One of the oldest and most degraded sections of pipe in the district, running down a gully near Kenilworth St, Waipawa has been relined and remediated.

PLANNED

The investigations contract is scheduled for award in February with wider investigative works following according to the township-specific management plan. Data management systems need finalising as part of this. Following from these, remediation works will occur to fix defects that were identified. Peaking factors continually assessed and refined.

RISKS

- **Community Relationships**
Relationships between ratepayers and Council may become strained due to private defects affecting I&I
- **Funding Availability**
Approximately \$230,000 of DIA funding needs to be spent before end of June 2022
- **Data Accuracy**
Peaking factors and progress tracking may be unavailable to support this project based on flow metering inconsistencies at WWTP's

PROJECT: WOW Minor improvements

STATUS	Planning/Strategic Brief		
TIMELINE	Jul 2020 START DATE	Jun 2023 END DATE	
PROGRESS	20%		
BUDGET	\$962k TOTAL PROJECT	\$536k SPEND TO DATE	\$962k EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		

**SCOPE**

With larger upgrade work completed or underway at the Waipawa, Waipukurau and Otane WWTP's, there is now scope for minor improvements to be implemented at the treatment plants to improve treatment performance in the ponds until the long-term solutions are in place.

There are three initial items of optimisation and minor improvements work:

- Aeration and Pond Layouts
- UV Requirements
- Screening

ACHIEVEMENTS

Investigation and design scopes for both UV and Screening approved with consultants Beca and work underway.

Aeration and Pond layout scope from Beca being drafted and is to include input from the 3 Waters operations team throughout investigation and design process.

PLANNED

Recommendation report for improvements to both UV treatment and Screening. Completion and sign off of Aeration and Pond layout scopes and commencement of the investigatory work.

RISKS

- Budget to complete the works recommended as a result of the investigatory work underway is a risk. The work to make improvements is required to happen with some urgency to mitigate some existing non-compliances

Project Photos

Below are photos of #theBigWastewaterStory projects in action.

Photo can also found on the council website: <https://www.chbdc.govt.nz/our-district/projects/>

Otāne Pump Station



Waveband Remediation



Desludging



Waipawa DAF



6.9 KEY PROJECT STATUS REPORT - 3 WATERS TRANCHE ONE

File Number:

Author: Darren de Klerk, 3 Waters Programme Manager

Authoriser: Monique Davidson, Chief Executive

Attachments: 1. Key Project Status Report #3 - 3W Reform Tranche One [↓](#)

PURPOSE

To add a level of oversight on this significant programme for CHBDC, this report aims to inform and keep council and the community updated on the progress of this important externally funded programme of works.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as not significant.

BACKGROUND

In October 2020 Council was allocated \$11.09M in funding as part of the Governments 3 Waters Stimulus Package (Tranche 1) to progress multiple 3 Waters projects outlined in an application to the Department of Internal affairs who are administering the funding.

DISCUSSION

Detailed progress can be found within the key project status report.

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

NEXT STEPS

To continue to deliver the programme of works as outlined within the project report, and provide regular updates to key stakeholders.

RECOMMENDATION

That having considered all matters within this report, the report be noted.



KEY PROJECT STATUS REPORT #3

**3 Waters Tranche 1 –
Stimulus Funding**
Feb 2022

Project Name	3 Waters Tranche One – Stimulus Funding				
	Key Project Status Report				
Release Date	14/02/22	Report #	Three	Range	Aug 2021-Jan 2022
Introduction/ Background	In October 2020 Council was allocated \$11.09M in funding as part of the Governments 3 Waters Stimulus Package (Tranche 1) to progress multiple 3 Waters projects outlined in an application to the Dept of Internal affairs who are administering the funding.				
	The overall Tranche 1 programme of works includes many different individual projects across both #TheBigWaterStory and #TheBigWastewaterStory. A breakdown of the funding expenditure is below:				
	Three Waters Reform Preparation			\$400k	
	Water Safety Plan Actions			\$100k	
	Water Renewals - Tikokino and Nelson **			\$2.09m*	
	Waipukurau Second Water Supply			\$2.2m	
	Three Waters Bylaw Reviews			\$150k	
	Programme Management and Building Skills			\$390k	
	Kairakau Water Upgrade			\$300k*	
	CHB Wastewater Upgrades				
	Otane to Waipawa Pipeline - Stage 2			\$2.4m	
	Improvements and Design			\$1.5m	
	Wastewater Pond Desludging			\$750k	
	Wastewater Renewals			\$500k	
	Trade Waste Improvements			\$160k	
Dump Station for Campervans			\$150k		
<i>*Kairakau Water Upgrade was a back up project, which has now been elevated as a project. The Water Renewals budget has been decreased by \$300k to accommodate this.</i>					
<i>**New project in at Tikokino Stage 3 to substitute some of the funding at Waipukurau Second water Supply and manage redundant spend.</i>					
Programme Stage	A requirement of the funding agreement is that all physical works projects must be started by 31 March 2021 and that the 3 Waters Stimulus funding must be expended by 30 th June 2022, an extension of 3 months was granted by CIP in 2021.				
	To date all capital works projects have had some aspect of physical construction commenced in order to meet this initial requirement.				
Programme Outcomes	The expected outcomes of the programme align with the objectives of the funding partners: <ul style="list-style-type: none">Significantly improving the safety and quality of drinking water services, and the environmental performance of drinking water and wastewater systems (which are crucial to good public health and wellbeing, and achieving good environmental outcomes)Ensuring all New Zealanders have equitable access to afford three waters services				

- Improving the coordination of resources, planning, and unlocking strategic opportunities to consider New Zealand's infrastructure and environmental needs at a larger scale
- Increasing the resilience of three water service provision to both short- and long-term risks and events, particularly climate change and natural hazards
- Moving the supply of three waters services to a more financially sustainable footing, and addressing the affordability and capability challenges faced by small suppliers and councils
- Improving transparency about, and accountability for, the delivery and costs of three waters services, including the ability to benchmark the performance of service providers
- Undertaking the reform in a manner that enables local government to further enhance the way in which it can deliver on its broader "wellbeing mandates" as set out in the Local Government Act 2002

Report/ Document History

Report No.	Report Date	Report Frequency	Programme Sponsor	Programme Manager
1	22/04/21	Quarterly	Josh Lloyd	Darren de Klerk
2	30/07/21	Quarterly	Josh Lloyd	Darren de Klerk
3	14/02/22	Quarterly	Josh Lloyd	Darren de Klerk

Sponsor's Project Delivery Confidence Assessment

 Appears Highly Likely	 Appears Probable	 Appears Feasible	 Appears In Doubt	 Appears Unachievable
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PURPOSE

This report will provide regular information on the fixed objectives and dynamic progress of the 3 Waters Reform programme of works throughout the district.

The report provides an introduction, as well as background and contextual information on the 3 Waters Reform programme of works, then becomes more detailed discussing programme and project progress and risk. Project specific information is also available within #TheBigWaterStory and #TheBigWastewaterStory quarterly programme reports.

PROJECT MANAGER'S OVERVIEW FOR THE PERIOD (AUG 2021 to JAN 2022)

The Three Waters Tranche 1 stimulus funding has allowed for the formation of the Project Management Office (PMO) at CHBDC which now consists of a team of 5. The first and second quarter of 2021 has seen the team support the LTP process and elevate PMO controls and methods of project delivery for three waters projects.

Further steps are being implemented by the increased resource to begin to bring efficiencies and process consistency across PMO delivery. This includes generating, pooling and capturing data and implementing efficiencies into systems, refining PMO tools and skills, and updating existing templates to provide consistency and enable transparent reporting across council projects.

Integral to delivering the programme and meeting the funding requirement to start physical works by end of March 2021, has been maintaining ongoing momentum on the flow of designs to enable the physical works and careful management of procurement practices and timelines. CHBDC is developing a forward workload plan to support release of tenders and plans to further utilise existing relationships with contractors ensuring that risks and work is able to be started for all Tranche 1 funded projects. We will continue to work closely with consultant partners and contractors to carry out any outstanding investigations, progress design work and plan procurement strategies to enable delivery of Tranche 1 funded capital works initially by March 2022, and recently extended to June 2022.

This planning and CHBDC's previous contract management, partnership approach and good reputation with contractors continues to allowed us generally to avoid some current market issues with attracting contractors to tender and availability of resources.

This half year saw the completion of a number of projects – the Nelson/ Reservoir renewal and the Waipawa desludge notably.

The next quarter will look to close out the remaining live contracts.

Overall Confidence Assessment

Key Questions Impacting on Project Objectives		No	Yes	
1	Are there Business Case Benefit attainment problems?	✓	<input type="checkbox"/>	As each individual project progresses through each stage of our project lifecycle we review and assess alignment with the overall programme objectives.
2	Are there Scope Control problems?	✓	<input type="checkbox"/>	Some projects have had risks and/or opportunities identified throughout the project planning, these provide options that can affect the Scope of each project. These risks and opportunities are managed and refined through the management structure of each project.
3	Will Target Dates be missed?	✓	<input type="checkbox"/>	Currently on track to deliver each package to agreed timeframes. Mitigated by extending completion to June 2022. COVID still poses a risk.
4	Will Project Costs be overrun?	✓	<input type="checkbox"/>	Currently project costs and forecasts are being developed and further refined. Whilst a risk, can be managed by increasing or decreasing project scopes accordingly.
5	Are there Quality problems?	✓	<input type="checkbox"/>	None at present
6	Are there Resource problems?	✓	<input type="checkbox"/>	Internal resourcing is being managed through the implementation of the Project Management Office. There is risk to the availability of skilled contractor resources locally due to the current level of market demand
7	Are there Risk Management problems?	✓	<input type="checkbox"/>	Risk management processes are developed within each project and allow for risks to be highlighted and appropriate mitigation measures to be defined.
8	Are there Review and Approval problems?	✓	<input type="checkbox"/>	The process for internal review is being defined, and approval is working well.
9	Are there Teamwork problems?	✓	<input type="checkbox"/>	None present – clear roles across operational and capital overlaps are being defined.
10	Are there Stakeholder problems?	✓	<input type="checkbox"/>	Community engagement is ongoing for each project. Risks and issues are being managed within each project
11	Are there Iwi issues?	✓	<input type="checkbox"/>	Iwi engagement is ongoing
12	Are there Communication problems?	✓	<input type="checkbox"/>	None present – 3 Waters Reform specific communication limited due to LTP Engagement and consultation period
13	Are there Change Management problems?	✓	<input type="checkbox"/>	None present
14	Are there Health & Safety issues?	✓	<input type="checkbox"/>	None present
15	Are there Operational issues?	✓	<input type="checkbox"/>	Through some good processes, we are currently working on developing a guideline for managing overlapping duties to be resolved timely, and ensure all parties are aware of the process to manage such works.

Issues/ Risks

The following risks have been highlighted on the programme to date;

Risk	L	C	Rating	Mitigation action	Responsible
Market capacity and capability			Medium	Tight contract management and resource management.	CHBDC / Consultants
Cost risks			Medium	Ongoing management, and ability to refine scope accordingly	CHBDC
Project Outcomes			High	Ongoing management, control and community check ins to determine delivery against outcomes	CHBDC

Key Activities to be started/completed or in progress over the next Quarter (Feb to June 2022)

- Commissioning of the Waipawa WWTP DAF
- Completion of Tikokino Road Stage 2 and Mains Renewal
- Completion of stormwater issue rectification work in Nelson Street commenced
- Completion of pipework on Otane-Waipawa Wastewater Rising main (Stage 2 and 3)
- Refinement of forward work programme for I&I improvements
- Complete design for Waipukurau Second Water Supply.
- Decision on Waipawa to Waipukurau Water Supply project
- I&I Studies underway

PROGRAMME FINANCIAL UPDATE

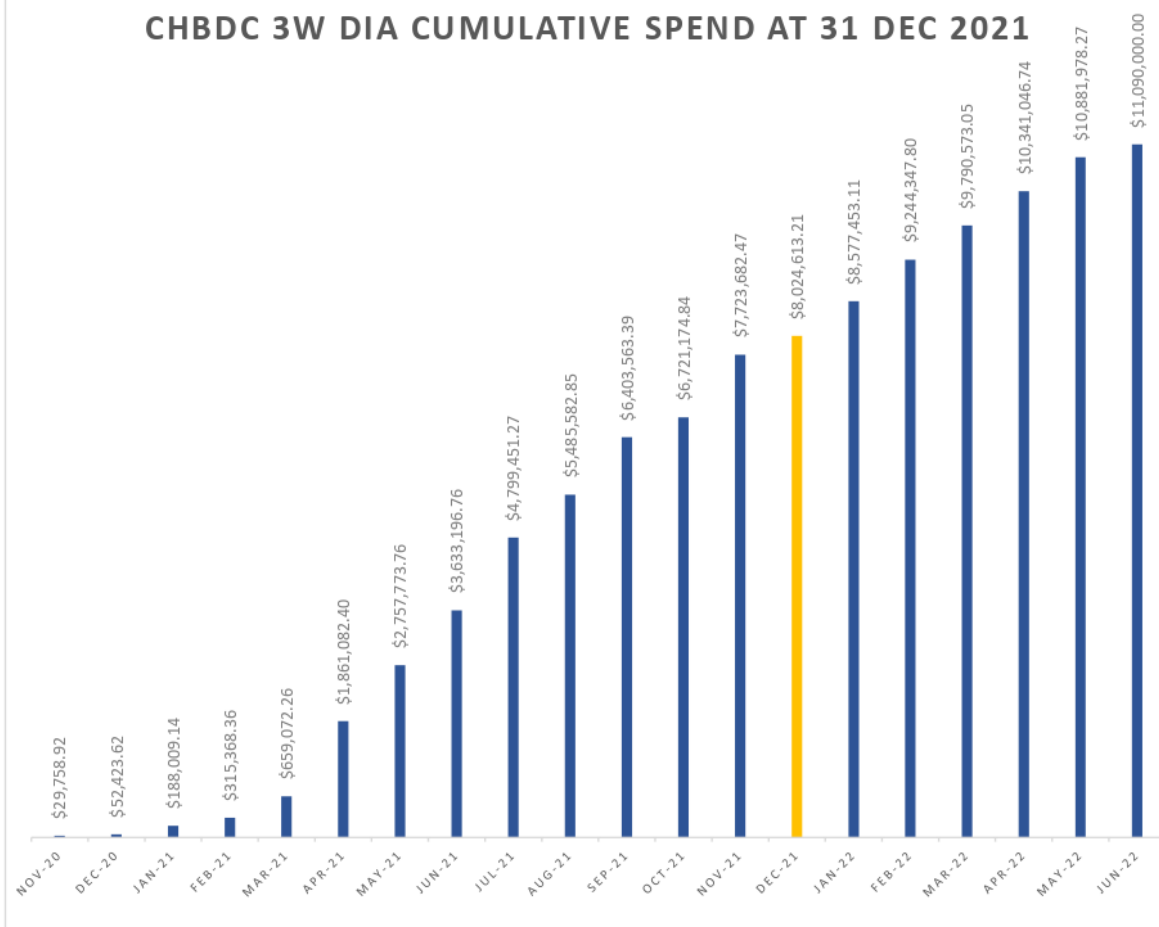
Financial management of these projects requires creation internally of a project specific ID for each project. This allows for management of costs and understanding of progress against budget – these will be linked back to the relevant General Ledger (GL) codes.

Project	Key Project Statistics	Budget	Actuals	Comments
1	Three Waters Reform Preparation	400,000	57,724	Source Protection Zones and GIS Review work progressing
	Water Safety Action Plans	100,000	66,699	Reg Water Supply Assessment scoped
2	Water Renewals <ul style="list-style-type: none">Nelson/Reservoir (C-1107 Higgins)Tikokino Main Stage 3,4 and 5	2,090,000*	1,054,476	Construction complete
3	Waipukurau 2nd Water Supply <ul style="list-style-type: none">Waipawa Bore drilling (C-1116 Honnor)Archaeological assessment (C-1115)Technical consultancy (WSP C-1051)Land acquisition support (TPG C-1113)Stage 1 Pipeline (Downer C-1133)Due Diligence (C-1134)Stage 2 Tikokino Rd (C-1148)	8,200,000 2018 LTP 2021 LTP -Y1 2,200,000 (3 Waters T1) 10.4m	904,519 (LTP) 1,842,445 (3 Waters T1) 2.75m	Production bore completed, Land easements/ acquisition in progress, Stage 1 Pipeline underway, Stage 2 & 3 pipeline prepared for tender
4	Otane to Waipawa pipeline (Stage 2 and 3) <ul style="list-style-type: none">(C-1117 – Fulton Hogan)Design for Pump Station (BECA)	2,400,000	1,914,615	Construction underway Commenced March 2021 Approximately 300m of pipeline install remaining
5	Improvements and Design <ul style="list-style-type: none">DAF enabling works (Fulton Hogan)DAF design/build (C-1125)Wastewater Design and Improvements	1,500,000	1,069,349	Enabling works completed DAF unit delivered and installation almost complete
6	Wastewater Pond Desludging <ul style="list-style-type: none">Enabling Works (Fulton Hogan)Waipukurau and Waipawa dried solids and pond desludging (C-1126 tendered)	750,000	730,758	Waipawa completed Waipukurau underway
7	Wastewater Renewals <ul style="list-style-type: none">Otane Priority Manholes (C-1057 Downer)Consultancy and Technical support (Beca)I&I Studies contract	500,000	265,149	Otane spot repairs and model works I&I contractor being awarded
8	Trade Waste Improvements	160,000	85,085	Trade Waste refresh underway
9	Dump Stations for Campervans <ul style="list-style-type: none">Waipukurau (C- 1121 Downer)	150,000	145,506	Completed
10	Three Waters Bylaw reviews	150,000	225,604	Bylaws adopted
11	Programme Management and Building Skills	390,000	341,524	PSODA software implemented Infr Data software being implemented
TBC	Kairakau Water Supply	300,000* \$989,000 (Total Budget)	0	Contractor in place, Execute TIF contract Design complete Feb 2022
	TOTALS	11,090,000	8,024,613	

*Kairakau Water Upgrade was signalled as back up project in the original application, following a council resolution on the 25th February to allow budget increase, the additional \$300k budget needed has been sought from the Tranche One funding, and the water renewals budget decreased accordingly.

**New project Tikokino Stage 3

CHBDC 3W DIA CUMULATIVE SPEND AT 31 DEC 2021



PROGRAMME SPONSORS CONFIDENCE

Overall confidence remains high, with attention required constantly by the programme team to deliver on outcomes. There remains potential for issues/ risks to arise and some delays may be probable. Risks will be addressed through each project and monitored through the project lifecycle. Funding and community engagement remain the highest risks currently.

Key	Attention Required	Issues/Risks	Delivery
	Minimal	None	On Time
	Constant	Potential	Delays Probable
	Manage	Exist but resolvable	Delays Likely
	Urgent	Major	Delays
	Critical	Critical	Major delays. Re-scope/Re-assess

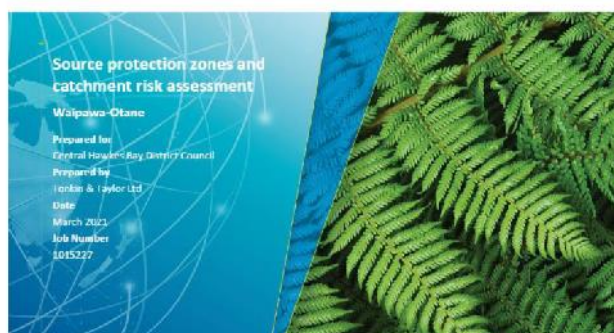
REGULAR UPDATES

Regular project updates are available on the [Projects page](#) of the [CHBDC website](#).

PROJECT SPECIFIC UPDATES:

PROJECT 1: THREE WATERS REFORM PREPARATION & WATER SAFETY ACTION PLANS

STATUS	PLANNING and EXECUTION	
TIMELINE	NOV 2020 START DATE	JUN 2022 END DATE
PROGRESS	60%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>
BUDGET	\$500k TOTAL PROJECT BUDGET	\$349k SPEND TO DATE
RISK LEVEL	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	

 **Tonkin + Taylor**


SCOPE

To deliver a works programme regionally to support and better position CHBDC for the pending regulatory changes. The projects that make up the regional work programme of which CHBDC is contributing \$400,000 to is outlined below.

The other \$100,000 is set aside for CHBDC to develop and progress actions outlined within our Water Safety Plans – most notably our Catchment Risk Assessments and Source Protection Zones

#	Project	Description	Regional Funding Allocation	Timeframe
1	Three Waters Reform Programme Requests for Information (RFI)	Extended Consultancy Services to update models and data from Hawke's Bay three waters review report to support Government Reform RFI.	\$200,000	October 20 – February 21
2	Regional Private Supplier Assessment	To identify smaller private schemes, with focus on schools and marae.	\$500,000	November 20- March 22
3	Regional Contestable Fund for private scheme assistance and support.	Contestable fund & process developed where these private schemes could seek assistance or funding for support and/or physical works to meet new standards.	\$500,000	November 20- March 22
4	Regional Engineering code of practice	Independent review of each councils engineering code practices to identify the differences and opportunities to align regionally into one code	\$100,000	November 20- March 22
5	Regional Audit of Asset Management/GIS systems	Independent review and audit of current council systems to delivery recommendations on opportunities to standardise.	\$100,000	November 20- March 22
6	Regional Cadet and Operators Scheme	Acknowledging the critical gaps in the three waters capacity nationally – develop and deliver a regional cadet and operators scheme to support the delivery of three waters projects and operations	\$400,000	November 20- March 22

PLANNED and ACHIEVEMENTS

Project	CHBDC Allocation	Actual	Achieved	Planned
Three Waters Reform Programme Requests for Information (RFI)	50,000	69,191	Completed	
Regional Engineering code of practice	25,000		Being scoped to put an RFP out for an ECOP	CHB developing ECOP as part of projects
Regional Audit of Asset Management/GIS systems	25,000		Work underway scoping GIS	Trialling ArcGIS
Regional Assessment of water service provision across communities	300,000	186,731	Well underway	Finalise assessment
Regional Contestable Fund for private scheme assistance and support			Accepting application	Working with applicants, focus with marae
Regional Cadet and Operators Scheme	0 (within projects)	0	Draft plan presented to CEs	No further progress
Total Regional Work	\$400,000			
Water Safety Plan Actions	100,000	94,033	Tonkin and Taylor engaged and 85% complete the draft catchment risk assessments and source protection zone mapping.	Continue to progress and have the drafts reviewed by the DWA.
Grand Total	500,000	349,956		

RISKS/OPPORTUNITIES

- Delivering the work programme at a regional level
- To ensure the regional work programme provides value for CHBDC and reflects our needs

PROJECT 2: CHB WATER RENEWAL - RESERVOIR/NELSON, WAIPUKURAU & TIKOKINO ROAD, WAIPAWA

STATUS	BUILD		
TIMELINE	SEP 2020 START DATE	MAY 2022 END DATE	
PROGRESS	60%	<div><div></div></div>	
BUDGET	\$2.09m TOTAL PROJECT BUDGET	\$1.054m SPEND TO DATE	\$2.09m EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		



SCOPE

Nelson / Reservoir - To lay new 100mm ID water pipes of either uPVC or PE material on the same side as the existing Cast Iron water mains with a new 63mm PE Water Ridermain on the opposing side. These services to run in the same alignment and profile as the existing pipe. The scope involves laying new pipe, replacing service laterals, installing new valves, fire hydrants, manholes and cross connecting the new network to the existing network in a number of positions. This will involve approximately 950m of new water main, 645m of rider main and 66 new water connections.

Tikokino Stage 3 – install 1.1km of 280mm PE water main as part of the Tikokino Trunk water main renewal.

ACHIEVEMENTS

Nelson / Reservoir - sections completed with all properties now supplied from new network.

Tikokino Road Stage 3 – work underway, contract awarded.

PLANNED

Nelson / Reservoir - Final cross connection across Gaisford Terrace to be completed in conjunction with the works on the new stormwater network.

Tikokino Road – complete by May 2022 – commence works on Stage 4.

RISKS

Risk identified within this project are;

- Disruptions to homeowners/public
- Contractor Management
- Reinstatement graffiti
- Scope change – Stormwater improvements

COMMUNICATIONS

Project webpage can be found here: <https://www.chbdc.govt.nz/our-district/projects/bigwaterstory/chb-water-renewals/>

PROJECT 3: WAIPUKURAU SECOND WATER SUPPLY – DESIGN/ MAINS

STATUS	DESIGN and BUILD	
TIMELINE	JAN 2019 <small>START DATE</small>	JUN 2022* <small>END DATE</small>
PROGRESS	30%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>
BUDGET	\$2.2m of \$10.4m <small>TOTAL PROJECT BUDGET</small>	\$1.8m <small>SPEND TO DATE</small>
RISK LEVEL	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	

SCOPE

To find and construct a new water source bore, pipe a rising main to a reservoir, provide treatment and gravity feed back into Waipukurau to supply a second water supply to the town

ACHIEVEMENTS

Production bore testing complete. Tikokino Road Stage 1 main completed

Due diligence across pipeline route via test pits and geotechnical drilling at the proposed reservoir location.

Directly affected landowners continue to be generally supportive with valuation and compensation processes underway. Iwi engagement ongoing, working through concerns with river crossing and how this could be done.

PLANNED

Complete Stage 2 Tikokino Road main upgrade (1.6lm of 400mm PE) by May 2022.

Table council decision paper in April 2022.

Continue iwi and landowner engagement

Largely complete all design aspects.

RISKS/OPPORTUNITIES

- DIA funding timeframes
- Approval for reservoir site/Timeframes to build reservoirs
- Water quality from test bores
- Strategic assessment of project requirements
- Budget
- Land acquisition and easements
- River Crossing

COMMUNICATIONS

Project webpage can be found here: <https://www.chbdc.govt.nz/our-district/projects/bigwaterstory/waipukurau-second-drinking-water-supply/>



PROJECT 4: OTANE TO WAIPAWA WASTEWATER PIPELINE STAGE 2 AND 3

STATUS	BUILD	
TIMELINE	JAN 2021 <small>START DATE</small>	MAY 2022 <small>END DATE</small>
PROGRESS	80%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>
BUDGET	\$2.4m <small>TOTAL PROJECT</small>	\$1.9m <small>SPEND TO DATE</small>
RISK LEVEL	<div><div></div><div></div><div></div><div></div><div></div></div>	



SCOPE

To design and construct a new wastewater pipeline to convey wastewater from Ōtāne to Waipawa as part of the second of three stages of the project to convey wastewater from Otane to Waipawa.

ACHIEVEMENTS

Landowner agreement finalised with the one private landowner on the route, all but the central open cut section of pipework installed. Work commenced on this central section with an access track being cleared, temporary fencing installed and arborist work. Air valves for the entire conveyance route ordered and expected to arrive mid-February.

PLANNED

Completion of the pipeline, installation of the air valves along entire route.

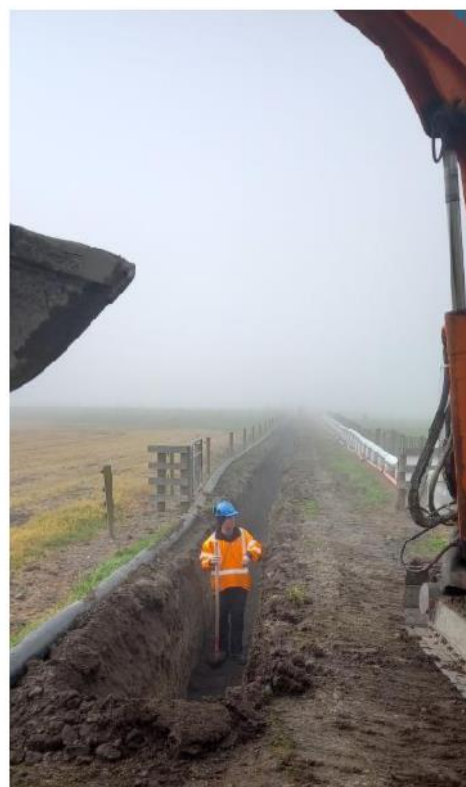
RISKS

Completion of the project is still at risk of delays caused by weather and supply chain issues. Budget risk remains albeit manageable within the total Ōtāne to Waipawa programme.

COMMUNICATIONS

Project webpage can be found here:

<https://www.chbdc.govt.nz/our-district/projects/the-big-wastewater-story/waipukurau-waipawa-otane-upgrades/otane-wastewater-treatment-plant-upgrade/>



PROJECT 5: IMPROVEMENTS AND DESIGN (WAIPAWA WWTP DAF)

STATUS	BUILD	
TIMELINE	NOV 2020 START DATE	APR 2022 END DATE
PROGRESS	60%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>
BUDGET	\$1.5m TOTAL PROJECT	\$1.06m SPEND TO DATE
RISK LEVEL	<div><div></div><div></div><div></div></div>	



SCOPE

Operational Improvements (\$500k)

To continue to develop the design work to support the wastewater strategy plans, and to assist with short term operational improvements.

Capital Improvements (\$1m)

To investigate, design, purchase and install Dissolved Air Flotation (DAF) systems to improve and optimize the treatment performance at the Waipawa WWTP and investigate the potential for a similar system at the Waipukurau WWTP. Normally DAF systems have a design life of approximately 25 years, however it is only anticipated to be in operation for 5-10 years at the Waipawa site until the new WWTP is constructed. The units will be moveable so that they can be re-purposed on another site in the future.

ACHIEVEMENTS

The main DAF unit arrived from China early in December and was placed onsite on the 14th December. Contractor Envirogen has the majority of the physical installation completed with all pipework for the effluent feed line, sludge line, supernatant discharge line and bypass'.

PLANNED

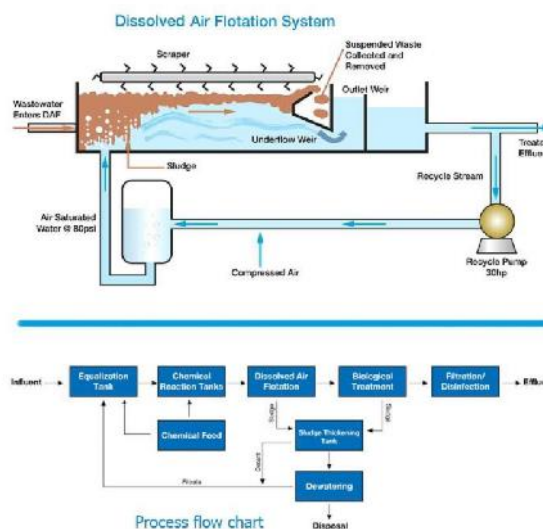
Completion of the initial programming and physical installation work followed by commissioning of the system, optimisation and training of the operators

RISKS

Currently highest risks lie with budget and schedule although risk level is low as some minor delays are unlikely to have a significant impact.

COMMUNICATIONS

Project webpage can be found here: <https://www.chbdc.govt.nz/our-district/projects/the-big-wastewater-story/>



PROJECT 6: WASTEWATER DRIED SOLIDS REMOVAL AND POND DESLUDGING

STATUS	BUILD	
TIMELINE	JULY 2020 START DATE	MAR 2022 END DATE
PROGRESS	90%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>
BUDGET	\$750k TOTAL PROJECT	\$730k SPEND TO DATE
RISK LEVEL	<div><div></div><div></div><div></div></div>	



SCOPE

To remove dried solids from the Waipukurau and Waipawa WWTP's previous pond desludging and spread via land application. Dredge sludge from both WWTP ponds and remove to banded geobag area to increase both ponds free capacity for treatment.

ACHIEVEMENTS

The existing dried solids from previous desludging operations at both plants have been removed to landfill, both containment area liners replaced due to the condition of the existing liners. Waipawa WWTP desludged with approximately 1900 dry tonnes of sludge removed. Contractors Hydracare have mobilised to Waipukurau WWTP and recently commenced desludging operation.

PLANNED

Continue desludging of the main facultative pond at Waipukurau WWTP. Finish removal of the BAS curtains from the pond.

RISKS

It is certain that the project cannot be delivered within available budget, work is underway to determine the effect of this and how this can be managed wither within the wider programme or via a reduction in the scope of work. The project team will be closely monitoring the start of the work at Waipukurau, in particular if the works create any noticeable odour or effect treatment compliance

COMMUNICATIONS

Project webpage can be found here: <https://www.chbdc.govt.nz/our-district/projects/the-big-wastewater-story/waipukurau-waipawa-otane-upgrades/waipukurau-and-waipawa-wastewater-treatment-plant-upgrades/>



PROJECT 7: WASTEWATER RENEWALS (INFILTRATION & INFLOW)

STATUS	PLANNING and BUILD	
TIMELINE	JAN 2021 <small>START DATE</small>	MAR 2022 <small>END DATE</small>
PROGRESS	50%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>
BUDGET	\$500k <small>TOTAL PROJECT</small>	\$265k <small>SPEND TO DATE</small>
RISK LEVEL	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	

SCOPE

Investigations and remediation of district-wide wastewater reticulation system inflows.

ACHIEVEMENTS

Contract awarded for a small sample section of Otane physical works to Downer, I&I strategy document developed for Council approval.

Tender finalised for wider I&I investigation and minor remedial works.

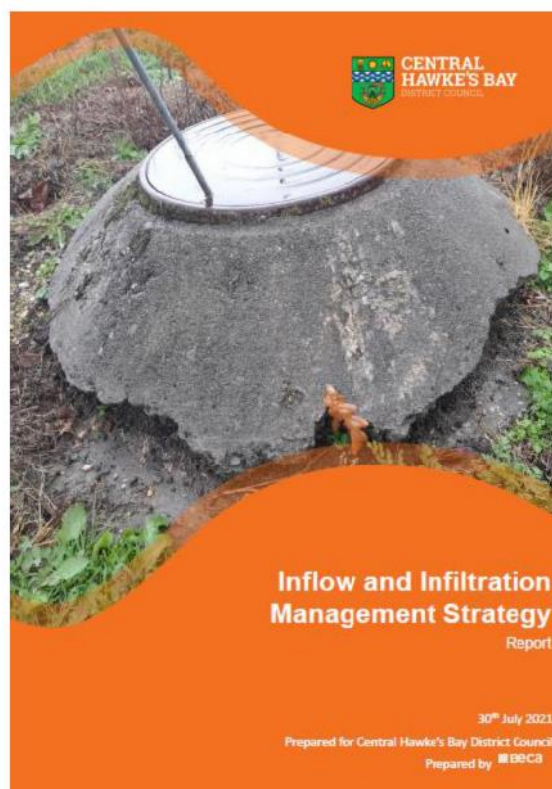
PLANNED

Commence studies in smaller towns to inform design, and wastewater renewals works.

RISKS

The following risks have been developed;

- Renewal effectiveness
- Budget exceedance
- Timeframe exceedance



PROJECT 8: TRADE WASTE IMPROVEMENTS

STATUS	PLANNING	
TIMELINE	NOV 2020 START DATE	JUN 2022 END DATE
PROGRESS	50%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>
BUDGET	\$160k TOTAL PROJECT	\$85k SPEND TO DATE
RISK LEVEL	<div><div></div><div></div><div></div><div></div><div></div></div>	

SCOPE

Review and improvement of Council's Trade Waste system.

ACHIEVEMENTS

Trade waste bylaw adopted in May 2021,
Trade waste strategy developed for council approval 12th August. New consents granted for trader by Dec 2021

PLANNED

Development of systems in preparation for the first applications under the new bylaw. Implementation of a database to assist with management of the trade waste consents and compliance.

RISKS

The following risks have been developed:

- Trade Waste load contributions may fluctuate.
- Relationships between Traders and council may become strained
- Financial estimates might be incorrect or inequitable



Trade Waste Categories

What are trade waste categories?

There are three categories of trade waste:

- 1. Permitted**
Trade wastes which meet the conditions of Schedule A are categorised as Permitted trade waste. The trade waste discharge must meet the conditions in Schedule A at all times. This category of trade waste is considered to be low risk to the wastewater system and workers, and its discharge is not subject to any restrictions. Council keeps a register of Permitted trade waste discharges, and an application to discharge permitted trade waste is required. Council may visit your premises to check on your activities and that they continue to meet the permitted trade waste category. You are required to notify Council if your activities change, your need to access to discharge to the wastewater system, or if you are paying charges for your business. If your business moves, you must also notify Council. Trade waste from premises such as those below may be categorised as permitted trade waste, but an application to Council is required to confirm your activities meet the requirements of the permitted category. When water discharges from the following premises are discharges of permitted trade waste:

 - Barbers
 - Veterinary practices
 - Community facilities with catering facilities
 - Clothing manufacturers
 - Drycleaning services
 - Hotels and motels with catering facilities
 - Laundries
 - Motorists
 - Mechanical workshops
 - Laboratories
 - Restaurants and cafes

Trade Waste BYLAW

Superseding CHBDC Part 23: 2018

13 May 2021

Together we Thrive! E ora ngātahi anā!

PRACTICE NOTE TW02
This practice note is part of a set of all notes developed to assist with the use of the Central Hawke's Bay District Council's Trade Waste Bylaw 2021.

PART 23

PROJECT 9: CHB CARAVAN WASTEWATER DUMP STATIONS

STATUS	COMPLETE	
TIMELINE	NOV 2020 START DATE	MAY 2021 END DATE
PROGRESS	100%	<div><div></div></div>
BUDGET	\$150k TOTAL PROJECT BUDGET	\$145k SPEND TO DATE
RISK LEVEL	<div><div></div><div></div><div></div></div>	



SCOPE

To install caravan/motorhome dump stations within the Central Hawkes Bay area to service those travelling to/through the district and to provide a service that further enhances Central Hawkes Bay's reputation as a fantastic tourist destination

ACHIEVEMENTS

Completion of Dump Station in Waipukurau location, opening held with NZMCA representatives, contractors, and Councillors.

PLANNED

Continue investigation of potential locations elsewhere in the district, Takapau raised as possible location to align with Community Plan goals.

COMMUNICATIONS

Project webpage can be found here: <https://www.chbdc.govt.nz/our-district/projects/the-big-wastewater-story/central-hawkes-bay-wastewater-dump-stations/>



PROJECT 10: THREE WATERS BYLAWS REVIEW

STATUS	MONITORING	
TIMELINE	NOV 2020 START DATE	JUL 2021 END DATE
PROGRESS	100%	<div><div></div></div>
BUDGET	\$150k TOTAL PROJECT BUDGET	\$225k SPEND TO DATE
RISK LEVEL	<div><div></div><div></div><div></div></div>	



Purpose

We have written this practice note to provide general information on the intent (purpose), design and use of both rainwater tanks and stormwater tanks in the Central Hawke's Bay District as covered by the Stormwater and Water Supply Bylaws.

SCOPE

Drafting, consultation and implementation of the Water Supply, Stormwater, Wastewater and Trade Waste bylaws.

ACHIEVEMENTS

All bylaws adopted in May. A series of Practice Notes developed and available to the public to aid interpretation of the Bylaws

PLANNED

Implementation of the changes and socialisation of the practice notes

RISKS/OPPORTUNITIES

Risks identified with this project:

- Communication and understanding of changes
- Suitability of bylaw

COMMUNICATIONS

Adopted Bylaws can be found here: <https://www.chbdc.govt.nz/our-council/bylaws/>



PROJECT 11: PROGRAMME MANAGEMENT AND SOFTWARE

STATUS	MONITORING	
TIMELINE	NOV 2020 START DATE	MAR 2022 END DATE
PROGRESS	80%	<div><div></div></div>
BUDGET	\$390k TOTAL PROJECT BUDGET	\$341k SPEND TO DATE
RISK LEVEL	<div><div></div><div></div><div></div></div>	



SCOPE

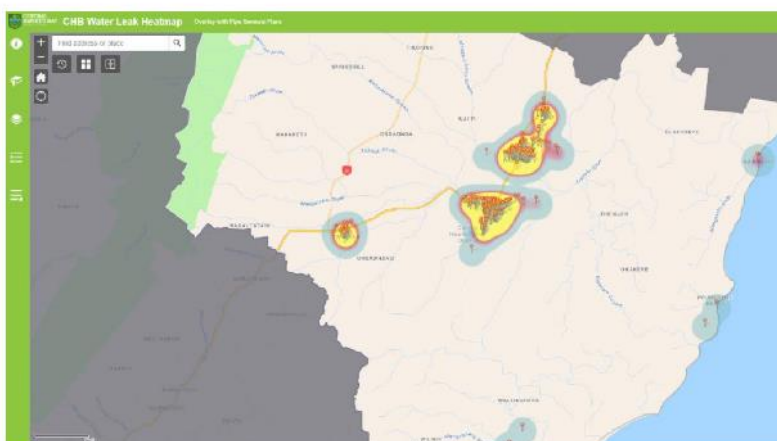
To build capability and capacity within council to deliver the programme of works that this stimulus and reform programme.

To investigate smarter ways to deliver the programme and to investigate synergies or efficiencies.

ACHIEVEMENTS

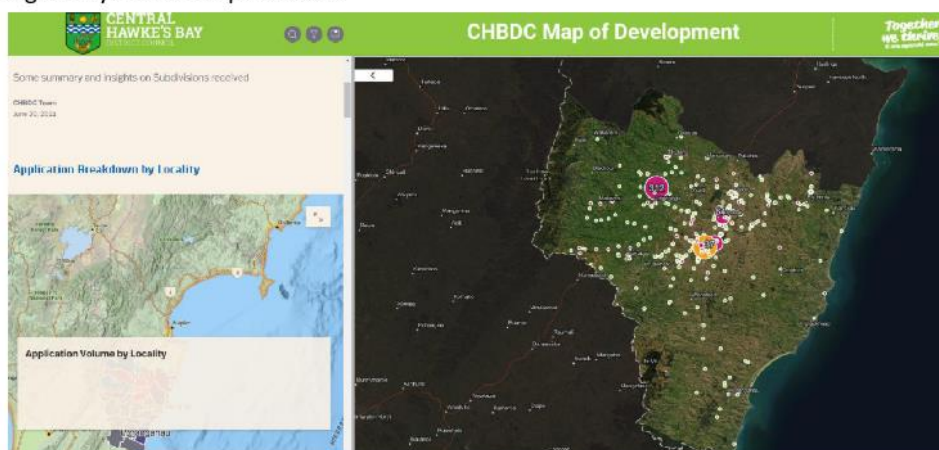
The PMO established, with new direct roles created as part of this stimulus funding and the associated PWPFG roading works upgrades.

- Implementation of project management software (PSODA)
- Implementation of a new 3 Waters Operational Compliance and Sampling System (Infrastructure Data)
- Creation of maps and dashboards to support the business (Water Leaks, New developments, Projects)



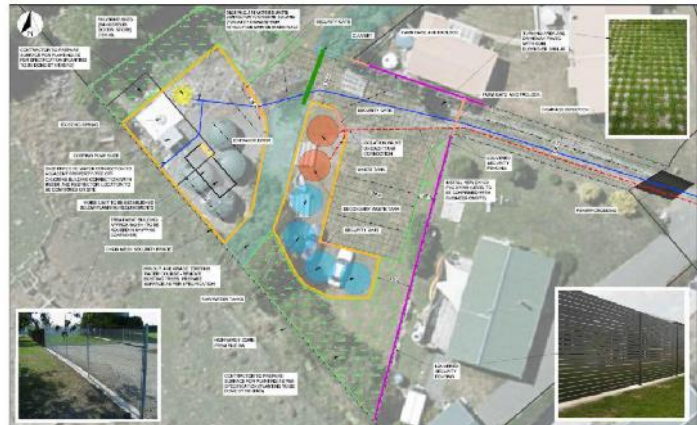
PLANNED

Implement new systems and develop the wider programme of works. Continue to build business smarts and integrate systems and processes.



PROJECT 12: KAIRAKAU WATER UPGRADE (BACK UP)

STATUS	PLANNING	
TIMELINE	SEP 2020 START DATE	NOV 2022 END DATE
PROGRESS	30%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>
BUDGET	\$300k DIA \$549k LTP 2018 \$140k LTP 2021 \$989k TOTAL PROJECT BUDGET	
		\$178k SPEND TO DATE
RISK LEVEL	<div><div></div><div></div><div></div><div></div><div></div></div>	



SCOPE

To increase the scope of the original project to deliver a water treatment upgrade for the Kairakau water system

ACHIEVEMENTS

- Council approve the design progressing and an action to investigate water hardness
- Awarded contract to Trility
- Community engagement undertaken with session in Dec 2020 and March 2021 and Jan 2022
- Directly affected landowner engagement underway and lease arrangements mostly finalised
- Iwi engagement and archaeology developing.

PLANNED

- Secure lease and finalise treatment plant location.
- Present hardness discharge options back to council
- Continue engagement with stakeholders
- Finished archaeological assessment and plan

COMMUNICATIONS

Project webpage can be found here:

<https://www.chbdc.govt.nz/our-district/projects/bigwaterstory/kairakau-water-upgrade/>



MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT
HIKINA WHAKATUTUKI

FUNDING AGREEMENT For

TOURISM INFRASTRUCTURE FUND

TIF-RS-063 Kairakau Water Upgrade

BETWEEN The Sovereign in Right of New Zealand acting by and through Te Tumu Whakarae mō Hīkina Whakatutuki, Secretary for Business, Innovation & Employment and Chief Executive of the Ministry of Business, Innovation and Employment (or their authorised delegate) ("Ministry")

AND Central Hawke's Bay District Council a territorial authority under Schedule 2, Part 2 of Local Government Act 2002 ("Recipient")

BACKGROUND

The Ministry wishes to contribute to the Project by providing funding from the appropriation set out in the Details on the terms set out in this Agreement.

AGREEMENT

The Ministry will pay the funding to the Recipient, and the Recipient accepts the funding, on the terms and conditions set out in Schedule 1 (Details), Schedule 2 (Funding Agreement Standard Terms and Conditions), Appendix 1 (Project Tasks) and Appendix 2 (Project Status Report Template) (together the Agreement).

EXECUTION

Signed by the Sovereign in Right of New Zealand acting by and through Te Tumu Whakarae mō Hīkina Whakatutuki, Secretary for Business, Innovation & Employment and Chief Executive of the Ministry of Business, Innovation and Employment or their authorised delegate:

Signature _____
Liz Vallieres
Manager, Investment Management & Performance Team

Date _____

Signed for and on behalf of the Recipient:

Signature _____

Print Full Name _____

Print Title _____

Date _____

APPENDICES (AVAILABLE ON REQUEST)

Appendix 1: Quarter 4/5 reporting to Crown Infrastructure Partners

Three Waters

Engineer's report for reporting quarter
July 2021 - September 2021

27 October 2021

Central Hawke's Bay District
Council



6.10 KEY PROJECT STATUS REPORT - PŌRANGAHAU TO WIMBLEDON PGF PROGRAMME

File Number:

Author: Darren de Klerk, 3 Waters Programme Manager

Authoriser: Monique Davidson, Chief Executive

Attachments: 1. Key Project Status Report #4 - PWPGF [↓](#)

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

PURPOSE

To add a level of oversight on this significant programme for CHBDC, this report aims to inform and keep council and the community updated on the progress of this important externally funded programme of works.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as not significant.

BACKGROUND

In June 2019 Council received \$20.1m in Provincial Growth Funding (PGF) from the Ministry of Business, Innovation and Employment (MBIE) to improve transport infrastructure for communities on Porangahau and Wimbledon Roads.

With growing volumes of freight using the route, reliability and resilience needs to be assured if the regional economy is to be protected and opportunities for productivity are enhanced. This project will provide future generations with safe and durable roading infrastructure along with what is a key thoroughfare in our district.

DISCUSSION

This report will provide regular information on the fixed objectives and dynamic progress of the PGF programme of works across Porangahau and Wimbledon Roads. The report also provides an introduction on background and contextual information on the PGF programme of works across Porangahau and Wimbledon Roads then becomes more detailed discussing programme and project progress and risk.

The expected outcomes of the project align with the PGF objectives of;

- Improving links between the district and major transport hubs and markets
- Safeguarding and expanding visitor and business access to and within the district;
- Improving connectivity and access to communities by providing a resilient route that is fit for purpose
- Increases investments in the region by improving business confidence to invest in the region; and
- Generates local employment and training opportunities through direct employment on the project and increased investments creating indirect jobs

The programme continues to make solid progress, with 54% of the budget spent on the works, and approx. 40% of the work completed across the programme, and 51% across the live projects.

Programme Overview

\$10.7m/ \$20.1m spend 54% Spend	86 people on average working on programme per month
8/ 20 projects complete 40% complete	22 new local roles created
12 live projects 51% progress	18/24 months complete 75% progress



IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

NEXT STEPS

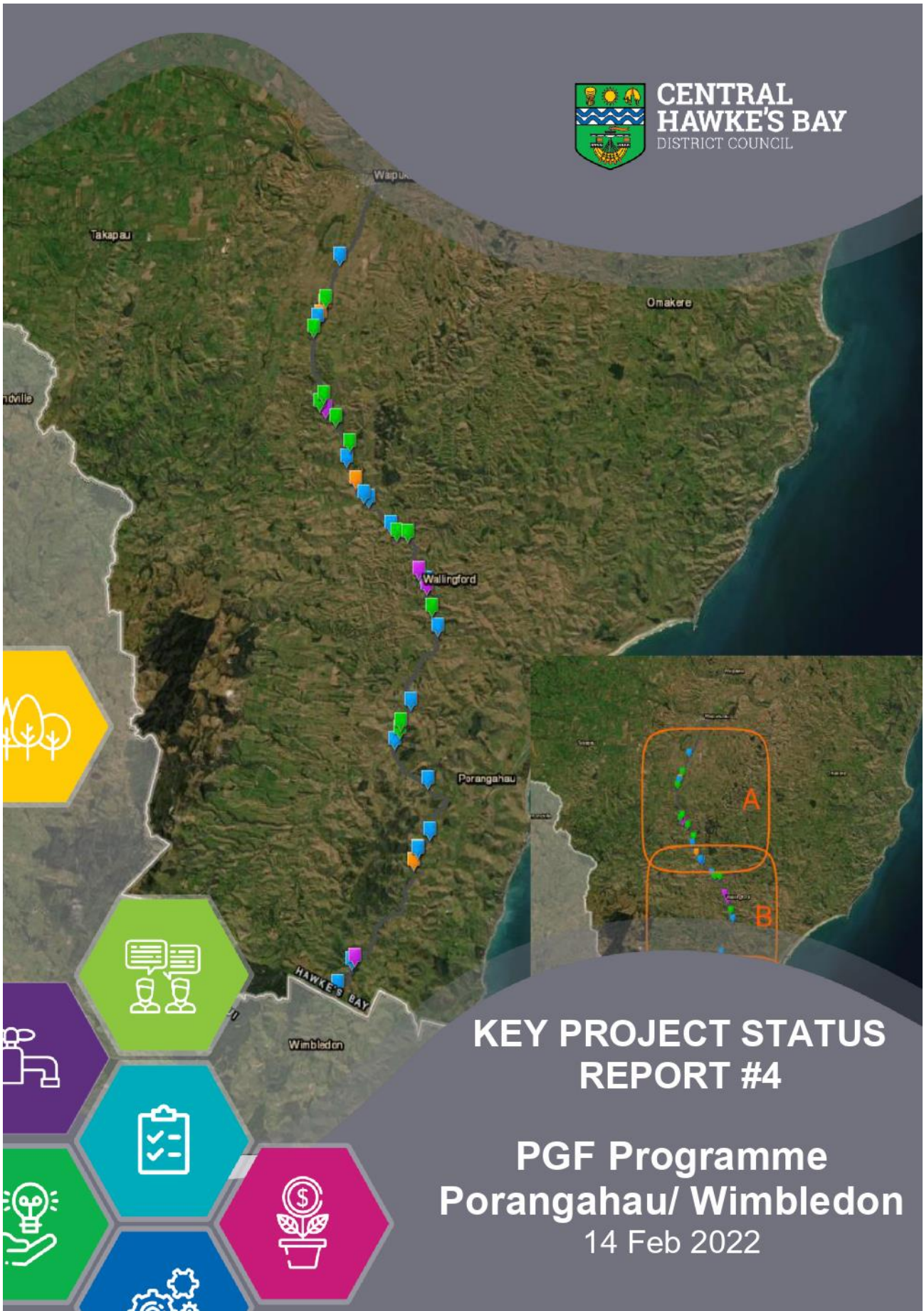
Continued progress and delivery of the programme and sub projects within the programme of works as outlined within the key project status report.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.



**CENTRAL
HAWKE'S BAY**
DISTRICT COUNCIL



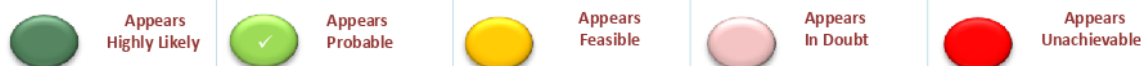
KEY PROJECT STATUS REPORT #4

**PGF Programme
Porangahau/ Wimbledon**
14 Feb 2022

Project Name	PGF Programme (Porangahau/ Wimbledon Roads)				
Release Date	31/01/2022	Report #	Four	Range	Sep 2021 to Jan 2022
Introduction/ Background	<p>In June 2019 Council received \$20.1M in Provincial Growth Funding from MBIE to upgrade bridges and structures on Route 52 (Waipukurau –Porangahau) to High Productivity Motor Vehicle (HPMV) standard.</p> <p>An initial component of \$350,000 funding was drawn down to complete investigations. This work has been completed by Stantec with additional economic development inputs from Third Bearing.</p> <p>A further \$950,000 was drawn down to achieve a forward work programme of quick wins for retaining walls on Porangahau road which were already identified as showing stress under normal loading, and therefore already known as a pre-cursor requirement to building route resilience for HPMV. This work has been procured and a ceremonial sod-turning event was undertaken late June 2020.</p> <p>The remaining \$18.8M will be allocated to complete the remainder of the work identified in the investigations, this will be utilised for design and construction.</p>				
Project Stages	<p>Stage One: Bridge inspections and retaining structures, pavement and surfacing inspections, geometric and safety inspections</p> <p>Stage Two: Quick Win construction, geotechnical investigations, topographical surveys, HPMV assessment, draft procurement plan/ strategy</p> <p>Stage Three: Simple construction, detailed design and procurement plan/ strategy update</p> <p>Stage Four: Procurement and Construction</p>				
Project Outcomes	<p>The expected outcomes of the project align with the PGF objectives of;</p> <ul style="list-style-type: none"> • Improving links between the district and major transport hubs and markets • Safeguarding and expanding visitor and business access to and within the district; • Improving connectivity and access to communities by providing a resilient route that is fit for purpose • Increases investments in the region by improving business confidence to invest in the region; and • Generates local employment and training opportunities through direct employment on the project and increased investments creating indirect jobs 				

Report/ Document History				
Report No.	Report Date	Report Frequency	Project Sponsor	Project Manager
1	18/06/2020	Quarterly	Josh Lloyd	Craig Ireson/ Shawn McKinley
2	03/08/2020	Quarterly	Josh Lloyd	Darren de Klerk
3	12/08/2021	Quarterly	Quarterly	Quarterly
4	24/02/2022	Quarterly	Quarterly	Quarterly

Sponsor's Project Delivery Confidence Assessment



PURPOSE

This report will provide regular information on the fixed objectives and dynamic progress of the PGF programme of works across Porangahau and Wimbledon Roads.

The report provides an introduction as well as background and contextual information on the PGF programme of works across Porangahau and Wimbledon Roads then becomes more detailed discussing programme and project progress and risk.

PROJECT MANAGER's OVERVIEW FOR THE PERIOD (AUG 2021 – JAN 2022)

January 2022 saw the programme kick back into gear with works recommencing on Flaxmill, Saleyards Bridge strengthening and the Safety Improvement programme.

New projects started at the Lower Wimbledon Retreat, Kokomoko Bridge replacement and the pending Slow Vehicle Bay. Details on these projects are detailed below including the Slow Vehicle Bay summary report.

Consenting works to desilt 2.2km of the Taurekaitai Stream is in progress with the project team engaging with HBRC in January 2022 to make progress.

Slow Vehicle Bay - we asked for feedback on a proposed slow vehicle bay to be positioned on Pōrangahau Road to allow road users to safely pass heavy laden vehicles, we had feedback on 7 different locations, with location #1 being the clear preferred option, seeing a slow vehicle bay north bound approx.. 12km out of Waipukurau. We have made progress on the design for this location, and late Jan 2022 works will commence onsite to build a 600mtr long Slow Vehicle Bay.

Kokomoko Bridge - Work commenced in late 2021 to try strengthen the existing bridge, due to findings on site related to the condition of the structure we were unable to strengthen the bridge, and are now panning a replacement. This will see next week works start on installing a temporary one lane bridge next to the existing bridge, and then in mid February 2022, traffic will be diverted to the one lane temporary bridge while the existing bridge is deconstructed, and a new precast bridge constructed where the current bridge is.

The fifth governance meeting for the programme also took place in January 2022 along with a control meeting.

Spend to date on the programme is **\$10.8m**

Overall Confidence Assessment

Key Questions Impacting on Project Objectives		No	Yes	
1	Are there Business Case Benefit attainment problems?	✓	<input type="checkbox"/>	As we complete the investigation and settle on a solution for the programmes – building the design and construction component for each package has some risk to ensure that it aligns with the contract and original business case
2	Are there Scope Control problems?	✓	<input type="checkbox"/>	Options have been identified and will be refined as we understand more, and refine the programme further.
3	Will Target Dates be missed?	✓	<input type="checkbox"/>	Currently on track to deliver each package to agreed timeframes. Some slight delays to sub deliverables due to COVID delays – these are outlined in the July 2020 MBIE report.
4	Will Project Costs be overrun?	✓	<input type="checkbox"/>	Currently project costs are being developed. General funding is a risk, but can be managed by increasing or decreasing the scope accordingly, and the projects that we can deliver for the programme.
5	Are there Quality problems?	✓	<input type="checkbox"/>	None at present
6	Are there Resource problems?	✓	<input type="checkbox"/>	Internal resourcing is tight and stretched to deliver the packages of upgrades – but we continue to make good progress and look to resource up through the implementation of a PMO.
7	Are there Risk Management problems?	✓	<input type="checkbox"/>	Risk workshops are planned and registers developed for each project to highlight and allow mitigation to be implemented.
8	Are there Review and Approval problems?	✓	<input type="checkbox"/>	The process for internal review is being defined, and approval is working well.
9	Are there Teamwork problems?	✓	<input type="checkbox"/>	None present – clear roles across operational and capital overlaps are being defined.
10	Are there Stakeholder problems?	✓	<input type="checkbox"/>	Community meetings are progressing for each project at milestones and information progresses
11	Are there Iwi issues?	✓	<input type="checkbox"/>	Iwi engagement is ongoing, and we would benefit from additional assistance in this area
12	Are there Communication problems?	✓	<input type="checkbox"/>	None present – Resourcing limitations with the LTP Pre-Engagement, but recruitment is occurring here, and a plan is being written.
13	Are there Change Management problems?	✓	<input type="checkbox"/>	None present
14	Are there Health & Safety issues?	✓	<input type="checkbox"/>	None present
15	Are there Operational issues?	✓	<input type="checkbox"/>	Through some good processes, we are currently working on developing a guideline for managing overlapping duties to be resolved timely, and ensure all parties are aware of the process to manage such works.

Progress Summary - Achievements/Activities since last status report

- **CON1096 Bridges**
 - SP3 Kokomoko Bridge – Construction was put on hold due to unexpected conditions encountered. Construction of new structure will commence February/March 2022.
 - SP1 Wallingford Bridge – Practical Completion issued.
 - SP2a Saleyards Bridge – Works are ongoing.
 - SP2b Saleyards Bridge – Guardrail works have not started yet.
 - SP4 Sixty Pound – Physical works commence February 2022.
- **CON1097 Flaxmill**
 - SP1 Road works - Completed.
 - SP2 Road works - Works are ongoing.
 - SP3 Road works - Works are ongoing.
 - SP4 Ugly Hill – works are paused awaiting consenting outcome.
 - SP5 Debris clearance and silt removal – HBRC meeting to discuss finalise resource consent.
- **CON1098 Retaining Walls**
 - SP1 RW277 - Completed.
 - SP2 RW440 – handed over to Higgins through structures contract.
 - SP3 RW184 North – Construction starts March.
 - SP4 RW283 South – Construction starts March.
 - SP5 Lower Wimbledon Retreat – Works are underway and ongoing.
 - SP6 Wimbledon Road RP13600 – Construction being programmed for March 2022.
- **CON1167 Safety Improvements**
 - Wimbledon Road – Completed.
 - Porangahau Road – In progress.
- **CON1168 Slow Vehicle Bay**
 - Works are ongoing. programmed to start January 2022.

Issues/ Risks - since the last status report

The following risks have been highlighted on the programme to date;

Risk	L	C	Rating	Mitigation action	Responsible
Market capacity			Medium	Planning with the market, listening and adjusting procurement approach	CHBDC / Stantec
Cost risks			Medium	Ongoing management, and ability to refine scope accordingly	CHBDC
Project Outcomes			High	Ongoing management, control and community check ins to determine delivery against outcomes	CHBDC
Road/ asset condition found when excavating			High	Planning, building contingency	Stantec/ CHBDC

Key Activities to be started/completed or in progress over the next Quarter to Apr 2022

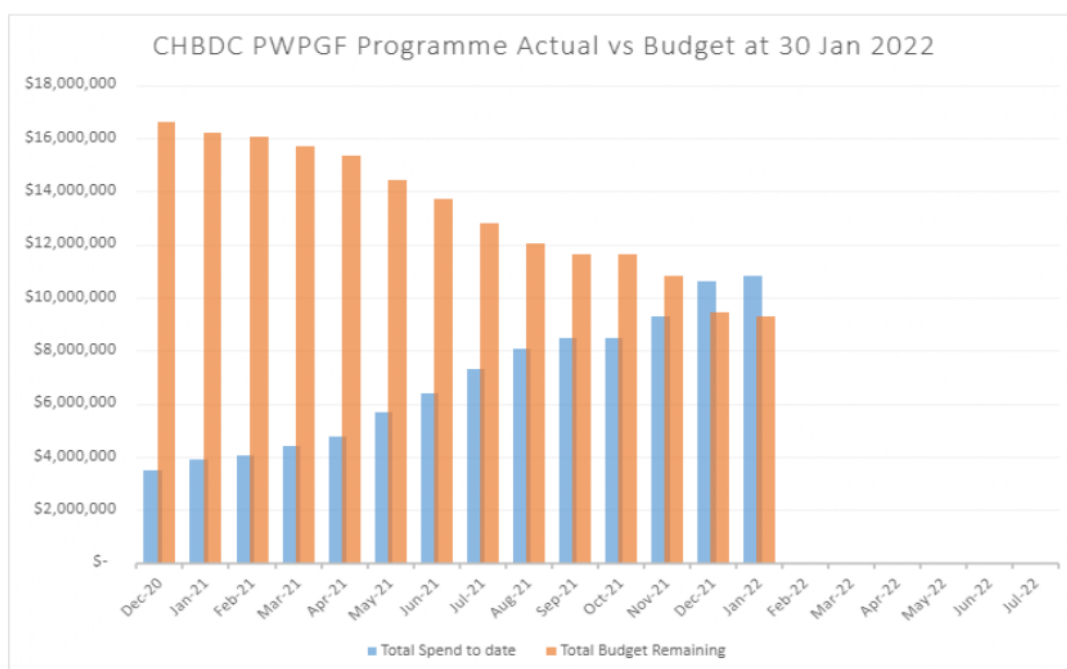
- **Contract 1096**
 - Saleyards Bridge – completion of strengthening works
 - Kokomoko Bridge – ongoing construction of new bridge

- Sixty Pound Bridge – ongoing strengthening works
- Contract 1097
 - Stages 1 to 3 – completion of road lifts
 - Stage 5 – complete consenting, and silt removal
- Contract 1098
 - 3 smaller retaining walls underway
 - Lower Wimbledon Retreat, well underway
- Contract 1167
 - Ongoing safety improvements work
- Contract 1168
 - Ongoing construction of slow vehicle bay
- Ongoing communication with iwi, landowners, community and other stakeholders
- Ongoing communication and delivery opportunities with HBRC

PROGRAMME FINANCIAL UPDATE

Financial management of these projects requires creation internally of a project specific ID for each project. This allows for management of costs and understanding of progress against budget – these will be linked back to the relevant General Ledger (GL) codes that NZTA and Land Transport are familiar with.

Budget Summary				
Item	Supplier	Updated Budget	Actual to Date	Remaining Budget
Investigation Design Procurement Costs	Stantec	\$ 4,500,000	\$ 4,214,495.66	\$ (136,825.20)
Investigation - Geotech and Others	Subcontractors		\$ 484,401.93	
Post Construction Safety Audits	Urban Connection	\$ 50,000	\$ 10,200.00	\$ 39,800.00
Economic Development Inputs	Third Bearing	\$ 1,100	\$ 1,100.00	\$ -
Council & Communications Related Costs	CHBDC	\$ 250,000	\$169,788	\$80,212
Physical Construction Costs				
CON1075 - Quick Win: Ret Walls	Downer NZ	\$ 550,000.00	\$573,644	-\$23,644
CON1076 - Quick Win: Ret Walls & AWPT	Russell Roads	\$ 800,000.00	\$748,223	\$51,777
CON1077 - Simple Construction: AWPT	Russell Roads	\$ 420,000.00	\$399,768	\$20,232
CON1096 - Bridges	Concrete Structures	\$ 4,000,000.00	\$1,678,000	\$2,322,000
CON1097 - Flaxmill	Russell Roads	\$ 4,500,000.00	\$1,608,126	\$2,891,874
CON1098 - Retaining Walls	Fulton Hogan	\$ 2,500,000.00	\$699,951	\$2,550,049
CON1167 Safety Improvements	Downer NZ	\$ 750,000.00	\$300,534	\$449,466
CON1168 Slow Vehicle Bay	Russell Roads	\$ 1,000,000.00	\$-	\$1,000,000
TBC - Te Taumata (Longest Place Name)	TBC	\$ 250,000.00	\$-	\$-
TBC - Pavement Improvements	TBC	\$ 500,000.00	\$-	\$-
TBC - Wimbledon Road Improvements	Downer NZ	\$ 80,000.00	\$50,636	\$29,364
TOTAL		\$ 20,100,000.00	\$10,818,675	\$9,281,325



PROGRAMME SPONSORS CONFIDENCE

Overall confidence remains high, with attention required constantly by the programme team to deliver on outcomes. There remains potential for issues/ risks to arise and some delays may be probable. Risks will be addressed through the project, and monitored through the project lifecycle. Funding and community engagement remain the highest risks currently.

Key	Attention Required	Issues/Risks	Delivery
	Minimal	None	On Time
	Constant	Potential	Delays Probable
	Manage	Exist but resolvable	Delays Likely
	Urgent	Major	Delays
	Critical	Critical	Major delays. Re-scope/Re-assess

WEBPAGE FOR REGULAR UPDATES

<https://www.chbdc.govt.nz/our-district/projects/route-52-porangahau-and-wimbledon-road-upgrade/>

PROJECT OPENING – JUNE 2020

Attachments

- Jan 2022 Report to PGF (Summarised)
- Jan 2022 Presentation to PGG (Summarised)

APPENDICES

C1096 Bridge Programme (Kokomoko)



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C1096 Bridge Programme (Saleyards)



C1097 Flaxmill (Stage 3)

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C1098 Retaining Walls (Lower Wimbledon Retreat)

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Summary Report

Slow Vehicle Bay Options, Pōrangahau Road

Introduction

The nature of Central Hawke's Bay terrain and the low traffic volumes (although a high volume of slow-moving trucks) has meant that its rural strategic routes have been built as two-lane highways (now HPMV routes).

As slow-moving vehicle volumes have increased, pressures have been placed on the existing level of service. Passing opportunities are limited and often on straights where forward sight distance is poor.

Central Hawke's Bay District Council (CHBDC) asked Stantec to investigate locations that could be considered for an overtaking lane along Porangahau Road as previous engagement had revealed certain stakeholders were being held up by the increasing number of heavy vehicles (HCV's) using this route, predominantly logging trucks.

Sites investigated

The five sites investigated were selected based on the speed differential of HCV's, the geometry of the road (as this also provided a natural deceleration location for HCV's) and a visual assessment of the ease of construction compared to other sites along the route.

Site 1 (preferred by the NZ Police and the local School bus driver) will require geotechnical investigations; however, the surrounding slopes are flatter than all the other sites and in terms of budget it could be adjusted in length to meet Council budget.

If additional budget is found during construction, it could then be extended downhill or if preferred a short SVB established at Site 2 that is located away from the natural pond.

Engagement

As part of the engagement process, an interactive survey was created in which users could see each of the sites on a map and choose their preferred location for a slow vehicle bay. Information to support this survey was made as accessible as possible through the council website.

Key stakeholders (heavy vehicle users, NZ Police and the local school bus driver, residents) were directly engaged via email. They were also sent the survey for completion.

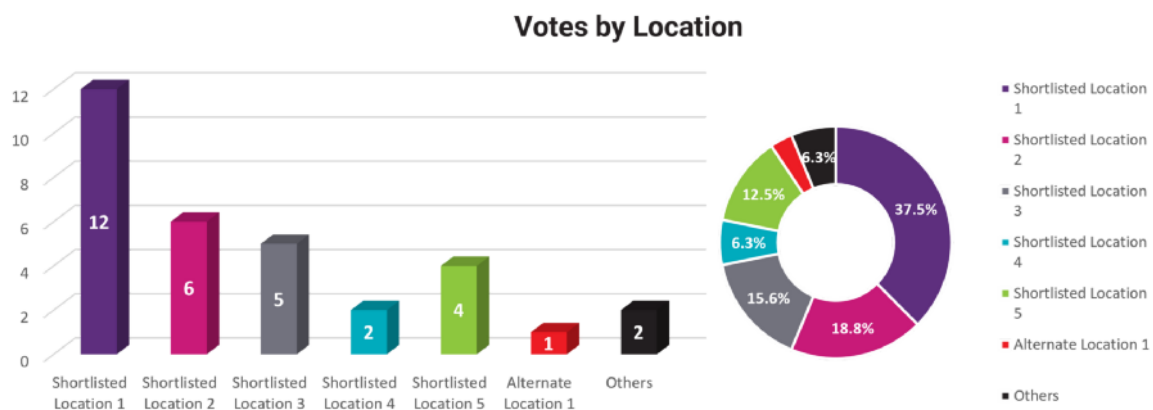
The survey was pushed through Council's social media channels and placed on the website throughout October with the intention of engaging regular road users and the Central Hawke's Bay community.

A community meeting was also organised, then delayed due to COVID-19 Level restrictions. It was ultimately cancelled due to low interest.

Internal staff and councillors were kept updated via Weekly Words.

Survey Feedback

Through the survey, Council received 32 community submissions. The voting showed site 1 was the most favourable by submitters.



We collated the comments made by submitters, and have summarised the following:

Site 1

- Road users already take risks passing in this area, putting in a slow vehicle bay would minimise this and increase driver safety
- Truck drivers go slower up hills so appears to be the safest place for passing
- Site 1 has the greatest visibility of all sites
- This area often has high traffic volume and drivers get caught behind trucks.

Site 2

- Most common spot to be held up in heavy traffic
- This area sees a lot of dangerous driving and near misses, a slow vehicle bay would improve driver safety
- Improves safety for residents when using their driveways connecting to the road.

Site 3

- Large space for a slow vehicle bay
- This is the part of the road where trucks go slowest and hold up traffic
- Good place as it is just before Wanstead Hill.

Site 4

- It would be safer for the school bus if it still stops here
- Allows for enough roads joining Pōrangahau road and therefore most people to get the benefit of the passing lane.

Site 5

- A site where drivers take risks to pass slow vehicles
- It's a good halfway point between Pōrangahau and Waipukurau
- Closer to Pōrangahau where there are less safe places available to pass.

Site 6

- This would be the last safe place to pass before corners and the hill.

Stakeholder feedback

Council received direct feedback from heavy road user's and residents, and received the following feedback:

In front of what was the Wanstead Tavern – Rapid no. 1820.

- Many truck drivers already pull in here and it would be great to keep the area sealed if possible
- There are residents living in this area and a slow vehicle bay would be respecting them.

At the top of Wanstead Gorge heading into town

- There is a small area to pull over.

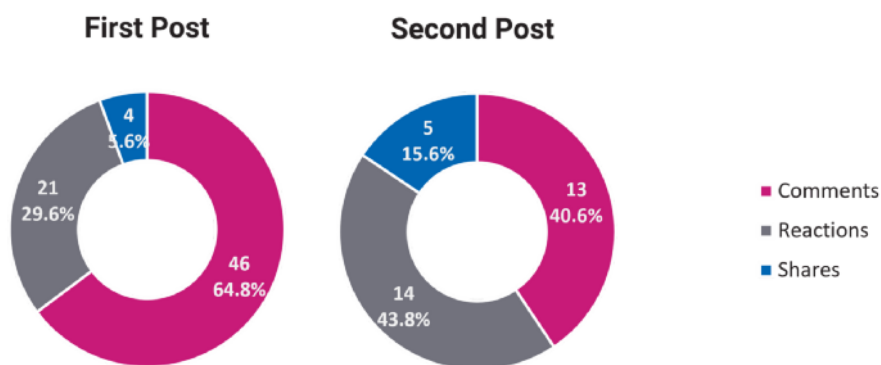
This would be new and that would be north of rapid no. 2558.

The Croad's do not want a slow vehicle bay outside their property – site 2.

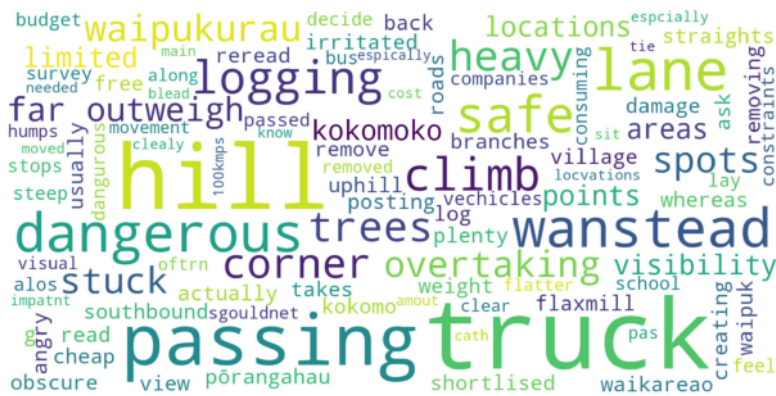
Site 1 is the best option for the Wanstead area, Site 4 is a good option for Wallingford area.

Facebook Feedback

The survey was pushed out through social media channels twice throughout October. We measured engagement on these posts and summarised the following feedback:



The most commonly used words within the feedback included:



Comments taken from the posts:

- Great idea, would need more than one though!
- Oh interesting, in my experience, somewhere on the Porangahau side of the Wanstead Hill - the amount of times I have been stuck behind logging trucks!
- Would be good to have about 3 of them with the trucks on the road.
- Ask the truck drivers, they would have the best knowledge.
- Porangahau Road - there are a lot of areas. Don't do just one, do heaps.
- Yes, should have them on all the highways. Having people driving 70 to 80km/h, then having people over taking them at 120km/h - dangerous.
- I think it needs to be kept left, as most people don't move over on the one between Waipawa. and Waipukurau. My guess is no one thinks they are 'slow'.

Programme Overview

\$10.7m/ \$20.1m spend
54% Spend

8/ 20 projects complete
40% complete

12 live projects
51% progress

86 people on average
working on programme
per month

22 new local roles
created

18/24 months complete
75% progress

Porangahau and
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Live Projects

Contract	Site	Start date	Finish date	Current progress %
C1098 Ret Walls	RW184N	March 2022	April 2022	0%
C1098 Ret Walls	RW283S	February 2022	March 2022	0%
C1098 Ret Walls	RP13600	March 2022	May 2022	0%
C1098 Ret Walls	Lower Wimbledon	January 2022	June 2022	5%
C1096 Bridges	Sixty Pound	February 2022	May 2022	0%
C1096 Bridges	Saleyards 2a	October 2021	March 2022	70%
C1096 Bridges	Kokomoko	March 2022	June 2022	5%
C1097 Flaxmill	FIRP Stage 2	July 2021	April 2022	40%
C1097 Flaxmill	FIRP Stage 3	September 2021	March 2022	40%
C1097 Flaxmill	FIRP Stage 5 Waterway	March 2022	May 2022	0%
C1167	Safety Improvements	August 2021	April 2022	50%
C1168	Slow Vehicle Bay	January 2022	June 2022	0%

Porangahau and Wimbledon Road UPGRADE

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Completed Projects

Contract	Site	Start date	Finish date	Current progress %
C1075 Ret Walls	RW184 on Porangahau Road	June 2020	Dec 2020	100%
C1075 Ret Walls	RW – Bird/ Porangahau Road	June 2020	Nov 2020	100%
C1076 Ret Walls	RW283 Wimbledon Road	June 2020	March 2021	100%
C1076 Ret Walls	RW Porangahau Road	June 2020	Nov 2020	100%
C1077 AWPT	600m Pavement on Porangahau Road	Sep 2020	Dec 2020	100%
C1096 Bridges	Wallingford Bridge	February 2021	February 2022	100%
C1097 Flaxmill	FIRP Stage 1	March 2021	July 2022	100%
C1098 Ret Walls	RW277 Wimbledon Road	April 2021	August 2021	100%

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Individual Project Status Updates

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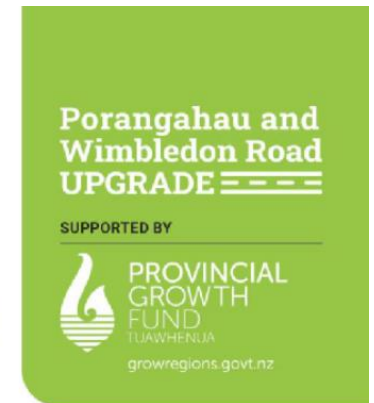


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C1096 Bridges – SP3 Kokomoko



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C1096 Bridges – SP3 Kokomoko



Strengthening works were halted during construction due to incorrect as-built details.

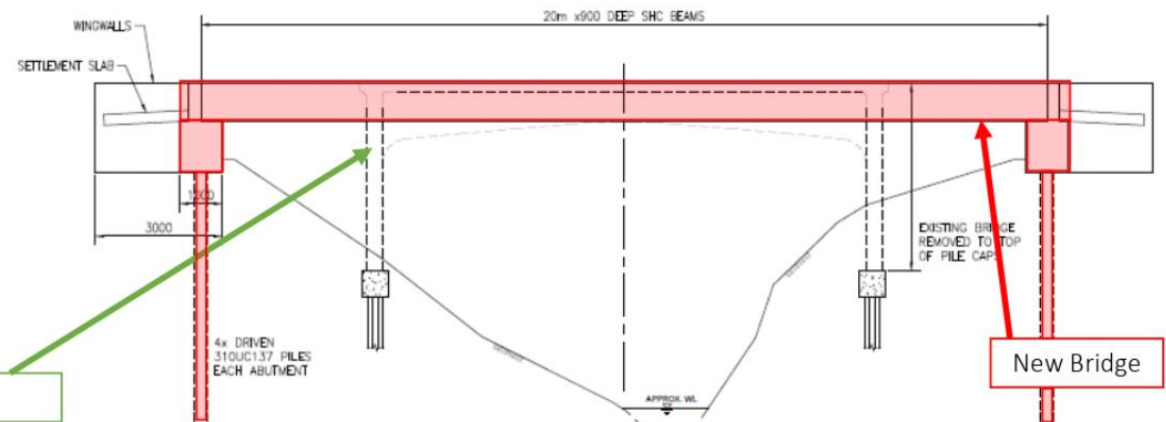
New bridge option has been procured as a design & build separable portion with the contractor.

Proposed new general arrangement below.

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Existing Bridge

New Bridge

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Stantec



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C1096 Bridges - Saleyards Bridge

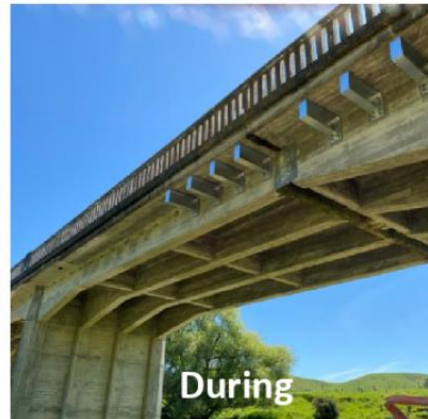
SP2a: HPMV Strengthening works

SP2b: Guardrail

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C1096 Bridges - Sixty Pound Bridge



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C1096 Bridges – Mackenzies/North Water Mark Culvert



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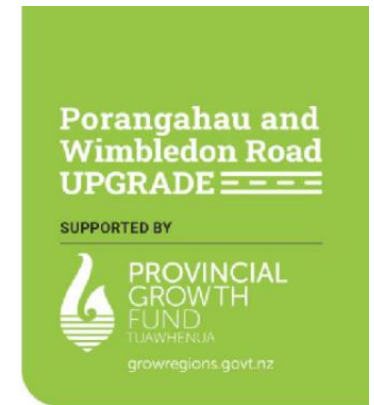


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C1097 Flaxmill – SP1

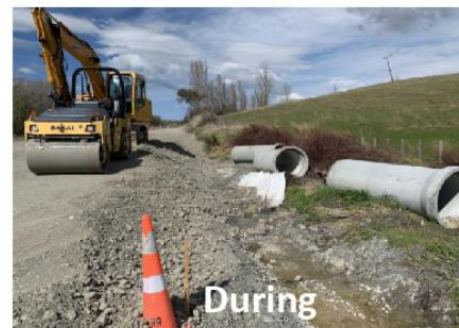


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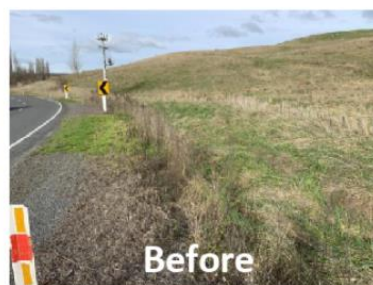
C1097 Flaxmill - SP2



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C1097 Flaxmill - SP3



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C1097 Flaxmill – SP5 Channel Widening



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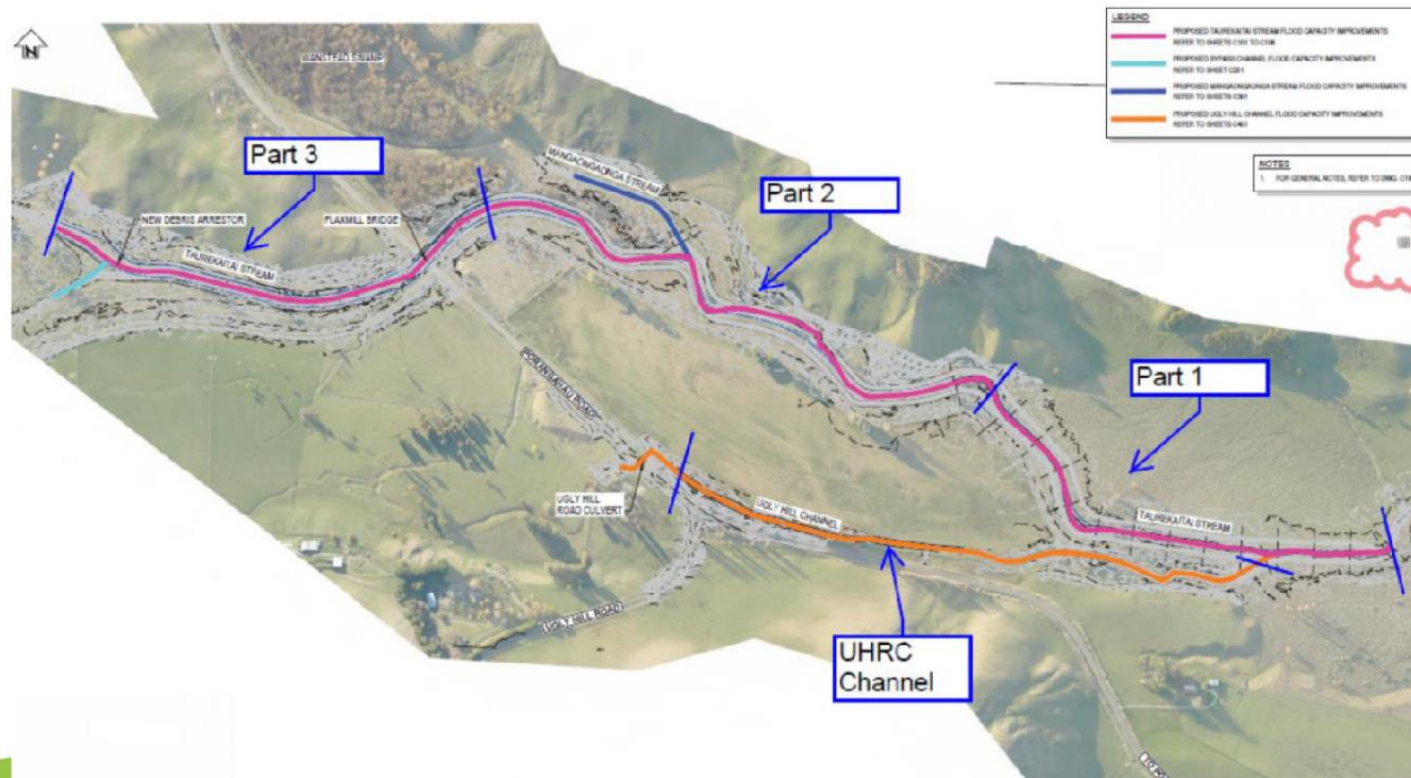


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C1097 Flaxmill – SP5 Additional Scope



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- SP4 (Flaxmill Bridge Structural work / Ugly Hill Culvert upgrade)
- SP5a (Channel silt removal)
- SP6 (Debris Arrestor)
- SP7 (RP19900 Slump repair)



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C1098 Retaining Walls - RW184 North & RW283 South

Extensions of previous C1075/C1076 retaining walls



RW184 North - Before



RW283 South - Before

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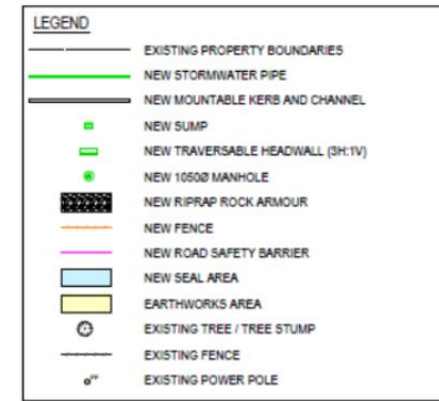
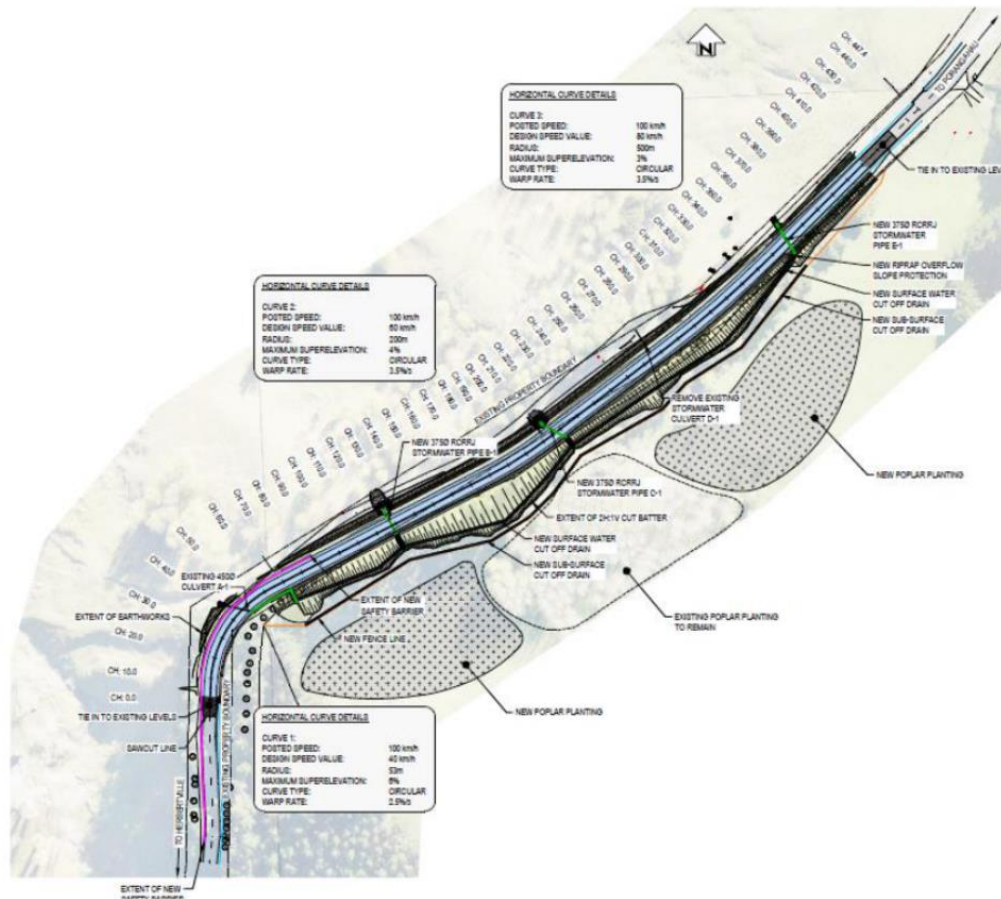


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C1098 Retaining Walls – Lower Wimbledon Road Retreat

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C1098 Retaining Walls – Lower Wimbledon Road Retreat



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C1098 Retaining Walls – Lower Wimbledon Road Retreat

Porangahau and
Wimbledon Road



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C1098 Retaining Walls – SP6 RP13600 Slump



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C1167 - Safety Programme - Downer

Porangahau and
Wimbledon Road



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- Wimbledon Road – Complete
- Pōrangahau Road – in construction
- Bridge Guardrail improvements
- Vegetation



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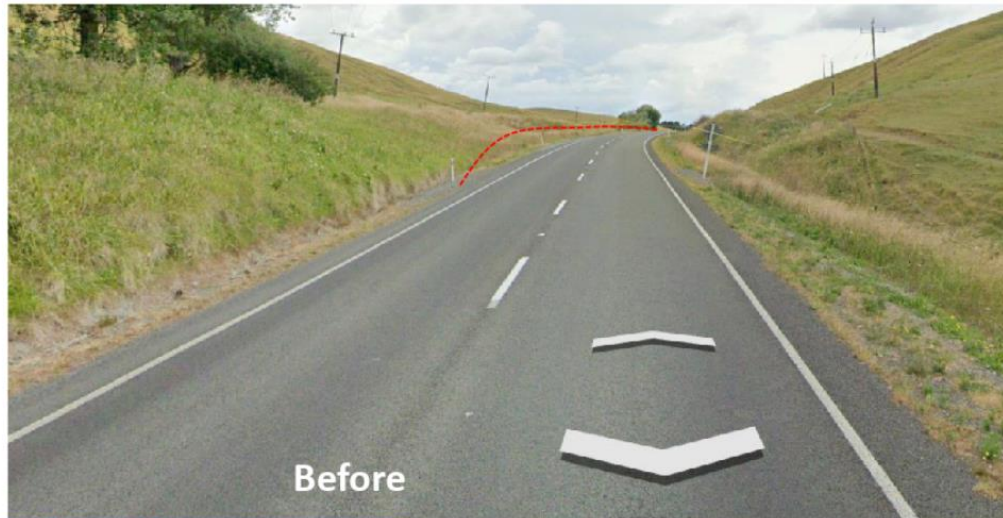


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C1168 - Slow Vehicle Bay (Porangahau Road ~600m)

Site 1

- Road users already take risks passing in this area, putting in a slow vehicle bay would minimise this and increase driver safety
- Truck drivers go slower up hills so appears to be the safest place for passing
- Site 1 has the greatest visibility of all sites
- This area often has high traffic volume and drivers get caught behind trucks.



Porangahau and Wimbledon Road UPGRADE

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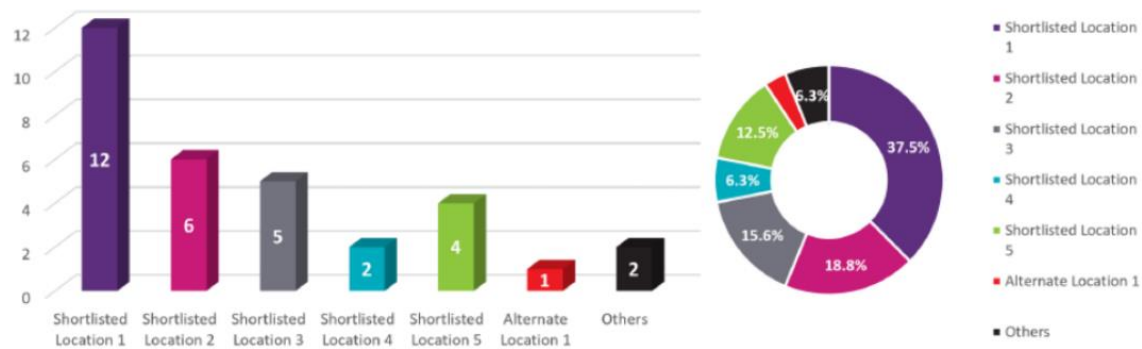
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C1168 - Slow Vehicle Bay (Porangahau Road ~600m)

Survey Feedback

Through the survey, Council received 32 community submissions. The voting showed site 1 was the most favourable by submitters.

Votes by Location



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Looking forward to next Quarter (Jan- Apr 22)

Bridges

- Complete Saleyards Bridge works
- Commence Kokomoko Bridge onsite
- Commence Sixty Pound Bridge onsite

Flaxmill

- Complete SP3 road construction works
- SP5 (channel silt removal) – Finalise Resource Consent and commence onsite

Retaining Walls

- Commence SP2, SP3, SP5 (small retaining walls)
- Continue SP4 (Lower Wimbledon Retreat)

Safety Improvements

- Complete construction works

Slow Vehicle Bay

- Commence onsite (early Feb)

Porangahau and
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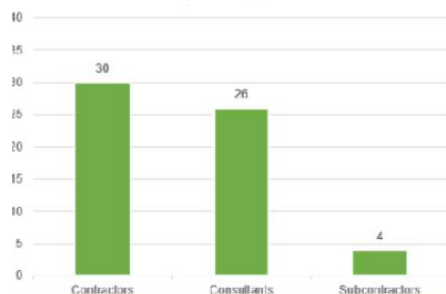


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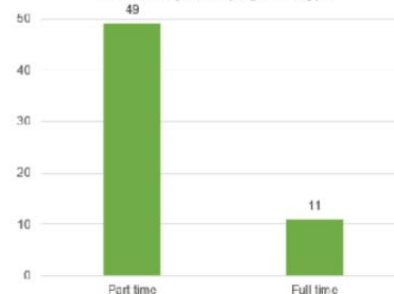
Broader Outcomes Results

SUMMARY	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22
tal People Working	90	102	89	109	107	77	75	67	60
ntractor	49	33	41	44	44	41	35	42	34
nsultant	41	69	48	65	63	36	40	25	26
ll time	34	9	20	21	20	23	12	17	15
rt time	56	93	69	88	87	54	63	46	45
rrant jobs	90	102	89	109	107	77	75	67	60
ople previously but no longer mployed on the project	2	44	0	1	2	28	3	16	7
pected future jobs	89	73	95	96	89	97	84	91	95

Overall Project Employment Profile



Overall Project Employment Type



Ruairidh Anderson

"I'm loving it and learning heaps. There's a hardcase group of guys on the team that make the days enjoyable."

Ruairidh Anderson is a Labourer with Concrete Structures working on Wallingford Bridge Strengthening on Porangahau Road.

Jobs in Central Hawke's Bay advertised the roles for Concrete Structures and supported Ruairidh's application, we continue to work with him accessing driver licensing support.



Nixsin Walker

"It's a great job! You've done your part, now it's my turn to do mine well and make this a permanent job!"

Nixsin Walker, Labourer - Fulton Hogan, & Wimbledon Road Upgrade, Porangahau.

Nixsin was a part of the Council's Rapid Redeployment Tranche 2 project, following that he transitioned into Orchard work. When that finished he came back to Jobs in Central Hawke's Bay for assistance in finding the next job, he impressed the team with his hunger and passion for more work.



Damon Kawana

"The job is awesome! Jobs in Central Hawke's Bay are a great help for people looking for work in CHB, they have given me a stepping stone to opportunities and more variety of work in the roading industry. Thank you for your support!"

Damon Kawana - Russell Roads, Labourer/TC.



Jobs in Central Hawke's Bay is a community led recovery programme which connects the business community with local people who are seeking meaningful employment.

The programme provides support with recruitment, training and in work support for both employers and employees. Although this programme has a Youth focus, it is available to assist anyone looking for employment within the community.

The programme is funded by the Ministry of Social Development through the Mayor's Taskforce for Jobs (MTFJ). The MTFJ prides itself on being a network of New Zealand Mayors working to ensure all people and communities have the opportunity to fulfil their potential.



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RESOLUTION TO EXCLUDE THE PUBLIC

RECOMMENDATION

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

The general subject matter 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 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
7.1 - Public Excluded Resolution Monitoring Report	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(b)(i) - the withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret</p> <p>s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p>	s48(1)(a)(i) - 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 under section 6 or section 7
7.2 - Government's Emissions Trading Scheme and Impact on Council's Landfill Carbon Credit Liability	<p>s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	s48(1)(a)(i) - 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 under section 6 or section 7

8 DATE OF NEXT MEETING

RECOMMENDATION

THAT the next meeting of the Central Hawke's Bay District Council Finance and Infrastructure Committee be held on 21 April 2022.

9 TIME OF CLOSURE