



**CENTRAL
HAWKE'S BAY**
DISTRICT COUNCIL



Finance and Infrastructure Committee Meeting Agenda

Thursday, 21 April 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 - 24 February 2022

RECOMMENDATION

That the minutes of the Finance and Infrastructure Committee Meeting held on 24 February 2022 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, 24 FEBRUARY 2022 AT 9:00AM**

PRESENT: Mayor Alex Walker
Deputy Mayor Kelly Annand
Chairperson Brent Muggeridge
Cr Tim Aitken
Cr Gerard Minehan
Cr Jerry Greer
Cr Kate Taylor (via zoom)
Cr Pip Burne

IN ATTENDANCE: Monique Davidson (Chief Executive)
Doug Tate (Group Manager, Customer and Community Partnerships)
Nicola Bousfield (Group Manager, People and Business Enablement)
Brent Chamberlain (Chief Financial Officer)
Darren de Klerk (Director Projects & Programmes)
Caitlyn Dine (Governance and Support Officer)

1 KARAKIA

Mayor Walker lead the karakia

2 APOLOGIES

COMMITTEE RESOLUTION

Moved: Deputy Mayor Kelly Annand

Seconded: Cr Jerry Greer

That the apology of Councillor Wichman and Dr Maaka be noted.

CARRIED

2 DECLARATIONS OF CONFLICTS OF INTEREST

NIL

3 STANDING ORDERS

COMMITTEE RESOLUTION

Moved: Cr Gerard Minehan

Seconded: Cr Pip Burne

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 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

4 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION

Moved: Deputy Mayor Kelly Annand

Seconded: Cr Pip Burne

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

CARRIED

5 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: Cr Gerard Minehan

Seconded: Cr Tim Aitken

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

CARRIED

Mrs Davidson presented this report.

6.2 FINANCE AND INFRASTRUCTURE COMMITTEE PRIORITY REPORT

PURPOSE

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

COMMITTEE RESOLUTION

Moved: Mayor Alex Walker

Seconded: Deputy Mayor Kelly Annand

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

CARRIED

Mrs Davison presented this report.

6.3 ELECTED MEMBERS EXPENSES FOR SEPTEMBER 2021 TO DECEMBER 2021**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.

COMMITTEE RESOLUTION

Moved: Cr Gerard Minehan

Seconded: Cr Jerry Greer

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

CARRIED

Mr Chamberlain presented this report.

6.4 HALF YEAR FINANCIAL REPORTING TO DECEMBER 2021**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.

COMMITTEE RESOLUTION

Moved: Cr Tim Aitken

Seconded: Cr Pip Burne

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.

CARRIED

Mr Chamberlain presented this report.

6.5 REVIEW OF TREASURY MANAGEMENT POLICY**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.

COMMITTEE RECOMMENDATION

Moved: Chairperson Brent Muggeridge

Seconded: Mayor Alex Walker

That having considered all matters raised in the report:

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

ADDITIONAL RESOLUTION

- b) That Finance and Infrastructure Committee note a further review of the treasury management Policy with a focus on the integration of a wider investment strategy and any future carbon credit policy.**

CARRIED

Mr Chamberlain presented this report.

6.6 ADOPTION OF FEES AND CHARGES 2022/23
PURPOSE <p>The matter for consideration by the Committee is the adoption of the Fees and Charges for 2020/21.</p>
COMMITTEE RESOLUTION <p>Moved: Cr Gerard Minehan Seconded: Deputy Mayor Kelly Annand</p> <ol style="list-style-type: none">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. <p style="text-align: right;">CARRIED</p>
ADDITIONAL RESOLUTIONS <ol style="list-style-type: none">5. That officers present further advice to the council meeting on the 6th April on options for timing of retirement housing fees and charges for 2022/23/24, in order to meet the objectives of the outcome of the retirement housing section 17a review.6. That office present further advice on the potential of how gold card benefits could be reflected across the Solid Waste fees and charges, for Council to consider on the 6th April Council meeting and following council guidance from a workshop. <p style="text-align: right;">CARRIED</p>

Mr Chamberlain presented this report.

Mr Chamberlain noted two errors in the cemeteries section of the report. The correct price for 8 plot family garden area is \$3000. The 10 plot should be \$3750.

Meeting adjourned for morning tea break 10:20am.

Meeting resumed at 10:53am.

6.7 KEY PROJECT STATUS REPORT - BIGWATERSTORY

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.

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 alongside Mr Swinburne.

6.8 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: Cr Gerard Minehan

Seconded: Mayor Alex Walker

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

CARRIED

Mr Swinburne presented this report alongside Mr de Klerk.

6.9 KEY PROJECT STATUS REPORT - 3 WATERS 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.

COMMITTEE RESOLUTION

Moved: Mayor Alex Walker

Seconded: Deputy Mayor Kelly Annand

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

CARRIED

Mr de Klerk presented this report alongside Mr Swinburne.

6.10 KEY PROJECT STATUS REPORT - PŌRANGAHAU TO WIMBLEDON PGF PROGRAMME**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.

COMMITTEE RESOLUTION

Moved: Cr Kate Taylor

Seconded: Cr Pip Burne

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

CARRIED

Mr de Klerk presented this report.

RESOLUTION TO EXCLUDE THE PUBLIC**COMMITTEE RESOLUTION**

Moved: Chairperson Brent Muggeridge

Seconded: Cr Jerry Greer

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

CARRIED**6 DATE OF NEXT MEETING****COMMITTEE RESOLUTION**

Moved: Chairperson Brent Muggeridge

Seconded: Cr Pip Burne

THAT the next meeting of the Central Hawke's Bay District Council Finance and Infrastructure

Committee be held on 21 April 2022.

CARRIED

7 TIME OF CLOSURE

The Meeting closed at 12:07pm.

The minutes of this meeting were confirmed at the Finance and Infrastructure Committee Meeting held on 21 April 2022.

.....
CHAIRPERSON

6 REPORT SECTION

6.1 RESOLUTION MONITORING REPORT

File Number: COU1-1410
Author: Neil Taylor, Interim Chief Executive
Authoriser: Neil Taylor, Interim 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 April 2022

Key					
Completed					
On Track					
Off Track					
Item Number	Item	Council Resolution	Resolution Date	Responsible Officer	Progress Report
7.50	Preferred Option for Design and Construction of Kairakau Water Upgrade	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. 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 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. 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 e) That Council continue to monitor changes in regulations and guidance from Taumata Arawai on the roof water supply	3/06/2021	Darren de Klerk	On Track Contract awarded, design underway, construction onsite to start April 2022, long term discharge on hold for the time being, managing via onsite storage.

Item Number	Item	Council Resolution	Resolution Date	Responsible Officer	Progress Report
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	On Track: Works are ongoing for Recommendation A and D, with items B and C complete. A future report on the Waipukurau/Waipawa second supply project will be presented in the near future.
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	Completed Contract awarded and works underway
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	On Track: The building consent for the 5-pan dry-vault toilet was granted on 29 March with a second single pan being worked through at the entranceway to Pourerere. Communication with the community on the project and the second toilet and other local matters is underway.
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	On Track: Council staff continue to work closely with Waka Kotahi staff on safety improvements across the District. Recent success in making the second round of funding approval for Streets for People has given hope to securing funding to address issues on SH2 through Waipawa including minor improvements to the SH2, Ruataniwha intersection in Waipawa. The major upgrades required to both intersections are being worked on for inclusion in the 2024 Regional Land Transport Plan.

Item Number	Item	Council Resolution	Resolution Date	Responsible Officer	Progress Report
6.50	Review of Treasury Management Policy	<p>a) That Finance and Infrastructure adopt the revised Treasury Policy (incorporating investment and liability policies)</p> <p>b) That Finance and Infrastructure Committee note a further review of the treasury management policy with a focus on integration of a wider investment strategy and any future carbon credit policy.</p>	24/02/2022	Brent Chamberlain	On Track: The updated policy has been uploaded to Councils website. Separate investment strategy still to be progressed
6.60	Adoption of Fees and Charges 2022/23	<p>1. That having considered all matters raised in the report:</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>5. That officers present further advice to the council meeting on the 6th April on options for timing of retirement housing fees and charges for 2022/23/24, in order to meet the objectives of the outcome of the retirement housing section 17a review.</p>	24/02/2022	Brent Chamberlain	Complete : Fees and Charges were adopted by Council at 6th April meeting

6.2 FINANCE AND INFRASTRUCTURE COMMITTEE PRIORITY REPORT

File Number: COU1-1410

Author: Neil Taylor, Interim Chief Executive

Authoriser: Neil Taylor, Interim Chief Executive

Attachments: 1. LTSF Update [↓](#)

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 – Now that the Quotable Valuations are complete, Council Officers will take some time to understand its impact, and will work with Councillors on a new rating review post the 2022 elections
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 and implemented

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 (April 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 remained focus of the Land Transport Team during the reporting period has been the repair of Kairakau Rd as well as the response to the March weather event which damaged numerous roads.

The Kairakau Rd repairs took a significant step forward early in April with the final deal signed on necessary land acquisition to allow the road to be constructed in the new location south of the existing road. The March rain event saw a minor slumping of the existing slip site which caused cracking of the temporary single lane access (image below). This is being monitored and is not considered likely of rapid movement and catastrophic failure and remains safe for motorists.



The March rain event caused damage to a significant number of roads but in most cases the damage was minor with the majority being small-medium scale over-slips. The Land Transport team are being supported by contracting partners Downer, Higgins and Stantec to fully assess the extent of damage and likely repair options, costs and timelines. A separate report is being brought to this Finance and Infrastructure Committee meeting to seek access to necessary funding to facilitate these repairs. The below image shows the weekly reporting occurring internally to maintain visibility of the damage caused by the event.



Officers are pleased to report major progress with the ongoing focus of improving pedestrian safety on SH2 through Waipawa in the reporting period. Despite initial advice that an application was likely to be unsuccessful, Council have been successful in making it to the second round (implementation phases) of

the Streets for People fund which will see much needed investment into infrastructure and other improvements on SH2 in Waipawa.

Pillar	Action	Progress (April 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. Designs are near complete with pricing scheduled for April and construction soon after.
	Reduce natural hazards	Following significant tree removal earlier in the year on Wimbledon Rd, high risk trees as identified through inspection have continued to be removed across the district.
Connected and Resilient Infrastructure and Communities	Reduced frequency and duration of road closures across the district	Work to progress the panel is dependent on further response and direction from Waka Kotahi. It is looking positive with good engagement to date but this needs to be expedited.
	Actively and effectively engage/communicate with our most affected communities and residents	The recent March weather event saw systems to communicate with affected residents tested. Council were able to leverage systems with contracting partner Downer and within Council to monitor the status of roads, however some improvement opportunities were identified and improvements to the approach will be made.
Protecting our Natural and Built Environments	Council is seen as an enabler of local projects	Council have recently worked with Stantec and Roadrunners to provide a new safe crossing location for residents accessing the Waipawa pool from Madge-Hunter Park. This work was completed by all parties free of charge.
	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 with sealing ready to begin in May.
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 tool has been 90% developed but is still in the testing phase

6.3 2021/22 FINANCIAL FORECAST**File Number:** COU1-1410**Author:** Brent Chamberlain, Chief Financial Officer**Authoriser:** Neil Taylor, Interim Chief Executive**Attachments:** 1. Reforecast Year Ended 30-06-2022 [↓](#)**RECOMMENDATION**

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

PURPOSE

The purpose of the report is to provide the Committee an indication of the forecast year end position.

SIGNIFICANCE AND ENGAGEMENT

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

BACKGROUND

In February 2022 Council Officers were asked to provide a financial forecast of the expected year end financial position of Council.

At the time of preparing the forecast, Council had completed the financial reporting for the first six months of the 2021/22 financial year, and were forecasting the remaining six months.

This forecast was completed prior to the weather event late March, and doesn't allow for any costs relating to the event response, or the ongoing recovery process.

DISCUSSION

The financial reforecasting process highlighted many trends, some known and reported in the half year financial report, and some new issues. These include:

1. External funding and related expenditure not included in Councils Budget – Council is forecast to be the recipient of nearly \$3m of Central Government funds to be used to stimulate the economy post COVID through job creation schemes. This funding should be financially neutral – revenue equals costs but inflates both.
2. External funding and related expenditure included in Councils Budget – This funding includes both PGF Route 52 and 3 Waters Reform funds. While this money was budgeted, the assumptions about the 3 Waters expenditure contained in the Long Term Plan have proved incorrect. More on this further below.
3. Volumes being experienced in the Consenting and Landfill activities were underestimated in the Long Term Plan. Both these activities are largely user pays, so this has seen both an increase in revenue and a corresponding increase in costs as staff and contractors have reacted to meet the greater demand.
4. A component of the Landfill budget is the purchase of Carbon Credits to settle the governments Emissions Trading Scheme. The price of these carbon credits were budgeted at last years prices (\$35 per credit), but the prices being achieved at recent auctions have exceeded \$75 per credit. While the prices charged at the landfill and transfer station have now been increased to reflect this increase, there was a period earlier in the year where the pricing structures were based off the budget assumptions meaning Council didn't fully recover its carbon credit liability.

Between this issue, and the costs to retain the recycling drop centres that were budgeted to be closed, and additional costs to establish the extended recycling services/trailers, this service is expected to run at a loss of approximately \$400k this year.

5. 3 Waters operational costs continue the trend of recent years of running higher than expected due to a combination of infrastructure failures (water leaks), supply chain issues, heavy inflationary pressures and recent significant increases in the costs of compliance to meet new drinking water standards. This activity is expected to run at an operational deficit of approximately \$265k for the year.
6. Development Contribution Revenue – While Council significantly increased the Fees and Charges for Development Contributions from the start of the financial year, and consent volumes are high, there is a timing issue between the consent being issued and when the development contribution is invoiced (which is at the issue of the 224 notice which can be 12-18 months later). Therefore, the 2021/22 development contributions budget should have been set based on the prior year's fees and charges, not the current years. While this higher revenue levels will be ultimately realised it probably won't be until 2022/23. This has created a timing issue, but not a permanent revenue loss.
7. Debt Revenue – this will be impacted by the Long Term Plan Assumptions mentioned in point 2 regarding 3 Waters Reform Expenditure (more on this below), and the bridging finance required to cover the timing issue identified in point 6 above (timing of Development Contribution Revenue).
8. Capital Expenditure - this will be impacted by the Long Term Plan Assumptions mentioned in point 2 regarding 3 Waters Reform Expenditure (more on this below), and the speed of capital program delivery.

Operational Deficit/Surplus:

When all the above issues are taken into consideration, it is expected that Council will run an operational deficit for the year of approximately \$551k.

Capital Deficit/Supplus:

What the reforecast has highlighted is a misalignment between budget assumptions in the LTP and the application of 3 Waters Reform Funds. In the Long Term Plan it was assumed the projects being completed using the 3 Waters Reform Funds were offsetting the debt for the capital program contained in the Plan. Since this program was to be largely loan funded, the budget assumes that if Council had third party funding then this would reduce the need for Council to borrow so much. However, in practice the 3 Waters reform capital program was excluded from the Asset Management Plan (AMP) built into the Long Term Plan. That is, the budget should have applied the reform funding to additional capital works and not the assumed debt reduction.

This means that the Long Term Plan understated its capital program, and understated its debt requirements.

This reforecast indicates that if both the original Year One capital program and 3 waters reform program were fully delivered, the Council would need to borrow an additional \$5.3m over and above the debt forecast contained in the Year 1 of the Long Term Plan.

Importantly, while the above is true based on total budgeted amounts (that is if all budgeted work/programmes are delivered in the year they were planned) the capital program is not currently being delivered as per the plan. The 3 Waters capital programme planned as per the LTP has fallen behind original budgets due in part to the timing of consents being issued for major wastewater projects and the timing of decisions of key projects like the Waipukurau Second Water Supply as well as in part due to a focus of teams on delivering the un-budgeted work associated with the 3 Waters Reform Funding.

With three months of the financial year remaining Council has only borrowed \$2m of the \$7m originally budgeted to be drawn this year. While it is likely the balance of \$5m will be required

before year end, it is unlikely that Council will complete its full capital program which would require the full \$12.25m of debt draw the forecast indicates.

The implication of this is that some of the capital program originally budgeted for this financial year is going to carry into next year, and thus likely that some of next years budget will carry into year 3.

All this means that the additional debt contained in this forecast may never be realised if the 3 waters reform goes ahead in 2024 as currently planned by Central Government, and the capital program delivery continues at a slower pace that originally scheduled.

This also highlights that Council needs to review the timings of its capital delivery program before the next Annual Plan, and it would make sense to review its assumptions regarding capital program pricing given current supply chain issues and inflationary cost escalations given rising interest rates.

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 Councils monthly financial reports, and review its Capital Program ahead of next years annual plan.

RECOMMENDATION

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

Central Hawkes Bay District Council
For the Period July 2021 - Jun 2022



Funding Impact Statement Report

Sources of Operating	YTD Forecast	YTD Budget	Bud Var	FLAG	Comments
General rates, uniform annual general charges and rates penalties	15,408,915	15,413,464	(4,549)	✗	
Targeted rates	7,923,814	7,929,034	(5,420)	✗	
Subsidies and Grants for Operating Purposes	8,870,298	3,426,970	5,243,328	✓	Economic Recovery \$2.25m, Nga Ara Tipuna \$0.34m, He Ringa Whanau Ora \$0.2m, 3 Waters Reform \$1.88m, Land Transport \$0.5m - all project driven
Fees, charges	6,917,666	5,042,630	1,875,347	✓	Consenting \$1.1m, Landfill \$0.8m - both volume driven
Interest and dividends from investments	70,709	70,709	0	✓	
Local authorities fuel tax, fines, infringement fees and other receipts	213,000	223,923	(10,923)	✗	
TOTAL	39,204,523	32,106,739	7,097,784	✓	
Applications of Operating					
Payments to staff	7,271,768	7,296,634	24,866	✓	Vacancies
Payments to suppliers	28,972,835	18,928,554	(8,044,281)	✗	\$908k in consenting - outsourcing, \$1,263 in solid waste - Carbon Credits pricing and Volume, Land Transport \$874k - timing of 3 year program and matched with additional income, 3 Waters \$1,832k - reform
Finance costs	688,021	684,616	16,595	✓	Debt drawn later than budgeted
Other operating funding applications	(924,924)	(909,774)	15,150	✗	
TOTAL	33,987,699	26,000,030	(7,987,689)	✗	
Net Operating Cash Flows	5,216,824	6,106,709	(889,885)		
Sources of Capital					
Subsidies and grants for capital expenditure	23,744,670	16,723,069	7,021,601	✓	3 Waters Reform \$2.5m, PGF Route 52 \$4.4m
Gross proceeds from sale of assets	25,000	25,000	0	✓	
Development and financial contributions	726,036	2,446,500	(1,720,464)	✗	Timing of receipt of Development Contributions
Increase (decrease) in debt	12,256,101	6,954,134	5,301,967	✓	Implications of debt assumptions regarding 3 Waters Reform expenditure
TOTAL	36,751,807	26,148,703	10,603,104		
Applications of Capital					
to meet additional demand	675,000	1,903,500	1,228,500		
to improve the level of service	13,075,197	9,499,733	(3,605,464)	✗	Implications of 3 Waters Reform expenditure Assumptions
to replace existing assets	28,795,528	24,027,976	(4,767,552)	✗	PGF Route 52 Expenditure
Increase (decrease) in reserves	12,474,062	(619,704)	(13,093,766)	✓	Consumption of Term Deposits rather than reserves
Increase (decrease) of investments	(12,500,000)	(2,526,093)	9,973,907	✗	Consumption of Term Deposits rather than reserves
TOTAL	42,519,786	32,255,412	(10,264,374)		
Net Capital Cash Flows	(5,767,979)	(6,106,709)	338,730		
Grand Total	(551,155)	0	(551,155)		

Central Hawkes Bay District Council
For the Period July 2021 - Jun 2022



Funding Impact Statement Report by Activity

	Community Leadership		Planning and Regulatory		Land Transport		Solid Waste		3 Waters		Recreation and Community Facilities	
	YTD Actuals	Bud Var	YTD Actuals	Bud Var	YTD Actuals	Bud Var	YTD Actuals	Bud Var	YTD Actuals	Bud Var	YTD Actuals	Bud Var
Sources of Operating												
General rates, uniform annual general charges and rates penalties	1,604,258	0	1,237,525	0	6,967,319	0	1,328,665	0	85,359	0	4,166,338	0
Targeted rates	0	0	0	0	0	0	452,671	53,685	7,470,943	(59,105)	0	0
Subsidies and Grants for Operating Purposes	2,888,379	2,854,379	0	0	3,567,743	528,498	259,600	0	1,886,470	1,886,470	68,106	(26,019)
Fees, charges	18,000	(7,000)	2,772,407	1,086,592	63,043	43	2,967,827	879,398	408,568	3,901	688,135	(87,591)
Interest and dividends from investments	0	0	0	0	0	0	0	0	0	0	0	0
Local authorities fuel tax, fines, infringement fees and other receipts	0	0	11,130	(4,370)	170,939	5,016	0	0	0	0	30,830	(11,670)
TOTAL	4,510,637	2,847,379	4,021,063	1,082,223	10,769,044	533,557	5,006,763	933,081	9,851,340	1,831,266	4,953,409	(125,280)
Applications of Operating												
Payments to staff and suppliers	3,995,920	(2,851,054)	3,932,603	(984,891)	5,964,533	(874,949)	4,172,190	(1,229,095)	5,826,482	(1,868,384)	3,715,651	(84,878)
Finance costs	250	0	65,555	0	0	0	38,871	0	757,859	(4,220)	93,887	20,818
Other operating funding applications	525,741	0	588,837	0	1,770,525	(276)	530,045	0	1,678,881	0	1,017,678	0
TOTAL	4,521,911	(2,851,054)	4,586,995	(984,891)	7,735,058	(875,225)	4,741,106	(1,229,096)	8,263,222	(1,872,604)	4,827,216	(63,862)
Net Operating Cash Flows	(11,274)	(3,675)	(565,932)	97,332	3,033,987	(341,667)	265,657	(296,015)	1,588,117	550,038	126,193	(189,142)
Sources of Capital												
Subsidies and grants for capital expenditure	0	0	0	0	18,116,793	4,393,724	0	0	5,551,950	2,551,950	75,927	75,927
Gross proceeds from sale of assets	0	0	0	0	0	0	0	0	0	0	0	0
Development and financial contributions	0	0	0	0	0	0	2,500	(7,500)	666,036	(1,597,964)	57,500	(115,000)
Increase (decrease) in debt	9,107	0	1,343,988	0	0	0	(119,234)	0	8,233,682	4,221,196	440,552	34,906
TOTAL	9,107	0	1,343,988	0	18,116,793	4,393,724	(116,734)	(7,500)	14,451,668	5,175,182	573,979	(4,168)
Applications of Capital												
to meet additional demand	0	0	0	0	0	0	0	0	675,000	1,228,500	0	0
to improve the level of service	10,000	0	700,000	0	1,330,000	0	168,544	(98,544)	10,425,762	(3,378,342)	310,178	(110,865)
to replace existing assets	0	0	0	0	20,342,412	(4,228,627)	110,000	(5,000)	6,688,113	(548,560)	699,736	(28,537)
Increase (decrease) in reserves	(52,992)	44,500	(19,275)	0	(521,633)	176,571	278,438	0	(1,484,531)	(2,700,000)	(904,084)	327,053
Increase (decrease) of investments	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	(42,992)	44,500	680,725	0	21,150,779	(4,052,056)	555,983	(103,544)	16,304,344	(5,398,402)	705,830	187,651
Net Capital Cash Flows	52,099	44,500	663,263	0	(3,033,386)	341,668	(672,717)	(111,044)	(1,832,676)	(223,229)	(131,851)	183,484
Grand Total	40,825	40,825	97,332	97,332	0	0	(407,059)	(407,059)	(264,559)	326,818	(5,659)	(5,659)

6.4 KEY PROJECT STATUS REPORT - BIGWATERSTORY

File Number: COU1-1410

Author: Darren de Klerk, Director Projects and Programmes

Authoriser: Neil Taylor, Interim Chief Executive

Attachments: 1. Key Project Status Report #13 - BigWaterStory [↓](#)

RECOMMENDATION

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

PURPOSE

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.



 **CENTRAL
HAWKE'S BAY**
DISTRICT COUNCIL



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

22 Feb 2021 -
July 2021

HIGGINS

#the BIG Water Story

Programme Update #13
Jan to April 2022

#the BIG Water Story



Programme Status Report Overview			
PROGRAMME	#theBigWaterStory		
Release Date	9 April 2022	Report #	13
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>		








Key Programme Status Report #13



Report/ Document History

Report No.	Report Date	Report Frequency	Project Sponsor	Project Manager
11	07/10/2021	Bi-Monthly	Josh Lloyd	Darren de Klerk
12	14/02/2022	Quarterly	Josh Lloyd	Darren de Klerk
13	09/04/2022	Quarterly	Josh Lloyd	Darren de Klerk

Sponsor's Project Delivery Confidence Assessment

				
Appears Highly Likely	Appears Probable	Appears Feasible	In Doubt	Appears Unachievable



Key Programme Status Report #13



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



Key Programme Status Report #13



				Story. Robust gateways in place, in particular for procurements.
9	Are there Teamwork problems?	✓	□	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?	✓	□	Key affected stakeholders will be communicated with and managed as per defined stakeholder management and communication plans for each project.
11	Are there Iwi issues?	□	✓	The engagement and decision making with iwi at a governance level is constrained, and may impact the Waipukurau Second Supply project decision making. Ongoing engagement with the cultural guidance group is positive and remains a positive opportunity for partnership across projects.
12	Are there Communication problems?	✓	□	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?	✓	□	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?	✓	□	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.



Key Programme Status Report #13



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, and focus given to defining the projects that form the programme in greater detail since 2018.

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. Governance to governance relationships.
Waipukurau to Waipawa Water Supply	Delay or unrest in relation to consenting the water take	Clear information provided, engagement with stakeholders and regular updates.
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. Set aside contingency.
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.



Key Programme Status Report #13



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



Key Programme Status Report #13



PROGRAMME UPDATE – CURRENT

Updated: 10 February 2022

WATER SUPPLY						
PROJECT	STATUS	TIMELINE		PROGRESS	BUDGET	RISK LEVEL
		START	END			
Waipawa to Waipukurau Second Water Supply	Design Build	Aug 2018	June 2024	20% 	\$11.5m- \$15.8m	
Waipukurau SH2 Borefield Upgrade	Commission	June 2018	June 2022	95% 	\$1.415m	
Waipukurau SH2 Turbidity Solution	Build	July 2021	Feb 2022	100% 	\$390k	
Waipukurau Firefighting and Shortfalls Improvements (Years 4-7)	Investigation	July 2021	June 2025	10% 	\$2.5m	
Kairakau Water Supply Upgrade	Design and Build	Mar 2020	Nov 2022	30% 	\$989k \$300k	
Tikokino/ Abbotsford Water Main (Trunk Main Renewal Stage 3-5)	Design and Build	Oct 2021	June 2022	20% 	\$1.1m	
Water and Wastewater Main Renewal (Porangahau and Racecourse Road)	Design and Tender	Jan 2022	July 2024	5% 	\$6m	
Waipawa Firefighting Improvements (Years 1-3)	Build	May 2020	Dec 2022	50% 	\$1.12m	
Pourerere Beach Water – Reconsenting	Consent	Oct 2021	June 2022	60% 	\$50k	
PROJECTS COMPLETED						
Johnson Street Pump Upgrade	Complete	Dec 2020	April 2021	100% 	\$100k	
Waipukurau Firefighting and Shortfalls Improvements (Year 3)	Complete	Aug 2020	Oct 2020	100% 	\$307k	
Water Mains Renewal (Reservoir Rd/Nelson St)	Complete	Oct 2020	Sep 2021	100% 	\$990k	



Key Programme Status Report #13



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
Drinking Water TOTAL	5,037,319	6,226,546	12,269,422
Spend to Date	2,453,759		



Key Programme Status Report #13



STORMWATER						
PROJECT	STATUS	TIMELINE		PROGRESS	BUDGET	RISK LEVEL
		START	END		TOTAL	
Waipukurau Stormwater Improvements • Nelson/ Reservoir Upgrade	Build	Aug 2021	Apr 2022	95% 	\$550k	
Network Modelling (Waipawa, Otāne and Waipukurau)	Design	Jan 2021	June 2022	90% 	\$200k	
Stormwater Catchment Management Plan	Design	Jul 2021	June 2023	10% 	\$151k	
Network Extensions	Design	Jul 2021	June 2022	10% 	\$145k	
Network Renewals	Design	Jul 2021	June 2023	10% 	\$473k	
PROJECTS COMPLETED						
Waipukurau Stormwater Helicoil Upgrades • Tutanakei Street	Complete	Sep 2019	Oct 2020	100% 	\$315k	
Waipawa Stormwater Improvements • Rathbone to Bush drain	Complete	May 2020	Jul 2020	100% 	\$183k	

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



Key Programme Status Report #13



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	586,808		



Key Programme Status Report #13



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	\$8.8m* - LTP \$2.2m - DIA TOTAL PROJECT	\$990k \$1.88m SPEND TO DATE
RISK LEVEL	<div><div></div><div></div><div></div><div></div><div></div></div> <p>*Funded from 2018 and 2021 LTP (\$4.3m 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 to a new central reservoir, provide treatment and gravity feedback into Waipukurau to supply a second water supply to 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 new 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.



Key Programme Status Report #13



Officers plan to bring a council decision in May/ June 2022 confirming whether 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





Key Programme Status Report #13



PROJECT: Waipukurau SH2 Drinking Water Bore Upgrade

A: BOREFIELD UPGRADE				B: TURBIDITY SOLUTION (Run to Waste)			
STATUS		COMMISSION		STATUS		BUILD	
TIMELINE	AUG 2018 START DATE	JUN 2022 END DATE		TIMELINE	AUG 2021 START DATE	MAR 2022 END DATE	
PROGRESS	95%	<div><div></div></div>		PROGRESS	100%	<div><div></div></div>	
BUDGET	\$1.4m*	\$1.36m	\$1.417m	BUDGET	\$500k	\$341k	\$390k
	TOTAL PROJECT BUDGET	SPEND TO DATE	EXPECTED SPEND		TOTAL PROJECT BUDGET	SPEND TO DATE	EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>			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. Bore A Controls changed over to new system.

New run to waste system built and final commissioned. Now in operation.

PLANNED

Bore B Pump has been removed for inspection and assessment due to pump failure during initial Production Start-up. Currently waiting on Pump Manufacturer to come back with their findings.

Additional Turbidity Monitoring been considered to provide operations team better visibility of site.

Final site decommissioning of redundant bores, pipe work and electrical control systems.

RISKS

- Bore field operation and commissioning
- Reduced Pumping Capacity from New Bores been offline (offset with availability of existing Syphon System still been on call)
- Shutdown for electrical commissioning for remaining control system upgrade





Key Programme Status Report #13



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 – LTP \$300k – DIA \$300k – TIF TOTAL PROJECT BUDGET	\$353k SPEND TO DATE	\$1.289m EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		

SCOPE

Central Hawke's 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 (completed). Contractor engaged, design 95% completed, construction commences end of April 2022.

PLANNED

Fabrication of pipe and site preparation works to commence. Archaeological monitoring in place, ongoing Iwi engagement. Investigate local discharge for WTP hardness waste.

RISKS

Risk identified within this project are updated to;

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



Key Programme Status Report #13



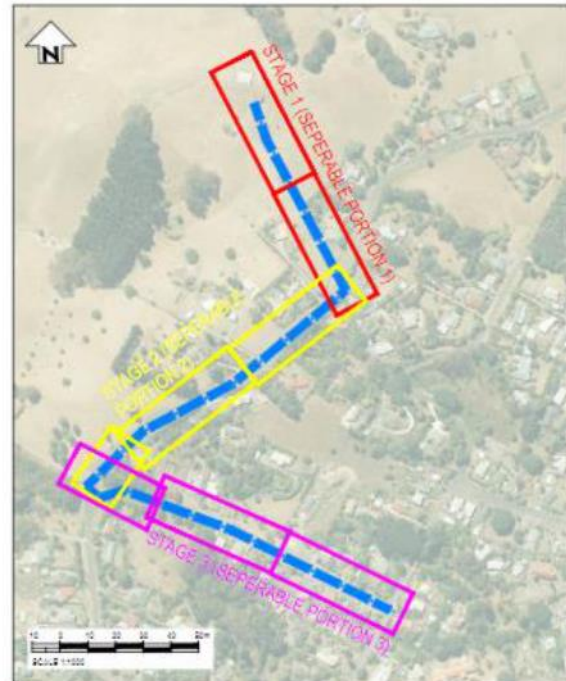
PROJECT: Waipawa Water Firefighting/Pressure Improvements (Stages 1, 2 & 3)

STATUS	BUILD		
TIMELINE	MAY 2020 START DATE	Stage 1 & 2 – Mar 2022 Stage 3 – May 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	\$1.12m TOTAL PROJECT BUDGET	\$406k SPEND TO DATE	\$850k EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		

SCOPE

Central Hawke's 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

All Proposed Pipe for Stages 1 & 2 are installed including Stage 5 of the Rising Main Project.

PLANNED

Completion of Stage 1 and 2 – pressure testing to be undertaken in preparation for the tie-in's to the existing Council Network.

Major shutdown of network to plan for new network connection.

RISKS

Risk identified within this project are;

- Affected stakeholders, businesses
- Water supply
- Existing infrastructure
- Contractor management
- Project Delay's





Key Programme Status Report #13



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	\$813k COMPLETED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>	

Stormwater Main Renewal		
STATUS	BUILD	
TIMELINE	SEP 2021 START DATE	APR 2022 END DATE
PROGRESS	95%	<div><div></div></div>
BUDGET	\$550k TOTAL PROJECT BUDGET	\$448k SPEND TO DATE
		\$511k 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

Water renewal project completed, stormwater solution very close to completion, 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 by mid-May 2022.

RISKS

Risk identified within this project are;

- Disruptions to homeowners/public including unrest with the length of all individual projects running sequentially
- Reinstatement graffiti
- Scope change – Stormwater improvements, Road Rebuild



Key Programme Status Report #13



Programme Financial Update

Key Project Statistics	Budget	Expenditure	Variance
	to 30 June 2022	to 5 Apr 2022	
3 Waters Reform – Tranche One	\$11.09m	\$9.37m	\$1.72m
Water Supply Projects	\$15.65m	\$4.409m	\$11.24m
Stormwater Projects	\$1.604m	\$644k	\$960k
Total	\$28.35m	\$14.3m	\$14.05m

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


PROGRAMME OVERVIEW

#the BIG Water Story #the BIG Waste Water Story


Project Updates

Waipawa/Otāne/Waipukurau

Having 'Faced the Facts' as part of the Long-Term Plan 2021 – 2031 and the district-wide impact of under investment in our assets, we are focused on upgrades and renewals to future-proof Central Hawke's Bay.




Want to learn more?
Scan the QR code to find out more on what we're doing in our district within these two important programmes of work.



Key Projects Focus

Find out more below about some key projects currently happening in our community.




Waipawa & Waipukurau Wastewater Treatment Ponds Desludging

Desludging at the Waipawa Wastewater Treatment Plant has now been completed, with a staggering 1905 tonnes of solids removed from the pond and placed into geobags for drying, eventually breaking down into bio-solids which can be used for a range of things.

Early results have pleasingly shown a significant improvement in treatment through the oxidation pond, following the desludging operation.


Hydrazine have commenced on-site at Waipukurau with desludging of the main facultative pond. To enable this, they have completed a full replacement of the pebbles storage area liner with addition of drainage aggregate and removed the Biological Attachment Surface (BAS) curtains from the main pond.



Dissolved Air Flotation (DAF) Unit

The DAF installation is almost complete at our Waipawa Treatment Plant. The DAF will significantly boost the efficiency of the treatment process through a greater ability to remove contaminants from the wastewater and process greater volumes.

The team will test all equipment before optimising performance through fine tuning several parameters/pieces of equipment. This precedes a 28-day trial period where the DAF performance will be very closely monitored to ensure it meets all expectations before being included in the treatment process.



Water Renewals – Nelson St & Reservoir Road

We've completed the project to renew the water mains on Nelson Street & Reservoir Road. All residents are now connected to a new and more resilient network.


With the old water main on Nelson Street now redundant, it was removed and replaced with upgraded stormwater infrastructure. This will improve the ability to catch and direct stormwater flows while eliminating surface flooding issues.

An Area Wide Pavement Treatment (road rebuild) is also now underway on Reservoir Road, with Nelson Street to follow. This means these two streets will be like brand new in a couple of months! Also, these projects have provided new employment opportunities for members of our community - this has resulted now one permanent position.

What we're doing

KEY	PROJECT	STATUS	START DATE	END DATE	PROGRESS
WATER	1 Waipawa Water Firefighting Stage 1	Built	Sep 2021	Mar 2022	80%
	1 Waipawa Water Firefighting Stage 2	Built	Sep 2021	Mar 2022	60%
	1 Waipawa Water Firefighting Stage 3	Due to start	Feb 2022	June 2022	10%
	2 Waipukurau/Waipawa 2nd Supply Stage 1 – WTP to Tāhikino Road	Complete	Aug 2021	Nov 2021	100%
	2a Waipukurau/Waipawa 2nd Supply Stage 2 & 3 – Tāhikino Road to Abbotsford Road Intersection	Built	Nov 2021	Apr 2022	40%
	2b Waipukurau/Waipawa 2nd Supply Stage 4 – Abbotsford Road to Matthew Street Intersection	Due to start	Feb 2022	May 2022	10%
	2c Waipukurau/Waipawa 2nd Supply Stage 5 – Abbotsford Road to Matthew Street Intersection	Built	Sep 2021	Mar 2022	70%
	3 Powerline Road Water Mains Extension to Waipawa WWTW	Built	Sep 2021	Mar 2022	90%
	4 Waipawa Water Standpipe relocation	Due to start	Jun 2022	Jun 2022	15%
	WASTEWATER	1a Otāne to Waipawa Wastewater Programme Stage 1-3 – Pipeline	Built	Jun 2020	Mar 2022
1b Otāne to Waipawa Wastewater Programme Stage 4 – Otāne Wastewater Pumpstation		Built	Sep 2021	May 2022	60%
1c Otāne to Waipawa Wastewater Programme Stage 5 – Inlet works for Pipeline at Waipawa WWTW		Due to start	Jan 2022	May 2022	20%
2 Waipawa Wastewater Plant Treatment Improvement – Dissolved Air Flotation (DAF)		Built	Mar 2021	May 2022	80%
3 Waipawa Wastewater Plant – Desludging of pond		Built	Aug 2021	Dec 2021	100%
4 Waipawa Wastewater Plant – Creation of cleanfill site		Due to start	Jan 2022	Jun 2022	10%
5 Waipawa Wastewater Plant – New Bridge	Due to start	Feb 2022	Jun 2022	20%	
6 Great North Road Waipawa – Wastewater Mains Extension	Design	Feb 2022	Jun 2022	10%	

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Together we Thrive! E ora ngāhahi ana!



PHOTOS

PROJECT: Waipawa Firefighting Stages 1 and 2

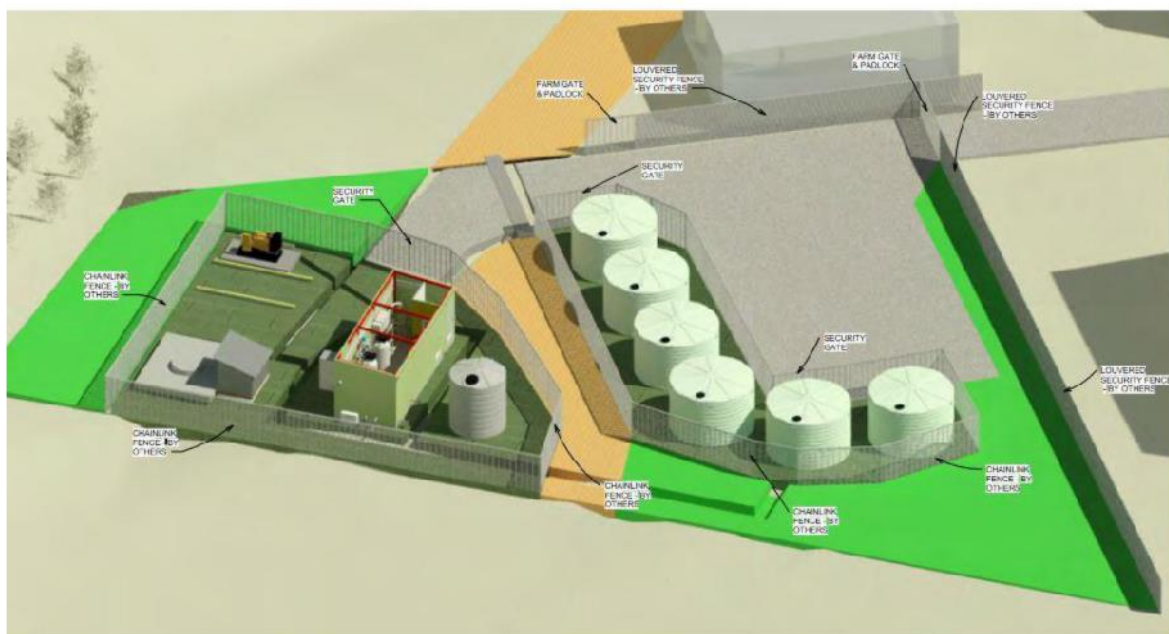
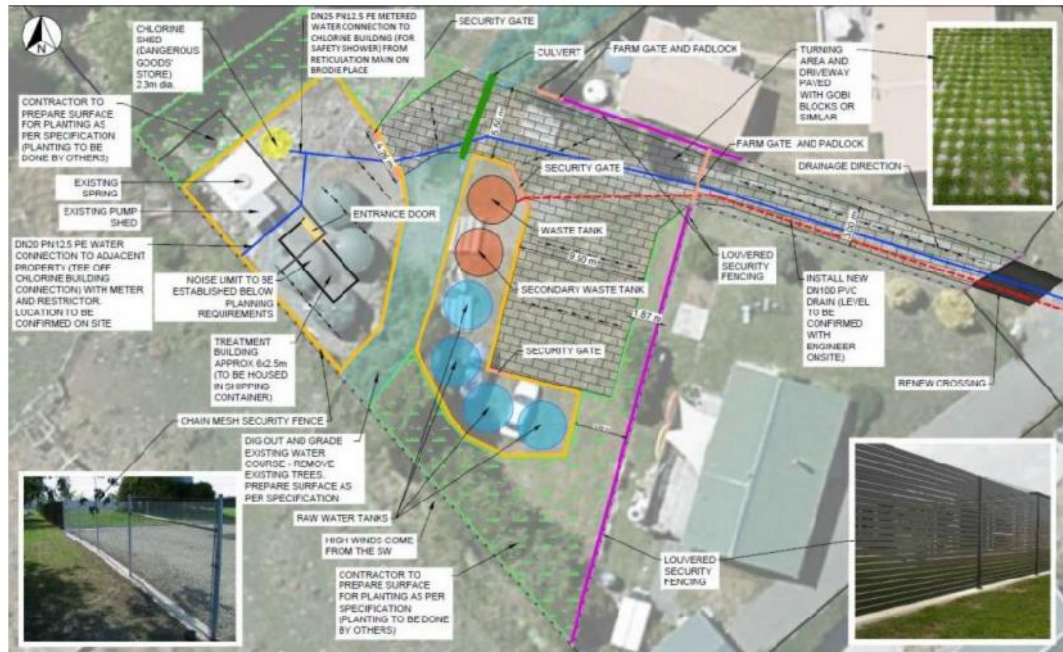




Key Programme Status Report #13



PROJECT: Kairakau Water Upgrade





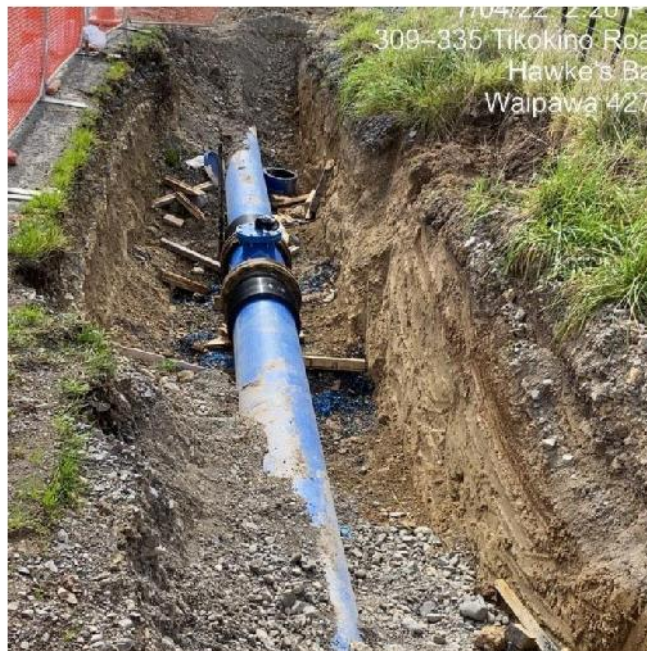
Key Programme Status Report #13



PROJECT: Waipukurau Second Supply – Tikokino Road Stage 1 Connection



PROJECT: Waipukurau Second Supply – Tikokino Road Stages 2 and 3

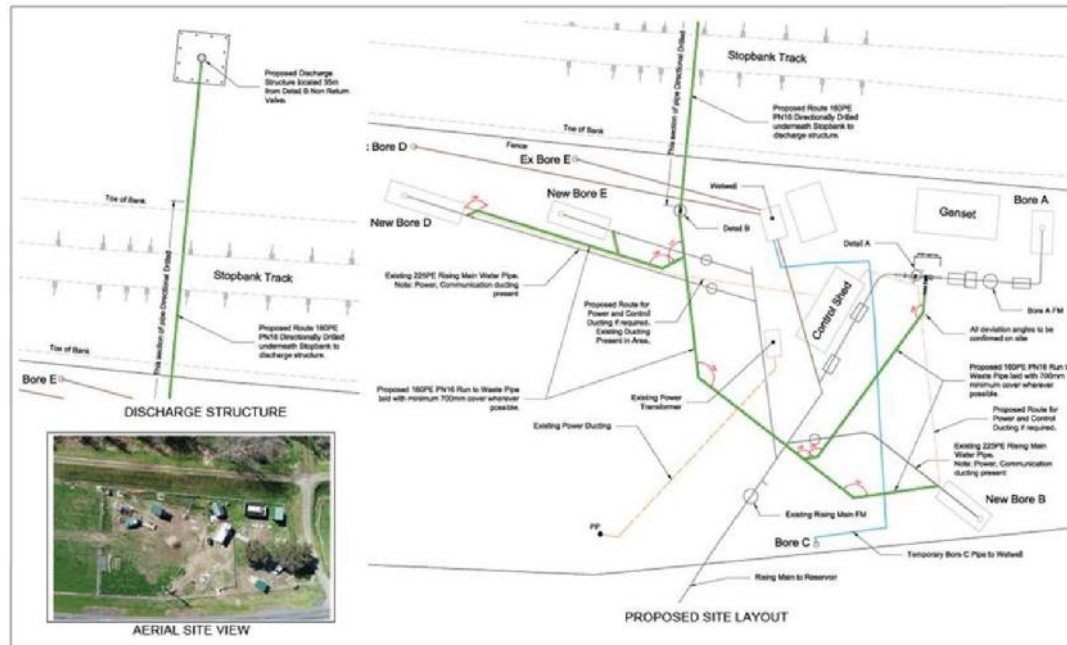




Key Programme Status Report #13



PROJECT: SH2 Borefield – Run to Waste Solution





Key Programme Status Report #13



PROJECT: Nelson Street Stormwater Renewal



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6.5 KEY PROJECT STATUS REPORT - BIGWASTEWATERSTORY**File Number:** COU1-1410**Author:** Darren de Klerk, Director Projects and Programmes**Authoriser:** Neil Taylor, Interim Chief Executive**Attachments:** 1. Key Project Status Report #7 - 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

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



Key Project Status Report #7



Project Status Report Overview			
PROJECT NAME	#theBigWastewaterStory - Key Project Status Report		
Release Date	11 April 2022	Report #	7
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 #thebigwastewaterstory, 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>		

#theBigWastewaterStory Key Project Status Report

Issue Date: 07 April 2022

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Key Project Status Report #7



Report/ Document History

Report No.	Report Date	Report Frequency	Project Sponsor	Project Manager
1	18/06/2020	Quarterly	Josh Lloyd	Josh Lloyd - Interim
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	10/02/2022	Quarterly	Josh Lloyd	Darren de Klerk
7	07/04/2022	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.



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Overall Confidence Assessment			
Key Questions Impacting on Project Objectives	No	Yes	Explanation & Proposed Resolution to Problem
1 Are there Business Case Benefit attainment problems?	✓		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?	✓		Options will be identified which when refined will allow us to refine the scope for each option.
3 Will Target Dates be missed?		✓	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. Updates to commencement dates for WWTP upgrades at both Porangahau/Te Paerahi and Takapau will be completed on receipt of consent approvals.
4 Will Project Costs be overrun?		✓	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?	✓		There are none at present.
6 Are there Resource problems?	✓		Internal resourcing is tight and stretched to deliver the packages of upgrades. We have recently appointed a further project manager due to commence in May and have gone to market again for Senior Project Engineer. The availability of contractor resource remains a current risk.
7 Are there Risk Management problems?	✓		Risk workshops are held, and registers developed for each project to highlight risks and allow mitigation. The PMO also recently completed an operational risk management session with IMPAC.
8 Are there Review and Approval problems?	✓		The process for internal review and approval is working well.
9 Are there Teamwork problems?	✓		The team is collaborating well.
10 Are there Stakeholder problems?	✓		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 medium.
11 Are there Iwi issues?	✓		Iwi engagement is ongoing, and we would benefit from additional focus in this area. Good engagement recently on opportunities to collaborate with iwi on the Takapau and Porangahau/Te Paerahi WWTP upgrades.
12 Are there Communication problems?	✓		None present, regular updates placed on the CHBDC website. Stormwater being the most recent project update.
13 Are there Change Management problems?	✓		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?	✓		None at present.

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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
DAF - Waipawa WWTP	There is a risk that the DAF unit does not perform as expected	Clear wastewater characterisation data provided and rigorous sampling to be completed during commissioning of the system
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 exceed the budgeted allowance.	Involvement of experienced consultants in both the design and construction management.
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.
Takapau Wastewater Project - Stage 1	There is a risk that consent approval is delayed	Proactively manage any required actions during consenting process. Proactively commence design and any other work possible.
Te Paerahi and Porangahau wastewater upgrade	There is a risk that consent approval is delayed	Proactively manage any required actions during consenting process. Proactively commence design and any other work possible.
Desludge	That the project spend significantly exceeds budget	Overspend managed through scope reductions
Trade Waste Review and Improvements	Billing dependent on water usage data	Installation of discharge flow meters
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 Renewals/I&I Work	Unspent DIA funding exhausted June 2022	Overlapping work streams
Wastewater Renewals/I&I Work	Flow Data at Otane, Takapau, Te Paerahi and Porangahau Wastewater Treatment Plants potentially incorrect.	Ongoing investigation by East Coast Automation



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Communications and Engagement Updates

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

It is likely that there will be a need for greater engagement upcoming with the notification of the Pōrangahau consent, a factsheet and flyover video for the general public is being developed and we are working closely with the affected landowner.

Further engagement with property owners is also likely upcoming with work due to start on the design for the Waipawa WWTP to Walker Road pipeline.

General Comments

We continue to apply focus on the delivery, communication, operational improvements as we deliver on short term improvements as we focus and create the longer-term solution across the wastewater upgrade programme.

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.

Our technical teams current focus continues to be on improvements to the plants to improve the current performance of the WWTPs while the long-term improvements continue to progress. Physical works contracts are well underway, and contractor availability issues are starting to become apparent, with fewer tender submissions and higher tender prices than expected on some pieces of specialist work. An overarching programme procurement strategy is in the final stages of development and aims to develop mitigation strategies for some of the risk associated with these early learnings.

A refresh of the WW strategy we developed in late 2020 is also scheduled with key consultants to ensure it reflects the current state of our approach and programme. Councillors can expect to see this presented by September 2022.



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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	Budget Whole Life (\$)	Expenditure @ 05 Apr 2022	Variance
Biosolids strategy	\$0	\$0	\$0
CHB Wastewater Dump Stations	\$150,000	\$146,713	\$3,287
DAF - Waipawa WWTP	\$1,000,000	\$1,060,690	\$-60,690
Great North Rd extend main Abbotsford to Tamumu	\$350,000	\$24,457	\$325,543
Otane to Waipawa Wastewater pipeline (Stage 2 & 3)	\$2,400,000	\$2,060,200	\$339,800
Otane to Waipawa Wastewater pipeline (Stage 5)	\$500,000	\$30,620	\$469,380
Otane Wastewater Pump Station	\$1,608,000	\$1,115,944	\$492,056
Pourerere Rd Watermain for Waipawa WWTP	\$500,000	\$424,324	\$75,676
Takapau Wastewater Project - Stage 1	\$1,300,000	\$910,043	\$389,957
Te Paerahi and Porangahau wastewater upgrade	\$2,463,414	\$776,725	\$1,686,689
Trade Waste Review and Improvements	\$115,400	\$110,542	\$4,858
Waipawa & Waipukurau WWTP Waveband Remediation	\$300,000	\$122,915	\$177,085
Waipawa WWTP Bridge Upgrade	\$300,000	\$45,544	\$254,456
Wastewater Pond Desludging	\$1,750,000	\$1,834,652	\$-84,652
Wastewater Renewals/I&I Work	\$500,000	\$279,878	\$220,122
WOW Minor Improvements	\$461,634	\$249,870	\$211,764
Total	\$13,698,448	\$9,193,117	\$4,505,331

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 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	2020-2024	\$15.4m	\$1.895m	30%
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 Build Stage 2 of the Treatment Plant for Waipukurau flows and future growth Decommission or downsize treatment plants	2030-2035	\$8.3m	N/A	Not Started
2035 Milestone	Full land irrigation and all flows treated through new treatment plant				

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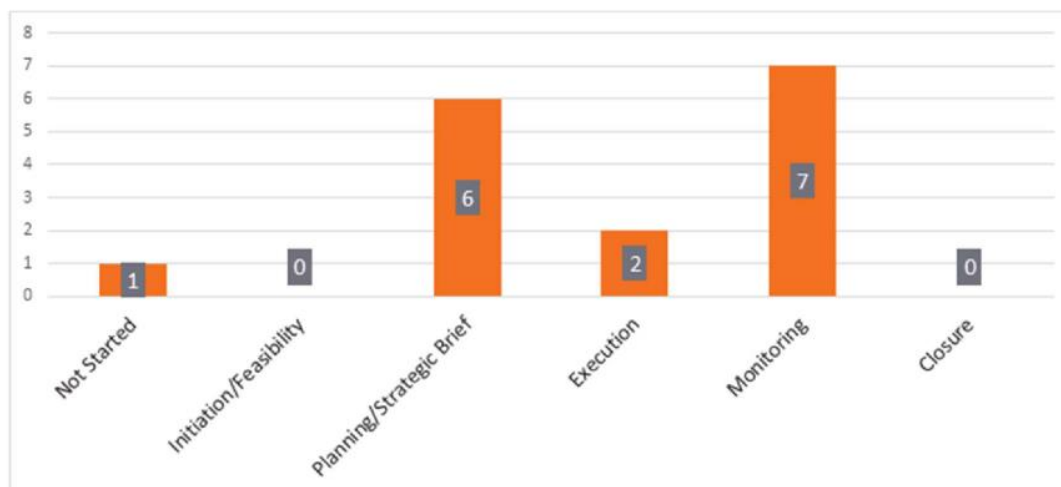


Project 2: Pōrangahau and Te Paerahi Upgrades

BPO (Option 1) Summary					
Stage	Asset	Date range	Budget	LTD Spend	Progression
1	Treatment improvements to existing ponds (UV, filtration, screens) 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	2021-2023	\$7.4m	\$682k	10%
2024 Milestone	Irrigate to land flows from Te Paerahi, cease discharging to dunes				
2	Pipeline from Porangahau WWTP to land discharge area Increase storage for times irrigation cant occur Establish remainder of irrigation for all flows	2025-2027	\$2.4m	N/A	Not Started
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 Decommission Te Paerahi pond, and downsize Porangahau pond	2028-2030	\$7.6m	N/A	Not started
2030 Milestone	Treat Wastewater 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 Build phase 1 Land Irrigation site for dry weather flows Minor Treatment Plant Improvements	2020-2022	\$1.3m	\$871k	10%
2024 Milestone	Irrigate to land in the dry low flow river months by 2022				
2	Build wet weather storage Increase land irrigation size - Phase 2	2024-2025	\$1.7m	N/A	Not Started
2027 Milestone	Irrigate all flows to land by 2025				





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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	3,719,164		



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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



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Project Manager's Progress Summary				
Project 1 - WOW				
Project	Scope	Achievement	Upcoming	When
CHB Wastewater Dump Stations	New Caravan waste disposal locations.	TIF application submitted to assist funding potential Takapau site	Await outcome of TIF application	May/June 2022
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 completed the physical installation and is commencing commissioning and optimisation	Completion of commissioning checks and optimisation of the system. Finalisation of operation and maintenance manuals and completion of operator training	April/May 2022
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)	Central pipework section access track has been cleared, temporary fencing installed and some arborist work completed. All pipework has been installed with just Air and Scour valves to be completed along the conveyance route.	Upcoming completion of the pipeline including all details	April 2022
Otane to Waipawa Wastewater pipeline (Stage 5)	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)	Contractor commenced onsite with access track and open trenching. Pipe secured and in district.	Continuation of physical works, confirmation of programme relating to supply of specific components	May 2022

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Otane Wastewater Pump Station	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)	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). Some early mechanical works completed while we await delivery of the main pumps and some electrical components	Subcontractor Max Tarr recommending onsite for completion of Mechanical and electrical installations. Completion of power upgrades for the site.	May 2022
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, tie-in to the live network completed. Water supplied to WWTP. Three 63mm road crossings completed to enable water lateral connections for properties on the southern side of road.	Complete the connection of properties on route to new main where already network users or where they have applied for connection.	April 2022
Waipawa & Waipukurau WWTP Waveband Remediation	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.	Barkers Contractors have completed the Waipukurau Wastewater Treatment Plant pond bank and have started works at the Waipawa Wastewater treatment plant.	Continuing work at the Waipawa WWTP, this was due to be completed in March however was impacted by the recent weather event, now expected to be completed in April	April 2022
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	RFT documentation prepared and released to selected contractor market. No tender bids received. Stantec engaged to provide technical design drawings and	Procurement of supplier/contractor and commencement of work onsite.	April 2022 Construction to August 2022

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	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	review of supplier design as well as ongoing MSQA through construction. Currently working with existing roading maintenance and structures contractors with view to procuring one to complete the works.		
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 approved and initial workshop held with the 3 Waters operations team.</p>	Recommendation reports for UV treatment, screening, and pond and aeration layouts.	Reports due April 2022

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Project Manager's Progress Summary				
Project 2 – Porangahau and Te Paerahi				
Project	Scope	Achievement	Upcoming	When
Te Paerahi and Porangahau wastewater upgrade	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.	<p>HBRC preparing for public notification.</p> <p>Geotech scope of work provided to WSP. Commencement will be delayed due to post flood geotech work in Wairoa.</p> <p>Archaeological Authority application submitted and under assessment.</p> <p>TIF application submitted for marae connection funding.</p>	<p>Next key activities include:</p> <ul style="list-style-type: none"> • Narrative for fly-over video to be recorded. • Finalising scope of work for The Property Group on land acquisition and operational management agreements. • Mark out storage pond location • Community engagement once public notification date confirmed by HBRC. 	April – June 2022

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Project Manager's Progress Summary				
Project 3 - Takapau				
Project	Scope	Achievement	Upcoming	When
Takapau Wastewater Project - Stage 1	Provision of 2,000m ³ of storage and development of minimum 5ha irrigation	<p>Geotech work completed. Beca incorporating into design work.</p> <p>Introduction meeting with Drummonds.</p> <p>Concept drawings for Creative Restoration Project completed and further mana whenua meeting on site completed 1 April.</p> <p>Engagement commenced with two irrigation firms - early specification for tendering.</p>	<p>Next key activities include:</p> <ul style="list-style-type: none"> Confirming scope of work for The Property Group on land acquisition and operational agreements. Working with HBRC on issuing on s42a report, confirming consent term and whether Hearing required. 	April 2022

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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 1905 dry tonnes of sludge removed. Contractors Hydracare have mobilised to Waipukurau WWTP and commenced desludging operation (659 tonnes removed as at start of April)	Continue desludging of the main facultative pond at Waipukurau WWTP.	Completion by June 2022
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 and presented to the Project Governance Group	Update to be provided through Strategy & Wellbeing committee. Release of strategy to the public. Commencement of work to establish residuals management options	May 2022

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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 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 has now been completed and enters the improvement phase.</p> <p>Two investigations contractors have been procured, one working towards district wide investigations, 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>	<p>The investigations contract has been awarded for wider investigative works following according the township-specific management plan. Data management systems need finalising as part of this.</p> <p>Following from these, remediation works will occur to fix defects that were identified. Peaking factors continually assessed and refined following data quality concerns</p>	
Great North Rd extend main Abbotsford to Tamumu	Wastewater Main Installation to service future developments in the area, partly funded by developers. Includes design 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. NZTA have indicated approval to work in the road corridor. We can now commence detailed design and approach to procurement.	Detailed design and analysis of where the water renewal should be placed has commenced. Procurement of a contractor and physical installation follows on from here.	

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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.	
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PROJECT UPDATES

PROJECT: Biosolids strategy and Management

STATUS	Planning/Strategic Brief		
TIMELINE	Nov 2021	Feb 2023	
	START DATE	END DATE	
PROGRESS	25%		
BUDGET	\$0	\$0	\$0
	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

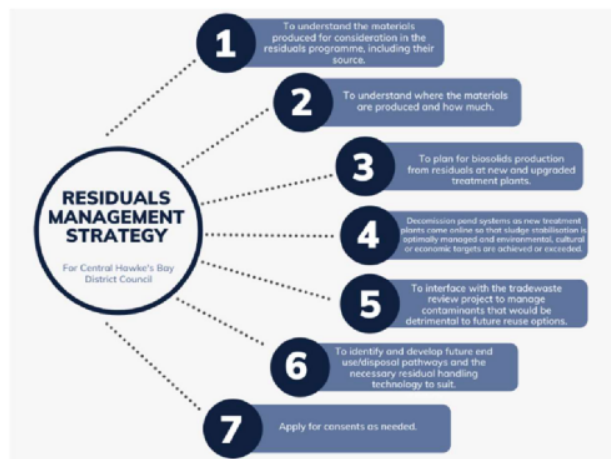
Draft strategy reviewed by Project Control group and presented to the Project Governance Group.

PLANNED

Update to be provided through Strategy & Wellbeing committee. Release of strategy to the public. Commencement of work to establish residuals management options.

RISKS

Highest risk currently sits with delay, through resourcing issues or consenting of solutions.



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PROJECT: CHB Wastewater Dump Stations

STATUS	Monitoring		
TIMELINE	Jul 2020	Jul 2022	
	START DATE	END DATE	
PROGRESS	95%		
BUDGET	\$150K*	\$146K	\$297K*
	TOTAL PROJECT	SPEND TO DATE	EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		

*Additional funding sought from TIF.



SCOPE

New Caravan waste disposal locations.

ACHIEVEMENTS

Waipukurau site completed. TIF application submitted to assist funding potential Takapau site.

PLANNED

Await outcome of TIF application.

RISKS

Funding is a risk to the construction of the second site.

Preferred site sits within reserve land and will require community consultation.



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Key Project Status Report #7



PROJECT: DAF - Waipawa WWTP

STATUS	Monitoring		
TIMELINE	Feb 2021	May 2022	
	START DATE	END DATE	
PROGRESS	80%		
BUDGET	\$1M	\$1.06M	\$1.1M
	TOTAL PROJECT	SPEND TO DATE	EXPECTED SPEND
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 completed the physical installation and is commencing commissioning and optimisation.

PLANNED

Completion of commissioning checks and optimisation of the system.
Finalisation of operation and maintenance manuals and completion of operator training.

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.



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STATUS	Planning/Strategic Brief		
TIMELINE	Jan 2021	Jul 2022	
	START DATE	END DATE	
PROGRESS	21.1%		
BUDGET	\$700k*	\$24K	\$700k
	TOTAL PROJECT	SPEND TO DATE	EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		

SCOPE

ACHIEVEMENTS

PLANNED

RISKS

[illegible]



Key Project Status Report #7



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

STATUS	Monitoring		
TIMELINE	Jul 2019	Apr 2022	
	START DATE	END DATE	
PROGRESS	90%		
BUDGET	\$2.4M	\$2.06M	\$2.5M
	TOTAL PROJECT	SPEND TO DATE	EXPECTED SPEND
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

Central pipework section access track has been cleared, temporary fencing installed and some arborist work completed. All pipework has been installed with just Air and Scour valves to be completed along the conveyance route.



PLANNED

Upcoming completion of the pipeline including all details.

RISKS

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



Key Project Status Report #7



PROJECT: Otane to Waipawa Wastewater pipeline (Stage 5)

STATUS	Execution	
TIMELINE	Jul 2021	May 2022
	START DATE	END DATE
PROGRESS	30%	
BUDGET	\$500K	\$31K
	TOTAL PROJECT	SPEND TO DATE
		\$350K
		EXPECTED SPEND
RISK LEVEL		



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

Contractor commenced onsite with access track and open trenching. Pipe secured and in district.

PLANNED

Continuation of physical works, confirmation of programme relating to supply of specific components.

RISKS

Material supply and the ability of the contractor to complete to programme are the biggest risks to the project success. Issues have already arisen with supply of materials, alternative options being considered to minimise the effect of this.



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Key Project Status Report #7



PROJECT: Otane Wastewater Pump Station

STATUS	Monitoring		
TIMELINE	Feb 2021 START DATE	May 2022 END DATE	
PROGRESS	70%		
BUDGET	\$1.61M TOTAL PROJECT	\$1.115M SPEND TO DATE	\$1.76M EXPECTED SPEND
RISK LEVEL			



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

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). Some early mechanical works completed while we await delivery of the main pumps and some electrical components.

PLANNED

Subcontractor Max Tarr recommencing onsite for completion of Mechanical and electrical installations. Completion of power upgrades for the site.

RISKS

Currently the project delayed with risk of even greater delays, this is primarily due to supply chain issues for some critical items (PN25 Valves, pumps), and subcontractor issues. Budget overspend is forecast and there will continue to be additional scrutiny placed on decisions with financial impact.





Key Project Status Report #7



PROJECT: Pourerere Rd Watermain

STATUS	Monitoring		
TIMELINE	Jul 2021	Apr 2022	
	START DATE	END DATE	
PROGRESS	95%		
BUDGET	\$500K	\$424K	\$530K
	TOTAL PROJECT	SPEND TO DATE	EXPECTED SPEND
RISK LEVEL			



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, tie-in to the live network completed. Water supplied to WWTP. Three 63mm road crossings completed to enable water lateral connections for properties on the southern side of road.

PLANNED

Complete the connection of properties on route to new main where already network users or where they have applied for connection.

RISKS

Remainder of the project work is well scoped and unlikely to be at risk of further budget increases or time delays



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Key Project Status Report #7



PROJECT: Takapau Wastewater Project - Stage 1

STATUS	Planning/Design/ Consent		
TIMELINE	Sep 2017	Dec 2022	
	START DATE	END DATE	
PROGRESS	10%		
BUDGET	\$3.8M	\$910K	\$3.8M
	TOTAL PROJECT	SPEND TO DATE	EXPECTED SPEND
RISK LEVEL			



SCOPE

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

ACHIEVEMENTS

- Geotech work completed. Beca incorporating into design work.
- Concept drawings for Creative Restoration Project completed and further mana whenua meeting on site completed 1 April.
- Engagement commenced with two irrigation firms - early specification for tendering.

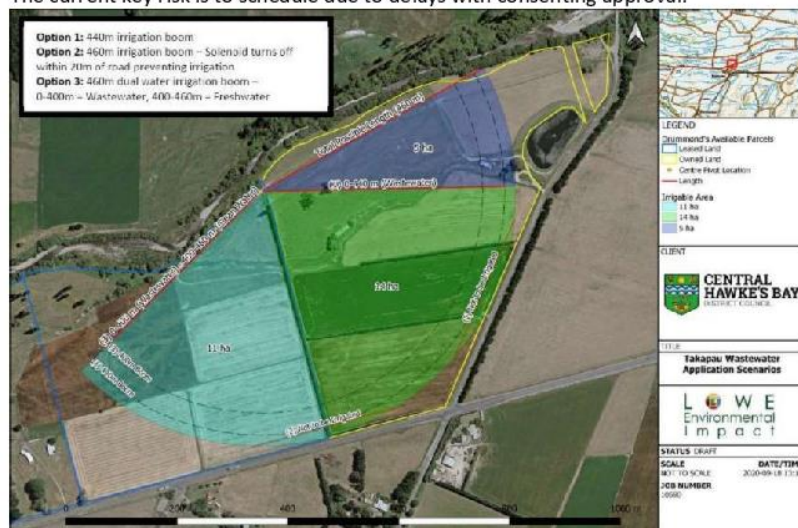
PLANNED

Next key activities include:

- Confirming scope of work related to land acquisition and operational agreements.
- Working with HBRC on issuing on s42a report, confirming consent term and whether Hearing required.

RISKS

The current key risk is to schedule due to delays with consenting approval.



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Key Project Status Report #7



PROJECT: Te Paerahi and Porangahau wastewater upgrade

STATUS	Planning/Design		
TIMELINE	Dec 2019	Jul 2029	
	START DATE	END DATE	
PROGRESS	10%		
BUDGET	\$17.6M	\$941K	\$17.6M
	TOTAL PROJECT	SPEND TO DATE	EXPECTED SPEND
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

Recent Achievements include:

- HBRC receipted s92 information and advised look to progress public notification.
- Geotech scope of work provided to WSP. Archaeological Authority application submitted.
- Application submitted to MBIE's Tourism Infrastructure Fund for marae connection funding.

PLANNED

Next key activities include:

- Narrative for fly-over video to be recorded.
- Finalising scope of work for The Property Group on land acquisition and operational management agreements. Mark out storage pond location
- Community engagement once public notification confirmed by HBRC.

RISKS

The current key risk is to schedule due to delays with consenting approval.

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Key Project Status Report #7



PROJECT: Trade Waste Review and Improvements

STATUS		Execution	
TIMELINE	Jan 2021 START DATE	May 2022 END DATE	
PROGRESS	0%		
BUDGET	\$180K TOTAL PROJECT	\$111K SPEND TO DATE	\$180K 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

Project improvement funding ends June 2022.



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Key Project Status Report #7



PROJECT: Waipawa & Waipukurau WWTP Waveband Remediation

STATUS	Monitoring	
TIMELINE	Nov 2021 <small>START DATE</small>	May 2022 <small>END DATE</small>
PROGRESS	60%	
BUDGET	\$300K <small>TOTAL PROJECT</small>	\$123K <small>SPEND TO DATE</small> \$270K <small>EXPECTED SPEND</small>
RISK LEVEL		



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 armoring the Waipukurau Wastewater Treatment Plant pond bank and have started works at the Waipawa Wastewater treatment plant.

PLANNED

Continuing work at the Waipawa WWTP, this is due to be completed in April.

RISKS

Remainder of the project work is well scoped and unlikely to be at risk of budget blowouts. The Waipawa site does have some complexities compared to the Waipukurau site with the increased number of obstacles and their proximity to the work area, this could cause some small delays and/or variations.



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Key Project Status Report #7



PROJECT: Waipawa WWTP Bridge Upgrade

STATUS	Planning/Strategic Brief		
TIMELINE	Jul 2021	Aug 2022	
	START DATE	END DATE	
PROGRESS	20%		
BUDGET	\$300K	\$46K	\$300K
	TOTAL PROJECT	SPEND TO DATE	EXPECTED SPEND
RISK LEVEL			

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. No tender bids received. Stantec engaged to provide technical design drawings and review of supplier design as well as ongoing MSQA through construction. Currently working with existing roading maintenance and structures contractors with view to procuring one to complete the works.

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.



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Key Project Status Report #7



PROJECT: Wastewater Pond Desludging

STATUS	Monitoring		
TIMELINE	Jul 2020 START DATE	Jun 2022 END DATE	
PROGRESS	65%		
BUDGET	\$1.75M TOTAL PROJECT	\$1.834M SPEND TO DATE	\$2.284M EXPECTED SPEND
RISK LEVEL			



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

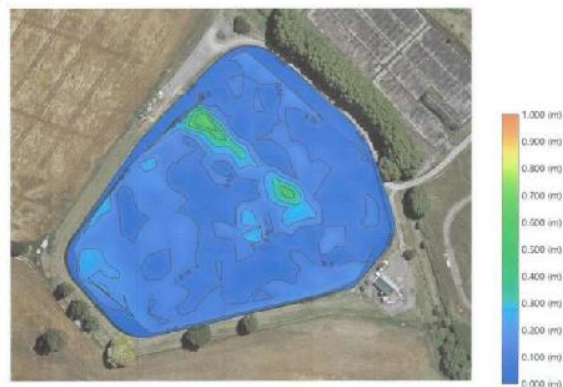
The existing dried solids from previous desludging operations at both plants have been removed to landfill, both containment area liners replaced due to the condition of the existing liners. Waipawa WWTP desludged with approximately 1905 dry tonnes of sludge removed. Contractors Hydracare have mobilised to Waipukurau WWTP and commenced desludging operation (659 tonnes removed as at start of April).

PLANNED

Continue desludging of the main facultative pond at Waipukurau WWTP.

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 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 effects treatment compliance.





Key Project Status Report #7



PROJECT: Wastewater Renewals/I&I Work

STATUS	Planning/Strategic Brief		
TIMELINE	Jul 2020 START DATE	Jun 2024 END DATE	
PROGRESS	58.5075%		
BUDGET	\$900K TOTAL PROJECT	\$280K SPEND TO DATE	\$900K EXPECTED SPEND
RISK LEVEL	<div><div></div><div></div><div></div></div>		

SCOPE

Investigation of wastewater reticulation defects allowing liquid ingress and remediation of defects. Includes 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 has now been completed and enters the improvement phase.

Two investigations contractors have been procured, one working towards district wide investigations, 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.

PLANNED

The investigations contract has been awarded for 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 following data quality concerns.

RISKS

DIA funding needs to be spent before June 2022.



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Key Project Status Report #7



PROJECT: WOW Minor improvements

STATUS	Planning/Strategic Brief		
TIMELINE	Jul 2020 START DATE	Jun 2023 END DATE	
PROGRESS	30%		
BUDGET	\$962k TOTAL PROJECT	\$613k 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 approved and initial workshop held with the 3 Waters operations team.

PLANNED

Recommendation reports for UV treatment, screening, and pond and aeration layouts.

RISKS

Budget to complete the works recommended as a result of the investigatory work underway is a risk.

6.6 KEY PROJECT STATUS REPORT - 3 WATERS TRANCHE ONE**File Number:** COU-140**Author:** Darren de Klerk, Director Projects and Programmes**Authoriser:** Neil Taylor, Interim Chief Executive**Attachments:** 1. Key Project Status Report #4 - 3Waters Tranche One Stimulus [↓](#)**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 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 by June 2022 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.



**CENTRAL
HAWKE'S BAY**
DISTRICT COUNCIL

**KEY PROJECT STATUS
REPORT #4**

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



Project Name	3 Waters Tranche One – Stimulus Funding				
	Key Project Status Report				
Release Date	10/04/22	Report #	Four	Range	Jan - Apr 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
4	10/04/22	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

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 8. The first and second quarter of 2021 saw 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.

To date we have seen the completion of a number of projects – the Nelson/ Reservoir renewal and the Waipawa desludge notably.

The next quarter will look to close out all of 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 (April to June 2022)

- Commissioning of the Waipawa WWTP DAF
- Completion of Tikokino Road Stage 2 Mains Upgrade Renewal
- Completion of Tikokino Stage 3 and Abbottsford Road (Stage 4 and 5) Waipawa Trunk Main Upgrade
- Completion of stormwater issue rectification projects in Nelson Street
- Completion of pipework on Otane-Waipawa Wastewater Rising main (Stage 2 and 3)
- Refinement of forward work programme for I&I improvements
- I&I Studies underway
- Complete landowner negotiations for Waipukurau Second Water Supply.
- Decision on Waipawa to Waipukurau Water Supply project

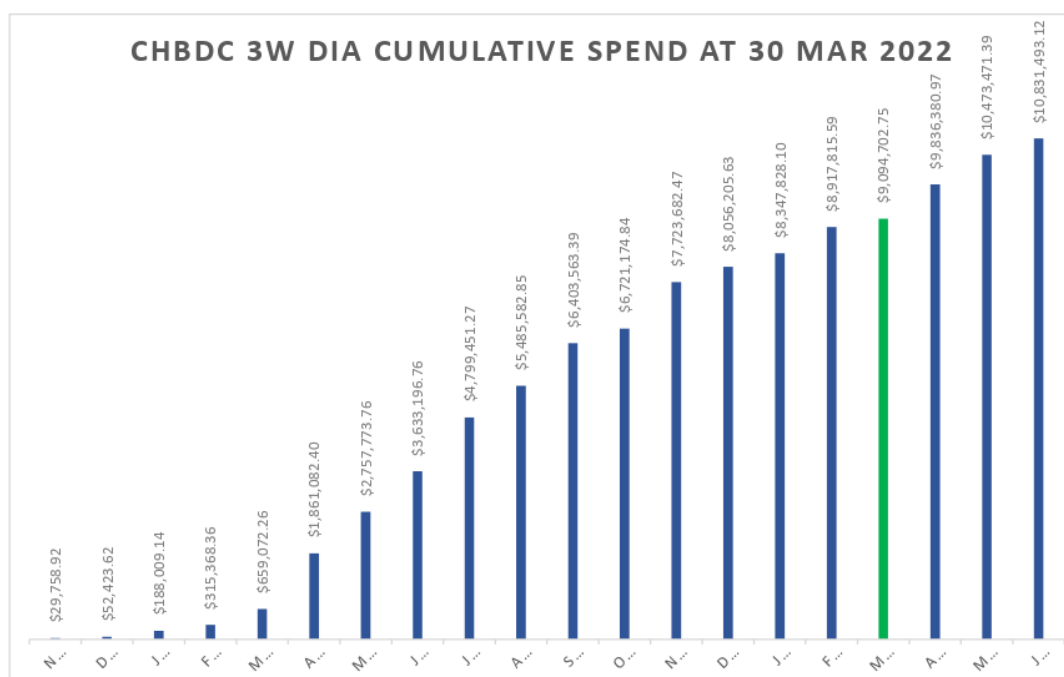


PROGRAMME FINANCIAL UPDATE

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	349,966	Source Protection Zones and GIS Review work progressing Reg Water Supply Assessment scoped
	Water Safety Action Plans	100,000		
2	Water Renewals <ul style="list-style-type: none"> Nelson/Reservoir (C-1107 Higgins) Tikokino Main Stage 3,4 and 5 	2,090,000*	1,197,006	C-1107 Construction complete
3	Waipukurau 2 nd 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	991,785 (LTP)	Production bore completed, Land easements/ acquisition in progress Stage 1,2 & 3 Pipeline underway
		2,200,000 (3 Waters T1)	1,871,686 (3 Waters T1)	
		10.4m	2.86m	
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	2,060,200	Pipeline all in ground, details to be completed
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	1,340,568	DAF unit delivered and installed Investigating UV, screening, and layout/aeration improvements
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	777,258	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	279,877	Otane spot repairs and model works I&I contractor being awarded
8	Trade Waste Improvements	160,000	110,541	Trade Waste refresh underway
9	Dump Stations for Campervans <ul style="list-style-type: none"> Waipukurau (C- 1121 Downer) 	150,000	146,713	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 Mar 2022
	TOTALS	11,090,000	9,094,702	

*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



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](#).

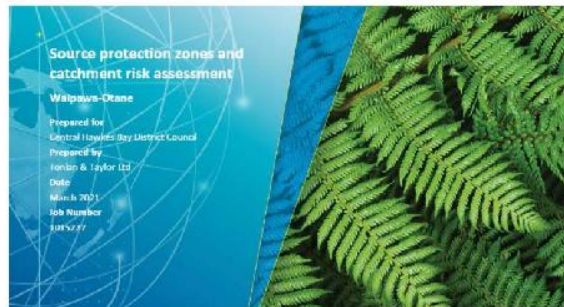


PROJECT SPECIFIC UPDATES:

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. In conjunction with LTP funding
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	JUNE 2022 END DATE	
PROGRESS	60%	<div><div></div></div>	
BUDGET	\$2.09m TOTAL PROJECT BUDGET	\$1.197m 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.
Abbottsford Road Stage 4 and 5 – to install 800mtrs of 280mm PE from Tikokino Road along Abbottsford to Reservoirs.

ACHIEVEMENTS

Nelson / Reservoir - completed with all properties now supplied from new network.
Tikokino Road Stage 3 – work underway, contract awarded.
Abbottsford Road Stage 4 – finalise design and procurement in April 2022.
Abbottsford Road Stage 5 – all pipe in ground.

PLANNED

Tikokino Road Stage 3 – complete by May 2022.
Abbottsford Road Stage 4 – commence build in May 2022
Abbottsford Road Stage 5 – all pipe in ground, and complete by end of April 2022.

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 START DATE	JUN 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	\$2.2m of \$10.4m TOTAL PROJECT BUDGET	\$1.8m 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>	

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 (1.6km of 400mm PE) by May 2022.

Table council decision paper in May 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 START DATE	MAY 2022 END DATE
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 TOTAL PROJECT	\$1.9m SPEND TO DATE
RISK LEVEL	<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 Ōtāne to Waipawa.

ACHIEVEMENTS

Central pipework section access track has been cleared, temporary fencing installed and some arborist work completed. All pipework has been installed with just Air and Scour valves to be completed along the conveyance route.

PLANNED

Completion of the pipeline including all details.

RISKS

Completion of the project is still at risk of delays caused by weather and the impact of previous 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	70%	<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></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 Enviroden has completed the physical installation and is commencing commissioning and optimisation.

PLANNED

Completion of commissioning checks and optimisation of the system.
Finalisation of operation and maintenance manuals and completion of operator training.

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.

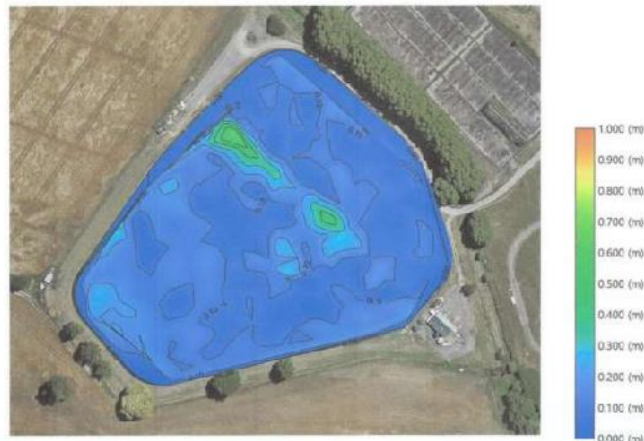
COMMUNICATIONS

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



PROJECT 6: WAIPAWA WWTP DRIED SOLIDS REMOVAL & POND DESLUDGING

STATUS	BUILD	
TIMELINE	JULY 2020 START DATE	MAR 2022 END DATE
PROGRESS	100%	<div><div></div></div>
BUDGET	\$750k TOTAL PROJECT	\$777k 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 1905 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

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 START DATE	MAR 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	\$500k TOTAL PROJECT	\$280k 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>	

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 approved by council. District-wide investigations contract awarded April.

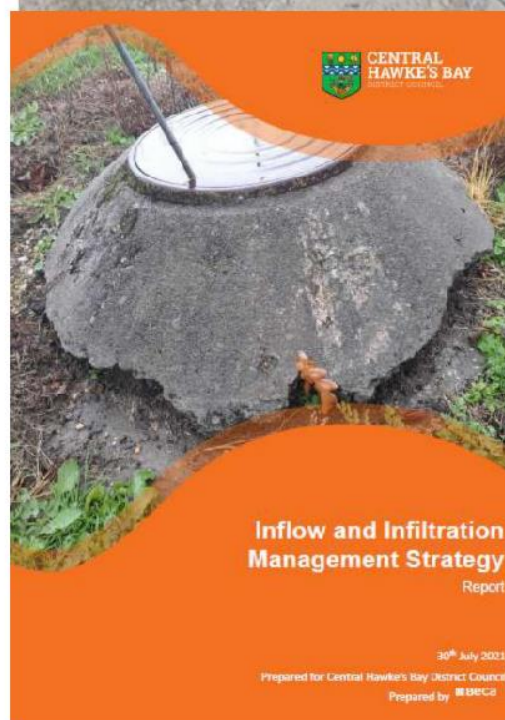
PLANNED

Commence studies in smaller towns to inform design, and wastewater renewals works. Further renewals of identified defects.

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	70%	<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	\$110k SPEND TO DATE
RISK LEVEL	<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.
Capital charging regime introduced July 2021. Trade waste strategy developed for council approval 12th August. New consents granted for traders Dec 2021.

PLANNED

Implementation of a database to assist with management of the trade waste consents and compliance. Discharge flow meter installation. Reviewing smaller trader 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 waste which meets the conditions of Schedule A are categorised as Permitted trade waste. The trade waste discharge must meet the conditions in Schedule A and all cases. This category of trade waste is considered to be low risk to the wastewater system and workers, and so such is not routinely monitored. Council issues 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 you intend to return to the register or the wastewater system, or if any wastewater changes for your business. If your business moves, you must also notify Council. Trade waste that does not meet the above criteria may be categorised as conditional trade waste, but an application to Council is required to confirm your activities meet the requirements of the conditional category. Wastewater discharges from the following businesses are examples of potential Permitted trade waste:
 - Businesses
 - Vehicle washes
 - Community facilities with catering facilities
 - Clothing manufacturers
 - Detergent manufacturers
 - Food and drink processing facilities
 - Landfills
 - Motels
 - Mechanical workshops
 - Laboratories
 - Restaurants and cafes
- 2. Conditional**
Conditional trade waste are those that do not meet one or more of the conditions in Schedule A, but don't trigger any of the conditions in Schedule B. Conditional Trade Waste
Any waste that is not Permitted is classified as conditional. Only domestic sewage and greywater can be discharged to an approved location under the conditions of a conditional trade waste consent. Any waste from a holding tank must have its own separate consent to discharge at an approved location – this must be arranged prior to the discharge.
- 3. Prohibited**
Where any trade waste discharges meet the conditions in Schedule B, these must not be discharged to the Council wastewater system. Please contact Council to understand what options are available to you.



Trade Waste BYLAW

Superseding CHBDC Part 23: 2018
13 May 2021
Together we Thrive! E me ngāwhiri awhi!



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

SCOPE

Drafting, consultation and implementation of the Water Supply, Stormwater and 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/>



PRACTICE NOTE: SW01

Rainwater & Stormwater Tanks

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.

Why is there a need for tanks?

There are many benefits for both rainwater tanks and stormwater tanks. These include:

- Rainwater tanks help reduce the demand on our public water supply, particularly the cost of potable water. It is the public's responsibility to ensure that the public water supply is not overused.
- Rainwater tanks help to create more resilient water systems by storing water that can be used if the water supply network is at fault.
- Stormwater detention tanks reduce the peak flows from rainfall events into the local (stormwater) drainage system.
- Stormwater detention tanks can capture the first flush of runoff which improves water quality (the first flush of contaminants is contained in the tank and not discharged into the Council system and ultimately the streams and rivers).
- Stormwater detention tanks protect the Council's Stormwater Drainage System from urban development pressures and stormwater from new developments can play a role in the existing stormwater infrastructure if it is already near capacity.
- Storage tanks can provide a supply of water if you need to use water (out of town) where a connection to the public water supply is not available. This will be covered in a separate practice note.



PRACTICE NOTE WAT01

POTABLE WATER SCHEMES

Overview and types of supply

Purpose

The purpose of the Water Supply Bylaw 2021 is to ensure the Council's water supply is protected, managed and used in a way that ensures the public's health and safety, and to ensure the Council's water supply is not overused.

Council's Water Supply

The Council's water supply is provided by the Council's water supply system, which includes the Council's water supply network and the Council's water supply storage tanks.



PRACTICE NOTE WAT02

Water Metering

Purpose

The purpose of this practice note is to provide information on the requirements and responsibilities of water metering in the Central Hawke's Bay District.

Why water metering is important

Water metering is important because it allows the Council to monitor water consumption and to ensure that water is used in a responsible and sustainable way.

Who has a water meter?

All properties in the Central Hawke's Bay District that are connected to the Council's water supply network have a water meter.



PRACTICE NOTE WAT03

Leakage and wastage

Purpose

The purpose of this practice note is to provide information on the requirements and responsibilities of leakage and wastage in the Central Hawke's Bay District.

Why leakage is important

Leakage is important because it can lead to water wastage, which can be costly and can also lead to environmental damage.

How leakage can be detected and repaired

Leakage can be detected by checking for water leaks, and it can be repaired by replacing the leaking pipe or fitting.

PROJECT 11: PROGRAMME MANAGEMENT AND SOFTWARE

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



SCOPE

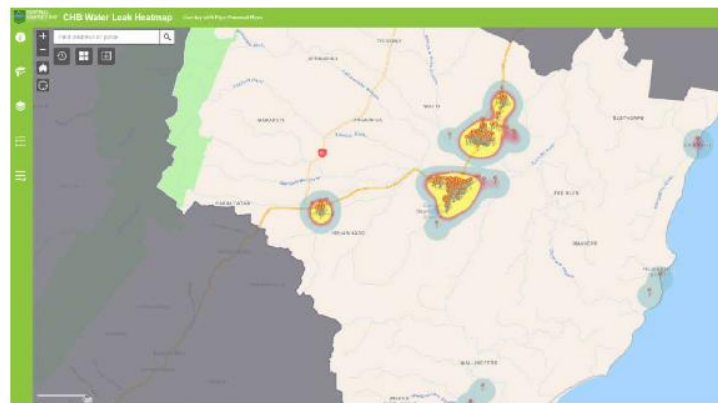
To build capability and capacity within council to deliver the programme of works that this stimulus and reform programme.

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

ACHIEVEMENTS

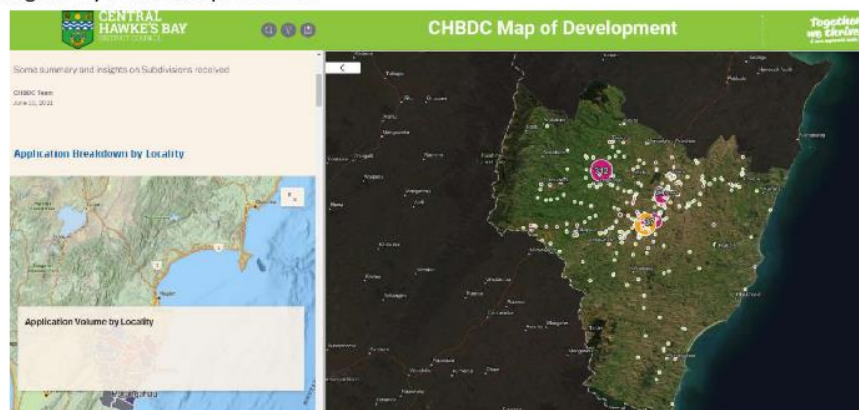
The PMO established, with new direct roles created as part of this stimulus funding and the associated PWPGF roading works upgrades.

- 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 \$689k LTP \$300k TIF \$1.29M TOTAL PROJECT BUDGET	
RISK LEVEL	<div><div></div><div></div><div></div><div></div><div></div></div>	
	\$178k SPEND TO DATE	



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
HĀKULA 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 Whakareo mō Hākula Whakātutuki, 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 Whakareo mō Hākula Whakātutuki, 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: _____

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**APPENDICES (AVAILABLE ON REQUEST)****Appendix 1: Quarter 4/5 reporting to Crown Infrastructure Partners**

Three Waters

Regional report for the reporting quarter
October 2021 - December 2021

18 March 2022



6.7 KEY PROJECT STATUS REPORT - PORANGAHAU TO WIMBLEDON PGF PROGRAMME**File Number:** COU1-1410**Author:** Darren de Klerk, Director Projects and Programmes**Authoriser:** Neil Taylor, Interim Chief Executive**Attachments:** 1. PWPGF Quarterly Report to MBIE_March 2022 [↓](#)**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 64% of the budget spent on the works, and approx. 70% of the work completed across the programme.

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.



MONTHLY REPORT TO THE PROVINCIAL GROWTH FUND

This report for Route 52: Waipukurau – Porangahau Resilience and Strengthening Works covers the month from 01 March to 31 March 2022, and doubles as the quarterly report for Q1 of 2022 (January to March 2022).

EXECUTIVE SUMMARY

March 2022, was a mixed month for the programme with continued construction of key projects making good progress. But the programme impacted with a significant rain event in late March from Thurs 24th March through to Sunday 27th March, and impacting the programme most of the week starting Monday 28th March due to clean up required or waiting for water levels to recede.

The rain event was estimated to be somewhere between 1 in 21 years at localised rain gauges, to a 1 in 50 year event in the ranges impacting the flow and volume of water moving down the rivers.

The largest impact from the rain event was on the Flaxmill and Wanstead area where we saw water top the Flaxmill bridge due to the amount of debris restricting the flow of water.

March 2022, did see HBRC finalise and in early April 2022 the consent was granted for the silt removal up and downstream of the Flaxmill Bridge in the Taurekaitai Stream, this will improve the ability for the bridge and surrounding area to cope during a similar event.

Further to the bridge the area around Stage 2/ Hiranui Road flooded approx. 24 hours after the rain started as the Wanstead swamp water level rose, and this resulted in the road closing and a detour having to be put in place for approx. 48 hours until the water level safely receded. The new road level we believe would have allowed the road to remain open. Pleasingly Stage 3 -the northern section around Wanstead, recently sealed, also remained dry which had recently been sealed and we expect the previous road level would have been submerged.

The under construction bridges at Kokomoko, Saleyards and Sixty Pound were all at risk of rising water levels, but managed to remain dry, the temporary bridge at Kokomoko was most at risk, and our incident management team, alongside our engineers made the call to close the road overnight to manage the risk on the temporary bridge as water levels were expected to continue to rise.

Saleyards also saw unprecedented river levels, and had our contractors cherry picker slightly submerged and thankfully not swept down the river.

The projects across the previously described main programmes of Bridges, Flaxmill and Retaining Walls continue and the week post the event has largely been spent assessing and cleaning sites.

March 2022 did see some steady progress across all programmes, and we are currently understanding and working with our contractors to quantify the delay the weather event may have on the programme.

March 2022 saw 94 people working across the programme, and expenditure of \$1.3m, increasing the total spend on the programme to \$12.8m



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PROJECT SUMMARY AND PROGRESS UPDATE

Key activities completed during the month and summary of how the project is tracking:

Stage 1: Bridge inspections and retaining structures, pavement and resurfacing inspections, geometric and safety inspections.

- Completed.

Stage 2: Quick-Wins construction, Geotechnical Investigations, Topographical surveys, HPMV assessment, Procurement Plan draft.

Quick -Wins

- CON1075: Completed.
- CON1076: Completed.

Geotechnical Investigations

- Completed.

Topographical Survey

- Completed.

HPMV Bridge Evaluations and Assessment:

- Completed.

Procurement Plan and Strategy

- Completed.

Pavement Assessment

- Completed.

Safety Assessment

- Completed.

Stage 3: Simple Construction, Procurement Plan, Detailed Design,

Simple Construction

- CON1077: Completed.

Procurement Plan

- Completed.

Detailed Design

- CON1096 Bridges:
 - SP1 Bridge 173 Wallingford – Completed.
 - SP2 Bridge 176 Saleyards - Completed.
 - SP3 Bridge 174 Kokomoko - Completed.
 - SP4 Bridge 175 Sixty Pound - Completed.
 - SP5 Kahika Culvert – Removed from programme as strengthening not required.
 - SP6 McKenzies Culvert – Removed from programme.
 - SP7 Lake Outfall Culvert – Removed from programme as strengthening not required.
 - SP8 North Watermark Culvert – Removed from programme.

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This project is supported by:



- **CON1097 Flaxmill Inundation Remediation Project:**
 - SP1 – Completed.
 - SP1a – Flaxmill Guardrail – Completed.
 - SP2 – Completed.
 - SP3 – Completed.
 - SP3a – Wanstead Bridge Guardrail – Completed.
 - SP4 Ugly Hill Road culvert and downstream channel works - Completed.
 - SP5 RP19900 slump – Completed.
 - SP5a Silt removal under Flaxmill Bridge and Taurekaitai Stream - Completed.
 - SP5b Main Storm Channel and Ugly Hill Road Culvert Storm Channel – Completed.
 - SP6 Debris Arrestor – Completed.
- **CON1098 Retaining Walls:**
 - SP1 RW277 - Completed.
 - SP2 RW440 - Deprioritised and removed from programme (moved into CHBDC Network Management Programme).
 - SP3 RW184 North – Completed.
 - SP4 RW283 South – Completed.
 - SP5 Lower Wimbledon Retreat - Completed.
 - SP6 Wimbledon Road RP13600 – Completed.
- **CON 1167 Safety Improvements**
 - Design is complete.
- **CON 1168 Slow Vehicle Bay**
 - Slow Vehicle Bay No.1 – Completed.

Stage 4: Procurement and Construction

Procurement

- **CON1096 Bridges, CON1097 Flaxmill Inundation, CON1098 Retaining Walls** – Completed.
- **CON1167 Safety Improvements** – Completed.
- **CON1168 Slow Vehicle Bay Site 1** – Completed.

Construction

- **CON1096 Bridges**
 - SP3 Kokomoko Bridge – Works are ongoing.
 - SP1 Wallingford Bridge – Completed.
 - SP2a Saleyards Bridge – Works are ongoing.
 - SP2b Saleyards Bridge – Proposed guardrail works have not started yet.
 - SP4 Sixty Pound – Works are ongoing.
- **CON1097 Flaxmill**
 - SP1 Road works – Completed.
 - SP2 Road works - Works are ongoing.

- SP3 Road works - Works are ongoing.
- SP5 Debris clearance and silt removal – Resource Consent ongoing - HBRC S92 information request submitted 25 February 2022.
- **CON1098 Retaining Walls**
 - SP1 RW277 - Completed.
 - SP3 RW184 North – Programmed to start in March.
 - SP4 RW283 South – Programmed to start in March.
 - SP5 Lower Wimbledon Retreat – Works are ongoing.
 - SP6 Wimbledon Road RP13600 – Programmed to start in March.
- **CON1167 Safety Improvements**
 - Wimbledon Road – Completed.
 - Porangahau Road – In progress.
- **CON1168 Slow Vehicle Bay**
 - Works are ongoing.

Additional:

Te Taumata (World's Longest Place Name) – Safety improvements have been removed from scope. on hold pending landowner and lwi consultation.

PROJECT DELIVERABLES

Expected Start Date	Project Deliverable	Progress	As at Date
Commencement Date	Confirmation that the below activities have commenced: <ul style="list-style-type: none"> • Bridge Inspections • Pavement Inspections • Geometric and Safety Investigations 	100% 100% 100%	30-06-20 30-06-20 30-06-20
By 30 July 2020	Confirmation (and submission of any supporting documentation) that the below activities have commenced: <ul style="list-style-type: none"> • Quick Wins Construction works CON1075, CON1076 • HPMV assessments • Geotechnical inv – Bridges • Geotechnical inv – Flaxmill • Geotechnical inv – Retaining Walls • Topographical surveys • Procurement Plan - Quick Wins 	100% 100% 100% 100% 100% 100% 100%	31-12-21 31-01-22 30-10-20 30-11-20 30-10-20 21-05-20 30-06-20
By 30 Sept 2020	Confirmation (and submission of any supporting documentation) that the below activities have commenced: Simple Construction works <ul style="list-style-type: none"> • CON1077 Detailed design <ul style="list-style-type: none"> • Bridges • Flaxmill 	100% 100% 100% 100%	28-02-21 31-10-21 30-11-21 31-10-21

	<ul style="list-style-type: none"> Retaining Walls Slow Vehicle Bay (new scope) Safety Improvements (new scope) <p>Procurement Plan update</p> <ul style="list-style-type: none"> Bridges Flaxmill Retaining Walls Safety Improvements (new scope) Slow Vehicle Bay (new scope) <p>Evidence of social procurement undertaken in accordance with clause 6 of the Special Terms (Item 13) "The recipient will include measurable and appropriate social procurement outcomes in their tender documents, to the satisfaction of the Ministry. The Ministry will work with the Recipient on determining these outcomes and engaging with their potential suppliers on delivery of the outcomes."</p>	100% 100% 100% 100% 100% 100% 100% 100% 100%	31-10-21 31-07-21 31-07-21 24-09-20 30-10-20 30-10-20 31-07-21 31-07-21 30-09-20
By 30 Jan 2021	<p>Confirmation (and submission of any supporting documentation) that the below activities have commenced:</p> <p>Procurement for complex works complete:</p> <ul style="list-style-type: none"> CON1096 (Bridges) CON1097 (Flaxmill) CON1098 (Retaining Walls) CON1167 Safety Improvements (new scope) CON1168 Slow Vehicle Bay (new scope) <p>Commencement of complex works construction:</p> <ul style="list-style-type: none"> CON1096 (Bridges) CON1097 (Flaxmill) CON1098 (Retaining Walls) CON1167 Safety Improvements (new scope) CON1168 Slow Vehicle Bay (new scope) <p>Evidence of social procurement undertaken in accordance with clause 6 of the Special Terms (Item 13) "The recipient will include measurable and appropriate social procurement outcomes in their tender documents, to the satisfaction of the Ministry. The Ministry will work with the Recipient on determining these outcomes and engaging with their potential suppliers on delivery of the outcomes."</p>	100% 100% 100% 100% 100% 100% 100% 100% 100% 100%	22-01-21 31-03-21 30-01-21 31-08-21 30-11-21 30-01-21 30-01-21 30-01-21 31-08-21 31-01-22
By June 2022	<p>Confirmation (and submission of any supporting documentation, including certificate of practical completion under the relevant construction contract) that the construction works are complete.</p> <ul style="list-style-type: none"> CON1096 (Bridges) CON1097 (Flaxmill) CON1098 (Retaining Walls) CON1167 (Safety Improvement Programme) CON1168 (Slow Vehicle Bays) 	50% 75% 35% 75% 10%	31-03-22 31-03-22 31-03-22 31-03-22 31-03-22

RECOMMENDATIONS, DECISIONS OR ACTIONS REQUIRED

New Traffic Light System settings were announced under the Covid-19 Protection Framework on 29 November 2021. Under the traffic light system, activities allowed will be determined by vaccination status and gathering limits depending on which traffic light a region is at. As of January 23rd, 2022, all regions in New Zealand are at a red status. The colour a region will move to depends on vaccination rates and the spread of Covid-19 in the community. All contractors and consultants working on the PGF Project will continue to practice stringent hygiene measures, such as mask wearing, maintaining good personal hygiene, and socially distancing when required. Contractors have provided updated Health & Safety plans which will enable works to continue.

ANY MAJOR PROGRAMME RISKS

- COVID-19 personnel isolation requirements causing delays in the programme.
- Contractor and consultant performance and local capacity to deliver.
- Weather related delays.
- Material shortages resulting in long lead times.
- Design changes required due to unexpected site findings.
- Deterioration of existing infrastructure requiring changes to priorities (e.g. pavement condition due to logging operations).

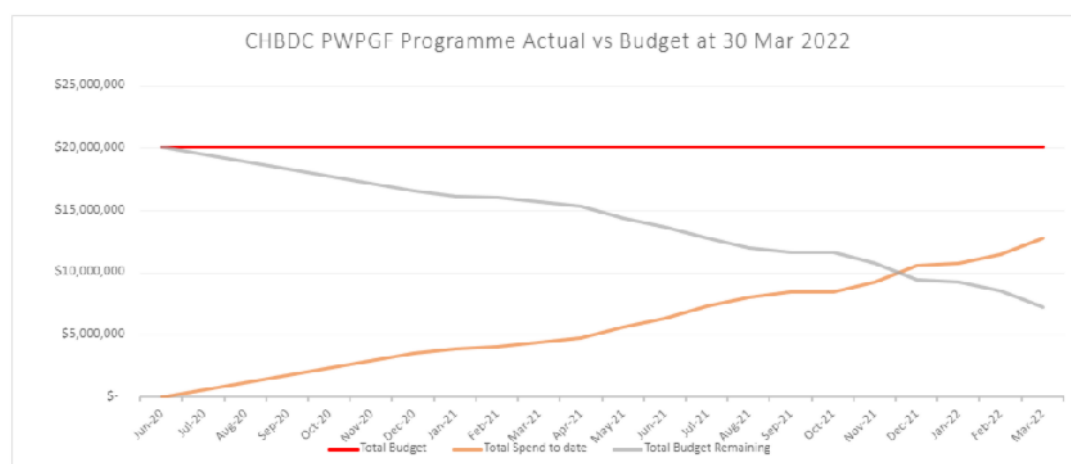
Budget Related to Physical Construction Works					
Item		Supplier	Contract Total (Excl GST)	Claim Month	Payment Claim (Excl GST)
C-1075 Ret Walls	RP27488 RP28537	Downer NZ Ltd	\$ 550,000.00	31-Dec-21	\$ -
Total claimed					\$ 570,856.81
C-1076 Ret Walls	RP14650 RP13350	Russell Roads Ltd	\$ 800,000.00	31-Dec-21	\$ -
Total claimed					\$ 745,620.16
C-1077 AWPT	RP7.99 – 8.19 RP8.56 – 8.97	Russell Roads Ltd	\$ 420,000.00	31-Dec-21	\$ -
Total claimed					\$ 399,413.45
C-1096 Bridges	SP1 – Wallingford SP2a - Saleyards SP3 - Kokomoko	Concrete Structures Ltd	\$ 4,000,000.00	31-Mar-22	\$ - \$ 71,085.50 \$ 279,563.50
Total claimed					\$ 350,649.00
C-1097 FIRP	SP1 Flaxmill SP2 Middle Section SP3 Wanstead to Hurinui	Russell Roads Ltd	\$ 4,500,000.00	31-Mar-22	\$ - \$ 15,624.73 \$ 201,829.08
Total claimed					\$ 217,453.81
C-1098 Ret Walls	SP1-2 RW277 SP5 LWR	Fulton Hogan	\$ 2,500,000.00	31-Mar-22	\$ - \$ 192,204.68
Total claimed					\$ 192,204.68
C-1167 Safety Improvements	Porangahau & Wimbledon Rds	Downer NZ Ltd	\$ 750,000.00	31-Mar-22	\$ 93,842.94
Total claimed					\$ 93,842.94
C-1168 Slow Vehicle Bay	Porangahau Rd	Russell Roads Ltd	\$ 1,000,000.00	31-Mar-22	\$ 190,356.84
					\$ 190,356.84

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Budget Summary				
Item	Supplier	Updated Budget	Actual to Date	Remaining Budget
Investigation Design Procurement MSQA	Stantec	\$ 4,500,000	\$ 4,450,205.56	\$ 515,564.51
Investigation - Geotech and Others	Subcontractors		\$ 534,229.93	
Construction Road Safety Audits	Urban Connection	\$ 54,528.00	\$ 10,200.00	\$ 44,328.00
Economic Development Inputs	Third Bearing	\$ 1,100	\$ 1,100.00	\$-
Council & Communications Related Costs	CHBDC	\$ 250,000	\$ 239,267.73	\$ 10,732.27
Physical Construction Costs				
CON1075 - Quick Win: Ret Walls	Downer NZ	\$ 550,000.00	\$ 573,644.14	\$ (23,644.14)
CON1076 - Quick Win: Ret Walls & AWPT	Russell Roads	\$ 800,000.00	\$ 748,222.77	\$ 51,777.23
CON1077 - Simple Construction: AWPT	Russell Roads	\$ 420,000.00	\$ 399,767.62	\$ 20,232.38
CON1096 - Bridges	Concrete Structures	\$ 4,000,000.00	\$ 2,167,476.54	\$ 1,832,523.46
CON1097 - Flaxmill	Russell Roads	\$ 4,500,000.00	\$ 2,039,947.28	\$ 2,460,052.72
CON1098 - Retaining Walls	Fulton Hogan	\$ 2,500,000.00	\$ 976,866.70	\$ 1,523,133.30
CON1167 Safety Improvements	Downer NZ	\$ 750,000.00	\$ 419,660.08	\$ 330,339.92
CON1168 Slow Vehicle Bay	Russell Roads	\$ 1,000,000.00	\$ 196,709.34	\$,290.66
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	\$ 50,636.20	\$ 29,363.80
TOTAL		\$ 20,100,000.00	\$12,807,934	\$7,292,066

CHBDC PWPGF PROGRAMME ACTUAL VS BUDGET AT 30 MAR 2022



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Budget – Investigation & Design Works					
Supplier	Stantec Fee	Sub-consultant	Total OOS	Stantec Labour	Remaining Fee
STANTEC STAGE 0					
Priority Route 1 & 2 Retaining Walls Total	102,360.00	-	102,360.00	102,360.00	-
Subtotal Stage 0	102,360.00	-	102,360.00	102,360.00	-
STANTEC STAGE 1					
Governance/Planning/Workshops/Meeting	33,500.00	-	33,500.00	33,505.20	-
Flaxmill	77,033.00	-	77,033.00	77,033.72	-
Bridge HPMV Evaluation	168,534.00	9,175.00	177,709.00	168,535.28	-
Retaining Walls	60,517.00	-	60,517.00	60,513.70	-
Subtotal Stage 1	339,584.00	9,175.00	348,759.00	339,585.90	-
STANTEC STAGE 2					
Flaxmill Options Assessment	68,096.50	46,510.00	114,606.50	68,002.29	-
HPMV Bridge Evaluation	458,372.00	34,002.00	492,374.00	458,181.19	-
HPMV Bridge Hydrology Assessment & Topo Survey	49,754.00	28,100.00	77,854.00	49,755.25	-
HPMV Bridge Geotechnical Investigations	93,277.50	47,730.00	141,007.50	93,020.10	-
Quick Wins: Retaining Walls	319,681.98	-	319,681.98	319,681.00	-
MSQA CON1076	151,141.49	-	151,141.49	151,145.91	-
Retaining Wall Geotechnical Investigations	31,386.50	201,697.81	233,084.31	31,430.21	-
Quick Wins: AWP/Procurement	142,738.67	11,100.00	153,838.67	142,734.76	-
Safety Assessment	35,510.00	-	35,510.00	35,061.77	-
Credit applied (Stantec internal)	-	-	-	(1,870.00)	-
Subtotal Stage 2	1,349,958.64	369,139.81	1,719,098.45	1,347,142.48	-
STANTEC STAGE 3					
Bridge 173 Wallingford Detailed Design	66,368.00	-	66,368.00	65,256.98	-
Bridge 174 Kokomoko Detailed Design	63,262.00	-	63,262.00	63,263.75	-
Flaxmill Preliminary Design incl. Slow Vehicle Bay	764,546.25	96,831.12	861,377.37	756,543.65	8,002.60
Retaining Wall Detailed Design	272,920.85	3,600.00	276,520.85	272,939.73	-
Bridge 175 Sixty Pound Strengthening Design excl. eval. of alt option for culverts	67,247.00	-	67,247.00	67,408.71	-
Eval. of alt. option for Kahika & Sixty Pound	46,501.00	-	46,501.00	46,507.00	-
Eval. of alt. option for - North Watermarks	2,500.00	-	2,500.00	2,335.00	-
Bridge 176 Saleyards Strengthening Design	199,211.00	-	199,211.00	199,237.50	-
Strengthening Des. of 348 Kahika, 352 Nth Watermarks, 364 McKenzies	60,680.07	7,156.00	67,836.07	60,404.69	-
Subtotal Stage 3	1,543,236.17	107,587.12	1,650,823.29	1,533,897.01	8,002.60
PROGRAMME MANAGEMENT					
Programme Management	449,642.24	4,000.00	453,642.24	390,543.79	59,098.45
Environmental Impact Assessment	13,672.20	-	13,672.20	12,771.15	-
Cultural Impact Assessment	10,483.80	-	10,483.80	10,287.50	-
Web App	14,034.50	-	14,034.50	14,034.50	-
Dashboard	1,258.75	-	1,258.75	1,258.75	-
Safety Improvement Programme - Planning, Technical Support	26,655.70	-	26,655.70	22,015.70	4,640.00
Subtotal Programme Management	515,747.19	4,000.00	519,747.19	450,911.39	63,738.45

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BRIDGE 174 KOKOMOKO					
Procurement - Design/Build	8,464.00	-	8,464.00	7,404.50	-
Resource Consent	8,052.50	-	8,052.50	7,811.25	-
Performance Specification	7,656.00	-	7,656.00	7,620.00	-
Bridge 174 Kokomoko Subtotal	24,172.50	-	24,172.50	22,835.75	-
ROAD SAFETY AUDIT					
Road Safety Audit	19,467.00	54,528.00	73,995.00	5,843.75	13,623.25
Road Safety Audit Subtotal	19,467.00	54,528.00	73,995.00	5,843.75	13,623.25
STANTEC STAGE 4					
Project Management	58,100.00	-	58,100.00	56,630.90	1,469.10
Contract Delivery Lead	31,920.00	-	31,920.00	31,707.50	212.50
Programme Delivery Lead	35,310.00	-	35,310.00	35,297.50	-
Engineer to Contract	23,300.00	-	23,300.00	12,470.00	10,830.00
C1096 Bridges	236,200.88	-	236,200.88	161,565.46	74,635.42
C1096 Bridges - Technical Support	-	-	-	-	-
C1096 Bridges - Kokomoko Design/Build	53,565.00	-	53,565.00	52,740.75	-
C1096 COVID-19 August 2021	755.00	-	755.00	610.00	145.00
C1097 FIRP	205,818.94	-	205,818.94	178,459.41	27,359.53
C1097 FIRP Technical Support	-	-	-	-	-
C1097 FIRP COVID-19 Aug 2021	2,415.00	-	2,415.00	2,405.00	10.00
C1097 FIRP: Flood Event 28/09/2021	1,938.75	-	1,938.75	1,938.75	-
C1098 Retaining Walls	113,902.50	-	113,902.50	78,683.30	35,219.20
C1098 Retaining Walls Technical Support	-	-	-	-	-
C1098 Retaining Walls COVID-19 Aug 2021	455.00	-	455.00	302.50	152.50
C1167 Safety Improvement Programme	31,280.00	-	31,280.00	25,481.97	5,798.03
C1167 SIP COVID-19 Aug 2021	1,965.00	-	1,965.00	1,898.75	66.25
C1167 SIP - Old Station Bridge Guardrail Design	6,060.00	-	6,060.00	5,248.00	812.00
C1075 Retaining Walls - COVID-19 Aug 2021	1,440.00	-	1,440.00	1,270.00	170.00
Construction Subtotal	804,426.07	-	804,426.07	646,709.79	156,879.53
DEFECTS LIABILITY PERIOD					
Defects Liability Period	12,635.98	-	12,635.98	918.40	11,717.58
Defects Liability Subtotal	12,635.98	-	12,635.98	918.40	11,717.58
TOTAL	4,711,587.55	544,429.93	5,256,017.48	4,450,205.56	253,961.41
Economic Development Inputs - Third Bearing	-	-	1,100.00	-	-
TOTAL	4,711,587.55	544,429.93	5,257,117.48	4,450,205.56	253,961.41

UPCOMING MILESTONES

- Commencement of remaining Retaining Walls (RP13600, RW184N, RW283S).
- Commencement of 60 Pound Bridge construction.

RELEVANT MARKETING, MEDIA AND COMMUNICATIONS

- The interactive map remains live [here](#).
- Interactive feedback map created for Slow Vehicle Bays and Safety Improvements – [here](#).
- Website remains up to date: <https://www.chbdc.govt.nz/our-district/projects/porangahau-wimbledon-road-upgrade/>
- Further details below in **appendices**.

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This project is supported by:
 **PROVINCIAL GROWTH FUND**
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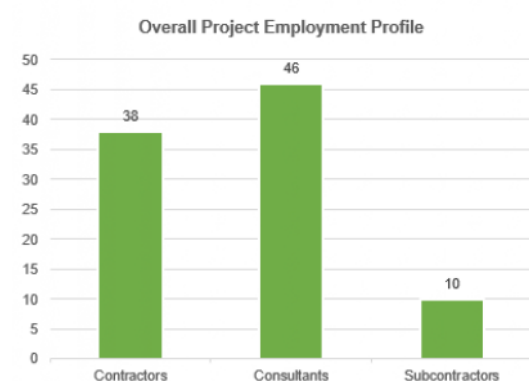
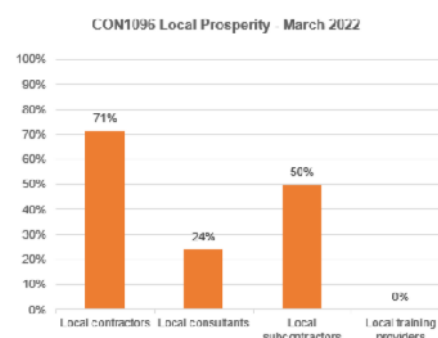
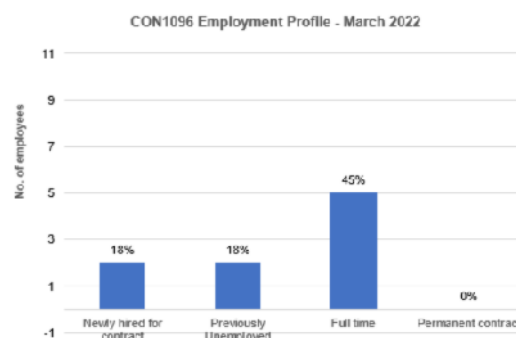
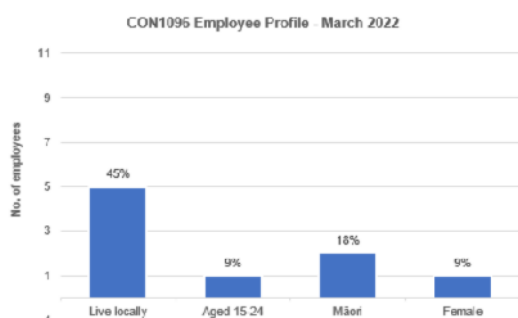
 **Stantec**

 **CENTRAL HAWKE'S BAY**
DISTRICT COUNCIL

CONFIRMATION

(Confirmation that no Termination Event is subsisting and that each of the warranties under clauses 3 and 7 of this Agreement are correct as at the date of the report)

Confirmed.

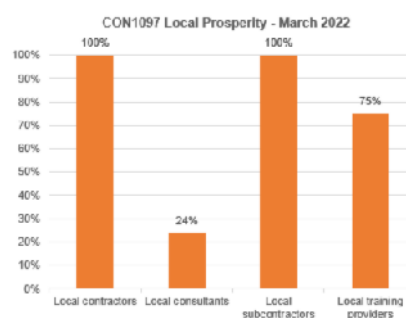
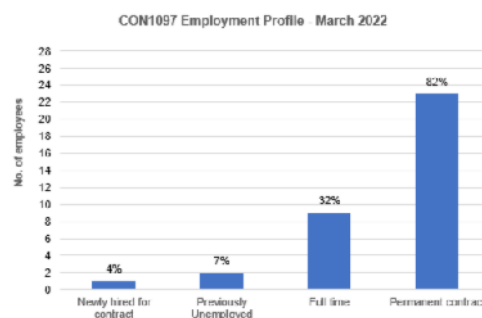
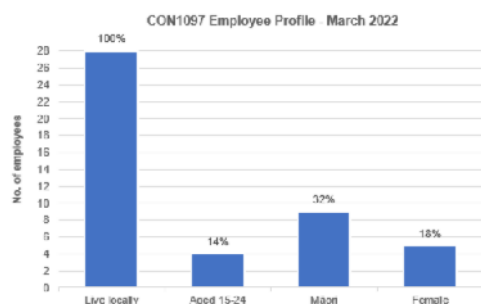
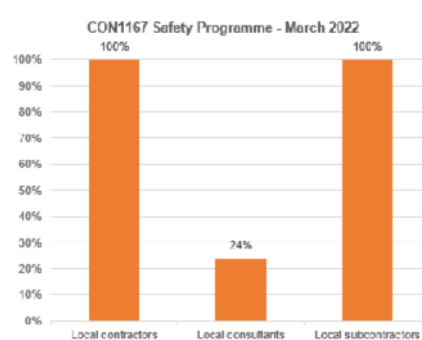
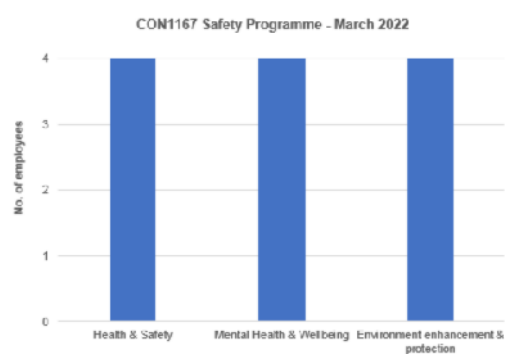
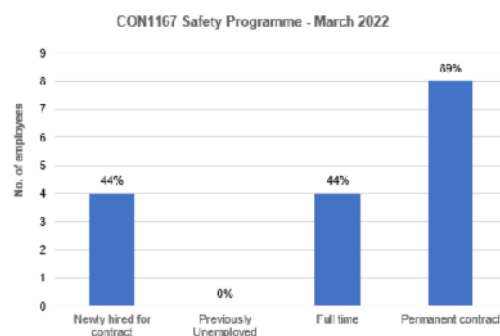
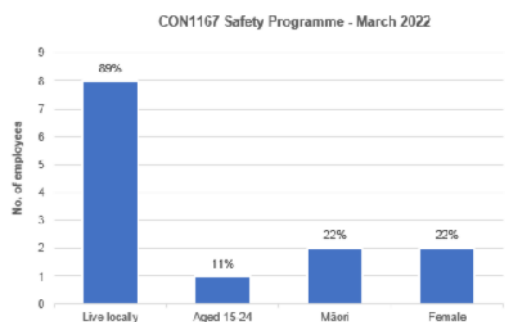
Monthly Job data**CON1096 – Bridges**

Together we thrive! E ora ngātahi ana!
www.chbdc.govt.nz

This project is supported by:
PROVINCIAL GROWTH FUND
TUAWHENUA
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DISTRICT COUNCIL

CON1097 – Flaxmill Inundation Remediation Project**CON1167 – Safety Improvement Programme**

This project is supported by:

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www.chbdc.govt.nz



APPENDICES

C1096 – Bridge Programme (Saleyards) Concrete prep is complete and Carbon Fibre Wrapping is 90% complete



C1096 – Bridge Programme (Kokomoko) Construction of steel reinforcement cages for piles, clearing of demolition waste & excavate for new abutments.



C1096 – Bridge Programme (Sixty Pound) Culvert installed to divert waterway to allow silt removal, drilling commenced, & concrete poured for lower wall on true right abutment



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DISTRICT COUNCIL

C1097 – Flaxmill Inundation Remediation Project – SP2: Installation of Stormwater crossing and kerb prep and pour



C1097 – Flaxmill Inundation Remediation Project – SP3: Basecourse placement & cement stabilise at Porangahau Road



C1098 – Retaining Walls: Lower Wimbledon Retreat – Road excavation to subgrade complete, commencing installation of drainage



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DISTRICT COUNCIL

C1168 – Slow Vehicle Bay: Earthworks complete, commencement of subbase placement and some subgrade



Flooding Event – Starting 24 March

Sixty Pound Bridge



Kokomoko Bridge



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 **CENTRAL HAWKE'S BAY**
DISTRICT COUNCIL

Saleyards Bridge



Flaxmill Bridge



This project is supported by:

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6.8 PROVISION OF FUNDING - TEMPORARY FACILITIES CENTRALINES MULTISPORT TURF

File Number: COU1-1410

Author: Jennifer Leaf, Places & Open Spaces Manager

Authoriser: Doug Tate, Group Manager Customer and Community Partnerships

Attachments: Nil

PURPOSE

The matter for consideration by the Council is to confirm funding for the Central Hawke's Bay District Community Trust to provide temporary facilities at the Centralines Multisport Complex (outdoor netball courts and artificial turf).

RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report:

- a) That Council provide funding of up to \$24,000 to the Central Hawke's Bay Community Trust for the provision of temporary facilities associated with the Centralines Multisport Complex funding through the Rural Fire Reserve Account.**

BACKGROUND

The Central Hawke's Bay District Community Trust are the owners of the multisport Turf at Russell Park in Waipukurau. At the time of construction the Trust were financially strained and while desired, have been unable to fund associated changing rooms or toilet facilities associated with the turf. The lack of basic facilities is impacting on user experiences and the ability for teams to operate, particularly affecting activities for young families and children.

Funding of \$200,000 has been included in Year 5 of the 2021 – 2031 Long Term Plan partially funded by Development Contributions.

Council have been working through the wider Places and Spaces Consultation Programme. Through this programme to date, the immediate need for short term facilities has been identified as a 'quick-win' to address this specific need, recognising that there is significant cost involved (\$300,000+) even for a shorter term temporary facility, mainly due to the costs of servicing the site with wastewater.

While Officers have the delegations to financially exercise the option in the event that funding was available, Council as part of the Long Term Plan specifically resolved:

- b) That Council reconsiders the request for temporary changing rooms, following the completion of the Community Facilities Plan, wider club feedback relating to the timing and scope of any multisport hub project for Russell Park and an assessment of actual demand and need, either in the 2022/23 Annual Plan or as an Officer report.***

Officers seek a resolution of Council, noting this resolution and that the proposed solution for temporary facilities will address the immediate need, already identified as a potential quick-win in early Thriving Places and Spaces discussions. The next section of this report talk in more detail about the detail of the proposal.

DISCUSSION

Funding of up to \$24,000 is sought from Council to support the establishment of temporary facilities. The Trust have already sourced other in-kind funding and support the enable the temporary solution.

Councils funding contribution would be to purchase two containers, relocate them to site and in the event that funding for electrical work was not forthcoming, to connect the containers to power. In a

best case scenario that the Trust can secure funding for the electrical work, Councils funding contribution is \$14,000. The Trust have sought other funding sources and they are ineligible due to the temporary nature of the facilities.

Councils Open Spaces Activity does not have \$24,000 in the current financial year available this late in the financial year, meaning new funds from either loans or reserves would need to be used.

The Trust do not have ready funds available for the purchase, already under pressure from wider inflation and maintenance costs across its assets including the pool and gymnasium.

In the event Council approve the funding, an appropriate agreement will be developed with the Trust, including the return of the containers to Council at the end of their use. Further, conversations in the short to medium term on a more permanent solution to facilities at Russell Park will continue as part of the wider Thriving Places and Spaces programme.

RISK ASSESSMENT AND MITIGATION

The proposal is low risk, with the funding being attributed to the purchase of two containers. The containers can be resold or repurposed at the end of their use. Supported by portaloos on the site, this will address the immediate short term facility need at the turf.

A separate agreement with the Trust will be put in place to cover the funding and use of the containers and what happens in the event the Trust no longer require them.

FOUR WELLBEINGS

The recommended option supports the four wellbeings in the following way:

Social Wellbeing

Sport and active recreation enhances social connectedness, with the facilities supporting these outcomes for the turf in the short-term.

Cultural Wellbeing

Sport and recreation encourages the connection development of networks across the district, supporting the wider concept of cultural wellbeing.

Economic Wellbeing

The recommended option supports the ongoing promotion of events in the District at the outdoor Centralines Sport Complex that brings economic benefit from those that attend the facility.

Environmental Wellbeing

There are no obvious connections.

DELEGATIONS OR AUTHORITY

The Finance and Infrastructure Committee have the delegation to make this decision.

SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as of some significance.

OPTIONS ANALYSIS

Three possible options for Council to consider are:

Options 1 – Fund the Facilities through Loans Funding

This option see's Council loan fund up to \$24,000 for the provision of the temporary facilities, with in a best case scenario Council only need to contribute \$14,000.

The funding implication of this is an average rate increase of \$5,244 in the 2022/23 year for this funding over the next 5 years @ 3.5% pa interest for the full \$24,000.

Option 2 – Fund the Facilities from the Rural Fire Reserve Fund

This option sees up to \$24,000 used from the Rural Fire Reserve. The fund has a current balance of \$61,000 with its purpose being re-described in 2021 to be to fund Civil Defence Costs and support of rural projects until exhausted.

There are no immediate Civil Defence projects identified at this time with the provision of the temporary facilities being able to demonstrate benefit to the wider district.

This is not a policy based fund, and the use for temporary facilities at Russell Park would recognise the District wide benefit that rate was taken

Option 3 – Do not fund the facilities

The Trust are directed back to fund the facilities from other sources. Council does not agree to fund the temporary facilities and a letter of support is provided.

[Type here the introduction to options.](#)

	<u>Option 1</u>	<u>Option 2</u>	<u>Option 3</u>
	Fund the facilities through loan funding	Fund the Facilities from the Rural Fire Reserve Fund	Do not fund the facilities
Financial and Operational Implications	This option would see a small impact of rating in the 2022/23 Year.	This option provides no notable financial or operational implication.	There are no financial or operational implications
Long Term Plan and Annual Plan Implications	There would be a small implication for the 2022/23 – but not notable in the overall scale.	There are no implications.	There are no implications.
Promotion or Achievement of Community Outcomes	This decision will support the wider community outcomes aligned through thrive, including connected citizens and proud district.	This decision will support the wider community outcomes aligned through thrive, including connected citizens and proud district.	This option will not support the wider outcomes the Trust are endeavouring to achieve.

Statutory Requirements	There are no requirements in this decision, with the Trust satisfying the legal requirements.	There are no requirements in this decision, with the Trust satisfying the legal requirements.	There are no requirements.
Consistency with Policies and Plans	This option sees alignment with the emerging quick-win priority of the Thriving Places and Spaces Programme.	This option sees alignment with the emerging quick-win priority of the Thriving Places and Spaces Programme.	N/a.

Recommended Option

This report recommends option two - Fund the Facilities from the Rural Fire Reserve Fund for addressing the matter.

NEXT STEPS

Upon Council determining their option, Officers will work with the Trust to develop and outline agreement and regardless of the option, will continue working with the Trust and other clubs on the long-term aspirations for the site.

RECOMMENDATION

- c) **That Council provide funding of up to \$24,000 to the Central Hawke's Bay Community Trust for the provision of temporary facilities associated with the Centralines Multisport turf funding through the Rural Fire Reserve Account.**

6.9 MARCH 2022 RAIN EVENT - ACCESS TO ADVERSE AND CATASTROPHIC EVENTS FUNDS**File Number:** COU1-1410**Author:** Josh Lloyd, Group Manager - Community Infrastructure and Development**Authoriser:** Neil Taylor, Interim Chief Executive**Attachments:** Nil**PURPOSE**

The purpose of this report is to provide the Finance and Infrastructure Committee (the Committee) with an update on the impacts to roading and waters assets from the March 23-24 rain event, and to seek a recommendation of the Committee to Council for use of up to \$450,000 from the Adverse Events Contingency and \$250,000 from the Catastrophic Events Fund.

RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report:

- a) That the Committee note the impact to water and roading assets from the March 2022 rain event.**
- b) That the Committee recommend to Council that up to \$450,000 from the Adverse Events Contingency and up to \$250,000 from the Catastrophic Events Fund be used to make repairs to roading assets.**

EXECUTIVE SUMMARY

Extreme rainfall over a 48 hour period on 23 and 24 March brought widespread flooding to Central Hawke's Bay damaging roading and 3 waters assets, as well as large amount of private property. An insurance claim is being lodged for repairs to 3 waters assets which primarily includes electronic and telemetry equipment. Access to contingency funds (adverse and catastrophic events) is being sought to fund necessary repairs to roading assets that are expected to be in the order of \$2.6 million.

While the Committee does not have delegation to approve the fund use, this report seeks to give early notice to Council on the impacts of the event and to provide to Waka Kotahi, and indication of Councils intent to fund the work.

BACKGROUND

Rain Event:

Over a 48 hour period on 23 and 24 March 2022, up to 300mm of rain fell across parts of Central Hawke's Bay with most areas receiving at least 150mm. The event was a Nationally recognised rain event with widespread flooding in Central Hawke's Bay as well as the wider Hawke's Bay Region – particularly Wairoa and Gisborne. Localised surface flooding was widespread across the District and all waterways reached significant flood levels with parts of the District achieving 1-in-100-year flood levels in Central Hawke's Bay.

3 Waters Impact and Funding:

The rain event caused impacts across a range of waters assets with pumping required at the major wastewater treatment plants to manage flows and pond levels. Work was also required to manage drinking water quality and compliance in Waipukurau. Most significantly, a failure of the stop-bank upstream of the Tikokino Rd Water Treatment Plant caused an inundation of the site, which was up to 1 metre underwater for 24 hours or more. A significant amount of electrical equipment was damaged and is now needing replacement. The equipment is expected to cost in the order of \$100,000 to replace and a claim is being lodged with Councils insurers now for this.

Roading Impact and Funding:

The damage ranged from washouts (under-slips), general debris on the road network, over slips, scouring, blocked culverts and numerous trees which were blown down from the storm's accompanying winds. Downer, council and Stantec staff responded well and all roads were made safe without incident. Detour routes were established as required and the public were kept informed throughout the event.

As the water receded Council, Downer and Stantec staff patrolled the district roads to capture all of the storm damage to enable us to get an estimate of the costs to repair. Detailed inspections of a number of key sites have been completed to determine the extent of damage to structures or road base layers in some cases. Further detailed work may be required in some areas to fully determine the extent of damage and necessary repairs, but in most cases the damage is now well understood and repairs can be costed and programmed.

Waka Kotahi were notified that we would be making a claim on March 28 for additional funding and a site visit was completed with Waka Kotahi representatives on April 7 to view the impacted sites. With approval of Waka Kotahi, a funding assistance rate (FAR) of 81% will be afforded for repair works that can be completed prior to June 30 2022. Any work not completed by that date then the FAR will revert to 61% and the council will be required to make up the difference.

Council routinely rely on access to two key funds to cover the repairs to roading assets following significant rain events. These are the Adverse Events Contingency the Catastrophic Events Fund. Key information on these funds is tabled below.

Fund	Purpose	Policy Direction	Current Balance
Adverse Events Contingency	To provide funds to assist with the repairs to or to replace damaged Council assets in the event of an unforeseen, major, short duration, natural event	The value of the fund should be preserved by transfers from the appropriate operational rate so that a level of \$600,000 is maintained and annually adjusted for inflation using the cost of construction index	\$1,059,686
Catastrophic Events Fund	To provide funds for the financial protection of the district in the event of an unforeseen catastrophic natural event.	The value of this fund should be preserved by transfers from the appropriate operational rate so that a level of \$2,400,000 is maintained and annually adjusted for inflation using the cost of construction index.	\$2,559,080

Based on the above, there is currently an available pool of funding of \$618,766 across the two funds without dropping the balance of either fund below the targeted balance set via policy. There is also an amount of \$100,000 sitting in a carry forward account for the Adverse Events Contingency that is available for use.

DISCUSSION**Roadings:**

Damage to the roading network is expected to cost up to \$2,640,000 for repairs. A breakdown of repair works is provided below:

Work Type	Cost to Repair
Minor Works	\$ 503,400.00
Tree Work	\$ 53,000.00

Under-slips / retaining	\$ 1,836,000.00
Other	\$ 247,718.00
	\$ 2,640,118.00

Funding is not available for this level of repairs under Councils existing Land Transport Budgets which are all allocated to planned works or minor reactive maintenance works. Additional funding assistance provided by Waka Kotahi of 81% for works completed before July 2022 reduces Councils required contribution significantly.

Council are working now to understand how much of the repair work can be completed before July 2022 and correspondingly how much repair work will be funded at a higher assistance rate and a lower total cost to Council. This will remain a 'not totally known' amount even once works are commenced and will be dependent on physical progress on site that may be impacted by things such as material availability, weather and other work programmes. Likely scenarios of how much work is completed pre-July 2022 and the corresponding costs to Council are shown below:

% of Work completed pre-July 2022	Costs of Repair	WK Share (at 81%)	WK Share (at 61%)	Council Contribution
100%	\$2,640,000	\$2,138,400	\$ -	\$501,600
80%	\$2,640,000	\$1,710,720	\$322,080	\$607,200
60%	\$2,640,000	\$1,283,040	\$644,160	\$712,800
40%	\$2,640,000	\$855,360	\$966,240	\$818,400

To cover Council's share of funding, Officers are requesting access to the Adverse Events Contingency and the Catastrophic Events Fund up to a total value of \$700,000 with \$450,000 to come from the Adverse Events Contingency and \$250,000 to come from the Catastrophic Events Fund. A further available \$100,000 sitting in a carryover reserve will be used first to complete repair works before the above-mentioned funds are used, relative to the total final cost of works.

Council have in place existing contracts with Downer Ltd and Higgins Ltd with both having resources available to carry out the necessary repair works within scope of existing maintenance contracts.

3 Waters:

While a significant amount of equipment has been damaged and requires replacement, Council are working through a process with our insurers to cover the costs of this. Should this process not eventuate in Council receiving insurance funds to complete the works, then the adverse and contingency events funds will likely need to be used also, as operational budgets do not currently exist within the 3 Waters activity to cover this level of increased reactive cost.

RISK ASSESSMENT AND MITIGATION

The primary risks considered with the proposed work and funding mechanism relate to the roading repair work.

RISK	CURRENT RISK LEVEL	RISK MANAGER	RISK MITIGATION	RISK STATUS
COVID-19 personnel isolation requirements causing delays in the programme	Moderate	All	All parties have a COVID management plan in place and the ability to substitute staff to minimize disruption to the projects. Sub-contractors are available to back-fill main	ACTIVE

			contractors	
Design changes required due to unexpected site findings	Low	Stantec	Thorough investigations and evaluation of the sites will reduce this risk	ACTIVE
Weather related delays – may necessitate a slowdown in the pace of the works	Moderate	All	As this risk is not within the control of any of the project team the mitigation is if the project is delayed past June 30, then Council will pre-purchase materials to minimize the financial impact. Communications plan will also be modified to ensure community understanding of the situation	ACTIVE
Material shortages resulting in long lead times	Low	Higgins / Stantec	Materials are being pre-ordered where possible	ACTIVE
Impact to other work programmes	High	Council	The impact to other programmes of work is being monitored. Resource allocation and monitoring will remain a top priority through the repair.	ACTIVE

FOUR WELLBEINGS

The proposed roading works alleviate environmental impacts through the clean-up of debris and restoration of water channels. The works also promote and enable social and economic connectedness of citizens through restoring and protecting physical routes of travel.

DELEGATIONS OR AUTHORITY

As expenditure from both the Adverse Events Contingency and the Catastrophic Events Fund is unbudgeted, a resolution of Council is required to approve its use.

To give confidence to Officers, contractors and to funding partner Waka Kotahi, Officers are seeking a recommendation of Committee to Council now to indicate Councils intent.

SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as having some significance.

OPTIONS ANALYSIS

Options are described below specifically for the decision about approving access to funding or not as this is considered the key matter for consideration.

<u>Option 1</u>	<u>Option 2</u>
That Committee recommend that Council approve use of Adverse and Catastrophic	That Committee do not recommend that Council approve use of Adverse and

	Events Funds for Repairs	Catastrophic Events Funds for Repairs
Financial and Operational Implications	Access to available funds will enable Council and contractors to move forward quickly with repairs. This will limit the impact on Council budgets and ratepayer funds.	If access to funding is not provided, Council and contractors will commence with work quickly but will use existing budgets, meaning an amount of the planned work programmes will not be completed. Officers will be able to provide further advice on what programmes/projects would be deferred at a later date.
Long Term Plan and Annual Plan Implications	The funding being requested is not budgeted and therefore requires a resolution of Council.	Programmes of planned land transport work would be impacted as budgets would need to be reprioritised into these repair works
Promotion or Achievement of Community Outcomes	This option considered to maximise community outcomes as it achieves the repairs in the lowest cost way without impacting other work.	This option would see the same level of repairs achieved and normal service restored to community, but other programmes of work would be impacted.
Statutory Requirements	Nil	Nil
Consistency with Policies and Plans	This option considered consistent with policies and plans	This option could result in changes to road user experience as other programmes of work are impacted – this could challenge targeted levels of service

Recommended Option

This report recommends **Option 1, that Committee recommend that Council approve use of Adverse and Catastrophic Events Funds for Repairs**, for addressing the matter.

NEXT STEPS

Should Committee proceed with the recommended option, Council will continue to work with its contracting partners and with Waka Kotahi to repair the roading assets.

RECOMMENDATION

That having considered all matters raised in the report:

- a) That the Committee note the impact to water and roading assets from the March 2022 rain event.**
- b) That the Committee recommend to Council that up to \$450,000 from the Adverse Events Contingency and up to \$250,000 from the Catastrophic Events Fund be used to make repairs to roading assets.**

7 PUBLIC EXCLUDED**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 - Dissolution of Otane Bowling Club	<p>s7(2)(f)(i) - free and frank expression of opinions by or between or to members or officers or employees of any local authority</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 23 June 2022.

9 TIME OF CLOSURE