

PROJECT NAME	#theBigWaterStory Key Project Status Report		
Release Date	15/08/2019	Report #	5
Key Benefits	<p>The benefits of the Big Water Story were communicated to the residents of CHB through workshops and through the LTP process. The key benefits were to:</p> <ul style="list-style-type: none"> • Upgrade infrastructure so that it will last longer and 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>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>		

Report No.	Report Date	Report Frequency	Project Sponsor	Project Manager
1	28/07/2018	Bi-Monthly	Josh Lloyd	Josh Lloyd - Interim
2	27/08/2018	Bi-Monthly	Josh Lloyd	Darren de Klerk
3	16/11/2018	Bi-Monthly	Josh Lloyd	Darren de Klerk
4	01/02/2019	Bi-Monthly	Josh Lloyd	Darren de Klerk
5	15/08/2019	Bi-Monthly	Josh Lloyd	Darren de Klerk

Sponsor's Project Delivery Confidence Assessment



Appears
Highly Likely



Appears
Probable



Appears
Feasible



Appears
In Doubt



Appears
Unachievable

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.

Central Hawke's Bay is experiencing significant growth with as many as 1,025 new households expected in the next 30 years. Of those households, 535 are expected in the next 10 years. To support this, significant growth improvements are required to the existing water networks. It is expected that this will take at least 10 years to do, and will create opportunities for district growth and to attract new industry and employment to the region.

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

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

OBJECTIVE

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

An early objective was to better understand the original budget and for council and elected members to gain confidence in the budgets set.

A task was undertaken to review the listed projects in the programme and to ensure that the original budget set was sufficient to deliver the projects. This was delivered to Elected members and council in October 2018. This gave confidence that over 70% of the original listed projects were within budget. The three projects highlighted as at risk to be delivered for budget set, were the wastewater treatment upgrades.

The team found that the uncertainty around these are unable to be substantiated until the projects progress and a better understanding of the scope is realised.

The remainder of the projects whilst confident we have the budget required to deliver the upgrades will require close and constant financial management to deliver to the budgets prescribed, confidence and awareness will be highlighted through regular reporting to the project sponsor, ELT and Council.

1. Overall Confidence Assessment

Programme Manager's Status Summary				
Key Questions Impacting on Project Objectives		No	Yes	Explanation & Proposed Resolution to Problem
1	Are there <u>Business Case Benefit</u> 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 <u>Scope Control</u> 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 <u>Dates</u> 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 2021.
4	Will <u>Project Costs</u> be overrun?	<input type="checkbox"/>	✓	Confidence has been given on majority of the listed projects, some risk still lie within the wastewater projects, these will be managed case by case as the scope is better understood.
5	Are there <u>Quality</u> 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 <u>Resource</u> 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 <u>Risk Management</u> 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 <u>Review and Approval</u> problems?	✓	<input type="checkbox"/>	Governance and internal management structures for the review and approval of project and programme outcomes are sufficient to meet the requirements of the Big Water Story. Robust gateways in place, in particular for procurements.
9	Are there <u>Teamwork</u> problems?	✓	<input type="checkbox"/>	The team are engaged and enthusiastic about the Big Water Story. New staff and changes in some roles is providing improved team dynamics.
10	Are there <u>Stakeholder</u> problems?	✓	<input type="checkbox"/>	Key affected stakeholders will be communicated with and managed as per defined stakeholder management and communication plans for each project.
11	Are there <u>Iwi</u> issues?	✓	<input type="checkbox"/>	Impact on Iwi considered to be minimal with little impact on land or changes in use of infrastructure

				planned as part of Big Water Story. Following stakeholder engagement plans will ensure they are identified and engaged with in advance.
12	Are there Communication problems?	✓	<input type="checkbox"/>	Communication Strategy for Big Water Story developed, website content being updated and templates being developed for regular distribution on all projects in line with project specific communication and stakeholder plans.
13	Are there Change Management problems?	✓	<input type="checkbox"/>	Not at present, some change may be imminent in project scope - these will be managed through our design review, and approval process.
14	Are there Health & Safety issues?	✓	<input type="checkbox"/>	H&S management is another non-negotiable for the delivery of all Big Water Story projects. It is mandatory that robust H&S management plans and procedures are provided for each Big Water Story Project. This will develop further as construction progresses through site specific Health and Safety Plans

Project Manager's Progress Summary

Achievements/Activities since last status report

This is the fifth report on the programme, and the third report where some achievements can be recognised;

Project	Achievement	When
Waipukurau Second Water Supply	Following no water from 3 bores, extensive work undertaken to identify potential water sources via a criteria analysis of each potential source	By August 2019
Waipawa Trunk Sewer Main Renewal	Contract awarded to Pipeworks, extensive prelim underwork to secure power for upgrade, easements and land for the project and stakeholder awareness	Project due for completion June 2020, but expected by Dec 2019
Otane Alternate Water Supply	Physical Commencement onsite, Kiwirail grant obtained	July 2019 – Dec 2019
Waipukurau Stormwater Improvement Project	Stages 2 and 3 underway, Stage 1 to be re-evaluated on completion of this project	July 2019 – Dec 2019
Otane Wastewater Upgrades	Resource consent extension to March 2021 obtained. Currently designing wastewater line to Waipawa, once through hold points expect stage 1 to be underway in Jan 2020, concurrently with a consenting strategy to ensure longer term compliance	Jan 2020
WPK, WPA and Otane Wastewater Project	Response to environment court completed by June 2019, working with HBRC to provide updated response by Aug 2019. Minor improvements underway.	August 2019

Otane Infiltration and Inflow	Project underway to ascertain network condition in Otane – can then target improvements	May 2019 – Sep 2019
Floating Wetlands	Currently procuring a suitable contractor to undertake this work.	July 2019 – Dec 2019
Waipukurau Water SH2 Borefield Upgrade	Contract awarded to Max Tarr and planning being finalised, new bores required to replace Bore D and E, transformer relocation agreed and planned in.	July 2019 – Dec 2019
Waipukurau Firefighting and Shortfalls project	7 year programme created, then refined to a detailed 3 year programme, first 2 years awarded and currently underway by Drainways.	July 2019 – Dec 2019
Takapau and Porangahau WTP Upgrades	Designs completed, construction underway, project progressing well, recently incorporated the TIF storage, WSP amendments, network flushing.	April 2019 – Dec 2019

Issues/ Risks that have arisen since the last status report

This section will be expanded/ updated in subsequent quarterly Key Project Status Reports.

Project	Risk	Proposed Control
Waipukurau Second Water Supply	Dry Bore and Water source	Review of aquifer, pump testing on surrounding bores, larger test bore
Waipukurau Second Water Supply	Meeting timeframes - Due to the amount of planning and cogs in the process, each activity takes time	Robust project plan and visibility on timeframes, thinking ahead and undertaking tasks simultaneously with another that adds value.
SH2 Borefield Upgrade	Logistics around existing site, condition of existing bores	Bore assessment, robust planning and equipment planning
Wastewater Projects	Risk highlighted with budget for Takapau, Porangahau and Te-Paerahi	To be managed case by case, and largely driven by outcome of scope. Robust community session to understand drivers
Waipukurau Stormwater Helicoil Project	6 projects defined, budget only for 2, unknown extent of Helicoil in the network	Look to add to long term planning, and some studies to be undertaken to better understand issues
Waipawa Trunk Sewer Main Renewal	Working positively with all stakeholders (landowners) to gain access	Robust stakeholder plan and engagement process followed.
CHB Water Renewals	More cognisant to condition of water network and failures	Robust AMP development

Key Activities to be started/completed or in progress over the next 2-3 months

Project/ Item	Action/ Activity	Forecast Completion
Waipawa Trunk Sewer Main Renewal	Land Acquisition, Easement, power upgrade, lining commenced in Sep/ Oct 2019	Early 2020
Waipukurau Second Supply	Procure partner to design, commence drilling at preferred location	Sep 2019
Waipukurau and Waipawa WW I&I	Review historic I&I and make plan to reduce and improve network	Dec 2019
Wastewater Improvements	Sludge work underway, leachate removal, minor improvements, UV etc...	Dec 2019
Takapau, Porangahau and Te-Paerahi WW Upgrades	Setup community reference groups	Dec 2019
Waipukurau and Waipawa WW Funding	Target the Freshwater Improvement Fund, begin conversation with MfE and prepare application	Dec 2019
Otane WW Consent	Plan for consent compliance at Otane WW	Dec 2019
Otane WW Pipeline	Complete design, evaluate feasibility, and plan for construction phase 1.	Dec 2019
Supervision and Management of Projects	Nine projects under construction	Ongoing

General Comments

As outlined in the previous key project status report, the momentum is shifting to construction.

Currently 9 projects in motion across the district.

With a number to be completed by the end of the calendar year.

Large focus on wastewater and the Waipukurau 2nd Supply progression.

By Project Status Update



Project Name	Project Description	Status
Otane wastewater	Otane wastewater treatment upgrade	Planning/ Design
Otane wastewater	Otane wastewater I&I Study	Execution

Otane wastewater	Otane wastewater Resource Consent Extension	Complete
Porangahau Water	Porangahau water treatment improvement	Monitoring
Waipukurau Water	Porritt Place Water Renewal	Complete
Takapau wastewater	Takapau Resource Consent Extension	Complete
Takapau wastewater	Takapau Wastewater Upgrade	Conception
Otane wastewater	Otane Land Development (Wastewater)	Complete
Porangahau/ Te-Paerahi WWTP	Porangahau/ Te-Paerahi WWTP	Conception
Otane Water	Otane Land Development (Water)	Complete
Waipukurau Stormwater	SW Helicoil Upgrades	Monitoring
Waipukurau Water	Waipukurau Water SH2 Bore Upgrade	Execution
Waipukurau Stormwater	Waipukurau CBD Stormwater improvements	Monitoring
Otane Water	Otane Alternative Water supply	Monitoring
Waipukurau Water	Waipukurau Second water supply	Planning/ Design
Takapau Water	Takapau Water treatment improvement	Monitoring
Waipawa wastewater	Waipawa trunk sewer main renewal	Execution
District wastewater	WPK WPA Wastewater Treatment Investigation	Planning
District Water Renewals	Waipuk - Mackie, Mclean, Mt View	Monitoring
District wastewater	CHB District Wastewater Renewals	Planning

Overview of the 3-year programme to Sep 2022

[illegible]

Programme Progress/ Milestones



July 2018	August 2018	November 2018	February 2019	August 2019	October 2019
<p>Programme Launch</p> <p>Employment of Programme Manager</p>	<p>Physical Launch</p> <p>Planning</p> <p>Budget confidence</p> <p>Defining projects</p>	<p>Support</p> <p>Design/ Engineering</p> <p>Planning</p> <p>Site Visits underway</p> <p>Drafting tender docs</p>	<p>3 tenders in the market</p> <p>Design/ engineering</p> <p>Planning</p> <p>procurement</p>	<p>9 project under construction</p> <p>3 more in planning</p> <p>Major wastewater design in progress</p>	

Some key planning milestones below for 2019:

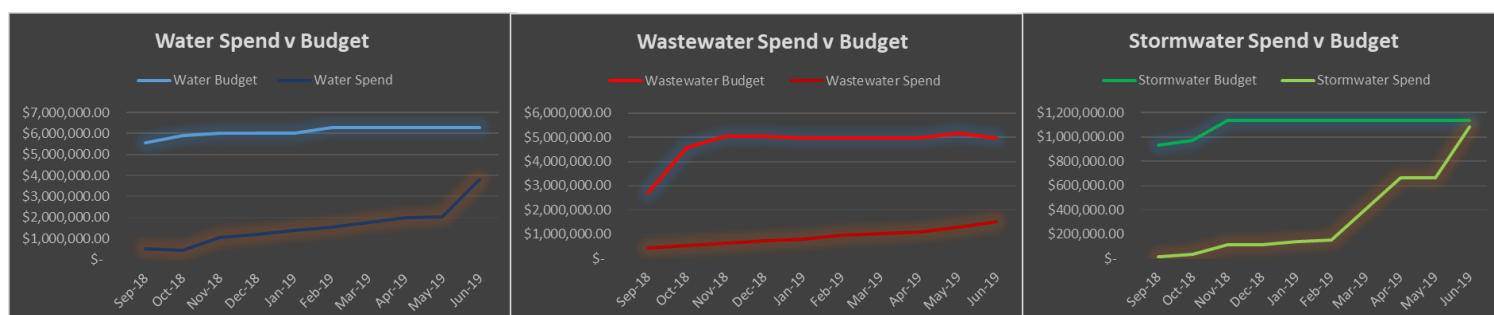
#TheBigWaterStory	Milestones 2019						
Project	procurement plan approved	Release tender	Tender Close	supplier recommendation approved	Contract Award Date	Physical start date	Estimated Practical completion
SW Helicoil - Francis Drake/ Jellicoe to Tavistock	18/11/2018	14/01/2019	21/02/2019	28/02/2019	18/03/2019	23/04/2019	30/06/2019
SW Waipukurau Improvements	12/03/2019	18/03/2019	12/04/2019	28/04/2019	30/04/2019	21/05/2019	30/06/2019
WW 19 Waipukurau Waipawa Treatment Investigation			workshop report 05/06/2019	present report 20/06/2019			
WW 19 Waipawa Main Trunk Renewal	28/02/2019	15/03/2019	24/04/2019	9/05/2019	31/05/2019	25/09/2019	30/06/2020
WS 19 Otane Alternative Water Supply	11/04/2019	15/04/2019	15/05/2019	23/05/2019	5/06/2019	26/06/2019	30/06/2020
WS 17 Porangahau Water Treatment Plant Upgrade	13/12/2018	21/12/2018	21/02/2019	28/02/2019	1/04/2019	23/04/2019	30/09/2019
WS 19 Takapau Water Treatment Improvement	13/12/2018	21/12/2018	21/02/2019	28/02/2019	1/04/2019	23/04/2019	30/09/2019
WS 17 Waipukurau SH2 Pump Station Upgrade	12/01/2019	21/02/2019	5/04/2019	28/05/2019	9/08/2019	TBC	30/06/2019
WS 18 Waipukurau Second Supply	TBC	TBC	TBC	TBC	TBC	TBC	30/06/2021
WS 19 Waipukurau Shortfalls Fire Fight Improve Modelling	7/05/2019	10/05/2019	31/05/2019	12/06/2019	14/07/2019	29/07/2019	multiple yr programme
WS 19 WPK Main upgrades Mackie, McLean, McCarthy Mt View St	29/01/2019	8/02/2019	7/03/2019	26/03/2019	5/04/2019	23/04/2019	30/06/2019
Leachate to Land	7/05/2019	17/05/2019	20/06/2019	15/08/2019	22/08/2019	TBC	

Programme Financial Update

Financial management of Big Water Story 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





Programme Statistics	Expenditure	
	Whole Life (\$) 10 year	Current Year (\$) 2018/19
Approved Project Budget (Baseline)	37,966,321	8,242,630
Actual Spent to Date (as at 30/06/2019)	2,620,442	2,620,442
% Spend against budget (as at 30/06/2019)	3%	32%
Estimate to Complete Reminder of FY19/20 (ETC)	-	12,398,243

Key Project Statistics	Budget		Expenditure
	Whole Life (\$) 10 year	Current Year (\$) 2018/19	Actual @ 30 June 2019
Otane Alternative Water supply	\$2,616,720.00	\$939,000.00	\$144,484.00
Waipukurau Second water supply	\$5,716,012.50	\$2,046,000.00	\$170,641.00
WPK WPA Wastewater Treatment Investigation	\$2,121,267.23	\$300,000.00	\$463,276.00
Waipawa trunk sewer main renewal	\$1,769,790.00	\$511,500.00	\$173,887.00
Waipukurau Water SH2 Bore Upgrade	\$850,258.00	\$850,258.00	\$236,034.00
Total	\$13,074,047.73	\$4,646,758.00	\$1,188,322.0



Project Delivery Confidence Assessment Key

Overall confidence remains high, with attention required constant by the programme team to deliver on outcomes. There remains potential for issues/ risks to arise and some delays may be probable. Some risks are noted, these will be addressed and monitored through the project lifecycle, and the programme is gaining momentum.

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

Project Photos

Below are photos of #thebigwaterstory projects in action.

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

Waipukurau Stormwater Improvements – Churchill and Carpenter Street



Waipukurau Stormwater – Helicoil Pipeline Replacement



Waipukurau Second Water Supply

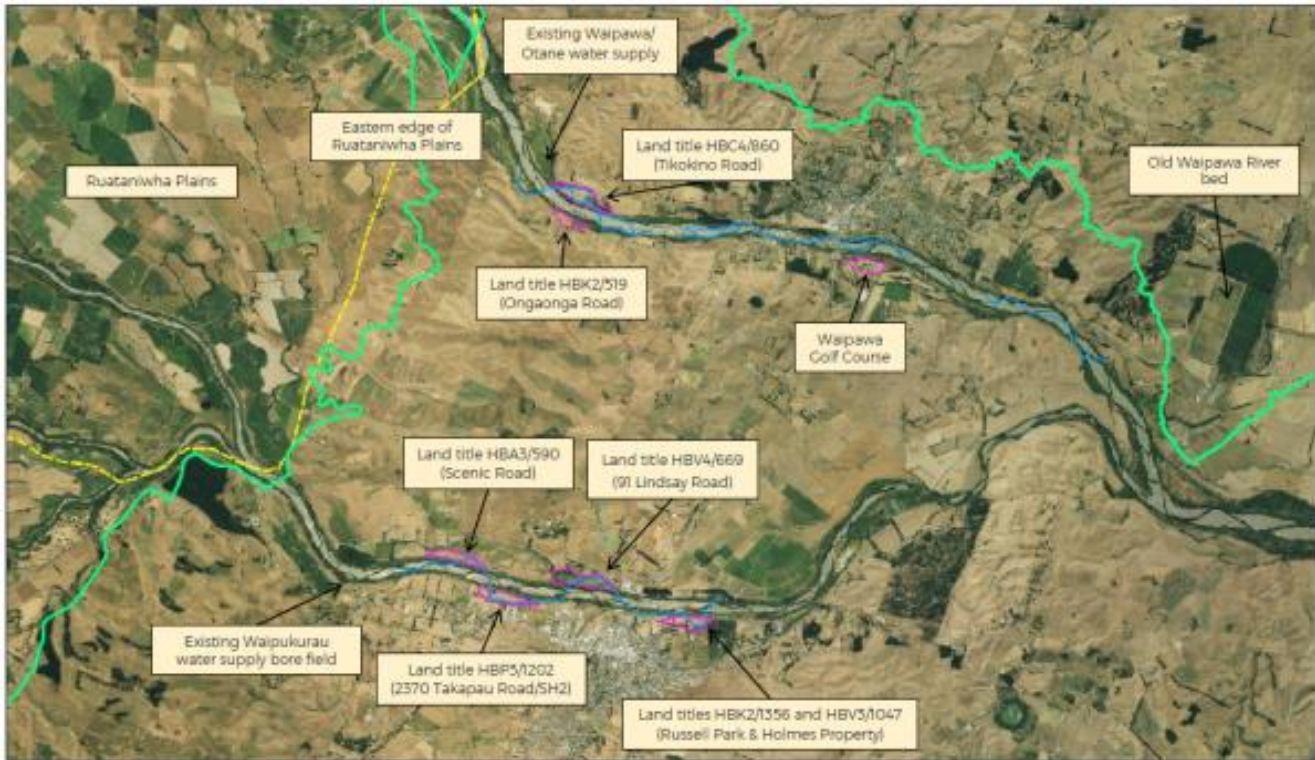
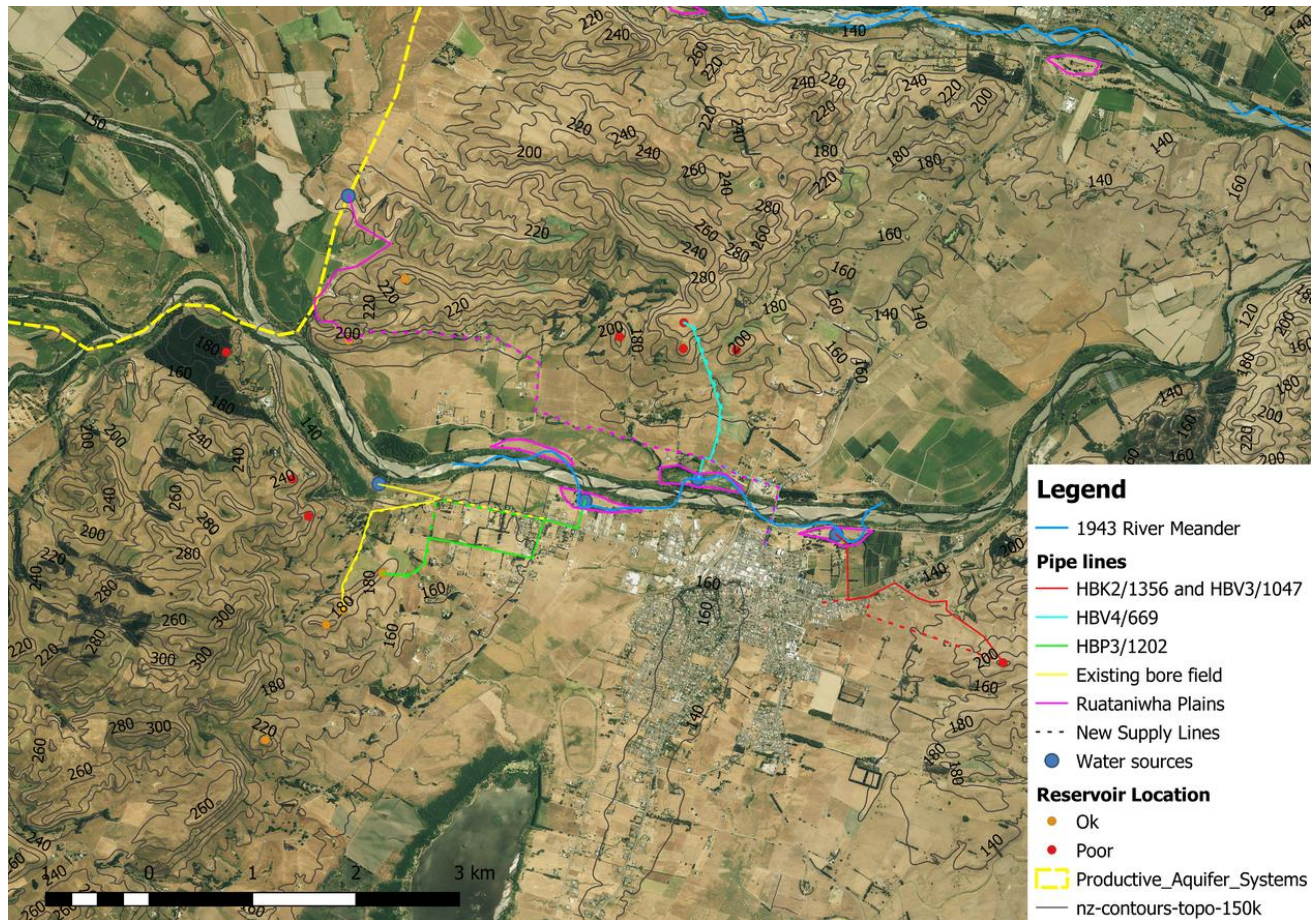


Figure 1: Potential Water Sources. Green lines indicate groundwater allocation zones.



Takapau Water Treatment Plant Upgrade



Porangahau Water Treatment Plant Upgrade



Otane Alternate Water Supply



Waipukurau Water – Mackie / McLean Renewal

