

Minutes

Board meeting	Public session
Date	10 October 2023
Venue	Watercare Services, Level 3 Boardrooms, 73 Remuera Rd, Remuera and via Microsoft Teams
Time	10am

Attendance		
Board of Directors	Watercare staff	Guests
Margaret Devlin (Chair) Julian Smith Graham Darlow Nicola Crauford Frances Valintine	Dave Chambers (CE) Shayne Cunis (Exec Programme Director CI) Amanda Singleton (Chief Customer Officer) Sarah Phillips (Chief People Officer/Rem and People Insight Lead) (for items 7.1 to 8) Paula Luijken (Acting Head of Health, Safety and Wellness) (for items 8 and 9) Sharon Danks (Head of Service Delivery) (for items 1 to 9) Nigel Toms (General Manager Risk, Quality and Assurance) (for items 1 to 7.1) Anatoly Yavorskiy (Senior Risk and Resilience Advisor) (for item 10) Sophie Jeffries (Manager Central Developments – Infrastructure) (for item 10) Theresa Malloy (Customer Insight Specialist – Customer) (for item 10) Moana Williams (Manager Strategic Relations and Communication – Customer) (for item 10) Alexey Ilin (Operations Engineer – Operations) (for item 10) Tere Ryan (Security Coordinator) (for items 1 to 7.1) Danielle Hamilton (Head of Communication) (for items 1 to 7.1) Emma McBride (Head of Legal and Governance) Pinaz Pithadia (Legal and Governance Advisor) Via Microsoft Teams Richie Waiwai (Tumuaki Rautaki ā-lwi me ngā Hononga) (for items 1 to 8)	Trudi Fava (CCO Programme Lead, Auckland Council) Lucy Xia, RNZ reporter On Microsoft Teams Cr Ken Turner, Watercare’s Lead Councillor

1.	<p>Opening karakia</p> <p>Julian Smith opened the meeting with a karakia.</p> <p>Meeting administration</p> <p>The Chair thanked everyone, including Watercare kaimahi, contractors, local boards, Auckland Council and Ngāti Whātua Ōrākei for their mahi on the Parnell sinkhole.</p> <p>The Chair congratulated the team involved in the successful commissioning of the new Papakura Water Treatment Plant.</p>
2.	<p>Apologies</p> <p>Murray Bain, Board Chair, Wai Tāmaki ki Te Hiku Establishment Board and Councillor Shane Henderson, Chair, CCO Oversight and Direction Committee sent their apologies.</p>
3.	<p>Quorum</p> <p>All directors were present at the meeting, so a quorum was established.</p>
4.	<p>Declaration of any conflicts of interest</p> <p>No conflicts of interest were noted.</p>
5.	<p>Minutes of the previous meeting of 6 September 2023</p> <p><i>The Board resolved that the minutes of the public session of the Board meeting held on 6 September 2023 be confirmed as true and correct subject to following changes on page 3 of the minutes:</i></p> <ul style="list-style-type: none"> • <i>The CE is therefore meeting regularly with Jon Lamonte, CE of Wai Tāmaki ki Te Hiku to discuss the transition and manage the impact it is having on Watercare’s day-to-day operations.</i> • <i>Our investigations suggest this is due to record international migration into Auckland and also the recent Woman’s Rugby Football World Cup event bringing more tourists into Auckland, as the bulk supply points around the games and hospitality areas measured increased water use.</i> <p>The CE noted that water usage had dropped following the event, and water use restrictions are already in place in other parts of the country, including Wellington.</p>
6.	<p>Ratification of out of cycle resolution to approve the updated Terms of Reference of the Asset Management Committee</p> <p>The Board ratified its decision of 15 September 2023 via an out of cycle resolution to approve the updated Terms of Reference of the Asset Management Committee. The out of cycle resolution was as follows:</p>

	<ul style="list-style-type: none"> • <i>The Board approves the updated Terms of Reference of the Asset Management Committee (AMC), as recommended by the AMC at its meeting of 23 August 2023.</i>
7.	<p>Public deputations</p> <p>The Chair welcomed Lucy Xia, RNZ reporter, who was attending the Board meeting as an observer.</p>
7.1	<p>New item: An update on the Ōrākei main sewer failure and associated sinkhole</p> <p>Nigel Toms and Sharon Danks provided the Board with a presentation (Attachment 1) and made the following key points.</p> <p><i>Level 3 incident declared</i></p> <ul style="list-style-type: none"> • On 27 September 2023, a level 3 incident was declared following a sinkhole that formed above the Ōrākei main sewer. • A multi-functional incident team stood up. • Diverting and clearing the blockage to reduce overflows, and worker and public safety, are the incident team’s two overarching priorities. • Draft terms of reference (TOR) for an independent review into the sinkhole and how it occurred have been prepared and feedback sought from the Board, Healthy Waters, the Local Board, Cr Desley Simpson and Ngāti Whātua Ōrākei. The TOR will be finalised tomorrow, with the review getting underway shortly afterwards. The final report will be published. <p><i>What happened?</i></p> <ul style="list-style-type: none"> • On 25 September 2023 afternoon, we were alerted to a hole in the ground by a contractor (Northpower) undertaking work at a site on St Georges Bay Rd in Parnell. They notified Watercare’s Works Over team that a sinkhole was forming where they were digging a trench. • On 26 September 2023, we inspected the site. The hole was widening and by the afternoon, we could see the top of the sewer pipe was visible – the top of the pipe was broken, but wastewater was continuing to flow through the pipe. We took immediate steps to address the situation including seeking advice from geotechnical engineers to guide our approach for repairs. • Overnight, the situation worsened and at 7am on 27 September 2023 there was another significant slip into the sinkhole and the pipe was completely blocked. Overflows started within an hour via emergency overflow points, including at in the CBD near Daldy St and Mechanics Bay. • The sinkhole is in a tight, busy commercial/residential area. An exclusion zone was immediately set up to protect our staff, contractors and the public from the growing sinkhole. • Sharon explained that many of the utilities they were finding and relocating in the ground were supported by concrete poles, which is unusual, but is because the ground composition in this area is unstable. The natural ground level is around 6m below the surface, and the top 6m is fill that was laid in the 1930s/40s. <p><i>Response works</i></p> <ul style="list-style-type: none"> • Our crew widened the top of the sinkhole with a large excavator to stabilise the sinkhole as much as possible and protect private property. It then took four days to cement the sides of the sinkhole to ensure it was stable. Since this has been done, there has not been any more movement.

- CCTV of the blockage shows it was originally 25m long, comprising boulders and rocks. The broken part of the sewer is 4m long. The sewer is an egg-shaped sewer, and similar in type and size to our Eastern and Western sewers.
- Contractors are now hydrojetting the blockage and sucking the debris out. Approximately 4-5m of blockage is left to clear, but this will need to be done by hand/machines going into the pipe. This will not occur until a heavy metal barrier is installed, to block off the wastewater pipe so it is safe to enter the enclosed space.
- Safeswim has “black flagged” the beaches whilst the overflows continue and Watercare and Healthy Waters are urging Aucklanders to avoid swimming and fishing in the Waitematā Harbour.
- In the meantime, we started planning a bypass pumping solution that will transfer wastewater between two manholes on either side of the blockage.
- Bypass pipe laying is underway, as is excavation of the space that will hold a very large, 8m deep, underground pump station. This pump station will pump 600L/second of wastewater, making it one of the country’s largest pump stations.
- The polyethylene diversion pipe is 600mm-diameter in 12-metre sections and each section is welded together to form the pipeline. Around 400m of pipe is being laid and it will run both below ground, and over land. Many other utilities have had to be moved to accommodate the bypass. The team is not cutting corners and ensuring we take the time to properly relocate other utilities.
- The Ōrākei main sewer was last inspected in 2019 and 2012. The inspections confirmed that the main sewer was in good condition. It therefore went into a standard five-yearly inspection cycle, which is normal for large wastewater pipes. In Sydney and England, there are brick sewer lines built in a similar manner to this one, which are more than 200-300 years old. The condition of the asset is far more important than its age. In our Asset Management Plan, this sewer is estimated to have a 150 year life.

Upcoming works

- 2/3 of the bypass pipeline has been installed, and we expect it to go into service by 17 October 2023.
- Modelling is underway to analyse what an extreme weather event could result in, whilst the bypass is in place.
- Whilst the pipe is out of service, we will be using all the technology available to us to inspect the pipe.
- Once the bypass pumping solution is completed, it will stay in place for three/four months, whilst the remaining blockage is cleared and the sewer permanently repaired. The repair is likely to involve a bespoke GRP liner, which is a glass reinforced plastic.

In response to questions from the Board, the following was noted:

- Since the January weather event, 25-30 sinkholes have been reported across Auckland. Most are small and some have formed around our assets. One in College Hill impacted Healthy Waters’ stormwater pipe. A smaller sinkhole formed in Otahuhu over a private pipe.
- When the Parnell sinkhole formed, we followed the same process as we have done with previous sinkholes. The Parnell sinkhole was originally small, but grew bigger due to the unstable ground conditions.
- We have security on site, keeping the area and the community safe.
- We are working with local businesses to allocate temporary car parks as best as we can and continue to do everything we can to minimise noise and disruption.
- The Board stressed it is important that impacted residents/businesses can easily contact Watercare as the bypass and repair works continue.
- Amanda confirmed that environmental signage is in multiple languages, and includes pictures, but unfortunately people are still swimming and fishing. The Board recommended we continue to work closely with Auckland Council to review further signage and communications with Public Health to ensure

	<p>people do not fish in the harbour. Amanda also confirmed that once beaches re-open, we will work with Healthy Waters to support Safeswim’s communications messaging.</p> <ul style="list-style-type: none"> • Once the bypass is operating, the overflows should stop, or at least, reduce into the Waitemāta Harbour. In the meantime, we are testing water quality from the immediate Waitemāta Harbour. This will continue until the dry weather overflows stop and will then move to weekly. • We will retain environmental experts to study the environment, once the overflows cease. In the meantime, we have engaged the Harbour Clean Up Trust to help in that regard. • A rahui is in place over the Harbour and will remain in place until Safeswim removes the black flags. • Our Te Rua Whetū team is in daily contact with Ngāti Whātua Ōrākei. <p>Cr Turner thanked the team for the update and did not have any further questions.</p> <p>The Chair thanked everyone for their hard work on this unprecedented incident, noted the community impact, and the need for constant engagement through the remediation process.</p> <p>Given the scale of works, the Board requested that they be updated on further progress at next Board meeting, in addition to the Incident Control updates.</p>
<p>8.</p>	<p>Chief Executive’s report</p> <p>The CE introduced the report. The following key point were made:</p> <ul style="list-style-type: none"> • With more people being seconded to DIA to work for Wai Tāmaki ki Te Hiku, the Finance, HSW, Governance and Legal, Risk and Digital teams began reporting to Chief Executive. Supply Chain and Sustainability are reporting to the Central Interceptor executive programme director Shayne Cunis. Maintenance Services Network now reports to the Chief Operations Officer (formerly to the Chief Customer Officer). With these changes in reporting lines, the CE has now 11 direct reports. • The Assets, Upgrades and Renewals (AUR) request for proposal to the construction industry was released, commencing our search for businesses to partner with on the first half of a decade-long \$3.5 billion programme to replace ageing water and wastewater pipes and upgrade pump stations and treatment plants. We will use all efforts to award the contracts by Christmas. • The new permanent Papakura Water Treatment Plant went live in August, adding 12 million litres to Auckland’s water supply. • Ahead of the expected dry summer, we are continuing to encourage Aucklanders to be water efficient. • In response to questioning from the Board regarding the Queenstown cryptosporidium issue, Management confirmed that all our water treatment plants have protozoal barriers in place. • The first part of the Central Interceptor (CI) will go live in late 2024. The Board noted that once it is online, we will use more electricity to run this plant. Shayne explained that in order to minimise electricity use, the Māngere Pump Station will be optimised to run at non-peak times. • We continue our discussion with the appellants to the Huia Replacement Water Treatment Plant. • The CE acknowledged that Rob Tinholt, Resource Recovery Manager, has had a lead role in developing EMERGE® fertiliser. There will be a nationwide roll out of the product through Mitre10 stores before the end of the year. • Despite the challenging year with upcoming water reform, staff turnover continues to decline. Management contributes this to an increase in proactive communications to our people from our leaders.

	<i>The Board noted the report.</i>
9.	<p>Health, safety and wellbeing update</p> <p>The CE noted the following key topics:</p> <ul style="list-style-type: none"> • The audit for ISO 45001 certification is nearly complete. The draft report identified eight non-conformances (two major and six minor). The major non-conformances were around working in isolation and emergency equipment. • TRIFR figures are not tracking in the right direction. The CE is meeting with Graham Darlow with a view towards obtaining an independent review of how we can improve HSW performance at Watercare. • Paula updated the Board on the worker who suffered a broken finger. No distractions were identified which could have led to this injury. This was a regular task that the worker regularly performs in his day-to-day job, the worker was well rested. • The Chair noted that we should continue our messaging to staff to stay focused on their wellbeing and resilience as we approach Christmas. • Cr Turner noted that he had spoken with the HSW leads at the CRL project, and AT, and he was interested to learn that this area is shifting to empowerment of people, rather than prescription. <p><i>The Board noted the report and Critical Risk Review deep dive on Hazardous Energy.</i></p>
11.	<p>Asset management committee meeting update</p> <p>Graham Darlow, the Chair of Asset Management Committee (AMC), provided an update to the Board on the AMC meeting held on 20 September 2023. He noted that the AMC discussed:</p> <ul style="list-style-type: none"> • the funding envelope; • the Snells wastewater treatment plant upgrade project; • lessons learnt from the North-Eastern Wastewater Scheme; and • conducted a deep dive into the Central Interceptor project.
10.	<p>Diversity, Inclusion and Belonging Committee – Strategy and Action</p> <p>Amanda Singleton introduced members of the DIB Committee: Anatoly Yavorskiy (Chair of the DIB Committee), Sophie Jeffries, Theresa Malloy, Moana Williams, and Alexey Ilin.</p> <p>The following key points were made:</p> <ul style="list-style-type: none"> • The DIB Committee underwent for a reset in 2023 and has a refreshed goal of boosting awareness of DIB and boosting connections. • A DIB awards and recognition programme was launched. Three baskets of knowledge awards have been launched – Te Kete Tuauri (Basket of Darkness), Te Kete Aronui (Basket of Pursuit) and Te Kete Tuatea (Basket of Light). The awards are three totara tree carving baskets (taonga), that have been blessed by Te Rua Whetū. • The Committee has developed a road map through to June 2024 to increase and raise DIB awareness for leaders, individuals, and groups.

	<ul style="list-style-type: none"> • In response to a query on accessibility issues, the DIB confirmed that an accessibility audit was undertaken few years ago and work is progressing through our facilities management team. • The focus of the Committee during this quarter is on raising awareness about accessibility. • The Board thanked the Committee for an excellent presentation and their mahi and volunteered to share their own personal stories with the Committee.
12.	<p>Board planner</p> <p>Emma McBride noted that:</p> <ul style="list-style-type: none"> • Auckland Council’s annual Governing Body visit to Watercare is on 3 November 2023. • In late October 2023, Watercare’s Q1 performance report to Auckland Council’s CCO Direction and Oversight Committee will be circulated to the Board for approval via an out of cycle resolution. <p><i>The Board noted the Board planner.</i></p>
13.	<p>Directors’ committee membership and meeting attendances</p> <p><i>The Board noted the report.</i></p>
14.	<p>Disclosure of Directors’ and Executives’ interests</p> <p><i>The Board noted the report.</i></p>
15.	<p>General business</p> <p>The public session closed at 11:45am.</p>

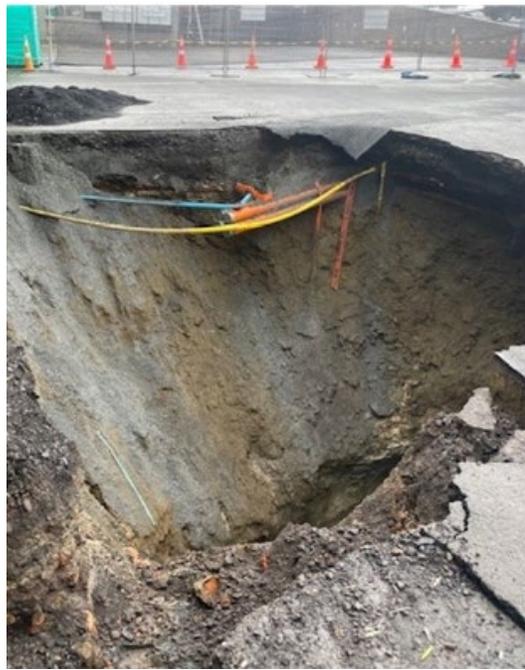
CERTIFIED AS A TRUE AND CORRECT RECORD

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Margaret Devlin, Chair

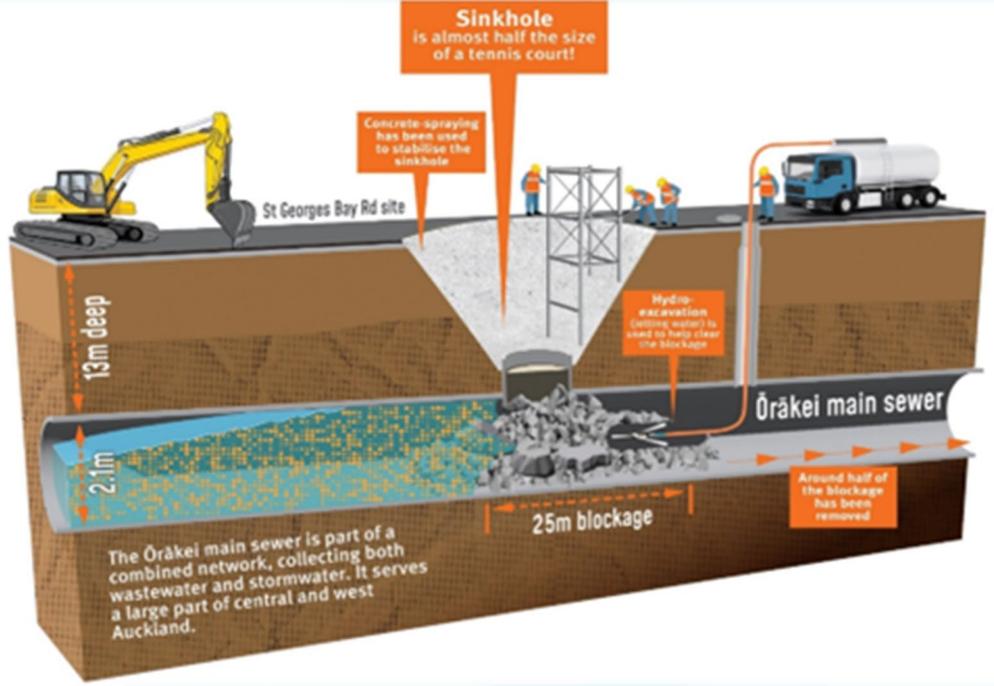
Attachment 1

Ōrākei Main Sewer Failure and associated sinkhole

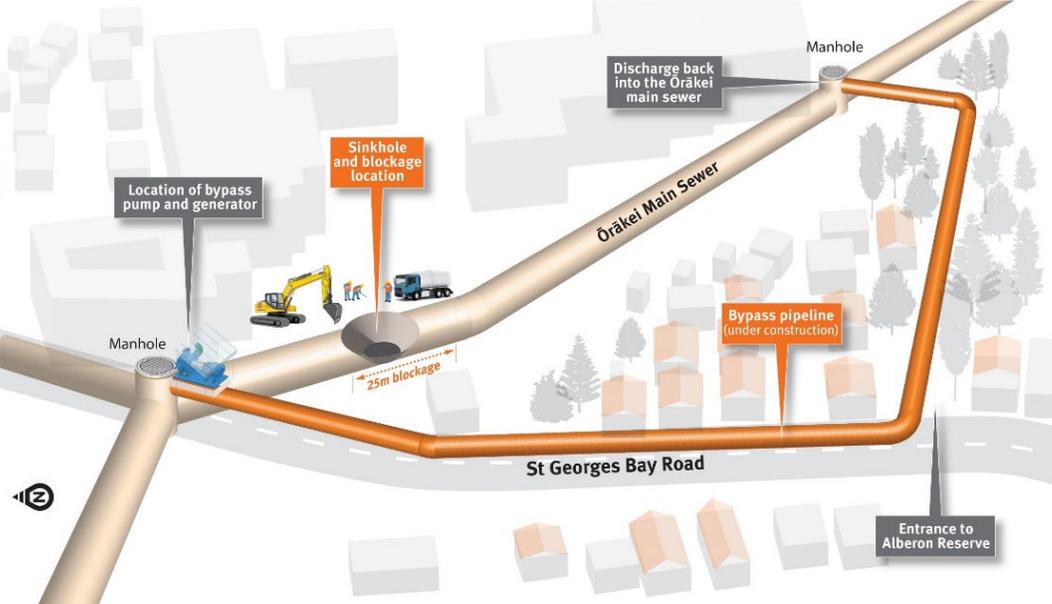
What happened?



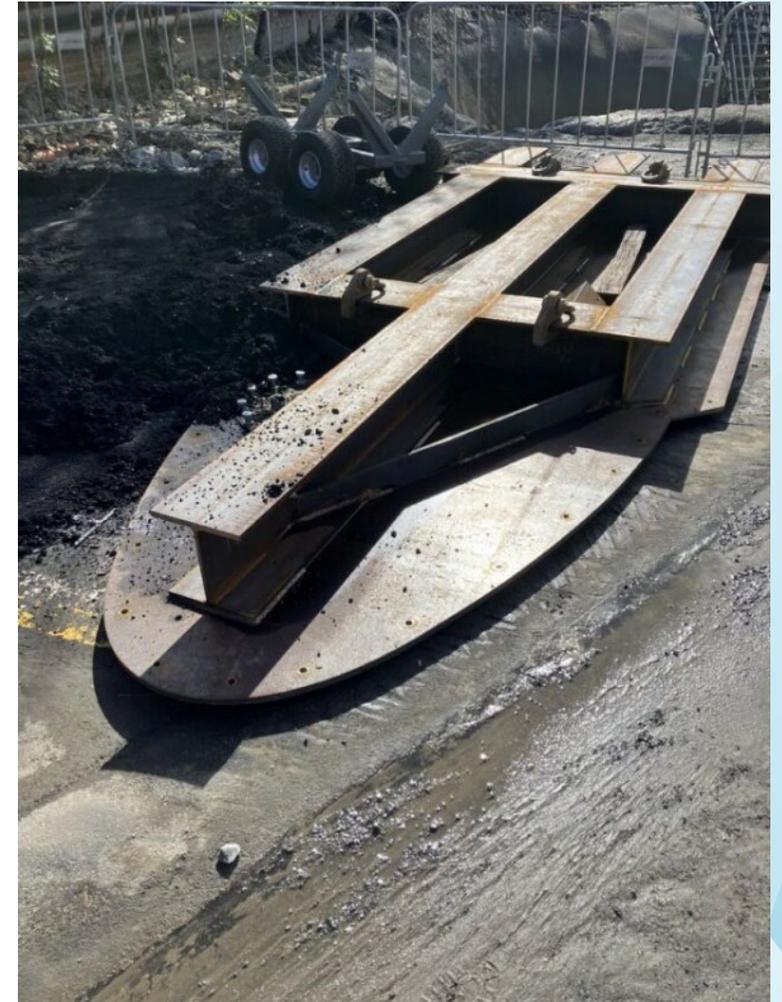
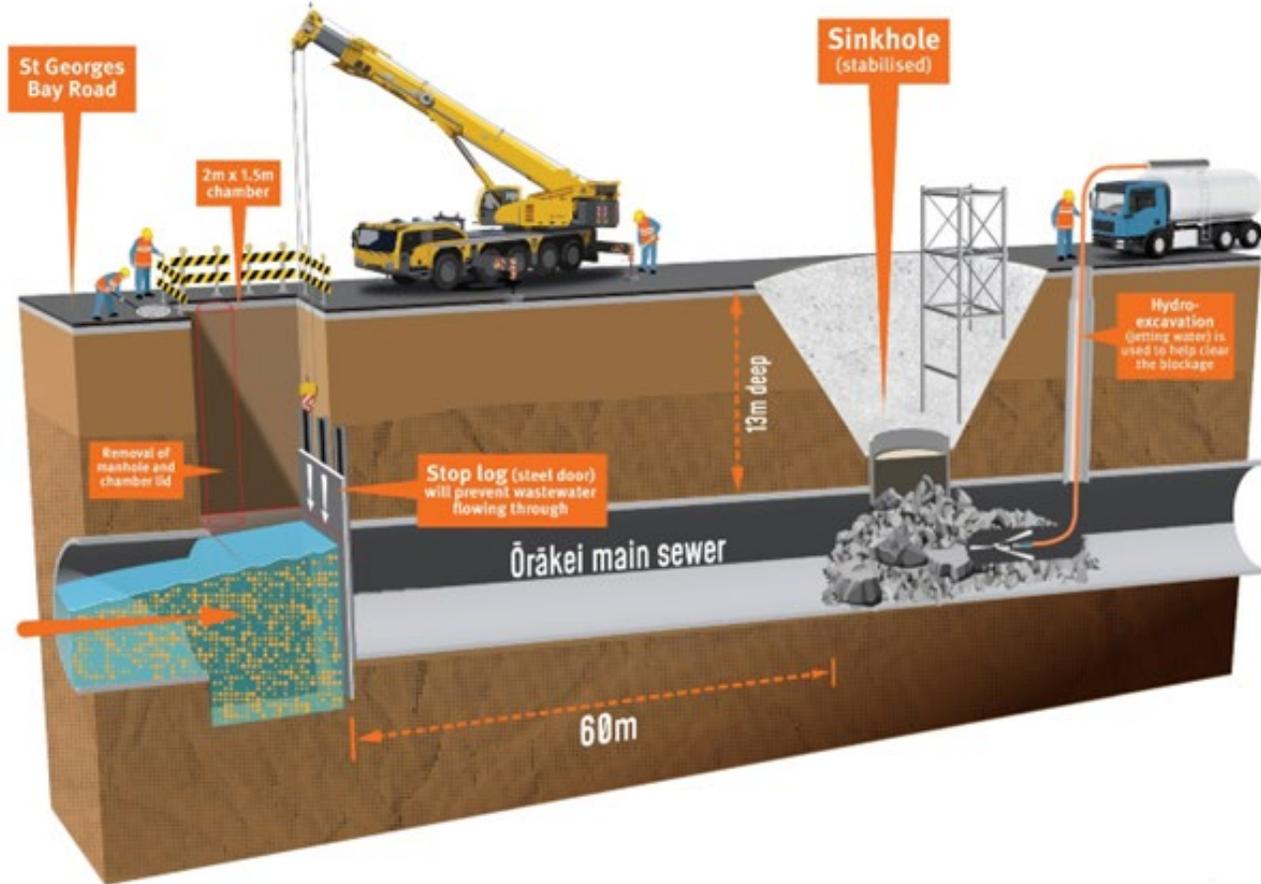
Response works



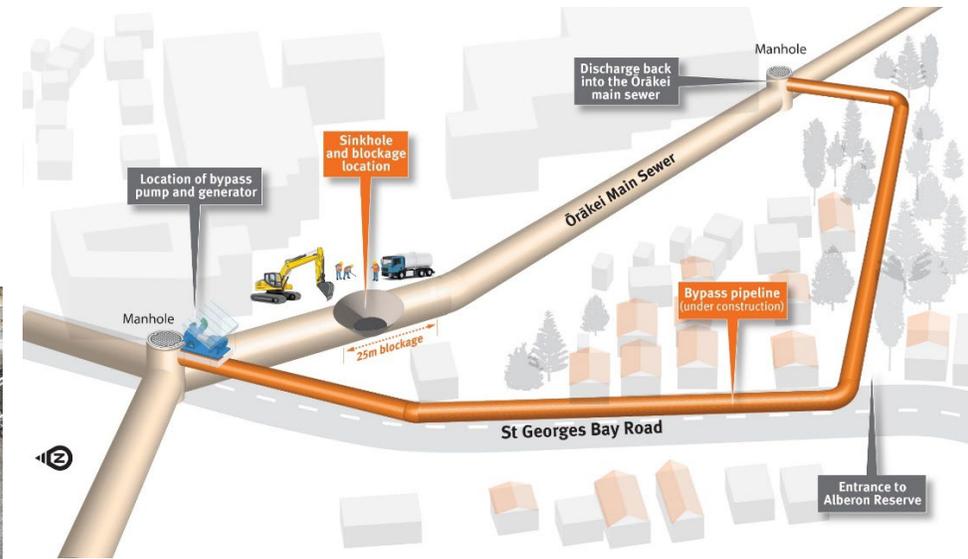
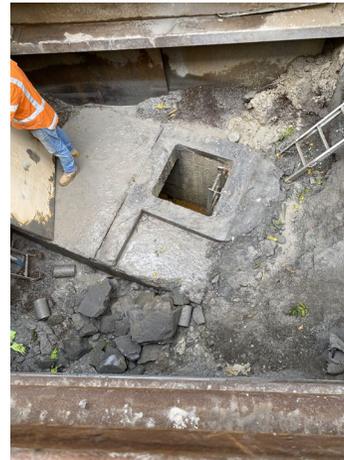
Response works



Response works



Upcoming works



- Completion of bypass pumping
- Development of a safe methodology to remove the blockage
- Development of a design for the rehabilitation of the pipeline

Thank you

Questions?

