

Minutes

Board meeting	Public session
Date	28 October 2021
Venue	Held via Microsoft Teams due to Covid-19 Alert Level 3 restrictions
Time	9.15am

Attendance		
Board of Directors	Watercare staff	Guests
Margaret Devlin (Chair) Brendon Green Nicola Crauford Hinerangi Raumati-Tu'ua Graham Darlow Dave Chambers Frances Valintine	Jon Lamonte (CE) Rob Fisher (Company Secretary and Acting Chief Officer Support Services) Bronwyn Struthers (Head of Health, Safety and Wellbeing, for item 6) Shayne Cunis (Executive Programme Director CI, for item 7.1) Richard Waiwai (Poutiaki Tikanga Māori, Principal Advisor, for items 7.1 and 7.3) Mark Bourne (Chief Operations Manager, for item 5 and 7.2) David Moore (Manager of Improvements Programme, for item 7.2) Rachel Hughes (Communications Manager, for item 7.2) Brent Evans (Manager Local Board, Stakeholder Engagement, for item 7.2) Kui Paki (Senior Lead & Strategic Māori Advisor, for item 7.3) Amanda Singleton (Chief Customer Officer, for item 7.5) Jacky Simperingham (Co-Head of Governance) Jodie Atkin (Governance Coordinator) Pinaz Pithadia (Governance and Research Administrator) Paula Steinmetz (Project Manager, Construction Delivery – South)	Councillor Cooper (until 10am) Claire Gomas, Principal Advisor, CCO Governance and External Partnership, Auckland Council

1.	<p>Opening karakia</p> <p>The Chair opened the meeting with a karakia.</p>
2.	<p>Meeting administration</p> <p>2.1 Apologies</p> <p>No apologies were received.</p> <p>2.2 Quorum</p> <p>The Chair confirmed that quorum was established.</p> <p>The Chair welcomed Paula Steinmetz to the meeting. Paula attended the meeting because she developed an interest in governance as a result of meeting the Board members on their visits to the Waikato 50 project in June 2021.</p> <p>The Chair advised that item 7.4 on the agenda for today is to be deferred to the November 2021 meeting. This is due to advertising requirements, in respect of the public’s opportunity to comment on Watercare’s performance under the Statement of Intent, not having been met for this meeting.</p>
3.	<p>Minutes of meeting</p> <p><i>The Board resolved that the minutes of the public session of the Board meeting held on 30 September 2021 be confirmed as true and correct subject to the correction of the date at item 4 to “30 August 2021”.</i></p>
4.	<p>Public deputations</p> <p>There were no public deputations.</p>
5.	<p>Chief Executive’s report</p> <p>Jon Lamonte spoke to this report, which he took as read, highlighting the following:</p> <ul style="list-style-type: none"> • Covid-19 has been the main issue. We have moved carefully into Alert Level 3 and have consulted with Council throughout. • The Lab has moved back to normal shifts in order to keep up with the demands of their work. • Consultation has commenced with staff regarding possible mandatory vaccination for all those entering Watercare sites. This is to include contractors, visitors and all staff.

The Board confirmed that it had discussed this proposal earlier in the day and is supportive of the planned proposal. The Board confirmed that all Board members are fully vaccinated. It was noted that this proposal shows leadership and will assist with supporting and protecting our people and vulnerable communities.

Jon further noted:

- Further to the Watercare recommendations, Council approved the lifting of water restrictions. The Board noted that the papers provided to both the Board and to Council, which recommended the lifting of the restrictions, were very comprehensive, making it very easy to form a decision. It also provided a solid foundation for Council to make its decision to lift the water restrictions from 23 October 2021.
- The dams are now at over 95% capacity.
- On 27 October (the previous day), Minister Nanaia Mahuta announced that three waters reform will proceed, including economic regulation.
- Planning for the training facility at Māngere is underway and will be of benefit to the entire water industry in New Zealand, especially in the context of water reform.
- The total volume of the pipeline, and the value of individual projects included under the Enterprise Model are to be extended because the AMP has doubled. This will come to the Board next month for approval.

Councillor Cooper enquired about the resource consents not being met at Helensville. She accepted that this cannot be rectified immediately. Jon confirmed that any environmental damage is minimal, but we are taking action to address the issue. The Board noted that it is also concerned about Helensville.

Councillor Cooper also noted that once the medium density residential standards (MDRS) are implemented in Auckland it will be more challenging to find an appropriate site for any new treatment plants. Jon advised that he is aware of the new policy directive, and the impact of it will be dramatic. He said local networks in particular (for example, where individual houses are cleared, and numerous smaller townhouses are built on the block) are likely to be very exposed. All three waters will be affected, and we are talking with Healthy Waters about this.

The Board enquired about how our customer trust is faring and whether more customers are in financial difficulty. Jon advised that there has been no increase in requests for assistance from WUCAT (Water Utility Consumer Assistance Trust). He noted that we are seeing that people in Auckland are very weary of the lockdown, which is presenting challenges for our customer team. Council is experiencing the same issues. Our customer trust score is currently good, though it remains to be seen how this will fare over time.

The Board noted that given the announcement that water reform is to proceed, it will be important to work closely with Council as this is being implemented. The Board also noted that we will need to turn our minds to what WSP (water safety plans) reporting will look like.

*The Board **noted** the report.*

6.	<p>Health, Safety and Wellbeing report</p> <p>Bronwyn Struthers spoke to this report which she took as read.</p> <p>She highlighted the following:</p> <ul style="list-style-type: none"> • Covid-19 is the big issue at present and is taking up significant time and energy. • Related to Covid-19, is people's mental health given we remain in lockdown. • In relation to non-Covid-19 work, the team is working to develop a picture of our workplace exposures. She noted that, worldwide, there are ten times more deaths in workplaces as a result of exposure to substances than from accidents. <p>The Board and Management had a discussion regarding the need to continue to encourage people to take leave to rest, even if they cannot travel. Bronwyn noted that online sessions are being held to educate staff about ways to look after their wellbeing. Jon Lamonte continues to provide weekly addresses to staff. These regularly emphasise the need to accept that when working from home under our current circumstances, it is normal and okay, not to be as productive as one would be in the office and under normal circumstances. The Board also noted that it is important to reassure people that it is normal for them to be feeling fatigued, and to be less productive, and that we are all in this together. Jon and Bronwyn advised that people are being encouraged to take leave, and think of different ways to do so (e.g. half-days for a couple of weeks, taking extra-long weekends by taking Mondays and Fridays off). Staff are also being reminded of the activities they can do within Auckland that will give them a good break from work.</p> <p><i>The Board noted the report.</i></p>
7.	<p>For discussion</p> <p>7.1 Central Interceptor report</p> <p>Shayne Cunis spoke to the report which he took as read.</p> <p>He presented a photographic tour of the project given that the Board cannot attend in person due to the current Covid-19 restrictions. (Attached as attachment 1).</p> <p>Shayne noted that:</p> <ul style="list-style-type: none"> • Tunnelling has recommenced. The Western Interceptor has been passed without any issues. • A positive Covid-19 test was recorded at the Māngere construction site last week as a result of testing being done on site. As a result, work was stopped over the long weekend. There have been no further cases. • Projects such as relocating skinks is continuing during lockdown.

- A 3-million-year-old great white shark's tooth was found in the sand pit by palaeontologists, which will be donated to the museum. Many other items have also been found, including a sperm whale's tooth.
- Monday 1 November will be an important milestone as the laundry built by the GAJV will be handed over to Makaurau Marae to run.

Richard Waiwai (Richie) acknowledged the work that had been done by Shayne to get this project to this point.

The Board thanked both Richie and Shayne for getting this project done.

Shayne went on to note that:

- The AMCC (Asset Management and Major Capex Committee) will receive comprehensive dashboards going forward, including social outcomes.
- Covid-19 testing is being conducted weekly on CI sites.
- 95% of people on the project are vaccinated.
- The issue around ex-pat GAJV staff returning home overseas at Christmas time remains a risk.

*The Board **noted** the report.*

7.2 Water Resources report

Rachel Hughes and Brent Evans were asked to join this item of the session. The Board formally thanked them both, as well as Mark Bourne's team for the huge amount of work they put into the recommendation to Council to lift water restrictions. The Chair noted that Council had also told her that the communications provided to them were of a high standard.

David Moore spoke to the updated Water Resources report, which had been circulated to the Board the day before the Board meeting. He noted in particular that:

- Dams are now at over 95% capacity and some are spilling.
- Demand is at 379MLD, well below the target.
- The latest forecast indicates that we will be just within the drought response range at the end of the summer, but we should not be in the range at which restrictions would be triggered.
- The Customer team are doing great work on ongoing initiatives around ongoing water awareness.

Mark noted the report would be updated to include all water sources, not only the dams. One of the Board members suggested that the report include which water sources are being prioritised.

Jon advised that Aurecon will review our drought management. He also noted that he and Mark have discussed how to depict the sources being used.

Mark advised that the team will continue to report the status of our water resources weekly.

The Board stressed the importance of giving as much attention to demand as to supply.

*The Board **noted** the report.*

7.3 Māori Outcomes Plan – update

Richie spoke to the report which he took as read.

Richie noted that:

- The Māori Outcomes Plan (the MOP) has evolved since it was last presented to the Board in February 2021.
- His team is now spending time with the Executive team to work through what the plan means and how to progress it.
- A report on what is being done will be provided to the Board on a quarterly basis. The Board also advised that there was a need for prioritisation.
- The challenge is to identify the budget for Māori Outcomes.

The Board were pleased to see a comprehensive MOP, including the performance measures that have now been included. It was noted that some clarification would be helpful as to which performance measures apply to Watercare, and which apply to Council. The Board also requested that some of the wording be changed.

The Board expressed that it is good to see that Richie now has a team and the resources to enable the MOP to be implemented; and that it was important to ensure that he also has the budget.

The Board also noted that it needs to look at its relationship with iwi once our strategy is done. A governance-to-governance relationship needs to be established with all key iwi.

*The Board **noted** the report.*

7.4 Our performance under the 2020–2023 Statement of Intent

This item was deferred until the 30 November 2021 Board meeting.

7.5 Measuring customer experience for infrastructure projects

Amanda Singleton spoke to this report, which she took as read.

	<p>Amanda explained that the Customer team had done an NPS (net promoter score, which captures customer satisfaction) survey in Mairangi Bay.</p> <p>Good feedback was provided by the community and NPS surveys that target surrounding suburbs will now be rolled out across other projects. In response to a question from the Board, she noted that the result was good, but the focus was to be on engaging and addressing with customers' comments. Amanda also noted that survey respondents found Watercare staff and contractors on the project to be pleasant and engaging. They also said they would like more updates against progress and milestones. This feedback has been well received by the teams and measures have been put in place to communicate more regularly.</p> <p>The Board enquired how local boards are feeling about this customer interaction. Amanda advised that her team works with Brent Evans ahead of projects to ensure they are informed ahead of time.</p> <p>Amanda also advised that a Customer Charter is currently being developed. The team is looking at Customer Charters from other utilities, such as the electricity industry, as well as how they are done in Australia and in the UK, to inform our work.</p> <p><i>The Board noted the report.</i></p>
8.	<p>Governance</p> <p>8.1 Board committee updates</p> <p>There have been no sub-committee meetings since the last Board meeting, so there were no updates.</p> <p>8.2 Board planner</p> <p>The Board noted that site visits will need to be arranged as soon as Covid-19 Alert Levels allow, which is likely to be next year.</p> <p><i>The Board noted the Board planner.</i></p> <p>8.3 Directors' appointment terms and committee memberships and meeting attendances</p> <p>The Chair advised the preferred interview list for a new Board member will be finalised on Thursday 4 November 2021. She also advised that she had engaged with Council as to whether a new member should be appointed in light of the imminent water reforms. As we expect to be busy preparing for the transition over the next three years it was agreed that it would be useful to have a new Board member appointed to help with the transition.</p> <p><i>The Board noted the report.</i></p>

	<p>8.4 Disclosure of Directors' and Executives' interests</p> <p><i>The Board noted the report.</i></p>
9.	<p>General business</p> <p>There was no general business.</p> <p>Paula thanked the Board for allowing her to attend the meeting. She also provided insight from the perspective of operational staff, including:</p> <ul style="list-style-type: none"> • That staff appreciate and value Board site visits. • Staff value and enjoy Jon's weekly addresses as they feel they are getting to know him. • The need for staff to take leave, which she herself has recently done. • The consultation session on Watercare's Covid-19 vaccination policy has enabled staff to have conversations within their own teams. As a result, the issue has become less adversarial. • The wellbeing sessions have also been valuable, and staff have been taking part in those. <p>The Board thanked Paula for being a fantastic host when members visited Waikato 50 recently.</p> <p>The meeting closed at 10.45am.</p>

CERTIFIED AS A TRUE AND CORRECT RECORD

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Margaret Devlin, Chair

Attachment 1







