Absolutely Positively
Wellington City Council
Me Heke Ki Pōneke

File ref: IRC-3201

5 May 2022

Kia ora

Three waters maintenance and infrastructure

Thank you for your request made under the Local Government Official Information and Meetings Act 1987 (the Act), received on 30 May 2022. Please see the below response to your request.

1. **What concerns do officers have that the Council may have underfunded its 3 waters' budgets for the current and next year's budget?**

The root cause of the forecast overspend in opex for this is WWL under-budgeting for reactive maintenance. The result of that is that we now need to increase the overall opex budget to enable both the planned maintenance and reactive maintenance to be funded appropriately.

2. **What do officers believe are the concerns expressed by Mayor Anita Baker in respect of our council's investment in 3 waters and are they justified?**

No. We funded WWL as per the LTP advice they provided and when they signalled a need for additional funding, officers asked why it was required. The reason for additional funding did not become apparent until WWL provided officers with the information in February 2022.

3. **When did the "one budget" model with Wellington Water commence as noted in clause 16 of the Opex paper?**

2017.

4. **How do WCC staff effectively monitor the 'one budget' model?**

We receive monthly dashboards from WWL and have regular meetings at all levels of the organisation to monitor spend against budget.

5. **How does WCC regularly track expenditure against the 3 waters budget (opex and capex) lines in the LTP?**

As above.

6. **Why do some of the capex items in the LTP have "growth' marked against them?**

This relates to the capex related to assets required to meet growth in demand.

7. Are development contributions applied in any way to the 3 waters "growth" capex items. If so, how much and when?

The Annual Report discloses this information to all readers in the Funding Impact Statements section starting on p122 Annual Report 2020/2021 – Volume 2: Our Finances (wellington.govt.nz).

8. What were all the investment options offered up by Wellington Water for the LTP. Please provide the relevant communications from them including costs, risks etc along with the Council's response?

Please find attached three presentations that were used in the development of three water investment options for inclusion in the 2021 long-term Plan.

Below is also an explanatory note to go alongside the presentations that outlines the difference between the options presented by Wellington Water and those that were agreed in the 2021 LTP. The main difference is that one of the options included in Wellington Water Material (low-mid) was not materially different from their low option and therefore not included. The explanation below provides the necessary background information

Background

- The LTP process under legislation requires Council to identify significant issues for consultation, and for each significant issue, identify the principal options for addressing the issue.
- Each option must cover the impact on council's rates, debt, and levels of service. This is subject to audit scrutiny as part of auditing the CD.
- As part of the 2021 LTP, investment in three waters infrastructure investment was considered a significant issue for consultation and options were required for consultation purposes. A preferred option was also required.

Wellington Water Options

- Wellington Water presented options with different levels of investment and risk in the lead up to the development of the LTP
- The advice culminated in three options being presented by Wellington Water that ranged from low, low-mid to high investment levels

Context in which investment options were considered

- Wellington City Council considered Wellington Water's options in three waters in the context of:
  - the Mayoral Taskforce investigating the current state of the three waters network
  - central government reform of three waters
  - the overall do-ability of the capital works programme in the context of market constraints in the short to medium term
  - other investment priorities across Council's service areas
  - Council's debt target and debt limit over the next ten years
  - the reliability of the underlying data that underpinned the investment options (three water infrastructure renewal investment is forecast based on asset age rather than asset condition. Note that the LTP consequently received an Audit NZ qualification relating to infrastructure asset condition information in regard to three waters)

Council options for consultation

- The Council prepared options for the LTP Consultation Document as follows:
  - *Option 1* - M*aintain current funding level:* This includes keeping the $3.2m operational expenditure increase agreed as part of the 2020/21 budget, which is a 2.1 percent opex increase and 14.8 percent capex increase over the 2018 Long-term Plan

- *Option 2: Enhanced investment:* This option entails a substantial increase in the level of three waters investment, including a 23.2 percent operational expenditure and 41.1 percent capital expenditure increase above what was in the 2018 Long-term Plan

- *Option 3 - Accelerated Investment:* This option would mean an increase in investment over Option 2, and is a 32.6 percent operational expenditure and 222 percent capital expenditure increase over the 2018 Long-term Plan.

key differences between Wellington Water and Council options

- The differences between the options presented by the Council and those of Wellington Water are not material. The differences worth noting are outlined below:
  - Council added the base funding level as an option for consultation
  - Councils enhanced investment option (option 2) is the same as Wellington Water low investment option. The name for the option Council chose to use reflects that the option is an 23.2% (opex) and 41.1% (capex) increase in investment over base (option1)
  - Option 3 by Council (accelerated investment) is largely the same as Wellington Water high investment option
  - Wellington Water (low-mid) was not used by Council as it was not materially different from low and included costs relating to water meters which Council did not support for this LTP.

Capex 10 years $000	Base (BAU)	Option 1	Option 2	Option 3
		Low	Low-Mid	High
Wellington Water information	498	707 (uninflated)	903 (uninflated)	1473 (uninflated)

Capex 10 years $000	Option 1	Option 2	Not used	Option 3
	Maintain BAU investment	Enhanced Investment	WW Low-Mid	Accelerated funding
Council options presented for consultation	552	678 (inflated) (we excluded sludge minimisation project funded through IFF and added wastewater laterals)	Not used as the increase from low was largely in relation to water meters (not supported by councillors) and some renewals. The difference in renewals was not material over a ten-year period	1.5b (inflated) (we excluded sludge minimisation project funded through IFF and water meters, and added wastewater laterals)

Note: Council numbers include debt impacts.

9. If not included in the information contained in Question 6, please provide the Council's rationale for discounting the other scenarios offered up by Wellington Water?

See response to question seven.

10. **Please advise the amount of money collected via rates and water metering charges (for 3 waters opex and capex) and the amounts applied against the LTP 3 water accounts. I'm specifically looking for assurance that what we are collecting is being fully applied to 3 waters?**

See response to question seven.

11. **What (and if so how much) was the government's 3 waters stimulus funding included in the LTP 3 waters budget lines?**

We were allocated $20.2 million of stimulus funding.

12. **Other than funded through "growth" please advise how much investment through the LTP has been allocated to investment in existing 3 waters infrastructure?**

$580.4 million (uninflated).

Right of review
If you are not satisfied with the Council's response, you may request the Office of the Ombudsman to investigate the Council's decision. Further information is available on the Ombudsman website, www.ombudsman.parliament.nz.

Please note, we may proactively release our response to your request with your personal information removed.

Thank you again for your request. If you have any questions, please feel free to contact me.

Kind regards

Gareth Hancock
Team Leader Official Information

Three Waters Investment Options

Supporting information

20 November 2020

In confidence - Draft

Wellington Water

Our water, our future.

The context for three waters issues:

Aging water assets are a national issue.

In Wellington, between 50%-60% of three waters assets are due to be replaced in the next 30 years (based on age), and they are getting older.

This poses a steadily increasing risk to core three water services and healthy growing communities

At the same time, community expectations are increasing, and so are national standards: water regulator, freshwater management

Growth, reducing water consumption, improving water quality and climate change are all additional challenges facing three waters asset owners

Investment advice

This document follows on from the meeting on Friday 13 November 2020 where additional information was requested.

WCC officers asked Wellington Water;

- Review the investment options provided
- Provide additional programme information
- Provide lower investment options.
- Consider which projects could be removed from the proposed programme.

The information in this document still links options to our regional priority areas. This provides a basis to make funding decisions. The linkage to council budgets is shown at the end of the presentation.

The three waters stimulus funding may reduce the operational cost impact in year one. This analysis is yet to be finalised.

Reminder about the high investment option

In our options presentation on 7 October 2020 Wellington Water gave WCC the following information.

The internationally recognised water industry regulator, the **Water Industry Commission for Scotland** (WICS), has reviewed all our advice to owner councils, based on experience with multiple water entities.

Wellington Water's big picture view, using capex as a proxy for annual investment for the region, was that an annual regional investment of $240 million is required, compared to $140M in 2020.

WICS concluded a higher level of $300M-$350M in capex annually was required.

Regional priorities for three waters investment

Wellington Water

Looking after existing infrastructure

Growth

Reducing water consumption

Improving environmental water quality

Reducing carbon emissions

Looking after existing assets is foundational to a sound risk management approach. It reduces the risk of surprises that usually cost more, and have greater negative effects, than planned work does and emits more carbon.

Growth is inevitable and must be managed in a way that ensures it doesn't add to existing challenges for the three waters network.

The other priorities are system wide issues that need addressing over the next 30 year:

- The region is near capacity for water supply
- Communities expect better environmental water quality than we have now
- Carbon emissions are a key contributor to climate change

NOTE - Individual activities associated with localised risks are still considered.
NOTE – Priorities are aligned with Draft Mayoral Taskforce recommendations.

Renewal capital investment

Between 50%-60% of three waters assets are due to be replaced in the next 30 years (based on age).

Based on these low and low-mid funding profiles the backlog and service risk would continue to increase.

Total $M	Low		Low – Mid		Options Advice (7 Oct)	
	Years 1 - 3	Years 1 - 10	Years 1 - 3	Years 1 - 10	Years 1 - 3	Years 1 – 10
Drinking Water Renewals	$31	$150	$35	$162	$38	$171
Wastewater Renewals	$28	$109	$40	$216	$45	$300
Stormwater Renewals	$13	$45	$13	$64	$13	$81
Sub-total (CAPEX)	**$73**	**$305**	**$88**	**$441**	**$96**	**$553**
Risks / Impacts	• Backlog will increase further • Compounding decrease in service levels • Unplanned service disruption increases in frequency • Potential for high criticality asset failure increases • Increased operational response needed		• Network reliability improves over 30 years • Number of service interruptions decreased in frequency • Potential for high criticality asset failure still exists but becomes less likely over 30 years • These figures exclude the Bell Rd (Moe-i-te-ra) Reservoir replacement. The options advice from 7 Oct is a lower figure based on this exclusion.			

Renewal capital investment

Key projects:

- Interceptor renewals
- Highland Park reservoir replacement
- Wastewater Treatment Plant capital maintenance (renewals)
- Control systems renewals
- Reservoir roof waterproofing
- Consents and compliance
- Ongoing three waters network and pump station renewal programmes

The replacement of the Bell Rd (Moe-i-te-ra) Reservoir has been removed from all options

How Wellington Water prioritise renewals:

Wellington Water prioritises renewals based on operational performance, criticality and condition assessment of the assets that provide evidence to support replacement.

Renewals also have wider benefits such as reducing water consumption, improving water quality and resilience due to new asset being installed.

Opex investment in looking after existing infrastructure

Looking after existing assets is foundational to a sound asset management approach. It reduces the risk of surprises that usually cost more, and have greater negative effects than planned work, and emit more carbon.

Total $M	Low		Low – Mid		Options Advice (7 Oct)	
	Years 1 - 3	Years 1 - 10	Years 1 - 3	Years 1 - 10	Years 1 - 3	Years 1 - 10
Opex Investment	$100	$335	$102	$347	$103	$361
Additional investment areas above 2020/21 levels	Additional investment needed for; • wastewater treatment plant contract costs • Proposed Natural Resources Plan hearings • Additional compliance and health and safety needs, • Asset management and process improvement • Data management		Further investment in; • condition assessment • planned maintenance • asset management and process improvements • data management		Further investment in; • condition assessment • planned maintenance • asset management and process improvements • data management	
Risks / Impacts	• Compounding year on year decrease in service levels • Increased operational costs • Lack of data to make effective decisions		• Network reliability improves gradually over 30 years. • Data gaps close • Decisions increasingly driven by evidence		• Good asset management practices are built and are sustainable	

Looking after existing infrastructure

Increase opex

Investing in projects driven by growth

Growth in the city is being shaped by the Spatial Plan. The current District Plan indicates that, even to meet current growth demands, investment in wastewater and stormwater assets will be needed within the 10 years of this LTP.

Total $M	Low		Low – Mid		Options Advice (7 Oct)	
	Year 1 - 3	Years 1 - 10	Year 1 - 3	Years 1 - 10	Year 1 - 3	Years 1 - 10
Growth planning to inform timing and need for infrastructure assets	$2	$3.5	$3	$5	$3.5	$7
Sub-total (OPEX)	**$2**	**$3.5**	**$3**	**$5**	**$3.5**	**$7**
Development projects	$2	$5	$2	$5	$2	$5
Miramar upgrades (linked to LGWM)	-	$25	-	$25	-	$25
Other outer suburbs	-	-	-	-	-	$454
PS01-07 PStns and rising mains	$11	$36	$11	$36	$11	$36
Stebbings wastewater upgrades	$5	$19	$5	$19	$5	$19
Water modelling	$1	$4	$1	$4	$1	$4
Wellington central + Pipitea, Te Aro	$6	$89	$6	$89	$6	$89
Sub-total (CAPEX)	**$25**	**$178**	**$25**	**$178**	**$25**	**$632**
Risks	• Some developments may happen earlier than anticipated, necessitating funding being brought forward. • Risk of not investing in further growth studies is that this limits the ability to take an integrated planning approach for growth, meaning the timing and delivery of our infrastructure will not be able to support areas of planned growth. • Project excluded from all options include; Lincolnshire (Horokiwi) Reservoir, Upper Stebbings Reservoir but the options advice includes all spatial plan growth investment options.					

Growth

For specific project budget estimates, Wellington Water have used a 95 percentile figure. Costs are based on 2020 NZD and may vary as more detailed planning is completed

Investing in reducing our water consumption

The region is near capacity for water supply and demand is increasing. Bulk water levy for WCC could increase further on a relative usage basis if the demand reduction activities of other cities are not matched.

Total $M	Low		Low – Mid		Options Advice (7 Oct)	
	Year 1 - 3	Years 1 - 10	Year 1 - 3	Years 1 - 10	Year 1 - 3	Years 1 - 10
Operational	$1	$3	$2	$6	$10	$41
Sub-total (OPEX)	**$1**	**$3**	**$2**	**$6**	**$10**	**$41**
Demand Reduction (including area metering and pressure management)	$2	$5	$2	$5	$2	$5
Universal metering	-	-	-	$54	-	$54
Sub-total (CAPEX)	**$2**	**$5**	**$2**	**$59**	**$2**	**$59**
Risks / impacts	• The risk of not doing enough is that investment may be required by GWRC in a new water source in the 2024-34 LTP at a significant operational cost to WCC. • Universal metering is not funded and limits our ability to identify leaks on private property.		• Measures in place help reduce water consumption reducing the risk of additional investment needs			

Reducing water consumption

For project budget estimates, Wellington Water have used a 95 percentile figure. Costs are based on 2020 NZD and may vary as more detailed planning is completed

Investment in improving environmental water quality

Wellington Water

Communities expect better environmental water quality and national standards are increasing. The programme requires development over the next three years to inform a long term approach is needed to address this complex issue.

Total $M	Low		Low – Mid		Options Advice (7 Oct)	
	Year 1 - 3	Years 1 - 10	Year 1 - 3	Years 1 - 10	Year 1 - 3	Years 1 - 10
Operational investment in;	$3.5	$12	$5	$15	$11	$39
Sub-total (OPEX)	**$3.5**	**$12**	**$5**	**$15**	**$11**	**$39**
Wastewater (including Karori relining, first flush diversion and modelling)	$3	$3	$5	$8	$5	$8
Sub-total (CAPEX)	**$3**	**$3**	**$5**	**$8**	**$5**	**$8**
Risks	• The targets and limits being agreed through the Whaitua process as well as the NPSFW 2040 target for swimmable water will not be met. • Green infrastructure aspirations associated with the Water Sensitive Design guidelines will not be met.					

Improving environmental water quality

For project budget estimates, Wellington Water have used a 95 percentile figure. Costs are based on 2020 NZD and may vary as more detailed planning is completed

Our water, our future.

Reducing carbon emissions

The effect of carbon emissions on the capital and operational programme requires development over the next three years to inform a long term approach.

Total $M	Low		Low – Mid		Options Advice (7 Oct)	
	Years 1 - 3	Years 1 - 10	Years 1 - 3	Years 1 - 10	Years 1 - 3	Years 1 - 10
Carbon reduction and climate change adaptation	-	-	$1	$1	$1	$1
Sludge minimisation project additional operational costs	$1	$8	$1	$8	-	$3.5 (timing and value has been subsequently refined)
Sub-total (OPEX)	**$1**	**$8**	**$2**	**$9**	**$1**	**$4.5**
Sludge Minimisation – Stage 1	$150	$150	$150	$150	$150	$150
Sub-total (CAPX)	**$150**	**$150**	**$150**	**$150**	**$150**	**$150**
Risks / impacts	• The net carbon zero target by 2050 will not be met. • The operational costs for the sludge minimisation project are yet to be finalised. • Options advice from 7 October was $140-180M this number since been refined and presented to council.					

For project budget estimates, Wellington Water have used a 95 percentile figure. Costs are based on 2020 NZD and may vary as more detailed planning is completed

Addressing localised risks

Specific, localised risks or projects some of which are already underway need to be considered.

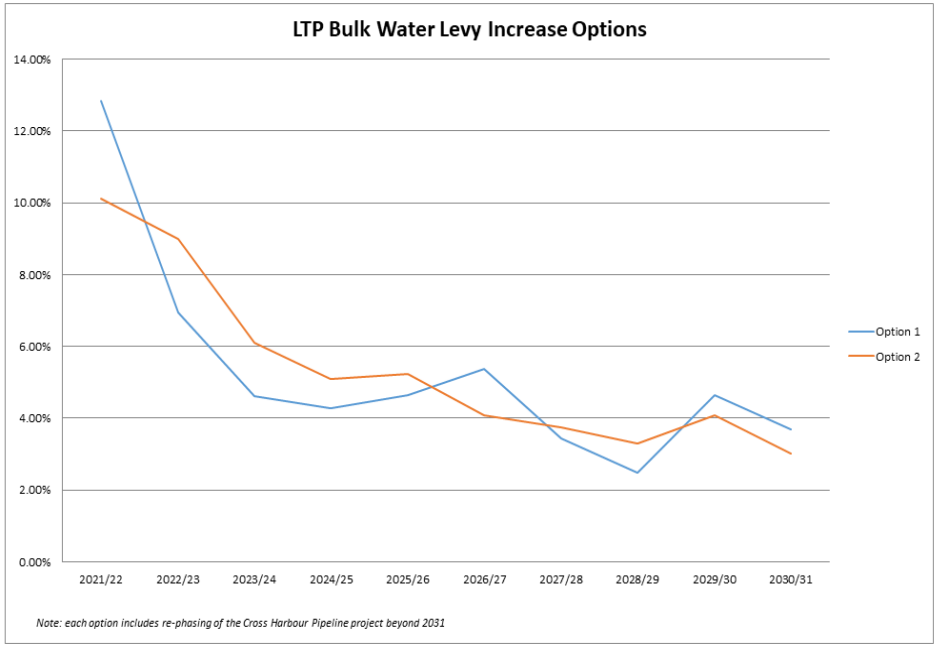
Total $M	Low		Low – Mid		Options Advice (7 Oct)	
	Year 1 - 3	Years 1 - 10	Year 1 - 3	Years 1 - 10	Year 1 - 3	Years 1 - 10
Operational investment in Catchment planning, seismic assessments, stormwater model updates	-	-	$1.4	$3	$6	$18
Sub-total (OPEX)	**-**	**-**	**$1.4**	**$3**	**$6**	**$18**
Water Supply Resilience (network and reservoirs)	$8	$8	$8	$8	$10	$13
Omaroro Reservoir	$38	$38	$38	$38	$38	$38
Stormwater Modelling	$1	$2	$1	$2	$1	$2
Tawa Stormwater Upgrades	$7	$18	$7	$18	$7	$18
Sub-total (CAPEX)	**$54**	**$66**	**$54**	**$66**	**$55**	**$72**
Risks / impacts	• Critical water supply feeds remain vulnerable with likely loss of supply to some areas in a seismic event. Key reservoirs remain vulnerable to seismic impact, potential loss of storage and supply to multiple suburbs in a seismic event. • Stormwater capacity remains limited and may deteriorate further. • Inability to protect properties and residents from flooding events in localised areas, there some known issues that could surface and require consideration outside this funding availability. • These figures exclude the following projects; Kilbirnie Stormwater Pump station, Kent Terrace Daylighting project and other smaller localised projects. The options advice from 7 Oct is a lower figure based on these exclusions.					

Localised issues

For project budget estimates, Wellington Water have used a 95 percentile figure. Costs are based on 2020 NZD and may vary as more detailed planning is completed

Bulk water levy

- GWRC has advised WCC that it is currently considering investment options for the 2021-31 LTP for the provision of bulk water that will have a material impact on the bulk water levy.
- The priorities for an increase in bulk water investment are the same as those identified for WCC
- Further work is being undertaking for GWRC to help reduce the proposed level of increase by considering how the stimulus funding, being made available to GWRC through the Water Reform process, might offset rates funding.
- GWRC are expecting to provide an update before the end of the year.



Investment Summary by WCC budget Capex

WCC Budget Code	WCC Base		Low		Low – Mid		Options Advice (7 Oct)	
	Yrs 1 - 3	Yrs 1 - 10	Yrs 1 - 3	Yrs 1 - 10	Yrs 1 - 3	Yrs 1 - 10	Yrs 1 - 3	Yrs 1 - 10
2013_Water - Network renewals	$24	$107	$25	$109	$30	$130	$35	$149
2016_Water - Network upgrades	$20	$40	$10	$41	$10	$95	$11	$115
2019_Water - Reservoir renewals	$4	$33	$6	$40	$4	$31	$2	$22
2020_Water - Reservoir upgrades	$38	$66	$40	$40	$40	$40	$41	$108
2023_Wastewater - Network renewals	$22	$88	$28	$109	$40	$216	$45	$300
2024_Wastewater - Network upgrades	$42	$55	$176	$295	$177	$300	$177	$544
2028_Stormwater - Network upgrades	$20	$67	$8	$27	$9	$27	$9	$154
2029_Stormwater - Network renewals	$12	$43	$13	$45	$13	$64	$13	$81
Sub-total (CAPEX)	**$182**	**$498**	**$306**	**$707**	**$323**	**$903**	**$333**	**$1,473**

For project budget estimates, Wellington Water have used a 95 percentile figure. Costs are based on 2020 NZD and may vary as more detailed planning is completed

Investment Summary by WCC budget Opex

WCC Budget Code $M	WCC Base		Low		Low – Mid		Options Advice (7 Oct)	
	Yrs 1 - 3	Yrs 1 - 10	Yrs 1 - 3	Yrs 1 - 10	Yrs 1 - 3	Yrs 1 - 10	Yrs 1 - 3	Yrs 1 - 10
Opex – Water	$22	$81	$29	$98	$31	$105	$134	$470
Opex – Wastewater	$59	$215	$66	$223	$68	$233		
Opex - Stormwater	$10	$37	$12	$39	$14	$46		
Sub-total (OPEX)	**$91**	**$333**	**$107**	**$360**	**$113**	**$384**	**$134**	**$470**

Appendices

Renewal

The renewals budgeting process (Options Advice (7 Oct))

Wellington Water's approach to renewals focusses on long term stewardship of the asset, planning for renewals at a pace that meets asset deterioration over time or the "lifecycle of the asset". Based on this key principle an expected renewal profile has been developed using the following approach:

- based on the age and material expected asset life determined for every pipe;
- the current backlog of pipes past their expected life has been included;
- consistent regional approach to replacement cost estimation based on valuation data assuming a like for like replacement.

The raw data produces a lumpy spend profile which is difficult for Councils to manage. To address this the required spend has been "smoothed" adopting a broad philosophy of:

- sustainable level of investment over 30 year cycle, if this were extended the backlog could not be addressed;
- Year 1 – 2 spend (21/22 & 22/23) broadly at same level as forecast in LTP2018 and focusses on identified specific "no regrets" capex projects;
- from Year 3, programme spend stepped up over 2 LTP cycles to reach steady state by Year 7;
- a renewed focus on undertaking condition assessment (requiring increased opex spend over the next 3 – 5 years) will provide better field data to inform decision making on the most critical projects to fill the programme on an ongoing basis. It is not expected we will see an immediate flattening or reduction in reactive maintenance costs until years 8-10.

It is important to recognise the renewal proposed carries a moderate degree of cost estimation risk (it excludes contingency or risk uplift) meaning actual in ground costs could be different to those modelled.

Any reduction in expenditure below this profile will increase the backlog, increase reactive failure risk and unplanned operational expenditure.

2021 Long Term Plan

Budget Update – latest iteration

Making the trade-offs and building the CD

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Today

Update latest budget iteration – not quite there yet.

- Reductions to Opex, increase revenue
- Reductions and deferrals to capex – more to do

We will work through 3 parts today:

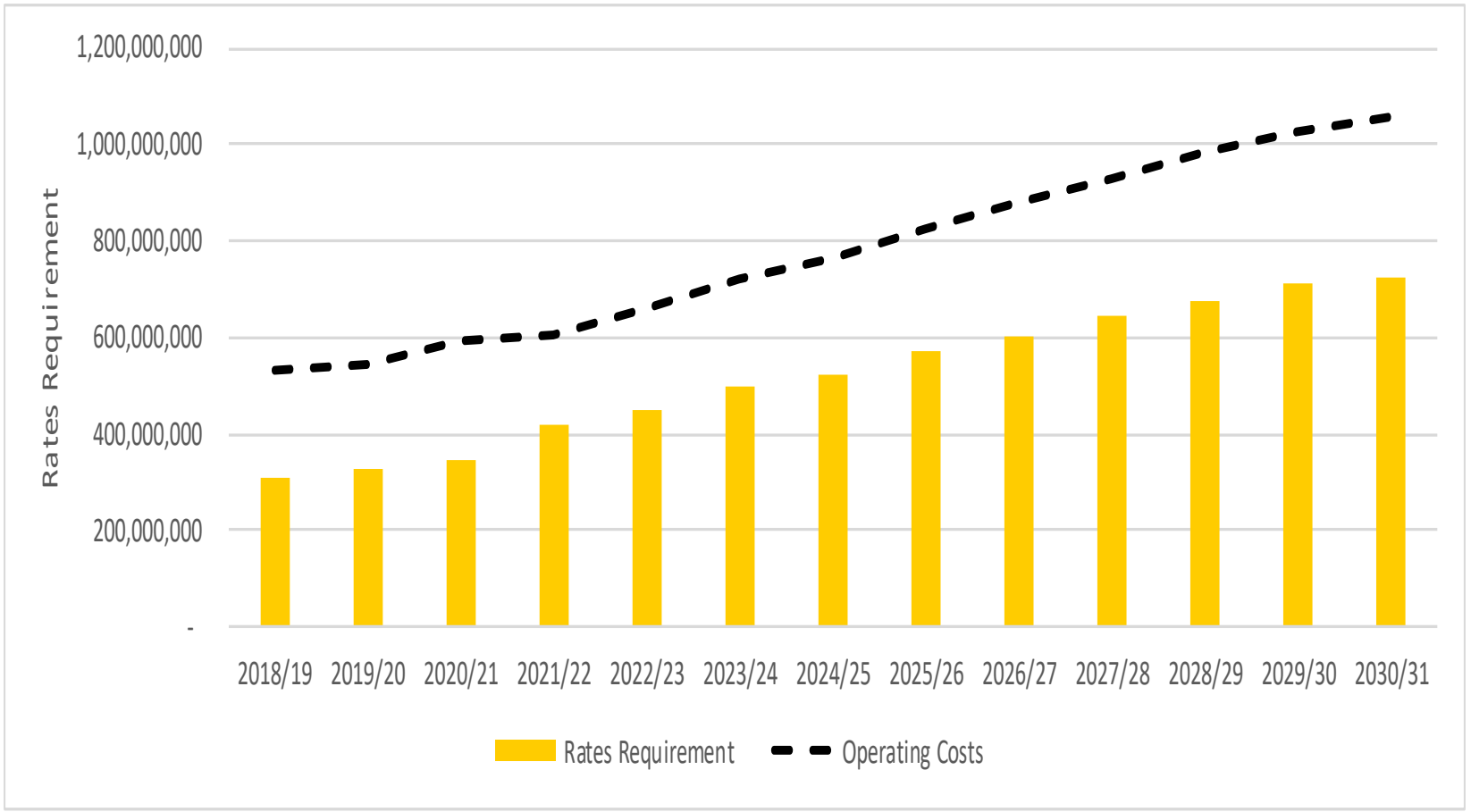
Part 1: Year 1 rates options

Part 2: What is currently in and out of draft budget/plan?

- Includes view of likely consultation options

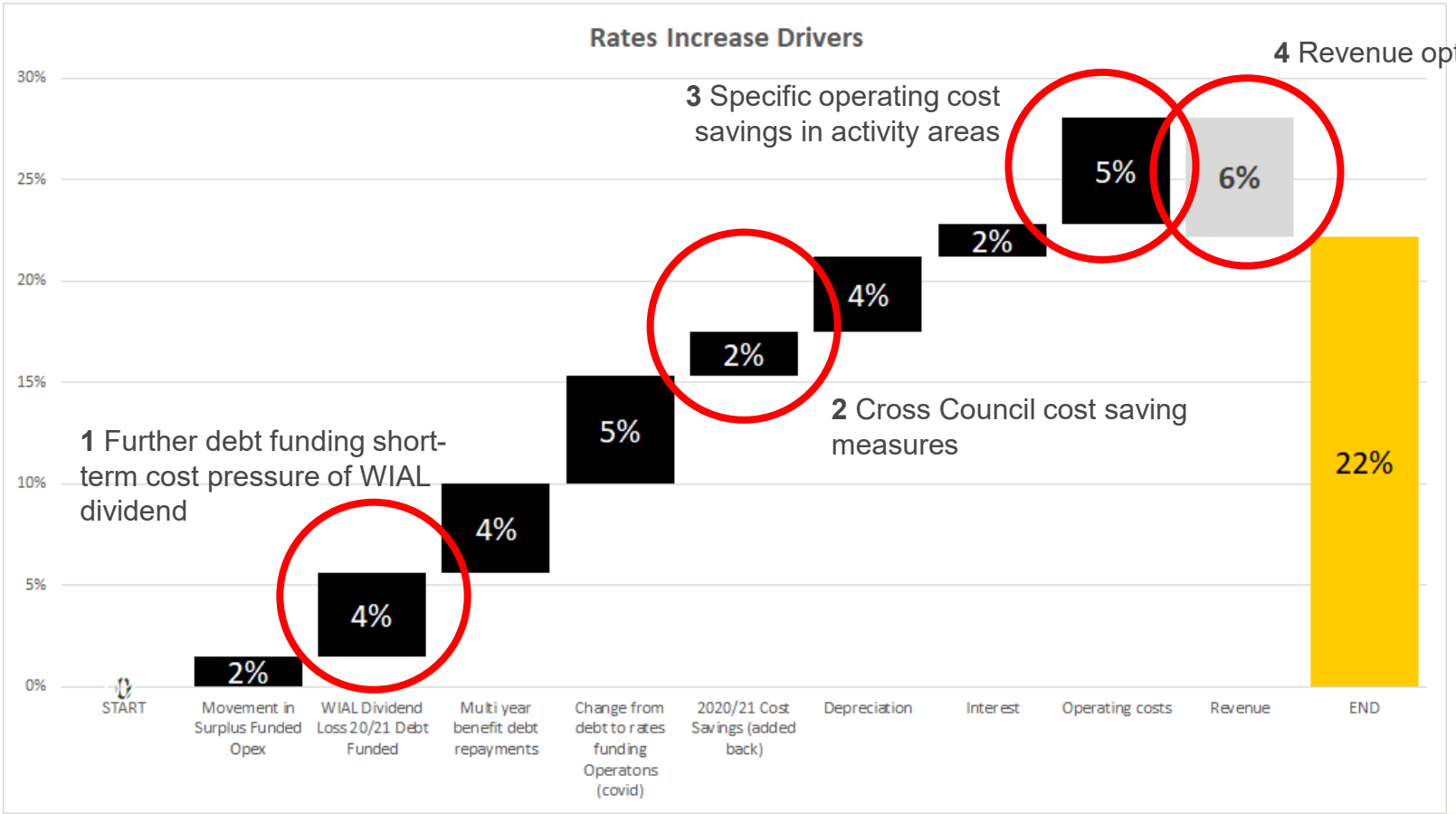
Part 3: Next steps

Rates Funding Requirement



Part 1 – Year 1 rates

ELT has reviewed options for reducing the year 1 rates impact

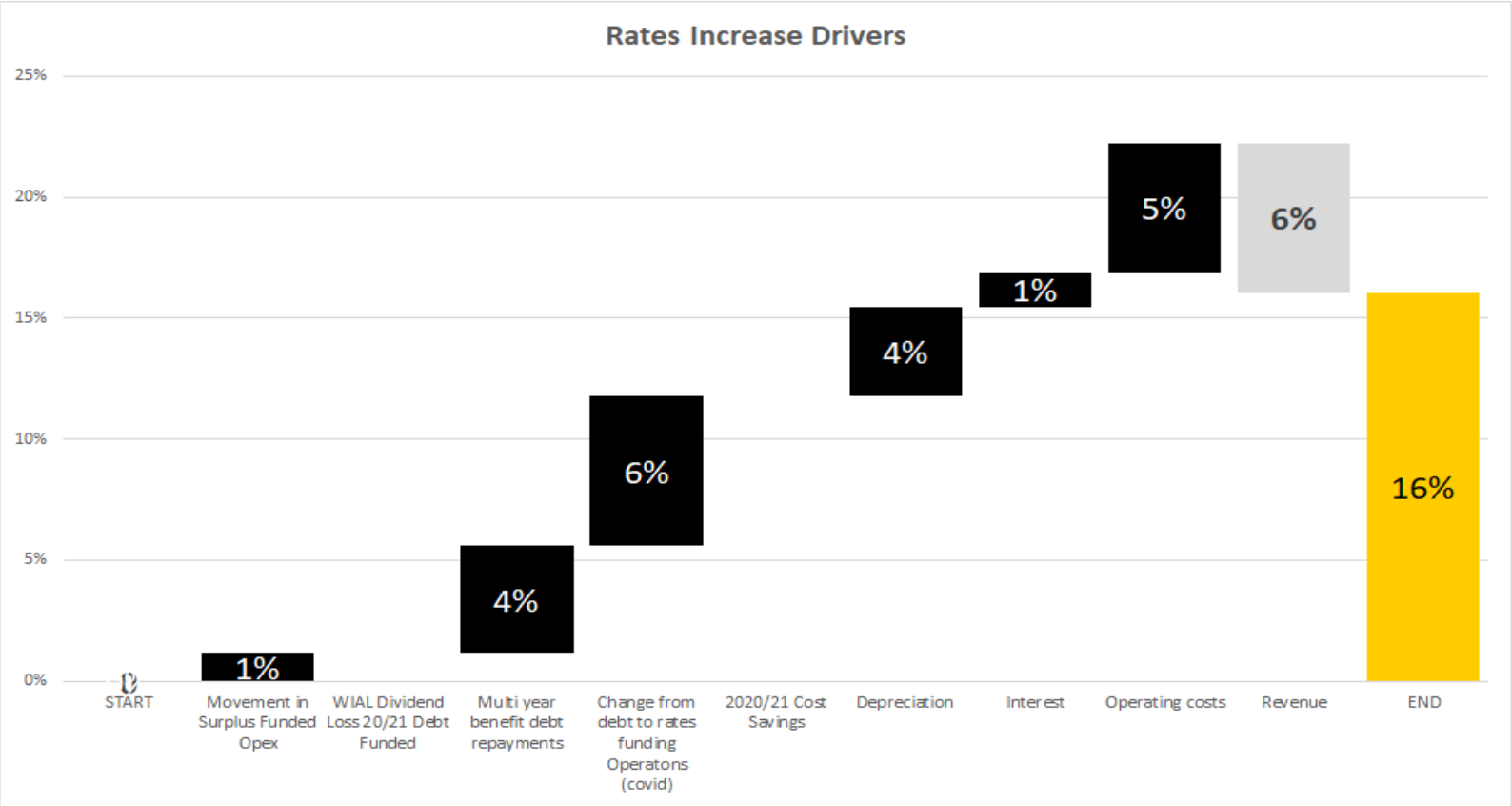


Revised Rates Requirement

		$m	%
2020/21 Rates Requirement	342,741,476	343	Impact on rates
Previous Rates Increase before Growth	418,915,025	419	22.2%
Savings made	(7,211,234)	(7)	-2.1%
WIAL Dividend - Debt Fund	(14,000,000)	(14)	-4.1%
Revised - Total Rates Increase before Growth	397,703,791	398	16.0%

What this means for Year 1 rates?

With these measures, updated Y1 rates rise may look more like the below



Capex - principles taken

An achievable programme

- Reviewing phasing of capital budgets to ensure a realistic level of investment budgeted given level of past capital spend

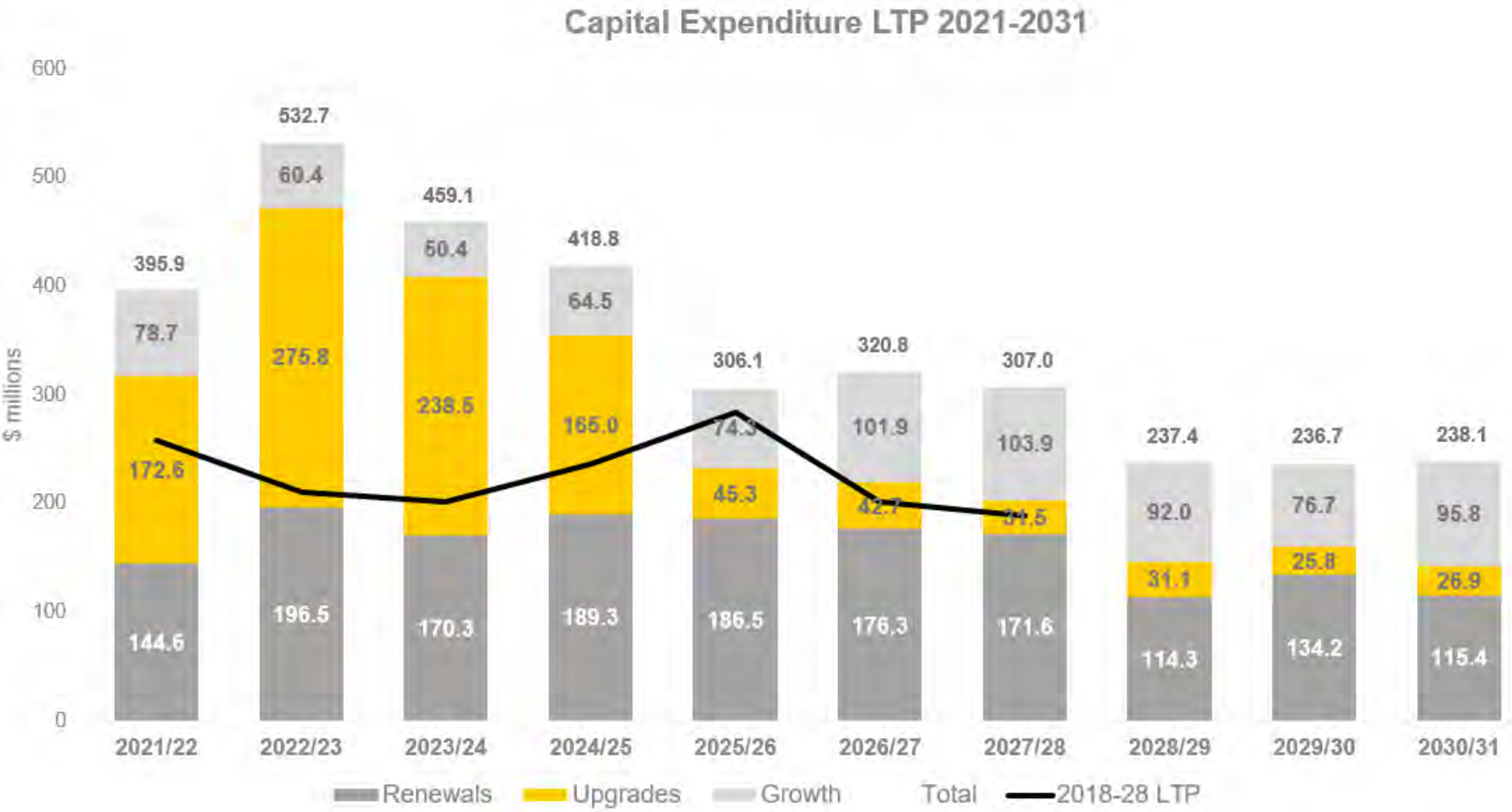
A focus on existing before new

- Renewals are first priority.
- Upgrades focused on Council priorities e.g. water and transport infrastructure, central library, civic square, venues
- Limited investment in upgrades to service levels beyond that

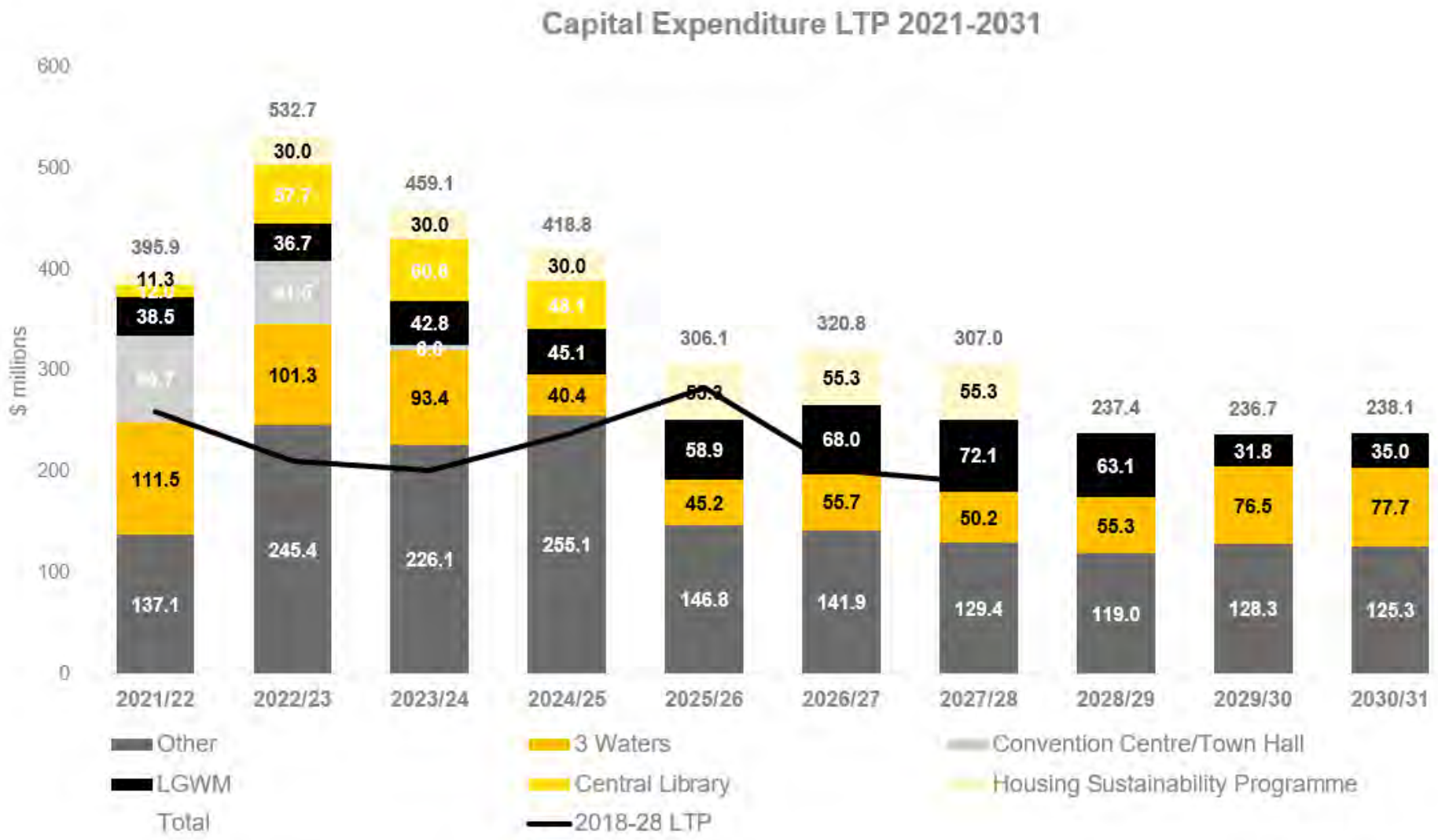
Further work to do

- Further work is needed to reduce and smooth capital programme (particularly in Yr1-3).
- Scheduled for Feb

Capital programme



Capital programme - breakdown



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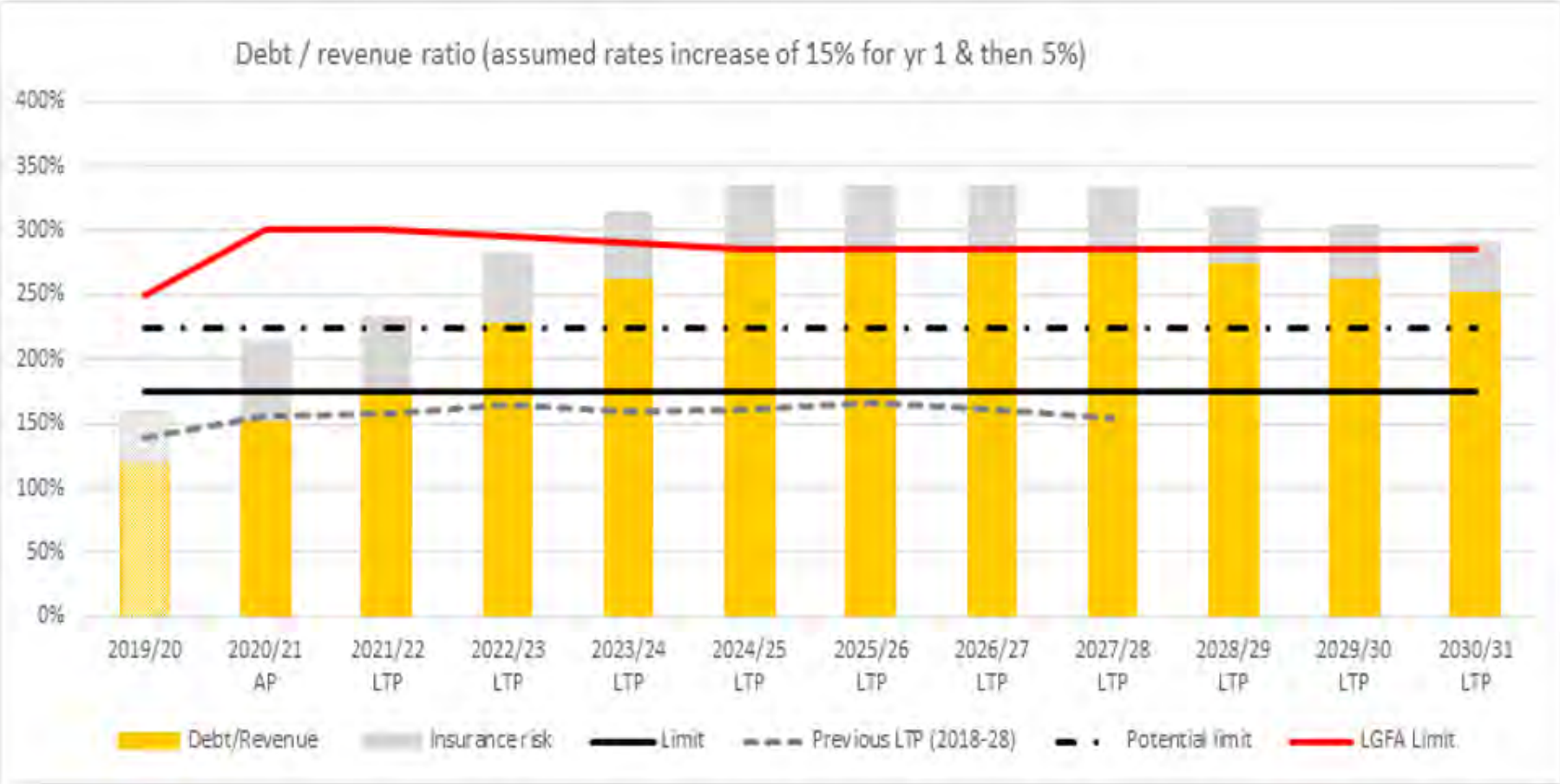
Debt/Revenue Ratio

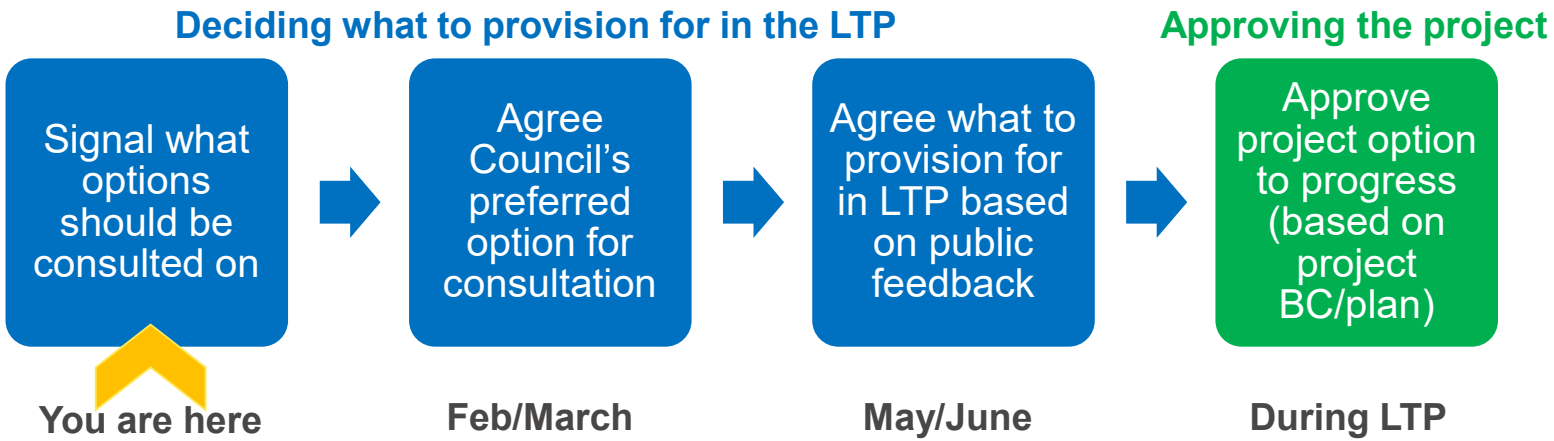


Part 2 – What is included in draft plan?

The following slides work through the current draft plan including significant issues for consultation.

Questions for Councillors:

- Are you comfortable with the options as they are developing?
- Are there any 'show stoppers' in what is being developed?



Governance and Engagement

Activity groupings

1.1 Governance, information and engagement
1.2 Māori and mana whenua partnerships

Options for CD	Capital projects included (in the budget)	Other things to note	Considerations
None	• Continued digitisation of city archives (Y1-3, $7.5m)	• Largely core roles for Council with limited options for reductions in spending. • Increased investment in mana whenua partnerships is being programmed. (More detail to come in February)	• Increasing level of investment in Mana whenua partnership overtime

Environment - summary

Activity groupings

2.1 Gardens, beaches and green open spaces
2.2 Waste reduction and energy conservation
2.3 Water
2.4 Wastewater
2.5 Stormwater
2.6 Conservation attractions

Options for CD	Notable capital projects included (in the budget)	Things to note	Considerations
• Sludge* pending workshop outcome • Increased level of investment in three waters • Ownership of laterals • Water metering* pending Council review of mayoral taskforce recommendation • Te Atakura implementation	• Renewals prioritised. Limited level of upgrade investment included for parks, playgrounds, open space in years 1-3 - pending spatial plan and network review • Significant uplift in three waters capital investment ($276m uplift from 2018) • Sludge minimisation (Y3-5 $150m) • Te Atakura capital investment $8m (opex not yet loaded) • Botanic gardens building renewal/upgrades (Y3-10 $12.8m) • Provision for landfill ($31m)	• Ltd level of investment for parks, playgrounds, open space investment • Maintaining existing level of service for resource recovery/waste minimisation • Investment for organics collection currently not included pending results of trial, but option to consider user pays. • Tanglewood House greenstar certification not included (investigating debt funding) • No additional investment for Makara resilience	• Existing decisions on land acquisition, Makara cemetery, and some investment in CBD parks prioritised for years 1-10 • Water growth investment will require refinement in 2024 LTP following spatial plan finalisation

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Environment – consultation items

Significant options for CD	Options	Considerations
Sludge* pending workshop outcome	Options based on level of investment TBC from workshop	TBC from workshop
Increased level of investment in three waters renewals	1 Base – Opex $328m Capex $498m **2 Enhanced – Opex $360m Capex $707m** 3 Accelerated – Opex $470m Capex $1,473m	• Making progress on key water quality issues • Growth may require additional funding • Ability to deliver large programme of work
Ownership of laterals	1 No change **2 Council ownership of laterals**	Minimal risk. Note: Funding yet to be loaded in budget
Water metering* pending Council review of mayoral taskforce recommendation	1 No change 2 Provision for installation of water metering in out years of LTP	TBC
Te Atakura implementation levels	1 Original scope $24.1 opex $8.4 capex 2 High $22.4 opex $6.3 capex **3 Medium $19.6 opex $6.1 capex** 4 Low $12.5 opex $6.1 capex	• Delivering Te Atakura commitments with lower levels of investment • **Note: full funding requirement of preferred option not currently loaded in the budget**

Economic Development - summary

Activity groupings

3.1 City promotions and business support

Options for CD	Notable capital projects included (in the budget)	Things to note	Considerations
• Venues investment	• Completion of Convention Centre and Town Hall (Year 1/2, $148.4m) • TSB upgrade (Year 4/5 $30m)	• No significant changes proposed from current plans/budgets • Phased programme of venues investment (through reprioritisation of indoor arena budget ($80m)	• Outyear venue upgrade budgets may be insufficient once fully costed plus TSB later than originally proposed • Any new Economic Strategy activities would need to be delivered through prioritisation of existing activities/budgets

Econ Development – consultation items

Options for CD	Options	Considerations
Venues investment option - level of TSB upgrade	1 No upgrade- renewals only **2 Full upgrade $30m** *Specific options TBC*	• Risks relating to the ability to attract events should we not provide modern and fit for purpose venues (timing of upgrade)

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Arts and Culture- summary

Activity groupings

4.1 Arts and cultural activities

Options for CD	Capital projects included (in the budget)	Things to note	Considerations
• Opera House - work still underway on options • Bond Store - strengthening / upgrade	• Opera House upgrade (Year 2/3, $40m) • MFC investment (Year 8+, $10m) • Bond Store (Year 2-5 $15m) (note: $5m included in current year)	• No significant changes proposed from current plans/budgets • Phased programme of venues investment (through reprioritisation of indoor arena budget) • Phased Bond Store investment	• Delayed Bond Store investment may not align with Trust's planning; funding allocated less than full request • Existing services for arts and culture (Arts and Culture Strategy implementation will need to be costed and funded in annual plan)

Arts & Culture– consultation items

Options for CD	Options	Considerations
Opera House investment options	1 No upgrade (divestment) 2 Strengthen and upgrade ~$40m (preferred timing year 2 to start consenting and design)	• Risks relating to the ability to attract events should we not provide modern and fit for purpose venues
Bond Store – strengthening / upgrade	1 Moderate strengthening ~$15m 2 Strengthen and upgrade $35m *Specific options TBC in Feb*	• Delayed Bond Store investment may not align with Trust's planning

Urban Development summary

Activity groupings

6.1 Urban planning, heritage and public services development (including waterfront development)
6.2 Building and development control

Significant options for CD	Capital projects (included in the budget)	Things to note	Considerations
• MOB and CAB demolition or remediation	• MOB/CAB rebuild (Y2-3 $85m) • Te Aro Park (Y1-3 $3.3m) • Shed 1 and 5 (Y1/2 $8.9m) • FKP playground (Y1, $4.5m) • Site 9 upgrade (Y1-2 $2.4m) • Increased waterfront renewals • CBD greening/pocket parks ($7.6m)	• Increased budget provisioned for Civic Square works • Lower level of investment in urban development than previous LTP given capex pressures- laneways etc	• LGWM (covered in Transport) will also deliver significant urban development • Sky stadium strengthening investment (Y2 $2.33m OPEX)

Urban Development – consultation items

Option for CD	Options	Risk/impacts
MOB and CAB demolition or remediation	1. Proceed with the MOB base build proposal 2. Retain MOB and seek to repurpose 3. Sell MOB to support development 4. **Demolish MOB and rebuild (this option could include a larger development opportunity including CAB)** *Specific options and costs TBC*	• Affordability of required strengthening work for CAB • Resilience levels of different options • Possible heritage loss could mean consenting is more challenging • Carbon footprint impacts of options

Social and Rec- summary

Activity groupings

5.1 Recreation promotion and support
5.2 Community support
5.3 Public health and safety

Options for CD	Capital projects included (in the budget)	Things to note	Considerations
• Central Library • City Housing Financial sustainability; incl divest or long term lease Te Mara • Renewals priority focus. Limited upgrade investment in community infrastructure pending network review	• Proposed City Housing upgrade programme as per workshops $267m • Healthy Housing investment (Y1-3 $15.4m) • Central Library remediation (Y1-4 $179m) • Makara cemetery expansion ($6.5m) • Existing community facility upgrades will be completed (Strathmore, Newtown, Aro Valley, Karori) plus limited new investment in Tawa and Linden (years 1-3) • Northern suburb growth investment - Grenada North Sports Hub and turf (Y4-6 $11.8m). Year 11+ investment in new rec and community facility	• Ongoing sports fields, facilities renewals • Delaying community facility investment (over and above Central Library) pending spatial plan and network review • Divestment of Wadestown Community Centre • Evans Bay Marina upgrade funding excluded • Increase fees and user charges ~5% • City Housing options included- rates rebate, rentsetting proposal etc	• Timing of community investment differs to expectations and this will need to be well communicated • Options address City Housing financial sustainability to an extent but do not fully bridge capex & opex gap

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Social and Rec – consultation items

	Options	Risk/impacts
Limited investment in upgrades in community infrastructure pending strategic review	1. Continued investment as review is underway 2. **Limited upgrade programme pending outcome of strategic review of community infrastructure network**	• Investment in parts of network misaligned to future growth / equity etc • Delayed upgrade investment in community infrastructure in early years of LTP
Central Library	1. Options as per consultation 2. **Preferred remediation $179m**	• As per Library consultation
City Housing Te Māra long term lease or divestment	1 No change **2 Pursue divestment or lease of Te Māra**	• Cashflow injection to help offset upgrade programme Phase 2 • Increased affordability of a portion of city housing upgrade programme (improved financial sustainability)

Transport summary

Activity groupings

7.1 Transport
7.2 Parking

Options for CD	Capital projects included (in the budget)	Things to note	Considerations
• Cycleways level of investment • Level of transport upgrades over 10 years	• Significant investment provisioned for LGWM programme • Investment in Parking technology to enable improved enforcement, revenue growth, health and safety for staff, efficient service delivery • Lifeline resilience route investment (funding to be confirmed in Feb)	• Cost efficiency measures - e.g. chipseal included in the budget • Significant uplift in cycleway investment from 2018 LTP • Implementation of Parking policy and new technology -uplift in parking revenue, improved enforcement, service delivery, H&S	• Level of progress on speed, accessibility improvements • Cycleway funding adequate to achieve programme vision, and Te Atakura commitments • Prioritised level of investment in transport upgrades, lower than ambition but realistic given NZTA funding pressures and creating a 'doable' sized programme

Transport – consultation items

	Options	Risk/impacts
Cycleways level of investment in addition to LGWM delivering central city and Newtown connection	1 Full programme $170-$200m • Finishing eastern connections, Island Bay, $1m pa minor works and funding for other routes pending LGWM decisions **2 Prioritised $70-$100m** • **Finishing eastern connections, Island Bay, $1m pa minor works and $25m for other prioritised routes pending LGWM decisions** 3 Lower $45m • Finishing eastern connections, Island Bay, $0.5m pa minor works 4 Finish what we have started $30m • Finishing eastern connections, $0.25m pa minor works	• NZTA funding risk of a large programme given NZTA funding pressures • Lower levels of investment put Te Atakura carbon reduction goals at risk
Level of transport upgrades	1 High $210m **2 Medium $122m** 3 Low $83m	• Achievability risk of taking on larger programmes of work • NZTA funding risk of a large programme given NZTA funding pressures • Reducing level of improvements in accessibility and safety with lower investments

Part 3 – Next steps?

Our focus has included:

- mitigating the high year 1 rates projection
- The capital programme; and
- Areas form earlier workshops where you indicated that there was an appetite for change.

More work is needed on capital programme.

Part 3 next steps

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Timing	Committee	Purpose
8 December	LTP workshop	**Budget and CD options** Update budget based on internal ELT prioritisation and cost saving efforts Provide further info on the H/M/L of the different CD options Review of **draft forecasting assumptions**
15 December	LTP workshop	**Councillor option preferences** Further option construction and seeking Councillor guidance on options to include in CD– to enable CD development over the January break.
15 December	R&F working party	**Asset Management Planning overview**
2 February	R&F working party	**Detailed R&F Policy review- Including fees and user charges**
Early February	LTP workshop	**Draft F&I Strategy-** formalising limit targets, headroom. Updated **forecasting assumptions**
9 February	R&F working party	**Detailed R&F Policy review- Including fees and user charges**
18 February*	LTP workshop	Review of changes to budgets/capital programme that will not feature as CD options Review of **first draft CD –** review of the presentation of options and issues rather than full financials Approval of **consultation plan**
10 March*	R&F working party	Review of changes to **LTP measure framework**
4 March*	LTP meeting (Deliberations)	Review of **final draft CD** and recommendation to Council
31 March*	LTP meeting/ Council	**Approve Final CD** and associated document adoption

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* To be confirmed with Democracy Services

Today's session

- Wellington Water Limited advice
- Key current and forecast challenges
- Potential options for service level change

- We cannot afford to do everything we would like

Three Waters Reform Programme

A proposal to transform the delivery of three waters services

Webpage: https://www.dia.govt.nz/Three-Waters-Reform-Programme

Email: 3waterssteeringgroup@dia.govt.nz

Te Tari Taiwhenua
Internal Affairs

We are.
LGNZ.
Te Kāhui Kaunihera ō Aotearoa.

SOLGM
New Zealand Society of
Local Government Managers

SOLGM

Three waters reform in the 2020-31 long-term plans: A practice note

Society of Local Government Managers – September 2020

leadinglearninglinking

Mayoral Taskforce – Three Waters

Our city is facing multiple challenges and opportunities in the way we manage the three waters.

The Council has set up a Mayoral Water Taskforce (MTF) which will investigate what has led to the issues in the three waters network, and come up with an action plan to put to the Council by the end of June.

Further information on the Task Force and all things water related at Wellington City Council is available below.

Committee Meeting agreeing Terms of Reference for Taskforce

Membership of MTF

Taskforce members are:

- Mayor Andy Foster (Chair)
- Councillor Jenny Condie
- Councillor Sean Rush
- Geoff Dangerfield (Board, Wellington Water)
- John Milford (CEO, Wellington Chamber of Commerce)
- David Bassett (Chair, Wellington Water Committee)
- Kara Puketapu-Dentice (Taranaki Whānui)
- Eugene Doyle (Community Representative)
- Carl Blanchard (Independent subject matter expert, PWC)
- Peter Leslie (Independent subject matter expert, PDL Consulting)
- Martyn Dunne (Independent subject matter expert)
- Hikitia Ropata (Ngāti Toa)
- Stu Farrant (Community representative)

Three waters governance, asset ownership and management

Sustainably funded and financed water infrastructure

Community participation

Drinking water

Wastewater

Co-design with nature

Low carbon transition and resource recovery

Network resilience

Performance measures, reporting and public accountability

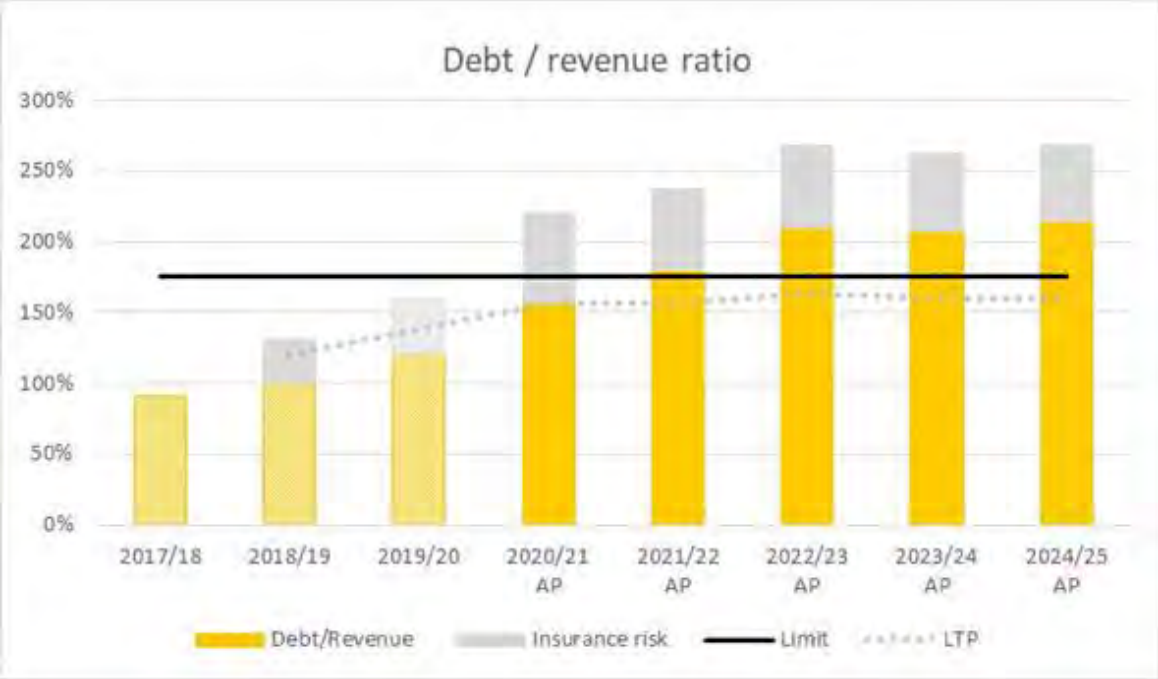
Financial context

Absolutely Positively Wellington City Council
Me Heke Ki Pōneke

Water investment needs will mainly impact our borrowing constraints.

Three waters renewal pressures discussed today would increase borrowings out to 2030/31 by more than $300m (before inflation is applied).

This spending alone will likely increase the debt to revenue ratio by close to 40% by 2031.



Further borrowing pressures in the LTP will also come from:

- Let's get Wellington Moving
- Civic square
- Central Library
- Te Atakura
- Additional planning for growth (including additional three waters growth spend).

Three Waters Investment Options

Council workshop

7 October 2020

In confidence

Julie Alexander
Group Manager, Network Strategy and Planning, Wellington Water

Wellington Water

Our water, our future.

The context for three waters issues: LTP approach, and progress of the LTP process

Aging water assets are a national issue.

In Wellington, between 50%-60% of three waters assets are due to be replaced in the next 30 years (based on age), and they are getting older.

This poses a steadily increasing risk to core three water services and healthy growing communities

At the same time, community expectations are increasing, and so are national standards: water regulator, freshwater management

Growth, reducing water consumption, improving water quality and climate change are all additional challenges facing three waters asset owners

International review confirms a step change is needed – but we can't do everything

The internationally recognised water industry regulator, the **Water Industry Commission for Scotland** (WICS), has reviewed all our advice to owner councils, based on experience with multiple water entities.

Wellington Water's big picture view, using capex as a proxy for annual investment for the region, was that an annual regional investment of $240 million is required, compared to $140M in 2020.

WICS concluded a higher level of $300M-$350M in capex annually was required.

Wellington Water recognises that this is desirable, but not affordable – clearly councils must prioritise, especially in view of the economic impact of covid-19

Today's advice is intended to assist Wellington City Council to make choices within this context

Regional priorities for three waters investment

Wellington Water

Looking after existing infrastructure

Growth

Reducing water consumption

Improving environmental water quality

Reducing carbon emissions

Looking after existing assets is foundational to a sound risk management approach. It reduces the risk of surprises that usually cost more, and have greater negative effects, than planned work does and emits more carbon.

Growth is inevitable and must be managed in a way that ensures it doesn't add to existing challenges for the three waters network.

The other priorities are system wide issues that need addressing over the next 30 year:

- The region is near capacity for water supply
- Communities expect better environmental water quality than we have now
- Carbon emissions are a key contributor to climate change

NOTE - Individual activities associated with localised risks are still considered.
NOTE – Priorities are aligned with Mayoral Taskforce recommendations.

Regional priorities for three waters investment

Looking after existing infrastructure

Increase opex

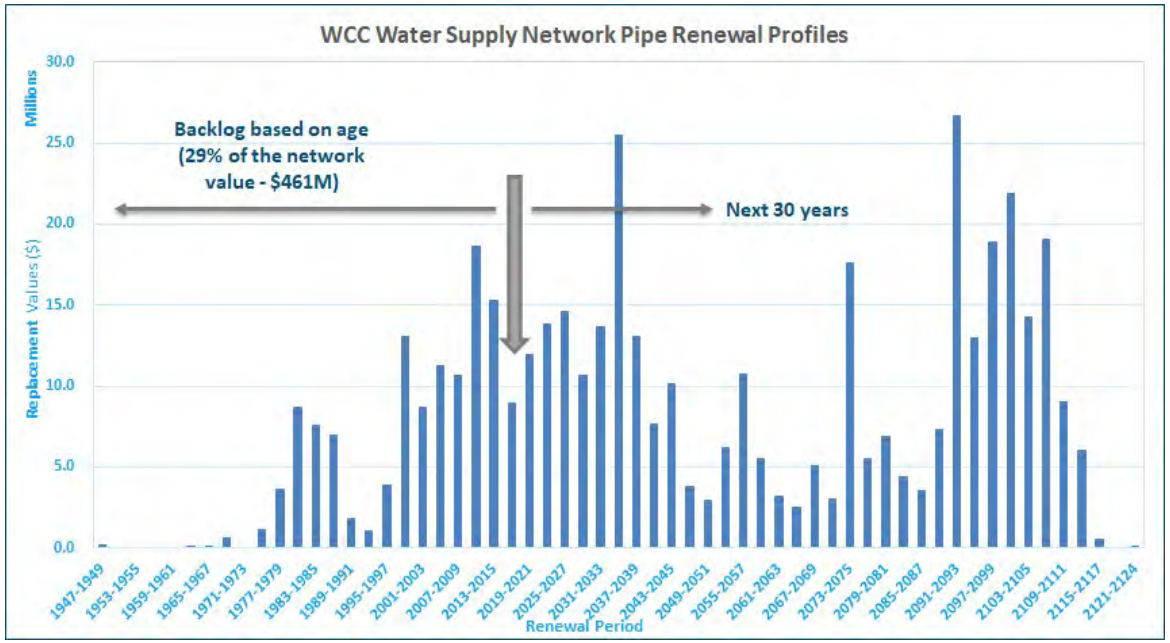
Looking after existing assets is foundational to a sound risk management approach. It reduces the risk of surprises that usually cost more, and have greater negative effects, than planned work does and emits more carbon.

- Look after existing assets by increasing opex by an additional $4.5m in year 3 in order to help address the risk of increasing unplanned service interruptions, and provide for an uplift in planned maintenance and condition assessment/asset above current levels.
- This has become much easier with the fiscal stimulus funding but there is a need to keep investing all the time to keep ahead of issues.
- Wellington Water will be able to complete all health assessments of very high criticality assets, digitise the backlog of data, digitise all old reports and build improved digital offerings to assist in our asset management work. This will assist with the optimisation of asset renewal programmes for future years.

Regional priorities for three waters investment

Looking after existing infrastructure

Address the backlog of renewals



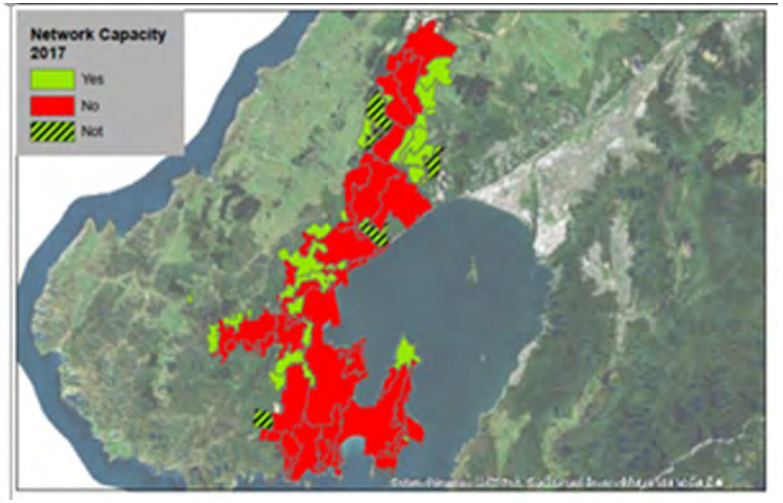
- Reduce the renewals backlog by funding up to $578m in asset renewals over 10 years (an increases of $307m above the current base) to avoid opex and capex increasing in the future as well as mitigating risks such as service failure and interruption.

- Note that renewals completed should always be no less than the depreciation of the asset and the uplift is recommended to get on top of the backlog created over the last number of years.

Regional priorities for three waters investment

Wellington Water

Growth



Growth is inevitable and must be managed in a way that ensures it does not add to existing challenges for the three waters network

- Growth in the city is being shaped by the Spatial Plan and the current District Plan indicates that, even to meet current growth demands, investment in wastewater and stormwater assets will be needed within the 10 years of this LTP.

- $3.5m OPEX for next three years to carry out more detailed growth studies (to size and sequence the investment required), and **note** that $30m CAPEX was previously identified for years 1-3 of the 2021 LTP, but an additional $120m* is required for targeted growth in the CBD and Eastern suburbs.

- Risk of not investing in further growth studies is that this limits the ability to take an integrated planning approach for growth, meaning the timing and delivery of our infrastructure will not be able to support areas of planned growth.

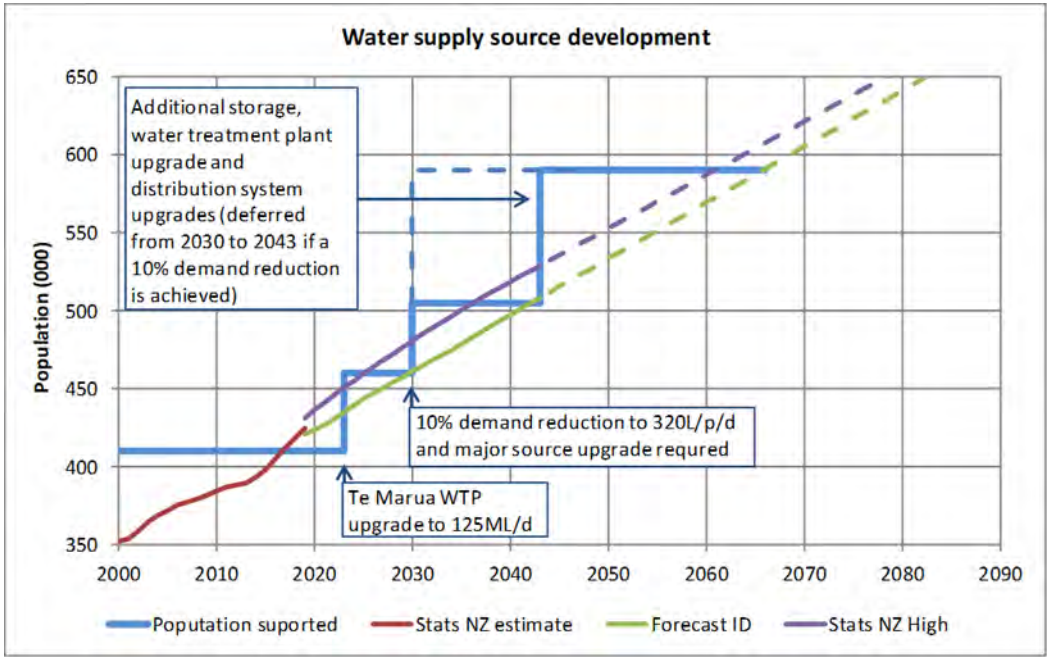
* NOTE – The $120M is the preliminary estimate to service the Central Wellington and Eastern Suburbs growth areas and is the minimum recommended investment in growth.

Regional priorities for three waters investment

Wellington Water

Reducing water consumption

The region is near capacity for water supply and demand is increasing



- Contribute to reducing water consumption across the region, by investing $59M capex over 10 years and consider further investment in opex to proactively find and fix leaks (in addition to opex and capex identified as part of 'Looking after existing infrastructure'). $50M of the capex has been identified for the installation of water meters.

- The risk of doing nothing and not investing in this priority is increasing services interruptions and bringing the cost of a new drinking water facility forward. The cost of this is likely to be @$200-400M.

The management of sludge is a key issue for WCC

- Investment options will need to be considered as part of the 21/31 LTP. A briefing is planned for Council on 22 October, where Wellington Water will provide background on the option selected and a higher level of confidence in this cost estimate but for the purposes of this workshop Wellington Water estimates that the proposed Sludge Minimisation Facility will likely fall in an estimated cost range of $140M to $180M.
- Additional opex funding will be needed once the facility is up and running (indicatively $500k per annum from year 4).
- The need to consider options is being driven by the renewal of consents in 2023 (given that the current state mixing ratio is close to or running outside the consented 1:4 ratio) and the need to be aligned with the council's Waste Minimisation Strategy with a target of 30% reduction over 10 years.
- In addition, the project provides numerous environmental, cultural and carbon reduction benefits by decoupling sludge management from the landfill.

Reducing carbon emissions

- Additional opex funding is recommended to undertake carbon reduction and climate change adaptation investigations (approximately $1M over 10 years)

Regional priorities for three waters investment

Wellington Water

Improving environmental water quality

Communities expect better environmental water quality and national standards are increasing

- $36M OPEX and $8M CAPEX required to start to address environmental water quality using a catchment by catchment approach
- Risks of underinvesting are that community expectations and compliance with NPS Freshwater (2040) cannot be met in timeframes

Localised issues

Specific, localised risks or projects which are already underway are also identified

- Kilbirnie stormwater improvement stage 2, Kent and Cambridge Terrace stormwater upgrade and Tawa storm water upgrade are estimated to be $89m capex and $7m opex.

Given the Council's financial constraints, it is unlikely that direct funding in improving environmental water quality and localised stormwater projects will be affordable when considered alongside other priorities.

Key Recommendations

Wellington Water recommends Wellington City invests in looking after existing infrastructure as a priority and recognising the existing economic environment, a lower level of activity for regional priorities.

	Fund an additional $4.5m OPEX by year 3 supporting a step change increase in operational costs to look after existing infrastructure (and noting stimulus funding provides uplift in years 1 & 2)
	Fund $578m CAPEX over 10 years for renewals to look after existing infrastructure (an increase of $307m from current base)
	Fund $3.5m for OPEX in next three years to carry out more detailed growth studies in order to size and sequence the investment required more accurately, and **note that $30m CAPEX was previously identified for years 1-3, but an additional $120m is required for** targeted growth in the CBD and Eastern suburbs.
	Consider funding $41m OPEX and $59m CAPEX over 10 years in activities that Reduce Water Consumption to defer investment in a new water source.
	Consider funding $140 - 180m* CAPEX and $4.5m OPEX over 10 years to Reduce Carbon Emissions
	Consider funding $39m OPEX and $8m CAPEX over 10 years to Improve Environmental Water Quality gradually over time.
	Consider funding $157m CAPEX and $18m OPEX over 10 years on other important projects (including flood mitigation projects and Omaroro Reservoir Construction)

*Note: Options for sludge minimisation are currently being scoped and costs may vary significantly once a preferred option is determined.

Indicative Outcomes for Investment

		Reduce service interruptions	Lower risk of critical asset failure	Increase customer satisfaction	Defer future investment	Reduce water consumption	Improve env. water quality	Reduce CO_2 emissions
	Fund $4.5m additional OPEX by year 3	Y	Y	Y	part	part	part	part
	Fund $578m CAPEX Renewal	Y	Y	Y	Y	Y	Y	part
	Fund Growth $3.5 OPEX and $150m CAPEX	Y	Y	Y		Y	Y	Y
	Fund $41m OPEX and $59m CAPEX				Y	Y		
	Fund $36m OPEX and $8m CAPEX						Y	
	Fund $4.5m OPEX and $140-180m* CAPEX							Y

*Note: The sludge minimisation project is currently being scoped and costs may vary significantly once a preferred option is determined.

NEW ZEALAND

Demand for water in Wellington could outstrip supply by 2026

28 Jul, 2020 5:00am

4 minutes to read

Water metering has proven controversial in the Wellington region over recent years, with politicians kicking the can down the road. Photo / Getty Images

By: **Georgina Campbell**
Wellington issues reporter, NZ Herald
georgina.campbell@nzme.co.nz

Demand for water in Wellington could outstrip supply in as little as six years, prompting authorities to undertake a business case into household water meters across the metropolitan region.

Drinking Water – service levels

- Generally, availability is good
- No issue with water quality

Drinking Water – challenges etc

- 19-32% loss
- Taumata Arowai closer scrutiny
- Dam $400m – if we don't reduce consumption
- Measuring and managing water
- Renewals backlog
- Funding growth

Drinking Water– potential options

- Water meters
  - Measure use and loss
  - Volumetric charging
- Pace of renewals

stuff ☰ environment

Wellington sewage could enter the harbour for days - stay out and limit water use

Amber-Leigh Woolf · 19:20, Dec 20 2019

KEVIN STENT/STUFF

Wellington City Council says Willis St would be shut between Vivian St and Manners St between 3pm and midnight while Ghuznee Street would also be closed between The Terrace and Victoria St.

Work is frantically being done to fix a sewage spill which has caused heavy traffic, disrupted summer swimming plans and caused people to limit water use.

Two central city Wellington streets were forced closed while work is carried out to stop sewage from overflowing into Wellington Harbour, causing traffic

Waste Water – service levels

- Availability is good
- Quality as measured by stream quality
- Status quo is affordable

Waste Water – challenges etc

- NPS-FM compliance by 2040 – Taumata Arowai
- Reputation - Mt Albert, Dixon/Willis, Owhiro Bay
- Laterals
- Renewals backlog
- Carbon and sludge
- Funding growth

Waste Water– potential options

- Focus on what we can - overflows and critical assets
- Sewage sludge
- Pace of renewals

Storm Water

Storm Water – service levels

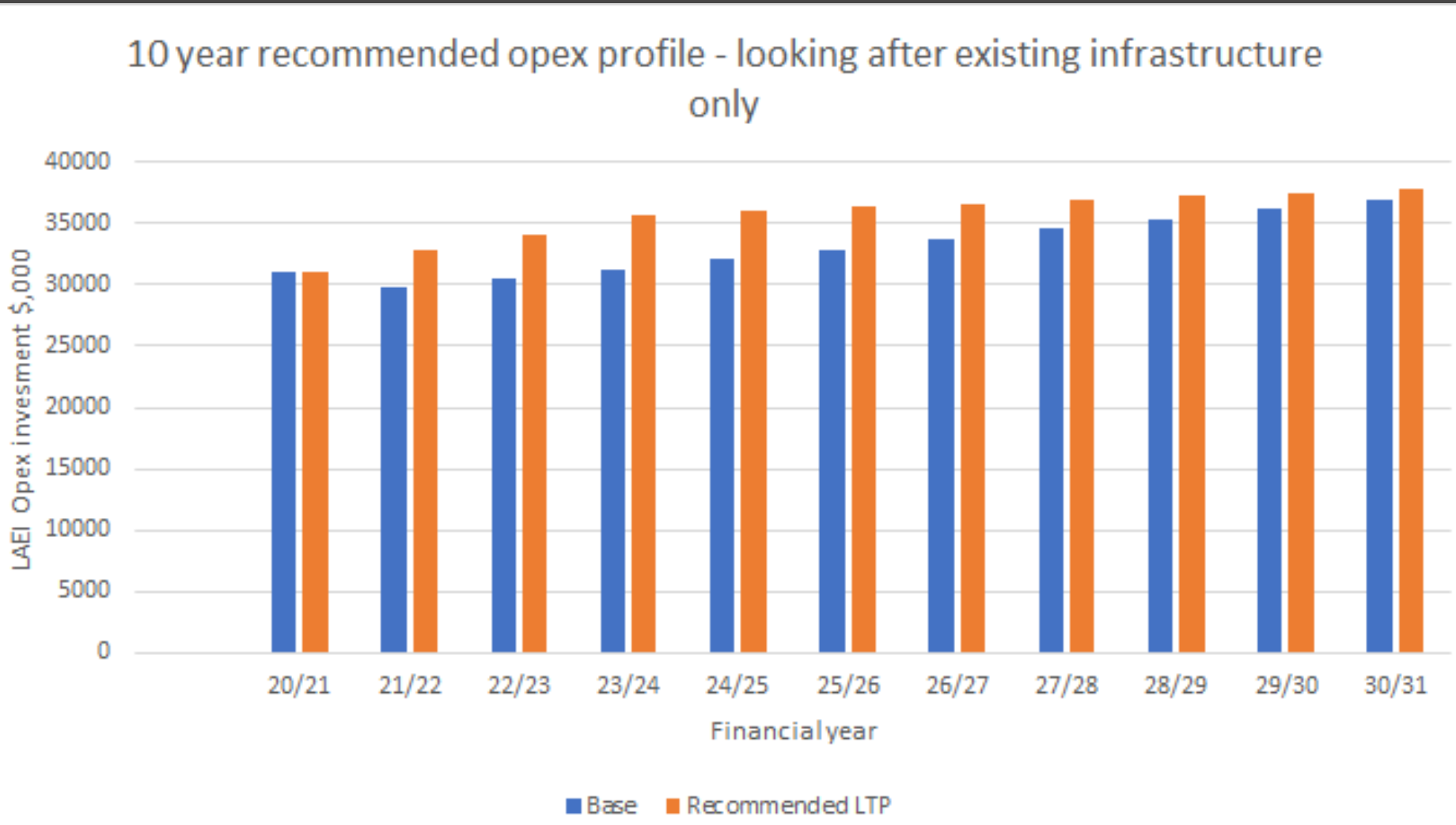
- Carpets versus gardens
- Climate change – living with more water

Storm Water – challenges etc

- Gardens likely to get wet more often
- Planning settings provisioned to mitigate up to 1:100 year events, including climate change
- Roads, parks are a stormwater asset
- Water sensitive urban design
- Renewals backlog
- Funding growth

Storm Water– potential options

- Carpets vs gardens
- Brownfields – prioritise growth areas


10 year recommended opex profile - looking after existing infrastructure only
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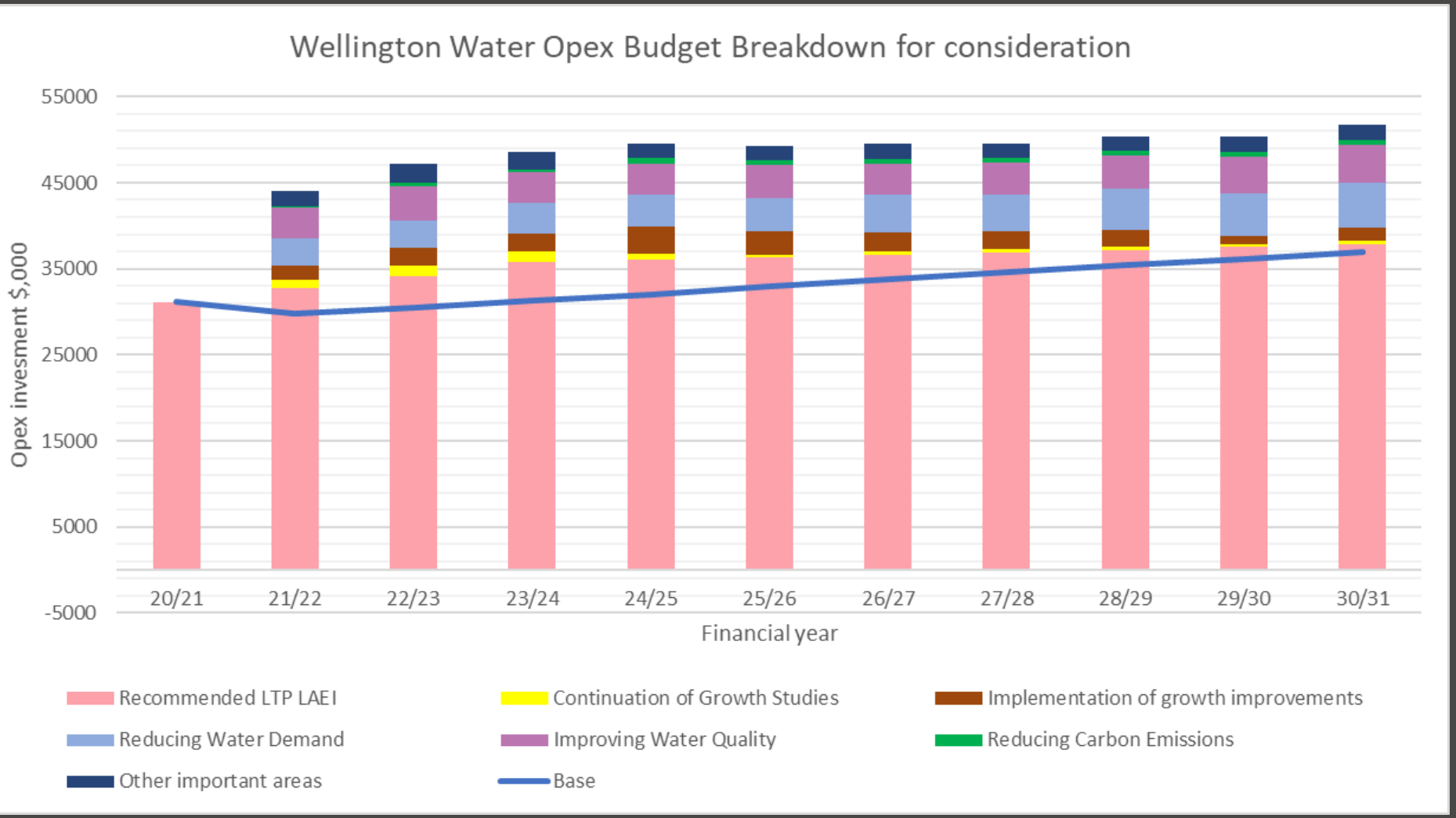
Base
Recommended LTP


Wellington Water Opex Budget Breakdown for consideration
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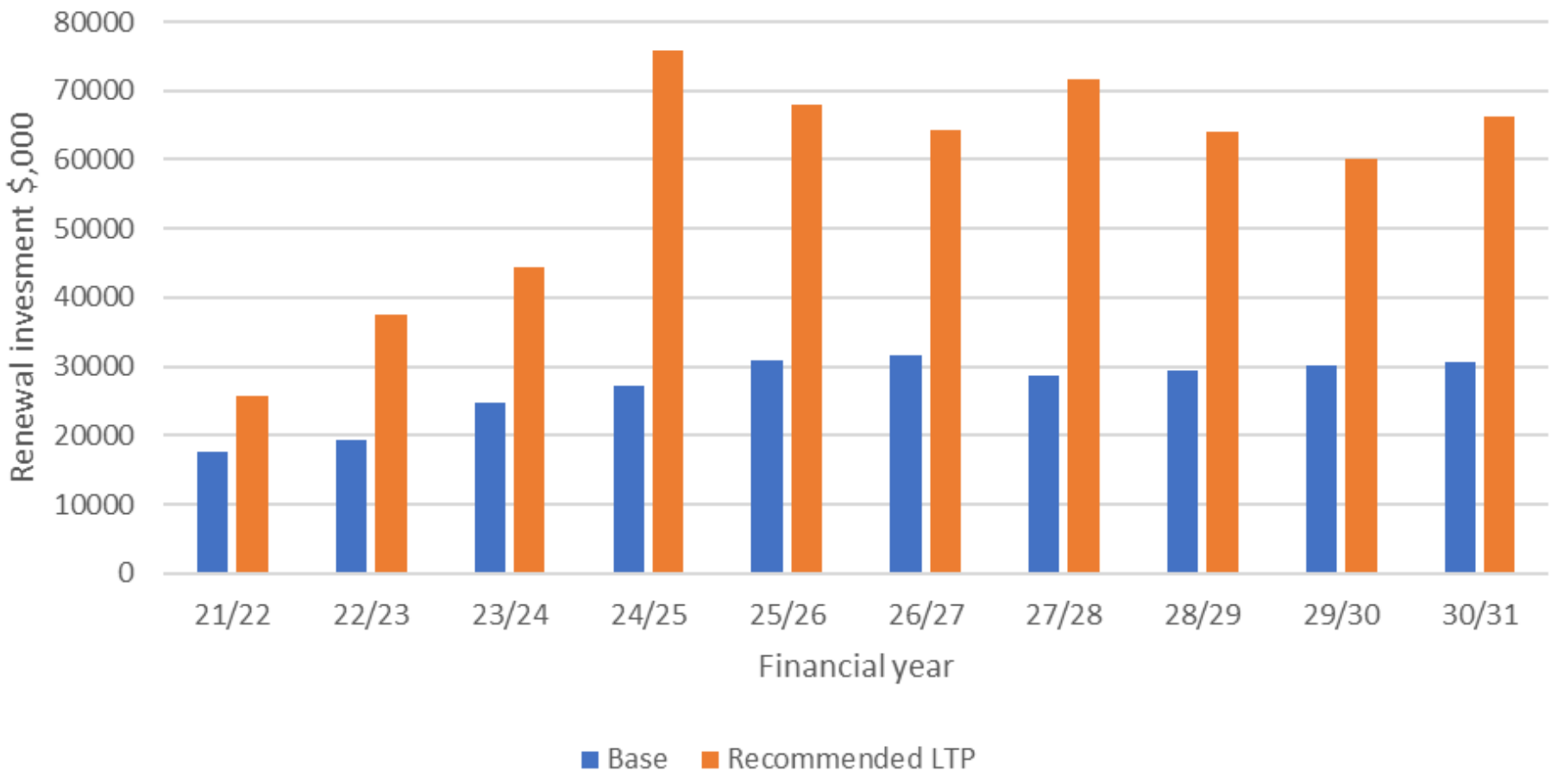
Financial year
Recommended LTP LAEI
Continuation of Growth Studies
Implementation of growth improvements
Reducing Water Demand
Improving Water Quality
Reducing Carbon Emissions
Other important areas
Base


10 year recommended renewal profile
Renewal invesment $,000
80000
70000
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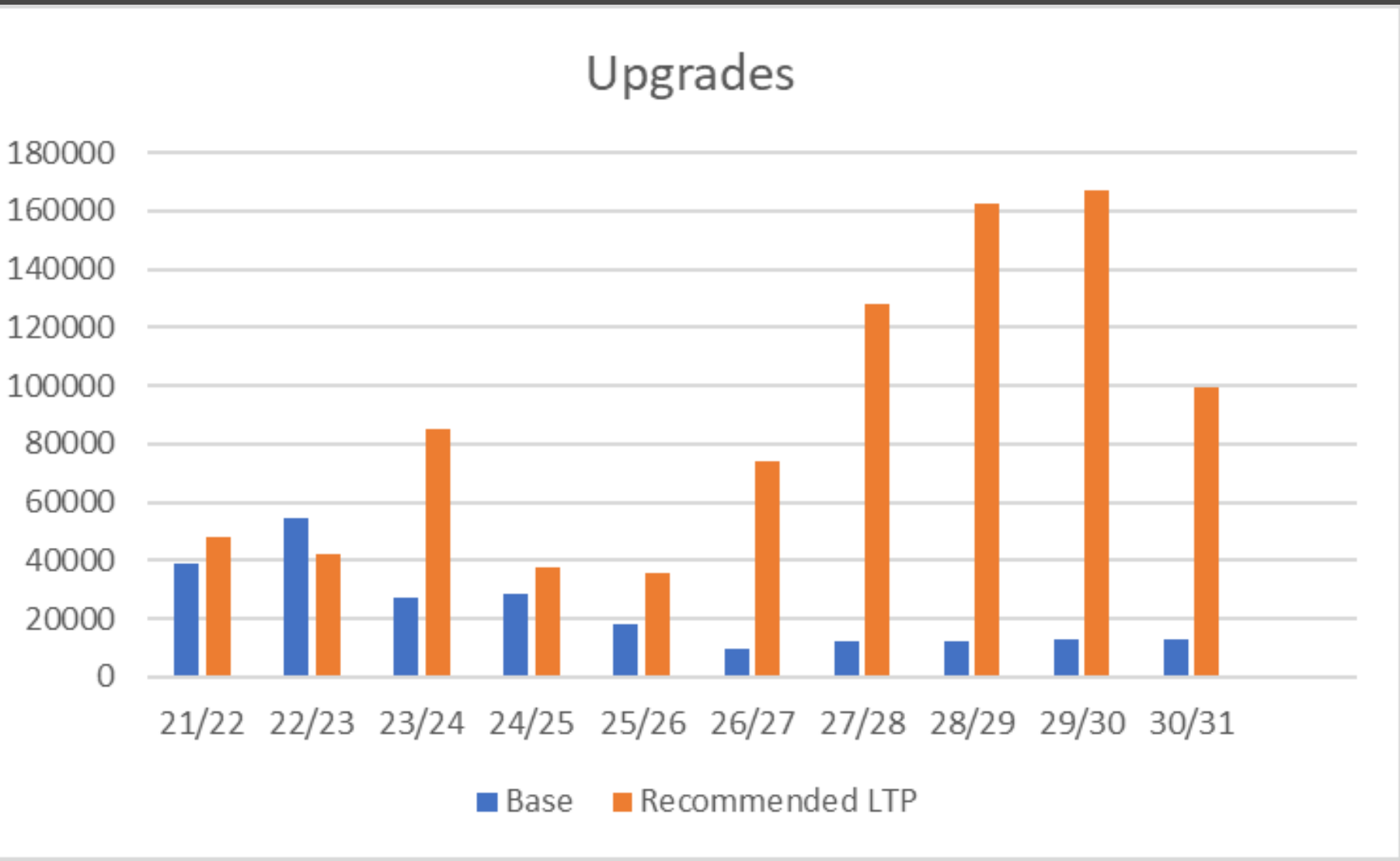
0
21/22
22/23
23/24
24/25
25/26
26/27
27/28
28/29
29/30
30/31
Financial year
Base
Recommended LTP

Growth

- P4G - suburbs grow, infrastructure must grow
- Prioritisation of suburbs
- Development contributions to fund growth
- Pre-feasibility $75k-$145k per EHU
- 30 years investment $2.2 - $4.5bn


Upgrades
180000
160000
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20000
0
21/22
22/23
23/24
24/25
25/26
26/27
27/28
28/29
29/30
30/31
Base
Recommended LTP

- *For drinking water, how quickly do you want to address the renewals backlog?*
- *For wastewater, are you comfortable with complying with the NPS-FM by 2040?*
- *Are you willing to support work on residential water meters to allow measurement and reduce consumption?*
- *Are you willing to support work on volumetric charging to raise revenue through meters?*
- *Are you comfortable prioritising stormwater in growth areas and accept we will focus on localised issues as they arise?*
- *Is sludge diversion still a priority?*

Worksheet 1/2 – assessing level of service options

Add a sticky dot to the blue lines to indicate your appetite – briefly note your reasons for your placement

2.3, 2.4, 2.5 Three Waters

approx 19.4% of opex

Option 1

No appetite for this — I could go either way — Definitely needs to be pursued

Maintain current level of funding — Increased funding, address quickly

For drinking water, how quickly do you want to address the renewals backlog?

Reasons

Reasons

FENCE SITTING NOT ALLOWED

Option 2

No appetite for this — Definitely needs to be pursued

Are you willing to support work on residential water meters to allow measurement and reduce consumption?

Reasons

Reasons

Option 3

No appetite for this — Definitely needs to be pursued

Are you willing to support work on volumetric charging to raise revenue through meters?

Reasons

Reasons

Worksheet 2/2 – assessing level of service options

Add a sticky dot to the blue lines to indicate your appetite – briefly note your reasons for your placement

2.3, 2.4, 2.5 Three Waters — approx 19.4% of opex

Option 4

No appetite for this — I could go either way — Definitely needs to be pursued

Compliance earlier, increase funding

Comfortable with compliance by 2040

For wastewater, are you comfortable with complying with the NPS-FM by 2040?

Reasons

Reasons

Option 5

No appetite for this — Definitely needs to be pursued

Are you comfortable prioritising stormwater in growth areas and accept we will focus on localised issues as they arise?

Reasons

Reasons

FENCE SITTING NOT ALLOWED

Option 6

No appetite for this — Definitely needs to be pursued

Is sludge diversion still a priority?

Reasons

Reasons

Option 7

No appetite for this — Definitely needs to be pursued

What is your appetite for the Council to take responsibility for private laterals maintenance in the road corridor?

Reasons

Reasons