

Submission by Hamilton City Council

TAUMATA AROWAI - THE WATER SERVICES REGULATOR BILL

28 February 2020

1.0 KEY SUBMISSION POINTS

- 1.1 Schedule 2 of the Bill indicates that Taumata Arowai is to be established as a Crown Agency under the Crown Entities Act 2004, which indicates that in general the entity must give effect to government policy. However, Section 8 of the Cabinet paper (**30 September 2019, CAB-19-MIN-0506 Minute: Three Waters Review: Institutional Arrangements for a Drinking Water Regulator**) indicates a level of statutory independence should be provided for the new regulator, which is not reflected or referred to in the Bill. HCC seeks clarification on the type of entity and purpose and consideration (if any) of the functions of Taumata Arowai that require statutory independence.
- 1.2 The Bill does not give clarity on the relationship with the Medical Officer of Health (MoH) role, and how the regulator will work with them. This is particularly relevant to the MoH who has a critical role in the response to and management of water borne communicable diseases. Further to this, there is no indication of which Minister will be responsible for oversight of the Agency. HCC seeks clarity on the role of the MoH and if that role will be focused solely on water within the new Agency and the consequence of the repeal of Section 2A of the Health Act in relation to the powers of the MoH.
- 1.3 In addition to this, HCC strongly considers that a National Guideline for ministries, central agencies, consenting authorities, regulatory bodies, district health boards and consent holders is necessary to understand the transfer of functions of these reforms and revised roles.

2.0 INTRODUCTION

- 2.1 Hamilton City Council (HCC) welcomes the opportunity to make a submission to Taumata Arowai - The Water Services Regulator Bill (the Bill).
- 2.2 HCC supports resource management reforms that will provide clear, consistent leadership, guidance, build capability, support suppliers, manage risks and improve environmental performance. In this regard, HCC supports a new crown agency Taumata Arowai that will provide these reforms and act consistently with the principles of the Treaty of Waitangi.

3.0 PREVIOUS SUBMISSIONS

- 3.1 HCC submitted on the Government's Three Waters Review coordinated by the Department of Internal Affairs (DIA, October 2018 - refer **Appendix A**). HCC supported an independent regulator for drinking water to manage public health risk. At that time the regulation of stormwater and wastewater management was not proposed. HCC previously submitted that it was concerned about the loss of resources to a regulatory agency. HCC retains this concern and considers that building capability will be paramount. This will be elaborated on further in this submission.
- 3.2 HCC also submitted on the discussion document 'Action for Healthy Waterways' (October 2019 - refer **Appendix B**). HCC raised that its area of jurisdiction was in the Waikato River catchment, which has obligations prescribed by the Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010 and

its direction setting document 'Te Ture Whaimana o te Awa o Waikato' (Vision & Strategy). Te Ture Whaimana o te Awa o Waikato seeks restoration and protection of the Waikato river. It will be important that any functions of Taumata Arowai take into consideration these high order documents.

- 3.3 HCC considered that reform proposals were moving in the right direction, but material improvement in waterways within five years was not achievable. Local government planning processes require time for significant capital investment, amendment of planning documents, investigations, design, build and commissioning of infrastructure.

4.0 DEFINITIONS

- 4.1 HCC submits that the Water Services Regulator Bill definitions are reviewed thoroughly to ensure that obligations are clearly understood and take into account other Acts and Guidelines and where possible, reference existing definitions defined under relevant New Zealand legislation.
- 4.2 The Bill provides definitions for the purpose of Parts 1, 2 and 3, however, HCC considers that it is difficult to scrutinise the definitions without the context of how they will be used. HCC understands that proposed regulations to give effect to the objectives will be released this year and this will give the context, therefore, HCC considers it will be necessary to have another opportunity to review the definitions through the review of the Water Services Act.
- 4.3 Under the Health (Drinking Water) Amendment Act 2007, definitions are provided for: bulk supplier, drinking water, drinking water supply, self-supplier, temporary drinking water supplier, rural agricultural water supply. Definitions are also supplied in the Rural Agricultural Water Supply Guideline 2015 (MoH). There could be confusion where there are multiple definitions for the same terms. Examples include the terms 'drinking water' and 'self-supplier' which are defined differently in the Bill and the Health (Drinking Water) Amendment Act 2007. The commencement date of the repeal of the Health (Drinking Water) Amendment Act will be useful to understand risks associated with multiple definitions.
- 4.4 The definition for 'Domestic self-supplier' and examples do not provide the clarity required for regulation. HCC considers that it would be useful to provide comprehensive examples of domestic self-supply which includes multi dwellings, water tankers, rain tank supply, bore supply, desalination supply, commercial buildings, residential buildings, rural agricultural supply. This could be provided in an 'Implementation' document.
- 4.5 HCC considers that it would also be useful to define the following: 'drinking water supply scheme', 'non-urban area'.

5.0 OBJECTIVES OF TAUMATA AROWAI

- 5.1 HCC supports objectives noted in Section 10 relating to drinking water safety, effective administration of the drinking water regulatory system, and building and maintaining capability among drinking water suppliers and the wider industry.
- 5.2 HCC supports the Bill's intent to provide oversight of and advice on the regulation, management and performance of wastewater and stormwater networks to manage the risk to sources of drinking water, however we suggest broadening the scope to freshwater management or catchment management which encompasses a wider context to potential contaminant sources.
- 5.3 Non-point source discharges and private wastewater and stormwater infrastructure are examples of other potential contaminant sources which do not fall within the Bills definition of stormwater and wastewater networks.

6.0 FUNCTIONS OF TAUMATA AROWAI

- 6.1 HCC is supportive of the functions of Taumata Arowai but has significant concerns about the availability of resource capacity within the Three Waters Industry to continue to provide quality water, wastewater and stormwater services, whilst a new Crown Agency staff is established.

6.2 The waters industry is small, and resource constrained. Recruitment of qualified and knowledgeable staff is difficult. HCC submits that Central Government needs to further invest in industry training and competency to enable the Three Waters Industry to cater to the future needs of the regulator and the increasing need for competent water supply personnel. This could be the development and additional funding of training and competency frameworks across the water industry.

7.0 THE BOARD AND MAAORI ADVISORY GROUP

- 7.1 HCC is supportive of the Board but does not consider that the Bill recognises the broad range of skills and knowledge needed for the governance of the Agency. It is important that both operational (water industry) and local government expertise are needed for good decision-making and members with this skillset should have a place on the Board.
- 7.2 HCC is supportive of the intent to engage iwi and the role of developing and maintaining a framework that guides interpretation on giving effect to Te Mana O Te Wai, enabling maatauranga Maaori, and the exercise of tikanga and kaitiakitanga.
- 7.3 HCC notes that Te Mana O Te Wai is not defined in the Bill and considers that it is important that only iwi define Te Mana O Te Wai, however, HCC also submits that Te Mana O Te Wai is defined using methodology developed by iwi in the relevant region to be regulated.
- 7.4 The definition of Te Mana O Te Wai must reflect the relationship of the particular Iwi with their Awa and this may differ between iwi and their region's freshwater.

8.0 FURTHER INFORMATION AND HEARINGS

- 8.1 Should Parliament's Health Committee require clarification of the above points, or additional information, please contact Rae Simpson (Senior Planner, City Waters) on 07 838 6427, email raewyn.simpson@hcc.govt.nz in the first instance.
- 8.2 HCC **does wish to be heard** in support of this submission at Parliament's Health Committee's hearings.

Yours faithfully



Richard Briggs
CHIEF EXECUTIVE

Initial Feedback by

Hamilton City Council

THREE WATERS REVIEW

23 October 2018

Attn: The Hon Nanaia Mahuta

Copy to:

- The Rt Hon Winston Peters
- The Hon James Shaw
- Hon David Bennett
- Hon Tim Macindoe
- Jamie Strange
- Tim Van De Molen
- Barbara Kuriger
- Hon Louise Upston
- Alan Prangnall (DIA)
- Richard Ward (DIA)

1.0 INTRODUCTION

- 1.1 Hamilton City Council (HCC) would like to provide its Initial Feedback and Position to the Minister of Local Government, the Hon Nanaia Mahuta, on the Government's Three Waters Review that is currently being coordinated by the Department of Internal Affairs (DIA).
- 1.2 HCC supports the Government's review of how to improve the management of drinking water, stormwater and wastewater (the three waters) to better support New Zealand's prosperity, health, safety and environment.
- 1.3 While we understand from the DIA that there will be opportunities to engage with the Government in 2019 on the Three Waters Review, HCC would like to outline its Initial Feedback at the outset of the current stage of the review process.
- 1.4 Representatives from HCC would also be happy to meet with yourself, other key Ministers and representatives from the DIA to outline our Initial Feedback.
- 1.5 HCC achieves and delivers Aa grade drinking water for Hamilton that meets compliance with the Drinking Water Standards for New Zealand, duties under the Health Act 1956, and is suitable for food grade manufacturing. Water is delivered at a very reasonable cost i.e. the 2016/17 Water New Zealand National Performance Review shows that Hamilton has the third lowest water charge for residential users across all 39 councils that participated in the benchmarking review. Hamilton's water usage is also relatively low i.e. the city's residential use was just over 200 litres per person per day, compared to the median average daily residential water use of 260 litres per person per day across the 39 councils in 2016/17. Of these councils, Hamilton's residential water use was the 10th lowest.

2.0 INITIAL POSITION

- 2.1 HCC has significant experience in considering and investigating options for collaboration and aggregation of water services with Waikato District Council and Waipa District Council. These investigations identified that there are benefits of collaboration and aggregation of such services. Benefits are outlined in the Waters Study Waikato website: www.waterstudywaikato.org.nz/
- 2.2 Based on the considerable amount of investigative work undertaken throughout this process, HCC voted on 17 December 2017 to support the formation of a shared waters management company of the three councils i.e. a Council Controlled Organisation (CCO). The progression of this 'journey' of the three councils between 2012 and 2018 is outlined in **Appendix 1**.
- 2.3 Unfortunately, the reason that this particular model did not progress was due to agreement not occurring at key decision-making stages for both Waikato District Council and Waipa District Council to join the proposal. Elected Members in Waikato and Waipa District councils rejected the model.
- 2.4 It should be noted that the decision made by Waipa District Council on 19 December 2017, which resulted in the CCO three waters proposal not proceeding, **was lost by only one vote**.
- 2.5 At that particular time, Waikato District Council was already in the process of exiting the three waters model and had voted not to participate in the proposal prior to Waipa District Council formally rejecting joining the proposal.
- 2.6 Waikato District Council is now in the process of transitioning into a partnership with Auckland City Council-owned Watercare Services Ltd to manage the district's water. Under this arrangement, Watercare will be contracted to supply the district's water services - potentially through a council-appointed waters governance board.
- 2.7 Clearly then, there was a significant amount of staff/Elected Member time and resource invested into the three waters project by the three councils between 2012 and 2017, all without achieving the desired result. HCC's share of the consultancy costs was around \$600,000.
- 2.8 HCC is therefore of the view that Government intervention is necessary to achieve aggregation of water service delivery and that the decision for the aggregation of water services must be led by the Government, as local government is not always able to make the decision to aggregate on its own.
- 2.9 In addition, some councils appear to be reticent about losing control of their water function as it is regarded as a significant part of their ongoing operation and, to a certain extent, is seen as justifying their 'existence'.
- 2.10 The Government is also in a much more independent position to articulate the benefits and drivers for aggregation of water providers, particularly regarding economies of scale and efficiencies of managing larger scale entities. This is a critical aspect that needs greater consideration and debate throughout the three waters review process.
- 2.11 HCC is open to considering various models for the management of three waters in the Greater Hamilton/Waikato area. These include the models recently outlined by the Minister of Local Government.
- 2.12 One model suggested by the Minister is the creation of five 'super-regions'.
- 2.13 The other model suggested by the Minister is the establishment of a water body for each of the country's 16 regions, which could potentially result in New Zealand's 67 territorial authorities jointly governing and managing them within a region.
- 2.14 Another alternative model to the above could see an independent body managing water over these 16 regions.
- 2.15 HCC is of the view that all models considered by the Government will need rigorous analysis of relevant factors to base such an aggregation model on e.g. factors could include population, catchment and terrain type, economies of scale etc.
- 2.16 We also note that the Wellington water service delivery model has evolved/developed over time into

a successful and proven working model that has still retained an aspect of local democracy i.e. local input, accountability and decision-making, as well as demonstrating open and transparent business processes. The Wellington Water service delivery model was the basis of the Shared Water Management Company CCO structure proposed by HCC and Waipa District Council (as outlined above). HCC is therefore strongly supportive of this model being investigated further in regard to establishing an efficient and effective working model for the Greater Hamilton/Waikato area.

- 2.17 HCC acknowledges the proposal from the councils in the Waikato (including the Waikato Regional Council) to investigate the Water Asset Technical Accord (WATA). While this is potentially a good initiative, that may lead to some innovative outcomes, HCC is of the view, off the back of our work on the Shared Waters Management Company, that this proposal doesn't go far enough to achieving the full benefits of collaboration.
- 2.18 In essence, HCC is seeking more benefits than WATA will potentially be able to provide, particularly as we already have scale in asset management. Scale in service delivery via the shared services model is far more comprehensive and provides significant financial and non-financial benefits. The other key issue for the Greater Hamilton/Waikato area is growth and provision of joined up waters infrastructure for a rapidly growing area.
- 2.19 Given the above and as noted previously, HCC will keep an open mind on the various models being considered by the Government in regard to the potential management and structure of a three waters model for the Greater Hamilton/Waikato area.
- 2.20 We suggest that the Government should also look to provide financial support towards any investigative work that councils may need to undertake when looking at more cost-effective and efficient three waters models. As noted, in Hamilton's case, the cost of engaging consultants for HCC to undertake such initial scoping work was around \$600,000 (refer also Section 4.1 below).
- 2.21 Partnership between the Government, local government and Iwi to recognise Te Mana o te Wai and Kaitiakitanga is important when considering models of aggregation for three waters.
- 2.22 Please note that HCC provided a detailed response in September 2018 to LGNZ's Three Waters Survey for consideration by their National Council on 4 October 2018. We have included a number of the key points raised in our response to LGNZ (outlined below in Sections 3.0-5.0) as we believe they are relevant and will be helpful to the Government as it progresses its Three Waters Review.

3.0 INDEPENDENT REGULATOR FOR DRINKING WATER

- 3.1 HCC supports a new independent regulator for drinking water. Water supply is a critical part of public health and community well-being. An independent regulator will provide consistency, dedicated/focused technical competency and expertise to drive the required level of compliance to ensure water is safe to drink.
- 3.2 Any new independent regulator will need to be funded and resourced appropriately.
- 3.3 The availability of competent and experienced staff to resource any new independent regulator needs to be considered. There is a considerable risk that experienced staff will be recruited from the limited pool of experienced and competent staff currently employed by local government.

4.0 INCENTIVES FOR AGGREGATION OF WATER SERVICES

- 4.1 Provision of funding for the investigation, establishment and set-up costs for aggregation of water service delivery by the Government is considered essential. Since 2012, HCC has invested around \$600,000 investigating aggregation and collaboration options with Waikato District Council and Waipa District Council. However, as noted above, ultimately the three councils were unable to agree on any collaboration or aggregation model.
- 4.2 To provide an incentive for aggregation, Government assistance for addressing any funding gaps in resilience, asset management and service delivery deficiencies (which nationally are estimated to be

significant for water and wastewater), including meeting environmental and waters standards, should only be available to councils who are part of an aggregated service delivery model i.e. a CCO.

- 4.3 HCC is of the view that if councils are required to meet the introduction of new standards but aren't in a position to afford this by themselves, then assistance from the Government be made available - but only if the councils in question aggregate so as to gain the associated benefits from scale and meaningful cooperation i.e. it would be unacceptable for taxpayers to subsidise small, inefficient three water schemes. Government funding should only be available for efficient operations.

5.0 CHALLENGES OF WATER QUALITY AND ENVIRONMENTAL COMPLIANCE

- 5.1 In an environment of high growth and increasing/changing regulation, funding of and maintaining compliance with quality and environmental standards for drinking water, wastewater and stormwater is challenging.
- 5.2 HCC is also of the view that the three waters review process needs to give greater emphasis and recognition of the challenges and pressures faced by councils that are associated with stormwater management and compliance.
- 5.3 In particular, there is a real difficulty for smaller entities to attract skilled expertise to run the three water systems. HCC is of the view that Government assistance is required to address this issue.
- 5.4 In addition, more focus needs to be placed on attracting people into the water industry and increasing competence and experience. Development of an appropriate industry qualifications framework for the three waters workforce, including regulatory personnel, is limited due to the high cost associated with the range of qualifications needed and a large proportion of the cost being spread over a relatively small industry.
- 5.5 HCC believes there are incentives that could assist in maintaining compliance with quality and environmental standards for drinking water, wastewater and stormwater. These incentives are outlined below:
- Long-term certainty is needed in regard to quality and environmental compliance standards for drinking water, wastewater and stormwater.
 - National consistency is required in the application of quality and environmental compliance standards for drinking water, wastewater and stormwater (standardisation of consenting requirements for urban wastewater and stormwater systems) and in the development of national good management practices for all councils to implement to achieve environmental compliance.
 - Government-led Product Stewardship is required to reduce contaminants of national concern.
 - Government Housing Infrastructure Fund support of water sensitive principles is required.
 - National priorities for actions, activities or priority catchments need to be set. Three waters networks need recognition as significant infrastructure across the board in various planning tools such as the National Policy Statement for Freshwater Management.
 - Advice on science and knowledge, data, monitoring and modelling requirements is essential.
 - Public education campaigns supporting environmental compliance should occur.
 - Access by councils to new funding and financing tools is a critical component of a workable three waters model. The New Zealand Productivity Commission's impending inquiry on 'Local Government Funding and Financing' arrangements will be a key workstream to investigate this issue.

6.0 FURTHER INFORMATION

- 6.1 Should you require clarification of the above, or additional information, please contact Eeva-Liisa Wright (General Manager Infrastructure Operations) on 07 958 5874, email eeva-liisa.wright@hcc.govt.nz in the first instance.

Yours faithfully



Richard Briggs
CHIEF EXECUTIVE

APPENDIX 1 – THE ‘JOURNEY’ OF THE THREE WATERS WATER STUDY – HAMILTON CITY COUNCIL, WAIKATO DISTRICT COUNCIL AND WAIPA DISTRICT COUNCIL

1. Since 2012 multiple independent reports have advised that councils working together in the sub-region for the provision of water and wastewater activities would deliver significant financial and non-financial benefits for ratepayers and communities. In addition, many of New Zealand’s relevant professional bodies (Industry New Zealand, IPENZ, Waters NZ, Ingenium, National Infrastructure Unit) also support the benefits of scale in the reticulation and delivery of water services.
2. On 26 June 2014 Hamilton City Council (HCC) resolved to “... undertake a detailed business case examination of a Council Controlled Organisation for water and wastewater activities as a joint project between Hamilton City Council, Waikato District Council and Waipa District Council.” and “The detailed business case includes an enhanced shared services model as part of the review”.
3. On 30 October 2014, HCC confirmed the appointment of the Cranleigh consortium following a competitive procurement process and established a Waters Governance Group with two members from each council with oversight over the business case development. Councillors Mallet and Pascoe represented Hamilton.
4. The Cranleigh Business Case was a comprehensive piece of work which looked at the case for change, examined three options in detail identifying the benefits of these options and recommending the preferred option.
5. HCC resolved on 30 July 2015, “That Council receive the Business Case for Water Services – Delivery Options (“Cranleigh Report”)” and “Council supports in principle the formation of a Waters CCO for the Hamilton City, Waikato and Waipa District Councils...”
6. On 29 October 2015, a new Waters Governance Group (WGG) was established to address issues to be resolved prior to public consultation on forming an Asset Owning CCO. This resulted in the *draft Record of Agreement* for an Asset Owning CCO, developed via a series of independently facilitated workshops. The previous Mayor (Julie Hardaker), along with Councillors Gallagher and Mallett, represented HCC.
7. HCC resolved on 14 July 2016, “That Council adopt the attached Record of Agreement and supporting documentation relating to the potential formation of a water and wastewater CCO for Hamilton City and Waipa and Waikato Districts Councils.”
8. In supporting the *draft Record of Agreement*, the councils did not decide to form a CCO. The formation of an asset owning CCO could not progress until:
 - All three councils formally proposed forming a CCO following the 2016 Local Government Elections; and
 - Formal public consultation had been carried out.
9. Post the elections on 5 December 2016, Waikato District Council resolved “*THAT Council formally support the formation of an Asset Owning Three Council Water CCO*”.

10. On 6 December 2016, Waipa District Council's Strategy Policy and Planning Committee considered a report from Morrison Low describing a transitional 'mixed model' (starting with a non-asset owning CCO moving towards an asset owning CCO over time). They resolved to amend the *draft Record of Agreement* to include this transitional option.
11. On 13 December 2016, HCC requested further information before establishing a preferred waters sub-regional collaboration option and delegated this responsibility to the HCC members of the Waters Governance Group (HCC WGG) to progress.
12. The members of HCC WGG are: Mayor Andrew King, Councillor Garry Mallet and Councillor Dave Macpherson.
13. In a public workshop on 13 April 2017, HCC WGG briefed HCC on the conclusions of their research. The briefing included a presentation and Q&A session with Colin Crampton, the Chief Executive of Wellington Waters. His presentation outlined the strong relationships with its council shareholders which are built on a high trust model between the company and the councils. He reinforced the benefits of open and transparent business processes for their model.
14. On 12 December 2017, HCC decided it would proceed with forming a Shared Waters Management Company.
15. However, on 19 December 2017 Waipa District Council rejected the proposal, meaning a Shared Waters Management Company will not proceed.
16. On 27 March 2018, Waipa District Council formally resolved not to proceed to establish a Shared Waters Management Company with Hamilton City Council at this stage, but to continue with the current governance, funding and service delivery arrangements for water service, having carried out a review of the service pursuant to section 17A (Local Government Act 2002).
17. HCC, at the 10 April 2018 Growth and Infrastructure Committee meeting:
 - Notes that Waipa District Council has declined the opportunity to establish a Shared Waters Management Company and that no further work will be undertaken on this 3-waters collaborative initiative; and
 - Notes that staff will continue to investigate collaborative opportunities as part of asset management planning for the delivery of 3-waters services, with a particular focus on strategic infrastructure solutions, collaboration on Resource Management Act and policy matters and resilience across the greater Hamilton growth area (covering both Hamilton and the growth communities surrounding the city).

Submission by

Hamilton City Council

ACTION FOR HEALTHY WATERWAYS: A DISCUSSION DOCUMENT ON NATIONAL DIRECTION FOR OUR ESSENTIAL FRESHWATER

31 October 2019

1.0 Introduction

- 1.1 Hamilton City Council (HCC) welcomes the opportunity to make a submission on the *Action for Healthy Waterways* discussion document (“the Discussion Document”), the *Proposed National Environmental Standards for Freshwater*, and the *Draft National Policy Statement for Freshwater Management*.
- 1.2 The following points and content have been developed using existing Council policies and strategies as well as previous HCC submissions relating to three waters made to the Ministry for the Environment, the Department of Internal Affairs and other key organisations.
- 1.3 A glossary of abbreviations and terms used in this submission is provided in **Appendix 1**.
- 1.4 In general, HCC supports the Government’s objectives of stopping further degradation of freshwater resources, reversing past damage to bring freshwater resources, waterways and ecosystems to a healthy state within a generation, and addressing water allocation issues.
- 1.5 HCC also supports a holistic approach to managing water “ki uta ki tai”.
- 1.6 In general, the proposals set out in *Action for healthy waterways* are consistent with or complement the current direction of existing requirements for management of freshwater in the Waikato River catchment in which Hamilton is located. This direction is prescribed in the *Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010*.
- 1.7 The overarching purpose of the settlement is to restore and protect the health and wellbeing of the Waikato River for future generations. This Act established co-management of the Waikato River and the Vision and Strategy for Waikato River - Te Ture Whaimana o te Awa o Waikato (“the Vision and Strategy”).
- 1.8 The Vision is “a future where a healthy Waikato River sustains abundant life and prosperous communities who, in turn, are all responsible for restoring and protecting the health and wellbeing of the Waikato River, and all it embraces, for generations to come”.
- 1.9 The Vision and Strategy is the primary direction-setting document for the Waikato River and activities within its catchment affecting the river¹. The provision of 3-waters services and all development within Hamilton City must give effect to the Vision and Strategy - to the extent the rules in the Waikato Regional Plan and Hamilton City District Plan require this.

¹ S.5(1) of the *Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010*

- 1.10 HCC has work programmes, and the Hamilton City District Plan includes many provisions, to give effect to the Vision and Strategy. Consequently, HCC is already on a pathway to managing water holistically.
- 1.11 For instance, HCC has a programme to develop Integrated Catchment Management Plans (ICMPs) for all catchments in the City. Three ICMPs have been completed and four more are being developed². In addition, the Hamilton City District Plan requires preparation of sub-catchment ICMPs³ or Water Impact Assessments⁴ for large developments. Furthermore, at least one water sensitive measure for stormwater is required to be included in any new development⁵.
- 1.12 The Sub-regional Three Waters Study is another example of effort in the Waikato to integrate management of land use and the three waters. HCC is working collaboratively on this study with iwi, the Waikato Regional Council, other territorial authorities and the New Zealand Transport Agency. The study is assessing the infrastructure required to accommodate the growth envisaged through the Hamilton to Auckland Corridor Plan and achieve the objectives of the Vision and Strategy and *Proposed Waikato Regional Plan Change 1 - Waikato and Waipā River Catchments*.
- 1.13 Through its ICMP work, Sub-regional Three Waters Study and other activities, HCC is very aware of the challenges involved in meeting the water quality targets of these documents, while also providing for urban growth to satisfy the requirements of the National Policy Statement for Urban Development Capacity.
- 1.14 Employment of current best-practice stormwater and wastewater management technologies will not always remove enough contaminants to achieve the desired water quality in the receiving environment.
- 1.15 HCC seeks to retain the ability to employ the best practicable option to manage the discharge of contaminants to land or water, to maximise flexibility regarding how it manages contaminants to achieve water quality targets, and to be allowed to offset any significant residual adverse effects of these discharges that cannot be avoided, remedied or mitigated.
- 1.16 Significant investment in infrastructure will be required to meet water quality targets. For example, HCC's existing Pukete Wastewater Treatment Plant was valued in 2018 at \$77M⁶. HCC is currently implementing its "Pukete 3" project at a cost of about \$24M. This project will expand the plant's capacity to accommodate predicted urban growth and maintain compliance with the discharge consent until it expires in 2027. HCC's 30-year Infrastructure Strategy⁷ identifies that, in the period 2029 to 2048, further expenditure on wastewater treatment plant upgrades is planned: \$60M to ensure the treatment plant remains compliant with its discharge consent and \$170M to accommodate population and business growth.
- 1.17 Government financial assistance with provision of the necessary three waters infrastructure would help achieve water quality targets.
- 1.18 While HCC respects the intent of the current proposals to materially improve freshwater quality within 5 years, it doubts that this can be achieved in urban areas. This is because of the time required to plan, arrange funding for and implement major infrastructure improvements required to achieve improved receiving environment water quality. For example, the Case Study presented in **Appendix 2** shows that it is expected to take 7 years from initial investigation to achieve a major upgrading of Pukete Wastewater Treatment Plant in Hamilton. HCC seeks for reasonable and realistic time periods to be allowed for achieving water quality targets.

² See HCC's website at: <https://www.hamilton.govt.nz/our-council/ICMP/Pages/ICMP.aspx>

³ Rule 25.13.4.1 b

⁴ Rule 25.13.4.6

⁵ Rule 25.13.4.5

⁶ 2018-28 10-Year Plan (Hamilton City Council, 2018a, p.37)

⁷ 2018-48 Infrastructure Strategy (Hamilton City Council, 2018, p.15)

- 1.19 While, achieving cleaner stormwater and wastewater discharges in greenfield development is hard enough, retrofitting stormwater treatment into existing urban development is even more challenging because of the limited space available.
- 1.20 There are other ways Government could help territorial authorities achieve better freshwater quality in lakes, streams and rivers.
- 1.21 Government could require all water users to contribute equitably to the protection and restoration of waterways in a catchment. Upstream users should have to manage their contaminant discharges to a similar extent as downstream users, even though, because of the relatively pristine nature of freshwater in upper catchments, the discharges upstream may not threaten to breach environmental bottom lines at the points of discharge. In other words, the assimilative capacity of a water body needs to be allocated equitably throughout the catchment.
- 1.22 The Government could also establish a national programme, or regulate, to reduce or eliminate discharge of toxic substances into the receiving environment. For example, if feasible, regulations to eliminate or reduce the use of heavy metals in the manufacture of motor vehicle tyres and brake linings or exposed zinc and copper in roofing and spouting. This would be similar in nature to the Government's regulation in 2019 of single-use plastic bags.
- 1.23 HCC would like the Government to recognise the significance of three waters infrastructure and the challenges associated with retro-fitting upgrades to these networks in existing developed areas to achieve better freshwater quality outcomes. These networks are complex and capital-intensive. They cannot be turned off, other than for a few hours. The infrastructure and upgrades take time to plan, fund, design and construct.
- 1.24 The kinds of recognition the Government could provide includes:
- (1) Providing realistic time periods for territorial authorities to achieve new freshwater quality standards;
 - (2) Supporting the training of people needed to run the country's three waters networks. This could include supporting the development of a national qualifications' framework for the three waters workforce, covering design, construction, operation, monitoring and regulation of these networks; and
 - (3) Leading the development of good practice guidelines for three waters infrastructure design, construction, operation, monitoring and regulation.
- 1.25 The Government could also provide national standards or guidelines on how management of stormwater contaminants should be integrated with road design, operation and maintenance. The road network is a major source of contaminants. Rain gardens or other devices are needed to minimise the quantity of contaminants being washed from roads into the receiving environment. Currently there is a lack of guidance focused on achieving the dual objectives of managing contaminants to protect waterways and maximising the safety and efficiency of the road corridor.
- 1.26 Local Government does not have the resources to develop a qualifications' framework or prepare best-practice guidelines. Smaller territorial authorities find it difficult to attract suitably skilled people to operate and maintain three waters systems.

2.0 Questions

Question 1. Do you think the proposals set out in this document will stop further degradation of New Zealand's freshwater resources, with water quality materially improving within five years?

- 2.1 HCC considers the proposals are moving in the right direction, but material improvement in waterways in urban areas within five years is unlikely. It will take significant capital investment, time and human resources for territorial authorities to amend planning documents and investigate, design, build and commission the infrastructure necessary to better manage contaminants discharged from

existing developed areas.

- 2.2 The speed of water quality improvements will also depend on the ability of regional councils to change, monitor and enforce their plans. The proposals place significant additional workloads on regional councils.
- 2.3 The proposals' effectiveness will also depend on iwi involvement in the various processes. Currently, iwi participation in these activities is not well resourced.

Question 2. Do you think the proposals will bring New Zealand's freshwater resources, waterways and ecosystems to a healthy state within a generation?

- 2.4 HCC considers that, while improvements will be made to ecosystems under these proposals, legacy contaminants from the primary sector, urban growth and challenges associated with retrofitting contaminant removal in existing development may mean that some targets will be difficult to achieve.

Question 3. What difference do you think these proposals would make to your local waterways, and your contact with them?

- 2.5 HCC considers that the proposals will promote improved waterways and community relationships with them. However, two significant impediments to improving freshwater quality in existing urban areas will remain: difficulties involved in retrofitting stormwater treatment devices, because of a lack of available space, and managing faecal contamination of urban stormwater by animals and birds.

Question 5. What support or information could the Government provide to help you, your business, or your organisation to implement the proposals?

- 2.6 Government could:
 - (1) Provide financial assistance to territorial authorities and/or property owners to support provision, operation and maintenance of the necessary stormwater and wastewater infrastructure, including that associated with roads;
 - (2) Provide guidance on how to incentivise actions to improve freshwater quality;
 - (3) Make whatever statutory provision(s) are necessary, if any, to enable territorial authorities to require property owners in existing urban areas to retrofit stormwater management devices on their property, for example, by:
 - a. Installing rainwater tanks to enable reuse of the water on site - for toilets, laundry or irrigation; or
 - b. Disposing stormwater to ground soakage when soil and groundwater levels make this practicable; or
 - c. Treatment, detention and gradual release to a watercourse; or
 - d. Treatment, detention and gradual release to a piped stormwater system.

Question 7: Do you think it would be a good idea to have an independent national body to provide oversight of freshwater management implementation, as recommended by KWM and FLG?

- 2.7 Yes, HCC supports an independent national body providing oversight of freshwater management implementation. This would provide dedicated/focused technical competency and expertise. It could improve information sharing and accelerate adoption of best practice.

Te Mana o te Wai

Question 9: Do you support the Te Mana o te Wai hierarchy of obligations, that the first priority

is the health of the water, the second priority is providing for essential human health needs, such as drinking water, and third is other consumption and use?

2.8 Yes, HCC supports this hierarchy.

Question 10: Do you think the proposals will have the desired effect of putting the health of the water first?

2.9 Yes, because they are clear. However, it will probably take some years for them to take effect.

Question 11: Is it clear what regional councils have to do to manage freshwater in a way consistent with Te Mana o te Wai?

2.10 In HCC's opinion, it is not yet clear to all what "Te Mana o Te Wai", "mauri" and "maatauranga" mean in the context of freshwater management; they are complex, many faceted concepts. Additional guidance, including case studies of how they have been recognized and provided for could help improve practitioners' understanding and accelerate recognition of, and provision for, Te Mana o Te Wai.

Question 12: Will creating a long-term vision change how councils and communities manage freshwater and contribute to upholding Te Mana o te Wai?

2.11 Yes, but it is likely to take years, possibly a decade or more, before significant improvement in freshwater quality is observed in urban areas.

New Māori Value

Question 13: Do you think either or both of these proposals will be effective in improving the incorporation of Māori values in regional freshwater planning?

2.12 HCC supports the inclusion of Maaori values in regional freshwater planning and supports both proposals.

2.13 Restoring water quality within the Waikato River, so that it is safe to take food from over its entire length, including all its tributaries, is one of the objectives of the Vision and Strategy⁸. Waikato Regional Council's *Proposed Regional Plan Change 1 – Waikato and Waipa River Catchments*, for which the Regional Council hearing has recently concluded, will help to achieve this objective. Both proposals in the Discussion Document will support achievement of this objective.

Question 14: Do you foresee any implementation issues associated with either approach?

2.14 Both proposals will require resourcing, including provision of funding and personnel for both Regional Council and Maaori.

2.15 Some Maaori may be reluctant to identify mahinga kai in fear that doing so may make their location common knowledge resulting in over-use. Restoring and protecting mahinga kai catchment-wide in large catchments, such as the Waikato River catchment, could help overcome such reluctance.

Question 15: What are the benefits and impacts of either of these approaches?

2.16 Making mahinga kai a compulsory value would be providing active protection of a Maaori treaty right.

2.17 Both proposals should help restore and protect mahinga kai.

Question 16: What implementation support will need to be provided?

2.18 See paragraph 2.14 above.

⁸ Objective 1(3)(k) in Schedule 2 of the *Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010*

- 2.19 Government could augment Proposal 2⁹ by supporting regional councils and iwi to jointly develop Mauri Models for the receiving environments in their areas. Bay of Plenty Regional Council has identified Mauri Model development as a method in the Bay of Plenty Regional Policy Statement¹⁰. Resourcing and time will be required to develop these models and achieve good collaborative outcomes.

More Integrated Management of Freshwater

Question 18: Does the proposal make the roles and responsibilities between regional councils and territorial authorities sufficiently clear?

- 2.20 Yes.
- 2.21 HCC's primary approach to achieving integrated management of land use and three waters infrastructure is to prepare and implement ICMPs. These identify the measures that need to be implemented at source (on lot) and at sub-catchment and catchment-wide levels to appropriately manage the cumulative adverse effects of Maximum Probable Development in the catchment.
- 2.22 Without appropriately prepared ICMPs, it is difficult for regional councils to identify and include on the discharge consents they grant appropriate conditions to manage cumulative adverse effects. Because ICMPs are tools that enable the regional council to fulfil its functions, the regional council should co-fund their preparation. Currently, there is no requirement for them to do so, and they don't.

Exceptions for Major Hydro Schemes

Question 19: Does the proposal to allow exceptions for the six largest hydro-electricity schemes effectively balance New Zealand's freshwater health needs and climate change obligations, as well as ensuring a secure supply of affordable electricity?

- 2.23 HCC supports renewable energy and accepts the need to maintain generation capacity, storage and operational flexibility of a scheme.
- 2.24 However, HCC considers the effects of hydro schemes should not be ignored. These effects include changes to the stability of river-beds, river-banks¹¹ and stormwater and wastewater outfall structures, and warming of the dammed water, which promotes algal growth and affects water quality.
- 2.25 The hydro schemes are commercial operations generating revenue and profit. Notwithstanding their nationally significant roles, hydro schemes should be required to remedy or offset the significant adverse effects that cannot be avoided or mitigated, and to compensate where offsetting is not achievable.

Attributes

Question 20: Do you think the proposed attributes and management approach will contribute to improving ecosystem health? Why/why not?

- 2.26 Yes, because they represent a more holistic approach to managing the effects of land-use on ecosystems.

⁹ See p.32 of *Healthy Action for Waterways*

¹⁰ Method 44 (Bay of Plenty Regional Council, 201, p.224)

¹¹ Between Karapiro and Ngaaruawaahia, the bed of the Waikato River is slowly degrading, because the Karapiro Dam prevents the natural replenishment of riverbed sediments in this reach. The falling bed level destabilises the river banks and sometimes threatens the stability of riverside properties. The river bed is predicted to be lowered by 1.5m at Hamilton within the next 50 years. See the *Central Waikato River Stability Management Strategy 2008-2058* at: <https://www.waikatoregion.govt.nz/Council/Policy-and-plans/Hazard-and-catchment-management/Central-Waikato-River-Stability-Management-Strategy/>

Threatened Indigenous Species

Question 22: Do you support the new compulsory national value? Why/why not?

- 2.27 Yes, because the new compulsory national value for threatened indigenous species will align with other central, regional and local direction on biodiversity and the Vision and Strategy for Waikato River.

Fish Passage

Question 23: Do you support the proposed fish passage requirements? Why/why not?

- 2.28 Yes, because they will increase the biodiversity of the waterways.

Question 24: Should fish passage requirements also apply to existing instream structures that are potentially barriers to fish passage, and if so, how long would it take for these to structures to be modified and/or consented?

- 2.29 Yes.
- 2.30 Recognising the time required to investigate, consult affected stakeholders (including structure owners), plan, fund, consent and construct works¹² and the potential numbers of existing barriers to be addressed in a Region, HCC considers that a period between 5 and 10 years would be a reasonable time within which to require fish barriers to be remedied.

Wetlands

Question 25: Do you support the proposal to protect remaining wetlands? Why/why not?

- 2.31 Yes, because wetlands provide multiple environmental benefits and support biodiversity. Furthermore, the proposals provide appropriate flexibility for the ongoing operation and maintenance of built wetlands.

Streams

Question 27: Do you support the proposal to limit stream loss? Why/why not?

- 2.32 While HCC supports the principle of limiting stream loss, to avoid loss of habitat and impact on the mana of the stream, HCC considers the proposal is too restrictive.
- 2.33 Provision for infilling of river or stream beds should be extended to “regionally significant infrastructure” and “regionally significant industry” on the same basis as it is proposed to apply to “nationally significant infrastructure”: consent applicants would be required to demonstrate they have considered options to avoid, remedy or mitigate any proposed stream loss through infilling, and they would be required to offset or compensate for any stream loss.
- 2.34 Extending the provision for infilling of river or stream beds to “regionally significant infrastructure” and “regionally significant industry” would recognise the important and vital roles such facilities serve and that their size and nature often makes it difficult to locate them in the landscape in a manner that doesn’t impact on river or stream beds.
- 2.35 “Nationally significant infrastructure”, “regionally significant infrastructure” and “regionally significant industry” are not defined in the Resource Management Act 1981 or the Draft NPS-FM. Definitions of these terms should be included in the NPS-FM.
- 2.36 HCC suggests the following definition of “regionally significant infrastructure” and “regionally significant industry” from the *Waikato Regional Policy Statement*, or similar, be included in the NPS-FM:

¹² See Paragraph 1.18

Regionally significant infrastructure – includes:

- a) pipelines for the distribution or transmission of natural or manufactured gas or petroleum;
- b) infrastructure required to permit telecommunication as defined in the Telecommunications Act 2001;
- c) radio apparatus as defined in section 2(1) of the Radio Communications Act 1989;
- d) the national electricity grid, as defined by the Electricity Industry Act 2010;
- e) a network (as defined in the Electricity Industry Act 2010);
- f) infrastructure for the generation and/ or conveyance of electricity that is fed into the national grid or a network (as defined in the Electricity Industry Act 2010);
- g) significant transport corridors as defined in Map 6.1 and 6.1A;
- h) lifeline utilities, as defined in the Civil Defence and Emergency Management Act 2002, and their associated essential infrastructure and services;
- i) municipal wastewater treatment plants, water supply treatment plants and bulk water supply, wastewater conveyance and storage systems, municipal supply dams (including Mangatangi and Mangatawhiri water supply dams) and ancillary infrastructure;
- j) flood and drainage infrastructure managed by Waikato Regional Council;
- k) Hamilton City bus terminal and Hamilton Railway Station terminus; and
- l) Hamilton International Airport.

Regionally significant industry - means an economic activity based on the use of natural and physical resources in the region and is identified in regional or district plans, which has been shown to have benefits that are significant at a regional or national scale. These may include social, economic or cultural benefits.

Question 29: Do the “offsetting” components adequately make up for habitat loss?

- 2.37 Yes, in principle, application of the “effects management hierarchy” should ensure the any habitat loss is offset.
- 2.38 In some cases, offsetting may best be served by “daylighting” other piped areas or naturalising artificial drains that have potential for supporting ecological habitat.

New Bottom Line for Nutrient Pollution

Question 30: Do you support introducing new bottom lines for nitrogen and phosphorus? Why/why not?

- 2.39 HCC seeks for any proposed new bottom lines for nitrogen to recognise the effects seasonal climatic conditions have on the performance of biological wastewater treatment plants and the contaminant assimilative capacity of water bodies. This may require different bottom lines for nitrogen to be set for summer and winter conditions.
- 2.40 For example, the conditions of HCC’s current discharge consent for its Wastewater Treatment Plant¹³ set water quality standards for summer months that are different from those set for winter months. The total nitrogen summer mass load is 500kg/day, whereas the total nitrogen winter mass load is 1,700kg/day. The different standards reflect that the capacity of the Waikato River to assimilate nitrogen without adverse environmental effects is much higher in the cooler winter months than in summer.

¹³ Resource consent number AUTH114674.01.02, Condition 7

Higher Standard for Swimming

Question 36: Do you agree with the recommended approach to improving water quality at swimming sites using action plans that can be targeted at specific sources of faecal contamination? Why/why not?

- 2.41 Yes, HCC supports in principle the preparation of action plans to improve water quality at swimming sites, because these could identify and prioritise measures that could be taken to minimise health risks to people using the sites. For example, it might be possible to divert an existing stormwater discharge to downstream of the swimming site, or prioritise reduction or elimination of any upstream wastewater network overflows. This would be consistent with an objective of the Vision and Strategy for the Waikato River¹⁴.
- 2.42 However, HCC anticipates it may often prove difficult to determine the source of any faecal contamination, particularly in a large river such as the Waikato River.
- 2.43 HCC expects that managing faecal contamination of swimming sites by birds and water fowl will be an ongoing challenge.

Better Managing Stormwater and Wastewater

Question 46: Does the proposed Wastewater NES address all the matters that are important when consenting discharges from wastewater networks? Will it lead to better environmental performance, improve and standardise practices, and provide greater certainty when consenting and investing?

- 2.44 HCC's comments of the proposed requirements are as follows:
- (1) "Minimum treatment standards or "limits" for nationally-applicable wastewater quality parameters, including biochemical oxygen demand, suspended solids and bacteria": These seem appropriate; they would help councils to forward-plan funding and design.
 - (2) "Targets or limits on the volume and frequency of wet weather overflows": Setting "Limits" seems inappropriate given there are differing catchments, treatment plants and network capacities and ages, regional rainfall variability and receiving environment sensitivity. Setting "targets" would be more appropriate, in association with the national bottom lines. This would provide territorial authorities time to plan, fund, collaborate with iwi and other stakeholders, design and provide solutions to meet the water quality aspirations of iwi and the community.
 - (3) "Methods for monitoring compliance with standards or limits and reporting breaches to regional councils and the public": This seems appropriate.
 - (4) "Approaches for incorporating culturally-acceptable wastewater treatment processes": This seems appropriate and helpful, but ultimately it will be up to collaborative effort to determine this.

Question 47: Do you agree with the scope of the proposed risk management plans for wastewater and stormwater operators? Are there other aspects that should be included in these plans?

- 2.45 HCC already has multiple documents that focus on management of three water risks. They include, for example: Activity Management Plans and Master Plans for each of the stormwater, wastewater and potable water networks, Integrated Catchment Management Plans, Water Safety Management Plans, Contingency Plans and Business Continuity Plans.
- 2.46 HCC seeks for the Wastewater NES to accept any existing documents that fulfil the NES' risk

¹⁴ Objective 1(3)(k) in Schedule 2 of *Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010*

management requirements. This would avoid unnecessary duplication and burdening of territorial authorities.

- 2.47 In addition to this, it would be helpful if central government were to provide risk management templates and guidance on their use.

Question 48: What specific national level guidance would be useful for supporting best practice in stormwater policy and planning and/or the use of green infrastructure and water sensitive design in stormwater network design and operation?

- 2.48 Any best practice guidance on how to retrofit water management devices into existing developed areas would be helpful. Improving stormwater management in existing urban areas is possibly territorial authorities' biggest stormwater management challenge

Question 49: What are the most effective metrics for measuring and benchmarking the environmental performance of stormwater and wastewater networks? What measures are most important, relevant and useful to network operators, regional councils, communities, and iwi?

- 2.49 To avoid imposing unnecessary reporting burden on territorial authorities, existing reporting requirements should be reviewed, rationalised and streamlined. HCC already carries out the following reporting: Non-financial Performance Measure Rules, National Performance Review, three waters resource consent annual reporting, and monitoring reporting.
- 2.50 Cultural indicator reporting would be useful for iwi. HCC has yet to work with iwi to identify cultural indicators for the urban area.

Excluding Stock from Waterways

Question 65: Do you support excluding stock from waterways? Why/why not?

- 2.51 HCC supports excluding stock from waterways, especially where this will impact on drinking water and swimming.
- 2.52 However, HCC is concerned that the requirement to keep stock out of waterways could apply to animals at Hamilton Zoo. Such a requirement would be contrary to the purposes and functions of the Zoo, which include providing an opportunity for the public to view exotic animals in an approximation of their natural environment where the animals are able to demonstrate natural behaviours.
- 2.53 Currently, the following animals at Hamilton Zoo have access to surface water: fishing cats, waterfowl, siamang gibbons, zebra, antelope, and giraffe. Although not traditional farm animals, they could fall within the definition of "stock". Some zoo species, such as the fishing cats require access to water in which to swim or submerge on welfare grounds as it forms part of their natural behaviours.
- 2.54 HCC seeks for the NPS-FM to exempt zoo animals from requirements to exclude animals from waterways.
- 2.55 HCC accepts that such exemption should not exempt zoo operators from a requirement to remedy or mitigate the effects of the zoo animal's access to water.

3.0 Comment on the Proposed National Environmental Standards for Freshwater

- 3.1 HCC seeks for Regulations 12 and 13 to be amended so they apply only to drainage works that are within the surface water catchment of the wetland and within 100m of the wetland. These amendments would exclude any drainage works that are within 100m of the wetland, but outside the wetland's surface water catchment. This would avoid the need for consents for works that won't affect the wetland – because they are outside its catchment.

3.2 The amendments sought are as follows:

12 Earth disturbance for drainage – discretionary activities

(1) Engaging in earth disturbance for drainage in, or within the surface water catchment and within 100 m of any part of, a natural wetland is a discretionary activity if it is undertaken for the purpose of restoring the natural wetland to its natural hydrological regime.

13 Earth disturbance for drainage – non-complying activity

Engaging in earth disturbance for drainage within the surface water catchment, and within 100 m of any part of a natural wetland is a non-complying activity if:

4.0 Further Information

4.1 Should the Ministry for the Environment require clarification of the above, or additional information, please contact Raewyn Simpson, Senior Planner, City Waters. Phone: (07) 838 6427. Email: Raewyn.Simpson@hcc.govt.nz

Yours faithfully



Richard Briggs
CHIEF EXECUTIVE

Discussion Document	<i>Actions for healthy waterways: A discussion document on national direction for our essential waterways</i> (Ministry for the Environment and Ministry for Primary Industries, 2019)
HCC	Hamilton City Council
ICMP	Integrated Catchment Management Plan
LGA 2002	<i>Local Government Act 2002</i>
NPS-FM	<i>National Policy Statement for Freshwater Management</i>
Pukete 3	A project to upgrade the Pukete Wastewater Treatment Plant in Hamilton. See Paragraph A2.4 below.
Vision and Strategy	The Vision and Strategy for the Waikato River. This is set out in Schedule 2 to <i>Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010</i> .

Case Study: Pukete 3 Wastewater Treatment Plant Upgrading Project

- A2.1 Anyone seeking a new or renewed consent for a point source discharge which could have significant effects on the receiving environment, for example, for a wastewater treatment plant, must go through extensive and lengthy processes before the new or upgraded facility can become operational. This process is likely to include the following stages:
- (1) Procurement for the options assessment;
 - (2) Engineering, specialist environmental and planning assessments of options for achieving desired outcomes resulting in identification of a preferred option;
 - (3) Procurement for preliminary design and consenting;
 - (4) Preliminary design and specialist environmental and planning assessments to support resource consent application for the preferred option;
 - (5) Consenting, which may include resolving any appeals to the Environment Court;
 - (6) Procurement for detailed design;
 - (7) Detailed design and contract documentation;
 - (8) Procurement/tendering for construction of the facility;
 - (9) Construction; and
 - (10) Commissioning.
- A2.2 In addition, territorial authorities must follow processes set out in the Local Government Act 2002 (LGA 2002) to secure the funding for all stages of the project. Need for the facility must first be identified in the Council's 30-year Infrastructure Strategy¹⁵, which informs preparation of Council's Long-Term Plan¹⁶. The 30-year Infrastructure Plan and the Long Term Plan are reviewed every 3 years, usually in the first year of a new Council. Before any expenditure can be committed on any part of the project, financial provision for it must also be made in the Council's Annual Plan, which is prepared each year¹⁷. The Long Term Plan and the Annual Plan are each subject to public consultation processes¹⁸.
- A2.3 Figure 1 below illustrates the processes and timeframes involved in completing the Pukete 3 project, which is an example of a typical major upgrade of a municipal wastewater treatment plant, which is costing about \$24M. It shows a total project duration of 7 years. This could possibly have been reduced by some 18 months, if more people had been engaged on the "option assessment, design, and contract preparation" phase.
- A2.4 The project began with the investigation of the need to expand the treatment plant's capacity to accommodate predicted urban growth and maintain compliance with the discharge consent until it expires in 2027. The project will conclude with completion of the construction and commissioning of the new works. The main components of the Pukete 3 works are: Pukete chemical storage and dosing facility, a new aeration basin using new technology, a new clarifier, a new inter-stage pump station, a new returned activated sludge pump station, and a new power supply and motor control centre room.

¹⁵ Required by s.101B of the LGA 2002

¹⁶ Required by s.93 of the LGA 2002

¹⁷ Required by s.95 of the LGA 2002

¹⁸ Required by s.93(2) and 95(2) of the LGA 2002 respectively

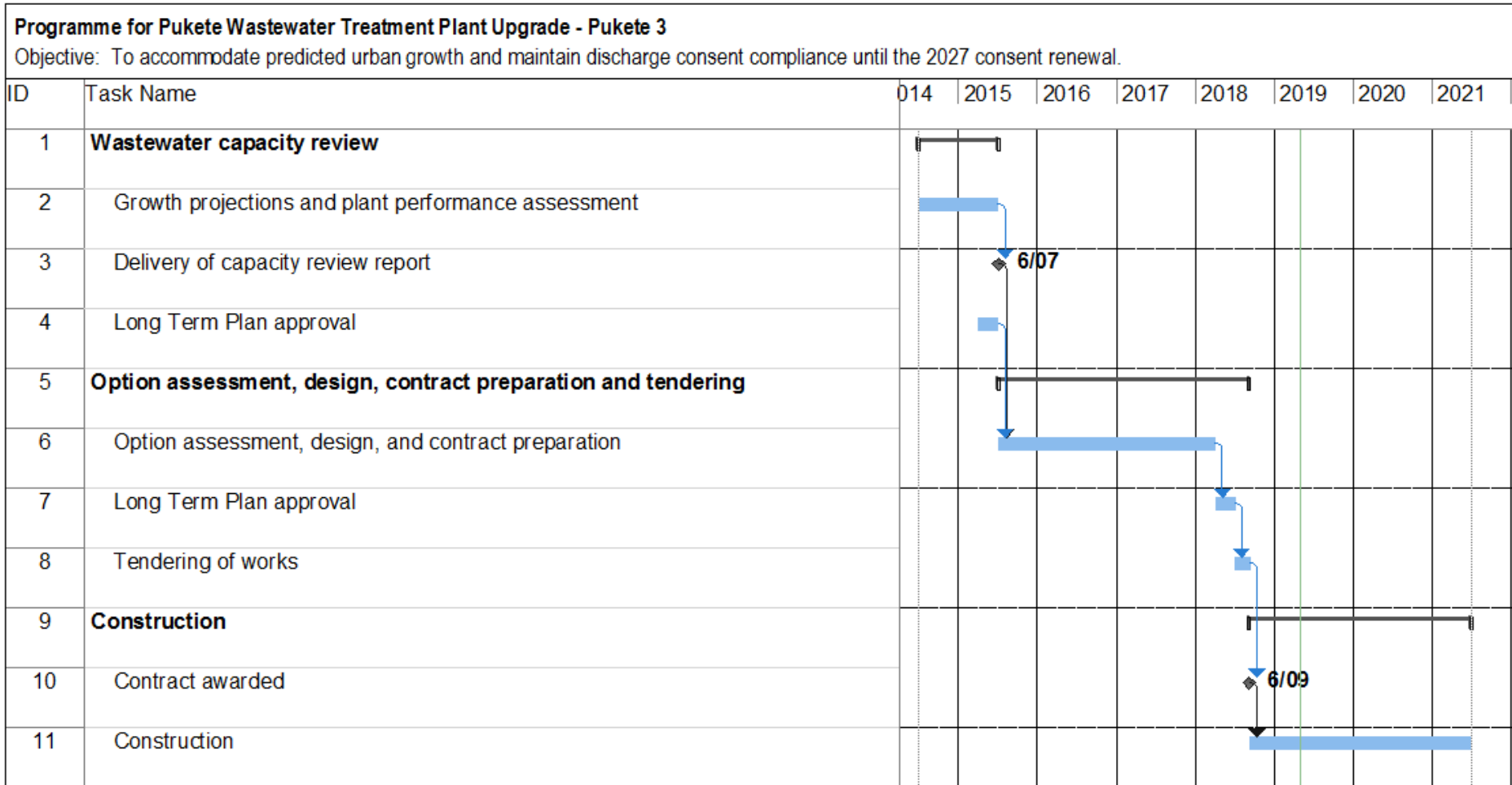


Figure 1: Planning and funding process for a municipal wastewater plant upgrade

- Bay of Plenty Regional Council. (Updated 2018). *Bay of Plenty Regional Policy Statement: Part Three: Policies and Methods*. <https://atlas.boprc.govt.nz/api/v1/edms/document/A2377930/content>
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Statutes

Local Government Act 2002

Resource Management Act 1991

Waikato-Tainui Raupatu Claims (Waikato River) Settlement Act 2010