

MINUTES

SUBJECT	WATERCARE SERVICES BOARD MEETING
VENUE	Boardroom Level 2, Watercare Services Limited, 73 Remuera Road, Remuera, Auckland
DATE	30 April 2015
TIME	11:10
STATUS	Open Session

	Present: M Allen D Clarke (Chairman) N Crauford P Drummond C Harland J Hoare T Lanigan D Thomas	In Attendance: R Chenery S Cunis R Jaduram B Monk T Munro B Taplin S Vitas	Public in Attendance: One
1.	Apologies <ul style="list-style-type: none"> There were no apologies. 		
2.	Minutes of Previous Meeting <ul style="list-style-type: none"> The Board resolved that the Minutes of the public section of the Board meeting held on 19 March 2015 be confirmed as correct. 		
3.	Directors Corporate Governance Items <ul style="list-style-type: none"> Corporate Planner 2015 The Corporate Planner for 2015 was noted. Disclosure of Interests The Disclosure of Interests was noted. J Hoare advised that she has been appointed to the Advisory Panel of External Reporting Board. 		
4.	Chief Executive's Report and Scorecard <ul style="list-style-type: none"> R Jaduram spoke to the report. Water losses are still high and unlikely to meet target this year. Management will provide an update on how Watercare proposes to meet the SOI target of 13%. Health and Safety It was noted that tertiary ACC accreditation has been retained by Watercare. Customer Services All customer KPIs were met and there has been a decrease in the incidence of issues/calls being escalated to management. Operations Management noted that lake levels were 10% lower than average for this time of year. The use of the Waikato source is being maximised. The rain forecast for Autumn and Winter is expected to lift lake levels before next summer. S Cunis noted that rains are projected to come and should average rainfall occur, storage levels should increase to average levels. 		

	<p>A watching brief is being maintained. If lake levels do not increase as anticipated, the Auckland Drought Management Plan will be implemented.</p> <ul style="list-style-type: none"> • Finance <p>B Monk spoke to financials. Revenue is above budget largely due to IGC revenue and non-cash vested asset income.</p> <p>Water and wastewater revenue is below that budgeted by 1%. It is expected that revenue for full year will be above budget and controllable costs, capital expenditure and debt will be below budget.</p> <p>The Chairman noted that Watercare continues to focus on efficiencies and driving down costs.</p> <ul style="list-style-type: none"> • Communications <p>The Board noted that positive feedback from customers was received following the Albany incident.</p> <ul style="list-style-type: none"> • Maori Engagement <p>Role of Mana Whenua was discussed. Auckland Council's Te Waka Angamua is reviewing the issue of water supply to rural marae. It was noted that Central Government is provided some assistance to iwi in this respect. Watercare is providing ongoing advice.</p> <ul style="list-style-type: none"> • Long Term Plan 2015-2025 <p>Public submissions regarding the LTP are important to Watercare and areas of greatest submission are being considered.</p> <p>The Board resolved to approve financial inputs to Long Term Plan (LTP) subject to IGC price increase being set at 2.5% for the first year. It was noted that this would result in some cross-subsidisation of new customers by existing customers.</p> <ul style="list-style-type: none"> • Auckland Utilities Operators Group <p>It was noted that although Watercare had previously been a member of the Auckland Utilities Operators Group, Watercare specifically excluded itself from the submission that the AUOG made to Auckland Council's Unitary Plan.</p>
5.	<p>Strategic Direction for Providing Services to Support Urban Growth</p> <ul style="list-style-type: none"> • D Blow spoke to the paper. <p>Watercare's fundamental role is to be an enabling organisation whilst giving effect to the Long Term Plan. It is recognised that customers have a choice as to whether they wish to connect to Watercare's network. It is recognised that Watercare must be fair to existing customers when making provision for new connections.</p> <p>The Board noted the concerns of the NZ Fire Service in relation to pressure and supply of water for firefighting purposes in private scheme areas.</p> <p>The Board requested that the paper be amended to reflect discussions and feedback from the directors.</p>
6.	<p>AMDD Trade Waste Charges</p> <ul style="list-style-type: none"> • S Cunis spoke to the paper. <p>The Board resolved to carry the recommendation to confirm final trade waste charges for 2013/2014 at the same level as provisional trade waste charges invoiced for 2013/14, subject to acceptance by the EMA.</p>

General Business

- The matter of application of herbicide and 1080 in the Hunua catchments was discussed.

It was confirmed by S Cunis that no application can take place without adherence to agreed protocols. That protocol must be approved by Auckland Council and Watercare has input into the development of the protocol.

Increased testing/monitoring of water supply will be put in place by Watercare. If, for any reason, a lake storage reservoir has to be taken out of service, the approval of the Medical Officer of Health will be obtained before a reservoir can be returned to service.

7.

- Watercare Harbour Clean Up Trust (WHCUT) – verbal report from P Drummond.

P Drummond advised that the Watercare Harbour Clean Up Trust has recently been recognised by way of an international award. The Watercare Harbour Clean Up Trust received the 2014 Annual Honor Award from the Waterfront Center (Washington DC) for Excellence on the Waterfront. P Drummond advised that a successful 2 month trial was recently undertaken by WHCUT in the Manukau Harbour. The trial was received very positively by the community and local boards.

The Chairman noted how proud and grateful Watercare is for the excellent work of the WHCUT.

- The public section of the meeting closed at 12.15pm.

CERTIFIED AS A TRUE AND CORRECT RECORD

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Chairman