

WATER SERVICES MANAGERS' GROUP ANNUAL REPORT 2015/2016

1.0 Review of 2014/15

1.1 Committee membership

The committee meeting met on the 18 August 2015 to review the role of the committee, overall governance and management of the group. This meeting was very useful and will become an annual occurrence to ensure the committee is providing the right level of governance on behalf of the membership. The committee membership has increased with the inclusion of Ulrich Glasner from Queenstown Lakes District Council and Mike Charteris from Hauraki District Council. The current committee members are:

- Lorraine Kendrick - Chair
- Andrew Venmore
- Dylan Stuijt
- Kelvin Hill
- Malcolm Loan
- Mike Charteris
- Peter Bahrs
- Phil Ruffel
- Ulrich Glasner

1.2 Membership update

WSMG Objectives and Guidelines

At the November meeting, 27th November 2015, Lorraine Kendrick tabled a revised Water Service Managers Group Objectives and Guidelines. The key changes were the revision and refinement of the Objectives and the reintroduction of a Project Levy.

There was a discussion regarding extending the membership beyond Local government organisations to others involved in water management, (e.g. airports, defence force, hospital etc.). Whilst this was supported within the group, it did not receive universal support. It was suggested rather than take away from the 'LGO only' forum, to consider a complimentary forum for non-LGO water managers that can provide the required knowledge and support. This would not be seen as a membership drive but more to promote the benefits of being part of the group. This suggestion is to be discussed further by the committee.

The membership also discussed the reintroduction of a Project Levy which is provided for in the revised WSMG Objectives and Guidelines. The purpose of the levy is to provide funding to support the delivery of projects that are supported by the WSMG membership. The reintroduction of the

levy was universally supported, however it was agreed that the levy would not be a condition of WSMG membership as there is no intent to discourage membership of the group. Brent Manning agreed to front foot the reintroduction of the project levy by sending a letter from WNZ to each CEO advising of the purpose of the levy.

The revised objectives are noted below:

- Promote the interests and needs of 3 Waters with all sectors through Water New Zealand
- Provide advice on new technology, best practice and share technical knowledge for the advancement of the 3 Water services to ensure regulatory compliance.
- Involvement and participation in Regional and National Standards; provide technical leadership and advice.
- Undertake projects in areas of common need and interest.
- Provide a support network for all WSMG members.

The Water New Zealand, WSMG webpage has been updated to reflect the current committee members, objectives and provides a direct link to the Objectives and Rules.

[Water New Zealand - Water Services Managers Group web page](#)

[Water Services Managers Group Objectives and Rules](#)

1.2 Projects

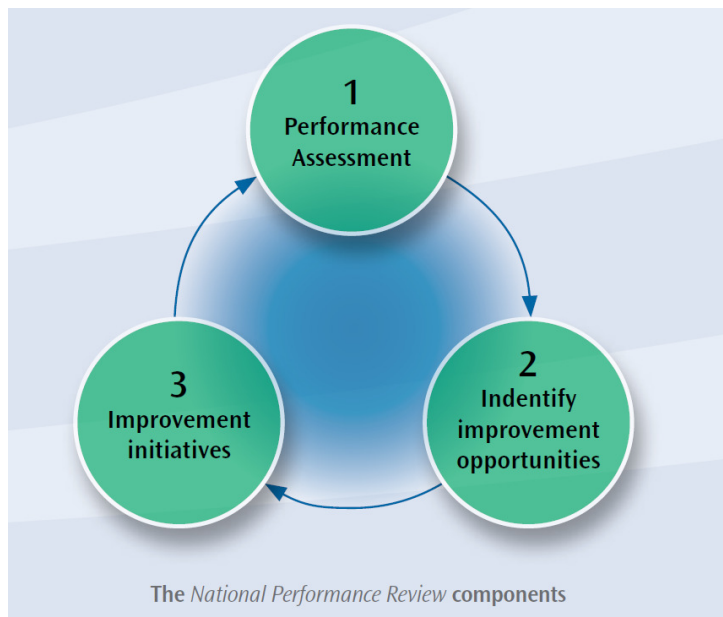
Technical Projects – Progress Report is included in Appendix A.

1.3 National Performance Review

The 2014/15 National Performance Review was yet again a step up from the previous year with 41 councils and council owned organisations participating providing 3 water services to 85% of New Zealanders. Water New Zealand also prepared a summary report, Snapshot, for Decisions makers, which is a fantastic addition to this annual review.

The National Performance review components align with the WSMG Objectives, ensuring that we strive for the advancement of the 3 Water services and adhere to best practice.

Lesley Smith undertook at workshop on the National performance review at the WSMG meeting in April 2016, observations from the workshop are included in Appendix B.



The review for the 2014/15 and previous years can be located on the Water New Zealand website, link below:

[2014/15 National Performance Review](#)

1.4 WSMG meetings

1.4.1 November Meeting held at West Plaza, Wellington, Friday 27th November 2015.

29 members attended the meeting along with 5 representatives from Water New Zealand.

Lorraine Kendrick presented the revised WSMG Objectives and Rules, which reviewed the scope of the membership and introduced the proposed project levy.

Presentations were provided by Katherine Rich and Lyn Mayes from the Food and Grocery Council on working collaboratively together on Flushable wipes. Ian McNaught, Iplex Pipelines provided an interesting presentation on ‘A comparison of modern pipe materials’. Leigh Johns, Aquapipe South Pacific presented on Aquapipe and Aqualiner systems. The Water Efficiency Group represented by Lee Bint, Branz introduced the new Group, We Can, which was well received from WSMG members.

John Phalfert provided the group with the Policy update and in particular the NPS for Freshwater Management which would have an impact on all territorial authority activities for water and wastewater abstraction and discharge consents.

Nick Walmsely and Lesley Smith provided an update on the technical projects and the national performance review. It was also resolved at that WSMG would fund the following projects:

- AC Pipe Manual
- Chlorine Emergency Response Plan
- Waste Stabilisation Ponds

Committee member, Kelvin Hill gave a presentation on Connexis and Dylan Stuijt provided an updated on NZUAG.

1.4.2 April Meeting held at Novatel, Queenstown, Thursday 31st March and Friday 1st April 2016.

30 members attended the meeting along with 4 representatives from Water New Zealand.

The meeting was opened by deputy Mayor of Queenstown Lakes District council Lyall Cox, who spoke about the challenges facing Queenstown, particularly in relation to providing infrastructure for growth.

As usual the agenda was busy with numerous items to be covered. Peter Whitehouse provided a policy update on NPS for Freshwater Management. Myles Lind provided an update on Local Government Risk Agency Technical working group and how insurance for water infrastructure is being reviewed as a result of the Christchurch earthquakes.

John Phalfert introduced a system that Water New Zealand would like to trail for the prioritisation of projects to ensure that the projects aligned with the strategic direction of the organisation. This approach was widely supported by the membership. John also advised a new strategic plan has been developed for Water New Zealand, this will include an increased focus on providing technical advice for the industry. John provided an update on the new training environment; the New Zealand Water Environmental Training Academy, a joint venture between Water New Zealand and Opus International ceased to exist as of 31 March 2016. Opus will still be running training courses; however Water New Zealand will not be involved.

Lesley Smith provided an update on the technical work programme; details provide in Appendix A and also undertook a workshop on the national performance review. Observations from that workshop are provided in Appendix B.

A presentation was provided from Tracy Clode from Beca Ltd who give an update on the review of the National Drinking Water Database (i.e. WINZ). An update began in 2014 and is now moving forward. This is a long term project to assist the industry to meet their obligations under the Health Act 1956. There will be an online system of storing, managing and retrieving water quality information. There is no change to the WINZ database for the 2015/2016 year. The change starts with the 2016/2017 year.

Tony Hale and Martin Mould, Water services managers from Waipa DC and Waikato DC respectively provided an update on the proposal for a CCO fro Hamilton City, Waikato DC and Waipa DC.

Bruce Robertson from Morrison Law gave a presentation on the Metadata project. The metadata standards will cover the three waters, housing and light commercial. The process is to develop a metadata scheme that is relevant to New Zealand

A workshop was held in the afternoon on Hot topics in the industry, this was an interactive session that considered hot topics in the following themes:

- Strategic planning;
- Operations;
- Compliance and regulatory; and
- Asset management

Malcolm Loan gave a presentation in the Biogas project he was involved in at Invercargill District Council, showing that it can be viable for smaller schemes. Peter Bahrs gave a presentation on meeting the water demands of the growing city of Tauranga.

Ulrich Glasner organised a site visit to Project Shotover wastewater treatment plant upgrade; Veolia acoustic sewer line inspection and Frankton Flats development, photos of the site visit are shown below.





1.5 WSMG involvement in other Groups

1.5.1 Connexis Water Industry Group – Update provided by Kelvin Hill

Update from Connexis meeting held on 31st March 2016. At this meeting Connexis Chief Executive Helmut Modlik and committee members reviewed the the quarterly updates which included the following:

- Continuing Trainees by sector, level and region
- Completions per year by sector and level
- Trainee demographics (e.g. age, gender, ethnicity, region)
- Quarterly Trainee dynamics (new, terminations, completions)
- Overduration by sector, level and region
- Key calendar dates (e.g. new qualification / programme availability, qualification reviews, key events, etc.)

Initial discussion took place around the refreshed Strategic Plan and the 2016 Governance Priorities

Discussion covered the following topics:

- Asset Management and possible IPWEA disconnect.
- Speed and scale of change in industry operating environment(s)
- Agreeing with Industry forecasting target numbers of trainees and types of trainees
- Infrastructure Industry not considered an attractive employer and why
- How to get our 'fair share' of a diminishing talent pool
- Opportunities in the market and not just focusing on difficulties
- Strengthening Connexis value proposition, then revenue will come
- Future support for ESI industry awards and possible inclusion of other industries?
- Qualification architecture – possible foundation qualification across industries?
- Becoming more visible and relevant to industry and working together across industries

Key message for Connexis from these discussions was that all Industry Groups want more engagement from Connexis and strongly want their expertise and knowledge and connections used.

Action Points Arising:

1. Helmut Modlik to appropriately involve Industry Groups in more BAU operations of the ITO e.g. qualifications development and customer engagement.
2. Helmut Modlik and Hugh Blake-Manson to talk regarding Asset Management qualification and Institute of Public Works Engineering Australasia (IPWEA) and possible opportunities

Noel Roberts Chief Advisor Treatment Optimisation from Wellington Water has agreed to be WSMG representative on the sub-committee to be set up to scope the future qualification review.

The Industry Groups then met separately the following table is a summary of the action points that came out of the meetings:

Action Points Arising – Water Industry	Responsibility	Due Date
<p>Discussion around Certificate Of Competency/Registration of PE Fusion Who is the body responsible?</p> <p>Other stakeholders to collaborate with:</p> <ul style="list-style-type: none"> • PIPA NZ • Water NZ • CCNZ 	Industry Group Members to express their interest in being involved in discussion group	22 April 16
Follow up on finding appropriate contact within Ministry of the Environment	Scott Rostron/Annie	29 June 16
Distribute water qualification and civil trades career pathways	Annie	15 April 16
<p>Conversation around “What is the competency framework we want?”</p> <p>Sub-committee to be set up to scope the future of a Water Competency Framework.</p> <ul style="list-style-type: none"> • Focus (Trade Status, Continued Professional Development) • Ownership • Water Industry Professionals • Relationship to Civil Trade 	<p>Members to nominate representatives: Specifically from the ‘big 6’</p> <ul style="list-style-type: none"> • Watercare • City Care • Downer • Veolia • FH • Fonterra • (& MoH) 	22 April 16
<p><i>Innovation Group</i></p> <p>Watercare to sponsor H2ope to complete scoping work on water filtration training package</p>	Shayne Cunis/Jason Colton	29 June 16
Commitment to Women in Infrastructure event: Girls with High Viz (June 16)	Karen Venni to liaise with: Watercare (Adrienne Miller) City Care (Hugh Blake-Manson)	April-Jun 16
Feedback on key Governance areas WIG would like Connexis Board to focus on for 2016/17	All	29 April 16
Group would like to further explore ways to ‘recognise and celebrate excellence’ of trainees in the water industry	Add as an agenda item for next meeting	30 June 16
<p>Group agreed would like to meet quarterly.</p> <p>Dates for next two prospective meetings pencilled in: Venue TBC (Wellington or Auckland)</p>	All (Sally)	30 June 16 28 Sept 16

1.5.2 NZUAG – Update provided by Dylan Stuijt

September 2015 saw the introduction of the first major review of the “Utility Operators’ Access to Transport Corridors” Code of Practice. The NZUAG committee sought feedback from users of the code and received 47 separate submissions that recommended close to 500 individual modifications. Close to 80% of the recommendations were implemented.

Consistent themes within the submissions were:

- Abuse of Local Conditions
- Code awareness
- Consistency of interpretation
- Seeking independent advice or mediation
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A number of the modification were able to resolve many of the concerns, however the need for better education was identified. A national education plan is now underway.

Day and Date	Location	Presenters	Time
8 th June 2016	Auckland	Barry Williams Nick Miskelly	10am to 2pm
14 th June 2016	Hamilton	Ross Malcolm Phil Consedine	10am to 2pm
15 th June 2016	Tauranga	Ross Malcolm Phil Consedine	10am to 2pm
21 st June 2016	New Plymouth	Ross Malcolm Phil Consedine	10am to 2pm
22 nd June 2016	Napier/Hastings	Dylan Stuijt Greg Hackett	10am to 2pm
29 th June 2016	Palmerston North	Brett North Peter Gilbert Geoff Thorn	10am to 2pm
30 th June 2016	Wellington	Brett North Peter Gilbert Geoff Thorn	10am to 2pm
5 th July 2016	Christchurch	Ian Cox James Ting	10am to 2pm
6 th July 2016	Dunedin	Ian Cox Paul Swain	10am to 2pm

See <http://www.nzuag.org.nz/news/newsletters/nr1464746980.pdf> for further information.

2.0 Looking Ahead 15/16

The committee will meet in August 2016 to plan for the 2016/17 year, with a focus on ensuring the November and April meetings remain attractive and inspiring for WSMG members. The committee has identified succession planning is critical to ensure that the group remains relevant and current, and will concentrate on this in the upcoming year.

The Water Services Managers Group have secured a slot in the Water New Zealand Annual Conference and Expo in October 2016. There will be six presentations from WSMG members which will cover a range of projects/topics which will be of interest not only to WSMG members but to the wider water industry sector. This will enable members of WSMG to showcase and share some of the fantastic work that is carried out by water services departments across New Zealand. We are hoping that this event will be successful and thereby become a permanent feature of the Water New Zealand Annual Water Conference and Expo.



Lorraine Kendrick
WSMG Chair

APPENDIX A – TECHICAL PROJECTS – PROGRESS REPORT

Technical Projects

Progress Report

To: WSMG End of year project update

From: Nick Walmsley, Lesley Smith

Date: 23/5/2016

A summary on the development progress is available below. Background information on projects is available at: www.waternz.org.nz/projects

WSMG FUNDED PROJECTS

1. Chlorine Emergency Management Plans and Guide; BECA has completed a draft version of the guidance document. Guidance is being tested by developing case study emergency response plans at water treatment plants in Waikato and Waipa District Council.

2. Oxidation Pond Guideline; Nick Walmsley, Humphrey Archer, Hugh Ratsey, Gilles Altner and Rupert Craggs have undertaken a review of the 2005 draft manual, compiled a list of changes and together with John Wong of Parklink are drafting the changes. Due to some authors being overseas during June it will be August before a draft is available for review.

3. AC Water Mains Manual; OPUS have completed a draft version of the guidelines which is under review. Background information has been used to inform a submission to Worksafe on the development of guidance material for managing Health and Safety aspects of asbestos cement pipelines.

4. Health and Safety Guidelines; Rob Green of Green Infrastructure solutions has commenced a background literature review and gap analysis. Those with Health and Safety guidance that would benefit the project and/or an interest on being on the project steering committee should contact rob@greeninfrastructure.co.nz.

5. The Organic Waste Materials Guide; Draft guidelines have been reviewed and a list of changes agreed. The changes will be drafted by end June and a consultation process started. It is hoped to have an agreed document finalised by the 2016 Water New Zealand conference.

WATER NEW ZEALAND PROJECTS

6. National Performance Review; A summary of feedback from the WSMG March workshop on the National Performance Review is available on the project website: www.waternz.org.nz. International comparisons of selected indicators are now available through the IBNET database: <https://www.ib-net.org/>. Water New Zealand is seeking expressions of interest for members of a steering group to oversee the ongoing development of benchmarks.

7. Wipe Blockages; Water New Zealand has formed a wipes advisory group with representatives of Citycare, Watercare, Wellington Water, Hastings District Council and the Food and Grocery council to provide national coordination of initiatives to reduce wipes blockages. The group is developing an action plan and resources that will be shared via the Water New Zealand website shortly.

8. Waste Water Treatment Plant Inventory; Data from 45 district councils on 239 wastewater treatment plants has been collated. Personal contact has been made with all the remaining councils requesting their data. A geo-spatial map of the treatment plants and raw data is available for download from the project webpage: <http://www.waternz.org.nz/WWTPInventory>

9. Chemical Supply Standards; Project completion for guidelines on Hydrated Lime, Alum, Chlorine and Polyelectrolytes for use in drinking water has been extended to gather data on product samples and improve sampling methodologies. Finalised guidelines are expected to be produced by the end of this financial year.

WATER NEW ZEALAND SUPPORTED PROJECTS

10. Rainfall/Runoff Guidelines; A funding application for this project has been submitted for the Better Public Services fund for the July funding round. Ministry for the Environment is leading the funding application with Water New Zealand and LINZ providing the principal supporting roles.

11. Metadata standards; Opus has been contracted to deliver this project which is being administered by LINZ. Project workshops are underway to develop data definitions. These will be used as the basis of a business case to obtain implementation funding.

12. Residential Water use; BRANZ is leading a research investigation to improve the understanding of residential water use in New Zealand. The building research levee has approved \$290,000 to be delivered over two years to fund the project. A project plan is under development and council participation will be sought in coming months.

13. Pipe Renewal Project; The UC Quake Centre is funding a scoping exercise to improve the guidance available on pipe renewals. Opus has been contracted to deliver the work and is undertaking an initial literature review and gap analysis to define a future work program. This follows an agreement between the Centre, IPWEA and Water New Zealand to work together to develop a Framework for Pipe Renewals Guidance and its implementation.

14. Seismic Response of Underground Services; A 50% complete draft guidelines on Seismic Assessment and Design of Buried Utilities was circulated to the Steering Group for comment in January 2016 and the full draft is expected to be issued for review July 2016.

15. Digester Certification; The addition of Watercare's 8th digester has become a 'guinea pig' for new HSNO certification that is likely to be required for others. It appears that any WWTP digester will require a Stationary Container Certificate (under HSNO Act) and a Location Test Certificate (under Gas Act) for the biogas system post digester. The exact procedure and documentation requirements to allow compliance are being clarified and shared by Watercare. Preparation on a guideline for this might start later this year.

16. Auckland Council Good Design series

a. TP58/GD06 – Onsite Wastewater Management; AECOM provided a draft to AC for review prior to issue of a public draft. We are awaiting issue of the public draft.

b. TP10/GD01 - Stormwater Management Devices; a public scoping workshop of this work was attended by Nick Walmsley on 14 April 2016. This has developed a list of chapter topics and agreed reviewers. Water New Zealand has requested to be a named reviewer for each chapter and will collate industry comments as required.

APPENDIX B – WSMG National Performance Review Workshop

WATER SERVICES MANAGERS GROUP OBSERVATIONS

Workshop observations provided on participant worksheets and through verbal commentary are summarised here.

Asset Management

- Age of pipelines is less important than timing of renewals. Improved understanding of asset renewal profiles would assist understanding the timing of renewals e.g. expanding the AC pipes manual.
- Asset condition assessment methodologies vary. The lack of a standard method is of concern and opportunity for improvement.
- Rural areas appear to have less information available on their assets. This information may be less critical in rural areas as there are less consumers and assets. Sharing of resources between smaller and larger councils was discussed and noted that this may constitute a cross subsidisation.
- Improved guidance would assist in the assessment of critical assets.
- Performance comparisons on differences in connection numbers between Australian and New Zealand water utilities did not provide any additional insight.

Financial Performance

- Actual capital expenditure trailing budgeted expenditure may sometimes result from political stalling. Some councils have improved the gap by implementing small catchment budgets as opposed to district wide catchments.
- Reported revenue (1.4billion) is significantly lower than expenditure (2.2billion). This may result from;
 - strategic decisions to manage rates rise
 - under-reporting stormwater revenue (often buried in general rates); and
 - doubling up of renewals and funded depreciation expenditure.

Improving the robustness of financial data and understanding of storm water revenue sources (e.g. included in roads charges) would address this.

Service Quality

- Data could be used to advocate for additional resources within councils.
- The importance of aligning review questions with DIA measures was highlighted.
- Definition and instruction criteria should provide more guidance.
- Not all measures offered valuable comparisons.

Water Demand Management

- Water treatment complexity will have a large influence on water quality. This in turn affects comparisons of operational expenditure.
- Water restrictions can be an acceptable means for managing demand.
- Reasonable water use varies depending on waters cost and abundance. Water may also be reused in some circumstances, not captured in benchmarks.

Access to Service

- Where there is no water metering an equivalent cost per m³ metric would be useful.

- Illustrating who is metered in access to service graphics would assist in graph interpretation.
- Many schemes have major users. This will impact on the costs associated with providing the scheme.
- Inflow and Infiltration (I&I) impacts on operational and maintenance costs.
- Councils may be conducting water balances using different approaches.
- Cost of wastewater treatment is dependent on resource consent conditions.

Environmental Management

- The number of expired wastewater treatment plant consents in the report is noteworthy. Speculation on the reasons for this should be removed.
- Differences in definitions of wastewater primary, secondary and tertiary treatment were discussed.

WATER NEW ZEALAND ACTIONS

The following are actions to respond to the Water Services Managers Group (WSMG) workshop observations. Actions are based on commentary of the WSMG and opportunities available to Water New Zealand.

Project Development

Asset Management: Consider development of guidance to;

- Harmonise existing pipeline condition assessment methodologies.
- Update pipeline renewal profiles (e.g. expanding AC pipe guidance).
- Assess critical assets.

Water New Zealand is collaborating with the UC Quake centre and IPWEA to scope a project to address this.

Access to Service: Promote Water loss training using bench loss software (tentatively planned for Feb 2017).

Performance Indicators for consideration in the 2015-16 in the National Performance Review

- **Asset Management:** Pipeline end of life.
- **Financial Performance:** Stormwater revenue sources.
- **Water Demand Management:** Log reduction required at water treatment plants.
- **Water Demand Management:** Why water restrictions are in place.
- **Access to Service:** Inflow and infiltration.

Improvements to data reporting

Financial Performance: Reporting of stormwater revenue and expenditure will be included as a discussion topic at the participant workshop.

Environmental Management:

- Water New Zealand to contact review participants with expired consents to determine the reasons why these have expired.
- Provide more detailed definition on primary, secondary and tertiary wastewater treatment levels in data collection guidelines and review at workshop.

Access to Service:

- Consider whether the review current price comparison metric (based on a standard usage volume of 200m³) should be changed.
- Consider alternative presentation formats in the 2015-16 review.
- Consider how the current residential, non-residential break down in the Review could be improved.

Industry Liaison

Service Quality:

- Water New Zealand to maintain an ongoing dialogue with DIA on NPR alignment.
- Water New Zealand to annually review relevance of measures and is investigating the establishment of a Technical Advisory Group to this end