

QUARTERLY 3 WATERS INFRASTRUCTURE FUNDING UPDATE

Q2: to 30 JUNE 2022



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Cover: Capital Renewals - Titahi Bay pipe lining
Central Otago District Council - Clyde Felling main
water pipe replacements

3 WATERS INFRASTRUCTURE INVESTMENT OVERVIEW

THE 3 WATERS STIMULUS INVESTMENT IS AN INITIATIVE BY THE GOVERNMENT TO STIMULATE RECOVERY AND HELP REFORM UNDER PRESSURE WATER SERVICES TO A MORE SUSTAINABLE FOOTING.

The Government is funding \$523.1 million to 67 local authorities to invest in the improvement of drinking water, wastewater treatment network renewals, and storm water networks. A number of local authorities have contributed additional funding totalling \$147 million. The Government's funding priorities are for investment into drinking water and wastewater infrastructure first, and then storm water.

Each local authority has selected the 3 Waters infrastructure investment most needed in their areas and is managing the delivery of the programme.

Nationally 44% is to be spent on water supply, 35% on

wastewater, 4% on stormwater and 16% on projects common to all three such as management systems.

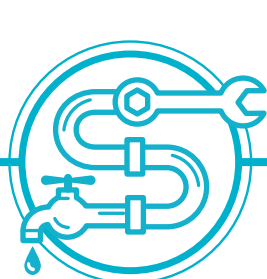
The programme is made up of 468 discrete projects or programmes of work from the Far North to the deep South and west as far as the Chatham Islands.

The Department of Internal Affairs (DIA) appointed Crown Infrastructure Partners (CIP) to monitor the delivery of the infrastructure investment, identify any opportunities for economies of scale, monitor potential regional or national shortages and assist where issues arise. CIP provides quarterly reports to DIA and recommends funding claims by local authorities to DIA.

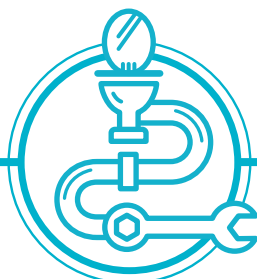
TOTAL COMBINED SPEND BY INFRASTRUCTURE TYPE



NATIONAL MAJOR INFRASTRUCTURE PROJECTED



291km
DRINKING WATER PIPE
UPGRADES



159km
WASTE WATER
PIPE UPGRADES



101
DRINKING WATER
TREATMENT PLANT
(WTP) UPGRADES



128
WASTE WATER
TREATMENT PLANT
(WWTP) UPGRADES

OVERALL FUNDING 3 WATER INFRASTRUCTURE



GOVERNMENT FUNDING
\$523m



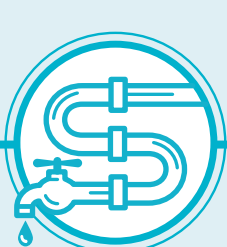
CO-FUNDING
\$147m



TOTAL FUNDING
\$670m

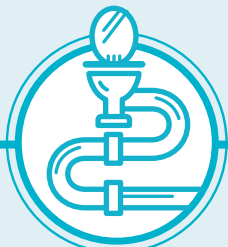
Q2 HIGHLIGHTS 2022

MAJOR INFRASTRUCTURE TYPES



25km

drinking water pipes



26km

wastewater pipes



22

WTP upgrades



50

WWTP upgrades

FUNDING



\$84.0m

Government spend



\$59.4m

Co-funded spend



\$143.4m

Total spend

WORKERS (Full Time Equivalent)



**PROGRESS TO
PROJECTED: 40**



**GROWTH THIS
QUARTER: 2%**



**FTE THIS QUARTER:
1,058**

ASSET TOTAL FUNDED¹



\$68.3m

Drinking water
23% of projected



\$54.4m

Waste water
23% of projected



\$7.9m

Stormwater
29% of projected



\$12.8m

Tech and Design Work
11% of projected

¹ Includes Government and co-funding

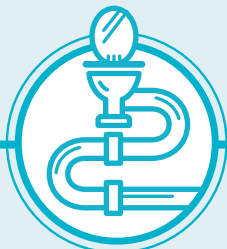
PROGRESS TO DATE

MAJOR INFRASTRUCTURE TYPES*



291km

drinking water pipes
100% of projected



159km

wastewater pipes
100% of projected



101

WTP upgrades
100% of projected



128

WWTP upgrades
100% of projected

FUNDING



\$515.7m

Government spend
99% of projected



\$146.9m

Co-funded spend
100% of projected



\$662.6m

Total spend
99% of projected

WORKERS (Full Time Equivalent)



**PROGRESS TO
PROJECTED: 1,793**



**PROJECTED:
1,925**



**PROGRESS ACHIEVED
OF PROJECTED: 93%**

ASSET TOTAL FUNDED¹



\$293.3m

Drinking water



\$232.9m

Waste water



\$26.6m

Stormwater



\$109.8m

Tech and Design Work

* 100% of major infrastructure types is complete. Minor works, site reinstatement and equipment commissions still to be completed.



Installation of Kirwee rising main to connect to Darfield trunk wastewater main.

SELWYN DISTRICT COUNCIL CASE STUDY:

NEW WASTEWATER PLANT TO SUPPORT SELWYN COMMUNITIES

SELWYN DISTRICT COUNCIL ALREADY HAS THE HIGHEST RATE OF NEW HOME CONSENTS PER YEAR AT 26.1 PER 1,000 POPULATION COMPARED TO A NATIONAL AVERAGE OF 8.8.

A new 27km wastewater pipeline connecting Darfield and Kirwee to the Pines wastewater treatment plant at Rolleston will provide capacity to support further growth for these townships.

The Selwyn District township of Darfield with a population of approximately 2,900 is the largest community in New Zealand without a reticulated wastewater collection system. The township of Kirwee with a population of almost 1,000 will also be serviced as part of the project.

The new pipeline will provide capacity and opportunity for new subdivisions to occur. The new system will also assist in improving the protection of public health and the environment.

The overall pipeline and pump stations project has a budget of approximately \$22m and \$10.66m of this has been funded by the Government's 3 Waters Stimulus Programme which ended in June 2022.

The availability of Stimulus funding allowed the Council to bring forward its decision to commit to the project after being 'on the drawing boards' for many years with Council making the decision to upsize the scheme to



New pumpstation wetwell at Darfield - an important part of the overall scheme

support growth beyond the Long Term Plan. Selwyn Mayor Sam Broughton described the project as ‘transformational’ for Darfield and supporting the already evident desirability of the district as somewhere to live and work.

“When the stimulus funding became available, our Councillors were very grateful for the opportunity to move forward quickly on a long-planned project” said Murray Washington, Group Manager Infrastructure and Property, Selwyn District Council: “This involved a lot of long hours and dedication from staff and contractors and we’re very grateful for the work they put in. Selwyn is the most popular place in the country for Kiwis to move to, and businesses in Darfield have long been keen to see this project go ahead. This pipeline will allow ongoing development of these towns and bring benefits for businesses and existing residents”.

The project faced big challenges to complete the Stimulus portion of the works within the funding timeline. While the overall concept of the pipeline

had been formulated, the detailed design, property acquisition, and resource consenting had not been undertaken. Selwyn District Council had less than a year to make the decision to proceed, finalise the design, obtain the necessary consents, obtain 27 km of pipe and get it in the ground before the originally intended closure of the Stimulus Programme in March 2022. This was achieved through good coordination, cooperation and hard work from staff and contractors. At times there were up to 7 crews laying pipe simultaneously and close co-ordination with the Christchurch pipe manufacturer was required to align production with delivery and laying.

The project also made use of the natural soils within the Selwyn District in undertaking screening and reuse of material on site. Not only did this save resource use and emissions of carting from quarries and disposal, it also saved high costs and was able to be undertaken at similar levels of pipelaying to importing.

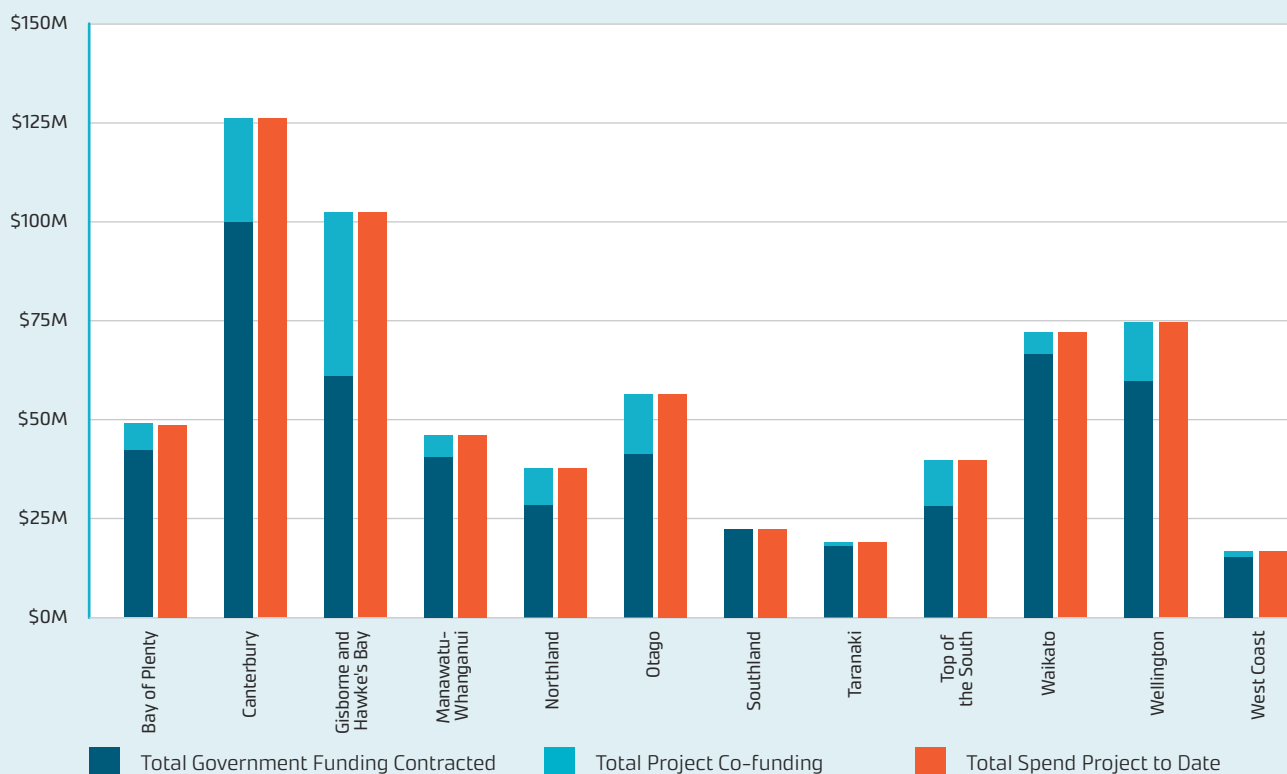
Bulk pipe storage to manage supply to 7 laying crews



Much of the pipelaying was on farm tracks and this minimised traffic disruption

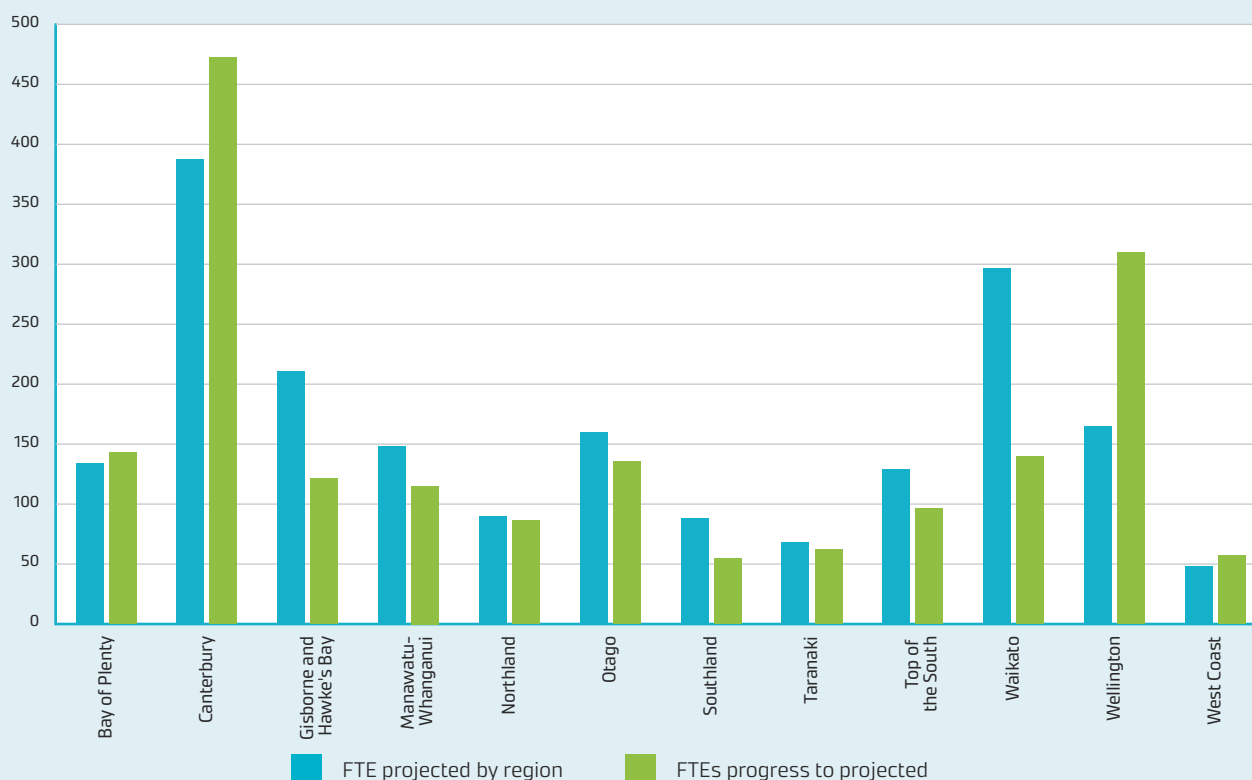
REGIONAL SUMMARY

TOTAL GOVERNMENT FUNDING CONTRACTED AND TOTAL PROJECT VALUE



Total project value is deemed on the same basis therefore is total value of contracted projects

WORKER FTE PROJECTED AND PROGRESS TO PROJECTED





UPDATE BY REGION

Weld -string for the Waikouaiti Watermain replacement, East Otago, Dunedin City Council



NORTHLAND



INFRASTRUCTURE TYPE

2
New water sources added

12
WT Plant upgrades

19.1km
Potable water mains/pipes upgraded

1.6km
Wastewater pipes upgraded

16
WWTP upgrades



FUNDING

\$28.1m
Government spend to date

\$9.7m
Co-funded spend to date

\$37.8m
Total project spend to date



LOCAL WORKERS FTE

Progress to projected:
89.6
99% to projected

Growth this quarter:
-

Projected:
90

FTE this quarter
51.8



Opononi Community Wet Land before and after refurbishment



WAIKATO



INFRASTRUCTURE TYPE

5.1km
Wastewater pipes upgraded

10
Sludge removal from ponds

22.3km
Potable water mains / pipes upgraded

7,973
Water meters installed

93%
Strategy Study or report



FUNDING

\$65.8m
Government spend to date

\$6.3m
Co-funded spend to date

\$72.1m
Total spend to date



LOCAL WORKERS FTE

Progress to projected:
148.1
50% to projected

Growth this quarter:
-

Projected:
296.9

FTE this quarter
78.3



Taupo District Council - Water Network Renewals



Hamilton City Council - Te Wetini Drive Storm water Crossing and Rotokauri Rise, Bulkwater



BAY OF PLENTY



INFRASTRUCTURE TYPE

21.0km

Wastewater pipes upgraded

25

WWTP upgrades

4

WTP upgrades

0.4km

Stormwater pipes upgraded

19.5km

Potable water mains/pipes upgraded



FUNDING

\$42.3m

Government spend to date

\$6.5m

Co-funded spend to date

\$48.7m

Total spend to date



LOCAL WORKERS FTE

Progress to projected:

176.6

132% to projected

Growth this quarter:

-

Projected:

134.0

FTE this quarter

134.5



Tauranga City Council – Second biofilter



Whakatane District Council – Paul Road bore



INFRASTRUCTURE TYPE

13
WWTP upgrades

5.8km
Potable water mains / pipes upgraded*

9.5km
Wastewater pipes upgraded

100%
WTP Upgrades



FUNDING

\$57.9m
Government spend to date

\$44.4m
Co-funded spend to date

\$102.4m
Total spend to date



LOCAL WORKERS FTE

Progress to projected:
121.2
58% to projected

Growth this quarter:
8.4

Projected:
211

FTE this quarter
105.4



Hastings District Council – Frimley bore and water tank



Gisborne City Council – Wastewater Treatment Plant clarifier and electrical building formwork

* Erroneously reported as 9.1km in the March 2022 Quarterly Report.



TARANAKI



Te Kaunihera-ā-Rohe o Ngāmotu

**New Plymouth
District Council**



Te Kaunihera o Taranaki ki Te Tonga
**South Taranaki
District Council**



TE KAUNIHERA Ā ROHE O
WHAKAAHURANGI
**STRATFORD
DISTRICT COUNCIL**



INFRASTRUCTURE TYPE

16.1km

Drinking
Water pipes
upgraded

6

Waste pump
station upgrades

In Progress

Stormwater
pipes
upgraded

In Progress

Bore
upgrades

6

WWTP
upgrades



FUNDING

\$17.3m

Government
spend to date

\$1.7m

Co-funded
spend to date

\$19.0m

Total
spend to date



LOCAL WORKERS FTE

Progress
to projected:

62.1

91% to projected

Growth
this quarter:

15.0

Projected:

68

FTE this quarter

45.9



New Plymouth District Council -
Waiwaka culvert sheet piling



Stratford District Council - Watermain



MANAWATŪ-WHANGANUI



INFRASTRUCTURE TYPE

28.7km

Wastewater pipes upgraded

9

WWTP upgrades

17

WTP upgrades

0.7km

Stormwater pipes upgraded

11.8km

Drinking water pipes upgraded



FUNDING

\$39.9m

Government spend to date

\$6.3m

Co-funded spend to date

\$46.2m

Total spend to date



LOCAL WORKERS FTE

Progress to projected:

115.1

78% to projected

Growth this quarter:

9.2

Projected:

148.4

FTE this quarter

115.1



Whanganui District Council - Directional drilling, Cobham bridge (Airport Side)



Whanganui District Council - Wastewater relining renewals



WELLINGTON

Absolutely Positively
Wellington City Council
Me Heke Ki Pōneke

Greater Wellington
Te Pane Matua Taiao

Te Kaunihera o
Te Awa Kairangi ki Uta
Upper Hutt City Council

Kāpiti Coast
DISTRICT COUNCIL
He Kaitiaki Māori, He Kaitiaki Māori

SOUTH WAIRARAPA
DISTRICT COUNCIL
Kia Reretahi Tātau

HUTT CITY
TE AWA KAIRANGI

MASTERTON
DISTRICT COUNCIL
Te Kaitiaki Māori, He Kaitiaki Māori

CARTERTON
DISTRICT COUNCIL



INFRASTRUCTURE TYPE

3
WTP upgrades

2km
Capital renewals

9.4km
Asset condition assessments

22.9km
Maintenance (all waters)

100%
Data and technology projects



FUNDING

\$59.3m
Government spend to date

\$15.3m
Co-funded spend to date

\$74.6m
Total spend to date



LOCAL WORKERS FTE

Progress to projected:
309.9
188% to projected

Growth this quarter:
42.2

Projected:
164.7

FTE this quarter
122.9



Wellington City Council – Johnsonville reservoir cleaning



Porirua City Council – Very High Criticality Asset, pipe inspection in Titahi Bay



TOP OF THE SOUTH



INFRASTRUCTURE TYPE

7.8km

Drinking water pipes upgraded

1

Waste pump station upgrade

8.0km

Wastewater pipes upgraded

1

WTP upgrade



FUNDING

\$27.2m

Government spend to date

\$12.6m

Co-funded spend to date

\$39.8m

Total spend to date



LOCAL WORKERS FTE

Progress to projected:

96.7

75% to projected

Growth this quarter:

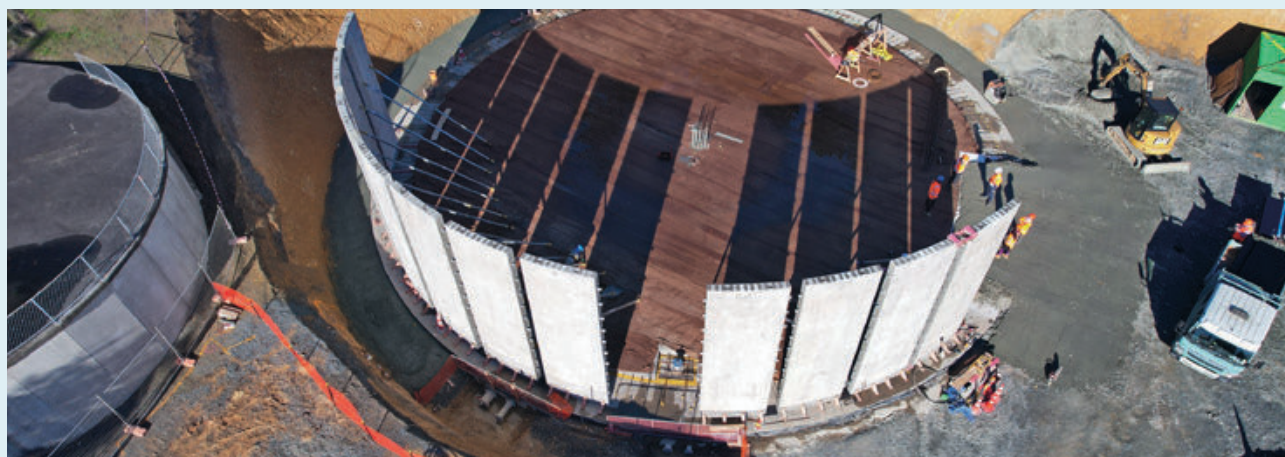
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Projected:

128.6

FTE this quarter

38.1



Tasman District Council – Pomona Road reservoir upgrade



WEST COAST



INFRASTRUCTURE TYPE

14.2km
Drinking water pipes upgraded

1,900m³
Treated water storage

16.7km
Wastewater pipe inspections

2.0km
Wastewater pipes upgraded

8
WTP upgrades



FUNDING

\$12.3m
Government spend to date

\$2.9m
Co-funded spend to date

\$15.3m
Total spend to date



LOCAL WORKERS FTE

Progress to projected:
78.2
163% to projected

Growth this quarter:
0.1

Projected:
48

FTE this quarter
18.0



Westland District Council – Fox Waste Water Treatment Plant septage receiver



Westland District Council – Franz Josef generator



CANTERBURY



INFRASTRUCTURE TYPE

72.1km
Wastewater pipes upgraded

118.8km
Drinking water pipes upgraded

10
WTP upgrades

334
Waste pump station upgrades

374
Water meters installed



FUNDING

\$100.0m
Government spend to date

\$26.2m
Co-funded spend to date

\$126.2m
Total spend to date



LOCAL WORKERS FTE

Progress to projected:
472.2
122% to projected

Growth this quarter:
0.8

Projected:
387.6

FTE this quarter
220.5



Hurunui District Council – Amberley wastewater ponds desludging to seepage bags



Kaikoura District Council – Fernleigh rural water supply upgrading



OTAGO



INFRASTRUCTURE TYPE

39.3km

Drinking water pipes upgraded

25

WTP upgrades

23

WWTP upgrade

4,000m³

Treated water storage

4.8km

Wastewater pipes upgraded



FUNDING

\$41.2m

Government spend to date

\$15.3m

Co-funded spend to date

\$56.4m

Total spend to date



LOCAL WORKERS FTE

Progress to projected:

135.3

84.5% to projected

Growth this quarter:

31.4

Projected:

160

FTE this quarter

109.9



Central Otago District Council – Clyde Falling main water pipe replacements



Dunedin City Council – Replacing the old lead jointed pipes in Waikouaiti Township.



SOUTHLAND



INFRASTRUCTURE TYPE

19.3km

Drinking water pipes upgraded

3.2km

Wastewater pipes upgraded

3

WWT Plant upgrades

59.7km

Wastewater pipe inspections

2.2km

Stormwater pipes upgraded



FUNDING

\$21.9m

Government spend to date

\$0.5m

Co-funded spend to date

\$22.3m

Total spend to date



LOCAL WORKERS FTE

Progress to projected:

55

63% to projected

Growth this quarter:

-

Projected:

88

FTE this quarter

17.3



Southland District Council - Waianiwa Storm Water renewal

GLOSSARY

INFRASTRUCTURE TYPE

Drinking Water: Drinking water (sometimes also referred to as potable water) projects include improvements to any of the components that are used to convey water from the source, make it safe to drink and deliver it to customers. This includes treatment plants, reservoirs, pumps, pipes and instruments.

Wastewater: Wastewater projects include improvements to any of the components that collect sewage and industrial wastewater, treatment to remove harmful contaminants and return the water to the environment. It includes pipes (sewers), pumps, treatment plants, instruments, and outfalls.

Stormwater: Stormwater projects include improvements to the dams and pipes which convey rainwater safely to streams, rivers, and the sea.

SCADA: Supervisory, Control and Data Acquisition systems are electronic networks which enable remote control and monitoring of unmanned network facilities.

Bore: A drilled hole or excavation to provide access to ground water.

Raw Water: Water that is taken from the environment and treated to produce water safe for drinking.

Hydraulic Models: Hydraulic models are computer programmes which mimic the flow and pressure of water, wastewater and stormwater in piped networks.

Potable water: Potable water contains no disease causing organisms nor harmful chemicals and is safe to drink.

Treatment plant: A facility to treat raw water to make it safe for drinking, as per the requirements of the Drinking water Standards of New Zealand.

WTP: Water Treatment Plant. This is a facility/equipment that takes in raw water and treats it through a variety of means (filters, chemical dosing, ultra-violet light) so it is safe and fit for human consumption.

WWTP: Wastewater Treatment Plant. There are many different ways to treat wastewater. A wastewater treatment plant typically consists of a number of different processes (screening, biological processes and sometimes disinfection) to remove solids and treat effluent before it is piped to land, river or sea or used for irrigation use.

FTE Definitions:

Projected FTE is the number of estimated workers that would be supported by a particular project. Established during the planning and due diligence process.

Progress to Projected FTE is the equivalent number of full-time equivalent workers that were employed over the main construction phase of a project or programme of work. For example, in the early stages of a project or programme the number of workers (FTE) can be low, but rapidly increases as a project enters the main construction phase; this is the appropriate number to compare against the project projected.