

27 September 2017

Mr Stephen Town  
Chief Executive  
Auckland Council  
Private Bag 92300  
Victoria Street West  
**AUCKLAND**

Dear Stephen

**Western Isthmus – Joint Recommendation**

I refer to the joint workshop with the Watercare Board and Councillors on 20 September 2017. The Watercare Board and management thought the workshop was extremely useful, given the collaborative approach taken by the management teams in the lead-up, and on the day.

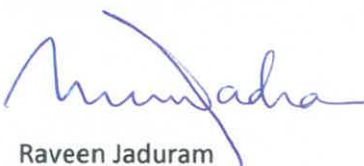
After the workshop, our Board of Directors met to discuss the Western Isthmus in further detail, including the recommended option.

At the Watercare Board meeting on 21 September, the Board accepted the joint technical recommendation as set out in the attached document but with the proviso that Watercare still needs to know:

1. How the Western Isthmus will be funded;
2. How this will impact on Watercare; and
3. How the project will be governed.

Our team looks forward to continuing to work together with you and your team to resolve the above three issues.

Yours sincerely



Raveen Jaduram  
Chief Executive

# Recommended option

- New 4.5m diameter tunnel (in green) from the terminus of the Central Interceptor at Western Springs through to Grey Lynn (completed 2026)
- New wastewater infrastructure to enable growth
- New stormwater enhancements to enable separation as required in combined drainage areas
- In areas where stormwater networks exist, separating properties that have combined drainage to gain early benefits
- A catchment by catchment business case approach
- Total cost \$1.825 billion (today's dollars)
  - Watercare cost \$1.5 billion (\$960 million for Central Interceptor)
  - Auckland Council \$325 million

