

I hereby give notice that an ordinary meeting of the Revenue, Expenditure and Value Committee will be held on:

Date: Tuesday, 18 June 2024
Time: 10.00am
Meeting Room: Room 1, Level 26
Venue: 135 Albert Street
Auckland

Komiti mō te Moni Whiwhi, mō te Whakapaunga me te Uara / Revenue, Expenditure and Value Committee

OPEN AGENDA

MEMBERSHIP

Chairperson	Cr Maurice Williamson	
Deputy Chairperson	Cr Wayne Walker	
Members	Cr Angela Dalton	Cr Daniel Newman, JP
	Cr Chris Darby	Cr Greg Sayers
	Cr Julie Fairey	Cr Sharon Stewart, QSM
	Cr Shane Henderson	Hokura Chair David Taipari
	Hokura Member Tony Kake, MNZM	Cr Ken Turner
Ex-officio	Mayor Wayne Brown	
	Deputy Mayor Desley Simpson, JP	

(Quorum 5 members)

Duncan Glasgow
Kaitohutohu Mana Whakahaere Matua /
Senior Governance Advisor

13 June 2024

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1 Ngā Tamōtanga | Apologies

2 Te Whakapuaki i te Whai Pānga | Declaration of Interest

3 Te Whakaū i ngā Āmiki | Confirmation of Minutes

Click the meeting date below to access the minutes.

That the Revenue, Expenditure and Value Committee:

- a) whakaū / confirm the ordinary minutes of its meeting, held on [Tuesday, 19 March 2024](#), including the confidential section, as a true and correct record.

4 Ngā Petihana | Petitions

5 Ngā Kōrero a te Marea | Public Input

6 Ngā Kōrero a te Poari ā-Rohe Pātata | Local Board Input

7 Ngā Pakihi Autaia | Extraordinary Business

Procurement plan for small potable water and wastewater system operations and maintenance

File No.: CP2024/06858

Item 8

Te take mō te pūrongo

Purpose of the report

1. To provide an update on the procurement plan for the small water and wastewater system maintenance contracts.

Whakarāpopototanga matua

Executive summary

2. Auckland Council's Healthy Waters department is responsible for managing Auckland's small public onsite potable water supply and wastewater treatment systems to ensure their safe and effective operation. These systems are managed by the council rather than Watercare, as they are standalone systems that are not connected to the city network and are generally in remote areas such as regional parks, campgrounds, rural parks and the Hauraki Gulf Islands.
3. Healthy Waters currently has two small water and wastewater system maintenance contracts covering three operations areas (North-West, Central and South). These contracts will expire in June 2025 so procurement for the next set of contracts must start now so that they will be in place to commence at that time.
4. An analysis of the options considered for procurement of these services will be provided in the confidential section of the 18 June 2024 Revenue, Expenditure and Value Committee meeting.

Ngā tūtohunga

Recommendations

That the Revenue, Expenditure and Value Committee:

- a) tuhi ā-taipitopito / note the information contained in this report, for the small water and wastewater system maintenance contracts enables transparency on the topic due for discussion in the public excluded part of the meeting
- b) tuhi ā-taipitopito / note that the confidential report contains information that could prejudice the council's commercial position with suppliers.

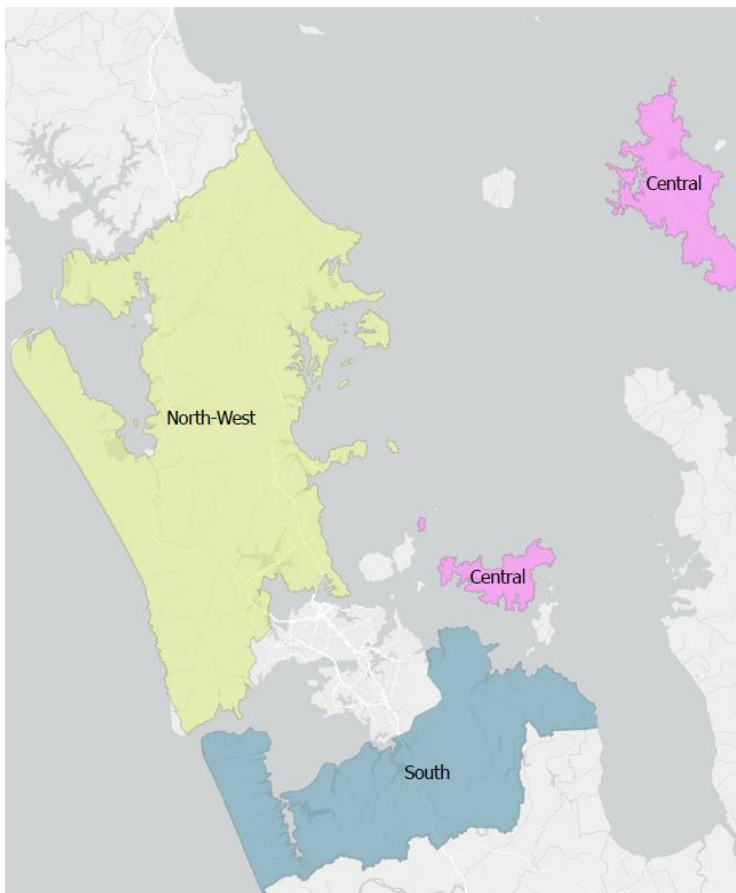
Horopaki

Context

5. Auckland Council's Healthy Waters department is responsible for managing Auckland's small public onsite water supply and wastewater treatment systems to ensure their safe and effective operation. These include onsite water treatment and supply systems, wastewater treatment and disposal systems, tankered water supply, and tankered wastewater disposal at regional parks, community halls, campgrounds and reserve toilet facilities across the Auckland region including Hauraki Gulf Islands. These systems are not managed by Watercare, as they are not connected to the city network (i.e. they are standalone systems supporting the community).

6. Healthy Waters currently has two small waters and wastewater supply contracts across three operations areas. One contract with Citycare covers the Central and South areas and one with Downer covers the North-West area. The contracts provide maintenance activities including:
 - Operations and maintenance of all small water supply and wastewater disposal systems (planned, preventative and responsive maintenance) including 24/7 response.
 - Water Services (Drinking Water Standards for New Zealand) Regulations 2022 and Drinking Water Quality Assurance Rules 2022 monitoring and reporting.
 - Compliance monitoring and reporting for water safety plans, resource consents and a range of water quality monitoring and reporting.
7. The current operations and maintenance contracts cover the operations areas as shown in Figure 1. These contracts will expire on 30 June 2025.

Figure 1: Map of current operations areas



8. Further context will be provided in the confidential section of the 18 June 2024 Revenue, Expenditure and Value Committee meeting.

Tātaritanga me ngā tohutohu Analysis and advice

Potential contract delivery areas

9. Staff are exploring delivering the current operations areas within a different contract structure to improve efficiency of delivery and better serve geographically isolated areas.
10. An analysis of the potential contract delivery areas and procurement approach will be provided in the confidential section of the 18 June 2024 Revenue, Expenditure and Value Committee meeting.

Tauākī whakaaweawe āhuarangi Climate impact statement

11. Operations and maintenance of small water supply and wastewater systems will assist with resilience to the impacts of climate change by ensuring that Aucklanders that use these supplies have continuous access to safe drinking water and wastewater is safely treated. Provision of reactive maintenance will allow for response to the challenges of the increased frequency and intensity of weather events caused by climate change.

Ngā whakaaweawe me ngā tirohanga a te rōpū Kaunihera Council group impacts and views

12. The scope included within the contracts is aligned with service level agreements that Healthy Waters has in place for delivery of services for Auckland Transport, Eke Panuku and Parks and Community Facilities.
13. Healthy Waters works closely with other council departments (including Parks and Community Facilities), and council-controlled organisations (including Auckland Transport and Watercare) to ensure a high level of service and good value is delivered.

Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe Local impacts and local board views

Local impacts

14. These contracts will have positive benefits for Auckland residents as they will provide:
 - safe drinking water at a range of regional parks, holiday parks and other council sites
 - safe wastewater treatment where sites are not connected to the wastewater network.

Local board views

15. Healthy Waters regularly engages with local boards on both operational and project-specific initiatives and delivers water quality and stream restoration projects on behalf of local boards.
16. Healthy Waters consults with Parks and Community Facilities for all proposed capital upgrade works that will be covered under these proposed contracts. There is a formal process in place for Parks and Community Facilities to engage with specific local boards for projects on parks within their local areas.

Tauākī whakaaweawe Māori Māori impact statement

17. The contract deliverables are aligned with the principles of kaitiakitanga or guardianship, through seeking to improve water quality outcomes and mitigate the environmental impacts of floods and climate change events.
18. The requirements of the tender will encourage the involvement of Māori within the supply chain.

Ngā ritenga ā-pūtea Financial implications

19. An analysis of the financial implications will be provided in the confidential section of the 18 June 2024 Revenue, Expenditure and Value Committee meeting.

Ngā raru tūpono me ngā whakamaurutanga Risks and mitigations

20. An analysis of the risks and mitigations will be provided in the confidential section of the 18 June 2024 Revenue, Expenditure and Value Committee meeting.

Ngā koringa ā-muri Next steps

21. Next steps will be provided in the confidential section of the 18 June 2024 Revenue, Expenditure and Value Committee meeting.

Ngā tāpirihanga Attachments

There are no attachments for this report.

Ngā kaihaina Signatories

Authors	Vivian Dias - Procurement Manager, Capital Procurement Jayesh Solanki - Operations Regional Team Manager, Healthy Waters
Authorisers	Barry Potter - Director Infrastructure and Environmental Services Nicola Mills - Acting Group Chief Financial Officer

Summary of Revenue, Expenditure and Value Committee information memoranda and briefings (including the forward work programme) – 18 June 2024

File No.: CP2024/03447

Item 9

Te take mō te pūrongo Purpose of the report

- To tuhi ā-taipitopito / note the progress on the Revenue, Expenditure and Value Committee forward work programme appended as Attachment A.
- To whiwhi / receive a summary and provide a public record of memoranda or briefing papers that have been distributed to Revenue, Expenditure and Value Committee.

Whakarāpopototanga matua Executive summary

- This is a regular information-only report which aims to provide greater visibility of information circulated to Revenue, Expenditure and Value Committee members via memoranda/briefings or other means, where no decisions are required.
- The following information items have been distributed:

Date	Subject
2/4/2024	Confidential Memo - Update on the Pools and Leisure Service Delivery Model Review work
22/4/2024	Memo - Section 17A Service Review - Holiday Parks Update
24/5/2024	Memo - Auckland Council savings progress for the quarter ended 31 March 2024

- The following workshops have taken place for the committee:

Date	Subject						
27/3/2024	<p>CONFIDENTIAL: Parks and Community Facilities Service Performance Review</p> <table border="1"> <tr> <td>Reason:</td> <td>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</td> </tr> <tr> <td>Interests:</td> <td>s7(2)(h) - The withholding of the information is necessary to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities In particular, the workshop material is likely to include our full Facilities Maintenance Contracts.</td> </tr> <tr> <td>Grounds:</td> <td>s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</td> </tr> </table>	Reason:	The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	Interests:	s7(2)(h) - The withholding of the information is necessary to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities In particular, the workshop material is likely to include our full Facilities Maintenance Contracts.	Grounds:	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
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Item 9

Date	Subject						
17/4/2024	<p>CONFIDENTIAL: Service and financial performance review programme - Unfunded policies and mandates</p> <table border="1"> <tr> <td data-bbox="381 315 563 427">Reason:</td> <td data-bbox="563 315 1444 427">The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</td> </tr> <tr> <td data-bbox="381 427 563 618">Interests:</td> <td data-bbox="563 427 1444 618">s7(2)(h) - The withholding of the information is necessary to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities. In particular, the workshop material may contain financial information that may not yet be on public record.</td> </tr> <tr> <td data-bbox="381 618 563 790">Grounds:</td> <td data-bbox="563 618 1444 790">s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</td> </tr> </table>	Reason:	The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	Interests:	s7(2)(h) - The withholding of the information is necessary to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities. In particular, the workshop material may contain financial information that may not yet be on public record.	Grounds:	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
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23/4/2024	Options for managing long-term plan savings targets						
15/5/2024	<p>CONFIDENTIAL: Proposed future contract model of the Pools and Leisure network</p> <table border="1"> <tr> <td data-bbox="381 996 563 1108">Reason:</td> <td data-bbox="563 996 1444 1108">The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</td> </tr> <tr> <td data-bbox="381 1108 563 1299">Interests:</td> <td data-bbox="563 1108 1444 1299">s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). In particular, the supplier negotiations to deliver the Pools and Leisure management contracts across the Auckland Council network.</td> </tr> <tr> <td data-bbox="381 1299 563 1462">Grounds:</td> <td data-bbox="563 1299 1444 1462">s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</td> </tr> </table>	Reason:	The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	Interests:	s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). In particular, the supplier negotiations to deliver the Pools and Leisure management contracts across the Auckland Council network.	Grounds:	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
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6. Note that, unlike an agenda report, **staff will not be present to answer questions about the items referred to in this summary.** Committee members should direct any questions to the relevant staff.

Ngā tūtohunga Recommendation/s

That the Revenue, Expenditure and Value Committee:

- tuhi ā-taipitopito / note the progress on the 2024 forward work programme appended as Attachment A of the agenda report
- whiwhi / receive the Summary of Revenue, Expenditure and Value Committee information memoranda and briefings.

Ngā tāpirihanga Attachments

No.	Title	Page
A⇒	Forward Work Programme	
B⇒	Memo - Section 17A Service Review - Holiday Parks Update	
C⇒	Memo - Auckland Council savings progress for the quarter ended 31 March 2024	
D⇒	Workshop - Options for managing long-term plan savings targets	

Ngā kaihaina Signatories

Author	Duncan Glasgow - Kaitohutohu Mana Whakahaere Matua / Senior Governance Advisor
Authoriser	Nicola Mills - Acting Group Chief Financial Officer

Exclusion of the Public: Local Government Official Information and Meetings Act 1987

That the **Revenue, Expenditure and Value Committee**

- a) whakaae / agree to exclude the public from the following part(s) of the proceedings of this meeting.

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

C1 **CONFIDENTIAL: Procurement plan for small potable water and wastewater system operations and maintenance**

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.	<p>s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p> <p>In particular, the report contains information that could prejudice the council's position with potential suppliers.</p>	<p>s48(1)(a)</p> <p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>

C2 **CONFIDENTIAL: Variation to integrated waste collection contracts – Kalista Ltd**

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
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