

Minutes

Board meeting	Public session
Date	29 July 2025
Venue	Watercare House, Level 4 Boardroom, 73 Remuera Rd, Remuera and via Microsoft Teams
Time	9:43am

Attendance		
Board of Directors	Watercare staff	Guests
Geoff Hunt (Chair) Frederik Cornu Andrew Clark John Crawford Karen Sherry Rukumoana Schaafhausen Graham Darlow Julian Smith	Jamie Sinclair (Chief Executive) Mark Bourne (Chief Operations Officer) Angela Neeson (Chief Financial Officer) Richie Waiwai (Tumuaki Rautaki ā-Iwi me ngā Hononga) Meg Wiltshire (Chief Corporate Affairs Officer) Sarah Phillips (Chief People Officer) Andrew Mercer (Head of Health, Safety and Wellbeing) (from the start until the end of item 7) Tim Scheirlinck (Acting Chief Strategy and Planning Officer) Emma McBride (Head of Legal and Governance) Elizabeth Stewart (Elected Member Relationship Advisor) (from the start until the end of item 6) Via Microsoft Teams Tracey Carter (Legal and Governance Business Partner)	Chris Newman (Waitākere Tramline Heritage Society) (from the start until the end of item 6) Harvey Stewart (Waitākere Tramline Heritage Society) (from the start until the end of item 6) Councillor Ken Turner (Watercare's Lead Councillor, Auckland Council) (from the start of item 6 until the end) Charlotte Reed (Head of Water Regulation, Commerce Commission) (from item 6 until the end) Via Microsoft Teams Trudi Fava (Principal Advisor, CCO Governance & External Partnership, Auckland Council)

1.	Opening karakia Julian Smith opened the meeting with a karakia.
2.	Apologies There were no apologies.
3.	Quorum A quorum was established.
4.	Declaration of any conflicts of interest Andrew Clark noted his usual conflict of interest when it comes to tax issues, as he is the CFO of Ports of Auckland Limited. No other conflicts of interest were noted.
5.	Minutes of the previous meeting of 24 June 2025 board meeting <i>The board resolved that the minutes of the public session of the board meeting held on 24 June 2025 be confirmed as true and correct.</i>
6.	Public deputations Chris Newman and Harvey Stewart, Committee members of the Waitākere Tramline Heritage Society (WTHS) presented to the Board, with the support of Cr Ken Turner. The following key points were made in their public deputation, which they also shared in writing (Attachment 1): <ul style="list-style-type: none"> • WTHS would like Watercare to grant a sub- lease to WTHS for the Nihotupu and Waitakere Tramlines, allowing the Society to reactivate and operate the Rainforest Express tourist and heritage railway for members of the paying public. • WTHS explained that New Zealand Transport Authority (NZTA), the Rail Regulator, has said that under Section 85 of the Railways Act 2005, responsibility for railway safety and regulatory compliance lies solely with the licensed rail operator, not the landowner. • Chris made further points, including the educational benefits to the community and the ecological value of the project, which would support native species such as glow worms and cave wētā. From a tourism perspective, the operation is expected to generate employment opportunities and deliver significant economic benefits. • WTHS explained that they are unable to raise funds until the Society is a “recognised operator”. They are not seeking funding from Watercare. • Cr Turner noted that this discussion has been ongoing for three years, emphasising that the proposal is straightforward and feasible and would generate goodwill in the West Auckland community. • The Chair thanked WTHS for their presentation and asked how much they have budgeted to get the project underway. WTHS considers that it would cost approximately \$150,000, which would include \$100,000 to get the track working again. Passenger revenue would then sustain the operation in the future.

	<ul style="list-style-type: none"> • The Chair advised he would send the WTHS a written response to their deputation.
7.	<p>Health, safety, and wellness update</p> <p>Andrew Mercer presented the report which was taken as read. The following key points were made:</p> <ul style="list-style-type: none"> • The Central Interceptor safety team has joined the Watercare Safety Systems team and they will help further our work on improving contractor safety performance. • The board expressed concerned about the current lack of industry benchmarks for comparing contractors with each other. • In relation to the “critical risk inspections”, the board noted the drop in inspections between April (26) and June (18). Andrew noted that some key areas of focus are beginning to emerge, and our conversations have been centred on identifying and addressing the gaps and reviewing the critical controls for our critical risks. • The board acknowledged a significant shift in maturity in the HSW work done by Watercare. • Management emphasised the importance of leadership and expressed appreciation to the Board members who have participated in the Safety in Leadership training. They further noted that visible leadership plays a critical role in shaping culture and reinforcing safety expectations. • The Chair encouraged all Directors to visit operational sites and engage with management during these visits. • There have been several vehicle-related incidents, all of which were low-speed and low-energy in nature. A campaign focused on speed, distraction, and mobile phone use will be launched soon to support ongoing safety efforts. • We are looking to introduce forward-facing cameras into the fleet for additional safety. In doing so, we are working closely with the unions who have concerns with cameras filming staff. <p><i>The board noted the report.</i></p>
8.	<p>Chief Executive’s report.</p> <p>The CE introduced the report, which was taken as read. The following key points were made.</p> <p><i>Key performance measures</i></p> <ul style="list-style-type: none"> • Last month, we farewelled outgoing Chief Executive Dave Chambers. • We have released updated capacity maps and continue investing in infrastructure as part of a broader growth programme. • All Watercare Charter measures have been met. • 30 June 2025 marks the end of the financial year and Statement of Intent (SOI) period. A few measures were missed and these are being audited by our Auditors. <p><i>Customers</i></p> <ul style="list-style-type: none"> • In June 2025, our community trust score was 52, against a target of 55. The score has declined since June 2024, with a brief rally in February–March following the release of the Business Plan, before declining again. A deep dive session is scheduled for August 2025 to explore the drivers behind the trust score and improvement opportunities.

	<ul style="list-style-type: none"> • Media sentiment is down as we are currently navigating a number of challenging issues. • The board expressed concern over smart meter billing issues, which have caused billing complaints and eroded customer trust. Management will provide an action plan to address these errors. • The board was concerned to learn that 40% of Otara residents do not drink tap water, but buy drink bottled water instead for drinking. Watercare is committed to working with trusted partners, such as Pasifika churches, to build trust in Watercare and the water we supply. <p><i>Iwi and mana whenua engagement</i></p> <ul style="list-style-type: none"> • In Tamaki, Te Rua Whetū are working to build Māori trust in Watercare and its water services, with plans to share insights in due course. • Engagement is progressing well through face-to-face meetings and monthly standups with mana whenua. • Recent discussions with river iwi have identified opportunities for in-kind support, particularly around Māori interest in infrastructure. <p><i>People</i></p> <ul style="list-style-type: none"> • The new Workday software system was successfully implemented yesterday. This achievement is a strong example of cross-team collaboration, with the project delivered on time and under budget. <p><i>Operations</i></p> <ul style="list-style-type: none"> • Dams are expected to hit 100% overnight given the significant rainfall today. • Freshwater Gold Clams are costing the Waikato Water Treatment Plant an additional \$100,000 annually. However, a greater concern is their potential spread to our water supply dams. If this occurs, we will need to invest in costly upgrades to intake screens, more frequent pipeline cleaning, and drone inspections of hard-to-access tunnels. We are working with Auckland Council to raise awareness of this issue with the relevant authorities. Cr Ken noted that the Department of Conservation has an office at Albert Street and encouraged the team to reach out to this office. • The board queried the Network Discharge Consent, which Mark Bourne explained in broad terms. It was noted by the board that while we may be meeting the NDC requirements, this was a separate issue to maintaining our social licence to operate. • Mark confirmed that most Emergency Overflow Points (EOPs) are compliant, but are designed to “fail safely” when there is rain; this means overflows occur at the EOPs rather than in gully traps or people’s showers or toilets. • Former staff member Shyamal Shah was sentenced on 8 July 2025 to two years two months in prison and ordered to repay all stolen funds. Internal Audit has worked to put in place the improved controls which have not already been implemented (e.g. electronic signatures for all business cases). • Local Government Official Information Act (LGOIMA) requests increased in June 2025, reaching a total of 170 requests for FY25. <p><i>The board noted the report.</i></p>
9.	<p>Economic Regulation Committee meeting update</p> <p>Julian Smith, Committee Chair of the Economic Regulation Committee (ERC), provided an update.</p> <ul style="list-style-type: none"> • Since the last board meeting, the ERC met on 2 July 2025 and 16 July 2025. The meetings focused on the significant progress underway for the critical asset management improvement plan due 31 August 2025, including Stantec’s role as independent verifier.

	<ul style="list-style-type: none"> • The ERC also received an update from Frontier Economics regarding Infrastructure Growth Charges (IGCs) and pricing principles. This plan is due 30 September 2025 with work well underway. • It was noted that the board will need to be flexible and accommodating as the work is being done at pace, and out-of-cycle approvals may be required to meet our Charter requirements.
10.	Board Planner <i>The board noted the Board planner.</i>
11.	Directors' appointment terms, committee memberships and meeting attendances <i>The board noted the report.</i>
12.	Disclosure of Directors' and Executives' interests <i>The board noted the report.</i>
13.	General business <p>There was no general business.</p> <p>The public session closed at 10:58 am.</p>

CERTIFIED AS A TRUE AND CORRECT RECORD

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Geoff Hunt, Chair