

WATERCARE SERVICES LIMITED
STATEMENT OF CORPORATE INTENT

for the three year period commencing 1 July 2008



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Watercare Services Limited

STATEMENT OF CORPORATE INTENT

FOR THE THREE YEAR PERIOD COMMENCING 1 JULY 2008

1. INTRODUCTION

Watercare Services Limited (Watercare) is required to prepare and deliver to its shareholders, no later than 30 June in each year, a Statement of Corporate Intent (SCI) for the three year period commencing 1 July.

The SCI is the public and legislative expression of Watercare's accountability to its shareholders. It is the contract between Watercare's Board of Directors and its shareholders, and it is against this document that the Board reports to the shareholders and is held accountable. The SCI identifies the nature of Watercare's business and its strategic and operational issues. It sets the expectations of Watercare by the shareholders, and provides a tangible record of Watercare's performance by setting performance targets against which the Company must report.

2. BUSINESS PURPOSE

2.1 Vision Statement

Watercare's vision is to be the most efficient water and wastewater utility in Australasia whilst meeting industry best practice. We will provide high quality water and wastewater services in the most cost effective way. Within our core business we want to stretch our capabilities and competencies to achieve leading practices in utility operations.

2.2 Mission Statement

To provide water and wastewater services that are economically viable, environmentally sound, socially responsible and responsive to customer needs, thereby enhancing the services of the company to all people across the Auckland region.

2.3 Values

The core values of the Company, as embodied in the mission statement, are the guiding principles for all its activities and behaviour. They are the key drivers for the organisational culture of Watercare and can be summarised as;

- Economic viability
- Sustainability
- Social responsibility
- Responsiveness to customers

2.4 Commitment to Sustainability

Watercare recognises it has responsibilities, as a corporation, which go beyond its specific legislative requirement of managing "...its business efficiently with a view to maintaining prices ...at minimum levels consistent with the effective conduct of that business and the maintenance of the long term integrity of its assets."

Wherever practical Watercare tries to minimise the deleterious effects of its operations and looks to contribute to enhancing the environment in which Aucklanders live.

Watercare has six sustainability policies to support our core values;

- *ENVIRONMENTAL CARE*: To minimise the adverse impact of the company's operations on the environment.
- *HEALTH, SAFETY and WELL-BEING*: To be an industry best workplace.
- *STAKEHOLDER RELATIONSHIPS*: To be responsive to stakeholder requirements.
- *CUSTOMER SERVICE COMMITMENT*: To provide high quality products and meet customer service level requirements.
- *ASSET MANAGEMENT*: To manage and maintain the long-term integrity of it's assets.
- *ECONOMIC PERFORMANCE*: To manage the business efficiently at minimum prices.

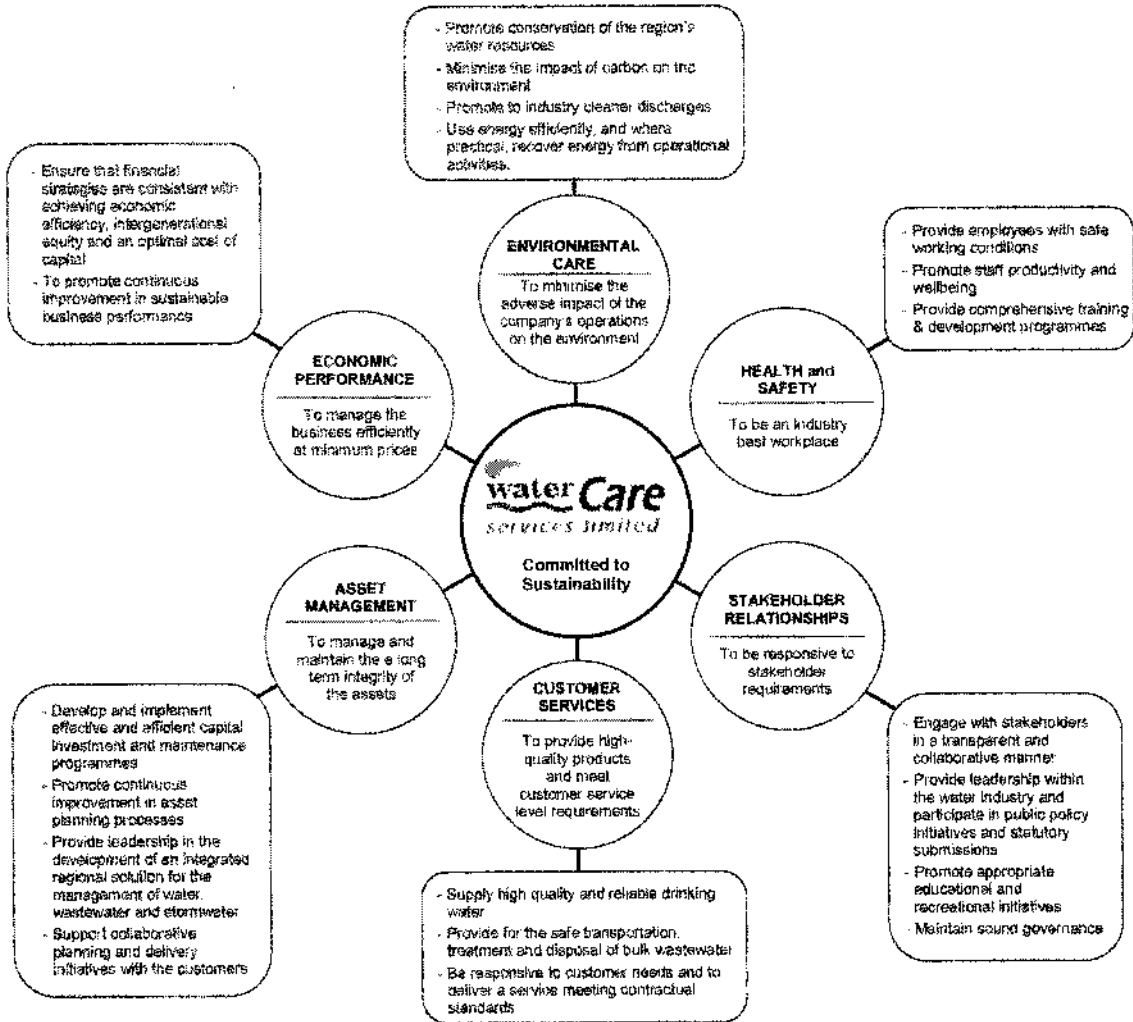
Watercare's commitment to sustainable business practice requires high levels of disclosure of plans, practices and operations. Also, Watercare's position as a monopoly service provider in the Auckland region obliges the company to retain stakeholders' confidence that it is performing optimally.

Each year Watercare publishes an Asset Management Plan to ensure the region's water and wastewater needs are met in a timely and cost-effective manner and support regional growth and planning strategies.

Watercare publicly reports achievement against a comprehensive set of objectives each year in its Annual Report. A range of 'sustainability performance rulers' are used to provide a measure to compare current performance against prior years, and to assess improvement against objectives.

3. WATERCARE'S STRATEGIC PERFORMANCE OBJECTIVES

At a strategic level there are a number of performance objectives that the Shareholders Representative Group require Watercare to report performance against on a quarterly basis. These have been aligned to the sustainability policies and are detailed below.



Sustainability Policy	Strategic Performance Objective	Performance Measure <i>Strategic initiatives and tactical targets</i>
<i>ENVIRONMENTAL CARE: To minimise the adverse impact of the company's operations on the environment</i>	1. To promote conservation of the region's water resources.	<ul style="list-style-type: none"> To implement a bulk rising block tariff structure based on the long run marginal cost of water. To develop a new region-wide demand forecasting model by 30 June 2009

	<p>2. To promote to industry cleaner discharges</p> <p>3. To minimise the impact of carbon on the environment.</p> <p>4. To use energy efficiently and where appropriate recover energy from operational activities.</p>	<ul style="list-style-type: none"> - To achieve a 'Bb' grade as set-out in the 2003 NZWWA guidelines for the safe application of biosolids to land. - To achieve a 50% CO₂ equivalent reduction from 1990 levels. - To target 35% of energy needs sourced internally.
<p><i>HEALTH, SAFETY and WELL-BEING:</i></p> <p>To be an industry best workplace.</p>	<p>5. To promote staff productivity and wellbeing.</p> <p>6. To provide comprehensive training and development programmes.</p> <p>7. To provide employees with safe working conditions.</p>	<ul style="list-style-type: none"> - To attain a LTIFR of less than or equal to 5 - To target an unplanned absenteeism rate of 2.5% - To target over 20 training hours per employee. - To target a ratio of less than 2.25 of external to internal appointments - To maintain the tertiary level ACC workplace management practices accreditation.
<p><i>STAKEHOLDER RELATIONSHIPS:</i></p> <p>To be responsive to stakeholder requirements.</p>	<p>8. To engage with stakeholders in a transparent and collaborative manner including the company's Maori and Environmental Advisory Groups.</p> <p>9. To provide leadership within the water industry and participate in public policy initiatives and statutory submissions.</p> <p>10. To promote appropriate educational and recreational initiatives.</p>	<ul style="list-style-type: none"> - To consult with all appropriate stakeholders in regard to key infrastructure projects. - To obtain annual feedback from the company's advisory groups on the consultation process. - To report on the number of policy initiatives and key submissions made per annum. - To continue with the Rain Forest Express, the 'Adopt a Stream' and other educational programmes as appropriate.

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	11. To maintain sound governance	<ul style="list-style-type: none"> - Annual director performance reviews
<p><i>CUSTOMER SERVICE COMMITMENT:</i></p> <p>To provide high quality products and meet customer service level requirements.</p>	<p>12. To supply high quality and reliable drinking water</p> <p>13. To provide for the safe transportation, treatment and disposal of bulk wastewater.</p> <p>14. To be responsive to customer needs and to deliver a service meeting contractual standards.</p>	<ul style="list-style-type: none"> - To maintain the public health grading of water treatment and networks of 'Aa'. - To ensure that demand can be met in a drought with a 1% probability of occurrence with 15% residual capacity in its reservoirs - To target less than or equal to six dry weather sewer overflows per annum. - To achieve 100% compliance with the customer contracts. - To achieve 90% or greater of customers that rate Watercare as 'good', 'very good' or 'excellent' using the annual satisfaction survey.
<p><i>ASSET MANAGEMENT:</i></p> <p>To manage and maintain the long-term integrity of assets.</p>	<p>15. To provide leadership in the development of an integrated regional solution for the management of water, wastewater and stormwater.</p> <p>16. To promote continuous improvement in asset planning processes.</p> <p>17. To develop and implement effective and efficient capital investment and maintenance</p>	<ul style="list-style-type: none"> - To develop three-waters implementation plans by June 2011. - Watercare will work with regional stakeholders to complete the Three Waters Strategic Plan by December 2008. - To achieve 80% overall performance in the WSAA asset management benchmarking. - To ensure that capital projects have robust business cases and are delivered to plan.

	<p>programmes.</p> <p>18. To support collaborative planning and delivery initiatives with the customers.</p>	<ul style="list-style-type: none"> - To engage with the reviewer and work with the Shareholder Representative Group on the review of the 2008 Asset Management Plan and to discuss how the recommendations will be addressed and / or implemented. - To continue with the implementation of the reliability centred maintenance (RCM) system.
<p><i>ECONOMIC PERFORMANCE:</i> To manage the business efficiently at minimum prices and to operate on a least-cost philosophy subject to fulfilling other environmental, social and legislative requirements.</p>	<p>19. To ensure that financial strategies are consistent with achieving economic efficiency, intergenerational equity and an optimal cost of capital.</p> <p>20. To ensure that the regime for the pricing of water and wastewater services is enduring, transparent and reliable.</p>	<ul style="list-style-type: none"> - To target an 'A' credit rating from Standard & Poor's. - To achieve within a three year period, and then to maintain, a funds flow from operations to interest cover of 3.5 times before any price adjustments. (on a S&P calculated basis) - In the event that the company's debt is guaranteed by the shareholders, then the following target will replace the above targets: <ul style="list-style-type: none"> - To achieve a funds flow from operations to interest cover of 2.5 times before any price adjustments. - The pricing methodology enables the revenue to be set to recover all costs and provide for an adequate level of debt servicing. - The pricing methodology established cannot be changed without Watercare providing the LNO customers with three-years advance notification of a change.

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	<p>21. To promote continuous improvement in sustainable business performance.</p> <p>22. To ensure efficiency in operational expenditure is maintained.</p>	<ul style="list-style-type: none"> - To continue to use the project improve initiative as the vehicle to deliver continuous improvement in business performance. - To report operational expenditure relative to budget for water, wastewater and capex.
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APPENDIX

This appendix contains background information on the nature and scope of Watercare's activities and on significant issues facing the business. It also contains other information disclosures required by the Local Government Act.

A. NATURE AND SCOPE OF ACTIVITIES

A.1 Background

Watercare was established in 1992 as a Local Authority Trading Enterprise (LATE) responsible for the provision of bulk water and wastewater services to the Auckland region.

In 1998, ownership of the company was vested in the city and district councils of Auckland, Manukau, North Shore, Papakura, Rodney and Waitakere, having previously been owned by the Auckland Regional Services Trust.

Since 1 July 2003 when the Local Government Act 2002 (LGA 2002) came into force, Watercare has been subject to dual legislative regimes;

- the Watercare specific provisions of the Local Government Act 1974 (LGA 1974), and
- the "Council Organisation" provisions of the LGA 2002.

Under the Watercare specific provisions of the LGA 1974 in section 707ZZZS Watercare is required to:

"manage its business efficiently with a view to maintaining prices for water and wastewater services at the minimum levels consistent with the effective conduct of that business and the maintenance of the long-term integrity of its assets".

A.2 Governance

Shareholders

The six Auckland local authorities own shares in Watercare in the following proportions

- Auckland City 41.6%
- Manukau City 25.1%
- Waitakere City 16.7%
- North Shore City 11.5%
- Papakura District 3.7%
- Rodney District 1.4%

Shareholder Representative Group (SRG)

The owners are represented, collectively, by the Watercare Shareholder Representative Group (SRG). Each of the six owners appoints two representatives to the SRG.

A Shareholders' Agreement, which was agreed between the six owners in 1998, sets out the role of the SRG and procedures for meetings of the group. In summary, the SRG:

- selects and appoints directors of Watercare
- approves Watercare's annual SCI
- considers the Asset Management Plans on behalf of the owners
- approves any major acquisition or transaction by the company on behalf of the owners
- reviews the performance of the Board
- liaises and consults on the company's financial performance

Decisions or actions on these points require the agreement of a representative of each of the shareholders collectively holding 75% or more of the shares in Watercare before they are binding on all shareholders.

The directors and senior executives meet the SRG quarterly to brief them on company operations.

Board of Directors

Watercare has an independent board of directors. The LGA 1974 stipulates that no person who is a member or an employee of a local authority may hold office as a director of Watercare.

Watercare's Constitution requires the directors manage the company in line with the annual SCI. Through the SCI, the directors are accountable to the owners, who are, in turn accountable to residents and ratepayers of the Auckland region.

Practically the directors determine the overall direction of the company in light of the objectives set out in the SCI and the statutory requirements for the company in the LGA. The directors make major decisions, including decisions on major new capital investment and on major business initiatives, in line with those objectives.

The directors are responsible for monitoring the performance of the company, and for monitoring the performance of the Chief Executive who has responsibility for managing the company on a day-to-day basis.

A.3 Business Overview

(a) Water Services

Watercare collects and treats raw water from the Hunua and Waitakere Ranges, the Waikato River and from groundwater sources at Onehunga. The Company supplies the Local Network Operators (LNOs) with potable water at contractually defined standards of quality and storage security.

Water demand for the 12 months ending June 2007 averaged 373,206 m³ per day. The bulk water supplied is reticulated by the LNOs to over 1,232,000 consumers.

(b) Wastewater Services

Watercare collects wastewater up to specified maximum flow rates, from Herald Island to Papakura. The Company's system services four LNOs, (Metro Water, Waitakere City Council, Manukau Water and United Water), over 600 Trade Waste customers and ultimately over 939,000 consumers.

Approximately 285,658 m³ per day of wastewater is received from the LNOs' systems and treated at the Mangere Wastewater Treatment Plant (WTP). Discharges from the treatment plant to the environment are controlled in accordance with resource consents granted by the ARC pursuant to the Resource Management Act 1991 (RMA).

(c) Laboratory Services

Watercare operates one of the largest water, wastewater and environmental laboratories in New Zealand. The analytical laboratory provides sampling, on site monitoring, analytical and scientific services. In addition, the air quality department provides ambient air and point source emission and odour monitoring. The laboratory services a wide range of clients both internally and nationwide.

(d) Engineering Consultancy Services

Watercare has internal resources that provide feasibility, design, contract administration, systems integration, commissioning and operating expertise as well as documentation services to both internal and external clients in the water and wastewater industries.

(e) Watercare's Organisational Structure

The company is organised under four major functional groups supported by an Office of the Chief Executive;

- Asset Management
- Operations Management
- Chief Engineer
- Finance
- Office of the Chief Executive

Asset Management

This functional group is responsible for asset planning, asset development, project management and delivery of new assets to the operations group. It also has responsibility for property and facilities management and management of energy and control systems.

Operations Management

This functional group is responsible for water treatment operations, wastewater treatment operations, reticulation management, customer management, and maintenance services delivery.

Chief Engineer

This functional group is responsible for risk, emergency preparedness, business improvement, research and development, environmental management and engineering information.

Finance

This functional group is responsible for treasury, accounting services, business information systems procurement and commercial services (including laboratory services and trade waste).

Office of the Chief Executive

This includes corporate relations, communications and strategic planning, internal audit and human resources.

B. SIGNIFICANT ISSUES

B.1 Operating Environment

A key issue facing Watercare is the strong growth of the Auckland region as outlined in the ARC Regional Growth Strategy. This will result in an increasing demand for water supply and wastewater services.

Efficient use of the existing infrastructure through demand management and inflow and infiltration control initiatives as well as enhancement and expansion of the infrastructure will be required to service this increase in demand.

At the same time, the requirement for reduced environmental impacts, formalised through resource consents issued under the RMA, will place increasing demands on the operational performance of existing infrastructure.

Watercare and the LNOs have acknowledged the mutual and regional benefits of sharing information and undertaking an appropriate level of joint planning when developing regional strategies and capital works programmes. Having established in June 2005 the integrated vision for the Auckland region's three-water services, Watercare is now leading, in line with the vision, the long term strategic planning for the efficient delivery of these services taking into account the challenges the region will face over the next fifty years and the health of the receiving water environment.

B.2 Water Supply

Watercare works closely with the Ministry of Health and the Ministry for the Environment to ensure water quality standards development are appropriate from a public health and affordability viewpoint.

The development of a new water source is currently planned to commence towards the end of the 20-year planning horizon. Watercare continues to support demand management initiatives that could delay the requirement for the substantial investment allocated for source expansion.

Through the Water Advisory Group and the Auckland Water Management Plan, Watercare and the LNOs are working towards achieving the agreed demand management target of a 5% reduction in gross per capita water use over the next 20 years.

B.3 Wastewater Collection, Treatment and Disposal

Under the provisions of the Resource Management Act, Watercare is obliged to secure resource consents for discharges associated with the operation of the bulk wastewater collection systems.

Applications to renew the existing discharge consents were submitted in March 2001 to permit the continued operation of the wastewater collection system in compliance with the RMA.

Watercare has initiated a comprehensive project including a review of existing network models, joint catchment studies with the LNOs and the development of harbour and stream quality models to quantify the effects of wastewater overflows. The principal objective of the project is to ensure that overflow mitigation works are regionally optimised, fully accounting for the economic, environmental and social impacts.

Finalising statutory approvals for the replacement of the Hobson Bay sewer with an underground pipeline and completing the design and contract award for the construction and demolition works are important business objectives.

Following a comprehensive public consultative process, resource consents to upgrade the Mangere Wastewater Treatment Plant were granted in early 1998. A contract for the design and construction of the plant upgrade and the rehabilitation of the adjacent coastal foreshore was awarded in February 1998 and construction activities commenced in July 1998.

Now that the upgrade has been completed, the optimisation of the new treatment process will continue to be a major focus of attention.

B.4 Trade Waste

Trade Wastes are controlled and charged for under a framework established by the Auckland Metropolitan Drainage Act (AMDA) and by the supporting Trade Wastes Bylaw as amended by Watercare. The Local Government Act allows Watercare to operate under the AMDA and to continue the use of the bylaw until 30 June 2010.

Watercare is continuing to review its Trade Wastes control programmes, including monitoring the contaminant levels in the biosolids, and is implementing changes as required to ensure that management of Trade Wastes is aligned to the upgraded WTP processes, its resource consent requirements and the needs of the LNOs. Watercare is committed to consulting the LNOs and other stakeholders to ensure that any changes meet the needs of all concerned.

B.5 Customer Contracts

The current agreement relating to the supply of bulk water with all the LNO customers expires on 30 June 2008.

Negotiations for a new contract are underway and in line with the 2007 SCI objective, Watercare is seeking to have included within the customer contracts a defined and enduring revenue-setting methodology. In addition, Watercare has proposed a rising block tariff based on the principle of long run marginal costing.

The rising block tariff provides an indication of the future costs of providing additional water, which incentivises the LNOs to further invest in leakage reduction and explore other water demand initiatives. It ensures that the LNOs responsible for growth in water demand will pay their fair share of the costs associated with providing for that growth.

The current agreement relating to the collection of domestic wastewater also expires on 30 June 2008.

Negotiations for this new contract have also commenced. Similar to the Agreement Relating to the Supply of Bulk Water, in line with the 2007 SCI objective, Watercare is seeking to have included within the customer contracts a defined and enduring revenue-setting methodology.

B.6 Funding

Watercare is investing in a significant capital works programme that will ensure Auckland continues to receive a secure high quality water supply and safe wastewater collection, treatment and disposal.

Watercare's financial strategies are developed to ensure they are consistent with the goals of achieving economic efficiency, intergenerational equity and optimal cost of capital.

To give effect to intergenerational equity by maintaining an appropriate balance between revenue and debt funding, it is important that Watercare maintains an appropriate investment grade credit rating to enable debt raising necessary from a wide variety of sources and at attractive interest rates. Watercare's current A-1/A short and long-term credit ratings reflect the company's sound financial situation.

In January 2008 Standard & Poor's (S&P) revised its outlook on Watercare to negative from stable. At the same time they affirmed the 'A' credit rating on Watercare and its related debt issues. S&P stated that the revised outlook reflected their rising uncertainty as to whether Watercare would ultimately achieve the price increases and/or alternative funding arrangements required to fund its necessary capital expenditure while maintaining intermediate credit metrics. S&P went on to say that the uncertainty arose from delays in Watercare's shareholders committing to guaranteeing the funding of the company's increasing capital expenditure requirements.

B.7 Regional Water and Wastewater Industry Synergies

Watercare is looking for opportunities to capture synergies and efficiency benefits within the Auckland Water and Wastewater industry and is working closely with existing customers on a number of initiatives.

Any significant proposal for change arising from discussions with the customers will require shareholders' approval as set out in section C.6 of the SCI and as required under the LGA 2002.

C. OTHER INFORMATION

C.1 Shareholders' Funds

	2008/09	2009/10	2010/11
Consolidated Shareholders' Funds to Total Assets	57.5%	59.7%	58.7%
Consolidated Shareholders' Funds to Total Assets (historic cost)	30.2%	29.5%	28.8%

Note:

1. Consolidated Shareholders' Funds are defined as Issued and Paid Up Capital, Revaluation Reserve and Retained Earnings.
2. Total Assets are defined as Net Book Value of Current Assets, Investments and Fixed Assets as disclosed in the Company's Statement of Financial Position.
3. The ratio of Consolidated Shareholders' Funds excluding the revaluation reserve to Total Assets less the revaluation reserve is referred to as the historic cost basis.

C.2 Accounting Policies

Watercare's financial statements are prepared in accordance with the New Zealand International Financial Reporting Standards.

C.3 Application of Surplus Funds

Watercare is prohibited by legislation from paying a dividend.

Watercare annually reviews any water and wastewater surpluses and considers if the return of such surpluses to the customers is commercially prudent.

Watercare has developed a Pricing Adjustment Mechanism that allows for prices to customers to be reduced in circumstances where in aggregate, the company's performance in the year is significantly better than anticipated. The pricing adjustment in these exceptional circumstances will be made in the year it occurs.

C.4 Information to be provided to the Shareholders

Watercare will meet the requirements of the LGA 1974 and LGA 2002, the Companies Act 1993 and the reasonable requirements of the Shareholders. In particular, the following information will be provided:

- *Annual Statement of Corporate Intent (SCI)*

Watercare will provide a draft and final SCI in accordance with the LGA. The Directors will include any other information they consider appropriate.

The draft SCI will be provided to the Company's shareholders on or before 1 March each year and the final SCI by 30 June each year in terms of the new LGA 2002 and Watercare specific provisions in the LGA 1974.

- *Asset Management Plan*

In accordance with ss707ZZZS(1)(k) and (m) of the LGA 1974, Watercare will provide an indicative Asset Management Plan to each shareholder at least four months before the end of the financial year, will consider written submissions made by each shareholder on that plan and will include in the SCI a summary of Watercare's proposals in respect of the submissions.

An assessment of the costs and benefits of significant proposed projects and their alternatives, including the impact of demand management and efficient pricing, and the commercial and operational risks of not proceeding with the project, deferring it or bringing it forward will be included in the Asset Management Plan.

- *Funding Plan*

In accordance with ss707ZZZS(1)(l) and (m) of the LGA 1974, Watercare will provide an indicative Funding Plan to each shareholder at least four months before the end of each financial year, will consider written submissions made by each shareholder on that plan and will include in the SCI a summary of Watercare's proposals in respect of the submissions.

- *Management Reports*

Management reports will be provided within one month of the end of the September and March quarters and within two months of the end of the December and June quarters, including:

- The unaudited Statement of Financial Position as at the end of the preceding quarter, and the Statement of Financial Performance, Statement of Cash Flows and a capital expenditure summary for the year to date and the preceding quarter. These statements will include comparative budget data and variances.
- A commentary upon significant matters that occurred in the previous quarter including comments on financial results and significant matters expected in the next quarter.

- The return on equity for the preceding quarter and year to date.
- Particulars of any assets sold during the preceding quarter where the aggregate value of associated assets exceeds \$1 million.
- Reasons for, and impacts of variance from the capital expenditure programme which was identified in the Asset Management Plan.
- A commentary on significant capital projects in progress
- A commentary on material changes, if any, in capital expenditure from that reported in the AMP.
- A report on the achievement of the SCI performance targets.
- Any reasonable request for information.

The statutory obligations to provide shareholders with a half-year and a full year report on operations will be met by the management reports for the December and June quarters respectively.

- *Annual Report*

Watercare will produce an Annual Report that covers sustainability performance together with the audited financial and service performance statements.

The report will be provided within three months of the end of the financial year in accordance with the LGA, and will meet the reporting requirements of the Companies Act and the Financial Reporting Act. It will comply with New Zealand International Financial Reporting Standards and will include any other information the Directors consider appropriate.

- *Shareholder Consultation*

Watercare will maintain an ongoing dialogue with the shareholders, to ensure they are aware of major issues facing Watercare and are satisfied that Watercare is meeting its business and performance targets.

In particular Watercare will keep its shareholders informed of any submissions it makes on significant areas of legislative change.

C.5 Procedure for the acquisition of shares

The Directors will consider all share investment proposals.

Any decision to invest in or divest shares in another company or to enter into a joint venture relationship or participation arrangement through equity or operating agreements, will be made by the Directors in accordance with Watercare's constitution. The shareholders will be consulted in the event that an investment or divestment of this nature will create a significant increase in risk exposure.

C.6 Events requiring Shareholder approval

Shareholder approval will be obtained prior to Watercare entering any business activity that significantly changes or is outside the nature and scope of Watercare's current activities.

C.7 Activities for which the Company seeks compensation from any Local Authority

Watercare maintains commercial arrangements with the Auckland Territorial Authorities for functions, duties or services that Watercare is required to undertake. These include supply of water, collection of wastewater and trade wastes functions. However these negotiations will be without prejudice to Watercare's rights at law to impose reasonable charges for the supply of its services.

C.8 Directors' estimate of the Commercial Value of the Shareholders' Investment

The inclusion of an estimate of commercial value is a statutory requirement.

Watercare is however prohibited by the LGA from being privatised. Legislative restrictions prevent Watercare's shareholders from selling their shares and prevent Watercare from paying dividends to its shareholders.

The book value of the shareholders' investment at 30 June 2007 was \$1,285m based on the accounts maintained by Watercare in accordance with the stated accounting policies. The Directors may from time to time requisition an independent valuation of the shareholders' investment.

C.9 Asset Management Plans and Funding Plans

The Asset Management Plan (AMP) for the 2009 to 2028 planning period was issued to the shareholders on 1 December 2007.

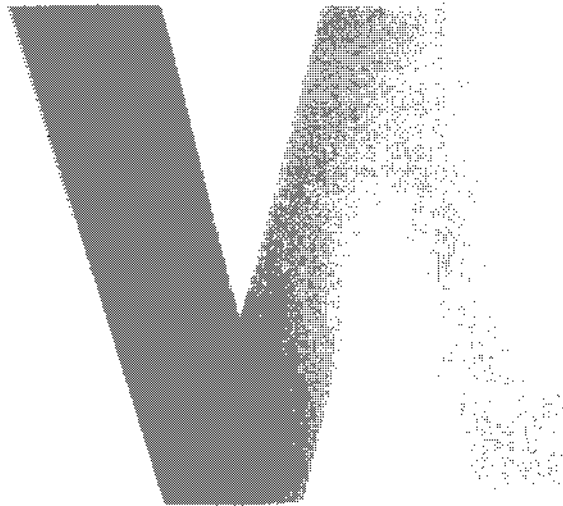
Watercare's Funding Plan for the 2008/2009 financial year was issued to the shareholders on 28 February 2008.

In a letter dated 20 March 2008, the SRG confirmed that it expects to commission independent reviews of Watercare's Asset Management Plan at three to five year intervals. No other specific comments were received from the SRG on the Funding Plan or the AMP.

Watercare will continue to engage with the SRG on the review of the 2008 AMP and will report back on how the recommendations of the review will be addressed and / or implemented.

C.10 Disposal of Assets

The Company will consult with the shareholders prior to the disposal of any part of its undertakings, which, in any one-year, exceed in aggregate 5% of the current book value of its assets.



Waitakere Enterprise

**WAITAKERE ENTERPRISE TRUST BOARD
(Trading as Waitakere Enterprise)**

ACTIVITY PLAN

1 July 2008 – 30 June 2009

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SCHEDULE ONE

SERVICE PERFORMANCE OBJECTIVES

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Part One: Organisational Costs

Part Two: Grow And Attract Businesses

Part Three: Skilled And Productive Labour Force

PART ONE:

Organisational Costs

Activity	Performance Objectives 1 July 2008-30 June 2009	Council	Other	Total
<p>GOVERNANCE</p> <p>Maintain a 5 member Board to govern Waitakere Enterprise</p>	<p>Board meets a minimum of 5 times per annum</p>	<p>\$72,000</p>	<p>0</p>	<p>\$72,000</p>
<p>LEADERSHIP, ADMINISTRATION AND OVERHEADS</p> <p>Provision for CE, administration, financial, compliance, reporting, IT, HR, premises, memberships to regional and national organisations, depreciation and related overheads costs</p>		<p>\$566,000</p>	<p>\$314,389</p>	<p>\$952,389</p>
<p>COMMUNICATIONS</p> <p>Implement an organisation CRM and communications plan</p>		<p>\$92,000</p>	<p>0</p>	<p>\$97,000</p>

PART TWO:

Grow and Attract Business

Activity	Performance Objectives 1 July 2008-30 June 2009	Council	Other	Total
<p>NEW BUSINESS START-UPS</p> <p>Deliver the <i>Powerful Start</i> new business start up information, workshop and coaching programme</p> <p>Deliver Work and Income <i>Be Your Own Boss</i> programme to transition beneficiaries to business or work</p> <p>Run the West Auckland Region of the <i>Young Enterprise Scheme</i></p>	<p>400 new business information enquiries serviced through BIZ programme</p> <p>90% "mystery shopper" satisfaction rating</p> <p>75 complete new business workshop series</p> <p>The new businesses survival rate for the first 12 months exceeds the national average</p> <p>Baseline one year turnover and FTE growth of participants established</p> <p>40 participants complete the programme</p> <p>100% of those that complete the programme produce approved business plans or back to work plans</p> <p>7 schools participate 200 students participate 25 new businesses established</p>	0	\$81,900	\$81,900

Activity	Performance Objectives 1 July 2008 – 30 June 2009	Council	Other	Total
EARLY STAGE BUSINESS Deliver New Zealand Trade and Enterprise's <i>Enterprise Training Programme</i> to provide foundation business skills to early stage businesses	175 Waitakere businesses participate in the programme 35 training workshops held in Waitakere	0	\$77,800	\$77,800
Deliver <i>Business Mentors New Zealand</i> mentoring programme	1 Maori Trustee Training programme delivered 75 matches made Grade A provider status maintained			

Activity	Performance Objectives 1 July 2008 – 30 June 2009	Council	Other	Total
ACCELERATED GROWTH BUSINESS Deliver the 2008 Waitakere Business Awards programme	75 entries 500 attend Gala Dinner event \$75,000 of unpaid/un-sponsored media coverage Baseline data for revenue, EBIT and FTE levels of participants established	\$62,000	\$173,550	\$235,000
Deliver a High Growth Programme of accelerated growth planning, advice and connection to joint ventures and/or venture capital to unlock growth potential	9 participants selected Baseline data for revenue, EBIT and FTE levels of participants established	\$55,000	0	\$55,000
Establish new business services for Waitakere growth businesses such as R&D Tax Credit Advice, advice on accessing central government business growth funding, a market analysis service and one-on-one strategic business advice	150 clients Baseline data for revenue, EBIT and FTE levels of clients established	\$62,000	\$43,000	\$115,000

Activity	Performance Objectives 1 July 2008 – 30 June 2009	Council	Other	Total
ACCELERATED GROWTH BUSINESS (continued)				
Deliver advanced level "Powerful Ideas for Business" seminars	8 seminars delivered	0	\$5,000	\$5,000
	Cumulative attendance of 125 participating individuals			
	90% satisfaction			
Deliver the New Zealand Trade and Enterprise Escalator Programme	20 participants	0	\$2,500	\$2,500
Undertake business case research and development for a venture capital connection service	Research and Business Plan complete	\$30,000	0	\$30,000
BUSINESS ATTRACTION, EXPANSION AND RETENTION				
Deliver a business attraction service for businesses seeking to locate in Waitakere	50 clients facilitated	\$117,000	0	\$117,000
	20 business locate, expand or are retained in Waitakere using the service			
	200 new jobs			

Activity	Performance Objectives 1 July 2008 -- 30 June 2009	Council	Other	Total
KEY CLIENT MANAGEMENT				
Deliver the Waitakere 'A-list' Key Client Management Service in partnership with Council	40 A-list clients 100% of Waitakere's A-list companies remain in Waitakere	Included in Business Retention	n/a	n/a
Support Council's ambitions for the Community Sector	100% service level commitment on consents processing timeframes in accordance with the joint WE/WCC Service Level Agreement achieved 80% client satisfaction	Included in Business Awards and Start Ups	n/a	n/a
BUSINESS NETWORKS				
Sponsor, support, market and grow the Waitakere Business Club, Waitakere City Rotary State of the Nation and Business After 5 events	5 enter the Waitakere Business Awards Board membership of Community Waitakere maintained Support provided to specific initiatives as agreed	\$10,000	\$6,000	\$16,000
Deliver the West Women networking series	15 events per annum Total cumulative attendance 1,300 Business Club membership exceeds 2,000 6 events held per annum Total cumulative attendance 200	0	\$4,500	\$4,500

Activity	Performance Objectives 1 July 2008 -- 30 June 2009	Council	Other	Total
KEY INDUSTRY SUPPORT				
Implement Council's allocation to purchase services from Tourism Auckland	8 advertisers in 'The Auckland Guide' Membership of Study Auckland maintained	\$5,000	Industry match external	\$5,000
Maintain <i>Destination Waitakere</i> website	135 businesses featured	0	\$9,600	\$9,600
Deliver a key client filming permit service	150 filming permits 95% processed within 48 hours			
SUSTAINABLE BUSINESS				
Develop Waitakere Enterprise as a leader in sustainable practice	The impact of WE's activities be carbon zero Sustainable Action Plan performance objectives meet or exceeded	Included in overhead, Business Awards, Business Advisory, Investment Facilitation and Target Your Market Service funding.		
Mainstream sustainable business practice advocacy and advice into WE's services	A sustainable practice component to all Business Awards categories All business advisors trained in sustainable business practice Actively support the Sustainable Business Network Investigate the feasibility of sustainable consumer information to be incorporated into			

PART THREE

Skilled and Productive Labour Force

Activity	Performance Objectives 1 July 2008 – 30 June 2009	Council	Other	Total
POST-SCHOOL TRANSITION Implement the Gateway programme in partnership with Waitakere Secondary Schools	400 students participate Average unit standard achievement exceeds the national average of 16	0	\$100,000	\$100,000
EDUCATIONAL ACHIEVEMENT AND ALIGNMENT	Implement the <i>CONNECT Waitakere</i> programme	\$47,000	0	\$47,000
Support and champion the <i>Waitakere Youth Transition Service</i>	DVD, website and teaching resource integrated into the curriculum of 5 secondary schools			
Support and champion the Waitakere Education Sector Trust and implementation of the Waitakere Learning Plan	Membership of the Steering Group and Advisory Group maintained Membership of the Waitakere Education Sector Trust			
Support and champion the expansion of Unitec in Waitakere including advocating for a multi-provider trade and technology campus	90% satisfaction from key Unitec staff			

Activity	Performance Objectives 1 July 2008 – 30 June 2009	Council	Other	Total
<p>EDUCATIONAL ACHIEVEMENT AND ALIGNMENT (cont)</p> <p>Present key economic trends and futures to Waitakere Secondary School Principals, advocating the educational needs of the City</p> <p>Provide a leadership role to the local PTE network, advocating alignment and relevance</p> <p>Conduct an annual industry training and apprentice graduation for Waitakere</p>	<p>One presentation delivered per annum</p> <p>Chair role of ESOL providers network maintained</p> <p>Youth providers network established</p> <p>85 graduates celebrated</p>			

Shared Work Programme 2008/2009

Shared Project - 1
Active Waitakere

Description

Active Waitakere is a group of organisations working collaboratively to enrich the lives of residents in Waitakere through physical activity and sport. Both Waitakere City Council and Sport Waitakere have been key drivers in the development of this project since its inception in 2006. For this project to continue to be successful both organisations have to be actively involved in the governance and implementation of the Active Waitakere initiatives and take a lead role in moving this project forward.

SW will:

Outcome Sought	Target	Measurement	Reporting method and date
The AWCG develops into a strong and effective vehicle to enable multiple agencies to work together to increase the level of physical activity in Waitakere	SW is responsible for housing and overseeing the staff involved in AW.	The AWM and AW coordinator are both housed in SW's offices and have appropriate work contracts for their positions.	<ul style="list-style-type: none"> ▪ WCC is provided with copies of the job description and budget. • SW relationship leader provides an update on AW staff performance at quarterly meetings and to the AW HR subcommittee.
SW will be represented on at least the following Active Waitakere groups: <ol style="list-style-type: none"> 1. CEO and Governance 2. Leadership and Collaboration, 3. Human Resource subcommittee 	SW will be represented on at least the following Active Waitakere groups: <ol style="list-style-type: none"> 1. CEO and Governance 2. Leadership and Collaboration, 3. Human Resource subcommittee 	A Sport Waitakere is represented on each of the mentioned groups and attends all meetings.	<ul style="list-style-type: none"> • Discussed at relationship leaders quarterly meetings.
SW will lead the following project teams: <ol style="list-style-type: none"> 1. Active Everyday 2. Active children and youth 3. Sport in the community 	SW will lead the following project teams: <ol style="list-style-type: none"> 1. Active Everyday 2. Active children and youth 3. Sport in the community 	An implementation team is setup for each project team and the team develops an Activity Plan for the year. 80% of the actions outlined in the Activity Plan are delivered upon in 2008/2009 SW project leader follow and meet the project leaders guidelines.	<ul style="list-style-type: none"> • An Activity Plan for each action area is provided to WCC representative. • SW relationship leader provides an update on AW staff performance at quarterly meetings.
SW will look after all of the budget requirement for Active Waitakere	SW will look after all of the budget requirement for Active Waitakere	All AW funding is accounted for and meet all the requirements of funders.	<ul style="list-style-type: none"> • A financial report is provided via the AW manager at all AW CEO and Governance and Leadership and Collaboration meetings on the status of all AW funds.

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WCC will:

Outcome Sought	Target	Measurement	Reporting method and date
<p>The AWCCG develops into a strong and effective vehicle to enable multiple agencies to work together to increase the level of physical activity in Waitakere</p>	<p>Council representative to lead and coordinate the Active Environments Actions area.</p>	<p>An implementation team is setup and the team develops an Activity Plan for the year. 80% of the actions outlined in the Activity Plan are delivered upon in 2008/2009</p>	<ul style="list-style-type: none"> • An Activity Plan for each action area is provided to SW representative • Use AW Leadership and Collaboration group project leader reports to assess progress. To be discussed at quarterly relationship leader meetings.
<p>increase the level of physical activity in Waitakere</p>	<p>WCC continues to support the AWCCG and the AW projects.</p>	<p>WCC relationship leader to advocate to WCC for ongoing financial support for the AW and its projects.</p>	<ul style="list-style-type: none"> • Funding proposal put forward to Directors for consideration in the draft annual plan and LTCCP.
<p>increase the level of physical activity in Waitakere</p>	<p>WCC will be represented on at least the following Active Waitakere groups: 1. CEO and Governance 2. Leadership and Collaboration, 3. Human Resource subcommittee</p>	<p>WCC is represented on each of the mentioned groups and attends all meetings.</p>	<ul style="list-style-type: none"> • Discussed at relationship leaders quarterly meetings.

A151

Shared Project - 2
Active Participation in Sport

Description

The Waitakere Sport Development Strategy (WSDS) has been incorporated into the Move It Action plan and now forms the Active Participation in Sport action area. The Sport Club Taskforce which is a collaborative group made up from members of SW and from WCC's Leisure Services and Parks Assets units has been set up to deliver this action area and in particular concentrate on the development of community sport infrastructure.

SW will:

Outcome Sought	Target	Measurement	Reporting method and date
The (WSDS) is effectively implemented and evaluated to support Sport within Waitakere	Produce an Implementation Plan for Goal 2 of the WSDS	Implementation Plan is produced by 1 September 2008	<ul style="list-style-type: none"> WCC is given a copy of the Implementation Plan by 1 September 2008.
	Deliver SW specific 2008/2009 actions from the Implementation Plan	80% of the actions are completed by the end of June 2009	<ul style="list-style-type: none"> Progress against implementation plan is reported at Quarterly meetings.
	Lead the Sports Club Taskforce in implementing and evaluating Goal 3 of the WSDS	The Sports Club Taskforce meets monthly with representatives from both SW and WCC present.	<ul style="list-style-type: none"> Minutes of Sports Club Taskforce are discussed at Quarterly meetings. Actions are recorded and followed through.

WCC will:

Outcome Sought	Target	Measurement	Reporting method and date
The WSDS is effectively implemented and evaluated to support Sport within Waitakere	Deliver WCC specific 2008/2009 actions from the WSDS Implementation Plan	80% of the actions are completed by the end of June 2009	<ul style="list-style-type: none"> Progress against implementation plan is reported at Quarterly meetings.
	Involve SW in relevant decisions regarding Sport and PA in Waitakere.	Representatives from SW are invited to review the applicants for the Leisure Facility Partnership Fund.	<ul style="list-style-type: none"> Record of invitation and minutes from meeting provided to SW at Quarterly meetings.
	WCC are actively involved in the Sports Club Taskforce	Representatives from WCC's Leisure Services and Parks Assets units attend 80% of all Sports Club Taskforce meetings	<ul style="list-style-type: none"> Minutes of Sports Club Taskforce are discussed at Quarterly meetings.

A152

Shared Project - 3
Push Play Collaboration

Description

The Push Play Collaboration is a group of organisations that are involved with organising Push Play initiatives during SPARC's Push Play Nation campaign from October to November. SW and WCC initiated this collaboration in 2006 in an attempt to get greater impact with the limited resources available.

SW will:

Outcome Sought	Target	Measurement	Reporting method and date
The resources available for the promotion and marketing of Push Play initiatives are maximised.	SW to lead the development of a shared marketing and promotion plan (Gig guide) during Push Play Nation.	Gig Guide is produced by the 1 st of September 2008.	<ul style="list-style-type: none"> WCC is provided a copy of the Gig Guide by the 1st of September 2008.

WCC will:

Outcome Sought	Target	Measurement	Reporting method and date
The resources available for the promotion and marketing of Push Play initiatives are maximised.	WCC contributes to the development of the Push Play shared marketing and promotion campaign.	WCC contributes some funding towards the Push Play shared marketing campaign	<ul style="list-style-type: none"> The relationship leaders to agree on the level of funding at the first Quarterly meeting.

A153

Shared Project - 4
Neighbourhoods Move It.

Description

SPARC has agreed to fund the Neighbourhoods Move It project over the next three years and Active Waitakere partners have also agreed to fund the programme. This project is about working intensely in key low activity areas within the city for a sustained period of time and develops community lead programmes/activities that meet their needs.

SW will:

Outcome Sought	Target	Measurement	Reporting method and date
The Neighbourhoods Move It project increase activity levels in identified communities and assist with bringing together and building the networks amongst the local community.	SW provides advice and expertise to the development of the Neighbourhoods Move It project	SW is represented in the Neighbourhoods Move It project subcommittee who are responsible for delivering the Neighbourhoods Move It project.	<ul style="list-style-type: none"> Discussed at relationship leaders quarterly meetings;
	SW is the fund holder for the project and responsible to account for all funds as required by each of the funders.	Key milestones and accountability criteria are met.	<ul style="list-style-type: none"> Discussed at relationship leaders quarterly meetings.
	SW to appoint and house the Activity broker for the Neighbourhoods Move It project	Activity broker is appointed by the end of August 2008.	<ul style="list-style-type: none"> Discussed at the 1st quarter relationship meeting.
	SW is involved in the development of an evaluation plan for the Neighbourhoods Move It project.	An Evaluation Plan is developed and in place by the end of November 2008 that is approved by SPARC.	<ul style="list-style-type: none"> The evaluation plan is discussed at the 2nd quarter relationship meeting.

WCC will:

Outcome Sought	Target	Measurement	Reporting method and date
The Neighbourhoods Move It project increase activity levels in identified communities and assist with bringing together and building the networks amongst the local community.	WCC as a key funder for this project will be part of the interview panel for the activity broker.	An activity broker is appointed by the end of August 2008	<ul style="list-style-type: none"> Discussed at the 1st quarter relationship meeting.
	WCC is involved in the development of an evaluation plan for the Neighbourhoods Move It project.	An Evaluation Plan is developed and in place by the end of November 2008 that is approved by SPARC.	<ul style="list-style-type: none"> The evaluation plan is discussed at the 2nd quarter relationship meeting.
	WCC assists the Active Waitakere Coordinator to draw up the scoping document for the Active Parrs Park/McIaren Park project.	The scoping brief is finished by the end of December 2008. Scoping work begins by the end of February 2009.	<ul style="list-style-type: none"> Discussed at relationship leaders quarterly meetings.

A154

Shared Project - 5
Active Massey

Description

Active Massey is the physical activity and sport component of the wider Massey Matters project which is a collaborative community development project aimed at improving the quality of life of residents in the Massey Ward.

Active Massey has three long term goals:

1. Increase participation in sport and physical activity in Massey
2. Build a capacity
3. Build collaboration

SW will:

Outcome Sought	Target	Measurement	Reporting method and date
There is an increase in the number of people participating in PA in the Massey Ward	SW leads the development of a collaborative Action Plan for increasing PA levels in Massey.	An Active Massey Action Plan is developed by 1 September 2008. 80% of actions identified in Action Plan are completed by the end of June 2009.	<ul style="list-style-type: none"> • WCC is provided with a copy of the Active Massey Action Plan by 1 September 2008 • Progress against Action Plan is reported at Quarterly meetings
	SW will share the information obtained through the evaluation of Active Massey with all stakeholders	Action Plan is reviewed based on the outcomes of evaluation and forum feedback	<ul style="list-style-type: none"> • Discussed at relationship leaders quarterly meetings.

WCC will:

Outcome Sought	Target	Measurement	Reporting method and date
There is an increase in the number of people participating in PA in the Massey Ward	Lead at least one of the actions identified at the Active Massey community forum that is agreed upon by the AM collaboration group.	WCC appoint a project leader and that person develops a project plan for delivering that action during 2008/2009.	<ul style="list-style-type: none"> • Project plan is develop by the end of August 2008. • Project is delivered by the June 2009

A155

Definitions – 2007/2010 Trusts Stadium Funding Agreement

Stadium – all the facilities inside the stadium building excluding Momentum and the Physiotherapy clinic.

Arena – all the facilities inside the **Stadium** excluding the Function and Meeting rooms.

Precinct – all the facilities outside the **Stadium** including the Douglas Track and Field, Grandstand and adjoining Playing fields.

Community Arena user – community visitors who primarily use the **Arena** for the purpose of sport or recreation for community use rather than event or function purposes or professional sport users, e.g. Basketball Waitakere City, Waitakere Netball.

Community Precinct user – users of the **Precinct** including athletics track, playing fields and grandstand users whose primary activity is sport and recreation rather than attending events e.g. Athletic club, and Rugby club.

Arena Event visitors – visitors to one off events inside the **Stadium** and including professional sport users of the **Arena**, e.g. music concerts, Trash to Fashion, Breakers/All Blacks/Diamonds training.

Precinct Event visitors - visitors to events held outside in the **Precinct** and includes events that utilise both the **Arena** facilities and **Precinct** facilities for the same event.

Function Users – visitors to the function facilities including meeting room visitors, i.e Genesis Lounge, Heron Bar., Heron Coaches Room, Canam Room, Grandstand Lounge.

Bumped – Court was booked by client but was cancelled to make space for another booking.

Unavailable - days when clients were unable to book court space because of a previously arranged booking.

Peak Hours – Monday to Thursday from 4pm until 10pm, excluding School holiday periods.

A156

**MINUTES OF A MEETING OF THE TENDERS SUBCOMMITTEE HELD AT
WAITAKERE CENTRAL, 6 HENDERSON VALLEY ROAD, HENDERSON,
WAITAKERE, ON FRIDAY, 8 AUGUST 2008,
COMMENCING AT 9.00 AM**

PRESENT: Councillors RI Clow (Chairman)
 JM Clews, QSO, JP (Deputy Chairman)
 WW Flaunty, QSM, JP
 Director: Corporate and Business Services (from 9.06 am)
 Director: Public Affairs
 Director: Finance (from 9.04 am)

IN ATTENDANCE: Service Manager: Parks and Open Spaces
 Manager: Property Assets
 Senior Transport Engineer: Transport Assets
 Transport Engineer: Transport Assets
 Parks Contracts Officer: Environmental
 EcoWater Services Delivery Manager
 Sustainable Engineering Manager
 Committee Secretary: C Fernandes

1 APOLOGIES

1313/2008

MOVED by Cr Clow, seconded Cr Clews:

That apologies from the Chief Executive Officer, Director: Community Wellbeing, Director: Strategic Planning, and Director: City Services for absence be received and sustained.

CARRIED

2 URGENT BUSINESS

There was no Urgent Business.

3 CONFLICTS OF INTEREST

Elected Members were reminded via the agenda, of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member of the Council and any private or other external interest they might have.

4 CONFIRMATION OF MINUTES

1314/2008

MOVED by Cr Flaunty, seconded Cr Clews:

The Tenders Subcommittee resolved to:

Receive the minutes of the meeting of the Tenders Subcommittee held on Friday, 25 July 2008, as circulated, and that they be taken as read and now be confirmed.

CARRIED

5 **CONTRACT NO. EW07047B - ENERGY EFFICIENCY AND WATER DEMAND MANAGEMENT – APPROVAL TO EXTEND**

1315/2008

MOVED by Cr Clow, seconded Cr Clews:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. EW07047B – Energy Efficiency and Water Demand Management – Approval to Extend report.
2. **Approve** that the Contract No. EW07047B – Energy Efficiency and Water Demand Management as awarded to EcoMatters Environment Trust be extended in the sum of \$309,250.00 excluding GST for the period 1 July 2008 to 30 June 2009.
3. **Approve** that the authority to enter into Contract No. EW07047B – Energy Efficiency and Water Demand Management for the period 1 July 2008 to 30 June 2009 on behalf of Council be delegated to the Group Manager: Asset Management.

CARRIED

6 **CONTRACT NO. TA07052A – PROFESSIONAL SERVICES FOR SWANSON PARK N RIDE**

1316/2008

MOVED by Cr Clews, seconded Cr Clow:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. TA07052A - Professional Services for Swanson Park N Ride report.
2. **Approve** that the tender from URS New Zealand Limited for Contract No. TA07052A - Professional Services for Swanson Park N Ride in the sum of \$199,507.00 plus \$24,938.38 GST, totalling \$224,445.38 be accepted.
3. **Agree** that the tender for Contract No. TA07052A - Professional Services for Swanson Park N Ride be awarded to other than the lowest priced tender, because the weighted attributes tender evaluation method requires the tendering authority to enter into a contract only with the tender that scores the highest overall index.
4. **Approve** that authority to enter into Contract No. TA07052A - Professional Services for Swanson Park N Ride on behalf of Council be delegated to the Group Manager: Asset Management.

CARRIED

7 CONTRACT NO. PK08007B – REVEGETATION PROGRAMME – APPROVAL TO PROCEED TO TENDER

1317/2008

MOVED by Director: Public Affairs, seconded Cr Flaunty:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. PK08007B - Revegetation Programme - Approval To Proceed To Tender report.
2. **Approve** that public tenders are called for Contract No. PK08007B – Revegetation Programme for a contract period spanning three (3) financial years from 1 September 2008 to 30 September 2011.
3. **Approve** that the results of the tender evaluation process for Contract No. PK08007B – Revegetation Programme be reported back to the Tenders Subcommittee for approval.

CARRIED

8 CONTRACT NO. TA07001A – ROAD ASSESSMENT AND MAINTENANCE MANAGEMENT (RAMM) PROFESSIONAL SERVICES 2007/2008 – APPROVAL TO EXTEND

1318/2008

MOVED by Cr Clews, seconded Cr Flaunty:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. TA07001A – Road Assessment and Maintenance Management (RAMM) Professional Services 2007/2008 – Approval to Extend report.
2. **Approve** that the Contract No. TA07001A – Road Assessment and Maintenance Management (RAMM) Professional Services 2007/2008 as awarded to Montgomery Watson Harza Limited be extended in the sum of \$140,000 excluding GST for the period 1 July 2008 to 30 June 2009.
3. **Approve** that authority to extend Contract No. TA07001A - Road Assessment and Maintenance Management (RAMM) Professional Services 2007/2008 for the period 1 July 2008 to 30 June 2009 on behalf of the Council be delegated to the Group Manager: Asset Management.

CARRIED

9.04 am Director: Finance entered the meeting.

9.06 am Director: Corporate and Business Services entered the meeting.

9 CONTRACT NO. EW08005C – PROJECT TWIN STREAMS – HENDERSON CREEK REHABILITATION PROJECT 2008/2009 AND 2009/2010

1319/2008

MOVED by Cr Clow, seconded Cr Clews:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. EW08005C – Project Twin Streams – Henderson Creek Rehabilitation Project 2008/2009 and 2009/2010 report.
2. **Approve** that the tender from Parks Maintenance and Services Limited for Contract No. EW08005C – Project Twin Streams – Henderson Creek Rehabilitation Project 2008/2009 and 2009/2010 in the sum of \$359,353.50 plus \$44,919.19 GST, totalling \$404,272.69 be accepted.
3. **Approve** that \$170,934.50 be committed to Contract No. EW08005C – Project Twin Streams – Henderson Creek Rehabilitation Project 2008/2009 and 2009/2010 for the 2009/2010 financial year.
4. **Approve** that authority to enter into Contract No. EW08005C – Project Twin Streams – Henderson Creek Rehabilitation Project 2008/2009 and 2009/2010 on behalf of the Council be delegated to the Group Manager: Asset Management.
5. **Agree** that subject to acceptable contractor performance Contract No. EW08005C – Project Twin Streams – Henderson Creek Rehabilitation Project 2008/2009 and 2009/2010 be reported back to the Tenders Subcommittee in June 2009 for approval to re-award for the second year of the contract term.

CARRIED

10 CONTRACT NO. EW08005E – PROJECT TWIN STREAMS – SWANSON STREAM REHABILITATION PROJECT 2008/2009 AND 2009/2010

1320/2008

MOVED by Cr Clews, seconded Cr Flaunty:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. EW08005E – Project Twin Streams – Swanson Stream Rehabilitation Project 2008/2009 and 2009/2010 report.
2. **Approve** that the tender from Parks Maintenance and Services Limited for Contract No. EW08005E – Project Twin Streams – Swanson Stream Rehabilitation Project 2008/2009 and 2009/2010 in the sum of \$575,173.50 plus \$71,896.69 GST, totalling \$647,070.19 be accepted.
3. **Approve** that \$241,523.70 be committed to Contract No. EW08005E – Project Twin Streams – Swanson Stream Rehabilitation Project 2008/2009 and 2009/2010 for the 2009/2010 financial year.
4. **Approve** that authority to enter into Contract No. EW08005E – Project Twin Streams – Swanson Stream Rehabilitation Project 2008/2009 and 2009/2010 on behalf of the Council be delegated to the Group Manager: Asset Management.
5. **Agree** that subject to acceptable contractor performance Contract No. EW08005E – Project Twin Streams – Swanson Stream Rehabilitation Project 2008/2009 and 2009/2010 be reported back to the Tenders Subcommittee in June 2009 for approval to re-award for the second year of the contract term.

CARRIED

A160

11 **CONTRACT NO. EW08005B – PROJECT TWIN STREAMS – OPANUKU STREAM REHABILITATION PROJECT 2008/2009 AND 2009/2010**

1321/2008

MOVED by Cr Clow, seconded Cr Clews:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. EW08005B – Project Twin Streams – Opanuku Stream Rehabilitation Project 2008/2009 and 2009/2010 report.
2. **Approve** that the tender from Wildland Consultants Limited for Contract No. EW08005B – Project Twin Streams – Opanuku Stream Rehabilitation Project 2008/2009 and 2009/2010 in the sum of \$573,043.86 plus \$71,630.48 GST, totalling \$644,674.34 be accepted.
3. **Approve** that \$327,411.23 be committed to Contract No. EW08005B – Project Twin Streams – Opanuku Stream Rehabilitation Project 2008/2009 and 2009/2010 for the 2009/2010 financial year.
4. **Approve** that authority to enter into Contract No. EW08005B – Project Twin Streams – Opanuku Stream Rehabilitation Project 2008/2009 and 2009/2010 on behalf of the Council be delegated to the Group Manager: Asset Management.
5. **Agree** that subject to acceptable contractor performance Contract No. EW08005B – Project Twin Streams – Opanuku Stream Rehabilitation Project 2008/2009 and 2009/2010 be reported back to the Tenders Subcommittee in June 2009 for approval to re-award for the second year of the contract term.

CARRIED

12 **CONTRACT NO. EW08005D – PROJECT TWIN STREAMS – ORATIA STREAM REHABILITATION PROJECT 2008/2009 AND 2009/2010**

1322/2008

MOVED by Director: Finance, seconded Director: Public Affairs:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. EW08005D – Project Twin Streams – Oratia Stream Rehabilitation Project 2008/2009 and 2009/2010 report.
2. **Approve** that the tender from Wildland Consultants Limited for Contract No. EW08005D – Project Twin Streams – Oratia Stream Rehabilitation Project 2008/2009 and 2009/2010 in the sum of \$598,820.06 plus \$74,852.51 GST, totalling \$673,672.57 be accepted.
3. **Approve** that \$501,168.65 be committed to Contract No. EW08005D – Project Twin Streams – Oratia Stream Rehabilitation Project 2008/2009 and 2009/2010 for the 2009/2010 financial year.
5. **Agree** that subject to acceptable contractor performance Contract No. EW08005D – Project Twin Streams – Oratia Stream Rehabilitation Project 2008/2009 and 2009/2010 be reported back to the Tenders Subcommittee in June 2009 for approval to re-award for the second year of the contract term.

CARRIED

A161

13 CONTRACT NO. PY05017J - WAITAKERE CITY COUNCIL GROUND MAINTENANCE - APPROVAL TO EXTEND

1323/2008

MOVED by Cr Clews, seconded Cr Flaunty:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. PY05017J – Waitakere City Council Ground Maintenance - Approval to Extend report.
2. **Approve** that the Contract No. PY05017J – Waitakere City Council Ground Maintenance as awarded to Envirotech Maintenance Limited be extended in the sum of \$141,673.00 for the period 1 July 2008 to 30 June 2009.
3. **Approve** that the authority to extend Contract No. PY05017J – Waitakere City Council Ground Maintenance for the period 1 July 2008 to 30 June 2009 on behalf of Council be delegated to the Group Manager: Asset Management.

CARRIED

14 CONTRACT NO. PY06046C – RESPONSE MAINTENANCE - ELECTRICAL

1324/2008

MOVED by Cr Clews, seconded Director: Finance:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. PY06046C - Response Maintenance - Electrical report.
2. **Approve** that the tender from Riteway Electrical Services Ltd for Contract No. PY06046C - Response Maintenance - Electrical in the sum of \$585,000.00 plus \$73,125.00 GST, totalling \$658,125.00 be accepted.
3. **Approve** the commitment of \$195,000.00 plus GST against the 2009/2010 Annual Plan for Contract No. PY06046C - Response Maintenance - Electrical.
4. **Approve** the commitment of \$195,000.00 plus GST against the 2010/2011 Annual Plan for Contract No. PY06046C - Response Maintenance - Electrical.
5. **Approve** that authority to enter into Contract No. PY06046C - Response Maintenance - Electrical on behalf of Council be delegated to the Group Manager: Asset Management.

CARRIED

15 CONTRACT NO. PY07001K – CITYWIDE PLANNED AND RESPONSE MAINTENANCE - DOORS

1325/2008

MOVED by Director: Finance, seconded Director: Public Affairs:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. PY07001K – Citywide Planned and Response Maintenance - Doors report.
2. **Approve** that the tender from Advantage Door Services Ltd for Contract No. PY07001K – Citywide Planned and Response Maintenance - Doors in the sum of \$138,000.00 plus \$17,250.00 GST, totalling \$155,250.00 be accepted.

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3. **Approve** the commitment of \$46,000.00 plus GST against the 2009/2010 Annual Plan for Contract No. PY07001K – Citywide Planned and Response Maintenance – Doors.
4. **Approve** the commitment of \$46,000.00 plus GST against the 2010/2011 Annual Plan for Contract No. PY07001K – Citywide Planned and Response Maintenance – Doors.
5. **Approve** that authority to enter into Contract No. PY07001K – Citywide Planned and Response Maintenance - Doors on behalf of the Council be delegated to the Group Manager: Asset Management.

CARRIED

16 CONTRACT NO. PY07001M – CITYWIDE PLANNED AND RESPONSE MAINTENANCE - GLASS

1326/2008

MOVED by Cr Clews, seconded Director: Corporate and Business Services:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. PY07001M – Citywide Planned and Response Maintenance - Glass report.
2. **Approve** that the tender from North Shore Glass Co Ltd for Contract No. PY07001M - Citywide Planned and Response Maintenance - Glass in the sum of \$215,535.60 plus \$26,941.95 GST, totalling \$242,477.55 be accepted.
3. **Approve** the commitment of \$71,845.20 plus GST against the 2009/2010 Annual Plan for Contract No. PY07001M - Citywide Planned and Response Maintenance – Glass.
4. **Approve** the commitment of \$71,845.20 plus GST against the 2010/2011 Annual Plan for Contract No. PY07001M - Citywide Planned and Response Maintenance – Glass.
5. **Approve** that authority to enter into Contract No. PY07001M - Citywide Planned and Response Maintenance - Glass on behalf of the Council be delegated to the Group Manager: Asset Management.

CARRIED

9.20 am

The Chairman thanked Members for their attendance and attention to business and declared the meeting closed.

CONFIRMED AT A MEETING OF THE TENDERS
SUBCOMMITTEE HELD ON

DATE:.....

CHAIRMAN:.....

A163

**MINUTES OF A MEETING OF THE TENDERS SUBCOMMITTEE HELD AT
WAITAKERE CENTRAL, 6 HENDERSON VALLEY ROAD, HENDERSON,
WAITAKERE, ON FRIDAY, 22 AUGUST 2008,
COMMENCING AT 9.00 AM.**

PRESENT: Councillor JM Clews, QSO, JP (Deputy Chairman) (Presiding)
Director: Corporate and Business Services (from 9.04 am)
Director: Public Affairs
Acting Director: Finance

IN ATTENDANCE: Group Manager: Information Management
Business Solutions Manager: Information Management
Manager: Assets & Networks, EcoWater
Senior Transport Engineer: Data and Models
Senior Transport Engineer, Transport Assets

1 APOLOGIES

1403/2008

MOVED by Cr Clews, seconded Director: Public Affairs:

That apologies from Crs Clow and Flaunty, the Chief Executive Officer, Director: Community Wellbeing, Director: City Services and Director: Strategic Planning for absence, and Director: Corporate and Business Services for lateness, be received and sustained.

CARRIED

2 URGENT BUSINESS

There was no Urgent Business.

3 CONFLICTS OF INTEREST

Elected Members were reminded via the agenda, of the need to be vigilant to stand aside from decision making when a conflict arises between their role as a member of the Council and any private or other external interest they might have.

4 CONFIRMATION OF MINUTES

1404/2008

MOVED by Cr Clews, seconded Director: Public Affairs:

The Tenders Subcommittee resolved to:

Receive the minutes of the meeting of the Tenders Subcommittee held on Friday, 8 August 2008, as circulated, and that they be taken as read and now be confirmed.

A164

CARRIED

5 CONTRACT NO. CCIM70302A – WORK FORCE MANAGEMENT SYSTEM

1405/2008

MOVED by Director: Public Affairs, seconded Acting Director: Finance:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. CCIM070302A – Work Force Management System report.
2. **Approve** that the tender from Zintel Group Limited for Contract No. CCIM070302A – Work Force Management System for the acquisition of a Work Force Management System in the sum of \$67,679 plus GST, and for the ongoing annual support costs in the sum of \$8,492 plus GST, be accepted.
3. **Approve** that authority to enter into Contract No. CCIM070302A – Work Force Management System on behalf of Council be delegated to the Director: Corporate and Business Services.

CARRIED

9.04 am Director: Corporate and Business Services entered the meeting.

6 CONTRACT NO. EW08049A - FLOW AND RAINFALL MONITORING PROGRAMME

1406/2008

MOVED by Director: Corporate and Business Services, seconded Acting Director: Finance:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. EW08049A - Flow and Rainfall Monitoring Programme report.
2. **Approve** that the Group Manager: Asset Management be given authority to enter into negotiations with Auckland Regional Council on the basis of a preferred supplier for Contract No. EW08049A - Flow and Rainfall Monitoring Programme 2008/2009.
3. **Approve** that the outcome of the negotiations process with Auckland Regional Council for the Contract No. EW08049A - Flow and Rainfall Monitoring Programme 2008/2009 be reported back to the Tenders Subcommittee for approval to award a contract for 2008/2009 with the provision to extend beyond 30 June 2009 on an annual basis until 30 June 2011.

CARRIED

A165

7 **CONTRACT NO. EW0615A - PROJECT TWIN STREAMS - GLEN EDEN COMMUNITY CONTRACT**

1407/2008

MOVED by Cr Clews, seconded Acting Director: Finance:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. EW0615A - Project Twin Streams - Glen Eden Community Contract report.
2. **Approve** the renewal of Contract No. EW0615A - Project Twin Streams - Glen Eden Community Contract as awarded to Ecomatters Environment Trust for the period 1 September 2008 to 30 June 2009.
3. **Approve** that the authority to extend Contract No. EW0615A - Project Twin Streams - Glen Eden Community Contract for the period 1 September 2008 to 30 June 2009 on behalf of Council be delegated to the Group Manager: Asset Management.

CARRIED

8 **TRAFFIC MANAGEMENT UNIT – INTEGRATED TRAFFIC MANAGEMENT SERVICES 2008/2009**

1408/2008

MOVED by Director: Public Affairs, seconded Director: Corporate and Business Services:

The Tenders Subcommittee resolved to:

1. **Receive** the Traffic Management Unit – Integrated Traffic Management Services 2008/2009 report.
2. **Approve** that the 2008/2009 Service Level Agreement for the Integrated Traffic Management services provided by Transit New Zealand on behalf of the Traffic Management Unit in the sum of \$1,040,000 plus \$130,000 GST, totalling \$1,170,000 be accepted.
3. **Approve** that authority to sign the 2008/2009 Service Level Agreement with Transit New Zealand on behalf of the Traffic Management Unit for Integrated Traffic Management services, be delegated to the Group Manager: Asset Management.

CARRIED

A166

9 CONTRACT NO. TA07080A - WAITAKERE CENTRAL CITY TRAFFIC MODELLING

1409/2008

MOVED by Director: Corporate and Business Services, seconded Acting Director: Finance:

The Tenders Subcommittee resolved to:

1. **Receive** the Contract No. TA07080A - Waitakere Central City Traffic Modelling report.
2. **Approve** that the tender from Baseplus Limited for Contract No. TA07080A - Waitakere Central City Traffic Modelling in the sum of \$251,820.30 plus \$31,477.55 GST, totalling \$283,297.84 be accepted.
3. **Approve** that authority to enter Contract No. TA07080A - Waitakere Central City Traffic Modelling on behalf of Council be delegated to Group Manager: Asset Management.

CARRIED

9.15 am

The Chairman thanked Members for their attendance and attention to business and declared the meeting closed.

CONFIRMED AT A MEETING OF THE TENDERS
SUBCOMMITTEE HELD ON

DATE:.....

CHAIRMAN:.....

A167