



THREE WATERS STIMULUS GRANT DELIVERY PLAN

Instructions for completion: A single Delivery Plan is to be completed for the full Expenditure Programme. Territorial Authorities may elect to provide appendices providing further detail of specific elements of the proposed expenditure programme.

The draft Delivery Plan must be submitted by the Territorial Authority as soon as possible and in any event by no later than 30 September 2020 to threewaters@dia.govt.nz, with a copy to 3waters@crowinfrastructure.govt.nz. The Delivery Plan will be assessed by the Department of Internal Affairs and Crown Infrastructure Partners Limited, who may elect to provide feedback and require further detail, additions or alterations. A revised version of the Delivery Plan, incorporating all agreed changes, must be submitted for approval thereafter, with the final Delivery Plan to be in an approved form by 31 October 2020.

Where the Department of Internal Affairs requires additional reporting or other assurance based on a specific Delivery Plan, this will be included in section 17 below following the Department of Internal Affairs/Crown Infrastructure Partners Limited review. Section 17 will form part of the Delivery Plan. All figures in this Delivery Plan should be GST exclusive.

Capitalised terms in this Delivery Plan have the meaning given to them in the Funding Agreement, where applicable.

Territorial Authority information

1. Programme Title:	Kaipara District Council 3 Waters Reform Programme
2. Territorial Authority:	Kaipara District Council
3. Total Maximum Amount Payable (NZ\$M):	\$4,691,048
4. Organisation Lead Contact:	
Name:	Louise Miller
Position:	Chief Executive Officer
Email:	lmiller@kaipara.govt.nz

Expenditure Programme overview

5. Please provide a brief description of the expenditure programme to be undertaken:

The Kaipara 3 Waters programme focuses on renewals, planned and emergency. It spans water supply pipe renewals; reservoir replacement and the reinstatement of a water take which succumbed to a slip after prolonged dry conditions. Wastewater renewals include wastewater main renewals and a upgrade of an aerator to meet environmental compliance. For years the

infrastructure assets are not fully funded by the depreciation reserve and this has caused a backlog in the renewals. Renewals have been identified in the LTP, so this makes the project easier to tender, design and build. Although we would have wanted to have more funding to assist in the condition assessment of current assets, there is a robust programme currently underway to capture asset information, document and draw up renewals programmes. One of the projects proposed, the Maungaturoto Truck Filler and Mains Upgrade is to address the shortage of filling points for water carters who supply residents in the whole district. The specific projects are:

1. Business Case and Options Assessment
 - To fund the work to optioneer models for the Northland/Multiregional 3 waters model.
2. Water Design Engineer
 - To help with scoping, coordination and design review
3. Dargaville Water Supply- Rotu Water Take Slip Repair
 - Reinstatement of the bank over to protect the water take for the Dargaville Town
4. Dargaville Wastewater Renewals
 - Design and construction of 1km of 150mm ID wastewater pipe renewals
5. Kaiwaka Wastewater Renewals
 - Design and construction of 0.8km 150mm ID wastewater pipe renewals
6. Maungaturoto Hurndall St Watermain Renewals
 - Realignment and replacement of 0.8km 150mm ID slip damaged watermain, design and construction
7. Maungaturoto Raw watermain Renewals
 - Replacement of 3km of 200mm ID raw watermain, construction only
8. Maungaturoto Water Reservoir Replacement
 - Replacement of 300m³ treated water reservoir, design, supply and build.
9. Maungaturoto Water Truck Filler and Main Upgrade
 - Design and construct truck filler and 0.8km 150mm ID of watermain
10. Ruawai Watermains Renewals
 - Construction of 2.5km of watermain, design already completed.
11. Te Kopuru Wastewater Treatment Plant Aerator Upgrade
 - Wastewater Treatment pond aerator upgrade

6. Location/address of the programme:
(if this is a series of investments, please identify each location where relevant)

Dargaville, Maungaturoto, Ruawai, Te Kopuru, Kaiwaka

7. What is the **total** estimated cost of the programme (NZ\$M)?

\$4,691,048

8. If the total estimated cost exceeds the Total Maximum Amount Payable, please specify the funding source(s) and amount(s):

Phases of Programme outside of Maximum Funding Total

1. Maungaturoto Wastewater Renewals (Additional)	\$410,000
2. Maungaturoto Raw Watermain Renewals (Additional)	\$540,000
3. Maungaturoto Water Reservoir Replacement (Additional)	\$250,000
4. Ruawai Watermain Renewals (Additional)	\$240,000
5. Te Kopuru Wastewater Treatment Plant Upgrade (Additional)	\$385,000
6. Kaipara District Wastewater Condition Assessments	\$840,000
7. Kaipara District Water Condition Assessments	\$600,000
8. Kaipara District Leak Detection	\$200,000

Private Failing Schemes

1. Kaihu Raw Water Supply	\$150,000
2. Dargaville Te Houhanga a Rongo Marae Wastewater Solution	\$150,000
3. Paparoa Community Wastewater Solution	\$550,000
4. Pahi Community Wastewater Solution	\$400,000
5. Whakapirau Wastewater Solution	\$400,000
6. Dargaville Spring Street Wastewater Solution	\$600,000

Funding Source	Amount (NZ\$M)
Rates -Renewals and Upgrades	\$1,810,000
Rates -Condition Assessments	\$1,640,000
Private Failing Schemes (\$30million NZ wide fund)	\$2,250,000
Total	\$5,700,000

9. Please provide a high-level breakdown of the expenditure programme including a cost schedule identifying estimated costs for each major component:

Business Case and Options Assessment	\$ 65,000
Water Design Engineer (18-month Fixed Term)	\$161,048
Dargaville Water Supply – Rotu Water Take Slip Repair	\$650,000
Dargaville Wastewater Renewals	\$460,000
Kaiwaka Wastewater Renewals	\$400,000
Maungaturoto Hurndall St Watermain Renewals	\$450,000
Maungaturoto Raw Watermain Renewals	\$900,000
Maungaturoto Water Reservoir Replacement	\$240,000
Maungaturoto Water Truck Filler and Main Upgrade	\$510,000
Ruawai Watermains Renewals	\$795,000

Te Kopuru Wastewater Treatment Plant Aerator Upgrade	\$ 60,000

10. What is the expected number of people employed, and net jobs created through the expenditure programme? How has this been estimated?

Approximately 88 people will be employed based on an estimate of 1 internal project manager/engineer and 10 contractor staff for each of the 8 construction projects in the programme.

Expenditure Programme commencement

11. Please describe the initial activity to be undertaken on expenditure programme commencement:

The initial activity is the Business Case for the Northland 3 Waters work which includes the proposals of the various scenarios under which the water business will be delivered under an aggregated model. Within the Project Delivery framework the first activity construction for the emergency project that has started and for all others the first activity is design. We have a panel of consultants who will be allocated work packages for delivery. We have an emergency project that is under construction which we require funding for. The community cannot afford the works and the Council has had to borrow to cover the works and repay over several years.

Expenditure Programme completion

12. Please outline below the high-level plan that will ensure the expenditure programme is completed by 31 March 2022 (these should largely mirror the milestones below):

Project	Funding	Amount	Description and Status	Duration
Dargaville Water Supply – Rotu Water Take Slip Repair	Not funded in any plan. Emergency Work.	\$650,000	The repair of the water take slip at Rotu started in August 2020.	August 2020- November 2021
Business Case and Options Assessment for Northland aggregation	Not funded in any plan	\$65,000	This is for the preparation of a business case with option assessment for the Northland region 3 waters aggregation models.	October 2020 – April 2021
Ruawai Watermain Renewals	LTP Year 4 & 5	\$795,000	2.5 km of watermain renewals. Designs are complete. Next steps tender for construction.	December 2020-June 2021
Te Kopuru WWTP Aerator Upgrade	Not funded in any plan	\$60,000	Aerator upgrade to meet environmental compliance. Can be purchased immediately. Design and recommendation from Engineers received.	October 2020-January 2021

Water Design Engineer (18-month fixed term)	Not funded in any plan	\$161,048	In order to effectively and expedite the design process. Formulation of scope, coordination and review of designs from the panel of engineering consultants.	October 2020- March 2022
Maungaturoto Raw Watermain Renewal	LTP Year 4,5 & 6	\$900,000	The Design for the 3km of raw watermain is complete and the next steps is tender for construction.	December 2020- May 2021
Maungaturoto Water Reservoir Replacement	LTP Year 5	\$240,000	Replacement of 300m ³ of treated water reservoir. Design, supply and build proposed to achieve the construction.	February 2021 – November 2021
Maungaturoto Water Truck Filler and Main Upgrade	Not funded in any plan. Emergency work.	\$510,000	New truck filler to allow water carters to draw water for the non-reticulated residents in the district, also requires the upgrade of the watermain to sustain the pressure.	November 2020- November 2021
Maungaturoto Hurndall St Watermain Renewals	Not funded in any plan. Emergency work.	\$450,000	Rerouting and replacement of slip damaged watermain. To be assessed and designed by the members of the KDC panel of consultants then constructed.	November 2020- November 2021
Dargaville Wastewater Renewals	LTP Year 4 & 5	\$460,000	Wastewater main renewals to be scoped inhouse by KDC form the CCTV condition assessment and designed by the KDC panel of consultants. Scoping has started and identification of critical pipes to follow.	January 2021- February 2022
Kaiwaka Wastewater Renewals	LTP Year 4 & 5	\$400,000	Wastewater main renewals to be scoped inhouse by KDC form the CCTV condition assessment and designed by the KDC panel of consultants. Scoping has started and identification of critical pipes to follow.	January 2021- February 2022

Expenditure Programme funding status

13. Please indicate below the expenditure programme funding status:

Included in LTP	Y	Amounts NZ\$2,795,000	Year 2021-2023
Included in Annual Plan 2020/21	N	Amounts NZ \$0	N/A
Not funded in any plan	Y	Amounts NZ\$1,896,048	Year 2020-2022
Was funded but COVID-19 deferred	N	Amounts NZ\$0	Year
Is any Territorial Authority co-funding being contributed?	N	Amounts NZ\$0	Year

14. Please set out the key milestones of the expenditure programme to be undertaken, and for each milestone the planned completion date and budget:¹

	Expenditure Programme Milestone (including a description of how the milestone is identified)	Completion Date	Maximum Funding instalment amount (NZ\$)²	Budgeted costs to complete the expenditure programme (NZ\$)	[DIA USE ONLY] Funding Conditions
1.	Commencement Date occurring under the Funding Agreement	31 October 2020 (or such date agreed otherwise in writing with DIA under the Funding Agreement)	NZ\$[2,345,524] [Note: this is to be 50% of the Total Maximum Amount Payable]	\$4,691,048	

¹ All figures should be GST exclusive.

² You may choose to determine each maximum Funding instalment amount for a milestone based on seeking funds either for application towards costs incurred for that milestone, or for application towards costs to be incurred for the following milestone.

2.a)	<p>[Completion of 50% of total value of work for Dargaville Water Supply – Rotu Water Take Slip Repair] 25 % instalment payment on completion of half the project value. 25% payment on Practical Completion.</p> <p>There are no budgets in the Annual Plan. This is to cover the earned value of construction work and midway and at the end of the project.</p> <p>The project has started, and the Council has covered claims to date. It is important to note that this is emergency work and there was no budget in the Annual Plan and the Long-Term Plan.</p>	[31 October 2020]	NZ\$[\$162,500]	NZ\$[650,000]	
2b)	[Practical Completion of the Dargaville Water Supply – Rotu Water Take Slip Repair] 25% payment on Practical Completion.	[30 November 2020]	NZ\$[\$162,500]		
3.	[Completion of Purchase and installation Te Kopuru WWTP Aerator] 50% instalment payment	[31 January 2021]	NZ\$[30,000]	NZ\$[60,000]	
4.	[Appointment of Water Design Engineer (18-month Fixed Contract)] 50 % to be claimed 9 months through the fixed term.	[30 June 2021]	NZ\$[80,524]	NZ\$[161,048]	
5.	[Business Case and Options Assessment for Northland/Multiregional Aggregation model] 50% on delivery of Business Case for review.	[31 January 2021]	NZ\$[37,500]	NZ\$[65,000]	

6.a)	[Completion of 50% construction by contractor for the Ruawai Watermain Renewal] 25% on completion of half the length of replacement watermain (1.25km). 25% payment on Practical Completion. There are no budgets in the Annual Plan. This is to cover the earned value of construction work and midway and at the end of the project.	[31 January 2021]	NZ\$[198,750]	NZ\$[795,000]	
6b)	[Practical Completion Ruawai Watermain Renewal] 25% payment on Practical Completion.	[30 June 2021]	NZ\$[198,750]		
7a).	[Completion of 50% construction by contractor for the Maungaturoto Raw Watermain Renewal] 25% on completion of half the length of replacement watermain (1.5km). There are no budgets in the Annual Plan. This is to cover the earned value of construction work and midway and at the end of the project.	[31 January 2021]	NZ\$[225,000]	NZ\$[900,000]	
7b).	[Practical Completion of the Maungaturoto Raw Watermain Renewal] 25% payment on Practical Completion	[29 May 2021]	NZ\$[225,000]		

8a).	[Completion of 50% construction of total value of work by contractor for the Maungaturoto Reservoir Replacement] 25 % payment instalment on 50% of project completion. There are no budgets in the Annual Plan. This is to cover the earned value of construction work and midway and at the end of the project.	[31 August 2021]	NZ\$[60,000]	NZ\$[240,000]	
8b).	[Practical Completion of the Maungaturoto Reservoir Replacement] 25% payment on Practical Completion	[30 November 2021]	NZ\$[60,000]		
9a).	[Completion of 50% construction by contractor for the Maungaturoto Water Truck Filler and Main Upgrade] 25 % on completion of half the length of replacement watermain (400m). 25% payment on Practical Completion. There are no budgets in the Annual Plan. This is to cover the earned value of construction work and midway and at the end of the project.	[31 August 2021]	NZ\$[127,500]	NZ\$[510,000]	
9b).	[Practical Completion of Maungaturoto Water Truck Filler and Main Upgrade]	[30 November 2021]	NZ\$[127,500]		

10a).	[Completion of 50% construction by contractor for the Maungaturoto Hurndall St Watermain] 25 % on completion of half the length of replacement watermain (400m). 25% payment on Practical Completion. There are no budgets in the Annual Plan. This is to cover the earned value of construction work and midway and at the end of the project.	[31 August 2021]	NZ\$[112,500]	NZ\$[450,000]	
10b).	[Completion of 50% construction by contractor for the Maungaturoto Hurndall St Watermain] 25% payment on Practical Completion.	[30 November 2021]	NZ\$[112,500]		
11a).	[Completion of 50% construction by contractor for the Dargaville Wastewater Renewals] 25 % on completion of 50% construction of renewals by contractor (500m). There are no budgets in the Annual Plan. This is to cover the earned value of construction work and midway and at the end of the project.	[30 July 2021]	NZ\$[115,000]	NZ\$[460,000]	
11b).	[Completion of 50% construction by contractor for the Dargaville Wastewater Renewals] 25% payment on Practical Completion.	[26 February 2022]	NZ\$[115,000]		

12a).	[Completion of 50% construction by contractor for the Kaiwaka Wastewater Renewals] 25% on completion of 50% construction renewals by contractor (400m). There are no budgets in the Annual Plan. This is to cover the earned value of construction work and midway and at the end of the project.	[30 July 2021]	NZ\$[100,000]	NZ\$[400,000]	
12b).	[Completion of 50% construction by contractor for the Dargaville Wastewater Renewals] 25% payment on Practical Completion.	[26 February 2022]	NZ\$[100,000]		
13.	[Completion of expenditure programme]	[28 February 2022] <i>[To be no later than 31 March 2022]</i>	NZ\$[0]] ³	NZ\$[]	
	TOTAL		NZ\$[2,345,524]	NZ\$[4,691,048]	

15. Briefly outline the final expected outcomes/objectives of the expenditure programme:

The expected outcomes are:
Renewed assets to reduce the asset renewals backlog.
Repairs to emergency work that was unbudgeted of which the community would have been unable to afford.
Expediting construction ready projects that would have been done in future years thereby getting value.
The ability to group projects together in order to achieve economies of scale.

16. Briefly outline an assessment of how the expenditure programme supports the reform objectives set out in the Memorandum of Understanding relating to Three Waters Services Reform between you and the Sovereign in Right of New Zealand acting by and through the Minister of Local

³ The final Payment Request needs to be submitted with the quarterly report for the period ending 31 December 2021.

Government:

The overall outcomes are in enhanced drinking water quality, discharge of better-quality treated wastewater, lower maintenance costs and creation of local employment. The focus is to have renewed assets that reduce the renewals backlog. Functioning water supply infrastructure reduces water loss, maintenance costs and ensure high quality water is supplied to our residents. Renewed wastewater infrastructure will enhance the environmental outcomes in that leaks are significantly reduced, and treatment is to a standard that meets the receiving environment requirement. In short, there are water quality, environmental and economic benefits in embarking on this programme.

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17. Additional requirements in respect of the Funding Agreement (such as specific reporting requirements):

The parties acknowledge and agree that this is the agreed Delivery Plan.

SIGNATURES

SIGNED by the **SOVEREIGN IN RIGHT OF NEW ZEALAND** acting by and through the Chief Executive of the Department of Internal Affairs or his or her authorised delegate:

Name:

Position:

Date:

SIGNED for and on behalf of

by the person(s) named below, being a person(s) duly authorised to enter obligations on behalf of that territorial authority:

Name:

Position:

Date:

Name:

Position:

Date: