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# IAWAI – Flowing Waters, Board Meeting

## CONFIRMED OPEN MINUTES

**15 October 2025, 9.30am**

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Minutes of a meeting of the IAWAI – Flowing Waters Board, held in the Committee Room, Waikato District Council, on Wednesday 15 October 2025 at 9.30am

### **PRESENT**

Chairperson            Kevin Lavery  
Members                Dave Chambers  
                                 Tim Manukau

### **2. Apologies**

None

### **3. Declarations of Interest**

None

### **4. Minutes from previous meeting**

Approved.

### **5. Public Forum**

John McDonald presented his thoughts on the New Zealand Infrastructure Commission's report "Paying it back".

He highlighted key sections which suggested that increases in Hamilton's revenue base from population growth may not be sufficient to pay back the cost of new infrastructure to service growth (i.e. growth doesn't pay for growth).

He agreed with the Commission's report that we need to focus on high-quality projects which are cost effective and serve more users. He highlighted the value of cost-benefit analysis on projects, and the importance of being realistic in the levels of private investment expected. Peacocke was highlighted as an example.

The Chair thanked John for his submission. He noted that IAWAI's role was to support Council's growth ambitions.

The Board agreed growth wasn't paying for growth – and is looking at how we can move closer to closing this gap.

The Chair considered that debt is an appropriate financing approach for major investments – including for waters assets, which have a long-life span. This ensures future generations that benefit also contribute to funding the assets over time.

He noted work was underway with staff on an accelerated renewals programme

## **6. Chair's report**

Kevin Lavery presented his Chair's report. He thanked the team across Hamilton City Council, Waikato District Council and IAWAI for the recent e-coli response.

He referenced ongoing due diligence by the Board to work through key issues as IAWAI develops its water services strategy.

On procurement, Dave Chambers noted the reference to procurement partnerships – and that these would be done through a competitive process.

## **7. Establish IAWAI Programme Update**

Peter Winder spoke to work being undertaken on behalf of shareholder councils to set up IAWAI for 1 July 2026.

A go-live tracker outlined key tasks that need to be completed in this period.

Peter noted while there is a lot to do, we are making solid progress. Work relies on the support of teams from both councils.

A key milestone is the Transfer Agreement. The principles of transfer are almost completed. A first draft is expected to come to the Board and Councils in December.

The Board welcomed the report and the ongoing work by the team. They remain focused on seeing any risks as they arise and ensure these are being appropriately managed.

### ***Resolved***

That the Board received the update.

## **8. Water Services Strategy**

Vishal Ramduny presented this report.

He noted ongoing work to progress the first draft of the Water Services Strategy. The financial model was being worked on – including the pricing pathway. The write up of the strategy was also underway.

Pre-engagement with shareholder councils, Waikato Tainui and hapuu, Futureproof, was expected in December – with engagement on the draft strategy in March/ April 2026.

The Board acknowledged that developing a WSS will be an iterative process. On robustness of financial data, they considered it was more important to stick to the timeline and, when presenting the information, be clear any challenges/limitations with the data, than strive for perfection and let the timeline slip.

They noted we are operating in a fast-changing environment, and there are many unknowns on economic regulation that will change the plan as they emerge.

### ***Resolved***

That the Board received the update.

#### **9. Strategic Investment Portfolio.**

Jackie Colliar presented the report.

She noted this is the first portfolio report on the transferred projects – and is in line with discussions with the Board on the template.

She noted challenges collating the information across agencies, and to align project/programme report timing with portfolio reporting. The financial information available was not reliable across the portfolio, and therefore that information was not included.

She noted risks, benefits and health and safety reporting is also being compiled for future portfolio reports.

She noted the Portfolio is at Amber status, reflecting targeted financial and delivery challenges in specific major projects while overall progress continues.

The Board thanked the team for their work on the report.

They asked about the red status of the bulk wastewater programme, and what the risk mitigations were.

Jackie noted the risks due to a delay in site selection. They were working through issues and options.

#### ***Resolved***

That the Board received the update.

#### **10. Development Contributions – Charging Regime Options**

Greg Carstens and Nick Birdsall presented the report.

The report noted that from 1 July 2026, lawai needs the ability to recover future water growth infrastructure costs via Development Contributions (DCs) (and in the future levies).

They recommended a staged approach to an lawai Development Contributions Policy. This would use existing HCC and WDC DC policies from July 2026, allowing time to develop a custom lawai policy ready for 2027/28.

This option helps to balance resource constraints (in particular the significant effort required to create a new policy), while maintaining charging continuity, reducing complexity, and allowing flexibility to use either DC or DL frameworks in the future.

The Board supported the approach.

#### ***Resolved***

The Board

- a. Approved lawai adopt a two-stage approach to its development contributions policy: From 1 July 2026, using Hamilton City Council (HCC) and Waikato District Council's (WDC) existing development contribution (DC) policies; while in parallel starting work on lawai's own funding policy for use in 2027/28 (**Option 2**);
- b. Noted that until lawai has its own policy, HCC and WDC will collect DCs on lawai's behalf;

- c. Noted that WDC will explore adjusting its charges to reflect an enhanced capital programme.

## 11. Insurance Programme Transitional Arrangements

Gary Connolly presented the report.

The report sought approval for IAWAI to join the Waikato Collective Group existing insurance policy for waters assets, when they transfer from 1 July 2026, to utilise existing insurance coverage from the date of transfer to November 2026.

### **Resolved**

The Board

- a. Approved IAWAI's participation in the Waikato Collective Group Insurance Policy as an insured party for the 2025/26 renewal period, in accordance with the brokerage services arrangement facilitated by Aon under the Waikato LASS agreement.
- b. Noted that this participation ensures continuity of insurance cover across IAWAI's operational period commencing 1 July 2026 (with coverage through to the next renewal period to November 2026).
- c. Noted that IAWAI management will undertake a review of the insurance programme prior to the 2026/27 renewal, including consideration of alternative placement options and governance structures.

## 12. Resolution to Exclude the Public

### **Resolved**

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

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

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution.
Confirmation of Public Excluded Minutes	To enable IAWAI to carry out commercial activities without disadvantage; to enable IAWAI to carry out negotiations to prevent the disclosure or use of official information for improper gain or improper advantage.	Section 7 (2) (h) Section 7 (2) (i) Section 7 (2) (j)

<p>Pookeno Discussion</p>	<p>Development</p>	<p>To enable IAWAI to carry out commercial activities without disadvantage; to enable IAWAI to carry out negotiations to prevent the disclosure or use of official information for improper gain or improper advantage.</p>	<p>Section 7 (2) (h) Section 7 (2) (i) Section 7 (2) (j)</p>
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**The meeting was declared closed at 12.00pm**