

Waikato three waters

2 November 2021

Waikato District Council

We advised Waikato District Council on its long-term concession franchise with Watercare Services.

Clean drinking water, effective wastewater treatment and reliable stormwater disposal are well documented issues across New Zealand. Long-term under-investment in local public water systems and increasing demographic demand for water, wastewater and stormwater services mean that local authorities will be increasingly faced with performance and cost risk. Finding solutions to these challenges are central to supporting the wellbeing of our communities and supporting growth.

Buddle Findlay partnered with Waikato District Council, as the owner of the public water system assets in the Waikato district, on its long-term concession franchise with Watercare Services (a council-controlled organisation of Auckland Council) for the operation and management of the reticulated water, wastewater and stormwater assets and services of Waikato District Council.

Our contribution to this project was notable due to our role in the establishment of a unique, and potentially path-finding, procurement model for Waikato District Council. The procurement model saw the project split into a number of distinct phases, with an initial performance and pricing due diligence and negotiation phase (which also requires certain funding and regulatory conditions to be satisfied), then proceeding to a graduated pricing and performance-based contract. The contract covers both operational expenditure and capital expenditure. We believe this is a path-finding procurement model, with potential application to other local authorities in New Zealand facing similar issues in relation to their three-water outcomes.

Auckland

188 Quay Street
Auckland 1010

PO Box 1433
Auckland 1140
New Zealand

P: +64 9 358 2555
F: +64 9 358 2055

Wellington

Aon Centre
1 Willis Street
Wellington 6011

PO Box 2694
Wellington 6140
New Zealand

P: +64 4 499 4242
F: +64 4 499 4141

Christchurch

83 Victoria Street
Christchurch 8013

PO Box 322
Christchurch 8140
New Zealand

P: +64 3 379 1747
F: +64 3 379 5659