CONFIRMED MINUTES

NORTHLAND WATERS BOARD OF DIRECTORS MEETING - 13 OCTOBER 2026

At the **Northland Waters Board of Directors Meeting - 10 November 2026** on **10 Nov 2026** these minutes were **confirmed with the following changes:**

A typographical error in item 8.5 where "the Board differed" had been recorded, should be corrected to "the Board deferred"

The removal of the following paragraph:

Statutory protections

The statutory protections under Schedule 1 of the Local Government (Water Services) Act 2025 protect the terms and conditions of employment, position and general locality of employees identified as in scope, where Northland Waters makes a qualifying offer. Identification as in scope does not, by itself, guarantee that an employee will receive an offer of employment from Northland Waters.

Name:	Northland Waters
Date:	Tuesday, 13 October 2026
Time:	10:30 am to 3:30 pm (NZDT)
Location:	The Orchard - Puawai Meeting Room, 35 Walton St, Whangarei
Board Members:	Murray Bain (Chair), David Rankin, Michael Sage, Steve Couper
Attendees:	Deborah Sinclair, Emma Watson, Heidi Erceg, Helen Ronaldson, Kelly Ockwell, Martin Smith, Nick Marshall, Karen Pearce, Kate Simmonds
Apologies:	Marlon Bridge
Guests/Notes:	Te Tai Tokerau Water Trust - Hon Murray McCully - Ben Craw Whangarei District Council - Andrew Carvell - Bill Down

1. Opening Meeting Administration

1.1 Welcome

The commencement of the meeting was delayed as Board-only time extended beyond the scheduled time.

The meeting commenced at 11.42 am.

1.2 Opening Karakia

1.3 Apologies

The Board noted the apology of Director Marlon Bridge.

1.4 Previous Open Minutes

Confirmation of the open minutes of the 8 September 2026

The Board confirmed the minutes of the 8 September 2026 meeting as a true and accurate record.

Decision Date: 13 Oct 2026
Outcome: Approved

1.5 Interest Register

Michael Sage advised that he is now a Director of Southern Waters, effective 1 October 2026. The Interests Register will be updated to reflect this.

1.6 Action Register

The Board requested the following updates to the Action List:

- Change the due date for **Forecast council reimbursement costs through to July 2027** to 10 November 2026
- Change the due date for **Update Health and Safety Policy** to 13 April 2027
- Change **Develop comprehensive communication plan** back to **In Progress**, with a due date of 10 November 2026
- Remove **Organisation Design** from the agenda for the 3 November workshop.

2. Decisions

2.1 Asset Valuation Approach

The Board discussed the following:

- Whether the proposed valuation approach is consistent with that being taken by other water entities, and whether there is anything that would make Northland Waters an outlier
- The relationship between asset valuation, the starting level of debt and the allocation of B Shares, noting that the level of debt transferred is not determined by the asset valuation
- The extent to which asset condition and performance will be taken into consideration as part of the valuation methodology
- The historical investment in assets by the councils and how debt has been allocated to individual assets and schemes
- The approach to appointing an independent valuer, including the procurement process, timing and the involvement of council staff in providing knowledge and information to support the process
- The need for Governance and Legal oversight of the valuer appointment and for appropriate legal advice to be obtained on the contract
- The timing of appointing an auditor, noting that this will occur later in the process.

Action - Add a trial balance sheet as an item to the 3 November workshop

The Board requested a trial balance sheet be added to the 3 November workshop, including indicative debt and equity positions.

Due Date: 3 Nov 2026
Owner: Kelly Ockwell

Action - Asset Valuation Approach summary for SRG

Prepare a summary of the Asset Valuation Approach for the SRG meeting on 2 November 2026

Due Date: 2 Nov 2026
Owner: Helen Ronaldson

Asset Valuation Approach

The Board:

a. Noted the proposed asset valuation approach
b. Agreed the request for proposal for this activity can be released

Decision Date: 13 Oct 2026
Outcome: Approved

3. Information

3.1 Transfer Agreement Approach

The Board discussed the following:

- Clarification on how redundant assets will be treated as part of the transfer process
- The role of external legal advice in the transfer agreement and due diligence process
- The proposed due diligence process, including the expectation that formal due diligence reports will inform the development of the transfer agreements
- The need for greater visibility of the due diligence process and progress, rather than the underlying detail
- The timing of the transfer agreement process, noting that some activities are approximately one month behind schedule
- The importance of early engagement with the three councils to provide visibility of the process and how information is being gathered
- The Board will be provided with ongoing visibility of progress on the transfer agreement and due diligence process.

Action - Review with the new Governance and Legal Workstream Lead

The due diligence and transfer agreement process to be reviewed with the Governance and Legal Workstream Lead, external legal advisers and the Chief Executive.

Due Date: 10 Nov 2026
Owners: Helen Ronaldson, Kate Simmonds

Transfer Agreement Approach

The Board:

a. Noted the paper and approach included therein.

Decision Date: 13 Oct 2026

Outcome: Approved

3.2 Open Programme Update

No discussion points were raised.

4. Move into Public Excluded

4.1 Public Excluded agenda items

Public Excluded agenda items - 13 October 2026

The Board agreed to move into the Public Excluded session.

The following recommendation is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by sections 6 and 7 of the Act. On the grounds that matters will be prejudiced by the presence of members of the public during discussions on the following items, it is recommended:
a) That the following items are considered with the public excluded:

Item		Reasons	Grounds – Section 7 (2)
6.1	Previous PEX minutes	Decisions and information contained in the PEX minutes will be released publicly when appropriate.	(a) protect the privacy of natural persons, including that of deceased natural persons
6.2	Public Excluded Action List		(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities, and (i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).
7.1	Workforce Transition: Pathways, Timing and Employment Framework	This paper sets out proposed employment terms, redundancy settings and liability positions that are subject to further legal advice and to employee consultation and collective	(i) the withholding of the information is necessary to enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).

		bargaining with the shareholding councils, and public disclosure would disadvantage Northland Waters in those negotiations.	
7.2	Revenue, Pricing and Billing Principles	The development of revenue, pricing and billing principles is a sensitive matter which requires careful consideration through the establishment phase. Making early-stage discussions public may compromise Northland Waters future commercial position.	(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities
8.2	Far North and Kaipara DC Three Waters O&M contract terms	This paper concerns the commercial terms of the councils' existing contracts	(i) enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).
8.3	Maximising Value from Investment	The paper talks to the commercial strategy for market engagement.	(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities
8.4	Draft Shareholder Statement of Expectations		(h) enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities
8.5	Ruakaka wastewater scheme - options	Decisions on final solutions for this scheme are yet to be made by	(h) enable any local authority holding the information to carry out, without prejudice or

		Whangarei District Council (WDC)	disadvantage, commercial activities

Decision Date: 13 Oct 2026
Outcome: Approved

9. Move into Open

10. Other Business

11. Close Meeting

11.1 Closing Karakia

The meeting closed at 4.10pm

11.2 Close the meeting

Next meeting: Northland Waters Board of Directors Meeting - 10 November 2026 - 10 Nov 2026, 10:30 am