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**MINUTES**  
of the  
**NELSON REGIONAL SEWERAGE BUSINESS UNIT MEETING**  
held  
**1.30 pm, Tuesday, 16 July 2019**  
at  
**Tasman Council Chamber, 189 Queen Street, Richmond**

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**Present:** Councillors C M Maling (Chair) and D E McNamara, Tasman District Council  
Councillors S Walker and T Skinner, Nelson City Council  
Independent member – B Silcock  
Iwi Advisor – Mr F Hippolite

**In Attendance:** Acting General Manager (D Clifford), Acting Operations Manager (N Clarke),  
Beca Ltd  
Industry representative (P Wilson), Nelson Pine Industries  
Engineering Services Manager (R Kirby) and Senior Executive Assistant  
(R L Scherer), Tasman District Council  
Group Manager, Infrastructure (A Louverdis) and Accountant (A Bishop),  
Nelson City Council

**Part Attendance:** Operations Manager (A Jones) and Divisional Manager (R Lester), Nelmac

**1 OPENING, WELCOME**

The Chair opened the meeting and welcomed Mr Frank Hippolite who has been appointed as the iwi advisor to the Nelson Regional Sewerage Business Unit.

**2 APOLOGIES AND LEAVE OF ABSENCE**

**Recommendation**

There were no apologies.

**3 PUBLIC FORUM**

Nil

**4 DECLARATIONS OF INTEREST**

Nil

## 5 CONFIRMATION OF MINUTES

**Moved Walker/Cr Skinner**  
**NRSBU19-07-16**

**That the minutes of the Nelson Regional Sewerage Business Unit meeting held on Friday, 8 March 2019, be confirmed as a true and correct record of the meeting.**

**CARRIED**

## 6 PRESENTATIONS

Nil

## 7 REPORTS

### 7.1 General Manager's Update Report

Acting General Manager, Don Clifford presented the update report contained in the agenda which was taken as read. He noted that a recent audit of health and safety practices at Bell Island resulted in a number of actions to be completed.

Mr Clifford reported that the business unit's variable income was down and this is attributed to the recent drier weather. He also said that the increase in sundry costs was attributed to the cost of water to clean the inlet screens. In response to a question about the higher water costs, Acting Operations Manager, Nathan Clarke advised that two screens had been in operation compared with one in previous years.

Nelson City Council Accountant, Andrew Bishop also noted that the NRSBU income has been tracking below budget because of reduced volumes of wastewater received. He said that the year-to-date variation is \$435,000.

In response to a question about the figures in the financial report, Mr Clifford said that staff would provide a separate detailed report providing a breakdown of all the business unit's costs for the year-to-date.

Mr Bishop explained the allocation of costs and the method of how those costs are on-charged to the NRSBU customers. Concerns were raised as to the effect of large year-end wash-up charges for operational costs on customers. Mr Bishop offered to include an indicative wash-up total in future financial reports. The possibility of using the past three year average flows and loads, rather than the prior year, was raised for calculating the interim charges.

Mr Clarke noted that there had been issues with flow meter performance for some time at some of the pump stations including three flow meters having performance issues and the data from these being unreliable. He said that staff are investigating the option of duplicating flow meters in some areas. They are also considering the option of duplicating some pipelines – both of these options would provide resilience in the pipe network and allow staff to take one pipe out of service without compromising the system's performance.

Mr Clarke also outlined that some NRSBU assets could be better used; for example the old pipeline from Beach Road to Saxton Road. He noted that NRSBU staff are in discussion with Tasman District Council to look at the option of using this pipeline to improve capacity.

Mr Clarke spoke about the difficulty in obtaining replacement parts for the network. He advised that staff are looking to have a range of spare parts in stock to reduce waiting times. He noted

that there had been a considerably long delay in getting a pump delivered.

Mr Clarke reported that he had not been able to make any progress on the consent for the bund around the ATADs. Staff have been focused on operational issues and the resource consent for desludging had not been the priority.

Mr Clarke spoke about the proposed trial to recycle water. He has discussed options with some suppliers and the machinery required to do the recycling would likely cost around \$630,000. He agreed that recycling water will allow significant savings year-on-year with an expected pay back in five to six years.

Mr Clarke also noted that staff have been working with Tiakina te Taiao on the aberrational discharge consent.

Mr Clarke advised that staff continue to work on managing odour with some work being done in the ATAD area which has helped. The local residents are happier with the odour issue but it is an ongoing issue and still requires some work. He noted that a recent power failure resulted in the odour control system being out of service for 12 hours because some of the equipment didn't restart automatically. The contractor is managing this issue.

In response to a question regarding the timing of the Bell Island resource consent, Mr Clifford said that the application had been lodged in November 2017. However, the application was suspended while staff worked on managing the odour issues. The application is now with the consenting authority, Tasman District Council, with a hearing being the next step.

Mr Clarke reported that the biosolids operation at Rabbit Island has been very successful and that staff are looking at the option of having two biosolid areas operational at one time. This would allow staff to switch biosolid application in response to wind conditions on each side of the island. A second biosolid application has been costed at \$40,000 and will result in reduced risk of odour events associated with the biosolids facility.

In response to a question, Mr Clarke confirmed that staff have applied for a renewal of the licence to apply biosolids with Tasman District Council.

Mr Clifford noted that the trade waste agreement for the Turners and Growers site had been signed.

In response to a question about the proposed treated wastewater re-use trial, Mr Clarke said that staff are still working on options and noted that the water quality from the trial will identify whether this water could be used for other purposes such as water for irrigation of sports fields and golf greens. Once this data was available from the trial water reuse system cost benefit analysis for reuse could be undertaken.

Mr Clifford noted that the revised Business Plan was included on the agenda for this meeting. He said that staff had revised the plan to reflect recent discussions with both councils and the capital upgrade plan and budget was amended.

Tasman District Council Engineering Services Manager, Richard Kirby and Nelson City Council Group Manager, Infrastructure, Alec Louverdis noted that as required under the Memorandum of Understanding, the revised Business Plan will be presented to the respective councils for their approval in August 2019.

**Moved Walker/Cr McNamara**

**NRSBU19-07-17**

**That the Nelson Regional Sewerage Business Unit:**

1. receives the General Manager's Update Report NRSBU19-07-01; and
2. approves the revised draft Business Plan 2019/2020; and
3. recommends the revised draft Business Plan 2019/2020 to Nelson City Council and Tasman District Council for their approval.

**CARRIED**

## **8 CONFIDENTIAL SESSION**

### **8.1 Procedural motion to exclude the public**

**Moved Cr Maling/Walker  
NRSBU19-07-18**

**That independent member, Mr Philip Wilson and Council staff, Mr Richard Kirby, Mr A Louverdis and Mr A Bishop be invited to remain in the meeting for the confidential item.**

**This resolution 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 section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:**

#### **1 Nelson Regional Sewerage Business Unit - General Manager and Operational Services**

Reason for passing this resolution in relation to each matter	Particular interest(s) protected (where applicable)	Ground(s) under section 48(1) for the passing of this resolution
<p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>	<p>s7(2)(b)(i) - The withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret.</p> <p>s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information.</p> <p>s7(2)(i) - The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).</p>	<p>s48(1)(a)</p> <p>The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.</p>

**CARRIED**

The meeting concluded at 3.38 pm.

Date Confirmed:

Chair: