
Minutes of a meeting of the Nelson Regional Sewerage Business Unit

Held in Ruma Marama, Civic House, Trafalgar Street, Nelson

On Friday 28 November 2014, commencing at 9.04am

Present: Councillors M Higgins (Chairperson) and B Dowler (Tasman District Council), and D Shaw (Nelson City Council)

In Attendance: M Hippolite (Iwi Representative), P Wilson (Industry Customers' Representative), Nelson Regional Sewerage Business Unit General Manager (R Kirby), Senior Asset Engineer – Solid Waste (J Thiart), Management Accountant (A Bishop), and Administration Adviser (S McLean)

Apology: Councillor R Copeland

1. Apology

Resolved

THAT an apology be received and accepted from Councillor Copeland.

Dowler/Shaw

Carried

2. Confirmation of Order of Business

There was no change to the order of business.

3. Interests

There were no updates to the Interests Register, and no conflicts of interest with agenda items were declared.

4. Confirmation of Minutes – 29 August 2014

Document number A1244806, agenda pages 4-9 refer.

Resolved

THAT the minutes of the meeting of the Nelson Regional Business Sewerage Unit, held on 29 August 2014, be confirmed as a true and correct record.

Shaw/Dowler

Carried

5. Status Report

Document number A452094, agenda page 10 refers.

The Nelson Regional Sewerage Business Unit (NRSBU) Manager, Richard Kirby, advised that there had been no progress to date on the review of charging mechanisms.

There was discussion on moving the completion of charging mechanisms review to December 2015. It was proposed to have this ready by February 2015. It was pointed out that clarity would be needed on this for the upcoming budget review.

Resolved

THAT the Status Report – 28 November 2014 (A452094) be received.

Higgins/Shaw

Carried

6. General Manager's Report

Document number A1269375, agenda pages 11-15 refer.

Richard Kirby summarised the report and tabled pages 6-8 that had not been included with the agenda.

In response to a question, Senior Asset Engineer – Solid Waste, Johan Thiart, clarified that no resource consent was required for accidental discharge through the Tasman District Council Resource Management Plan because it is a prohibited activity. He said that through the Nelson City Council Resource Management Plan, accidental discharge was a discretionary activity so it required a resource consent.

Mr Thiart provided further clarification on using aerators efficiently to save electricity. He said it was a matter of adjusting the volume in the activated sludge area to keep removing sludge. Mr Thiart advised that Nelmac was working on a strategy to reduce power consumption, and that once the aerators could be turned off for longer, energy use would decrease.

There was discussion on koiwi areas of Rabbit Island. Mr Thiart confirmed that the koiwi boundary areas were being increased to protect these areas, and that bio-solid spraying was not conducted near these areas.

Under Item 5.3 in the Table under Section 7 "Review of Action Plan Implementation" in the report, Mr Kirby confirmed that the draft modelling report was still being developed with MWH and Nelmac.

Mr Thiart confirmed that the large one-off decrease in power usage on the Treatment Plant graph (Figure 10.1) was due to taking the operation basin out of use.

Mr Thiart added that the standby pump was now available, resulting in shorter delays for servicing duty pumps in the future.

There was discussion on current power charges, solar power, and power usage during higher rate times. Mr Thiart spoke about dropping the temperature in the first phase of sludge treatment tanks by decreasing aeration in the first tank for 20 minutes of every hour to save power. He said this initiative would likely commence in March 2015 once the C-Train tanks had been refurbished.

Mr Thiart spoke about the review of the interruptible power supply contract, and added that the price had dropped significantly. He advised that the supplier could no longer sustain a fixed price model, but would instead arrange a profit sharing agreement. Mr Kirby said he would be revising this contract.

7. The effects of biosolids application at Rabbit Island on the Waimea estuary since biosolids application started in 1996

Paul Gillespie, of Cawthron Institute, joined the meeting and gave a presentation (A1283443) on biosolids application at Rabbit Island.

Mr Gillespie spoke about management decisions based on categories of good versus bad enrichment. There was discussion about the sewerage outfall onto the Waimea Estuary and the range of enrichment levels in estuaries in general.

Mr Gillespie advised there had been very little sediment build up in the last 20 years, and emphasised that it could not be concluded that this was related to catchment erosion.

In response to a question, Mr Gillespie advised that there were high nickel and chromium readings in the area, and that these metals were bound up and non-toxic. He added that the more concerning metal was arsenic, and that the sources were unknown.

Attendance: The meeting adjourned for morning tea from 10.24am to 10.34am

Mr Thiart advised that the Cawthron Institute were working on a proposal for storm chasing which could be beneficial for the consent renewal. He confirmed that the discharge of biosolids consent expires in approximately three years time.

Mr Thiart spoke about the interpretation of stormwater runoff results by Tasman District Council (TDC), adding that TDC used outlier results. He advised that composite sampling would better show trends and averages. Mr Kirby agreed to look at the Cawthron Institute proposal on evaluating the heavy rain event impacts on the transects, and to report back to the Board with further context at the next meeting.

In response to a question, Mr Thiart advised that faecal coliform testing was not carried out on the bores.

8. General Manager's Report cont'd

With regards to Item 10 of the report, Research Request, it was agreed that this was a low priority for funding. Councillors Dowler and Higgins agreed to advise TDC that the request was not supported by the NRSBU.

Resolved

THAT the report "General Manager's Report" (A1269375) be received.

Shaw/Dowler

Carried

9. NRSBU Amendment to: Wastewater Asset Management Plan 2014

Document number A1272788, agenda pages 16-20 refer.

Mr Kirby summarised the report, highlighting that TDC staff had reconsidered wastewater demand predictions and the regional pipeline could now be delayed. He said that the pipeline would remain in the 30 year infrastructure strategy for each council, but would not be reflected in either council's Long Term Plan (LTP).

Mr Kirby clarified that some of the upgrades listed in the LTP table were noted as consent dependant, and replaced the phosphorous and nitrogen removal descriptions that were specifically itemised previously. Management Accountant, Andrew Bishop, added that the potential upgrades would not affect development contributions as they would be related to service levels not growth.

Resolved

THAT the report NRSBU Amendment to: Wastewater Asset Management Plan 2014 (A1272788) and its attachment (A1270479) be received;

AND THAT the amendment of the NRSBU Wastewater Asset Management Plan to reflect the demand projections received from Tasman District Council be approved.

Dowler/Shaw

Carried

10. Nelson Regional Sewerage Business Unit Business Plan 2015/16

Document number A1268612, agenda pages 21-40 refer.

Mr Kirby spoke about the 2015/16 Business Plan, adding that it was required under the Memorandum of Understanding.

It was noted that several dates needed updating on pages 5 and 6 of the Plan. It was agreed that the review of customer contracts would be amended to December 2015.

It was noted that the Three Year Capital Expenditure Forecast table on page 8 of the Plan showed incorrect totals.

Mr Thiart, tabled an updated page 11 (A1283450) with corrected figures.

Mr Thiart spoke about moving sludge from one pond to another to be able to dredge a pond quickly. Mr Kirby added that an optimised solution needed to be found, instead of simply spending money.

In response to a question, Mr Thiart advised that dewatered sludge would either go to landfill, or an alternative use would be found. He added that if the sludge was applied to land, there was a stand down period of two years.

There was discussion on the phrase 'projected loads to 2025 without further significant capital investment' at the bottom of page 4 of the Plan. It was agreed that no change needed to be made as the relevant figures were in a separate report and only covered the next few years.

Resolved

THAT the Nelson Regional Sewerage Business Unit Business Plan 2015/16 (A1268612) be adopted with minor edits, subject to approval by Nelson City and Tasman District Councils.

Recommendation to Nelson City and Tasman District Councils

THAT the Nelson Regional Sewerage Business Unit Business Plan 2015/16 (A1268612) be approved.

Higgins/Dowler

Carried

11. Financial Report

Document number A1263549, agenda pages 41-42 refer.

Management Accountant, Andrew Bishop, summarised the report. He highlighted that the operating expenditure was significantly over budget, due to a lump sum one-off payment under the biosolids renewal contract, the overhaul of duty pumps, and being ahead of schedule on maintenance. Mr Bishop added that the contribution from Nelson City Council (NCC) was understated by \$47k, which changed the year to date contributions variable figure.

It was noted that TDC and the Industrial customers had reduced their contributing load, and it was suggested that the trade waste agreements were resulting in appropriate responses from contributors.

Resolved

THAT the Nelson Regional Sewerage Business Unit Financial Statement for the period ended 31 October 2014 (A1263549) be received.

Shaw/Dowler

Carried

Councillor Higgins said that it was encouraging to see a good working relationship between NCC and Nelmac, noting that positive outcomes such as lower costs had resulted.

There was discussion on the review of the Memorandum of Understanding in 2015.

There being no further business the meeting ended at 11.16am.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date