
Minutes of a meeting of the Nelson Regional Sewerage Business Unit

Held in the Council Chamber, Civic House, Trafalgar Street, Nelson

On Friday 20 June 2014, commencing at 1.08pm

Present: Councillor R Copeland and Mr D Shaw (Nelson City Council),
Councillors B Dowler and M Higgins (Tasman District 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), and Administration Adviser (E-J Ruthven)

1. Apologies

There were no apologies.

2. Interests

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

3. Receipt of Independent Chairperson Resignation

Nelson Regional Sewerage Business Unit General Manager, Richard Kirby, noted that Donna Hiser had resigned as the independent member and Chairperson of the Nelson Regional Sewerage Business Unit, due to ill health.

Resolved

THAT that the Nelson Regional Sewerage Business Unit receive the resignation of Donna Hiser with regret;

AND THAT the Nelson Regional Sewerage Business Unit acknowledge the efforts of Donna Hiser for the Nelson Regional Sewerage Business Unit and a number of other council activities over the past 10 years.

Higgins/Shaw

Carried

4. Election of Interim Chairperson

Councillor Dowler nominated Michael Higgins to be interim Chairperson, and this was seconded by Mr Shaw.

Resolved

THAT Councillor Michael Higgins be elected interim Chairperson of the Nelson Regional Sewerage Business Unit until such a time as a permanent replacement has been made.

Dowler/Shaw

Carried

5. Confirmation of Minutes – 14 March 2014

Document number A1163334, agenda pages 6-12 refer.

There was a discussion regarding item 7.7 in the previous minutes. It was noted that, subsequent to the previous meeting, information had come to light indicating that Mr Wilks had been asked to attend the conference on behalf of the Nelson Regional Sewerage Business Unit. It was further noted that the costs of attending the conference had been adequately covered by both the Nelson Regional Sewerage Business Unit and Tasman District Council.

Resolved

THAT the minutes of a meeting of the Nelson Regional Sewerage Business Unit, held on 14 March 2014, be confirmed as a true and correct record.

Copeland/Shaw

Carried

6. Status Report – 20 June 2014

Document number A452094, agenda pages 13-14 refer.

There was a discussion regarding items on the Status Report.

In response to questions, Mr Kirby explained that items B, J and 1 were programmed for the 2014/15 work programme. He added that item I would be attended to with the Customer Group meeting scheduled for the following week, and that item 3 was due for completion at the end of June 2014.

With regards to item G, it was noted that Tasman District Council was reviewing the Reserves Management Plan with regards to Rabbit Island, and it was agreed that the Business Unit needed to take part in this process. Competing pressures from other groups wishing to use Rabbit Island for recreational purposes were noted.

There was a discussion regarding item H. In response to a question, Senior Asset Engineer – Solid Waste, Johan Thiart, explained that the cost of landfilling biosolids currently sprayed would be over \$700,000, although a formal report on this issue was still to be developed.

There was a further discussion regarding item 6. In response to a question, Mr Kirby explained that charging mechanism modelling was expected to be completed shortly, and would be reported on in September 2014. He said a workshop would take place shortly, focusing on growth in the two Council areas over the next 30 years, which would feed into the capacity review of the plant. It was noted that plant capacity had a significant impact on the customer charging regime, and the importance of ensuring that the capacity figures arrived at through the review were realistic was emphasised. It was further noted that the contributors be consulted after the review had been completed.

There was a brief discussion regarding item 7, during which Mr Thiart offered to take any interested members to the Bell Island Spit to observe plantings undertaken by volunteers. He said that a sign regarding plantings on the spit was due to be erected shortly.

Resolved

THAT the Status Report – 20 June 2014 (A452094) be received.

Copeland/Dowler

Carried

7. Checklist (Board Work Plan)

It was clarified that the expectation was still that four committee meetings be held each year.

8. General Manager's Report

Document number A1203249, agenda pages 15-21 refer.

The Chairperson formally welcomed Mr Kirby to his first meeting as General Manager of the Business Unit.

8.1 Recent Actions

Mr Kirby provided an update regarding recent activities. He said that a constructive meeting had been held between Nelmac and Nelson City Council senior staff regarding contract 3458, and that there was a clear understanding between the parties that all actions were to be based on agreements reached verbally in the first instance.

8.2 Contract 3458 – Operations and Maintenance

In response to a question, Mr Kirby advised that utilising the facultative ponds rather than the activated sludge area for much of the year would lead to energy savings. He added that the plant's activated sludge capacity was required to address peaks throughout the year, and that this was a major benefit of having a dual capacity treatment plant.

8.3 Key Performance Indicators

It was noted that 100% compliance had been reached for all key performance indicators for the three months to 30 April 2014, and it was clarified that the table in paragraph 8.2 covered the 12 months to 30 April 2014.

8.4 Health and Safety

A briefing was suggested on the implications of new Health and Safety legislation, and assurances that health and safety obligations were being met through Nelson City Council's management processes.

8.5 Biosolids Contract

Mr Kirby explained that the only compliant tender was from the existing contractor. He said that negotiations were underway regarding the contract price, and that the current contract was likely to roll over until the new contract was finalised.

Mr Thiart added that improving pre-treatment of the biosolids was likely to decrease the actual amount of biosolids sprayed, which would affect the total cost of the contract.

In response to a question, it was clarified that there was currently adequate capacity on Bell Island and Rabbit Island, with no need to pursue biosolids application at Rough Island at this stage, although competing recreational uses of Rabbit Island may lead to Rough Island being considered further in the future.

8.6 Financial

It was noted that electricity use appeared to be dropping. In response to a question, Mr Thiart explained that running two of the ATAD trains, rather than all three, saved approximately one third of electricity costs, although the quality of biosolids was compromised to a certain extent by doing so.

Resolved

***THAT the General Manager's Report
(A1203249) be received.***

Shaw/Copeland

Carried

9. Financial Report

Document number A1111020, agenda pages 22-23 refer.

Mr Kirby explained that the fluctuation between the budgeted and actual contract and general maintenance reflected the shift in contractors. He said that the decrease in actual contract maintenance figures reflected that it was more cost-effective for the Business Unit to carry this risk.

Resolved

THAT the Nelson Regional Sewerage Business Unit Financial Statement for the period ended 30 April 2014 (A1111020) be received.

Shaw/Copeland

Carried

10. Review of Strategic Plan 2013-2016

Document number A1203715, agenda pages 24-27 refer.

Mr Kirby explained that the Strategic Plan 2013-2016 was current, but could be reviewed if necessary.

There was a discussion regarding load management policies, and whether the Business Unit could create an incentive for both Councils to address this issue and reduce loads where possible.

In response to a question, Mr Thiart advised that Nelson City Council had noted a large increase in loads in the Stoke area. He said that investigations were underway as to where the increased loads were coming from, and that where appropriate, trade waste charges could be applied against users transferring high loads to the system.

Resolved

THAT the Nelson Regional Sewerage Business Unit Strategic Plan 2013-2016 (A1203715) be received.

Dowler/Higgins

Carried

11. Nelson Regional Sewerage Business Unit Business Continuity Plan

Document number A1203712, agenda pages 28-44 refer.

Mr Kirby advised that the draft business continuity plan recognised that the Bell Island plant formed a part of both Councils' emergency response systems. He said it was important for the Business Unit to consider the role of the plant in a regional emergency event, and to be

able to ensure continuity both from a contract management, and contractors' perspective.

There was a discussion regarding the priorities in the event of a serious emergency, and whether minimisation of threats to the environment, or minimisation of damage to historic sites on Bell Island should also be considered as a priority as well.

It was noted that the business continuity plan was most likely to apply in the event of a significant natural disaster, and a variety of views were expressed regarding whether it was appropriate to include minimisation of threats to the environment as a priority in this type of scenario, as this may not be able to be realistically achieved.

It was further noted that the two councils were likely to have emergency provisions within their Resource Management Plans that would take account of threats to the environment.

There was a brief discussion about whether the Business Continuity Plan needed to address the potential for bird strikes at Nelson Airport, from birds nesting at Bell Island. In response to a question, Mr Thiart explained how bird numbers at Bell Island are managed.

In response to a question, Mr Thiart advised that, with regards to Appendix 1 and mitigation activities for typical disruption events, 'redundancy' referred to having back up equipment available to take over in the event of equipment failure. He said that an example of this was pump stations having stand-by pumps, so that if one failed, the second could start up, although he acknowledged that not all pump stations were equipped to this level.

Resolved

THAT the Nelson Regional Sewerage Business Unit Business Continuity Plan (A1203712) be received.

Copeland/Dowler

Carried

12. Exclusion of the Public

Resolved

THAT the public be excluded from the following parts of the proceedings of this meeting.

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 are as follows:

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	<p>Nelson Regional Sewerage Business Unit – Public Excluded – 14 March 2014</p> <p>These minutes confirm the minutes of 14 March 2014 and also contain information regarding:</p> <ul style="list-style-type: none"> Chairperson's Report, including information relating to actions taken by Council officers. 	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> Section 7(2)(a) To protect the privacy of natural persons

Dowler/Copeland

Carried

The meeting went into public excluded session at 2.29pm and resumed in public session at 2.30pm.

During the public excluded part of the meeting, the committee considered the public excluded minutes of the meeting of 14 March 2014.

Resolved

THAT the minutes of part of the meeting of the Nelson Regional Sewerage Business Unit, held on 14 March 2014, be confirmed as a true and correct record.

Shaw/Copeland

Carried

13. Re-admittance of the Public

Resolved

THAT the public be re-admitted to the meeting.

Higgins/Copeland

Carried

There being no further business the meeting ended at 2.30pm.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date