
Minutes of a meeting of the Nelson Regional Sewerage Business Unit

Held in Ruma Mārama, Level 2A, Civic House, 110 Trafalgar Street, Nelson

On Friday 18 September 2015, commencing at 1.01pm

Present: Councillor M Higgins (Tasman District Council), Councillor R Copeland (Nelson City Council), and Mr D Shaw

In Attendance: M Hippolite (Iwi Representative), C McIntyre (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 (G Brown)

Apology: Councillor D Dowler (Tasman District Council)

1. Appointment of Chairperson

There was a discussion regarding appointing a Deputy Chairperson and having alternate councillors appointed by Tasman District Council and Nelson City Council should a councillor be unable to attend.

It was agreed that this would be considered at the start of the new triennium 2016-2019.

Resolved NRSBU/2015/008

THAT Councillor Higgins be appointed Chairperson of the Nelson Regional Sewerage Business Unit for the 2013-2016 triennium.

Copeland/Shaw

Carried

2. Apology

Resolved NRSBU/2015/009

THAT an apology be received and accepted from

Councillor Dowler.

Copeland/Shaw

Carried

3. Confirmation of Order of Business

There was no change to the order of business.

4. Interests

There were no updates to the Interests Register, and no other interests with items on the agenda were declared.

It was requested that the Nelson Regional Sewerage Business Unit (NRSBU) Interests Register be sent out to members for review.

5. Memorandum of Understanding

In response to a question, NRSBU General Manager, Richard Kirby, advised that the majority of the changes to the Memorandum of Understanding were minor. He highlighted that the main change was quorum was now two which consisted of one representative from each Council.

6. Confirmation of Minutes

6.1 19 June 2015

Document number M1293, agenda pages 11 - 15 refer.

The following changes were requested to the minutes:

- Page 12, change 'trail and peals' to 'trials and peaks'
- Page 14, change 'Instrument' to 'Instrumentation'.

Resolved NRSBU/2015/010

THAT the amended minutes of the meeting of the Nelson Regional Sewerage Business Unit, held on 19 June 2015, be confirmed as a true and correct record.

Shaw/Copeland

Carried

7. General Manager's Report

Document number R4817, agenda pages 16 - 56 refer.

NRSBU General Manager, Richard Kirby, presented the report.

Mr Kirby advised that Alliance and Nelson Pine Industries (NPI) had queried readings which the trade waste charges were based on. He

added that Mr Wilson had also raised questions relating to the difference between the final wash up calculation and the estimate provided earlier in the year.

It was discussed that the current charging formula transferred risk for the variable charges to the other main customers if any customer changed their operations. It was suggested that a commercial charging structure going forward could be considered. If this was considered then a review was required as to how this would affect the business unit.

There was a discussion that if any of the three industries pulled out, the cost of operating the sewerage plant would be significantly less as there may not be the need for the ATADs as urban waste would be handled differently and was a lower cost operation.

It was highlighted the NPI wash up invoice was \$40,000 more than previously estimated even though NPI had invested in pre-treatment works.

Invoice calculations were discussed and it was advised that there were no major errors, only a minor error in relation to the allocation of costs. The main reason for the difference was the BOD and Suspended Solids treated for NPI in the last three months were higher than estimated and increased treatment costs as a percentage of total Operating and maintenance expenditure.

Mr Kirby advised he was meeting with industry next week and would discuss a costing formula with them. In response to a question, Mr Kirby said that a charging formula review could be conducted but that the formula was quite logical. He added that risks needed to be identified and then the formula modified.

It was discussed that changes would need to be conducted with industry agreement as it was a legal contract and industry could withdraw with six months notice.

In response to a question about whether processes were robust enough, Mr McIntyre commented on the variation in sampling results and that the sampling largely reflected his firm's sampling. Mr Kirby advised that there was the opportunity to contract an independent person to audit Nelmac's sampling to confirm processes were being followed.

It was suggested that a digital photograph of each sample would be beneficial.

In response to a question, Senior Asset Engineer – Solid Waste, Johan Thiart, advised that with regards to the odour concerns at Best Island it seemed to be an operational issue with fluid found in the basin and too much acid being added.

In response to a further question, Mr Thiart said geobags would still be used for dewatering but he was reluctant to use them for biosolids but

this was still under review. It was suggested that odour could be discharged underground using a treating bag with a canopy.

Mr Kirby highlighted that at the top of page 20 of the agenda the words 'with be considered' needed to be removed.

Mr Kirby also pointed out that the 'Review of security required at all facilities' should have a target date of March 2016.

The following changes were requested to the Annual Report 2014/2015:

- Page 27, the Pump Station Overflows graph is missing one overflow from the 2014/15 statistics
- Suggestion to add that there were no extreme weather events
- Page 29, Bell Island 2014/15 not 2013/14
- Page 30, 5.3 right hand column, change 'will be' to 'were' and 'considerde' to 'considered'
- Page 31, 5.6 note all communication with residents
- Page 33, check 'Biological Oxygen Demand kg/day' graph statistics
- Page 36, remove comment

Resolved NRSBU/2015/011

THAT the report General Manager's Report (R4817) and its attachments (A1422904, A1423020) be received;

AND THAT the amended Annual Report 2015/16 be adopted subject to any audit amendments.

Copeland/Higgins

Carried

Attendance: Councillor Copeland left the meeting at 2.36pm.

Mr Kirby discussed the status report items.

There being no further business the meeting ended at 2.41pm.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date