



AGENDA

Ordinary meeting of the

Forestry Advisory Group

**Thursday 15 March 2018
Commencing at 2.30pm
Ruma Mārama
Floor 2A, Civic House
110 Trafalgar Street, Nelson**

Membership: Chairperson John Murray (Chairperson), Her Worship the Mayor Rachel Reese, Councillor Luke Acland, Mr Alec Louverdis and Mr Peter Gorman

Guidelines for councillors attending the meeting, who are not members of the Committee, as set out in Standing Order 12.1:

- All councillors, whether or not they are members of the Committee, may attend Committee meetings
- At the discretion of the Chair, councillors who are not Committee members may speak, or ask questions about a matter.
- Only Committee members may vote on any matter before the Committee

It is good practice for both Committee members and non-Committee members to declare any interests in items on the agenda. They should withdraw from the room for discussion and voting on any of these items.

1. Apologies

- 1.1 An apology has been received from Councillor Acland

2. Confirmation of Order of Business**3. Interests**

- 3.1 Updates to the Interests Register
3.2 Identify any conflicts of interest in the agenda

4. Public Forum**5. Confirmation of Minutes**

- 5.1 15 November 2017 **5 - 8**

Document number M3126

Recommendation

That the Forestry Advisory Group

Confirms the minutes of the meeting of the Forestry Advisory Group, held on 15 November 2017, as a true and correct record.

- 6. Forestry update - Number 3 - March 2018 **9 - 32****

Document number R8888

Recommendation

That the Forestry Advisory Group

Receives the report Forestry update - Number 3 - March 2018 (R8888) and its attachments (A1739267, A1849406, A1561381, A1908827 and A1908918); and

Approves the specific site plans as presented by LandVision at the meeting relating to Alternate Use.



Minutes of a meeting of the Forestry Advisory Group

Held in the Council Chamber, Floor 2A, Civic House, 110 Trafalgar Street, Nelson

On Wednesday 15 November 2017, commencing at 3.00pm

Present: Mr J Murray (Chairperson), Her Worship the Mayor R Reese, Group Manager Infrastructure Mr A Louverdis and Specialist Forestry Expert Mr P Gorman

In Attendance: From PF Olsen: Forest Manager and Adviser (David Fincham), Branch Manager (Brendan Horrell) and Environmental Forester (Sally Moore); Owner/Adviser, LandVision (Lachie Grant), Governance Adviser (P White)

Apology/ies : Nil

1. Apologies

Councillor L Acland was not present and no apologies were received.

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 interests with items on the agenda were declared.

4. Forestry update - Number 2 - November 2017

Document number R8169, agenda pages 4 - 32 refer.

Brendan Horrell, Branch Manager, PF Olsen, gave a presentation (A1865885) outlining PF Olsen and its work in Nelson forests.

He then presented the five year harvest plan, noting that this could change dependant on the export and domestic markets, to maximise returns to Council. The Group endorsed this flexible approach. Mr Horrell confirmed that current harvesting had exceeded budgets.

There was discussion about a section of block 29/01 noted in paragraph 4.6 of report R8169. The members acknowledged the ongoing risk of these trees falling, because of steep terrain and close proximity of housing. Regardless of a potential higher cost for removal of these trees, members asked PF Olsen to finalise a plan to remove these trees, to be actioned as soon as possible.

The meeting discussed the Quarterly Report 1 July – 30 September 2017 (A1854925). Mr Horrell tabled more detailed harvesting plans for the Brook, Roding and Maitai forests (A1866733).

In regard to contractors undertaking harvesting work, Mr Horrell confirmed that only PF Olsen accredited contractors are considered for harvest work.

Mr Horrell briefed members on Forest Stewardship Council (FSC) Accreditation. PF Olsen was accredited as a forest management company. He outlined the benefits to NCC considering becoming FSC accredited. There would be costs to developing an initial management plan, an annual registration fee, a cost per tonne harvested and an annual audit fee, and a 5 year audit fee. Members supported pursuing FSC certification in principle and approved PF Olsen preparing a management plan.

Mr Lachie Grant, LandVision Land Management Solutions, gave a presentation (A1865414) on possible alternative land use for forestry blocks to be retired once harvested or felled to waste.

There was discussion about Mr Grant's recommendations, but there was uncertainty about how to make a decision on those options. Members discussed potential considerations included economic viability, risk, cost, recreation amenity value, public profile, ecological issues, alternate economic value, land stability, FSC certification issues, fit with draft Nelson Plan and the Nelson Biodiversity forum and potential consultation with stakeholders i.e. recreational user groups.

It was agreed that LandVision would work with PF Olsen and Mr Peter Gorman to make recommendations about future alternate land use of forests to be retired, on a block by block basis. It was also agreed that wider general consultation on alternate use was not required, nor supported, but for more visible blocks the Biodiversity Forum or recreational user groups may be consulted with.

In response to a question Mr Louverdis confirmed that the tracks damaged as part of the recently harvested "Codgers block" would be reinstated from the forestry account. He further noted that Council has appointed the reinstatement contractor after discussion with the Nelson Mountainbike Club (NMTBC), but Council was having issues with reinstatement/betterment and that Council officers were discussing the matter with the NMTBC as per the agreed memorandum of understanding.

Mayor Reese noted her interest in block 28.01.

There was discussion about block 21/05 (Item 4.5) noting this would be felled to waste. The Group also acknowledged and agreed that the blocks listed in item 6.5 would be regenerated to native bush.

Resolved FAG/2017/001

That the Forestry Advisory Group

Receives the report Forestry update - Number 2 - November 2017 (R8169) and its attachments (A1739267, A1849406, A1561381, A1849421, A1856044 and A1854925); and

Approves the Five-yearly harvesting management plans as per A1856044 attached to report R8169; and

Approves the felling to waste of the remaining Brook block 21/04 at an estimated cost of \$10,000; and

Notes that the blocks detailed in item 6.5 of Report R8169 will be regenerated to native bush once harvested or felled; and

Approves that Block 29/01 (Brook stand) be harvested/felled to waste, with urgency, to address health and safety concerns, subject to approval of a site specific plan from the Independent Forestry Expert; and

Approves, in principle, that Nelson City Council join the Forestry Stewardship Council Accreditation scheme and approves PF Olsen undertaking work to prepare the management plan at an upper estimated cost of \$10,000; and

Instructs LandVision to work with PF Olsen and the Independent Forestry Expert, with respect to the blocks to be considered for alternate use, to prepare an individual plan for each block, and report that plan back to the Forestry Advisory Group.

Her Worship the Mayor/Murray

Carried

Attachments

- 1 A1865414 Presentation - LandVision
- 2 A1865885 Presentation - Harvesting Plans
- 3 A1865888 Presentation - Forestry Stewardship
- 4 A1866733 Harvesting Plans for Brook, Roding and Maitai Forests

There being no further business the meeting ended at 5.12pm..

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date

Forestry update - Number 3 - March 2018

1. Purpose of Report

- 1.1 To provide an update to the Forestry Advisory Group (FAG) on forestry activities since Council adopted the Forestry Review recommendations in September 2016 and since the last update provided to the FAG in November 2017.
- 1.2 To approve a way forward with respect to the plans for "Alternate Use".

2. Summary

- 2.1 The agreed Terms of Reference for the FAG are attached to this report for easy reference - refer to Attachment 1.
- 2.2 The full suite of Council adopted resolutions in September 2016 are again attached for ease of reference - refer to Attachment 2.
- 2.3 Refer to Attachment 3 for forestry block maps.

3. Recommendation

That the Forestry Advisory Group

Receives the report Forestry update - Number 3 - March 2018 (R8888) and its attachments (A1739267, A1849406, A1561381, A1908827 and A1908918); and

Approves the specific site plans as presented by LandVision at the meeting relating to Alternate Use.

4. Update

- 4.1 The FAG resolved (under their delegations) on 15 November 2017 as below):

Approves the Five-yearly harvesting management plans as per A1856044 attached to report R8169; and

Approves the felling to waste of the remaining Brook block 21/04 at an estimated cost of \$10,000; and

Notes that the blocks detailed in item 6.5 of Report R8169 will be regenerated to native bush once harvested or felled; and

Approves that Block 29/01 (Brook stand) be harvested/felled to waste, with urgency, to address health and safety concerns, subject to approval of a site specific plan from the Independent Forestry Expert; and

Approves, in principle, that Nelson City Council join the Forestry Stewardship Council Accreditation scheme and approves PF Olsen undertaking work to prepare the management plan at an upper estimated cost of \$10,000; and

Instructs LandVision to work with PF Olsen and the Independent Forestry Expert, with respect to the blocks to be considered for alternate use, to prepare an individual plan for each block, and report that plan back to the Forestry Advisory Group.

Emissions Trading Scheme

- 4.2 All ETS items have been attended to.

Commercial Forestry

- 4.3 Harvesting continues in the Maitai, Brook and Roding and planning is underway as per the approved harvesting plans for future harvesting in all four blocks.

Douglas Fir and Acacia harvesting

- 4.4 Progress is detailed below.

Block	Stand	Species	Status	Area
Brook	22.03	D fir	Harvesting complete	5.8
Brook	22.08	D fir	In planning. To be undertaken in conjunction with privately owned adjacent forest block	3.4
Brook	21.03	D fir	To remain (*)	0.2
Maitai	4.04	D fir	Harvesting completed	2.2
Maitai	4.13	D fir	Poisoning commenced	0.5
Maitai	9.01	D fir	Part harvested. 3 Ha remaining. Progress awaiting outcome of alternate use debate	4.3
Maitai	10.01	D fir	Poisoned	1.8
Maitai	4.08	Acacia	Poisoned	1.3

			Harvesting of this block has been delayed until the block can deliver a commercial return (likely in 10 years' time). In addition, felling to waste of such a large block will create a visual impact for the city backdrop & will pose an extreme fire risk and hence is not recommended.	
Marsden	42.06	D fir		20.3
Marsden	44.01	D fir	In planning	0.5
Roding	55.03	Acacia	In planning – estimated April.	4.6

Note (*) - Covered in the previous report – mixed with Redwood adjacent to the Brook Camp and would be very expensive and pose health and safety issues to remove the Douglas Fir. They also don't pose a risk of seed dispersal.

Other

FAG resolutions	Progress
Approves the felling to waste of the remaining Brook block 21/05 (note incorrectly reported as 21/04 in report 2) at an estimated cost of \$10,000	Adjoining Brook Waimarama Sanctuary and will include both poisoning & fell to waste. Will need to take place during low public use and will be co-ordinated with MTB and BWST. Poisoning commenced.
Approves that Block 29/01 (Brook stand) be harvested/felled to waste, with urgency, to address health and safety concerns, subject to approval of a site specific plan from the Independent Forestry Expert	In planning.

Health and Safety

- 4.5 No Safe Work Observations (SWO) have been undertaken by officers since September 2017. The planned SWO with the entire FAG will not take place at the March meeting as originally planned, as there are currently no Nelson forests being harvested at this point in time. A combined visit will be arranged at the next FAG meeting or at an alternative time to coincide with a Nelson harvesting operation.

Finance

- 4.6 Revenue (net) to date for the current financial year is \$2.033 Million with a projected income of \$2.4 Million (up from the previous projection of \$1.9 Million) to the end of June 2018.

5. 5 Year Harvesting Plans

- 5.1 Nothing further to report since plans were approved at the last meeting.
- 5.2 Attachment 4 shows the PF Olsen quarterly (Oct- Dec 2017) harvesting report.

6. Alternate Uses

- 6.1 Council agreed to retire some 140Ha of forestry and consider alternate uses.
- 6.2 As resolved at the November 2017 FAG meeting, Lachie Grant (LandVision) will be in attendance to share further work on individual plan for each block.

Instructs LandVision to work with PF Olsen and the Independent Forestry Expert, with respect to the blocks to be considered for alternate use, to prepare an individual plan for each block, and report that plan back to the Forestry Advisory Group.

- 6.3 For completeness, the comprehensive list of blocks where alternate uses are to be considered is shown in Attachment 5.

7. Forestry Stewardship Council Accreditation (FSC)

- 7.1 As resolved at the November 2017 FAG meeting:

Approves, in principle, that Nelson City Council join the Forestry Stewardship Council Accreditation scheme and approves PF Olsen undertaking work to prepare the management plan at an upper estimated cost of \$10,000".

- 7.2 PFOlsen will be in attendance to update the FAG on progress with the work they are undertaking in this matter.

8. Options

- 8.1 Alternate Use – Approval is sought on the individual plans prepared by LandVision.

9. Conclusion

- 9.1 This is the third update report since the FAG was officially approved with Terms of Reference.

Alec Louverdis

Group Manager Infrastructure

Attachments

- Attachment 1: A1739267 - Terms of Reference - Forestry Advisory Group 21 September 2017 [↓](#)
- Attachment 2: A1849406 - Summary of Recommendations to Council - Forestry Management Oct2017 [↓](#)
- Attachment 3: A1561381 - Nelson City Council Forest Stands [↓](#)
- Attachment 4: A1908827 - Quarterly Report 1 Oct to 31 Dec 2017 [↓](#)
- Attachment 5: A1908918 - Alternate Use [↓](#)

Important considerations for decision making	
1. Fit with Purpose of Local Government	The FAG and regular updates will support the effective and efficient management of Council's productive forests.
2. Consistency with Community Outcomes and Council Policy	<p>The FAG aligns with the following outcomes:</p> <ul style="list-style-type: none"> - Our Council provides leadership - Our Council is supported by an innovative & sustainable economy.
3. Risk	The FAG has been set up to specifically reduce the risk to Council.
4. Financial impact	The FAG has been set up to monitor forestry activity.
5. Degree of significance and level of engagement	This update report is of low significance.
6. Inclusion of Māori in the decision making process	Maori have not been consulted as part of this report.
7. Delegations	The FAG's TOR allow for the approval of harvesting plans with all other matters needing to go to Council.

Forestry Advisory Group

Terms of Reference

1. Purpose

The formation of the Forestry Advisory Group (Group) was agreed as part of the Forestry Review approved by the Commercial Subcommittee on the 4 August 2016, Governance Committee on the 25 August 2016 and Council on the 8 September 2016.

The Committee membership was approved by the Commercial Subcommittee on the 27 April 2017 and Council on 4 May 2017.

The purpose of the Group is to:

- a. Maintain oversight (ie ensure that works are being undertaken in line with sound management practices) on all matters relating to the forestry portfolio operations;
- b. Focus on effective management of forestry in conjunction with governance oversight;
- c. To recommend decisions relating to the forestry activity to the Commercial Subcommittee who will make recommendations to Council.

The Terms of Reference were agreed by the Commercial sub-committee on the 18 August 2017 and by Council on the 21 September 2017.

2. Membership

The Group comprises Her Worship the Mayor, the Chair of the Commercial Subcommittee (Mr John Murray), Councillor Acland, supported by two Council officers of which one is the Group Manager Infrastructure, and an independent external forestry expert (currently Mr Peter Gorman).

Membership is summarised below:

Chair	Commercial Subcommittee Chair (currently John Murray)	Decision maker
Elected members	Her Worship the Mayor and Councillor Luke Acland	Decision maker

A1739267

Item 6: Forestry update - Number 3 - March 2018: Attachment 1

Officers	Group Manager Infrastructure and one other (currently vacant)	To provide advice
Independent forestry expert	Currently Peter Gorman	To provide advice

Officers and the independent forestry expert will only provide advice to the Group and not be part of any decision making.

The Group will meet every 3 months (or more or less frequently if required).

The appointment of members to the Group is not covered by Council's Selection, Appointment and Remuneration Policy for External Appointees.

3. Quorum

The quorum for any meeting will be 4, being the Chair of the Commercial Subcommittee, one elected member, one Council officer and the independent forestry expert.

4. Areas of Responsibility

The Group's areas of responsibilities are to maintain oversight of all matters relating to the commercial forestry operational portfolio including environmental issues.

All media releases will come from the Chair who will liaise with Council's Communications team as required.

Commercial forestry is defined as Council's productive *pinus radiata* forests (around 500 Ha) spread across four main blocks in the Brook, Maitai, Marsden and Roding catchments.

5. Powers to decide

Powers to decide in order to ensure operational continuity to include:

- a. Forestry and harvesting management plans (including replanting) as prepared by the Forestry contractor and endorsed by the independent forestry external expert;
- b. Engagement of consultants required to undertake all works necessary to guide recommendations to the Commercial Subcommittee and Council.

A1739267

6. Powers to recommend

Powers to recommend to the Commercial Subcommittee (and onto Council) will include all actions relating to the oversight of all other matters relating to the commercial forestry portfolio, falling outside the powers to decide, in accordance with Council's Annual Plan and Long Term Plan as follows:

- a. Approve forestry related budgets;
- b. Decide on any matters relating to continuing commercial forestry operations.

7. Role of staff

Officers and the independent forestry expert will provide technical and financial expertise and an update of project risks.

All meetings and decisions will be minuted and reported to the Commercial Subcommittee.

8. Conflicts of Interest

Conflicts of interest shall be declared at the start of meetings.

9. Reporting and Administration

The provisions of the Local Government Official Information and Meetings Act 1987 (Part 7) applies to meetings of the Forestry Advisory Group.

This means that:

- Meetings will be publicly notified (however there will be no public forum);
- Formal agendas will be prepared, and minutes of meetings taken; and
- Standing order will apply to all meetings.

10. Review Period

The Advisory Group will be reviewed at the end of each triennium.

Item 6: Forestry update - Number 3 - March 2018: Attachment 2

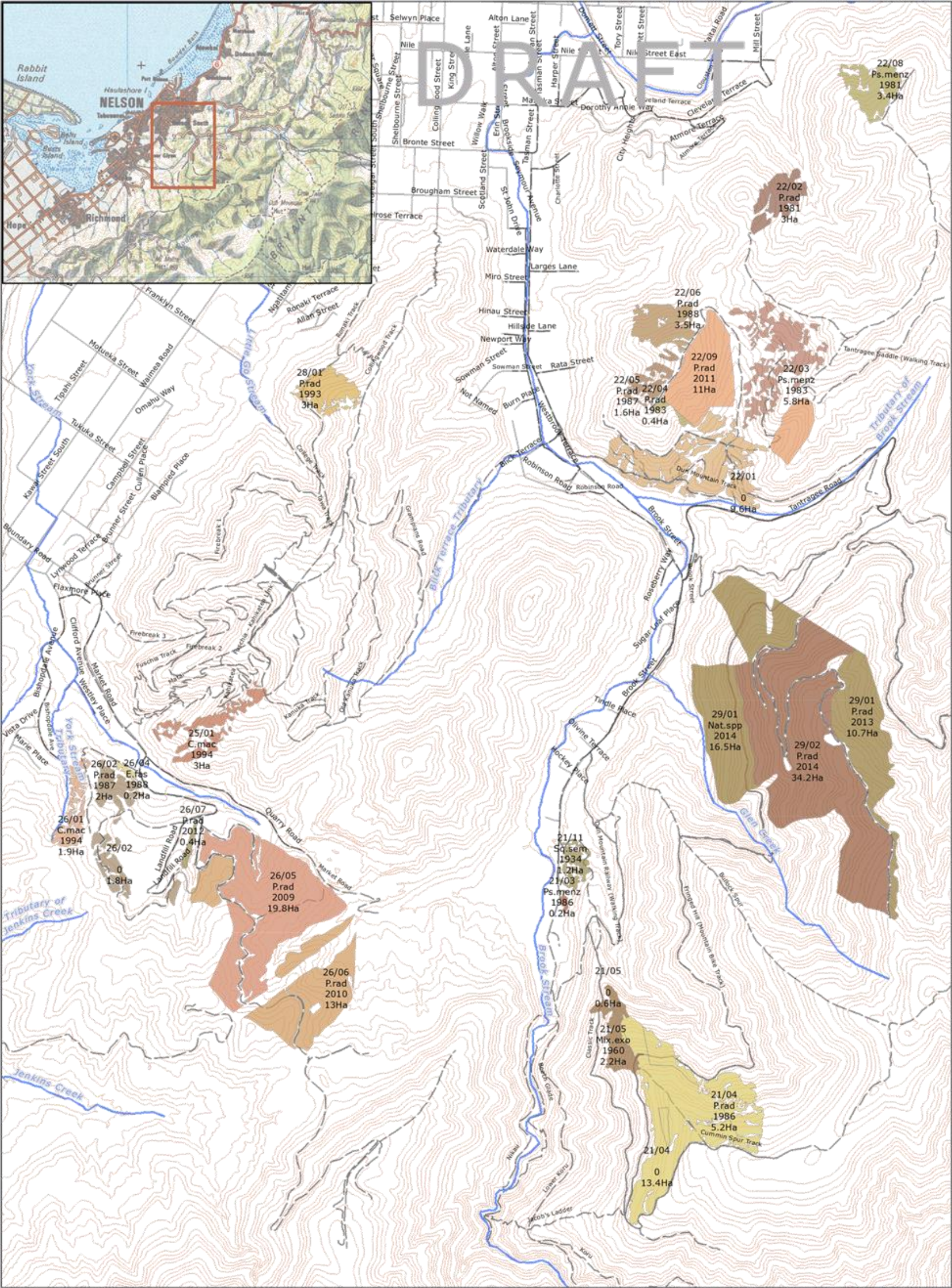
With respect to forestry management, it is recommended that Council:

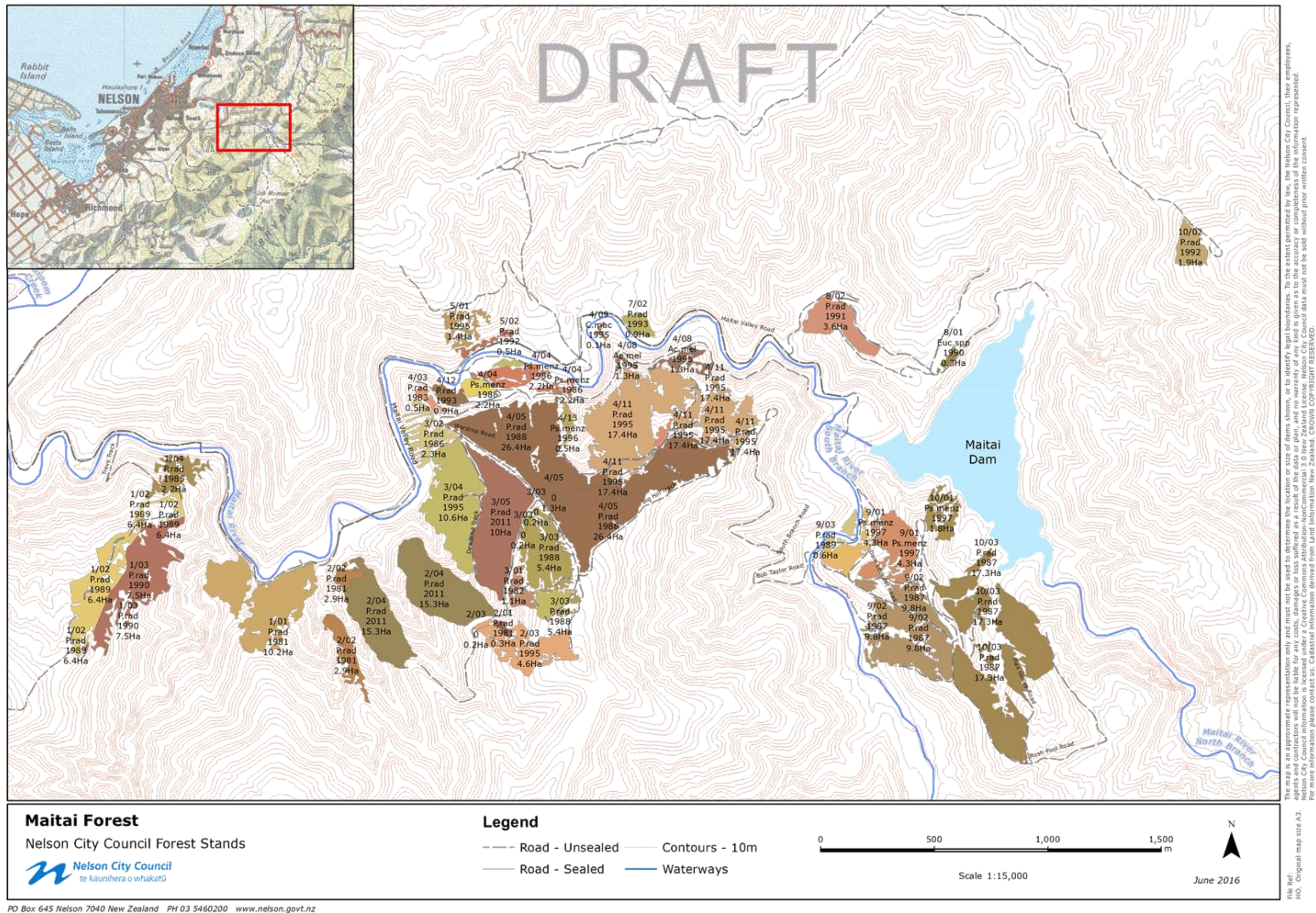
1. Receives the report "Nelson City Council's production forests - Assessment of non-monetary values", prepared by The Catalyst Group and Peter Gorman
2. Notes that the report identifies approximately 140ha of the production forest area that is inappropriate or uneconomic in this use.
3. Agrees to retire this area from production forestry.
4. Agrees that the area retired from production forestry is removed from the portfolio held for investment purposes and alternative land use options are investigated.
5. Agrees that stands that are uneconomic to harvest and Douglas fir/acacia stands are felled to waste or poisoned/felled to waste depending upon what values are present within each stand
6. Agrees to destroy the Douglas fir and acacia stands by June 2017
7. Agrees to adopt a single species (*Pinus radiata*) forestry operation
8. Agrees to replant those areas where it is appropriate and economic to continue production forestry (Annex 6)
9. Agrees to adopt the recommended replanting buffer zones (section 5.3)
10. Agrees to adopt the recommended thinning/pruning regime (Annex 6)
11. Agrees to either vary the existing, or apply for a new, herbicide application resource consent
12. Notes that a forest management plan will be prepared for Council approval that is consistent with the above recommendations
13. Notes that the forest management plan will include a rolling five-year harvesting plan
14. Agrees that harvesting may recommence when the harvesting plan is approved.
15. Agrees to establish a Forestry Advisors Group reporting to the [Commercial sub-committee or its successors with respect to forestry management], comprising 2 Councillors, 2 staff members, and an external forestry expert.

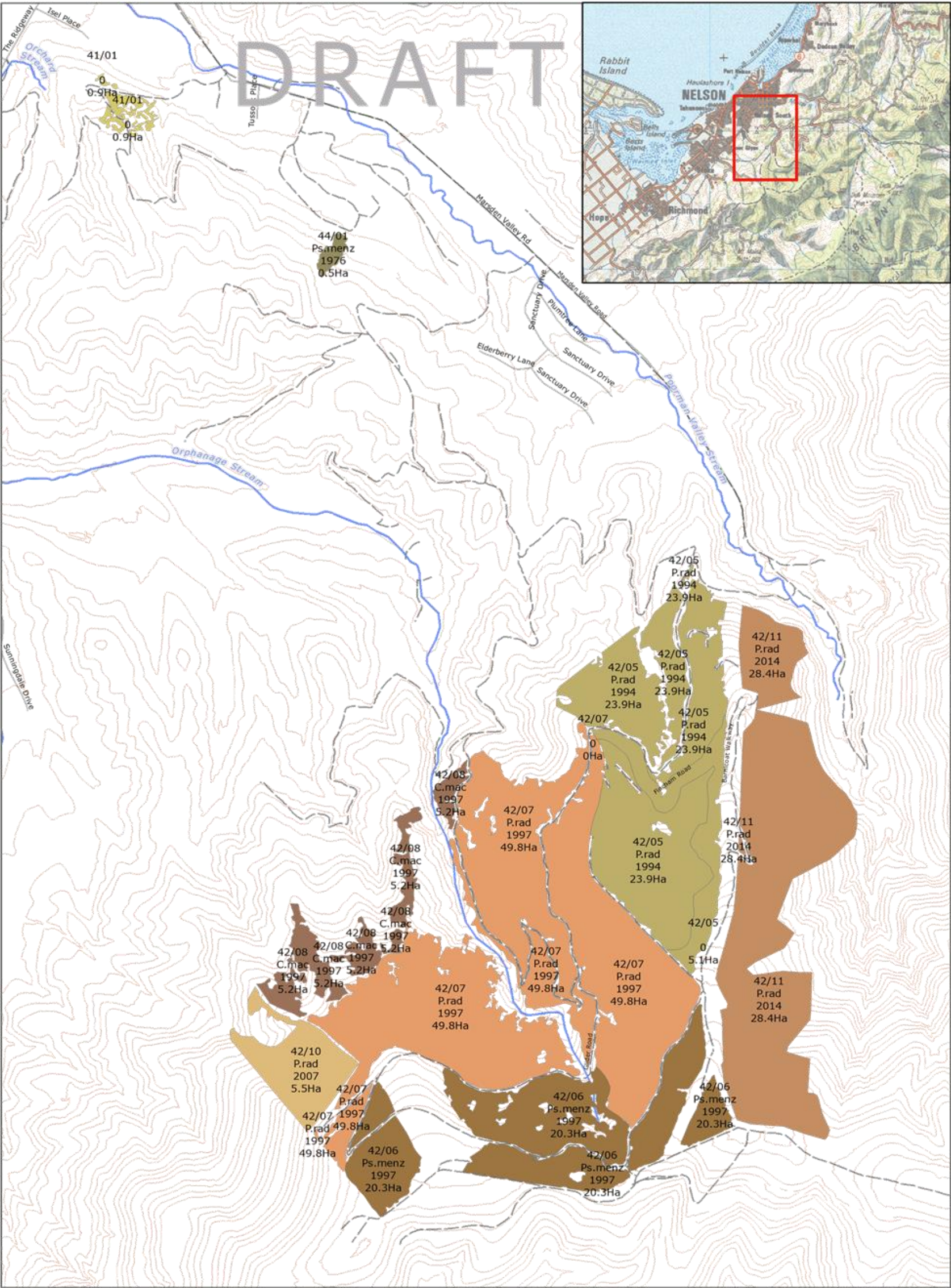
With respect to the Emissions Trading Scheme, it is recommended that Council:

1. Deregisters its post-1989 forests from the ETS
2. Assesses the area of pre-1990 forest land that may be cleared for expansion of the York Valley landfill, and retain sufficient NZUs from its pre-1990 forestry allocation to meet any obligations to surrender NZUs in relation to deforestation
3. Delays clearing of pre-1990 forest land for landfill expansion until the stands are at least eight years old in order to minimise ETS liabilities
4. Sells its surplus pre-1990 carbon credits on the open market, or to Council's landfill account

A1849406







Marsden Valley Forest

Nelson City Council Forest Stands



te kaunihera o whakatū

Legend

-- Road - Unsealed	— Contours - 10m
— Road - Sealed	— Waterways

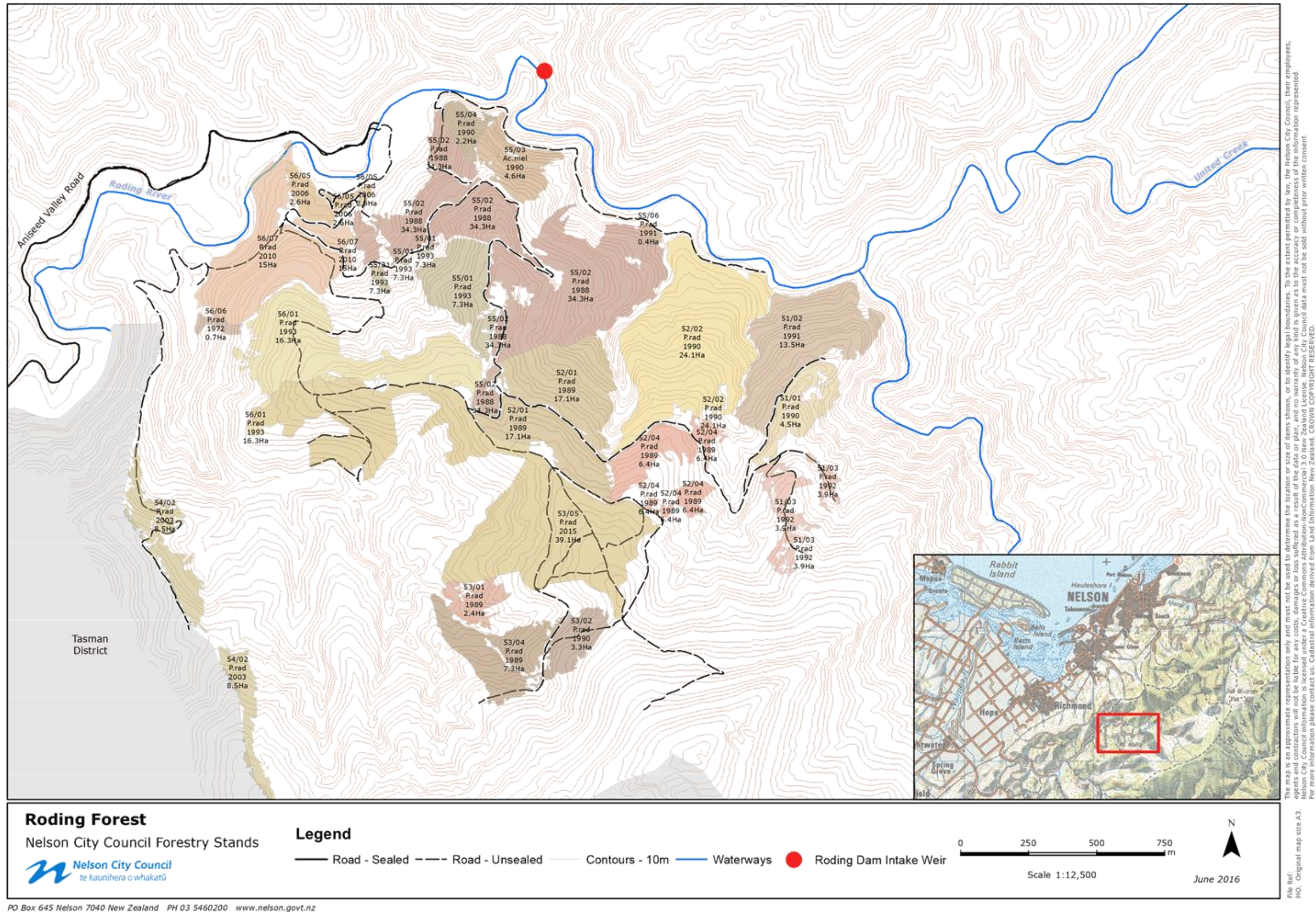
0 100 200 300 m

Scale 1:10,000

June 2016

The map is an approximate representation only and must not be used to determine the location or size of items shown, or to identify legal boundaries. To the extent permitted by law, the Nelson City Council, their employees, agents and contractors will not be liable for any costs, damages or loss suffered as a result of the data or plan, and no warranty of any kind is given as to the accuracy or completeness of the information represented. Nelson City Council information is licensed under a Creative Commons Attribution 3.0 New Zealand License, and the use of any data or plan or any information downloaded must be in accordance with the terms of that licence. For more information please contact us. Cadastral information derived from Land Information New Zealand. CROWN COPYRIGHT RESERVED.

File Ref: MO. Original map size A3.



A1561381



NELSON CITY COUNCIL QUARTERLY REPORT 1 October – 31 December 2017



Roding Forest

A1908827



NELSON CITY COUNCIL FORESTRY REPORT
1 OCTOBER TO 31 DECEMBER – 3 MONTHS

Year to Date Revenues and Volumes.

1. Net Harvesting Revenue	\$2,033,346	103%
2017/2018 Annual Budget	\$1,959,973	

- Harvesting was undertaken at the Roding and Maitai Forests
- All harvesting completed without environmental incident in high risk areas (adjacent to NCC municipal water supply intake)

2. Volume in Tonnes	42,494	77%
2017/2018 Annual Budget	54,850 m ³	

- Harvest volume up on budget YTD. Harvesting will slow down over the next two quarters.

3. Forestry Management PFO controlled expenditure	\$60,419
2017/2018 Annual Budget	\$284,348

- Release spraying undertaken in the Roding forest on the 2016 plantings. Some of these costs to come in January.
- Some costs for the Douglas Fir removal completed in the Brook Codgers area have just come through and has been included in the forestry management section.
- Seedling deposits paid for 2018 planting are shown in this report.

4. Risk Management - Incidents	 4
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- 3 Near Hits
- 1 Operational Issue

Item 6: Forestry update - Number 3 - March 2018: Attachment 4



1. Harvesting Revenue – Harvesting was carried out at the Roding and Maitai forest NCC Harvesting 1 July 2017 to 31 December 2017

		Job# 13451	Job# 14268
	Total All	Roding	Maitai
HARVESTING COSTS			
Administration/Comm Levy	14,261	6,881.41	7,379.53
Clean up/Debris clearance	11,370	3,010.00	8,360.04
Metalled or sealed	37,332	12,835.14	24,496.45
Health and safety	4,782	1,134.00	3,648.38
Logging	1,762,048	800,775.84	961,272.48
Log and load	45,871	-	45,870.76
Logging road maintenance	63,312	22,079.33	41,232.49
Management	190,897	89,221.47	101,675.12
Road Maintenance - Public	323	310.00	13.03
Mapping	-		
Safety Training	-		
Skid Construction	14,690	9,930.00	4,760.00
Skid Rehabilitation	11,367	3,410.00	7,957.17
Tracking	2,380	-	2,380.00
Transport	713,885	360,425.74	353,459.74
Retentions	-	-	-
POST HARVEST OPS	-		
Clean up/Debris clearance	17,853	4,988.25	12,865.00
Road Maintenance	19,200	2,565.00	16,635.22
TOTAL	2,909,572	1,317,566.18	1,592,005.41
SALES			
GoldPine	104,780	102,062.88	2,717.46
Nelson Pine	450,128	372,322.98	77,804.55
South Pine	555,700	213,237.92	342,462.21
CHH	559,323	555,595.85	3,726.90
Fortuna	2,782,129	836,138.67	1,945,990.26
Taylor Timbers	29,166	27,564.24	1,601.60
Southwood	80,555	40,494.17	40,060.35
Eurocell	299,542	99,449	200,093.71
Westco	81,595	16,973.85	64,621.06
TOTAL	4,942,917	2,263,839.16	2,679,078.10
OVERALL TOTAL			
Gross Revenue	\$ 4,942,917	\$ 2,263,839	\$ 2,679,078
Gross Costs	\$ 2,909,572	\$ 1,317,566	\$ 1,592,005
Net YTD Revenue	\$ 2,033,346	\$ 946,273	\$ 1,087,073
 Total Tonnes	 42,494	 19,906	 22,588

Item 6: Forestry update - Number 3 - March 2018: Attachment 4



Roding	Volume (tonnes)	Nett Income	Av nett revenue per tonne	Harvest costs	Av cost per tonne
1 st Quarter	10,658	\$488,886	\$45.87	\$703,221	\$65.98
2 nd Quarter	9,248	\$457,387	\$49.45	\$614,346	\$66.43
Total to Date	19,906	\$946,273		\$1,317,567	
Maitai					
1 st Quarter	13,885	\$689,811	\$49.68	\$967,278	\$69.66
2 nd Quarter	8,703	\$397,262	\$45.65	\$624,728	\$71.78
Total to date	22,588	\$1,087,073		\$1,592,005	

Current Year	Total to date	Annual Budget	%	Comments
Nett Income - \$	\$2,033,346	\$1,959,973	103%	Net income ahead on budget due to strong log pricing and domestic marketing
Volume - tonnes	42,494	54,850	77%	Harvest volumes will slow down for remainder of year.
Av. Net Price per tonne	\$47.85	\$35.73		Excellent log pricing and improved grade recoveries vs predicted
Harvest costs	\$2,909,572	3,963,303	73%	Harvest costs in 2 nd similar to the first quarter. These should not increase for the remainder of the current harvest programme.
Av. Cost per tonne	\$68.47	\$72.26		

2. Forestry Management Expenditure

Forest Budget	Year to Date Actual (\$)	Annual Budget (\$)	Comments
Roding	535	18,421	No road maintenance to date other than what is included in the harvesting.
Land Preparation	0	57,768	Land prep will be commencing in 3rd quarter
Establishment	22,269	7,000	Tree stocks deposit (winter 2018 planting) will be credited back to Council. This was not in the budget. Release spraying in the Roding in December.
Tending	1,618	51,521	Pre Harvest inventory – Roding Forest
Protection	0	3,070	Nil
Property Maintenance	0	3,000	Nil
Rates & Insurance	0	28,979	Costs paid directly by council
Admin/Management	6,477	32,544	PF Olsen operational fees & monthly admin fee

Item 6: Forestry update - Number 3 - March 2018: Attachment 4



13554 NCC Consulting	11,511	35,819	Forest valuation, Harvest planning (PF Olsen)
20947 D Fir Removal	18,009	46,226	D fir tree removal and partial harvest in Brook, Maitai Forests
TOTAL	60,419	284,348	

3. Risk Management



3.1 Health & Safety

Incidents

- 3 Near Hits
 - Roding Forest: Stem slid down hill and hit excavator
 - Roding Forest: Truck driver was distracted and swerved dangerously
 - Maitai Forest: Two trucks nearly met due to dead spots on radio channel
- 1 Operational Issue
 - Maitai Forest: Truck driver reported issue with radio channel

Safety Meetings

Bi-monthly safety meeting was carried out on the 8th of November with all contractors. This included a field trip to a harvesting operation in the Upper Moutere, Tasman.

3.2 Environmental

- Exceptional environmental performance around high risk Maitai and Roding dam water take

Item 6: Forestry update - Number 3 - March 2018: Attachment 4



4. Wood Track Production Report

Wood Track: Forest Owner Production - Customer Deliveries By Grade

From 01/07/17 To 31/12/17

GeoUnit:

Nelson City Council

NCC - Rodding Harvest

0013451

Customer	Destination	Species	Grade	Len	Loads	Tonnes	m3	JAS
Carter Holt Harvey Holdings Ltd	Eves Valley	PRAD	ROB	M	136.0	4,517.04		

Carter Holt Harvey Holdings Limited - Eves Valley Total: 136.0 4,517.04

Customer	Destination	Species	Grade	Len	Loads	Tonnes	m3	JAS
Eurocell Wood Products Ltd	Tahunanui	PRAD	ROB	M	25.0	826.06		

Eurocell Wood Products Ltd Total: 25.0 826.06

Customer	Destination	Species	Grade	Len	Loads	Tonnes	m3	JAS
Fortuna Forest Products Ltd 9	Port Nelson	PRAD	A	3.9	88.0	1,653.89		1,560.128
		PRAD	K	3.9	100.0	2,267.43		2,011.538
		PRAD	K	5.9	5.0	148.65		129.321
		PRAD	KI	3.9	12.0	209.35		186.044
		PRAD	KIS	3.9	45.0	834.21		670.908
		PRAD	KIS	5.9	26.0	378.79		273.546
		PRAD	P35	4.0	22.0	426.62		408.232
		PRAD	P35	5.2	33.0	531.97		505.447
		PRAD	P40	4.0	1.0	11.96		12.180
		PRAD	P40	5.2	6.0	110.24		104.233
		PRAD	PP30	4.0	37.0	724.70		670.411

Fortuna Forest Products Ltd 9 Nelson Total: 375.0 7,297.81 6,531.988

Customer	Destination	Species	Grade	Len	Loads	Tonnes	m3	JAS
Goldpine Industries Ltd	Golden Downs	PRAD	POLES	12.0	2.0	73.52		
		PRAD	POLES	4.8	7.0	179.17		
		PRAD	POLES	5.4	4.0	78.59		
		PRAD	POLES	8.0	6.0	91.41		
		PRAD	POST	3.6	14.0	304.96		
		PRAD	POST	RL	5.0	158.36		

Goldpine Industries Ltd Total: 38.0 886.01

Customer	Destination	Species	Grade	Len	Loads	Tonnes	m3	JAS
Nelson Pine Industries Ltd	Richmond	PRAD	CH	RS	84.0	2,202.46		
		PRAD	LVLIX	5.5	73.0	1,841.72		

Nelson Pine Industries Ltd Total: 157.0 4,044.18

Customer	Destination	Species	Grade	Len	Loads	Tonnes	m3	JAS
South Pine (Nelson) Ltd	Stoke	PRAD	ROB	M	52.0	1,794.17		

South Pine (Nelson) Ltd Total: 52.0 1,794.17

Customer	Destination	Species	Grade	Len	Loads	Tonnes	m3	JAS
Southwood NZ Ltd	Motueka	PRAD	P35	5.0	5.0	81.33		
		PRAD	P35	RL	1.0	30.11		
		PRAD	P35	RS	7.0	156.94		

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Southwood NZ Ltd Total: 13.0 268.38

Customer	Destination	Species	Grade	Len	Loads	Tonnes	m3	JAS
D & E Taylor Timbers Ltd	Hope	PRAD	P35	RL	5.0	173.36		

D & E Taylor Timbers Ltd Total: 5.0 173.36

Customer	Destination	Species	Grade	Len	Loads	Tonnes	m3	JAS
Westco Lumber Ltd	Ruatapu	PRAD	P2	S	1.0	0.60	0.579	
		PRAD	PSL	M	4.0	98.82	93.881	

Westco Lumber Ltd Total: 5.0 99.42 94.460

NCC - Roding Harvest Total: 806.0 19,906.43 94.460 6,531.988
Nelson City Council Total: 806.0 19,906.43 94.460 6,531.988
Report Total: 806.0 19,906.43 94.460 6,531.988

** End Of Report **

Nelson City Council

NCC - Maitai Harvest

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Customer	Destination	Species	Grade	Len	Loads	Tonnes	m3	JAS
Carter Holt Harvey Holdings Ltd	Eves Valley	PRAD	ROB	M	1.0	30.30		

Carter Holt Harvey Holdings Limited - Eves Valley Total: 1.0 30.30

Customer	Destination	Species	Grade	Len	Loads	Tonnes	m3	JAS
Eurocell Wood Products Ltd	Tahunanui	PRAD	N25	M	11.0	328.86		
		PRAD	ROB	M	45.0	1,366.89		

Eurocell Wood Products Ltd Total: 56.0 1,695.75

Customer	Destination	Species	Grade	Len	Loads	Tonnes	m3	JAS
Fortuna Forest Products Ltd 9	Port Nelson	PRAD	A	3.9	194.0	3,996.58		3,782.904
		PRAD	A	5.9	66.0	1,694.34		1,567.195
		PRAD	K	3.9	119.0	2,100.14		1,883.407
		PRAD	K	5.9	49.0	1,037.38		867.342
		PRAD	KI	3.9	23.0	446.67		399.517
		PRAD	KIS	3.9	64.0	1,194.08		969.610
		PRAD	KIS	5.9	43.0	728.25		531.100
		PRAD	P35	4.0	37.0	546.89		523.134
		PRAD	P35	5.2	4.0	64.64		61.428
		PRAD	P40	4.0	30.0	442.57		422.197
		PRAD	P40	5.2	57.0	1,092.54		1,059.184
		PRAD	PP30	4.0	119.0	2,846.68		2,623.812

Fortuna Forest Products Ltd 9 Nelson Total: 805.0 15,990.76 14,690.830

Customer	Destination	Species	Grade	Len	Loads	Tonnes	m3	JAS
Goldpine Industries Ltd	Golden Downs	PRAD	POST	RL	1.0	29.22		

Goldpine Industries Ltd Total: 1.0 29.22

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Customer	Destination	Species	Grade	Len	Loads	Tonnes	m3	JAS
Nelson Pine Industries Ltd	Richmond	PRAD	CH	RS	42.0	1,218.96		

Nelson Pine Industries Ltd Total: 42.0 1,218.96

Customer	Destination	Species	Grade	Len	Loads	Tonnes	m3	JAS
South Pine (Nelson) Ltd	Stoke	PRAD	NZ5	M	5.0	150.16		
		PRAD	ROB	M	96.0	2,842.75		

South Pine (Nelson) Ltd Total: 101.0 2,992.91

Customer	Destination	Species	Grade	Len	Loads	Tonnes	m3	JAS
Southwood NZ Ltd	Motueka	PRAD	P35	S.0	8.0	242.79		

Southwood NZ Ltd Total: 8.0 242.79

Customer	Destination	Species	Grade	Len	Loads	Tonnes	m3	JAS
D & E Taylor Timbers Ltd	Hope	PRAD	ROB	M	1.0	24.64		

D & E Taylor Timbers Ltd Total: 1.0 24.64

Customer	Destination	Species	Grade	Len	Loads	Tonnes	m3	JAS
Westco Lumber Ltd	Ruatapu	PRAD	P2	S	3.0	1.71	1.656	
		PRAD	PSL	M	10.0	360.42	347.934	
		PRAD	ROB	S	1.0	0.39	0.380	

Westco Lumber Ltd Total: 14.0 362.52 349.970

NCC - Maitai Harvest Total: 1,029.0 22,587.85 349.970 14,690.830
Nelson City Council Total: 1,029.0 22,587.85 349.970 14,690.830
Report Total: 1,029.0 22,587.85 349.970 14,690.830

** End Of Report **

Item 6: Forestry update - Number 3 - March 2018: Attachment 5

Harvest and investigate alternate use

Block	Stand	Species	Area
Brook			
Brook	22.01	Clear	10.0
Brook	22.02	Radiata	3.0
Brook	22.03	Douglas fir	5.8
Brook	22.04	Radiata	0.4
Brook	22.05	Radiata	1.6
Brook	22.06	Radiata	3.5
Brook	22.08	Douglas fir	3.4
Brook	22.09	Radiata	3.5
Brook	26.01	Macrocarpa	1.9
Brook	26.02	Radiata	0.5
Brook	26.04	Eucalyptus	0.2
Brook	26.05	Radiata	19.8
Brook	26.06	Radiata	13.0
Brook	26.07	Radiata	0.4
Brook	28.01	Radiata	3.0
Maitai			
Maitai	2.01	Radiata	0.3
Maitai	4.03	Radiata	0.5
Maitai	4.04	Douglas fir	2.2
Maitai	4.08	Acacia	1.3
Maitai	4.09	Macrocarpa	0.1
Maitai	4.12	Radiata	0.9
Maitai	5.01	Radiata	1.4
Maitai	5.02	Radiata	0.5
Maitai	7.02	Radiata	0.9
Maitai	8.01	Eucalyptus	0.3
Maitai	9.03	Radiata	0.6
Maitai	10.02	Radiata	1.9
Marsden			
Marsden	41.01	Clear	0.9
Marsden	44.01	Douglas fir	0.5
Roding			
Roding	54.02	Radiata	8.5
Roding	55.06	Radiata	0.4
Roding	56.06	Radiata	0.7

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High altitude exposed stands: Harvest and consider alternate use only if seedlings fail

Block	Stand	Species	Area
Roding	53.01	Radiata	2.4
Roding	53.02	Radiata	3.3
Roding	53.04	Radiata	7.3
Roding	55.05	Radiata	39.1

Poison/fell to waste and then investigate alternate use

Block	Stand	Species	Area
Brook	25.01	Macrocarpa	2.5
Maitai	9.01	Douglas fir	4.3
Maitai	10.01	Douglas fir	1.8
Marsden	42.06	Douglas fir	20.3
Marsden	41.01	Clear	0.9