



**Notice of the ordinary meeting of the
Infrastructure Committee
*Kōmiti Hanganga***

Date:	Tuesday 2 June 2020
Time:	9.00a.m.
Location:	Council Chamber, Civic House 110 Trafalgar Street Nelson

Agenda

Rārangi take

Chair	Cr Brian McGurk
Deputy Chair	Cr Rohan O'Neill-Stevens
Members	Her Worship the Mayor Rachel Reese Cr Yvonne Bowater Cr Trudie Brand Cr Mel Courtney Cr Kate Fulton Cr Judene Edgar Cr Matt Lawrey Cr Gaile Noonan Cr Pete Rainey Cr Rachel Sanson Cr Tim Skinner

**Pat Dougherty
Chief Executive**

Quorum: 7

Nelson City Council Disclaimer

Please note that the contents of these Council and Committee Agendas have yet to be considered by Council and officer recommendations may be altered or changed by the Council in the process of making the formal Council decision.

Infrastructure Committee

Areas of Responsibility:

- Bylaws, within the areas of responsibility
- Transport network, including, roading network and associated structures, walkways, cycleways and shared pathways, footpaths and road reserve, street lighting, traffic management control and parking.
- Water
- Wastewater, including Bell Island Wastewater Treatment Plant
- Stormwater and Flood Protection
- Solid Waste management, including transfer stations and waste minimisation
- Regional Landfill
- Recycling

Delegations:

The committee has all of the responsibilities, powers, functions and duties of Council in relation to governance matters within its areas of responsibility, except where they have been retained by Council, or have been referred to other committees, subcommittees or subordinate decision-making bodies.

The exercise of Council's responsibilities, powers, functions and duties in relation to governance matters includes (but is not limited to):

- Monitoring Council's performance for the committee's areas of responsibility, including legislative responsibilities and compliance requirements
- Developing, approving, monitoring and reviewing policies and plans, including activity management plans and the Infrastructure Strategy
- Reviewing and determining whether a bylaw or amendment, revocation or replacement of a bylaw is appropriate
- Undertaking community engagement, including all steps relating to Special Consultative Procedures or other formal consultation processes
- Approving submissions to external bodies or organisations, and on legislation and regulatory proposals
- Hear, consider and decide all applications for road stopping

Powers to Recommend to Council:

In the following situations the committee may consider matters within the areas of responsibility but make recommendations to Council only (in accordance with sections 5.1.3 - 5.1.5 of the Delegations Register):

- Matters that, under the Local Government Act 2002, the operation of law or other legislation, Council is unable to delegate
- The purchase or disposal of land or property relating to the areas of responsibility, other than in accordance with the Long Term Plan or Annual Plan
- Unbudgeted expenditure relating to the areas of responsibility, not included in the Long Term Plan or Annual Plan
- Decisions regarding significant assets

1. Apologies

Nil

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 7 May 2020

6 - 12

Document number M9841

Recommendation

That the Infrastructure Committee

- 1. Confirms the minutes of the meeting of the Infrastructure Committee, held on 7 May 2020, as a true and correct record.***

6. Chairperson's Report**13**

Document number R17032

Recommendation

That the Infrastructure Committee

- 1. Receives the report Chairperson's Report (R17032).***

7. COVID-19 Implications for Infrastructure 14 - 18

Document number R17024

Recommendation

That the Infrastructure Committee

- 1. Receives the report COVID-19 Implications for Infrastructure (R17024).***

8. Nelson Tasman Regional Landfill Business Unit 2020/21 Business Plan 19 - 39

Document number R13697

Recommendation

That the Infrastructure Committee

- 1. Receives the report Nelson Tasman Regional Landfill Business Unit 2020/21 Business Plan (R13697) and its attachment (A2375131); and***
- 2. Receives the Nelson Tasman Regional Landfill Business Unit 2020/21 Business Plan (A2375131).***

CONFIDENTIAL BUSINESS

9. Exclusion of the Public

Recommendation

That the Infrastructure Committee

- 1. Excludes the public from the following parts of the proceedings of this meeting.***
- 2. 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	Infrastructure Committee Meeting - Public Excluded Minutes - 7 May 2020	<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)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)



Minutes of an extraordinary meeting of the Infrastructure Committee

Via Audio-visual (Zoom), held on Thursday 7 May 2020, commencing at 10.01a.m.

Present: Councillor B McGurk (Chairperson), Her Worship the Mayor R Reese, Councillors Y Bowater, T Brand, M Courtney, J Edgar, K Fulton, M Lawrey, R O'Neill-Stevens, G Noonan, P Rainey, R Sanson and T Skinner

In Attendance: Chief Executive (P Dougherty), Group Manager Infrastructure (A Louverdis), Group Manager Corporate Services (N Harrison), Governance Adviser (E-J Ruthven), and Governance Support (K McLean)

Apologies : Nil

Karakia Timatanga

Councillor McGurk gave a karakia timatanga.

1. Apologies

There were no apologies.

Attendance: Councillor Rainey left the meeting at 10.03a.m.

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. Public Forum

There was no public forum.

5. Confirmation of Minutes

5.1 20 February 2020

Document number M6710, agenda pages 7 - 13 refer.

Resolved IC/2020/012

That the Infrastructure Committee

- 1. Confirms the minutes of the meeting of the Infrastructure Committee, held on 20 February 2020, as a true and correct record.***

Edgar/O'Neill-Stevens

Carried

6. Chairperson's Report

Document number R14838, agenda pages 14 - 16 refer.

Councillor McGurk presented his report.

Chief Executive, Pat Dougherty, and Group Manager Infrastructure, Alec Louverdis, answered questions regarding the streamlining of Procurement Policy processes to assist in the economic recovery following the Covid-19 shutdown, the timeframe for these changes, and how this linked to the upcoming review of the Procurement Policy.

Attendance: Councillor Rainey returned to the meeting at 10.19a.m.

Councillor Courtney, seconded by Councillor Fulton moved:

That the Infrastructure Committee

- 1. Receives the report Chairpersons Report (R14838); and*
- 2. Endorses the streamlined procurement process essential to the economic recovery of Nelson.*

Mr Louverdis answered questions regarding kerbside recycling collection volumes, when the Materials Recovery Facility might become operational again, and communication regarding Council's decision to cease collecting plastics 3, 4, 6 and 7 from 1 July 2020.

Mr Dougherty answered further questions regarding the streamlined Procurement Policy processes, and how they related to non-traditional subcontractors such as social enterprises. A question was raised with respect to the food waste trial.

A point of order was raised that, in accordance with Standing Order 24.2(c), discussion of the food waste trial was an item not before the meeting. The point of order was upheld.

Councillor Edgar, seconded by Councillor Noonan moved an amendment to the second clause of the motion:

2. *Notes the streamlined procurement process essential to the economic recovery of Nelson.*

The amendment was put and became the substantive motion.

Resolved IC/2020/013

That the Infrastructure Committee

1. ***Notes the streamlined procurement process essential to the economic recovery of Nelson.***

Edgar/Noonan

Carried

Resolved IC/2020/014

That the Infrastructure Committee

1. ***Receives the report Chairpersons Report (R14838); and***
2. ***Notes the streamlined procurement process essential to the economic recovery of Nelson***

Courtney/Fulton

Carried

Attendance: The meeting was adjourned from 10.48a.m. to 10.55a.m.

7. COVID-19 Implications on Infrastructure

Document number R16991, agenda pages 17 - 20 refer.

Manager Capital Projects, Lois Plum, presented the report.

Manager Transport and Solid Waste, Marg Parfitt, answered questions regarding the provision and use of public transport during Covid-19 alert levels 4 and 3, levels of glass recycling and single plastic use, support for food businesses to choose compostable takeaway containers and cups, and eftpos machine facilities at the transfer station.

Ms Plum answered additional questions regarding taking on additional project managers to manage the upcoming workload

Committee members acknowledged the work of officers and noted their appreciation for the smooth continuity of essential services during alert levels 4 and 3.

Resolved IC/2020/015

That the Infrastructure Committee

1. ***Receives the report COVID-19 Implications on Infrastructure (R16991); and***

2. ***Notes the challenges facing the Infrastructure Group as a result of the COVID-19 shut-down including the risk of delivery and increased costs.***

O'Neill-Stevens/Edgar

Carried

8. **Accessible Streets Regulatory Package 2020: Submission to the Ministry of Transport**

Document number R16939, agenda pages 21 - 40 refer.

Manager Solid Waste and Transport, Marg Parfitt, presented the report. She answered questions regarding central Government investment in cycle lanes, footpath size and accessibility issues, cyclist use of footpaths and designating particular areas for pedestrians only.

Councillor Bowater left the meeting at 11.37a.m. due to internet connectivity issues.

Resolved IC/2020/016

That the Infrastructure Committee

1. ***Receives the report Accessible Streets Regulatory Package 2020: Submission to the Ministry of Transport (R16939) and its attachment (A2365818); and***
2. ***Approves retrospectively the Nelson City Council's submission to the Ministry of Transport (A2365818) attached to Report R16939)***

Noonan/Sanson

Carried

A division was called:

For

Cr McGurk (Chairperson)
Her Worship the Mayor
Cr Brand
Cr Courtney
Cr Edgar
Cr Fulton
Cr Lawrey
Cr O'Neill-Stevens
Cr Noonan
Cr Rainey
Cr Sanson

Against

Cr Skinner

Absent

Cr Bowater

The motion was carried 11 - 1.

9. Infrastructure Fees and Charges 2020-2021

Document number R13674, agenda pages 41 - 46 refer.

Manager Solid Waste and Transport, Marg Parfitt, presented the report.

Councillor Bowater returned to the meeting at 11.44a.m.

Group Manager Infrastructure, Alec Louverdis, and Chief Executive, Pat Dougherty, answered questions regarding the 5% increase in landfill fees proposed through the Annual Plan 2020/21 and how this interacted with the proposed 8% increase in Solid Waste charges at the Pascoe Street Transfer Station.

Councillor Edgar, seconded by Councillor O'Neill-Stevens, moved:

That the Infrastructure Committee

1. Receives the report *Infrastructure Fees and Charges 2020-2021 (R13674)* and its attachment (A2325209); and
2. Notes that the Consumer Price Index will be applied to all Utilities and Roading charges effective 1 July 2020; and
3. Approves an 8% increase to Solid Waste charges at the Pascoe Street transfer station as reflected in Attachment A2325209 of Report R13674, effective 1 July 2020, subject to confirmation through the Annual Plan 2020/21.

Mr Louverdis answered questions regarding the standard timing and consultation practices regarding increased fees and charges considered annually, and how this had been affected this year due to Covid-19.

Ms Parfitt answered further questions regarding costs and practices in relation to the disposal of tyres, and confirmed that fees and charges were set at a level to recover costs.

Committee members discussed the motion and views for and against were expressed.

Resolved IC/2020/017

That the Infrastructure Committee

1. **Receives the report *Infrastructure Fees and Charges 2020-2021 (R13674)* and its attachment (A2325209); and**
2. **Notes that the Consumer Price Index will be applied to all Utilities and Roading charges effective 1 July 2020; and**

- 3. Approves an 8% increase to Solid Waste charges at the Pascoe Street transfer station as reflected in Attachment A2325209 of Report R13674, effective 1 July 2020, subject to confirmation through the Annual Plan 2020/21.**

Edgar/O'Neill-Stevens

Carried

Attendance: The meeting was adjourned from 12.20p.m. until 1.02p.m., during which time Her Worship the Mayor left the meeting.

10. Exclusion of the Public

Resolved IC/2020/018

That the Infrastructure Committee

- 1. Excludes the public from the following parts of the proceedings of this meeting.**
- 2. *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:***

Bowater/Brand

Carried

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	Nelmac - Utilities Maintenance and Operations Contract	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)
2	Wastney Terrace Stormwater Upgrade - Property Negotiations	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which	The withholding of the information is necessary: <ul style="list-style-type: none"> Section 7(2)(i) To enable the local authority to carry on, without prejudice or disadvantage,

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
	Involves land easement negotiations	good reason exists under section 7	negotiations (including commercial and industrial negotiations)

The meeting went into confidential session at 1.04p.m. and resumed in public session at 2.23p.m.

Karakia Timatanga

Councillor McGurk gave a karakia whakamutunga.

There being no further business the meeting ended at 2.24p.m.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date

REPORT R17032

Chairperson's Report

1. Chairs foreword

- 1.1 My Chair's report provides an update on external funding received by this Council for projects and how this work will benefit the region.

2. Recommendation

That the Infrastructure Committee

- 1. Receives the report Chairperson's Report (R17032).***

3. Provincial Growth Fund

- 3.1 As noted in the officer report as part of this agenda, we have been successful in receiving Provincial Growth Funding for several projects in Nelson. These projects are crucial to the economic recovery of the region and officers are working at making these a reality.
- 3.2 The benefits to our community are however more than just economic. In the case of the Maitai footpath widening for example, the project will also provide much needed social and safety benefits to all users of the path.
- 3.3 One of the key criteria of the funding is that the work needs to commence with urgency and what this means is that all projects will need to be fast tracked to achieve the full benefits.
- 3.4 I'm hoping that the committee will share my delight in us receiving funding for these projects and support officers in making them a reality.

Author: Brian McGurk, Chairperson

Attachments

Nil

COVID-19 Implications for Infrastructure

1. Purpose of Report

- 1.1 To advise the Committee on the effects the COVID-19 lockdown has had on the Infrastructure Group

2. Recommendation

That the Infrastructure Committee

- 1. Receives the report COVID-19 Implications for Infrastructure (R17024).***

3. Background

- 3.1 The COVID-19 lockdown and moving into different alert levels has slowed Council's capital delivery programme affecting projects to varying degrees.
- 3.2 The anticipated original expenditure for Capital Projects delivery of \$23.9 million to the end of June will not be achieved. Work recommenced on construction sites on 27 April and the updated expected forecast spend is \$20.2 million.
- 3.3 The implication of the lockdown and changing alert levels will result in a carry-over of around \$2.9m putting the capital projects expected spend for 2020/21 at around \$31.1m. This is in addition to any carry forward included in the draft Annual Plan. It is also noted that further changes to 2020/21 figure will have been included in the Annual Plan documentation post completion of this report (R17024).
- 3.4 The "back-to-work" protocols have resulted in some slowing of onsite work, however the crews are learning new ways of achieving outcomes.
- 3.5 Council continues to process several time extension claims for additional costs from contractors as a result of COVID-19 shut-down.

4. Provincial Growth Fund

- 4.1 Council's application to the Provisional Growth Fund (PGF), which included around 85 separate projects, has been successful with funding for five roading projects secured as shown below.

Project	Estimated Total Cost (plus GST)
NCC Beach Road Raised Table	\$180,000
Bullivant road cycleway	\$100,000
Planting & Tracks Eves Valley	\$100,000
Maitai pathway improvement (Collingwood to Bridge)	\$600,000
York road resurfacing	\$250,000
Total	\$1,230,000

- 4.2 NCC as administering authority for the NRSBU and Regional Landfill Business Units, co-ordinated applications for these resulting in the success of three projects – two for the Regional Landfill and one for the NRSBU.
- 4.3 An internal management group has been set up to ensure the success of these projects. Project managers have been assigned to each project and discussions with MBIE staff have taken place.
- 4.4 Conditions of funding include providing MBIE with regular monthly progress updates and commencement of works within two months of COVID-19 Alert Level 3 being lifted – i.e. two months from 14 May 2020.
- 4.5 The Maitai path improvement project will be fast tracked and is focused on the section between Collingwood and Bridge Street, taking the path from 1.4m to between 3 and 3.5m in width, ensuring a safe width for all users.

5. Discussion

Public transport

- 5.1 Public transport on Nbus continued throughout levels 4 and 3 on a timetable based on Saturday services. Patronage was down by approximately 90% throughout this time. The full timetable service resumed on Thursday 14 May, with the exception of the Late Late bus

Item 7: COVID-19 Implications for Infrastructure

which will not recommence until hotel bars and nightclubs resume operation.

- 5.2 Service operators and Council continue to follow national guidance regarding extra cleaning, contact tracing, physical distancing on buses, and avoiding driver customer interaction by making the service free of charge. Discussions are held with Waka Kotahi NZ Transport Agency (NZTA) on a regular basis and at this stage officers are cautiously optimistic that fares will remain free until 30 June. Officers have requested free travel is extended until 4 August for Nelson to coincide with the confirmed date for electronic ticketing going live locally. When the electronic ticketing goes live NZTA has a strong expectation that fares will be recovered as they can be in a contactless manner with no driver interaction i.e. using tag on/tag off.
- 5.3 Officers are monitoring bus patronage under Alert Level 2. Capacity on buses is limited due to the physical distancing requirements. If there is a need to provide extra services at peak times on Nbus routes, the cost is approximately \$2,000 per bus per week. At the time of writing this report the exact number of buses required is uncertain. NZTA has signalled it would provide additional funding until June 30 to meet demand.

Total Mobility

- 5.4 Reduced fares on Total Mobility services will continue to be available until 30 June 2020 (irrespective of New Zealand's COVID-19 Alert Level), after which time normal fare payment processes will resume.

Transport and roading matters

- 5.5 The Trafalgar Street/Halifax Street traffic signals will be changed to a full-time Barnes Dance crossing from late June. The Barnes Dance crossing will allow pedestrians to cross both perpendicularly and diagonally across the intersection to improve pedestrian levels of service and reduce waiting times. This intersection change was proposed as part of the response to COVID-19 and is being trialled before consideration for other intersections. An education campaign about the changes is planned. With the exception of the Waimea Road crossing at Hampden Street School and the NZTA controlled signals at Tahunanui all other pedestrian phases at Nelson traffic signals remain automated to reduce COVID-19 infection risk.
- 5.6 The transport team has been working closely with officers in the City Development team on potential changes to the City Centre streets post COVID-19. That project has been discussed at Council in a separate report. In addition Council has submitted a funding application to NZTA in relation to the early investigative and engagement work that commenced in Kawai Street. Funding decisions will be made the first week in June.

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- 5.7 A workshop was held with councillors on 12 May to provide guidance on the scope of Parking Strategy development, pending approval of the draft Annual Plan.
- 5.8 The combined Nelson/Tasman public transport review work continues and is being workshopped through the Regional Transport Committees.

Waste minimisation

- 5.9 A number of activities were put on hold during the COVID-19 lock down, however, this hiatus did provide an opportunity to look at a new work programme investigating deconstruction versus demolition for building waste for future engagement with the building sector, with a project initiated to support this for the Mediterranean Warehouse. During Level 2 work is underway to develop and finalise the work programme for 2020/21.

Recycling, landfill and transfer station

- 5.10 The Material Recycling Facility (MRF) was closed for level 4 and 3. During this time collected recycling in the yellow lidded bins was landfilled. As of 18 May the MRF was again opened and all kerbside recycling collections will be sorted as per usual. The public drop off for recycling was also opened on 18 May.
- 5.11 Throughout level 4 and 3 glass has been collected and sent to Auckland for sorting and recycling. Total weight collected is similar to normal.
- 5.12 The Pascoe Street transfer station, public recycling drop off and reuse shop were all re-opened on 18 May.
- 5.13 The Joint Regional landfill has been open through all levels.

Utilities

- 5.14 As previously reported, the services managed within the Utilities Business Unit were an essential service and have continued to operate throughout COVID-19. Business as usual has returned for managing these services under level 3 and 2.

Activity Management Plans

- 5.15 It is unclear at this stage what impact COVID-19 will have on the development and delivery of the 2021–31 Activity Management Plans (AMPs), particularly with Council priorities, growth projections and financial affordability. Officers will provide an update on this at the next Infrastructure Committee meeting in July.

Capital Projects

- 5.16 Capital Project Delivery – an update of major projects is provided below.

Item 7: COVID-19 Implications for Infrastructure

- Tahunanui Cycle Path, Annesbrook watermain, Saxton Creek stage 3, St Vincent Street sewer, Poormans stream culvert and the Railway Reserve cycle underpass work are all back on site.
- A risk to the successful completion of these works will be delays from weather as we move into the winter months.
- Public consultation has continued and been managed via mail-drops, and Shape Nelson.
- The streamlined procurement process has allowed early conversations with contractors, allowing open discussions on risk, timing and constructability. Officers are also looking at flexibility around timelines so the contractors can better plan their work programmes.
- Anzac to Maitai shared path work will start construction following the completion of the Tahunanui Cycle path work as it is the same crew doing this project – approximately September 2020.
- Officers are expecting the Beach Road Storage Facility August 2020 Gracefield diversion and Awatea Pump Station approximately October 2020.

Author: **Lois Plum, Manager Capital Projects**

Attachments

Nil

Nelson Tasman Regional Landfill Business Unit 2020/21 Business Plan

1. Purpose of Report

- 1.1 To receive the Draft 2020/21 Nelson Tasman Regional Landfill Business Unit (NTRLBU) Business Plan (Business Plan).

2. Recommendation

That the Infrastructure Committee

- 1. Receives the report Nelson Tasman Regional Landfill Business Unit 2020/21 Business Plan (R13697) and its attachment (A2375131); and***
- 2. Receives the Nelson Tasman Regional Landfill Business Unit 2020/21 Business Plan (A2375131).***

3. Background

- 3.1 The NTRLBU was established by the Nelson City Council (NCC) and Tasman District Council (TDC) in April 2017 and became operational from 1 July 2017.
- 3.2 The approved Terms of Reference (TOR) require that the Draft Business Plan be presented annually to each Council by 31 October each year and allow for each Council to provide feedback on the draft Business Plan.
- 3.3 The Draft 2020/21 Business Plan was prepared by the NTRLBU Acting General Manager and was presented to the Board who resolved on 13 September 2019, as follows:

Item 8: Nelson Tasman Regional Landfill Business Unit 2020/21 Business Plan

Moved Cr Maling/Cr Walker
RLBU19-09-2

That the Nelson-Tasman Regional Landfill Business Unit:

2. *receives and approves the Draft Business Plan 2020/21 and the proposed landfill charges for 2020/2021 subject to minor changes approved by the Chairman; and*
3. *recommends the Draft Business Plan 2020/21 be presented to the Tasman District Council and Nelson City Council for their feedback.*

CARRIED

- 3.4 The NTRLBU can only formally adopt the Draft Business Plan after receiving and considering comment from the two Councils and is then required to present the final Business Plan to the Councils by 31 May for inclusion in each Council's draft Annual Plan.
- 3.5 The Infrastructure Committee considered the Draft Business Plan on the 21 November 2019 and provided feedback to the Acting General Manager. That feedback required:
 - 3.5.1 more details of the studies required for the Long Term Capital Programmes; and
 - 3.5.2 a timeline of when the Hazardous Activities and Industries List review would be undertaken.

- 3.6 The Committee resolved:

Resolved IC/2019/001

"Receives the report Nelson Tasman Regional Landfill Business Unit 2020/21 Business Plan (R11477) and its attachment (A2279731); and

Provides comments back to the Nelson Tasman Regional Landfill Business Unit Acting General Manager on the draft 2020/21 Business Plan (A2279731)".

- 3.7 The General Manager considered that feedback, amended the Business Plan and presented that to the NTRLBU Board on the 1 May 2020, where they resolved as follows:

Resolved RLBU/2020/002

That the Nelson Tasman Regional Landfill Business Unit:

1. *Receives the report Nelson Tasman Nelson Tasman Regional Landfill Business Plan 2020-2021(RR16987) and its attachment (A2375357 and A2375131); and*

Item 8: Nelson Tasman Regional Landfill Business Unit 2020/21 Business Plan

2. *Receives and approves the Draft Business Plan 2020/21 (A2375131) subject to minor changes approved by the Chairman; and*
3. *Recommends the Draft Business Plan 2020/21 be presented to the Tasman District Council and Nelson City Council.*

4. Discussion

- 4.1 The revised Draft Business Plan is appended as Attachment 1 and the newly appointed General Manager will be present at the meeting to answer any questions.

Options

- 4.2 The Committee has already consider the draft Business Plan and provided feedback to both the Acting General Manager and General Manager, who has addressed that feedback in the revised Business Plan and presented that back to the Board for approval. The Board has subsequently approved the Business Plan.
- 4.3 All that remains is for both Council's to receive that the Business Plan in line with the TOR.

5. Conclusion

- 5.1 The NTRLBU Draft 2020/21 Business Plan has been approved by the NTRLBU Board and is now presented to the two Councils.

Author: **Alec Louverdis, Group Manager Infrastructure**

Attachments

Attachment 1: A2375131 - NTRLBU Business Plan 2020-2021 [↓](#)

Important considerations for decision making	
1. Fit with Purpose of Local Government	The NTRLBU is a joint committee constituted pursuant to the provisions of Schedule 7 to the Local Government Act 2002. A regional landfill contributes to the four Local Government well-beings of social, economic, environmental and cultural.
2. Consistency with Community Outcomes and Council Policy	The draft Business Plan is required under the TOR to be received by Council and included in the 2020/21 Annual Plan.
3. Risk	This report is of low risk as the Committee has already considered the Business Plan and provided comment back to the Acting General Manager. The risk of not receiving the Business Plan is that this could delay the NTRLBU implementing their Business Plan for 2020/21.
4. Financial impact	The NTRLBU 2020/21 Business Plan signals an increase in landfill fees and charges and this has been included in the 2020/21 Annual Plan.
5. Degree of significance and level of engagement	The NTRLBU is a Joint Committee of the two Councils and its activities are included in the Long Term Plans and Annual Plans of each Council. Consultation is undertaken by both Councils in the preparation and adoption of these plans.
6. Climate Impact	The draft Business Plan includes a long-term objective on greenhouse gas emissions with the commitment to measure and reduce greenhouse gas emissions from the landfill.
7. Inclusion of Māori in the decision making process	No engagement with Māori has been undertaken in preparing this report, but iwi have representation on the Board.
8. Delegations	<p>The Infrastructure Committee has the following delegations to consider the Nelson Tasman Regional Landfill Business Plan:</p> <p><i>5.6.1 Relevant Areas of responsibility:</i></p>

- *Regional Landfill*

5.6.2 *Delegations:*

The exercise of Council's responsibilities, powers, functions and duties in relation to governance matters includes

- *Developing, approving, monitoring and reviewing policies and plans, including activity management plans and the Infrastructure Strategy*

Sensitivity: General

A2375131



Nelson Tasman Regional Landfill Business Unit

Business Plan 2020/2021



Nelson Tasman Regional Landfill Business Plan (NTRLBU) Business Plan 2020/21

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Prepared by: Nathan Clarke - General Manager

Approved by:

Cover photograph: Toe Embankment York Valley

1. PURPOSE

The purpose of the Nelson Tasman Regional Landfill Business Unit (NTRLBU) Business Plan 2020/21 is to outline goals and objectives to ensure that sanitary landfill services are available in the Nelson Tasman region.

2. TERMS OF REFERENCE REQUIREMENTS

The Terms of Reference document states that the Nelson Tasman Regional Landfill Business Unit (NTRLBU) Joint committee shall supply to the councils (Nelson City and Tasman District) a copy of its draft Business Plan for the management of the NTRLBU and the assets for the ensuing year, by 31 October each year. The final Business Plan must be presented to both councils by 31 May.

Table 1: Proposed business plan preparation timeline.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2020						Workshop before meeting on 12 th			Draft Business plan approved in Board Meeting	Submit draft to NCC + TDC		
2021			Final Business plan approved by NTRLBU		Finalised by NCC and TDC by 31st		Start of new Financial Year					

The Terms of Reference document was revised in February 2019; and shall be reviewed if and when required.

3. INTRODUCTION

This Business Plan 2020/21 summarises the projects and initiatives to be implemented during the year. It also outlines the associated funding required.

The Business Plan is aligned with the NTRLBU Landfill Asset Management Plan 2018 (although some budgets have changed). It incorporates the business objectives and performance targets (Section 7), the three-year renewal and upgrade forecasts (Section 9); and the Financial Plan (section 11)

The Joint committee activity schedule and levels of service are appended.

- Appendix A – Joint committee Activity Schedule;
- Appendix B - Targeted levels of service established by the Landfill Asset Management Plan.

4. MISSION STATEMENT

The NTRLBU's mission statement is to manage and operate the regional landfill facilities and plan for the future needs of the community in a cost efficient and environmentally sustainable manner in accordance with the objectives of the Nelson Tasman Waste Management and Minimisation Plan.

5. STRATEGIC GOALS

The NTRLBU aspires to achieve the following goals:

- Provides sanitary landfill capacity for the needs of the Nelson Tasman region.
- Costs of disposal of residual solid waste are affordable.
- Risks associated with the activity are identified and mitigated to a level agreed.
- Engages the right people with the right skills and experience.
- Operates sustainably and endeavours to remedy or mitigate any adverse environmental, social and cultural impact.
- Monitors, Manages and mitigates greenhouse gas emissions in a responsible manner
- Maintains good relationships with all stakeholders.
- Meets all statutory obligations.

The NTRLBU functional activities are administered by the Nelson City Council and therefore shall comply with the requirements of the Nelson City Council Health and Safety Policy and fully subscribe to the vision for a Zero Harm Culture.

All strategic goals are important and no one goal will be pursued at the expense of another.

6. NTRLBU BACKGROUND

The NTRLBU was established in April 2017 and began operations on 1 July 2017.

The NTRLBU Asset Management Plan was adopted in June 2018.

The Deed of Agreement clause 21. (b) Determines that the NTRLBU will annually agree a schedule of payments to be distributed 50:50 at appropriate intervals to the two councils to fund waste management and minimisation activities; and to recover this amount from landfill charges.

At the end of each financial year the operating surplus/deficit will be shared equally between the two councils and used exclusively for waste management and minimisation initiatives (subject to the NTRLBU retaining up to \$300,000 to manage year-to-year fluctuations).

7. BUSINESS OBJECTIVES AND PERFORMANCE MEASURES

The objectives outlined below describe the long term aims of the business unit. Performance is to be reported quarterly to the Joint Committee and annually or six monthly, as appropriate, to the shareholding councils.

Long Term Objectives	Key Performance Measures
<i>Landfill capacity is available to receive solid waste generated within the Nelson Tasman region.</i>	

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Long Term Objectives	Key Performance Measures
At least 5 years' capacity of consented landfill is available. Adequate planning has been completed and agreed to before the five-year wind down period begins at York Valley.	1) Report the available landfill airspace annually (in terms of years remaining). 2) Develop Landfill Development Plan by 30 June 2020 3) Complete actions required by Landfill development plan for 2020/2021 period.
The available airspace at the landfill is used efficiently.	Airspace consumption of 1.23m ³ per tonne of residual waste received is maintained or improved.
Disposal to landfill is efficient and cost effective	
Disposal to landfill is cost effective for users.	Regularly monitor and review financial performance. Levels of service (as per Appendix B) are met and budgets (as per current Business Plan) are met.
The economic life of all assets are optimised.	Three yearly internal audit of asset management practices confirms this.
Consider and use new technology where it will provide benefit.	Report on technology considerations annually, and identify and recommend new technology choices that are reliable and increase efficiency (and/or reduce cost).
Risks associated with the services provided are identified and mitigated.	
Risk management plans include all significant health and safety, environmental, cultural, social, economic and contractual risks.	No event, which impacts on agreed levels of service, occurs that has not been identified in the NTRLBU risk management plans.
Contingency plans adequately address emergency events.	Prepare Risk and Contingency plan for NTRLBU by 30 June 2020 Review the effectiveness of the Landfill Management Plan following incidents which require activation of the contingency plan, from 1 July 2020 and provide an incident report in the next Quarterly General managers' report.
Performance Monitoring	

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Long Term Objectives	Key Performance Measures
The Board and key stakeholders are kept well-informed about performance of the NTRLBU.	All agreed reports (as per Appendix A) are issued on time.
Those engaged with the NTRLBU have the right skills, experience and support to perform well.	The Joint Committee reviews its performance as part of its annual report.
All activities are planned and agreed.	The AMP is reviewed every three years.
<i>NTRLBU operates sustainably and endeavours to remedy or mitigate any adverse environmental, social or cultural impact</i>	
NTRLBU minimises adverse environmental, social and cultural impacts.	Environmental, social and cultural impacts are considered in decision making.
NTRLBU identifies waste minimisation opportunities	Report quarterly regarding waste minimisation opportunities. Report annually on NTRLBU waste minimisation and emission opportunities and mitigation. Annual Business Plan shall include an outline of the actions NTRLBU is proposing in regard to waste minimisation, and the costs associated with these.

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<i>Climate change effects are managed responsibly</i>	
NTRLBU measures the greenhouse gas emissions of landfill activities	<p>The composition of incoming waste is assessed annually, commencing December 2020.</p> <p>The emissions from the York Valley landfill are assessed and reported annually, commencing June 2021.</p> <p>The annual emissions from the Eves Valley closed landfill are estimated commencing June 2021.</p>
NTRLBU reduces the greenhouse gas emissions rate for landfill activities	<p>A target for emissions per tonne of waste is established by June 2021 and reviewed annually.</p> <p>The NTRLBU will annually report on and consider applying for a Unique Emissions Factor for landfill operations.</p> <p>The NTRLBU will annually assess the business case for reducing emissions from landfill operations, including the reduction of high emissions waste and the improved capture of landfill gas.</p>
NTRLBU mitigates its greenhouse gas emissions.	<p>NTRLBU emission mitigation plan drafted by end of FY 2020.</p> <p>Mitigation methods outlined in the annual Business Plan for NTRLBU board consideration.</p> <p>NTRLBU emission mitigation review each year in advance of annual business plan preparation.</p>
<i>Good relationships are maintained with all stakeholders</i>	
Shareholders are satisfied with the strategic direction and the economic performance of the business unit.	<p>All business plans are approved by shareholders.</p> <p>Budget projections are met.</p>

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Good relationships are maintained with all stakeholders including owners, iwi, customers, contractors, neighbours, and the wider community.	<p>All complaints or objections are addressed promptly.</p> <p>Up to date information on activities and achievements are publicly available.</p> <p>Regularly engages with;</p> <ul style="list-style-type: none"> • Customers, • Owners • Iwi RMA practitioners, • and other stakeholders
NTRLBU will encourage education about waste management and minimisation	Information will be published at least annually, and up to date information will be available regarding NTRLBU activities.
<i>All statutory obligations are met</i>	
All statutory obligations are identified and met and are included in contracts with suppliers.	100% compliance with all statutory obligations.
All resource consent requirements are met.	<p>100% compliance with all resource consents.</p> <p>All applications for resource consents are approved.</p>

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8. LANDFILL CHARGES

It is projected that a balanced budget (no surplus or deficit) will be achieved during the 2020/21 financial year if expenditure is maintained within the projected budget at the proposed landfill charges and landfill volumes meet or exceed the assumed level.

The 2019/2020 charges are shown in [brackets].

The proposed landfill charges per tonne* (including GST) are:

	Proposed 2020/2021 charges	2019/2020 charges
Residual waste:	\$171	[\$163]
HAIL > 17,000 tonne:	\$146	[\$138]
HAIL <17,000 tonne:	\$154	[\$148]
HAIL Residential/tested:	\$103	[\$98]
Polystyrene:	\$2180	[\$2,080]

*Notes:

This budget is based on a Waste Disposal Levy of \$10 per tonne, and does not include allowance for any levy increase. The New Zealand Government recently released information from a consultation summary which indicated "We propose increasing the levy rate in stages from the existing \$10 per tonne to \$50 or \$60 per tonne by 2023"

The budget is based on a revised annual demand of 65,000 tonnes, this has been reduced from 70,000 tonnes due to a significant reduction in demand associated with the COVID-19 level 4 period (Waste generation was 70% lower than normal) and due to uncertainty regarding waste generation resulting from potential reduced economic activity during the 2020/2021 financial year.

This budget is based on an Emission Trading Scheme factor of 0.885 units per tonne waste disposed. This Unique Emission Factor was been accepted by the Emissions Register on 27 March 2020.

This budget has been optimised to offset the savings made by the lower UEF with the potential lower waste generation resulting from reduced economic activity. The optimisation results being no change to the charges communicated to the NTRLBU users in early 2020.

9. OPERATIONS & MAINTENANCE BUDGET

Administration budget: \$165,000

Management budget: \$220,000

The budget includes operation and management discretionary contingencies as follows:

Professional advice:	\$25,000	(Joint committee discretion)
Operations & Maintenance:	\$190,000	(General Manager's discretion)

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10. THREE YEAR RENEWAL AND UPGRADE EXPENDITURE FORECAST (\$'000)

Renewal Plan (\$,000)	Projected 2019/20	2020/21	2021/22	2022/23
Piezo monitoring well (Eves)	30	30	30	25
Miscellaneous and Safety (Eves)	30	50	35	
Moveable debris fences (York)	15			
Upgrade vehicle wash (York)	50	75		
Planting (either site)	25	25	25	25
Storm water and Leachate control (mostly York)	240	750	750	100
Planning/investigation/activities for Stage 2 and Stage 3 Resource Consent (Eves Valley)	100	50	50	50
Eves Valley access bridge planning and concept design		100	150	150
Emissions Studies and Investigations	10	10	10	10
Weighbridge Technology upgrades (York)	35	50	50	
Landfill Gas system improvements		200		
Contingency (both sites)	65	65	65	65
Road re-alignment and resurfacing		250		
Total	600	1,665	1,165	425

Following recommendations from the annual monitoring reports, there are several renewal and upgrade items above that were not included in the earlier Asset Management Plan. Therefore, the above table shows increased budgets to cover activities such as studies, design and implementation.

Investigations and studies will result in additional renewal works and design being undertaken in FY2021/22 and FY 2022/23.

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A contingency amount of \$65,000 is included in the renewal budget for allocation by the General Manager if required.

11. LONG TERM CAPITAL PROGRAMME

Studies are required to scope all likely future capital works at both the Eves Valley and York Valley sites and will include:

- Stormwater systems
- Leachate systems and disposal
- Landfill stability
- Emissions assessments

Those studies will inform the long-term capital programme. It is noted that the predicted spend profile will change from that reported in the Regional Landfills Asset Management Plan 2018-28.

The main new capital item is the Stage 3 Resource Consent for Eves Valley.

Safety considerations include investigations and study for a new access bridge at Eves Valley.

Capital Plan (\$,000)	Projected 2019/20	2020/21	2021/22	2022/23
Planning/investigation/capex activities for Stage 2 and Stage 3 Resource Consent (Eves Valley)	100	50	200	200
Total	100	50	200	200

12. EMISSIONS

Nelson City Council and Tasman District Council are both considering their Emissions "footprint". As the NTRLBU assets are jointly owned by the councils, the Business Unit will also need to assess its emissions. A notional allowance of \$100,000 per year has been added to the Business Plan for this activity on an annual basis for ongoing emission management and verification.

An additional allowance of 200,000 has been added for additional work in 2020/21 for a landfill gas flare efficiency assessment, and for a gas extraction system assessment. This extraction system assessment will consider whether additional gas extraction could be undertaken, and whether it could result in additional reuse of landfill gas in the hospital boiler, and consequently additional carbon emission reductions. This investigation will include a review of options available for offsetting emissions.

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13. FINANCIAL PLAN

Nelson Tasman Regional Landfill Business Unit Budget Summary for 2020 to 2023

	Budget	Budget	Budget	Budget
	2019/2020	2020/2021	2021/2022	2022/2023
	\$000	\$000	\$000	\$000
Income				
Landfill income	9,802	9,839	10,267	10,818
Interest	83	47	48	50
Other Recoveries	51	50	50	50
Total Income	9,936	9,936	10,365	10,918
Expenditure				
Operations and Maintenance	1,905	1,990	2,022	2,062
Management		220	220	220
Administration		165	165	165
Carbon studies (UEF)*		300	100	100
Emissions Trading Scheme	2,023	1,442	1,865	2,251
Waste Levy (MfE)	680	650	667	673
After care (adjustment)	290	86	83	79
Local Disposal Levy	4,800	4,800	4,800	4,800
Interest	0	0	0	1
Insurance	5	5	5	5
Depreciation	233	278	438	562
Total Operating Cost	9,936	9,936	10,365	10,918
Surplus/Deficit	0	0	0	0
Budgeted Volumes	68,000	65,000	66,660	67,327
*Carbon Studies include SWAP studies, and a review of the hospital boiler efficiency in 20/21. These activities are required in order to identify areas where further emission reductions are possible, and to provide data for additional applications to the Emissions Register to further reduce the NTRLBU Unique Emission Factor (UEF).				

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14. BUSINESS IMPROVEMENT PLAN

This section describes initiatives to improve the efficiency and effectiveness of the Business Unit and is based on the Nelson Tasman Regional Landfill Business Unit 2018 NTRLBU Asset Management Plan and inputs from stakeholders.

IP	Description	Resource Requirements	Progress
1	Develop long term strategy for storm water management	Joint committee, Internal and consultant	Consultant engaged
2	Review landfill gas harvesting	Internal and consultant	Updated application for UEF to be submitted by January 2021
3	Emissions studies and investigations	Tasman District Council, Nelson City Council, Consultants and internal	Emissions baseline to be established by June 2021

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APPENDIX A: Nelson Tasman Regional Landfill Business Unit – Joint Committee Activity Schedule 2020-2021

Date	Activity	Papers required
By 31 August 2020	Review draft Annual Report and Financial Statement	Draft annual report and financial statement
By 15 September 2020	Deliver draft Annual Report to both councils	
By 31 October 2020	Review joint committee planning/meeting timetable	Planning/meeting timetable
	Adopt draft business plan for presentation to Tasman District Council and Nelson City Council	Draft Business Plan
	Review and update Interests Register	Interests Register
By 31 May 2021	Present Annual Report and Business Plan to Tasman District Council and Nelson City Council	Annual Report and Business Plan
By 30 June 2021	Review joint committee performance	Checklist for joint committee effectiveness
	Receive report on Contingency Plan review by customer representatives	Report on Contingency Plan review by customer representatives
	Review customer satisfaction survey results	Customer survey report
	Review Audit Management Report	Audit Management Report

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APPENDIX B: Landfill Levels of Service Targets

Related Community Outcomes	Strategic Themes	Levels Of Service	Performance Indicators	Method of Measurement	Target
SOLID WASTE DISPOSAL - NTRLBU will provide a landfill for waste disposal					
Health Environment Education	Impacts	All landfill activities, facilities and services comply with resource consent conditions, site management plans and appropriate legislative requirements.	Compliance with resource consents	Number of non-compliances	Nil
		Adequate landfill airspace available to ensure future sustainability of solid waste disposal.	Available landfill space that has been consented	Years of available consented landfill space	5 Years
			Available landfill space that has been developed	Years of available developed landfill space	2 Years
	Costs	Cost effective and sustainable landfill services available.	No rates required to support landfill activities	User Pays %	100%
	Demand	NTRLBU operational contracts require minimum standards of waste compaction to maximise landfill capacity.	Waste compaction density exceeds minimum target level.	Surveyed compaction	> 0.8t/m ³
		Landfills are open at convenient times.	Hours and days that the landfill is available for disposal	Opening hours specified	100%

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Related Community Outcomes	Strategic Themes	Levels Of Service	Performance Indicators	Method of Measurement	Target
	Health and Safety	Landfill activity provided in a safe manner and pose no health and safety risks to nearby residents.	No reported incidences of injury or illness attributable to use of facilities.	Complaints and incident forms.	Nil
	Quality	Good quality customer service Inquiries received through the Councils' service request system acknowledged within 24 hours	Customers are content with the services offered. All requests responded to in compliance with Council customer service policy	Customer satisfaction survey Service request response time	Highly satisfied 90%