

AGENDA

Ordinary meeting of the

Nelson Regional Sewerage Business Unit

**Friday 11 March 2022
Commencing at 9.30a.m.
via Zoom**

Membership:

Chairperson

Deputy Chairperson

Members

Tasman District Councillor Kit Maling

Nelson City Councillor Tim Skinner

Nelson City Councillor Brian McGurk

Tasman District Councillor Trevor Tuffnell

Independent Member Tallat Mehmood

Iwi Advisor (vacant)

Industry Representative (non-voting) Philip Wilson

Quorum: 3

Nelson Regional Sewerage Business Unit

The Nelson Regional Sewerage Business Unit (NRSBU) is a joint committee of Nelson City and Tasman District Councils. Operation of the NRSBU is governed by a Board, as established by a Memorandum of Understanding (A1983271).

Areas of Responsibility:

- To manage and operate the wastewater treatment facilities at Bells Island and the associated reticulation network efficiently and in accordance with resource consent conditions to meet the needs of its customers.

Powers to Decide:

- The Councils are agreed that the responsibility for all management and administrative matters associated with the NRSBU operation shall be with the Board, and in particular the Board shall without the need to seek any further authority from the Councils:
 - Operate a bank account for the Business Unit;
 - Comply with the Procurement Policy of the Administering Council;
 - Enter into all contracts necessary for the operation and management of the Business Unit in accordance with the approved budgets and intent of the Business Plan;
 - Authorise all payments necessary for the operation and management of the Business Unit within the approved budgets and intent of the Business Plan;
 - Do all other things, other than those things explicitly prohibited by this Memorandum of Understanding or relevant statutes, that are necessary to achieve the objectives as stated in the Strategic Plan, Asset Management Plan or Business Plan approved by the Councils;
 - Comply with the Health and Safety Policy and requirements of the administering Council
- Contribute to the sanitary services assessment process of the Councils
- Contribute to and comply with the waste management plans of the Councils
- Contribute to the development of the Councils' Development and Financial Contribution policies
- Contribute to the Councils' Regional Policy Statement and Regional Plan Reviews
- Develop and keep under review an appropriate contract for the delivery of waste collection and disposal services with each of its customers
- Follow generally accepted accounting practices
- Follow good employment practices

Powers to Recommend to Councils:

- Any other matters under the areas of responsibility of the Business Unit and detailed in the Memorandum of Understanding.
- All recommendations to Council will be subject to adoption of an equivalent resolution by the other Council, unless it is a matter specific to one Council only.

Quorum:

- The Memorandum of Understanding governing the NRSBU allows for either six or seven members to be appointed. The quorum at a meeting is either three (if six members are appointed), or four (if seven members are appointed), including at least one from each local authority.

Procedure:

- The Standing Orders of the Council providing administration to the committee will be applied at each meeting.
- The Chairperson will not have a casting vote.
- Copies of minutes of meetings of the Joint Committee will be retained by each Council for record keeping purposes

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 26 November 2021

6 - 10

Document number M19115

Recommendation

That the Nelson Regional Sewerage Business Unit

- 1. Confirms the minutes of the meeting of the Nelson Regional Sewerage Business Unit, held on 26 November 2021, as a true and correct record.***

6. Chairperson's Report

7. Nelson Regional Sewerage Business Unit General Managers Quarterly Report

10 - 24

Document number R26676

Recommendation

That the Nelson Regional Sewerage Business Unit

- 1. Receives the report Nelson Regional Sewerage Business Unit General Managers Quarterly Report (R26676).***

8. Nelson Regional Sewerage Business Unit Business Plan Feedback report.

25 - 42

Document number R26681

Recommendation

That the Nelson Regional Sewerage Business Unit

- 1. Receives the report Nelson Regional Sewerage Business Unit Business Plan Feedback report. (R26681) and its attachment (A2728794); and***
- 2. Approves the Nelson Regional Sewerage Business Unit 2022/2023 Business plan (A2728794) subject to minor changes approved by the Chairperson; and***
- 3. Recommends the Nelson Regional Sewerage Business Unit Business Plan 2022/23 (A2728794) be presented to the Tasman District Council and Nelson City Council.***

CONFIDENTIAL BUSINESS

9. Exclusion of the Public

Recommendation

That the Nelson Regional Sewerage Business Unit

- 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	Nelson Regional Sewerage Business Unit Meeting - Confidential	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of	The withholding of the information is necessary: <ul style="list-style-type: none">Section 7(2)(b)(ii) To protect information where the making

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
	Minutes - 26 November 2021	information for which good reason exists under section 7.	<p>available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <ul style="list-style-type: none"> • Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities
2	Nelson Regional Sewerage Business Unit Solar Power Update Power Purchase Agreement report	<p>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</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> • Section 7(2)(b)(ii) To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information • Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities



Minutes of a meeting of the

Nelson Regional Sewerage Business Unit

Te Rōpū ā-Rohe Para, Whakatū / Te Tai o Aorere

Held in the Council Chamber, Floor 2A, Civic House,, 110 Trafalgar Street, Nelson on Friday 26 November 2021, commencing at 9.32a.m.

Present: Tasman District Councillor K Maling (Chairperson), Nelson City Councillors B McGurk and T Skinner (Deputy Chairperson), Tasman District Councillor T Tuffnell and Industry Representative (non-voting) P Wilson

In Attendance: NCC Group Manager Infrastructure (A Louverdis), TDC Utilities Manager (M Schruer), General Manager Regional Sewerage and Landfill (N Clarke), Governance Adviser (E Stephenson) and Governance Support Officer (A Bryce-Neumann)

Apologies: Nil

Apologies

1. Confirmation of Order of Business

There was no change to the order of business.

2. Interests

Industry Representative, Philip Wilson, declared that Nelson Pine Industries Ltd was interested commercially in solar power (Confidential Item 2 - Nelson Regional Sewerage Business Unit Solar Power Update Report), however this did not equate to a conflict of interest.

3. Public Forum

There was no public forum.

Item 7: Nelson Regional Sewerage Business Unit General Managers Quarterly Report

4. Confirmation of Minutes

4.1 17 September 2021

Document number M18939, agenda pages 5 - 11 refer.

Councillor Skinner noted an amendment to the 17 September 2021 confidential minutes, in that his attendance was not recorded. It was noted that the iwi advisor position was recorded as vacant on the agenda cover, but had been appointed by Tasman District Council at its 25 November 2021 Council meeting, and that Nelson City Council would be making the appointment at its 8 December 2021 meeting.

Resolved RSBU/2021/020

That the Nelson Regional Sewerage Business Unit

1. Confirms the minutes of the meeting of the Nelson Regional Sewerage Business Unit, held on 17 September 2021, as a true and correct record.

Tuffnell/Skinner

Carried

5. Chairperson's Report

Document number R26442

There was no Chairperson's Report.

6. Nelson Regional Sewerage Business Unit General Managers Quarterly Report

Document number R26387, agenda pages 12 - 25 refer.

General Manager Regional Sewerage and Landfill, Nathan Clarke, spoke to the report. He provided further details of the Turners and Growers site electrical cable strikes, which were caused by incorrect as-built records and mitigation going forward, including writing to utilities to ask for a review of process and a five metre scan next to all areas requiring work. The need to be extremely careful in older areas was highlighted.

He noted that work at the Turners and Growers site was moving well towards a June completion date. He answered questions about the lightning strike due to a failure in the alarm system, capacity for staff to deliver the work programme and the effect of the Three Waters Reform on recruitment and the progress made at Bells Island was acknowledged.

Item 7: Nelson Regional Sewerage Business Unit General Managers Quarterly Report

Resolved RSBU/2021/021

That the Nelson Regional Sewerage Business Unit

- 1. Receives the report Nelson Regional Sewerage Business Unit General Managers Quarterly Report (R26387).***

McGurk/Tuffnell

Carried

7. Exclusion of the Public

Resolved RSBU/2021/022

That the Nelson Regional Sewerage Business Unit

- 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:***

McGurk/Tuffnell

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	Nelson Regional Sewerage Business Unit Meeting - Confidential Minutes - 17 September 2021	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	Nelson Regional Sewerage Business Unit	Section 48(1)(a) The public conduct of this matter would be	The withholding of the information is necessary: <ul style="list-style-type: none">• Section 7(2)(b)(ii)

Item 7: Nelson Regional Sewerage Business Unit General Managers Quarterly Report

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
	Solar Power Update Report	likely to result in disclosure of information for which good reason exists under section 7	<p>To protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <ul style="list-style-type: none"> • Section 7(2)(h) To enable the local authority to carry out, without prejudice or disadvantage, commercial activities

The meeting went into confidential session at 10.07am and resumed in public session at 10.44am.

8. Restatements

It was resolved while the public was excluded:

1 **CONFIDENTIAL: Nelson Regional Sewerage Business Unit Solar Power Update Report**

That the Nelson Regional Sewerage Business Unit

4. *Agrees that report R26388, remain confidential and the decision be made publicly available once negotiations are concluded.*

There being no further business the meeting ended at 10.44am.

Confirmed as a correct record of proceedings by resolution on (date)

Resolved

Item 7: Nelson Regional Sewerage Business Unit General Managers Quarterly Report



Nelson Regional Sewerage Business Unit

11 March 2022

Report Title: Nelson Regional Sewerage Business Unit General Managers Quarterly Report

Report Author: Nathan Clarke - General Manager Regional Sewerage and Landfill

Report Number: R26676

1. Purpose of Report

- 1.1 This report is a three-monthly update by the General Manager (GM) on activities undertaken to the end of January 2022 by the Nelson Regional Sewerage Business Unit (NRSBU).

2. Summary

- 2.1 Operations are generally running well. The site is working under COVID-19 Red Light rules. This includes reducing unnecessary visits to Bell Island.
- 2.2 The new Operations and Maintenance contract has commenced. The transition to the new contract has been smooth. The contract governance team has met to discuss progress and is keen to continue to enhance the collaborative aspects of the contract.
- 2.3 The contractor is recruiting to fill the additional operational roles required by the contract and has secured staff for the roles and is awaiting the staff to be available to start work.
- 2.4 Capital and renewals works implementation has been slowed down by the transition to the new contract, the Christmas/ New Year period, the COVID -19 Red light restrictions, and the resignation of the contractor's project manager. Works have begun to speed up following Christmas, and a new project manager is being recruited by the contractor to

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support the capital works programme. The delivery of the capital/renewals works remains behind schedule.

- 2.5 A review of Regional Services staffing is being prepared at present.
- 2.6 There were 10 odour notifications for the period. These were related to a range of issues. 4 of the notifications were unconfirmed and wind conditions indicated that they were unlikely to be related to Bell Island.
- 2 October
 - 2 November
 - 4 December
 - 2 January
- 2.7 No overflows occurred from the network during this period.
- 2.8 Refinement of the offer to supply NRSBU base load solar power to Bell Island responses has been undertaken, and draft agreements have been developed. This is work covered in a separate report on the agenda.
- 2.9 The regional pipeline rehabilitation project is proceeding well. The relining of Section 11 will commence in April and is expected to be complete this financial year.
- 2.10 Contractors have been booked for the new section of the regional pipeline project along Saxtons Rd, and this is scheduled to start in June 2022.
- 2.11 The overall regional pipeline rehabilitation project programme looks to be on target for completion in the latter half of the 2023 calendar year.
- 2.12 A licence to occupy agreement for a small area of Bell Island has been developed to allow Alimentary Systems Ltd (ASL) to research Anaerobic digestion of food and industrial wastes along with sewerage sludge.
- 2.13 Greenacres Golf Course has applied for a resource consent for the reuse of ultrafiltered water for irrigation on their golf course. NRSBU has begun preparing a consent application for a pipeline across the causeway to allow NRSBU to supply the water to Greenacres.
- 2.14 The new emergency generator slabs are largely constructed with the Airport pumpstation slab being the last in construction. The generators have had their protective coatings applied. The Bell Island generators will be installed and commissioned with completion of these expected by the end of April 2022. The remaining generators will be commissioned together during May 2022.
- 2.15 Financial performance to 31 January 2022 is slightly (\$33,000) ahead of budget at present. Based on the year to date the variable contributions

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are above budget (\$350,000) with the fixed contribution slightly behind budget (-\$230,000).

- 2.16 A trend continuing from the previous quarter is the continued above budget expenditure on consultancy costs. This ongoing cost also relates to the engagement of a consultant to support NRSBU as the acting Activity Engineer
- 2.17 The increase in variable contributions is compensating for the increased consultancy costs for outsourcing the activity management.
- 2.18 Assuming the existing trends continue, the NRSBU will run close to budget for the operations but will under-recover against the fixed charges.

3. Recommendation

That the Nelson Regional Sewerage Business Unit

- 1. Receives the report Nelson Regional Sewerage Business Unit General Managers Quarterly Report (R26676).***

4. Background and Discussion

- 4.1 This report is the GM update to 31 December 2021. It outlines the activities, issues and opportunities that have occurred during this period.

5. Health Safety and Environment (HS&E)

- 5.1 H&S for the operations contract is being managed well, and no significant safety issues are currently outstanding.
- 5.2 The programme of safety improvements is currently ongoing. Progress on these activities is being updated by the contractor in each monthly report.
- 5.3 Table 1 below shows a list of H&S notifications for the period 30 September 2021 to 31 January 2022

Health and Safety and Environment notifications for the period September 2021 to 31 January 2022			
September 2021	Incident	11 KV cable strike	Capital works Contractor Working on NRSBU activity in T&G hit 11KV cable. Investigation undertaken. NRSBU contractors followed

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			appropriate practices. Additional safety measures have been implemented by NRSBU to overcome safety concerns.
October 2021	Environmental Near miss.	Odour duct dislodged at milli-screen.	Hose reconnected with improved clamps.
October 2021	Environmental incident	Odour in workshop	Ammonia smell from bark filter significant. Relocated from area and increase water sprays on biofilter.
October 2021	Safety incident /Near miss	Insufficient staff trained for confined space entry	Additional staff required for the activity from outside of the NRSBU team.
October 2021	Environmental incident	Odour in workshop	Ammonia smell from bark filter significant. Relocated from area and increase water sprays on biofilter.
October 2021	Near miss	Pump removal on pump 2 at Airport requires safety rail to be removed.	Hazard notification, work in pairs. Wear appropriate fall restraint. Identify an improvement to the mechanical guarding that does not require the barriers to be removed.
October 2021	Safety incident / Near miss	Pump 2 at airport was lifted and the electrical isolation was not correctly implemented, and pump started while being lifted out of the water.	Pushed E-stop. Called for Investigation into the issue. Incorrect isolation identified as cause. Identified that labelling was "confusing". Work will be undertaken to make labelling clearer.
October 2021	Safety Incident / Near miss	Catastrophic Variable Frequency Drive failure (explosion)	Implemented E-stop and immediately called for electrical team support.
October 2021	Environmental Near miss	Insufficient bunding for transfer of chemical for ultrafiltration plant – risk of spills	Review of transfer procedure to limit risk, and review of bunding requirements for the area.
Nov 2021	Near Miss	Poorly secured hose sprayed operator.	Operator was wearing Correct PPE, Reviewed

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			connection mechanism and implemented upgrade.
Nov 2021	Near miss	Wind powered aerators free spinning while out of pond.	Area fenced off and aerator blades secured.
Dec 21	Close Call (Near Miss)	Removal on safety lid over wet well to remove 6.5-ton pump as lid does not allow removal of the pump	Precautions taken to keep staff safe while pump being removed. Safety lid is being altered to ensure it is fit for purpose
Dec 21	Close Call (Near Miss)	Richmond Pump Station Generator had failed while in use. (Mains Power off for two days for lines maintenance)	Fuel pump shut off solenoid had faulty terminal connections - Got the Generator repaired and tested its function.
No incidents for January 2022			

6. NRSBU Activities

- 6.1 NRSBU staff continue to be very busy during the period with numerous activities and projects in progress.
- 6.2 A review of the structure for Regional Services has been undertaken to review staff capacity and to allow clarity for the three waters reform. This review is not yet at a point that it can be approved by NCC and TDC. This will be completed by the end of March 2022.
- 6.3 NRSBU has secured the services of the acting Activity Engineer on secondment for a portion of her work week. We have negotiated with her new employer to provide additional staff to assist her, if required, to reduce the impact of her reduced time availability. We are also working with other parties to identify if we can support her using lower cost resources.
- 6.4 NRSBU has commenced discussion with the O&M contractor to supply additional project management and asset management support. These discussions have been productive, and the contractor has identified one staff member who could be redeployed to assist NRSBU and are in discussion with a potential project manager who could assist with the mechanical upgrade and renewals works programmes.
- 6.5 The collaborative contract framework NRSBU has entered with the O&M contractor is beginning to provide benefits to the overarching programme. While further delays will be experienced in the short term,

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there is now the possibility that additional resources can be engaged both internally and externally which will improve delivery over the next 12 – 18 months.

6.6 Projects underway at present include:

- Moturoa Rabbit Island Biosolids discharge consent
- Rising main pipework upgrades
- Emergency generators installation.
- Overflow screening at Songer St PS is in progress, with the Wakatu overflow screen still to be installed.
- Consideration of sites for overflow storage at Saxton Rd.
- Consideration regarding future options to adapt to sea level raise for both pumpstations and the Bell Island facility.

6.6.1 Site improvement works at Bell Island including:

- Dewatering the Facultative ponds
- Generator procurement and installation, with slab complete and generator installation happening over the next month.
- Recycle water system optimisation.
- ATAD odour control upgrade
- Pond desludging and sea defence bund.
- Vehicle underbody wash to reduce corrosion from salt water.
- A Registration of Interest for solar power supply was released to the market. Negotiation with the preferred supplier has been undertaken. This project is discussed in another report on the agenda.

6.6.2 Other Bell Island Projects

- Sludge tanks replacement design, this has been delayed due to NRSBU staff capacity.
- Facilities upgrade design, design is complete, NTRLBU is awaiting the Resource consent for the works.
- Odour upgrades at inlet works and rebuilding of the inlet works corroded concrete. This work is due to be completed in March.

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- Odour upgrade work at ATAD system, this work has been delayed due to NRSBU staff capacity.

6.6.3 Renewals and maintenance on buildings and equipment.

6.6.4 Best Island Foreshore Rehabilitation

6.6.5 Greenacres Golf Course water reuse discussion and planning.

7. Update on Significant projects

- 7.1 **Rabbit Island Biosolids Application Consent** – The Rabbit Island Biosolids Application consent was publicly notified with submissions closing on 19 May 2021. NRSBU held a Hui in September over Zoom to discuss the submissions and to see whether there was a possibility to reach an agreement with the submitters. A separate hui was held in November 2021 where the Biosolids consent was discussed briefly. In February 2022 a site visit was held with Te Ātiawa. At the site meeting Te Ātiawa representatives were principally concerned about the forestry planted on urupā areas. NRSBU invited TDC forestry staff and managers to the meeting to facilitate the discussion between Iwi and TDC. TDC have indicated that a Resource Consent Hearing is scheduled for either the week of the 16 or 23 May 2022.
- 7.2 **Bell Island O&M contract** - The RFP for the Operations and Maintenance of the Bell Island facility was completed and Nelmac was appointed as the new contractor. The new contract commenced on 1 November 2021. The first collaboration meeting has been held and the contract is running smoothly.
- 7.3 **Rabbit Island O&M contract** - The Biosolids Application Operations and Maintenance Contract retendering process was completed, and Nelson Marlborough Waste won the tender. This new contract commenced on 1 November 2021 and is running smoothly.
- 7.4 **NRSS pipeline** – A significant amount of work is being undertaken on this project with multiple activities along the length of the pipeline.
- Relining between SH6 and Monaco. This commences in March with the enabling works being undertaken, with the pipe lining being undertaken in April.
 - Section 8 from Bunnings to Saxton Pumpstation has been designed. The work is scheduled to start in June 2022 with pipe procurement. Physical installation will be undertaken by Ching Contracting Ltd and will take around 6 months to complete.
 - Detailed design is underway for Sections 6 – 7 (from Kotua Place to Saxton Road). Geotech investigation have been

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undertaken, and resource consent applications being drafted at present for the Orphanage stream crossing.

- Section 5– Discussion has started with Heslops to secure the Easement through their property. The construction work will coincide with or be after the completion of Saxton Creek Stage 4 project being undertaken by NCC.
- Investigations for the section 1-4 (Beach Rd to Heslops) have been progressing. It has now been confirmed that the existing pipes beneath Whakatu drive is intact and can be relined.
- CCTV Investigation on the existing pipe under Reservoir Creek has shown that there is an obstruction in the pipe. It is therefore expected that a small section of new pipe will be required.
- The “on land” sections of the pipe between Beach Rd pumpstation and Reservoir Creek are in a condition that they can be relined.
- TDC has issued a resource consent exemption for the investigation works in the coastal section of the pipeline, and this work is due to be completed over the next month. Our expectation is that this pipe will be able to be relined.
- Overall, the progress has been good on the pipeline project. The engineers estimate for the works has been revised recently and is estimated to be \$13.3 million including engineering fees and contingency. Budget Allowance for the works over the 4-year period is \$13 Million.
- There is an additional \$2.6 million allowance for the Saxton Rd and Beach Rd Pumpstation pipework and pump upgrade which is not yet fully designed.
- Completion for the project is estimated to be the second quarter of the 2023/2024 financial year. This may mean that the \$2.25 million allowance for work in the 2024/2025 financial year may need to be bought forward into 2023/2024 financial year.

7.5 **Generator Purchase** – The have arrived and have received their protective coatings. The generator slabs have been constructed, and the generators will be installed onto the slabs over the next two months. Electrical installation and commission will happen over the next three months.

7.6 **Desludging of the Bell Island ponds** is underway, progress has been slower than desired due to debris in the pond causing issues with the dredge. At present 20 dewatering bags have been filled. An independent

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contractor has surveyed the ponds and has identified that 28,500m³ of sludge has been removed from the pond since desludging began. This equates to 1,200 tonnes of dry solids or around 7,900 tonnes at 15%. The survey has identified the location of the remaining sludge banks in pond F2 and the sludge distribution in ponds F1 and F3 which will allow the contractor to move on to the next pond when finished in pond F2.

- 7.7 **Asset inspections** – The initial phase of condition of the 600 mm diameter concrete pipe between Monaco and Bell Island has been undertaken. This initial phase has identified that core sampling works will be required on the high points in the pipeline, and that the cathodic protection of the mechanical fittings is likely to have ceased being effective. NRSBU is now developing the next stage of this work with the specialist contractor based on the findings of the initial stage. The next stage of works will include the core sampling of the pipe and inspection of the fittings and cathodic protection systems.
- 7.8 **Greenacre Golf Course Ultrafiltered Water Irrigation** – Discussions have been held between Greenacres golf course and NRSBU. These have resulted in the Greenacres golf course applying for a resource consent for the reuse of ultrafiltered water from Bell Island. The golf course is intending to modify their sprinkler system to allow irrigation of ultrafiltered water. NRSBU has agreed to provide water to the golf course for this activity and will install a small pipe to Best Island to allow this to occur. NRSBU has also begun preparing a resource consent application for the installation of a pipe to transport reuse water to Greenacres.
- 7.9 **Bell Island Site Designation** – NRSBU has begun preparing an application for the Designation of the NRSBU sites under the Tasman District Plan. The fact that the site(s) are not designated means that NRSBU is having to apply for additional consents and approvals than would be required if the site was designated.

8. Finance

- 8.1 The NRSBU were above budget for the year to December achieving a surplus to budget for the period to 31 December 2021 of \$33,000.

8.2 Income

- Fixed recoveries under budget by \$237,000 due to lower interest rate in the WACC in the recovery calculation compared with budget.
- Variable recoveries \$352,000 over budget.
- Other recoveries were \$81,000 over budget.

8.3 Expenditure

- Management under by \$67,000 which was more than offset by increased consultancy costs

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- Electricity over by \$31,000 due to high usage in July and August.
- Contract maintenance over budget by \$140,000
- Consultancy over budget by \$211,000. Due to Staff secondment, O&M procurement, Asset Register & Valuation works
- Biosolids under budget by \$48,000.
- Interest and depreciation surplus and deficit are balancing each other.

8.4 Table 3 below shows the NRSBU Financial Report to 30 June 2021.

Nelson Regional Sewerage Business Unit Financial Report								
Income Account for the period to 31st December 2021								
	Actual Month	Budget Month	Actual YTD	% YTD	% Year	2021/22 Budget		YTD Variation
						YTD	Annual	
Income								
Contributions Fixed	359,426	399,000	2,156,559	90	45	2,394,000	4,788,000	(237,441)
Contributions Variable	362,864	394,500	2,719,789	115	57	2,367,000	4,734,000	352,789
Other Recoveries	26,287	13,166	160,736	203	102	79,000	158,000	81,736
Interest	0	-	1			-	-	1
Total Income	748,577	806,666	5,037,085	104	52	4,840,000	9,680,000	197,085
Less Expenses								
Management	35,304	41,667	182,601	73	37	250,000	500,000	67,399
Electricity	66,857	75,025	481,221	107	53	450,150	900,300	(31,071)
Contract Maintenance	107,468	76,182	597,603	131	65	457,100	914,200	(140,503)
Reactive and Proactive Maintenance	55,630	80,708	433,031	89	45	484,250	968,500	51,219
Monitoring	18,346	29,833	112,211	63	31	179,000	358,000	66,789
Consultancy	26,525	6,250	249,040	664	332	37,500	75,000	(211,540)
Insurance	8,610	8,167	46,985	96	48	49,000	98,000	2,015
Sundry	4,710	8,500	71,126	139	70	51,000	102,000	(20,126)
Biosolids Disposal	85,318	80,000	431,025	90	45	480,000	960,000	48,975
Operating & Maintenance Expenses	408,767	406,332	2,604,842	107	53	2,438,000	4,876,000	(166,842)
Financial	47,123	60,833	247,553	68	34	365,000	730,000	117,447
Depreciation	231,904	212,750	1,391,427	109	55	1,276,500	2,553,000	(114,927)
Total Expenses	687,794	679,915	4,243,821	104	52	4,079,500	8,159,000	(164,321)
Net Income	60,783	126,751	793,264	104	52	760,500	1,521,000	32,764

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8.5 The NRSBU financial Position as of 30 September 2021 is shown in Table 4 Below

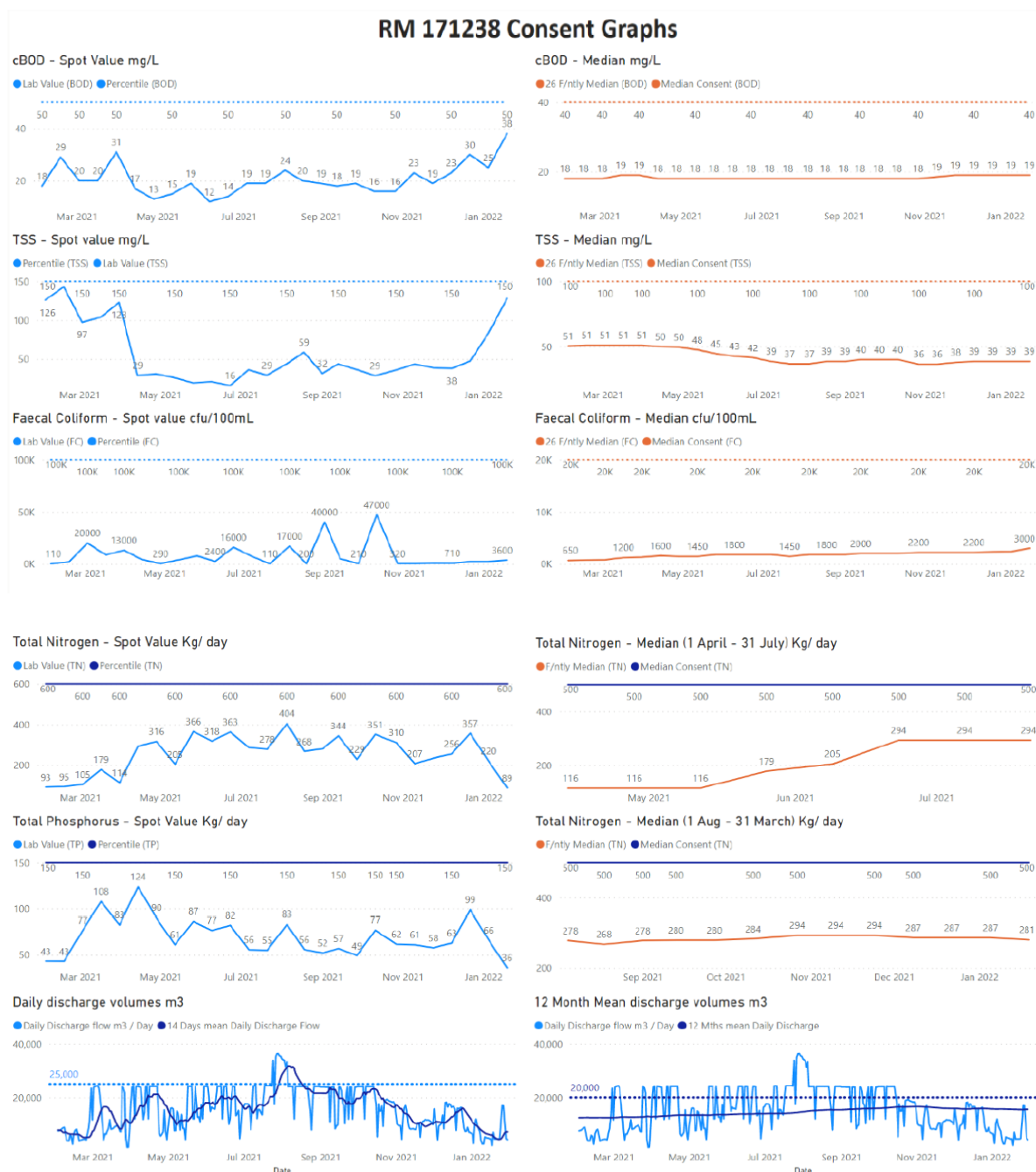
Nelson Regional Sewerage Business Unit

	Balance Sheet as at 31st December 2021		
	Current	Last Month	June 2021
Equity			
Opening Equity (July)	55,695,341	55,695,341	52,165,551
Plus Net Income YTD	793,264	732,481	0
Plus Revaluation	0	0	3,529,790
Closing Equity	56,488,605	56,427,822	55,695,341
Contingency Reserve	100,000	100,000	100,000
	56,588,605	56,527,822	55,795,341
Which was Invested as follows -			
Current Assets			
Bank	2,164	2,168	3,778
Debtors	122,464	72,787	280,691
NCC Current account	0	0	0
Total Current Assets	124,628	74,955	284,469
Fixed Assets	81,276,117	81,232,630	78,594,522
Current Liabilities			
Creditors	(471,456)	(94,146)	0
NCC Loan	(1,310,000)	(1,310,000)	(740,000)
TDC Current Account	(568,534)	(568,534)	(243,443)
NCC Current account	(2,462,150)	(2,807,081)	(2,100,207)
Total Current Liabilities	(4,812,140)	(4,779,762)	(3,083,650)
Term Liabilities	(20,000,000)	(20,000,000)	(20,000,000)
	56,588,605	56,527,822	55,795,341

Item 7: Nelson Regional Sewerage Business Unit General Managers Quarterly Report

9. Discharge performance

The wastewater discharge performance from Bell Island WWTP has met all the consent criteria for the period to January 2022.



Note – Due to high inflows the 3 hour discharge time was extended to 4 hours from the 26 Jul – 06 Aug

10. NRSBU Resourcing

- 10.1 The resourcing constraints are leading to some capital and operational works being delayed, and further delays are expected because of reduced staffing levels in the regional services team.
- 10.2 Additional support for the capital and renewals work programmes is being sought through the O&M contractor.

A review of Regional Services staffing capacity is being undertaken that includes consideration of the staffing structure in anticipation of the wastewater staff transferring to the new water entity.

Attachments

Nil

Item 7: Nelson Regional Sewerage Business Unit General Managers Quarterly Report

Important considerations for decision making
<p>Fit with Purpose of Local Government</p> <p>The NRSBU is a joint committee constituted pursuant to the provisions of Schedule 7 to the Local Government Act 2002 and contributes to the four Local Government well-beings of social, economic, environmental, and cultural.</p>
<p>Consistency with Community Outcomes and Council Policy</p> <p>Our infrastructure is efficient, cost effective and meets current and future needs.</p>
<p>Risk</p> <p>This report allows the NRSBU board to monitor and review the ongoing operations of the NRSBU. The report considers risks from health and safety and compliance, and with resource consents.</p>
<p>Financial impact</p> <p>This report has no financial impacts. It summarises financial performance against budgets.</p>
<p>Degree of significance and level of engagement</p> <p>The NRSBU 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</p>
<p>Climate Impact</p> <p>The NRSBU 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</p>
<p>Inclusion of Māori in the decision making process</p> <p>No engagement with Māori has been undertaken in preparing this report but iwi have representation on the Board.</p>
<p>Delegations</p> <p><i>The Councils are agreed that the responsibility for all management and administrative matters associated with the NRSBU operation shall be</i></p>

Item 7: Nelson Regional Sewerage Business Unit General Managers Quarterly Report

with the Board, and in particular the Board shall without the need to seek any further authority from the Councils:

Enter into all contract necessary for the operations and management of the Business Unit in accordance with approved Budgets and the intent of the Business Plan.

Authorise all payments necessary for the operations and management of the business unit within the approve budgets and the intent of the Business Plan

Do all other things, other than those things explicitly prohibited by this MOU or relevant statutes, that are necessary to achieve the objectives as stated in the strategic Plan, Asset Management Plan or Business Plan approved by the councils.

Powers to Recommend to Councils:

Any other matters under the areas of responsibility of the Business Unit and detailed in the Memorandum of Understanding

All recommendations to Council will be subject to adoption of an equivalent resolution by the other Council, unless it is a matter specific to one Council only.



Nelson Regional Sewerage Business Unit

11 March 2022

Report Title: Nelson Regional Sewerage Business Unit Business Plan Feedback report.

Report Author: Nathan Clarke - General Manager Regional Sewerage and Landfill

Report Number: R26681

1. Purpose of Report

- 1.1 To update the Nelson Regional Sewerage Business Unit Board (NRSBU) on feedback provided to NRSBU by Tasman District Council (TDC) and Nelson City Council (NCC) in relation the NRSBU 2022/23 Business Plan (Business Plan).

2. Summary

- 2.1 NRSBU has approved the Draft NRSBU 2022/23 Business Plan (A2728794) and has submitted these to the NCC and TDC for consideration and feedback.
- 2.2 NCC and TDC have both considered the report and have provided no feedback.

3. Recommendation

That the Nelson Regional Sewerage Business Unit

- 1. Receives the report Nelson Regional Sewerage Business Unit Business Plan Feedback report. (R26681) and its attachment (A2728794); and***
- 2. Approves the Nelson Regional Sewerage Business Unit 2022/2023 Business plan (A2728794) subject to minor changes approved by the Chairperson; and***

3. ***Recommends the Nelson Regional Sewerage Business Unit Business Plan 2022/23 (A2728794) be presented to the Tasman District Council and Nelson City Council.***

That the Nelson City and Tasman District Councils

1. ***Receive the Nelson Regional Sewerage Business Unit Business Plan 2022/23 (A2728794).***

4. Background

- 4.1 The NRSBU was established by NCC and TDC to manage and operate regional sewerage facilities and the Memorandum of Understanding requires the Business Plan to be submitted to the two Councils for Feedback prior to confirmation by the NRSBU board.

- 4.2 The NRSBU resolved on 17 September 2021 as follows:

Recommendation

That the Nelson Regional Sewerage Business Unit

1. ***Receives the report Draft Nelson Regional Sewerage Business Unit Business Plan 2022/23 (R26215) and its attachment (A2728794); and***
2. ***Approves the Draft Nelson Regional Sewerage Business Unit Business Plan (A2728794) for submission to Nelson City Council and Tasman District Council for their consideration and feedback.***

Recommendation to the Nelson City and Tasman District Councils

That the Nelson City Council and Tasman District Councils

1. ***Receive the Draft Nelson Regional Sewerage Business Unit Business Plan 2022/23 (A2728794) for review and provide feedback to the Nelson Regional Sewerage Business Unit if required.***

- 4.3 The NRSBU is required to produce a Business Plan for the coming year and submit this to the councils by 31 December each year. After the councils have had an opportunity to discuss and comment on the draft Business Plan the Board shall finalise the Business Plan, incorporating any agreed changes, and shall present the plan to the councils by 20 March.

Item 8: Nelson Regional Sewerage Business Unit Business Plan Feedback report.

- 4.4 The Board can only formally adopt the Business Plan after receiving and considering feedback from the two Councils and is then required to present both to each Council by 20 March 2022, for inclusion in each Council's draft Annual Plan.

5. Feedback received

- 5.1 **Tasman District Council** considered the Business Plan on 24 February 2022.
- 5.2 The TDC Strategy and Policy Committee on 24 February 2020, in relation to the NRSBU Business Plan, resolved as follows:

That the Full Council:

1. receives the **Nelson Regional Sewerage Business Unit and Nelson Tasman Regional Landfill Business Unit Draft Business Plans 2022/23** Report **RCN22-02-2**; and
2. notes that the financial information and capital works programme has been included in the Annual Plan 2022/2023 for Council to consider in March 2022; and
3. notes that once the Annual Plan 2022/2023 is adopted that the NRSBU and NTRLBU will be notified of any changes required to the respective Business Plans.

- 5.3 The TDC gave no feedback on the Business Plan.
- 5.4 **Nelson City Council** considered the NRSBU Business plan during the Infrastructure committee meeting on 18 November 2021.
- 5.5 The Infrastructure Committee resolved as follows:

Resolved IC/2021/001

That the Infrastructure Committee

1. *Receives the report Nelson Regional Sewerage Business Unit 2022/23 Business Plan (R26207) and its attachment (A2728794); and*
2. *Provides feedback to the Nelson Regional Sewerage Business Unit via the General Manager of the Nelson Regional Sewerage Business Unit on the draft Nelson Regional Sewerage Unit 2022/23 Business Plan (A2728794)*

Skinner/Courtney

Carried

- 5.6 NCC gave no feedback on the Business Plan.

Item 8: Nelson Regional Sewerage Business Unit Business Plan Feedback report.

6. Conclusion

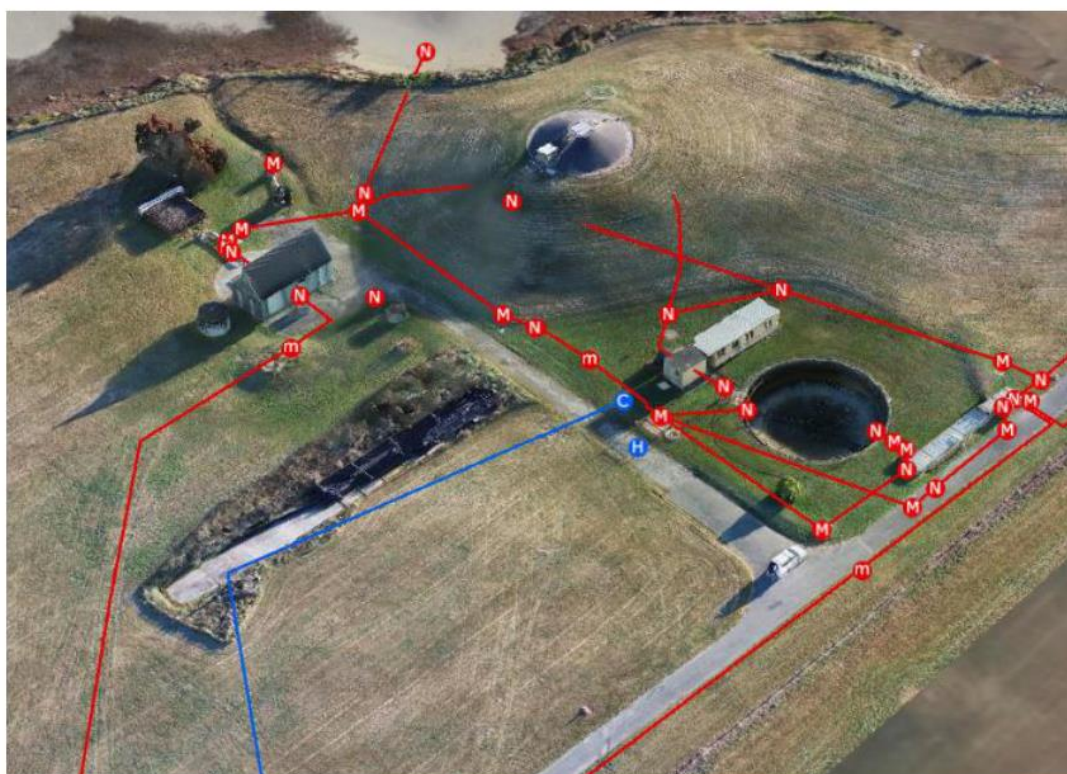
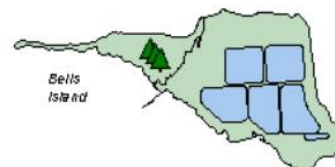
- 6.1 The NRSBU has received no feedback that requires changes to the Draft NRSBU 2022/2023 business plan (A2728794)
- 6.2 It is recommended that the NRSBU adopt the 2022/2023 NRSBU Business Plan (A2728794) and forward the Business Plan to both Council's.

Attachments

Attachment 1: A2728794 - Nelson Regional Sewerage Business Unit 2022/2023 Business Plan [↓](#)

Nelson Regional Sewerage Business Unit

BUSINESS PLAN
2022/2023



A2728794

NRSBU Business Plan 2022-2023

Contents	Page
Purpose	3
Memorandum of Understanding Requirements	3
Introduction	3
Mission Statement	3
Strategic Goals	4
NRSBU Structure	5
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Three-Year Renewal Expenditure Forecast	7
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Appendix D – Focus on Community and Environmental Benefits	14

Rev 1 Feb 2022	Nathan Clarke, GM NRSBU with input from
For Board Final Approval- prepared by:	Brad Nixon - Operations Manager NRSBU
Approved by:	Morgelyn Leizour – Acting Activity Engineer NRSBU
	Nathan Clarke

Cover	Image of GIS system for Airport Pump Station
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Item 8: Nelson Regional Sewerage Business Unit Business Plan Feedback report.: Attachment 1

1. PURPOSE

The purpose of the Nelson Regional Sewerage Business Unit Business Plan 2022/2023 is to summarise management goals and objectives to deliver wastewater collection and treatment services to the region; and to improve the effectiveness and efficiency in the delivery of those services.

2. MEMORANDUM OF UNDERSTANDING REQUIREMENTS

The Memorandum of Understanding states that the NRSBU Board shall by 31 December each year supply to the Councils (Nelson City and Tasman District Councils) a copy of its Business Plan. The Business Plan outlines the management of the Nelson Regional Sewerage Business Unit and the assets for the ensuing year, together with any variations to the charges proposed for that financial year.

The Memorandum of Understanding (MoU) commenced on 1 July 2015 and shall terminate on 30 June 2025. The MoU was updated in March 2019.

3. INTRODUCTION

This Business Plan 2022/23 outlines the projects and initiatives to be implemented during the year. It also outlines the associated funding required and the details of the performance targets and measures.

The Business Plan is aligned with the NRSBU Strategic Plan and the NRSBU Activity Management Plan 2021-2031. It includes business objectives and performance targets (Section 7) and the three-year financial renewal forecasts (Section 8) and the three-year capital plan (Section 9). The following key pieces of information from those other documents are included in the appendices of this business plan:

Appendix A - Committee Activity Schedule

Appendix B - Internal business improvement plan

Appendix C - Schematic layout of the NRSBU operations

Appendix D - Reduction of Adverse Environmental Effects

4. MISSION STATEMENT

The NRSBU's mission statement is:

Resilient, reliable, and effective infrastructure that supports and protects our community and environment.

Area	Goal
Our approach	Implement and operate infrastructure considering the needs of our community. Our priorities for this are protection of public health, the environment, and cultural values.
Our Vision/Ambition/Aspiration	We will work towards the beneficial reuse of resources.
Our conduct	We will undertake our activities transparently, fairly, respectfully, in a timely manner and we will provide regional infrastructure leadership.

5. STRATEGIC GOALS AND PERFORMANCE OBJECTIVES

The NRSBU aspires to achieve the following goals:

Strategic Goal	Objective (This is what it looks like)	Level of Service (This is how we do it)
We will implement and operate infrastructure considering the needs of our community. Our priorities for this are protection of public health, the environment, and cultural values.	Containment and conveyance that is resilient and minimises adverse impacts on the health of the environment and community	We have sufficient capacity in our network to cope with peak flows
		We are resilient to mechanical and electrical failures and natural hazards
		We can readily maintain the network
	Resilient wastewater treatment that minimises the impact on the environment and community	The treatment plant can reliably accept (N+1 for critical assets) all peak flows from the network
		The treatment plant can fully treat all dry weather flows
		The treatment plant does not create odour issues for the community
		Effluent Quality meets or exceeds required discharge requirements
	Long term vision that considers the future needs of the community	Our ongoing business is safeguarded through engagement with council planning processes
		We have long term plans for our activities and their impacts
		Have systems in place for the ongoing monitoring and reporting of emissions
	Alternative methods of biosolids disposal that protect public health and the environment and are sensitive to cultural values	Have a backstop for issues with biosolids disposal
We will work towards the beneficial reuse of resources	Use of ongoing improvement processes to identify, implement, and operate feasible biosolids reuse	Treatment to maintain 100% reuse of biosolids
		Increase reuse value
		Maintain 100% diversion of biosolids from disposal to landfill
	Identified implement and operate feasible systems and infrastructure for the reuse of wastewater	We minimise the amount of effluent we discharge to water

The NRSBU functional activities are managed by the Nelson City Council and therefore the NRSBU functional activities 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.

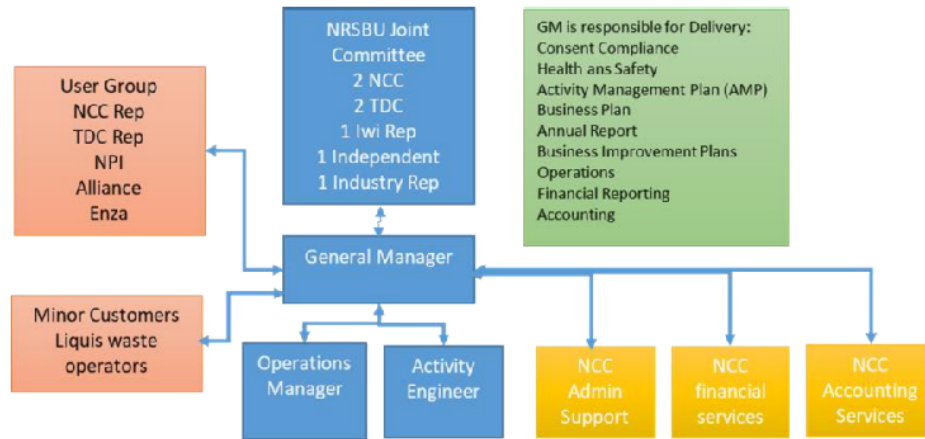
All strategic goals are important and no one goal will be pursued at the expense of another.

It is important to note that discussion is occurring nationally regarding the delivery of water services in New Zealand. This discussion includes the implementation of national discharge standards for wastewater treatment facilities. This work could have a significant influence on NRSBU, at this time NRSBU is unable to identify the outcome of this work and therefore will continue with Business as Usual.

It is necessary for NRSBU to maintain an understanding of these issues so that an appropriate response can be made if required.

6. NRSBU STRUCTURE

The structure of the Nelson Regional Sewerage Business Unit is as follows:



The Nelson Regional Sewerage Business Unit was established in July 2000, replacing the former Nelson Regional Sewerage Authority established in the 1970s.

This business plan relates to the second year of the NRSBU Activity Management Plan 2021-2031 adopted by NCC and TDC during June 2021.

Item 8: Nelson Regional Sewerage Business Unit Business Plan Feedback report.: Attachment 1

7. BUSINESS OBJECTIVES AND PERFORMANCE MEASURES

The objectives outlined below describe the long-term aims of the business unit. Performance measure targets and dates (where they are not specified below) are set annually in the Business Plan along with performance measures for projects identified in the Activity Management Plan. Performance will be reported quarterly to the Board and annually to the shareholding councils.

Performance Measure (This is how we know we're doing it)	Target
Number of overflows per year (all networks) due to NRSBU network capacity constraints, or mechanical or electrical failures.	Zero
Number of pump stations with redundant pumps and power supply.	All by June 2023**
Pump stations are to a level 3 importance level standard.	All by 2023
Number of pump stations where able to carry out routine PS maintenance works while managing ADWF.	All by 2031
Number of times PWWF flows exceed inlet works capacity.	Zero by 2031
Number of times diurnal flows bypass the mechanical system annually OR Treatment capacity of mechanical plant.	Zero OR 500L/s by 2029
Number of odour complaint events annually.	Zero by 2025
Pond free water above sludge layer.	>1m in all ponds by June 2023
Chemical Parameters comply with consents for discharge to water when discharge occurs.	Ongoing consent compliance for all parameters
Effluent quality appropriate for safe and sustainable use with land irrigation systems.	Pathogens, Nitrogen defined for land application requirements by 2023
Obtain reuse consents for appropriate land areas for Reuse Water.	Demonstrated quality performance and consents in place for reuse for dust suppression by June 2024
We have up to date plans as follows: Master plan (50 years focus) Activity Plan (10 years Focus) Business plan (1 year focus, but also with tentative three-year actions)	Master plan developed by June 2023 Activity and Business Plans are reviewed annually
The number of alternate methods/options for biosolids disposal.	One by 2035
Increase in quality of biosolids.	Biosolids Reuse Development Plan Draft by June 2023
Percentage of biosolids that is reused.	100%
Annual volume of biosolids sold.	Biosolids Reuse Development Plan Draft by June 2023
Proportion of biosolids to land or reuse/sale	100%
Number of days effluent is discharged to water in summer period (1 Dec to 31 March).	Draft Wastewater reuse plan developed by June 2023, with a goal to reaching zero by 2035
Volume of high-value water-reuse we achieve.	Draft Wastewater reuse plan developed by June 2023
Amount of total flow we can divert from discharge to water during summer period.	At least 75 th percentile by 2040

**** Redundant pumps may include Duty / Assist with a Shelf Spare until pumpstation upgrades are complete**

Nelson Regional Sewerage Business Unit Business Plan
2022/23 Rev 1 (A2728794)

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8. THREE YEAR RENEWAL EXPENDITURE FORECAST (\$'000)

Renewal Plan (\$,000)	2021/22*	2022/23	2023/24	2024/25
Pump Stations and Rising Mains	539	537	168	635
Inlet, Aeration Basin, Clarifier and Ponds	1409	41		610
Solids Handling and Biosolids pipelines.	592	254	1704	100
ATAD rust proofing				30
Rabbit Island	91	49		20
Fittal Street Septage Facility				200
Facilities and Roads	222	135	11	25
Wet Weather Discharge Pump				95
Road and causeway renewals	173			
General	217	130	41	120
Total	3243	1146	1924	1835

* 2021/22 renewals budgets include carry overs from the 2020/2021 financial year

The renewal programme of the NRSBU assets is developed around lifecycle and condition assessment.

An iterative process is followed whereby the renewal programme is considered annually with inputs from the Operation and Maintenance operator and a review of remaining useful life of assets.

Condition assessment reports may be commissioned where additional information is required to ensure optimal spend on renewals.

One key renewal item that is currently unquantified is any repair works arising following the inspection work in 21/22 for the existing 600mm diameter concrete pipe between Monaco and Bell Island. This work may necessitate reprioritisation of the Capital and Renewal plans if significant repairs are required.

General items are at the discretion of the General Manager.

Item 8: Nelson Regional Sewerage Business Unit Business Plan Feedback report.: Attachment 1

9. THREE YEAR CAPITAL UPGRADE PLAN

The following table outlines the capital upgrades proposed over the next three years.

Capital upgrades:

Project	21/22	22/23	23/24	24/25
Improved Operator Facilities	313			
Road Improvements	50			
Regional Generator Upgrade	1042			
Management systems	80			
Sludge Storage Tanks	750			
Pump station overflow screens and monitoring	300			
Regional pipeline capacity upgrades	6400	2,470	2,150	2,000
Inlet and ATAD Odour Upgrade	340			
Pump and discharge pipework upgrades at		2,050	350	250
Strategic review and seismic strengthening of PSs	50		50	
Flood protection of pump stations	120			
Storage at pump stations			50	50
Additional screening and duplicate grit trap at				50
Hydraulic capacity upgrades at WWTP		80	1,500	
Design of system to remove algae from pond	20			
Desludging ponds	499			25
New technology assessments to meet Consent	50			
Biosolids drying		100		
Odour and equipment upgrades at Rabbit Island	200		150	
Buffer storage at WWTP			25	200
Best Island irrigation	100	100	50	
Bell Island irrigation and effluent re-use	250	50		
Rabbit Island Irrigation	124			
Resource Consents	90			
Total capex upgrades	10,778	4,850	4,325	2,575

Note: the 2021/22 column has been updated to include the 2020/21 carryover.

Commentary on Upgrade for 2022/23

The programme of work for the NRSBU has been significantly altered as a result of the Activity Management review. The smoothing undertaken during the AMP process means that the regional pipework funding may need to be bought forward if the schedule can be accelerated. Tasman District Council staff have requested NRSBU minimise delays in implementation of the upgrade.

A number of overflows to the estuary have been caused by insufficient capacity being available at the Beach Road Pumpstation.

Pump station upgrades to comply with the conditions of the aberrational discharge consent have been partly completed, the final pump station (Saxton Rd) needs to be completed during the 2022/2023 year.

The rising main upgrades for Saxton to Monaco, and Beach Road to Saxton Road have been spread over four years to reduce the expenditure profile.

Item 8: Nelson Regional Sewerage Business Unit Business Plan Feedback report.: Attachment 1

The Capital upgrades for 2022/23 covers items such as:

- Works associated with the Beach Road to Saxtons Rd pipeline, including pump reconfiguration, MCC upgrades and new pipework.

Regional Pipeline Upgrade:

- Capacity improvements (in particular, downstream of Beach Road), but this programme of work has been extended into 2023/24 due to concerns that NRSBU staff will not be able to deliver the programme of works.

Emission Management System

Emission management will be ongoing, however 2022/23 will be used to implement initial steps for reducing emissions developed from the Emission mitigation plan developed during 2021/22.

This Emission Management work involves an assessment of the emission profile from the Bell Island WWTP ponds during 2022/23, review of emissions from Rabbit Island Biosolids application system and the Nelson Regional Sewerage System.

It will include a calculation method that can be used annually to redo the Carbon Emission Assessment based on the information collected as part of the Operations and Maintenance.

This model should be suitable for use by NRSBU staff to annually assess and report on the emissions from the NRSS and to outline emission reduction opportunities.

It needs to be noted that this calculation method may result in a different emission profile compared to a standard emission model that only uses theoretical emission factors which is what is currently used by NCC and NRSBU

NRSBU Records and data:

Additionally, we will continue to collate all the NRSBU historic and current information into a single access point electronic storage location, and this record system will disaggregate the asset information further than currently undertaken by NCC GIS system. The system will include all NRSBU data irrespective of it being located in TDC or NCC territories.

10. FINANCIAL PLAN

Nelson Regional Sewerage Business Unit				
Budget Summary for 2022/23				
	Budget	1	2	3
	21/22	22/23	23/24	24/25
Income				
Contributors	9,522	10,594	11,117	12,020
Interest	0	0	0	0
Other Recoveries	158	330	330	330
Total Income	9,680	10,924	11,447	12,350
Expenditure				
Operations & Maintenance	4,277	4,241	4,279	4,629
Management	500	500	500	500
Interest	730	1,167	1,401	1,604
Insurance	98	98	98	98
Depreciation	2,553	3,039	3,148	3,221
Total Operating Cost	8,159	9,045	9,425	10,052
Surplus/Deficit	1,521	1,879	2,021	2,298
Use of Funds				
Loan Repayment	(718)	1,894	1,224	1,386
Renewals	3,272	1,146	1,924	1,835
Owners Distribution	1,521	1,879	2,021	2,298
Upgrades	10,778	4,850	4,325	2,575
	14,852	9,769	9,494	8,094
Sources of Funds				
Surplus/Deficit	1,521	1,879	2,021	2,298
Depreciation	2,553	3,039	3,148	3,221
New Loans	10,778	4,850	4,325	2,575
	14,852	9,769	9,494	8,094

Note: the 2021/22 New Loan has been changed to reflect the carryover from 2020/21

APPENDIX A

Nelson Regional Sewerage Business Unit Committee Activity Schedule 2022-2023

Date	Activity	Papers required
By 31 August 2022	Review draft Annual Report and Financial Statement.	Draft annual report and financial statement.
By 30 September 2022	Deliver annual financial statement to Councils.	Financial Statement.
By 31 December 2022	Review board planning/meeting timetable. Adopt draft business plan for presentation to Tasman District Council and Nelson City Council. Review and update Interests Register. Adopt business continuity plan.	Planning/meeting timetable. Business Plan. Interests Register. Draft business continuity plan.
By 20 March 2023	Present Annual Report and Business Plan to Tasman District Council and Nelson City Council.	Annual Report and Business Plan.
By 30 June 2023	Review board performance Review governance policy. Review Demand Management Plan. Receive report on Contingency Plan review by customer representatives. Receive report on Risk Management review by customer representatives. Review customer satisfaction survey results. Annual review of Strategic Plan. Adopt Energy Conservation Plan. Review Audit Management Report. Annual Carbon Emission Review.	Checklist for committee effectiveness. Governance Policy. Draft Demand Management Plan. Report on Contingency Plan review by customer representatives. Report on Risk Management review by customer representatives. Customer survey report. Strategic plan. Energy Conservation Programme. Carbon Mission Measurement System development

Item 8: Nelson Regional Sewerage Business Unit Business Plan Feedback report.: Attachment 1

Appendix B

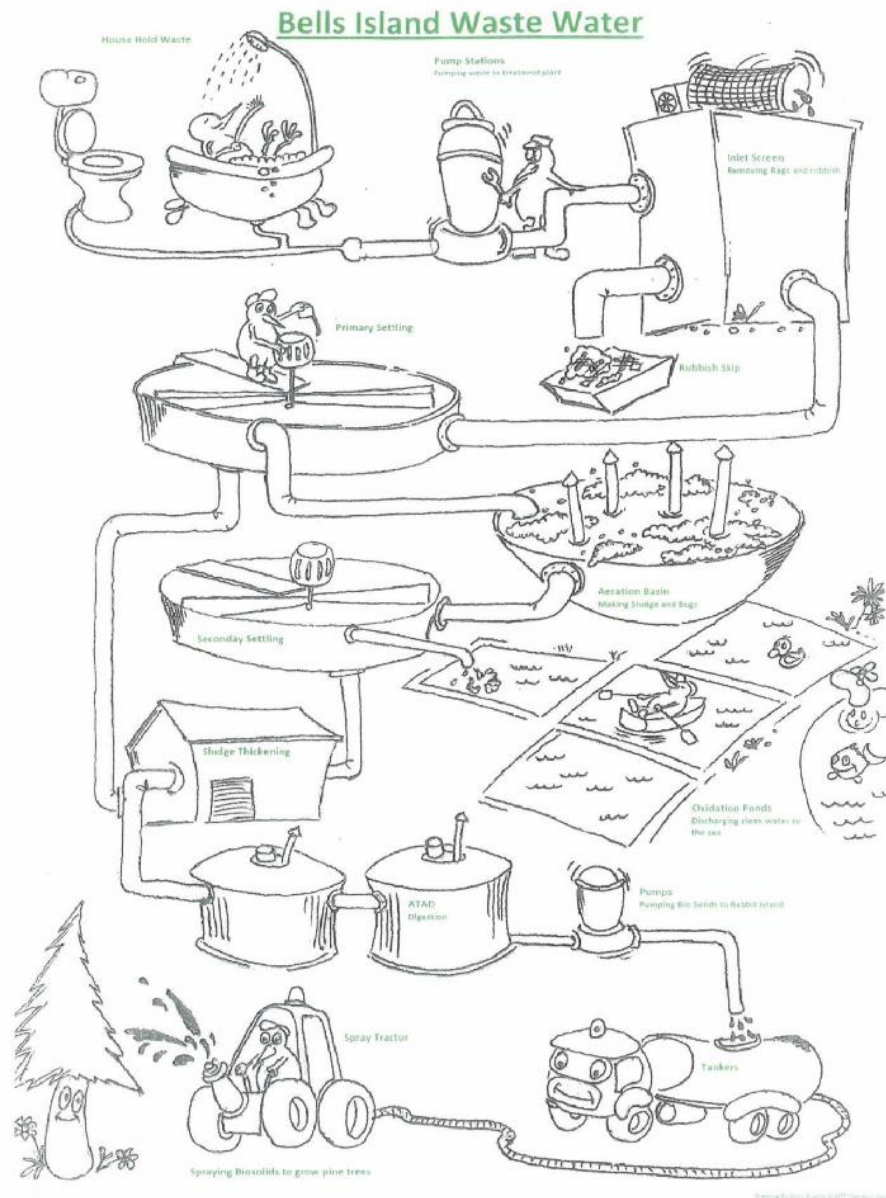
BUSINESS IMPROVEMENT PLAN

This section describes initiatives to improve the efficiency and effectiveness of the Business Unit and is based on the Nelson Regional Sewerage Business Unit Strategic Plan and referenced to the 2017 Wastewater Asset Management Plan.

IP	Description	Resource Requirements	Progress
IP-1	Consolidate all data and information; review and develop access method. July 22- June 23 will include disaggregation of assets within this system, and to include links from this system to Dashboards, Infor and other visualisation tools.	In-house and consultants External consultants will need to work with NCC IT and GIS to host the new system	Implementation ongoing for completion by June 2022 for the initial consolidation access method. July 22- 23 progress is expected to include all critical equipment to have specific assets with data and maintenance information accessible through this single system
IP-2	Continue sludge removal programme.	In-house and Contractor	On-going, Sludge Bund Consent granted 2019/2020 complete. Sludge containment area complete 2020/2021 Desludging to be begin 2020 – Pond F2 complete by Calendar Year End 2021. F1 and F3 desludging to be completed during 2022/23.
IP-3	Determine the long-term strategy (Master Plan)	In-house and consultants	Consultant seconded to assist preparation. Draft to be available by June 2022 and the finalised Master Plan to be completed by December 2022
IP-4	Implement Hazardous Gas Management system for Gravity Belt Thickener system	In-house and consultants	This is programmed for early 2022/23.
IP5	Electrical Supply to Bell Island	In-house and Consultants.	Investigation and implementation of mitigation measured. Progress 2021/22 Generators to be installed. 21/22 Solar array options reviewed 22/23 Additional Power cable options review and Consent Application

APPENDIX C

BELL ISLAND TREATMENT PLANT SCHEMATIC



APPENDIX D

FOCUS ON COMMUNITY AND ENVIRONMENTAL BENEFITS

The NRSBU intends to:

- have facilities that are robust and resilient – focusing on collection and conveyance system, followed by Bell Island volumetric treatment capacity.
- reduce overflows into the coastal marine environment and Tasman Bay beyond
- have a greater focus on the immediate coastal marine environment and impacts on the ecology of Tasman Bay
- Develop a water reuse strategy and implement initial reuse actions using existing reuse water and expand as financial constraints allow reuse water volume and infrastructure.
- reduce the volume of wastewater discharged to Waimea Inlet over time
- Maintain focus on biodiversity and estuary health as priorities over the next two years.
- increase attention to facilitating cultural and recreational and educational activities where these don't adversely affect core business activities.

To implement this vision, the NRSBU will:

- develop a programme of work to investigate and implement ways to reduce overflows from the sewerage pump stations to the estuary
- implement the conditions associated with the pump stations Aberrational Discharge resource consent
- undertake a trial to re-use treated wastewater to clean the inlet screens (reducing the use of potable water and consequently the volume discharged to the estuary)
- further develop investigations into the potential re-use (by others) of treated wastewater
- investigate potential tree and vegetation planting around the perimeter of Bell Island
- continue to operate the treatment plant well and achieve high quality effluent
- commission a high-level report into alternative wastewater treatment systems (that would avoid or significantly reduce the discharge of treated wastewater to the Waimea Inlet).