

# AGENDA

**Ordinary meeting of the**

## **Nelson Regional Sewerage Business Unit**

**Friday 3 May 2024**  
**Commencing at 9.30a.m.**  
**Council Chamber**  
**Floor 2A, Civic House**  
**110 Trafalgar Street, Nelson**

Membership:

**Chairperson**

Tasman District Councillor Kit Maling

**Deputy Chairperson**

Nelson City Councillor Tim Skinner

**Members**

Tasman District Councillor Barry Dowler

Nelson City Councillor Kahu Paki Paki

Independent Member Tallat Mehmood

Industry Representative (non-voting) Philip Wilson

Iwi Representative Aneika Young

Quorum: 3

## **Nelson Regional Sewerage Business Unit**

The Nelson Regional Sewerage Business Unit (NRSBU) ([NDOCS-1974015928-495](#)) 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 (NDOCS-1974015928-495).

### **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 1 March 2024

**6 - 7**

Document number M20466

Recommendation

*That the Nelson Regional Sewerage Business Unit*

1. **Confirms the minutes of the meeting of the Nelson Regional Sewerage Business Unit, held on 1 March 2024, as a true and correct record.**

**6. General Managers Update Report**

**8 - 17**

Document number R28499

Recommendation

*That the Nelson Regional Sewerage Business Unit*

1. **Receives the report General Managers Update Report (R28499) and its attachment (1080325921-898).**

## **7. Designation of NRSBU Facilities**

**18 - 23**

Document number R28496

Recommendation

*That the Nelson Regional Sewerage Business Unit*

1. **Receives the report Designation of NRSBU Facilities (R28496); and**
2. **Confirms the intent to issue Notifications of Requirement for designation of its facilities under s168A of the Resource Management Act 1991.**

Recommendation to Nelson City Council and Tasman District Council

*That the Nelson City Council and the Tasman District Council  
Operations Committee*

1. **Receives the report Designation of Nelson Regional Sewerage Business Unit Facilities (R28496); and**
2. **Endorse the Nelson Regional Sewerage Business Unit to issue Notifications of Requirement for designation of its facilities under sections 168 and 168A of the Resource Management Act 1991; and**
3. **Delegate authority for the signing of the Form 18 applications for Notification of Requirement as required under the Resource Management Act 1991 to the General Manager - Regional Services.**

## **8. Nelson Regional Sewerage Business Unit Long Term Plan Submission Feedback Report**

**24 - 32**

Document number R28423

A Speakers Hearing Schedule will be tabled at the meeting if required.

Recommendation

*That the Nelson Regional Sewerage Business Unit*

1. **Receives the report Nelson Regional Sewerage Business Unit Long Term Plan Submission Feedback Report (R28423) and its attachment (1080325921-899); and**
2. **Confirms the Operational and Capital budgets outlined in the Nelson Regional Sewerage Business Unit Activity Management Plan 2024-2034 (1080325921-753) and the 2024/2025 Nelson Regional Sewerage Business Unit Business Plan (1080325921-246).**

Recommendation to Nelson City Council and Tasman District Council

***That the Nelson City Council and Tasman District Councils***

- 1. Note that there are no changes to the 2024/2025 Nelson Regional Sewerage Business Unit Business Plan (1080325921-246) adopted to populate the Nelson City Council and Tasman District Council 2024 – 2025 Annual Plans; and***
- 2. Note that there are no changes to the Nelson Regional Sewerage Business Unit Activity Management Plan 2024-2034 (1080325921-753) adopted to populate the Nelson City Council and Tasman District Council 2024 – 2034 Long Term Plans.***



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**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 1 March 2024, commencing at 9.30a.m.**

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- Present: Tasman District Councillor K Maling (Chairperson), Nelson City Councillor T Skinner (Deputy Chairperson), Tasman District Councillor B Dowler, Nelson City Councillor K Paki Paki, and Independent Member T Mehmood
- In Attendance: Deputy Chief Executive/Group Manager Infrastructure (A Louverdis), General Manager Regional Services (N Clarke), Senior Governance Adviser (H Wagener) and Assistant Governance Adviser (A Bryce)
- Apology: An apology has been received from Iwi Representative Ms A Young

**1. Apologies**

Resolved RSBU/2024/001

***That the Nelson Regional Sewerage Business Unit***

- 1. Receives and accepts an apology from Member A Young.***

Dowler/Paki Paki

Carried

**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 28 November 2023

Document number M20387, agenda pages 4 - 6 refer.

Resolved RSBU/2024/002

***That the Nelson Regional Sewerage Business Unit***

1. ***Confirms the minutes of the meeting of the Nelson Regional Sewerage Business Unit, held on 28 November 2023, as a true and correct record.***

Skinner/Dowler

Carried

## 6. Nelson Regional Sewerage Business Unit General Manager Update Report March 2024

Document number R28316, agenda pages 6 - 16 refer.

General Manager Regional Services, Nathan Clarke took the report as read.

Operations Manager Regional Services, Brad Nixon answered questions about the cause, notification, response and management of a recent odour incident on 17-18 February 2024 on Bell Island.

Mr Clarke answered questions on the use of recycled waste water at Greenacres Golf Club, health and safety induction of new personnel at Nelson Regional Sewerage Business Unit sites and the potential for emergency accommodation for network operations as part of the staff facilities upgrade on Bell Island.

Resolved RSBU/2024/003

***That the Nelson Regional Sewerage Business Unit***

1. ***Receives the report Nelson Regional Sewerage Business Unit General Manager Update Report March 2024 (R28316).***

Dowler/Skinner

Carried

There being no further business the meeting ended at 10.03a.m.

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

Resolved



## Nelson Regional Sewerage Business Unit

3 May 2024

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Report Title:	General Managers Update Report
Report Author:	Nathan Clarke - General Manager Regional Sewerage and Landfill
Report Authoriser:	Alec Louverdis - Deputy Chief Executive / Group Manager Infrastructure
Report Number:	R28499

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### 1. Purpose of Report

- 1.1 This report is an update by the General Manager (GM) on activities undertaken to 31 March 2024 by the Nelson Regional Sewerage Business Unit (NRSBU).

### 2. Recommendation

*That the Nelson Regional Sewerage Business Unit*

- 1. Receives the report *General Managers Update Report (R28499) and its attachment (1080325921-898).***

### 3. Background

- 3.1 The Operations and Maintenance contract is running smoothly.
- 3.2 There were 11 odour notifications for the period to the end of March 2024.
- 3.3 Total Income to 31 March 2024 finished behind budget by \$991,088.

### 4. Health and Safety

- 4.1 Health and Safety (H&S) for the operations contract is being managed well, and no significant safety issues are currently outstanding, the H&S Dashboard is now up and running and a copy of this is attached.



## Item 6: General Managers Update Report

### 4.2 Health and Safety Event Register:

Classification	Date	Details	Follow up actions
Injury	23/01/2024	Small cut to finger from burr on press tooling	Improve maintenance on tooling to ensure tools kept free of burrs. Further work to go into finding a suitable glove for use around the treatment plant to prevent minor cuts
Hazzard ID (Improve It)	7/02/2024	Hazard with skip bins has presented itself at Septage site - the "trial bins" need to be modified to make this safer for the skip bin drivers when collecting and emptying the bins	Identified a possible solution to make site access easier and allow a proper size bin to be used - need to action and make the changes to site
Incident	12/02/2024	Lifting out pump 3 at the Richmond pump station to replace the impeller the cable caught the well lid and cut into the cable	Immediate action was to repair cable.  Follow up action - discuss lifting practices around pumps and ensure care is being taken with the tight clearances between the pumps and the lid opening.
Injury	12/02/2024	While packing up inlet steam cleaner, I was pulling in the hose by the hand piece and as someone walked past, I bumped the trigger and the water hit the back of his hand tore his latex glove and took the skin off the back of his hand.	Minor first aid - not a significant injury.  SOP for water blaster to be reviewed
Incident	01/03/2024	Subcontractor repairing export water pipe scraped the live Mapua rising main with digger bucket. Location of pipe was known, spotter was being used and job starts had been completed.	Wang clamp repair immediately put in place as a precaution, scrape has de-rated pipe from PN12 to PN10. Digging permit to be developed for suture excavations.  Permanent repair to be implemented in due course

4.3 Nelmac have inducted 31 new personnel to NRSBU sites during the period to end of February.

4.4 The following training was completed during the report period:

Month	Training Type/details	No of Staff
Jan 24	N/A	
Feb 24	First Aid	2
Feb 24	Confined Space	1
Mar 24	N/A	

*Table 1: NRSS Operations and Maintenance Contract Training Completed*

4.5 The following audit/interaction activities were completed during the report period:

Month	Audits	Prestarts	Tailgates
Jan 24	1	4	1

Item 6: General Managers Update Report

Feb 24	2	4	1
Mar 24	0	4	1

Table 2: Table 2: NRSS Operations and Maintenance Contract H&S Interactions Completed

**5. Discussion**

**5.1 Operations & Maintenance**

5.1.1 Operational performance of the Nelson Regional Sewerage Scheme (NRSS) continues at a high level.

5.1.2 The preliminary operating costs against the Target Outturn Cost (TOC) for the 2023/2024 year is above the NRSBU 2023/2024 business plan forecast budget. The recent increase relates primarily to a initial period of increased monitoring required to demonstrate compliance with the new biosolids consent.

5.1.3 Graph of progress against TOC:

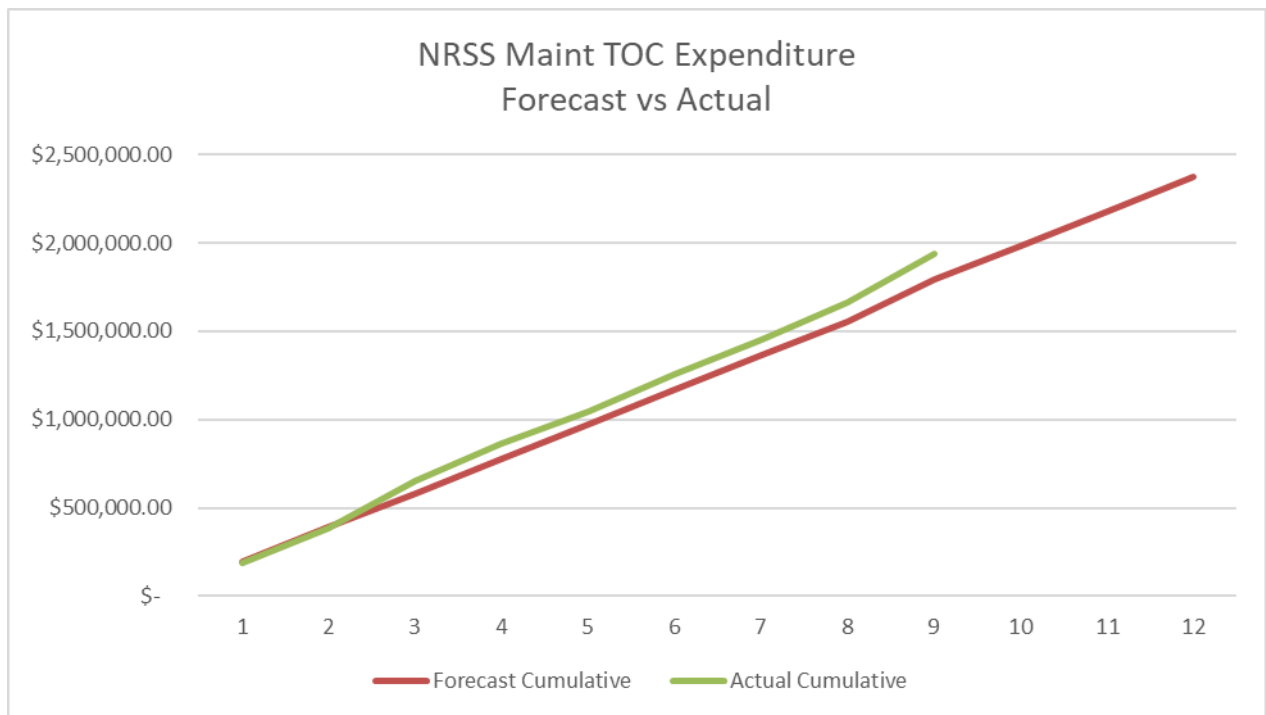


Figure 1: Expenditure against forecast - NRSS O&M Contract

5.1.4 Issues experienced on the inlet milliscreen drums late last year have not recurred, with only inspections and preventative maintenance being completed since.

5.1.5 The replacement drum is under construction at the screen manufacturers however the supply firm have advised delays to delivery. It is now anticipated to arrive onsite in May.

**5.2 Odour**

5.2.1 There were eleven odour notifications for the period to end of March 2024. This is higher than has previously been experienced.

## Item 6: General Managers Update Report

- 5.2.2 All odour notifications were reviewed as soon as possible after notification was received.
- 5.2.3 In each case the source was considered, and 9 of the notifications were thought to arise from biosolids application on Rabbit Island but it was not possible to confirm the odour due to the time between the notification being made and NRSBU staff being informed. Six of the notifications were from the Mapua area which is unusual and historically there have been few complaints from Mapua.
- 5.2.4 Two of the notifications were made by people who had smelt biosolid application while on Rabbit or Rough Island.
- 5.2.5 The dry weather and resultant extremely dry ground conditions may have contributed to the intensity of odours, due to biosolids sitting on the surface, rather than immediately soaking in following application.

### **5.3 Wastewater overflow**

- 5.3.1 No wastewater overflows occurred this period.

### **5.4 Beneficial reuse of Resources**

- 5.4.1 NRSBU has applied 78,850m<sup>3</sup> of treated effluent to land so far this irrigation season.
- 5.4.2 25,000m<sup>3</sup> of treated effluent has been processed through the ultra-filtration (UF) plant for re-use onsite during the last 3 months.
- 5.4.3 Supply of UF treated wastewater to Greenacres commenced on the 14<sup>th</sup> of March, with roughly 2600m<sup>3</sup> supplied to irrigate the golf course.
- 5.4.4 NRSBU applied 8,700 m<sup>3</sup> of Biosolids between January and March 2024. This equates to 19 tonnes of Nitrogen for fertiliser to the Motoroa/Rabbit Island pine forests.

### **5.5 Projects**

- 5.5.1 Works recently completed:

## Item 6: General Managers Update Report

- Bell Island to Best Island Services Installation.



*Figure 2: Pipework installation alongside Bell Island Causeway*

- Reuse water connection to Greenacres Golf Course.

### 5.5.2 Projects underway at present include:

- Update of the Business Continuity Plan.
- Regional wastewater philosophy development.
- Moturoa/Rabbit Island biosolids discharge consent finalisation.
- Consideration of sites for overflow storage at Saxton Rd, including negotiations for land acquisition for Saxton Rd pump station.
- Condition assessment of the concrete rising main between Monaco and Bell Island.
- Sludge and biosolids tanks renewals.
- Staff facilities/workshop upgrade on Bell Island.



## Item 6: General Managers Update Report



*Figure 3: Facilities/Workshop Building Progress*

- Pump replacement at Beach Rd, Wakatu and Airport pump stations.
- Emission management plan development.
- Fencing improvement to Best Island farm and to improve safety around the Best Island ponds.
- Biosolids application facility tank cover installation.



*Figure 4: Motorua Rabbit Island Tank Covers*

5.5.3 Site improvement works at Bell Island include:

## Item 6: General Managers Update Report

- Solar power supply development discussions.

### 5.5.4 Other Bell Island projects:

- Repair of the inlet works corroded concrete is scheduled to begin during autumn 2024, and planning for the project has commenced.
- Installation of isolation valves to rising mains at the treatment plant inlet structure. Detailed design is completed, with component orders placed.
- Concept design works for the aeration basin renewal have commenced.
- Options assessment for the secondary treatment expansion project is underway.
- Condition and capacity assessment of the outfall diffuser has started. The output will inform the discharge pump duplication and flow metering project.

## 5.6 Update on significant projects

### **Moturoa/Rabbit Island biosolids application consent:**

5.6.1 Officers are still waiting on final issue of the biosolids application consent, however actions to comply with the new consent are well underway including monitoring and covering of the storage tanks.

5.6.2 **NRSS Rising Main Duplication** – A significant amount of work is being undertaken on this project with multiple activities along the length of the pipeline.

- Agreement to Grant Easement has been received from the owners of 7 Kotua PI (Section 5).
- Progress on the section through the Barnicoat Developments property (Section 5) is being delayed awaiting the completion of the NCC Saxton Creek Stage 4 project.
- Sections 1- 4 (Beach Rd to Saxtons Creek) work is well progressed with the installation of new pipelines, with lining of existing assets due to commence in May.
- Discovery of issues believed to be from the construction of SH6 Whakatu drive, including significant buried asbestos concrete pipe & subsequent soil contamination, have delayed progress on the Section 1- 4 works. Final costs are not yet confirmed, however may be in the vicinity of \$200k. These additional costs are being managed within the project contingency.
- Design work on the duplicate pipe connections to Saxton and Beach Rd pump stations were delayed during March to allow for a review of installed pumps and discharge pipework in the Beach Rd pump station. Officers expect to go to market with this package of works in May.
- Overall, the progress has been good on the pipeline project.

Item 6: General Managers Update Report

5.6.3 **Bell Island site designation** – NRSBU has begun preparing applications for the Designation of the NRSS sites under the Nelson and Tasman Regional Management Plans, this is the subject of a separate report on this meetings agenda.

**5.7 Finance**

5.7.1 The total income for the six months ending 31<sup>st</sup> March 2024 is \$991,088 behind budget.

Nelson Regional Sewerage Business Unit								
Financial Report								
Income Account for the period to			31st March 2024					
	Actual	Budget	Actual	%	%	2023/24 Budget		
	Month	Month	YTD	YTD	Year	YTD	Annual	YTD Variation
<b>Income</b>								
Contributions Fixed	633,123	691,333	5,698,105	92	69	6,222,000	8,296,000	(523,895)
Contributions Variable	342,457	450,500	3,577,271	88	66	4,054,500	5,406,000	(477,229)
Other Recoveries	16,978	27,500	257,217	104	78	247,500	330,000	9,717
Interest	2	-	318			-	-	318
Forestry Income	-	-	-			-	-	0
<b>Total Income</b>	<b>992,560</b>	<b>1,169,333</b>	<b>9,532,912</b>	<b>91</b>	<b>68</b>	<b>10,524,000</b>	<b>14,032,000</b>	<b>(991,088)</b>
<b>Less Expenses</b>								
Management	54,064	41,667	396,626	106	79	375,000	500,000	(21,626)
Electricity	77,313	92,499	725,137	87	65	832,500	1,110,000	107,363
Contract Maintenance	111,241	84,425	1,117,306	147	110	759,825	1,013,100	(357,481)
Reactive and Proactive Maintenance	127,515	92,592	730,396	89	67	821,925	1,095,900	91,529
Monitoring	92,376	25,835	301,157	130	97	232,500	310,000	(68,657)
Consultancy	3,777	23,333	131,168	62	47	210,000	280,000	78,832
Insurance	10,472	9,167	94,251	114	86	82,500	110,000	(11,751)
Sundry	8,205	12,250	110,897	101	75	110,250	147,000	(647)
Biosolids Disposal	99,119	97,500	896,250	102	77	877,500	1,170,000	(18,750)
<b>Operating &amp; Maintenance Expenses</b>	<b>584,083</b>	<b>479,268</b>	<b>4,503,187</b>	<b>105</b>	<b>79</b>	<b>4,302,000</b>	<b>5,736,000</b>	<b>(201,187)</b>
Financial	164,231	145,750	1,530,315	117	87	1,311,750	1,749,000	(218,565)
Depreciation	251,391	265,500	2,262,518	95	71	2,389,500	3,186,000	126,982
<b>Total Expenses</b>	<b>999,705</b>	<b>890,518</b>	<b>8,296,020</b>	<b>104</b>	<b>78</b>	<b>8,003,250</b>	<b>10,671,000</b>	<b>(292,770)</b>
<b>Net Income</b>	<b>(7,145)</b>	<b>278,815</b>	<b>1,236,891</b>	<b>49</b>	<b>37</b>	<b>2,520,750</b>	<b>3,361,000</b>	<b>(1,283,859)</b>

Figure 4: NRSBU Financial Data to 31 March 2024

## Item 6: General Managers Update Report

### 5.7.2 Income

- Fixed recoveries year to date under budget by \$524,000.
- The variable income year to date is under budget by \$477,000.

### 5.7.3 Expenditure

- Operating and Maintenance expenses are over budget by \$201,000.
- Interest was \$219,000 over budget due to higher interest rates.

5.7.4 The financial trend year to date is for income to be low, and the financing costs are high compared to budget.

5.7.5 Both these issues are not able to be changed by NRSBU management, and as such it is expected that this trend will continue.

5.7.6 This under recovery results from changes to interest rates used in the charging model versus the budget and the timing of setting these interest rates. The budget process used means there is a significant time difference during which changes to interest rates can occur.

5.7.7 Maintenance costs are above budget due a range of activities including heavy maintenance activities, purchase of pond emergency response chemicals and establishment costs for the new biosolids consent.

5.7.8 Overall operational costs when aggregated are within five percent of the budgeted costs.

<b>6. Conclusion</b>
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6.1 Business Unit operation is satisfactory with the exception that the fixed and variable incomes are lower than budgeted. This is leading to a shortfall in revenue. The variable income is lower than budget due to the dry summer resulting in lower than anticipated inflows, which will correct at year end with a wash-up charge to the 4 major customers.

6.2 The result of the shortfall is a lower than expected surplus. This trend was identified in the first quarter and has continued into the second quarter.

6.3 NRSBU operational costs are within a five percent of budget and therefore it is clear that cost controls are working.

6.4 At this time limited operational budget reductions are available to mitigate the lower revenue.

6.5 For the scheme owners the lower variable revenue means that they as customers have been making savings, and this will partly compensate for the lower annual surplus projected.

## Attachments

Attachment 1: 1080325921-898 - NRSS O&M H&S Dashboard







## Nelson Regional Sewerage Business Unit

3 May 2024

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**Report Title:** Designation of NRSBU Facilities  
**Report Author:** Brad Nixon - Operations Manager Regional Services  
**Report Authoriser:** Alec Louverdis - Deputy Chief Executive / Group Manager Infrastructure  
**Report Number:** R28496

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### 1. Purpose of Report

1.1 To progress the designation of facilities operated by the Nelson Regional Sewerage Business Unit (NRSBU).

### 2. Summary

- 2.1 The Nelson Regional Sewerage Scheme (NRSS) sits on sites which are currently not designated under the Resource Management Act 1991 (RMA).
- 2.2 Designation of sites used for utilities and infrastructure purposes is common practice.
- 2.3 NRSBU intends to designate all sites associated with the Nelson Regional Sewerage Scheme (NRSS), including but not limited to pump stations, conveyance/pipe network and the Bell Island Wastewater Treatment Plant (BIWWTP).

### 3. Recommendation

*That the Nelson Regional Sewerage Business Unit*

- 1. Receives the report Designation of NRSBU Facilities (R28496); and***
- 2. Confirms the intent to issue Notifications of Requirement for designation of its facilities under s168A of the Resource Management Act 1991.***

## Item 7: Designation of NRSBU Facilities

Recommendation to Nelson City Council and Tasman District Council Operations Committee

### ***That the Nelson City Council and the Tasman District Council Operations Committee***

- 1. Receives the report Designation of NRSBU Facilities (R28496); and***
- 2. Endorse the Nelson Regional Sewerage Business Unit to issue Notifications of Requirement for designation of its facilities under sections 168 and 168A of the Resource Management Act 1991; and***
- 3. Delegate authority for the signing of the Form 18 applications for Notification of Requirement as required under the Resource Management Act 1991 to the General Manager - Regional Services.***

#### **4. Background and Discussion**

- 4.1 The RMA allows for 'requiring authorities' (e.g. councils and approved network utilities operators) to notify a council that an area of land is to be designated for a public work, via a Notification of Requirement (NOR).
- 4.2 As a Joint Committee of Nelson City Council (NCC) and Tasman District Council (TDC) the NRSBU is able to act as a requiring authority.
- 4.3 A designation allows the requiring authority's designated works or projects to go ahead on the site or route, without needing a land-use consent from a council under district rules.
- 4.4 A designation also limits what anyone other than the requiring authority can do on the designated land and requires another party intending to do work on the designated land that may prevent or hinder the designated work to gain written consent from the requiring authority.
- 4.5 A designation does not provide for approvals for activities covered by regional rules such as discharges to land/air/water, or occupation of the Coastal Marine Area (CMA) (for pipes).
- 4.6 There have been a number of NRSBU projects which have incurred delays and additional costs through designations not being in place on land occupied by NRSBU infrastructure, including the Bell Island workshop/facilities building and the Wakatu pumpstation overflow pipe installation.
- 4.7 Designations would be sought for all land supporting NRSBU Infrastructure. This would include the Beach Rd, Wakatu, Saxton, Songer and Airport pumpstations, NRSBU controlled pipes and rising mains, the whole of Bell Island and the NRSBU property on Best Island.
- 4.8 It is considered likely that multiple NORs would need to be issued, and the process would start with the designation of Bell Island and the NRSBU property on Best Island.

## Item 7: Designation of NRSBU Facilities

- 4.9 Once issued the NOR is assessed by the relevant Council under its regulatory capacity.

### 5. Delegations

5.1 The NRSBU has been delegated responsibility for managing the Regional Sewerage facilities and a Memorandum of Understanding (MOU) was signed by the Councils that sets out the responsibilities delegated to the Nelson Regional Sewerage Business Unit Joint Committee.

5.2 The MOU clauses outlining the responsibility delegated to the NRSBU are shown below:

*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:*

- *Enter into all contracts 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 approved 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.*

5.3 The NRSBU therefore is considered a requiring authority for actions outlined within the approved Asset (Activity) Management and Business Plans.

5.4 In this instance as the designation of existing sites is not explicitly included in the Activity Management plan 2024-2034 and Business Plan 2024/25, it is proposed that NRSBU seeks endorsement of the designations by the Councils.

### 6. Consultation

6.1 Consultation has been undertaken with Te Tau Ihu iwi on the proposal to designate Bell Island. The primary area of concern raised by iwi related to the likely life of the WWTP in its current location.

6.2 The designation, if granted, would not permit NRSBU to continue operating the WWTP indefinitely.

6.3 The Designation will only cover district Council rules such as land use and earthworks consents.

6.4 The main consents that allow the WWTP to function, the discharge and CMA occupation consents, sit outside the district rules and must be renewed periodically to permit the WWTP to continue to operate.

## Item 7: Designation of NRSBU Facilities

- 6.5 Consultation with Te Tau Ihu iwi will continue throughout the process, and officers note that volunteered conditions are likely to be added to the designation to ensure iwi are informed of developments at the WWTP.
- 6.6 It is proposed that the designation would be surrendered once Bell Island is no longer utilised for wastewater treatment and conveyance purposes.

### 7. Options

- 7.1 The NRSBU has outlined two options relating to the designation of the facility in the following table.

<b>Option 1: Designate the land associated with NRSBU infrastructure</b>	
Advantages	<ul style="list-style-type: none"> <li>• Less consenting requirements for future projects.</li> <li>• Less future workload for staff.</li> <li>• Reduced costs for projects.</li> <li>• Protection for NRSS infrastructure from impact of external parties works.</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• More immediate work for staff.</li> </ul>
<b>Option 2: Don't designate the land associated with NRSBU infrastructure</b>	
Advantages	<ul style="list-style-type: none"> <li>• Less immediate work for staff.</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Continued additional consenting required for future works.</li> <li>• Increased costs for future works.</li> <li>• Increased future workload for staff.</li> <li>• No protection for NRSS infrastructure from impact of external parties works.</li> </ul>

*Table 1 – Designation options assessment*

### 8. Conclusion and Next Steps

- 8.1 This report will be presented to Nelson City Council, and the Operations Committee of Tasman District Council, for endorsement of the Notification of Requirements for designation of NRSS sites.
- 8.2 Once endorsement has been received from the Councils, the NRSBU will prepare a NOR for the Bell and Best Island sites.
- 8.3 The NORs for remaining NRSS sites will be completed progressively in logical packages as workload permits.
- 8.4 Each NOR will be limited to sites within a single Region, and whilst issued jointly, will therefore be processed by a single Council.

Item 7: Designation of NRSBU Facilities

<b>Important considerations for decision making</b>	
<b>9.1</b>	<b>Fit with Purpose of Local Government</b>
	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.
<b>9.2</b>	<b>Consistency with Community Outcomes and Council Policy</b>
	Designation of Council infrastructure is a common practice, and helps provide certainty for service delivery to meet the goals of Long Term Plans.
<b>9.3</b>	<b>Risk</b>
	It is considered likely that designation of NRSBU sites and land supporting NRSBU infrastructure will be successful.
	In the event of an adverse outcome (i.e. designation is not successful) there will be no change from the current situation.
<b>9.4</b>	<b>Financial impact</b>
	With the exception of the immediate cost of preparation of the applications for designation, the outcome will be a reduction in the future costs of delivering capital improvements on NRSS sites.
<b>9.5</b>	<b>Degree of significance and level of engagement</b>
	This matter is of low significance because designation of infrastructure sites is common practice. Therefore, engagement will continue with iwi as interested parties. Where NRSS infrastructure is situated on privately owned land (e.g. via easement) direct consultation with landowners will be undertaken where legal advice considers the easement does not provide sufficient protection to assets.
<b>9.6</b>	<b>Climate Impact</b>
	Climate impact has not directly been accounted for in the preparation of this report, however there is no direct impact obviously associated with designation of sites. Future NRSS works which reduce climate impacts will benefit from reduced development costs, increasing feasibility and affordability.
<b>9.7</b>	<b>Inclusion of Māori in the decision making process</b>
	No engagement with Māori has been undertaken in preparing this report, however Te Tau Ihu iwi have been consulted with during the development of the

## Item 7: Designation of NRSBU Facilities

designation application for Bells Island. Iwi also have representation on the NRSBU Joint Committee.

### **9.8 Delegations**

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:

Enter into all contracts 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 approved 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.

## **Attachments**

Nil

Item 8: Nelson Regional Sewerage Business Unit Long Term Plan Submission Feedback Report



## Nelson Regional Sewerage Business Unit

3 May 2024

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<b>Report Title:</b>	<b>Nelson Regional Sewerage Business Unit Long Term Plan Submission Feedback Report</b>
<b>Report Author:</b>	<b>Nathan Clarke - General Manager Regional Sewerage and Landfill</b>
<b>Report Authoriser:</b>	<b>David Light - Acting Group Manager Infrastructure</b>
<b>Report Number:</b>	<b>R28423</b>

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### 1. Purpose of Report

- 1.1 To summarise submissions made by members of the public in respect to the Nelson Regional Sewerage Business Unit (NRSBU) Activity Management Plan 2024 -2034 (AMP) as outlined in both the Nelson City Council (NCC) and Tasman District Council (TDC) Long Term Plans (LTPs) to assist the NRSBU in its deliberations.
- 1.2 To approve the Operational and Capital Budgets outlined in the NRSBU 2024-2034 Activity Management Plan and NRSBU 2024/25 Business Plan.

### 2. Summary

- 2.1 The NRSBU has prepared its AMP for inclusion in the NCC and TDC LTPs.
- 2.2 The AMP and its Operational and Capital budgets were approved by both NCC and TDC for inclusion in their respective Draft LTPs.
- 2.3 The Councils have publicly consulted on their LTPs and have provided feedback from the community to NRSBU for consideration.
- 2.4 At the time of preparation of this report some submissions were still to be processed. Any relevant additional submissions will be tabled at the meeting.
- 2.5 The NRSBU must now deliberate on submissions and make decisions on whether to make any changes to the NRSBU AMP.

### 3. Recommendation



Item 8: Nelson Regional Sewerage Business Unit Long Term Plan Submission Feedback Report

***That the Nelson Regional Sewerage Business Unit***

- 1. Receives the report Nelson Regional Sewerage Business Unit Long Term Plan Submission Feedback Report (R28423) and its attachment (1080325921-899); and***
- 2. Confirms the Operational and Capital budgets outlined in the Nelson Regional Sewerage Business Unit Activity Management Plan 2024-2034 (1080325921-753) and the 2024/2025 Nelson Regional Sewerage Business Unit Business Plan (1080325921-246).***

Recommendation to Nelson City Council and Tasman District Council

***That the Nelson City Council and Tasman District Councils***

- 3. Note that there are no changes to the 2024/2025 Nelson Regional Sewerage Business Unit Business Plan (1080325921-246) adopted to populate the Nelson City Council and Tasman District Council 2024 – 2025 Annual Plans; and***
- 4. Note that there are no changes to the Nelson Regional Sewerage Business Unit Activity Management Plan 2024-2034 (1080325921-753) adopted to populate the Nelson City Council and Tasman District Council 2024 – 2034 Long Term Plans.***

<b>4. Background and Discussion</b>
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- 4.1 NRSBU prepared a Draft NRSBU AMP 2024-2034 and Draft NRSBU 2024/25 Business Plan that were submitted to NCC and TDC for feedback.
- 4.2 The activities included in the Draft AMP had been workshopped with NCC and TDC Officers prior to presentation to the NRSBU Joint Committee, and collaboratively adjusted to provide a compromise which better met the drivers of all parties.
- 4.3 On this basis there was no feedback received from the Councils on the NRSBU Draft AMP or Business Plan.
- 4.4 The Draft AMP included \$76 million over the 10-year AMP period for capital upgrades. The table outlining the proposed capital expenditure projects is shown in table 1 below.

## Item 8: Nelson Regional Sewerage Business Unit Long Term Plan Submission Feedback Report

Project	Capex	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34
Anaerobic digestion	LoS						61	61	242	606	606
Beach Rd PS replacement	LoS				400	3500	3500				
Beach to Saxton pipeline duplication	LoS	1730									
Bell Island reuse	LoS		650	250	250	250	250	250	250	250	250
Best Island irrigation	LoS		305		611	500	1833	1222			
Data collection and visualisation	LoS							100	75	100	50
Design and consenting of clockwise retic to WWTP	Growth										606
Desludging ponds	LoS	756	750	500							
Duplicate WWTP discharge pump	LoS	272	2000								
Electrical Upgrades	LoS				300	1000					
Hydraulic capacity upgrades at WWTP	LoS	1833							61	611	
Biosolids Pipeline and Equipment	LoS		61	484							
Effluent discharge improvements required by R/C	LoS	523									
New plant and equipment	LoS	20	20	20	2020	845	20	20			
New technology assessments to meet Consent	LoS	61						61			
Pump Stations - land purchase for storage/adaption	Land	1817									
Rabbit Island biosolids consent	LoS	450	400								
Reconnection of secondary rising mains	LoS		244	1385							
Investigate and increase reuse capacity	LoS	250	31								500
Reuse pipework (Nelson)	LoS								2950	1475	
Reuse pipework (Richmond)	LoS					321	482	6000			
Secondary treatment system upgrade	Growth	500	1500	3000	3000						
Secure land for our future needs	Land						1120		1222	1222	12110
UV disinfection facility	LoS								61	611	
WWTP access	LoS				500	500	75			200	3000
WWTP inlet works capacity upgrades	LoS						61	546			

*Table 1: Planned capital projects, excluding renewals (\$ thousands)*

- 4.5 The draft NRSBU AMP was submitted to NCC and TDC for inclusion in their Draft LTPs.
- 4.6 NCC and TDC have subsequently consulted on their draft LTPs and feedback has been received.
- 4.7 The LTP submissions from each Council have been forwarded to NRSBU for consideration.
- 4.8 Submissions were made by residents or on behalf of organisations or their members.
- 4.9 This report covers the main issues raised in submissions. A copy of the relevant sections of the submissions received is attached.
- 4.10 Please note that all figures in the Submission Feedback Report are uninflated.
- 4.11 Recommendations are provided where a change to the proposal consulted on is suggested.
- 4.12 It is noted that NRSBU has made no response to submitters as these submissions were made to NCC and TDC and are being administered by the relevant staff within the councils.

### 5. NCC Submissions

- 5.1 The NCC submissions had not been fully processed at the time of preparation of this report, and there may be further submissions that will be tabled at the NRSBU meeting.

Item 8: Nelson Regional Sewerage Business Unit Long Term Plan Submission Feedback Report

5.2 At the time of preparing this report, no submissions had been received by NCC and only one submission had been received for the wastewater activity which was not related to the NRSBU.

**6. TDC Submissions**

6.1 There were no submissions received from TDC that directly referred to NRSBU.

6.2 There were 3 submissions received from TDC that related specifically to wastewater and are considered to be generally applicable to NRSBU.

6.2.1 Two submitters supported additional investment in wastewater infrastructure, to enable appropriate capacity for growing populations, and ensure wastewater treatment investment is made to secure sites to allow infrastructure to be located in less vulnerable sites.

6.2.2 The NRSBU has already made provision for securing of new sites for wastewater infrastructure, with inclusion of funding in 2029/30 financial year for a new site for the Beach Rd pump station, and from 2031/32 for a new site for the wastewater treatment plant.

6.2.3 A third submission spoke to a wide range of wastewater issues, many not applicable to NRSBU. The relevant component included reduction of wastewater overflows.

6.2.4 NRSBU is nearing the end of a significant project to duplicate the wastewater rising main serving the Nelson Regional Sewerage Scheme, as well as implementation of resilience improvements to ensure ongoing function of pump stations and pipelines as far as practicable. NRSBU also has a zero overflow target.

6.3 Following review of the TDC submissions it has been identified that there are no issues raised in submissions that have not been considered, and that the plan proposed addresses the bulk of the issues outlined in the submissions and no changes are proposed to the Capital and Operational budgets.

**7. Options**

7.1 The NRSBU has the option to adopt the Draft AMP with no changes or adopt the AMP with changes to better reflect the submissions made by Submitters. Officers recommend Option 1.

**Option 1: Adopt the Draft AMP with no changes. Officers recommend this option.**

Advantages

- Gives clear guidance for the Staff to deliver the programme of works and allows this programme to be started at the commencement of the 2024-25 financial year.

Item 8: Nelson Regional Sewerage Business Unit Long Term Plan Submission Feedback Report

	<ul style="list-style-type: none"> <li>• Supports NRSBU meeting the obligations of its Memorandum of Understanding with NCC and TDC.</li> <li>• Assists both Councils in meeting their requirements of the LGA.</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• May not fully satisfy some submitters that we have considered their submissions.</li> </ul>
<b>Option 2: Adopt the Draft AMP with changes to accommodate issues raised in submissions</b>	
Advantages	<ul style="list-style-type: none"> <li>• Demonstrates consideration of submitter concerns.</li> </ul>
Risks and Disadvantages	<ul style="list-style-type: none"> <li>• Not adopting poses issues for the delivery of the plan and will require the revision of both NCC and TDC LTPs and additional approval processes to accommodate any changes to the CAPEX and OPEX charges.</li> <li>• Will create further workload for NRSBU staff, which will further constrain their ability to deliver the current and proposed programme of works.</li> <li>• Creates issues for both Councils in meeting their requirements of the LGA.</li> </ul>

**8. Conclusion**

8.1 The NRSBU has considered the submissions made by both NCC and TDC submitters, and has concluded that the submissions made, in general support the actions being undertaken by NRSBU and that there is no need to reconsider or make changes to the Activity Management Plan or Business Plan.

**Important considerations for decision making**

**9.1 Fit with Purpose of Local Government**

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.

**9.2 Consistency with Community Outcomes and Council Policy**

Item 8: Nelson Regional Sewerage Business Unit Long Term Plan Submission Feedback Report

	<p>The NRSBU Business Plan and Activity Management Plan feeds into Nelson City and Tasman District Councils' 2024/25 Annual Plan and Councils' Wastewater Activity Management Plans 2024 - 2034.</p>
<b>9.3 Risk</b>	<p>This report refers to the NRSBU Business Plan and Activity Management Plan following LTP consultation by NCC and TDC. The risk of not approving the Business Plan and AMP is that this could delay the NCC and TDC in meeting their Local Government obligations.</p>
<b>9.4 Financial impact</b>	<p>The NRSBU 2024/25 Business Plan and 2024 – 2034 AMP reflects essential renewals expenditure, and an outline of the development of the NRSBU assets over the next 10 years. This forms the basis for review of the financial impact on the Councils.</p>
<b>9.5 Degree of significance and level of engagement</b>	<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>
<b>9.6 Climate Impact</b>	<p>A key feature of the Business Plan and the Activity Management Plan is the inclusion of a long-term objective of greenhouse gas emissions with the commitment to measure and reduce greenhouse gas emissions from the facility and consideration about site location and retreat for vulnerable sites.</p>
<b>9.7 Inclusion of Māori in the decision making process</b>	<p>No engagement with Māori has been undertaken in preparing this report but iwi have representation on the Board.</p>
<b>9.8 Delegations</b>	<p>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:</p> <ul style="list-style-type: none"><li>• Operate a bank account for the Business Unit;</li><li>• Comply with the Procurement Policy of the Administering Council;</li><li>• 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;</li><li>• Authorise all payments necessary for the operation and management of the Business Unit within the approved budgets and intent of the Business Plan;</li></ul>

## Item 8: Nelson Regional Sewerage Business Unit Long Term Plan Submission Feedback Report

- 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; and
- Comply with the Health and Safety Policy and requirements of the administering Council.

### 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.

## **Attachments**

Attachment 1: 1080325921-899 - TDC LTP Submissions Relevant to NRSBU



