

Notice of the Ordinary meeting of

Joint Regional Sewerage Committee

Agenda | Rārangi take



Date:	10 February 2026
Time:	1:00 PM
Location:	Council Chamber, Floor 2A, Civic House, 110 Trafalgar Street, Nelson

Chairperson Tasman District Councillor Kit Maling

Deputy Chairperson Nelson City Councillor Tim Skinner

Members

Nelson City Council:

Cr Kahu Paki Paki
 His Worship the Mayor Hon Dr Nick Smith (Ex Officio)

Iwi Representative:

Vacant

Independent Member:

Tallat Mehmood

Tasman District Council:

Cr Dave Woods
 His Worship the Mayor Tim King (Ex Officio)

Industry Representative (Non-voting)

Philip Wilson

Quorum 3

Nigel Philpott

Chief Executive

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Nelson City Council Disclaimer

Please note that the contents of these Council and Committee agendas have yet to be considered by Council and staff recommendations may be altered or changed by the Council in the process of making the formal Council decision. For enquiries call (03) 5460436.

Joint Regional Sewerage Committee Delegations Areas of

Responsibility

To manage and operate the wastewater treatment facilities at Bells Island and the associated reticulation network (in Nelson and Tasman) 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 JRSC operation shall be with the Committee, and in particular the Committee shall without the need to seek any further authority from the Councils:

Operate a bank account for the Committee;

Comply with the Procurement Policy of the Administering Council;

Enter into all contracts necessary for the operation and management of the Committee in accordance with the approved budgets and intent of the Business Plan (subject to above compliance);

Authorise all payments necessary for the operation and management of the Committee 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; and

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 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 wastewater 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 Committee 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.

Membership and Quorum:

The Memorandum of Understanding governing the JRSC allows for either six or seven members to be appointed.

Membership may include one member representing and nominated by local iwi and confirmed by both councils. This iwi advisor shall be appointed for a period of three years and in such a way as to provide continuity through the triennial election period. The member shall be remunerated in accordance with the councils' 'Policy for the appointment and remuneration of jointly appointed members on committees'.

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.

Order of Business

Karakia and Mihi Timatanga

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Karakia Whakamutanga

Procedural Items

1 Apologies

No apologies have been received at this time.

2 Confirmation Of Order Of Business

3 Interests

Members are reminded of their obligation to declare any conflicts of interest they might have in respect to the items on this agenda.

4 Public Forum

No requests for public forum have been received.

**Joint Regional Sewerage
Committee**

10 February 2026

Report Title: **R26-9 Nelson Regional Sewerage Business Unit
General Manager Update Report February 2026**

Report Author: **Nathan Clarke (General Manager Regional
Services)**

Report Authoriser: **Alec Louverdis (Deputy Chief Executive -
Executive Director Delivery)**

1 Purpose of Report

- 1.1 To update the Committee on activities undertaken to 31 December 2025 by the Nelson Regional Sewerage Business Unit (NRSBU).

2 Recommendation

That the Joint Regional Sewerage Committee

- 1. Receives the Nelson Regional Sewerage Business Unit General Manager Update report February 2026.**

3 Summary

- 3.1 The Operations and Maintenance contract is running smoothly.
- 3.2 There were six odour notifications for the period to the end of December 2024.
- 3.3 Overall financial performance to 31 December 2026 is ahead of budget by \$565,000.
- 3.4 Fixed income is under budget by \$864,000, with the variable income above budget by \$812,000 which offsets the reduced fixed income.
- 3.5 From a maintenance cost perspective, the costs are over budget for the year to date, however these operational costs are offset by lower than budgeted finance and depreciation costs.
- 3.6 The Water Services (Wastewater Environmental Performance Standards) Regulations 2025 (WEPS) have been issued and NRSBU is analysing the impacts of these on the Bell Island WWTP, wastewater discharges, overflows and bypasses, biosolids disposal and land application of wastewater.

4 Health and Safety

- 4.1 H&S for the operations contract is being managed well.
- 4.2 One incident occurred during the period which involved the NRSBU owned crane truck. During site maintenance work the Contractor used the crane truck to lift a weir gate. The gate had seized in the gate slide housing. The crane overload alarm and cutout switch failed to activate, resulting in the boom of the crane being bent. This issue will require replacement of the crane, however this is being managed by the Contractor under their insurance. An investigation outcome report is pending.
- 4.3 A H&S event register is maintained, with events for the period logged as shown below:

Event Type	Date	Event Details	Summary Findings
Hazard ID	12/11/2025	At the DAF room there was spillage of polymer in the floor that made it so slippery. Water blasted the floor to take it off the polymer.	Cause determined to be built up over time combined with small spillage. Add regular cleaning to maintenance programme.
Near Miss	13/11/2025	Cleaning the milli-screens, while was wearing all protective gear, unable to see clearly and when leaning in to perform cleaning leg fell down the side of the screen.	Additional grating required between walkway and screen.
Hazard ID	12/11/2025	Forklift left parked after being used with forks tilted back and raised 200 mm off the ground creating a dangerous trip hazard.	Forklift must be parked with forks on the ground. Raise at next tailgate, staff refresher training if needed.
Illness	26/11/2025	Staff member completing pond sampling got sprayed with pond water due to high winds.	Gastro bug following possibly related to this incident. Sampling rounds to be delayed or cancelled during high winds where risk of significant spray exists.
Near Miss	27/11/2025	While cleaning MLSS sensor in aeration basin a transfer pump kicked in, causing splashing to operator.	AB running at lower level, and therefore pump discharge point exposed. Covering pipe discharge to be investigated as solution, or manual override button to prevent pump operating in these conditions.
Hazard ID	02/12/2025	Due to weight restrictions over causeway culvert, sludge tankers from NWWTP decided to transfer from one side of the culvert to the other using hoses – which would have removed the need to cart multiple smaller loads to comply with weight restrictions.	Risk of environmental incident if hose failed/leaked. Activity stopped by NRSBU Officers, with future transfers completed on land, and reverting back to using smaller loads to comply with culvert weight limits.
Near Miss	02/12/2025	Primary clarifier sludge pump bellows failed, spraying sludge around the pumping area.	Failure cause may be age, or possible light damage previously noted, but not reported to site engineers or both. Area cleaned, no discharge to the environment. Bellows inspection to be added to new asset management system once in place.
Property Damage	05/12/2025	Lowering aerator housing onto rotor when lifting jib had a slight bounce, causing housing to swing and hit windings.	Combination of stick in forklift mast, and equipment unavailability meant this was really a 2-person job being completed by one. Forklift hoist serviced to improve smooth function, and

Event Type	Date	Event Details	Summary Findings
			replacement equipment ordered.
Property Damage	17/12/2025	Trying to lift manual weir gate in grit area with crane truck. Gate was stuck in place, and did not release with crane lift. Boom bent under the full load, causing damage.	<p>Investigation ongoing, initial review indicated that the crane overload protection failed, allowing the crane boom to be subjected to stresses beyond capacity.</p> <p>Crane has been sent to local agent for assessment and deemed irreparable. Replacement to be completed under Contractors insurance.</p> <p>Replacement crane will be brand new, and provide significant safety improvements, asset protection and operator interface from old unit.</p>

4.4 No significant safety issues are currently outstanding.

4.5 The operation contractor has inducted (new or refresher) 16 personnel to the NRSS during the report period. There are 125 current personnel inducted as at the end of Dec 2025.

4.6 The following training was completed during the report period:

Month	Training type/details	No of Staff
Oct 25	IXOM chemical handling	5
Nov 25	L4 Wastewater Operator	1
Dec 25	L4 Wastewater Operator	1

Table 1: NRSS O&M Contract Training Completed

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

Month	Audits	Prestart	Tailgates
Oct 25	2	28	1
Nov 25	0	15	1
Dec 25	1	16	1

Table 2: NRSS O&M Contract H&S Interactions Completed

5 Operations and Maintenance

- 5.1 Operational performance of the NRSS continues at a high level.
- 5.2 The preliminary operating costs against the Target Outturn Cost (TOC) for the 2025/26 year are slightly above the NRSBU 2025/26 business plan forecast budget.
- 5.3 The increase above budget year to date is expected to continue over the second half of the financial year. The increased costs relate to several reactive maintenance responses required during the year (biosolids line blockages, Airport pump failure, pond condition management), and a higher maintenance programme at the start of the fiscal year.
- 5.4 Graph of progress against Target Outturn Cost (TOC):

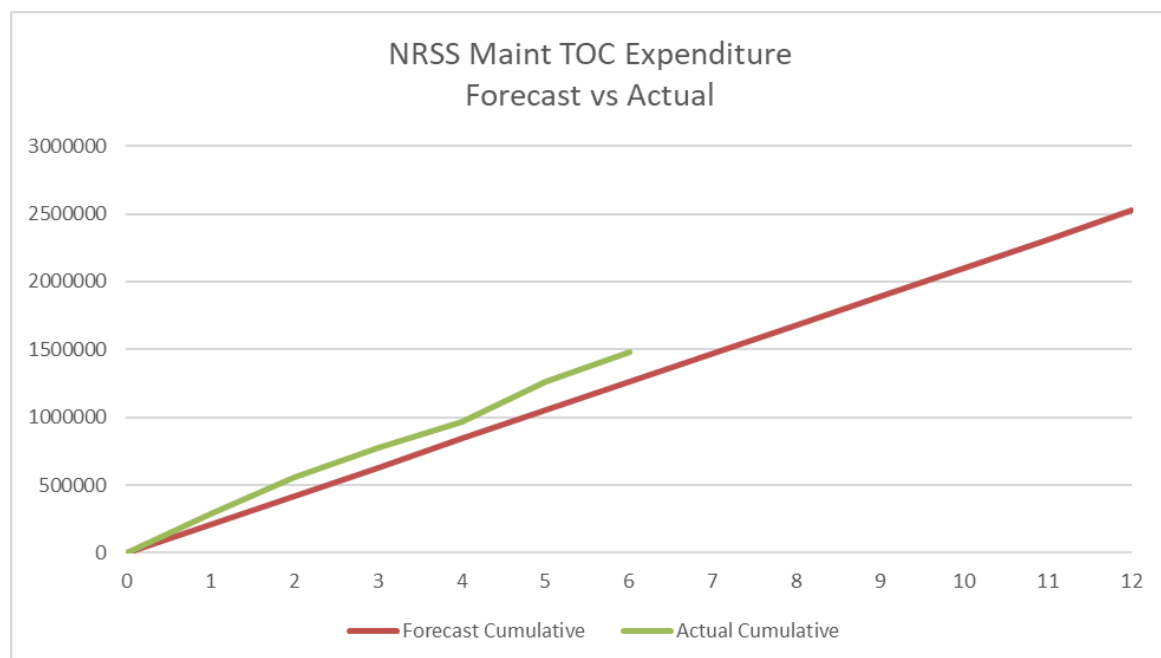


Figure 1: NRSS O&M Contract TOC Vs Forecast

- 5.5 Odour
- 5.5.1 There were six odour notifications, relating to four events, received during the period to the end of December.
- 5.5.2 Two of the notifications were determined to not be related to NRSS operations, one was unable to be verified, and the remaining three related to the same odour from biosolids application on Moturoa / Rabbit Island.
- 5.5.3 The biosolids odour triggered a formal written complaint to Tasman District Council. The odour was experienced by the receptors for a few weeks before the NRSBU was notified of an issue.

- 5.5.4 Once NRSBU was aware the application was causing odour issues the application was relocated, and the impact to receptors ceased (almost immediately).
 - 5.5.5 The compartment where application was undertaken had not previously resulted in odour issues in the prevalent weather conditions, however it had been harvested in recent years, and this application was the first since harvesting.
 - 5.5.6 Biosolids application is completed at a heavier rate in younger trees, to accommodate the growing tree's ability to utilise greater amounts of nitrogen. Monitoring trends have started to identify that this heavy application rate is responsible for a large proportion of the odour notifications received relating to biosolids. Officers are working with the Contractor to trial alternate application methodologies intended to reduce the odour impact of the heavier application rate to young trees.
 - 5.5.7 Officers have recorded the block in the application database, to flag that it is not suitable for use in the recorded wind conditions that could carry odour to the receptors.
- 5.6 Wastewater overflows
- 5.6.1 There was one overflow during the period with wastewater from Airport Pumpstation overflowing due to pump failures.
 - 5.6.2 The overflow resulted in 572 m3 of wastewater discharging from Airport Pumpstation.
 - 5.6.3 Staff followed the required procedures.
 - 5.6.4 The response for the event did not include Whole Effluent Toxicity (WET) testing as Cawthron are no longer able to perform this testing. NRSBU is seeking another provider who could undertake the testing.
- 5.7 Beneficial reuse of resources
- 5.7.1 NRSBU has applied 25,978m3 of treated effluent to land so far this irrigation season.
 - 5.7.2 21,657m3 of treated effluent has been processed through the ultra-filtration (UF) plant for re-use onsite or export to Green Acres during the report period.
 - 5.7.3 3942m3 of UF treated water was exported to Green Acres Golf Course for use for irrigation during the report period.

- 5.7.4 NRSBU applied 13,559m³ of Biosolids between September and December 2025. This equates to 28.2 tonnes of Nitrogen for fertiliser to the Moturoa/Rabbit Island pine forests.
- 5.8 Best to Bell Island Causeway Culvert:
 - 5.8.1 Recent structural investigations of the Best to Bell Island Causeway culvert has determined that the design and construction did not provide capacity to support normal heavy traffic loadings, at least when compared to the current bridge design manuals (which accommodates load capacity assessments for existing/older structures).
 - 5.8.2 Over the past 4 months the WWTP has been operating with heavy vehicle capacities reduced to 70% of normal, which has had an impact on plant operation and associated costs.
 - 5.8.3 Officers have engaged an engineering consultant to design a temporary solution to economically bring the culvert up to normal loading capacity for heavy vehicles. This is anticipated to be implemented in March 2026, however, will have a limited lifespan.
 - 5.8.4 Officers will assess options for replacement of the causeway culvert and share that with Joint Committee.

6 Projects

- 6.1 Works recently completed:
 - 6.1.1 Beach Rd storm pump renewal – the new pump and controllers have been installed and are operating well.
 - 6.1.2 Airport storm pump – the new pump, intended to be installed following the pumpstation upgrade, was put into service following the storm pump failure in November 2025.
 - 6.1.3 Moturoa/Rabbit Island biosolids disposal consent stormwater updates.
 - 6.1.4 Installation of isolation valves to rising mains at the treatment plant inlet structure.



Figure 2: Completed inlet isolation valves and over-pressure protection

- 6.1.5 Bell Island site designation.
- 6.1.6 Land purchase adjacent to Saxton pumpstation (492 Nayland Rd).
- 6.2 General projects underway at present include:
 - 6.2.1 Update of the Business Continuity Plan.
 - 6.2.2 Regional wastewater philosophy development.
 - 6.2.3 Condition assessment of the concrete rising main between Monaco and Bell Island.
 - 6.2.4 Wakatu pump stations capacity increase.
 - 6.2.5 Airport pump station configuration upgrade, including non-return valve replacements.
 - 6.2.6 Emission management plan development.
 - 6.2.7 Biosolids application facility tank odour extraction & treatment, flow actuation.
 - 6.2.8 Perimeter fencing to the new Nayland Rd site.
 - 6.2.9 Concept design for secondary pipework between Songer and Airport pumpstations, including condition investigations of out of service assets.
- 6.3 Bell Island projects currently underway include:

- 6.3.1 Biosolids tank renewal – tank refurbishment works are now completed, with mixing/transfer pipework construction underway.



Figure 3: Refurbished biosolids tank

- 6.3.2 Biosolids pipe renewal – Officers are working with suppliers on high temperature High Density Polyethylene Pipe (HDPE) pipe systems to enable a longer expected life as part of the renewal works. Whilst proven technology overseas this would likely be the first installation of this type of pipe in New Zealand.
- 6.3.3 Bell Island high flow distribution design – design is progressing well to incorporate renewal & upsizing of degraded gravity lines at the WWTP to accommodate full inflow distribution to all facultative ponds. It is anticipated this work will be taken to market late in the 2025/26 financial year with works commencing in the construction season of the 2026/27 financial year.
- 6.3.4 Secondary treatment system upgrade concept design works – this is completed, however progression is on hold awaiting determination of how the concept would work with future requirements following the implementation of the WEPS.
- 6.3.5 Discharge system resilience and capacity upgrade – design work to increase the resilience and capacity of the pumped discharge

system is underway. Design is expected to be completed late in the 2025/26 financial year.

- 6.3.6 Discharge consent variation – this work will add a condition allowing NRSBU to exceed the discharge volume limit in response to weather conditions that could otherwise cause overflows. The application and supporting reports for this variation are substantially complete, however NRSBU is currently seeking legal advice to ensure the variation application would not trigger the new WEPS to be applied.
- 6.4 Wastewater discharge to land applications for Bell and Best islands:
 - 6.4.1 The Bell Island land application consent (which includes both expansion of irrigation along with alteration of irrigation methodology) was lodged with Tasman District Council (TDC) in 2025 and met the requirements under the Resource Management Act 1991 (RMA) to enable it to be processed without consideration of the recently applied WEPS. TDC, as the consenting authority, are now processing the consent application as a non-notified consent.
 - 6.4.2 The Best Island irrigation activity was assessed against the WEPS, and due to the site ground water levels during winter met the requirements for exception from the WEPS – meaning the consent application can be processed under normal RMA standards. This has allowed additional time for consultation with stakeholders, and Officers anticipate submission of the completed application to TDC in March 2026.
 - 6.4.3 Officers note that the WEPS do not currently consider the style of irrigation undertaken by NRSBU on Bell Island and intended for the expansion on Bell Island and new irrigation on Best Island. This style of irrigation is termed 'deficit irrigation', where treated wastewater is only applied when soils can accept more moisture (e.g. application during dry periods). The WEPS only considers constant/year-round irrigation methods. This would mean that if the WEPS were applicable to the consent applications, conditions would be imposed that would require significant infrastructure improvements, and hence investment, to achieve compliance.

7 Finance

7.1 The net income for the six months ending 31st December 2025 is \$565,000 ahead of budget.

7.2 The Quarterly Finance Summary Report is shown below.

Nelson Regional Sewerage Business Unit							
Financial Report							
Income Account for the period to 31 December 2025							
	Quarter September 2025	Quarter December 2025	Quarter Budget	Actual YTD	2025/26 Budget		YTD Variation
					YTD	Annual	
Income							
Contributions Fixed	2,334,768	2,334,769	2,767,000	4,669,537	5,534,000	11,068,000	(864,463)
Contributions Variable	2,253,447	1,882,592	1,662,000	4,136,040	3,324,000	6,648,000	812,040
Other Recoveries	106,834	90,668	133,750	197,502	267,500	535,000	(69,998)
Interest	2	2	-	4	-	-	4
Forestry Income	-	-	-	-	-	-	0
Total Income	4,695,052	4,308,031	4,562,750	9,003,083	9,125,500	18,251,000	(122,417)
Less Expenses							
Management	184,674	156,119	191,250	340,793	382,500	765,000	41,707
Electricity	385,930	265,333	302,737	651,263	605,474	1,210,947	(45,789)
Contract Maintenance	395,303	418,696	324,017	813,999	648,035	1,296,069	(165,964)
Reactive and Proactive Maintenance	388,800	264,080	279,047	652,880	558,095	1,116,189	(94,785)
Monitoring	77,115	121,760	135,040	198,876	270,080	540,160	71,204
Consultancy	35,499	32,924	71,388	68,423	142,775	285,550	74,352
Insurance	37,494	47,426	139,071	84,920	278,142	556,284	193,222
Sundry	51,163	19,841	65,848	71,004	131,695	263,390	60,691
Biosolids Disposal	312,697	314,519	308,588	627,216	617,175	1,234,350	(10,041)
Operating & Maintenance Expenses	1,868,675	1,640,698	1,816,985	3,509,373	3,633,971	7,267,939	124,598
Financial	535,884	451,027	839,500	986,911	1,679,000	3,358,000	692,089
Depreciation	1,072,186	1,072,185	1,007,500	2,144,371	2,015,000	4,030,000	(129,371)
Total Expenses	3,476,745	3,163,911	3,663,985	6,640,656	7,327,971	14,655,939	687,315
Net Income	1,218,307	1,144,120	898,765	2,362,427	1,797,529	3,595,061	564,898

Table 4: Summary Finance Report to 31 December 2024

7.3 Income:

7.3.1 Fixed contributions year to date under budget by ~\$864,000.

7.3.2 The variable contributions year to date are ahead of budget by ~\$812,000.

7.3.3 Other recoveries year to date income is under budget by ~\$70,000.

7.4 Expenditure:

7.4.1 Total Operating and Maintenance expenses are higher than budget by 3.4% (~\$125,000).

7.4.2 Maintenance costs are slightly above budget due to a range of activities including heavy maintenance activities and purchase of pond emergency response chemicals during the first quarter.

7.4.3 The trend for the contract maintenance continues to be above budget but is offset by other operational cost savings.

- 7.4.4 Financial and depreciation expenses are below budget by ~\$563,000 due to lower than budgeted interest rates.

7.5 Finance Discussion:

- 7.5.1 The financial trend year to date is for fixed income to be low.
- 7.5.2 Variable is above budget with flows and loadings during the second quarter resulting in similar income to the first quarter.
- 7.5.3 It is possible that the third quarter will reduce in variable income due to the dryer summer conditions, however this is difficult to predict.
- 7.5.4 The ongoing trend is ahead of budget. The fixed revenue trend is not able to be changed by NRSBU management and is expected that the financial trend will continue for the rest of the financial year.
- 7.5.5 This under recovery on fixed revenue 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 considerable time difference during which changes to interest rates can occur.

8 Conclusion

- 8.1 The NRSBU operation is going well.
- 8.2 Financially the NRSBU is operating ahead of budget. While fixed income is down on budget this is offset by variable income.
- 8.3 It is important to note that the additional revenue comes from the variable contributions, and therefore it is likely that a wash-up will be required at the end of the year which will result in a rebate to all customers.
- 8.4 The owner's surplus payment is based on the fixed contributions which is below budget and therefore the surplus to the owners will be below budget.
- 8.5 It is likely based on the current trends that the NRSBU customers should expect the end of year variable charge reconciliation to include a surplus payment to distribute the surplus in variable revenue.

Attachments

Nil