Report and Minutes of a Meeting of the
ASSETS & SERVICES COMMITTEE
held in the Council Chambers, District Administration Building, Seymour Street, Blenheim on THURSDAY, 26 APRIL 2012 commencing at 8.30 am

Present
Councillors G Taylor (Chairman), T M Sloan, J P Bagge, J C Leggett, Mr R Hunter (Iwi representative), Mayor A T Sowman.

Also Present
Clrs J A Arbuckle, G S Barsanti, D W R Dew, G I T Evans, F D Maher.

In Attendance
Mr M S Wheeler, Manager – Assets and Services Department, Mr D A Craig, Finance and Information Supervisor and Ms J R North, Support Services Administrator.

Apologies
Clrs Sloan/Bagge:
That the apology for non-attendance from Clr J L Andrews be received and sustained.

Carried

Apologies were also received from non-committee members, Clrs D D Oddie and T E Hook.

P.11/12.386 Financial Report for Period Ended 31 March 2012 F045-07

The financial report for the Assets & Services Department for the period ended 31 March 2012 was presented by David Craig, Finance and Information Supervisor.

Where possible, accrual entries had been completed to account for March revenues and expenditures in that month. The main exception was in the Flood Protection and Control Works activity where late March invoices for work to the value of $190,841 were not included in the report. This amount comprises operating expenditure of $86,763 and capital expenditure of $104,078.

Metered water charges for the March quarter were invoiced during the month, totalling $680,395 with the highest usage in Southern Valleys $279,802, Awatere $134,230, Blenheim $84,380, Riverlands $82,707 and Picton $64,882. Year to date volumes were at similar levels to the previous year.

Generally revenues and operating expenditures were tracking closely to budget. Capital expenditure variations were more pronounced and were dependent on timing and progress of respective projects.

The major areas of variation were listed in the report, with variances and reasons outlined.

The total budgeted capital expenditure for the Department for 2011/12 is $42.5 million, including Council approved carryovers. Budgeted capital expenditure in the Reserves activity has been amended following the land subdivision account review. Total actual capital expenditure to 31 March was $14 million (net of any accrual reversals). A summary of the major budgeted activities was provided in the report. Included in the capital expenditure total is the Council's first purchase of NZU's (more commonly referred to as Carbon Credits) under the Emission Trading Scheme, for $238,500.

Clrs: Leggett/Bagge:
That the financial report for the period ended 31 March 2012 be received.

Carried

ATTENDANCE: Frank Porter Manager of Marlborough Roads.

P.11/12.387 Springlands Intersections T135-01

The Manager of Marlborough Roads, outlined in his report, options for progressing the upgrade of the Battys Road State Highway 6 (Middle Renwick Road) intersection.

SH 6 is a state highway managed by the NZ Transport Agency (NZTA) and it has the responsibility to manage the safety and efficiency of its network.

As traffic volumes have steadily increased on SH 6 and intersecting roads in the general Springlands area, traffic delays for vehicles entering the state highway have also increased. These increases coupled with an expectation that the new Westwood development will generate further traffic prompted NZTA to fund an investigation phase to explore options to improve the current and future situation. Outer Limits (Westwood developers) has made a contribution to future intersection upgrades.

NZTA has reviewed the draft initial options report prepared by Opus International Consultants and concluded that the proposed intersection upgrade options are not currently able to be funded based on the strategic fit in terms of the Government's *Government Policy Statement*, the effectiveness of the proposed solution and the efficiency or benefit/cost ratio.

NZTA acknowledge however that the options report was based on traffic modelling assumptions and that once Westwood is completed it should be reviewed against actual traffic flows noting Bunnings is now open and Pak'n'Save is expected to be operating within a year.

Marlborough Roads reported that a further study is now underway and this will include a traffic flow survey as the next step.

A large scale roundabout would likely cost in the vicinity of $1.8 million.

Due to this large cost, low cost upgrade alternatives will be analysed as a possible short term method of alleviating the delays that motorists are currently encountering.

Such alternatives may include: resurfacing and re-defining the turning bays, new signage, altering the existing kerb lines, repositioning the pedestrian crossing away from the intersection to allow a longer right turn bay into Murphys Road.

Councillors felt that there should be more priority placed on the issue and sought an open workshop being held with Opus Consultants and Marlborough Roads. Councillors were very supportive of the option of a smaller roundabout being looked at for the intersection.

Clrs Bagge/Leggett:

1. **That Marlborough Roads present Council with short and longer term options to deal with intersection issues.**

2. **That Council continue to promote the project to NZTA including submitting at Regional Land Transport Programme hearings.**

3. **That funding by Council, repaid in future by NZTA, be further explored.**

4. **That an open design workshop for councillors be held on the options for the Springlands intersection at Battys Road/Murphys Road/Middle Renwick Road with Opus Consultants and Marlborough Roads.**

Carried

P.11/12.388 Burleigh Store Bollards T135-01

Marlborough Roads advised that the owners of the Burleigh Store situated on the corner of New Renwick Road and Battys Road, Blenheim had sought approval to install bollards and connecting rails around the outside perimeter of the sealed footpath apron in front of the store, as they proposed to create a more personal environment in front of the store; this would enable chairs, a table etc to be used.

It was noted that there is no particular conflict for other pedestrians with ready access from any nearby adjacent kerbside parks. However, there would be some conflict with very (long) large vehicles which may need to track beyond the kerb line. Marlborough Roads would therefore propose that the bollard line be clear of the swept paths of large vehicles.

Marlborough Roads note there is always a probability that a vehicle may lose control and travel onto a footpath. These bollards would not offer any protection in terms of slowing an errant vehicle, therefore pedestrians on the footpath should not use the area thinking there was some security behind the bollards.

Because of the location outside the CBD area, a licence fee was not considered appropriate. A small notice could be erected on at least one of the rails to advise of risks from nearby passing vehicle traffic.

Clrs Bagge/Leggett:

1. **That Marlborough Roads approve the application with limits on placement of the bollards to ensure all vehicles can manoeuvre around the corner.**

2. **That there is no need for a subsequent licence to occupy footpath.**

Carried

ATTENDANCE: Stephen Rooney, Operations and Maintenance Engineer and Alec McNeil, Solid Waste Manager.

P.11/12.389 Service Connection Fee Review S315-01, S180-01, W270-01

The Operations and Maintenance Engineer presented a proposed Schedule of Service Connections Fees Table for 2012/2013.

The actual costs of installation are reviewed to assess fees charged are recovering the cost of services installation.

It was noted that all connection charges are meeting installation costs with the exception of underground stormwater connections.

Underground stormwater connection fees are currently $1,427. Actual installation costs vary in the range $2,000 to $3,200; a similar cost to sewer connections. Increasing these by 50% to $2,140 will bring the charges in line with the low end of the actual cost range. A further increase to the middle of that range could be considered next year.

All other charges should be increased by an inflationary provision. During the past 12 months the PPI has moved 3.4%.

Implementation of the National Code of Practice for Utility Operators' Access to Transport Corridors with utility operators will pay a fee for a corridor access request (CAR). This cost will be an addition to current connection fees. The CAR fee has not been finalised yet but is likely to be approximately $250.00.

Clr Leggett/The Mayor:

1. **That underground stormwater connection fees increase to $2,140 (GST incl) as per table attached to agenda.**

2. **That all other services connection fees increase by 3.4% (subject to rounding to nearest $10) as per table attached to agenda.**

3. **That when CAR fees are known this cost be added to all connection fee costs to ensure full recovery.**

4. **That the fee changes be advertised during May and June with an effective date of 1 July 2012.**

Carried

NB: Clr Bagge voted against the motion.

P.11/12.390 Composting and Energy Recovery Strategy 2013 Forward W090-10-02

The Solid Waste Manager's report presented options for Council to consider with regard to composting and energy recovery from grape marc, greenwaste and putrescible material within Marlborough.

All the infrastructure is in place to manage any incoming volumes of bio-degradable material which would increase the levels of landfill gas production including roading, weighbridge, environmental monitoring and invoicing. Council has recently discussed advances in landfill gas to electricity generation equipment with a major power generator. They provide equipment and electricity industry pricing expertise which could make generation from the national grid viable.

The CAPEX for the generation equipment and connection to the grid would be in the region of $1.5 million to $2 million. There maybe other capital costs associated with landfill staging and leachate capacity.

The options for Council to consider included:

Expanding the existing facility and adopting an in-vessel bagged system or similar for a CAPEX of approximately $340,000.

Installing an in-vessel self-contained system at the existing site for a CAPEX of up to $8 million. This is a very expensive option so was not recommended.

Setting up an open windrow composting site on 5 ha to 7 ha of Council owned land for a CAPEX in the region of $500,000 to $950,000.

Setting up an energy recovery bio-gas or similar type system on 1 ha to 5 ha of Council owned land for a CAPEX in the region of $4 million to $6 million.

It was considered that the expense of this was not justified when the existing landfill infrastructure could achieve the same results at much lower cost.

Send pre-treated (shredded) bio-degradable material to Bluegums for energy recovery by utilising the landfill gas extraction system to generate electricity for a CAPEX in the region of $1.5 million to $2 million.

Early operating cost estimates were also provided.

Clrs Bagge/Leggett:

1. **That Council staff investigate in more detail the following composting options:**

   In vessel bagged; windrows; energy recovery – landfill gas and report back to Council.

2. **That the report include consideration of sitting matters, environmental outcomes, landfill life and financial feasibility.**

Carried

P.11/12.391 Draft Waste Management and Minimisation Plan (WMMP) Submissions W090-11-01

The Waste Management and Minimisation Plan (WMMP) was put out for public consultation during March 2012.

In total 15 responses were received; one submitter, Bev Doole of the Rarangi Residents' Association spoke to the Association's submission at a hearing on 18 April 2012.

The Solid Waste Manager, Alec McNeil advised that the submissions had been reviewed and a comment on whether the WMMP needed to be revised was provided in his report to the Committee.

Clrs Sloan/Bagge:

1. **That the Committee accept the decision on the submissions as outlined in points 8-20 in the report presented.**

2. **That the reviewed Waste Management and Minimisation Plan be finalised and adopted by Council.**

Carried

P.11/12.392 Charging Review for Additional Council Refuse Bags C315-11-07

The Solid Waste Manager, Alec McNeil presented his report which highlighted the additional costs associated with the issue of Council refuse bags to the residential and commercial sector.

Properties on the Blenheim and Picton kerbside collection routes are provided with a voucher for 52 refuse bags ie; one per week. Mr McNeil advised that Council is experiencing large volumes of refuse bags being delivered to the transfer stations rather than through the weekly kerbside collection. The reported count to the end of March was in the region of 87,000.

The transfer station contractor when bidding for the contract allowed for the free disposal of refuse bags by the public but to a lower volume. This was accounted for in the rates for the operation of the RTS rather than a measured rate.

There are two contractors impacted by the refuse bags. The first is the kerbside collection contractor, Earthcare and the second is the RTS contractor Metallic Sweeping.

Whilst there will be many reasons for the choice by the public to use the transfer stations it was recognised that the relative low cost would be a contributing factor.

If the bags go via the transfer station the contractor is liable for disposal but they are likely to claim for bags in excess of the allowance they made in their tender. This will introduce another tier of cost that is not reflected in the current bag price. If bags go via the kerbside contractor they go direct to the landfill and Council covers the cost of disposal, which is reflected in the current bag price.

The cost to the public for additional bags at present is $1.21 per bag which does not include transfer station disposal costs. Bags are being bought by residents who may or may not be on the kerbside collection route and by the commercial sector.

The report recommended that Council charge a fee of 50 cents (GST excl) for refuse bags disposed of at the transfer stations as it was considered that introducing an additional charge at the transfer station was fairer if targeted at the users of that facility. Councillors disagreed with the recommendation. They felt it could be beneficial for a publicity campaign to be undertaken encouraging the public to use the kerbside collection service. The Committee subsequently recommended that a campaign be undertaken for a two month period and that staff look at other options to address the issue of people carting their refuse bags direct to the transfer stations.

The Mayor/Clr Bagge:

1. **That staff report back to the Committee with other options to address the issue of the public's disposal of refuse bags at the transfer stations.**

2. **That a publicity campaign be undertaken for a two month period encouraging the public to utilise the kerbside collection service.**

Carried

P.11/12.393 Emissions Trading Scheme W090-01

Councillors were updated by the Solid Waste Manager, Alec McNeil and the Finance & Information Supervisor, David Craig on the impacts to Council of the Emission Trading Scheme as it applies to landfill gas.

Regulations for landfill methane emissions under the New Zealand Emission Trading Scheme (NZETS) came into effect on 1 January 2011. Under these Regulations, waste disposal facility operators are required to report information about their methane emissions from 1 January 2012 and must surrender New Zealand Units (NZU) to match their emissions from 1 January 2013.

Council owns and operates the Bluegums Landfill and is therefore a participant under the NZETS.

Recent waste composition analysis together with the landfill gas extraction system in operation at the landfill suggest that Council could apply for a modified (reduced) emission factor (a Unique Emission Factor – UEF).

If the Council wished to apply for a UEF they needed to complete the application process by 31 January of the following year to which they wish to apply the UEF. To minimise risk to Council the UEF application is to be lodged as soon as is practicable thereby having it in place in advance of when the Council will need to commence collecting revenue to cover their liability (ie; for waste deposited form 1 January 2013).

Optimisation of landfill gas extraction and destruction is the most efficient way to minimise emission liability. Therefore, if Council's liabilities under the NZETS are to be further reduced, the landfill gas system at Bluegums must be effectively operated and progressively expanded as the waste is placed.

The NZETS is a market driven process and therefore the cost of NZUs will vary with time. The system has been set up so that the Council is able to buy units in advance of surrender date thereby making the most of low prices if available. Council has recently purchased 30,000 NZUs @ $7.95 per unit (total cost of $238,500), which will give some surety for setting of landfill fees from 1 January 2013, when emission costs are applicable. Government has set a cap of $25 per NZEU so Council's purchase price can be considered an excellent risk mitigation. Forecasts are for significant purchases as the scheme is introduced.

The Mayor/Clr Leggett:
That the report be received.

Carried

ATTENDANCE: Rosie Bartlett, Reserves and Amenities Manager and Robert Hutchinson, Reserves and Amenities Officer.

P.11/12.394 Blenheim Town Centre Upgrades E225-M01-06

The Reserves and Amenities Manager, Rosie Bartlett reported that in 2009 Council adopted the "Blenheim Town Centre A Vision for the Future" document which provides a programme of Council projects to revitalise the town centre. The document was adopted following significant consultation.

One of the strategic themes; "6. Vibrant Streets and Open Spaces" was further developed through the Streetscape design brief presented to Council in 2011. This led to three of the proposed 12 projects being funded through the 2011/12 Annual Plan. Funded projects were: Street Tree Planting on Seymour Street, a pocket park on the Queen Street carpark (this project was to include street furniture selection for the wider town centre) and a Gateway feature for the Sinclair Street/Alfred Street intersection.

A separate project that comes directly from the Blenheim Town Centre "A Vision for the Future" document was a wayfinding package design and signage for the town. Funding of $740,000 was allocated to these projects both from existing budgets. The wayfinding is funded by Marlborough Roads' existing sign budget.

An update on the progress of the Blenheim Town Centre Upgrade projects was provided in the Reserves and Amenities Manager's report to the Committee.

The street tree planting on Seymour Street has been completed in conjunction with the implementation of the cycle lanes and was achieved within existing budget.

Clr Sloan reported on the Queen Street Pocket Park proposal. The Streetscape Design concept design showed the entire area as park. Some of the affected neighbouring businesses were not happy with the entire space being taken for a park due to their customers losing carpark spaces. Clr Sloan presented a new concept design following consultation with a number of retailers showing a smaller park with an adjoining carpark area. Included in the pocket park project is a street furniture selection process so that any furniture that is to go into the pocket park will be the design that will be carried throughout the rest of the CBD as and when required. The Committee recommended that the Pocket Park development continue.

Councillors did not wish to proceed with the $161,470 funded Gateway Feature project preferring for the funds to be redirected to other projects. To that end the Committee recommended that costings be investigated for other options ie; Grove Road/Sinclair Street/Main Street tree plantings; wayfinding signage; Market Street – two way traffic change adjoining Market Place; Main Street/Symons Street/SH 1 site beside Fire Station.

Clrs Sloan/Bagge:
That Council continue with the pocket park development and staff investigate costs for the following options – Grove Road/Sinclair Street/Main Street tree plantings; wayfinding signage; Market Street two way traffic change adjoining Market Place; Main Road/Symons Street/SH 1 site adjoining Fire Station.

Carried

P.11/12.395 Smokefree Policy – Marlborough Parks and Reserves R505-01

It was reported by Robert Hutchinson, Reserves and Amenities Officer that Council staff have been working with Smokefree Marlborough, Nelson Marlborough Public Health Unit and Marlborough Cancer Society to further enhance Council's Smokefree Policy and the upgrade of signage.

Council's existing smokefree policy is for parks and playgrounds only. By enlarging the scope for the policy to include all parks, playgrounds, reserves, sports parks and gardens would be a positive show of Council's commitment to a smokefree educational policy.

The policy is not a ban on smoking in public places; no enforcement measures will be used; however, expanding the policy allows people a choice to comply in the spirit of promoting healthy lifestyles.

To ensure the message gets out to the public Smokefree Marlborough, Nelson Marlborough Public Health Unit and Marlborough Cancer Society will create a robust communication plan that promotes positive role modelling and identifying Marlborough parks are smokefree; this plan is long-term and hopefully will achieve a positive attitudinal and behavioural change by smokers.

Council's role will be to upgrade signage at park entrances and within parks to integrate the smokefree symbol.

The integration of the signage can be undertaken during the signs replacement/removal programme for parks, playgrounds and sports parks which will be covered by existing budgets.

Clrs Sloan/Bagge:
That the Smokefree Policy be expanded to include all parks, playgrounds, reserves, sports parks and gardens.

Carried

P.11/12.396 Rai Valley Public Cemetery C045-04

It was reported that Council has received notification about trustees newly elected for the Rai Valley Public Cemetery Trust who oversee the Rai Valley public cemetery.

In accordance with the Burial and Cremations Act 1964 Council must approve such appointments as well as organise public notification of the appointments.

The trustees who have been elected are:

- Karl Young (Chairman)
- Nancy Cowan (Secretary)
- Noel Wallace
- Brent Morrison
- Lynn Callister
- Richard Hewetson.

Clrs Leggett/Sloan:
That Council approve the appointment of the above trustees in accordance with section 23 of the Burial and Cremations Act 19645 with such appointments to take effect following public notification as required by that Act.

Carried

P.11/12.397 Information Package -

The Information Package for the Assets and Services Committee dated 26 April 2012 and circulated separately was received and noted.

P.11/12.398 Decision to Conduct Business with the Public Excluded

Clrs Taylor/Sloan:

That the public be excluded from the following parts of the proceedings of this meeting, namely:

- **Land Purchase**

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:

General Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
Land Purchase	**To enable the Council, as holder of the information, to carry on, without prejudice or disadvantage negotiations (including commercial and industrial negotiations) as provided for under Section 7(2)(i)**	**That the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under Section 7 of the Local Government Official Information and Meetings Act 1987**

Carried

The meeting closed at 11.40 am.

Record No. 12118290