

**Report and Minutes of a Meeting of the
ASSETS & SERVICES COMMITTEE
held in the Council Chambers, District Administration Building, Seymour Street,
Blenheim on TUESDAY, 18 MARCH 2014 commencing at 9.00 am**

Present

Councillors T S Sloan (Chairman), G I T Evans, J L Andrews, J P Bagge, B G Dawson, T E Hook, J C Leggett, and Mayor A T Sowman and Mr R Hunter (iwi representative).

Also Present

Councillors J A Arbuckle, G S Barsanti, D D Oddie.

In Attendance

Mr M S Wheeler (Manager – Assets and Services Department), Mr D A Craig (Finance and Information Supervisor), Mr A R Besley (Chief Executive) and Ms J R North (Support Services Administrator).

Note:

Prior to the meeting, Reid Boynton, Council Treatment Plant Operator, was presented with his Diploma in Drinking Water (Level 5) by Chairman, Cllr Terry Sloan who congratulated him on his achievement in obtaining this high level award.

P.13/14.330 Financial Report for Period Ended 31 January 2014

F045-07

The Finance and Information Supervisor, David Craig, presented the financial report for the Assets and Services Department for the seven month period ended 31 January 2014. Where possible, accrual entries had been completed to account for January revenues and expenditures in that month.

For the reporting period, Departmental revenues were favourable to budget by \$1,050,592 and operating expenditures were favourable to budget by \$1,032,968.

Total budgeted capital expenditure for 2013/14, including carryovers, was \$34.5M with year to date actual expenditure of \$14.3M (41%). The most significant costs incurred to date are for Blenheim/Riverlands Industrial sewer treatment upgrade (estuary discharge and wetland development) \$6.5M, roading additions and renewals \$3.3M and vested assets from Council's Boulevard Park on Taylor development \$2.1M.

Activity for the month of January was summarised in Mr Craig's report.

The forecast end of year operating surplus is \$508,709 more than budgeted, through a combination of increased revenue (\$749,910), offset by increased operating costs (\$241,201).

It was noted that emergency reinstatement costs are a significant contributor to increased expenditures and these additional costs will be funded from subsidy revenue and disaster recovery reserves. Healthy depreciation and interest savings are forecast in the sewer and water activities, as a result of reduced capital expenditure in the preceding financial year.

Information on the major reasons for variations within the various departmental activities was summarised in the Finance and Information Supervisor's report.

The Mayor/Cllr Hook:

That the financial report for the period ended 31 January 2014 be received.

Carried

P.13/14.331 Waikakaho Road Dust

R800-006-01

Steve Murrin of Marlborough Roads presented a report which recommended a longer term solution to dust problems on the Waikakaho Road, and informed of the research to be undertaken so that potential health risks are better understood and future issues on other rural roads can be logically addressed.

At the last committee meeting on 11 February 2014 members were advised of the Investment Logic Mapping (ILM) workshops that had been held and the outcomes of those meetings.

As an interim dust mitigation measure Marlborough Roads is operating a water cart, on the Waikakaho Road for the rest of this summer. Also as a response to the ILM outcomes, Marlborough District Council is proposing to undertake a sampling programme to determine the levels and make up of dust which should inform future decision making.

Marlborough Roads recommended that "Otta" seal extension alongside dust affected houses (2.5 km) of Waikakaho Road be undertaken which at a cost of \$175,000 is the most cost-effective mitigation measure in terms of initial capital cost and whole of life cost over 30 years. Rural councillor, Cllr Evans along with other councillors wished to see the decision on sealing be delayed in order for further consultation with the residents.

The Committee was advised that research on the health issues from gravel road dust is necessary to enable Council to better plan and prioritise future treatments. GNS has provided a very favourable proposal to undertake Stage 1 sampling and analysis at a cost of \$66,500. NZTA is expected to provide 56% financial assistance. Further research is necessary to be able to apply Stage 1 findings to other roads. NZTA Research and several other councils are interested in this and considering funding assistance.

Cllrs Evans/Leggett:

- 1. That the issue of a longer term dust treatment option for Waikakaho Road lie on the table.**
- 2. That GNS Science be engaged to undertake Stage 1 dust sampling and analysis work as specified, subject to suitable road and weather conditions being present.**
- 3. That Wairau/Awatere seal extension budgets for 2013/14 and 2014/15 fund this work.**

Carried

P.13/14.332 Renwick Water Supply

**W460-001-016-01,
W460-002-008-01**

Approval was sought from Council of a plan to address some of the main issues facing the Renwick water supply; which does not meet the Drinking Water Standards for New Zealand (DWSNZ).

The Planning and Development Engineer, Stuart Donaldson, presented a report which informed the Committee on an alternative source of water treatment to meet the drinking water standards; a potentially lower cost treatment option; an alternative of taking water from the Blenheim supply; water restrictions, losses and metering; alternative ways to reduce consumption; and existing treatment plant building upgrading.

Mr Donaldson explained that if losses can be reduced then restrictions will be needed less often. This will extend the life of the source.

Likewise, universal metering (metering all customers) and charging for the supply of water on a volumetric basis will also reduce the amount of water needed as customers change their habits with regard to water use. Universal water metering also allows a much more accurate assessment of losses to be made.

Universal metering is budgeted for 2018/19 and is estimated to cost \$600,000. There are a wide range of meters available now and an assessment of meter options will be presented to the Committee at a later date. Consultation with Renwick residents over water metering was proposed.

Mr Donaldson stated that if Council wanted to meet the Drinking Water Standards by 1 July 2015, the only practicable option would be to construct a membrane plant to treat the existing well source for an estimated cost of \$9.2 M. Another option would be to connect to the Blenheim supply which had a lower capital cost and would also resolve supply issues. The mayor felt it was opportune.

A potentially lower cost option would be to use slow sand filtration with ultra violet (UV) disinfection. It would significantly reduce risk to health and provide a consistently good quality of water. Work would need to be carried out which may include a trial filter which could be constructed on land freed up when the new reservoir, which is budgeted for 2016/17, is built. A trial filter is estimated to cost \$200,000.

The Committee recommended that further work be undertaken to assess the viability of slow sand filtration treatment. The Mayor recommended that the option to connect to the Blenheim supply be investigated in conjunction with other options.

The Mayor/Clr Andrews:

1. That leak detection and repairs be carried out across the reticulation as budgeted.
2. That consultation be carried out with the Renwick community over the proposed introduction of universal metering in 2018/19.
3. That further work be undertaken to assess the viability of slow sand filtration treatment.
4. That staff investigate the option to connect to the Blenheim water supply in conjunction with other options.

Carried

P.13/14.333 Picton Sewer, Picton Water and Effluent Reuse W430-003-005-01, W460-002-005-01

The Planning and Development Engineer presented a report which provided information on the installation of an effluent recycle pipeline with the proposed Picton trunk sewer replacement pipeline from Dublin Street to Waikawa Marina, and from the Lagoon Road/Dublin Street intersection to Picton Sewage Treatment Plant; and other water demand management initiatives.

Mr Donaldson advised that the existing two sources of water for Picton are only just adequate for current usage and the cost of introduction of a reliable third source is very high.

There are several ways to reduce water usage and losses. Council is planning to introduce universal metering, detecting and repairing leaks and installing a recycled water pipeline.

A table in the report summarised capital costs, water savings and limitations of six main water saving options.

The standard of quality of the recycled water (with consequent treatment cost implications) can be decided in the future when the types of usage likely to be taken up are investigated further.

Cirs Sloan/Hook:

That the report be received.

Carried

P.13/14.334 Liquefaction Mitigation of Blenheim Sewage Terminal Pump Station W430-001-007-01

A report was presented by the Planning and Development Engineer which considered seismic risks to Blenheim's main sewage pump station, mitigation methods and the option of replacing the station.

Blenheim sewage terminal pump station (also known as MOPS) is a critical component of Blenheim's infrastructure. It is founded on soils that are at risk of liquefaction in a moderate earthquake. All of the sewage discharged to sewers in Blenheim, Renwick, Woodbourne and Marlborough Ridge is pumped to the Blenheim sewage treatment plant in Hardings Road from this station. If the pump station fails the sewage is discharged to the Opawa River.

Mr Donaldson reported that liquefaction is likely to cause significant settlement and tilting that will leave the pump station unserviceable. At the same time the sewers leading to the pump station are likely to be damaged and blocked. Getting the pump station back into service could take two years depending upon the extent of damage and whether the structure is replaced, whereas the contributing pipelines could be repaired in a much shorter time.

Mitigation of the seismic risk is possible but would be difficult; costs may be difficult to control depending on the level of risk contractors are prepared to accept.

Ground improvement by jet grouted columns has shown a very wide range in contractor's rates on similar contracts elsewhere in New Zealand.

The Committee was informed that although the existing structure could have a residual working life of 50 years, it could be more appropriate to budget for replacement of the pump station, which would address the seismic risk, when the mechanical and electrical equipment next needs to be upgraded in 2021. The current estimated cost of a new pump station is \$5.4 million. The Committee recommended that budget be provided in the 2015-2025 Long Term Plan for replacement of the pump station in 2020/21.

Cirs Dawson/Leggett:

That budget be provided in the 2015-2025 Long Term Plan for replacement of the pump station in 2020/21.

Carried

P.13/14.335 Kerbside Collection Expansion to Renwick, Grovetown, Spring Creek, Tuamarina and Rarangi W300-007-01

The Solid Waste Manager, Alec McNeil presented a report on the possible expansion of the kerbside collection of refuse and recycling to Renwick, Grovetown, Spring Creek, Tuamarina and Rarangi.

Mr McNeil explained that the new waste and recycling contract, starting in July 2014, has the capacity, in terms of trucks and labour to expand the kerbside collection service for refuse and recycling to Renwick, Grovetown, Spring Creek, Tuamarina and Rarangi.

These areas are currently serviced by private companies collecting bags and wheelie bins on a weekly basis with annual costs for refuse and recycling in the region of \$150 to \$200 per year, dependant on the uplift frequency.

The existing kerbside collection service for Blenheim and Picton is paid for by a targeted refuse and recycling rate which is currently budgeted at \$115 per rating unit for the 2014/15 year (2013/14 \$110).

The revised estimated targeted rate for the 2015/16 year including Blenheim and Picton residents would be \$118 per household if Renwick was included and \$120 if Renwick, Grovetown, Spring Creek, Tuamarina and Rarangi were all included. Therefore the impact of bringing these additional properties into the existing system is an increase in the targeted rate of \$3 - \$5 per household.

Councillors proposed initial consultation with the communities of Renwick, Grovetown, Spring Creek, Tuamarina and Rarangi and then for staff to report back on the outcome of the consultation to the Committee.

Cirs Bagge/Sloan:

1. That the Committee approve an initial consultation (as per the tabled redrafted letter and survey) with the communities of Renwick, Grovetown, Spring Creek, Tuamarina and Rarangi that will run between April and May 2014.
2. That staff report back on the outcome of this initial consultation to the Committee at the June 2014 meeting.

Carried

P.13/14.336 Cemetery Fees Increase R510-002-000-01

Reserves and Amenities Officer, Nic Crous presented a report on cemetery fee increases, which are to increase as at 1 April 2014 as a matter of policy.

The Marlborough District Council cemeteries fee for “out of district” interments is currently set at \$31.30. Approval was sought to increase this fee to a minimum of \$570 (burial plot) and \$311 (ashes plot) to offset the cost to ratepayers, equate the fees with other local authorities and discourage the uptake of Marlborough burial ground by those who reside in other districts.

The new Memorial Wall in Picton cemetery is ready for use and a fee of \$200 was recommended for implementation.

Cirs Sloan/Dawson:

1. That the MDC cemeteries “out of district fees” be increased to a minimum of \$570 (burial plot) and \$311 (ashes plot) with effect from 01 April 2014.
2. That a fee of \$200 be implemented for a plaque location on the Memorial Wall in Picton cemetery.

Carried

P.13/14.337 Pollard Park Management Plan R510-014-007-05

Elisha Oldridge, Reserves and Amenities Officer presented a report seeking approval to begin the process of updating the Pollard Park Management Plan by releasing the existing plan to the public for consultation.

Pollard Park is one of Blenheim’s premiere parks and a popular attraction in Marlborough. The existing management plan for the Park was completed in 1997 therefore it was necessary to update it.

Cirs Leggett/Dawson:

That the existing Pollard Park Management Plan be released to the public for submissions to begin the process of updating the Management Plan.

Carried

P.13/14.338 Information Package -

The Information Package for the Assets and Services Committee dated 18 March 2014 and circulated separately was received and noted.

The meeting closed at 10.25 am.

Record No. 1464071