



**TO THE MAYOR AND COUNCILLORS OF THE
MACKENZIE DISTRICT COUNCIL**

MEMBERSHIP OF THE PROJECTS AND STRATEGIES COMMITTEE

Graeme Page (Chairman)
Claire Barlow (Mayor) John Bishop
Peter Maxwell Annette Money
Graham Smith Evan Williams

*Notice is given of a meeting of the Projects and Strategies Committee
to be held on Tuesday 24 May 2011
following the Finance Committee meeting*

VENUE: Council Chambers, Fairlie

BUSINESS: As per Agenda attached

**GLEN INNES
CHIEF EXECUTIVE OFFICER**

19 May 2011



PROJECTS AND STRATEGIES COMMITTEE

Agenda for Tuesday 24 May 2011

I APOLOGIES

II DECLARATIONS OF INTEREST

III MINUTES

- a) Confirm and adopt as the correct record the Minutes of the meeting of the Projects and Strategies Committee held on 12 April 2010.
- b) Receive the Minutes of the meetings of the Solid Waste Subcommittee held on 13 April 2011 and 19 May 2011

ACTION POINTS

IV REPORTS:

1. Asset Management
2. Review of Council Policies (*verbal report from Chief Executive Officer*)

MACKENZIE DISTRICT COUNCIL

MINUTES OF A MEETING OF THE PROJECTS AND STRATEGIES COMMITTEE HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY 12 APRIL 2011 AT 2.55 PM

PRESENT:

Graeme Page (Chairman)
Claire Barlow (Mayor)
Crs John Bishop
Peter Maxwell
Annette Money
Graham Smith
Evan Williams

IN ATTENDANCE:

Glen Innes (Chief Executive Officer)
Bernie Haar (Asset Manager)
Frank Ledingham (Manage – Roading) for part of the meeting
John O'Connor (Utilities Engineer) for part of the meeting
Rosemary Moran (Committee Clerk)

I APOLOGY:

There were no apologies.

II DECLARATIONS OF INTEREST:

There were no Declarations of Interest.

III MINUTES:

Resolved that the Minutes of the meeting of the Projects and Strategies Committee held on 1 March 2010, including such parts as were taken with the Public Excluded be confirmed and adopted as the correct record of the meeting.

Graham Smith/Annette Money

Resolved that the Minutes of the meeting of the Solid Waste Subcommittee held on 29 March 2010, including such parts as were taken with the Public Excluded be received

Claire Barlow /John Bishop

IV REPORTS:

1. ASSET MANAGER'S MONTHLY REPORT:

This report from the Asset Manager referred to Clayton Road Seal Widening, Twizel Water Supply, Fairlie Water Supply Trunk Main Replacement, Project Progress, Roading, Essential Services and Solid Waste.

Resolved that the report be received.

Claire Barlow/Graham Smith

Twizel Water Supply:

Power:

The Utilities Engineer referred to increased energy costs and on-going efforts to obtain a competitive quotation from energy suppliers.

Temporary Disinfection:

Cr Bishop noted that the Community Board wished to consult with the public regarding the temporary disinfection of the Twizel Water Supply and he undertook to liaise with the Community Board Chairman.

Resolved that the temporary disinfection of the Twizel Water Supply be highlighted as an issue of interest in the draft Annual Plan for 2011/2012.

Annette Money/Claire Barlow

The meeting was adjourned at 3.25 pm and reconvened at 3.30 pm.

Resolved:

1. That the awarding of the Seal Widening Contract 199 to Sicon Ltd for a price of \$103,045.00 be confirmed.
2. That the awarding of the Contract 1195 to Fulton Hogan Ltd for the replacement of the Lake Alexandrina Bridge for a price of \$53,690.80 be confirmed.

Evan Williams/Graham Smith

2. BRIDGE REPLACEMENT PROGRAMME:

This report from the Asset Manager provided an opportunity for the Committee to review the Bridge Replacement Strategy and determine if the various structures should be replaced, removed or handed back to the benefitting landowners.

Resolved that the report be received.

Evan Williams/Claire Barlow

Resolved that:

1. Bridge No 1 Otama Stream be replaced.
2. Bridge No 7 Long Gully Bridge be replaced
3. Bridge No 9 Fraser Road #2 Bridge be replaced.
4. Bridge No 13 Coal Pit #2 Bridge be replaced.
5. Bridge No 19 Pioneer Park Bridge be replaced.
6. Bridge No 26 Goodmans Road not be replaced when it can no longer be maintained in a safe condition for light vehicles.
7. Bridge No 28 Oldfields Road Bridge be replaced.
8. The Council negotiate the handing back of Bridge No 3 Morris Road Bridge to the landowner on whose land it is placed.
9. Bridge No 41 Clayton Settlement Road Bridge be replaced when required.
10. Bridge No 58 Single Hill Bridge be replaced.
11. Bridge No 70 the Grampians Bridge not be replaced.

12. Bridge No 73 Stoney River Bridge be removed as soon as possible and not replaced – subject to consultation.
13. Bridge No 79 Lake Alexandrina Bridge be replaced.
14. Bridge No 78 Black Birch Stream Bridge be replaced.
15. Bridge No 89 Mowbray Stream Bridge be replaced when eventually required.
16. Bridge No 92 Stoney River Bridge be removed as soon as possible and not replaced.
17. Bridge No 93 Fox Peak Road be replaced.

Evan Williams/Graham Smith

The Chairman and the Asset Manager undertook to consult with the owners of the Morris Road Bridge.

Resolved that Bridge No 78 Cass River Bridge be replaced, subject to a substantial contribution from the landowner to the funding of the local share of the cost of replacement.

Claire Barlow Annette Money

Resolved that investigations be made into the legal implications of closing the top end of the Godley Road before the Cass River Bridge.

Graeme Page/Evan Williams

3. TWIZEL WATER SUPPLY:

This report from the Asset Manager was accompanied by the report from Opus Consultants Ltd *Twizel Water Supply - Options Update* dated February 2011.

Resolved that the report be received.

Graham Smith/John Bishop

Resolved that preliminary investigations be undertaken to confirm the viability of proposed new sources for the water supply for Twizel.

John Bishop /Graham Smith

V GENERAL BUSINESS:

1. CAPITAL WORKS PROGRAMME:

The Chairman referred to the desirability of completing the capital works programme in an appropriate annual time frame.

The Chief Executive Officer suggested it would be helpful to set clear, realistic milestones for capital works projects.

2. POLICY ON BANKING, DEPRECIATION AND PAYMENT OF LOANS:

The Chairman referred to the potential for unwelcome pressure on Council's financial reserves given the large capital works projects which were on the pipeline.

The Manager – Finance and Administration said one of the driving forces behind the legislation for the Long Term Planning process was to ensure that councils remained sustainable. To that end the Council would have the opportunity to adopt

a long term financial strategy which would consider the impact of the decisions made on capital expenditure projects undertaken, five, ten, twenty years out; the Council would need to paint a picture of how it would remain sustainable in the long term. This would require a raft of policy changes which would enable the intergenerational impact of decisions to be identified and considered.

He said it would no longer be appropriate to consider projects in isolation – they would have to be measured in terms of their impact not only on the relevant local community but also on the District as a whole.

The Mayor noted that the Long Term Plan process would require a large commitment from Councillors in terms of the time needed to develop the necessary policies and strategies. She suggested that it could be appropriate for that to happen outside of the normal committee and council meetings schedule. She acknowledged that long term plans needed to be able to adapt to changing circumstances, but noted that the Council was required in its planning to be thinking of the intergenerational impacts of its decisions.

The Manager – Finance and Administration said that changes to the Local Government Act required that the Council set a limit on its rates rises and borrowings and the Council would be compared against those standards in the three-yearly Pre-Election report. He advised that The Society of Local Government Managers had developed a Best Practice Guide which Audit NZ had adopted as a benchmark; therefore the days were gone when councils could merely change the dates in their plans and move projects forward.

3. REVIEW OF COUNCIL COST CENTRE CHARGES:

In response to the Chairman's desire for a review, the Chief Executive Officer advise that it could be beneficial to group all overheads in a separate cost centre which would focus attention more finely.

4. ESTABLISHMENT OF A ROADING SUBCOMMITTEE:

The Chairman asked for the Committee's opinion on his proposal that a roading subcommittee be established which he considered would relieve some of the burden on the Projects and Strategies Committee.

The Chief Executive Officer suggested that given the low level of discretionary funding in the roading budgets it was reasonable to assume that activity in roading would be related mainly to maintenance, apart from the minor improvements.

Cr Williams noted that much of the work in roading was done on the basis of it being reactive rather than proactive.

The Asset Manager was of the opinion that there would be little to be gained by removing a chunk of the Committee's business to another forum which would add a further set of meetings, reports etc. He suggested that if there was a problem with the status quo in about six months, then that problem could be addressed at that time.

VI PUBLIC EXCLUDED:

Resolved that the public be excluded from the following part of the proceedings of this meeting namely:

1. Waimate/Mackenzie Shared Service Meeting

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
Waimate/Mackenzie - Shared Services Meeting	Commercial Sensitivity	48(1)(a)(i)

This resolution is made in reliance on Section 48(1)(a)(i) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

Waimate/Mackenzie Shared Services Meeting Section 7(2)(b)(ii)

Graham Smith/Claire Barlow

**THERE BEING NO FURTHER BUSINESS
THE CHAIRMAN DECLARED THE MEETING CLOSED AT 5.35 PM**

CHAIRMAN

DATE

MACKENZIE DISTRICT COUNCIL

MINUTES OF THE MEETING OF THE SOLID WASTE SUBCOMMITTEE COMMITTEE HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON WEDNESDAY 13 APRIL 2011 AT 9.30 AM

PRESENT:

Graeme Page (Chairman)
 Claire Barlow (Mayor)
 Cr John Bishop
 Glen Innes (Chief Executive Officer)
 Bernie Haar (Asset Manager)
 Paul Morris (Manager – Finance and Administration)
 Garth Nixon (Community Facilities Manager)
 Carl MacKay (Solid Waste Manager)

IN ATTENDANCE:

Brian Gallagher (Consultant)
 Rosemary Moran (Committee Clerk)

I APOLOGY:

There were no apologies.

II MINUTES:

Resolved that the minutes of the meeting of the Solid Waste Subcommittee held on 29 March 2011, including such parts as were taken with the Public Excluded, be confirmed and adopted as the correct record of the meeting.

Claire Barlow/John Bishop

IV PUBLIC EXCLUDED:

Resolved that the public be excluded from the following part of the proceedings of this meeting namely:

Request for Proposals for Solid Waste Delivery.

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
Request for Proposals- Solid Waste Delivery	Commercial Sensitivity	48(1)(a)(i)

This resolution is made in reliance on Section 48(1)(a)(i) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows: *Request for Proposals – Solid Waste Delivery* Section 7(2)(b)(ii)

Glen Innes/Garth Nixon

**THERE BEING NO FURTHER BUSINESS
THE CHAIRMAN DECLARED THE MEETING CLOSED AT 12.20 PM**

CHAIRMAN

DATE

MACKENZIE DISTRICT COUNCIL

MINUTES OF THE MEETING OF THE SOLID WASTE SUBCOMMITTEE COMMITTEE HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON THURSDAY 19 MAY 2011 AT 9.30 AM

PRESENT:

Graeme Page (Chairman)
Claire Barlow (Mayor)
Cr John Bishop
Bernie Haar (Asset Manager)
Carl McKay (Solid Waste Manager)

IN ATTENDANCE:

Cr Annette Money
Brian Gallagher (Consultant)
Rosemary Moran (Committee Clerk)

I APOLOGIES:

Apologies were received from the Chief Executive Officer, the Manager – Finance and Administration and the Community Facilities Manager.

II MINUTES:

Resolved that the minutes of the meeting of the Solid Waste Subcommittee held on 13 April 2011, including such parts as were taken with the Public Excluded, be confirmed and adopted as the correct record of the meeting.

Claire Barlow/John Bishop

III PUBLIC EXCLUDED:

Resolved that the public be excluded from the following part of the proceedings of this meeting namely:

RFP for Solid Waste Services – Contract Negotiations

<u>General subject of each matter to be considered</u>	<u>Reason for passing this resolution in relation to each matter</u>	<u>Ground(s) under Section 48(1) for the passing of this resolution</u>
RFP for Solid Waste Services Contract Negotiations	Commercial Sensitivity	48(1)(a)(i)

This resolution is made in reliance on Section 48(1)(a)(i) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests

protected by Section 6 or Section 7 of that Act, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows: *RFP for Solid Waste Services – Contract Negotiations* Section 7(2)(b)(ii)

John Bishop /Claire Barlow

The Subcommittee continued in Open Meeting.

The meeting was adjourned at 10.05 am for morning tea and reconvened at 10.26 am.

VISITORS:

The Chairman welcomed ESL personnel, Graham Jones, National Resource Recovery and TLA Market Manager, Kevin Edgar, South Island Collections Manager and Tony le Brun, Timaru Manager.

III PUBLIC EXCLUDED:

Resolved that the public be excluded from the following part of the proceedings of this meeting namely:

RFP for Solid Waste Services – Contract Negotiations

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
RFP for Solid Waste Services Contract Negotiations	Commercial Sensitivity	48(1)(a)(i)

This resolution is made in reliance on Section 48(1)(a)(i) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows: *RFP for Solid Waste Services – Contract Negotiations* Section 7(2)(b)(ii)

John Bishop /Claire Barlow

**THERE BEING NO FURTHER BUSINESS
THE CHAIRMAN DECLARED THE MEETING CLOSED AT 12.10 PM**

CHAIRMAN

DATE

MATTERS UNDER ACTION – PROJECTS AND STRATEGIES COMMITTEE

Solid Waste

1. Green bags no longer used to collect putrescible waste, to be used for the collection of residual waste.
2. Undertake an appropriate education programme be undertaken regarding the use of the green bags for collection of residual waste. *Report to be developed.*

12 April 2011

Bridge Replacements:

- 1 The Chairman and the Asset Manager undertook to consult with the owners of the Morris Road Bridge. *Yet to be actioned*
- 2 Cass River Bridge to be replaced, subject to a substantial contribution from the landowner to the funding of the local share of the cost of replacement. *Yet to be actioned*
- 3 Investigate the legal implications of closing the top end of the Godley Road before the Cass River Bridge. *Yet to be actioned*

Twizel Water Supply

Preliminary investigations to be undertaken to confirm the viability of proposed new sources for the water supply for Twizel. *Ongoing.*

MACKENZIE DISTRICT COUNCIL

REPORT TO: PROJECTS AND STRATEGY COMMITTEE
FROM: ASSET MANAGER
SUBJECT: ASSET MANAGER'S MONTHLY REPORT
DATE: 24 MAY 2011
REF: WAS 1/1

ASSET MANAGEMENT

I attended the Plan Change 15 hearing in Twizel to answer various questions raised by the submitters. We have been providing help to the planning project team in the preparation of this plan change and attending prehearing meetings.

Project Progress - Council Priority List

Clayton Rd Seal Widening:

We received a request from Sicon Contracting Ltd to suspend work on the project until September due to inclement weather and weak subgrade delaying progress with extra excavation required and consequent extra formation.

Council has had a policy, since 2005, not to allow sealing in Mackenzie District from 15 May until 15 September in any one year to ensure a high quality project that will last the design life of that project.

To date Sicon Ltd has fully completed 1000m of seal widening and has 2840m³ of AP 65 and M/4 on site manufactured for the completion of the project.

The budget for the Minor Improvements this year is \$183,000 and to date there has been \$98,000 worth of work completed. I have discussed the postponement of this project with NZTA to ensure that the balance of this year's allocation is carried forward into next year so that we do not lose those funds; there is no problem doing that. We just have to declare it surplus this year and request the carry forward.

The project suspension has been approved, as we do not want to create an ongoing maintenance problem due to a less than perfect result.

Twizel Water Supply, Including Disinfection:

The draft consent conditions have been provisionally approved and we will programme meetings with DoC and Fish and Game to try to get sign-off from them to allow the consent to be granted non-notified.

The Twizel Community Board has approved the installation of the temporary chlorination of the Twizel water supply, subject to Council approval. This is one of the issues we have included for consultation in the draft Annual Plan.

In Twizel, basic chlorine disinfection could be installed this year to provide protection from harmful bacteria and viruses, while decisions are made whether or not to shift the source of the supply. Do you agree with this approach?

Submissions to the Draft Annual Plan close on 3 June 2011 and those submissions will be considered on the 14 June 2011.

If the proposal to disinfect the Twizel Water Supply is confirmed after due consideration, we will purchase the required equipment and begin installation by the end of June.

Fairlie Water Supply Trunk Main Replacement.

Despite the inclement weather, Meyer Construction Ltd is progressing very well and has laid 1800m of pipe at the time of writing this report. The contractor expects to be finished laying pipe by the 27 May 2011. The two creek crossings have gone extremely well with the new pipe laid 1.5m below the creek bed. This removes a significant risk to the pipeline in the future. The old pipework is attached to the adjacent bridges and if the approaches to those bridges or the bridges were washed away, the pipeline would go as well. This cannot happen now and as a consequence, the water supply to Fairlie is significantly secured.

Solid Waste Review:

This process continues and the minutes of the Sub-Committee meetings will be available for adoption at the meeting; they detail the progress to date.

Project Progress - Staff List

Lake Alexandrina Bridge Replacement

The pre-stressed deck units were completed on the 10 May 2011. Fulton Hogan advises that the work will be completed in early June.

L & L Construction will assist Whitestone in repositioning the old bridge in Mowbray Rd as soon as it is available.

Clayton Settlement Rd Bridge Deck Replacement

This work was awarded to L & L Construction who is manufacturing some of the deck units off site to speed up the construction and shorten the bridge closure. All the timber is on site or in their yard.

Twizel Oxidation Pond Upgrade

The Resource Consent requires specific work to be completed by August this year:

- Block disposal trench - completed
- Block old pipe heading to Twizel River- Completed
- Install new pipe into Pond 2 – tasked to Whitestone (waiting till after Downer EDI complete their work as the trench will be through their access road)
- Install bund in Pond 2 – Downer EDI Works have been advised of their success and have lodged a resource consent application with Environment Canterbury for the gravel abstraction. It is expected to be approved by the end of this week and work will commence shortly after. Construction will take approximately one week.

Alexandra Tce – Tekapo, Formation and Seal

The Tekapo Community Board has approved the formation and sealing of Alexandra Tce as a non-subsidised project. This work has been completed, including private accesses that will be on charged to the appropriate land owner.

School Rd Stock Water Race Consent

The Discharge Consent for the water race has been granted. There are no consent conditions that should be appealed.

ROADING

Road Issues

Most roads are generally in very good condition, with on-going rainfall helping to alleviate any dry weather problems such as corrugations. There have been some scour and flooding issues and more potholes appearing on unsealed roads following the on-going wet conditions.

Bridge Repairs

The contract for a new deck and handrails for the Clayton Settlement Bridge has been awarded to The Lakes Construction Company, Fairlie. Work is underway offsite to manufacture components and onsite work is expected to start within the next week.

Minor Improvements

The short trial section of seal widening (200 metres), to establish the best approach, the design requirements, and the costs involved was completed by Whitestone. Tenders were called for the balance of the work, and the contract was awarded to Sicon. Work is in progress although held up by unfavourable weather and weak subgrade, requiring extra excavation. To date 1 km of roadside has been completed and sealed. Due to unfavourable conditions, the balance of the project has been deferred until the next financial year.

Footpath Reseals

The contract for the resealing of chip seal footpaths in Twizel and Tekapo was let to Fulton Hogan Ltd and all work has been completed.

Unsealed Road Metalling

Maintenance metalling is now in full swing to apply the required metal to our roads. The new Road Maintenance Contract 1186 provides for an annual volume of metal applied to the unsealed roads of 18,667 cubic metres.

The total volume applied for the first ten months of the financial year to 30 April under the old and new contracts was 11,944 cubic metres.

Because of Maintenance Contract changeover, there was less than usual applied to the roads in spring, and the balance is mainly being applied in the March to May period.

Unsealed Road Grading

The new Road Maintenance Contract 1186 provides for an annual length of road grading of 4,100km (342 km/month average).

The total length of District roads graded for the ten months to 30 April was 3332 km, slightly below target for the year at 333.2 km/month average.

Reseals

The reduced Contract for 18.3km of reseals in the current financial year was let to Blacktop Construction Ltd. The contract has been completed.

North Opuha Bridge

A recent inspection of the bridge confirmed our suspicions that the centre pier had eroded away at the base exposing the steel piles.



This is similar to the erosion recently repaired on the Coal River Bridge, that project cost approximately \$35,000.

The repairs will be programmed for middle of summer when there is low flow in the river subject to resource consent conditions which we have yet to apply for.

ESSENTIAL SERVICES

Fairlie

Fairlie Water Supply

Expenditure to date is \$3,100 under YTD budget. The expenditure for April was \$1,300 above the monthly average.

A leaking joint on the 200 RC main at the West end of the Reserve was repaired. The leak was getting worse and it was feared that the joint may not last until the new line is commissioned.

A blowout also occurred on the 80mm AC Kimbell line.

Repairs were required in the Fairlie Township to a RC pipe joint and a burst AC pipe.

Fairlie Waste Water

Expenditure to date is \$4,500 over YTD budget. The major item of expenditure in April was the purchase of a new sewerage pump to replace the failed pump at the Camping Ground. The new pump cost \$2,900.

The new pressure transducer has been installed at the oxidation ponds and the automatic controls are now operating.

Tekapo

Tekapo Water Supply

There were no major repairs last month on the Tekapo Water Supply and expenditure to date is \$6,800 under YTD budget. It is planned to upgrade some of the fire hydrant marking before the end of the financial year and address safety concerns with the ladder at the reservoir.

Tekapo Sewer

Expenditure to date is \$5,300 below YTD budget. No major repairs were required in April.

Twizel

Twizel Water Supply

Operation and Maintenance expenditure is \$6,700 under YTD budget.

The power cost to date is \$53,000 which is close to YTD budget. The contract with Contact Energy for the secondary pumps has been renewed. The price received from meridian Energy was virtually identical when calculated over the contract period, although there were monthly variations.

Opus are finalising the investigation programme for a possible new source.

Twizel Waste Water

Expenditure to date is \$2,900 over YTD budget. The only repair required in April was cleaning a blockage in Jollie Road.

Other

Manuka Terrace Water Supply

A draft report from Opus on recent investigations confirms our suspicions that the aquifer at the proposed well site is unlikely to yield the required quantity or quality of water. The area close to Lake Ohau looks promising. Shifting the source to the Lake Ohau end of Manuka Terrace will require a re-design of the reticulation and storage etc which will increase the estimated cost of the scheme.

SOLID WASTE

Mackenzie's rubbish volumes have finally slowed down. Looking at the figures, I see we had a blip in March, some of which can be attributed to the February earthquake. Income at Twizel and Tekapo is up, as are bag sales. Fairlie income continues in a moribund way. Wages have been held down. What I cannot control to any effective degree is the amount of rubbish coming in through the gate. This must be disposed of and these costs continue to be above budget.

As we approach the advent of a contractor running the RRP's one of my concerns is cleaning the parks up. There are substantial amounts of shredded timber, hard plastic that has never been baled, soft plastic that has not got a market and gib board. On Wednesday 18 May 2011 ESL and Yu oh Yung visited the parks to inspect the stored recyclable materials to determine if there was value with any of it. I am advised that they will take all the hard and soft plastic once the press is installed at Twizel. The other products will need to be disposed of as economically as possible. This may mean in Twizel's case, waiting until the new contractor has taken over and using their system to re-bale the recyclables to get a better deal on the product. Fairlie and Tekapo should be progressively cleaned up over the coming months. I think we should be trying to start the new regime off in October with a new/tidier look at our RRP's.

The VCU and other plant will need to be disposed of and we will begin this process shortly. The VCU could be disposed of immediately if we could get a buyer and the other equipment would be progressively disposed of as it is no longer needed.

The Canterbury Waste Joint Committee has started the Target Sustainability Project at the Hermitage Hotel. It will begin by way of an audit of all waste streams and power and water consumption. Recommendations are then made on how they can reduce their waste. On a

walk through the complex it was apparent that savings could be made on power and water. They are already doing very well with their solid waste apart from food waste, which runs at over two tonne per a week. That is the price of running a high quality hotel and particularly a buffet style menu where there is relatively high food wastage.

RECOMMENDATIONS:

- (a) The report be received.
- (b) That the Committee confirms that the balance of the funds in the Rural Minor Improvement budget be carried forward into the 2011/12 year.

BERNIE HAAR
ASSET MANAGER

Endorsed by:
GLEN INNES
CHIEF EXECUTIVE OFFICER