



TO THE MAYOR AND COUNCILLORS OF THE MACKENZIE DISTRICT COUNCIL

Membership of the Asset and Services Committee:

Cr James Leslie (Chairman)
Claire Barlow (Mayor)
Cr Noel Jackson
Cr Evan Williams
Cr Russell Armstrong
Cr Murray Cox
Cr Graham Smith

*Notice is given of the Meeting of the Asset and Services
Committee to be held on Tuesday, November 24, 2015,
following the conclusion of the Finance Committee meeting.*

VENUE: Council Chambers, Fairlie.

BUSINESS: As per agenda attached

WAYNE BARNETT
CHIEF EXECUTIVE OFFICER



ASSET AND SERVICES COMMITTEE

Agenda for Tuesday, November 24, 2015

APOLOGIES

DECLARATIONS OF INTEREST

MINUTES:

Confirm and adopt as a correct record the minutes of the Asset and Services Committee meeting held on October 13, 2015, including those matters taken in public excluded.

REPORTS:

1. Asset Manager's Monthly Report – November (attached).
2. Glass Stockpile Utilisation (attached).

PUBLIC EXCLUDED REPORTS:

1. Tender to Reline and Cover Twizel Reservoir (attached).

PUBLIC EXCLUDED RESOLUTION:

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

1. Public excluded minutes from the meeting of October 13, 2015.
2. Tender to Reline and Cover Twizel Reservoir.

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
Public excluded minutes Asset and Services October 13.	Enable commercial negotiations	48(1)(a)(i)
Tender to Reline and Cover Twizel Reservoir	Enable commercial negotiations	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: *Public excluded minutes Asset and Services October 13 and Tender to Reline and Cover Twizel Reservoir under section 7(2)(i).*

ADJOURNMENTS: 10.30am - Morning Tea
12pm - Lunch

MACKENZIE DISTRICT COUNCIL

MINUTES OF A MEETING OF THE ASSET AND SERVICES COMMITTEE HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY, OCTOBER 13, 2015, AT 11.08AM

PRESENT:

Cr James Leslie (Chairman)
Cr Evan Williams
Cr Graham Smith
Cr Murray Cox
Cr Russell Armstrong

IN ATTENDANCE:

Wayne Barnett, Chief Executive
Bernie Haar, Asset Manager
Geoff Horler, Utilities Manager
Arlene Goss, Committee Secretary

APOLOGIES:

Apologies were received from Cr Noel Jackson, Mayor Claire Barlow, Roading Manager Suzy Ratahi and Solid Waste Manager Angie Taylor.

DECLARATIONS OF INTEREST:

There were no declarations of interest.

MINUTES:

Resolved that the minutes of the meeting of the Asset and Services Committee held on September 1, 2015, including those parts taken in public excluded, be adopted and confirmed as a correct record.

Cr Cox/Cr Armstrong

ASSET MANAGERS MONTHLY REPORT:

The purpose of this report was to update the Asset and Services Committee on the progress on various projects and also on the normal operation of the department for the past month.

The following matters of action were raised in the discussion of this report:

Commissioning of the Twizel Water Treatment Upgrade has begun. An open day is planned. A report on covering the reservoir will go to a future council meeting. Cr Leslie requested that something be published in the Twizel Update to keep residents informed of progress.

The roading collaboration was discussed. A report on the options for a roading contract will come to a future council meeting.

Envirowaste have two new staff starting in Mackenzie. The solid waste manager will meet with them and provide guidance. We need to have a seamless change as the district goes into a busy time for solid waste. Bernie Haar asked councillors to inform him if the rubbish service slips. The chairman

noted this. The chairman was also pleased that the percentage of waste going to landfill has gone down and this reflects recent education efforts.

PUBLIC EXCLUDED RESOLUTION:

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

1. Public excluded minutes from the meeting of September 1, 2015.
2. Twizel wastewater treatment plant – land purchase.

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
Public excluded minutes Asset and Services September 1.	Commercial sensitivity	48(1)(a)(i)
Twizel wastewater treatment plant – land purchase	Enable commercial negotiations	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: *Public excluded minutes Asset and Services September 1 under section 2(b)(ii). Twizel wastewater treatment plant land purchase under section 7(2)(i).*

Cr Williams/Cr Armstrong

The Asset and Services Committee resumed in open meeting.

**THERE BEING NO FURTHER BUSINESS THE
CHAIRMAN DECLARED THE MEETING CLOSED AT 11.53am**

CHAIRMAN: _____

DATE: _____

MACKENZIE DISTRICT COUNCIL

REPORT TO: ASSETS AND SERVICES COMMITTEE

FROM: ASSET MANAGER

SUBJECT: ASSET MANAGER'S MONTHLY REPORT

MEETING DATE: 24th NOVEMBER 2015

REF: WAS 1/1

ENDORSED BY: CHIEF EXECUTIVE OFFICER

REASON FOR REPORT

To update the Assets and Services Committee on the progress on various projects and also the normal operation of the department for the past month.

RECOMMENDATION:

1. That the report be received.

BERNIE HAAR
ASSET MANAGER

WAYNE BARNETT
CHIEF EXECUTIVE OFFICER

Fleet Management

The Suzuki SX4 (Fairlie Building Inspection vehicle) has been budgeted for replacement this year and I am in the process of sorting a replacement. It is likely that we will do a swap around of vehicles and move the roading Forester into the Building inspection role and then provide the replacement vehicle for roading. With the smart buying we are now able to do, we can source a 4wd for Roading that is much more suited to their needs at a very reasonable price.

The Forester is also suited to the Building Inspection needs with space to cart their equipment and ladder etc.

UTILITIES

Project updates:

Twizel Water Treatment Upgrade.

The physical work is now completed on the treatment and pumping side of the upgrade. It is planned to have an official opening on the 29 November 2015 where the Mayor will officially open the treatment plant. This will be followed by an open day for the public to view it and ask any question that they may have.

Reline and covering of the Reservoir tender has now closed. There were three tenders all were under what has been budgeted. A separate report is attached to this agenda to allow consideration of those tenders.

The Drive Inline Booster Pump

The Drive booster pump set is now up and running. This will help the residents on The Drive during the high demand periods of summer.



Michele O'Carroll who highlighted the plight of The Drive residents turning on the booster pumps.

Twizel Water Main Replacement - Stage 1

Tender documents have been sent out to 13 contracting companies. With the aim of starting in early in the New Year and to have it completed before winter.

Twizel Waste Water Disposal Upgrade

BECA have now lodged the new consent with ECAN for the upgrade of Twizel's waste water disposal. Te rūnanga o Arowhenua, Te rūnanga o Waihao and Te rūnanga o Moeraki have advised that they do not oppose the consent as long as six mitigation measures to protect

cultural values are include in the conditions of consent. The subdivision application has also been submitted.

Tekapo Reservoir Reline.

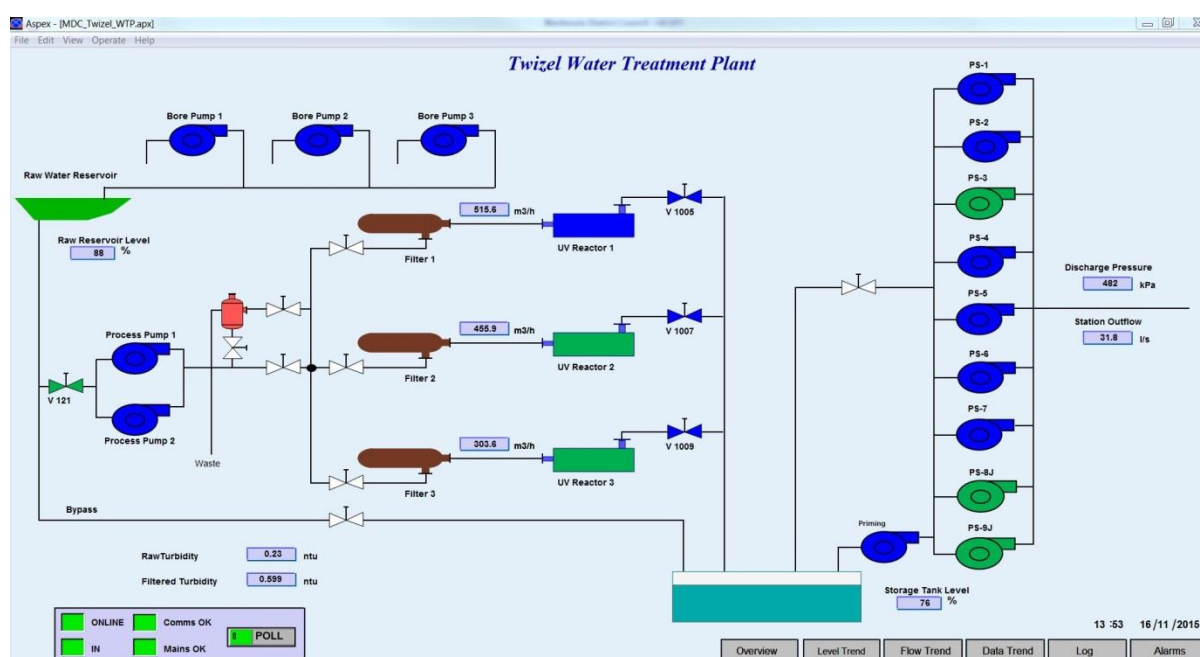
Opus has been in contact with the contractor. There is a need to come up with a plan to keep the supply of water to the township during the reline period while the reservoir is off line.

Tekapo Waste Water Disposal

BECA are about to start a testing programme to find a more permanent method of disposing of the discharge waste water for the ponds so as not to impact on the environment and to stay within our current consent.

SCADA

There are now two sites on the SCADA with the plan to add most of the sewer pump station in Tekapo on to the site before the end of the financial year.



Fairlie Water Main

From July of this year to now there have been 13 breaks on the two Kimbell water mains. Eight of which were in October and most were on the 150mm AC line. Indications are that most of these leaks have been leaking for some time. I believe that the worst of it is now over, though there is a need to replace the full 5 kilometres of the two AC pipe lines with one larger line. A section of this pipe was sent away for testing. The results show that the level of deterioration has been assessed as Grade 5 – Very Poor Condition. It is likely that the replacement of this section will have to be accelerated, but we will bring a full report to the committee for consideration early next year.

Budget Breakdown

Water:

End of September the Operation and Maintenance expenditure. Electricity cost \$21,385 (under budget by \$3,740). Contractors \$97,375 (over budget by \$44,224). Water quality monitoring \$7,802 (over budget by \$1,577).

Wastewater:

End of September the Operation and Maintenance expenditure. Electricity cost \$5,174 (under budget by \$1,543). Contractor \$31,110 (over budget by \$7,386). Consent monitoring \$1,344 (under budget by \$2,925).

Storm water:

End of September the Operation and Maintenance expenditure. Contractor \$3,243 (under budget by \$2,232). Consent monitoring \$94 (under budget by \$506).

ROADING**General Maintenance**

Last month I reported that many unsealed roads are becoming overly dry and wearing courses are starting to unravel, the good news is that there has been a reasonable amount of rain across the district. This moisture has allowed the fines in the wearing course to rebind with the larger gravels and “lock” up the surface once again.

The sections of Godley Peaks Road, damaged by frost heave over the winter, are being repaired at the moment prior to the application of a reseal in the worst areas.

Whitestone and one of their sub-contractors are undertaking pre-reseal repairs at the moment. There is a little pressure on this at the moment due to Downers wanting to establish on the 1st of December to complete the reseal programme prior to Christmas.

Manuka Terrace - Approximately 2km of wearing course is required

Minor Improvements

Still no site works have begun yet on minor improvements, but we are expecting this work to get underway soon. It is the time of year however when everyone one is busy so it may be after Christmas before we see significant inroads into this list.

Environmental Maintenance

Total spend to date is \$36,848.77 for 2015/16 snowfall (not associated directly with the June snow event), gritting and roadside spraying and \$37,075.26 in gritting/tree clearance/Pavement repairs directly associated with the June snow event.

Collaboration Update

Contract 1222, “Road Network Operation and Maintenance 2015-2020” tender process is now substantially complete with just document signing to be completed.

A joint pre-contract start up meeting was held with Staff from Mackenzie, Waimate and Whitestone Contracting Ltd last week to confirm the contract set up is place and on track for start on 1 December 2015, of particular relevance to Waimate District as they are changing contractors.

We discussed the contract and reminded Whitestone that this a new contract and it will have consistent contract management across both districts. This is to ensure the integrity of the contract document that we invested so heavily in over many months. The focus at the moment is to set up the RAMM reporting across all four Districts to allow consistency of approach and also future benchmarking.

Once all the staff involved have had a chance to draw breath, they will meet again to discuss the MOU and the projects contained within. Most likely some joint work around the One Network Road Classification and NZTA's requirements for "Better Business Case" presentations for future funding applications will be worthwhile to work on collaboratively.

Total MDC cost to date for collaboration and benchmarking for the 2014/15 year was \$28,748.29. The running total for the 2015/16 year is \$22,191.18 this includes finalisation of contract preparation, appendices assistance and part of the tender evaluation. This total excludes staff costs.

Amaglamated Roading Budgets Graph Showing Percentage Share

Not available this month

Ungsealed Road Grading (Cumulative)

Not available this month

SOLID WASTE

Christmas and New Year's period

There will be no change to the standard kerbside collection days over the Christmas and New Year's period as a result of public holidays this season. A special double residual and recycling collection will take place in Tekapo on Wednesday 30th December 2015 and in Twizel on Monday 4th and Tuesday 5 January 2016. These collections fall on a recycling collection and the double collection is aimed at mitigating likely residual waste issues at these times when many people will be leaving their holiday homes.

The Resource Recovery Parks (RRP's) will be closed on Christmas Day, Boxing Day, New Year's Day and 2nd January.

Waste services over the Christmas period will be advertised through local channels.

Asbestos in Twizel

The hydro houses in Twizel are known to include building materials containing asbestos. Asbestos is currently not accepted at any of the Mackenzie RRP's, with the closest disposal location being Redruth in Timaru. It is a concern that some of these materials may be coming into the Twizel RRP or being fly-dumped in the District. It is recognised that home owners undertaking renovations may either not identify asbestos materials, or not be aware of the health risks and correct disposal options. Further investigation into this issue is underway, including options for accepting small amounts of asbestos material at the Twizel RRP and education around identifying, handling and disposing of asbestos.

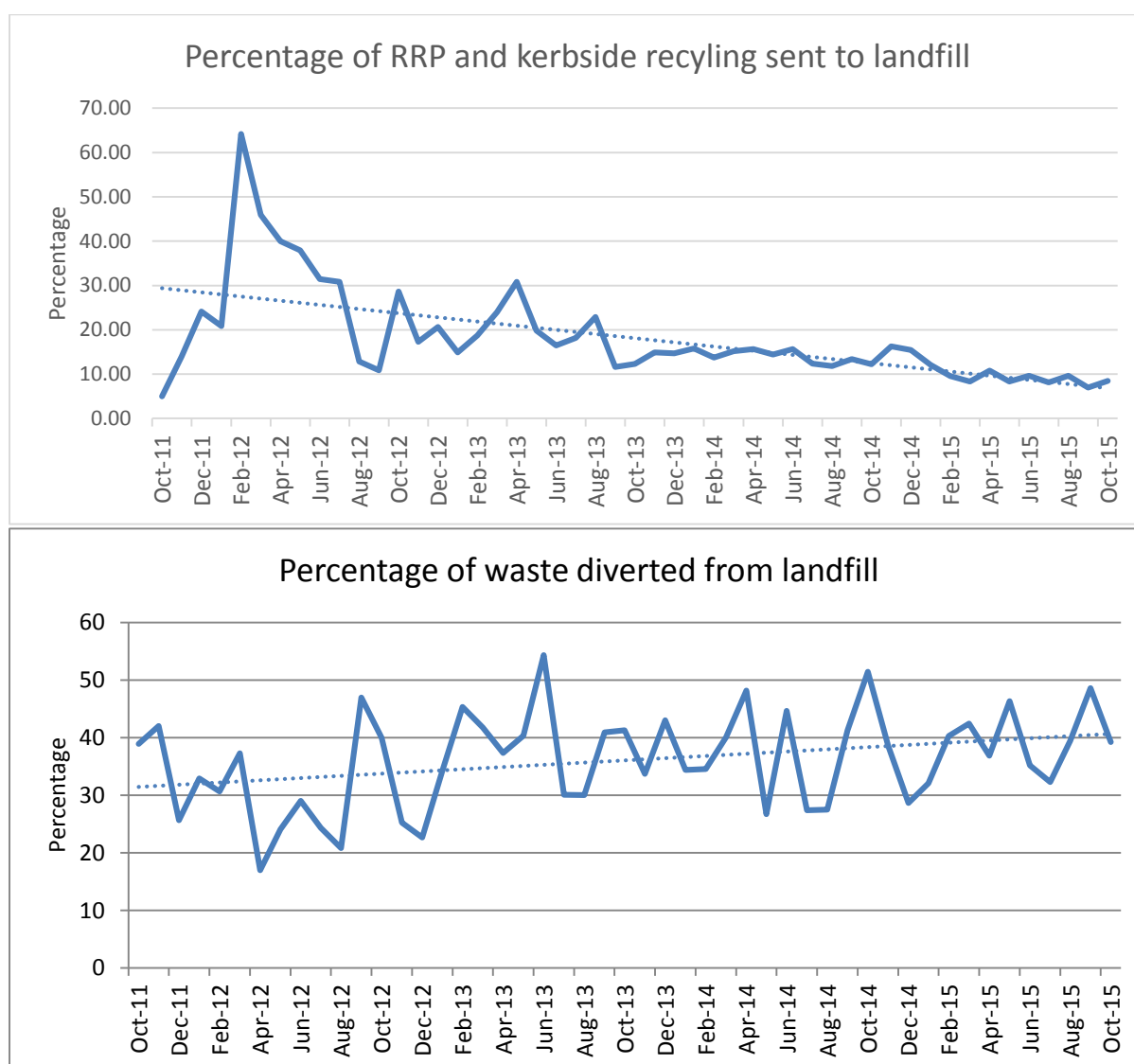
If a solution is identified then a separate report will be tabled to discuss this issue. If Council does accept the Asbestos it will only do so under strict conditions and is likely that there will be a special fee structure in place to recover costs.

Operations

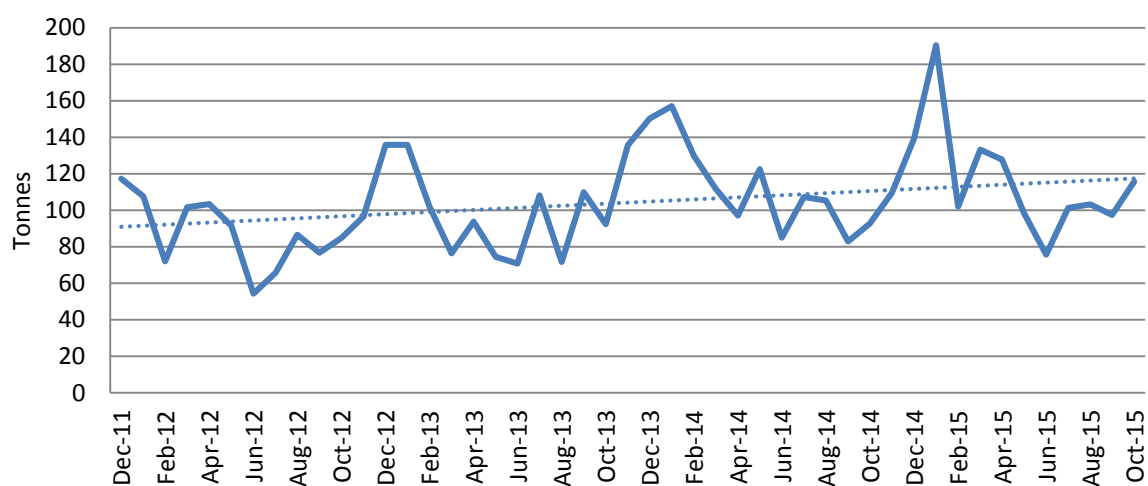
- Envirowaste currently have a contractor shredding greenwaste at all three Resource Recovery Parks, with shredding of construction and demolition waste to follow. Early discussions are underway with a compost company that may be interested in the shredded greenwaste.
- The commodity prices for metal have dropped further and our current metal recycler has notified an increase their current collection charges. Envirowaste and Council staff are currently working with another metal merchant with a view to finding a lower cost option for metal recycling.

Glass stockpile

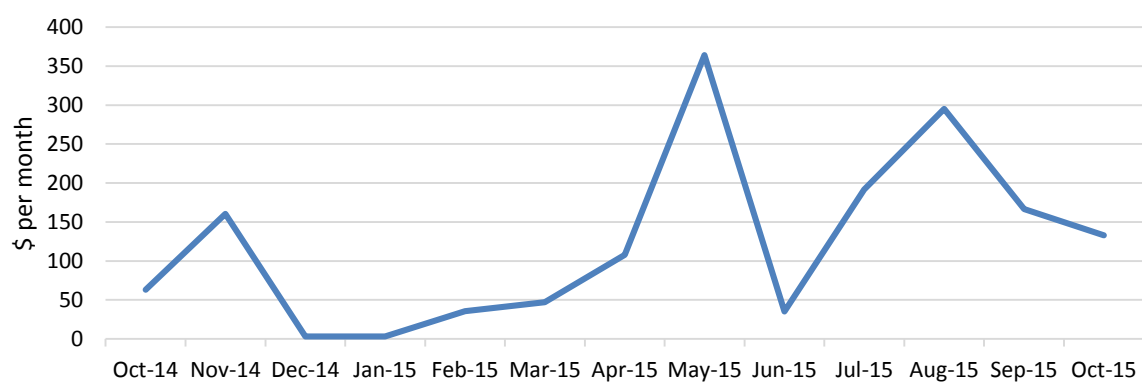
Separate report attached.



Waste carted to landfill from the Mackenzie District



Recycling Income (Paper/cardboard, plastic, steel/aluminum cans)



MACKENZIE DISTRICT COUNCIL

REPORT TO: ASSET AND SERVICES COMMITTEE

SUBJECT: UTILISATION OF GLASS STOCKPILE

MEETING DATE: 24th NOVEMBER 2015

REF: WAS 18/6

FROM: MANAGER – SOLID WASTE

ENDORSED BY: CHIEF EXECUTIVE OFFICER

PURPOSE OF REPORT:

The Council has a responsibility to promote waste reduction in accordance with the Council's Waste Management and Minimisation Plan and the Waste Minimisation Act 2008.

A glass stockpile of approx. 3800 to 4300m³ is located in the Twizel clean fill site on Ostler Road. This stockpile is the result of glass collections in the District up until approx. three years ago. All glass in the past three years has been sent to EcoCentral in Christchurch for recycling, however, the existing stockpile is unsuitable for recycling through EcoCentral. Road Metals have presented a proposal to transport the glass over a three year period to their storage and processing site in Twizel, where the glass will be crushed and used in roading material.

It is proposed to allocate waste levy funding towards a project to utilise the glass stockpile for roading material. The overall cost of this project is estimated to be \$82,345 ex gst. The Packaging Forum has agreed in principal to contribute towards this project. It is proposed that the Council contributes 10% of the overall cost, using waste levy funding.

STAFF RECOMMENDATIONS:

1. That the report be received.
2. That waste levy funding of approx. \$8,200 ex gst, being 10% of the overall cost, spread over three years is allocated to the utilisation of the glass stockpile for roading material.

ANGIE TAYLOR
MANAGER – SOLID WASTE

WAYNE BARNETT
CHIEF EXECUTIVE OFFICER

ATTACHMENTS:

N/A

BACKGROUND:

Glass has been collected throughout the District for many years, with all glass collected the past approx. three years being sent to EcoCentral in Christchurch for recycling into filtration items such as pool filters. Prior to the arrangement with EcoCentral, all glass was transported to Twizel and stockpiled in the clean fill site on Ostler Road. It is estimated that this pile contains approx. 3800 – 4300m³ of glass. The pile has been periodically pushed up against the side of a hill and crushed by running a digger over the pile and as a result, the glass is broken and contaminated with rocks. Due to the condition of the pile, the glass is unsuitable for use by our current recycler.

Investigations into possible uses of this stockpile in conjunction with the Packaging Forum have led to a proposal from Road Metals, who have provided prices to transport the glass to their site by Ohau A Powerstation or to crush onsite and cover.

The Mackenzie's Waste Management and Minimisation Plan (WWMP) and the Waste Minimisation Act (WMA) 2008 provide direction for the Council to promote waste reduction and the Ministry for the Environment allocate a levy to the Council for use in waste minimisation projects and waste education.

POLICY STATUS:

There is no existing Council Policy in relation to this issue.

To ensure the Council upholds the integrity of the Mackenzie Waste Management and Minimisation Plan, any decisions need to take into account the following goals of this plan:

1. Protection of public health from solid waste
2. Protection of the environment from solid waste
3. Provide effective and efficient solid waste services in a sustainable manner

SIGNIFICANCE OF DECISION REQUESTED:

It is considered that the decision is not significant in terms of the Council's Policy on Significance.

ISSUES AND OPTIONS:

The options for the existing glass stockpile are listed below:

Option 1: Transport glass to Road Metals site by Ohau A Powerstation, Twizel, where it will be crushed and used in roading material. Road Metals have provided a price to load and cart glass of \$19.15 per m³ ex gst. At the upper estimate of 4300m³ in the stockpile, this equates to \$82,345 ex gst. It is proposed to spread the transport of the glass over a three year period to spread the volume of glass Road Metals can use and to spread the cost over a longer period.

The Packaging Forum have agreed in principal to fund 90% of this cost as this will result in the glass being recycled, final funding is subject to an application. This would require the Council to fund 10%, which at the larger estimate of 4300m³, equates to \$8,234.50 ex gst, this would be spread over three years.

Option 2: Crush the glass down to minus 7mm at its current site with a mobile crushing plant, then bury the product on site using a 20 tonne digger.

Road Metals have provided a price for this work of \$46.20 per m³ ex gst. At the upper estimate of 4300m³ in the stockpile, this equates to \$198,660 ex gst. As this does not lead to recycling the glass, this is not an option the Packaging Forum would consider funding.

Option 3: Leave the glass pile in its current state.

CONSIDERATIONS:

Legal Considerations:

The Council has set goals to reduce waste from the district through the Mackenzie's Waste Management and Minimisation Plan. This plan is developed in accordance with the Waste Minimisation Act 2008. Of relevance to this project are the following sections from the WMA:

- 3) *The purpose of the WMA is to encourage waste minimisation and a decrease in waste disposal in order to:*
 - a) *Protect the environment from harm;*
 - b) *Provide environmental, social, economic, and cultural benefits*
- 42) *A territorial authority must promote effective and efficient waste management and minimisation within its district.*

It is considered that the option to utilise the glass in roading material would actively contribute to the Council's responsibilities under the Mackenzie WMMP and the WMA, in comparison to the options to leave the glass stockpile as it is, or to cover this, that do not contribute towards these goals.

Financial Considerations:

It is proposed that the 10 % contribution towards the utilisation of the glass project will be funded from the waste levy the Council receives from the Ministry for the Environment. The use of this levy is restricted to projects promoting waste reduction and education in accordance with the Council's Waste Management and Minimisation Plan. Staff have confirmed with the Ministry for the Environment that the waste levy can be used for the proposed utilisation of the glass.

Other Considerations:

N/A

ASSESSMENTS OF OPTIONS:

It is key to note that the glass stockpile has not been added to in approximately three years and that there is no intention to return to stockpiling glass. Therefore, this report only considers a one-off project to address the existing volume of glass, rather than an ongoing recycling initiative.

The glass is currently located on the side of a hill in the Twizel clean fill site on Oster Road. While there are limited environmental effects resulting from this stockpile, it does present potential issues in terms of visibility from nearby residential sections. The option to crush and cover the glass on site may restrict future uses of the land and has a prohibitively high cost. These options also do not contribute to the Council's responsibilities under the WMMP and WMA.

Taking into account the Council's goals of waste minimisation, the option to utilise the glass in roading material creates a valuable reuse of this material and provides a positive contribution towards this goal. The funding from the Packaging Forum and ability to use waste levy money makes this a financially achievable option. This also allows the Council an opportunity to work with the Packaging Forum and present a positive recycling message to our community.

CONCLUSION:

It is considered the proposed project will contribute towards the Council's obligations under the WMA to promote effective and efficient waste minimisation by providing an alternative use for the existing glass stockpile and preventing this being sent to landfill. Furthermore, the project is consistent with the Council's WMMP and is therefore a suitable project to make use of waste levy funding. In conclusion, it is recommended that the Council approves a 10% contribution over a three year period towards the utilisation of the glass in roading material.