



AGENDA

**Ordinary meeting of the
Nelson City Council**

Infrastructure

**Thursday 4 April 2013
Commencing at 9.00am
Council Chamber
Civic House
110 Trafalgar Street, Nelson**

Membership:

His Worship the Mayor Aldo Miccio, Councillors Ian Barker, Ali Boswijk (Deputy Mayor), Gail Collingwood (Co-Portfolio Holder), Ruth Copeland, Eric Davy (Co-Portfolio Holder), Kate Fulton, Paul Matheson, Jeff Rackley, Pete Rainey, Rachel Reese, Derek Shaw and Mike Ward

Apologies**Opening Prayer****1. Interests**

- 1.1 Updates to the Interests Register
- 1.2 Identify any conflicts of interest in the agenda

2. Confirmation of Order of Business**3. Public Forum**

- 3.1 Ron Taylor and Bridge Street Retailers

Mr Taylor and Bridge Street Retailers and will speak to Council about the Bridge Street upgrade.

4. Confirmation of Minutes – 21 February 2013**7-28**

Document number 1460361

Recommendation

THAT the minutes of the meeting of the Nelson City Council - Infrastructure, held on Thursday 21 February 2013, be confirmed as a true and correct record.

5. Mayor's Report**6. Status Report - Infrastructure****29-30**

Document number 1034781 v7

Recommendation

THAT the Status Report - Infrastructure (1034781 v7) be received.

7. Portfolio Holder's Report

During this part of the meeting the Mayor will be joined by the Infrastructure Co- Portfolio Holder, Councillor Gail Collingwood.

8. Report from the Top of the South Road Efficiency Group

31-53

Document number 1459188

Recommendation

THAT the Top of the South Road Efficiency Group-Issues and Objectives Report (1480513) be received;

AND THAT the following recommendations contained in the Top of the South Road Efficiency Group – Issues and Objectives Report (1480513) be confirmed:

THAT Council notes the work being done to investigate Top of the South Roding operations and maintenance efficiencies as set out in the "Issues and Objectives" paper (1480517);

AND THAT the approach is endorsed and the "Memorandum of Understanding in respect of collaboration for the management of land transport across the Top of the South Island" (1480221) and the "Issues and Objectives" paper (1480517) be approved to guide ongoing work.

9. 2 Degrees – New Telecommunications Facility at Wakapuaka

54-58

Document number 1470708

Recommendation

THAT the Chief Executive be delegated the authority, as landowner, to complete an agreement with 2 Degrees for the purpose of establishing a new telecommunications facility on Lot 3 DP 7530, subject to the following conditions:

- ***2 Degrees seek and secure a publicly notified resource consent before any work can commence;***
- ***2 Degrees pay a commercial rental, to be adjusted by the CPI each year, but with the opportunity to review the rent to market rent every 5 years;***
- ***2 Degrees be granted a 20 year lease term;***
- ***2 Degrees pay all Council's legal/valuation and administration costs.***

REPORTS FROM COMMITTEES

10. Nelson Regional Sewerage Business Unit – 14 December 2012

59-68

Document number 1434989

Recommendation

THAT the minutes of the meeting of the Nelson Regional Sewerage Business Unit, held on 14 December 2012, be received.

PUBLIC EXCLUDED BUSINESS

11. Exclusion of the Public

Recommendation

THAT the public be excluded from the following parts of the proceedings of this meeting.

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:

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	Public Excluded Minutes – Nelson City Council Infrastructure – 21 February 2013 These minutes contain information regarding:	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary:
	The Boulder Bank Culvert Agreement		<ul style="list-style-type: none"> • Section 7(2)(c) To protect information that is subject to an obligation of confidence • Section 7(2)(i) To carry out negotiations
	The provision of a hardstand at the marina		<ul style="list-style-type: none"> • Section 7(2)(i) To carry out negotiations
	Outstanding contractual issues with respect to the Nelson Wastewater Treatment Plant		<ul style="list-style-type: none"> • Section 7(2)(g) To maintain legal professional privilege • Section 7(2)(h) To carry out commercial activities • Section 7(2)(i) To carry out negotiations
2	Public Excluded Infrastructure Status Report – 4 April 2013 This report contains information regarding:	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary:
	The Boulder Bank Culvert Agreement		<ul style="list-style-type: none"> • Section 7(2)(c) To protect information that is subject to an obligation of confidence • Section 7(2)(i) To carry out negotiations

3	Council Owned Earthquake Prone Buildings – Mediterranean Food Warehouse Building	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> • Section 7(2)(h) To carry out commercial activities • Section 7(2)(i) To carry out negotiations
4	Nelson Regional Sewerage Business Unit Public Excluded Minutes 14 December 2013 These minutes confirmed the public excluded minutes of the Nelson Regional Sewerage Business Unit meeting of 5 October 2012, and otherwise contain information regarding:	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary:
	An independent professional adviser's opinion as to whether the capital charge is currently being calculated in accordance with the Disposal of Trade Waste Agreement		<ul style="list-style-type: none"> • Section 7(2)(i) To carry out negotiations

12. Re-admittance of the public

Recommendation

THAT the public be re-admitted to the meeting.

Note:

- **Lunch will be provided at 12.30pm**
- **Youth Councillors, Teone McGregor and Lucy Upton will be present at the meeting**
- **The meeting will be immediately followed by a Council workshop to discuss a submission to the Funding Assistance Rate Review**

Minutes of a meeting of the Nelson City Council - Infrastructure
Held in the Council Chamber, Civic House, Trafalgar Street, Nelson
On Thursday 21 February 2013, commencing at 9.05am

Present: His Worship the Mayor (A Miccio), Councillors I Barker, A Boswijk, G Collingwood (Co-Portfolio Holder), R Copeland, E Davy (Co-Portfolio Holder), K Fulton, P Matheson, J Rackley, R Reese, D Shaw, and M Ward

In Attendance: Chief Executive (C Hadley), Executive Manager Network Services (A Louverdis), Executive Manager Strategy and Planning (M Schruer), Executive Manager Regulatory (R Johnson), Acting Executive Manager Community Services (R Ball), Executive Manager Support Services (H Kettlewell), Chief Financial Officer (N Harrison), Senior Accountant (T Hughes), Manager Community Relations (A Ricker), Manager Policy and Planning (N McDonald), Principal Adviser Reserves and Community Facilities (A Petheram), Principal Adviser Transport and Roading (R Palmer), Policy Adviser (P Harrington), Administration Adviser (E-J Ryan) and Youth Councillors (K Gallop and F Malpas)

Apologies: Councillor P Rainey

Opening Prayer

Councillor Davy gave the opening prayer.

1. Apologies

Resolved

THAT an apology be accepted from Councillor Rainey.

His Worship the Mayor/Copeland

Carried

2. Conflicts of Interest

His Worship the Mayor reminded Councillors to declare any conflicts with any agenda items as they arose over the course of the meeting.

3. Public Forum

3.1 Lewis Stanton in the Central Business District

Mr Geoff Lawes, Chief Executive of Fico Finance Limited, spoke about Mr Lewis Stanton's activities in the Central Business District. He explained his concerns regarding Mr Stanton parking his horse and cart in excess of parking space time limits, and with Mr Stanton depositing personal items on the footpath whilst using his horse and cart.

Mr Lawes suggested that Council consider designating parking bays for horse-drawn traffic on the fringes of the central business district, and to collect and store any of Mr Stanton's personal belongings left lying on the footpath.

Attendance: Councillor Reese joined the meeting at 9.09am.

3.2 Lewis Stanton – Horse and Cart

Ms Gail McLean, of Marshall Fashions on Bridge Street, spoke about Mr Lewis Stanton's horse and cart. She expressed her concerns that Mr Stanton appeared to be using the parking spots outside her shop as his personal horse bay, regularly parking his horse and cart in the same spot for five or more hours at a time. Ms McLean said that this prevented her customers from being able to park outside her shop. She added that she had witnessed Mr Stanton verbally abusing members of the public who had parked cars in these parking spots.

Ms McLean tabled a letter signed by inner city retailers (1464731), outlining similar concerns. She suggested that a designated horse bay be provided outside The New Hub building on New Street.

4. Mayor's Report

There was no Mayor's report.

5. Status Report - Infrastructure

Document number 1034781 v6, agenda pages 1-2 refer.

Resolved

***THAT the Status Report – Infrastructure
(1034781 v6) be received.***

His Worship the Mayor/Boswijk

Carried

6. Portfolio Holder's Report

Councillor Collingwood spoke about the joint meetings between Nelson City, Tasman District and Marlborough District Councils, regarding Top of the South Roding Maintenance Efficiencies. She said that a final report on this matter would be brought to Council around April 2013.

In response to questions, it was noted that the working party members, including Nelson City Council staff, had no mandate to make decisions, but rather would prepare a report for all three Councils. It was also clarified that, when the report was brought back to Council, staff would be able to give advice on the report contents with respect to Nelson City Council's position.

7. Major Projects Report

Document number 1431505, agenda pages 3-10 refer.

Executive Manager Network Services, Mr Louverdis, advised that the section of the report regarding the Bridge Street upgrade was further informed by the additional memorandum forming part of the late item. It was agreed that discussion of the Bridge Street upgrade would be deferred until later in the meeting, when the additional memorandum would be discussed.

The recommendation was considered clause by clause.

7.1 Marsden Valley Trunk Sewer Main

Resolved

THAT the Jenner Road (Project 1918) and Franklyn Street (Project 1953) sewer renewal budgets of \$222,000 be transferred to the Marsden Valley Trunk Sewer Main (Project 1184) together with funding from Wastewater Renewals (Project 1564) and Rising/Swallow Renewals (Project 1563).

Collingwood/Reese

Carried

7.2 Corder Park Pump Station

Resolved

AND THAT the budget of \$230,072 for the Neale Park Pump Station (Project 1187) be transferred to the Corder Park Pump Station (Project 1920).

Collingwood/Reese

Carried

7.3 York Stream Stormwater Upgrade

Attendance: Councillor Shaw declared a conflict of interest and took no part in the decision making relating to this clause.

Resolved

AND THAT Marlowe Street (Project 1183), Rangiora Terrace (Project 2051), Mount Street/Konini Street (Project 2079) and Seaview Terrace (Project 2098) Stormwater Renewals budgets totalling (\$307,497) be transferred to York Stream Stormwater Upgrade (Project 1100).

Collingwood/Reese

Carried

7.4 December 2011 Rainfall Event

Resolved

AND THAT all savings on any budget lines within the December 2011 Rainfall Event Recovery activity be used to offset any overspend in other Emergency Response budget lines.

Collingwood/Reese

Carried

7.5 Poormans Stream Walk/Cycle Improvements

Resolved

AND THAT \$42,006 is transferred from Integration Activities (Project 2568) to Poormans Stream Cycle/Walkway Improvements (Project 1224) to allow the construction of the cycle/walkway this financial year.

Collingwood/Reese

Carried

7.6 Electronic Document and Records Management System Replacements (Project 2353)

Resolved

AND THAT the Virtual Desktop Infrastructure (Project 2363) and the Blade Server (Project 2351) are deferred and that the budget of \$142,574 is transferred to the Electronic Document and Records Management System Replacement (Project 2353).

Collingwood/Reese

Carried

7.7 Wakefield Quay Development Stage 5

Councillor Collingwood, seconded by Councillor Reese, moved the recommendation in the staff report.

In response to questions, Mr Louverdis explained that the proposed project deferral was indefinite, pending the outcome of further investigations of the building. Principal Adviser Reserves and Community Facilities, Mr Petheram, explained that the jetty design was flexible and that, if the building were to be removed following investigations, the jetty would likely be re-positioned.

Councillor Fulton, seconded by Councillor Copeland, moved an amendment to the motion:

AND THAT the advertising of the tender for the construction of the Wakefield Quay Jetty (Wakefield Quay Development Stage 5 Project 1096) be withheld while further investigation into the future of the Plant and Food building (old Power House) is undertaken, and that no further capex expenditure is incurred until the investigation is reported back to Council in the next financial year.

Councillors discussed the proposed amendment. In response to a question, Chief Financial Officer, Ms Harrison, explained that \$600,000 was currently held in the budget for this project for 2013/2014, and that this could be deferred to spend in a later year.

The amendment was put and lost, and the meeting considered the original motion.

Resolved

AND THAT the advertising of the tender for the construction of the Wakefield Quay Jetty (Wakefield Quay Development Stage 5 Project 1096) be withheld while further investigation into the future of the Plant and Food building (old Power House) is undertaken.

Collingwood/Reese

Carried

7.8 Tornado Damage of Park Facilities

Resolved

AND THAT \$60,000 be taken from the contingency fund to pay for the safety work and clear up following the tornado in Stoke.

Collingwood/Reese

Carried

8. High-Productivity Motor Vehicle Routes

Document number 1414571, agenda pages 11-36 refer.

Policy Adviser, Mr Harrington, and Principal Adviser Transport and Roading, Mr Palmer, joined the meeting and presented the report.

In response to questions, Mr Harrington said that the Land Transport Rules did not require public consultation; however it would be appropriate to consult with residents living on the proposed routes. He added that the structures along the proposed routes, such as culverts and roundabouts, would be investigated to ensure that they could adequately support heavier trucks.

Councillors discussed the proposed routes, in particular those identified as subject to structural assessment and/or satisfactory public engagement. Several councillors indicated concern with the inclusion of Bolt Road and Parkers Road as potential routes, given the density of residential housing on these roads. There was discussion as to the nature of engagement with residents living on these routes, and whether any conditions could be negotiated with industry representatives, to ensure that heavy vehicle traffic did not disrupt residential activities on the proposed routes.

Several councillors indicated that they may move amendments to the motion, and it was agreed that the meeting should adjourn for the morning tea break.

Attendance: The meeting adjourned for morning tea, from 10.32am to 10.53am.

Attendance: Councillor Boswijk departed the meeting at 11.15am

The amended motion was considered clause by clause:

8.1 Resolved

THAT approval be granted on the following routes for the use of High-Productivity Motor Vehicles:

- ***Quarantine Road (State Highway 6 to Bolt Road)***
- ***Bolt Road (Quarantine Road to Golf Haven Way)***
- ***Rotheram Street (all)***
- ***Beatty Street (south-western extent to 50 Beatty Street)***
- ***Pascoe Street (Parkers Road to Orion Street)***

- **Orion Street (all)**
- **Bullen Street (all)**
- **Salisbury Road Extension (all)**
- **Main Road Stoke (Salisbury Road Extension to northern boundary of 910 Main Road Stoke (Alliance))**
- **Echodale Place (Nayland Road to south eastern boundary of 4 Echodale Place (Nayland Truck Stop))**
- **Elms Street (Main Road Stoke to Kotua Place)**
- **Kotua Place (all);**

Barker/Collingwood

Carried

8.2 Resolved

AND THAT approval be granted on the following routes for the use of High-Productivity Motor Vehicles, subject to satisfactory public engagement with residents along the route:

- **Bolt Road (Golf Haven Way to Parkers Road)**
- **Saxton Road (Main Road Stoke to Nayland Road);**

Barker/Collingwood

Carried

8.3 Resolved

AND THAT approval be granted on the following route for the use of High-Productivity Motor Vehicles, subject to satisfactory structural assessments:

- **Main Road Stoke (910 Main Road Stoke (Alliance) to Saxton Road);**
- **Pascoe Street (Quarantine Road to Orion Street)**

Barker/Collingwood

Carried

8.4 Resolved

AND THAT approval be granted on the following route for the use of High-Productivity Motor Vehicles, subject to satisfactory public engagement with residents along the route and a satisfactory structural assessment:

- **Parkers Road (Bolt Road to State Highway 6);**

Barker/Collingwood

Carried

8.5 Resolved

AND THAT funding be considered for allocation in the draft Annual Plan 2013/14 for structural assessments of the Parkers Road stormwater mains and Saxton Creek and Orphanage Creek culverts to assess the suitability for supporting higher mass High-Productivity Motor Vehicles;

Barker/Collingwood

Carried

8.6 Resolved

AND THAT Council delegates future decisions to approve new routes for High-Productivity Motor Vehicle use to the Executive Manager Strategy and Planning, subject to:

- **compliance with the Land Transport Rule: Vehicle Dimension and Mass 2002**
- **consideration as to whether the proposed route is the most suitable option with the least impact on others**
- **consideration of the environment the proposed route passes through including the extent of existing heavy vehicle traffic and the extent of impact on cyclists, pedestrians, other vulnerable users, educational facilities and other sensitive activities**
- **satisfactory consultation with residents along routes where appropriate**
- **funding availability for, and satisfactory outcome of, structural assessments and upgrades**

- **extent of modification of infrastructure required to provide for intersection manoeuvring;**

Barker/Collingwood

Carried

8.7 Resolved

AND THAT the permitting of individual High-Productivity Motor Vehicle applications on approved routes be delegated to the Executive Manager Network Services;

Barker/Collingwood

Carried

8.8 Resolved

AND THAT the Delegations Register be updated to reflect any new delegations approved through this report;

Barker/Collingwood

Carried

8.9 Resolved

AND THAT exercise of the delegation to the Executive Manager Strategy and Planning be reported back to Council.

Barker/Collingwood

Carried

8.10 Engagement Process and Regional Transport Committee

Councillor Matheson, seconded by Councillor Davy, moved an additional clause to the motion:

AND THAT the Regional Transport Committee be informed in the engagement process that Council undertakes with the community.

Councillors debated the motion, and a variety of views were expressed. Councillors in support of the motion noted that the Regional Transport Committee provided a valuable knowledge-base, and included various community representatives, whose opinions may be valuable during a community engagement process.

Councillors in opposition to the motion expressed that the Regional Transport Committee had clear delegations, and that the declaration of High-Productivity Motor Vehicle routes was outside the Committee's functions. Concern was also expressed that involving the Regional Transport Committee in decisions to declare new routes could add unnecessary delay to the process.

Resolved

AND THAT the Regional Transport Committee be informed in the engagement process that Council undertakes with the community.

Matheson/Davy

Carried

A division was called with regards to this additional clause:

Councillor	
Councillor Barker	Yes
Councillor Boswijk	Apology
Councillor Collingwood	No
Councillor Copeland	Yes
Councillor Davy	Yes
Councillor Fulton	Abstained
Councillor Matheson	Yes
Councillor Rackley	Yes
Councillor Rainey	Apology
Councillor Reese	No
Councillor Shaw	No
Councillor Ward	No
His Worship the Mayor	Yes

It was declared that the motion had passed, 6-4, with 1 abstention.

9. Railway Reserve – Proposed Land Purchase

Document number 1408047, agenda pages 37-62 refer.

Principal Adviser Reserves and Community Facilities, Mr Petheram, joined the meeting and presented the report.

In response to a question, it was clarified that, if Council did not purchase the land, it would be offered on the open market, and that it was zoned residential.

It was noted that this was the second time this year that the New Zealand Transport Agency had offered a piece of land for Council to

purchase with no prior warning. It was suggested that a letter be drafted to the New Zealand Transport Agency, asking it to compile a list of land that Council may be required to purchase, and to discuss such land purchases with Council, so that Council could have the opportunity to plan accordingly.

Resolved

THAT the motion be put.

Fulton/Davy

Carried

Resolved

THAT the Council purchases the section of land NL13A/764 (approximately 4400m2) from the New Zealand Transport Authority and currently functioning as part of the Stoke Railway Reserve, for \$70,000, funded from the Reserves Purchase Account.

Davy/Barker

Carried

REPORTS FROM COMMITTEES

10. Nelson Regional Transport Committee – 6 December 2012

Document number 1425481, agenda pages 63-66 refer.

Resolved

THAT the minutes of the meeting of the Nelson Regional Transport Committee, held on 6 December 2012, be received.

Barker/Shaw

Carried

11. Late Items

The Chief Executive explained that there were several late items for this meeting. She said that one of these was a report listed as item 10 on the public meeting agenda, to ensure that elected members were aware that it would be presented at this meeting, and that there were two additional memoranda that informed this report.

She added that the item titled 'Proposed Changes to Nelson City Council's Annual Plan 2012/13 Work programme', left to lie on the table at the Council – Community Services meeting on 19 February 2013, was also included as a late item.

His Worship the Mayor explained that, in accordance with section 46A(7) of the Local Government Official Information and Meetings Act 1987 and

Standing Order 3.7.5, a procedural resolution was required before a major item not on the agenda for the meeting could be dealt with.

11.1 Annual Plan 2013/2014 Workshop Discussion Summary

His Worship the Mayor explained that, in accordance with section 46A(7)(b)(i) of the Local Government Official Information and Meetings Act 1987, the reason why the item was not on the agenda was because it came to hand after the agenda had been distributed.

He said that, in accordance with section 46A(7)(b)(ii), the reason why discussion of the item could not be delayed until a subsequent meeting was because a resolution on the matter was required to enable production of the draft Annual Plan 2013/2014 to commence prior to the next scheduled Council meeting.

11.2 Proposed Changes to Nelson City Council's Annual Plan 2012/13 Work Programme

His Worship the Mayor explained that, in accordance with section 46A(7)(b)(i) of the Local Government Official Information and Meetings Act 1987, the reason why the item was not on the agenda was because the agenda for this meeting had been distributed prior to the 19 February 2013 Council – Community Services meeting, at which this item was left to lie on the table.

He said that, in accordance with section 46A(7)(b)(ii), the reason why discussion of the item could not be delayed until a subsequent meeting was because Standing Order 3.12.9 directed that adjourned items of business should be taken first at the subsequent meeting in the class of business to which they belonged.

Resolved

THAT the items regarding:

- ***Annual Plan 2013/2014 Workshop Discussion Summary;***
- ***Memorandum relating to further design details and costings for the Bridge Street upgrade project;***
- ***Memorandum updating rates increases; and***
- ***Proposed changes to Nelson City Council's Annual Plan 2012/13 Work Programme***

be considered at this meeting as major items not on the agenda, pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987.

His Worship the Mayor/Davy

Carried

It was agreed that the meeting would consider the public excluded items of business, and return to consider the late items following the lunch break.

Attendance: Councillor Rackley departed the meeting at 12.00pm

12. Exclusion of the Public

Resolved

THAT the public be excluded from the following parts of the proceedings of this meeting.

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:

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	Public Excluded Infrastructure Status Report – 21 February 2013 This report contains information regarding:	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary:
	Airlie Street Slip Repairs		<ul style="list-style-type: none"> • Section 7(2)(a) To protect the privacy of natural persons • Section 7(2)(i) To carry out negotiations
	Boulder Bank Culvert Agreement		<ul style="list-style-type: none"> • Section 7(2)(c) To protect information that is subject to an obligation of confidence • Section 7(2)(i) To carry out negotiations
	Marina Hardstand		<ul style="list-style-type: none"> • Section 7(2)(i) To carry out negotiations

2	<p>Marina Hardstand</p> <p>This report contains information relating to the provision of a hardstand at the marina.</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> • Section 7(2)(i) To carry out negotiations
3	<p>Nelson Wastewater Treatment Plant – Contract Dispute Resolution and Way Forward</p> <p>This report contains information relating to outstanding contractual issues with respect to the Nelson Wastewater Treatment Plant.</p>	<p>Section 48(1)(a)</p> <p>The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7</p>	<p>The withholding of the information is necessary:</p> <ul style="list-style-type: none"> • Section 7(2)(g) To maintain legal professional privilege • Section 7(2)(h) To carry out commercial activities • Section 7(2)(i) To carry out negotiations

His Worship the Mayor/Collingwood

Carried

The meeting went into public excluded session at 12.01pm and resumed in public session at 12.25pm.

13. Re-admittance of the Public

Resolved

THAT the public be re-admitted to the meeting.

His Worship the Mayor/Davy

Carried

Attendance: The meeting adjourned for lunch from 12.25pm to 1.13pm, during which time Councillor Matheson departed from the meeting and Councillor Rackley returned to the meeting.

14. Annual Plan 2013/14 Workshop Discussion Summary

Document number 1454773, additional memoranda pages 3-55 refer.

The Chief Executive explained that the purpose of the report was to formalise the directions that had been provided to staff during the workshops relating to the draft Annual Plan 2013/2014, held on 12-13 February 2013.

14.1 Review of Council Activities

Councillors discussed the list of projects included in the recommendation as ear-marked for review against the new purpose statement contained within the Local Government Act 2002 Amendment Act 2012. It was queried whether other projects should also be included on the list of projects, in particular the Mayor's Christmas Dinner, Civic Awards to Schools and the Trustpower Community Awards.

Councillors discussed the various ways in which these projects might align with the new purpose statement, and what a review might entail. It was noted that the three projects under discussion illustrated that it was possible to provide public services in a cost-effective way, by leveraging community goodwill and support, and the majority view was that there should be no further additions to the projects listed within the staff recommendation.

Resolved

THAT funding for the Holiday Programme Grants, After School Programme, Youth Programme, Preschool Recreation Programme, Enviro education schools, Enviroschool facilitation, Enviroschools co-ordination, Youth Development Fund, Youth Nelson, and the Social Wellbeing Policy Action Plan be reviewed in order to align with the new purpose of local government;

AND THAT the groups that will be affected by the review be advised of the process and the reasons for it.

Collingwood/Fulton

Carried

14.2 Community Assistance Programme

Councillor Reese, seconded by Councillor Davy, moved the recommendation in the staff report.

Councillors discussed the potential parameters of the proposed review. In response to a question, the Chief Executive clarified that the direction given at the workshop was that Councillors had a sense of unease regarding the amount of money in the Community Assistance Programme, and whether or not the programme met the new purpose statement.

Councillor Copeland, seconded by Councillor Fulton, moved the following amendment to the motion:

THAT the applicant criteria and delivery mechanism criteria for grants from the Community Assistance Programme be reviewed before the next application round.

Attendance: Councillor Davy departed the meeting at 1.44pm.

During discussion it was suggested that a review could consider whether community groups could alter their activities to ensure that they aligned with the new purpose statement.

Councillor Reese, seconded by Councillor Collingwood moved that the amendment be put, and it was lost.

Resolved

THAT the criteria for grants from the Community Assistance Programme be reviewed before the next application round.

Reese/Davy

Carried

Attendance: Councillor Copeland abstained from this decision.

14.3 2013/2014 Work Programme

Resolved

THAT projects identified in sections one and two of the work programme matrix (1451181, excluding the 15 projects headed 'Projects that require careful consideration') be incorporated into one table and continue to be funded through the 2012-22 Long Term Plan on the basis that they fall within the scope of the new purpose of local government as set out in the Local Government Act 2002.

Collingwood/Fulton

Carried

14.4 Trafalgar Centre

Councillors discussed the recommendation in the staff report. In response to a question, the Chief Executive clarified that the recommendation allocated a budget, but did not specify when it would be spent. She added that a report would be brought back to Council prior to designating this budget to any particular expenditure.

Attendance: Councillor Davy returned to the meeting at 1.59pm.

Resolved

THAT detailed earthquake and geotechnical assessments of the Trafalgar Centre be undertaken in 2012/13;

AND THAT \$3 million of the total Long Term Plan allocation of \$10.237 million be provided in the draft 2013/14 Annual Plan to address the issues of earthquake strengthening and amenity improvements at the Trafalgar Centre;

AND THAT \$6.452 million of the total Long Term Plan allocation be provided in 2014/15.

Fulton/His Worship the Mayor

Carried

14.5 Utilities

Resolved

THAT \$1.7 million be allocated for the upgrade of the York Stream flood capacity in the draft 2013/14 Annual Plan;

AND THAT the redevelopment of Corder Park Pump Station be deferred to the 2014/15 financial year;

AND THAT \$1.5 million be allocated in the draft 2013/14 Annual Plan for the upgrade of the Marsden Valley reticulation;

AND THAT the Observatory Hill Water Reservoir and Pump Station project progresses, with the allocation of an additional \$600,000; noting however that the project will be tendered and referred to Council for comparison of costs with or without the public viewing platform.

Davy/Copeland

Carried

14.6 Resourcing

Resolved

THAT a provision of \$200,000 be added to the draft 2013/14 Annual Plan for staffing to address outstanding work, subject to further advice from the Chief Executive.

Davy/Collingwood

Carried

14.8 Cricket World Cup

Resolved

THAT a provision of \$250,000 of the funding allocation be brought forward from 2014/15 into the draft 2013/14 Annual Plan for potential commitments around Cricket World Cup and Fédération Internationale de Football Association (FIFA) external staffing requirements;

AND THAT the total cost to ratepayers of the Cricket World Cup bid is released from public excluded.

His Worship the Mayor/Rackley

Carried

14.9 Earthquake Prone Buildings

Resolved

THAT \$300,000 be allocated in 2013/14 for the detailed assessments of Council-owned earthquake prone buildings, followed by \$300,000 in 2014/15;

AND THAT tenants of Council-owned buildings are notified of the results of initial assessments;

AND THAT consideration be given to Council reviewing assessment results and that it be afforded the opportunity to prioritise required work prior to advising the Building Consent Authority.

Davy/Shaw

Carried

14.10 Halifax Street and New Street Buildings

Councillors discussed options regarding the building at 23 New Street. In response to a question, Chief Financial Officer, Ms Harrison, clarified that, depending on what was done with the building, it may fall either into opex or capex budgets, and therefore could have varying effects on rates.

There was a brief discussion regarding other potential outcomes for the site, including selling the site with the building intact, selling the site following demolition, or retaining the site following demolition.

Resolved

THAT a \$500,000 allocation be added to the draft 2013/14 Annual Plan to be used for earthquake strengthening or demolition of the building at 23 Halifax Street, as determined by Council following a staff report.

THAT a \$300,000 allocation be added to the draft 2013/14 Annual Plan to be used for the demolition of the building at 23 New Street, its replacement with a carpark and a final decision on the future of the site to be made following consideration of the Parking Study;

AND THAT the write-off of the residual \$149,000 loan on the Bata Building be funded in 2013/14.

Reese/Fulton

Carried

14.11 Nelson School of Music

Resolved

THAT \$300,000 of the funding allocated in the draft 2013/14 Annual Plan for the purposes of earthquake strengthening and refurbishing the Nelson School of Music be deferred to the 2014/15 financial year;

AND THAT Council note the outstanding mortgage on the property of \$165,000 and consider this when adopting the Annual Plan.

Reese/Fulton

Carried

14.12 State Advances Building

In response to a question, Executive Manager Network Services, Mr Louverdis, explained that direction from workshops had been to prepare a business case for potential options for the State Advances Building, and that the staff recommendation was to provide a budget to be able to do so.

Following discussion, it was suggested that a staff report should be presented to Council prior to a business case being developed.

14.13 Annual Plan Financials

Resolved

THAT the Annual Plan Workshop Capital Variances For Year 2 spreadsheet (1454906) be accepted as a basis of changes to the capital programme, as set out in the Long Term Plan 2012-2022.

Rackley/Davy

Carried

14.14 Events Contestable Funding

During discussion it was clarified that a full review of the Events Contestable Fund policy and criteria would be carried out, including consideration of whether the current date restrictions contained within the policy were appropriate.

Resolved

THAT the Events Contestable Fund policy and criteria be reviewed.

His Worship the Mayor/Shaw

Carried

14.15 Flood Mitigation

Resolved

THAT \$300,000 be allocated in the draft 2013/14 Annual Plan to allow for recovery works in Brook, Enner Glynn and Marsden valleys.

Davy/Shaw

Carried

14.16 Waimea Road/Motueka Street Intersection

In response to a question, Executive Manager Strategy and Planning, Mr Schruer, clarified that there was insufficient time to complete the project this year.

Resolved

THAT \$1.1 million of the funding for the Waimea Rd/Motueka St Upgrade be deferred to the 2013/14 financial year.

Reese/Collingwood

Carried

15. Bridge Street Landscape Improvements

Document number 1460378, additional memoranda pages 56-57 refer.

Executive Manager Strategy and Planning, Mr Schruer, explained that the memorandum established what could be achieved in terms of the proposed Bridge Street upgrade with a budget of \$200,000. He added that Councillors had indicated interest in inviting David Engwicht, Director of Creative Communities, to provide some direction on the project.

Councillors discussed the plans included within the attachment. A suggestion was made that there could be other cheaper, transitional options available, particularly with regards to pavement upgrades.

Resolved

THAT Council approve funding of up to \$200,000 to upgrade Bridge Street.

Shaw/His Worship the Mayor

Carried

16. Proposed Changes to Nelson City Council's Annual Plan 2012/13 Work Programme – Updated Information

Document number 1460068, additional memoranda pages 59-64 refer.

The Chief Executive explained that this item had been left to lie on the table at the Council – Community Services meeting on 19 February 2013, and that it had been updated to show when projects were likely to be deferred to.

In response to a question, Executive Manager Strategy and Planning, Mr Schruer, explained that an update on bus patronage numbers would be available at the end of April following one year of operation, but that there was insufficient capacity to undertake a full review this year.

Attendance: Councillor Reese departed the meeting at 2.45pm

There was a brief discussion regarding governance of Saxton Field assets. It was clarified that Nelson City Council maintained the governance of Saxton Field, although the ownership of land and buildings at Saxton Field was in collaboration with Tasman District Council.

Attendance: Councillor Rackley departed the meeting at 2.48pm.

There was general agreement that that the Tahuna Reserve BMX Track should be moved from the category "Cancel" to the category "Defer to 2013/14 subject to resourcing, otherwise defer beyond 2013/14", and included within the draft Annual Plan.

Resolved

THAT the proposed changes to Nelson City Council's Annual Plan 2012/13 Work Programme as detailed in document 1393829 be approved, with the amendment that the Tahuna Reserve BMX Track move from the category "Cancel" to the category "Defer to 2013/14 subject to resourcing, otherwise defer beyond 2013/14".

Collingwood/Shaw

Carried

17. 2013/2014 Annual Plan Draft Rates Rise

Chief Financial Officer, Ms Harrison, tabled a document (1458994) outlining the 2013/2014 Annual Plan indicative rates rises as a result of the directions received from the Annual Plan workshops.

Ms Harrison explained the major elements making up the indicative rates rise of 2.4%. In response to a question, Ms Harrison clarified that the indicative rates rise included water, waste water and storm water charges.

There being no further business the meeting ended at 3.05pm.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date

INFRASTRUCTURE STATUS REPORT – 4 APRIL 2013

No	Meeting Date	Document Number	Report Title/Item Title	Officer	Resolution or Action	Status
1	7/6/2012	1311203	Occupation of Trafalgar Street Footpath by Mr Lewis Stanton	Alec Louverdis	Council directed staff to bring back a report to consider the option of a permit with conditions for Mr Stanton. This followed the resolution on the 28 June for this matter to lie on the table until consultation had been carried out.	<p>4/4/2013 Mr Stanton continues to be issued with parking infringements in the CBD. A court date has been set for 8 March 2013 to hear the injunction case against Mr Stanton relating to trading at Tahuna Beach.</p> <p>Mr Stanton continues to camp around the City. Complaints are still coming in from ratepayers and businesses relating to his camping and his occupying CBD parking spaces.</p> <p>Staff continue to wait for the outcome from the Freedom Camping bylaw review before submitting a report to Council.</p>
2	11/10/2012	1363000	The Cliffs – Battery Observation Post	Alec Louverdis	<p><u>THAT</u> Council give approval for staff to initiate resource consent proceedings to either remove or stabilise the Battery Observation Post from Council Road Reserve in the vicinity of No. 36 the Cliffs as a matter of urgency;</p> <p><u>AND THAT</u> should the New Zealand Transport Agency deem that removal of the Battery Observation Post is the only option, that staff proceed with the removal of the structure;</p> <p><u>AND THAT</u> all costs incurred in this matter</p>	<p>4/4/2013 NZTA plan to begin work on site in May 2013 and the Observation Post remains stable.</p>

No	Meeting Date	Document Number	Report Title/Item Title	Officer	Resolution or Action	Status
					be funded from provision set aside for the 2011 December Rainfall Event Recovery budget in the current financial year.	
3	21/02/2013	1431505	Major Projects Report	Alec Louverdis	<u>AND THAT</u> the advertising of the tender for the construction of the Wakefield Quay Jetty (Wakefield Quay Development Stage 5 Project 1096) be withheld while further investigation into the future of the Plant and Food building (old Power House) is undertaken.	4/4/2013 A report will be presented to Council following receipt of all the information.
4	21/02/2013	1414571	High-Productivity Motor Vehicle Routes	Rhys Palmer/ Paul Harrington	<p><u>AND THAT</u> approval be granted on the following routes for the use of High-Productivity Motor Vehicles, subject to satisfactory public engagement with residents along the route:</p> <ul style="list-style-type: none"> • Bolt Road (Golf Haven Way to Parkers Road) • Saxton Road (Main Road Stoke to Nayland Road); <p><u>AND THAT</u> approval be granted on the following route for the use of High-Productivity Motor Vehicles, subject to satisfactory structural assessments:</p> <ul style="list-style-type: none"> • Main Road Stoke (910 Main Road Stoke (Alliance) to Saxton Road); • Pascoe Street (Quarantine Road to Orion Street) <p><u>AND THAT</u> approval be granted on the following route for the use of High-Productivity Motor Vehicles, subject to satisfactory public engagement with residents along the route and a satisfactory structural assessment:</p> <ul style="list-style-type: none"> • Parkers Road (Bolt Road to State Highway 6); 	<p>4/4/2013 Public engagement underway with residents and the Regional Transport Committee informed.</p> <p>Structural assessments programmed for 2013/14.</p>

Report from the Top of the South Road Efficiency Group

1. Purpose of Report

- 1.1 To receive the Top of the South Road Efficiency Group – Issues and Objectives Report (Attachment 1) and to confirm its recommendations.

2. Recommendation

THAT the Top of the South Road Efficiency Group–Issues and Objectives Report (1480513) be received;

AND THAT the following recommendations contained in the Top of the South Road Efficiency Group – Issues and Objectives Report (1480513) be confirmed:

THAT Council notes the work being done to investigate Top of the South Roding operations and maintenance efficiencies as set out in the "Issues and Objectives" paper (1480517);

AND THAT the approach is endorsed and the "Memorandum of Understanding in respect of collaboration for the management of land transport across the Top of the South Island" (1480221) and the "Issues and Objectives" paper (1480517) be approved to guide ongoing work.

3. Background

- 3.1 The Council resolved to sign a Memorandum of Understanding on shared services at its meeting on 7 August 2012. This framework document committed the three Top of the South councils to greater collaboration when procuring goods and by sharing services.
- 3.2 Land Transport was identified as an activity that should be considered for some form of shared service agreement. The New Zealand Transport Agency (NZTA) is supportive of this approach.

- 3.3 The Governance Group for this initiative (comprising of Mayors and Infrastructure Chairs, NZTA's Regional Director and Council Chief Executives) believes there is merit in further developing closer alignment of land transport programmes.
- 3.4 A working group (comprising of staff from the three councils and NZTA) has written a joint report that is being put to both Councils for confirmation on the approach to be followed (Attachment 1).
- 3.5 Before getting into the specifics of what a shared programme might include, the next step is for all four parties to jointly agree on the issues and objectives (Attachment 2) and then to sign a Memorandum of Understanding (Attachment 3).
- 3.6 This sets out the criteria ("pre-conditions") for evaluation and implementation of shared services across the Top of the South. This includes the establishment of Governance and Working Groups to oversee the development of a draft shared programme.

4. Conclusion

- 4.1 In order to progress the development of shared services, staff recommend that Council receives the attached reports and adopts the Memorandum of Understanding in respect of collaboration for the management of land transport across the Top of the South Island.

Michael Schruer

Executive Manager – Strategy and Planning

Attachments

- Attachment 1: Top of the South Road Efficiency Group – Issues and Objectives Report ([1480513](#))
- Attachment 2: Top of the South Road Maintenance Efficiency – Issues and Objectives Paper ([1480517](#))
- Attachment 3: Memorandum of Understanding in respect of collaboration for the management of land transport across the Top of the South Island ([1480221](#))

Supporting information follows.

Supporting Information

1. Fit with Purpose of Local Government

This Memorandum of Understanding contributes to the delivery of good quality local infrastructure in a cost efficient way using a model endorsed by the New Zealand Transport Agency.

2. Fit with Community Outcomes and Council Priorities

The proposed approach fits under the Community Outcome 'Good Leadership' which supports the development of regional collaboration and joint initiatives.

3. Fit with Strategic Documents

The Long Term Plan 2012-22 recognises the opportunities to work on regional issues and shared services.

4. Sustainability

The Memorandum of Understanding re-states Council's vision for a sustainable transport future for Nelson.

5. Consistency with other Council policies

This approach is not in conflict with current Council policies.

6. Long Term Plan/Annual Plan reference and financial impact

Shared service agreements, if they happen, will have to demonstrate that they are cost effective.

7. Decision-making significance

This is not a significant decision in terms of the Council's Significance Policy.

8. Consultation

The framework has been developed in consultation with Marlborough District Council, Tasman District Council and the New Zealand Transport Authority.

9. Inclusion of Māori in the decision making process

Maori have not been specifically consulted in the development of this report.

10. Delegation register reference

Not applicable.

Top of the South (TOTS) Road Efficiency Group – Issues and Objectives

R855-06

Purpose

1. This report summarises the collaborative work being undertaken by the NZ Transport Agency, Tasman District, Nelson City and Marlborough District Councils to investigate options to improve the efficiency of TOTS roading maintenance and operations.

Background

2. TOTS councils have been working together to consider opportunities for shared services. A Memorandum of Understanding has been signed by each Council.
3. Roading has been identified as a high budget activity worthy of early consideration as a shared service opportunity.
4. The Government and the NZ Transport Agency (NZTA) are actively encouraging the investigation of road maintenance and operations efficiencies. A "Road Maintenance Task Force 2012 – Review of Road Maintenance Regime" has led to the establishment of a national cross sectional "Road Maintenance Task Force Implementation Group" with key recommendations including:
 - Create a national asset management framework.
 - Establish a national roading classification.
 - Promote high quality asset management.
 - Communicate expectations that collaboration and clustering is investigated between road controlling authorities and incentivised to occur.
 - Pursue improved procurement methods and delivery models where necessary.
5. A national cross-sectional "Road Efficiency Group" is now overseeing the implementation of these recommendations and the NZ Transport Agency's own maintenance and operations review.
6. NZTA has offered expertise to support a TOTS initiative and has commenced work on collaboration and clustering options. Their expertise is in demand nationally as many councils are now considering opportunities. It is opportune to get underway early and utilise this expertise.
7. A Governance Group (Mayors and Infrastructure Chairs, NZTA's Regional Director and Council Chief Executives) and a Working Group (NZTA's State Highway Manager and Planning and Investment Manager, relevant Council department managers) have both met twice to prepare:
 - a) A Memorandum of Understanding for collaboration on the roading investigation.
 - b) An Issues and Objectives paper.

These documents are attached for your consideration.

Discussion

8. The Issues and Objectives paper explains in some detail what the Governance Group agrees are "Issues" needing to be addressed in any shared service arrangement for roading. It was decided these "issues" were therefore preconditions to be satisfied.

9. It is stressed in the paper that all viable options can be explored, including a continuation of the status quo. However it is also recognised that the latter may not be acceptable to either councils or NZTA as future funding constraints take effect.
10. The "Issues (Pre-conditions)" of any new shared service arrangement are:
 - a) The overall structure and stakeholder responsibilities are clear and easily understood.
 - b) Benefits must be achieved for all participants.
 - c) Savings achieved need to be equitably split between stakeholders.
 - d) A "one network" approach to road corridor management will provide a more integrated higher quality user experience and improved planning outcomes.
 - e) Ultimate ownership, policy, funding and high level strategic control of road networks should stay with current owners.
 - f) There should be opportunities for a range of contractors (not just major, national firms) to participate in an efficient, competitive contract market.
 - g) There will be clear, short communication and decision making lines.
 - h) Ratepayers need to understand the link between their rate payments and road network quality.
 - i) A "one stop shop" interface with the public has many benefits.
 - j) Stakeholders must retain "smart buyer" capability and individual stakeholder's intellectual property needs to be preserved and maintained.
 - k) Across TOTS professional and technical roading expertise should be enhanced and succession for key staff planned.
 - l) Levels of service targets should be achieved.
 - m) Gain and retain community acceptance.
11. The paper then identifies and discusses "Key Focus Areas" for the project. Road Maintenance Taskforce key recommendations were considered against each Council's Regional Transport Strategy Vision and Objectives. There were no inconsistencies.
12. It was then agreed that four of the Taskforce's recommendations would be given priority as "Key Focus Areas" for TOTS and NZTA to work on:

Key Focus Areas for TOTS	Success Measures
<ul style="list-style-type: none"> Review road maintenance, renewal and operations business models and implement an improved option if a sound business case is developed. 	<ul style="list-style-type: none"> Any new business model is implemented effective 1 July 2014. Meaningful annual network maintenance, operations and renewal efficiency improvements are recorded, reported and achieved. A sound business case supporting the new models is developed.
<ul style="list-style-type: none"> Consider procurement options available which support the business model chosen and implement the improved option as contract expiry dates or negotiations permit. 	<ul style="list-style-type: none"> As for business models.
<ul style="list-style-type: none"> Jointly review TOTS road network levels of service ongoing against the economic and social benefits provided by that network. 	<ul style="list-style-type: none"> A review is completed by 30 September 2014 to inform the 2015-2018 Land Transport Programme funding decisions.
<ul style="list-style-type: none"> Review asset management practices and improve as necessary. 	<ul style="list-style-type: none"> Commence under new business model by 1 July 2015. <p>(NB: Ongoing development of Activity Management Plans by individual authorities should continue until then).</p>

Summary

13. TOTS council groups and NZTA have established a sound basis for progressing an investigation into roading maintenance and operational efficiencies and the potential for shared services.
14. Some challenging timelines to progress key focus areas have been set requiring a strong commitment particularly from the Council and NZTA working group members.

RECOMMENDED

1. That Councils note the work being done to investigate Top of the South Roding operations and maintenance efficiencies as set out in the Issues and Objectives paper (attached).
2. That the approach is endorsed and the "Memorandum of Understanding in respect of collaboration for the management of land transport across the Top of the South Island" and the "Issues and Objectives" paper be approved to guide ongoing work.

Record No. 1372565

File ref: R855-06
Record No: 1333855

Top of the South Road Maintenance Efficiency

Issues and Objectives

Date: 1 February 2013

Prepared by: TOTS Road Efficiency Working Group:

Rod James (NZTA)
Michael Schruer (Nelson)
Peter Thomson (Tasman)
Mark Wheeler (Marlborough)

For: TOTS Road Efficiency Governance Group

Purpose:

1. This paper proposes some key focus areas for a joint approach by the NZ Transport Agency (NZTA) and Top of the South (TOTS) councils (Tasman District, Nelson City and Marlborough District Councils) to achieve road maintenance efficiencies. Issues to be considered and outcomes to be achieved in establishing and evaluating efficiency improvement options are also discussed.

Background:

2. TOTS have been discussing opportunities for shared services for several years. A report was prepared by Leigh Auton (March 2011) which recommended shared services projects for initial consideration. "Top of the South Roads" was one of those recommended.
3. Discussions have continued between the three Councils. A Memorandum of Understanding has been approved by each Council (attached Appendix 1) with the following objectives:

"The Council's aim is to use shared services to deliver, in each Council area:

 - Improved and more resilient services; or
 - Value for money and savings; or
 - Good quality local infrastructure, local public services and performance of regulatory functions".

Roading has been confirmed as worthy of early investigation.
4. At the same time as TOTS have been discussing shared services opportunities, the Government has completed a report into the effectiveness of road maintenance titled "Road Maintenance Task Force 2012 – Review of Road Maintenance Regime". Four general improvement areas have been identified:
 - Adapting the business models used to deliver maintenance, renewals and operations.
 - Improved procurement practices, also in support of new business models.
 - Improved prioritisation and optimisation through level of service implementation.

- Consistent introduction of enhanced asset management practices.

Key recommendations include:

- Establish a cross-sectional Road Maintenance Task Force Implementation Group to champion the changes.
- Create a national asset management framework.
- Establish a national roading classification.
- Promote high quality asset management.
- Communicate expectations that collaboration and clustering is investigated between road controlling authorities and incentivised to occur.
- Pursue improved procurement methods and delivery models where necessary.

5. The New Zealand Transport Agency have also just completed a review of state highway maintenance and network operations (the "MNO" review) focusing on opportunities for more cost effective maintenance.

Consultation meetings including road controlling authorities, consultants and road contractors have been held to discuss the following key areas of opportunity for NZTA:

- Longer term contracts.
- New MNO contract form.
- Contract aggregation.
- Fence to fence approach to term contracts.
- Contract incentives.

6. A National Cross-Sectional Governance Group (the "Road Efficiency Group" or REG) has now been formed to oversee national implementation of the Road Maintenance Task Force and NZTA MNO reviews. "Attachment 2" summarises the work streams underway.
7. NZTA is leading the development of national freight plans to better understand economics and issues with freight movements. North and South Island connectivity is part of that.
8. A meeting of TOTS senior elected members, executives and NZTA officers was held on 26 September to further consider road maintenance improvement opportunities. Minutes of that meeting are attached (Attachment 3).

There was strong support for further work to be done. A working group was subsequently appointed. The group's first tasks were the development of a Memorandum of Understanding and an Issues and Options paper for presentation to this TOTS Road Efficiency Governance Group meeting.

9. Following that meeting NZTA has confirmed its support for and willingness to assist with investigation into efficiency opportunities and in particular collaboration/clustering across TOTS. Marlborough's existing model is an example of collaboration/clustering on a smaller scale.
10. NZTA is also undertaking a Financial Assistance Rate Review. Marlborough's Chief Executive Andrew Besley is on the reference group. There has been speculation that the FAR's could be used to incentivise road efficiency improvement projects. The RMTF also recommended incentivising collaboration and clustering.

11. Initially NZTA is working on reform of contract models and structures.

Marlborough Roads (NZTA) is already working with Marlborough District Council, its maintenance contractor and consultants towards replacing the current two hybrid maintenance contracts with one new form contract incorporating more engineering design and management by the contractor and the principal thus reducing direct consultancy involvement.

This may be an example on which to base the new contract form.

If cost savings are negotiated between the parties and risks are deemed manageable the new model could be operative from 1 July 2013.

12. In summary the key point of the current political and economic environment is that there is significant alignment of NZTA and TOTS maintenance efficiency goals at present, providing an opportunity to achieve positive change. There may be incentives further out (FAR review) to obtaining those efficiency improvements particularly around collaboration and clustering. There is certainly an opportunity to enjoy NZTA's support and expertise at an early stage of the National reforms before their resource gets pulled elsewhere. Prompt action is recommended.

Discussion – Issues (and Pre-Conditions)

13. TOTs roading budgets are very large expense areas for each Council. NZTA approved maintenance, operations and renewal programmes 2012 to 2015 total \$175 million for the three Council regions.
14. The Working Group is only too aware of the public interest in road safety, condition and congestion. Any significant changes perceived as potentially affecting these attributes will therefore be keenly debated and outcomes critically assessed. Public scrutiny is a given. Consultation on any proposed changes is essential. "Road shows" across the three Council areas will be vital to allay concerns and explain accurately any proposals.
15. During recent discussions across TOTS various concerns/issues/pre-condition requirements were expressed by participants. These need to be further considered and the most significant agreed by the Governance Group. Interestingly most were also concerns 12 years ago in Marlborough prior to adopting the Marlborough Roads model.
16. The Working Group considers these issues we began to consider them not so much as problems but really pre-conditions to either introducing or measuring the success of any new models. The Governance Group decided these issues should be framed as outcome statements or success measures. KPIs could be developed from them.
17. A summary of these outcome statements is:
 - (a) The overall structure and stakeholder responsibilities are clear and easily understood.

Comment:

Stakeholders are the TOTS Councils and NZTA.

This will require the development of well defined, consulted, documented and communicated changes. Consultation and communication is expected to include road owners, contractors, consultants, industry and interest groups, emergency services and the wider road user and ratepayer community.

- (b) Benefits must be achieved for all participants.

Comment:

Benefits could be quantitative and/or qualitative ie; cost savings might be made and/or improvements in road quality, decision making or design achieved.

Participants are the road owners, funders, ratepayers and users.

- (c) Savings achieved need to be equitably and transparently split between stakeholders.
- (d) A “one network” approach to road corridor management will provide a more integrated higher quality user experience and improved planning outcomes.

Comments:

The road user generally travels on both local roads and State Highways. That user wants a safe, smooth and economic trip regardless of road ownership (Local Roads or State Highway). To optimise that experience an integrated approach to planning is necessary so that design standards, capacities, levels of service etc are well understood and as seamless as feasible. That does not require single, whole of road network ownership but integrated planning and management.

- (e) Ultimate ownership, policy, funding and high level strategic control of road networks should stay with current owners.

Comment:

It is not proposed or legally feasible for these ownership and governance responsibilities to be amended. Any new structures and systems must ensure those fundamental responsibilities are retained and able to be exercised effectively.

This limits changes to those involving planning, maintenance and operation of the networks – subject to controls by the governance entities ie; TOTS Councils and NZTA.

Councils’ fundamental governance roles are not diminished.

- (f) There should be opportunities for a range of contractors (not just major, national firms) to participate in an efficient, competitive contract market.

Comment:

Any change in the size, term or conditions of roading contracts will inevitably raise objections from those enjoying the benefits to them of current arrangements. The fact is stakeholders must consider the greater good of their wider community of funders and road users.

It is however important that there are opportunities for smaller, generally locally based contractors outside the major national firms, to obtain some roading work which may be as a sub-contractor. Their involvement will help preserve a degree of competition, local skills and employment.

Short term savings from larger contracts should not compromise the longer term competitive market.

- (g) There will be clear, short communication and decision making lines.

Comment:

Any new structures or systems developed should enable interested parties with questions or concerns to contact informed people who can provide prompt and accurate assistance or responses. Decision making delegations need to be clearly defined, understood and supported at all levels of the road governance and management structure.

- (h) Ratepayers need to understand the link between their rate payments and road network quality.

Comment:

In other words road ratepayers need to understand what their roading rate is being spent on and how the management and operation structure works.

- (i) A “one stop shop” interface with the public has many benefits.

Comment:

This is a different outcome to the “network” approach of (d) above. A “one-stop-shop” is a customer (road user) service. Users with queries or issues about any regional roads (State Highway or Local Road) will benefit from being able to visit one place in each Council area to get answers and actions necessary. This includes developers and contractors. Many road users are unsure (and don’t care) if they are on a State Highway or Local road. It is very simple for them to contact or visit one place to get answers (or in Marlborough Roads case – pay parking fines!).

- (j) Stakeholders must retain “smart buyer” capability and individual stakeholder’s intellectual property needs to be preserved and maintained.

Comment:

TOTS Councils and NZTA need to understand their service provider’s performance and critically assess and propose changes if necessary. This requires “in-house” expertise or alternative controls such as the ability to request audits, get regular verifiable reporting etc. It is also important to ensure the retention of intellectual property by stakeholders in order to deal with possible future changes in structures or systems for service delivery eg; road asset management data, details of renewals programmes etc. This can be achieved with good asset management and reporting systems.

- (k) Across TOTS professional and technical roading expertise should be enhanced and succession for key staff planned.

Comment:

Some form of centralisation could enable more specialist skills to be shared across all three authorities due to economies of scale eg; transportation planning which includes network planning and strategic developments. Better planning creates future efficiencies. It is challenging in our areas to recruit and retain professionally qualified staff. A larger roading management operation might be a more attractive prospect.

- (l) Levels of service targets should be achieved.

Comment:

This requires clear definition and measurement of levels of service for each stakeholder’s roads. It is not necessarily intended that levels of service for local roads are standardised across TOTS given each local authority retains individual governance and funding responsibility. However a key area for improvement identified by the Road Maintenance Task Force was “Improved prioritisation and optimisation through level of service differentiation”.

Some standardisation across TOTS might result from such work.

- (m) Gain and retain community acceptance.

Comment:

Stakeholder, interest group and community engagement and consultation as well as future efficient and effective delivery of agreed levels of service will be required to gain and retain community acceptance.

Discussion – Key Focus Areas

18. In considering objectives for a TOTS roading efficiency project the Government Policy Statement and each Council’s Regional Land Transport Strategy are starting points. The RLTS documents incorporate both state highway and local road networks and have a whole of network approach. A wide range of stakeholders have of course been involved in the development of the RLTS documents including NZTA and the TOTS.
19. It is a statutory requirement that the RLTS’s are not inconsistent with the GPS so it can be assumed the TOTS RLTS’s are compliant with Government direction.

20. Attachment 4 includes the visions/missions/objectives of the Strategies. Aspirations are expressed in different ways – particularly in Marlborough – but in general the TOTS councils are working to achieve similar ends.
21. When these aspirations are compared to the Road Maintenance Task Force (RMTF) key recommendations there are no inconsistencies.

RMTF	Tasman Objectives	Nelson Objectives	Marlborough Objectives
Improvement Areas	Which objectives are consistent with RMTF		
<ul style="list-style-type: none"> Adapting business models used to deliver maintenance, renewals and operations. 	<ul style="list-style-type: none"> 1 and 5 	<ul style="list-style-type: none"> 3 and 6 	<ul style="list-style-type: none"> 3, 5 and 6
<ul style="list-style-type: none"> Improvement, procurement practices. 	<ul style="list-style-type: none"> 1 and 5 	<ul style="list-style-type: none"> 3 and 6 	<ul style="list-style-type: none"> 3, 5 and 6
<ul style="list-style-type: none"> Improved prioritisation and optimisation through level of service and implementation. 	<ul style="list-style-type: none"> 1, 3 and 6 	<ul style="list-style-type: none"> 1, 3 and 6 	<ul style="list-style-type: none"> 1, 2, 3, 5 and 6
<ul style="list-style-type: none"> Consistent introduction of enhanced asset management practices. 	<ul style="list-style-type: none"> All 	<ul style="list-style-type: none"> All 	<ul style="list-style-type: none"> All

22. The RMTF key areas for improvement are proposed as a fundamental starting point in establishing key focus areas for TOTS road efficiency improvements. Success measures should also be considered. The focus should be high level and applicable to each organisation involved. The focus areas pertain to road efficiency improvements rather than individual organisations wider objectives (eg; amenity). However any new business models will need to enable those wider objectives to be achieved. It is not proposed that levels of service need necessarily be standardised across TOTS but any new structure should be able to deliver those levels more efficiently and effectively.
23. Proposed Key Focus Areas and Success Measures for Road Efficiency Improvements:

RMTF Key Area for Improvement	Key Focus Areas for TOTS	Success Measures
<ul style="list-style-type: none"> Adapting the business models used to deliver maintenance, renewals and operations. 	<ul style="list-style-type: none"> Review road maintenance, renewal and operations business models and implement an improved option if a sound business case is developed. 	<ul style="list-style-type: none"> Any new business model is implemented effective 1 July 2014. Meaningful annual network maintenance, operations and renewal efficiency improvements are recorded, reported and achieved. A sound business case supporting the new models is developed.
<ul style="list-style-type: none"> Improved procurement practices, also in support of new business models. 	<ul style="list-style-type: none"> Consider procurement options available which support the business model chosen and implement the improved option as contract expiry dates or negotiations permit. 	<ul style="list-style-type: none"> As for business models.

RMTF Key Area for Improvement	Key Focus Areas for TOTS	Success Measures
<ul style="list-style-type: none"> Improved prioritisation and optimisation through level of service differentiation. 	<ul style="list-style-type: none"> Jointly review TOTS road network levels of service ongoing against the economic and social benefits provided by that network. 	<ul style="list-style-type: none"> A review is completed by 30 September 2014 to inform the 2015-2018 Land Transport Programme funding decisions.
<ul style="list-style-type: none"> Consistent introduction of enhanced asset management practices. 	<ul style="list-style-type: none"> Review asset management practices and improve as necessary. 	<ul style="list-style-type: none"> Commence under new business model by 1 July 2015. <p>(NB: Ongoing development of Activity Management Plans by individual authorities should continue until then).</p>

24. The priorities are to improve business models and procurement practices which the RMTF and NZTA believe can achieve the biggest savings in relatively short timeframes. The status quo remains an option but is considered unlikely given national review findings and Central Government's intent to make improvements.
25. There will be recommendations and lower level objectives each stakeholder will have which require further discussion and agreement.
26. Baseline measures of current performance will be agreed so that future gains can be measured quantitatively and qualitatively.

Next Steps

27. The report is presented for the Governance Group's approval. Assuming that approval is given the Working Group will develop a timetabled work programme, including the resourcing of that.
28. The highest priority objectives are for the development of improved business models and procurement practices by 1 July 2014. This requires a well coordinated and concerted effort if timeframes are to be met.
29. NZTA is providing resource to the project. Initially they are preparing an overview of possible collaboration, clustering and procurement models for the Working Group. A second working group meeting in February is being planned to discuss these possibilities. The status quo is an option but the Working Group considers that an unlikely outcome given the findings of the national reviews and Central Government's strong intent to make improvements.

We look forward to discussion.

Yours sincerely

MARK WHEELER (MARLBOROUGH DISTRICT COUNCIL)
on behalf of the TOTS ROAD EFFICIENCY WORKING GROUP

c.c. P Thomson (Tasman)
M Schruer (Nelson)
R James (NZTA)

Memorandum of Understanding

Between

New Zealand Transport Agency

and

Tasman District Council

And

Marlborough District Council

And

Nelson City Council

**In respect of collaboration for the management of land
transport across the Top of the South Island**

Preamble

The council parties to this Memorandum of Understanding (MOU) have committed, in a separate Memorandum of Understanding dated 26 July 2012, to collaborate when procuring goods and by sharing services. That agreement sets out those commitments. It also provides for other parties to join shared services arrangements. The aim is to deliver improved and more resilient services and to provide value for money and savings.

Land transport (roading) has been identified as a candidate for assessment as a shared service. This MOU sets out the process by which the parties will evaluate and if agreed, implement changes to the management of land transport in the Top of the South so that the network of roads is safer to use, contributes materially to the prosperity of the wider region, meets the needs of communities and is cheaper to build, operate and maintain.

1.0 Parties

- 1.1 Tasman District Council (TDC), Marlborough District Council (MDC) and Nelson City Council (NCC) - unitary authorities constituted under the Local Government Act.
- 1.2 New Zealand Transport Agency (NZTA), an authority constituted under the Land Transport Management Act.

2.0 Background

- 2.1 The parties have objectives, which encourage closer working relationships with other agencies to enhance business results.
- 2.2 The parties have discussed ways to formalise a working relationship and have decided to enter into a Memorandum of Understanding.

3.0 Intent

- 3.1 The intent of this MOU is to:
 - formalise a working relationship between the parties;
 - state the protocols for collaborative actions, including monitoring the health of the relationship
- 3.2 The parties do not intend that this MOU creates a legally enforceable agreement.

4.0 Scope

-
- 4.1 Any land transport management activities plus any activity where the relationship will advance the interests of all parties and those they represent.

5.0 Goals

- 5.1 The parties acknowledge they may have separate objectives and statutory responsibilities some of which may not be congruent.

- 5.2 It is important to list the respective goals of the organisations to set up a platform from which collaborative efforts can be pursued.

- 5.3 TDC's statutory vision and objectives:

- To have a land transport system that will support a sustainable and prosperous economy, that is accessible by and services the whole community, contributing to the better health, safety and wellbeing of those living within and visiting Tasman.
- A transport system that contributes to economic growth and prosperity.
- A transport system that is safe to use across all transport modes.
- An efficient transport system that is integrated with land-use planning, optimising access and mobility for all.
- A transport system that encourages active modes of travel.
- A transport system that optimises energy efficiency and ensures the sustainability of the natural and built environment.
- A transport system that is affordable and provides value for money.

- 5.4 NCC's statutory vision and corporate objectives:

- The vision for the Nelson land transport network is: 'a sustainable transport future for Nelson'. This vision is embodied in the following high level objectives:
 - Environmental Sustainability: a transport system that supports international, national and regional strategies for energy efficiency and climate change, and protects natural systems and community values
 - Assist Economic Development: a transport system that supports national and regional development
 - Safety & Personal Security: a transport system that reduces road trauma and contributes to a sense of individual and community safety and security
 - Access & Mobility: a transport system that is effective, integrated and physically and financially accessible by all users

-
- Public Health: a transport system that contributes to improved health and well-being
 - Affordability: a regional transport programme that is affordable for the Nelson community and users
 - The vision and objectives of this strategy can only be achieved by moving away from providing for travel demand by building roads and infrastructure to reducing vehicle use by encouraging transport behavioural change, providing improved modal choice and reducing the demand for travel. The available means of achieving this vision are complex and inter-related. It is clear that no single measure in isolation will be successful in meeting the high level objectives and an integrated package of measures is required.

5.5 MDC's statutory vision and corporate objectives:

- To plan a safe and responsive land transport system that facilitates Marlborough community wellbeing.
- Provide a land transport system which is suitable for existing use.
- Recognise strategic significance of the land transport hierarchy.
- Manage development to ensure the network has capacity to operate at the appropriate level of service.
- Provide a safe land transport system for all users.
- Maximise return on investment in the land transport network.
- Consider future proofing the land transport network.
- Provide for the co-ordination of effective multimodal transport.
- Maintain amenity values to a level at least consistent as exists at present.

5.6 NZTA's purpose and corporate objectives:

Purpose – Creating transport solutions for a thriving New Zealand.

Desired long-term outcomes are:

- better use of existing transport capacity
- more efficient freight supply chains
- a resilient and secure transport network
- easing of severe urban congestion
- more efficient vehicle fleets
- reductions in deaths and serious injuries from road crashes

-
- more transport mode choices
 - a reduction in adverse environmental effects from land transport

Priorities:

- improving customer service and reducing compliance costs – focusing our efforts on providing high levels of customer service while being smart about reducing costs.
- embedding the Safe System approach – into everything we do to create a forgiving road system increasingly free of death and serious injury.
- improving freight movement efficiency– contributing to a significant improvement in safe and efficient access of freight to markets.
- improving public transport effectiveness – lifting the effectiveness of public transport services to better use existing transport capacity and ease congestion in our big cities.

6.0 **Agreements**

6.1 The parties agree to:

- work with each other with the aim of exploring more efficient and effective methods of operating the roads and state highways within the TOTS region;
- work collaboratively and co-operatively on identified issues;
- monitor the effectiveness of the relationship;
- refrain from making any adverse comment about the other party, without first giving that party reasonable advance notice.

6.2 Accordingly, the parties agree to establish Governance and Working groups to develop this MOU and associated studies as the first steps to investigating shared services for roads and state highways in the TOTS region;

- The Working Group will meet at a frequency determined by the Governance Group to:
 - Discuss issues which will establish efficiency improvement options for the parties in delivering their goals;
 - Document and develop issues in priority order which the parties have agreed to co-operate on for the improvement of business models and practices.

7.0 Principles

7.1 The principles that underpin this Memorandum of Understanding are as follows:

- That the parties agree to meet on a regular basis to ensure that all are informed of issues and that relevant information is shared between them.
- Each party commits to consider, investigate and resolve issues as they arise in a manner that maintains the integrity, professionalism and statutory accountabilities of each party.
- Each party will endeavour to keep their organisation, and the members of the other parties advised of issues that may affect one party as a result of the activities by the other.
- The Parties agree that they will act in good faith in meeting their responsibilities under this agreement and in resolving differences in opinion.

8.0 Term

8.1 The term of this MOU is indefinite. It can only be terminated at the instigation of any party.

9.0 Amendment

9.1 This MOU can be amended at any time but only by written agreement of the parties.

10.0 Publicity/Communications

10.1 Notwithstanding the right for the media to report on any public meeting, all parties, prior to release, will agree to any communications plan or media release on this initiative.

11.0 Costs

11.1 Unless otherwise agreed costs will be where they fall.

12.0 Limitations

12.1 The parties recognise that the Land Transport Management Act and the Local Government Act and other constraints may constrain their capacity to enter into a shared services arrangement and agree to explore other options if

necessary so as to give effect to their objectives.

13.0 Conflict

13.1 Where a conflict arises between the parties which is impacting on the collaboration effort then:

- The conflict will be elevated immediately to the respective Chief Executive Officers; and
- If the CEO's are unable to resolve the conflict an independent mediator, agreeable to both parties, shall be appointed to help resolve the issue.

14.0 Implementation

14.1 The parties agree to work collaboratively and co-operatively towards a target date of 1 July 2014 for the implementation of an agreed business improvement delivery model that will deliver their goals.

15.0 Governance Arrangements

15.1 The following persons are authorised to represent their organisations

Position	Organisation	Delegations
Mayor	Tasman District Council	Governance Group
Mayor	Nelson City Council	Governance Group
Mayor	Marlborough District Council	Governance Group
Regional Director Central,	NZTA	Governance Group
Chairman Engineering Services	Tasman District Council	Governance Group
Portfolio Holder for Infrastructure (shared role)	Nelson City Council	Governance Group
Chairman Assets & Services	Marlborough District Council	Governance Group
CEO	Tasman District Council	Governance Group

CEO	Nelson City Council	Governance Group
CEO	Marlborough District Council	Governance Group
Planning and Investment Manager Central Region	NZTA	Working Group Member
Assets & Services Manager	Marlborough District Council	Working Group member
Executive Manager Strategy and Planning	Nelson City Council	Working Group member
State Highway Manager Wellington	NZTA	Working Group member
Engineering Services Manager	Tasman District Council	Working Group member

16.0 Changes

16.1 The following register shall record all changes made to the MOU:

Reference	Description of Change	Documentation

SIGNED BY:
Tasman District Council
 Under delegated authority to _____

SIGNED BY:
Nelson City Council
 Under delegated authority to _____

SIGNED BY:
Marlborough District Council
Under delegated authority to

.....
.....
.....
.....

SIGNED BY:
New Zealand Transport Agency
Under delegated authority to



Annexure 1: Special Agreement(s)

The following register shall record all Special Agreement(s) entered into by the parties:

Reference	Description of Special Agreement	Documentation

2 Degrees – New Telecommunications Facility at Wakapuaka

1. Purpose of Report

- 1.1 To consider the application from 2 Degrees to establish a new telecommunications facility at the seaward end of the Boulder Bank Drive, near the Nelson Wastewater Treatment Plant (NWWTP).

2. Recommendation

THAT the Chief Executive be delegated the authority, as landowner, to complete an agreement with 2 Degrees for the purpose of establishing a new telecommunications facility on Lot 3 DP 7530, subject to the following conditions:

- ***2 Degrees seek and secure a publicly notified resource consent before any work can commence;***
- ***2 Degrees pay a commercial rental, to be adjusted by the CPI each year, but with the opportunity to review the rent to market rent every 5 years;***
- ***2 Degrees be granted a 20 year lease term;***
- ***2 Degrees pay all Council's legal/valuation and administration costs.***

3. Background

- 3.1 Following an application from Vodafone to Council to erect a telecommunications facility (mast) at the end of the Boulder Bank, Council resolved in June 2009 as follows:

"THAT the Chief Executive be delegated the authority to complete an agreement with Vodafone for the purpose of establishing a new telecommunications facility on Lot 3 DP 7530, subject to the following conditions:

- (i) THAT Vodafone is required to seek and be granted a publicly notified resource consent*
- (ii) THAT Vodafone will pay a commercial rental, to be adjusted by the CPI each year, but with the opportunity to review the rent to market rent every 5 years, and*
- (iii) THAT Vodafone pays Council's legal costs, valuation costs, and an administration fee of \$500, all plus GST.*

- 3.2 Vodafone has subsequently secured the necessary resource consent, erected the mast with a footprint of around 8m x 4m and entered into a lease with Council for a term of 20 years.
- 3.3 2 Degrees has recently approached Council to erect a mast approximately 37m from the Vodafone mast with a footprint of around 5m x 4m.
- 3.4 Attachment 1 shows the existing Vodafone mast and the proposed location of the 2 Degrees mast in relation to the NWWTP.

4. Discussion

- 4.1 Council previously raised the issue of co-location of services on one mast. Staff have confirmed with both Vodafone and 2 Degrees that co-location is not possible as the existing Vodafone mast is of insufficient height and strength to carry the additional equipment required by 2 Degrees. Replacement of the mast is not an option as this would necessitate the Vodafone facility being turned off whilst the works were undertaken.
- 4.2 This site is 2 Degrees' preference for locating a facility in the Atawhai locality for the following reasons:
 - The nearest residence is more than 1.3km away;
 - The site will not impede access to the Boulder Bank;
 - Additional planting together with an appropriate colour scheme will mitigate the visual impact of the compound.
- 4.3 If approval to occupy this site is not given, 2 Degrees' only alternative is to seek one or more sites closer to residential areas to provide the same level of coverage that can be provided from the subject site.

- 4.4 2 Degrees is well aware of the sensitivity of new cell phone sites in this locality. It has requested a decision from Council, as land owner, before proceeding with a resource consent application.
- 4.5 There is no valid reason to allow one operator and deny another. This location offers a good solution to 2 Degrees with the location being a far distance from residential areas. If this was not approved, 2 Degrees would be compelled to search for locations closer to residential areas and this is highly contentious. The mast at the end of the Boulder Bank is ideally suited not to cause Council issues and to diffuse the highly contentious nature of this issue.
- 4.6 Staff recommend that approval as land owner be granted to 2 Degrees to erect a mast in the location shown with the following conditions:
- Term to be for 20 years;
 - Market rent to be assessed by a registered valuer;
 - Annual CPI adjustments to the rent;
 - Provision every 5 years for the rent to be adjusted to market rent;
 - The National Radiation Laboratory to complete testing for radiation levels once the site is operating, and then as required, all at 2 Degrees cost.

5. Conclusion

- 5.1 Staff recommend that since the site is well away from residential areas; that there is other infrastructure in the immediate locality; and access to the Boulder Bank is not affected that Council grant approval as landowner for 2 Degrees to erect a mast subject to the conditions noted in the body of this report.

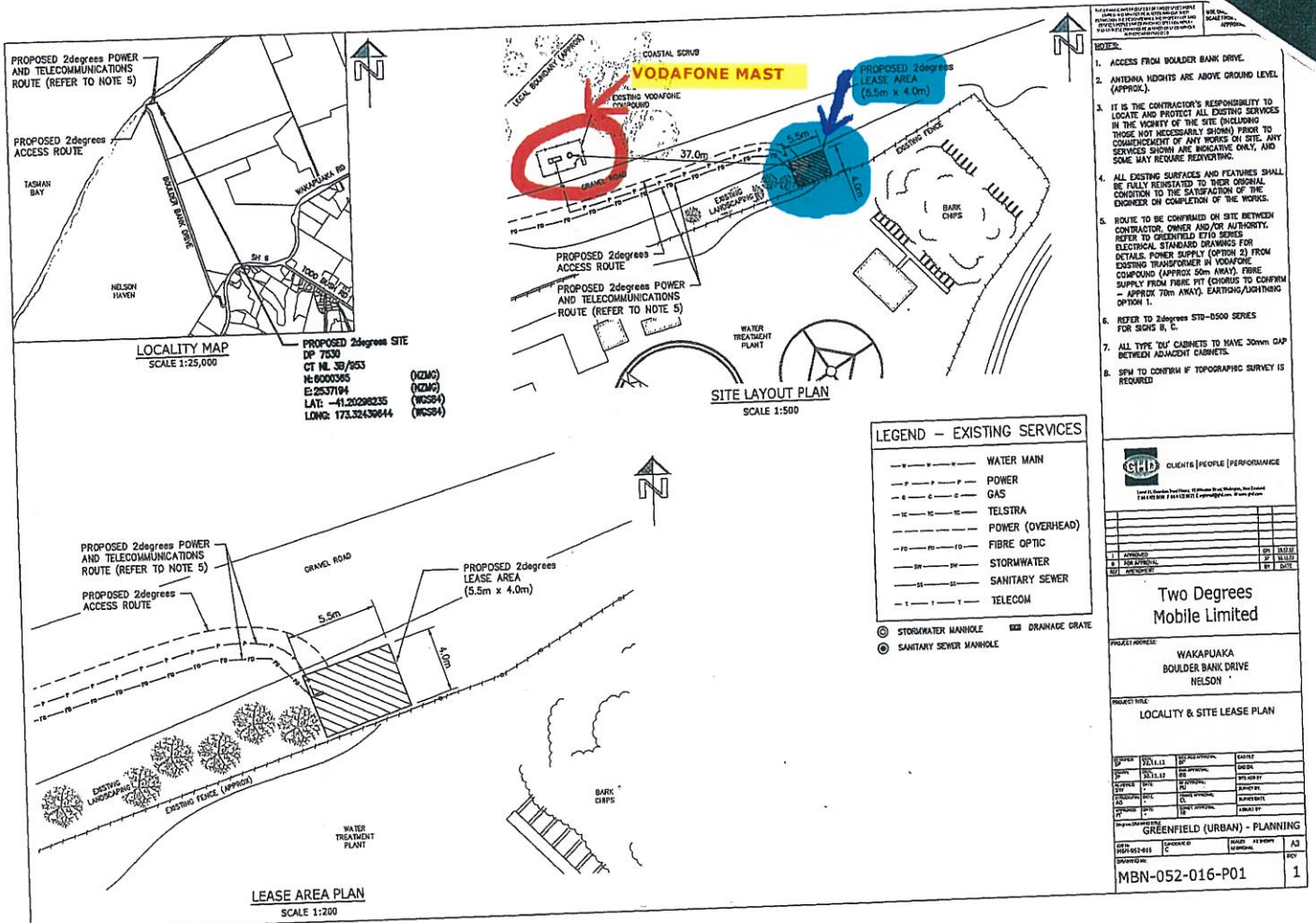
Alec Louverdis
Executive Manager Network Services

Attachments

Attachment 1: Tardis [1469068](#)

Supporting information follows.

Supporting Information	
1. Fit with Purpose of Local Government	This is a private initiative on Council land.
2. Fit with Community Outcomes and Council Priorities	This will have a positive outcome for local residents.
3. Fit with Strategic Documents	N/A.
4. Sustainability	The location and impact of the proposed facility will have little or no impact on Council's sustainability policy.
5. Consistency with other Council policies	The establishment of this facility will have a positive effect on Nelson's economic development, as the services will provide mobile broadband and faster data speeds together with a general improvement of cell phone coverage in the Atawhai locality.
6. Long Term Plan/Annual Plan reference and financial impact	No Council funding is required as 2 Degrees will pay all Council costs.
7. Decision-making significance	This is not a significant decision in terms of Council's Significance Policy.
8. Consultation	Staff recommend that if Council, as land owner, gives its approval, that this approval is subject to a publicly notified resource consent being granted.
9. Inclusion of Māori in the decision making process	There has been no consultation with Iwi or Māori.
10. Delegation register reference	Given that this subject may be controversial, it is recommended that the decision is made by Council.



#1469068

Minutes of a meeting of the Nelson Regional Sewerage Business Unit

Held in Ruma Mahitahi, Civic House, Trafalgar Street, Nelson

On Friday 14 December 2012, commencing at 1.04pm

- Present:** D Hiser (Chairperson), Councillor G Glover (Tasman District Council), M Higgins (Tasman District Council), and Councillor D Shaw (Nelson City Council)
- In Attendance:** Industry Customers' Representative (P Wilson), Nelson City Council Engineering Adviser (J Thiert), Nelson City Council Management Accountant (A Bishop), Nelson City Council Administration Adviser (E-J Ryan)
- Apologies:** Were received and accepted from K Stafford (Iwi Representative)

1. Conflicts of Interest

Ms Hiser, Mr Higgins, Councillor Glover and Councillor Shaw provided updated copies of the Interests Register form.

Mr Wilson declared a conflict of interest in relation to Item 3 of the Public excluded agenda (Review of Customer Charging). It was agreed that Mr Wilson would remain for Ms Anne Urlwin's presentation and to ask questions, but would then depart the room for any ensuing discussion.

2. Confirmation of Minutes

5 October 2012

Document number 1385915, agenda pages 1-7 refer.

Resolved

THAT the minutes of a meeting of the Nelson Regional Sewerage Business Unit, held on 5 October 2012, be confirmed as a true and correct record.

Glover/Higgins

Carried

3. **Status Report – 14 December 2012**

Document number 950976 v16, agenda pages 8-10 refer.

There was a brief discussion regarding item 6 on the Status Report, as this item had taken place during the public excluded part of a previous meeting. Mr Thiart said he would look into this matter.

Resolved

THAT the Status Report (950967 v16) be received.

Hiser/Glover

Carried

4. **Checklist (Joint Committee Work Plan)**

Mr Thiart explained that Cardno BTO had been brought in as the wastewater specialist for Downer, who had taken over operation of the Bell Island Treatment Plant from CPG/Spiire. Mr Thiart noted that Cardno BTO had carried out benchmarking work for other local authorities, and suggested that the Joint Committee may be interested to hear a presentation on this topic.

It was suggested that the presentation take place at the Joint Committee Workshop. It was agreed that this should take place on Thursday 31 January 2013, from 4pm – 6pm, followed by a meal.

5. **Chairperson's Verbal Report**

Ms Hiser explained that she had recently had productive meetings with the Chief Executives of both Councils, and with the Mayor of Tasman. She said she would arrange to meet the new Chief Executive of Nelson City Council, Ms Clare Hadley, early in 2013, and it was suggested that it may be useful for Ms Hadley to tour the Bell Island Treatment Plant.

Ms Hiser added that several meetings had taken place with Ms Anne Urlwin regarding the customer contracts, and that Nikki Harrison, at Nelson City Council, and Murray Staite, at Tasman District Council had been invited to these.

Ms Hiser also spoke briefly about the audit and valuation processes that had recently occurred.

6. **Staff Report – 14 December 2012**

Document number 1409653, agenda pages 11-33 refer.

Mr Thiart spoke to the report.

6.1 Flow Meter and Sampler

Mr Thiart explained that Alliance's flow meter was currently not working, and 92% of their water use was being used as a proxy for charging in the meantime. He said that Alliance was planning on installing a new meter in June/July 2013.

Mr Thiart said that Nelson Pine Industries had completed plans for a new meter, and had suggested a useful solution regarding calibration of the customers' new meters. He added that it would be necessary to discuss arrangements for a new meter with ENZA.

6.2 Draft Bell Island Environmental Development Plan

Mr Thiart said that he had now received the draft Bell Island Environmental Development Plan, and that this would be presented at the next Joint Committee meeting.

6.3 Operation and Maintenance Contract – Action Items

Mr Thiart explained that Cardno BTO had made some useful suggestions in relation to the operation of Bell Island Treatment Plant. He added that he had not yet received the asset schedule from Downers, but would provide copies to Joint Committee members once he had received it.

6.4 4 Saxton Land Procurement

Mr Thiart said that an agreement had been signed for the procurement of the land. However, he said that part of the biofilter encroached onto adjacent roading land, and the New Zealand Transport Agency required the Nelson Regional Sewerage Business Unit to lease this piece of land, at \$1000 per annum until a new biofilter that did not encroach the adjacent land could be installed. He said that the Joint Committee would need to authorise the Executive Manager Network Services to sign the lease agreement on its behalf.

The Committee discussed the proposed lease, and noted that it was a short term solution until the new biofilter could be installed. In response to a question, Mr Thiart explained that replacing the biofilter would also create an opportunity to undertake other maintenance work at the same time.

Resolved

THAT the Nelson City Council Executive Manager Network Services be authorised to enter into a lease agreement with the New Zealand Transport Agency for the land adjacent to the Saxton Pump Station onto which the biofilter encroaches.

Hiser/Higgins

Carried

6.5 Disposal of Trade Waste Agreement

Mr Thiart noted the additional pipeline capacity following the upgrade project, and said that he would be meeting with Jeff Cuthbertson of Tasman District Council to discuss the agreement.

6.6 Health and Safety

Mr Thiart noted that the Ministry for Business Innovation and Employment appeared satisfied with arrangements for public access to the Rabbit Island plantation.

6.7 Operations and Maintenance Contract

Mr Thiart spoke about the recent plant audit, and said that Downer and Cardno BTO were addressing the issues noted with the Heat Exchanger. He added that the earth bonding was also found to be deficient, and that the contractor would replace this at its own cost.

7. Exclusion of the Public

The Chairperson explained that it was necessary to move to public excluded business, as there were time constraints for Ms Anne Urlwin, who was making a presentation in relation to item 3 of the Public Excluded agenda (Review of Customer Charging). She said it was necessary to pass a procedural resolution for Ms Urlwin to remain in the public excluded meeting.

Resolved

THAT, in accordance with section 48(5) of the Local Government Official Information and Meetings Act 1987, Ms Anne Urlwin remain after the public has been excluded, for Item 3 of the Public Excluded agenda (Review of Customer Charging), as she has knowledge that will assist the Nelson Regional Sewerage Business Unit;

AND THAT, in accordance with section 48(6) of the Local Government Official Information and Meetings Act 1987, the knowledge that Ms Anne Urlwin possess relates to the review of customer charging that Ms Urlwin completed on behalf of the Nelson regional Sewerage Business Unit.

Glover/Shaw

Carried

Resolved

THAT the public be excluded from the following parts of the proceedings of this meeting.

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:

Item	General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Particular interests protected (where applicable)
1	Nelson Regional Sewerage Business Unit – Public Excluded Minutes – 5 October 2012 These minutes confirmed the public excluded minutes of the Nelson Regional Sewerage Business Unit meeting of 31 August 2012, and otherwise contain information regarding:	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary:
	Regional Pipeline Upgrade Consultancy Fees		<ul style="list-style-type: none"> • Section 7(2)(i) To carry out negotiations
	Operation and Maintenance Contract: Transfer of Contract		<ul style="list-style-type: none"> • Section 7(2)(i) To carry out negotiations
2	Review of Customer Charging This report contains information regarding an independent professional adviser's opinion as to whether the capital charge is currently being calculated in accordance with the Disposal of Trade Waste Agreement.	Section 48(1)(a) The public conduct of this matter would be likely to result in disclosure of information for which good reason exists under section 7	The withholding of the information is necessary: <ul style="list-style-type: none"> • Section 7(2)(i) To carry out negotiations

Glover/Shaw

Carried

The meeting went into public excluded session at 1.39pm and resumed in public session at 3.59pm.

8. Re-admittance of the Public

Resolved

THAT the public be re-admitted to the meeting.

Glover/Higgins

Carried

9. Clarification of Owners Distribution Calculation

Document number 1414989, agenda pages 37-38 refer.

Nelson City Council Management Accountant, Mr Bishop, spoke to the report. He explained that the auditors had requested clarification of three issues, and briefly outlined each issue. He confirmed that the accounting report was consistent with the financial policies of both Councils, as well as International Financial Reporting Standards.

Resolved

THAT the Operating Surplus for calculating the Owners Distribution excludes any Abandoned Asset expense or revaluation of Derivative Instruments.

Higgins/Shaw

Carried

10. Staff Report – 14 December 2012 - Continuation

The meeting returned to consider the Staff Report.

10.1 Biosolids Contract

Mr Thiart explained that the volume of biosolids sprayed was still high. In response to a question, Mr Thiart explained the measurement of biosolids loads, and said he was confident that the measurements were accurate. He added that the consultants were considering the issue.

10.2 Improvement Programme

Mr Thiart explained that the work programme had been evaluated and re-prioritised, and explained the changes that had occurred.

10.3 Financial

Mr Thiart noted that electricity use was tracking higher than normal, but that power was usually saved over the summer months as the ponds were used more.

10.4 General

Mr Thiart explained that Network Tasman was installing another line into the plant, to improve the electrical security of the plant. He said that this was at no cost to the Business Unit, although the Business Unit had had to grant an easement for the work to be undertaken. He tabled a copy of the proposed plan (1435061).

Resolved

THAT the Staff Report – 14 December 2012 (1409653) be received.

Hiser/Glover

Carried

11. Major Projects Report

Document number 682846 v26, agenda pages 34-36 refer.

Mr Thiart spoke to the report.

11.1 Treatment Plant Upgrade Progress Report

Resolved

THAT the Treatment Plant Upgrade Progress Report (682846 v26) be received.

Higgins/Shaw

Carried

11.2 Pipeline Strategy Project Progress Report

Mr Thiart explained that testing was on-going, had failed marginally, and had identified an issue with valve seals. He said that testing had suggested an internal issue with the pipe, but the results did not necessarily suggest an external leak. A discussion followed regarding the difficulties of testing in an estuarine environment.

In response to a question, Mr Thiart confirmed that the current budget was still sufficient for testing purposes.

Resolved

THAT the Pipeline Strategy Project Progress Report (682846 v26) be received.

Higgins/Shaw

Carried

11.3 Outfall Diffuser Progress Report

In response to a question, Mr Thiart explained that the carry-over amount was approximately \$144,000, and that the project should be completed this financial year.

Resolved

THAT the Outfall Diffuser Progress Report (682846 v26) be received.

Higgins/Shaw

Carried

12. Nelson Regional Sewerage Business Unit Annual Report 2011/2012

Document number 1384026, agenda pages 39-63 refer.

The Joint Committee discussed the draft Annual report 2011/2012 and the following minor changes were noted:

- Pages 55-56, Figures 10 12 – the references to 'total 2 day average' to be amended to 'peak 2 day average';
- Page 62 – Table of 2010-11 information to be replaced with 2011-12 information;
- Page 65 – Councillor P Matheson to be included as Nelson City Council representative; and
- Minor wording changes to section 12.1.

Resolved

THAT the revised draft Annual Report be approved, subject to minor amendments being made by the Chairperson or required by Audit.

Shaw/Higgins

Carried

13. Nelson Regional Sewerage Business Unit Annual Financial Statements for the year ended 30 June 2012

Document number 1419497, agenda pages 64-79 refer.

Mr Bishop spoke to the Financial Statements, and explained the minor clarifications that had been requested through audit. He also explained that two signatures were required, and it was agreed that Councillor Glover should join the Chair in signing the statements.

There was a brief discussion regarding the audit management letter. In response to a question, Mr Bishop explained that normal practice was for management to see the letter initially to correct any errors and address any issues. He agreed that the Board should see the letter once this process was completed.

There was also a brief discussion regarding the Memorandum of Understanding and the need for a Treasury Policy. It was noted that

Tasman District Council intended to produce a Treasury Policy for Joint Committee approval by April 2013.

Resolved

THAT the Nelson Regional Sewerage Business Unit Annual Financial Statements for the year ended 30 June 2012 (1419497) be approved, subject to audit;

AND THAT the Chair and Councillor Glover be authorised to sign the Nelson Regional Sewerage Business Unit Annual Financial Statements for the year ended 30 June 2012.

Shaw/Glover

Carried

14. Financial Report for the Period Ending 31 October 2012

Document number 1419497, agenda pages 80-81 refer.

Resolved

THAT the Finance Report for the Period Ending 31 October 2012 (1419497) be received.

Hiser/Shaw

Carried

15. Nelson Regional Sewerage Business Unit Business Plan 2013/2014

Document number 1408447, agenda pages 82-100 refer.

The Joint Committee discussed the Business Plan 2013/2014.

There was a brief discussion regarding pond de-sludging, and Mr Thiart explained that a review indicated that de-sludging would not be required for approximately seven and a half years. He added that a further review would be carried out next year in order to establish benchmarks.

There was a further discussion regarding the projected budgets for the 2020/2021 and 2021/2022 years. It was noted that some capital expenditure may get pushed out to later years, depending on growth in the Tasman area, which would dictate when further capacity would be required.

Some minor amendments to the Business Objectives were also noted:

- The Key Performance Indicator in Goal One 'Loads do not exceed the capacity of system components' be replaced with 'The Nelson Regional Sewerage Scheme has adequate capacity to deal with flows and loads';

- Page 88, note 2 to be replaced with 'sludge handling/management';
- Goal Six – add 'and reporting mechanisms implemented for the 2014 year'. All Key Performance Indicators requiring action by June 2013 to be reviewed, to ensure that the timeframes set out are achievable;
- 2013 meeting dates – move the June 2013 meeting to 5 July 2013. August Joint Committee meeting confirmed for 23 August 2013, and 13 December 2013 identified as a preferred meeting date, noting that this would be after the 2013 Local Authority elections had taken place. Add the requirement to set meeting dates for 2014 to the December 2013 meeting checklist.

Resolved

THAT the Nelson Regional Sewerage Business Unit Business Plan 2013/2014 (1408447) be adopted, with the amendments as specified.

Glover/Shaw

Carried

There being no further business the meeting ended at 5.03pm.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date