



# Waitaki

DISTRICT COUNCIL

TE KAUNIHERA Ā ROHE O WAITAKI

Notice of a meeting of the

## *Assets Committee*

in the

**Whitestone Cheese Empire Room of the Oamaru Opera House,  
94 Thames Street, Oamaru**

**on Wednesday 30 August 2017**

### **MEMBERSHIP:**

Cr Kingan (Chair)  
Cr Percival (Deputy chair)  
Cr Garvan  
Cr Tavendale

Mayor Kircher (ex Officio)  
Cr Dawson  
Cr Hopkins  
Cr Wheeler

***In the interests of the environment and to help reduce photocopying costs,  
please bring your Committee agenda with you to the meeting***

# Assets Committee Meeting

Wednesday 30 August 2017

Whitestone Cheese Empire Room of the Oamaru Opera House,  
94 Thames Street, Oamaru

- Apologies (Cr Tavendale)
- Declarations of Interest

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## Assets Committee:

Cr Kingan (Chair)  
Cr Percival (Deputy Chair)  
Cr Garvan  
Cr Tavendale

Mayor Kircher (ex Officio)  
Cr Dawson  
Cr Hopkins  
Cr Wheeler

## Waitaki District Council

### Assets Committee

#### Minutes of Assets Committee Meeting of the Waitaki District Council held in the Council Chamber, Council Headquarters, 20 Thames Street, Oamaru on Wednesday 19 July 2017 at 9.00am

**Present** Crs Kingan (Chair), Dawson, Garvan, Hopkins, Percival, Tavendale, Wheeler (from 9.03am), Mayor Kircher

#### Apologies

**In Attendance** Cr Holding  
Cr Perkins  
Dr Cloete (Community Services Group Manager)  
Mr Hope (Chief Financial Officer)  
Mr Voss (Roading Manager)  
Mr Pacey (Water Services and Waste Manager)  
Mrs Julius (Property Manager)  
Ms Hooper (Policy Officer – Governance)  
Mrs Tanner (Policy Officer)

#### Declarations of Interest

There were no declarations of interest.

#### Apologies

RESOLVED  
AC17/030

Cr Kingan / Mayor Kircher  
"That Council accepts an apology for lateness from Cr Wheeler."

CARRIED

#### 1. Confirmation of Meeting Minutes

RESOLVED  
AC17/031

Crs Hopkins / Tavendale  
"That the Assets Committee confirms meeting minutes for 7 June 2017."

CARRIED

Cr Wheeler joined the meeting at 9.03am.

#### 2. Moeraki Signage: NZTA Recommendations

To work with Safe Roads for safety improvements at Moeraki along State Highway 1.

RESOLVED  
AC17/032

Crs Dawson / Cr Hopkins  
"The Assets Committee recommends that Council:  
1. Receive the report from NZTA Safe Roads on signage at Moeraki  
2. Support the request from Safe Roads to simplify advertising signage with the community."

CARRIED

RESOLVED  
AC17/033

Mayor Kircher / Cr Wheeler  
"That the Assets Committee sends a letter of appreciation to NZTA and to Safe Roads."

CARRIED

### 3. Harbour Street: Trial Closure Update

This memorandum presents information from a private survey conducted during the trial period and updates the Committee on the plan to develop options to discuss with stakeholders before bringing back to Council for a decision.

RESOLVED  
AC17/034

Crs Hopkins / Cr Tavendale  
"That the Assets Committee receives the information."

CARRIED

RESOLVED  
AC17/035

Mayor Kircher / Cr Tavendale  
"That the Assets Committee requests the Roading Manager to proceed to consultation with local businesses."

CARRIED

### 4. Assets Group Activity Report

The purpose of this memorandum is to inform the Assets Committee about the activities of the Assets Group.

RESOLVED  
AC17/036

Crs Dawson / Cr Tavendale  
"That the Assets Committee receives the information."

CARRIED

There being no further business, the Chairman declared the meeting closed at 10.02am.

Confirmed on this 30<sup>th</sup> day of August 2017, in the Whitestone Cheese Empire Room of the Oamaru Opera House, 94 Thames Street, Oamaru.

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Chairman

# Assets Committee Report

From      Roothing Network Engineer

Date      30 August 2017

## Roothing: Special Projects Programme

### Recommendations

The Assets Committee recommends:

1. That Council approves the allocation of \$350k of Whitestone Contracting Limited dividend, set aside for roading improvements, be used to place more aggregate on lower volume unsealed rural roads.

### Objective of the Decision

To improve the condition of lower volume unsealed rural roads using the proposed \$350k dividend additional to programmed works that would otherwise be unlikely to compete in attracting funding.

### Summary

It is proposed that the Assets Committee recommends the funding be used for placing aggregate on lower volume unsealed rural roads.

### Summary of Decision Making Criteria

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	No	Environmental Considerations	No
Legal	No	Cultural Considerations	No
Significance	No	Social Considerations	Key
Financial Criteria	Key	Economic Considerations	Key
Community Views	Moderate	Community Board Views	Moderate
Consultation	No	Publicity and Communication	No

### Background

Council allocated \$350k from the Whitestone Contracting Limited dividend received during 2016 to remedy urgent issues on the rural network. Officers then developed a methodology to determine how suitable works might be prioritised. The NZTA formula for Minor Improvement projects (MI) was used and following sites were selected:

"Tee" up Y approaches to Livingstone – Duntroon and Settlement Roads	Higher tourist route destinations and cycle trail-proposed A20 carpark opposite and safety at intersection	\$60k
Wellington Street Enfield	Widen carriageway -1.5km an increase in agricultural vehicle use and through residential area	\$150k
Lighthouse Road	Traction seal incline and widen away from carpark- reduce corrugations and blind approach-safety	\$150k
Peaks Road	Traction seal at 90 degree corner and steep incline. A higher number of grades are needed to remove corrugations due to steep grade and right angle turn. Two tanker visits per day	\$95k
Project estimated		\$326k

Subsequent to the production of that information, the position has shifted more towards having a greater focus on lower volume unsealed rural roads. A number of these were highlighted through the survey results and submissions received from the community as part of the business case decision.

Council has limited resources, and therefore the allocation of work on the roads is thinly spread. The maintenance contract has to have more of a focus on higher used roads, which means that the lower volume rural network does not always meet customer expectations.

The last three months or so have been quite wet and there has been little drying of gravel roads. This has meant that there has been greater deterioration of the lower volume rural roads than normal as the maintenance cycle budgeted has not been able to keep up. This has also meant customers have put in a large amount of CRM's for these roads. For example, the majority of CRM's prior to the flooding last month were for low volume unsealed roads around grading, potholes and blocked culverts.

These roads should have more work carried out on them to bring them up to a standard required by the Community and would benefit from the additional funding.

The roads that have been identified to fit into this category are:

Bushy Creek Road-Basalt Creek Road	West Marewhenua Road	Duthie Road
Wrights Road	Mole Hill Road	Turnbulls Road
Wardells Road	Blackcap Road	The Hectors
Allan Road	Tullimet Road	Shag Valley Back Road
Sweetwater Creek Road	Matheson and Longdale roads	Taieri Ridge
Sheehy and Hay Roads		

This list will be confirmed by matching it with the proposed funding, should it be allocated.

### Summary of Options Considered

- Option 1:** Allocate proposed funding to lower volume unsealed rural roads by providing more aggregate and seek NZTA share (recommended).
- Option 2:** Allocate proposed funding to higher volume rural roads by providing more aggregate and seek NZTA share.
- Option 3:** Approve the works identified through the Minor Improvement formula and as listed in order of priority and seek NZTA for funding share. Should this be successful, any funding share allocation can be used for newer sites.
- Option 4:** Redirect the funding to alternative roading sites/issues and report back to the Committee.

### Assessment of Preferred Option – Allocate to lower volume unsealed rural roads

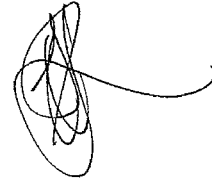
Council has received consistent feedback about the condition of unsealed rural roads, particularly about the amount of gravel apparent on them. Focusing on bolstering gravel application seems a prudent way to move towards addressing road user needs, particularly on lower volume unsealed roads. Applying to NZTA for funding share of unsealed metalling or rural roads will likely be more successful than the Minor Improvement projects. The preferred option is to allocate the dividend to supplying aggregate to lower volume unsealed rural roads, and seek NZTA funding to enhance the project by boosting funding to around a total spend of \$616k. If successful, the funding boost could be used to complete as many of the unsealed rural roads as possible.

### Conclusions

Having considered the options summarised above, the following conclusions have been reached:

1. That the focus has changed since the initial allocation was made and discussed with Council and moved more towards lower volume unsealed roads.
2. That there is a good chance of funding share from NZTA for the unsealed metalling focus.
3. Funding share may still allow for some of the Minor Improvement projects to be achieved as part of the normal work programme.

Focusing on supplying aggregate on lower volume unsealed rural roads will help to better meet the requirements of the Community on Council's lower volume roading network. This means that the programmed maintenance already funded will continue to focus on the higher used rural roads targeted by the majority of heavier vehicles, contractors and service supply vehicles supporting the district's primary industries.



Mark Renalson  
**Roading Network Engineer**

Neil Jorgensen  
**Assets Group Manager**

**Attachments**

Additional decision making considerations

**Additional Decision Making Considerations**

The following matters have been considered in making the decisions.

Difficulty of accessing stock for transport during winter on very rural roads. This has become apparent via customer requests and staff inspections of the roading network over the last few years.

**Outcomes**

We keep our district accessible in tougher winter conditions.

**Community Views**

From CRM's, feedback and community surveys.

**Financial Considerations**

Funding has been provided through access to the Whitestone Contracting Limited dividend in recognition of a need for improvements to rural roads.

# Assets Committee Memorandum

**From** Assets Group Manager

**Date** 30 August 2017

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## Waitaki Resource Recovery Trust Ltd (WRRT) Quarterly Report

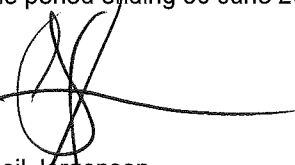
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### **Recommendation**

That the information is received.

### **Purpose and Summary**

To provide the Assets Committee with the Waitaki Resource Recovery Trust Ltd quarterly report for the period ending 30 June 2017.



Neil Jorgensen  
**Assets Group Manager**

### **Attachment**

Waitaki Resource Recovery Trust Ltd Quarterly Report





## Quarterly Report: April - June 2017

## Financial Report

### Executive Summary

#### Payments (Appendix 1)

Payments requiring confirmation for the month of June 2017 were \$66,084 and included a non-operational payment of \$3,270 to Literacy North Otago.

#### Summary of Profit & Loss Budget Variances (Appendix 2)

##### Year Ended 30/6/2017

	Actual	Budget	Actual Last Year
<b>Operating Income</b>			
Fees	134,739.72	137,059.00	124,140.97
Sales Recycled Materials	406,155.44	421,440.00	389,780.69
<b>Total Operating Income</b>	<b>540,895.16</b>	<b>558,499.00</b>	<b>513,921.66</b>
<b>Operating Costs</b>			
Direct Costs	130,075.52	160,382.00	136,005.05
Wages	552,704.55	565,655.00	585,811.16
<b>Total Operating Costs</b>	<b>682,780.07</b>	<b>726,037.00</b>	<b>721,816.21</b>
<b>Gross Profit</b>	<b>(141,884.91)</b>	<b>(167,538.00)</b>	<b>(207,894.55)</b>
<b>Expenses</b>			
Administration	27,644.96	29,155.00	26,608.02
Employment	20,710.87	24,911.00	24,212.27
Marketing & Education	10,338.87	1,800.00	2,129.78
Occupancy	3,463.85	3,543.00	3,381.58
Other Expenses	21,564.84	23,285.00	27,080.00
<b>Total Expenses</b>	<b>83,723.39</b>	<b>82,694.000</b>	<b>83,411.65</b>
<b>Operating Profit</b>	<b>(225,608.30))</b>	<b>(250,232.00))</b>	<b>(291,306.20))</b>
Other Income	243,246.97	249,817.00	263,402.60
<b>Net Profit</b>	<b>17,638.677</b>	<b>(415.00))</b>	<b>(27,903.60))</b>

A net profit of 17k has been recorded, an improvement of 44k on last year. This is after allowing for holiday pay accruals etc. 57k, depreciation of 20k & 9k of unused grants transferred to the balance sheet. Net profit will increase by another 10k when an invoice for a grant from the Packaging forum is processed. This is for the community recycling bins where payment has already been made.

#### Financial Position (Appendix 3)

Working capital \$118,476

Net Assets \$247,589 (64%)

#### Diversion (Appendix 4)

2,766 tonnes was diverted for the 12 months ended 30<sup>th</sup> June. This was well short of the budget figure of 3,226 tonnes mainly due to the over-estimation of plastic output. Total costs averted by diversion was \$719,991

Tom Erikson

11<sup>th</sup> August 2017

NJ. 30 August 2017. Waitaki Resource Recovery Trust Ltd Quarterly Report.

## Appendix 4

## WRRT Diversion Quarterly

Quarterly Report	Quarter September		Quarter December		Quarter March		Quarter June		Total	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
Builders waste	3.47	4.05	6.01	2.29	3.32	2.05	6.73	3.27	19.54	11.66
Cardboard	157.44	131.34	163.13	152.22	150.77	159.64	184.05	168.38	655.39	611.58
Demolition	3.88	10.40	6.60	4.40	5.51	8.76	5.93	7.39	21.91	30.95
Ewaste	1.77	2.51	2.06	2.34	5.00	6.10	2.36	4.30	11.19	15.25
Furniture	1.19	3.82	2.47	1.62	1.88	2.18	4.02	0.65	9.55	8.27
Glass	88.58	120.16	141.78	76.24	144.78	84.78	94.00	155.06	469.14	436.24
Green Waste	27.57	26.66	46.78	60.92	56.86	51.47	32.81	46.64	164.01	185.69
Metal	11.48	27.67	18.51	20.82	19.09	34.02	23.45	29.76	72.53	112.27
Paper	110.96	87.72	132.41	104.84	116.98	107.84	122.13	91.85	482.47	392.25
Plastic	138.33	54.30	200.08	125.33	88.44	56.46	165.11		591.96	236.09
Plastic - consignments		-40.55	-66.26			-25.79	-45.16	-4.92	-111.42	-71.26
Shop	183.85	188.54	222.01	216.21	199.84	202.29	234.18	189.97	839.87	797.01
Total Diversion	728.51	616.62	875.57	767.23	792.47	689.80	829.61	692.35	3,226.15	2,766.00
Residual	95.19	83.26	91.72	95.28	105.13	91.12	96.18	76.42	388.22	346.08
Total Outputs	823.71	699.88	967.28	862.51	897.60	780.92	925.79	768.77	3,614.38	3,112.08
% Output diverted	88%	88%	91%	89%	88%	88%	90%	90%	89%	89%
Costs averted by diversion										
Disposal per tonne @	\$228.30		631,478							
Transport per tonne @	\$32.00		88,512							
Total costs averted			719,991							

WRRT have shipped 3 x 40ft containers containing 11.41 tonne of PET bottles to China, 26.95 tonnes of Baleage wrap to Malaysia and 27.33 tonnes of Dairy Film/Shopping Bags to Vietnam over this quarter. We have also shipped 32 tonnes of plastic to local Companies for domestic processing.

Glass volumes are stable and due to ongoing logistical issues we have taken matters into our own hands and entered into an arrangement with Toll Transport whereby they have allocated 6 open top containers for our use only. This will be crucial to the success of the site redevelopment.

Metal prices are also very low and while we are not getting any return for light gauge metal, we are still able to get rid of it. There is a glimmer of hope for this product as quality steel has increased from a zero return to \$150.00/tonne

Paper and Cardboard are stable with significant increases in the volume of cardboard processed. A slight rise in pricing has occurred and the next quarter is expected to continue this trend.

### **Social Benefit**

We are continuing with the Community Bike project and mentoring school children in bike maintenance. Fund raising through Lotteries has ensured we can continue this project for a further 12 months. We are providing work experience opportunities to an ongoing number of volunteers and unemployed. Another two local Schools have received a total of 22 bikes plus helmets, Hi Vis safety vests and Hi Vis Backpack covers.

### **Health and Safety**

WRRT's Health and Safety program complies fully with the recently introduced new standards. We carry out a three weekly Health and Safety audit and discuss the findings at our regular Team Talk meetings.

### **Workplace Literacy**

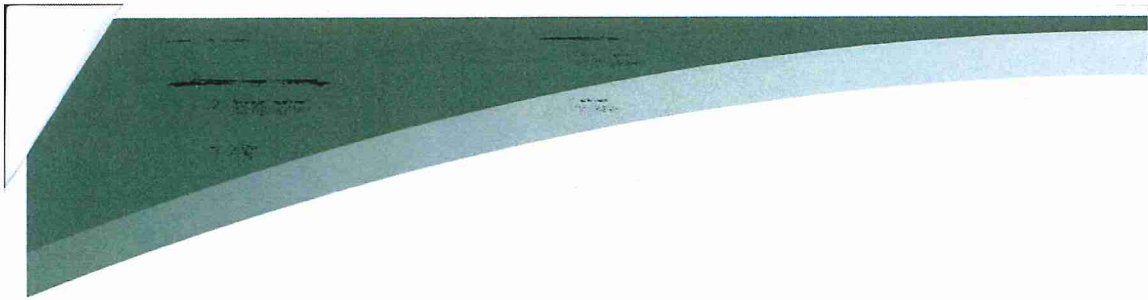
Literacy North Otago has created a collaboration of Employers to provide workplace literacy training for employees. WRRT have been selected as the lead agency. This is the first example of a collaboration like this in the Country. A number of new companies have come on board and results are very promising. The Tertiary Education Commission are using this example as a case study to potentially roll out nationwide. Results from our employees who have undergone this program are outstanding.

### **Combined Recycling/Rubbish Receptacles**

WRRT have raised \$10,000.00 + GST to trial Combined 3 bin units for the Community. Five bins have been delivered with the first installed at the new cycle park on the waterfront. Others will be progressively installed.

### **Site Redevelopment**

We are patiently awaiting a number of minor issues to be resolved to enable the long overdue redevelopment to occur. This winter has been cold and wet and a number of customers have expressed dismay about the ongoing state of the site which we anticipate will be resolved this spring.



### Heritage 3 bay recycle unit

This fibreglass manufactured bintainer weighs approximately 45 kgs empty. Each container can take 100 litres per bay.

Used : Dunedin

SUPPLIER : McFarlane's Fibreglass Engineering  
03 471 0623



We chose it over other bin designs because:  
The bin was be made to order; same colour and general design as our existing litter bins, utilising the same 100 litre bin liners used by the contractor who now services both the litter bins and permanent public places recycling bins and the bin matches other street furnishings.

- The three bins, contained within the one unit, gave us the opportunity to separate glass from commingled recyclables and provide for a rubbish bin to lessen contamination in other two bins.
- The bins are made of fibreglass which is very durable, light and repaired easily if damaged.
- The permanent recycling stations are showing a 95% return of recyclables—so people are seeking them out to put their recyclable materials in. The contamination is largely disposable coffee cups and paper packaging we don't recycle from public bins in Dunedin due to levels of food contamination. The glass bin is the least contaminated as it is clearly understood what this bin collects. There is greater ambiguity around the term mixed recycling even though the words plastics and cans appear on the signage.
- Council will continue to use this bin style for public places recycling as the infrastructure is rolled out into other areas of Dunedin and with bin renewals.

Cath Irvine, Dunedin City Council





# Assets Committee Memorandum

**From:** Property Manager

**Date** 30 August 2017

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## Property Debt Update

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### Recommendation

That the Assets Committee receives the information.

### Summary

Property debt has reduced by almost \$4.4m over the past 36 months. As at 30 June 2017, the debt now sits at \$5.7m, down from over \$10m in 2014. The last 12 months have been particularly successful with a debt reduction of nearly \$3m.

### Purpose

The purpose of this memorandum is to present an update on Property Debt that historically did not have a principal repayment plan in place.

### Background

In 2014, the property debt balance was just over \$10 million. The reduction of property debt has been a focus for Council, and has been a key performance measure for the Chief Executive since 2014. This is particularly targeted at property debt where no regular payment plan is in place to repay the principal over time.


A debt reduction plan was subsequently implemented, and the debt has steadily decreased as a result. The property debt has been reduced by almost \$3m over the last 12 months, to a debt balance of \$5.7m as at 30 June 2017. This has primarily been from the sale of surplus property as well rate funding some interest cost.

With the exception of the RSA and Opera House, the remaining balance of \$1.9m is still compounding interest. Assuming an interest rate of 4%, Council would need to apply funding of \$230k to fully cover the interest cost of the entire debt balance to prevent the debt from growing. Council is currently rate funding \$240k per annum, targeted at the Opera House portion of the debt and now \$14k for the RSA debt.

It is planned to discuss applying this funding across the whole portfolio as part of the Long Term Plan (LTP) budget discussion process. This would mean that the unfunded debt would cease to compound across the whole portfolio while further properties are identified for sale to reduce the remaining principal.

### Comment

This is an excellent outcome for the debt held against property without a repayment plan in place, and the annual interest bill is now within funding ability. It is intended to maintain the momentum, and good progress has already been made in further reducing the debt in the current financial year. The property team is working hard to identify other surplus land for sale to further reduce the debt.



Renee Julius  
**Property Manager**

Neil Jorgensen  
**Assets Group Manager**

### Attachment:

Appendix 1 – Property Development Debt Balances

## Appendix 1 – Property Development Debt Balances

### Property Development Debt without a Repayment Plan

Loan	Balance 30/06/14	Balance 30/06/15	Balance 30/06/16	Balance 30/06/17
Lory Block, Omarama	885,922	925,381	964,350	998,980
Cirrus Place, Omarama	1,326,726	1,327,003	1,320,515	0
Otematata Lakes Ctr	1,217,956	1,272,204	1,224,818	648,616
Business Park, Oamaru	2,180,356	1,088,327	1,134,158	0
Opera House, Oamaru	3,961,336	3,967,449	3,523,334	3,406,793
RSA, Oamaru	0	0	146,146	365,267
Test St, Oamaru	353,187	368,918	384,454	328,091
Forrester Heights	11,625	0	0	0
Hospital Hill	202,949	213,033	0	0
Isis Street	15,021	0	0	0
<b>Property Development Debt</b>	<b>10,156,078</b>	<b>9,162,315</b>	<b>8,697,774</b>	<b>5,747,746</b>

Net Loan Repayments  
for 2016/2017:

2,950,028

### Property Information

Lory Block, Omarama	Bought by Council to enable the Omarama Airfield to be developed.
Cirrus Place, Omarama	Bought by Council to enable the Omarama Airfield to be developed.
Otematata Lakes Ctr	Bought by Council as a Community facility.
Business Park, Oamaru	Bought by Council to facilitate industrial development at the Northern end of Oamaru.
Opera House, Oamaru	Endowment funded debt to allow Opera House to be redeveloped.
RSA, Oamaru	Property defaulted to Council ownership. Debt funded work required to remove asbestos and develop plans to enable property to be leased.
Test St, Oamaru	Bought by Council as part of Forrester Heights planning process.
Forrester Heights	Investigative work was debt funded against the property.
Hospital Hill	Bought by Council for development purposes and eventual sale.
Isis Street	Debt for subdivision development.

# Asset Committee Report

From Property Officer

Date 30 August 2017

## Night Access to Breakwater

### Recommendations

The Assets Committee recommends:

"That Council restricts public access to the Breakwater at night."

### Objective of the Decision

To deliver the best outcome for the safety of visitors on the Breakwater at dusk, and to provide a safe environment for the penguins coming ashore.

### Summary

It is proposed that the Assets Committee recommends that access is restricted to the Breakwater by reducing public access in the evenings.

### Summary of Decision Making Criteria

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	No	Environmental Considerations	Key
Legal	No	Cultural Considerations	No
Significance	No	Social Considerations	No
Financial Criteria	No	Economic Considerations	Key
Community Views	Moderate	Community Board Views	No
Consultation	No	Publicity and Communication	No

### Background

Historically, Breakwater access was restricted from dawn to dusk. In the middle of last year, due to public pressure, Council decided to keep the gates permanently open, allowing access to the beach and the Breakwater 24/7. This change has resulted in large numbers of people accessing the Breakwater to view the penguins coming ashore at night beyond the Penguin Colony area.

Due to the unpredictable seas and uneven ground, there are safety concerns for those viewing the penguins from the Breakwater. People are using flash photography which is prohibited in the Penguin Colony as the penguins are easily disturbed by the bright lights. Some visitors are also climbing on the eastern side of the Breakwater to get a closer look. Collectively, these issues are placing people at risk as well as having a negative effect on the community-owned Penguin Colony experience.

### Summary of Options Considered

#### Option 1 – Restrict public access to the Breakwater at night (Recommended)

Restricting the access to the Breakwater in the evening addresses the safety and risk concerns whilst still allowing enjoyment of the Breakwater in daylight hours.

It was considered that the gate be closed from dusk until dawn, but this approach results in inconsistent times, due to different interpretations of dusk. To resolve the matter, it is proposed that the gate is locked and unlocked at set times.

To ensure that this is the most cost effective method for the ratepayer, we have scheduled the unlocking of the gates around the timing of other security rounds. These times will be posted at or near the gates.

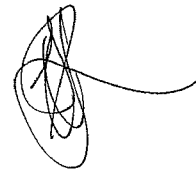
#### Option 2 – Do nothing; leave the gate open 24/7

This option is not recommended as it does not address the risks associated with the visitors and the penguins.



**Conclusion**

The preferred option (1) is to restrict public access to the Breakwater at night. There was a trial period for allowing access but, due to the observed behaviour described in this report, it is considered prudent to close the gate at night for public safety and to reduce risk to the penguins.



Rachael McNeill  
**Property Officer**

Neil Jorgensen  
**Assets Group Manager**

**Attachments**

Additional decision making considerations

**Additional Decision Making Considerations**

The following matters have been considered in making the decisions.

**Outcomes**

This decision contributes to the following community outcome:

- Waitaki's distinctive environment is valued and protected

**Community Views**

Community interest in the area is high. A press release has been issued on the trial closure until the formal decision is made. The trial arrangement appears to be working well with a 5.00pm closure; it can be between 5.00pm – 5.30pm dependent on security rounds. The gate is currently being opened with the morning security rounds between 4.30am – 5.30am.

Another press release will be issued following the public Council meeting.

**Environmental Considerations**

Environmental impact has been taken into consideration.

# Assets Committee Memorandum

From Assets Group Manager

Date 30 August 2017

## Assets Group Activity Report 6 July to 16 August 2017

### Recommendation

The Assets Committee receives the information.

### Summary and Purpose

The purpose of this memorandum is to inform the Assets Committee about the activities of the Assets Group for the period 6 July to 16 August 2017.

#### 1. Roothing Manager's Update

July has proven to be an eventful month with the challenges around the storm event, further slippage at Haven Street, and erosion south of All Day Bay.

The storm, which was recorded as a 1 in 100 year event, affected Coastal Otago in the main, with lesser rain falls and concentrations as it moved inland. 36 roads were closed initially, but this number was quickly reduced as our contractor could get around and ascertain damage and risk. At the end of the activity period, six roads remained closed.

The most significant failure was the undermining of the southern land-side abutment of the Humber Street Bridge. An apparent small hole of less than 1m<sup>2</sup> proved to be a cavern of some 60m<sup>3</sup> hidden underneath the seal, which spanned almost the full width of the road. This is why the road was closed off, although some people disregarded their personal safety and decided to peek into the hole, without realising there was little supporting them. Sadly, this sort of behaviour was experienced on rural roads too, where drivers crossed closed bridges and roads and did not know what was under the water.

Otherwise, the success of the rural resilience project was demonstrated by the small number of roads closed considering the scale of the event; by the effectiveness of the response (costing around \$28k); and by limited disruption to economic activity. The downside is that the storm has delayed our 'business as usual' maintenance programmes by at least 1-2 months.

The new maintenance contract for roading has commenced, and officers are working hard with the contractor to improve data collection techniques now that RAMM has been significantly upgraded. This means that more "live" feeds will be possible, as it has geospatial functions. One option might be to have up-to-date locations of graders within the network.

#### 1.1. Customer Service – CRM Process

Customer Service requests in late July and August were driven mainly by the storm and response expectations. Due to the sheer number of requests, it was necessary to triage responses, to focus on the priorities. The vast majority of those have now been closed off, leaving the others (eg minor seal repairs) to be addressed. Earlier in July, CRMs were focused on the low volume gravel roads relating to grading, potholes and blocked culverts.

#### Operations

Metal Supplies: Commercial negotiations are underway in several areas, which will secure quality metal product for district roads. This includes a potential new site in the Waihemo Ward, with the McKerrow Road pit being used as the supply source for Waihemo Roads in the interim.

Haven Street in Moeraki is showing signs of accelerated movement towards the sea, as well as a transition westward to include the intersection between Haven Street and David Street. The scale of the subsidence in this place is very concerning, and

consideration of options is being given priority. \$5k of the \$12k annual budget was spent in July simply responding to the land movements.



The wet winter has also accelerated other pre-existing subsidences affecting the roading network, including three on Horse Range Road, Goodwood Road and



Waianakarua Road. It is planned to evaluate the changes to better understand their significance, and then develop a mitigation project.

Fly tipping on road sides is continuing to be a problem around Oamaru. The option of erecting surveillance cameras is being considered as a more reliable means of identifying those responsible, especially where company vehicles are used.

## 1.2. Communications

Date	Customer/Client	Outcomes
July	Stantec MWH	Kakanui Point Bridge
	ORC	Coastal protection and flood repairs
	Survey Waitaki	Arun Street design
	DCL Consulting	Humber Bridge repairs
	Road Efficiency Group	WDC benchmarking
	Screen and Crush	Metal Supplies
	Forestry companies	Stand down for rain event
	Opus	Heavy Commercial Vehicle permits and access to network.

## 1.3. Projects

Well underway	Comment
Bridge and Structure Renewal Programme	The programme for 2017/18 has focused on component renewals on the Kakanui Point Bridge – estimated at \$180k. The Severn Street wall redesign and remedial works are to commence before Christmas.
Resurfacing Programme	Sites have been selected, and a joint drive-over with the sealing contractor is underway to confirm the extent of work. We have 200,000m <sup>2</sup> programmed (approximately 35km).
Rehabilitation Programme	The Forward Work Programme has been verified for 2017-18. Visual surveying of sites is underway, and the design is expected to be completed and out by end September.
Minor Improvement Programme (MIP)	The draft MIP programme for 2017-18 has been finalised with an estimated \$800K budget, including proposed Arun Street realignment and Oamaru Creek pedestrians' bridge. \$300K seal widening works will be out for tender in early September.
Street Lighting LED Upgrade	The street lighting supply tender closes 31 August. This includes the supply of components (14,200 units at \$250/unit estimated) to Highways, Clutha, Queenstown Lakes, Gore and Southland District Councils as well as Waitaki (1,500). The tender process was also endorsed by NZTA as it covers different agencies. The local upgrade is worth \$1.2M with funding assistance of 85% from NZTA (including a carryover project from last year) and \$780k for State Highways (fully funded by NZTA, and including \$200k worth of improvements to State Highway lighting).

Draft Rooding Business Case Approach 2018-21		The feedback was summarised at the 2 August Council meeting. The next step will be following up individually with the submitters about their issues and identifying common areas of improvement. The Business Case will be presented to the Regional Transportation Committee at the end of August.
<b>Larger Projects (Prioritised)</b>		
1	Oamaru Coastal Protection	The rock protection work along the embankment has been completed. The beach suffered extreme wave action during the storm event, but it was pleasing to note that the sand-filled mattresses remained intact and did not move. Sand has since built back up by a couple of metres, which will help to re-establish the beach. It is planned to have the site cleared by the end of August, including hydro-seeding of the work platforms (weather permitting). Replacement of the fences to protect the penguin nesting sites is next on the agenda (but separate to the coastal protection contract).
2	Kakanui Point Bridge Replacement	The consultant's draft report has been received, and is being reviewed as a starting point to progress the evaluation of a bridge replacement.

#### 1.4. Fatal and Serious Crashes in the Waitaki District – July 2017

There have been no reports of fatal or serious injury crashes within the District during July.

## 2. Water Services and Waste Manager's Update

### 2.1. Customer Service

As of 1 July, 250 CRMs have been responded to by officers and SouthRoads. Of these, 50% relate to minor water asset failures (eg service line and toby leaks) and the remainder relate to more urgent events (eg no water, sewer blocks, overflows and the like). Only 10 related to the July flood event.

### 2.2. Operations

#### Reticulation

Significant volumes of stormwater entered the Oamaru sewer reticulation network during the July flood event, causing it to surcharge and overflow in multiple locations.

Officers worked closely with landowners where overflows on private property occurred to ensure the sites were appropriately disinfected. In some instances, where property has been damaged, claims have been made with the landowner's insurance company.

The Oamaru stormwater reticulation network also surcharged in certain areas, and this is being investigated.

#### Water Facilities

Six water supply intakes were shut down during the flood event (Lower Waitaki, Herbert-Waianakarua, Hampden-Moeraki, Waihemo, Otematata and Duntroon). Conserve and boil water notices were issued in accordance with Council's Water Safety Plans.

Chlorine disinfection was implemented at Otematata and Duntroon and remains in place. Officers will be undertaking a further risk assessment to determine if chlorine treatment needs to be continued. A number of local authorities have taken this step following the Havelock North contamination event.

Advertising of a new water treatment plant operator is underway following the appointment of Warren Johnston to the 3 Waters Engineer – Operations role at Council. Having Warren's knowledge of water treatment and facilities operation in-house will be invaluable to the team.

#### Wastewater Facilities

The Regina Lane pump station was inundated during the flood event, causing irreparable damage to the control switchboard. Temporary power supply and controls are in place and design of a new, elevated control enclosure has commenced. The new control room is expected to cost in the order of \$250,000 and will be funded from a mix of government financial assistance, Council's civil defence emergency insurance, and depreciation reserves.

The following photograph shows the flood water tide line.



All pump stations in Oamaru, Palmerston and Moeraki failed to cope with the significant flows during the flood event, contributing to the reticulation network overflows. A project involving the scoping and implementation of overflow mitigation solutions across all networks will be progressed over the next five years. Network and pump station upgrades in Oamaru are expected to cost in the order of \$1.5 million.

#### Solid Waste Facilities

Officers are continuing to work with Ohau community representatives to determine the best long-term solution for delivery of solid waste services to the village.



### 2.3. Communications

Date	Customer/Client	Outcomes
Multiple occasions	Otago Regional Council	Various communications regarding general resource consent compliance and renewal of the Stoneburn water take permit.
Multiple occasions	ECan	Various communications regarding general resource consent compliance.
Multiple occasions	Public Health South	Various communications regarding the July flood event and the Annual Survey.
Multiple occasions	Waitaki Resource Recovery Trust (WRRT)	Various communications regarding the delivery of solid waste services following the Oamaru Landfill closure and redevelopment of the WRRT site.
Multiple occasions	Waste Management	Various communications regarding the delivery of solid waste services following the Oamaru Landfill closure.
Multiple occasions	Heritage New Zealand	Various communications regarding Archaeological Assessments and Authorities for the Itchen/Severn/Cross Street and Reservoir Road water main upgrades and the discovery of a historic wooden water main during the Chelmer Street sewer main upgrade.
Multiple occasions	NZTA	Communication regarding works within State Highway road reserve for H2OurHealth, Moeraki water main upgrade, Dunback Road water main upgrade and the Cross/Severn/Itchen Street water main upgrades.
Multiple occasions	Network Waitaki	Various communications regarding the temporary power supply at Regina Lane, potential trench sharing in Hampden, pole replacements in Otematata and excavation near power services in Chelmer Street.
Multiple occasions	Waitaki Developers	Various communications regarding subdivisions and developments i.e. Natural Chicken Company (Moeraki), McBrimar (Weston), Good Land Heights (Old Hospital Hill) and the Retirement Village.
Multiple occasions	Ahuriri Community Board	Various communications regarding solid waste services in Ohau and the July flood event.
July	Waihemo Community Board	Various communications regarding the July flood event.
July	Corriedale Water Management Ltd.	Communication regarding general operations and forward works planning.
July	H2OurHealth Landowners	Communication providing an update on H2OurHealth.
July	Dunback Road Palmerston Landowners	Communications regarding the disconnection of existing tanks and installation of new connections.
July	Canterbury Drinking Water Reference Group	Various communication regarding a joint submission to the Government Inquiry on improved collaboration between organisations particularly during drinking water emergency responses.



Date	Customer/Client	Outcomes
July	Oamaru New World	Communication regarding potential causes of flooding and odour at the South Hill site.
July	Ministry for the Environment	Communication regarding submission of Annual Returns for the Oamaru and Palmerston landfills.
July	KiwiRail	Communications regarding works within rail corridor for the Cross/Severn/Itchen Street water main upgrades.
August	Bruce Comfort	Communications regarding the discovery of a historic wooden water main during the Chelmer Street sewer main upgrade.
August	Timaru District Council	Knowledge sharing.
August	Kai Tahu ki Otago and Te Runanga O Moeraki	Ongoing correspondence regarding renewal of the Moeraki wastewater discharge permit.
August	Timaru District Council and Oamaru Hospital	Communications regarding disposal of hazardous waste from the Oamaru Wastewater Treatment Plant.
August	Alliance, Canterbury Spinners, Fonterra	Communications regarding trade waste monitoring.
August	Ohau Lodge and Community Representatives	Communications regarding options for the delivery of solid waste services to the village.
August	Otago Council's	Communications regarding the joint Section 17A reviews.
August	Moeraki Landowners	Communications regarding land access for installation of a new water main to Horse Range Road.

#### 2.4. Projects

Larger Projects (Prioritised)		
1	H2OurHealth (HamNak pipeline) Project	Construction is underway in the Herbert area.
2	Oamaru South Hill Water Reticulation Upgrades	Stage 1 and 2 are complete, with Stage 3 from Cross Street to Itchen Street due to commence.
3	Asset Management Plan (AMP) Update	Final drafts are nearing completion and will be ready for review by officers at the end of August.
4	Oamaru Landfill Closure	Survey and assessment of required clay volumes for final capping across the entire site is underway in conjunction with the development of the Aftercare Plan.
5	Chelmer Street Sewer Main Upgrade	Stage 1 through the Cross Street intersection is complete, with Stage 2 due to commence.
6	Waste Management and Minimisation Plan Review	The district-wide waste assessment is nearing completion and will be ready for Stage 2 of workshops in September.
7	Hampden On-Site Wastewater Management	The Oamaru septage ponds do not have capacity for the removed waste. Quotes will be sought from Dunedin based septic tank cleaning service providers and will include disposal of the waste at a

		Dunedin facility. A report will be presented to the Waihemo Community Board following receipt of the quotes.
8	Oamaru Water Treatment Plant Ozone Upgrade	Works are due to commence.
9	Oamaru Tower Zone Capacity Improvements	Design is complete and construction plans have been issued to contractors for pricing.
10	Moeraki Wastewater Disposal Upgrade	Awaiting feedback from Te Runanga O Moeraki on the proposed draft conditions.
11	Omarama Wastewater Treatment Plant Disposal Upgrade	Concept design has been presented and accepted by the Omarama Airfield Board. Lease documents are being drafted.
12	Ohau Water Upgrade	To be commenced as soon as resource is available, with completion expected in 2017/18.
13	Omarama Water Upgrade	Concept design completed. To be progressed further as soon as resource is available, with completion expected in 2017/18.
14	District Wide Wastewater Overflow Mitigation	Concept design completed. To be progressed further as soon as resource is available, with completion to be staged over the next five years.
15	Oamaru Water Supply Chlorine Analysis	Existing chlorine levels will continue to be analysed and options for improvement considered. Construction is anticipated to be completed in 2018/19.
16	Sewer Lateral Ownership Assessment	Assessment has been completed and a report provided for officer review. This will be progressed further in 2018/19.
17	Holmes Wharf Deck Replacement	Contract completed and pending officer review. This will be progressed further in 2018/19.

### 3. Property Manager's Update

#### 3.1. Customer Service

Since the commencement of the 2017/18 financial year, Property achieved a 100% response rate to CRMs and a 100% resolution rate.

#### 3.2. Operations

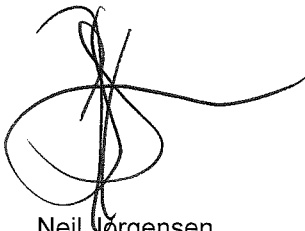
A number of renewal projects are underway:

- Community Housing Units – three in Palmerston, one in College Street, one in Swale.
- Residential housing insulation
- Council HQ basement repair from flood damage.

#### 3.3. Projects

Larger Projects		
1.	Court House	Planning is underway for the construction phase.

2.	Harbour Visitor Accommodation	Applications received were considered by the Harbour Area Committee on 23 August.
3.	Council HQ flood remediation	Working with the insurer to remediate flood damage. Also developing solutions to protect property for future rain events.
4.	Land Development and Sales	Various sales and projects are underway and workshops/reports will be prepared to present to Council as required.
5.	Property Debt	A separate memorandum provides a fuller update on this matter.



Neil Jorgensen  
**Assets Group Manager**

**Attachments:**

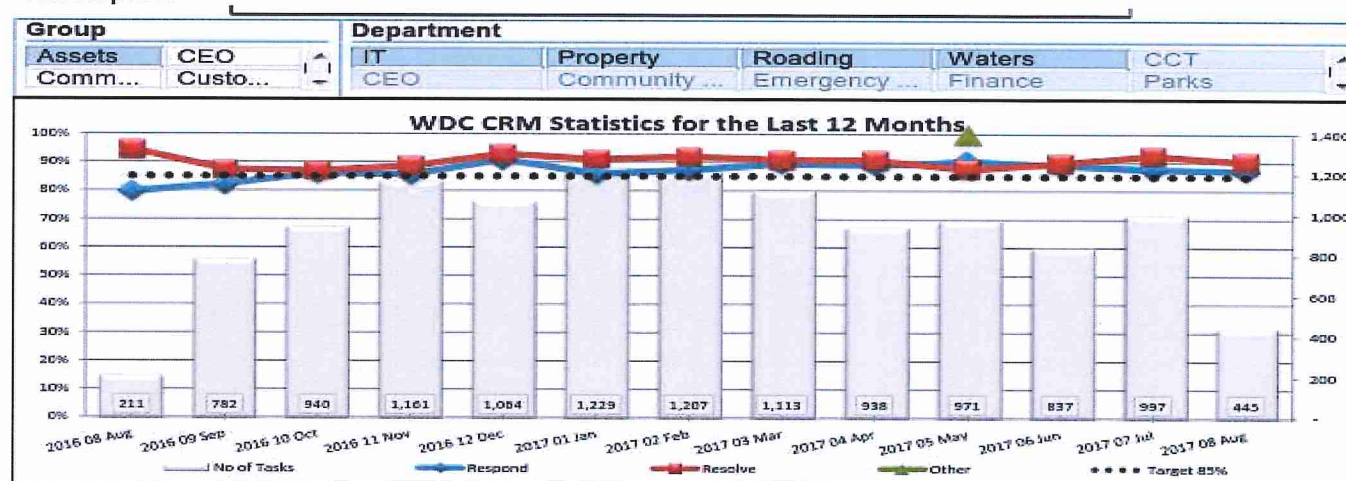
CRM Report  
Tenders Recently Let

### Tenders recently let





This table shows tender let over the last few months and will be kept as a six monthly rolling schedule.

















Contract No	Name of Contract	Date Contract Let	Tenders received	Awarded to	Tender value (ex GST)	Range of tenders received	Engineers Estimate	Start Date	Date of Completion
661-664	H2Our Health - Oamaru to Hampden Pipeline	14 June 2017	3	Whitestone Contract Ltd	\$4.83m	\$4.83m – 7.04m	\$4.7m	11.07.2017	30.06.2017
656	Chelmer Street Sewer Renewal	29 May 2017	2	South Roads	\$305k	\$305k-\$428k	\$270k	11.07.2017	16.10.2017
665	Kauru Hill Bridge 30: Transom Replacement	12 June 2017	Direct Appointment	Recreation Construction: Are currently Councils preferred contractor for bridge maintenance.	\$110,000	Direct Appointment	N/A	12.06.2017	30.06.2017
666	State Highway LED Upgrade	15 July 2017	2	Orange Tek International	\$266,857k	Closed Contest	\$300,000k	19.06.2017	01.07.2017

### CRM Reports



**WDC CRM Statistics for YTD 2016/17 as at:**  
**Wed - 23 Aug 2017 - 12:30 PM**

Respond		KEY: Under = Closed Before Due Date, Over = Closed After Due Date, No Due = No Due Date											
		Assets		Community		Customer		CEO		(blank)		Total Tasks	Total %
Status		Tasks	%	Tasks	%	Tasks	%	Tasks	%	Tasks	%		
Under		5,214	86%	953	86%	712	74%	265	88%			7,144	85%
Over		315	14%	157	14%	251	26%	37	12%			1,260	15%
Overdue			-		-		-		-				
Open			-		-		-		-				-
No Due			-		-		-		-				-
Total		6,029	100%	1,110	100%	963	100%	302	100%			8,404	100%
Success Rate		 86%		 86%		 74%		 88%					
		Waters Roading Property IT		Parks Communi		Regulator Planning CCT Emergenc		Finance CEO					

Resolve													
		Assets		Community		Customer		CEO		(blank)		Total Tasks	Total %
Status		Tasks	%	Tasks	%	Tasks	%	Tasks	%	Tasks	%		
Under		5,310	91%	603	57%	1,571	80%	472	93%			7,956	57%
Over		551	9%	434	41%	169	10%	33	7%			1,167	13%
Overdue		6	0%	10	1%		-		-			16	0%
Open			-	6	1%	1	0%		-			7	0%
No Due			-		-		-		-				-
Total		5,867	100%	1,053	100%	1,741	100%	505	100%			9,166	100%
Success Rate		 91%		 58%		 90%		 93%					
		Waters Roading Property IT		Parks Communi		Regulator Planning CCT Emergenc		Finance CEO					
		 91%  89%  100%  90%		 58%  100%		 90%  92%  75%  100%		 94%  -					