



Mackenzie

DISTRICT COUNCIL

Notice is given of an Engineering and Services Committee Meeting to be held on:

Date: Tuesday, 17 August 2021

Time: 9.30am

Location: Council Chambers

Fairlie

AGENDA

Engineering and Services Committee Meeting

17 August 2021

Note: This meeting may be digitally recorded by the minute-taker.

Engineering and Services Committee Membership:

Stuart Barwood (Chair)

Emily Bradbury

Murray Cox

James Leslie

Anne Munro

Matt Murphy

Graham Smith

The purpose of local government:

(1) The purpose of local government is—

- (a) to enable democratic local decision-making and action by, and on behalf of, communities; and
- (b) to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

(2) In this Act, good-quality, in relation to local infrastructure, local public services, and performance of regulatory functions, means infrastructure, services, and performance that are—

- (a) efficient; and
- (b) effective; and
- (c) appropriate to present and anticipated future circumstances.

(Local Government Act 2002)

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- 1 OPENING**
- 2 APOLOGIES**
- 3 DECLARATIONS OF INTEREST**
- 4 VISITORS**

5 REPORTS

5.1 MINUTES OF ENGINEERING AND SERVICES COMMITTEE MEETING - 20 APRIL 2021

Author: **Arlene Goss, Governance Advisor**

Authoriser:

Attachments: **1. Minutes of Engineering and Services Committee Meeting - 20 April 2021**

RECOMMENDATION

1. That the Minutes of the Engineering and Services Committee Meeting held on Tuesday 20 April 2021 be received and confirmed as an accurate record of the meeting.



Unconfirmed MINUTES

Engineering and Services Committee Meeting

20 April 2021

**MINUTES OF MACKENZIE DISTRICT COUNCIL
ENGINEERING AND SERVICES COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBERS, FAIRLIE
ON TUESDAY, 20 APRIL 2021 AT 11.19AM**

PRESENT: Cr Stuart Barwood (Chairperson), Cr Emily Bradbury, Cr Murray Cox, Cr James Leslie, Cr Anne Munro, Cr Matt Murphy, Mayor Graham Smith

IN ATTENDANCE: Suzette van Aswegen (Chief Executive), Paul Numan (GM Corporate Services), Tim Harty (GM Operations), Chris Clarke (Communications Advisor), Bernie Haar (Asset Manager), Geoff Horler (Utilities Manager), Angie Taylor (Solid Waste Manager), Brian Milne (Community Services Officer), Arlene Goss (Governance Advisor).

1 OPENING

The chairman opened the meeting.

2 APOLOGIES

There were no apologies.

3 DECLARATIONS OF INTEREST

There were no declarations of interest.

4 VISITORS

There were no visitors.

5 REPORTS

5.1 MINUTES OF ENGINEERING AND SERVICES COMMITTEE MEETING - 2 MARCH 2021

COMMITTEE RESOLUTION ENG/2021/9

Moved: Cr Matt Murphy

Seconded: Cr Murray Cox

That the Minutes of the Engineering and Services Committee Meeting held on Tuesday 2 March 2021 be received and confirmed as an accurate record of the meeting.

CARRIED

5.2 ASSET MANAGER'S REPORT

This report is to update the Assets and Services Committee on the progress of various projects and the normal operation of the department for the past month.

Discussion included the following matters:

- The Fairlie skate park has been well received and is well used.
- The use of local contractors for footpath projects has been well received in Twizel.
- The public toilets at Lake Pukaki smelled bad. This toilet needed replacing and upgrading and was on the list of matters that could be addressed by the Tourism Infrastructure Fund.
- The Pukaki Airport water upgrade work was finished.
- Benchmarking put the Mackenzie District as the highest water user in the country. Discussion took place on high water use in Twizel. Alexandra and Clyde were similar climates and had moved to universal metering to address the same issues. Water metering was on the list of MDC's stimulus projects.
- Lilybank Road continued to create gravel issues and was included in the LTP for seal extension. It was not currently appropriate to put a targeted rate on residents to pay for that road.
- Requests for expressions of interest were going out for the road maintenance contract this week. Mr Harty outlined the tender process.
- Regarding LED streetlights, the shipment of lights has not arrived. Mr Haar said he was originally told the lights had arrived, when they hadn't. They were now due at the end of April. Mr Haar agreed he needed to complete this work by the end of the financial year to receive the higher subsidy rate. Cr Munro would like a communication with the community and the Dark Sky board because she would like to front foot this matter. She suggested the following resolution:

That the Engineering and Services Committee updates the community and Dark Sky board on progress with the LED lights and the programme going forward.

The chief executive suggested that council instead waits until the fittings arrive and then announce they have arrived. Mr Harty will look at the terms and conditions of the contract with Netcon and come back to the councillors with a way forward. He asked for a couple of days to do this. He suggested sending a notice to the contractor demanding a date and time and report back to the next workshop. An amended resolution, as below, was carried.

COMMITTEE RESOLUTION ENG/2021/10

Moved: Cr Anne Munro

Seconded: Cr Murray Cox

That the Engineering and Services Committee requests that staff report back on the LED street light contractual levers, and following this an update be sent out to the community and Dark Sky Board.

CARRIED

5.3 COMMUNITY FACILITIES REPORT

The report gave the committee an overview of activities within the community facilities area, with specific focus on township maintenance works.

Mr Harty took the report as read and asked for questions.

Cr Munro noted a safety issue with what appeared to be a contractor wearing jandals. The chief executive explained that the person was not a council contractor but a local who jumped in to help with tree clearing.

Generally pleased with swimming pool management. There would be a formal review to determine how to run this service in the future and a decision made whether it would be outsourced or managed in-house.

Cr Murphy acknowledged the work done on the ground between the playground and Dark Sky building in Tekapo and was pleased to see the improvement.

Alps2Ocean trail work would be included in the trails strategy and more funding was being applied for to get more of the trail off-road.

Discussion moved to the Peace Trees in Fairlie. Some were on private property. Discussion took place on whether the council or land owners should maintain these trees. Mr Haar would investigate whether there was any historical agreement between the council and land owners regarding this. A more detailed discussion on the trees would take place at the next Fairlie Community Board meeting. Chris Rutherford to be invited to this meeting.

5.4 COMMUNITY SERVICES AND WASTE

The solid waste manager took the report as read. She noted that the increased waste levy would be reflected in fees and charges. There would be a need for public communication when these new charges were introduced.

The Mayor noted that Fairlie had a high proportion of green waste in its bins. Some education might be required on other options for the disposal of green waste.

5.5 3 WATER STIMULUS PROGRAMME PROGRESS REPORT

Mr Harty updated the committee on the 3 Water Stimulus Programme. A total of 33 projects are planned with seven of those currently in progress. He was looking to bring in more resources to carry out this work.

Cr Munro asked about easements that would be required for the new Twizel sewerage main. There were two of these and they were currently being investigated by the property group. This was the same group that was also working on procuring land for the Fairlie water supply project.

5.6 ADOPTION OF STREET NAMES FOR STATION BAY DEVELOPMENT, TEKAPO

The purpose of this report was for the Engineering and Services Committee to consider proposed street names for the Station Bay Development in Tekapo.

Mr Haar said since writing the report approval had been received from the Runanga for the street names proposed by the developers.

Cr Leslie believed that LINZ required apostrophes to be dropped from place names, so the apostrophe would need to be dropped from Pete's Place.

COMMITTEE RESOLUTION ENG/2021/11

Moved: Cr Anne Munro

Seconded: Cr Emily Bradbury

1. That the report be received.

CARRIED

COMMITTEE RESOLUTION ENG/2021/12

Moved: Mayor Graham Smith

Seconded: Cr Matt Murphy

2. That the street names Station Bay Rise and Pete's Place, as proposed by the developers for the Station Bay Subdivision, be approved.

CARRIED

5.7 THREE WATERS AND FOOTPATH PROJECT UPDATE

Mr Harty said the second tranche of work was approaching and a workshop was to be held with designers working on the new Fairlie Water Treatment Plant. The procurement of the land was progressing, with Cr Barwood assisting staff on this matter.

COMMITTEE RESOLUTION ENG/2021/13

Moved: Cr Matt Murphy

Seconded: Cr Murray Cox

That the report be received.

CARRIED

The Meeting closed at 12.36pm.

The minutes of this meeting were confirmed at the Engineering and Services Committee Meeting held on .

.....
CHAIRPERSON

5.2 3 WATERS AND FOOTPATH PROJECT UPDATE

Author: Amy Westland, Administration Support - Operations

Authoriser: Tim Harty, General Manager - Operations

Attachments: 1. August Delivery Update [↓](#) 

STAFF RECOMMENDATIONS

That the information be noted.

BACKGROUND

In August 2020 Council resolved to procure a project manager from Beca Limited (Beca) to support the delivery of the approximately \$10m Council funded Water and Footpath Projects (funded through the 2020/21 Annual Plan).

The total project budget has increased due to scope changes with the Fairlie Water treatment plant, as reported through Council. The increased funds required are identified in the draft 2021/31 Long Term Plan.

Part of this commission was the provision of monthly reports on project progress. Beca's Monthly Project Report for July 2021 is attached.

Progress of the works are outlined within the attached reports. Beca Project Manager, Mr Peter Dawson will be present at the meeting to answer any questions on the attached report.

CONCLUSION

Beca's Monthly Project report is attached for information.

Mackenzie District Council Capital Works Programme 2020 – 2021

Report prepared by: Pete Dawson

7

Number of live projects

\$16M

Total capex projected

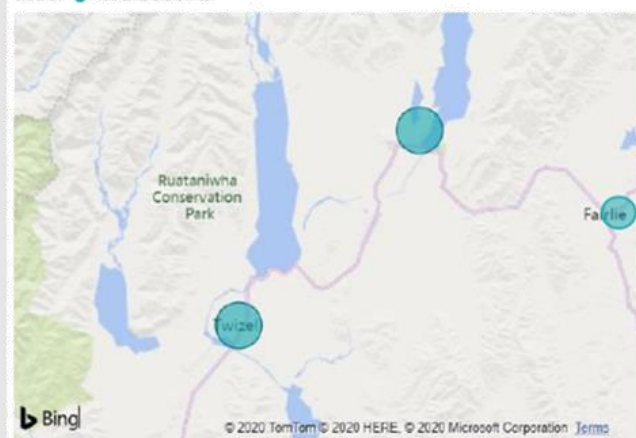
\$10M

Total capex approved

Completed In Progress Not Started Not Applicable

Project Count by Country

District ● Mackenzie District



Project Title	Capital Plan Submission	Project Initiation	Concept Design	Detailed Design	Tender	Construction + Handover
Water Main Renewals - Twizel Package 1 (sub mains)						
Fairlie Water Treatment Plant and Reservoirs						
Water Main Renewals - Twizel Package 2 (more complex mains)						
Water Main Renewals - Twizel Package 3 (Ring mains)						
Water Main Renewals - Fairlie						
Water Main Renewals - Tekapo						
Shared Use Path						

Project Title	Cost	Issues	Resources	Risk and Issues	Schedule	Scope	Stakeholder and Communications
Water Main Renewals - Twizel Package 1 (sub mains)							
Fairlie Water Treatment Plant and Reservoirs							
Water Main Renewals - Twizel Package 2 (more complex mains)							
Water Main Renewals - Twizel Package 3 (Ring mains)							
Water Main Renewals - Fairlie							
Water Main Renewals - Tekapo							
Shared Use Path							



Project Summary

Month shown: August 2021

Current Project

Fairlie Water Treatment Plant and
Reservoirs

Current Phase

Preliminary
Design

Project URL

Expected Capital Cost

\$7,500,000

Project Status

Progress in the last month

Draft preliminary design issued for Council comment, review comments received and currently being closed out
Procurement meeting held and agreement on general principles of the procurement strategy
Land valuation undertaken for land purchase

Planned progress

Close out the preliminary design
Procure detailed design resource
Complete the procurement plan

Actions and decisions

Acceptance of the preliminary design once review comments closed out
Approval to procure detailed design resource
Approval of the procurement plan once completed

Stakeholder relationships

Meeting held with Iwi representatives in July to run through the draft preliminary design. Iwi representatives have reviewed the preliminary design without any concerns/comments.
Meeting with ECan to be arranged.
NZTA have confirmed no issues with the proposed WTP location

Programme Commentary

Currently on track following revised programme

Project Conditions

Risk and Issues

Low

Moderate

High

Contractor availability. Procurement plan looking to reduce this risk by gaining early contractor engagement
Land procurement underway with land evaluation to be provided to the owner in August

Scope

No Scope Change

10% Deviation

More than 10% Deviation

Schedule

On Track

10% Deviation

More than 10% Deviation

Cost

On Budget

10% Deviation

More than 10%

The cost estimate has increased by approximately \$1 million due to the request by the MDC Engineering Team for an additional reservoir during preliminary design to provide additional security of supply

Resources

Fully resourced

Partially resourced

Significantly under resourced

Stakeholder and Communications

On track

Partially on track

Off track

Further communication with ECan, the land owner and the neighboring property to be undertaken in August

Project Summary

Month shown: August 2021

Current Project

Water Main Renewals - Twizel
Package 1 (sub mains)

Current Phase

Construction

Project URL

Expected Capital
Cost

\$2,500,000

Project Status

Progress in the last month

Construction underway, approximately mid way through.

Planned progress

Actions and decisions

N/A

Stakeholder relationships

Letter drops have been undertaken for affected residents.

Programme Commentary

A couple of weeks behind, scheduled to be completed by 15th October 2021.

Project Conditions

Risk and Issues

Low

Moderate

High

Scope

No Scope Change

10% Deviation

More than 10% Deviation

Schedule

On Track

10% Deviation

More than 10% Deviation

Currently 2 weeks behind schedule

Cost

On Budget

10% Deviation

More than 10%

No variations put in at the moment, some minor potential variations to be submitted.

Resources

Fully resourced

Partially resourced

Significantly under resourced

Stakeholder and Communications

On track

Partially on track

Off track

Letter drops undertaken to affected residents.



Project Summary

Month shown: August 2021

Current Project

Water Main Renewals - Twizel
Package 2 (more complex mains)

Current Phase

Construction

Expected Capital
Cost

\$1,400,000

Project URL

Project Status

Progress in the last month ⓘ

Construction recently started

Planned progress ⓘ

Actions and decisions ⓘ

Quality plan not yet submitted

Stakeholder relationships ⓘ

Letter drops have been undertaken to affected residents.

There is some work within private property that require property owner approval. Initial conversations are being undertaken with the property owners and a formal legal letter being prepared.

Programme Commentary ⓘ

The contractor is a couple of weeks late in their programme.

Project Conditions

Risk and Issues ⓘ

● Low

● Moderate

● High

Scope ⓘ

● No Scope Change

● 10% Deviation

● More than 10% Deviation

Schedule ⓘ

● On Track

● 10% Deviation

● More than 10% Deviation

The contractor is a couple of weeks late in their programme.

Cost ⓘ

● On Budget

● 10% Deviation

● More than 10%

Resources ⓘ

● Fully resourced

● Partially resourced

● Significantly under resourced

Stakeholder and Communications ⓘ

● On track

● Partially on track

● Off track

Discussions with property owners where work is required with private property.

Project Summary

Month shown: August 2021

Current Project

Water Main Renewals - Tekapo

Current Phase

Tender

Expected Capital Cost

\$465,000

Project URL

Project Status

Progress in the last month

Design out to tender, tenders have been received and are being evaluated by the tender evaluation team.

Planned progress

Award of a contractor to undertake the work.

Actions and decisions

Approval of the evaluations teams recommendations once completed.

Stakeholder relationships

There is some work within private property that require property owner approval. Initial conversations to be undertaken with the property owner and a formal legal letter being prepared.

Programme Commentary

Minor delays in going out tender due to delays in internal reviews.

Project Conditions

Risk and Issues

Low

Moderate

High

Scope

No Scope Change

10% Deviation

More than 10% Deviation

Schedule

On Track

10% Deviation

More than 10% Deviation

No delays in the tender phase

Cost

On Budget

10% Deviation

More than 10%

Cost estimate undertaken in design which is higher than the budget estimate. This is expected and detailed in the procurement plan.

Resources

Fully resourced

Partially resourced

Significantly under resourced

Stakeholder and Communications

On track

Partially on track

Off track

Communication required with the affected private property owner and communication to the public of works once contractor has been selected.

Project Summary

Month shown: August 2021

Current Project

Water Main Renewals - Fairlie

Current Phase

Detailed Design

Expected Capital
Cost

\$1,000,000

Project URL

Project Status

Progress in the last month

Design has been reviewed by the MDC Engineering Team. Request to include upgrading the watermain crossing the SH79 bridge that crosses the Opihi river, currently being designed with the designers communicating with NZTA to confirm requirements.

Planned progress

Close out of the review comments and put out to tender.

Actions and decisions

Stakeholder relationships

Coordination with NZTA underway and the design will be closed out after the design of the watermain crossing the bridge.

Programme Commentary

Behind programme due to delays in reviews and inclusion of the bridge crossing. Design to be closed out in August ready for tender.

Project Conditions

Risk and Issues

Low

Moderate

High

Contractor availability

Scope

No Scope Change

10% Deviation

More than 10% Deviation

Schedule

On Track

10% Deviation

More than 10% Deviation

Delays due to reviews and inclusion of the bridge crossing

Cost

On Budget

10% Deviation

More than 10%

Cost estimate to be completed once design has been updated. It is expected that the cost will be higher than currently budgeted due to the works with the SH corridor and requiring increased traffic management

Resources

Fully resourced

Partially resourced

Significantly under resourced

Stakeholder and Communications

On track

Partially on track

Off track

Coordination with NZTA underway.
Communication to the public to be undertaken to advise of the works.

Project Summary

Month shown: August 2021

Current Project

Water Main Renewals - Twizel
Package 3 (Ring mains)

Current Phase

Detailed Design

Project URL

Expected Capital
Cost

\$2,000,000

Project Status

Progress in the last month

No progress as this is the last priority project and is unlikely to be within the budget to complete

Planned progress

Actions and decisions

Stakeholder relationships

Programme Commentary

Project Conditions

Risk and Issues

Low

Moderate

High

Scope

No Scope Change

10% Deviation

More than 10% Deviation

Schedule

On Track

10% Deviation

More than 10% Deviation

Cost

On Budget

10% Deviation

More than 10%

Resources

Fully resourced

Partially resourced

Significantly under resourced

Stakeholder and Communications

On track

Partially on track

Off track

Project Summary

Month shown: August 2021

Current Project
Shared Use PathCurrent Phase
ConstructionExpected Capital
Cost

\$1,000,000

Project URL

Project Status

Progress in the last month ⓘ

All construction works have been completed on all 5 construction packages, grass seeding to be undertaken later this year.

Planned progress ⓘ

N/A

Actions and decisions ⓘ

N/A

Stakeholder relationships ⓘ

N/A

Programme Commentary ⓘ

All work is now in the 12 months defect liability period.

Project Conditions

Risk and Issues ⓘ

Low

Moderate

High

Scope ⓘ

No Scope Change

10% Deviation

More than 10% Deviation

Schedule ⓘ

On Track

10% Deviation

More than 10% Deviation

Some delays due to the weather events under the main contract, delay by approx. 2-3 weeks.

Cost ⓘ

On Budget

10% Deviation

More than 10%

Additional \$100k of work undertaken under the main contract. Engineer working with the Contractor to confirm the increase in the contract sum.

Resources ⓘ

Fully resourced

Partially resourced

Significantly under resourced

Stakeholder and Communications ⓘ

On track

Partially on track

Off track

5.3 THREE WATERS STIMULUS GRANT PROGRAMME UPDATE

Author: Mike Davies, Program Manager - 3 Waters

Authoriser: Tim Harty, General Manager - Operations

Attachments: Nil

STAFF RECOMMENDATIONS

That the information be noted.

BACKGROUND

The Funding Agreement signed In October 2020 between the Department of Internal Affairs (DIA) and Mackenzie District Council (MDC) provided a 100% stimulus grant (\$5.111m) for Three Waters projects, as part of the Three Waters Services Reforms.

Approximately \$2.5m (50%) of funding has already been delivered to MDC, which is to enable these projects to be commenced. A Delivery Plan has been submitted to DIA, with the 32 separate projects. Provision of a dedicated Program Manager resource is the 33rd project and a requirement of the funding being released.

DIA require quarterly reporting (the next is due to be submitted early October) and programme completion by 31 March 2022.

OVERVIEW OF THE 3W REFORM PROGRAMME & PROGRESS (33 Projects)

There are 33 projects covered by the programme, including 'Preparation for Reform' and 'Programme Management'.

The 31 specific area projects have been bundled into 19 Packages – based on where there are inter-related topics or shared locality.

Of the 19 packages, 9 involve physical works (including CCTV inspection), and 8 of those are preceded by design process as 'Part A' of the package. This reflects the unknown scope of these works and presents a timing challenge for the program.

14 of the 19 design packages have now been briefed, with 12 awarded and underway.

Of the 9 physical works packages, one (WS Renewals, \$546,000) has been 100% claimed, this being possible as the scope is identical to the large WS Renewals scope being undertaken by Beca. This in response to DIA requesting accelerated spend, and because the crown spend is time-bound, whereas the scope being managed by Beca is not, and an equivalent value can be added.

There are two key physical works packages that carry the highest cost variation risk, being Desludging (tenders closed 2 August, the committee will be updated on award progress at the meeting) and the Twizel WW Rising main (expected tender closing late September). These two contracts will account for approximately 40% of the total spend.

Spend to end June 2021 is approximately \$0.75m, with commitments made of approximately \$1.25m (excluding the Desludging and Rising Main).

For further detail on progress, please refer to the attached summary of status and the programme.

PLANNED PROGRAMME OVER NEXT THREE-MONTH PERIOD

- All 19 packages will be underway (or complete) for design.
- 7 of the 9 physical works contracts will be underway – exceptions being exemplar projects associated with the Sustainable Water Demand study and works associated with Remote Drinking Water Supplies (upgrades or extensions to existing networks).
- Finalising new easements for Twizel rising main (on the new alignment).

RISKS & ISSUES

- Timeline (completion by March 2022) – the timeline remains a risk, however there is a 'Plan B' in place which, if required will ensure 100% spend of the crown stimulus grant, with an increase the spend on WS Renewals (by journal transfer).
- Cost Variance is a risk, particularly construction related, so scopes need to be refined to meet budgets. Desludging cost remains the main cost risk (even during the works), however some projects can have their scope adjusted to balance the overall budget.
- Resourcing (both Consultant and Contractors) remains an issue as many companies are at capacity.
- Material Supply may be an issue as the global supply chain is being stressed. This could affect delivery of PE/uPVC pipes, PE liners, polymer, geotextiles etc.
- RMA and consenting remains a potential risk, as are discussions with landowners where required for easements. Recent discussions with ECAN (and MDC) have reduced some of that risk.

STAKEHOLDERS & ENGAGEMENT/COMMUNICATIONS

- Iwi partners are already part of the collaboration process and members of the proposed Steering Committee. Aoraki Environmental Consultants (AEC) are actively involved in several of the discrete projects underway.
- ECAN will be kept in the loop with respect to non-compliances being addressed, which is the core driver for several projects.
- Waka Kotahi collaboration will be required for at least one project, with a projected pipeline crossing.
- Landowners will need to accept easements for some proposed works. This may now be limited to just one or two projects and is being actively followed up.
- A Communications plan will be required, and some individual projects will also require Comms plans. Some projects will almost certainly require ratepayer surveys to obtain data and this will require careful messaging to both obtain the information and to provide educational material to improve drinking water safety.

ACTIONS/DECISIONS

- There are currently no Decisions to be made. There are 3 projects that have estimates of \$350k or above (Twizel WW Rising Main, WWTP Desludging and Twizel Water Meter Installs) that it is intended to award following approval by the 3W Reform Project Panel. This will expedite the commencement of these projects.
- There are a further 6 projects that have estimates in excess of \$100k that will require an Evaluation Team prior to approval by the GM.

CONCLUSION

The Three Waters Programme now has 8 months to run. Over 70% of projects have been briefed, with more minor (or quicker) projects left to finalise. About 85% by value have now been committed to, and so far, consultants have been found (which was one of the risks) to undertake the work.

5.4 COMMUNITY FACILITIES REPORT

Author: Brian Milne, Community Facilities and Services Officer - Contractor

Authoriser: Tim Harty, General Manager - Operations

Attachments: Nil

PURPOSE OF REPORT

The report gives the committee an overview of activities within the community facilities area, with specific focus on township maintenance works.

STAFF RECOMMENDATIONS

1. That the report be received.
2. That staff prepare a report for Council to consider the preparation of a Reserve Management Plan for the Ruataniwha Reserve.
3. That staff refer a proposal for the development of the Ohau Rd Reserve to the Twizel Community Board for their consideration.

HEALTH AND SAFETY

Township Maintenance works are inherently high risk and involve work outside, with machinery and exposure to multiple hazards.

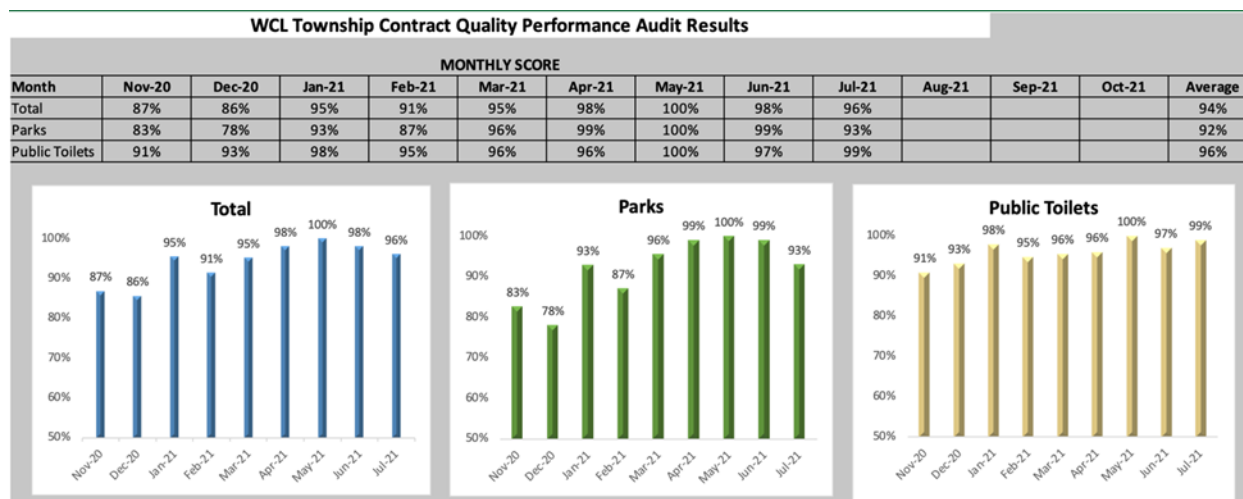
Staff continue to monitor H&S requirements as part of the monthly performance audits plus casual observation of staff and work practices at other times.

No issues with Health and Safety practices have been observed over the last 2 months.

TOWNSHIP MAINTENANCE CONTRACT

The township maintenance contract is operating effectively, with the winter period being relatively quiet.

The summary of performance audits and reporting is provided in the chart below.



POOL MANAGEMENT

Procurement for the pool's operations contract is currently underway as per Council resolution. The objective is to have the contract in place ready for the opening of the pools from labour weekend as is usual.

Investigations are underway into the options for heating of the Twizel pool. A budget of \$100,000 was provided for this in the draft LTP, based on a proposal to install a solar heating system (a replace like for like proposal). Subsequent advice and feedback from pool heating experts has been that a heat pump solution will provide a more effective solution. This approach will require a major upgrade to the sites power supply including upgrading the current transformer. Staff have been informed by Electrician Phil Gilchrist that advice by Alpine Energy is that this process is likely to take in order of around 6 months and therefore an upgraded heating system for the summer of 2021/22 is not going to be achievable, regardless of funding becoming available.

The Fairlie Pool requires the replacement of the solar heating tubing on the roof (or alternate heat pump system) and proposals are currently being sought for this work, however the cost for this work has not been fully budgeted for.

TREE MAINTENANCE

Most of the outstanding significant maintenance and removal of undesirable trees has now been completed, with contractors finalising work in Twizel in June.

Procurement for the maintenance work project on the Peace Trees is on hold subject to LTP approval.

ALPS 2 OCEAN (A2O)

Staff having been working with Waitaki District Council to appoint a joint interim trail manager to oversee the trial and development of marketing plan and partnership agreements. The interim position will be in place until such time as a recruitment process is completed and a full time Trail Manager recruited.

Background work is continuing on consents and leases to off-road the East Pukaki (Hayman's Rd) section. Proceeding with this is subject to receiving additional MBIE grant funding.

LAKE ALEXANDRINA HUTS RESERVES

Following on from previous investigations and a report on the options for the management of Lake Alexandrina Hut reserves, staff have instigated follow-up work with the objective of finalising a management arrangement for these reserves.

TWIZEL YOUTH CENTRE

Consultation via a survey on “Lets Talk” is currently underway on the options for the Twizel Youth Centre building.

WORKING WITH THE SCHOOL

The Mayor and CE met with the principal of the Twizel area school and Joy Patterson from the school board to discuss matters around the community library and how the two organisations can work together on this, as the school rebuild progresses. A short discussion on the draft MoU was also held.

Staff are planning a meeting with Ministry of Education staff to discuss the wider rebuild and impacts on community buildings and future use of the Events Centre and the swimming pool.

MBIE TIF PROJECTS

The following four projects have received MBIE TIF funding and work is underway on the implementation of the projects with the following target completion dates

1. Fairlie Public Toilet – June 2022
2. Pukaki Lookout Public Toilet – June 2022
3. Fairlie Dump Station – June 2022
4. Ruataniwha Reserve (lagoon area toilet, carpark and landscaping)– December 2022

For the Ruataniwha project, considerable planning and consultation work is required before construction design and implementation can occur. To assist with this, it is recommended that a Management Plan for the whole reserve be developed (Reserve Management Plan under the Reserves management Act 1977). This process will ensure wider considerations for the whole site are taken into account and involves an extensive (and formal) consultation process. A separate report confirming Council’s intention to prepare a management plan will be provided to a subsequent meeting.

CAPITAL DEVELOPMENT PROJECTS

A number of projects are also underway within the Open Spaces area. A brief update on some key projects is listed below:

1. Fairlie Village Green

The final component of the skatepark project was the installation of a new fence around the perimeter of the play area. It is expected this work will be completed in August.

2. Barbara Hay Reserve Tekapo

This project has been substantially completed other than some additional tidy up work, which includes installation of a small retaining wall along the path, above the steps, some additional planting work on a steep bank below the upper path and along the two entranceways and the re-grassing of all bare earth areas.

3. Maukatua Reserve (D'Archiac Dr) Tekapo

Plans have been finalised and procurement is underway with works planned to commence in September/October.

4. Man Made Hill Twizel

Planting of a small trail area is planned for the spring.

5. Ohau Rd Reserve Twizel

Following the completion of the shared path through this wide roadside reserve, the removal of a number of undesirable trees and the adjoining Four Lakes subdivision, it is proposed that the development of this reserve with landscaping and a possible small playground be considered. It is proposed that this be referred to the Twizel Community Board for their consideration.

STRATEGIES

The strategic plan for parks including trails, playgrounds and public toilets is being developed, with an initial draft document received. Staff are working with the consultants to finalise a draft, ready for Council for consideration, prior to releasing for public consultation.

CONCLUSION

Staff focus is on the delivery of ongoing capital projects; setting up the implementation of the TIF projects; procurement and establishment of the pool contract; A2O management and governance arrangements, together with the ongoing operational requirements.

5.5 COMMUNITY SERVICES AND WASTE REPORT

Author: Angie Taylor, Community Services and Solid Waste Officer

Authoriser: Tim Harty, General Manager - Operations

Attachments: Nil

STAFF RECOMMENDATIONS

That the information be noted.

BACKGROUND

Waste Minimisation and Management Contract – transition process

The transition process leading into the new Waste Minimisation and Management Contract is tracking well with a new collection vehicle ready for the start of the contract in October (as approved by Council) and the development of new communications material underway. A number of assets will transfer to Council at the end of the current contract and a process for condition assessment and valuation is currently being scheduled.

As part of the new Timaru contract, Envirowaste are developing a new Materials Recovery Facility to sort recycling and also establishing a new composting facility, both of which are located at the Redruth Landfill site.. Both of these facilities are being constructed, with the recycling facility due to be operational in approximately September, at which point, recycling from the Mackenzie will be able to be processed through the facility. The tender for the construction of the composting facility has been awarded to Dan Cosgrove and Fulton Hogan, with the resource consent for the build currently in process. It is noted that the existing compost facility is continuing to operate until the new plant is operational, with both facilities available to accept Mackenzie organic waste.

Kerbside Organics Service

The new Waste Minimisation and Management Contract provides two options, one for the status quo kerbside collection and one that adds an organics service by way of an additional (green) wheelie bin. Funding for the new service is contained in the Long Term Plan 2021/31 and until such time as that is approved, the service cannot commence.

To continue the progression into the new contract, EnviroWaste has agreed to start the contract based on the status quo service, until a decision on the organics service has been reached. Based on the current Long Term Plan timeframe, if it is decided to proceed with the new organics service the contractor has advised this could commence 1 March 2022.

Waste Levy Funds

A levy (waste levy) is paid to the Ministry for the Environment (MfE) by waste generators, based on the tonnes of waste disposed of to a landfill. The waste levy has been \$10/tonne for many years, however from 1 July, this has increased to \$20/tonne. MfE distributes half of the levy back to Territorial Authorities (TA's) to spend on waste minimisation work, with the requirement that funds are spent in accordance with their individual Waste Management and Minimisation Plans (WMMP).

In the Mackenzie, these funds have been used for a variety of projects such as subsidies on home composing solutions to reduce the amount of organic waste to landfill and supporting

environmentally focused school programmes including Enviroschools, Paper 4 Trees and an Agrecovery One-Stop Shop Rural Recycling Event. The most recent funding has been provided to a Twizel community based “Compost Bike” project that will commence shortly.

The current proposal from staff is to use the majority of levy funding to contribute towards the cost of a kerbside organics service, while retaining some funds to support other projects. It is considered that supporting the organics service is an effective use of the levy funds to minimise waste to landfill and is consistent with the Councils WMMP. Staff have discussed this with the Ministry, who confirm this is an appropriate use of the funding and an approach employed by other Councils. While the decision on an organics service has been delayed, unspent levy funds from 2020/21 have been carried over so this can be considered at the appropriate time.

Should the organics collection proceed and levy funding contribute towards this, staff consider that a portion of levy funding should be retained for other waste minimisation projects. There are a range of valuable projects that benefit from support provided by levy funding and may not be able to be carried out without funding assistance. Further planning for this funding can be undertaken when a decision on the organics service has been received.

Te Putea Whakamauru Para - Waste Minimisation Fund

Te Putea Whakamauru Para – the Waste Minimisation Fund supports projects that increase the reuse, recovery and recycling of materials. This fund aims to create a shift from the linear take, make, dispose approach to a circular one focusing on make, use, return principals. This fund is administered by the Ministry for the Environment and is open for applications annually. Staff recently submitted an expression of interest for funding towards the capital expenditure costs to implement an organics kerbside collection. This expression of interest was successful through the first round of assessments and staff are currently working on developing a full application. It is expected that a decision on applications will be released by the Ministry in October.

Paper 4 Trees

Council supports Paper4Trees, a school based recycling programme that 11 schools and preschools throughout the district. For the 2019/20 year, this programme has reported that 17 tonnes of paper and cardboard have been recycled through the participating school, which equates to 136m² of landfill space saved and 92 tonnes of Carbon not produced in landfill. In return for recycling, the programme rewards schools with trees to plant. Since the programme was introduced in the Mackenzie in 2010, 522 native trees, shrubs and grasses have been planted in the district.

Enviroschools

The Enviroschools programme continues to build within the Mackenzie, with Mackenzie College now also involved the programme. A professional development hui was run in Timaru for South Canterbury Enviroschool teachers, which included a teacher from Albury School. The Twizel Area School has expressed an early interest in Enviroschools and may look to join next year.

Cleanfill Sites – Resource Consent Process Update

A resource consent application for the continued operation of the three existing cleanfill sites in the district was lodged in 2019. The previous consents for the cleanfill sites expired in November 2019, however as the new application was lodged within the appropriate timeframe, these sites are able

to continue operating under Section 124 of the Resource Management Act while the application is being processed. The current application is for the discharge of contaminants to air and to land from cleanfills located in Twizel, Tekapo and Fairlie.

Environment Canterbury have recently advised that they will undertake a site visit as part of the processing of this application. Further updates will be provided as this application progresses.

General Operations

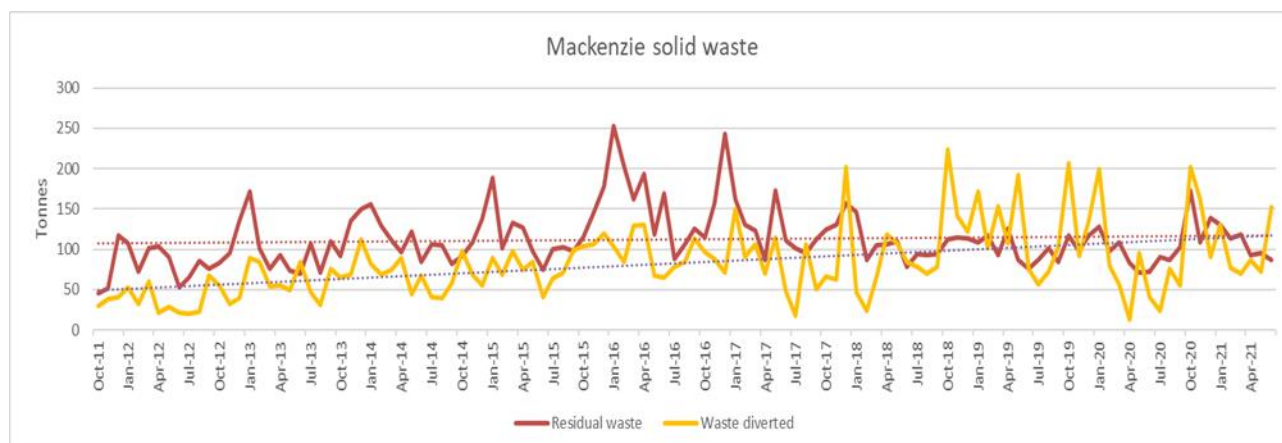
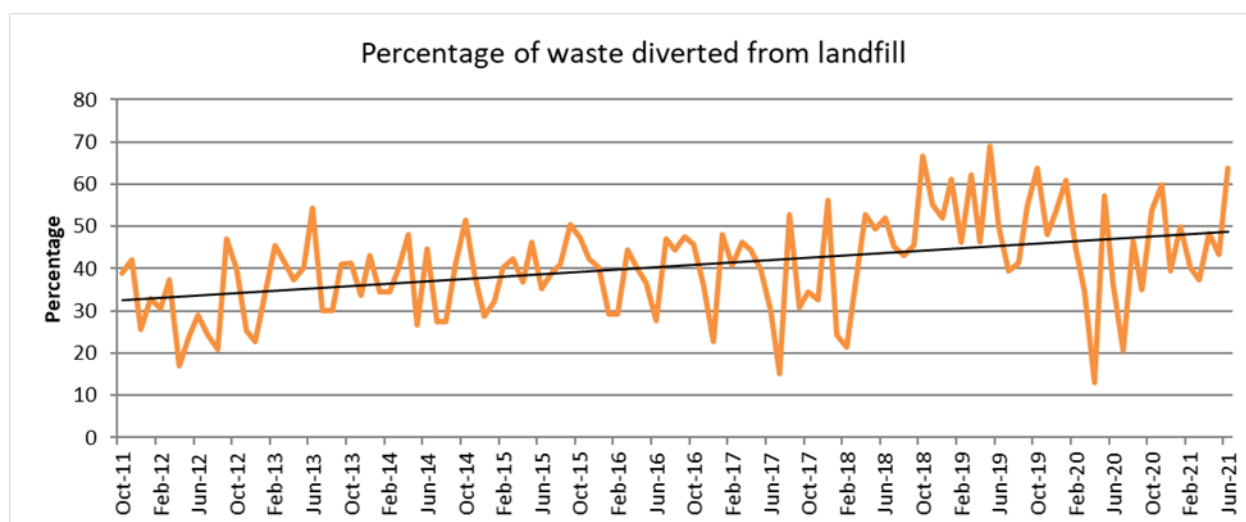
Kerbside collections have run smoothly for June, with no winter weather interruptions. During June, seven loads of residual waste were sent to landfill, with a total of 86.63 tonnes. And two full loads of recycling were processed through EcoCentral, with all recycling accepted under the contamination threshold.

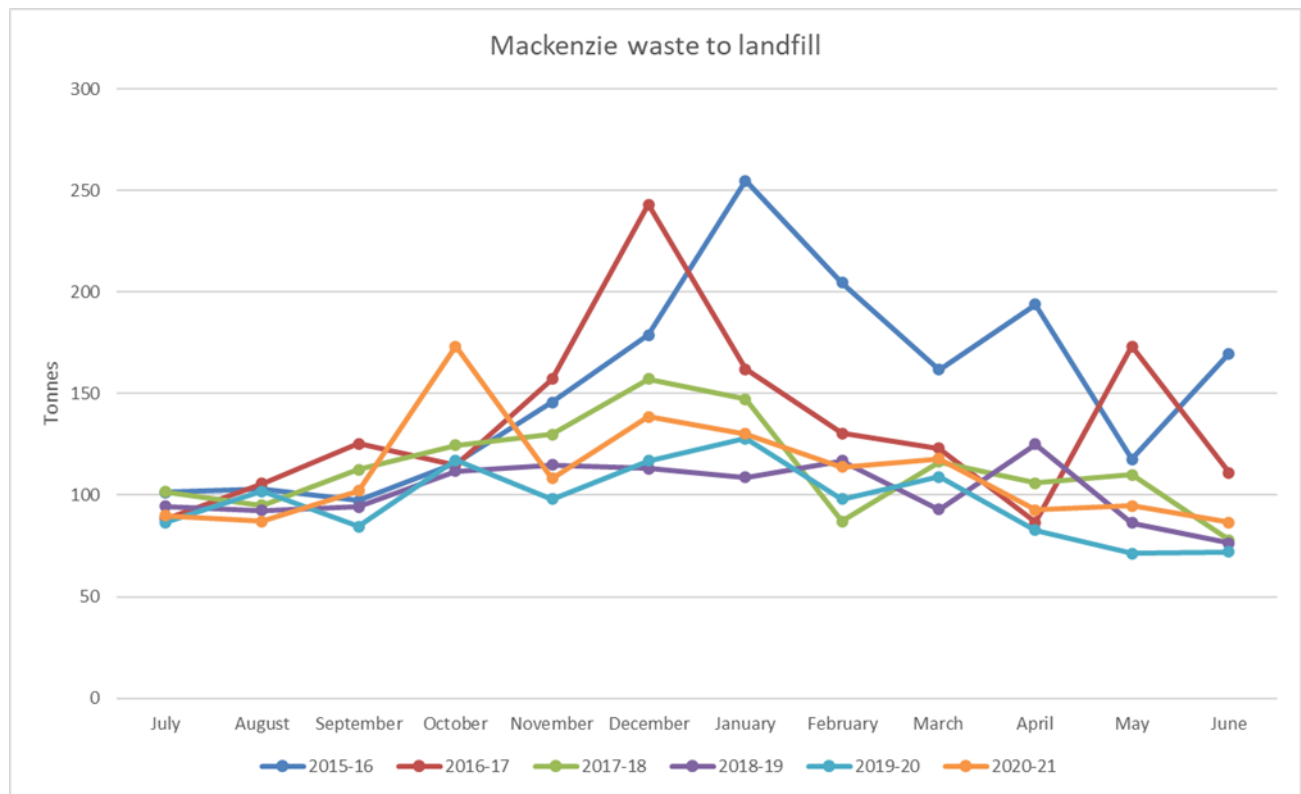
Health and Safety

The contractor has reported that there have been no recent significant injuries or incidents associated with the current Solid Waste Services Contract.

Waste Data and Trends

The graphs below present waste data for the district.





5.6 ENGINEERING MANAGER'S REPORT

Author: David Adamson, Engineering manager - Temp

Authoriser: Tim Harty, General Manager - Operations

Attachments: Nil

STAFF RECOMMENDATIONS

That the information be noted.

This report is to update the Assets and Services Committee on the progress of various projects and the normal operation of the department for the past month.

GENERAL

Resource Consents

Resource consents continue to be lodged that require input from the engineering team prior to being granted. Stage 6 for Tussock Bend in Twizel has been lodged and approved.

Covid Recovery Packages

Staff continue to support the Project Manager for these projects. Two stages have so far been let for the watermain replacements and further stages are being progressed. The shared use paths projects are well advanced. Council staff in Twizel will be monitoring the contract performance of the various contracts.

Water Tranche 1 Funding from DIA

Staff are supporting the Project Manager to successfully deliver this suite of projects by the deadline of 30 March 2022. The suite of projects should deliver a myriad of long lasting benefits to the ratepayers of Mackenzie District. There are however challenges in delivery particular as some projects are leading edge and others have challenges associated with supply chains.

LTP and annual report support

Staff are working as part of the larger team to respond with priority around the needs for the Long Term Plan and annual report. Flood response programmes, renewal schedules, schedule of vested assets and reporting on community facing KPIs are examples of items that needed to be finalised to meet the needs of the auditors.

3 WATERS

In the past year much has been achieved in this area.

At the Pukaki Airport the water system was connected to the Twizel supply and a fire hydrant was installed. The project also included a new booster pump shed.

Burkes Pass Water Treatment Plant has had an upgrade of their treatment plant with new filters and UV treatment installed. A better chlorine dosing pump and monitoring equipment have also

been installed. This work is aimed at ensuring compliance with the New Zealand Drinking Water Standards. Two new reservoir tanks have also been installed along with a new upsized main supply line to town. Staff are just finalising appropriate easements and access agreements, for the headworks and treatment facilities.

The water main upsizing in the reserve in Fairlie was completed with firefighting ability now compliant in and around the Reserve.

A new inflow pipe has been installed at Twizel wastewater plant. This adds capacity and will eliminate inlet overflows that occurred earlier this year. In the heavy rain event at the end of May beginning of June the sewer pump stations in Lakeside Dr and the Domain got clogged with silt washed into the sewer system from the Station Bay subdivision. Also, a minor water line at the end of Middle Valley Rd got wasted out.

The intake that supplies Allandale and Ashwick stock water races stopped working as the South Opuha river channel changed course. Whitestone put a digger in and re-established the flow back to the intake.

Due to high turbidity in the Albury, Allandale and Fairlie Water supplies a precautionary boiled water notice was put in place. As soon as it was possible Fairlie water mains were flushed to clear the turbid water. At this time a 10,000-litre tanker trailer of potable water was stationed near the community centre for residents to fill containers for drinking. An ongoing issue has been the high water table and seepage in the sewer mains which has had the sewer ponds very high over the last two months just starting to drop now.

Staff are examining the protocol in regard to boil water notices. The Councils Water Safety Plans are needing to be renewed under the new regulatory system and boil water notices will form part of these plans. Provision for the preparation of these plans and the associated Catchment Risk Assessments have been programmed into the Water Reform Shovel Ready Programme .

Budget Breakdown

Water:

Operation and maintenance expenditures as at the end of June 2021.

Electricity cost of \$90,252 is over budget by \$29,748.

Contractors cost of \$447,719 is over budget by \$87,719. Original budgets set in the annual plan were based on rates under the previous contract. The new contract has increased reporting requirements along with KPI targets aligned to the new regulatory regime.

Some of the extra ordinary issues that contributed to this cost were:

- Twizel Treatment Plant Gantry Crane – Rust protection, paint, fit new pulley and block for compliance certificate
- Pukaki Airport upgrade works in conjunction with Lakes Construction and new line and connection
- Leak detection Roto Place and Aorangi Crescent
- Fairlie Chlorine analyser installation
- Siegerts Road install new water meter
- Xylem - Servicing Twizel WTP
- Various water leaks

Water quality monitoring cost of \$52,233 is over budget by \$17,533. This is due to the increase monitoring that is now carried out.

Consent monitoring cost of \$864 is under budget by \$8,633.

Wastewater:

Operation and maintenance expenditures as at the end of June 2021.

Electricity cost of \$42,210 is over budget by \$10,525 due to extra installed aeration and development pump stations coming online.

Contractors cost of \$206,825 is under budget by \$145,698 due to better performance of the network requiring less reactive maintenance.

Quality monitoring cost of \$17,950 is under budget by \$3,223.

Consent monitoring cost of \$26,558 is over budget by \$24,558. A significant portion of this is additional requirement relating to our discharge consents.

Landfill and bin hire cost of \$4,633 is over budget by \$4,633. This is for the hire of skip and disposal of screenings to landfill. This traditionally had been incorporated into the contractors cost but has now been separated as it is a component of treatment.

CCTV cost of \$29,119 under budget by \$16,804. Council is still awaiting some accounts relating to this work and there is also additional CCTV work incorporated into the 3 Waters Reform Shovel Ready package.

Storm water:

Operation and maintenance expenditures as at the end of June 2021.

Contractors cost of \$19,595 is under budget by \$10,401 due to less reactive maintenance.

Consent monitoring cost of \$6,028 is over budget by \$2,779. This relates to stricter consent standards.

Allandale:

Operation and maintenance expenditures as at the end of June 2021.

Electricity cost of \$5,928 is under budget by \$772.

Contractors cost of \$83,916 is under budget by \$5,084.

Water quality monitoring cost of \$7,400 is over budget by \$660. This is due to carrying out an increased number of samples to ensure bacterial compliance.

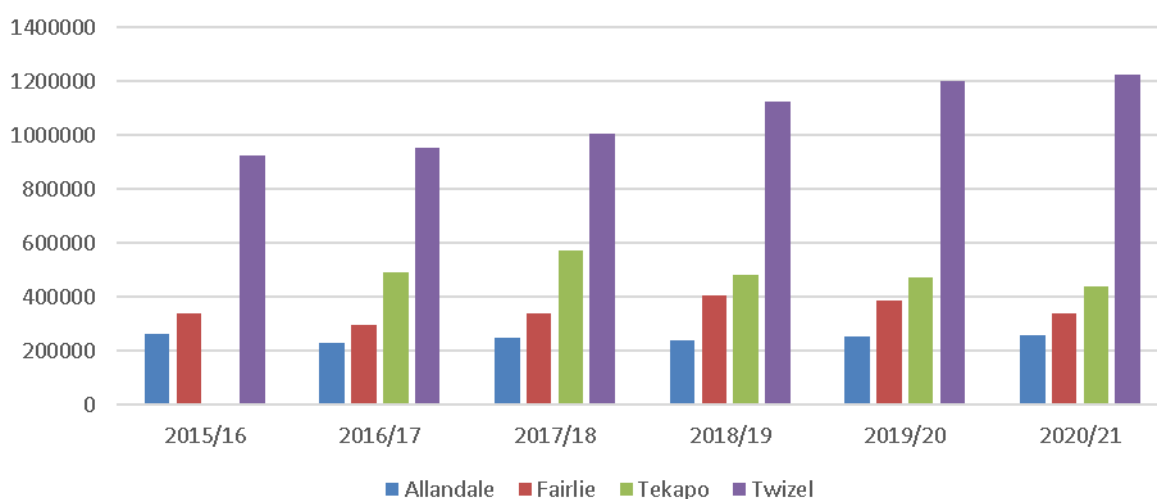
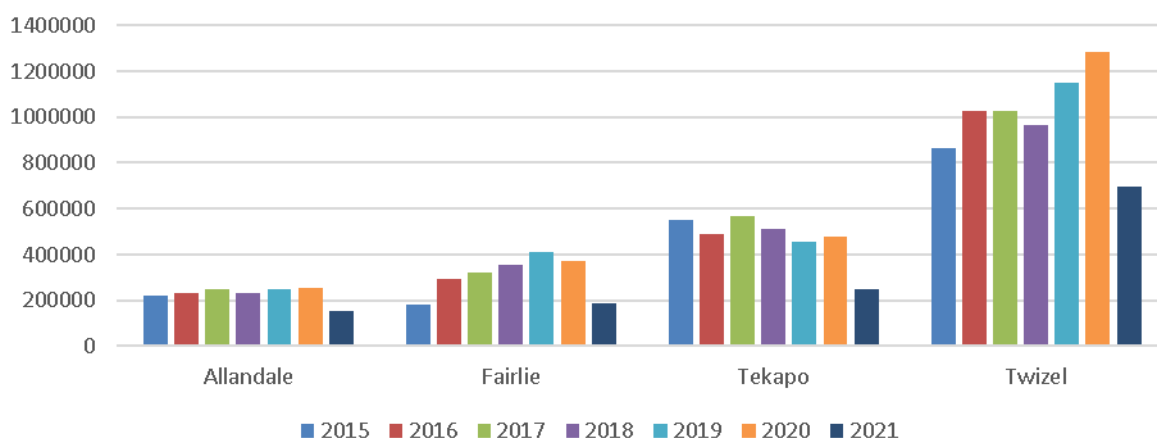
Water Tests Taken Including Failures for 2020-21.

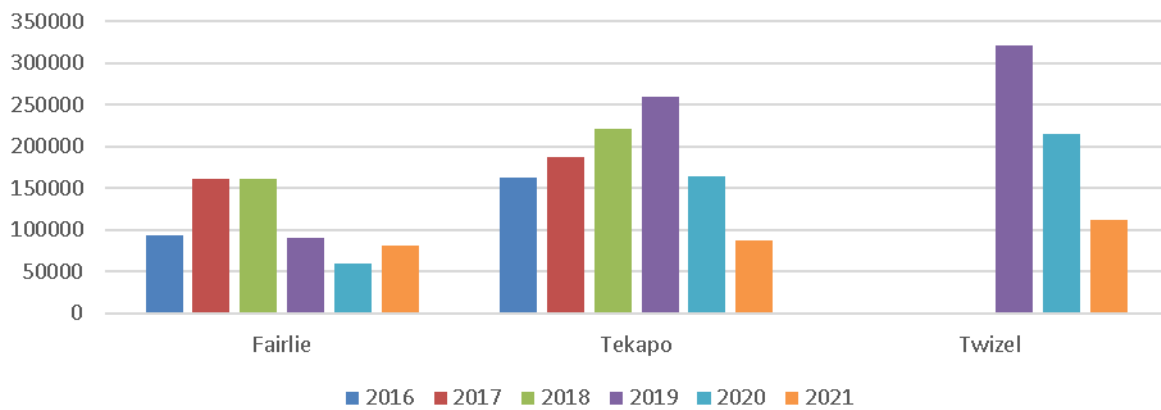
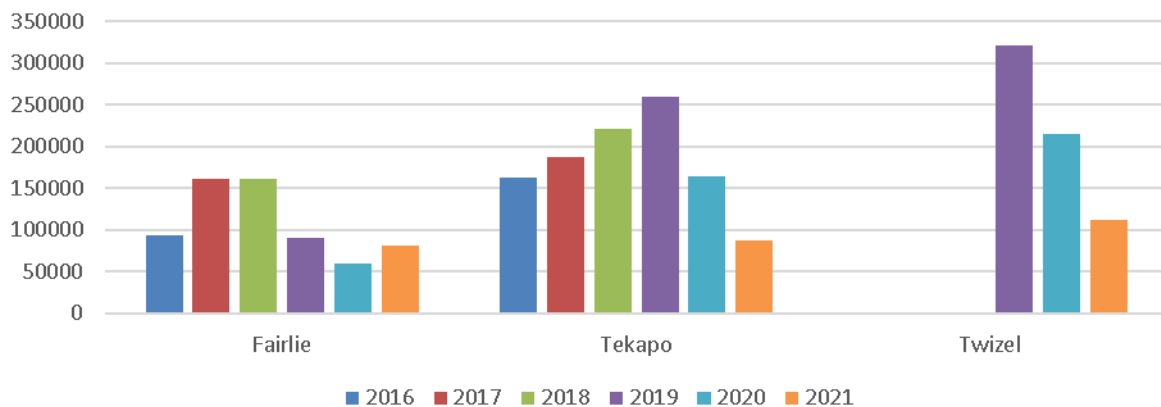
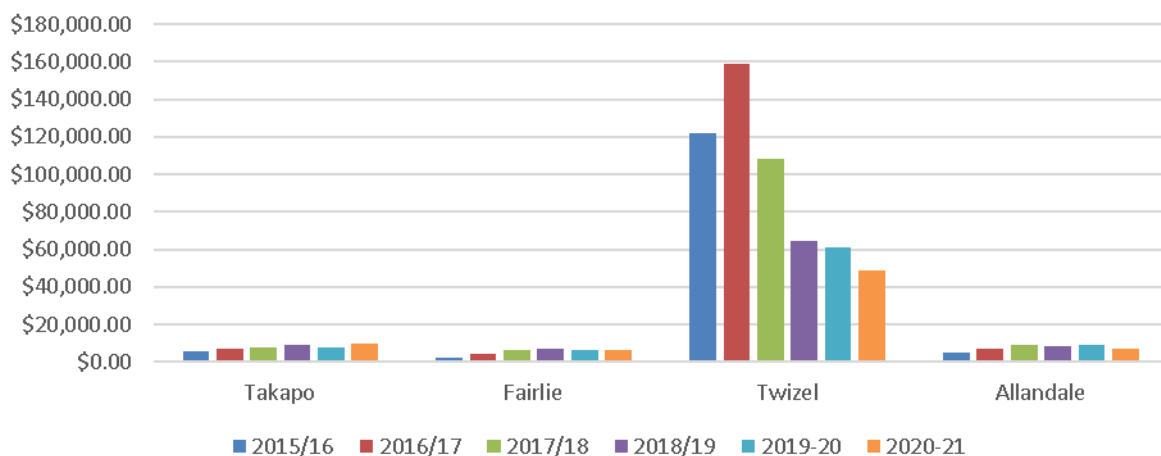
	Albury	Allandale	Burkes Pass	Fairlie	Kimbell	Tekapo	Twizel	
Plant	59	63	59	121	0	57	124	483
Retic	17	22	20	68	13	66	62	268
Fails	0	2	0	1	0	1	0	4
								751

Note: This level of failures still means council meets the criteria as per the drinking water standard.

Service Request Received for 2020-21

	Total Received	Completed	Completed in time
Allandale	43	43	41
Burkes Pass	3	3	3
Fairlie	77	77	77
Tekapo	36	36	34
Twizel	138	138	123
Total	297	297	278

Cubic meters of Water Abstracted Each Scheme**Calendar Year Water Use**

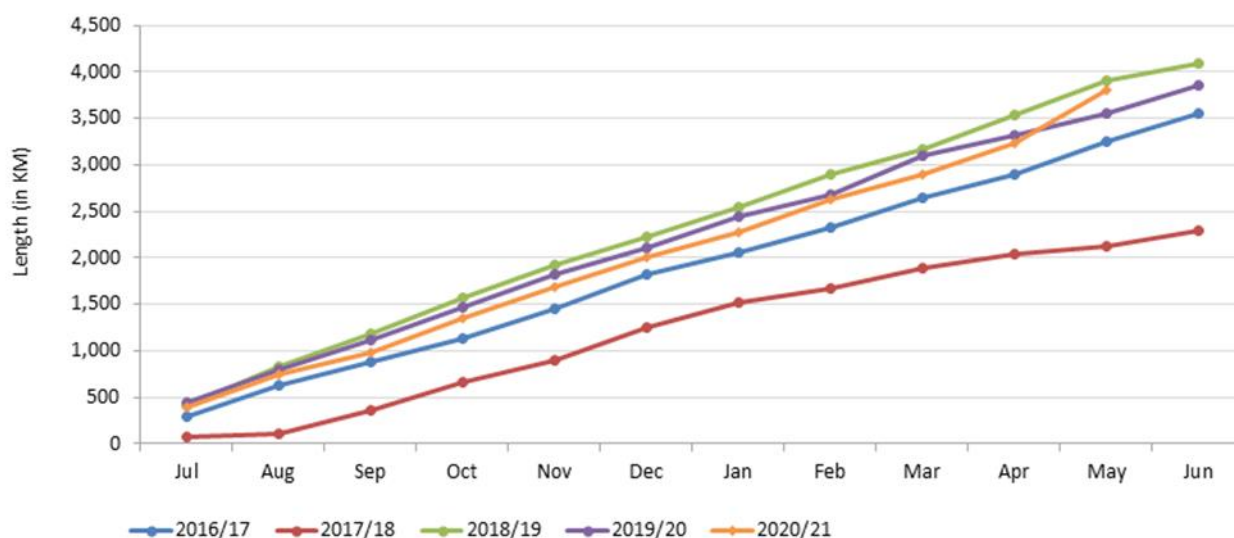
Waste Water Discharge Volume Yearly**Waste Water Discharge Volume Yearly****Water Power Usage**

ROADING

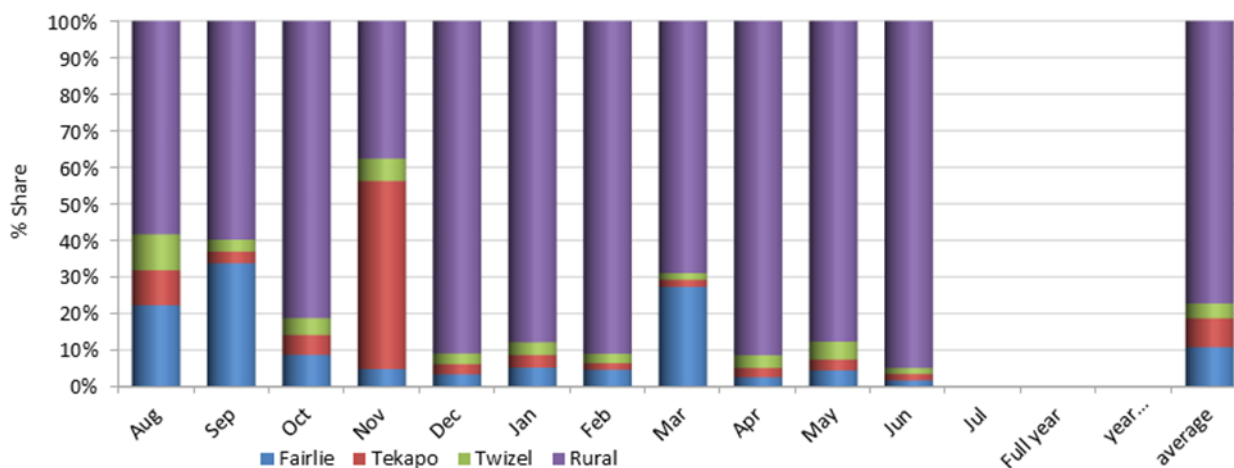
Road Maintenance Contract

The tendering process for the new road maintenance contract is progressing well. We are now into the second stage of tendering and evaluation and interactives have been completed. This follows the short-listing assessment of the stage one of the tender process. A report on the tender evaluation and request for the approval will be tabled with Council shortly.

Unsealed Road Grading (Cumulative)



Amalgamated Roading Budget 2020/2021



Flood Damage

At the end of May the District, as well as wider Canterbury, experienced a significant rainfall weather event resulting in substantial flooding. The hardest hit areas were Clayton and Lochaber. Rivers and tributaries were also a source of severe localised damage including the Opihi River crossings and the Middle Valley Area in the Opuha Ward. Lilybank was worst affected in the Pukaki Ward. There was varying degrees of scour damage across the wider district roading network. A number of bridges in the district were badly affected with a several abutments being damaged or lost which comes at a relatively high cost to reinstate. In one case the bridge has been significantly affected and it is

unlikely to be replaced due to damaged and instead has been programmed for an alternative solution.



Several roads have washed out where culverts had been overwhelmed by the amount of water. Some of these culverts have been replaced with additional capacity.





Resulting from this event, and given the pavements are saturated, there are a number of frost heave areas developing. Lochaber been worst affected followed by Braemar Road and other isolated areas. Frost heave is when the pavement has been frozen and is softening as a result of expansion then thawing.

Parts of the network have also been impacted by increased logging and other heavy transport movements throughout the district.



Streetlighting upgrade

The majority of the streetlighting across the district have been upgraded to 2200k LED fittings (Albury, Fairlie, Kimbell, Burkes Pass, Tekapo & Twizel). The highway lights have been left at this stage as requested by local Waka Kotahi (NZTA) representative. Lights already installed as 3000k LED's, predominantly in subdivisions, have been left in place due to the remaining useful life of these fittings. There are a number of architecture fittings in Mackenzie Park stage one in Twizel that still require change and the parts are on order for these. The proposed solution for bollards is to use the existing structures and replace the internal components. Staff are awaiting confirmation of funding carry over from NZTA to complete these works. This will allow for a management system to be fitted to the lights if deemed appropriate in the future. The new lights look good and they are very similar appearance to the low pressure sodium fittings. They are far more energy efficient, do not have the same glow around them and less light spill than the old lights. The latter two points add significantly to the dark sky objectives of the district.

Waka Kotahi Indicative Funding allocations

Council has received notification of its maintenance operations and renewals funding. The overall implication of the lesser funding than the application fee (but slightly more than received for the last 3 year period 2018 -2021) is a need to manage expenditure and ensure the new maintenance contractor is innovative with the way it executes across the district. Staff are still awaiting the outcome of the improvements area which is likely to be received in the next month or two from Waka Kotahi (NZTA)

Activity class	2021-24 programme bid - requested total (Gross \$)	2021-24 programme with indicative funding approval (Gross \$)	2018-21 forecast allocation in August 2018 (Gross \$)
Local roads maintenance	\$13,952,000	\$10,292,000	\$9,452,000

Shared Use Pathway - Twizel

The pathway concreting works are now complete on large package of work awarded to Downer. Construction reinstatement and backfilling against the pathway is still occurring onsite to complete works. The smaller packages have been completed for some time and are being tied onto the larger package. There have been several positive comments received on the pathway from the community.



Fairlie & Lake Takapō (Tekapo) Ultra Fast Broadband

The roll-out of Ultra Fast Broadband (UFB) has begun in Fairlie and is progressing well. Works are being undertaken by Vision Stream with Marias as the subcontractor. This work is involving open trenching in most streets to install the fibre optic cable. This work will create disruptions around the

town in relation to footpath, accesses and berms. Works are proposed to utilize trenchless technology providing ground conditions are suitable. Currently they are working in the centre and the North west parts of town.

Lake Takapō (Tekapo) township roll out has begun with the installation of cables through the existing ducts. Trenching is likely to occur in the near future. Works will be undertaken by Ventia (Broad spectrum). Works will be confined to within the town boundary.

Clayton Road Seal Widening.

The seal widening is completed on Clayton Road meaning for the start of the road to the South Opuha is now complete to approximately seven metres throughout. This will aid in the heavy traffic use of this road and limit edge break and low shoulder maintenance issues into the future. There is also further opportunity in future to extend this from the South Opuha to the Station Stream bridge where a similar issue is occurring.

CONCLUSION

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

6 PUBLIC EXCLUDED**RESOLUTION TO EXCLUDE THE PUBLIC****RECOMMENDATION**

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

The general subject matter 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 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
6.1 - Update on Road Maintenance Contract Renewal Process	s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7