



**Report and Minutes of a Meeting of the
ASSETS & SERVICES COMMITTEE
held in the Council Chambers and via Teams, 15 Seymour Street, Blenheim on
TUESDAY, 16 APRIL 2024 commencing at 9.00 am**

Present

Cls J C Rosene (in the Chair), B G Dawson, S R W Adams, J D N Croad, D A Dalliessi, M R K Flight, Mayor N P Taylor and Dawn McConnell (Iwi Representative)

Also Present

Cls J A Arbuckle, S J Arbuckle, G A Hope, B J Minehan and T P Sowman

In Attendance

Mr Richard Coningham (Manager – Assets & Services Department) and Nicole Chauval (Committee Secretary)

Apologies

Cls Rosene/Dawson:

That the apology for non-attendance from Clrs R J Innes and B A Falls be noted.

Carried

A&S-0424-366 Declaration of Interests -

No interests with items on the agenda were declared.

ATTENDANCE: David Craig, Finance & Information Supervisor, was present for the following item.

**A&S-0424-367 Financial Report for the year to
29 February 2024**

F275-001-02

The Financial Report for the Assets and Services and Property and Community Facilities (including parking) Departments for the year to 29 February 2024 was presented to members.

Members were advised that through the combined activities of the two departments there is an actual operating surplus of \$5.6M which is unfavourable to budget by \$9.0M. This was through total revenues of \$89.9M which were unfavourable to budget by \$21.1M due to roading subsidies for operational costs of \$7.7M and roading subsidy on capex of \$14.23M. This was largely due to the reduced emergency reinstatement renewals and also some of the renewal programme within the general roading activities. There is also favourable government grants of \$1.61M.

Operating expenditure was \$84.3M favourable to budget by \$12.1M and that was through roading emergency reinstatement of works \$9.55M flood damage repairs predominantly within the rivers and drainage activity of \$2.61M and favourable seal pavement maintenance \$1.37M.

Capital expenditure of \$32.5M is 33% of the total funded programme for 2023-24 of \$98.6M. This is slightly ahead of last year's total capital expenditure for the same period.

The capex spend was in water supply \$8.2M, the predominant programme within that is the Renwick Water Treatment, Roads and footpaths renewals programme of \$7.4M, community facilities \$7.4M predominant projects are the hockey turf and the new pavilion. Sewerage activity is \$8.4M and is largely the relining of the earthenware sewer pipes in both Picton and Blenheim.

Members were advised that much of the required information has been obtained through the 2024-34 Long Term Plan process, which is currently underway. The year end operating surplus is forecast to increase by \$18.3M to \$42.2M through a combination of reduced revenue of \$14.9M (roading subsidies) and reduced expenditure of \$33.2M (emergency reinstatement works and flood damage).

It was noted that the operating surplus is not a cash surplus as it includes non-cash items, such as vested assets, and other revenues which are specifically dedicated to funding capital expenditure (development contributions, reserve fund contributions etc). The capital portion (or principal repayments) of loans are also funded from the operating surplus.

Forecast capital expenditure is \$96.4M, which is \$2.2M below the 2023-24 Annual Plan budget and includes \$32.2M of capitalised emergency reinstatement renewals.

A significant change has been made to forecasting for emergency reinstatement expenditure. The total budgeted amount for 2023-24 is \$54.45M of which \$34.45M is for operating expenditure and \$20M for renewal expenditure. The total emergency works expenditure for the current year is now forecast to be \$35.84M. The remaining works will be re-budgeted over the next two years.

Mr Craig noted that at the present time Council's emergency reinstatement costs are largely included in the operating expenditures and in order to meet the changes that have been made in the Long Term Plan a large proportion of those costs are going to be moved into the renewals activities which will reflect the renewal of assets that have been impaired or written down in previous revaluations. The changes will be made in time for the next financial report.

Cirs Dawson/Dalliessi:
That the financial report for the period 29 February 2024 be received.

Carried

ATTENDANCE: Jane Tito, Council's Manager, Parks & Open Spaces, was present for the following two items.

A&S-0424-368 Responsible Camping – End of Season Report **R510-005-05**

Ms Tito noted that the purpose of the report was to provide members with an update on information obtained from the 2023-24 responsible camping season in Marlborough.

It was noted that since December 2019, Council has engaged a contractor to manage the monitoring and enforcement of responsible camping in Marlborough during the peak freedom camping period of 1 December to 31 March.

Members were advised that the total vehicle numbers recorded for the 2023-24 reporting period was 11,123. This is an increase of approximately 35% when compared to the 2022-23 reporting period. It was noted that the vehicle numbers recorded in 2019-20 were 22,127 (pre-covid) and were administered under a different Bylaw with 13 approved freedom camping sites. The current bylaw provides for 11 sites.

Ms Tito advised there were very few complaints this reporting period and no infringements were issued. The area where the most complaints came from was the Wairau Diversion, this was mainly due to campers parking outside of the freedom camping site and at times parking along private roads. It was noted that the Marlborough District Council's Responsible Camping and Control Bylaw 2022 focuses on compliance and education for all freedom campers.

It was raised whether there was any value metric data available on the spend over this period. Ms Tito will confirm with Council's Manager, Strategic Planning & Economic Development whether that information is available.

Cirs Rosene/Croad:
That the information be received.

Carried

ATTENDANCE: Linda Craighead, Council's Parks & Open Spaces Planner, was present for the following item.

A&S-0424-369 Hearing of Submissions on Tree Policy

R510-014-019-05

Ms Craighead noted that the purpose of the report was to decide on the establishment of a hearing panel to consider and make recommendations on the submissions on the Council's Tree Policy.

It was reported that the Draft Tree Policy was reviewed in late 2023 and notified for submissions in January/February 2024. Six submissions were received and several submitters wish to speak to their submission.

To hear those submissions the following Councillors were nominated for the Hearing panel – Cirs Jonathan Rosene, David Croad and Sally Arbuckle.

Cirs Adams/Dawson:

- 1. That Council appoint Councillors Jonathon Rosene, David Croad and Sally Arbuckle to a hearings panel to hear and make recommendations on submissions received on the Tree Policy.**
- 2. That Councillor Jonathan Rosene be appointed as the Chairperson of the panel.**

Carried

ATTENDANCE: Charlotte Campbell-Lamerton, Multi Modal Advisor to MDC, was present for the following item.

A&S-0424-370 Trial Extension of Picton Bus Service to include a Saturday Service

R800-003-003-01

Members noted that the purpose of the report was to seek approval of a proposed trial extension to the Picton Bus Service to include a Saturday.

It was reported that from June 2023 the trial Picton Bus Service has been occurring on weekdays with a steady increase in the number of passengers using the service. Following the opening of the new Blenheim library – Te Kahu o Waipuna, requests have been fielded by Councillors, Marlborough District Council Staff, and at Marlborough Roads, for the Picton bus service to be extended to include a weekend day, with the bus stopping directly outside Te Kahu o Waipuna.

Members were advised that the estimated cost for the additional trial service is \$13,504.40 and can be funded from existing budgets.

An analysis of the service, similar to what has been undertaken in the past, will be conducted and results reported back after the 12-month period.

In response to a query on whether there were likely to be any budget implications given that Waka Kotahi hasn't determined its budget settings. Mr Coningham noted that it is a trial service and the amount required is relatively small in terms of the roading budget. Council is still seeking clarification from Waka Kotahi on their budget settings but there is sufficient budget to cover the costs for the full trial.

It was reported that there will be a media release which will highlight that it is a 'trial'.

Cirs Dawson/Adams:

That the Council approves the implementation of a trial Saturday Picton bus service for a period of 12 months to be funded from existing budgets.

Carried

ATTENDANCE: Mark Lucas, Council's Solid Waste Manager, was present for the following three items.

A&S-0424-371 Increase to Kerbside Collections Area

C315-21-077-08

Mr Lucas noted that the purpose of the report was to present the recommendation of the Hearing Sub-Committee in relation to the increase in the kerbside collection to include the Marlborough Ridge, Fairbourne Drive, Fairhall, Old Renwick Road from Waipuna Street to Hammerichs Road, Hammerichs Road to Rapaura Road, 88 Dillons Point Road and 211, 215 and Middle Renwick Road.

It was reported that during the original consultation process for the kerbside collection some residential areas were not included as they were not part of the current kerbside collection. Council agreed to consult with residents in these areas regarding increasing the kerbside collection area. Consultation has been completed and the sub-committee has recommended that the additional areas be included.

In response to a query on whether there would be scope in the future to include additional areas/communities. Mr Lucas advised there would be scope to add additional areas, however, there may be an increase in costs due to an increase in waste volumes.

Cirs Croad/Dalliessi:

That Council approve the sub-committee's recommendations to expand the kerbside collection area to include Marlborough Ridge, Fairbourne Drive, Fairhall, Old Renwick Road from Waipuna Street to Hammerichs Road, Hammerichs Road to Rapaura Road, 88 Dillons Point Road and 211, 215 and Middle Renwick Road.

Carried

A&S-0424-372 Waste Fees and Charges

W300-006-008-14

Members noted that the purpose of the report was to seek approval to implement the proposed waste fees and charges from 1 July 2024. Details of waste fees and charges were attached to the agenda item for members' information.

Mr Lucas advised that the annual review of waste fees and charges has been completed. The outcome of the review is that an increase in landfill gate fees is proposed. The reason for the proposed increase is due to the changes in the waste disposal levy and aftercare/reserve provisions at the regional landfill site. Contract cost escalations for the transfer stations and the kerbside collections are also contributing factors. Cost recovery for these increases is via increased gate fees, and amendment to the kerbside refuse collection targeted rate.

Mr Lucas noted that if we are to reduce waste to landfill, increase the life span of the landfill and reduce our greenhouse gas liability, we need to look at further initiatives and assess their viability. It was noted that there are several waste diversion initiatives currently being worked on, namely a feasibility study to divert all organics from the landfill, polystyrene compactor, upgrades to the Resource Recovery Centre to increase sorting line capacity and reselling construction waste.

It was noted that if we can divert all the organic waste and construction and demolition waste from the landfill we can reduce the total volume by an estimated 50% of the current 66,000 tonnes. This would double the life of the landfill and reduce the ETS liability to almost zero.

Members were advised that with the removal of the current Council rubbish bag system, it is proposed that a new charge is introduced for the deposit of non-council plastic rubbish bags. This rate would only be used for bags up to 60 litres and weighing up to 15kg and is only available for the disposal of domestic waste. This rate would be set at \$3.00 per bag and would be consistent at every transfer station in Marlborough. It was noted that disposal of Council bags will remain free.

Mr Lucas noted that Waste Acceptance Evaluations (WAE) currently incur no charge for the service with Council covering all costs. It is proposed that if these evaluations are completed in house and no consultant is used there would continue to be no charge to the applicant. If consultants are used the applicant would be charged the actual costs incurred by Council, as invoiced by the consultant. The actual cost is totally dependent on the complexity and time spent to complete the application.

Clr Dalliessi/The Mayor:

1. That Council implements the updated waste fees and charges with effect from 1 July 2024.
2. That Council recovers all costs associated with an increase in the waste disposal levy, landfill aftercare/reserve provisions, and contract escalations from user pays (gate fee) contributions and an amendment to the kerbside refuse collection targeted rate.

Carried

A&S-0424-373 Use of Closed Landfill Sites for Commercial Use **W300-005-011-10**

Mr Lucas noted that the purpose of the report was to seek approval in principle to conduct further discussions in relation to leasing closed landfill sites to private companies to use for the purpose of storing and recycling of waste.

Members were advised that Marlborough has been identified as a region that is desirable for a number of recycling industries to move to and deal with the waste streams that we currently have. As with everything in our region, land is at a premium and this is a continued problem for these industries. Making our closed landfill sites available for these industries could help divert waste from the landfill.

Members were advised that Council would not be bound at this stage into an agreement without further investigation. Also noted was that as these sites are considered contaminated, all consent conditions would need to be considered in conjunction with the RMA and NES requirements before any proposal was approved. The use of the sites would require management around the greenhouse gas emissions, but this would be considered as part of any proposal. The Council owned Resource Recovery Centre is an example of a building design that can mitigate/eliminate the risk of gas build up from these sites. The lease agreement and subsequent income, for the sites, would be used to offset the current cost to monitor and maintain the sites.

Mr Lucas noted that this proposal has no risk or cost to the Council at this point, it is just a request to allow discussions to commence.

Clr Croad moved the recommendation but prior to being seconded The Mayor proposed that point two be amended to better manage the process and provide an end point. The Mayor then proposed that *'and to bring any proposals back to Council for a decision'* be added.

In response to a query on whether the amendment would not create unnecessary delays for any prospective businesses, the Mayor assured members that it wouldn't as Council could call an Extraordinary meeting if required. Members were supportive of the amendment and the substantive motion was put.

The Mayor/Clr Adams

1. That Council give an agreement in principle to engage with companies that wish to lease closed landfill sites for the purpose of operating their company.
2. That Council delegate authority to the Chair Assets and Services, Chief Financial Officer, and Assets & Services Manager to manage the process moving forward and to bring any proposals back to Council for a decision.

Carried

A&S-0424-374 Information Package -

Clr J Arbuckle requested that information be provided to the Committee on any increase in tree numbers that need to be re-established as a consequence of the drought.

Clrs Croad/Rosene:

That the Assets and Services Information Package dated 16 April 2024 be received and noted.

Carried

The meeting closed at 10.08 am.

Record No. 24112900