



Notice is hereby given that a Meeting of the Services and Assets Committee will be held on:

**Date:** **Wednesday, 13 February 2019**  
**Time:** **9am**  
**Meeting Room:** **Council Chamber**  
**Venue:** **15 Forth Street**  
**Invercargill**

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## **Services and Assets Committee Agenda**

### **OPEN**

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#### **MEMBERSHIP**

<b>Chairperson</b>	Brian Dillon Mayor Gary Tong
<b>Councillors</b>	Stuart Baird John Douglas Paul Duffy Bruce Ford Darren Frazer George Harpur Julie Keast Ebel Kremer Gavin Macpherson Neil Paterson Nick Perham

#### **IN ATTENDANCE**

<b>Group Manager, Services and Assets</b>	Matt Russell
<b>Committee Advisor</b>	Fiona Dunlop

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**Full agendas are available on Council's Website**  
**[www.southlanddc.govt.nz](http://www.southlanddc.govt.nz)**

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**Note:** The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. Should Members require further information relating to any reports, please contact the relevant manager, Chairperson or Deputy Chairperson.



## **Terms of Reference – Services and Assets Committee**

The Services and Assets Committee is responsible for overseeing the following Council activities:

- ▪ Transport;
- ▪ Property management including community facilities, acquisitions and disposals (including land dealings);
- ▪ Forestry;
- Water supply, wastewater and stormwater;
- Solid waste management;
- Flood protection;
- Waste management;
- Rural fire management;
- Te Anau Airport;
- Stewart Island Jetties and Riverton Harbour Committee;
- Water supply schemes.

The Services and Assets Committee shall have the following delegated powers and be accountable to Council for the exercising of these powers:

- (a) Monitoring the delivery of capital works projects and the implementation of the capital works programme.
- (b) Monitoring the delivery of operations and maintenance contracts.
- (c) To approve and/or assign all contracts for work, services or supplies where the value is in excess of \$200,000 where those contracts relate to work within approved estimates. Where the value of the work, services; supplies or business case or the value over the term of the contract is estimated to exceed \$2M a prior review and recommendation of the business case by the Finance and Audit Committee is required. The business case shall include as a minimum; risk assessment, a procurement plan and financial costings.
- (d) To monitor the return on all the Council's investments including forestry;
- (e) To monitor and track Council contracts and compliance with contractual specifications.

The Services and Assets Committee is responsible for considering and making recommendations to Council regarding:

- (a) Policies relating to the scope of activities of the Services and Assets Committee;
- (b) Changes to Council's adopted Levels of Service;
- (c) The dividend from the Forestry Business Unit.

The Services and Assets Committee may delegate the management and control of all Riverton harbour assets vested in the Southland District Council to the Riverton Harbour Committee.

The Services and Assets Committee may delegate the responsibility to oversee the development and maintenance of jetties located at Fred's Camp, Millars Beach, Ulva Island, Port William and Little Glory Cove to the Stewart Island Jetties Subcommittee.

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**1 Apologies**

At the close of the agenda no apologies had been received.

**2 Leave of absence**

At the close of the agenda no requests for leave of absence had been received.

**3 Conflict of Interest**

Committee Members are reminded of the need to be vigilant to stand aside from decision-making when a conflict arises between their role as a member and any private or other external interest they might have.

**4 Public Forum**

Notification to speak is required by 5pm at least two days before the meeting. Further information is available on [www.southlanddc.govt.nz](http://www.southlanddc.govt.nz) or phoning 0800 732 732.

**5 Extraordinary/Urgent Items**

To consider, and if thought fit, to pass a resolution to permit the committee to consider any further items which do not appear on the Agenda of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987, and the Chairperson must advise:

- (i) the reason why the item was not on the Agenda, and
- (ii) the reason why the discussion of this item cannot be delayed until a subsequent meeting.

Section 46A(7A) of the Local Government Official Information and Meetings Act 1987 (as amended) states:

"Where an item is not on the agenda for a meeting,-

- (a) that item may be discussed at that meeting if-
  - (i) that item is a minor matter relating to the general business of the local authority; and
  - (ii) the presiding member explains at the beginning of the meeting, at a time when it is open to the public, that the item will be discussed at the meeting; but
- (b) no resolution, decision or recommendation may be made in respect of that item except to refer that item to a subsequent meeting of the local authority for further discussion."

**6 Confirmation of Minutes**

6.1 Meeting minutes of Services and Assets Committee, 28 November 2018



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## Services and Assets Committee

### OPEN MINUTES

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Minutes of a meeting of Services and Assets Committee held in the Council Chamber, 15 Forth Street, Invercargill on Wednesday, 28 November 2018 at 1.02pm.

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#### PRESENT

<b>Chairperson</b>	Brian Dillon
	Mayor Tong (2.13pm – 2.37pm)
<b>Councillors</b>	Stuart Baird
	John Douglas
	Paul Duffy
	Bruce Ford
	Darren Frazer
	George Harpur
	Julie Keast
	Ebel Kremer
	Gavin Macpherson
	Neil Paterson
	Nic k Perham

#### APOLOGIES

Mayor Tong (for lateness)  
Councillor Stuart Baird

#### IN ATTENDANCE

<b>Group Manager, Services and Assets</b>	Matt Russell
<b>Group Manager, Environmental Services</b>	Bruce Halligan
<b>Chief Financial Officer</b>	Anne Robson
<b>Committee Advisor</b>	Fiona Dunlop

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**1 Apologies**

There were apologies from Mayor Tong for lateness and absence from Councillor Baird.

**Resolution**

Moved Chairperson Dillon, seconded Cr Paterson **and resolved:**

**That the Services and Assets Committee accept the apology.**

**2 Leave of absence**

There were no requests for leave of absence.

**3 Conflict of Interest**

There were no conflicts of interest declared.

**4 Public Forum**

There was no public forum.

**5 Extraordinary/Urgent Items**

There were no Extraordinary/Urgent items.

**6 Confirmation of Minutes**

**Resolution**

Moved Cr Kremer, seconded Cr Douglas **and resolved:**

**That the Services and Assets Committee confirms the minutes of the meeting held on 17 October 2018 as a true and correct record of that meeting.**

**Reports**

**8.1 Three-Yearly District Revaluation**

**Record No: R/18/9/21340**

Finance Manager – Sheree Marrah was in attendance for this item.

Mrs Marrah introduced the team of Gail Smits – Manager Quality and Audit, Phil Janssen – Lead Valuer, Tim Gibson - Senior consultant and Dave Johnson – Registered Valuer from Quotable Value to the meeting

Gail Smits and Tim Gibson took the meeting through a presentation on the District revaluation and explained various aspects to the revaluation.

### **Resolution**

Moved Cr Ford, seconded Cr Paterson **and resolved:**

**That the Services and Assets Committee:**

- a) **Receives the report titled “Three-Yearly District Revaluation” dated 20 November 2018.**

## **Reports for Recommendation**

### **7.1 Use of Unmanned Aerial Vehicle Policy**

**Record No: R/18/10/24925**

Policy Analyst – Jane Edwards and Strategic Manager Property – Kevin McNaught were in attendance for this item.

Mrs Edwards advised that the purpose of the report was to consider the request to Council from the Te Anau Community Board to amend the Use of Unmanned Aerial Vehicle Policy to include the Te Anau lakefront within the restrictions and to seek the Committee’s approval to recommend to Council that the policy is also amended to clarify the distinction between Restrictions and Prohibited Areas.

### **Resolution**

Moved Cr Frazer, seconded Cr Douglas **and resolved:**

**That the Services and Assets Committee:**

- a) **Receives the report titled “Use of Unmanned Aerial Vehicle Policy” dated 20 November 2018.**
- b) **Determines that this matter or decision be recognised as not significant in terms of Section 76 of the Local Government Act 2002.**
- c) **Determines that it has complied with the decision-making provisions of the Local Government Act 2002 to the extent necessary in relation to this decision; and in accordance with Section 79 of the Act determines that it does not require further information, further assessment of options or further analysis of costs and benefits or advantages and disadvantages prior to making a decision on this matter.**
- d) **Recommend to Council amending the policy to include the Te Anau lakefront, from the Marakura Yacht Club to Blue Gum Point, within the Restrictions, and**

that an education campaign be undertaken to help build the confidence of Te Anau residents in understanding the implications of any policy changes.

- e) **Recommend to Council amending the policy to state that Prohibited Areas are areas where the use of Unmanned Aerial Vehicles is prohibited in all instances, with the exception of emergency services only.**

## **8.2 Downer Water and Wastewater Maintenance Contract 10/01 - Monthly Report for October 2018**

**Record No: R/18/10/24825**

Operations Manager – Bill Witham was in attendance for this item.

### **Resolution**

Moved Cr Harpur, seconded Cr Kremer **and resolved:**

**That the Services and Assets Committee:**

- a) **Receives the report titled “Downer Water and Wastewater Maintenance Contract 10/01 - Monthly Report for October 2018” dated 20 November 2018.**

## **8.3 Roding Operations October 2018**

**Record No: R/18/10/24826**

Strategic Manager Transport – Hartley Hare was in attendance for this item.

(Mayor Tong joined the meeting at 2.13pm.)

### **Resolution**

Moved Cr Kremer, seconded Cr Macpherson **and resolved:**

**That the Services and Assets Committee:**

- a) **Receives the report titled “Roding Operations October 2018” dated 20 November 2018.**

## **8.4 Forestry Operations - Financial Report to 31 October 2018**

**Record No: R/18/11/26582**

Graduate Accountant – Kate Westenra was in attendance for this item.

### **Resolution**

Moved Cr Paterson, seconded Cr Harpur **and resolved:**

**That the Services and Assets Committee:**

- a) **Receives the report titled “Forestry Operations - Financial Report to 31 October 2018” dated 21 November 2018.**

**Public Excluded**

**Exclusion of the Public: Local Government Official Information and Meetings Act 1987**

**Resolution**

Moved Cr Ford, seconded Cr Perham

**That the public be excluded from the following part(s) of the proceedings of this meeting.**

**C9.1 Road Pavement Rehabilitation Programme 2018/2019**

**The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:**

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Road Pavement Rehabilitation Programme 2018/2019	s7(2)(h) - The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	That the public conduct of the whole or 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 exists.

That the Group Manager, Services and Assets, Group Manager, Environmental Services, Chief Financial Officer, Governance and Democracy Manager and Committee Advisor be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of the items C9.1 Road Pavement Rehabilitation Programme 2018/2019. This knowledge, which will be of assistance in relation to the matters to be discussed, is relevant to those matters because of their knowledge on the issues discussed and meeting procedure.

That the Strategic Manager Transport be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of the items C9.1 Road Pavement Rehabilitation Programme 2018/2019. This knowledge, which will be of assistance in relation to the matters to be discussed, is relevant to those matters because of their knowledge on the issues discussed and meeting procedure.

The public were excluded at 2.25pm.

Resolutions in relation to the confidential items are recorded in the confidential section of these minutes and are not publicly available unless released here.

The meeting concluded at 2.37pm.

CONFIRMED AS A TRUE AND CORRECT RECORD AT A  
MEETING OF THE SERVICES AND ASSETS  
COMMITTEE HELD ON WEDNESDAY 28 NOVEMBER  
2018.

**DATE:**.....

**CHAIRPERSON:**.....

## Downer Water and Wastewater Maintenance Contract 10/01 - Monthly Report for December 2018

Record No: R/19/1/951

Author: Bill Witham, Manager Operations - Water and Waste

Approved by: Matt Russell, Group Manager Services and Assets

☐ Decision

☐ Recommendation

☒ Information

### Background

- 1 Downer was awarded Contract 10/01 for delivery of water and wastewater services to Council for the Southland District. The contract was awarded in 2010 for a maximum period of 12 years.

### Purpose

- 2 The purpose of this report is to update the Committee on the progress of this contract. A representative of Water and Waste Services will be in attendance to speak to the report.

### Summary

- 3 KPI scoring of 92% for December was down 8% on the previous month.

### Compliance (Drinking-water)

- 4 All drinking water compliance testing was completed and carried out as per New Zealand Drinking-water Standards. All samples were absent of Escherichia Coli, thus meeting the required bacteriological standards.

### Compliance (Environmental)

- 5 There were four non-compliant wastewater tests during December. These relate to Escherichia Coli levels in Ohai and Phosphorus levels in Te Anau.

### Operations and Maintenance

- 6 Service request calls for December were 108 including 76 water, 6 general, 19 rural and 7 sewer calls. This is not unusual for this time of year with rural water calls increasing.

### Financial

- 7 There were no outstanding claims or variations to the contract. All claims and invoices for completed work were certified and accepted.

### Customer Service

- 8 There were 108 service requests received with all but two inspected within response time.

### Health and Safety

- 9 There were no health and safety incidents reported in December.

### Quality Assurance

- 10 No Non Conformance/Opportunity for Improvement Reports were issued and no instances of rework or product failure during the month.

## **Recommendation**

**That the Services and Assets Committee:**

- a) Receives the report titled “Downer Water and Wastewater Maintenance Contract 10/01 - Monthly Report for December 2018” dated 4 February 2019.**

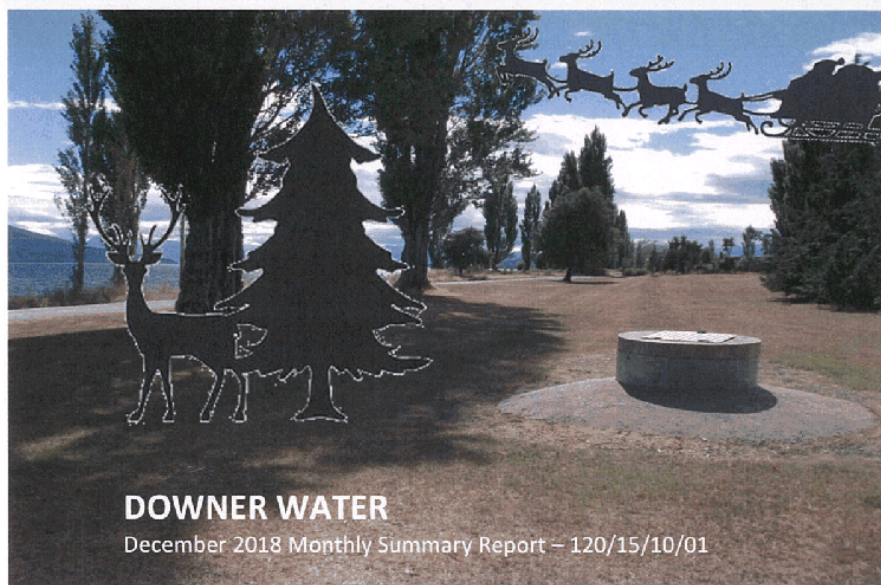
## **Attachments**

- A Downer Monthly Summary Report - December 2018 [↓](#)
- B Downer Monthly Report - Graphs - December 2018 [↓](#)





**Southland District Council  
Water and Wastewater Maintenance Contract**



*DISTRIBUTION*

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This Monthly Summary Report 120/15/10/01 has been distributed to:

Copy No.	Holder	Contract Position	Company
01	Ian Evans	Strategic Manager: Water and Waste Services	SDC
02	Bill Witham	Operations Manager: Water and Waste Services	SDC
03	Matthew Keil	Senior Projects Engineer: Water and Waste Services	SDC
04	Talita Aitken	IPS Data Analyst: Water and Waste Services	SDC
05	Bevan McKenzie	Project & Programme Manager: Water and Waste Services	SDC

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2. Health and Safety
3. Quality Assurance and Compliance
4. KPI Summary

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## 1. EXECUTIVE SUMMARY

### COMPLIANCE (DRINKING WATER)

- All drinking water compliance testing was completed and carried out as per NZDWS.
- All samples were absent of Escherichia Coli.

### COMPLIANCE (ENVIRONMENTAL)

- There were four non-compliant test during December.

### FINANCIAL

MISC MINOR WORKS		
Riverton WTP	\$435.00	Riverton Intake Bore sampling December 2018
Monowai WWTP	\$251.60	1 x Item 1 & 2 for December 2018
Riverton WTP	\$2,873.85	Chemical & filters Riverton – December 2018
Additional Sampling Run	\$3,460.50	3x additional sampling runs December 2018
Te Anau Rural Water Sampling	\$1,246.05	Extra testing – December 2018
Riverton WTP Pressure Transducer	\$2,008.37	Replace Pressure Transducer at Riverton WTP
BackFlow Te Anau Toilets – Lions Park	\$120.00	BackFlow testing Te Anau Toilets – Lions Park
135 Cardigan Road, Wyndham	\$241.52	Repair leak in camping ground after tent peg went through 20mm pipe
Curio Bay Callout	\$2,243.58	Unblock pump 1, December 2
175 Palmerston St, Riverton	\$436.07	Internal leak
36 Lamont Tce, Nightcaps	\$175.97	New 20mm meter installation
10 Moffat St, Nightcaps	\$926.85	New 40mm meter installation
Pomona Road	\$1,090.88	Makarewa Rd East effluent discharge
<b>TOTAL</b>	<b>\$15,510.24</b>	

### ASSET IMPROVEMENTS – PAID UNDER LUMP SUM

- Ohai WWTP UV Fault
- Otautau PS1 Phase Fail Relays
- Riverton Res Comms Issue
- Replace faulty soft starter Pump 2, Homestead
- Mt York Res replace blown pole fuse

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- Temporarily wire up new aerator at Te Anau ponds
- Power supply module for comms Takitimu Intake

All claims and invoices for completed work were certified and accepted.

#### HEALTH & SAFETY

- There were no incidents reported in December 2018.
- Monthly tool box meeting was held at the Crib in Riverton on December 14, 2018.

#### QUALITY ASSURANCE

- There were no NCR/OFI's issued during December 2018.
- There was no instance of rework or product failure during the month.

#### PROJECT WORK / ACTIVITIES IN NEXT MONTH

##### PROJECT WORK/CAPITAL UPGRADES - QUOTED

111 Eglinton Street, Winton	Replacement water connection
Curio Bay Chambers	Final Claim

#### PLANNED POWER INTERRUPTIONS

There were no planned power interruptions in December 2018

#### STAFFING

- ✚ Contract staff levels are currently fifteen permanent employees. This is made up of five management, administration and QA staff and ten field staff. Sy Waiti, a reticulation apprentice has resigned to return to his family in the North Island. A suitable replacement is being sought.
- ✚ Training Completed in December:
  - ✚ Shane Adams, Shanon Townson - Working at Heights
  - ✚ Steven Flawn - First Aid Refresher

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- ✚ Training scheduled for January:  
There is no training scheduled for January

## 2. HEALTH & SAFETY

### HEALTH & SAFETY INDICATORS:

Description	Employees	Sub-Contractor
	Current Month	Current Month
Number of Fatalities	0	0
Number of Lost Time Injuries	0	0
Number of Days lost due to LTI's	0	0
Number of Medical Treatment Injuries	0	0
Number of First Aid Treatment Injuries	0	0
Number of Near misses	0	0
Number of Property/Plant Damages	0	0
Number of hours Worked	3007.21	234.5
LTI Incidence Rate (1 million Hrs.)	0.0	0.0

## 3. QUALITY ASSURANCE & COMPLIANCE

All potable water samples taken were found to be absent of any e-coli presence. All water and wastewater field sampling was carried out by an independent sampling subcontractor. All water and wastewater samples are tested at an IANZ accredited laboratory, Water Care Laboratory Services in Invercargill. Both site and field sampling results are reported through to Council as well as being logged on our WaterOutlook system.

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Description	Number
Water scheme laboratory tested samples taken for month: E-coli, UVT and P2	145
Wastewater scheme sampling completed for month	7
Wastewater scheme site samples taken for month	30
Wastewater scheme laboratory tests completed for month	321
Non-conformance reports received	0
OFI reports received	0
Site audits conducted	0

#### **NZDWS**

All Escherichia Coli monitoring for bacteria compliance were fully compliant, with samples all being absent of Escherichia Coli.

Bacteria compliance requires field testing of FAC, pH and turbidity of the water leaving the water treatment plants. The field sampling for these parameters were fully compliant, apart from turbidity on the Eastern Bush Otahu Flat and Orawia Water Supply. The supplies which use UV disinfection for protozoa compliance were monitored for UV transmittance as per the NZDWS, to ensure the UV reactors were disinfecting the water acceptable and these tests were fully compliant.

#### **RESOURCE MANAGEMENT ACT**

Wastewater discharge consent sampling was carried out at Lumsden, Nightcaps, Ohai, Riversdale, Riverton Rocks, Te Anau and Winton during December. Joint sampling was carried out in conjunction with Environment Southland at Ohai and Nightcaps. There were four non-compliant tests during December which were the downstream faecal coliform concentration at Ohai which was caused by electrical issues, the UV reactor, discharge BOD, downstream dissolved inorganic nitrogen concentration and DRP at Te Anau. Monowai was unable to be sampled on December 27, 2018 due to insufficient flow and was sampled on January 3, 2019.

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#### 4. KEY PERFORMANCE INDICATORS – DECEMBER 2018

	No.	Key Performance Indicator	Method Of Monitoring	Target	Compliance Y,N or N/A
Health & Safety	1.	Compliance with Contractor's approved Health & Safety Plan	Self-audit plus independent audit	100%	Y
	2.	Feedback on near misses	Monthly reports on incidents and lessons learnt	Any/All incidents reported each month	Y
	3.	Lost time Health & Safety incidents on this contract	Monthly reports on lost time incident hours/hours worked	0.00035% Lost time of total hours worked to date	Y
Wastewater	4.	Percentage compliance with wastewater Resource Consent determinands. <b>Downer to apply for dispensation for Stewart Island and Ohai.</b>	Monitoring programme as required by Resource Consent 318/321	99%	N
	5.	Percentage samples taken in accordance with the Resource Consent requirements ( <b>Dispensation to be requested if required</b> ).	Monitoring programme as required by Resource Consent Dispensation for Monowai granted	100%	Y
	6.	Number of system failures and pollution incidents (overflows) per year across all systems (not including private)	Data from HANSEN IMS	Less than 20	Y
	7.	Percentage of Requests for Service responded to within required timeframes – wastewater	Data from HANSEN IMS	100% 100%	Y

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Water	8.	Percentage of water lab tests that meet the requirements of the NZDWS 2005 (for plants upgraded to meet the NZDWS 2005 standard)	WINZ	100% 100%	Y						
	9.	Number of complaints regarding drinking water quality per year across all systems. <b>(Dispensation to be requested if required)</b>	Data from HANSEN IMS	Less than 65 7 (TOTAL)	Y						
	10.	Number of complaints regarding drinking quantity and supply of water, over and above 48 hour storage period.	Data from HANSEN IMS	Less than 130 0	Y						
	11.	Percentage of urban water system fire hydrant inspections that meet SNZ PAS 4509:2003	Data from HANSEN IMS	Not less than 95%	Not Started Yet						
	12.	Number of non-notified shutdowns across all urban water systems	Data from HANSEN IMS	Not more than 20 1 (TOTAL)	Y						
	13.	Percentage of Requests for Service responded to within required timeframes - water	Data from HANSEN IMS	Not less than 90% 99%	Y						
Performance Evaluation	A Total number of Y's				11						
	B Total number of N's				1						
	A + B				12						
	OPR = 100 X (A/(A+B)) %										
MAR 18	APR 18	MAY 18	JUNE 18	JULY 18	AUG 18	SEP 18	OCT 18	NOV 18	DEC 18	JAN 19	FEB 19
86%	85%	92%	77%	85%	92%	92%	100%	92%	92%		

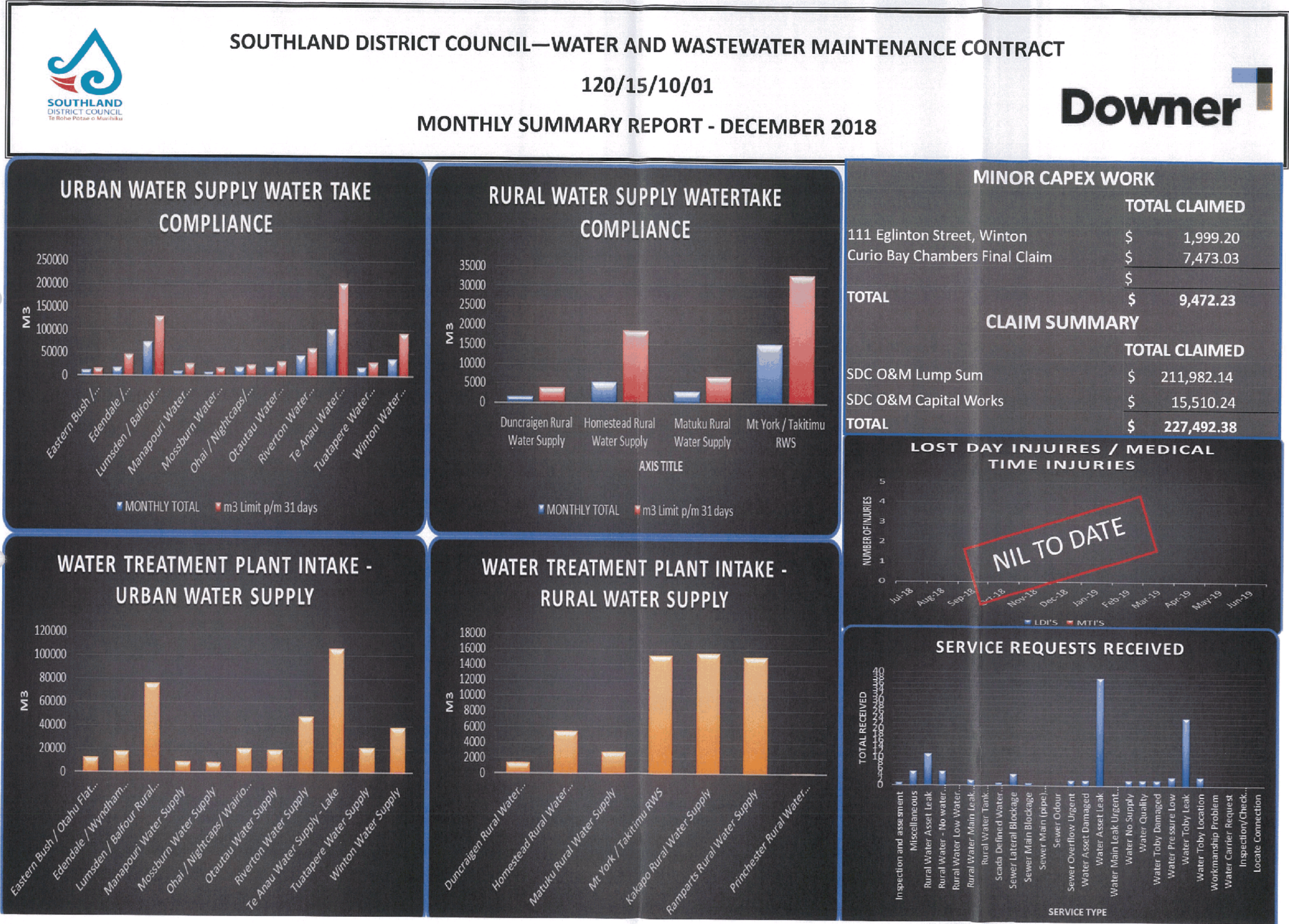
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*PERFORMANCE SCORING TABLE*

OPR Score (%)	RATING	DESCRIPTION
91-100	Excellent	Awarded when requirements are consistently met in an outstanding manner
76-90	Above Average	Requirements fully covered in all material aspects, and being proactive
60-75	Average (proactive)	Outputs adequate and performance is adequate
50-59	Average (reactive)	Outputs adequate but in a reactive mode
40-49	Below Average	Barely adequate: Some deterioration in services
40 or less	Poor	Unacceptable: Serious deterioration of services

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## Roading Operations December 2018

**Record No:** R/19/1/952

**Author:** Dylan Rabbidge, Commercial Infrastructure Manager

**Approved by:** Matt Russell, Group Manager Services and Assets

☐ Decision

☐ Recommendation

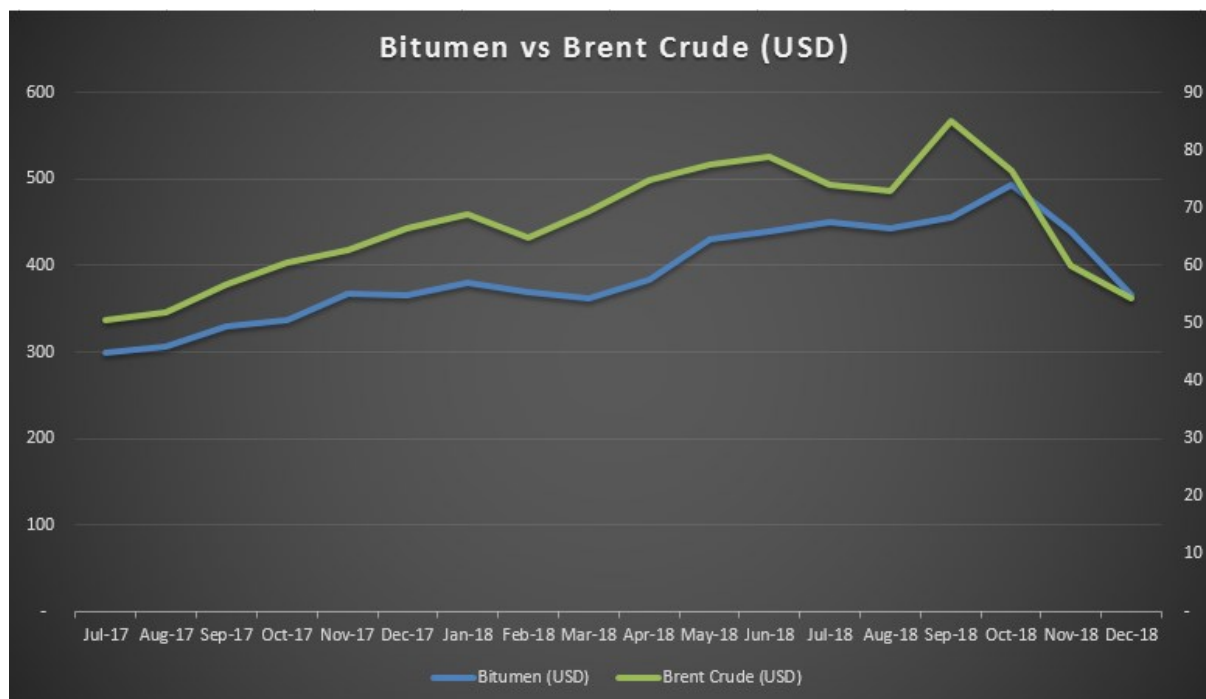
☒ Information

### Purpose

- 1 The purpose of this report is to update the Committee on the progress of the major roading maintenance contracts and provide some context to the 2018/19 budget.
- 2 SouthRoads currently have the Waimea and Central Alliance maintenance contracts with Fulton Hogan having the Foveaux Alliance Contract.

### Summary

- 3 Customer Satisfaction; 127 Requests for Service (RFS), across the three Alliance contracts were received in December compared to 70 in 2017/18 an increase of 57 or 81.4%. This was caused by weather events in late November and early December.
- 4 Health and Safety; 8 safety audits were completed in December with no Lost Time Injuries and 4 near misses reported.
- 5 Activity Performance:
  - Metalling, 810m<sup>3</sup> was completed in December with 26,664m<sup>3</sup> (46%) of a total 2018/19 budget of 57,500 m<sup>3</sup>. Generally, Fulton Hogan undertake a small amount of metalling each month where SouthRoads complete approximately 30% in the first half of the year with 60% occurring in the last quarter.
  - Grading, 978km were graded in December with 7,036km (55%) of a total 2018/19 budget of 12,900 km.
  - The 2019/20 pre-reseal repairs are currently being marked up by the contractors with Waimea making a start on these repairs.
- 6 A major focus for the Alliance is the repair of structures identified by Stantec as part of their six yearly structural inspections. Currently 1,750 tasks have been identified with the majority to be completed as part of the Alliance budgets. Tasks range from clearing debris, scouring repairs, clearing of bridge decks, wheel guard replacement, repainting etc. Fulton Hogan have programmed these to be undertaken in January and February with SouthRoads already underway.
- 7 Reseals have begun with the Western contract underway, Brent Crude has seen a large reduction in price from a high of \$85USD per barrel in September 2018 to \$54USD per barrel in December. The effect of this will take several months to filter into the NZTA Bitumen Index. If the rate were to remain constant for the remainder of the season the additional cost is expected to be \$681K. This is an approximate 12.97% increase from 2017/18. Brent Crude averaged \$68.35USD for 2018 with the forecast for 2019 having reduced from a previous estimate of \$73.70USD down to \$62.50USD this links directly to the Bitumen Index. (Estimates based off Goldman Sachs). Brent Crude was \$54USD at 31 December 2018. Progress has been excellent with 56% of the works completed to date.



#### 8 Alternative Coastal Route Seal Extension

Currently all sections of the Coastal Route have Practical Completion with Slope Point having just completed Defects Liability. This signals the completion of the construction portion of the project with the land legalisation being the final stage of the project. Bonisch are expected to complete their portion of work in late March 2019. It is hoped the project will be finalised prior to 30 June 2019.

#### 9 Pavement marking is well underway with approximately 42.6% of the Eastern contract completed, the Western area is approximately 15.2% completed.

#### 10 Otapiri Gorge Emergency Event

Thunderstorms caused major damage to the Otapiri Gorge area at the end of November and into December with as much as 52mm of rain recorded for an hour. This has caused major damage to the shoulders of the road as well as the road surface. The water was washing over the top of several bridges with major remedial works undertaken prior to Christmas. Slips have also occurred which are currently being investigated by a Geotech Engineer. To date costs have accrued to approx. \$200K with it expected that in total this event could cost approx. \$500K excluding the slip. A claim for the event will be sent to NZTA under the Emergency Reinstatement category, this is based off weather event being a 1 in 10 year event.



11 Chaslands Highway

The project is progressing with some ground being made up from previous delays, the anchors holding the retaining wall into the hillside have begun to be installed.





### Financial

- 12 There were no outstanding claims or variations to the maintenance contracts. All claims and invoices for completed work were certified and accepted.



## **Recommendation**

**That the Services and Assets Committee:**

- a) **Receives the report titled “Roading Operations December 2018” dated 4 February 2019.**

## **Attachments**

- A Waimea Alliance A3 Report - December 2018 [↓](#)
- B Foveaux Alliance A3 Report - December 2018 [↓](#)
- C Central Alliance A3 Report - December 2018 [↓](#)
- D H&S Report SouthRoads - December 2018 [↓](#)
- E Combined A3 Reporting - December 2018 [↓](#)





# Summary Report December 2018

## PERFORMANCE

EFFECTIVENESS	RFS	Number of Sign RFS's	Monthly	2
		Total number received since last report cycle (Excluding Signs)	Monthly	44
		# Not completed on time within the required timeframe	Monthly	4
		# Customers contacted (where possible excluding signs)	Monthly	44
		# Non-performance related - where we provide customer support (e.g. farmers mess, incident response etc.)	Monthly	22
		RFS Contract Management Resource (hours)	Monthly	6
	CONDITION RATING	Road Trip	Monthly	Annual Audit Completed
		RoadRoid	Annual	2.35IRI (2.22 Dec)
		Monthly Scorecard	Monthly	In transition. New framework approved by JALT in December
	PROGRAMME	Monthly programme	Rolling	On-going

				Month		YTD	
PEOPLE / CULTURE	TEAM SAFETY	Medical Treatment Intervention - #	Monthly	0		0	
		Lost Time Injury - #	Monthly	0		0	
		Near Miss	Monthly	4		29	
		Safety Audits	Monthly	6		37	
	TEAM HEALTH / AMT	Satisfaction - 3 monthly measure	Quarterly	86.5%			
		Team Harmony - 3 monthly measure	Quarterly	88.75%			
	ROAD USER SATISFACTION	SDC survey, as completed	As Completed				
		# complaints (not normal RFS') vs. compliments	Monthly	0 Complaints 1 Compliments		0 Complaints 1 Compliments	

The start of December was similar to November's weather but then soon settled and then become quite dry with long hot windy days. Rainfall was well below the average for the month.

December is a short month for us due to Christmas and the New Year, only generally get two and a half weeks work completed by the time gear is cleaned up for the break.

The graders for most of December were virtually just doing flood damage repairs from flooding in November as when they finished the first round there were more weather events to deal with.

The drainage crew I had prior to Christmas from Invercargill have moved on but we have our own drainage crew back early in the new year. They will focus on Pre-reseal Water Channel Cleaning after the flood damage repairs that were waiting for them as they were not urgent.

Signs continue to be replaced, inspected and upgraded around the network and sign water blasting continued so painting can begin as the weather allows. The second "Welcome to Southland" sign was erected again after being knocked down due to car accidents. And there was a near miss at one just put back over the break near Kingston

Township sump cleaning was completed prior to Christmas so the towns looked sharp for any visitors over the break. All other township cyclic work continues around the towns.

All sites have been now being marked up for the 19/20 reseal season. The work is currently being quantified and programmes being formulated.

The second round of sealed road verge mowing has now been programmed and will commence in early December. Sealed road spraying was completed this month and unsealed road spraying has started.

We have completed a couple of significant erosion jobs due to the flood events recently which have come up good. Other minor repairs and emergency works continue to be on track.

## PROGRESS

Item	% Completed	Comments
Non-Reseal Stabs 0 m² Programmed	0%	Currently being programmed
Maintenance Metaling (22,000m²)	41%	9,121 m² YTD
Grading (400km target month)	383 km (MTH) 2,453 km (YTD)	
Verge Spraying	80%	Nov/Dec
Noxious Spraying	75%	Feb
Bridge Repairs	Work commenced on completing identified works via Stantec's six yearly inspection.	Currently we have moved onto the 12 and 24-month priority list and working closely with SDC around prioritising work
Drainage Repairs		Continuing

39 of the 39 (100%) sites have been released for inspection. This equates to 36,931km out of a possible 36,931 km released.

Activity	Prog Qty	Comp Qty	Remaining Qty
Depressions (m²)	1,702	1,832 (107%)	0 (0%)
Edge Breaks (m)	5,009	6,562 (131%)	0 (0%)
Dig Outs (m²)	0	0	0
Stabilising (m²)	2,066	2,066 (100%)	0 (0%)
WCC (m)	12,798m	12,798m (100)	0 (0) %

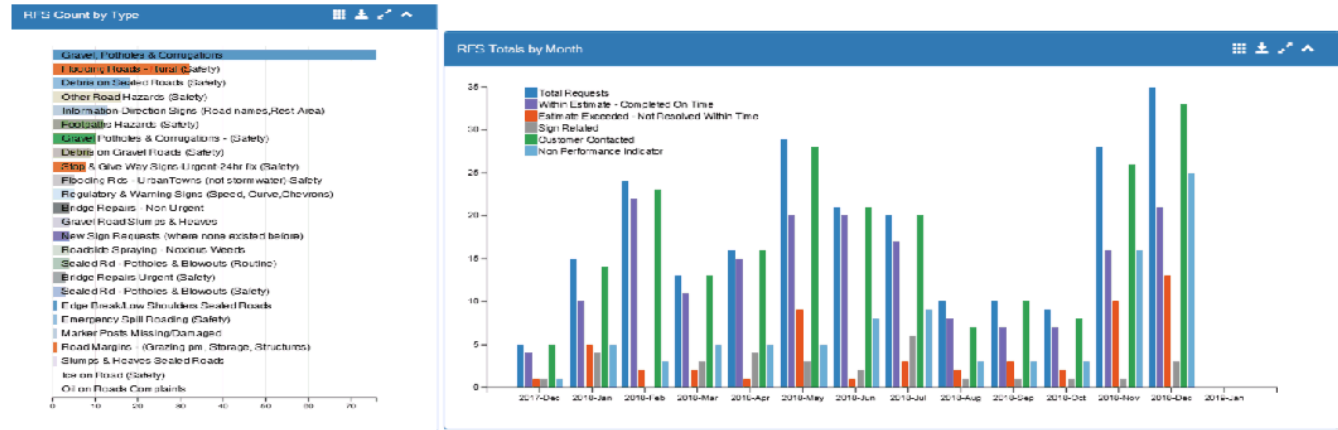
## RISK & STRATEGY UPDATES

Identified Risks		Update
Roads	Sinclair Road (the ___14 Anau) – Otta Seal breaking up.	FH have assessed this site and have recommended a grade 6 reseal. This has been completed.
	Mavora Lakes Road	Dust suppressions costs have been presented back to SDC, with the significant costs associated with managing this has been ruled out. We are working with SDC to explore other options.
	Riversdale Waikaia Road	A section of this road has corrugated likely due to tree roots under the road. An Opus tree specialist is to advise options. Warning signs have been installed.
Strategic	System Move to RAMM Contractor	The Alliances are looking to move to RAMM Contractor at the start of the next financial year. We are currently reviewing workflows.
Strategic	Performance Framework	The JALT have approved this in principle and will target having systems and processes in place by the 1 <sup>st</sup> of July to track performance.
	SDC Restructure	With the recent restructure we look forward workings closely with SDC to embed this into the Alliances.

## CUSTOMER SERVICE MANAGER REPORT

December has brought a mixed bag of Requests for Service with a large variety of different requests coming through. There were a lot more requests than normal. This can be attributed to the varied weather that we have seen during the month. Some isolated weather events caused surface flooding for several days at the start of the month.

## RFS GRAPHS



MONTHLY AUDIT RESULTS

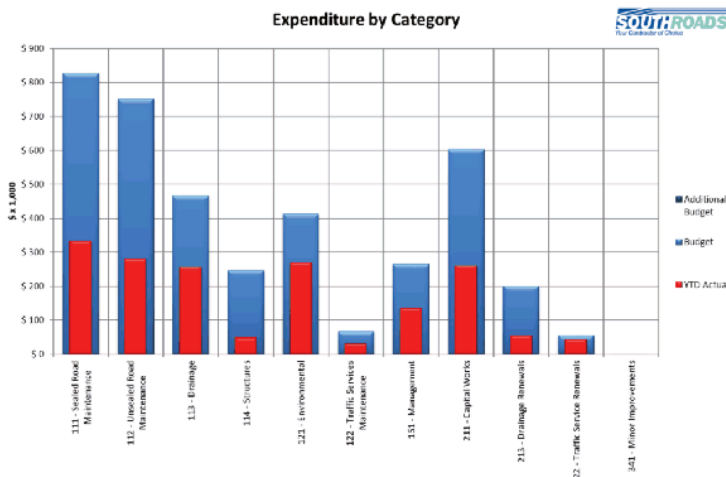
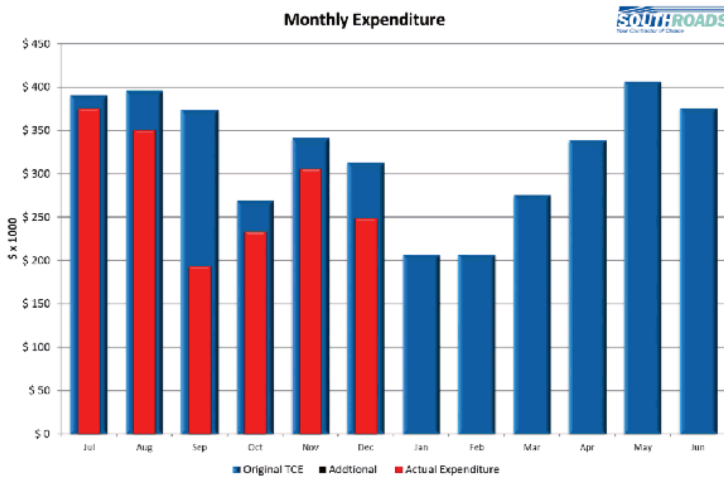
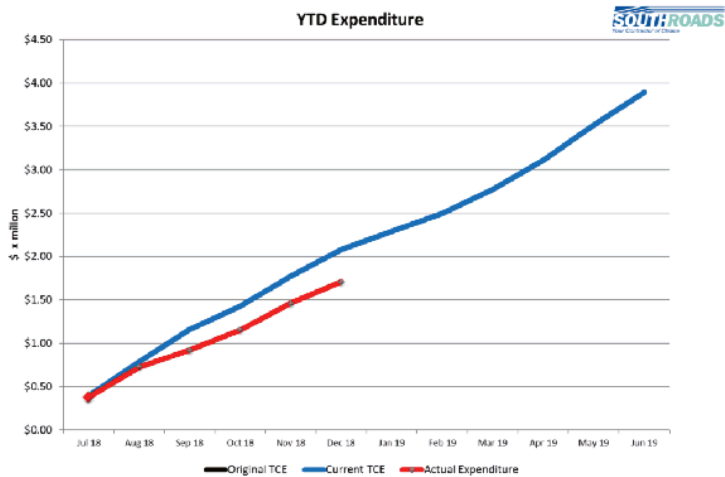
With the adoption off the new Performance Framework, we will discuss at the AMT level how we move forward with Asset auditing in the coming months. The Annual Road Trip audit is penciled to be completed in April/May.

GOLD STAR INITIATIVES -

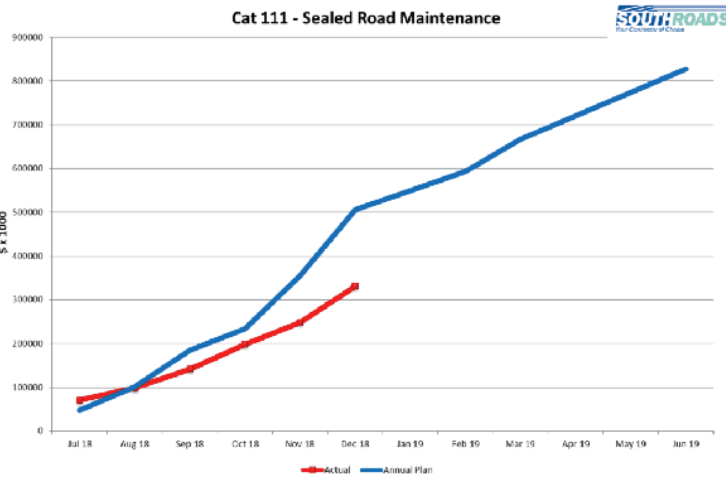
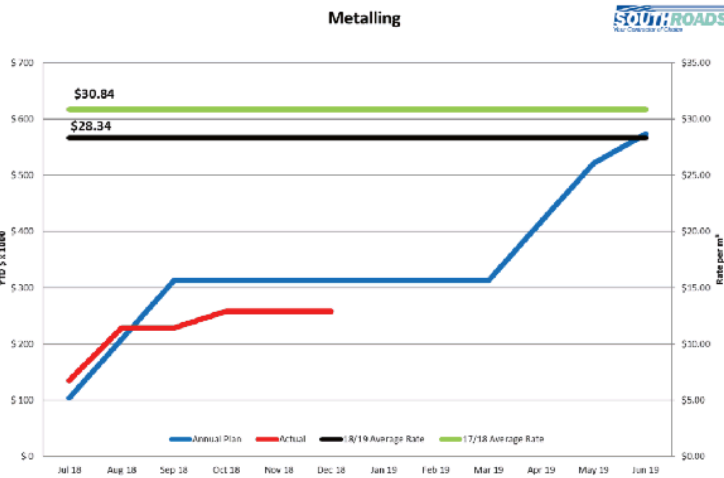
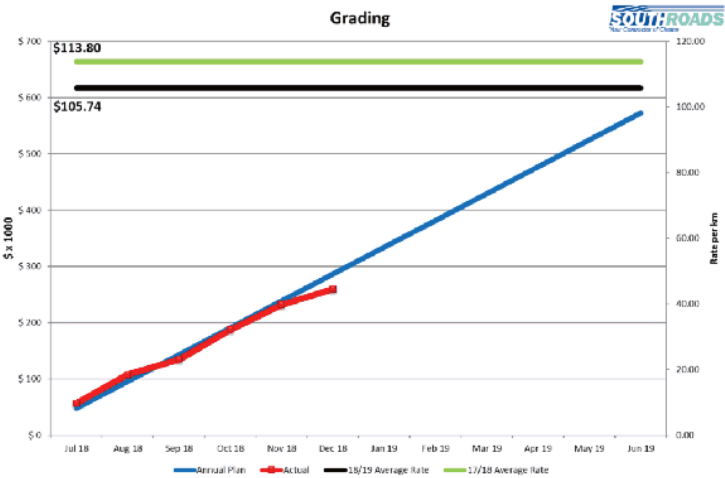
We have had great feedback in the response to the recent flooding events in early December. This can be contributed to all our partners including SDC Roding Team, Opus and our Southland Roding Contractors working in a collective effort to respond in a timely manner.

ALT ACTIONS -

FINANCIAL GRAPHS



KEY PERFORMANCE INDICATOR GRAPHS



FINANCIAL SUMMARY

NZTA Subsidised Summary	Ann Amt	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total	Under(-ve)/ Over (+ve)	%age Under(-ve)/ Over (+ve)
Original TCE	\$ 3,825,059	390,426	396,048	373,633	269,290	341,217	313,077	206,738	206,738	275,518	338,783	406,893	375,592	3,893,952		
Additional		0	0	0	0	0	0	0	0	0	0	0	0	-		
Current TCE		390,426	396,048	373,633	269,290	341,217	313,077	206,738	206,738	275,518	338,783	406,893	375,592	3,893,952		
Actual Expenditure		375,700	350,373	193,877	233,207	306,153	249,044	0	0	0	0	0	0	1,708,354	2,185,598	56%

**FINANCIAL COMMENTARY**  
The year completed expenditure is \$1,809,871. The claim for the month was \$269,753 (Including township works) and consisted of routine activities and some drainage and quite a bit of flood damage repair.





# Summary Report – Dec 2018



## PERFORMANCE

EFFECTIVENESS	RFS	Number of Sign RFS's	monthly	0	
		Total number received since last report cycle (Excluding Signs)	monthly	17	
		# Not completed on time within the required timeframe	monthly	0	
		# Customers contacted (where possible)	monthly	17	
		# Non-performance related - where we provide customer support (e.g. farmers mess, incident response etc.)	Monthly	0	
		RFS Contract Management Resource (hours)	monthly	8	
	CONDITION RATING	RCAMS	6 monthly	Monthly Audit now being done	
		Monthly score Card (under trial)	Annual	This Mth TBA - Monday	YTD Ave 85.73%
	PROGRAMME	Activity Calendar	Quarterly	All on track	

PEOPLE / CULTURE	TEAM SAFETY	Medical Treatment Intervention - #	monthly	MTD 0	YTD 0
		Lost Time Injury - #	monthly	0	0
		Near Miss/OFI - #	monthly	0	11
		Site Safety Audits	As completed	100%	
	TEAM HEALTH / AMT	Satisfaction - 3 monthly measure	Quarterly	94%	
		Team Harmony - 3 monthly measure	Quarterly	95%	
	ROAD USER SATISFACTION	SDC survey, as completed	As completed	0	0
		# complaints (not normal RFS) vs. compliments	Monthly	0 Complaints 0 Compliments	1 Complaints 3 Compliments

Steady as she goes – would sum up Dec workload. With some heavy rains, wind and staff absences over December our staff have done a good job completing a large portion of vegetation maintenance with the good portion of the noxious and verge spraying being completed along with all township spraying

Some urgent stabl repairs were completed on Wyndham Mokoreta Rd, while the rest of the month this crew was “off contract” – this has bought our spend almost back in line with 50%.

All the bridge work has now been locked in for the year – a slight overspend in this budget will see all the “Stantec” 12mth identified work completed.

Jan/Feb will see the focus return to the 19/20 pre-reseal repair work. Now all of this work has been identified we could have some budget issues in our sealed pavement area depending on weather – we have had to drop all pavement repair work that is not classified as “urgent” at this stage – this was largely due to the late changes last year in the 18/19 reseal program that lead to additional work in that program.

All other work is tracking well at this stage.

## PROGRESS

Item	Completed	Comments
Non-Reeseal Stabi's	300m2mth 300m2 YTD	200m2 Urgents dispatched, budget constraints have meant P2 are on hold
Metalling Budget: 17500m3	2461m3 mth, 8080m3 YTD	9000m3 committed in 18/19 program
Grading Budget: 3300km	215km mth, 2016km YTD	Good month
Verge Spraying Budget: 2236km	250km mth 1111km YTD	80% complete 1 round, focus will shift to Noxious in Dec
Flax Spraying Budget: 0km	0km mth 0km YTD	Non planned at this stage
Noxious Spraying Budget: 1431km	122km mth 742km YTD	Te Tipua Ward 90% complete
Bridge Repairs	\$10,000 mth \$43,800 YTD	Planned for Dec/Jan Total plan \$90K
Drainage Repairs	8km water table	Reforming watertable on Robertson Rd 2 & Weir road

### 19 / 20 - Pre Reseal Repairs

Activity	Original Prog Qty	Comp Qty	Remaining Qty
Depressions (Levelling) m²	301m2		
Edge Breaks/low shoulder m	11181m		
Clear watertables m	3292m		
Stabilisation m²	1144m2		
Texturising	922m2		
Hi Lipping m	921m		
18/19 site	43 sites, 58.34 km	0 sites / 0km	43 sites / 58.34 km

### RAMM Update

Up to & including July 2018 transferred to RAMM

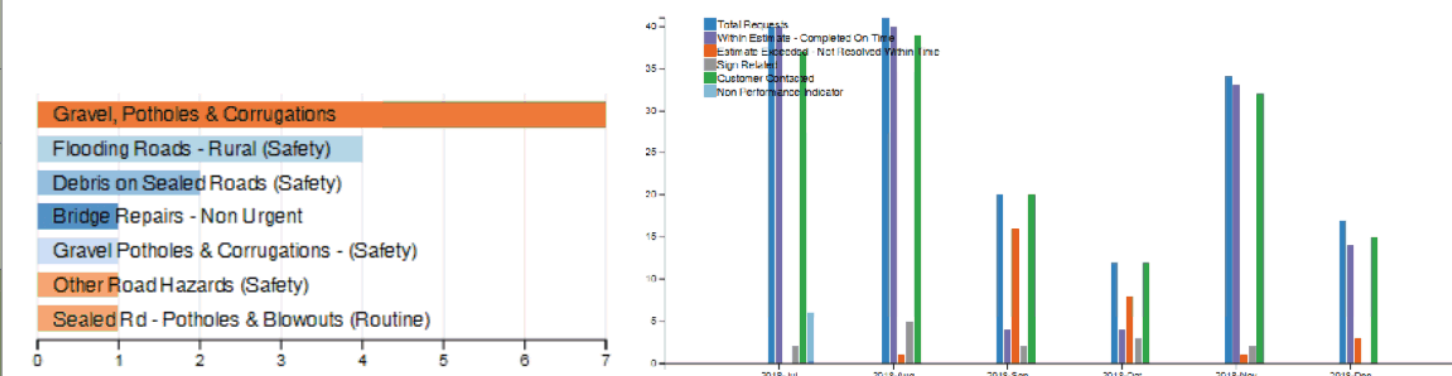
## RISK & STRATEGY UPDATES NB NO CHANGE HERE FROM AUG REPORT

	Identified Risks	Update
Roads	Te Tipua School Rd	RP 6.0 – Major Cracking opened up during Dry 17/18 summer, crack sealing being completed B4 winter but cause currently unknown (watching brief)
	Brydone Glencoe slip	Road now open but slip still on the move. Ongoing monitoring.
Slips	Waikawa Curio Bay Road	More movement found after recent pre-reseal inspection carried out, further investigation required prior to reseal.
	Ringa Ringa Bay - SI	Tidal Erosion is steadily increasing - Graham and Brendan are keeping an eye on this. Concerns over the last month. Drone footage is available. (Weekly inspection cost are starting to add up)
Strategic	Non Maintained Roads	Roads that are currently in RAMM but have not been maintained for whatever reason in the past (some 43KMD). at \$30K/km this represent \$1.3M risk (worst case) – action – to follow up on agreement and update RAMM

## SUPERVISOR – CUSTOMER RELATIONS

47% of RFS's in December were for grading jobs with the majority of these planned to occur within the next few weeks. All customers have been contacted were possible and residents have appreciated the return phone calls.

### RFS GRAPHS - RFS MONTHLY TOTAL BY TYPE (LEFT) AND YEAR TO DATE REQUESTS (RIGHT)



FINANCIAL REPORT

The claim for the month was \$210,576.89  
Year to date expenditure is \$1,566,190.68

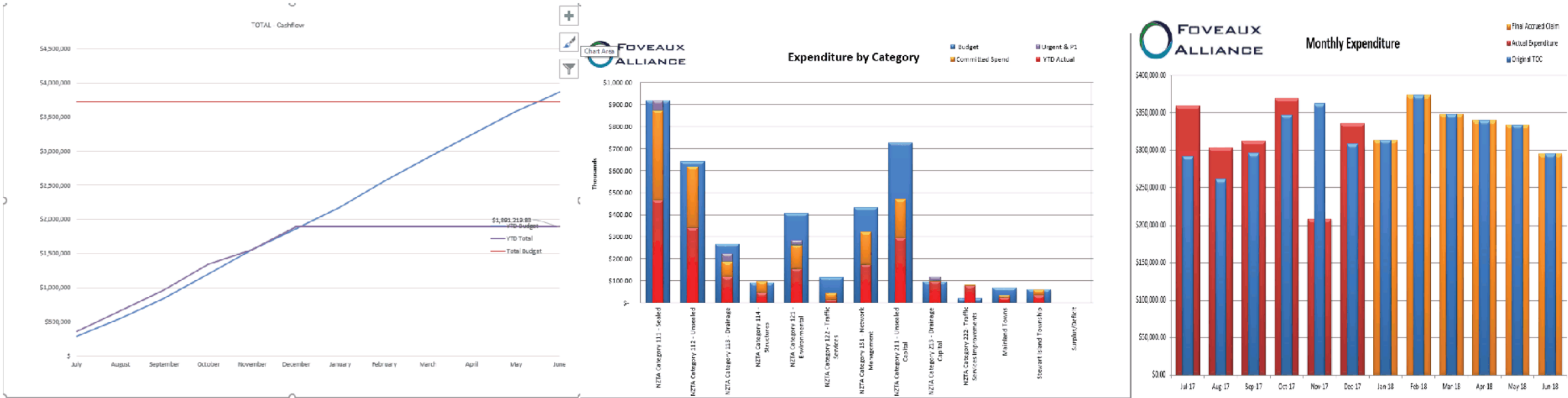
GOLD STAR INITIATIVES

✓ Archimedes tool now has an RFS dash board.

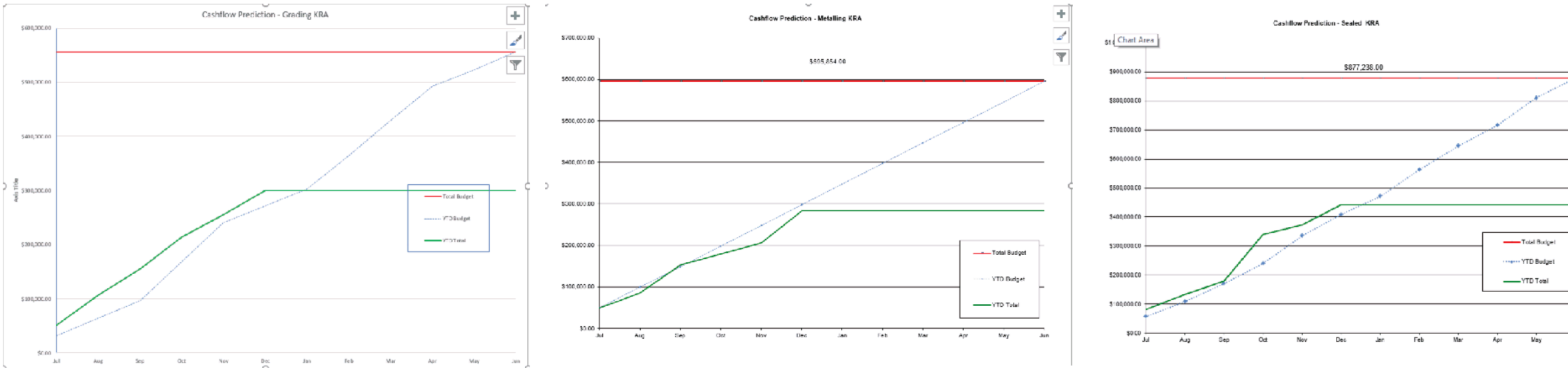
AMT ACTIONS

- 1. Organize Joint Grader operator meeting to share learnings
- 2. 19/20 Pre-reseal repairs program

FINANCIAL GRAPHS



KEY PERFORMANCE INDICATOR GRAPHS





# Summary Report –December 2018

## PERFORMANCE

EFFECTIVENESS	RFS	Number of Sign RFS's	Monthly	11
		Total number received since last report cycle (Excluding Signs)	Monthly	53
		# Not completed on time within the required timeframe	Monthly	15
		# Customers contacted (where possible excluding signs)	Monthly	60
		# Non-performance related - where we provide customer support (e.g. farmers mess, incident response etc.)	Monthly	41
		RFS Contract Management Resource (hours)	Monthly	20
	CONDITION RATING	Random Road Audit	Monthly	Annual Audit completed
		RoadRoid	Annual	2.22 IRI (2.22 Dec)
		Monthly Scorecard	Monthly	In transition. New framework approved by JALT in December
	PROGRAMME	Monthly programme	Rolling	On-going

PEOPLE / CULTURE	TEAM SAFETY	Medical Treatment Intervention - #	Monthly	0	0
		Lost Time Injury - #	Monthly	0	0
		Near Miss - #	Monthly	0	16
		Safety Audits	Monthly	1	35
	TEAM HEALTH / AMT	Satisfaction - 3 monthly measure	Quarterly	79.6% (May)	
		Team Harmony - 3 monthly measure	Quarterly	82% (May)	
	ROAD USER SATISFACTION	SDC survey, as completed	As Completed		
		# complaints (not normal RFS) vs. compliments	Monthly	0 Complaints 0 Compliments	0 Complaints 0 Compliments

## RISK & STRATEGY UPDATE

Identified Risks		Update
Roads	Shand Roads Sealed Section	This section of road is due to rehabilitated in this season. Trees have been removed.
	Richard Street (Mores Reserve)	Alternative interventions are currently being explored to manage the ongoing condition issues. Traffic counts programmed.
	Otapiri Gorge Area.	Due to recent weather events within this area, urgent repairs have been passed onto SDC, which have engaged the Roading Company, allowing SouthRoads resource to be allocated to other areas.
	Frentz Road (Monkey Island)	This has been approved for a A/C Widening. This has been programmed with SouthRoads Siteworks Division.
Strategic	System Move to RAMM Contractor	The Alliances are looking to move to RAMM Contractor at the start of the next financial year. We are currently reviewing workflows.
	Performance Framework	The JALT have approved this in principle and will target having systems and processes in place by the 1 <sup>st</sup> of July to track performance.
	SDC Restructure	With the recent restructure we look forward workings closely with SDC to embed this into the Alliances.

December started off with a mighty roar with heavy thunder plumps hitting the Dipton and Hokonui areas over a period of a week. Each night about 5pm they would hit. Rainfalls ranged from 58mm per hour to 128 mm recorded in 1.5 hours, and did result in intensive flooding and slips in isolated areas. Roads effected with Slips the Otapiri Gorge Road on the new overlays, Heal ridge Road, Browns Stettler's and Spirit Burn Road. Opus have been engaged to access the damage and are coming back to the team with designs and strategies in response. At present some of the roads are closed and/or signed up these sites are being monitored.

It was decided to close the Chanel Road Bridge for a period to allow for a full inspection / report to be completed. We are wary of the beams and deck that are showing signs of stress and age. This bridge like the Benmore Bridge stands up to high flows and debris. when the rivers are up especially with quick rain events.

The digger crew is addressing sealed road Digouts at present and will later this month start the pre-seal verge cleaning for the next years 19/20 reseal list.

We are hoping that we will have a stabilising crew running by early February, this will enable us to get stuck into us reseal repair programme and hope to meet our targets.

## PROGRESS

Item	% Completed	Comments
Non-Reseal Stabilisations 2995m2	(4%)	160m2.
Metalling (18,000m³)	52%	9,463m³ completed.
Grading (400 km target)	380km (MTH) 1805km (YTD)	2.75 Graders
Verge Spraying	50%	Sealed Network and into unsealed
Noxious Spraying	25%	Started
Bridge Repairs	Work commenced on completing identified works via Stantec's six yearly inspection.	Currently we have moved onto the 12 and 24-month priority list and working closely with SDC around prioritising work.
Drainage Repairs		Culvert cleaning and culvert extensions completed.

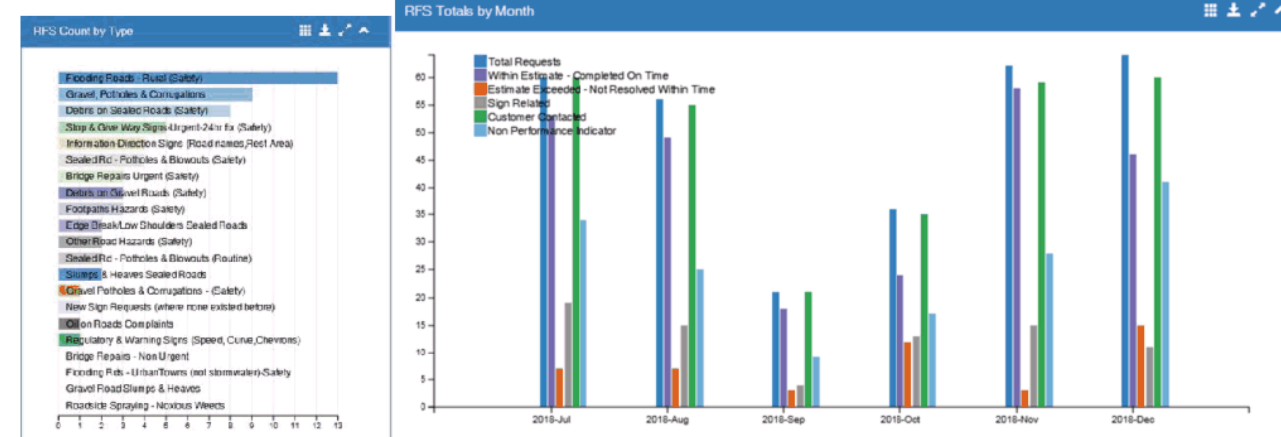
**1<sup>st</sup> Reseal Target Release 75% Area Prior 01 October 2019**  
**19/20 Pre Reseal Repairs 9 of the 51sites (18%) are fully completed for inspection**

Activity	Programme Qty	Completed Qty	Remaining Qty
Depressions m²	<b>3803m2</b>	1566(41%)	2237
Edge Breaks m	<b>5,779m</b>	1,456 (25%)	4323
Dig Outs m²	<b>98m2</b>	0 (0%)	98
Stabilisation m²	<b>2,480 m2</b>	0(0%)	2,480
Verge Cleaning m	<b>11,174</b>	0(0%)	11,174

## CUSTOMER SERVICE MANAGER REPORT

Isolated weather events caused major flooding issues around the district with meant we received multiple requests for the same issues. These issues were predominately in the rural areas and isolated to the Otapiri Gorge and Dipton.

## RFS GRAPHS



MONTHLY AUDIT RESULTS

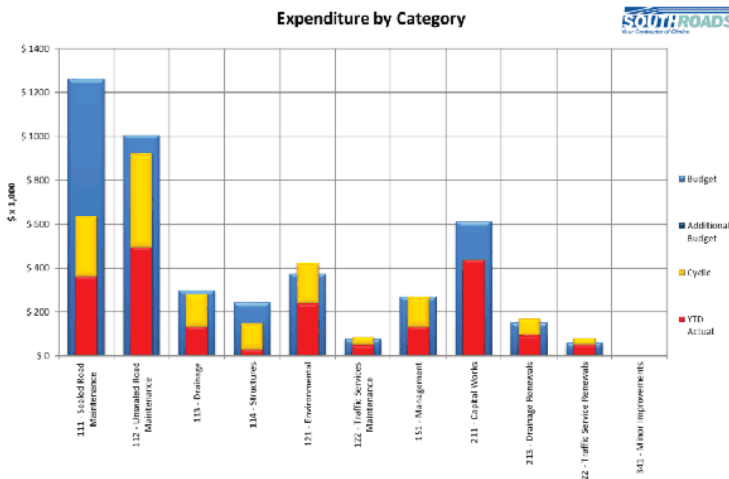
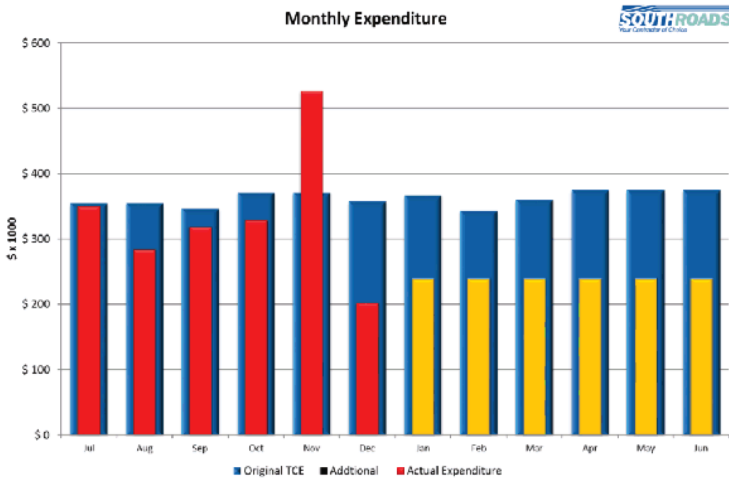
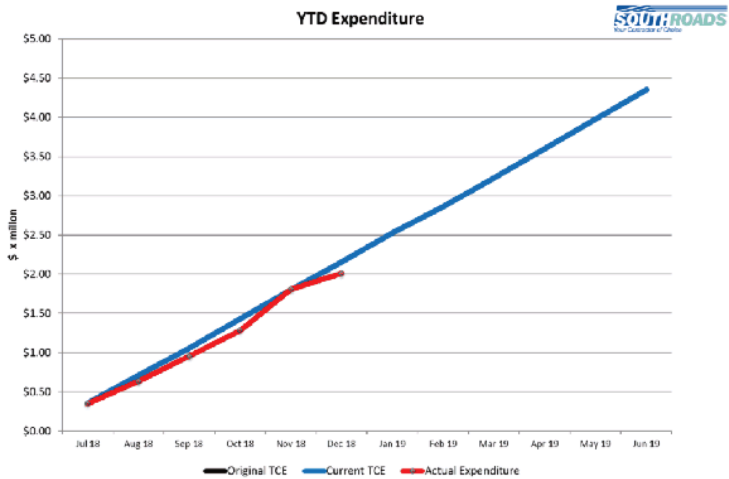
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GOLD STAR INITIATIVES

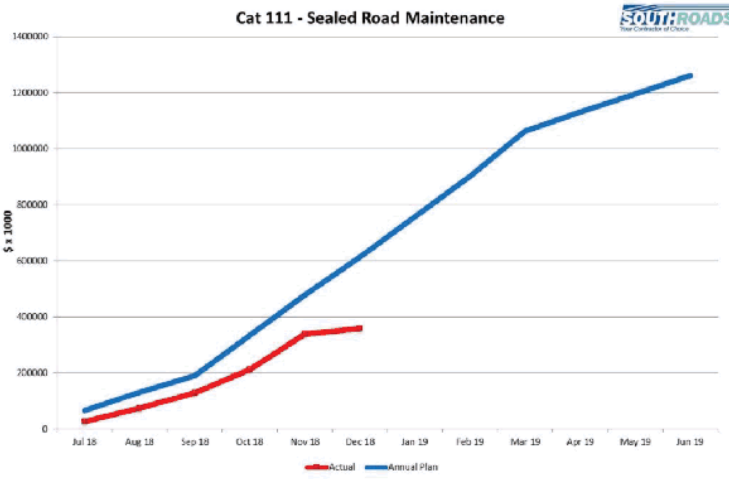
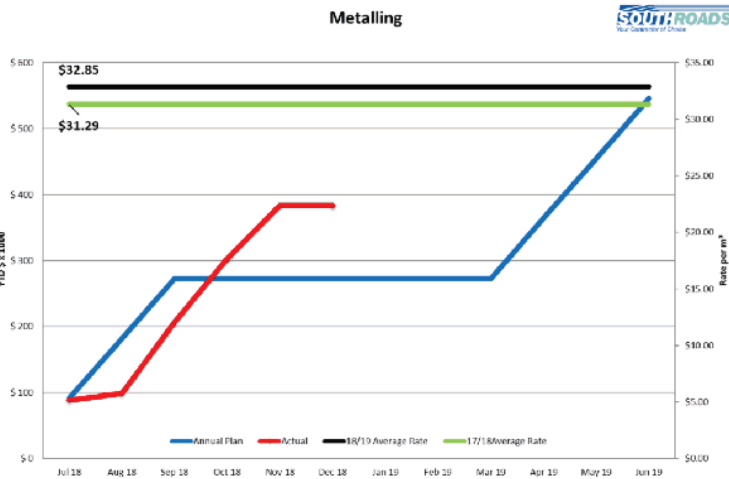
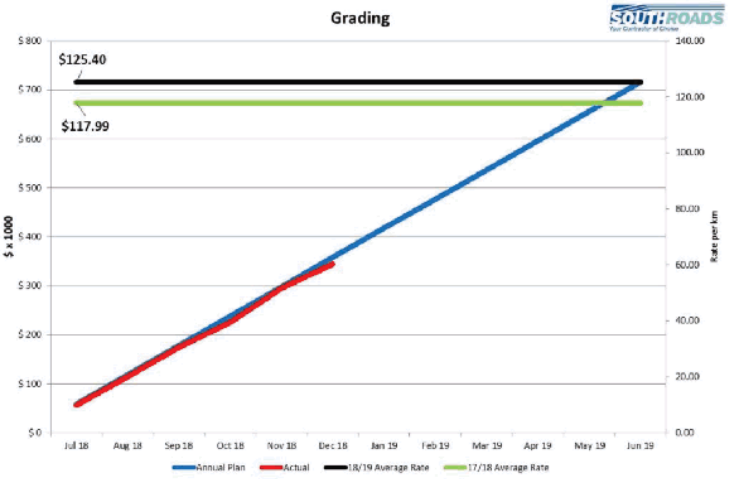
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ALT ACTIONS

FINANCIAL GRAPHS



KEY PERFORMANCE INDICATOR GRAPHS

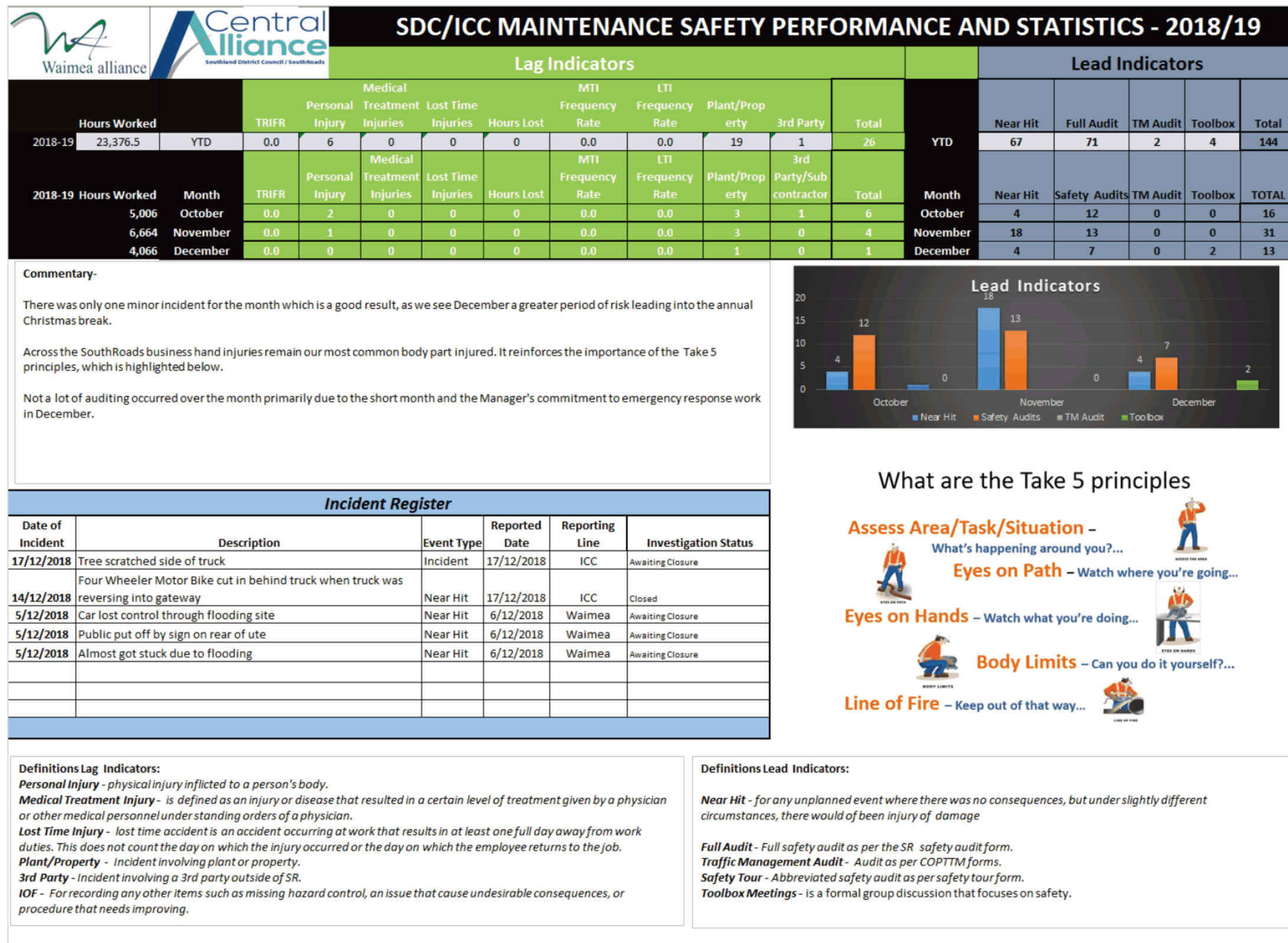


FINANCIAL SUMMARY

NZTA Subsidised Summary	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total	Remaining	%age Remaining
Original TCE	354,748	354,748	346,796	371,396	371,396	357,346	366,458	343,132	360,196	374,993	374,993	374,993	4,351,194		
Additional	0	0	0	0	0	0	0	0	0	0	0	0	-		
Current TCE	354,748	354,748	346,796	371,396	371,396	357,346	366,458	343,132	360,196	374,993	374,993	374,993	4,351,194		
Actual Expenditure	349,866	283,783	318,907	329,085	526,816	202,661	0	0	0	0	0	0	2,011,118	2,340,077	54%
Remaining Cyclic	0	0	0	0	0	0	239,650	239,650	239,650	239,650	239,650	239,650	1,437,900		

FINANCIAL COMMENTARY  
The claim for the month was \$237 940 Year to date expenditure is \$2,236,007 (including township work). In line with budget expectations and in response to the recent flooding events.





## Southland District Council ROADING Operational Overview - December 2018

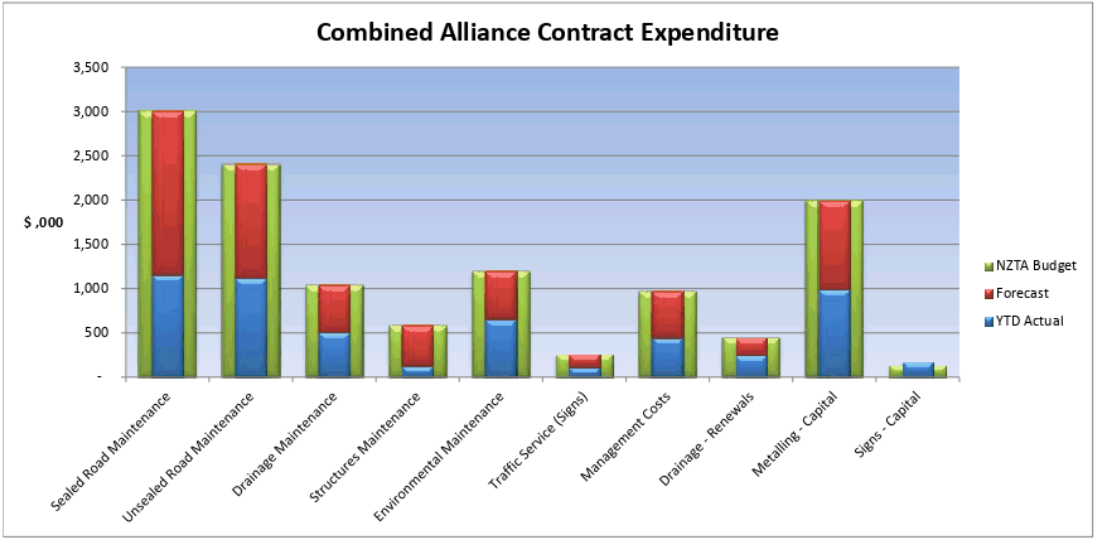
Alliance Operational Performance Overview					
Key Result Area	Key Performance Indicators - KPI's	Waimea Alliance	Central Alliance	Foveaux Alliance	SDC Roding Commentary
CUSTOMER SATISFACTION	General Requests for Road Service (RFS's)	46	64	17	✓ Expected
	Roading Customers RFSs Contacted	44	60	17	✓ Expected
	Road Service Requests not completed on time	4	15	0	
	Signage Service Requests	2	12	0	
	Other Customer Support calls (In Addition)	22	41	0	
	RFS Hours Spent	6	20	8	
NETWORK SAFETY & RISK	Road-Trip RCAMS Drive-by Performed twice	Completed	Completed	Being Completed	
	Smooth Travel Exposure One Network Road Condition - Rural	97.3%	97.1%	95.9%	
	Smooth Travel Exposure One Network Road Condition - Urban	86.1%	74.4%	83.3%	
	Road-Roid – Unsealed Baseline Target >90. %				
PROG Target	Monthly Score Card - under trial	-	-	-	Transitioning to new framework (JALT approved)
ROAD USER Survey & Comments	SDC internal survey, as completed	Baseline Ready	Baseline Ready	Baseline Ready	
	Complaints Made	0	0	0	
	Compliments Made	1	0	0	
H&S TEAM SAFETY	Medical Treatment Intervention - Required	Zero	Zero	Zero	✓
	Lost Time due to Injury	Zero	Zero	Zero	✓
	Near Missis	4	0	0	
	Site Safety Audits completed	6	1	100%	
TEAM Well Being	Team Satisfaction - 3 monthly measure	87%	80%	94%	
	Team Harmony - 3 monthly measure	89%	82%	95%	
RAMM	Claim Costs Transferred to RAMM	Nov-18	Nov-18	Sep-18	

Alliance Activity Programme Results					
Unsealed Activity Status:	Waimea Alliance	Central Alliance	Foveaux Alliance	SDC Roding Commentary	
Non Reseal Stab m² Completed	0%	4%	0%		
Metaling Target m³	22,000	18,000	17,500		
Metaling m³ YTD	9,121	9,463	8,080		
Metaling %	41%	53%	46%		
Grading Month to Date km	383	380	215		
Grading Year to Date km	2,453	1,805	2,016		
Verge Spraying Unsealed %	80%	50%	50%		
Completed Noxious Spraying %	75%	25%	52%	Work has commenced on completing identified works based off Stantec's six yearly inspections.	
Completed Bridge Repairs %	In Progress	In Progress	49%		
Completed Drainage repairs %	In Progress	In Progress	In Progress		
Sealed Activity Status:	Waimea Alliance	Central Alliance	Foveaux Alliance	SDC Roding Commentary:	
19/20 Pre-Reseal Sites Ready for inspection	0%	9 of 51 (18%)	0 of 43	✓	
19/20 Pre-Reseal KM's for inspection	-	-	0 of 58.34km	✓	
Depressions (m²) Program QTY	-	3,803	301	✓	
Depressions (m²) Completed	-	1,566	-	✓	
Depressions (m²) Completed %	0%	41%	0%	✓	
Edge Breaks (m) Program QTY	-	5,779	11,181	✓	
Edge Breaks (m) Completed	-	1,456	-	✓	
Edge Breaks (m) Completed %	0%	25%	0%	✓	
Stabilisations (m²) Program QTY	-	2,480	1,144	✓	
Stabilisations (m²) Completed %	0%	0%	0%	✓	

Risk and Strategy Update			
Risks	Waimea	Central	Foveaux
Roads	Sinclair Road (Te Anau), Otta Seal was breaking up, a grade 6 reseal has been completed.	Shand Road, This section of road is currently on the 2018/19 Rehabilitation list. Trees have been removed.	Te Tipua School Rd, Major cracking opened up during Dry 17/18 summer, crack sealing being completed prior to winter but cause currently unknown.
	Mavora Lakes Road, Tdust suppression costs have been presented back to SDC, with significant costs associated with managing this has been ruled out. We are working with SDC to explore other options.	Richard Street (Mores Reserve), Alternative interventions are currently being explored to manage the ongoing condition issues with Traffic Counts programmed.	
	Riversdale Waikaia Road, A section of this road has corrugated likely due to tree roots under the road. An Opus tree specialist is to advise options. Warning signs have been installed.	Frentz Road (Monkey Island), This has been approved for a A/C Widening. This has been programmed with Southroads siteworks division.	
Slips			Waikawa Curio Bay Road – More movement found after recent pre-reseal inspection carried out, further investigation required prior to reseal.
			Ringa Ringa Bay (SI), Tidal Erosion is steadily increasing, Graham and Brendan are keeping an eye on this. Concerns over the last month.
			Brydone Glencoe, Road now open but slip still on the move. Ongoing monitoring.
Strategic	System move to RAMM Contractor, The Alliances are looking to move to RAMM Contractor at the start of the next financial year. We are currently reviewing workflows.	System move to RAMM Contractor, The Alliances are looking to move to RAMM Contractor at the start of the next financial year. We are currently reviewing workflows.	Non Maintained Roads, In RAMM but have not been maintained in the past (43km), at \$30K/km this represent \$1.3M risk to follow up on agreement and update RAMM.
	Performance Framework, The JALT have approved this in principle and will target having systems and processes in place by the 1st July 2019 to track performance.	Performance Framework, The JALT have approved this in principle and will target having systems and processes in place by the 1st July 2019 to track performance.	
	SDC Restructure, With the recent restructure we look forward to working closely with SDC to embed this into the Alliances.	SDC Restructure, With the recent restructure we look forward to working closely with SDC to embed this into the Alliances.	
Hot Summary			

Customer Service Manager Reports	
Waimea Alliance:	December has brought a mixed bag of Requests for Service with a large variety of different requests coming through. There were a lot more requests than normal. This can be attributed to the varied weather that we have seen during the month. Some isolated weather events caused surface flooding for several days at the start of the month.
Central Alliance:	Isolated weather events caused major flooding issues around the district with meant we received multiple requests for the same issues. These issues were predominately in the rural areas and isolated to the Otapiri Gorge and Dipton.
Foveaux Alliance:	47% of RFS's in December were for grading jobs with the majority of these planned to occur within the next few weeks. All customers have been contacted were possible and residents have appreciated the return phone calls.

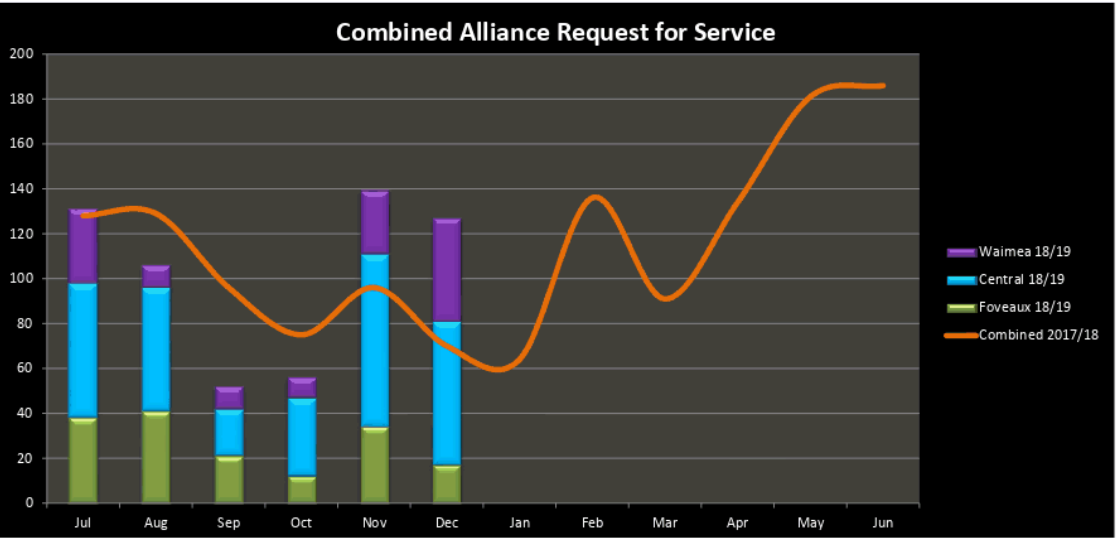
FINANCIAL SNAPSHOT



Year to date expenditure in maintenance is within 13.00% of the Total Cost Estimate (TCE). Year to date Capital expenditure in the Alliances is within -9.38% of the Total Cost Estimate. Total combined expenditure is within 8.20% of the Total Cost Estimate.

Activity	TCE	Actual	% Completed
Total Sealed Roads	3,002,353	1,155,307	38%
Total Unsealed Roads	2,400,509	1,114,946	46%
Total Drainage	1,033,530	504,113	49%
Total Structures Maintenance	579,057	123,330	21%
Total Environmental Maintenance	1,193,442	650,740	55%
Total Traffic Service (Signs)	258,410	111,466	43%
Total Management Costs	966,812	444,076	46%
Total Maintenance	9,434,113	4,103,977	44%
Total Metalling	1,993,105	988,429	50%
Total Drainage	445,671	245,838	55%
Total Signs	134,106	172,905	129%
Total Renewals	2,572,882	1,407,172	55%
Total NZTA Funded Programme	12,006,995	5,511,149	45.9%

REQUEST FOR SERVICE SUMMARY



Combine requests for service for December were 127 compared with 70 for the same period last year, an increase of 57. This is predominantly caused by weather events that occurred namely flooding. Year to date requests for service were 611 compared to 594 in 2017/18 a slight increase of 17 or 2.8%.

UPCOMING ITEMS

RAMM ACCURACY	We are currently working with Opus to ensure accuracy and industry best practice in relation to getting the maintenance costs and locations into RAMM.
Alliance Establishment	The performance framework has been agreed in principle and approved by the Joint Alliance Leadership Team. This will now be finalised and implemented prior to July 1st 2019.





## IFS Growth Forest Manager's Report of Forestry Activity for the period to 31 December 2018

Record No: R/19/1/1325

Author: Matt Russell, Group Manager Services and Assets

Approved by: Matt Russell, Group Manager Services and Assets

☐ Decision

☐ Recommendation

☒ Information

### Report Summary

- 1 The IFS Growth Forest Manager's Report advises of forestry activity for the period to 31 December 2018.

### Southland District Council Forestry Activity

- 2 The IFS Growth Forest Manager's report received is attached.

### Recommendation

**That the Services and Assets Committee:**

- a) **Receives the report titled "IFS Growth Forest Manager's Report of Forestry Activity for the period to 31 December 2018" dated 1 February 2019.**

### Attachments

- A IFS Memorandum to Services and Assets Committee - 13 February 2019 [↓](#)



**MEMORANDUM TO SERVICES & ASSETS COMMITTEE**

**Meeting Date:** 13 February 2019

**Subject:** FORESTRY REPORT  
FOR PERIOD TO 31 DECEMBER 2018

**File No.:**

Memorandum by: **REECE MCKENZIE** | Forest Manager  
IFS GROWTH - *Living, Breathing Investments*

Signature

  
\_\_\_\_\_  
Author

**MEMORANDUM**

This report covers activity for the year to date, till the 31 December 2018, with some commentary on the full year's program.

**Financial Summary**

The half year performance of the forestry business remains strong, with all budget targets exceeded.

Activity for this period includes the completion of the harvesting in Waikaia and progress made on land preparation operations for the 2019 crop. As such the total income from timber sales has now been received.

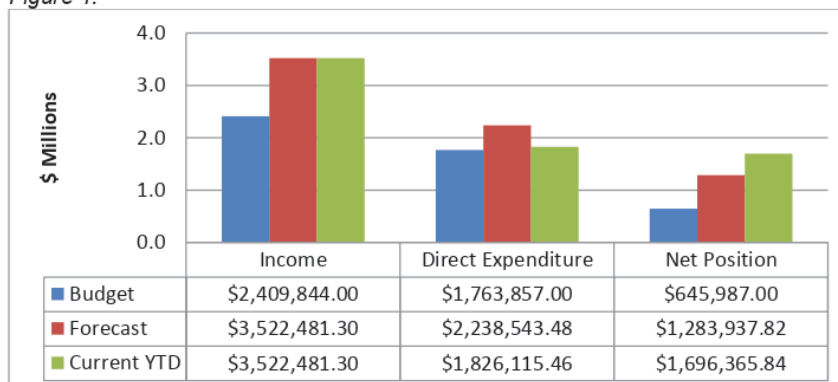
With \$3.5M of log sales received to date, there is a considerable improvement of \$1.1M on budget. This result is primarily due to better yields and steady log prices.

Forestry expenditure of \$1.8M is dominated by harvesting costs and land preparation operations in Ohai and Waikaia. The remaining \$0.4M expenditure forecast for the year is for pruning in Gowan Hills, land preparation and planting in Ohai and Waikaia.

The current YTD net position of \$1.7M is forecast to be \$1.3M by the end of the financial year.

The full year performance for the forestry business against budget is summarized in figure 1.

Figure 1:



## Operations Summary

### Health & Safety

#### Incidents

There have been three property damage incidents related to loading logs in the Waikaia forest during this period.

12/07/18	South	SOUTH0140SDC	Pdamage	Andersons	Unloading trailer hit bent light bar.	24/07/2018
24/07/18	South	SOUTH0148SDC	Pdamage	Dynes	Hooking up trailer missed ring feeder hit light	24/07/2018
10/08/18	South	SOUTH0157SDC	Pdamage	Dynes/Andersq	Loader hooking up trailer minor damage	12/09/2018

Following these incidents and others similar an email alert for "Damage to Trucks" has been sent to logging and cartage operators as a result. That is too:

- Please take your time,
- Watch for the slippery logs
- Have a flat area to load out
- Maintain your roading
- Have an RT for all load outs ...no exceptions
- Have a safe area for the drivers
- Have a safe area for chain down

#### Audits

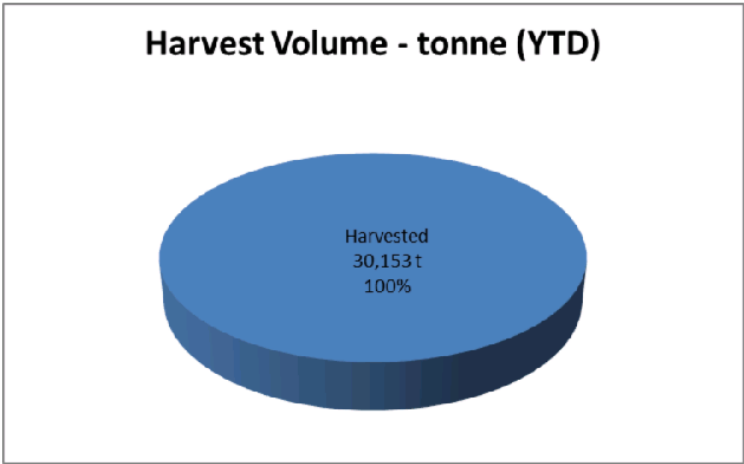
These are ongoing. All harvesting operations undergo monthly safe behaviour observations (SBO's), machine checks and operational audits to track the safety performance of each crew and mitigate or minimise incidents occurring.

SDC contracted Stupples Consulting to inspect IFS Growth and Anderson Logging Health and Safety systems in December.

#### Harvesting

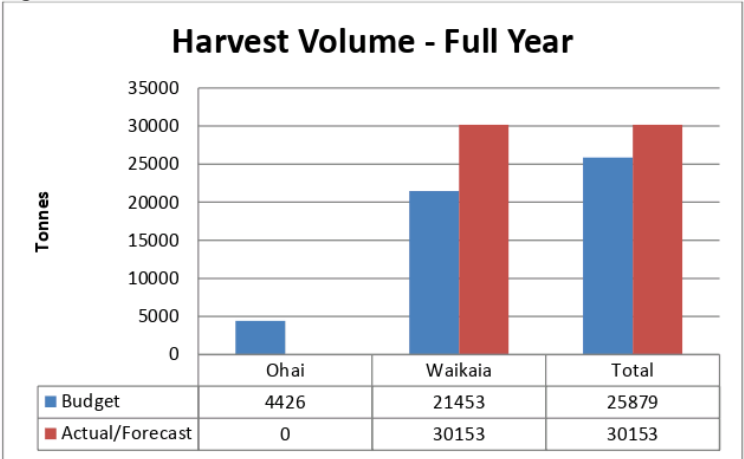
With harvesting completed in October a total volume of 30,153 tonnes has been achieved, up 16% on budget. This volume is all out of the Waikaia forest and includes 3,200 tonnes carry over from 2017/18.





Originally there was 26,000 tonnes budgeted. Which included 4,000 tonnes in Ohai and 21,000 tonnes at Waikaia. The Ohai volume was harvested last season in conjunction with an adjoining area.

Figure 2:



**Waikaia**

A good result out of Waikaia has been achieved this season with net profit up \$400K on estimate. The primary driver of this has been the lift in yeild per hectare with log prices remaining steady to budget. There is also a small 2.1ha area that wasn't harvested due historic sign off that will be carried over to a future harvest program.

The results of this are summarised in Table 1 below.

Table 1: Waikaia Harvest Summary

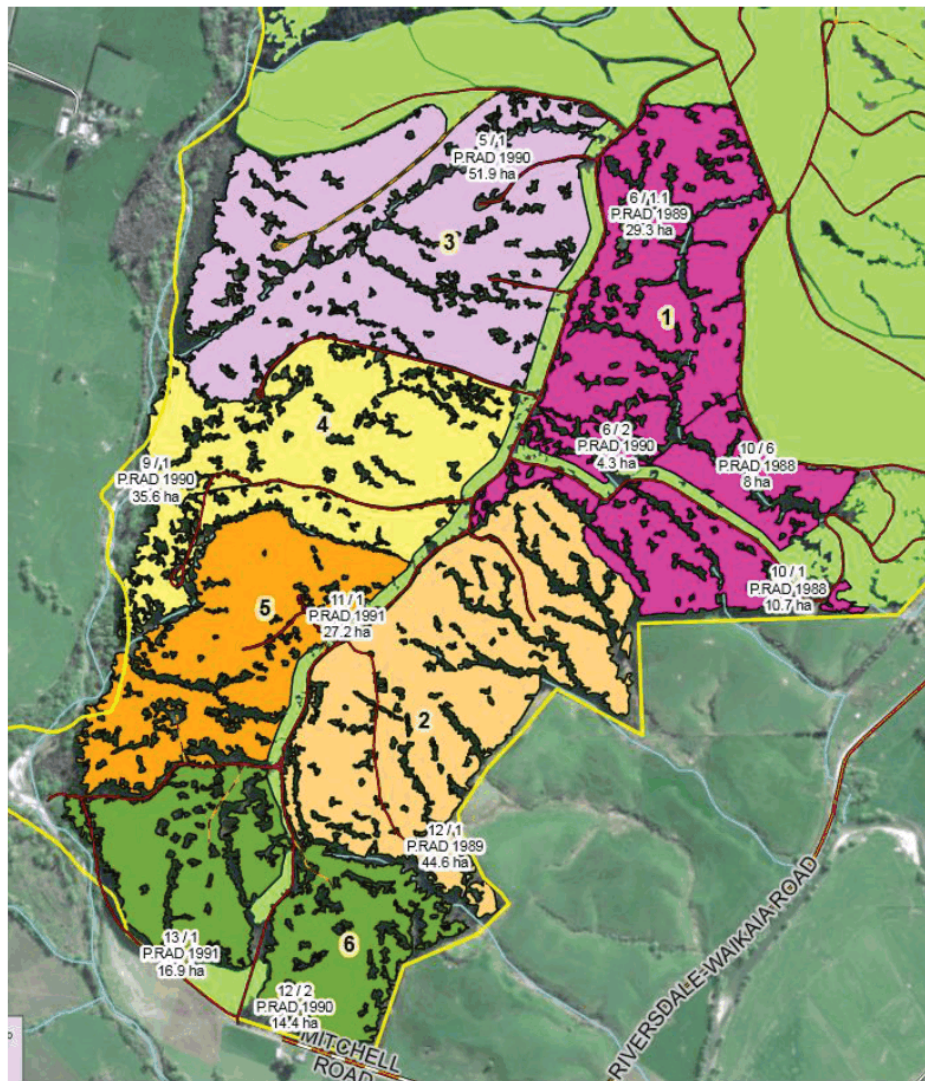
	Actual	Budget	%
Stumpage (\$/t)	\$61.69	\$56.62	+ 9%
Yeild (t/ha)	633	490	+ 29%
Stumpage (\$/ha)	\$39,050	\$27,744	+ 41%
Net Profit	\$1.661M	\$1.237M	+34%



#### Harvesting next year 2019/20

All SDC harvesting for the next four years is scheduled out of Waikaia of 29 to 32 year old pines.

Block 3 - 52 hectares (25,000 tonnes) planned to harvest as of July this year.



### Archaeological Update

The full Archaeological assessment of SDC Waikaia Forest has been completed and received from Kopuwai Consulting Ltd in January.

The report details the history of the site & the archaeological features that remain today. The Scrubby gold workings and water races located at the Southern end of the forest have a sustained sequence of mining from the 1870s into the early 1900's.

Scrubby Terrace Goldworkings are on the southern end of the SDC forest. It has a sustained sequence of mining by small scale individual and large mining company endeavour by both European and Chinese miners with documented provenance to several miners and mining companies. Relatively intensively mined over forty or more years it features deep gully hydraulically sluiced workings with aligned sluicings channels discharging into the Dome Burn with two large reservoirs, several small reservoirs and dams above respective workings. Supplied with twin water races sourced from the Steeple Burn and aligned miners huts and garden and paddock plots also above the sluicings.

As a result of afforestation it was obscured and lost to the local community of Waikaia to the east of the town.

The recommendations made for the ongoing preservation of the archaeological features are practical from an operational prospective. There is also the recommendation of community partnership for recreation and heritage awareness.

As this gold mining site appears to be the only one in public ownership and stewardship associated with Waikaia's not insignificant gold mining heritage and its relative proximity to Waikaia actively provides onuses to protect and manage the Scrubby Hill goldmining complex into the future.

While best practice forestry heritage protection measures have been recommended for updating of IFS Growth Archaeological & Historic Site SOP and to form part of the archaeological authority consent conditions some form of community partnership should be explored with the Waikaia Community and the wider Southland District in terms of jointly working on opening the Scrubby Terraces historic workings and water races up for mountain biking and walking tracks along with targeted appropriate historic site management and interpretation. This has the potential to allow community access to engage and appreciate its heritage and recreational value with the view to investigating the development of staged interpreted walking and mountain bike tracks and trails.

This could lead to adaptive reuse of the historic site for recreation and heritage awareness along with targeted active management of the more significant components for the old goldfield site along similar lines to Naseby Goldfields on a smaller scale.

An application for consent of work affecting these sites is currently being submitted to Heritage NZ.



### Forest Growing, Silviculture & Maintenance

Other forestry activities over this period and on the horizon include (crossed out are completed):

#### Ohai

Aerial release 2018 crop

~~Windrow in preparation for next years planting~~

~~Install new forest gate, maintenance spray~~

Aerial preplant spray

#### Gowan Hills

Pruning - started

~~Maintenance spray and mow~~

#### Waikaia

Windrow in preparation for next years planting – complete in Jan19

Remove silver birches for Ice along main road

Road maintenance post harvest

Maintenance spray and mow

Preharvest Inventory

Aerial preplant spray

#### Dipton

~~Maintenance spray~~

Boundary fence repair

### Carbon

The council currently have the following NZUs in their holding account:

Pre-1990 = 82,914 NZU. Current value = \$2M.

Post-1989 = 19,026 NZU.