I, Steven May, Tumu Whakarae Chief Executive Officer, hereby give notice that an Ordinary Meeting of Council will be held on:

Date:	**Tuesday, 24 March 2020**
Time:	**1.30pm**
Location:	**Council Chamber, Wairoa District Council, Coronation Square, Wairoa**

AGENDA

Ordinary Council Meeting

24 March 2020

The agenda and associated papers are also available on our website: www.wairoadc.govt.nz

For further information please contact us 06 838 7309 or by email info@wairoadc.govt.nz

Order Of Business

1 KARAKIA

2 APOLOGIES FOR ABSENCE

3 DECLARATIONS OF CONFLICT OF INTEREST

4 CHAIRPERSON'S ANNOUNCEMENTS

5 LATE ITEMS OF URGENT BUSINESS

6 PUBLIC PARTICIPATION

A maximum of 30 minutes has been set aside for members of the public to speak on any item on the agenda. Up to 5 minutes per person is allowed. As per Standing Order 15.1 requests to speak must be made to the Chief Executive Officer at least one clear day before the meeting; however this requirement may be waived by the Chairperson.

7 MINUTES OF THE PREVIOUS MEETING

Ordinary Meeting - 11 February 2020

MINUTES OF WAIROA DISTRICT COUNCIL
ORDINARY COUNCIL MEETING
HELD AT THE COUNCIL CHAMBER, WAIROA DISTRICT COUNCIL, CORONATION SQUARE, WAIROA
ON TUESDAY, 11 FEBRUARY 2020 AT 1.30PM

PRESENT: Cr Denise Eaglesome-Karekare, Cr Hine Flood (Deputy Mayor), Cr Jeremy Harker, Cr Melissa Kaimoana, Cr Chaans Tumataroa-Clarke, Mr Paul Kelly

IN ATTENDANCE: K Tipuna (Pouwhakarae – Hapori/Whakatūtaki Group Manager Community and Engagement), Kimberley Tuapawa (Pouwhakarae – Pārongo/Wheako Kiritaki Group Manager Information and Customer Experience), Stephen Heath (Pouwhakarae – Hua Pūmau Hapori/Ratonga Group Manager Community Assets and Services), Mike Hardie (Kaiwhakahaere Hua Pumua Huarahi (Taupua)/Acting Transport Asset Manager), Simon Mutonhori (Kaiwhakahaere Ratonga Kiritaki/Customer Service Manager-Regulatory), Luke Knight (Kaiwhakahaere Rawa Property Manager), Lauren Jones (Kaikaute Putea/Financial Accountant), Russell Rogers (Kaiwhakahaere Putea/Finance Manager), Duane Culshaw (Pouahurea Maori/Maori Relationship Manager) (From 3.02pm), G Waikawa (Kaiurungi Mana Arahi/Governance Officer)

1 KARAKIA

Karakia was given by Cr C Tumataroa

2 APOLOGIES FOR ABSENCE

APOLOGIES

Moved: Cr Denise Eaglesome-Karekare
Seconded: Cr Chaans Tumataroa-Clarke

That the apologies received from His Worship the Mayor, Cr D Goldsack, K Hammond and S May be accepted and leave of absence granted.

CARRIED

3 DECLARATIONS OF CONFLICT OF INTEREST

Item 8.10 – Cr J Harker – Appointment of Director on the QRS Board

Item 8.13 – Cr Harker – External Body Appointment-Community Representative on the Te Matau A Maui Health Trust

Public Excluded Item 10.1 – Cr Eaglesome-Karekare - Resolution for disposal of council owned asset - Lot 1 DP 7275

4 CHAIRPERSON'S ANNOUNCEMENTS

Nil

5 LATE ITEMS OF URGENT BUSINESS

RESOLUTION 2020/01

Moved: His Worship the Mayor Craig Little
Seconded: Cr Denise Eaglesome-Karekare

That in accordance with Section 46A (7) of the Local Government Official Information and Meetings Act 1987 the items **8.12 – Elected Members Remuneration** and **8.13 - External Body Appointment-Community Representative on Te Matau A Maui Health Trust** be considered given the item had not come to hand at the time of Agenda compilation and consideration of this matter is required now in order to respond within the timeframe allowed.

CARRIED

6 PUBLIC PARTICIPATION

B Solomon, Chairperson, Whakaki Marae spoke on his submission.

R Brooking, Chairperson, Whakaki Lake Trustees spoke on his submission. Mr Brooking noted an amendment be made in Patangata Business Case 2019-WSP Report to change the name of the hapu to Ngai Te Hine, Ngati Hinepua and Ngai Te Ipu.

Bailey bridge an option.

Consenting finance co-ordination – bureaucratic drag – time efficiency.

Consider application to Maori Land Court – road re-designated.

Question to Council – depreciation reserve to all assets.

Elected Members discussed:

Start process

Depreciation reserve

7 MINUTES OF THE PREVIOUS MEETING

RESOLUTION 2020/02

Moved: Cr Jeremy Harker
Seconded: Cr Hine Flood

That the minutes and confidential minutes of the Ordinary Meeting held on 26 November 2019 be confirmed.

CARRIED

8 GENERAL ITEMS

8.8 PATANGATA BRIDGE - OPTIONS MOVING FORWARD

RESOLUTION 2020/03

Moved: Cr Jeremy Harker
Seconded: Cr Denise Eaglesome-Karekare

That Council adopt Option C, 4.3.a.2 – Do something, replace Patangata Bridge with a new bridge to Class 1: $398,000+GST (including removal), 100-year life expectancy; and that a full project plan be tabled at the next Ordinary Council meeting to look at the options of how this would be funded i.e;

a. Reprioritised current work programme for bridges
b. NZTA subsidies
c. Asset class depreciation
d. Partnering model – users who receive commercial benefit to be asked to contribute towards costs.

CARRIED

Elected Members discussed:

NZTA funding

Replace to proper structure class 1

Best option – existing foundations

Partnering approach

NZTA subsidy

Re-prioritising current bridging plan

Depreciation reserves

Initiate discussion with HBRC, land owners, Hereheretau Station

8.9 HALF YEAR PERFORMANCE 2019-20

MOTION

Moved: Cr Chaans Tumataroa-Clarke
Seconded: Cr Melissa Kaimoana

That Council receive the report.

Elected members discussed:

Statement of service performance

Information moving forward

Productivity to meet level of service

8.1 LOCAL GOVERNANCE STATEMENT 2019 TRIENNIUM

RESOLUTION 2020/04

Moved: Cr Denise Eaglesome-Karekare
Seconded: Cr Hine Flood

That Council:

a) Adopt the Local Governance Statement for the 2019 Triennium attached as Appendix One; and

b) Delegate the Chief Executive to make editorial updates to the document to reflect Council decisions and staffing changes.

CARRIED

8.2 2019 TRIENNIAL AGREEMENT

RESOLUTION 2020/05

Moved: Cr Jeremy Harker
Seconded: Cr Chaans Tumataroa-Clarke

That Council delegate final signoff of the 2019 Triennial Agreement to His Worship the Mayor and the Chief Executive Officer.

CARRIED

8.3 EXTERNAL BODY APPOINTMENT

RESOLUTION 2020/06

Moved: Cr Denise Eaglesome-Karekare
Seconded: Cr Chaans Tumataroa-Clarke

That Council appoint Cr J Harker as an alternative for the Regional Cycling Governance Group.

CARRIED

8.4 AMENDMENT TO APPOINTMENT AND REMUNERATION POLICY FOR DIRECTORS OF COUNCIL CONTROLLED ORGANISATIONS

RESOLUTION 2020/07

Moved: Cr Chaans Tumataroa-Clarke

Seconded: Cr Jeremy Harker

That Council adopt the amended draft policy Appointment and Remuneration for Directors of Council Controlled Organisations.

CARRIED

8.5 INDEPENDENT COMMITTEE MEMBERS APPOINTMENT

RESOLUTION 2020/08

Moved: Cr Hine Flood
Seconded: Cr Denise Eaglesome-Karekare

That Council appoint the following independent members to the Finance, Audit and Risk Committee and Infrastructure Committee and an independent Agency under the Code of Conduct:

a. Finance Audit & Risk Committee – Mr Philip Jones
b. Infrastructure Committee – Mr Chris Olsen
c. Conduct Review Committee - EquiP

CARRIED

ADJOURN – 3.00PM
RECONVENE – 3.05PM

8.6 MĀORI STANDING COMMITTEE TERMS OF REFERENCE

RESOLUTION 2020/09

Moved: Cr Denise Eaglesome-Karekare
Seconded: Cr Jeremy Harker

That Council:

1. Further refine the terms of reference for the Māori Standing Committee for the 2019 triennium at a Workshop and also the meeting schedule for the next term of the committee.

   And

2. Further extend the term of current Maori Standing Committee until the end of June 2020.

CARRIED

<u>Elected Members discussed</u>:

Formalising process

Right skill set

Mana enhancing

Reporting back to Marae

Monitoring

Council policy pertaining to tangata whenua

Function is meaningful and work along side each other

Make up of Committee.

At 3:45 pm, Mr Paul Kelly left the meeting.

At 4:03 pm, Mr Paul Kelly returned to the meeting.

8.7 LEMUEL TE URUPU TRUST PAPAKĀINGA - VESTING ROAD IN COUNCIL MOU

RESOLUTION 2020/10

Moved: Cr Denise Eaglesome-Karekare
Seconded: Cr Jeremy Harker

That Council approve the 240m of sealed road to be vested in Council following completion and signoff by Wairoa District Council Community Assets and Services staff.

CARRIED

At 4:04 pm, Cr Jeremy Harker left the meeting.

At 4:09 pm, Cr Jeremy Harker returned to the meeting.

8.10 APPOINTMENT OF A DIRECTOR ON THE QRS BOARD

MOTION

Moved: Cr Denise Eaglesome-Karekare
Seconded: Cr Chaans Tumataroa-Clarke

That Council reappoint Mr Tony Gray as a Director of Quality Roading and Services (Wairoa) Limited for a further three years effective March 1 2020.

8.11 CEO REPORT

RESOLUTION 2020/11

Moved: Cr Hine Flood
Seconded: Cr Denise Eaglesome-Karekare

That Council receive the report.

CARRIED

8.12 ELECTED MEMBERS REMUNERATION 2019/2020

RESOLUTION 2020/12

Moved: Cr Chaans Tumataroa-Clarke
Seconded: Cr Denise Eaglesome-Karekare

That Council adopt the current remuneration determination for Council is as below effective 19 October 2019:

Office	**Annual salary ($)**
Mayor	$101,000
Deputy Mayor	$40,000
Councillor	$36,718.40

CARRIED

8.13 EXTERNAL BODY APPOINTMENT - COMMUNITY REPRESENTATIVE ON THE TE MATAU A MAUI HEALTH TRUST

RESOLUTION 2020/13

Moved: Cr Chaans Tumataroa-Clarke
Seconded: Cr Denise Eaglesome-Karekare

That Council appoints Cr H Flood as the Community Representative on the Te Matau a Maui Health Trust.

CARRIED

Cr J Harker left at 4.09pm
Cr J Harker returned 4.14pm

9 RECEIPT OF MINUTES FROM COMMITTEES/ACTION SHEETS

Nil

10 PUBLIC EXCLUDED ITEMS

RESOLUTION TO EXCLUDE THE PUBLIC

RESOLUTION 2020/14

Moved: Cr Denise Eaglesome-Karekare
Seconded: Cr Chaans Tumataroa-Clarke

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

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
10.1 - Resolution for disposal of council owned asset - Lot 1 DP 7275	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	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
10.2 - Procurement - Contract 19/02 Maintenance and operation of Wairoa and Frasertown Cemeteries	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	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
10.3 - Procurement - Contract 19/01 Maintenance and operation of Mahia reserves	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	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
10.4 - Resolution for disposal of council owned asset - Lot 1 DP 490941 & Section 3 SO 10466	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	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
10.5 - Delegation to spend Tourism Infrastructure Funding	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial	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

	activities 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)	information for which good reason for withholding would exist under section 6 or section 7

CARRIED

RESOLUTION 2020/15

Moved: Cr Hine Flood
Seconded: Cr Jeremy Harker

That Council moves out of Closed Council into Open Council.

CARRIED

Cr Tumataroa-Clarke closed the meeting with a karakia.

The Meeting closed at 4.43pm.

The minutes of this meeting were confirmed at the Ordinary Council Meeting held on 24 March 2020.

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CHAIRPERSON

8 GENERAL ITEMS

8.1 NUHAKA RIVER ROAD - OPTIONS MOVING FORWARD

Author: **Mike Hardie, Kaiwhakahaere Hua Pūmau Huarahi (Taupua) Acting Transport Asset Manager**

Authoriser: **Stephen Heath, Pouwhakarae – Hua Pūmau Hapori / Ratonga Group Manager Community Assets and Services**

Appendices:

1. **River/Road Realignment design overview** ⇩
2. **The Property Group - advice** ⇩
3. **Ngati Rakaipaaka submission** ⇩
4. **Affected landowner submission (2)** ⇩
5. **Affected landowner submission-Raewyn Foot** ⇩
6. **Affected landowner submission-Aramatua** ⇩
7. **Affected landowner submission-Sue OBrien** ⇩
8. **Affected landowner submission (4)** ⇩
9. **Affected landowner submission (6)** ⇩
10. **Affected landowner submission-Linda Kerley** ⇩

1. PURPOSE

1.1 To present relevant information and options for Council, to inform a decision surrounding access along Nuhaka River Road, currently restricted by a large land movement.

RECOMMENDATION

The Kaiwhakahaere Hua Pūmau Huarahi (Taupua) Acting Transport Asset Manager RECOMMENDS that Council consider all options presented, and make a decision based on information provided.

2. BACKGROUND

2.1 In late 1970s/early 80s the top end of the existing earth flow began to move. P.radiata forest (Pine trees) were planted over the entire movement area, which effectively stopped the movement.

2.2 Between 2005-2009 the forest was removed. Soon after the earthflow began to move again, to a much greater extent. 2012/2013 lower end of earth flow began to affect the Nuhaka River Road with severe damage.

2.3 In 2014 the road was no longer recognisable or passable.

2.4 Between 2015 – 2018 there were failed attempts at reopening the road. Multiple meetings HBRC/WDC/Landowners took place. There was/is no secure or safe access for residents, farm operators, and Nuhaka community alike.

2.5 In 2019/Early 2020 HBRC was commissioned to design a realignment of river and road through the riverbed.

2.6 WDC had previously committed $100k-$140k for project. Cost uncertainty stopped project moving forward.

2.7 WDC/HBRC met affected parties on site, apologized, advised next steps which would be Council Forum, Council Workshop, Council paper, to determine a pathway forward.

2.8 Current situation for the council is that there has been no formal decision been made around the future of the Nuhaka River Road.

2.9 Council received a report in December 2017 and resolved to investigate long term options. There have been other previous updates informally.

2.10 Council Forum was held on the 10th March 2020, to give Elected Members a background to this issue. Stakeholders and members of the public were invited to speak at this meeting.

3. COUNCIL FORUM

3.1 Council Forum was attended by community representatives. Five stakeholders were each allotted five minutes to speak. These representatives voiced their concerns and it was then discussed that their preferred solution was to realign the river and form an access road over the riverbed (see Options for further information).

3.2 The wider issue of looking at the slip as a 'whole' was discussed. Hawkes Bay Regional Council (HBRC) have committed to continuing to do work on this slip such as tree planting. As the mass land movement is a natural event, it is unlikely to be stopped, but these actions may mitigate its impact.

3.3 The main focus of the forum was achieving a clear direction moving forward.

4. SUBMISSIONS

4.1 Attached to this report are submissions from affected parties. These are aimed at ensuring Elected Members are aware of the issues from different perspectives.

5. FINANCIAL

5.1 There is currently no council budget allocated to this project. In the past, $100,000 - $140,000 has been made available from other previously committed budgets.

5.2 For NZTA to partner with council, a robust business case will be required to justify their subsidy. There is no guarantee of this outcome.

5.3 There may be alternative sources of funding e.g. Provincial Growth Fund (PGF). Initial assessment against this fund's criteria makes this project unlikely to fit. Alternative funding sources can be investigated at council's direction.

6. OPTIONS

6.1 Options considered are:

A. Realign the river, create new road on old riverbed, providing access around the slip based on HBRC design.

B. Realign the river, create new road on old riverbed, providing access around the slip based on local contractors working off no design, and experience only.

C. Stopping the section of legal road that passes through the slip, but not undertaking any road realignment works.

D. Combination of 'A' or 'B', and 'C', creating private road (Right of way).

E. Form new road/track from Mangaone Road to the affected areas

F. Construct temporary access every summer, while the big picture of planting the slip is worked on and implemented.

G. Do Nothing

6.2 Option A – Realign the river, create new road on old riverbed, providing access around the slip based on HBRC design. See attached design.

6.2.1. The cost estimate for this option is approximately $350,000+GST. It is unlikely that NZTA will fund this. Property advice has been sought which outlines the process/implications around making this a legal realignment or a private access (refer Appendix 5 The Property Group – advice).

6.2.2. Cost is a risk for this option. At this stage, the cost is an estimate and would be confirmed following further technical investigation and design work. Historic discussions with NZTA have indicated that they would be unlikely to subsidise this project.

6.2.3. Given the nature of the mass land movement and the variable nature of the river, this option DOES NOT guarantee any life expectancy. Historic weather events demonstrate that the lives of assets can be unpredictable due to natural forces.

6.3 Option B – Realign the river, create new road on old riverbed, providing access around the slip based on local contractors working off no design, and experience only.

6.3.1. The cost of this is unknown and could vary widely dependent on methodology, access and natural changes.

6.3.2. Cost is a risk for this option. Historic discussions with NZTA have indicated that they would be unlikely to subsidise this project.

6.3.3. Given the nature of the mass land movement and the variable nature of the river, this option DOES NOT guarantee any life expectancy. Historic weather events demonstrate that the lives of assets can be unpredictable due to natural forces.

6.4 Option C – Stopping the section of legal road that passes through the slip, but not undertaking any road realignment works.

6.4.1. This is an option that is likely to be contentious, given the impact, but should still be considered.

6.4.2. Appendix 5 The Property Group – advice, summarises the road stopping process for this project.

6.4.3. This option presents some challenges. Simply stopping the road would have the effect of severing one part of legal road from another, effectively creating a ‘gap’ in the road, and potentially landlocking one or more parcels of land.

6.4.4. Compensation could be considered under this process but is not a requirement.

6.5 Option D – Combination of ‘a’ or ‘b’, and ‘c’, creating a private road (Right of way).

6.5.1. This option offers the affected parties one last attempt from Council to provide secure access, but Council will then hand the responsibilities of maintenance over to the affected landowners, effectively ‘stopping’ the road and creating a private access. With a private road, an agreement between all parties is required.

6.5.2. From the point of handover, Council would have no further involvement or obligations for the maintenance or management of the right of way.

6.5.3. Appendix 5 The Property Group – advice, summarises the process of creating a private road (Right of way).

6.5.4. With this option, council would still incur the costs outlined in either option A or B, as well as the likely legal and surveying costs to complete this process. This would be in excess of the estimated $350,000+GST for the physical works alone. It is unlikely that NZTA would fund this.

6.5.5. This option could create a problematic situation for the affected parties as access rights would be difficult to manage effectively.

6.5.6. It is likely that the legal negotiations would take considerable time to finalise with all parties.

6.6 Option E – Form new road/track from Mangaone Road to the affected properties on Nuhaka River Road.

6.6.1. This option has not been explored in detail as the initial reaction from affected parties was negative, and unlikely that an agreement would be reached between all of the landowners. If this option was to be considered, an agreement between parties would be essential, followed by a full scope of works.

6.6.2. Early indications were that a track could be built for an estimated $120,000 - $160,000k. Surveying and technical design would have to be undertaken prior to seeking a firm cost for this option.

6.6.3. Cost is a risk for this option. Historic discussions with NZTA have indicated that they would be unlikely to subsidise this project.

6.7 Option F – Construct temporary access every summer, while the big picture of planting the slip is worked on and implemented.

6.7.1. This option would cost between $5,000 - $15,000 /year. This is based on only doing it once a year, forming a track (not road), and applying appropriate aggregate.

6.7.2. Cost is a risk for this option. Historic discussions with NZTA have indicated that they would be unlikely to subsidise this project.

6.7.3. Given the nature of the mass land movement and the variable nature of the river, this option DOES NOT guarantee any life expectancy. Historic weather events demonstrate that the lives of assets can be unpredictable due to natural forces.

6.8 Option G – Do Nothing.

6.8.1. If the Council made a decision to do nothing, including not stopping the road, the legal road would remain. The public would continue have a legal right of access to the road and ownership and responsibility would remain with the Council. This option does not guarantee practical access.

7. CORPORATE CONSIDERATIONS

Compliance with legislation and Council Policy

7.1 This work is not budgeted in the Annual Plan. $100,000 - $140,000 was ear tagged for this work in previous budgets.

7.2 This work is not outlined or budgeted in the Long term plan.

What are the key benefits?

7.3 The key benefits are of a social nature.

What is the cost?

7.4 The varying costs have been mentioned in the outlining of options. Previously NZTA have not supported this. In order to get NZTA funding approval, we will need to complete a business case.

7.5 There has been $100,000 - $140,000 ear tagged in previous budgets to do some work. This money was to come out of existing roading budgets.

What is the saving?

7.6 N/A

Service delivery review

7.7 N/A

Maori Standing Committee

7.8 This matter has not been referred to the MSC. However, the Maori Relationships Manager has kept them informed along the way.

8. SIGNIFICANCE

8.1 Impacts 1 residential home, multiple farm use landowners and the wider Nuhaka Community.

8.2 The access has been an ongoing issue since 2009.

8.3 Any work proposed is currently not budgeted for.

8.4 Local Iwi have been consulted on this issue and support the realignment option. It is a requirement that any work done in the river will require a cultural and environmental audit. This will cost approximately $10,000+GST (on top of proposed physical works).

9. RISK MANAGEMENT

9.1 In accordance with the Council's Risk Management Policy the inherent risks associated with this matter are:

Human	Financial	Regulatory
High	Medium	Low
Operations	Employees	Image & Reputation
Low	Low	Medium

Who has been consulted?

The Council had a Forum on the 10th March 2020, where affected parties could present the issue.

Recent regular communication from WDC/HBRC to affected landowners and Iwi has taken place

Depending on which Option is decided upon, further consultation will be required.

This is significant to Tangata Whenua. Ngati Rakaipaaka have been consulted.

Further Information

N/A

References (to or from other Committees)

Nuhaka river road access, Council, 5th December 2017

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

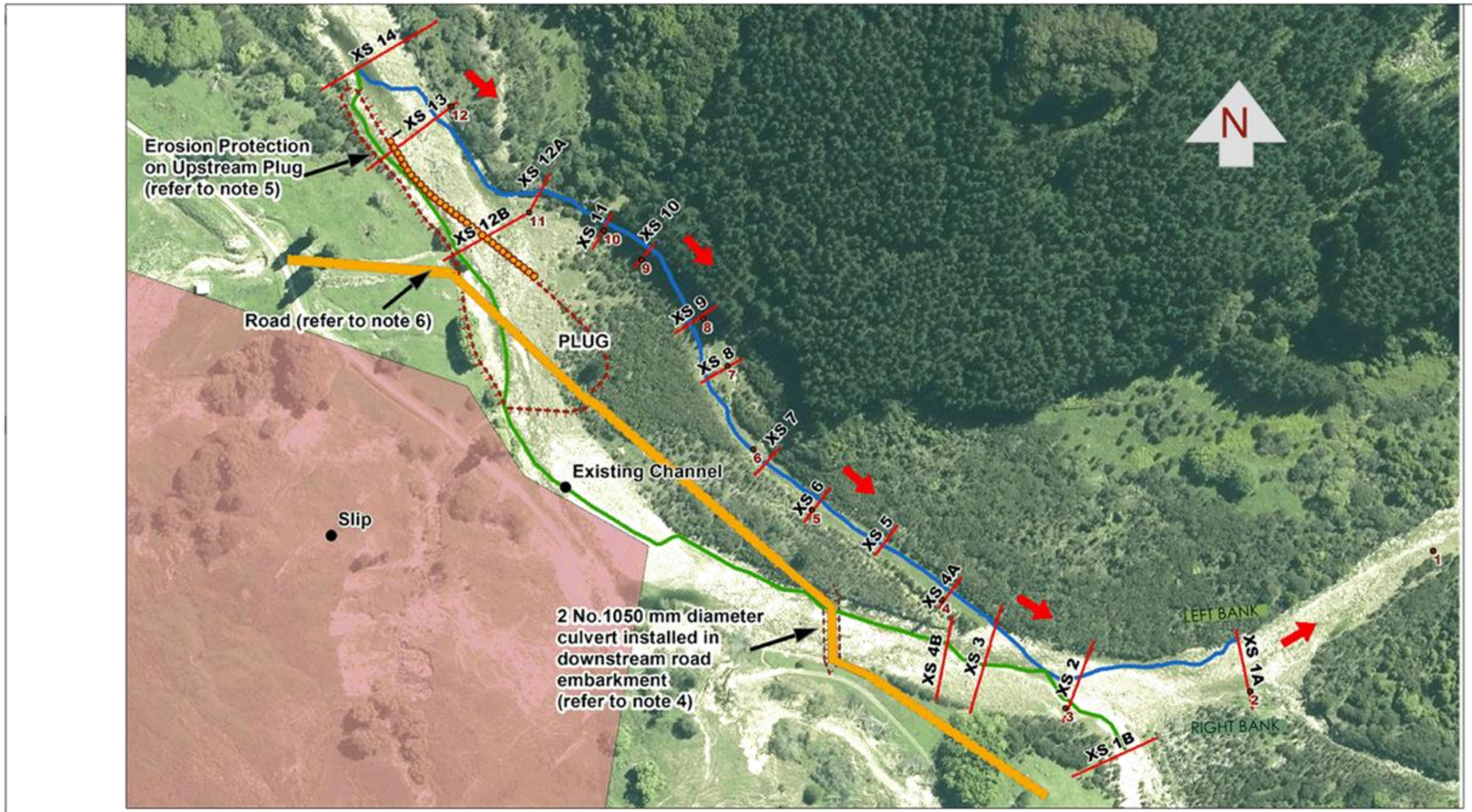
a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,

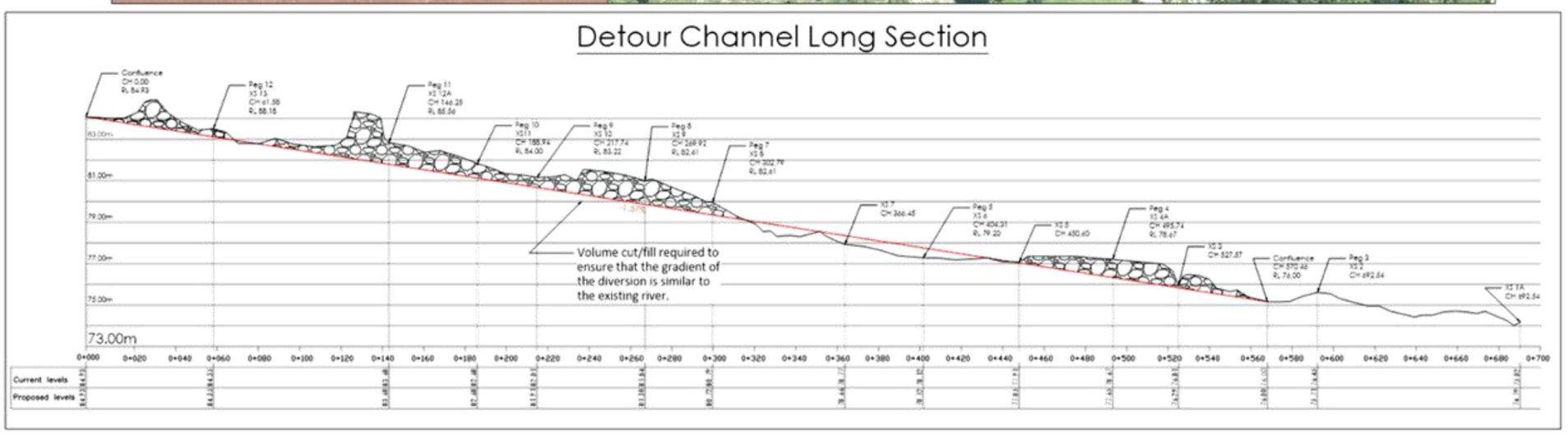
b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

	
Author	Approved by

Mike Hardie	Stephen Heath





Notes:

1. ALL REDUCED LEVELS IN METERS.
2. FULL CHANNEL CROSS SECTIONAL SURVEY PERFORMED. HORIZONTAL SCALE 1:2250 AND VERTICAL SCALE 1:100.
3. REFER TO DRAWINGS No. 277-NUH-104 AND 277-NUH-109 FOR CROSS SECTION DETAILS OF DIVERSION CHANNEL.
4. REFER TO DRAWINGS No. 277-NUH-102 FOR CULVERT DETAILS.
5. BANK OF PLUG TO BE ADDRESSED WITH LOCALLY WON ROCK IF AVAILABLE (REFER TO DRAWINGS No. 277-NUH-103).
6. ROAD - WDC PROVIDE DETAILS

PRELIMINARY

Key:

- New Channel Alignment
- Existing Channel
- Cross Sections Locations
- New Road Alignment to be addressed by WDC
- Active Channel Bed Profile
- Existing Active Channel Bed Profile
- Material to be excavated
- Pegs

REV:	DESCRIPTION:	BY:	DATE:

AMENDMENTS:

HBRC - Engineering
159 Dalton Street
Napier 4110
Tel 06 835 9200
www.hbrc.govt.nz

SITE: NUHAKA RIVER ROAD			
TITLE: RIVER DIVERSION SITE LOCATION AND LONG SECTION			
SCALE AT A3: 1:2250	DATE: 29/11/2019	DRAWN: CA	DESIGNED: CA
REVISION NO: PB	DRAWING NO: 277-NUH-101		CHECKED: DC
PLAN NO: 5405			SHEET: 1/1

Email Memorandum

The Property Group Limited
Napier Office
PO Box 49 Napier 4140
Level 1, 6 Albion St
Napier 4110

To	Michael Hardie – Wairoa District Council
From	Rebecca Mackenzie
Date	2 March 2020
Subject	Nuhaka River Road – River Realignment Option

Council have requested advice on the land/property implications of the following options being considered as part of the river realignment concept:

1. Realignment of the existing road by:
   a. Creating a 'private access' road; or,
   b. Legal road
2. Stopping the section of legal road that passes through the slip, but *not* undertaking any road realignment works.
3. 'Do nothing', which is not undertaking any road realignment works or road stopping actions.

It is important to note that the existing legal road provides access not only to the property comprising the dwelling immediately upstream of the slip, albeit we understand that vehicle access is not available due to the slip, but it does provides the sole legal road access to a number of properties located further upstream.

Our previous and more detailed advice to Council refers, which provides a more detailed explanation of the various processes required under each of the options being considered.

1. Realignment of Existing Road

a. Private Road (Right of Way)

This option proposes to construct the realignment through the river and 'handover' the new alignment on completion of construction to the private landowners through who's property it passes, with Council having no further involvement or obligations from that point.

The proposed realignment crosses through four separate titles, one of which is Maori Freehold Land, and the bed of the Nuhaka River. The new alignment merges with *existing* legal road on either side of the slip.

Under this option, the following requires further investigation to determine if it is practically possible to achieve:

i. The status of the bed of the Nuhaka River determined in order to confirm the underlying owner(s) from which consent and agreement to form the road will be required.

ii. The four landowners directly affected by the realignment will need to grant one another reciprocal easement rights to pass and repass the new alignment, including terms and conditions for management and maintenance.

iii. The properties located upstream of the slip will also need to be granted an easement over the new alignment. This is to ensure that they continue to enjoy legal access via legal road and the new alignment (easement). Likewise, any terms and conditions for management and maintenance agreed.

This option would create an unusual and potentially problematic situation of a private access road (with access rights granted by way of easement) and access by legal road on either side. Access by parties other than those who use the road to directly access their properties may be challenging to effectively manage. This may also create an issue in terms of maintenance responsibility and cost for the private access road.

It assumed that Council would only undertake physical construction works, once all private landowners confirmed that the required access rights (easements) had been granted. Noting the status of some of the parcels of land, this may take some time to formalise amongst the landowners.

b. Legal Road (Council Owned)

This option proposes the new realignment to be formed and the underlying land acquired by Council as legal road. This would effectively 'reinstate' the pre-slip situation that provides continued legal road access for all properties both upstream and downstream of the slip on Nuhaka River Road.

In order to declare the new alignment as legal road, Council would firstly need to negotiate agreement with each of the landowners of the four affected titles, to acquire land the land required for legal road from their titles. This option is therefore reliant upon those landowners being willing parties to enter negotiations for the acquisition of land for legal road.

It is possible that Council could consider stopping those parts of the existing legal road as part of a negotiated agreement to exchange for land required for legal road.

2. Road Stopping

The following process will apply to a decision to formally 'stop' those sections of the existing legal road at the base of the slip and *not* undertake any new realignment works:

- The road stopping actions would need to be completed pursuant to provisions of the Local Government Act 1974 and any road to be stopped would be defined by survey. We have previously provided a summary of the process, which involves public advertising and objection process
- Any landowners affected by the proposed road stopping would have the right to object. As we have outlined above, the legal road provides access to additional properties further upstream of the slip in addition to those directly affected
- Consent from the Minister of Lands would be required to the road stopping and one of the requirements of this process is that Council must demonstrate how alternative legal and practicable access to land affected by the road stopping will be provided.

This option presents some challenges. Simply stopping the road would have the effect of severing one part of legal road from another, effectively creating a 'gap' in the road, and potentially landlocking one or more parcels of land. Additionally, this could prevent the Council from accessing a section of its own road.

There would almost certainly be objections to any proposed road stopping if any property has no alternate legal or practicable access following the road stopping.

Road stopping is not a guaranteed process and in light of the knowledge the current situation it seems likely that at least one objection would be received if the Council intended to stop a portion of road without considering a realignment.

3. Do Nothing

The Local Government Act 1974 provisions in respect of roads are empowering and do not necessarily create an obligation to repair or maintain.

While the power to repair road is discretionary in deciding whether or not to exercise its power to repair or maintain a road, the Council must also take into consideration a number of provisions in the Local Government Act 2002 that may be of relevance in making such a decision.

If the Council made a decision to do nothing, including not stopping the road, the legal road would remain. The public would continue have a right of access to it and ownership and responsibility would remain with the Council.

Conclusion

As outlined above, the Council's decision must take into consideration a number of relevant provisions of the Local Government Act 2002 when making a decision on this matter.

Any decision of the Council, including a decision to do nothing, may be subject to judicial review. Expert advice, including advice from Council's corporate solicitors, should be considered to ensure that due process is followed, and proper consideration is given to Council's ultimate decision in respect of the road.

Te iwi o Rakaipaaka Trust

Moumoukai te Maunga Tu Mai Ra,
Waitirohia tae atu ki Nuhaka nga Awa e rere ana ki te Moana-nui-a-Kiwa,
Rakaipaaka te Iwi o ratou ma! Kore, e kore e ngaro!

Presenting at the Wairoa District Council (WDC) Council Forum on Tuesday the 10th of March at Council Chambers, Queen Street, Wairoa commencing at 11am regarding the proposed Nuhaka River Road – Waitirohia[1] River Re-alignment

Te Timatanga

He manako te koura, e kore ai
Moumoukai te maunga, tu mai ra
Te whakaruruhau, te whare korero
E kore, kore e riro.
Waitirohia, te awa o Nuhaka, e rere ra
Te Matapuna o te ora
E kore e maroke
Rakaipaaka te iwi, e noho ra
Nga whare rau o Te Tahinga o te ra
E kore e ngaro
Tihei mauriora.

As the representative of our Iwi Authority Te Iwi o Rakaipaaka, I am delegated with statutory responsibility to assist in the protection of land, waterways and biodiversity within the rohe o Nuhaka, te rohe kainga of the Ngati Rakaipaaka Tribal members.

We are here today to present our Ngati Rakaipaaka Tribal members voice on the proposed Nuhaka Road River Re-Alignment project.

This project has been ongoing for a number of years. The land on the Mangaone Road side started moving in the 1970's but had stabilised until it started moving again in 2009. The movement has affected several blocks of land both private and multiple ownership some lands is leased. The land movement has caused severe restriction and even complete closure of access to a resident and the land owners, lessees because the slip has now reached the river on River Road sending large volumes of sediment down the waterway.

We have met with Hawkes Bay Regional Council, Wairoa District Council staff, Councillors, land owners and interested parties on many occasions to work out solutions to solve our river from further sediment pollution, and access to lands and home and agree that the only way is to re-align the river.

Prior to the commencement of the realignment, we want to ask for support to undertake both a Cultural Impact Assessment and an Environmental Impact Assessment.

The purpose and importance of the Cultural Assessment is to provide our Ngati Rakaipaaka tribes cultural values, interests and associations with this area and will be a useful resource for future potential activity/s proposed in, on or around this area that may be an impact, similarly the Environmental Impact Assessment will evaluate the likely environmental impacts on this proposed activity as well as ensure inter-related socio-economic, cultural and human-health **impacts** are taken into account.

We also were made aware more recently that an approach will be presented today regarding an alternative access route coming from the top of Mangaone Road. We discussed this approach at length and have been directed to not support this idea as it has the potential to prolong the resolve of the situation, particularly around a collective agreement from landowners reaching numbers in excess of 400. It is also likely that these landowners will see this as another land grab under the Public Works Act. We have also talked to the land lessees and they don't support this approach either.

[1] 'Waitirohia' is the traditional name of the awa which flows from the top of the headwaters to the Nuhaka River Mouth (Te Ngutu Awa o Nuhaka)

Te Iwi o Rakaipaaka Trust (TIORT), Ngati Rangi Street, SH2, R D 8, Nuhaka 4198
Ph: (64) 027 389 3266 or 06 837 8885 – Email: ngatrakaipaaka@gmail.com – Contact: Johnina Symes – Transition Manager

Conclusion:

Although many conversations over a long period of time have been had about this proposed re-alignment, our perspective to be supported to have key impact assessments undertaken to ensure no further impacts are imposed hasn't changed.

We also want to reiterate that we do not support the recent approach of the alternative route from the top of Mangaone Road.

We want to recommend that the WDC and HBRC please consider supporting the following items of importance regarding this proposed River re-alignment project:

- Note the content of this proposal;
- Provide resources to our Iwi Authority to undertake and provide a **"Cultural Impact Assessment" (CIA)**;
- Ensure the HBRC and or WDC undertake an **Environmental Impact Assessment (EIA)**;
- Acknowledge and accept our **non-support** for the alternative route approach presented today to come from the top of Mangaone Road because of the issues it is likely to impose of multiple owners further prolonging of this situation.

Please contact me directly by email on graemes58@hotmail.com if you have any inquiries or require further information.

Naku iti noa, na,

Name: *This process gives confirmation to the person typing their name in the box to the right that they have provided electronic signing to this paper*	*Graeme Thomas Symes*
Title / Position:	Te Iwi o Rakaipaaka Trust (TIORT) / Te Iwi o Rakaipaaka Inc. (TIORI) Group Trustee & Environmental Officer
Date:	07/03/2020

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Ph: (64) 027 389 3266 or 06 837 8885 – Email: ngatrakaipaaka@gmail.com – Contact: Johnina Symes – Transition Manager

V

Mangaone Road / River Road
earth flow.

This is my submission to the Wairoa District Council and the Hawke's Bay Regional Council on the above problem.

The earthflow began in native bush in the winter of 1973. It ~~beg~~ became obvious that it was a serious problem by 1976 and by 1980 the first part of the Mangaone road had to be relocated onto private land. It was about that time that with the help of 12.5% assistance from the Hawke's Bay Catchment Board pine trees were planted on it in an attempt to stabalise it.

In about 1982-83 Dr Wink Sutton told me that this would not work because they would blow over, as they did in the year 2000.

2

Most of them harvested in 2001/2002 except for 12 hectares of Maori land 202 P&B. These have since all blown over and have slipped away.

As per the initial agreement pines were replanted on G.R. & I. Intyre lands and are currently awaiting a decission as to what happens to them.

Peter Hanson and myself for the last 15 years have been working very hard to get a more suitable tree species to take the place of pine trees. We have come to the conclusion that California Redwoods would be the most appropriate species for that situation We have also over that time been looking for landowner approval and for appropriate funding.

Nothing has happened to date.

3

From the 10th March 2020 I want the whole problem to be treated as one

I am very adamant on that.

The landowners Clonbeen Trust, G.R. McVitty and shareholders of 2D26B are ready to go and are commited to planting of Redwoods.

That all landowners in the retired stabilized area pay no rates to the W.B.R.C. and the W.D.C. until they produce an income. ie carbon credits.

That the trees remain an asset of the landowners on which they grow.

(Could be hundreds of years)

All landowners be fully consulted and agreed to before any action is taken - both maori and pakeha.

All of the above be finalised and ready to go for the 2021 planting

4.

season. Which is 44 years since it was first started — 1976.

G.R. McIntyre

G.R. McIntyre

To The Wairoa District Council

Dear Sirs/Mesdammes,

I am writing today to gain your support for the reconstruction of the Nuhaka River Road.

My name is Raewyn Foot, resident of Wairoa for the last 53 years and rate payer for the last 16.

I have known Linda Kerley for the last 28 years.

The Picture so far

In spite of her diminutive stature, I can assure you this lady is no sook. She can do anything from sewing your wedding dress to breaking in a horse. You need to know this, to realise that a lesser person would have done a lot more complaining, and this issue may have come to your attention much earlier. I am only too aware that to some of you, this is only recently been hi-lighted.

In the summer of 2009, we noticed that a great big crack appeared in the road and it was on the move. Later that month, the crack had widened to a point it wasn't possible to drive over. So for ten years, **yes 10,** Lindy who was then 53, has had to negotiate the slip.

Lindy is not a complainer, she lives simply in her pride and joy, a one-bedroom house off the grid, with bird life to die for, with nothing close, except her dogs and her garden. It's a slice of paradise. Her carbon footprint would be as close to zero as you can get. She is easily pleased, usually a cold beer and a smoke will fix it. But not this time.

We used to joke about it for a while, her, 6 dogs, 35 degrees of heat, pushing an old pram in to her home. The pram was ideal for carrying groceries, dog bickies, gas bottles and the occasional beer, for **ten** years she has walked the slip carrying these things. But it has worn thin. Yes, sometimes there was a track maybe 3 times, but the rain would come and the track would be taken away again. Summers were easier, winters became impossible/impassable, to the point where she would only walk in to check up on the cat, about every 3 weeks, weather permitting.

Let me describe the terrain, because unless you have walked in, you can't really get the picture. The slip is approximately 300m wide. Lindy lives approximately 1 km beyond. So, in summer its dry-bonus. But there are huge cracks in the slip, hiding in the long grass so you have to watch every single step. It's not flat either, so you are up hill down dale, carrying your pack full of tins and loo roll. Sheep and cattle won't walk across it, so you can forget following a nice easy sheep track. In the winter, its clay, sticky, slippery, gluggy clay. When you walk it sticks and accumulates on your redbands, so they weigh a ton and you have no traction. Two steps forward one back. Again, with your pack- loo roll, tuna, and a gas bottle.

For **10** years this lady has not been able to drive to her back door.

Most importantly, her life savings, her retirement fund is locked up in this property. A similar property on Waiheke Island would sell for $1,100,000. A wonderful amount to retire on. Without the road and access to her property, it is worthless, so Lindy has no retirement fund without the road to her home. Her asset she has spent 30 years paying for and working on is worthless.

While on the subject of assets...

The Cause

The road is a council asset. Assets once they go into the cupboard and are not used, start to decline, and you never get them back. Like a house that's not being lived in, like the cuts to the hospital or banks closing in Wairoa. We are never going to get them back.

I've followed the road in google maps and to my surprise it goes way back into the hills (on paper) joins up with Mangapahi Rd, closer to Tinitroto than Wairoa. I've heard stories how this road was the "main road" back in the day, and my Grandfather, who was born at Nuhaka, used to ride it to go to the many farms he worked on. Follow it and I'm sure you end up in Paparatu and Tukemokihi Country. I feel sure this is an ancient road, followed by travelers long before bulldozers and forestry.

The river is amazing. Huge boulders which started their life up in the head waters in the back of Tangiwai Station, Hereheretau. The power of the water (2m annual rainfall, thanks Mr McIntyre) sends these boulders some up to 1m big, careering down the river. In big rain you can hear them rolling along in the river bed. Awesome and frightening to watch at the same time. As the slope declines the river starts to meander, slowing down to deposit rich fertile soil in Nuhaka, where orchards and market gardens reside.

Higher up however, past Lindy's, along the river there are pockets filled with treasures, stands of tawa trees and titoki, kanuka as thick as your waist, manuka waiting to be visited by bees to make the all-important honey. But if the road is not there, how can all these things be shared, and cared for, if no one can see them or protect them. At a time when climate change is talked about every second senence, this place is an oasis of diversity. A snapshot of times gone by, and I fear that with no access, this paradise would be cut off for future generations, they would never see the beauty, never hear the stories.

The Fix

Places like River Road are a National treasure. Pockets or Islands of bush are becoming too rare, native species are slowly being eliminated due to habitat loss, but what could be a greater loss is the access to share these treasures with fututre generations. In the "Instant" world of wifi and internet many young people today would rather google a tree than walk 5km to view it. Parks and recreational facilities all maintain good access for the public to use these places. Wairoa District Coucil you need this road, not now, but for the future generations.

There are many development outcomes that could lead to healthier and more environmentally sustainable options on the road. Manuka grows like corn up there, you weave through it 6 feet high. As you all know manuka honey is very sought after. Beehives are heavy though, 40 kgs when full. Bee keepers need access.

There is plenty of room for planting of more native species up the road as well, targeting species that one resided there, toe toe (not pamapas), karaka, kowhai, ngutukaka- may even be tried. These areas will need to be fenced off. There is a huge oppurtunity here for the WDC to blaze a trail and lead by example to improve water quality and slow eroision. To show off what can be done, not what can't.

I understand the costs involved, no one is more budget than me. I think we have a reasonable case to present to the Provincial Growth Fund. I am prepared to donate my time to help write a proposal

to the PGF, with the support of the council. I'll admit I would need help on this one, but I've a head full of idea's and some experince in growing plants. There is so much work that could be done.

This is an oppurtunity, not a problem.

I can really see this becoming a place to visit.

Thank you for taking the time to read my submission. We look forward to hearing the outcome

Regards

Raewyn Foot

Morning

My name is Todd Harris and I've been managing Aramatua station since July 2016.

Since then the rigmarole that has surrounded nuhaka river road has been astounding. The complete lack of direction and miscommunications have had detrimental impacts directly affecting all parties that need the road. In saying that, of late with Mike and Nathan taking the reins, there has been leadership and transparency.

Background on the Matua Block, it's a 600ha medium to steep hill country breeding unit. The woolshed and main yards are directly at the end of Nuahaka river road. No Access via NRR has added extra cost to the business which are over $500 a use. Contingency plans have been made and with good will from neighbours they allow us to use there facilities at a cost, This is not including all the extra time needed to organise and take all the sheep to the top of the hill to use the pukeorapa facilities. Also the cost to infrastructure has been detrimental to the block, not being able to reasonable access has caused delays in maintaining the fences on the block leading to decreased stock performance via lax grazing regimes. This is a little bit of insight of the impacts the road closure has caused directly on the business.

Indirectly there as been so many lost opportunities, bees and metal quarrying to be the main ones. These new ventures could have helped the business immensely, I cant put a figure on these venture but they would have been hugely beneficial to our business.

I pushed for a farm track this summer so I could captilise on the bees, this was mainly due to the fact we were promised the road would be open by late November 2019, that is after it was promised that it would be started and done by September 2018.

Access over the slip for landowners over the past years have been extremely hazardous, knee deep mud and severely undulating terrain has made it near impossible to get in when the slip has moved or is wet. H&S concerns are a priority with access, it means that most landowners up that valley are forced to walk over extremely dangerous ground to achieve day to day activities. Imagine doing a long days work and you had to 300m of some of the worst ground in Wairoa to get home, that is what linda has had to do now for years, surely that has impact on ones mental health let alone physical health. All we can ask for as a community is direction and a bit of action, this has carried on for too long and needs to be sorted. Thank you.

Submission To

Wairoa District Council

Proposed Realignment of Nuhaka River Road

26/02/2020

My name is Sue Obrien, I am a friend of Linda Kerley and I am writing to express and share with you the impact that the slip and subsequent closure of River Road has had upon Linda's life. Linda has suffered years of unimaginable physical, financial and mental hardship.

She has spent many months over these years living with us at Mahia as access to her property has been non-existent and dangerous. I have seen first hand how the impact of this life changing event has affected Linda and how soul destroying it has been. She is a remarkable person and I don't know of anyone that would have had the fortitude and resilience to endure what she has gone through.

She has spoken of years traversing the slip through mud carrying in food and supplies including gas bottles then walking the considerable stretch to her house, making many trips to unload her vehicle. Limited driving access over temporary tracks has been weather dependent and for very short times. The alternative when the slip has been too difficult to walk over is drop into the river, walk the river bed, up a bank and then onto the road. A near miss occurred when she lost control of her Ute driving out over a dirt track on the slip, fortunately it had rolled into the water table and not over into the river many metres below.

Not being able to get in and out has meant at times she has had to stop working. The winter months are especially testing with the short days and bad weather. The financial hardship this has caused is considerable as Linda works part time. There are times when it is essential to get in and out so Health and Safety is a real concern.

Linda has forgone access to and from her house, as well as friends and family coming to see her, lost her independence and lived with huge uncertainty and stress for far too long.

This is a very difficult and complex situation to fix however Linda's life has effectively been on hold for many years. She has always asked for transparency and good communication from Councils and sadly has been left feeling disrespected and unimportant at times.

Last November was the first apology that she had received from Council and an acknowledgement that this problem had not been handled as well as it could have over the years.

Hopefully there will be a definitive outcome to this issue as soon as possible so all affected parties and Linda especially can move forward with her life.

Nga mihi

Sue O'Brien

12 March 2020

Nuhaka River Road Slip - Submission

It was a positive move on Tuesday to finally sit down with WDC, HBRC, Iwi and Stakeholders and discuss the major issue of the Nuhaka River Road slip.
The meeting was well overdue and now that key people are on board listening and willing to make decisions for the best possible outcome is quite reassuring.
So from where I am sitting, this is my '2 cents worth'…
I have been a close friend of Linda Kerleys for almost 20 years now and have visited and stayed with Linda at her River Road property hundreds of times over these years. The majority of that has been walking/climbing over the slip to spend some time with her.
We have yarned about the slip a lot. A lot because it is her life, her home, her wellbeing.
We have talked about the logistics of it all – physical, political, legal, emotional over the past 8 years – and whilst I could prattle on about so much of my Linda's hardships over that time, I believe it is time to draw a line in the sand and know what the future holds either way.
I am sure from Tuesdays meeting that we all know the facts of the slips movement, the health and safety concerns, options, and with that a decision needs to be made.
Yes I understand all that goes with a remedial project of this size and nature.
I also know the huge impact and toll it is taking on Linda.
Whatever decision is made please consider the outcome for all stakeholders and your moral responsibility/obligations.
If the road is to be closed for very poignant reasons then so be it, however they're needs to be some serious discussions and planning for those effected by this.
If the slip is to be remedied then things also need to be put in place for folk to live and operate well.
If you are still left 'scratching your heads' then please come on out, walk the slip and walk a mile in Linda's boots.

Shelley Exeter

Nuhaka River Road River Re-Alignment discussions as a result of a hui held at Kendhart Crawshaw Partnership Stock Shed and Yards on SH2, North of Nuhaka on Friday 13th March 2020 at 1pm

We who were all present at this hui agreed to make a Collective Submission to the re-alignment of the Nuhaka (Waitirohia)[1] River situated at River Road, Nuhaka to address all of our issues that we have highlighted in our common agenda.

Present: Todd Harris (Aramatua Farm Trust Manager), Linda Kerley (Resident in the vicinity of the affected area), Grant Crawshaw (Land owner and Lessee of affected land blocks), Julian Jones (Land owner of affected land blocks), Johnina Symes (Te Iwi o Rakaipaaka representative on the day / Transition Manager and affected Landowner / Multiple Landowner Trustee)

Apologies: Received from Graeme Symes Environment Portfolio for Te Iwi o Rakaipaaka and Pauline Symes Chair for Te Iwi o Rakaipaaka.

Key focus areas discussed and agreed:

- All agreed to this collective submission to make way for a new road
- All agreed to support the River Re-alignment
- All agreed that the large slip was imposing a number of affects on them to continue to have access and function normally as farming business', ability to continue access to their traditional recreational place of activities, to continue to have access to their lands and home, continued cultural values associated with the area are at risk of being lost, pollution of the awa and loss of land production.

To give the reader/s a succinct overview of the issues and some potential issues all are faced with is depicted in the diagram below:

The Five Conditions of Collective Impact	
Our Common Agenda	All of us that participated in the discussions about the River Road River Re-Alignment have a shared vision for the re-alignment to be supported by the authorities that be, so that a road is available to us all to have continued access to our farms, our traditional recreational places of activities, our lands and home, we can continue to access to our cultural values associated to this whole area and there will be limited pollution to our awa and limited loss of production from our land
Shared Measurement	We want to receive collective data and measured results consistently from all who are, will be involved in this project, so that there is accountability across that aims at an actual positive outcome for all
Mutually Reinforcing Activities	All involved in the activities to provide solutions to us for access, preservation of lands for continued productivity, traditional and cultural sites of significance continue to be involved in mutually reinforcing plans of action – this situation has been ongoing for far too long
Continuous Communication	Consistent and open communication is needed across involved so far and others are likely to be involved in the future to build trust, assure mutual objectives and create common motivational progress

[1] Traditional and historical name of our awa - Waitirohia

Backbone Support	We are reliant on each other to push that our situation of non-access to our lands, home, cultural and traditional activities and areas is restored for us, but require the resources, specific expertise to support us, funding to undertake specific areas of the re-alignment including: ○ Skills / Expertise – Local Authority Advisors, Councilors, Engineers, Heavy Earth Moving Machinery and Operators, Environmental and Cultural Impact Assessment Experts to provide reports on potential affects that are real issues for us who work constantly and live in and around the area affected

We the following signatories declare that we support the content of this submission that it be true and accurate and is representing in the vicinity of 7,500 landowners

..... Todd Harris (Aramatua Land Trust Manager)

..... Grant Crawshaw Kendhart Farm Partnership

..... Julian Jones (Land owner)

..... Linda Kerley (Land owner and resident)

..... Johnina Symes (Land owner, Multiple Land Trustee, Iwi o Ngati Rakaipaaka spokesperson)

15 March 2020

Submission to: Wairoa District Council
From: Linda Kerley

Re: Nuhaka River Road

My name is Linda Kerley. I've always quoted "If we keep good health and have a sense of humour the rest in life should be a breeze". Believe it or not after all my trials and tribulations in the past ten years I still like to have a good laugh. It's been health that's let me down and worries me a bit now.

I grew up on the Mahia Peninsula and have lived and worked in the Wairoa District all my life. I purchased my house and land up Nuhaka River Road almost 30 years ago. I was sold on the place the moment I saw it, my retirement block, just perfect for myself and my animals. This was to be the second property I've owned in the District. Back then it meant taking on. Yet another mortgage and I worked hard by myself to now have it freehold. I have actually only resided up there for the last ten years, but unfortunately for me only months after I shifted in the landslide happened and the road started falling apart. Being a rural lady I've seen many times over the years what heavy rain in winters can do to hills, tracks and farm access and I know it takes time and money to sort them out.

Yes, River Road has this massive slip. It's a huge, unique occurrence and I was well aware right from day one that it was going to be a waiting game and there would be no easy fix. What I didn't realise back ten was the length of time it would take to get to where we are right now around a table in the Council building. Finally we're all being taken seriously.

Ten years ago and the first few years after were almost a novelty as everyone said to me "Lindi you're a one-off. Nobody else in New Zealand is living up a public road in this situation, walking in to your house!" However as always one for a challenge, give any job or thing a go sort of lady, working out practical ways of physically getting supplies to and from my house, through knee-deep mud many a times, has made it interesting; pushing a wheelbarrow or pulling a trolley where I could, different packs - believe me I've tried them all. Anything to keep the weight off my shoulders.

For those who know me I'm only 5ft2" tall and weigh 50kgs. I'm used to walking all my life and consider myself fit for my age. My main aim on weekdays has been to walk out to work. Work is very important to me - it always has been since the day I left school. I can only say now I've been extremely lucky to have very, very understanding and supportive employers over these years; Riverina Station at Marumaru and the Bayly Trust at Tahaenui. They've both kept my job for me always when with wet days on end and I couldn't walk out safely they always emphasised "stay home and safe, just get here whenever". They have also accommodated me many times for a night or two when I have been caught on the outside, unable to get home.

All these years I've been very determined to get back home because I've had many animals to feed and care for. They rely on me. They can't even afford to be sick as no vet has been

able to get in and farrier to shoe my horses. I have two vehicles stuck on the inside; my big horse truck and a ute. There's never been a track safe enough to get them out. It's been sad for me to slowly watch them deteriorate out in the weather as the sheds I had for a builder to put up have never happened because he's never been able to get them in.

Just normal, everyday occurrences can't happen for me without a road; loads of firewood delivered, taking recycling out, septic tank cleaning, tradesmen to fix my broken window, mechanics to service my generator and machinery.

I could write pages of my enduring times but that's enough about the practicalities in my life. I would like to keep it short and sweet and tell you a little bit more about me as a person which won't be easy. I'm very modest. I've dedicated my heart and soul and time to being a good, supportive, honest and reliable citizen in Wairoa. Thirty years plus with the A&P Show, the Mahia Hunt Club and local pony clubs - a few examples I've been very passionate about and involved with because horses and dogs play a big part in my life. Like many great people we've all spent countless hours at working bees, meetings and hosting these events and I've been so proud to be part of the team when Wairoa gets great feedback telling us we have run the best show, races or hunt for a small town in New Zealand.

We should all be proud of our town. Its achievers and achievements. However sadly and truthfully this is the part over these years and of late that's really broken my heart. Having to withdraw and resign from clubs, events and social outings that I can't give my devotion to. I found it very embarrassing to have to say and sound like a broken record after such a long time my reason being able or unable to get out, or leaving early to walk home before it got dark. I have met, worked and socialised with so many good people from all works of life – young and old – and it's blown me over the support morally, physically, the love, the caring, the kindness, the phone calls, the chats, listening to my meltdowns. Everybody has kept cheering me on, kept my spirits up, kept me smiling and most of all helped me keep thinking positively.

I always said and maintained over the years that I won't give up. I would just love a decent 4WD road put in so that myself and my good neighbours can run our farms and we can get some normality back in our lives. I certainly don't want any sympathy votes, just a good understanding of where it is with me at the moment. Now that I've lived here for some time, I know I bought the right house and surroundings for my retirement. It is only 5kms off a main highway not 30kms inland. It's paradise perfect for me but it's worthless without a road. I certainly don't have any nest eggs hidden to buy somewhere else.

It would be wonderful to be stress free. If only the public road could be kept open.

Thanks to all for hearing my side of this story.

Linda Kerley
PO Box 21, Nuhaka 4165
tel: 022 659 1927

8.2 GRANT TO HAWKE'S BAY RESCUE HELICOPTER TRUST

Author: **Kitea Tipuna, Pouwhakarae – Hapori / Whakatūtaki Group Manager Community and Engagement**

Authoriser: **Steven May, Tumu Whakarae Chief Executive Officer**

Appendices: **Nil**

1. PURPOSE

1.1 The purpose of this report is to present to Council the review of the annual grant to the Hawke's Bay Rescue Helicopter Trust and to seek approval or not for the release of the 2019/2020 grant of $5,000.

RECOMMENDATION

The Pouwhakarae – Hapori / Whakatūtaki Group Manager Community and Engagement RECOMMENDS that Council approves the payment of a grant of $5,000 to the Hawke's Bay Rescue Helicopter Trust.

EXECUTIVE SUMMARY

2. BACKGROUND

2.1 In July 2018 the Hawke's Bay Rescue Helicopter Trust submitted to Council's Long-term Plan 2018-28 (LTP), requesting an annual grant of $15,000.

2.2 In its deliberations towards adopting the LTP Council resolved that:

2.2.1. The Hawke's Bay Rescue Helicopter Trust be given $5,000 per annum to be reviewed annually and the funding be allocated to the community support activity.

2.3 This sum was included in the budgets for the first 5 years of the LTP, but it was not included in the Annual Plan for the year ended 30 June 2020.

3. OPTIONS

3.1 The options identified are:

a. Approve the payment

b. Do not approve the payment

3.2 Approving the payment would demonstrate Council's continuing support for the contribution the Trust makes to welfare in the region.

3.3 This would give rise to a $5,000 adverse variance against budget. The operating result for the Community Grants activity is currently forecast to be close to budget, net cost $465,000.

3.4 The preferred option is *a) Approve the payment*, this contributes to the following community outcomes

Economic wellbeing	Social and Cultural Wellbeing	Environmental Wellbeing
	4. Safe and accessible recreational facilities 5. Supportive, caring and valued communities 6. Strong district leadership and a sense of belonging	7. A safe and secure community 8. A lifetime of good health, education and well-being

4. CORPORATE CONSIDERATIONS

What is the change?

4.1 There is no change, other than a minor variance to budget.

Compliance with legislation and Council Policy

4.2 The payment would be consistent with Council's LTP 2018-28, but a variance to the Annual Plan 2019-20

What are the key benefits?

4.3 Support for a valued contributor to regional community welfare.

What is the cost?

4.4 The cost of $5,000 would be expended from operating cash.

Service delivery review

4.5 There are no service implications.

Māori Standing Committee

4.6 This matter has not been referred to the Māori Standing Committee because it was considered during the LTP process.

5. SIGNIFICANCE

5.1 The Trust's original submission advised that $^1/_3$ of its annual average of 300 missions relate to patients from Wairoa.

5.2 The amount requested is a very small percentage of the trust's operating costs and minimal impact on Council's budget.

5.3 There are no implications for Council's assets or services.

5.4 In accordance with Council's Significance and Engagement Policy this matter is deemed to be of low significance.

6. RISK MANAGEMENT

6.1 In accordance with the Council's Risk Management Policy the inherent risks associated with this matter are:

Human	Financial	Regulatory
Low	Low	Low
Operations	Employees	Image & Reputation
Low	Low	Low

Who has been consulted?

This matter originates from the Long-term Plan 2018-28 consultation.

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,

b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

	
Author Kitea Tipuna	Approved by Steven May

8.3 LOCAL ALCOHOL POLICY CONSULTATION

Author: **Kimberley Tuapawa, Pouwhakarae – Pārongo / Wheako Kiritaki Group Manager Information and Customer Experience**

Authoriser: **Steven May, Tumu Whakarae Chief Executive Officer**

Appendices:
1. **Background paper ⇩**
2. **Draft local alcohol policy ⇩**
3. **Statement of proposal and submission form ⇩**

1. PURPOSE

1.1 The purpose of this report is to present the proposed Local Alcohol Policy for adoption and public consultation.

RECOMMENDATION

The Pouwhakarae – Pārongo / Wheako Kiritaki Group Manager Information and Customer Experience RECOMMENDS that Council adopt the proposed Local Alcohol Policy for public consultation from Wednesday, 1 April 2020 to Thursday 30 April, 2020.

2. BACKGROUND

2.1 The Sale and Supply of Alcohol Act 2012 (SSAA) gives local authorities the power to develop Local Alcohol Policies (LAPs). In 2013, Council resolved to develop a LAP.

2.2 The purpose of a LAP is to give communities greater control over the location and licensing conditions of liquor outlets. Its development is about setting licensing standards that are relevant to the needs of the community. It also provides the District Licensing Committee with guidance that helps ensure licensing decisions balance economic and social outcomes. If Council did not create a LAP, the default provisions in the Act would apply.

2.3 In order to adopt the LAP, Council is required to use the special consultative procedure. The suggested consultation period is 1 April, 2020 – 30 April, 2020. Hearings are tentatively scheduled for 26 May, 2020 at 10am – 12.30pm.

2.4 A background paper was prepared to accompany the LAP, attached as Appendix 1. It will be made available as part of the public consultation.

3. LAP DEVELOPMENT PROCESS

3.1 The LAP's development follows a six-stage process:

1	Develop a background paper to provide context to local issues *Background Paper: Attached Appendix 1*
2	Develop draft LAP in consultation with Police, Licensing Inspectors and Medical Officers of Health, and then formally consult with community. *Draft LAP: Attached Appendix 2* *Statement of proposal and submission form: Attached Appendix 3*
3	Prepare a provisional LAP based on community feedback

4	Give public notice of provisional LAP, and receive any appeals
5	Adopt provisional LAP, which becomes final after 30 days after public notification, or after appeals are resolved
6	Give public notice of LAP's adoption, and date it will come into effect as determined by Council.

3.2 The table below provides a recommended timeline for this process:

Task	Time	Legislative basis
Council resolution to adopt draft for consultation	24 March, 2020	Section 79 (SSAA)
Public notice (of consultation)	26 March, 2020	Section 79 (SSAA)
Consultation period (submissions)	1 April, 2020 – 30 April, 2020	Section 83 (LGA)
Hearings and deliberations	26 May, 2020	Section 83 (LGA)
Council resolution to adopt provisional LAP	16 June, 2020	Section 79
Public notice (of LAP's adoption to be provisional)	18 June, 2020	Section 80 (SSAA)
Appeals period	19 June, 2020 – July 19, 2020	Section 81-86 (SSAA)
Final LAP adoption if no appeals (or 30 days after last of appeals is dismissed)	20 July, 2020	Section 87 (SSAA)
Public notice (of final adoption)	21 July, 2020	Section 90 (SSAA)

4. OPTIONS

4.1 The options identified are:

a. Status quo, do not proceed with adopting a LAP

b. Adopt the draft LAP for consultation

4.2 Option A: If Council no longer wishes to proceed with adopting a LAP, they will need to amend their decision from 2013 at the next ordinary Council meeting via the process for amending a Council decision. The resolution included the Local Approved Products Policy, so the whole resolution cannot be revoked. A LAP is not a requirement and the legislative provisions in the SSAA would continue to apply to the licensing process in the district.

4.3 Option B: Council staff have worked with key stakeholders on the development of the LAP. Based on their feedback, additional information relating to child-focussed events has been added to the submission form to enable the community to have their say on the issue prior to a decision being made on the wording of the LAP.

4.4 The preferred option is option B, as this contributes to the following community outcomes

Economic wellbeing	Social and Cultural Wellbeing	Environmental Wellbeing
	5. Supportive, caring and valued communities	7. A safe and secure community 8. A lifetime of good health, education and well-being

5. CORPORATE CONSIDERATIONS

What is the change?

5.1 Council will consult on a new proposed LAP.

Compliance with legislation and Council Policy

5.2 The LAP complies with relevant legislation and Council policies.

What are the key benefits?

5.3 An opportunity for the community to provide feedback to the content of the LAP.

What is the cost?

5.4 Consultation costs are met within existing budgets.

What is the saving?

5.5 Not applicable.

Service delivery review

5.6 Not applicable.

Maori Standing Committee

5.7 This matter has not been referred to the committee.

6. SIGNIFICANCE

6.1 The LAP is likely to have a high level of public interest.

7. RISK MANAGEMENT

7.1 In accordance with the Council's Risk Management Policy the inherent risks associated with this matter are:

Human	Financial	Regulatory
Low	Low	Low
Operations	**Employees**	**Image & Reputation**
Low	Low	Considerable

Who has been consulted?

To date, no public consultation has occurred. Consultation is now required as per the requirements outlined in the SSAA.

Further Information

Sale and Supply of Alcohol Act http://www.legislation.govt.nz/act/public/2012/0120/latest/DLM3339333.html

Local Alcohol Policies https://www.justice.govt.nz/justice-sector-policy/key-initiatives/sale-and-supply-of-alcohol/community-involvement/local-alcohol-policies/

References (to or from other Committees)

Council. 28 November, 2013. Local Alcohol and Local Approved Products Policies.

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,

b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

	
Author Kimberley Tuapawa	Approved by Steven May

LOCAL ALCOHOL POLICY BACKGROUND PAPER

JUNE 2018

TE WAIROA
WAIROA DISTRICT

CONTENTS

INTRODUCTION

In August 2008, the Law Commission commenced a review of New Zealand's alcohol laws. As part of this process, the Commission engaged in wide public consultation, resulting in almost 3000 public submissions. In April 2010, the Commission published its final report, entitled *Alcohol in Our Lives: Curbing the Harm* (2010).

This report summarised the key issues raised through the submission process and presented the Commissions' final recommendations to the Government. The Alcohol Reform Bill, which was introduced to Parliament in November 2010, is the Government's legislative response to the Commission's work.

In December 2012, the Sale and Supply of Alcohol Act 2012 (*the Act*) replaced the Sale of Liquor Act 1989. The purpose of the Act is to put in place a system of control over the sale and supply of alcohol that is reasonable and helps achieve the objects of the Act (New Zealand Government, 2012).

Its objectives are that:

a) The sale, supply, and consumption of alcohol should be undertaken safely and responsibly; and
b) The harm caused by the excessive or inappropriate consumption of alcohol should be minimised.

The adoption of the Act gave territorial authorities the power to develop Local Alcohol Policies (LAPs). This policy opportunity is part of a greater reform of the way we sell, supply and consume alcohol in New Zealand. Its purpose is to give communities greater control over the licensing of liquor outlets.

Developing an LAP is about setting standards for liquor licensing that are relevant to the needs of our community.

At a Council meeting in July 2013, the Wairoa District Council resolved to develop an LAP. In developing its LAP, Council have regard to the way alcohol is supplied and consumed in Wairoa. If Council did not create a LAP, the default provisions in the Act would apply.

The purpose of this Background Paper is to provide background on alcohol and its place in our community, and key trends in relation to alcohol in the Wairoa district.

THIS BACKGROUND PAPER IS DIVIDED INTO FIVE PARTS:

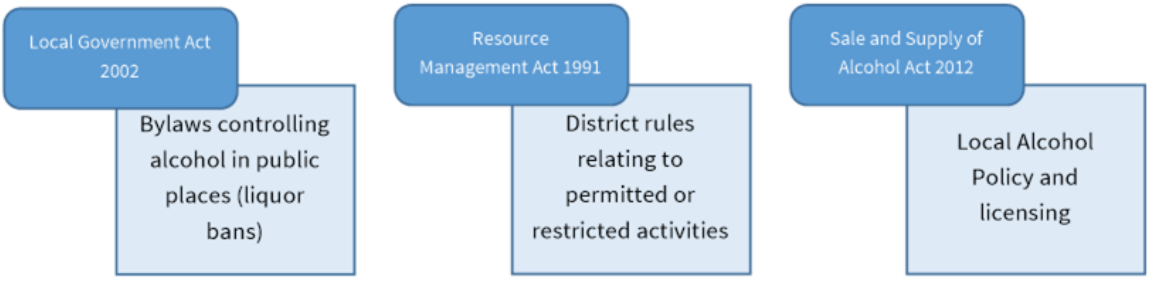
Section	Contents
What's an LAP?	The key aspects of the LAP, its application, and what opportunities it will provide our community.
What are the alcohol-related harms?	Health, crime and road safety issues that are linked with harmful alcohol consumption.
How are we consuming alcohol?	How people in New Zealand are consuming alcohol, and what that may mean for the way we are consuming alcohol.
The Wairoa community and alcohol	Wairoa's demographic and economic profile. How the people of Wairoa feel about alcohol, what controls currently exist to manage alcohol, and how the development of an LAP relates to community outcomes.
How is the LAP developed?	The Act requires the Council to develop an LAP using a defined process.

1.0 WHAT'S AN LAP?

The purpose of an LAP is to give communities greater control over licensing of liquor outlets. LAPs affect the conditions for licences and the operation of licensed premises, and in doing so alter the supply of alcohol into the community. They can only contain policies relating to alcohol licensing. This means they cannot place any restrictions on who can purchase alcohol or place constraints over the products themselves. They do not alter restrictions relating to the age of purchase, types of marketing or price of alcohol.

As shown in **Figure 1**, LAPs sit within a regulatory regime developed by Central Government through Acts of Parliament. Those Acts delegate powers to Councils to regulate certain activities as well as requiring them to perform certain duties.

Figure 1: Important legislation for Councils to manage alcohol



WHAT'S A LICENCE?

A licence allows the holder to sell alcohol. There are four types of licence and each type has specific criteria attached to it by the Act.

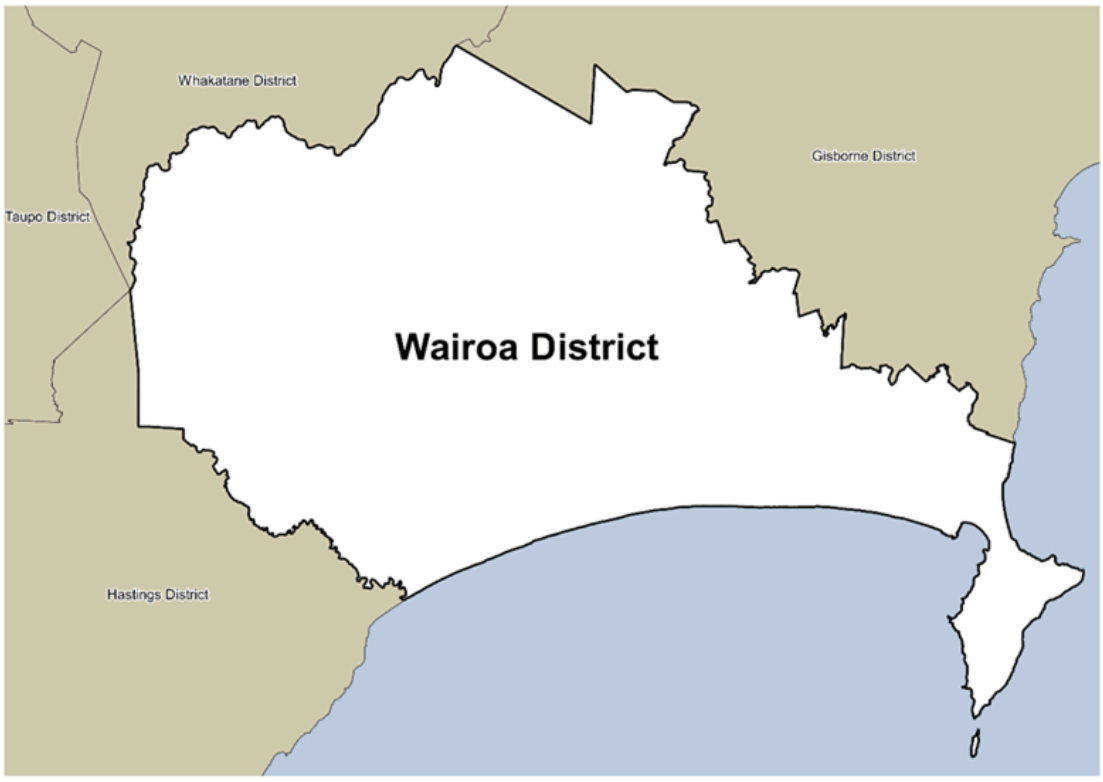
Licence type	Example of this type of licence	Description
On Licence	Pub, restaurant, café	The sale and supply of alcohol for consumption at the premises, including outdoor areas.
Off Licence	Bottle store, supermarket	The sale and supply of alcohol to be consumed away from the premises e.g. at home, at a BYO
Club Licence	Sports club, RSA, working men's club	The sale and supply of alcohol for consumption at the club premises and only to members, affiliates and guests of the club.
Special Licence	Festivals, weddings in Council halls	The sale of liquor at special events. It may be used to extend operational hours or to licence one-off events.

WHERE DOES A LAP APPLY?

The LAP applies to the jurisdiction of a Territorial Authority.

Figure 2 displays the jurisdiction over which the Wairoa District Council's LAP will apply.

Figure 2: Wairoa District Council's jurisdiction



HOURS OF OPERATION

A LAP can set the maximum hours of operation for different licence types. If there is no policy on maximum trading hours, then the default hours of operation in the Act will apply.

TRADING HOURS UNDER THE ACT

The default maximum national trading hours under the Act are:

- Hours between 8 am on any day and 4 am on the next day for the sale and supply of alcohol for consumption on premises for which an on-licence or a club licence is held, and
- Hours between 7 am and 11 pm on any day for the sale of alcohol on premises for which an off-licence is held.

DISCRETIONARY CONDITIONS

The Act allows Councils to include specific conditions that can be applied to certain licence types at the time of granting a licence.

APPLYING AN LAP

The LAP will apply to all applications for new licences after the date the policy comes into force.

In Wairoa the District Licensing Committee (the Committee) is made up of three people, two from the wider community and one elected member. They take advice from the NZ Police, Medical Officers of Health and the Council's licensing inspector.

The Committee decides applications for:

- New and renewed licences and managers' certificates,
- Temporary authorities and temporary licences,
- Variation of licences, and
- Most enforcement action for specific licences.

The committee must take the LAP into account when determining whether or not to grant a licence and what conditions will be attached to that licence. The Committee must also consider each application in accordance with criteria set out in the Act. That criteria includes whether the application complies with the LAP.

Other criteria are:

- The objectives of the Act,
- Suitability of the applicant,
- Design and layout of the premises,
- Whether the applicant provides goods or services other than those related to the sale of alcoholic and non-alcoholic refreshments and food,

- Whether, in the opinion of the Committee, the amenity and good order of the locality in which the premises is located is likely to be reduced by more than a minor extent by the issue of a licence,
- Whether the applicant has the appropriate systems, staff and training to comply with the law.
- Consideration of any other matters in opposition raised by the Medical Officer of Health, Police, or the Licensing Inspector.

2.0 ALCOHOL RELATED ISSUES – THE HARM

Current alcohol-related statistics for Wairoa in the areas of health, crime, and road safety were difficult to obtain. Where local data is unavailable, we used national or regional-level data. This data covers the Hawkes Bay region, of which Wairoa is a part.

Some of the key documents used were:

- **Tackling alcohol harm in Hawke Bay.** An Alcohol Harm Reduction Strategy for 2017 – 2022, developed by Hawkes Bay District Health Board.
- **Alcohol Related Harm Statistics.** Data specific to the Hawkes Bay region, provided by Hawkes Bay District Health Board.
- **Alcohol-related injury.** An evidenced-based Literature Review by Research New Zealand.
- **Alcohol – The Body and Health Effects.** A brief overview of the health and body effects of alcohol, published by the Health Promotion Agency**.**
- **Alcohol Harm in Wairoa.** A Scoping Project to Determine Alcohol Related Harm Priorities for the Region by Te He Hapori Haumaru, Wairoa Safe Communities.
- **Alcohol and Drugs 2017.** A statistical report by the Ministry of Transport on alcohol and drug's contribution to road crashes.

Despite its wide social acceptability and "normalisation" in New Zealand society, alcohol is not an ordinary commodity. It has been identified as a toxin, an intoxicant, and an addictive psychotropic drug. It has also been classified as a Group 1 carcinogen (carcinogenic to humans) by the World Health Organisation (Hawke's Bay District Health Board, 2017).

Alcohol is also the drug that causes the most harm to the most people in New Zealand. Every year around 600 – 800 New Zealanders die from alcohol-related causes. The harm caused by alcohol is estimated to cost NZ as a country an overall $6.5 billion per year. In Hawke's Bay, based on hospital bed days alone, alcohol-related harm is estimated to cost $3 million per year (2014-2015) (Hawke's Bay District Health Board, 2017).

Alcohol intoxication often results in injury, including falls, burns, motor vehicle accidents, assaults and drowning (Health Promotion Agency, 2016). An individual who is intoxicated may be injured themselves, or they may injure others, including family members, friends or strangers (Research New Zealand, 2012).

As well as potentially affecting the physical and mental health of individuals, chronic and heavy alcohol use can increase the risk of death. This can happen through acute alcohol poisoning or because the alcohol causes a fatal disease, such as cancer. Its use can also be a factor in a violent death or suicide. Alcohol also contributes to a high burden of disease, in terms of the years that people spend with a disability or in poor health because of an alcohol-related illnesses (Health Promotion Agency, 2016).

It is important to note that licensing decisions alone will not address these issues. However, informed licensing decisions can contribute to reducing alcohol-related harm and promoting responsible drinking behaviour.

HAZARDOUS DRINKING

One in every four adults in Hawke's Bay is a "hazardous drinker". This means they are likely to harm their own health or cause harm to others through their behaviour. The Ministry of Health defines *hazardous drinking* as an established pattern of drinking that carries a risk of harming physical or mental health, or having harmful social effects to the drinker or others. Hazardous drinking is defined by a score of 8 or more on the alcohol screening tool known as AUDIT, the Alcohol Use Disorders Identification Test (Ministry of Health, 2013).

The Hawke's Bay population as a whole is drinking more hazardously than the rest of New Zealand, with the hazardous drinking rates in this region 60% higher than nationally. Moreover, these rates appear to be increasing over time (Hawke's Bay District Health Board, 2017). Significant inequities also exist, with higher rates of hazardous drinking by Māori compared with non-Māori, and higher hospitalisation rates for alcohol-related conditions for Māori and for men.

The age group with the highest rates of hazardous drinking is 15-24 years where, in Hawke's Bay, 41% of this age group are drinking hazardously (Hawke's Bay District Health Board, 2017).

PREVALENCE IN HAZARDOUS DRINKING

As shown in **Table 1**, the hazardous drinking age standardised prevalence rates increased for both men and women in Hawke's Bay between 2002/03 and 2011/13. There has been an increase in Māori hazardous drinking rates in Hawke's Bay between 2002/03 and 2011/13, while rates of hazardous drinking have declined in Non-Māori over this time (Hawkes Bay District Health Board, 2017).

Table 1: Proportion of hazardous drinkers in population

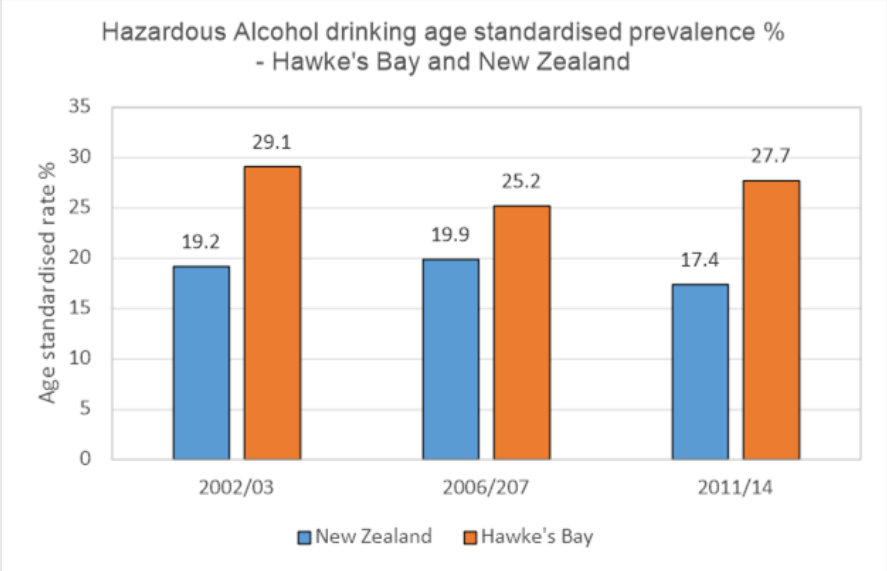
Area	Hazardous Alcohol Drinking : ASR Prevalence rate % (15+ population)							
			2002/03		2006/07		2012*	
	Ethnicity	Gender	%	95% CI	%	95% CI	%	95% CI
Hawkes Bay	Total	Total	29.1	(21.6-38.0)	25.2	(20.2-30.9)	29.3	(25.7-33.2)
		Men	38.3	(26.6-51.6)	32.4	(24.4-41.6)	41.8	(35.5-48.4)
		Women	16.6	(8.1-31.1)	17.4	(11.4-25.5)	21.5	(17.5-26.1)
	Māori	Total	30.7	(18.9-45.8)	36.8	(29.4-44.9)	43.2	(38.4-48.2)
		Men			48.6	(36.2-61.3)	58.5	(50.0-66.6)
		Women			29.6	(21.4-39.3)	33.1	(27.7-39.0)
	Non Māori	Total	28.4	(15.0-47.1)	21.8	(15.5-29.8)	23.3	(19.4-27.8)
		Men			29.3	(19.3-42.0)	34.9	(27.0-43.8)
		Women			11.8	(5.4-23.7)	15.9	(10.7-22.9)
New Zealand	Total	Total	19.2	(18.0-20.5)	19.9	(18.9-21.0)	17.1	(16.3-18.0)
		Men	27.2	(25.2-29.4)	27.9	(26.1-29.7)	24.1	(22.7-25.5)
		Women	11.5	(10.2-12.9)	12.3	(11.3-13.5)	10.4	(9.6-11.3)

		Total	26.2	(23.1-29.5)	31.1	(29.2-33.1)	28.4	(26.7-30.2)
		Men			41	(37.8-44.3)	36.3	(33.6-39.2)
	Māori	Women			22.2	(20.1-24.4)	21.1	(19.3-23.1)
		Total	17.9	(16.7-19.2)	17.9	(16.7-19.1)	15.1	(14.2-16.0)
		Men			25.6	(23.7-27.6)	21.9	(20.4-23.4)
	Non Māori	Women			10.4	(9.3-11.7)	8.4	(7.6-9.4)

Note: 2012 (pooled data) 2011-2013.This ASR time series is available only up to 2011-2013 pooled data only.

As shown in **Figure 3** and **Table 2**, Hawke's Bay Hazardous Drinking age standardised prevalence rates increased 9.9 % between 2006/07 and 2011/14. In 2011/14 the New Zealand Health survey found Hawke's Bay Hazardous Drinking age standardised rates to be 60 % higher than overall New Zealand rates. This difference is statistically significant (Hawkes Bay District Health Board, 2017).

Figure 3: Hazardous Alcohol Drinking: age standardised prevalence %



Sources: 2002/03, 2006/07, 2011/12, 2012/13 and 2013/14 New Zealand Health Survey

Table 2:

Area	2002/03		2006/07		2011/14	
	Rate %	CI	Rate %	CI	Rate %	CI
New Zealand	19.2	(18.0-20.5)	19.9	(18.9-21.0)	17.4	(16.7–18.2)
Hawke's Bay	29.1	(21.6-38.0)	25.2	(20.2-30.9)	27.7	(25.2–30.4)

PREVALENCE FOR AGE GROUPS

As shown in **Figure 4** and **Table 3**, Hawke's Bay men and women have significantly higher unadjusted hazardous drinking rates compared to their national counterparts. Hazardous drinking crude rates are highest in the 15-24 year age group in Hawke's Bay and also nationally. Hawke's Bay rates in this age group are significantly higher than national rates for men but not so for women (Hawkes Bay District Health Board, 2017).

Hawke's Bay men in the 15-24 year age group have significantly higher hazardous drinking rates compared to Hawke's Bay women. In Hawke's Bay Hazardous drinking prevalence rates are 41.1 % in the 15-24 year age group. Hawke's Bay Hazardous Drinking prevalence rates in the 25-44 age group are 32.5 % overall, 49.5 % in men and 20.8 % in women. Hawke's Bay men and women rates in this age group are all statistically significantly higher compared to national rates (Hawkes Bay District Health Board, 2017).

Figure 4: **Unadjusted prevalence (%), adults aged 15 years and over, Hawke's Bay DHB, 2011-14**

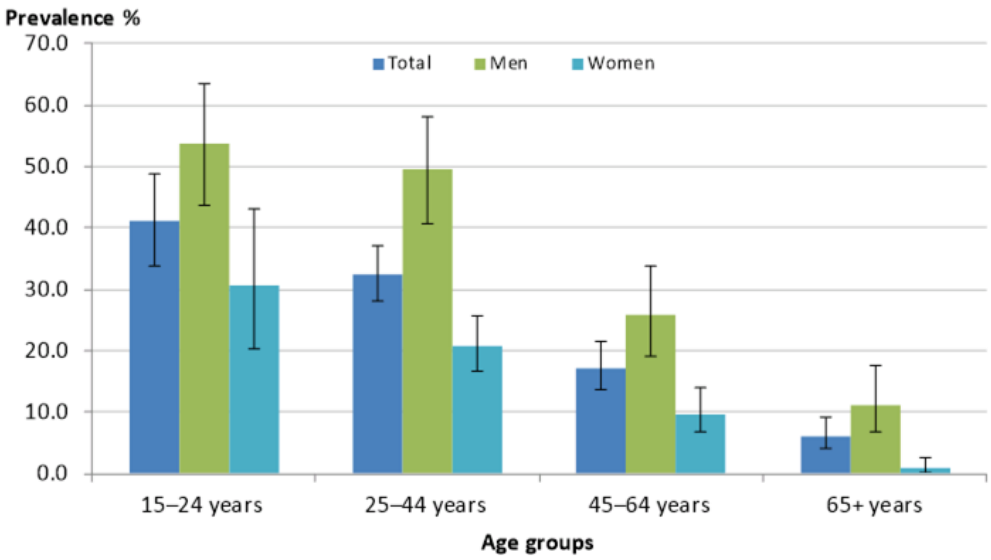


Table 3: **Unadjusted prevalence (%), adults 15 years and over, Hawke's Bay DHB and New Zealand, 2011-14**

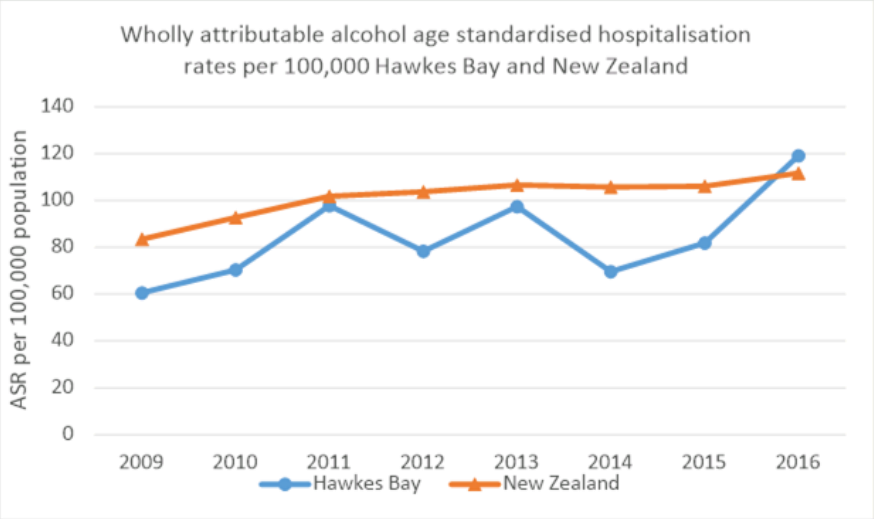
Age group	Total		Men		Women	
	Hawkes Bay	NZ	Hawkes Bay	NZ	Hawkes Bay	NZ
Total	23.0	15.5	33.0	22.0	14.8	9.5
15–24 years	41.1	25.6	53.9	30.9	30.6	20.0
25–44 years	32.5	20.3	49.5	29.1	20.8	12.1
45–64 years	17.3	11.4	25.8	17.2	9.8	5.9
65+ years	6.1	3.9	11.2	7.0	0.9	1.2

Sources: 2011/12, 2012/13 and 2013/14 New Zealand Health Survey

HEALTH ISSUES

Alcohol is a major cause of health issues in the Hawkes Bay region. The following Figures look at the hospitalisation rates relating to alcohol in Hawkes Bay and New Zealand. As shown in **Figure 5**, HB rates have increased 97% from 60.5 per 100,000 population in 2009 to 119.1 per 100,000 population in 2016. NZ rates in the same period have increased 33.8% from 83.4 per 100000 in 2009 to 111.6 per 100,000 in 2016.

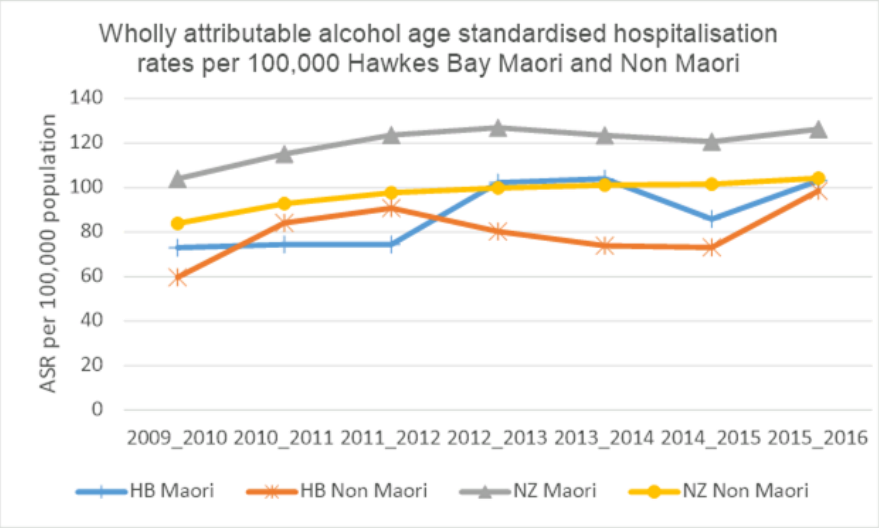
Figure 5 Alcohol specific wholly attributable alcohol hospitalisations



Source: Centre for Public Health Research, Massey University Environmental indicators programme 2018

As shown in **Figure 6**, HB Maori rates have increased 41% from 73 per 100,000 population in 2009/2010 to 103.1 per 100,000 in 2015/2016. HB Non Maori rates have increased 65% from 59.7 per 100,000 population to 98.5 per 100,000 in 2015/2016. Māori and non-Māori rates are not statistically significantly different.

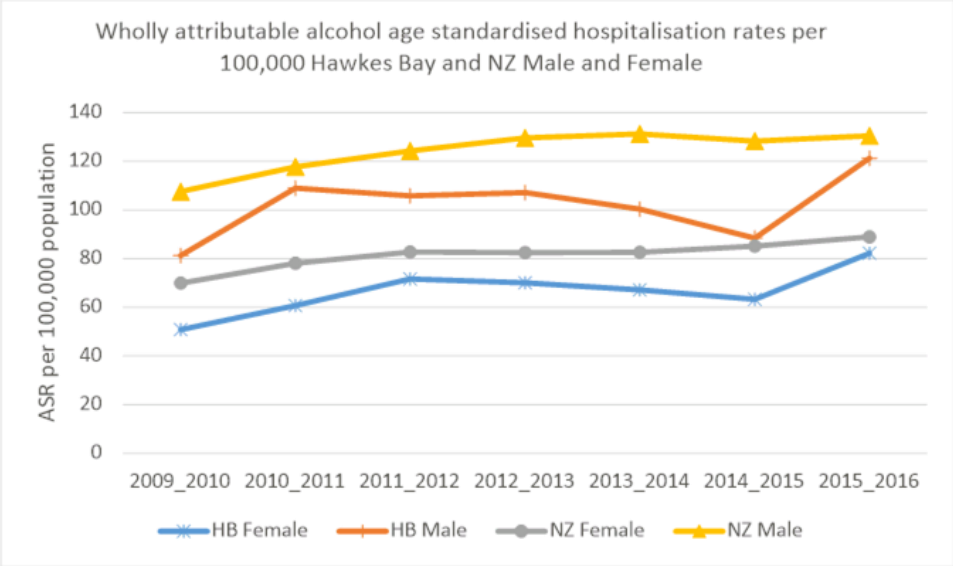
Figure 6: Wholly attributable alcohol hospitalisations ASR per 100,000 population



Source: Centre for Public Health Research, Massey University Environmental indicators programme 2018

As shown in **Figure 7**, Hawke's Bay male rates have increased 74% from 69.3 per 100,000 population in 2009/2010 to 121.3 per 100,000 in 2015/2016. New Zealand male rates increases 34 % in the same period. Hawke's Bay female rates have increased 61.7% from per 50.8 100,000 population to 82.2 per 100,000 in 2015/2016. New Zealand female rates increased 27% in the same period.

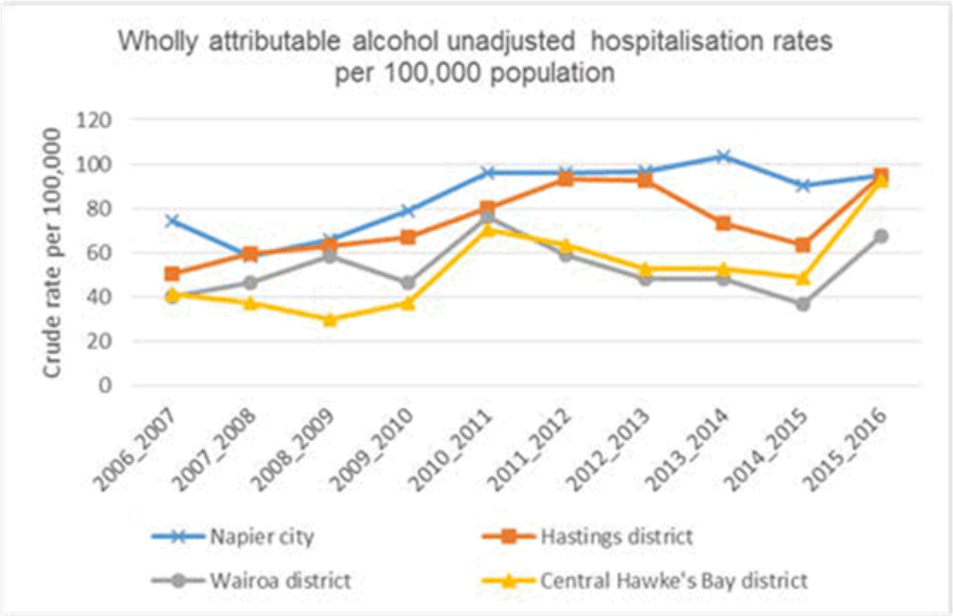
Figure 7: Alcohol specific wholly attributable to alcohol hospitalisations by gender



Source: Centre for Public Health Research, Massey University Environmental indicators programme 2018

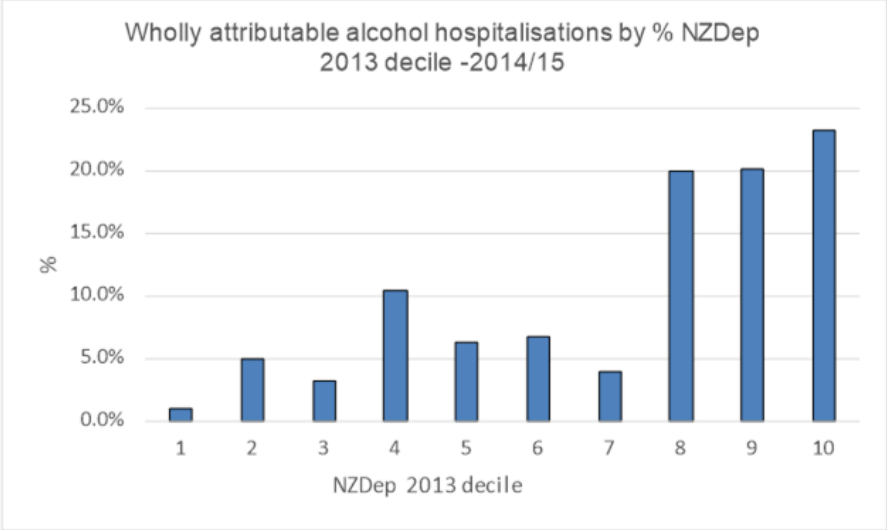
As shown in **Figure 8**, wholly attributable unadjusted (crude) alcohol hospitalisation rates in all TLA have increased in the 2 year period between 2014/2015 and 2015/2016. There is no statistical significance in rates between districts.

Figure 8: Alcohol specific wholly attributable to alcohol hospitalisations by district



As shown in **Figure 9**, alcohol specific hospitalisations in 2014/15 were predominantly (63.4%) residents from lower socio-economic areas 8, 9 and 10.

Figure 9: Wholly attributable alcohol hospitalisations by New Zealand Deprivation (2013)

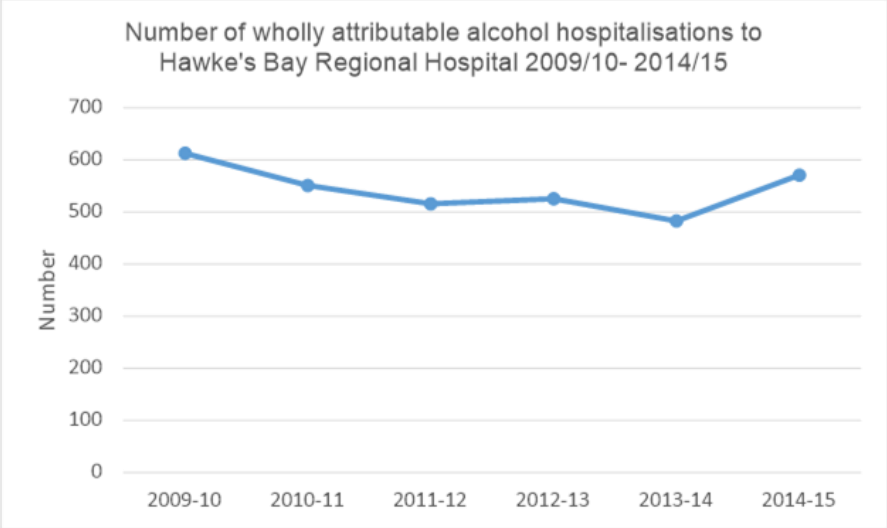


Source: HB DHB Data Warehouse 2016

The following analysis provides an indication of the resource used in relation to alcohol-related hospitalisations. This analysis includes hospitalisations for both Hawkes Bay domiciled residents and patients who usually live outside the Hawke's Bay DHB region.

As shown in **Figure 10**, numbers of alcohol related hospitalisations to the Hawke's Bay Regional Hospital have trended downwards until 2013/14. However numbers have increased 18.2 % in the 2014/15 year compared to the previous 2013/14 financial year.

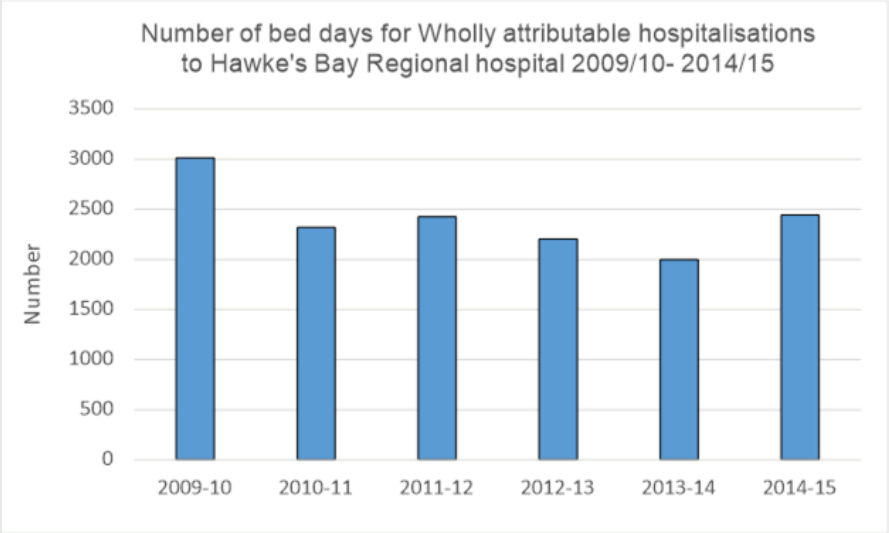
Figure 10: Number of alcohol related hospitalisations to Hawke's Bay Hospital



Source: HB DHB Data Warehouse 2016

As shown in **Figure 11**, the average days stay in hospital for a wholly attributable alcohol related hospitalisation is 4.2 days. In 2014/15 the total bed days for wholly attributable alcohol related hospitalisation was 2,441 bed days or 7 hospital beds every day. This total direct hospital cost for these admissions in 2014/15 was $3,107,049 (This does not include ongoing outpatient and rehabilitation costs).

Figure 11: Number of bed days for wholly attributable hospitalisations to Hawkes Bay Hospital



The Ministry of Health confirmed that in 2014, the number of deaths directly attributable to alcohol was 185[1]. However, none of these deaths were of people domiciled in the Wairoa District.

CRIME AND VIOLENCE

Alcohol is a leading cause of crime and violence in New Zealand. It has been estimated that 31% of all recorded crime is perpetrated by an individual who has consumed alcohol prior to offending. In the Wairoa community, such problems appear closely linked to the use of alcohol supplied from off-licensed premises. Local Police are concerned with the high incidence of 'shed parties' being held by various community members who have made a habit of drinking socially at home. These events have become a popular option for some households, and it is thought that Wairoa's lack of nightlife activity is a contributing factor.

Unfortunately, these 'shed party' events are not restricted to weekends, and often occur during the week. Police report that these occasions cause problems. They result in instances of family violence, assaults, drink driving and arrests. The after-effects mean that on the following day children may be absent from school, and parents may be absent from work, which in turn creates further issues due to a lack of income.

On other occasions, Police have been called in as a result of violence which has occurred because of issues caused indirectly by alcohol. This includes situations where, for example an argument has arisen over misspent money, which was intended for essential household items or bills, but which has been spent on

[1] The age standardised rate (to the WHO standard population) of these deaths was 3.0 per 100,000.

alcohol. Other problems arise where, for example a person's drunk actions at a party has created awkward or challenging situations in family or social relationships.

Research from the Women's Health Action Trust has found that the harmful effect of alcohol on women have increased, and that is almost no areas is alcohol-related harm have reduced. The harms include "financial vulnerability, diminished physical and mental health, an increase in the severity and prevalence of violence directed at them, compromised parenting, family breakdown and erosion of cultural values and wellbeing". Women experience these harms from their own drinking, and from the drinking of others (Women's Health Action Trust, 2014, p. 6).

Wairoa Police and members from local Family Violence intervention agencies meet every week to discuss family harm incidents and call outs that have been attended by Police. The agencies and local representatives involved include DHB, Kahungunu Executive, local midwives, Wairoa Youth Services Trust, Child Youth & Family Services, Police, social workers, and health professionals.

The group discusses seven to 10 cases a week, the majority of which involve alcohol, where one or more of the persons involved had been drinking. These numbers are usually consistent across the year (Wairoa Safe Communities, 2016). These agencies can refer those requiring help on to an alcohol counselling service, but it is up to the individuals to accept help.

The majority of crime-related issues are not linked to the use of alcohol supplied from on-licensed premises. Police report that host responsibility at local bars, restaurants and cafes is very good. While historically, it was acceptable to be "rolling drunk" in the pub, "there is now no tolerance" for this behaviour. "Good host responsibility means that no one is really wasted [on site] these days". Local "hosts also have good methods in place to help prevent drink driving. These include having available sober-driving transport vans which are used to escort patrons home." Also "it's a small town, so the friends of those drinking can be called and asked to come down and pick up their friends" who have been drinking.

In Hawkes Bay, alcohol related offences are more likely to be committed by young people aged 17-25 years. Around 70-90% of all weekend crime in alcohol related (Napier City Council, Hastings City Council, 2013).

ROAD TRAFFIC ACCIDENTS

Alcohol affects the way people drive. Studies show that the risk of being involved in a crash increases rapidly as a driver's blood alcohol level rises (New Zealand Transport Agency, 2010, p. 6).

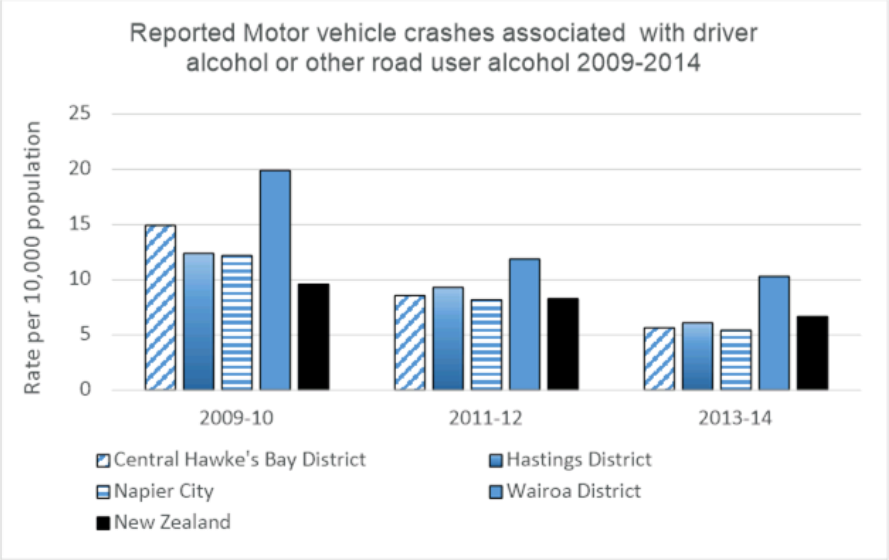
Road traffic accidents make up a major component of alcohol-related unintentional injuries, and a causal relationship between alcohol and road traffic injuries has been identified (Research New Zealand, 2012, p. 6). At 80mg of alcohol per 100ml of blood, a driver is about sixteen times as likely to be involved in a fatal crash as the same driver with a zero blood alcohol level (Ministry of Transport, 2017). As crash severity increases, so does the contribution of alcohol/drugs.

In New Zealand over the years 2014–2016, alcohol/drugs were a factor in 29 percent of fatal crashes, 14 percent of serious injury crashes and 10 percent of minor injury crashes. During 2016, driver alcohol/drugs were a contributing factor in 80 fatal traffic crashes, 144 serious injury crashes and 479 minor injury crashes. These crashes resulted in 89 deaths, 189 serious injuries and 674 minor injuries. The total social cost of

crashes involving alcohol/drugs was about $564 million; 14 percent of the social cost associated with all injury crashes (Ministry of Transport, 2017).

Local Police report that drink driving is a serious issue in Wairoa. As shown in **Figure 12**, *the rates of motor vehicle crashes associated with driver alcohol or other road user alcohol are* ***highest*** *in Wairoa District*. However rates dropped in all districts between 2009-10 and 2013-14. Despite the drop in rates across all districts in Hawke's Bay, *Wairoa District alcohol related motor vehicle crash rates remained* ***higher than national rates*** *in all 3 periods* (Hawkes Bay District Health Board, 2017).

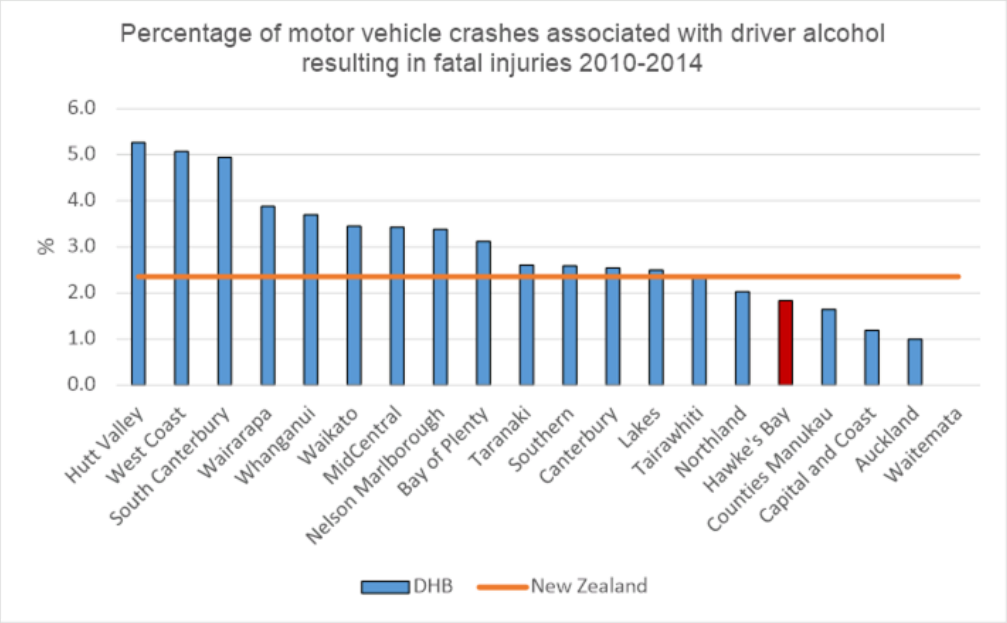
Figure 12: Reported motor vehicle crashes associated with driver alcohol



Source: Environment Health Indicators NZ programme, Massey University – Wellington (Provisional)

As shown in **Figure 13**, the percentage of alcohol related vehicle crashes resulting in fatal injuries dropped from 2.3 % in 2009-11 to 2.1 % in 2012-14. Hawke's Bay has one of the lowest percentage of alcohol related vehicle crashes that are fatal in New Zealand (Hawkes Bay District Health Board, 2017).

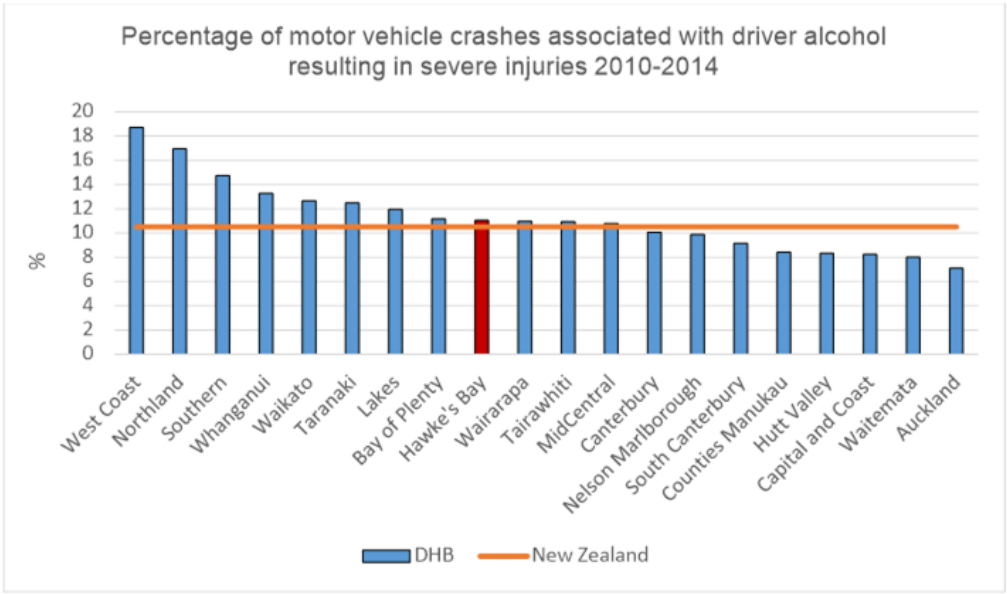
Figure 13: Motor vehicle crashes associated with driver alcohol resulting in fatal injuries



Source: Environment Health Indicators NZ programme, Massey University – Wellington (Provisional)

As shown in **Figure 14**, the % of alcohol related crashes resulting in severe injuries have increased from 6.2 % in 2009-11 to 11.3 % in 2012-2014 (Hawkes Bay District Health Board, 2017).

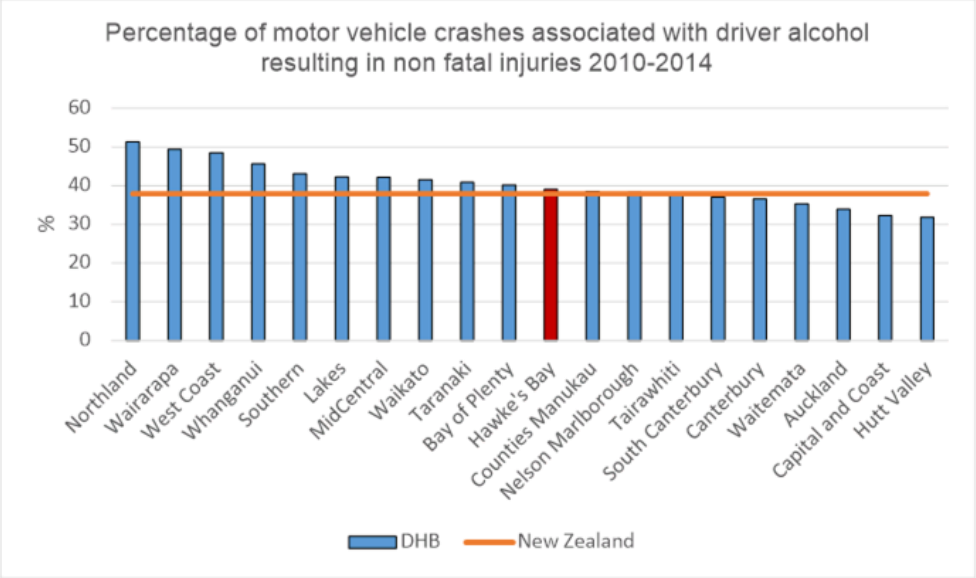
Figure 14: Motor vehicle crashes associated with driver alcohol resulting in severe injuries



Source: Environment Health Indicators NZ programme, Massey University – Wellington (Provisional)

As shown in **Figure 15**, the proportion of non-fatal injury alcohol crashes have increased from 36 % in 2009-2011 to 43 % in 2012 -2014. In the 5 year period 2010-2014 Hawke's Bay has slightly higher rates than New Zealand for alcohol related crashes resulting in non-fatal injuries (Hawkes Bay District Health Board, 2017).

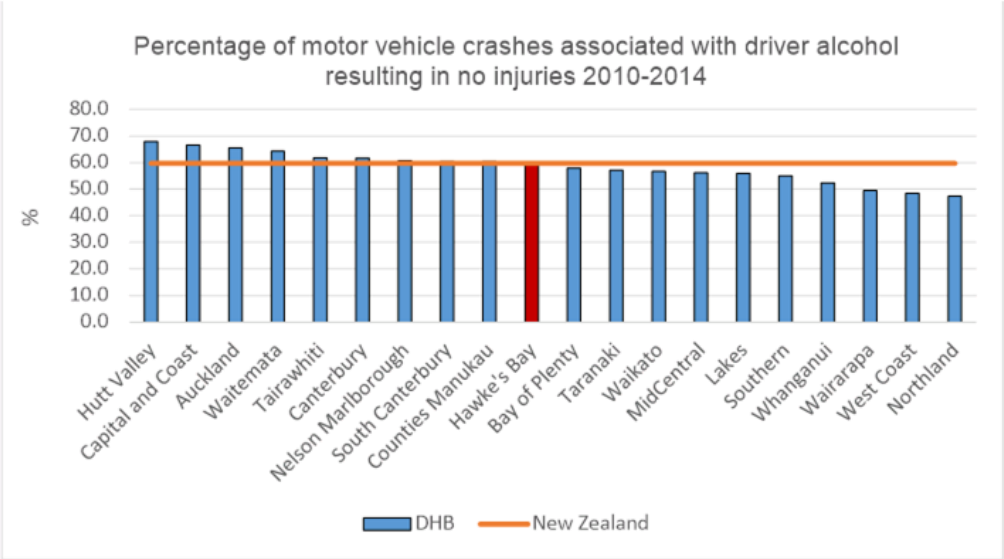
Figure 15: Motor vehicle crashes associated with driver alcohol resulting in non-fatal injuries



Source: Environment Health Indicators NZ programme, Massey University – Wellington (Provisional)

As shown in **Figure 16**, the percentage of alcohol related crashes that do not result in an injury have dropped from 57.5% in 2009-2011 to 48.9 % in 2012-2014. Over the 5 year period 2001-2014 Hawke's Bay had rates the same as national rates for the percentage of alcohol related crashes which had no injuries (Hawkes Bay District Health Board, 2017).

Figure 16: Motor vehicle crashes associated with driver alcohol resulting in no injuries



Source: Environment Health Indicators NZ programme, Massey University – Wellington (Provisional)

3.0 CONSUMPTION BEHAVIOUR

High doses of alcohol can result in alcohol-related harms. These harms are varied, and include injuries, health issues, violence and assaults, and motor vehicle accidents. This section looks at the types of consumption behaviour and what evidence there is for this behaviour in our community.

The Health Promotion Agency (HPA) report entitled *Attitudes and Behaviour towards Alcohol Survey 2013/2014 to 2015/2016: Hawke's Bay Regional Analysis (ABAS)* (2017) presents descriptive results from the 2013/14, 2014/15 and 2015/16 surveys about alcohol-related behaviours, attitudes and experiences of people aged 15 years and over living in the Hawkes Bay region, and compares these to New Zealand as a whole.

ALCOHOL CONSUMPTION

The survey found that the majority (75%) of respondents aged 15 years and over in the Hawke's Bay region had consumed alcohol in the last year. Sixty-four percent of those living in the Hawke's Bay region reported consuming alcohol in the last four weeks. This was similar to the rest of New Zealand (62%). There were no significant differences for Hawke's Bay respondents across the three survey years.

RISKY DRINKING

In the survey, the HPA defined "risky drinking" as seven or more drinks on any one occasion in the last four weeks for those aged 18 years and over, and five or more drinks on any one occasion in the last four weeks for those aged 15 to 17 years. One-third (33%) of Hawke's Bay respondents who had consumed alcohol in the past four weeks reported risky drinking behaviour, significantly higher than the rest of New Zealand (27%). Risky drinking behaviour increased significantly from 2013/14 (22%) to 2015/16 (41%).

EXPERIENCES WITH ALCOHOL

The respondents who reported drinking alcohol in the last four weeks were asked if they had personally experienced any of a range of consequences after drinking. The most common experiences reported by Hawke's Bay respondents were "feeling good, happy or relaxed" (90%) and "was able to de-stress, wind down" (76%). A significantly greater percentage of Hawke's Bay respondents reported these experiences, compared with the rest of New Zealand (83% and 70%, respectively).

Experiences were categorised as harmful where they may potentially result in harmful physical, social or emotional outcomes. Twenty-one percent of Hawke's Bay respondents reported having at least one harmful experience from drinking alcohol in the last four weeks. This was similar to the rest of New Zealand (20%). For Hawke's Bay respondents, the most common harmful experiences were described as occasions in which they had "spent too much money on alcohol" (11%), "drove a vehicle while being unsure of how much you were under the influence of alcohol" (4%) and "injured yourself accidentally" (4%). These experiences were not significantly different from the rest of New Zealand. In 2015/16, a significantly greater percentage of Hawke's Bay respondents reported that they had "gotten drunk or intoxicated" (24%), compared with 2013/14 (10%).

TYPES OF DRINKS CONSUMED

The respondents who had consumed two or more drinks on any one occasion in the last three months were also asked about the type(s) of drink they had consumed at their last drinking occasion. The most frequently reported types of alcohol consumed by Hawke's Bay drinkers were beer, wine or sparkling wine, and spirits.

There were no significant differences in the types of alcohol consumed compared with the rest of New Zealand. Across the three survey years, there were significant differences in the types of drinks consumed at the last drinking occasion. Significantly more respondents reported drinking cider on the last occasion, while significantly fewer respondents reported drinking wine in 2015/16 compared with 2013/14.

Based on observations, local Police report that the most popular types of alcoholic beverages being consumed in our community are beer and ready-mixed drinks, such as Bourbon & Cola.

ATTITUDES TO DRINKING

All respondents were asked for their level of agreement with the statement "Binge drinking is part of kiwi culture". No definition was provided for "binge drinking"; respondents defined this for themselves. The responses to this statement used a 5-point scale from 'strongly agree' to 'strongly disagree'.

Fifty-three percent of Hawke's Bay respondents agreed or strongly agreed that 'binge drinking is part of kiwi culture'. There were no significant differences in level of agreement between those in the Hawke's Bay and the rest of New Zealand, or across the three survey years for Hawke's Bay respondents.

PURCHASE LOCATIONS

The respondents who reported having purchased alcohol in the last four weeks were asked where they had purchased alcohol. For Hawke's Bay respondents, the supermarket, bottle or liquor store and restaurant/café were the most frequently reported places to purchase alcohol.

There were some significant differences in purchasing locations in the last four weeks between Hawke's Bay respondents and those in the rest of New Zealand:

- A greater proportion of Hawke's Bay respondents purchased alcohol at bottle or liquor stores (54%) and at vineyards (13%), compared with the rest of New Zealand (46% purchased at bottle or liquor stores; 4% at vineyards).
- A smaller proportion of Hawke's Bay respondents purchased alcohol from a bar/nightclub (17%), compared with the rest of New Zealand (23%).

For the most frequently reported locations where alcohol was purchased, there were no significant differences across the three survey years for Hawke's Bay respondents.

THE BENEFITS OF ALCOHOL

Alcohol is a commodity that brings significant benefits to individuals, private entities, government and the economy as a whole. Its production generates considerable economic activity.

For example, New Zealand wine continues to perform strongly on the global stage (New Zealand Wine Growers, 2017). In fact, our wine now stands as our nation's fifth largest export good. Wine exports to the USA have passed the $500 million mark, and our wine has become the third most valuable wine import into the USA (New Zealand Wine Growers, 2017, p. 3). Hawkes Bay, of which Wairoa is a part, is New Zealand's second-largest wine region.

Outside wine, the New Zealand beverage sector is primarily focused on production for domestic consumption; however, exports are growing (Coriolis, 2014). New Zealand is a minor beer exporter, and imports more beer than it exports, however, after a long period of flat exports, beer exports have started growing (Coriolis, 2014).

Recently the cider industry in New Zealand experienced strong growth, both for domestic consumption and export. Exports have shown strong growth over the past decade, almost exclusively to Australia (96%) (Coriolis, 2014).

Alcohol also generates revenue for the Government. Alcohol excise tax provides the New Zealand Government with revenue and so may slightly off-set the need for higher levels of other taxes. The most significant benefits to society are likely the pleasure to users and economic benefits (largely to industry) (Wilson, Gunasekara, & Thomson, 2011).

Domestically, the sale of alcohol is big business. There are economic benefits to alcohol producers and retailers. It provides employment in bars, restaurants, clubs and liquor stores throughout the country. The local alcohol industry contributes to our local Wairoa economy and supports a number of jobs. There is also the benefit to tourism from the contribution of alcohol to local cuisine.

There are also social benefits to alcohol consumption. When consumed safely and in moderation, alcohol can add to the enjoyment of an event or social gathering with minimal harmful effects. For many, drinking is a form of relaxation. It is also associated with various customary celebrations, events and uses (Porirua City Council, 2013).

There is some evidence to suggest that alcohol can have some benefits to health, such as reducing risk of heart disease in older people. But it is difficult to attribute these benefits directly or solely to alcohol consumption due to other confounding factors (Health Promotion Agency, n.d.).

The pleasure alcohol brings to consumers can relate to the taste of the beverage, the impact of alcohol on food enjoyment, and its pharmacological effects (Wilson, Gunasekara, & Thomson, 2011). **Figure 17** illustrates how alcohol can be enjoyed in a low-risk manner.

Figure 17: Low-risk alcohol drinking advice

Sourced from the Health Promotion Agency (2018)

4.0 OUR COMMUNITY

Wairoa's demographic and economic profile and how the people of Wairoa feel about alcohol, what controls current exist to manage alcohol, and how the development of an LAP relates to community outcomes.

LICENSES

In the Wairoa District, there are 10 off-licensed premises, 10 on-licensed premises and six club licenses. There have been no new off-license outlets established within Wairoa for a number of years. However, one of the two local supermarkets closed within the past couple of years, which reduced the number of off-license outlets and the level of community exposure to alcohol retail sale.

The nature of alcohol consumption and licensed premises in Wairoa has undergone change in recent years. It has been noted that the number of on-licensed premises like taverns have reduced, and the number of on-licensed premises that serve alcohol with food has increased.

Results from a recent Community Alcohol Survey show that the majority of people in our Wairoa community want fewer bottle stores. They feel that off-licensed premises, specifically bottle stores, have the greatest impact on alcohol harm in the District.

Interestingly, the Law Commission's 2010 Public Consultation identified "strong support for halting …licenses – particularly off-licenses. The reasons most commonly cited…were the impact…liquor stores has on low socio-economic and vulnerable communities, …[the outlets'] facilitated supply to young people,…[and] the negative impacts…on the amenity values of neighbourhoods, including increased rates

of offending, vandalism, disorderly and offensive behaviour" (Law Commission New Zealand, 2010, p. 48). This aligns with the views of Wairoa Police concerning their experiences of local mid-week 'shed parties' and the resulting harms.

NUMBER OF LICENSES

Number	Licence	Description
10	Off Licensed Premises	Bottle stores, supermarket, taverns
10	On Licensed Premises	Cafes, restaurants, bars, taverns
6	Club Licences	Sports clubs
26	Total Licences*	All types of Licence

* As at February 2018

The table does not include information about special licences.

LICENSED HOURS FOR OFF-LICENSED PREMISES

Licensed premises in the Wairoa District generally have earlier closing hours than the default hours permitted under the Act.

Premises	Days	Times
Wairoa Club Inc	Monday – Sunday	9am – 1am
Clyde Hotel	Monday – Sunday	10am – 11pm
Ferry Hotel	Sunday – Wednesday Thursday - Saturday	10am – 11pm 9am – 11pm
Frasertown Tavern	Monday – Sunday	10am – 11pm
Mahia Beach Store	Monday – Sunday	8am – 9pm
Wairoa Wines & Spirits	Monday – Sunday	8am – 11pm
Steeds Convenience Store	Monday – Sunday	7am – 9pm
Sunset Point Tavern Ltd	Monday – Sunday	9am – 11pm
Wairoa New World	Monday – Sunday	7am – 9pm
Bottle O Wairoa	Monday – Sunday	8am – 10pm

LICENSED HOURS FOR ON-LICENSED PREMISES

Premises	Days	Times
Clyde Hotel	Monday – Sunday	9am – 2am
Vista Motor Lodge	Monday – Sunday	9am – 2am
Ferry Hotel	Sunday – Wednesday Thursday - Saturday	10am – 12am 10am – 2am
Rangers Café & Bar	Monday – Friday	11am – 10pm
Frasertown Tavern	Monday – Sunday	10am – 2am
Rocket Café	Monday – Sunday	10am – 10pm
The Beach Café	Monday – Sunday	12pm – 9pm

Sunset Point Tavern Ltd	Sunday – Thursday Friday - Saturday	9am – 12am 9am – 1am
2ate7 Café & Motel	Monday – Sunday	10am – 12am
Gaiety Theatre Complex	Sunday – Thursday Friday – Saturday	9am – 11pm 9am – 1am

CLUB LICENSES

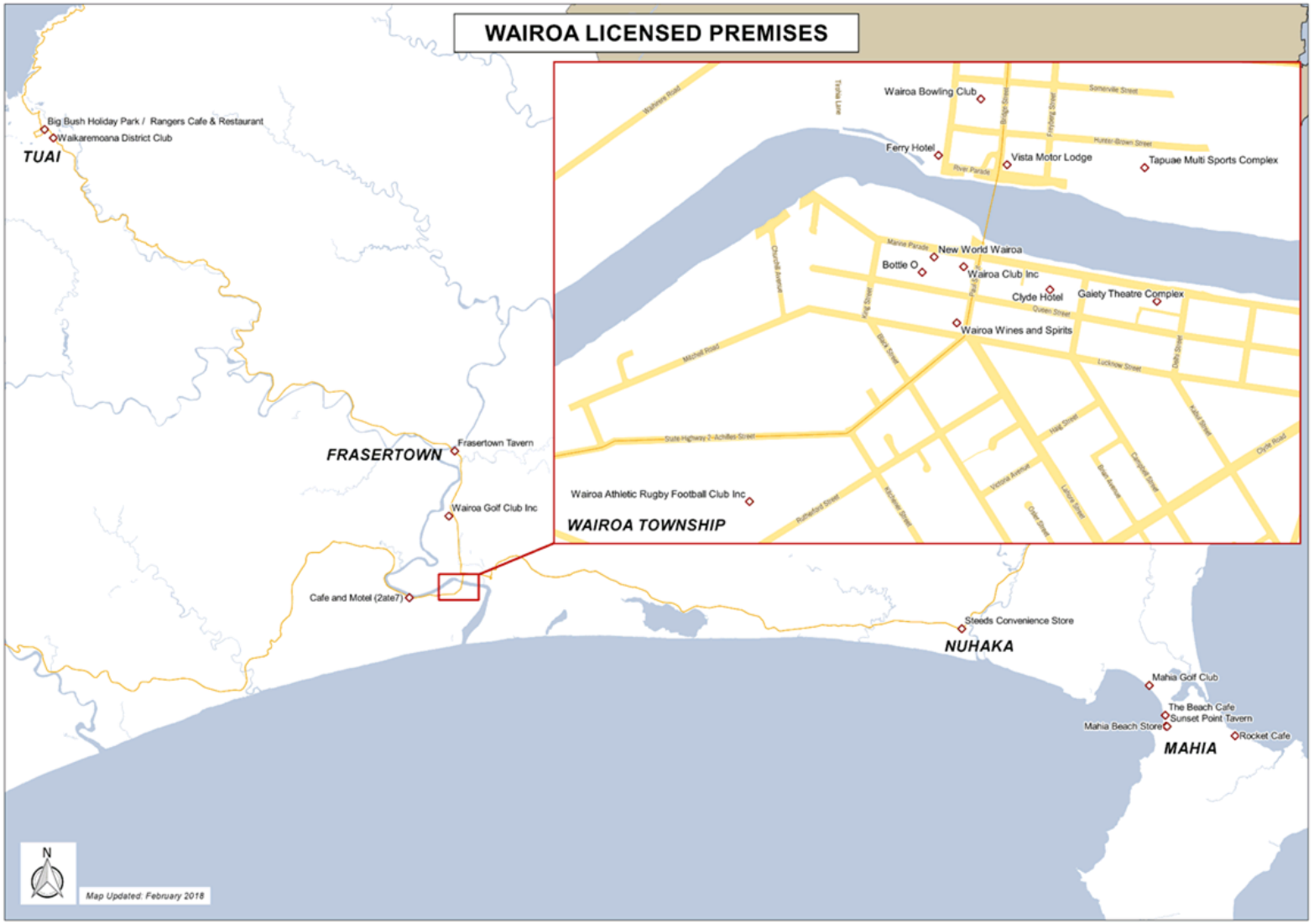
Premises	Days	Times
Wairoa Club Inc	Monday – Sunday	9am – 1am
Wairoa Bowling Club	Monday – Sunday	8am – 12am
Wairoa Golf Club	Monday – Sunday	8am – 12am
Mahia Golf Club	Monday – Sunday	9am – 12pm
Wairoa Athletic Rugby	Sunday – Thursday Friday – Saturday	9am – 11pm 9am – 1am
Tapuae Multi Sports Complex	Monday – Thursday Friday – Saturday	4pm – 10pm 2pm – 1am

SPECIAL LICENSES

In the three year period from Jan 1, 2015 – Jan 1, 2018 a total of 67 special licences were issued. These licences covered a mixture of events, including special events, dog trials and sporting events.

Figure 18 provides a map to show the location of all licensed premises within the Wairoa District as of 2018.

Figure 18: Map of licensed premises in Wairoa



DEMOGRAPHICS

The demographic and economic profile of our Wairoa community including population, households and affordability.

POPULATION AND HOUSEHOLDS

Wairoa District is home to 8,210 people. Population decline in the area slowed noticeably during the 2014-2016 interval, and the latest estimates show that the district's population increased by 50 or 0.6% during the year to June 2017.

The Wairoa district accounts for 5% of the total Hawke's Bay population. The population growth result over the latest year compares to the total regional growth figure of 1.5%. The median age of the Wairoa population compares with the current Hawke's Bay figure of approximately 41 years whilst the district's Maori community share of the total population is more than double the regional proportion.

The age-groups that have recorded strongest population growth in the district since 2001 are, in order, 65+ years, 60-64 years and 50-59 years. The 30-39, 40-49 and 0-14 year age-groups have recorded the largest population declines. The median age of the total district population has been increasing gradually over time and currently stands at 38.7 years (compared with 37.7 years in 2013).

The actual total number of households in the district at the present time is estimated at 3,210. The total number of households in Wairoa district in June this year is projected to be in the range 3,120 (Low projection) to 3,280 (High projection), with a Medium or 'middle of the road' projection of 3,200 households.

Family based households comprise 68% of all households in the district and one-person households 31%. 'Couple without children' families account for 41% of all resident families, two-parent families 32% and one-parent families the balance of 27%. The total number of businesses/organisations in the district comprise primary production 42%, secondary industry 7% and service industries 51%.

Average household occupancy (average number of persons per household) in the area has continued to fall, from a level of 2.72 (persons per household) to 2.56 this year. As with the rest of New Zealand, this trend is the result of an increasing proportion of single-person households in the district and a decline in the average size of family based households.

ECONOMYAND DEMOGRAPHY

The economic growth in Wairoa has fluctuated over the period but has averaged out at an underlying annual (growth) rate of 0.82%. This compares with the respective Hawke's Bay region and national growth rates of 1.66% and 2.54%.

It is noted that the GDP[2] per capita or per person in the district has increased at an average annual rate of 1.8% since year 2000, with the value in 2017 ($35,172) being over 30% up on the year 2000 figure. Total employment in the district was relatively stable around the 3,500 mark during the 2000-2011 period. It then fell during the following two years but recovered sharply over the 2013-2015 interval. Since then employment in the area has fallen significantly down to around the 3,355 mark.

[2] GDP per capita is a formal economic measure of the average standard of living of the residents of an area (in terms of access to goods and services).

The average full/part time employee size of businesses in the district is 3.3, with the processing / manufacturing sector figure being 43.3. The primary production and processing sector accounts for 56% of total industry GDP and employment in the district. . In March last year, the annualised Wairoa unemployment rate stood at an estimated 13.5%, compared to the overall Hawke's Bay-Gisborne figure of 6.8%.

Table 4 below summarises the current demographic and economic situation in the Wairoa district, in terms of a range of local indicators. For a number of the indicators listed in the table, comparative Hawke's Bay region-level results are also provided.

Table 4: Wairoa District Key Demographic and Economic Indicator Results 2016/17 Year

Indicator	Result 2016/17
Estimated Resident Population	8,210
Annual Population Growth %	0.6
15+ Working-Age Population	6,240
65+ Age-Group Population	1,440
Median Age (Years)	38.7
% Maori Population	54.0
Households	3,210
Average Household Occupancy (Persons Per Household)	2.56
Total Business Numbers	940
Leading Industries' Direct Contribution to Total Industry GDP $M:	
Agriculture & Forestry/Logging	107
Processing & Manufacturing	42
Health Social & Education/Training Services	31
Business & Professional Services	26
Construction & Utility Services	21
Total Direct Visitor Spend $M	17
Total Real GDP $M	287
Real GDP Per Capita $	$35,172
Total Employment	3,355
Leading Industry Contributions to Employment:	
Processing/Manufacturing	943
Pastoral farming	881
Education and Training	343
Health & Social Assistance	293
Retailing	186
Estimated Total Unemployment	525
Estimated Unemployment Rate %	13.5
Number of Residents Receiving Job Seeker Support Benefit	728

AFFORDABILITY

This section reports on the relative 'affordability'/'ability to pay' situation of the Wairoa district community. These related terms basically refer to the financial capability of individual Wairoa district residents, groups of residents or the community as a whole, to meet their financial obligations on a sustainable basis.

Table 5 provides comparative results for the Wairoa district/Hawke's Bay region/New Zealand, for a range of demographic, income and economic indicators that are considered to have a significant potential influence on the level of affordability/'ability to pay' in the above areas. The Wairoa district faces a significantly higher 'ability to pay' challenge than for the Hawke's Bay region as a whole and nationally, in respect of many of the listed factors. The average standard of living (or GDP per person) in the district is only slightly behind the overall regional figure but noticeably below the national level. However, average labour productivity in the Wairoa area is noticeably higher than the regional result but less than the national figure.

The Deprivation Index is a measure of socio-economic deprivation within local authority districts of the country. It measures the relative deficit of income, employment, communications, transport, support, qualifications, home ownership and living space in homes, in local areas. The results in **Table 5** show a significant orientation within the Wairoa area towards the more deprived end of the deprivation scale and a significantly greater level of overall deprivation for the district than at the regional and national levels.

Table 5: Wairoa District Affordability/ Ability to Pay Indicator Results 2013-2018

Indicator	Indicator Year	Area		
		Wairoa District	HB Region	NZ
Demographic				
% Two-parent families with children	Projected 2018	40.9	34.2	39.0
% One-parent families with children	Projected 2018	27.3	21.1	17.8
% Households with families	Projected 2018	65.6	69.5	71.5
% Single-person households	Projected 2018	31.3	27.4	24.4
% of Residents Aged 65+	Projected 2018	17.3	18.8	15.4
% of residents in own housing	2013 Census	45.6	53.4	49.8
% of residents in rented housing	2013 Census	54.4	46.6	50.2
Economic				
% No formal education qualification	2013 Census	37.3	26.5	20.9
% Level 1-6 certificate/diploma	2013 Census	53.4	55.6	52.3
% University based qualification	2013 Census	7.2	13.7	20.0
% Workforce in professional occupations	2013 Census	12.4	18.7	22.5
% Workforce in labouring occupations	2013 Census	31.8	18.1	11.1
% Workforce in lowest 3 Earnings Industries	2016	35.5	26.8	21.3
% Workforce in highest 3 Earnings Industries	2016	12.7	15.3	19.8

% Labour force unemployed	2017	13.5	6.8	5.0
% Working-age population employed	2017	69.9	64.0	66.7
Real GDP per person (standard of living) $	2016	35,172	37,175	46,605
Real GDP per employee (labour productivity) $	2016	85,545	75,195	89,364
Income				
Median annual earnings $	2016	45,080	46,980	51,570
Median personal income $	2013 Census	21,900	26,100	28,500
Median family income $	2013 Census	49,000	62,800	72,700
Median household income $	2013 Census	42,400	53,200	63,800
% Income earners receiving benefits	2013 Census	27.2	19.5	21.8
% Wage and salary earners	2013 Census	52.5	56.7	56.7
% Self-employed or in business	2013 Census	13.5	14.6	16.7
Deprivation Index				
% of population living in:	2013 Census			
Quintile 1 (least deprived group)	2013 Census	0	15	20
Quintile 2	2013 Census	1	14	20
Quintile 3	2013 Census	12	20	20
Quintile 4	2013 Census	23	24	20
Quintile 5 (most deprived group)	2013 Census	64	27	20

Table 6 indicates the comparative annual personal income distribution profiles of the total Wairoa district, Hawke's Bay region and New Zealand areas, at the time of the 2013 Census. The three areas have similar proportions of income-earners earning $10,000 or less for the year in question. Wairoa district then has a noticeably higher proportion of income-earners in the $10,001-30,000 income range. The district has a significantly higher proportion of its earners in the $30,000-50,000 band compared to the other two areas but a considerably lower proportion in the $50,000+ category.

Table 6: Wairoa District Comparative Personal Income Distribution Profile 2012/13 Census Year

Income Band $	% of Income Earners in Each Band 2012/13		
	Wairoa District	HB Region	NZ
5,000 or less	6.4	5.6	5.4
5,001-10,000	4.1	4.0	4.0
10,001-20,000	14.7	11.9	10.2
20,001-30,000	18.6	15.7	12.9
30,001-50,000	33.8	30.7	28.5
50,001 or more	22.4	32.1	39.0

In summary, the Wairoa community in general terms faces significant affordability/'ability to pay' challenges.

ECONOMIC GROWTH OUTLOOK

Following the adverse regional economic effects of the Global Financial and Economic Crisis (GFC) during 2007/2008, the overall Hawke's Bay economy (of which Wairoa district is a part) has recorded ongoing positive although fluctuating economic growth. The last two years have seen sustained improved economic growth in the region, up to an estimated annual level of 2.7% in June this year.

Overall employment has been increasing since 2013. Strongest industry growth within the primary and secondary sectors has been recorded by forestry and logging, rural sector support services, horticulture and fruit, manufacturing of forest product items, utility services (power/gas/water) and the manufacturing of metal products/machinery/equipment.

The Wairoa district economy has grown at an average annual rate of 0.82%, since year 2000. Thus, there has been underlying growth, albeit it somewhat limited, in the area over the longer-term.

COMMUNITY PREFERENCES

Through a Community Survey and local hui, community members have been clear about their concerns. The situation reflects that which was expressed by the Law Commission in 2010, that "while researchers continue to probe the relationships between alcohol-related harms and liquor outlet density, those who actually *live* and work in communities battling high levels of crime and social deprivation, seemed in no doubt about the damaging effects of saturating their neighbourhoods with liquor" (Law Commission New Zealand, 2010, p. 40).

Some of the key documents in this section are:

- **Community Alcohol Survey – Wairoa Summary.** This survey, undertaken by the Hawkes Bay District Health Board, aimed to gain an understanding of community views on alcohol access, the impact of alcohol, density of alcohol outlets, and alcohol concerns.

- **Alcohol Harm in Wairoa**. This scoping report, undertaken by Safe Communities Wairoa, with support from the Health Promotion Agency, outlines the extent of alcohol related harm in the Wairoa region. In addition to drawing on data from the HBDHB's Community Alcohol Survey, it also contains feedback from community hui about the need to promote Wairoa as a community safe from alcohol harm.

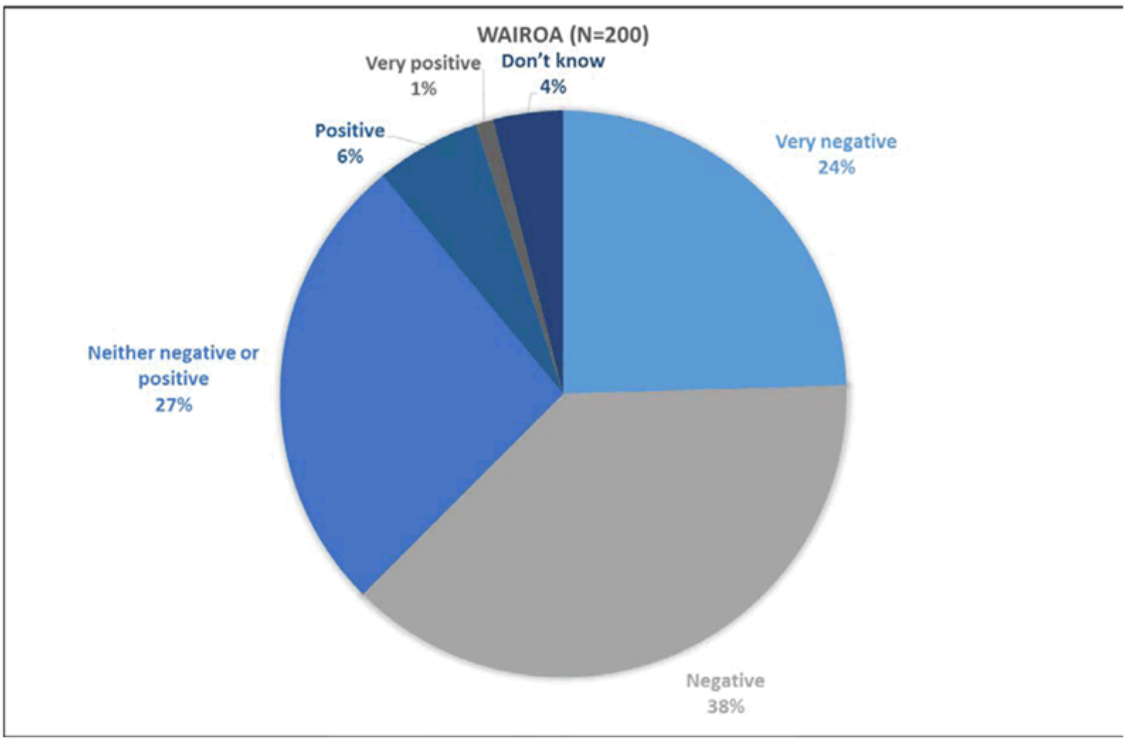
COMMUNITY ALCOHOL SURVEY – WAIROA SUMMARY

Two hundred residents of Wairoa were surveyed in June/July 2015 as part of HBDHB's Community Alcohol Survey. The views of Wairoa respondents are presented below, alongside the regional average where

relevant[3]. Residents were asked about the overall impact that drinking has in their community[4]. In total, 63% of Wairoa respondents felt the drinking of alcohol has a negative impact in their community ('very negative' or 'negative'), compared to 62% of all 1,000 residents surveyed.

'Overall, what impact do you think drinking alcohol has in your community?'

Response	Wairoa (n=200)	Total (n=1,000)
Very negative	24.5%	23.9%
Negative	38.0%	37.7%
Neither negative or positive	26.5%	22.2%
Positive	6.0%	7.0%
Very positive	1.0%	2.1%
Don't know	4.0%	7.1%
TOTAL	100%	100%



SPECIFIC IMPACT OF ALCOHOL IN COMMUNITIES

Respondents were asked how much they agreed or disagreed that alcohol affects things such as community safety, violence, and road accidents in their community. The highest levels of agreement ('strongly agree' or 'agree') were for:

[3] Residents were interviewed while out and about in Wairoa township and during Matariki celebrations. People needed to be 18 years or older and residents within the Wairoa District to participate in the survey. Sixty-one percent of Wairoa participants identified as Māori.
[4] 'Community' was defined as 'the area near where you live, including local shops, schools etc; it is whatever you think of as your local community'.

- road accidents (87%, compared to 88%)
- family violence (84%, compared to 88%)
- community safety (79%, compared to 83%)
- public disorder (75%, compared to 81% overall)
- noise, rubbish and broken glass (75%, compared to 81%).

'How much do you agree or disagree that alcohol affects these things in your community?'

Wairoa (n=200)	Strongly disagree	Disagree	Neither agree nor disagree	Agree	Strongly agree	Don't know
Community safety	1.0%	9.5%	7.5%	44.5%	34.5%	3.0%
Public disorder (eg, fighting in the streets)	1.0%	10.5%	9.5%	44.5%	30.0%	4.5%
Non-violent crime (eg, trespassing, vandalism, tagging)	3.5%	22.0%	8.0%	40.0%	22.5%	4.0%
Family violence	1.5%	6.5%	7.5%	35.5%	48.0%	1.0%
Road accidents or dangerous driving	1.0%	2.5%	6.0%	43.0%	44.0%	3.5%
Noise, rubbish, broken glass	1.5%	12.0%	8.0%	42.0%	33.0%	3.5%

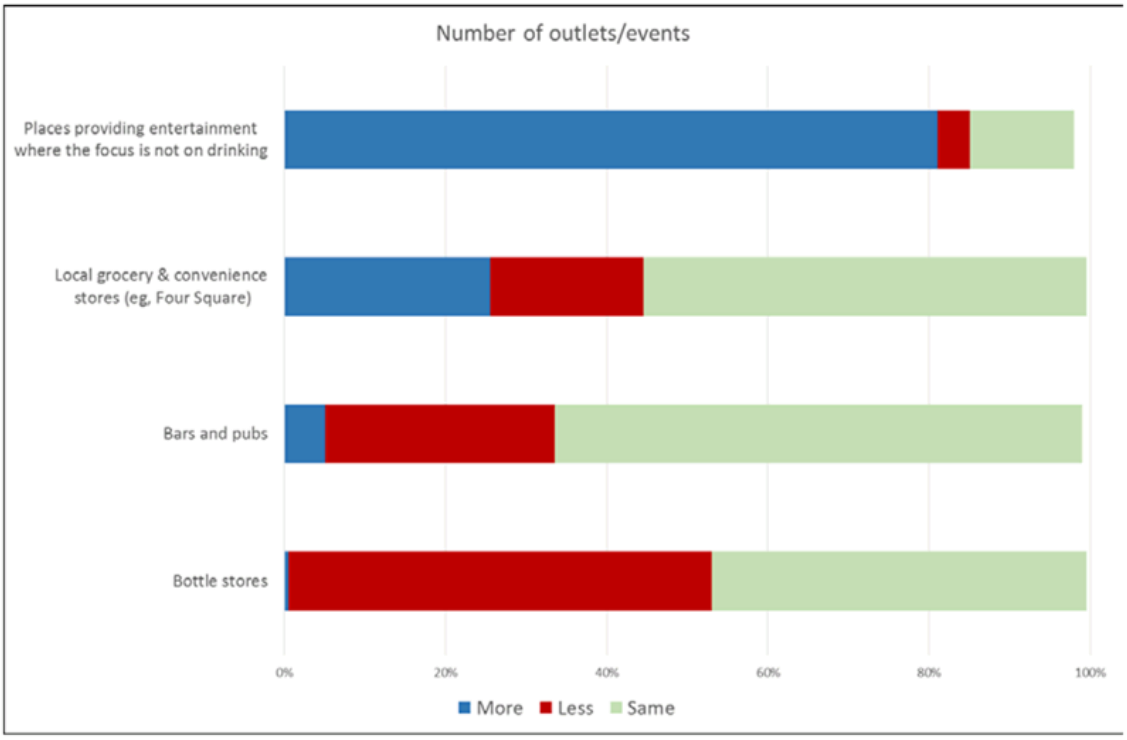
NUMBER OF ALCOHOL OUTLETS

Respondents were asked if they would like to have more, less or the same number of particular types of alcohol outlets in their community. The majority of Wairoa respondents wanted fewer bottle stores (53%, compared to 56% overall). A lower percentage wanted fewer bars and pubs (29%, compared to 35% overall) and fewer convenience/grocery stores that sell alcohol (19%, compared to 24% overall).

Residents were also asked if they'd like to have more places providing entertainment that didn't have a focus on drinking. Over eight in ten people (81%, compared to 78% overall) wanted more alcohol-free entertainment in their community.

'Would you like more, less or the same of these in your community?'

Wairoa (n=200)	More	Less	Same	Don't know
Bottle stores	0.5%	52.5%	46.5%	0.5%
Bars and pubs	5.0%	28.5%	65.5%	1.0%
Local grocery & convenience stores (eg, Four Square)	25.5%	19.0%	55.0%	0.5%
Places providing entertainment where the focus is not on drinking	81.0%	4.0%	13.0%	2.0%



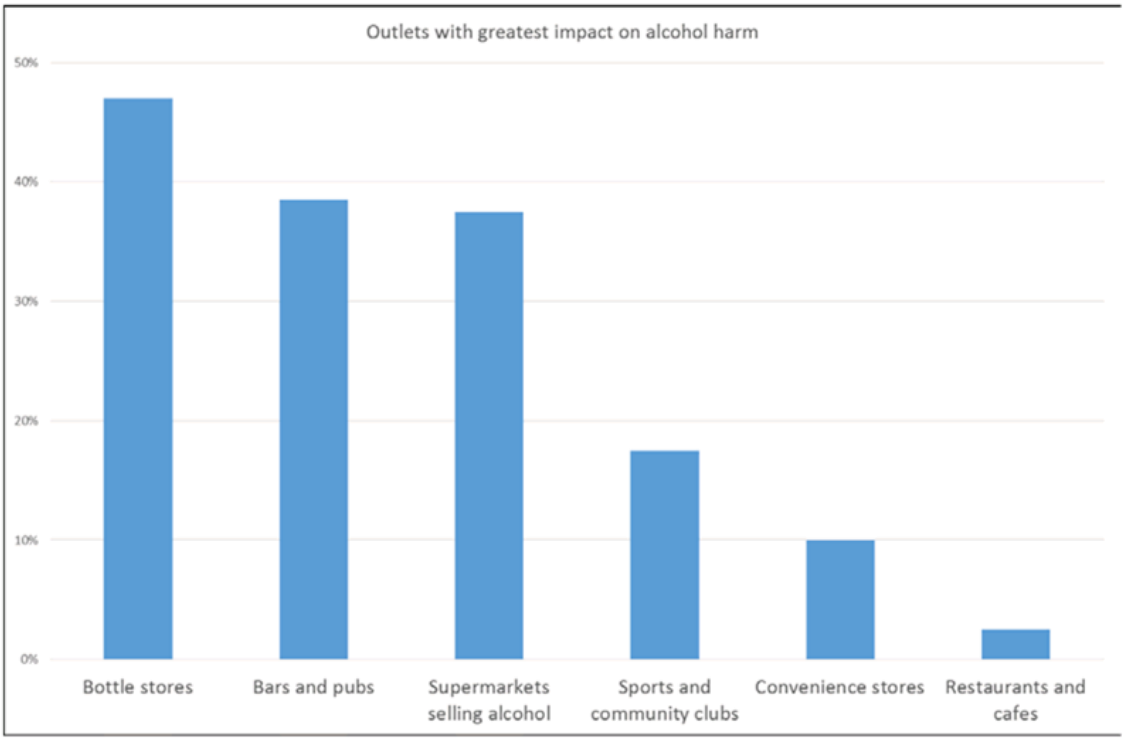
ALCOHOL HARM AND ALCOHOL OUTLETS

Respondents were asked which types of outlets, in their view, had the most impact on alcohol harm in their community. Multiple responses were allowed. Bottle stores (47%, compared to 60% overall) and bars and pubs (39% in Wairoa and 36% overall) were most commonly identified as having the greatest impact on alcohol harm in communities.

'Which of the following outlets do you think have the greatest impact on alcohol harm in your community?'[5]

Response	Wairoa (n=200)	Total (n=1,000)
Bottle stores	47.0%	60.4%
Bars and pubs	38.5%	35.7%
Supermarkets selling alcohol	37.5%	46.6%
Sports and community clubs	17.5%	19.1%
Convenience stores	10.0%	16.4%
Restaurants and cafes	2.5%	4.9%
None	10.5%	4.6%
Don't know	7.0%	4.6%

5 Note: respondents were able to select multiple responses.



ALCOHOL OUTLET HOURS

Respondents were asked about the hours during which alcohol should be sold on licensed premises. The percentage of Wairoa respondents who said they would like outlets selling alcohol to have shorter hours was highest for bottle stores (41%, compared to 51% overall) and supermarkets (39%, compared to 49% overall).

'Do you think the hours that these licensed premises can sell alcohol should be longer, shorter, or unchanged?'

Wairoa residents (n=200)	Longer	Shorter	Unchanged	Don't know
Bottle stores	5.0%	40.5%	49.0%	5.5%
Supermarkets selling alcohol	4.0%	39.0%	53.0%	4.0%
Bars and pubs	5.5%	37.5%	50.5%	6.5%
Local grocery and convenience stores (eg, Four Square)	5.5%	37.0%	53.5%	4.0%

VIEWS ON LIQUOR BANS

Wairoa residents were asked if they agreed or disagreed that a liquor ban in their community would reduce alcohol-related problems. Just under half (43%, compared to 51% overall) agreed or strongly agreed that a liquor ban would reduce alcohol-related problems.

'How much do you agree or disagree with this statement:
Having a liquor ban in my community would reduce alcohol-related problems?'

Response	Wairoa (n=200)	Total (n=1,000)
Strongly disagree	14.5%	6.2%
Disagree	29.0%	27.0%
Neither agree nor disagree	10.0%	13.0%
Agree	28.0%	32.8%
Strongly agree	15.0%	18.3%
Don't know	3.5%	2.7%
TOTAL	100%	100%

AREA SUMMARY

The following table presents key findings at a glance for Wairoa versus all survey respondents.

Wairoa and total survey findings

	Wairoa (n=200)	Total (n=1000)
Alcohol has negative impact in community	63%	62%
Alcohol affects road accidents	87%	88%
Alcohol affects family violence	84%	88%
Alcohol affects community safety	79%	83%
Alcohol affects public disorder	75%	81%
Alcohol affects noise, rubbish, broken glass	75%	81%
Would like fewer bottle stores	53%	56%
Would like fewer bars/pubs	29%	35%
Would like more alcohol free entertainment	81%	78%
Bottle stores impact on alcohol harm	47%	60%
Bars and pubs impact on alcohol harm	39%	36%
Supermarkets impact on alcohol harm	38%	47%
Shorter hours for bottle stores	41%	51%
Shorter hours for supermarkets	39%	49%
Shorter hours for bars and pubs	38%	46%
Shorter hours for local grocery and convenience stores (eg, Four Square)	37%	51%
Liquor ban	43%	51%

COMMUNITY HUI FEEDBACK

The scoping report by Safe Communities Wairoa reported on community preferences about alcohol and the need to promote Wairoa as a community safe from alcohol harm. This data was obtained, in part, from feedback gathered during community hui. Both the larger hui and the smaller subsequent meetings held involved a number of rangatahi who are members of a local youth group called 'The Planeteers'. This provided an opportunity to hear from younger people about alcohol harm (Wairoa Safe Communities, 2016).

The hui identified that alcohol is very easy to access by the younger alcohol consumer in Wairoa, and is easily obtained by persons who are underage. Role modelling by adults fell short in many cases, especially at home, in private dwellings and at functions. The hui group expressed concerns that while money was short, alcohol and some drugs were easy for them to access. They knew that using, accessing and possessing these things was not right, and they knew that in some cases it was against the law.

However, as young people had limited exposure to positive examples and role modelling, they often used these commodities, to sell, and used them as a past time. They then became trapped in a vicious cycle of addiction, and in the distribution of drugs and alcohol to their peers, and to others in the community (Wairoa Safe Communities, 2016).

Solutions to various alcohol-related problems were discussed by participants. Some of the problems were as follows:

- People from a variety of age groups and genders mixed in social settings where alcohol was consumed. If someone was not drinking, they were expected to be using other forms of stimulation like drugs. Social out-casting was common and strengthened by social media. This could be damaging for all individuals who used it to communicate.

- The group identified certain periods where society promoted alcohol use as an activity, during long weekends, public holidays, and at social events that were restricted to the 18+ age group. Surprisingly, participants also identified that whānau celebrations such as Matariki and the Wairoa A & P Show Day were also seen as occasions to drink. They commented that it was at these occasions when drinking became more hazardous. It appeared that many local activities had a big focus on alcohol – for example hunting competitions were common during these long weekends and always ended up with a prize giving at a local pub.

- Alcohol consumption was seen as a normal activity in Wairoa. It was one that spread across all ages, genders and ethnicities. It was a culture that we as a community accepted. It was a pastime that was passed on through generations, especially in rural areas where hard agricultural work and beer were perceived to go hand in hand.

- Attitudes of younger drinkers were described as being the same as those of older drinkers: drink fast, drink a lot and drink for as long as you can. The palates of younger drinkers however were very different and their preference was to consume alcoholic beverages that were over 5 percent alcohol.

The scoping report also presented feedback from local stakeholders in Wairoa who had a focus on alcohol use as part of their work. These stakeholders included Wairoa Police, Manaaki House staff, and Mental

Health workers at the DHB. Staff from these organisations talked about their experiences of working with people impacted by alcohol.

- Police discussed many local alcohol-related issues, ranging from road fatalities to alcoholism. Their main concern was the increase in family and domestic violence that occurred as a result of alcohol consumption. They explained that the number of people reoffending was a real problem. Their lack of ability to intervene and support these people proved difficult. They described the problem with situations in which it was difficult to get persons who constantly reoffended (with alcohol as a contributing factor) to engage in a support programme.

- Manaaki House staff spoke about issues of social responsibility, and how in reality the 'contracts' fell short to meeting such commitments. The Manager used an example in which people were supported to obtain a drivers licence after they'd received an infringement for excessive breath alcohol reading. It was common for people to be assisted 6-8 times to get these special licences to enable them to resume driving to work. These efforts helped people after the fact, yet these efforts were described as "an ambulance under the cliff" scenario[6].

- The Hawke's Bay DHB's Mental Health Clinician had similar analogies from his alcohol-related experiences. He explained that when he was called to the Police cells to make a diagnosis of an inmate under the influence, he was obliged to give a detoxification timeframe before doing this. As this person entered their sober state they became very compliant and their mind stabilised so there was no need for him to undertake a mental health assessment.

DISTRICT PLAN

The District Plan sets out the framework for the sustainable management of natural and physical resources in the Wairoa District. There are no explicit rules in the Wairoa District Plan regarding the regulation of liquor licensing premises. However, the district plan does restrict the sale of liquor from a licensed premise within the Residential (Mahia) and Coastal (Mahia) zones (resource consent required). The sale of liquor in all other district planning zones is regarded as a permitted activity if all of the performance standards for the relevant zone are complied with.

LIQUOR BAN AREAS

It is prohibited to consume alcohol in public areas in any of the Liquor Ban areas. Members of the public are still able to transport or carry containers of alcohol through the area (for example from a bottle store to their car) but not allowed to drink, hold or store liquor in any liquor ban area.

The Liquor Control bylaw is enforced by the police who have authority to search, detain and request details. The liquor ban applies as follows:

WAIROA (24 hours per day 365 days of the year) bounded by:

- Marine Parade from Murrae Street to King Street.
- Queen Street from Murrae Street to King Street.

[6] Manaaki house services were closed during late-2015 and are now delivered from the Wairoa Integrated Healthcare Centre at the Wairoa Hospital.

- Riverbank from Murrae Street to King Street and all associated alleyways and car parks.

MAHIA (24 hours a day from December 20th to January 20th every year):

- The whole of the Mahia Peninsula and surrounding area encompassed within the coastline from Nuhaka to Paritu.

Police have voiced their support for an alcohol ban outside the Ferry Hotel. This in in response to the problems which have arisen when members of the community sit in their cars outside the premises and consume alcohol. Once patrons and visitors walk outside, they are subjected to abuse by these individuals, and this often results in violent behaviour.

COMMUNITY OUTCOMES

The Wairoa District Council has adopted nine community outcomes, which were derived from a regional-wide approach to work collectively with the community to identify community outcomes and determine a long-term vision for the future of our region. These relate to the activities that Council has responsibility for and has direct control over, in order to promote the economic, social, cultural and environmental wellbeing of the District in the present and for the future.

A LAP contributes to the following three community outcomes:

- A safe and secure community.
- A lifetime of good health and well-being.
- An environment that is appreciated, protected and sustained for future generations.

Specifically, the LAP has the potential to:

- Promote safe consumption of alcohol
- Minimise alcohol-related harm

CONSOLIDATED BYLAW 2007

Bylaws help to ensure that the community is safe and healthy. They are a useful way to protect the environment, as well as protecting the public from nuisance and minimising the potential for offensive behaviour.

The purpose of Part 3, Section 4 of the Consolidated Bylaw is to regulate the consumption and bringing into and possession of liquor in specified public places, and for specified days, times and events including the related presence or use of a vehicle.

TOURISM AND VISITORS

The Wairoa District covers a total area of about 4,118 square kilometres with approximately 130 kilometres of coastline. The majority of the region is hill country, merging with mountains in the west and often deeply dissected with gorges. Within the district there are high quality trout-fishing areas and coastal lagoons that are important for providing waterfowl habitat and game-bird hunting opportunities.

The total number of nights spent by overnight visitors in commercial accommodation in the district generally fell over 2003-2012 but has stabilised since. There were 26,125 visitors in total to the Wairoa i-SITE in 2016/17 which is a large increase from 18,832 visitors in 2015/16. About 62 per cent were local visitors, 21 per cent were domestic tourists and 17 per cent were international visitors.

Over the year ended September 2017, the total number of commercial accommodation visitor arrivals recorded for the Wairoa district was 31,211 and visitor-nights 60,944; an average visitor length of stay of 1.95 nights. The peak figures for these indicators over the past decade were the 44,163 arrivals recorded in the year ended September 2004 and 95,190 visitor-nights for the same period. The Wairoa i-Site has recorded a sharp 60% increase in 'foot-traffic' through its doors over the past 3-4 years.

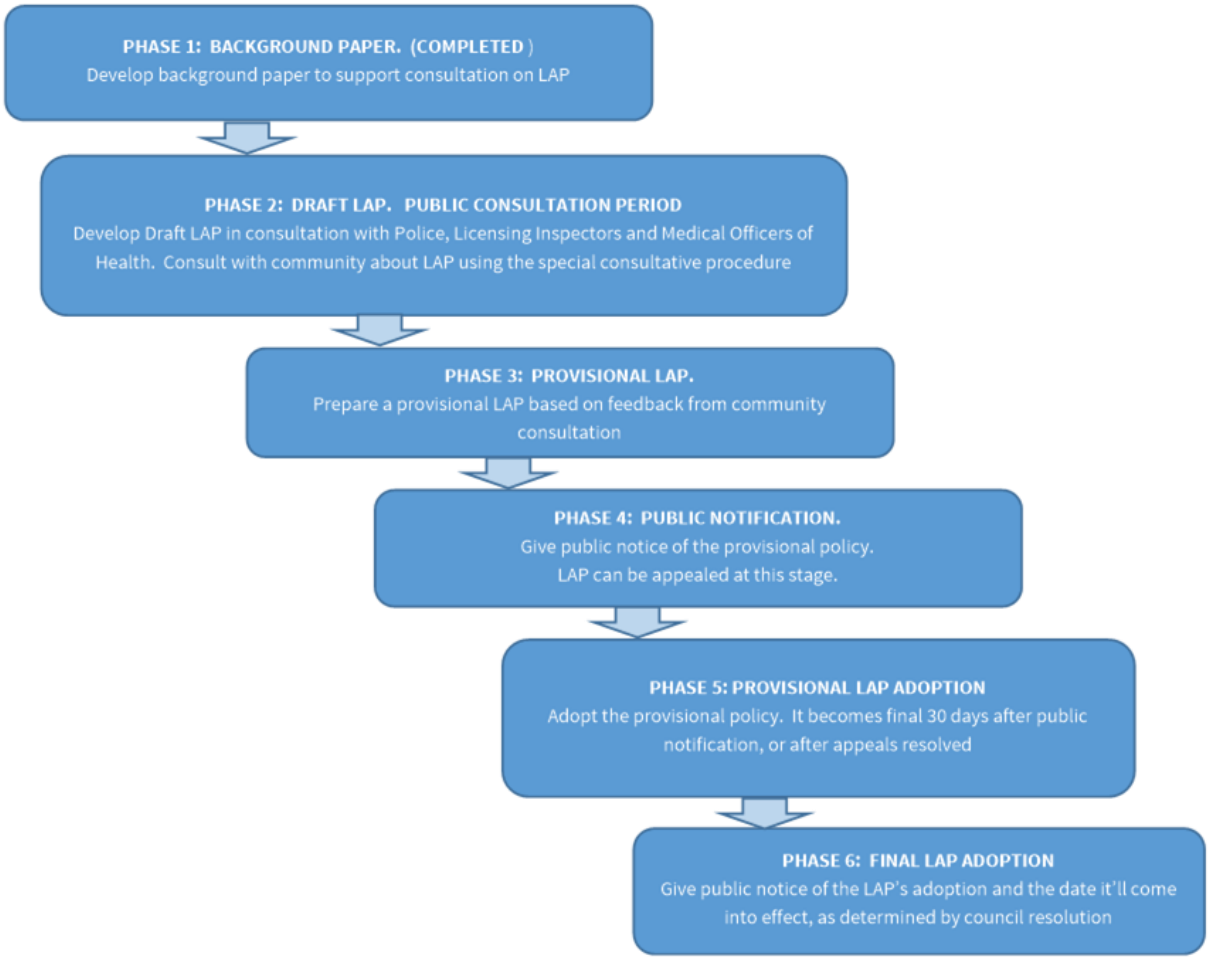
Since year 2010, visitor spending data indicates total annual visitor spending in Wairoa district varying in the range $15 million to $18 million. Visitor spending for the year ended September 2017 was recorded at $17 million, up 13% on the previous year. Estimates of total overnight visitor numbers for the Wairoa district currently stand at an annual 75,000. This covers visitors staying in commercial accommodation, holiday home visitors, other overnight visitors and day visitors.

Total annual visitor spend in the Wairoa district currently stands at $17 million. This is forecast to increase to approximately $25 million, by year 2028. The district presently accounts for just 2.8% of total direct Hawke's Bay visitor spend.

5.0 DEVELOPING THE LAP

Figure 19 provides a brief summary of these six phases of development, and presents approximate timeframes for their completion.

Figure 19: Process of LAP development



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LOCAL ALCOHOL POLICY

CATEGORY:	Office of the Chief Executive	**STATUS:**	Draft
DATE POLICY ADOPTED:	[Insert meeting date]	**APPROVAL BY:**	Council
REVIEW PERIOD:	6 years	**NEXT REVIEW DUE BY:**	2026
DATE PREVIOUSLY ADOPTED:	N/A	**REVISION NUMBER:**	0

1 PURPOSE

1.1 The Local Alcohol Policy (LAP) provides guidance on the promotion of safe and responsible sale, supply and consumption of alcohol, encourages licensed premises to foster positive, responsible drinking behaviour and minimise alcohol-related harm; and reflects the views of the Wairoa community as to the appropriate location, number, hours and conditions that should apply to licensed premises within the district.

2 POLICY PROVISIONS

2.0.1 Under the Sale and Supply of Alcohol Act 2012 Council has developed a LAP, this must be read in conjunction with the Act and relevant regulations.

2.0.2 The Wairoa District Licensing Committee (DLC) and the Alcohol Regulatory Licensing Authority (ARLA) must have regard to the LAP when making decisions on licence applications in the district.

2.0.3 The LAP will apply to all premises on which alcohol is sold or supplied, all applications for new licences and licence renewals after the date the LAP comes into force.

2.1 LOCATION AND DENSITY OF LICENSED PREMISES

2.1.1 No new licence of any type will be granted in locations that are within 50 metres of a sensitive site. This provision excludes restaurants and cafes. An applicant for a new on licence is exempt from this clause where they can demonstrate that the hours, alcohol-related signage, and/or operation of the premises will have no significant impact on the sensitive site/s and or persons using the sensitive site/s.

2.1.2 No new off-licenses will be granted for new businesses within the Town Centre Zone in the Wairoa Township, with the exception of supermarkets.

2.1.3 There are no restrictions on the number of on-licences or club licences in the district. However, any application must conform to the District Plan and cannot be inconsistent with other Council policies or bylaws.

2.2 MAXIMUM LICENSED OPERATING HOURS

ON LICENCE		
Maximum operating hours	**Trading days**	**Location**
9am – 1am	Monday - Sunday	District-wide

OFF LICENCE		
Maximum operating hours	**Trading days**	**Location**
9am – 9pm	Monday - Sunday	District-wide

CLUB LICENCE		
Maximum operating hours	**Trading days**	**Location**
Sunday-Thursday 10am - 11pm Friday-Saturday 10am – 12am (midnight)	Monday - Sunday	District-wide

2.3 SPECIAL LICENCES

2.3.1 The hours approved for a special licence will depend on the location, type of premise, activity and participants of the event. Special licences will not extend past 1am.

2.3.2 No premises shall be permitted to have more than six events under a special licence in any 12-month period.

2.3.3 All Class 1 special licences have to be exercised by a person holding a Manager's Certificate.

2.4 CONDITIONS ON ANY LICENCE

2.4.1 The District Licencing Committee may issue any type of licence subject to **discretionary** conditions, appropriate to the circumstances of that licence, including but limited to:

a) The people to whom alcohol may be sold;
b) The sale of alcohol to prohibited persons;
c) Management of the premises;
d) One-way door restrictions earlier than the maximum time of 1am;
e) Requirement for a person/s holding a Manager's Certificate to be on duty;
f) The kind of alcohol that may be sold;
g) Display of safe and responsible drinking messages/material;
h) Display of external promotion and advertising – including % of store front covered, type of material used;
i) Effective interior and exterior lighting;
j) CCTV in suitable locations for monitoring purposes;
k) Provision of additional qualified security staff at specified time/s;
l) Limit on the type and/or size of drinks and the number of drinks per customer after a specified time;
m) Limit the use of glass drinking receptacles at specified times;
n) Provide transport for patrons, or information about transport options;
o) Provide food, non-alcohol and low-alcohol drinks;
p) Adopt noise control management plans;
q) Adopt risk management plans;
r) Adopt a host responsibility policy.

APPENDIX 1 – ADDITIONAL INFORMATION

1 DEVELOPMENT & REVIEW OF THE LAP

1.1 A LAP must be developed in consultation with Medical Officers of Health, inspectors (as defined under the Sale and Supply of Alcohol Act 2012), Police and the community. It must be reasonable and consistent with the objectives of the Act.

1.2 In preparing a LAP, WDC must have regard to the following:

a) The objectives and policies in the District Plan.
b) The number of licences of each kind in the district, and location and opening hours of each licensed premise.
c) Liquor bans.
d) The demographic profile of the district's residents and tourists.
e) The health indicators of the district's residents.
f) The nature and severity of alcohol-related problems in the district.

1.5 WDC can revoke its LAP and adopt another in its place. The LAP can be reviewed before the review timeframe of six years.

2 DISTRICT LICENSING COMMITTEE

2.1 Decisions on applications for licences are made by the DLC, which is made up of three people, two from the wider community and one elected Councillor.

2.2 The DLC must consider each application in accordance with:

a) The LAP.
b) The objectives of the Act.
c) Suitability of the applicant.
d) Design and layout of the premises.
e) The types of goods or services provided by the applicant.
f) Whether the good order of the locality of the premises may be reduced by the issue of a licence.
g) Whether the applicant has the systems, staff and training to comply with the law.

APPENDIX 2 – DEFINITIONS

When interpreting the LAP, the definitions below should be used.

The Act	Sale and Supply of Alcohol Act 2012
Alcohol	A substance that contains fermented, distilled, or spirituous liquor, which is found to contain 1.15% or more ethanol by weight, in a form that can be consumed by people.
Alcohol-related harm	The harm caused by the excessive or inappropriate consumption of alcohol. It includes any crime, damage, death, disorderly behaviour, illness, or injury, caused or contributed to by excessive or inappropriate consumption of alcohol.
Good order of the locality	The degree to which the locality of a premises is pleasant.
Bar	A part of a hotel or tavern used mainly for the sale or consumption of alcohol.
Bottle store	Retail premises where at least 85% of the annual revenue is earned from the sale of alcohol for consumption elsewhere.
Club	A corporate body that has as its object participation or promotion of a sport or recreational activity, other than for gain; or a body that holds permanent club charter.
Club licence	A licence for the sale of alcohol for consumption at the club premises and only to members, affiliates and guests of the club.
Hotel	Business premises used mainly for providing lodging, alcohol, meals, and refreshments for consumption onsite.
Licence	A current licence issued under the Act.
Off-licence	A licence for premises where the licensee sells alcohol for consumption elsewhere.
On-licence	A licence for premises where the licensee sells alcohol for consumption onsite.
One-way door restriction	A requirement that, during the hours stated in the restriction no person is to be admitted (or re-admitted) into the premises and supplied with alcohol, unless he or she is an exempt person.
Prohibited person	A person to whom alcohol cannot be sold. This includes persons under 18 years of age, an intoxicated person and in the case of a club, a person who is not authorised to enter the premises.
Regulations	Regulations made under the Act.
Sensitive site	Areas or facilities that are considered more sensitive to alcohol-related harm. These sites include childcare facilities, educational facilities, medical centres, places of worship, and marae.

	Childcare facilities: Includes any crèche, day or after-school care centre, pre-school, kindergarten, kohanga reo or play centre. **Educational facilities**: Any educational premises, including primary, secondary, tertiary, vocational education institutes, and private tertiary establishments. **Medical centres:** Premises used to provide essential medical, physical and mental health services, as well as any addiction treatment facilities. This includes any pharmacy, dental surgery, or health clinic. **Places of worship**: Buildings and land used mainly for worship or religious purposes.
Special licence	A licence that allows the licensee to sell alcohol to people attending an event. This licence may be: • An on-site or an off-site licence • For a single event or a series of events • To permit the sale of alcohol at an on-licence or a club licence, outside the conditions of the usual licence
Supermarket	Under section 32 (1) (e) of the Act - premises that (in the opinion of the licensing authority or licensing committee concerned) are a supermarket with a floor area of at least 1000m² (including any separate departments set aside for such foodstuffs as fresh meat, fresh fruit and vegetables, and delicatessen items)
Tavern	Premises used mainly for providing alcohol and other refreshments to the public.

STATEMENT OF PROPOSAL

ADOPTION OF WAIROA DISTRICT COUNCIL'S PROVISIONAL LOCAL ALCOHOL POLICY

REASON FOR THE PROPOSAL

Council is considering whether it should adopt a Local Alcohol Policy (LAP), and if it adopts a Local Alcohol Policy what should be included in it. Council considers that this is a matter for local communities to decide. There is a legislative requirement for the special consultative procedure to be used. Council is therefore seeking feedback from its communities on whether they believe Council should adopt this policy and the provisions that should be in this policy.

Under the Sale and Supply of Alcohol Act 2012 Council can adopt a LAP. This policy is applicable to licences under the Sale and Supply of Alcohol Act 2012 in the district. Under legislation Council has to follow the below process to adopt a Local Alcohol Policy:

1 | BACKGROUND PAPER

Develop background paper to support consultation on LAP.

2 | DRAFT LOCAL ALCOHOL PLAN

Develop Draft LAP in consultation with Police, Licensing Inspectors and Medical Officers of Health. Consult with community about LAP using the special consultative procedure.

3 | PROVISIONAL LOCAL ALCOHOL PLAN

Prepare a provisional LAP based on feedback from community consultation.

4 | PUBLIC NOTIFICATION

Give public notice of the provisional policy. LAP can be appealed at this stage.

5 | PROVISIONAL LOCAL ALCOHOL PLAN ADOPTION

Adopt the provisional policy. It becomes final 30 days after public notification, or after appeals are resolved.

6 | FINAL LOCAL ALCOHOL PLAN ADOPTION

Give public notice of the LAP's adoption and the date it'll come into effect, as determined by council resolution.

MAKING A SUBMISSION

Where to get a copy of the Summary of Information and submission form

The consultation document includes the draft Local Alcohol Policy, LAP Background Paper, and the submission form. It may be collected from the Council's Main Office in Wairoa, downloaded from the Council's website or completed online. ⊕ **www.wairoadc.govt.nz, search for #consultations**

Period of Consultation

Written submissions on the Draft Local Alcohol Policy may be made until **4.30pm Thursday 30 April, 2020**.

Those who make a written submission may choose to make an oral submission. Hearings of oral submissions are tentatively scheduled for Tuesday 26 May at 10am – 12.30pm.

Please indicate on your submission form if you wish to speak to your submission.

MORE INFORMATION

If you have any questions about this policy or the submission process please contact Kimberley Tuapawa, Group Manager Information and Customer Experience on ☎ (06) 838 7309.

TĀPAETANGA

SUBMISSION FORM

It's even easier to complete this submission form online.
Simply go to www.wairoadc.govt.nz, search for #consultations

All the information you provide in your feedback form (including personal details) will become public documents as part of the decision-making process.

HERE'S HOW YOU CAN SUBMIT:	Online	Drop it off	E-mail it	Post it
	www.wairoadc.govt.nz search for #consultations	Coronation Square, Queen Street, Wairoa	info@wairoadc.govt.nz	Wairoa District Council, P.O. Box 54, Wairoa 4160

Submissions close 4.30pm, Thursday 30th April 2020

YOUR DETAILS

First & Last Name | Organisation (if applicable)

Phone | E-Mail

Street Name

Postcode | Suburb/Town

Do you wish to speak to your submission? ○ Āe/Yes ○ Kāo/No

If yes, will you require a New Zealand sign language interpreter? ○ Āe/Yes ○ Kāo/No

The hearing for submissions is tentatively schedules for Tuesday 26th May at 10am - 12.30pm

Should Council adopt this new policy? ○ Āe/Yes ○ Kāo/No

If Council does not adopt a Local Alcohol Policy the legislative requirements will still apply.

Do you support that no alcohol licences should be granted for child-focused events? ○ Āe/Yes ○ Kāo/No

The Hawke's Bay District Health Board believe that including this in Council's Local Alcohol Policy will support safe physical and emotional environments for children and young people (under the age of 18 years), especially at school, and to protect them from the increased exposure of children to alcohol in daily lives (e.g. through advertising, increased availability and adult role modelling), in order to reduce the high rates of hazardous drinking by young people in Hawke's Bay.

To this end, the District Health Board recommend that the following be added to Section 2.3 of the Local Alcohol Policy: "No school fete, gala or similar event held on school grounds at which participation of children can reasonably be expected shall allow for the consumption of alcohol on the premise."

What kinds of events that children are in attendance would you support being alcohol-free?

- ○ School-based events only held on school grounds
- ○ Any event focused on children under 18 years of age held anywhere
- ○ Other: _____

_____

COMMENTS

8.4 PATANGATA BRIDGE - PROJECT UPDATE

Author: **Mike Hardie, Kaiwhakahaere Hua Pūmau Huarahi (Taupua) Acting Transport Asset Manager**

Authoriser: **Stephen Heath, Pouwhakarae – Hua Pūmau Hapori / Ratonga Group Manager Community Assets and Services**

Appendices:
1. **Letter to Hereheretau Station** ⇩
2. **Letter to HBRC** ⇩
3. **AMP Repriortisation risks/Options** ⇩
4. **HBRC Weir proposal** ⇩

PURPOSE

1.1 This report provides information for Council on updates for the replacement of Patangata Bridge, following on from the resolution made at Ordinary Council meeting in February 2020.. No decisions are required by Council at this stage.

RECOMMENDATION

The Kaiwhakahaere Hua Pūmau Huarahi (Taupua) Acting Transport Asset Manager RECOMMENDS that Council receive the report.

2. BACKGROUND

2.1 In the February 2020 meeting, Council resolved the following in regard to Patangata Bridge:

That Council adopt Option C, 4.3.a.2 – Do something, replace Patangata Bridge with a new bridge to Class 1: $398,000+GST (including removal), 100-year life expectancy; and that a full project plan be tabled at the next Ordinary Council meeting to look at the options of how this would be funded i.e.;

a. Reprioritised current work programme for bridges
b. NZTA subsidies
c. Asset class depreciation
d. Partnering model – users who receive commercial benefit to be asked to contribute towards costs

3. UPDATE ON RESOLUTION TASKS

3.1 Progress has been made in all areas, however there is no set Project Plan in place as of yet due to a number of **new factors** that have surfaced since the previous Council meeting

3.2 NZTA subsidies – NZTA have indicated further that they are not opposed to the bridge being reprioritised, however they are **uncommitted** at this stage pending further investigation into economic benefits to the Wairoa District. Our Bridge Engineers have provided a **report around risks** associated with re-prioritising the Activity Management Plan and specifically the bridge programme, and a range of different options – to further

give elected members scope of this decision. This report is attached at Apppendix 3 AMP Repriortisation risks/Options.

3.3 Finance department of Wairoa District Council have given the following response in relation to depreciation and loan fund:

a. Annual Report recorded a balance of $2.137 million in the depreciation reserve

b. Any amount that relates to the Patangata Bridge would be negligible.

c. Further, due to the reduced level of rating for depreciation in the 2019/20 budget, less will be available for ongoing renewals.

d. Therefore, it is recommended that this option only be considered if we have identified renewals across the asset base that will not be required as soon as anticipated, or greater external funding is available.

e. We assume that debt will only be used where no other funding sources are available.

f. Based on the current approach to rating, if Council fully funded this by borrowing, the annual cost would be about $18,000, which is 0.1% on rates. The increase per rating unit would be in the range 3c to 7c per $10,000 of property value, except for forestry which would be 28c per $10k.

3.4 Partnering model – a letter has been sent to Hawkes Bay Regional Council (HBRC) and Peter McKenzie of Hereheretau Station, on behalf of the CEO. See Appendix 1 & 2. To date, we have had no reply from Hereheretau Station. HBRC have responded with a potential option of partnering.

4. HBRC – POTENTIAL PARTNERING MODEL

4.1 HBRC have had previous plans to install a weir on the Whakaki Lake. Due to an access agreement being rescinded, an opportunity has now arisen to explore the option of installing the weir in conjunction with the construction of Patangata Bridge (same location). This is in the early stages, but it is worth exploring as this would go a long way to covering the Council share of the bridge construction. At this stage, Council's approval is required to proceed with the investigation of this. HBRC have a process to go through in terms of design, viability, costs, and governance. Appendix 4 HBRC Weir proposal outlines their proposed intentions.

5. CONCLUSION

5.1 The option of constructing the HBRC weir and Patangata Bridge, further investigation around NZTA funding, and further investigation around commercial entities contribution will continue.

The ideal outcome is to construct the bridge in conjunction with the weir at the same location and same time. A project plan will be tabled if Council is in support of this option. Further economic benefits to the Wairoa District need to be explored in order to secure the NZTA funding.

Further Information

N/A

References (to or from other Committees)

Council, 20 March 2018, Patangata Bridge Closure

Council, 1 May 2018, Update on Status of Patangata Bridge

Council, 11 February 2020, Patangata Bridge – Options moving forward

Signatories

	
Author Mike Hardie	Approved by Stephen Heath

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Coronation Square, Queen Street, Wairoa

27 February 2020

Peter McKenzie
Hereheretau Station
C/-Lewis Wright Valuation and Consultancy
139 Cobden Street
GISBORNE 4010

Dear Peter

Thank you for your submission re: Patangata Bridge, which was tabled at the Wairoa District Council (WDC) Council meeting on February 11th, 2020.

The resolution from this meeting was: **ITEM 8.8 – PATANGATA BRIDGE**

Resolved:

That Council adopt Option C, 4.3.a.2 – Do something, replace Patangata Bridge with a new bridge to Class 1: $398,000+GST (including removal), 100-year life expectancy; and that a full project plan be tabled at the next Ordinary Council meeting to look at the options of how this would be funded i.e;

a. Reprioritised current work programme for bridges
b. NZTA subsidies
c. Asset class depreciation
d. Partnering model – users who receive commercial benefit to be asked to contribute towards costs.

I would like to discuss this resolution with you, in particular, point 'd'. Wairoa District Council is looking at all options including partnering with local businesses which have a commercial interest in the land which the current bridge (and future bridge) will service.

To expand more on what partnering means, Wairoa District Council receive 75% Financial Assistance i.e. every $1 spent on roading activities, NZTA contribute 75cents. This means Wairoa District Council need to pay 25% or 25cents of every $1.

Our discussion with you will be around how we can partner to help cover the 25% of total bridge replacement cost, which would be approximately $99,500+GST.

Can you please let me know at your earliest convenience when it will suit you to discuss possible options surrounding this.

King Regards,

Steven May
Tumu Whakarae
Chief Executive Officer

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PO Box 54, Wairoa 4160, Hawke's Bay
Coronation Square, Queen Street, Wairoa

27 February 2020

Hawkes Bay Regional Council (Wairoa Office)
C/-Nathan Heath
Catchment Manager Wairoa Mohaka
46Freyberg Street
WAIROA 4108

Dear Nathan

Thank you for your submission re: Patangata Bridge, which was tabled at the Wairoa District Council (WDC) Council meeting on February 11th, 2020.

The resolution from this meeting was: **ITEM 8.8 – PATANGATA BRIDGE**

Resolved:

That Council adopt Option C, 4.3.a.2 – Do something, replace Patangata Bridge with a new bridge to Class 1: $398,000+GST (including removal), 100-year life expectancy; and that a full project plan be tabled at the next Ordinary Council meeting to look at the options of how this would be funded i.e;

a. Reprioritised current work programme for bridges
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I would like to discuss this resolution with you, in particular, point 'd'. Wairoa District Council is looking at all options including partnering with local businesses which have a commercial interest in the land which the current bridge (and future bridge) will service.

To expand more on what partnering means, Wairoa District Council receive 75% Financial Assistance i.e. every $1 spent on roading activities, NZTA contribute 75cents. This means Wairoa District Council need to pay 25% or 25cents of every $1.

Our discussion with you will be around how we can partner to help cover the 25% of total bridge replacement cost, which would be approximately $99,500+GST.

Can you please let me know at your earliest convenience when it will suit you to discuss possible options surrounding this.

King Regards,

Steven May
Tumu Whakarae
Chief Executive Officer

Project Number: 2-S5091.00

Report Number: U20/20

Effects of Patangata on the AMP

Patangata Bridge Renewal

13 March 2020

CONFIDENTIAL

wsp

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Approved for release by
Kyle Blyth

Document History and Status

Revision	Date	Author	Reviewed by	Approved by	Status
1	13/03/2020	Kyle Blyth	Sue Ashmore	Kyle Blyth	Final

Revision Details

Revision	Details

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Executive Summary

This report details the risks and rewards of various outcomes available with the ongoing investigation works into the replacement of Patangata Bridge. The report focuses on the Patangata and Mohaka Township Bridges as these structures are known critical items in the next financial year and have the potential to create significant issues should either project be delayed.

As of writing, the 2019-2020 bridge inspections are still taking place, so it is not known what urgent maintenance works will be identified. The unknown nature of any additional critical SBR work is of high risk to the financial implications of undertaking work on both Patangata and/or Mohaka Township Bridges in the next financial year.

Should the inspections highlight additional concerns that need to be addressed in the immediate future, undertaking work on Patangata and/or Mohaka, without sourcing additional funding, may lead to bridge restrictions being put in place until remedial actions can be completed.

Withholding work on Patangata and/or Mohaka Township Bridge until future financial years would also have implications for any upcoming SBR work. With the new 3-year Activity Management Plan (AMP) being submitted for approval this year, it is recommended that this submission also makes allowance for any items of urgent maintenance work that may be identified during the current inspections, and the financial risks these may attract.

This report investigates the effects of both alternative funding for upcoming SBR projects and potential alternative/shared funding in the construction of a new structure at the Patangata Bridge site, being undertaken in conjunction with the weir project to be completed by Hawke's Bay Regional Council (HBRC)

The best outcome in this scenario is that an agreement will be reached to share the cost of a new Patangata Bridge and gain additional funding to complete the required repair work on Mohaka Township Bridge.

Presently, undertaking both Patangata and Mohaka Township Bridges is unfeasible with the current allocated funding. However, early engagement with both the Provincial Growth Fund (PGF) and HBRC have shown positive signs that these alternatives sources of funding have the potential to be realised, which will assist in both projects being completed.

1 Summary

1.1 Current AMP Arrangements

The current AMP documentation has an allowance of $499,000 ($510,000 was granted) for structural bridge repair work during the 2020/2021 financial year. This sum then reduces over the upcoming years as can be seen in the extract from the documentation below.

It is understood that, due to the acceptance of PGF funding, the allocated funding for "Low Cost/ Low Risk Improvements" has been withdrawn and replaced with the PGF work currently ongoing.

Given the high cost estimates of both Patangata and Mohaka Township Bridges it is anticipated that should the SBR budget be used to undertake the work there will be significant impact on any unforeseen works yet to be identified in the current inspections being undertaken.

Table 1: Extra of Work definition from the 2017 AMP submission

WC NO.	WORK CATEGORY NAME	KEY FUNCTION	EXAMPLE WORK ACTIVITIES
114	Structures maintenance	Remedy defects, maintain condition	Handrail repairs, minor repairs to components, cleaning & painting, stream clearing & debris removal
215	Structures component replacements	Improve condition, Increase capacity	Replacement of damaged & deteriorated components, Bridge decks and other strengthening works
~~341~~	~~Low Cost/Low Risk Improvements~~	~~Increase capacity~~	~~Bridge strengthening works~~

Table 2: Financial Details of the planned expenditure submitted

WORK CATEGORY		10-YEAR BUDGET ($000)									
		18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
114	Structures maintenance	236	273	281	285	285	285	285	285	285	285
215	Structures component replacement	499	499	499	385	385	385	385	385	385	385
341	Low Cost/Low Risk Improvements	1,360	1,427	1,427	1,427	0	0	0	0	0	0
	TOTAL	**2,155**	**2,229**	**2,237**	**1,127**	**700**	**700**	**700**	**700**	**700**	**700**

This table excludes the special purpose figures from the SH38 route.

There is adequate funding to undertake Patangata in the 2020-2021 financial year. However, there would be a risk of insufficient funding being available to undertake the required repair work on Mohaka Township Bridge. In addition, if carrying out both projects was possible, this would see any additional SBR works delayed until at least the 2022/2023 financial year.

1.2 Future AMP

Postponing the construction of the new Patangata Bridge would cause substantial negative social impacts within the local community.

However, financially due to the imminent submission of the new AMP proposal for the 2021/2022 year onwards, there would be an opportunity to include the financial costs of a new Patangata Bridge within this proposal. However, there would be no guarantee that construction of a new

structure would be accepted and if it was, there would be a minimum 12-month additional delay in the construction of the bridge, until the funding was available.

Nevertheless, this time could be used to allow legal issues to be resolved around the ownership of the new structure and to agree access arrangements to ensure the structure and adjoining road remain assets of Wairoa District Council (WDC).

1.3 HBRC New Weir Project

New developments in the HBRC Whakaki Lagoon Weir project mean there is the potential to explore new funding streams for the construction of a new bridge at Patangata.

Construction of a weir would require the construction of a temporary river crossing to allow piles to be driven into the river bed.

By aligning the two projects, there is scope to save both parties both environmental and financial savings. Ongoing discussions continue around aligning both projects and the initial meetings have suggested a positive outcome can be reached for both projects.

1.4 PGF Funding Scope Change

The current PGF projects in Wairoa have seen substantial cost savings, due to the collaboration of WSP with WDC in determining the extent of construction drawing availability, as this significantly reduces the cost of assessing the capability of their bridges.

These cost savings have allowed WDC to extend the scope of the PGF projects, to help with the investigation of additional HPMV priority routes.

A report is to be submitted by WSP to outline the benefits to the region for allowing additional structures to form part of the PGF funding.

The work towards this is still in early stages and will be confirmed with WDC in due course.

Project Number: 2-S5091.00
Effects of Patangata on the AMP
Patangata Renewal

1.5 Project Outcome Summary

	Outcome 1	Outcome 2	Outcome 3	Outcome 4	Outcome 5
Overview	Complete construction of a new Patangata Bridge next year by fully funding the project using the existing SBR budget. Postponing SBR works on Mohaka Township Bridge	Complete construction of a new Patangata Bridge next year in conjunction with the HBRC new weir project. This option would require a cost share with HBRC to partially fund the new structure, the remaining financial requirement would then be taken from existing SBR funding. The extent of impact on the 2020-2021 SBR budget depends on how the costs of a new structure can be split with HBRC.	Postpone Patangata until after the agreement of the new AMP cycle and request additional funds to complete the works. Mohaka Township Bridge repair would then be paid for by the existing SBR budget.	Complete construction of a new Patangata Bridge next year by fully funding the project using the existing SBR budget. and agree new PGF funding source for the repair of Mohaka Township Bridge piles.	Complete construction of a new Patangata Bridge next year in conjunction with the HBRC new weir project. This option would require a cost share with HBRC to partially fund the new structure, the remaining financial requirement would then be taken from existing SBR funding and agree new PGF funding source for the repair of Mohaka Township Bridge piles
Patangata Bridge	Patangata Bridge is constructed in the 2021 – 2022 Financial Year	Patangata Bridge is constructed in the 2021 – 2022 Financial Year	Patangata Bridge is not constructed until at least 2022-2023 but has potential to open up additional finance streams to fund the project with the submission of the new AMP.	Patangata Bridge is constructed in the 2021 – 2022 Financial Year	Patangata Bridge is constructed in the 2021 – 2022 Financial Year
Mohaka Township Bridge	Insufficient funding to repair Mohaka, leading to potential heavy vehicle restrictions being imposed to prevent excessive damage during the prolonged use of the damaged structure.	Increased possibility that sufficient funding would be available to complete the piling works at Mohaka Township Bridge.	Mohaka Township Bridge piles would be repaired in the next financial cycle.	Agree new funding source for Mohaka Township Bridge piles with the available PGF money for HPMV critical routes in the region. This would enable completion of works during the 2021-2022 financial year.	Agree new funding source for Mohaka Township Bridge piles with the available PGF money for HPMV critical routes in the region. This would enable completion of works during the 2021-2022 financial year.
Risks	• Mohaka Bridge may require heavy vehicle restrictions. • Additional Bridge defects would not have funding to be completed until 2022-2023. • Full NZTA approval to spend SBR fund on a new structure required. • Other priority SBR repairs would need to be postponed.	• No guaranteed timescale for completion of Patangata structure, if combined with new weir project. • An agreement on the financial split of a new Patangata structure would need to be reached.	• Local community would suffer due to the prolonged closure of Patangata. • No guarantee funding can be secured in the forward planned AMP.	• Alteration to funding agreement may not be granted. • A new Patangata Bridge would still require SBR funding.	• Alteration to funding agreement may not be granted. • No guaranteed timescale in completion of a new Patangata Bridge if joined with new weir project. • An agreement on the financial split of a new Patangata Bridge may not be reached.
Rewards	• Whakaki lagoon land is opened to provide farming opportunities. • Local community receive access to a new structure	• Financial savings for both Weir project and new bridge • Weir is expected to be completed by winter 2020 so a structure would be required before then.	• Mohaka Township Bridge can be repaired which would allow continued access to forestry and quarrying routes. • If the request for additional funding is accepted there would be no impact on future SBR works.	• Mohaka Township Bridge can be repaired which would allow continued access to forestry and quarrying routes. • Local authority SBR budget would still have money to undertake additional critical repair work.	• Financial savings for both Weir project and New Bridge • Mohaka Township Bridge would remain usable for heavy vehicles. • Local authority SBR budget would still have money to undertake additional critical repair work.
Requirements	• Patangata ownership and land access rights need to be established to ensure the asset remains property of WDC. • Location of new structure would need to be agreed.	• Patangata ownership and land access rights need to be established to ensure the asset remains property of WDC. • Location of new structure would need to be agreed. • A funding agreement needs to be established with HBRC	• Clear community relationships need to continue, and the local community needs to be engaged to agree further delays to the project.	• Report required to be issued to PGF to ensure acceptance of new proposal within the existing agreement. • Patangata ownership and land access rights need to be established to ensure the asset remains property of WDC. • Location of new structure would need to be agreed.	• Report required to be issued to PGF to ensure acceptance of new structure proposals into the existing agreement. • Patangata ownership and land access rights need to be established to ensure the asset remains property of WDC. • Location of new structure would need to be agreed. • A funding agreement needs to be established with HBRC

1.6 Financial Outcome Summary

2020-2021 Financial Year	Outcome 1	Outcome 2	Outcome 3	Outcome 4	Outcome 5
Structural Bridge Repair Budget	$510k	$510k	$510k	$510k	$510k
Patangata Cost	($350k)	($175k)	($0)	($350k)	($175k)
Mohaka Pile Repair Cost*	($400k)*	($400k)*	($400k)*	($0)	($0)
Remaining SBR Funding	($240k)	($65k)	$110k	$160k	$335k

*This is a high-level ROC estimate for Mohaka Township Bridge pile repair. (±30%)

2 Outcome 1

2.1 Overview

Outcome 1 considers completing construction of a new Patangata Bridge using the 2020-2021 SBR budget with no agreement for financial support PGF funds for repairing Mohaka Township Bridge. This outcome highlights the worst-case outcome for both projects and describes the effects this will have on future SBR work.

This outcome would see the construction of Patangata Bridge take place in the 2020-2021 financial window, using approved finances available from the Structural Bridge Repair fund ($510,000). It would also impact and delay the repair of Mohaka Township Bridge piles. This delay may result in the requirement of a heavy vehicle restriction being imposed to prevent additional damage from occurring on the structure, due to the delay in the repairs.

2.2 Patangata Bridge

Completion of construction of the new Patangata Bridge would be completed in the 2020-2021 financial year. The completion of the project would open the adjacent land for more intensive farming and allow continued safe access for the local community who currently utilise the structure.

2.3 Mohaka Township Bridge

The construction of the new Patangata Bridge would leave a shortfall in the required funding for the Mohaka Township Bridge repair scheme and would therefore render the repair of Mohaka Township unfeasible.

The delay to the repairs would require the review of the risks of allowing heavy vehicles across the structure until a repair can be completed. The findings of this review may require restrictions to be put in place on the structure.

With the imminent AMP submission, additional funding could be requested, to assist with the high costs associated with a pile repair on Mohaka Township Bridge.

2.4 Risks

It is understood that NZTA are aware of the Patangata Bridge replacement project and in principal are happy for the funds to be re-allocated to provide a new structure rather than carrying out substantial structural bridge repairs. However, this still requires formal agreement, to confirm that the funding can be used to complete this work.

Construction of a new structure still requires discussion around land ownership, bridge ownership and access to the structure. There will need to be a formal agreement between the landowners and WDC prior to works progressing on site. The agreement would also need to clarify all future maintenance responsibilities, etc.

Although a resource consent will be required for the work, as any new structure would be replacing the existing footprint of the current structure, it is likely that a resource consent application would be straightforward.

A review of the risks, relating to a delayed repair of Mohaka Township Bridge, may result in restricted use of the structure by heavy vehicles and this may limit the potential for forestry and quarrying in the area if no alternative route is available.

Utilising the SBR budget for the completion of Patangata would leave it impossible to complete additional maintenance works on structures identified during the routine and principal inspections currently being undertaken.

2.5 Rewards

By using the SBR funds for the next financial year, the new construction at Patangata is guaranteed completion in the earliest possible time frame.

A new structure would open the adjacent land to utilise the full potential of the expected farming value as outlined in the Business Case submitted to WDC.

3 Outcome 2

3.1 Overview

Outcome 2 considers completing construction of a new Patangata Bridge using the 2020-2021 SBR budget. However, cost savings and/or partial funding may be available from HBRC for the Patangata Bridge replacement, so residual SBR funding may be available for funding the Mohaka Township Bridge repairs.

This outcome would see the construction of a new Patangata Bridge occur in the 2020-2021 financial window. Using approved finances available from the Structural Bridge Repair fund ($510,000). However, working in conjunction with HBRC for the construction of a new weir, near the current Patangata Bridge, could see the potential for savings on both projects.

A financial arrangement could also be negotiated between HBRC and WDC, to agree a cost share for the construction of the new bridge. The exact savings of combining the project remain to be discussed with HBRC and WDC. Early indications suggested that a temporary structure would costs in the region of $200k and the permanent $350k. in the event of a costs share, where the value of the new structure is split 50/50 this would lead to WDC savings in the region of $175,000.

The new structure construction would be a 2-Span steel beam concrete deck bridge.

3.2 Patangata Bridge

Completion of construction of the new Patangata Bridge would be completed in the 2020-2021 financial year. The completion of the project would open the adjacent land for more intensive farming and allow continued safe access for the local community who currently utilise the structure. the shared funding arrangement

The shared cost approach to a new Patangata Structure would see economic and environmental benefits to both parties. HBRC and WDC would need to fully agree any funding template to a shared cost approach.

3.3 Mohaka Township Bridge

The construction of the new Patangata Bridge would leave a shortfall in the required funding for the Mohaka Township Bridge repair scheme and would therefore render the repair of Mohaka Township unfeasible. Even with the shared funding approach, it would be anticipated that Mohaka Township Bridge would be too expensive to complete in the same financial year.

The delay to the repairs would require the review of the risks of allowing heavy vehicles across the structure until a repair can be completed. The findings of this review may require restrictions to be put in place on the structure.

With the imminent AMP submission, additional funding could be requested, to assist with the high costs associated with a pile repair on Mohaka Township Bridge.

3.4 Risks

It is understood that NZTA are aware of the Patangata Bridge replacement project and in principal are happy for the funds to be re-allocated to provide a new structure rather than carrying out substantial structural bridge repairs. However, this still requires formal agreement, to confirm that the funding can be used to complete this work.

As for Outcome 1, there will need to be a formal agreement between the landowners and WDC prior to works progressing on site to agree ownership and to clarify all future maintenance responsibilities, etc.

Although a resource consent will be required for the work, as any new structure would be replacing the existing footprint of the current structure, it is likely that a resource consent application would be straightforward.

Ongoing meetings with HBRC will be needed to confirm timeframe, financials, and the general feasibility of combining the projects.

A review of the risks, relating to a delayed repair of Mohaka Township Bridge, may result in restricted use of the structure by heavy vehicles and this may limit the potential for forestry and quarrying in the area if no alternative route is available.

Utilising the SBR budget for the completion of a new Patangata Bridge would leave it impossible to complete additional maintenance works on structures identified during the routine and principal inspections currently being undertaken.

The use of Lattey as a contractor/subcontractor for the construction of the new bridge is likely to be a HBRC requirement, due to the ongoing agreement in place with them to construct the new weir.

3.5 Rewards

By using the SBR funds for the next financial year, the new construction at Patangata is guaranteed completion in the earliest possible time frame. Joining the project and agreeing a financial arrangement with HBRC would lead to significant savings for WDC.

A new structure would open the adjacent land to utilise the full potential of the expected farming value as outlined in the Business Case submitted to WDC.

A contractor could be engaged to scope out the price of a repair to Mohaka Township Bridge to confirm if the $400k construction value is accurate. If the contractor sees reductions in the costs, there is a chance both project could be undertaken.

4 Outcome 3

4.1 Overview

Outcome 3 considers postponing the construction of a new bridge at Patangata until the 2021-2022 financial year. this would allow the repair of Mohaka Township Bridge to be completed in the 2020-2021 cycle.

Postponing the construction of a new Patangata Bridge would also allow the new AMP to be aligned to request the money direct from NZTA as part of the forward works programme. This additional funding would be surplus to the anticipated costs of structural bridge repairs over the next 3 years.

Undertaking the repair work on Mohaka Township Bridge would ensure the structure remains open to its full capacity.

4.2 Patangata Bridge

This option would see Patangata Bridge not completed in the next financial window and pushed back to the 2021-2022 financial window at the earliest. The delay in construction would influence the local community who are currently unable to access the land on the opposite side of the bridge.

Since there is a new AMP submission to be completed this year, there is scope to request additional separate funding to allow for the construction of Patangata Bridge in the future.

4.3 Mohaka Township Bridge

The delay in construction of a new Patanagata Bridge would allow Mohaka Township Bridge to be fully repaired in the 2020-2021 financial year. The full repair of Mohaka Township Bridge would allow the continued use of heavy vehicles across the structure.

4.4 Risks

The continued closure of Patangata Bridge would cause grievances in the local community who are unable to access the land with vehicles. The closure could extend further if NZTA are unwilling to accept the proposal for a new structure in the upcoming AMP submission.

4.5 Rewards

Mohaka Township Bridge can continue to be used without restrictions for continued access to forestry, farming and quarrying.

If the additional funding request submitted in the AMP is accepted, there would be no further impacts on the existing SBR budget ensuring all future identified structures that require work are completed.

5 Outcome 4

5.1 Overview

Currently within WDC there is an agreement with PGF to develop critical high priority routes for HPMV vehicles. PGF have already accepted that the funding can be extended to encompass additional routes providing they meet the original criteria.

A report is currently being prepared by WSP to try and extended the funding to cover additional routes, one of which includes Mohaka Township Bridge. Should this proposal be accepted, the requirement to repair Mohaka Township Bridge piles with SBR funding will not be required and outsourced PGF funding can be used as an alternative.

This would leave the untouched SBR budget available to construct the new structure at Patangata during the 2020-2021 financial year.

5.2 Patangata Bridge

Completion of construction of the new Patangata Bridge would be completed in the 2020-2021 financial year. The completion of the project would open the adjacent land for more intensive farming and allow continued safe access for the local community who currently utilise the structure.

5.3 Mohaka Township Bridge

Sourcing of additional funding from PGF would allow Mohaka Township Bridge to be fully repaired in the 2020-2021 financial year. The full repair of Mohaka Township Bridge would allow the continued use of heavy vehicles across the structure.

5.4 Risks

This outcome relies on an agreement with PGF being reached. current communication with PGF suggest that an extension of assets within the same scope will be achievable.

A new construction at Patangata would still require SBR funding, it is understood that NZTA are aware of the Patangata Bridge replacement project and in principal are happy for the funds to be re-allocated to provide a new structure rather than carrying out substantial structural bridge repairs. However, this still requires formal agreement, to confirm that the funding can be used to complete this work.

As for Outcome 1, there will need to be a formal agreement between the landowners and WDC prior to works progressing on site to agree ownership and to clarify all future maintenance responsibilities, etc.

Although a resource consent will be required for the work, as any new structure would be replacing the existing footprint of the current structure, it is likely that a resource consent application would be straightforward.

5.5 Rewards

An extension to the PGF agreement would allow for SBR funds to be reallocated to other critical bridge repairs and the replacement of Patangata Bridge.

By using the SBR funds for the next financial year, the new construction at Patangata is guaranteed completion in the earliest possible time frame.

A new structure would open the adjacent land to utilise the full potential of the expected farming value as outlined in the Business Case submitted to WDC.

Mohaka Township Bridge can continue to be used without restrictions for continued access to forestry, farming and quarrying.

6 Outcome 5

6.1 Overview

Outcome 5 is the most economically lucrative outcome. In this outcome, both PGF funding and a split cost of a new structure at Patangata come to fruition.

Currently within WDC there is an agreement with PGF to develop critical high priority routes for HPMV vehicles. PGF have already accepted that the funding can be extended to encompass additional routes providing they meet the original criteria.

A report is currently being prepared by WSP to try and extended the funding to cover additional routes, one of which includes Mohaka Township Bridge. Should this proposal be accepted, the requirement to repair Mohaka Township Bridge piles with SBR funding will not be required and outsourced PGF funding can be used as an alternative.

This would leave the untouched SBR budget available to construct the new structure at Patangata during the 2020-2021 financial year. Cost savings and/or partial funding may be available from HBRC for the Patangata Bridge replacement.

6.2 Patangata Bridge

Completion of construction of the new Patangata Bridge would be completed in the 2020-2021 financial year. The completion of the project would open the adjacent land for more intensive farming and allow continued safe access for the local community who currently utilise the structure.

The shared cost approach to a new Patangata Structure would see economic and environmental benefits to both parties. HBRC and WDC would need to fully agree any funding template to a shared cost approach.

6.3 Mohaka Township Bridge

Sourcing of additional funding from PGF would allow Mohaka Township Bridge to be fully repaired in the 2020-2021 financial year. The full repair of Mohaka Township Bridge would allow the continued use of heavy vehicles across the structure.

6.4 Risks

This outcome relies on an agreement with PGF being reached. Current communication with PGF suggest that an extension of assets within the same scope will be achievable.

As for Outcome 1, there will need to be a formal agreement between the landowners and WDC prior to works progressing on site to agree ownership and to clarify all future maintenance responsibilities, etc.

Although a resource consent will be required for the work, as any new structure would be replacing the existing footprint of the current structure, it is likely that a resource consent application would be straightforward.

Ongoing meetings with HBRC will be needed to confirm timeframe, financials, and the general feasibility of combining the projects.

6.5 Rewards

Both a new structure at Patangata and the Mohaka Township Bridge repair are completed in the 2021-2022 financial year.

The alternative funding arrangements as described above would leave additional SBR funds open to be used to maintain additional WDC assets identified in current ongoing inspections.

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wsp.com/nz

MEMO

HAWKE'S BAY REGIONAL COUNCIL

To:	Wairoa District Council
From:	Nathan Heath – Area Manager-Northern HB
Date:	27 February 2020
Subject:	**PĀTANGATA BRIDGE**
Cc:	Michael Hardie, Stephen Heath & Luke Knight (WDC), Chris Dolley, Iain Maxwell & Martina Groves (HBRC)

In 2017 an application on-behalf of multiple parties was made to the Ministry for the Environment's Freshwater Improvement Fund (FIF), to fund a number of projects around Lake Whakaki to support the restoration of the Lakes water quality and mauri. Under the title "Sunshine, wetlands and bees to revitalise the taonga of Whakaki". The project went through several iterations but was ultimately successful in obtaining funding in 2019.

The project includes the construction of a weir to provide a more reliable method of managing the Whakaki Lake level through controlled lake openings. This will help maintain a higher Lake level in summer and reduce the likelihood of the Lake from drying out too much following openings in spring. It will also enable a more reliable opening regime to prevent flooding of land particularly around Iwitea at any time.

Up until February 2019, the weir was to be constructed within the Rahui Channel at the location shown on the map below. Recently several logistical challenges, including accessing the site via the bridge and or alternative routes and the rescinding of support from Trustees of the land concerned have lead to the project team considering alternatives to its present location.

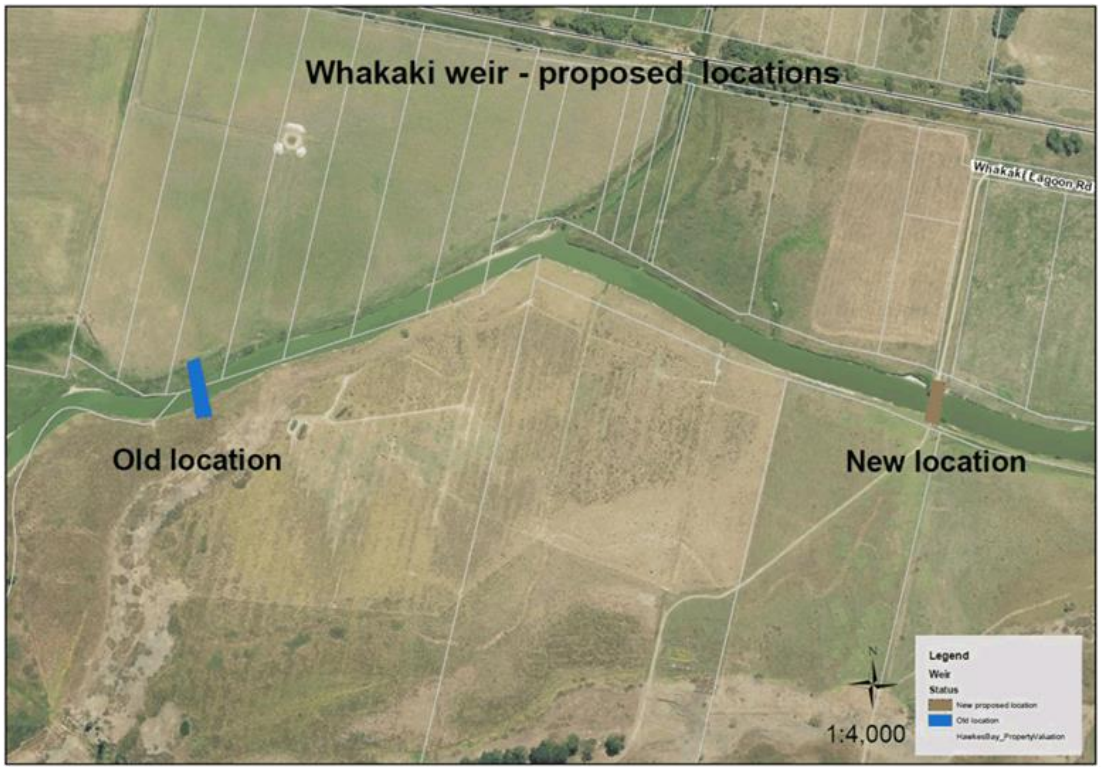
WDC recently approved the development of a business case to replace the Pātangata Bridge and a letter was sent to HBRC by Steven May (WDC CE) to seek financial support to this proposal by commercially effected parties.

HBRC in collaboration with WDC are currently investigating the option of potentially shifting the weir to alongside the Pātangata Bridge, which could provide mutual benefits to both parties in cost savings and reducing logistical challenges.

The design, construction and cost of undertaking option this is being developed through WSP Latte, and is approximately one month away from completion. This will be a high level overview and require Geotechnical assessment following. In the meantime HBRC are also considering options for financially supporting the construction of the Pātangata Bridge internally and are not in a position at present to formally commit to this at the time of the Council Meeting on 24 March.

There is significant goodwill being shown by both agencies at present to support each other with this project. The ultimate decision on the weirs location lies with the Whakaki FIF Projects Governance Group and is contingent on the formal understanding of impacts and costs of the weirs relocation, all of which are being investigated now.

HBRC will require legal assurance of access to the weir to carry out activities related it to its use regardless of location, and work alongside WDC and the Property Group is currently being undertaken to assess options for securing this.



HBRC is aware of the communities concerns around access across the Rahui Channel and the need to ensure any progress forward is done quickly and effectively.

Unfortunately we are not in a position to provide anymore detail to this proposition presently, but would like to bring Council's attention to the work currently occurring to investigate this option.

Nathan Heath

HBRC Area Manager – Northern HB

8.5 MAHANGA WATER SUPPLY

Author: **Stephen Heath, Pouwhakarae – Hua Pūmau Hapori / Ratonga Group Manager Community Assets and Services**

Authoriser: **Steven May, Tumu Whakarae Chief Executive Officer**

Appendices:

1. **Opus 2015** ⇩
2. **WSP Opus 2018 treatment plant** ⇩
3. **WSP Opus 2018 New source** ⇩
4. **Bluebay cost summary 2018** ⇩
5. **Meeting Information Flyer** ⇩
6. **Meeting Invite** ⇩
7. **Meeting Notes** ⇩

1. PURPOSE

1.1 To seek resolution from council for the closure of Mahanga Drinking Water Supply.

RECOMMENDATION

The Pouwhakarae – Hua Pūmau Hapori / Ratonga Group Manager Community Assets and Services RECOMMENDS that Council hold a referendum of the households connected to the Mahanga

drinking-water supply to determine if the community supports discontinuing the supply. i.e. option a.

2. BACKGROUND

2.1 An Existing Water supply provides a supply to a residential subdivision and public toilet. The existing water supply takes from both the upper bore-non consented and Lower bore-consent expires 2024 which is currently a supplement to rainwater tanks. This system is currently not monitored with any form of alarms or automation and is considered a High Risk Non-Potable supply with Boil water notices to residents.

2.2 Council signalled to Mahanga community cost of a compliant water supply approx. $200K -OPUS report 2015 estimated cost max $136K. please this has a cost variance of up to 40%,

2.3 2016 Mahanga both upper and Lower bores tests positive for E. coli. In 2016 Havelock North water mass public E. coli outburst. Wairoa District Council (WDC) Chlorinate water at Mahanga supply.

2.4 Water Supply Closure Referendum taken in 2017 – resulted in the water supply to remain open and Council provide upgrade based on estimates of approx. $200K

2.5 2018 WSP OPUS report indicated very poor water quality with 2 options ranging from $212K supplement top up to $495K full supply, please note Both options have cost variances of up to 40%, and no provision made for reticulation pipework upgrade. OPUS report recommended the lower cost option, however WDC noted that the water source would need a high level of treatment and was high risk due to water quality being very poor ie: arsenic, hydrogen sulphide, and during holiday periods E. coli had been detected; Also the

current bore age, bores were shallow and location to a high dairy cow population was with in a 2km radius.

2.6 WDC commissioned WSP OPUS to do a report for an Alternative groundwater source, recommended alternative water source locations ranged from 500m – 1km away from existing bores, which if perused would incur significant additional costs such as a new bore, piping, land acquisition, and establishing an electrical supply.

2.7 Late 2018 WDC went to market to upgrade the existing Bluebay water supply to meet drinking water standards NZ. Water supply upgrade costs escalated to $678K and Council paused Bluebay upgrade. Due to Blue bay WDC also paused Mahanga water supply upgrade.

2.8 WDC Held a Water supply meeting with property owners at Mahanga Marae, Mahanga on Saturday 8th June 2019 at 10.00am a community meeting Present: His Worship the Mayor Mr C Little, Councillors D Eaglesome-Karekare, C Lambert, H Flood, M Bird, Council Staff S May (Chief Executive Officer) G Borg (Chief Financial Officer) K Tipuna (Group Manager Community & Engagement/Electoral Officer) S Heath (Group Manager Community Assets & Services) D Culshaw (Maori Relationships Manager) M Goldsmith (Water Production Business Unit Manager) J Savage (Technical Co-ordinator Community Assets & Services). Advisors M Lawson (Lawson Robinson Barristers & Solicitors), R Ball (Ministry of Health Drinking Water Assessor/Health Protection Officer) N Heath (Hawkes Bay Regional Council, Catchment Manager Wairoa Mohaka) P McFarlane (WSP Opus Water Market Leader) H De Wet (WSP Opus Senior Project Engineer), and Mahanga Property Owners. **A Motion moved by Mary Powdrell and seconded by Tony Desmond: That WDC reassess whether another referendum be held for the issue of keeping water open or closed. Vote count: In favour-41 Opposed-2 Abstain-3. Meeting closed: 12.20pm**

2.9 Council had indicated that it will hold another community meeting in December, following the 2019 local government elections, however due to a new Council being elected in, the Mahanga water supply has since been work-shopped in early 2020 with the entire Council including Councils legal adviser.

2.10 For a small community with approximately 70 existing residences in the Mahanga Beach settlement, resource consents have been granted for an additional 50 lots adjacent to the water supply area, with another 20-lot subdivision nearing completion. Assuming all of the sub-divisions move forward and accounting for current dwellings, the number of lots in the area is estimated to increase to 140. High level cost estimates to upgrade Mahanga water supply are circa $1million based on WSP OPUS reports and actual costing for upgrading an existing water supply of similar size and in a similar area, ie. Bluebay. Add to this the appointment of Taumata Arowai, the new drinking water regulator which will bring a stronger focus on Safe reliable drinking water and will take a stronger approach to non-compliance and lifting standards.

2.11 For Council to get more accurate costs would require spending significant rate payer money for further physical and theoretical assessments which will also prolong the outcome. Spend to date for Mahanga on reports etc approx. $70K. WDC believe that it has enough information to strongly indicate costs will be very cost prohibitive for a small community with less than 200 connections to upgrade the Mahanga water supply to meet drinking water standards NZ. WDC has communicated this to the community with information flyers and a community meeting with all key stake holders.

3. OPTIONS

3.1 The options identified are:

a. Council hold a referendum next financial Year, post July 1 2020, of the households connected to the Mahanga drinking-water supply to determine if the community supports discontinuing the water supply.

b. do nothing and continue with a High Risk Non-Potable supply with Boil water notices to residents.

3.2 The preferred option is a). Council hold a referendum, this contributes to the following community outcomes

Economic wellbeing	Social and Cultural Wellbeing	Environmental Wellbeing
1. A strong prosperous and thriving economy 2. A safe and integrated infrastructure	3. A community that values and promotes its culture and heritage 4. Safe and accessible recreational facilities 5. Supportive, caring and valued communities 6. Strong district leadership and a sense of belonging	7. A safe and secure community 8. A lifetime of good health, education and well-being 9. An environment that is appreciated, protected and sustained for future generations

4. CORPORATE CONSIDERATIONS

What is the change?

Compliance with legislation and Council Policy

4.1 This has been included in the 20-21 Annual Plan

What are the key benefits?

4.2 Public Health risk to the Mahanga community significantly reduced

What is the cost?

4.3 Circa $20K This has been included in 2020 / 2021 annual plan.

4.4 Ultimately 70 dwellings will no longer be rated a water charge, however this will be offset by Council no longer having to maintaining a high risk non potable water supply.

What is the saving?

4.5 Not applicable.

Service delivery review

4.6 Not applicable.

Maori Standing Committee

4.7 This has not been referred to the Maori Standing Committee, however Wairoa District Councils Maori Relationships Manager attended the community meeting.

5. SIGNIFICANCE

5.1 Seventy existing residences would be affected by any change following referendum.

6. RISK MANAGEMENT

6.1 In accordance with the Council's Risk Management Policy the inherent risks associated with this matter are:

Human	Financial	Regulatory
EXTREME	HIGH	HIGH
Operations	Employees	Image & Reputation
HIGH	HIGH	HIGH

Who has been consulted?

WDC Held a Water supply meeting with property owners at Mahanga Marae, Mahanga on Saturday 8th June 2019 at 10.00am

Further Information

N/A

References (to or from other Committees)

Infrastructure Committee Meeting 20th /Aug/2019

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,

b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

	
Author Stephen Heath	Approved by Steven May

OPUS

Wairoa District Council

Mahanga Beach Water Supply

Preliminary Design Report

OPUS

Wairoa District Council

Mahanga Beach Water Supply

Preliminary Design Report

Prepared By
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Principal Environmental Engineer

Reviewed By
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Approved for Release By
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Date: 4 February 2015
Reference: 3-tcf271.00
Status: Final 1.0

Contents

1 Introduction

The purpose of this report is to present a preliminary design for a water supply scheme to supply the community of Mahanga Beach, located on the North Island's East Coast near the Mahia Peninsula. The report has been commissioned by Wairoa District Council (WDC) to support an application to the Capital Assistance Programme (CAP) which is administered by the Ministry of Health (MOH).

Figure 1 shows the general location and arrangement of the area.

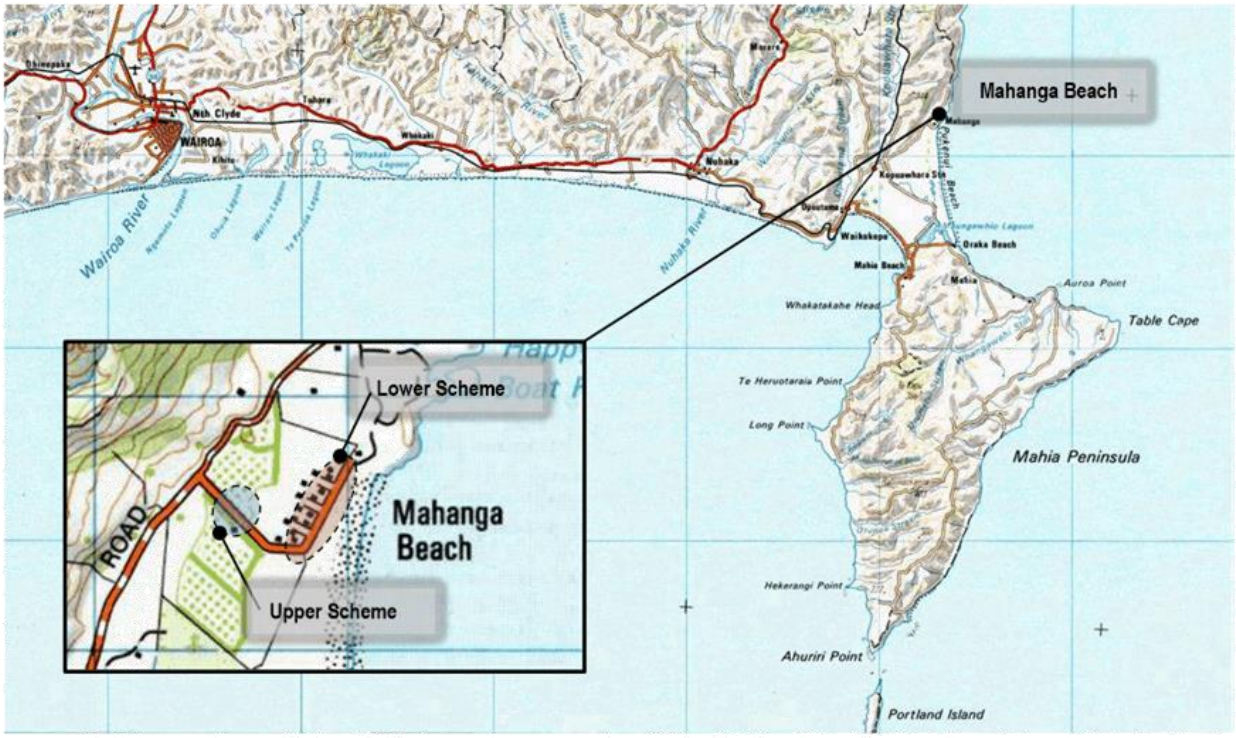

Figure 1: Location Map

1.1 Scheme Description

Mahanga Beach presently has two small water supply networks which service most of the community, but these systems both lack adequate protection against contamination. The smaller upper supply scheme provides water to two properties. The lower scheme is larger and provides water and fire-fighting capability to the bulk of the properties in the settlement. Most properties also appear to have rainwater tanks to supplement the WDC supply. A number of the properties are holiday homes and not occupied year-round, but there are also many permanent residents spread throughout the community. There are 22 permanent properties and 40 holiday homes, a marae, public toilet block, and a school camp. The marae and the school camp are not connected to this water supply.

The upper scheme draws water from a shallow bore and delivers it directly into a small reticulation network which terminates at a small storage tank (nominally 13 m^3). The water is

untreated and does not meet the current Drinking Water Standards for New Zealand 2005 (R2008) [DWSNZ]. The concrete storage tank is in very poor condition.

A shallow bore also supplies the lower scheme which is also untreated. Water is pumped into a larger ferro-cement tank of approximately 40 m^3 capacity. Water flows by gravity out of the tank into a fairly large diameter (DN100) reticulation network which has a number of fire hydrants installed. This supply apparently experiences occasional saltwater intrusion which causes complaints about the taste of the water.

There is anecdotal evidence that the water is corrosive and has caused pitting of stainless steel items in the past. This may require that any new items are constructed from corrosion-resistant SS grades (e.g. 316) or from plastic materials.

WDC own the land where the lower bore and pump shed are located but do not own the land where the main storage tank is. The storage tank has no sealing around the access hatch or other roof penetrations and also has some open cracks in the roof which will require sealing up.

1.2 Proposal

It is proposed that the two water sources are combined and fed into a single treatment facility which will provide treatment to DWSNZ requirements. A small booster pump will be installed to supply water to the two properties connected to the upper scheme, allowing the elevated tank to be eliminated.

This proposal will provide the greatest operational flexibility as either or both bores can be used for supply which will enable any saline intrusion to be managed either by blending the waters or by using the upper bore only. Having both bores available will also ensure that the capacity will not be diminished from the existing situation.

The water supply will be designed to service the permanent residents of the settlement using a full-pressure supply. Holiday homes in the community will continue to be supplied by a trickle feed only to 'top up' roof water tanks. The supply pressure for the lower reticulation network will remain low as there is concern that increasing the pressure may create ongoing leaks (noting that the reticulation appears to be solvent-jointed PVC which often gives problems in this respect).

2 Supply

The existing supply bores will be retained. There is a general lack of information available on these bores in respect of their depth, capacity and characteristics; however it is expected that they will be sufficient for supplying the permanent residents as they have been in the past.

3 Water Demand

3.1 General

The existing scheme demand is not measured and there is no information available relating to the amount of water used.

3.2 Demand

The expected demand for the scheme is based on the following:

- Number of people supplied: 50 (permanent residents)
- Number of permanently occupied dwellings: 22
- [JG1]The toilet block is counted as equivalent to a dwelling.

Based on an average per-capita demand of 250 L/p/d the average daily demand is estimated to be about 12.5 m^3/day.

The peak day demand is estimated to be about 31 m^3/day (based on a peaking factor of 2.5). The peak hour flow is estimated to be 3.9 L/s (using the formula Q = 0.6 x N^0.6, where N is the number of property equivalents).

3.3 Fire-Fighting

The lower scheme already has some fire-fighting capacity by virtue of hydrants and the storage tank. Although this will likely only provide a modest amount of capability, it is not proposed to make any improvements to this. The upper scheme will remain without fire-fighting capability.

4 Upgrade

4.1 General

Some new water supply network infrastructure will be required to connect both the water supply bores to a common water treatment plant (WTP) and reticulate the water.

The works will comprise:

- 32mm nominal internal diameter supply pipeline from the upper bore to the WTP
- 32mm nominal internal diameter supply pipeline from the lower bore to the WTP
- A water treatment plant comprising cartridge filter & UV to provide 4-log protozoa and bacteriological compliance (Small Water Supplies, Alternative Compliance Criteria, section 10, DWSNZ).
- A small booster pump with pressure vessel to supply the two properties on the upper scheme
- 20mm nominal internal diameter reticulation pipeline from the pump to the existing upper bore headworks (where it will connect to the existing reticulation).
- A control cable between the WTP and bore pumps to control their operation.
- SCADA monitoring equipment to provide alarms and water treatment records.
- A small shed or building to house the equipment.
- Improvements to the storage tank roof to eliminate the risk of stormwater ingress.

The new works will be constructed either on WDC's property, or in the road reserve (except for the tank roof repairs which will be on the tank structure which is located on private property).

The actual capacity of the bore pumps is not known, but is likely to be in the order of 0.5-1 L/s each. We propose that the treatment works be designed for a flow of at least 2 L/s.

At this stage we believe that the existing pumps should cope with the additional losses that the treatment process will create. The lower scheme pump is a positive-displacement reciprocating pump which is unlikely to be significantly affected by a small increase in pumping head. It is not known what pump is in the upper scheme bore, but the lower scheme tank is approximately 6m lower than the upper scheme tank so this would offset any increase in loss through the filter. However, it may prove that the upper bore pump needs to be replaced with a higher duty pump.

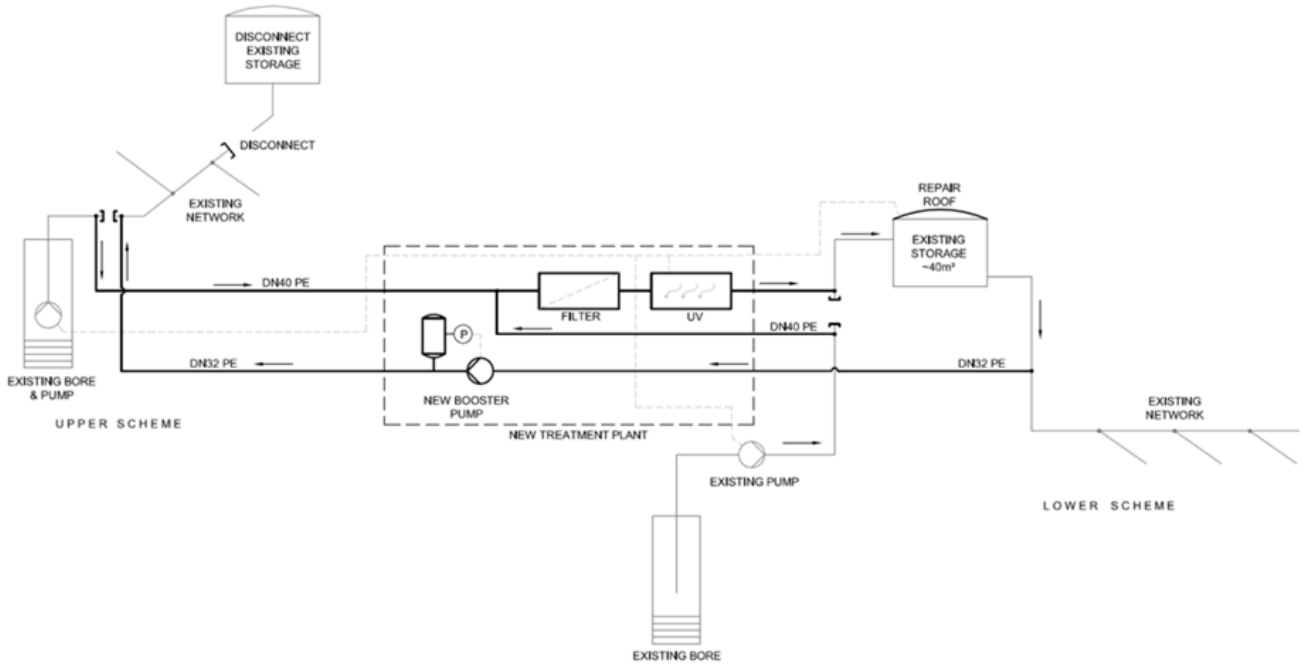

Figure 4-1: Proposed Supply Schematic

4.2 Pipelines

The new pipelines required will be small diameter polyethylene pipelines (DN40 and DN25) which can generally be laid in the road berm within the road reserve. It is expected that these could be mole-ploughed in which will minimise capital costs.

4.3 Building

A small building will be required to house the new water treatment equipment. It is proposed that a precast concrete dangerous goods store or similar be used for this to provide a cost effective solution that will have a long service life in this coastal environment. An alternative would be to use a lightweight steel structure but these are unlikely to last as long and can also be difficult to maintain in a vermin-free condition.

The building could comprise a 2 x 3m internal precast concrete structure which is manufactured in Gisborne (ex. Permacrete). This would require that a level platform is prepared with a layer of compacted metal, and the building could then be lifted into position by a hiab. No building consent would be required.

Power supply to the building will be provided via a sub-main off the existing pump shed. This could utilise the three-phase circuit that once supplied an additional bore pump.

4.4 Water Treatment

Water treatment will comprise a cartridge filter followed by ultra-violet (UV) disinfection. This will need to treat at least 2 L/s at a UVT of 80% or better.

The cartridge filter will be a Cuno 1HF40H or similar with 1µm cartridge which meets the requirements of the DWSNZ and which has been validated in New Zealand. A control valve and bladder tank will be used to provide controlled flow start/stop through the cartridge filter rather than running to waste (which would require a discharge consent and waste water).

We suggest that the UV unit be a Wedeco Spektron 25 which has öNORM accreditation at 80% UVT to 3.3 L/s, and is the same unit that WDC use elsewhere. This will be an advantage for operational familiarity and common spares.

New controls will be required to interface the bore pumps with the UV unit as this will need to warm up prior to the pumps operating. They will also need to shut the plant down in the event of a fault with the UV or cartridge filter unit.

4.5 Storage Tank

The existing upper scheme tank is in poor condition and can be decommissioned (and removed if required).

The lower tank requires a new access frame and hatch which is sealed so as to prevent potential entry of stormwater. This can be achieved by carefully bolting a galvanised steel frame onto a bed of sealant and then using epoxy mortar to provide a profile than ensures runoff.

The roof is cracked near its apex. These cracks should be filled with silicone sealant, and then a mortar layer screeded over the top to provide mechanical and UV protection to the sealant, and provide a profile that prevents ponding.

There are several other penetrations in the roof that should also be sealed up and the local area profiled to ensure runoff. The water level indicator should ideally be removed and replaced with a low level float alarm or level transmitter; however assuming the mechanical indicator is to remain, the penetration through the roof should be sealed.

5 Costs

5.1 Capital Costs

We have made an estimate of capital costs for the project based on current market rates. This estimate includes physical works, engineering and a contingency.

The capital cost is estimated to be $136,000. This includes allowance for professional fees and a 10% contingency.

No allowance has been made in the estimate for property negotiations/ purchase/legalisation.

5.2 Lifecycle Costs & Sustainability

The proposed works will have ongoing operational costs to cover the following items:

- Increased energy usage to operate the UV and overcome headloss through the cartridge filter. This is expected to be minor (in the order of $150-200 per annum).
- Replacement filter cartridges from time to time. The frequency of replacement is not presently known, but 5-6 cartridges per year would not be unexpected (approx. $500 per cartridge depending on purchase arrangements).
- UV consumables (lamps, sleeves etc.). These generally have a long life (12-15,000 hours) and should last in the order of 5-10 years at the expected average daily demand.
- Increased staff costs to respond to callouts and manage the additional equipment.
- Compliance costs (e.g. monitoring, testing and SCADA communications).

Little can be done to reduce these costs as they are a consequence of meeting the DWSNZ. We are not aware of alternatives that will provide an equivalent solution for reduced costs.

It is proposed to use similar equipment where possible to that used elsewhere in the District to minimise inventory costs and utilise existing operator knowledge.

6 Procurement

It is expected that the works would be procured by Wairoa District Council using their established policies. This would include:

- Seeking proposals from engineering firms to prepare Contract Documents or issuing a Design and Construct tender.
- Public Tender of the works.
- Evaluating tenders and awarding the Contract to the selected Tenderer.
- Carrying out contract management, quality assurance and commissioning activities during the construction period.

The project will be managed by WDC staff.

7 Risks

We believe that the proposed project presents the following risk profile:

- Technical risks: High – the engineering requirements for the proposed scheme are fairly straightforward, but there is little or no information available on water demand, quality or existing infrastructure. This can be mitigated by choosing equipment conservatively to allow for these unknowns.
- Cost risks: Moderate – the capital costs of the scheme will be affected by market conditions and timing of the procurement process.
- Property risks: Low – the works will be undertaken on Council land and road reserve with the exception of repairs to the existing storage tank which is covered under the Local Government Act.

8 Report Author

The author of this report is Greg Birdling who has the following qualifications and experience:

- BE (Natural Resources)
- M.IPENZ
- CPEng (Environmental)
- IntPE (NZ)
- 19 years' experience in the design, analysis and operation of municipal water supply systems.

9 Appendix 1 – Capital Cost Estimate

Mahanga Beach Water Supply Upgrade - Capital Cost Estimate
Schedule of Quantities & Prices

Item	Description	Unit	Qty	Rate	Amount
1	PRELIMINARY & GENERAL	%	$ 104,900	7.5%	$ 7,868
2	PIPELINES				
2.1	DN40 PN8 PE80B in road shoulder	m	180	$ 30	$ 5,400
2.2	DN25 PN8 PE80B in road shoulder	m	160	$ 25	$ 4,000
2.3	Control cable in duct	m	180	$ 40	$ 7,200
	Power cable in duct	m	20	$ 40	$ 800
3	TREATMENT & PUMPING				
3.1	Site preparation	LS	1	$ 2,000	$ 2,000
3.2	Concrete shed 3x2m	LS	1	$ 12,500	$ 12,500
3.3	Cartridge filter	ea	1	$ 7,500	$ 7,500
3.4	UV unit	ea	1	$ 15,000	$ 15,000
3.5	Control panel incl. SCADA	LS	1	$ 20,000	$ 20,000
3.6	Site electrical works	hr	60	$ 75	$ 4,500
3.7	Lighting	LS	1	$ 250	$ 250
3.8	Flow meter	LS	1	$ 4,000	$ 4,000
3.9	Turbidimeter	LS	1	$ 10,000	$ 10,000
3.10	Pressure pump for upper scheme	ea	1	$ 750	$ 750
3.11	Pipework & valves	LS	1	$ 7,500	$ 7,500
4	STORAGE				
4.1	Disconnect upper tank	LS	1	$ 500	$ 500
4.2	Supply & install access hatch	LS	1	$ 1,250	$ 1,250
4.3	Repair tank roof & seal entries	LS	1	$ 750	$ 750
5	TESTING & COMMISSIONING	LS	1	$ 750	$ 750
6	AS-BUILTS	LS	1	$ 250	$ 250
7	WORKS TOTAL				$ 112,768
8	ENGINEERING & CONSENTS	LS	$ 112,768	10%	$ 11,300
9	CONTINGENCY	LS	$ 124,068	10%	$ 12,000
	Schedule Total (rounded):				**$ 136,000**

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Wairoa District Council
Mahanga Beach Water Supply

Water Treatment Plant Design Report

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0	27/07/18	MPenington	MPetrie	PAlexander	Issue 1

Revision Details

Revision	Details
0	Issued to Client

Executive Summary

Wairoa District Council (WDC) wish to upgrade the water supply for the community of Mahanga Beach, considering future demand, to be fully compliant with the Drinking Water Standards for New Zealand (DWSNZ).

There are approximately 70 existing residences in the Mahanga Beach settlement, of which, 56 are connected to the lower supply and 4 are connected to the upper supply, with the remaining assumed to be on rain water only. Resource consents have been granted for an additional 50 lots adjacent to the water supply area, with another 20-lot subdivision nearing completion. Assuming all of the sub-divisions move forward and accounting for current dwellings, the number of lots in the area is estimated to increase to 140.

The population of the settlement is likely to be less than 500 persons for the majority of the time so treatment under Section 10 of the Drinking Water Standards would apply. Under this section the Mahanga Water supply has been assessed as requiring 4 – log credits for protozoa.

The raw water supply available in the area, from both the upper bore and lower bore, is of poor quality with respect to hardness, arsenic concentration and the potential for taste and odour due to the presence of hydrogen sulphide. Given the poor quality of the supply, it will either need to be fully treated to remove hardness, taste and odour, or only used as a supplement to rain-water tank supply in order to provide a dilution effect.

Constant rate testing for the upper bore showed that during wet winter conditions, the bore has the potential to sustain up to 3.14 L/s. Given the conditions that this testing was performed under, it has been assumed that the bore could reasonably achieve two-thirds (66%) of this wet weather flow-rate during the summer period of 2.1 L/s. It is recommended for the first season of operation to monitor the water levels of the bore to confirm the sustainable abstraction rate.

Based on the investigations and information collated to-date, there are two potential upgrade options available for the Mahanga Water Supply.

Option 1 – Restricted Supply; treatment of the upper bore water and rain-water tanks at each lot.

Option 2 – Full Supply treatment with no rain-water tanks; this requires investigation of additional supply bores to supplement the flow from the upper bore.

Given the complexity of operation, disposal requirements and capital cost to implement Option 2, WSP Opus recommend that Wairoa District Council move forward with the Option 1 Restricted Supply scenario. This would require all new and existing developments to have rain water tanks. This is likely to require instigation of a supply agreement/bylaw control over existing and future connections.

The key risks associated with Option 1 are the quality of the raw water and reliance on dilution with the residences' rain water supply. Customer feedback will need to be considered in the long-term with respect to water taste and odour, as well as hardness.

If taste and odour become an issue in the future, granulated activated carbon filters could be considered.

Hardness and its effect on UV lamp sleeve fouling will need to be managed in the water treatment plant maintenance plan.

1 Introduction

The community of Mahanga Beach is located on the North Island's East Coast near the Mahia Peninsula. The Mahanga Beach drinking water supply is a small community supply in a rural area providing water to a total population of approximately 50 permanent residents (WINZ 2014) and estimated peak population of 280 during summer holiday periods. In addition to the residential buildings the community has a public toilet block which is also serviced by the supply.

Resource consents have been granted for an additional 50 lots adjacent to the water supply area, with another 20-lot subdivision nearing completion, and earthworks commenced at another development.

The water supply has two parts, an upper supply and a lower supply. Each is supplied from a local bore, dosed with sodium hypochlorite and stored and distributed to consumers who use the supply to supplement their rain-water tanks.

Wairoa District Council (WDC) wish to upgrade the water supply, considering future demand, to be fully compliant with the Drinking Water Standards for New Zealand (DWSNZ).

2 Background

2.1 Existing Supply

Mahanga Beach presently has two small water supply networks which service most of the community, but these systems both lack adequate protection against contamination. The upper bore is currently unconsented, but is the newer of the two and is better situated from a public health perspective. The lower bore is consented for up to 170 m^3/d at 2 L/s. This provides water and fire-fighting capability to the bulk of the properties in the settlement. Most properties also have rain-water tanks to supplement the WDC supply.

2.2 Preliminary Design Report

A Preliminary Design Report was prepared by Opus International Consultants Ltd, now WSP Opus, in February 2015 (*3-tcf271.00 Preliminary Design Report*). This proposed that the two existing water sources be combined and fed into a single treatment facility which would provide treatment to DWSNZ requirements. Without adequate data for water consumption available, the system was based on an expected demand of 50 permanent residents, with an assumption that peak demand would be 31 m^3/d at peak flow of 3.9 L/s. The treatment works would be sized for a minimum of 2L/s and feature cartridge filtration followed by UV disinfection.

The water supply would be designed to service the permanent residents of the settlement using a full-pressure supply. Holiday homes in the community would continue to be supplied by a trickle feed only to "top up" roof water tanks. The supply pressure for the lower reticulation network would remain low as there is concern that increasing the pressure may create ongoing leaks (noting that the reticulation appears to be solvent-jointed PVC which often gives problems in this respect).

A small booster pump would be installed to supply water to the two properties connected to the upper scheme, allowing the elevated tank to be eliminated.

The proposal would provide the greatest operational flexibility as either or both bores could be used for supply, which would enable any saline intrusion to be managed either by blending the waters or by using the upper bore only. Having both bores available would also ensure that the capacity would not diminish from the existing situation.

The report pointed out, however, that there were high risks associated with the proposal because there was little or no information available on water demand, quality, or existing infrastructure.

2.3 Bore Pump Testing

2.3.1 Upper Bore

A condition assessment and pumping test of the 'upper bore' were carried out by Baylis Bros in late May 2018. The testing report has been appended for reference.

The upper bore is a 100 mm diameter PVC with depth of 13.8 m. The condition assessment indicated that the bore is in good condition.

A step pumping test (3 steps) and a constant rate pumping test were carried out on the upper bore. The results indicated that the Upper bore has the potential to sustain a yield of 3.14L/s.

The pumping tests at Mahanga were completed following a period of rainfall. Given these conditions, it was likely that the background static water levels in both the investigation and observation bores were potentially elevated due to rainfall infiltration. Hence the results may under-estimate the amount, and effects, of bore water drawdown.

Given this uncertainty, it is recommended for the first dry-weather season to monitor the water levels of bore and ensure the aquifer level is maintained and chosen abstraction rate is sustainable (see Section 5.1.1).

Throughout the pumping tests, the contractor noted that the discharging water was of poor quality and odorous.

2.3.2 Lower Bore

The lower bore is an 80mm diameter PVC, with no wellhead protection. The bore is poorly sited in the bottom of a hollow which would receive road runoff, and potentially septic tank soakage.

The bore condition and drawdown during aquifer testing was not carried out as the PVC headworks are weathered and so there were concerns about damaging the ability to draw from this while the final design is determined and implemented. The output from this bore was roughly measured at 0.5L/s.

Given the size, condition, and availability of water from the upper bore, it is recommended that the lower bore be capped and abandoned.

The security of neither the Upper or Lower bores complies with Guidelines for Drinking-water Quality Management for New Zealand. While both bores are used for water supply currently; neither has any well-head protection, and the aquifer is shallow and unconfined. The Lower bore is in a depression and the headworks have deteriorated significantly.

3 Water Quality

Results from the initial sampling from both the lower and upper bore, and two subsequent sets of sample results from the upper bore have been collected since the preliminary design report was issued. Additional samples from the upper bore were taken and included testing for DOC, TOC and Hydrogen Sulphide in response to the odours observed during constant rate testing.

Values of water quality parameters for the two bores, and their repercussions, are listed in the table below. GV is the guideline value for aesthetic determinands, and MAV is the maximum acceptable value for regulatory purposes.

Table 1: Values of Water Quality Parameters for the Upper and Lower Bore

Parameter	Unit	Upper Bore	Lower Bore	MAV	GV	Comments
E. Coli.	MPN/ 100 ml	< 1	< 1	< 1	-	These are bacteria used as an indicator that faecal contamination has occurred, and there is the possibility that pathogenic (disease causing) bacteria are present.
Total Coliforms	MPN/ 100 ml	291	1	-	-	These are not specified in DWSNZ but give supporting information on the general quality of the water. They indicate the probable contamination of the water by organic material, and that the possibility of faecal contamination.
Hardness	g/m^3	240	250	-	200	This is a very hard water and is likely to cause complaints (spots on glassware, windows, shower glass, frequent replacement of kettle elements and HWC elements).
Arsenic	g/m^3	0.0034	0.0064	0.01	-	Use of the lower bore would require monthly sampling and testing if the population receiving water was greater than 500.
Manganese	g/m^3	0.0178	0.0173	0.4	0.04	Manganese should not cause major issues (However, above 0.01 mg/L, the manganese will oxidise in the retic. and over time could cause "black water" problems if mains flushing is not carried out. The time until the problem occurs will depend on how much water is used by consumers).
UVT	%	91.5	88.3	-	-	The 88.3% transmittance is low, even though the colour is less than 10 Hazen units. This would make UV disinfection expensive.
Turbidity	NTU	0.31	< 1.0*	-	-	The turbidity is < 1.0 NTU for both bores which is satisfactory for UV disinfection compliance.
Unionised hydrogen Sulphide	g/m^3	0.013	-	-	0.05	Taste and odours likely unless treated.
Total Sulphide	g/m^3	0.079	-	-	-	The level tested indicates that the un-ionised H_2S may have been at or exceeded the GV limit.

*By continuous monitoring

The results shown above are from the few samples that have been taken from the bores and tested. The results apply only to the water quality at the time of sampling.

As noted above, the water is very hard and exceeds the DWSNZ guideline value for aesthetic determinands. The taste threshold is 100 – 300 mg/L and above 200 mg/L will cause noticeable scale deposition and scum formation on both the UV lamp sleeves and within the household for items such as hot water elements. Complaints from consumers will be numerous and on-going unless the water can be diluted, or hardness removal treatment is provided.

Arsenic is a Priority 2b, Type 1 chemical determinand whose concentration poses a risk to public health. If the level is greater than 50% of the MAV (as per the lower bore) then it must be monitored monthly (as a minimum) until its concentration reduces to < 50% of the MAV. In the case of Mahanga where Section 10 treatment is permissible under the Drinking Water Standards the monitoring frequency would be as agreed with the Drinking Water Assessor and included in the Water Safety Plan.

Manganese is at low levels but even at the 0.02 mg/L level it will oxidise in the reticulation and "black water" problems will occur over time if mains flushing is not carried out. The time until the problem occurs will depend on how much water is used by consumers.

Water quality will vary from day to day and is dependent on factors such as rainfall, land use in the catchment, and other seasonal influences. That is why regular monitoring of raw (bore) water quality is important for providing reliable information on which to design water treatment. When water quality information is limited and DWSNZ compliance is required from new water treatment plants then the cost of these facilities is much higher to cover the uncertainties.

4 Water Demand

4.1 Current Dwellings

There are approximately 70 existing residences in the Mahanga Beach settlement, of which, 55 are connected to the lower supply (on Judges Parade, north) and 4 are connected to the upper supply (on Blake's Approach) with the remaining assumed to be on rain water only. There are 7 additional connections shown at new lots on the Judges Parade extension to the south, however these do not appear to be connected to the reticulation. See Appendix B; Wairoa District Council GIS Mapping count. There is also a public toilet block connected to the water supply. The permanent population was registered at 50 residents in the 2014 WINZ Register, however, population growth to 2018 has not been confirmed.

Most of the properties serviced by the supply use rain-water tanks as their primary supply, backed up by the community water supply. This means that during off-peak periods, demand from the community supply is low.

4.2 Holiday Consumption

Anecdotal evidence suggested that the population swells during holiday periods with many undeveloped lots holding large numbers of campers.

A flow meter was installed during the Easter period of 2018 and provides an insight into water demands at the settlement. This data, shown in Figure 1, indicates a peak consumption of up to 30 m^3/d at the end of the Easter weekend. It is likely that this consumption is much lower than what would be expected during peak summer holidays and has only been used as a guide.

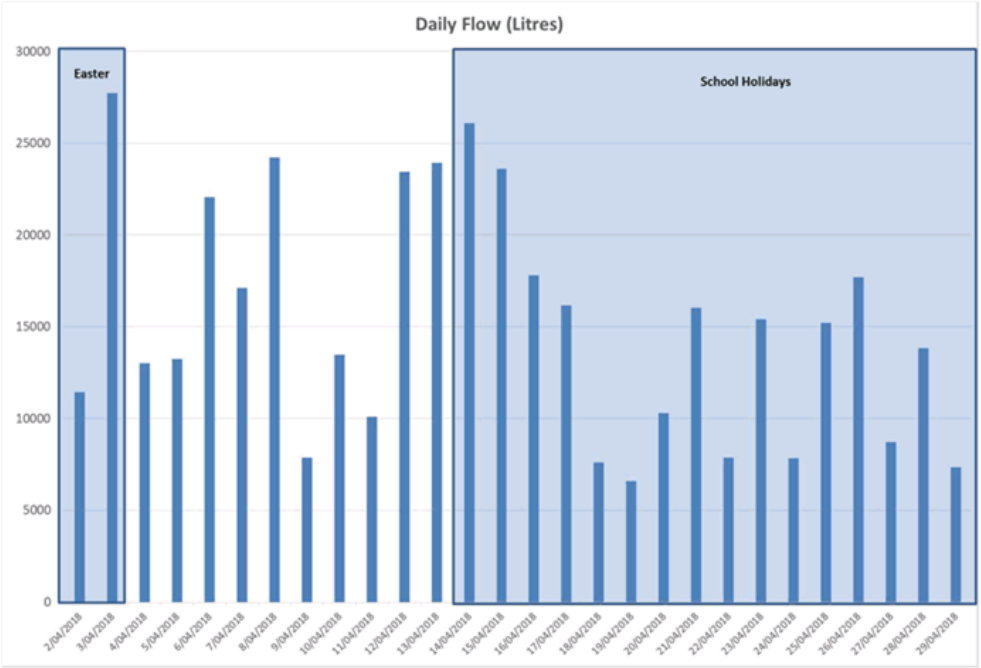

Figure 1: Flow records from lower bore April 2018

4.3 Future Growth

The following has been advised to WSP Opus throughout the course of this project regarding future growth;

- Resource consents have been granted for an additional 50 lots adjacent to the water supply area.
- One 20-lot subdivision is nearing completion, and earthworks have commenced at another development.
- Resource consent conditions for these developments show that Council requires connection to the Council water supply and further demand from new lots should be allowed for in the design.

Assuming all of the sub-divisions move forward and accounting for current dwellings, the number of lots in the area is estimated to increase to 140.

The per-capita water consumption of 300 L per person per day is a reasonably accepted average for NZ. On the basis of 4 persons per lot during the peak holiday season, and 300L/p/d consumption, the future water demand will average 168 m^3/d (2.6 L/s over 18 hr/d).

To account for activities such as boat washing, holiday camping and the dry climate, this consumption could reasonably increase to 600 L/p/d to 336 m^3/d (5.2 L/s over 18 hr/d).

5 Upgrade Options

Based on the investigations and information collated to-date, there are two potential upgrade options available for the Mahanga Water Supply.

Option 1 – Restricted Supply; treatment of the upper bore water and rain-water tanks at each lot.

Option 2 – Full Supply treatment with no rain-water tanks; this requires investigation of additional supply bores or alternative sources to supplement the flow from the upper bore.

In both scenario's the lower bore would be abandoned.

5.1 Option 1 – Restricted Supply

The current residences are predominantly reliant on their own roof rain-water tanks, with only a trickle-feed from the lower bore to 'top-up' as needed.

Option 1 is based on a similar scheme for the new developments where all new residencies will require their own rain water tanks with trickle-feed top-up from the new water treatment plant. This will be for all new lots, and include connection of the upper supply to the existing reticulation network (approximately 140 lots in total).

5.1.1 Raw Water Supply

Option 1 is based on use of the upper bore only for the raw water supply. The upper bore is in better condition and location than the lower bore and has lower arsenic concentration. There are still concerns around hardness and hydrogen sulphide concentration which may cause taste and odour complaints from customers.

Given the poor quality of the supply water, by supplementing the rain-water tanks it is anticipated that dilution with rain water will provide some reduction in the hardness, taste and odour issues without the need for treatment beyond that required for bacterial and protozoal compliance.

Constant rate testing for the upper bore showed that during wet winter conditions, the bore has the potential to sustain up to 3.14 L/s. Given the conditions that this testing was performed under, it is not considered representative of dry weather sustainable flow. It has been assumed that the bore could reasonably achieve two-thirds (66%) of this wet weather flow-rate during the summer period.

Based on these conditions the upper bore could supply 2.1 L/s (150,000 L/d over 20 hours).

It is recommended for the first season of operation to monitor the water levels of bore and ensure the aquifer level is maintained and chosen abstraction rate is sustainable. This can be achieved by the following;

- Installation of a level sensor (e.g. Schlumberger, CTD Diver water level datalogger) down the bore casing, just above the pump to monitor the level.
- This is something that WSP Opus can assist in and provide guidance to WDC.

During days of peak dry weather usage (600 L/p/d); this would require an additional 1,400 L/lot from the rain water tanks. It is advised that water restrictions be put in place during this period to minimise this consumption.

Normal, off-peak consumption would be considerably less. Assuming a future demand of 90,000L/d during winter, which is prorated from the Easter consumption for the 56 existing dwellings, approximately 1.3 L/s would be required from the upper bore.

5.1.2 Proposed Treatment Requirements

The population of the settlement is likely to be less than 500 persons for the majority of the time so treatment under Section 10 of the Drinking Water Standards would apply. Under this section the Mahanga Water supply has been assessed as requiring 4 – log credits for protozoa.

For bacterial and protozoal compliance, treatment will comprise cartridge filtration through a 5 µm rigid cartridge followed by ultra-violet (UV) disinfection. The UV system will need to treat at least 2.1 L/s at a UVT of 90%.

The cartridge filter will be a Cuno 1HF40H or similar with 5µm cartridge which meets the requirements of the DWSNZ and which has been validated in New Zealand.

A control valve and bladder tank will be used to provide controlled flow start/stop through the cartridge filter rather than running water to waste (which would require a discharge consent and waste water). A reticulation booster pump will be installed downstream of the bladder tank to provide water to the upper reticulation system. The supply pressure produced by the pump will remain low to ensure minimal interference with the solvent-jointed PVC network.

The Wedeco Spektron 25 is recommended for this supply, and is the same unit that WDC use elsewhere and therefore at an advantage for operational familiarity and common spares. This system is oversized for the upper bore supply, providing up to 6.9 L/s at 90% UVT, but is beneficial in this scenario where hardness will increase fouling of the sleeves (see 5.1.6 below).

It is proposed that the current sodium hypochlorite dosing system is upgraded to incorporate a chlorine analyser and controller. This will allow for automatic dosing to maintain the recommended chlorine residual.

5.1.3 Bore Pump and Well-head

The current upper bore pump is only capable of an abstraction rate of 1.12 L/s at a low head pressure (actual pressure unknown). This pump is unlikely to be capable of supplying the head pressure required for cartridge filtration. In order to achieve the future desired flow-rate of 2.1 L/s and operating pressure of ~50 m, the upper bore will require a new bore pump.

The well-head will also require upgrading to ensure compliance to the Guidelines for Drinking-water Quality Management for New Zealand.

5.1.4 Storage Requirements

The existing upper scheme tank is in poor condition and should be decommissioned (and removed if required).

In Option 1, it is assumed that all lots will have rainwater tanks that will be adequate for 24 hours of treated water storage for each residence (min. 2,400 m^3 per residence).

Separate storage will be required to meet fire-fighting supply only. Under the code of practice for domestic residences the water supply classification applicable for fire-fighting is FW2. For this classification, a volume of 45 m^3 should be available for fire-fighting, to allow for 25 L/s for 30 minutes.

It has been assumed that the lower scheme tank, which is in better condition, can continue to be used for this purpose with a capability to pump directly from the tank added. Under this scenario, the fire-hydrants would be abandoned as they will not satisfy the flow requirements.

The lower storage tank has a capacity of between 40 – 50 m^3. Actual capacity will need to be confirmed to ensure that 45 m^3 is available at all times. If insufficient, an additional storage tank may be required.

Some refurbishment of the lower tank will be required, if not already completed, including;

- The roof is cracked near its apex. These cracks should be filled with silicone sealant, and then a mortar layer screeded over the top to provide mechanical and UV protection to the sealant, and provide a profile that prevents ponding.
- There are several other penetrations in the roof that should also be sealed up and the local area profiled to ensure runoff.
- The water level indicator should ideally be removed and replaced with a low level float alarm or level transmitter; however, assuming the mechanical indicator is to remain, the penetration through the roof should be sealed.

5.1.5 *Building*

A small building will be required to house the new water treatment equipment. It is proposed that a precast concrete dangerous goods store or similar be used for this to provide a cost effective solution that will have a long service life in this coastal environment. A building 2.5 metres in diameter would allow a suitable layout.

This would likely need to be located on the council-owned land parcel available at the lower supply scheme, unless a *License to Occupy Road Reserve* could be obtained for the area adjacent to the upper bore location to include the new WTP building.

The proposed layout for Option 1 is shown in Appendix A.1

5.1.6 *Managing Water Quality in Option 1 Upgrade*

Due to the poor quality of the water, Option 1 is reliant on dilution with rain water at the resident's houses. Customer feedback will need to be considered in the long-term with respect to water taste and odour, as well as hardness.

If taste and odour become an issue in the future, granulated activated carbon filters could be considered (as outlined for Option 2).

Managing hardness in the water treatment plant is another factor that council will need to take into consideration, particularly for the UV system.

For the UV unit we would expect that the sleeves will have to be cleaned manually on a regular basis. Currently, it is unknown whether this would be once a month or more. This also depends on how oversized the reactor is, more performance in reserve will allow it to carry on longer, and in this scenario the Spektron 25 would provide more redundancy than a smaller UV, such as Spektron 15.

The point at which this maintenance is required can be monitored via SCADA in the form of a UV intensity alarm. This 'pre-alarm' can be set to give a warning that the intensity (or in this case the fouling) is heading downwards and nearing or coming closer to the true alarm point. The factory pre-set for this is 5% above the true alarm but the spacing can be moved as required to allow for an early warning alert if needed.

In order to minimize downtime, it is also recommended that WDC hold spare quartz sleeves to allow for a quick swap onsite with the ability to clean the fouled sleeves off-site.

5.2 Option 2 – Full Supply Treatment

Option 2 is based on a full supply to all consumers and thus no rainwater tank supply requirement. The supply will be for 140 lots in total.

5.2.1 Raw Water Supply

Option 2 is based on the use of the upper bore (2.1 L/s) but would also need a new bore(s) drilled and developed, or a neighbouring surface supply (if available) to attain the required 5.2 L/s (336 m^3/day).

There is a small bore (Mahoney Bore – Well 5290) consented on a residential dwelling that may be available to the council to explore further.

Given the poor water quality there will need to be treatment for hardness, and taste and odour issues in addition to that required for bacterial and protozoal compliance.

5.2.2 Proposed Treatment Requirements

The population of the settlement is likely to be less than 500 persons for the majority of the time so treatment under Section 10 of the Drinking Water Standards would apply. Under this section 4-log credits for protozoa are required.

For bacterial and protozoal compliance filtration through a 5 µm rigid cartridge followed by UV disinfection would be required. The Wedeco Spektron 25 UV system would be suitable for this purpose.

To ensure that the UV process would function effectively, without the need for constant manual cleaning, and to reduce effects of hardness at the residencies, additional treatment is required. To reduce the hardness from 230 mg/L down to 60 mg/L two water softeners (each 600mm diameter) and two brine tanks (1,000mm diameter) would be used.

The water softeners would each have to be backwashed (regenerated) every 20 hours.

The backwash volume is 1,750 litres for each softener which means that 3,500 litres of brine solution needs to be disposed of every 20 hours (30,000 litres per week). In addition, 36 bags of salt a week are required for regeneration of the softeners at peak flows. As the brine tanks can hold 10 bags each the loading of the tanks would be twice a week at peak flows and once a week at average flows.

To deal with possible taste and odour issues granular activated carbon filters would follow the softening treatment. Two 760mm diameter filters would be required.

Sodium hypochlorite dosing would be used to provide a chlorine residual in the reticulation. In addition to the dosing pump the system will incorporate a chlorine analyser and controller to allow for automatic dosing.

5.2.3 Storage Requirements

Treated water storage of 24 hours capacity is recommended for water supplies. Providing a tank farm of 6 x 30m^3 tanks in addition to the repaired lower scheme tank would provide approximately 16 hours storage at peak flows and >24 hours at average demands. When accounting for fire-fighting capacity, this reduces to only 12 hours of treated water storage during peak season for 140 lots. Additional storage tanks may be required once the actual peak demand is confirmed to ensure 24 hours of capacity is maintained.

5.2.4 Building

A conventional proprietary building would be required because of the size needed to house the treatment equipment. Regular maintenance cleaning would be required to ensure a reasonable life in this coastal environment. A building 10 metres by 4 metres would allow a suitable layout, and would need to be located on the council-owned land parcel available at the lower supply scheme. The proposed layout for Option 2 is shown in Appendix A.2

6 Recommendations

Given the complexity of operation, disposal requirements and capital cost to implement Option 2, WSP Opus recommend that Wairoa District Council move forward with the Option 1 Restricted Supply scenario. This would require all new and existing lots to have rain-water tanks.

A Restricted Supply scenario is also likely to require instigation of a supply agreement/bylaw control over existing and future connections. No provision has been made for this in the cost estimate.

The key risks associated with Option 1 are the quality of the raw water and reliance on dilution with the residences' rain-water supply. Customer feedback will need to be considered in the long-term with respect to water taste and odour, as well as hardness.

If taste and odour become an issue in the future, granulated activated carbon filters could be considered.

Hardness and its effect on UV lamp sleeve fouling will need to be managed in the water treatment plant maintenance plan.

It is also recommended that council monitor the water level of the upper bore and ensure the aquifer level is maintained and chosen abstraction rate is sustainable.

7 Implementation Plan

To implement the recommended Option 1 as quickly as possible the following plan is proposed:

- Obtain water-take Resource Consent for the Upper Bore
- Apply for *License to Occupy Road Reserve* for the new WTP building
- While this is underway, prepare the documentation for a design-build contract.
- Negotiate with a suitable water treatment Contracting/Supplier firm.
- Construction, installation, and commissioning of new WTP.
- Work that can take place prior to and/or along-side the design-build contract includes:
    - Purchase and take delivery of a new UV unit and 'free-issue' to contractor.
    - Purchase and take delivery of a bore pump and 'free-issue' to contractor.
    - Construct pipeline linking Upper bore with WTP site.
    - Construct pipeline linking WTP site with upper and lower level reticulation.
        - Physical connection to the existing reticulation should not be cut-in until WTP is ready for operation.
    - Refurbish the upper bore well-head to meet DWSNZ Guidelines.
    - Repair lower level tank.

This plan assumes there will be no delays to the programme arising from community consultation.

7.1 Preliminary Program

7.1.1 Program assuming direct engagement of Design-Build Contractor

Week Number		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Month		August					September				October				November				December			
Week Ending (Friday)		3	10	17	24	31	7	14	21	28	5	12	19	26	2	9	16	30	7	14	21	28
Item Description	Duration																					
Resource Consent for Upper Bore																						
Apply for License to Occupy Road Reserve																						
Prepare Design-Build Contract documentation																						
Award Design-Build Contract (assuming Sole-Sourced contractor)						1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
WTP Design																						
WTP Construction																						
WTP Commissioning																						
Purchase Wedeco Spektron 25																						
Delivery of UV																						
Purchase new bore pump																						
Delivery of bore pump																						
Refurbish upper bore well head																						
Repair lower level tank																						
Construct pipe-line from upper bore location to lower reticulation system																						
Construct pipeline from upper bore to new WTP																						
Connect new WTP to lower reticulation																						

7.1.2 Program assuming Tender process

Week Number		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Month		August					September				October				November				December				January				Feb
Week Ending (Friday)		3	10	17	24	31	7	14	21	28	5	12	19	26	2	9	16	30	7	14	21	28	4	11	18	25	1
Item Description	Duration																										
Resource Consent for Upper Bore																											
Apply for License to Occupy Road Reserve																											
Prepare Design-Build Contract documentation																											
Design-Build Tender and Evaluation																											
Award Design-Build Contract											1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	
WTP Design																											
WTP Construction																											
WTP Commissioning																											
Purchase Wedeco Spektron 25																											
Delivery of UV																											
Purchase new bore pump																											
Delivery of bore pump																											
Refurbish upper bore well head																											
Repair lower level tank																											
Construct pipe-line from upper bore location to lower reticulation system																											
Construct pipeline from upper bore to new WTP																											
Connect new WTP to lower reticulation																											

Appendix A
Proposed Treatment Plant Layouts

Appendix A.1: Option 1 Building Layout

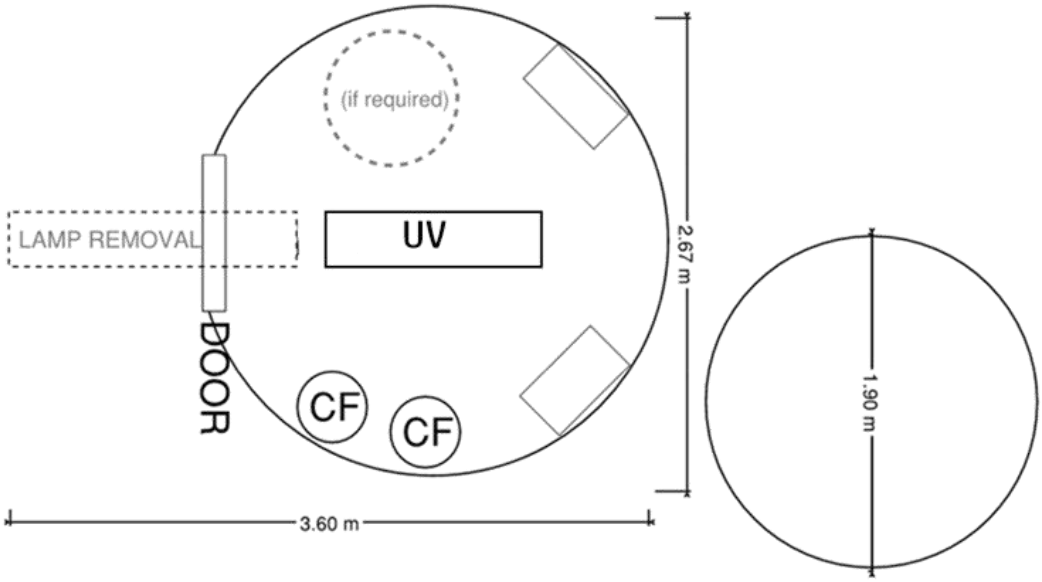

Figure 2: Option 1 Layout shown in a concrete Hynds Killing Shed

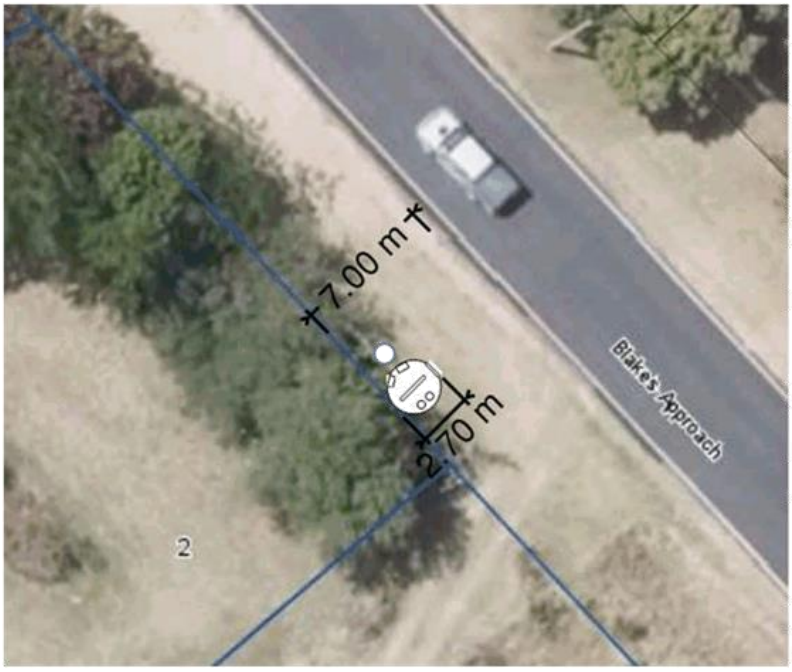

Figure 3: Option 1 Footprint shown at the Upper bore location in road reserve

Appendix A.2: Option 2 Building Layout

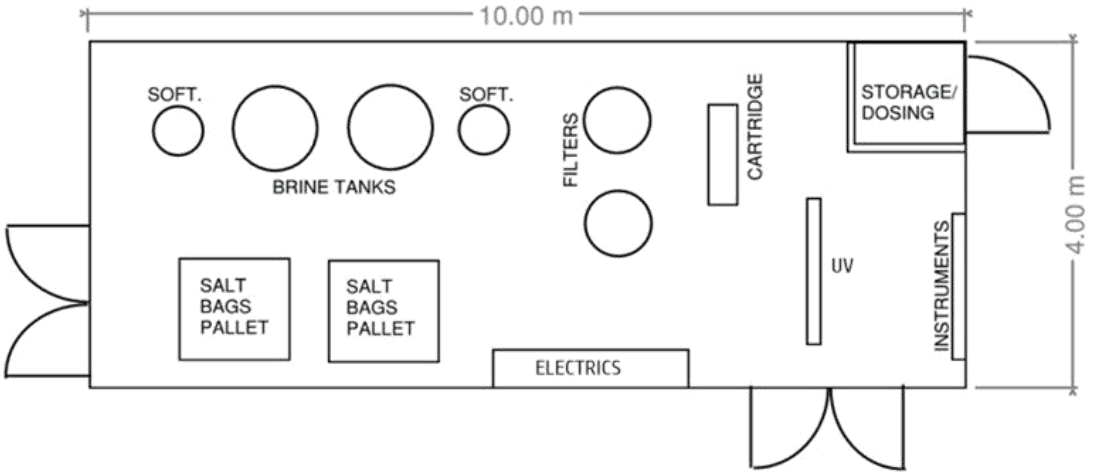

Figure 4: Proposed Option 2 Building Layout

Figure 5: Footprint of Option 2 WTP shown within Council-owned land parcel

Appendix B
WDC GIS: Current Connections


Lower Supply
55 Connections
Upper Supply
4 connections
7 Additional Connections
(not on Retic)
1
2
3
4
5
6
7
8
9
10
11
Rhona Place
Mahanga Beach
Quentin Place

Appendix C
Bore Pump Testing Report

Mahanga Water Supply Upgrade

Pumping Test - Upper Bore

Wairoa District Council

Jack McConchie | Technical Principa
(Hydrology & Geor

Contents

1. Introduction

Wairoa District Council (WDC) wish to upgrade the water supply to the settlement of Mahanga, in Mahia, Hawke's Bay (Figure 1.1), to be fully compliant with the Drinking Water Standards for New Zealand (DWSNZ). A key part of this requirement is ensuring that the groundwater source can provide a sustainable water supply.

As per the WSP Opus 'Bore Testing Recommendation', dated 27 March 2018, the volume and quality of water available from two existing bores (i.e. the 'upper' and 'lower' bores) was intended to be investigated. However, inspection of the Lower bore indicated that it was unsafe to remove the head works and as such, could not be investigated.

To support a resource consent application (i.e. a water permit for the proposed abstraction of groundwater), a condition assessment and a pumping test of the 'Upper bore' were undertaken. The purpose of these investigations was to:

1. Identify the characteristics of the bore, and whether it is in a condition suitable for providing a resilient and sustainable water supply;
2. Determine whether the Upper bore can meet the required water demand; and
3. Assess the likely impact on the surface water and groundwater resources in the area, and existing users of the resource.

Figure 1.1: Location of Mahanga Beach, Hawke Bay (Google Maps, 2018).

2. Setting

2.1. Geomorphic and geologic setting

Mahanga Beach is located on the east coast of the North Island; between Hawke Bay to the south, and Poverty Bay to the north (Figure 1.1). The actual settlement is at the base of steeply inclined hills with slopes exceeding 200m in height. The Mahanga Beach area is a low-lying tombolo which extends between Wairoa and Mahia Peninsula (Mazengarb & Speden, 2000).

The Mahanga Beach area, and the wider tombolo, is comprised of Holocene coastal dune and estuarine sediments (Figure 2.1). The geomorphology is characterised by sand dunes, with inter-dunal wetlands; some of which are extensive. These areas are likely to contain swamp deposits. There are two notable wetlands in the project area (Figure 2.2). The adjacent hills are comprised of Tunanui Formation alternating sandstone and mudstone deposits, with minor conglomerate. Bore logs from Mahanga Beach indicate that the depth to bedrock is of the order of 30m below ground level.

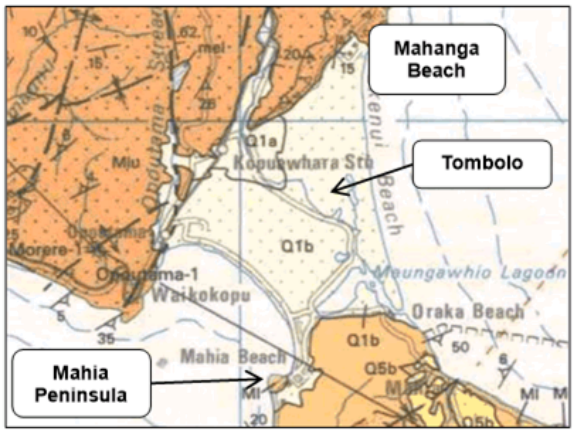

Figure 2.1:Mapped geology of Mahanga Beach and the surrounding area.

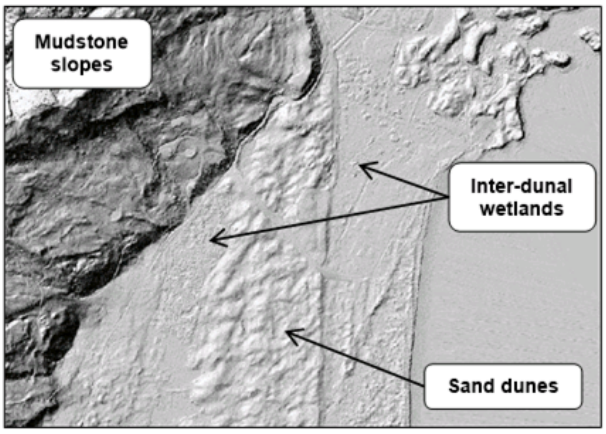

Figure 2.2: Geomorphology of Mahanga Beach.

2.2. Hydrogeologic setting

Mahanga lies within the Mahia aquifer system. This zone extends from Mahanga in the north, across the tombolo, and encompasses Mahia Peninsula. It is delineated to the north and west by the change in lithology to the Tunanui Formation (bedrock).

The Mahia Aquifer system is subdivided into three water-bearing units: Tertiary, alluvium and sand. The Mahanga project area is mapped within the alluvium aquifer; however, the stratigraphic logs available indicate that the lithology is primarily sand. The Tertiary aquifer is located within the rock forming the Mahia Peninsula. The Mahia Aquifer system ranges in depth between 3 and 91m, but is generally within the upper 22m. The saturated thickness of the aquifer is up to 13m (Zemansky et al., 2012).

The aquifer is likely to be unconfined and is therefore at risk of contamination from surface infiltration and rainfall recharge (Gordon, 2016).

Limited testing has been undertaken within the Mahia Aquifer system, however, a transmissivity of 792m^2/day has been indicated; as well as an average conductivity of 1,690µS/cm (Zemansky et al., 2012).

3. Bore Condition Assessment

3.1. Purpose

A bore condition assessment was undertaken on the Upper bore to determine/confirm the characteristics of the bore. These include:

- The depth and diameter of the bore;
- The screen depth, length, mesh size, and diameter; and
- The condition of the screen (whether any deterioration has occurred).

In addition to this, a pump flow test was undertaken to determine the maximum output of the existing pump.

3.2. Results

The flow test of the existing pump in the Upper bore indicates that the pump has a maximum output of approximately 1.12L/s.

The bore condition assessment was undertaken on the Upper bore on 1 June 2018. This was completed by running a camera down the bore to capture footage of the bore's interior (Figure 3.1 & Figure 3.2).

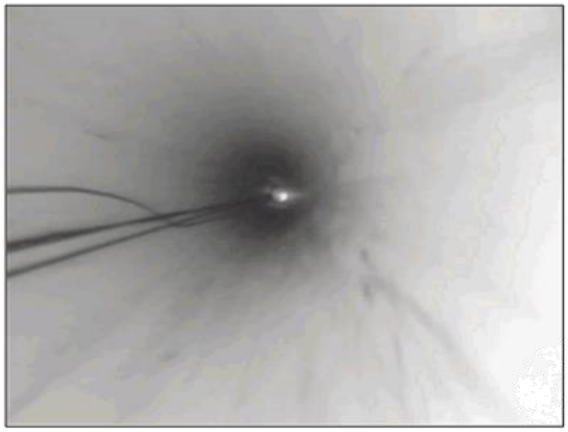

Figure 3.1: Portion of Upper bore above water level.

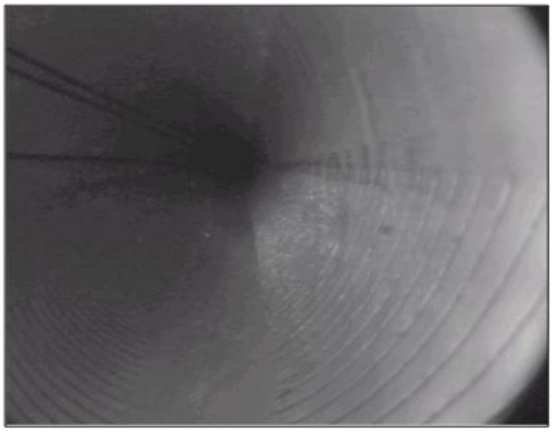

Figure 3.2: Screen in Upper bore.

Footage of the bore allowed the characteristics of the bore and screen to be identified. These are presented in Table 3.1.

Table 3.1: Summary of Upper bore characteristics.

BORE ID	NORTHING[1]	EASTING[1]	BORE DEPTH (m)	SCREEN DEPTH (m bgl)	SCREEN DIAMETER (mm)
Upper bore	2022705.8	5669975.3	13.8	10.8 – 13.8	100

[1] Measured from GIS

The down-hole footage indicates that the Upper bore is in good condition, and that there are no obvious blockages in the bore or the screen (Figure 3.1 & Figure 3.2).

There appears to be a zone of the bore where a film of fine material has settled onto the PVC; however, this does not appear to be effecting the condition of the bore (Figure 3.3). The water in the bore contained a significant amount of suspended material, some of which appears to be quite large (Figure 3.4).

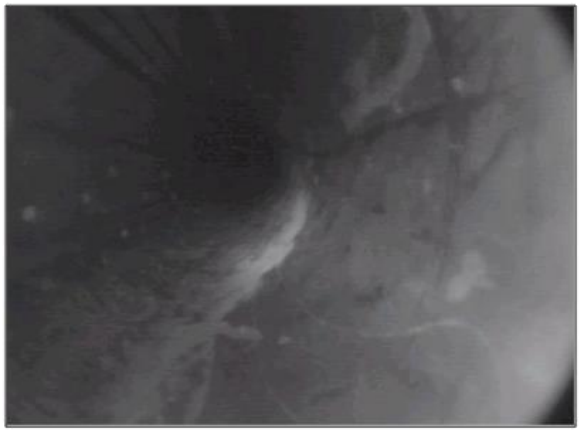

Figure 3.3: Film of material on bore interior.

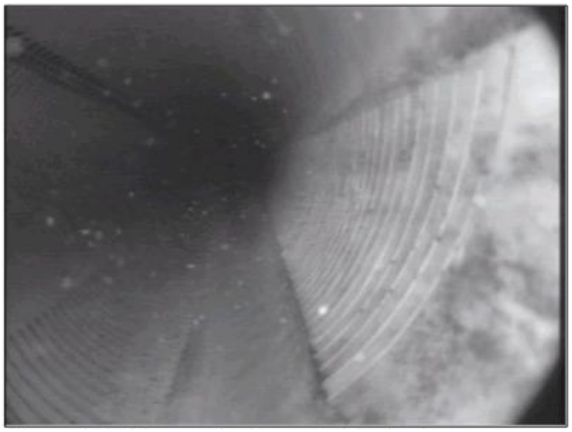

Figure 3.4: Suspended material in the bore.

4. Pumping Tests

4.1. Purpose

To support a resource consent application for the abstraction of water for a potable supply, pumping tests have been undertaken to determine the likely sustainable yield, and any potential effects of pumping on the environment. Both step and constant rate pumping tests were undertaken on the Upper bore. Several observation bores near the pumped bore were used to monitor any effects of pumping.

All the bores (both the pumped and observation bores) were monitored with electronic water level sensors, scanning at a 1-min temporal resolution. In two bores, conductivity loggers were also installed to identify any saline intrusion/changes in conductivity. These loggers also scanned at a 1-min temporal resolution. The water level data were calibrated/validated using several manual dips in each bore. All the bores were logged for at least 2 days prior to pumping, to provide indicative background conditions, and overnight following completion of pumping to monitor the recovery phase of the groundwater response. A water level recorder was also installed in a nearby wetland.

A barometric sensor, to record changes in atmospheric pressure, was installed in the chlorination shed adjacent to the Upper bore. This allowed all water level readings, which are derived from changes in total pressure, to be compensated for variations in atmospheric pressure over the duration of monitoring.

4.2. Climatic conditions

Pumping tests are ideally undertaken during a period of settled weather, with little or no rainfall, to provide indicative background levels for analysis. However, given several constraints, the pumping tests at Mahanga were completed following a period of rainfall.

Data was therefore obtained from the rain gauge located in the Kopuawhara catchment at the Railway Bridge. This gauge is maintained by the Hawkes Bay Regional Council, and is the closest gauge to Mahanga i.e. about 2km from the Upper bore (Figure 4.1). This gauge (and likely the wider Mahanga area) experienced light rainfall over the 5 to 6 days leading up to the start of the pumping tests (Figure 4.2). Following testing, and over the rest of the monitoring period, further light rainfall was experienced.

Given these conditions, it is likely that the background static water levels in both the investigation and observation bores were potentially elevated. This conclusion is consistent with the slight increase in groundwater levels over the duration of monitoring; likely a response to rainfall infiltration.

Figure 4.1: Location of HBRC rainfall site (image from LINZ, 2015).

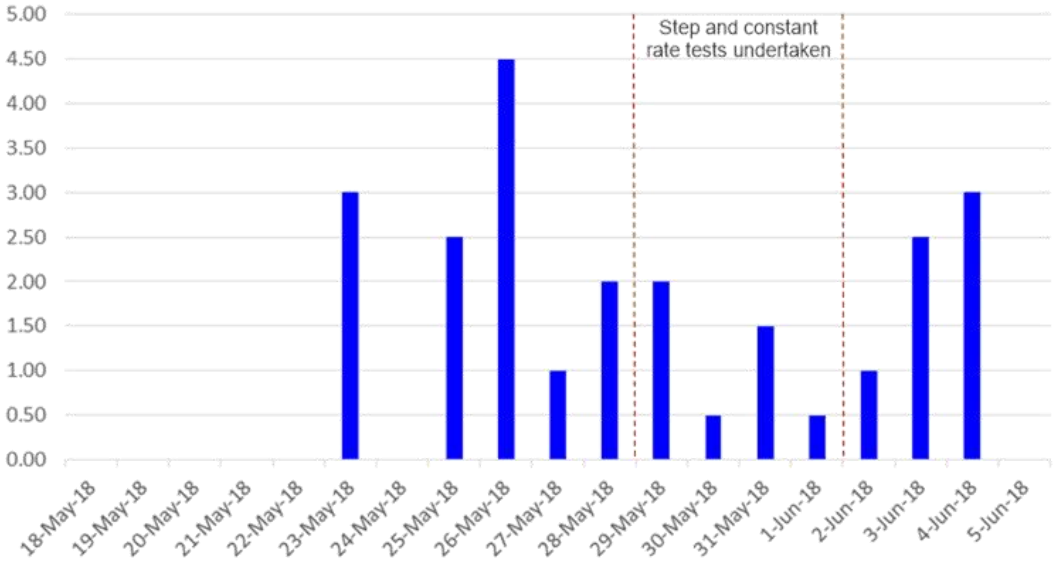

Figure 4.2: Rainfall data for Kopuawhara Stream at Railway Bridge.

4.3. Pumping test bores

There are two Council bores in the Mahanga area, referred to as the Lower and Upper bores (Figure 4.3). The characteristics of the Upper bore were determined through a condition assessment and are detailed in the previous section. It had been intended to also investigate the lower bore; however, inspection of the bore indicated that it was unsafe to remove the headworks. Known information regarding the lower bore is provided below. However, given the fragile nature of the headworks, the Lower bore was not monitored during the pumping tests.

Lower Bore:

- This bore is located opposite 37 Blakes Approach (Figure 4.3);
- The bore is identified as No. 2966 (HBRC), with resource consent WP070611T to abstract up to 170m^3/day, at a rate of up to 2L/s; and

- Bore has either an 80 or 100mm diameter screen, installed between 10.8-13.7m within a dense blue sand, with pumice and an ash layer. The screen was installed in 1991.

The Hawkes Bay Regional Council information regarding the Lower bore is provided in Appendix A.

4.3.1. Upper bore (pumped bore)

The Upper bore is a 100mm diameter, PVC bore. It is located on the road verge, outside 2 Blakes Approach (Figure 4.3).

There is no stratigraphic log available for the Upper bore. Other bores nearby, and at a similar depth, indicate that the stratigraphy comprises at least 14m of sand, with 'ash' and 'pumice'. The log for the Mahoney bore (Figure 4.3) indicates that there are peat, gravel and silt deposits below 20m depth, underlain by alternating sandstone and mudstone from a depth of ~30m. All wells within the area are screened in the upper 15m of the sand deposits.

Before undertaking the pumping tests, the bore was redeveloped to ensure the screen was clear and water was flowing freely into the bore. The static water level was 3.88m below ground level. The aquifer being tapped is unconfined, which is consistent with the stratigraphy in the wider area.

A summary of the bore characteristics is provided in Table 3.1, and the driller's log is provided in Appendix A.

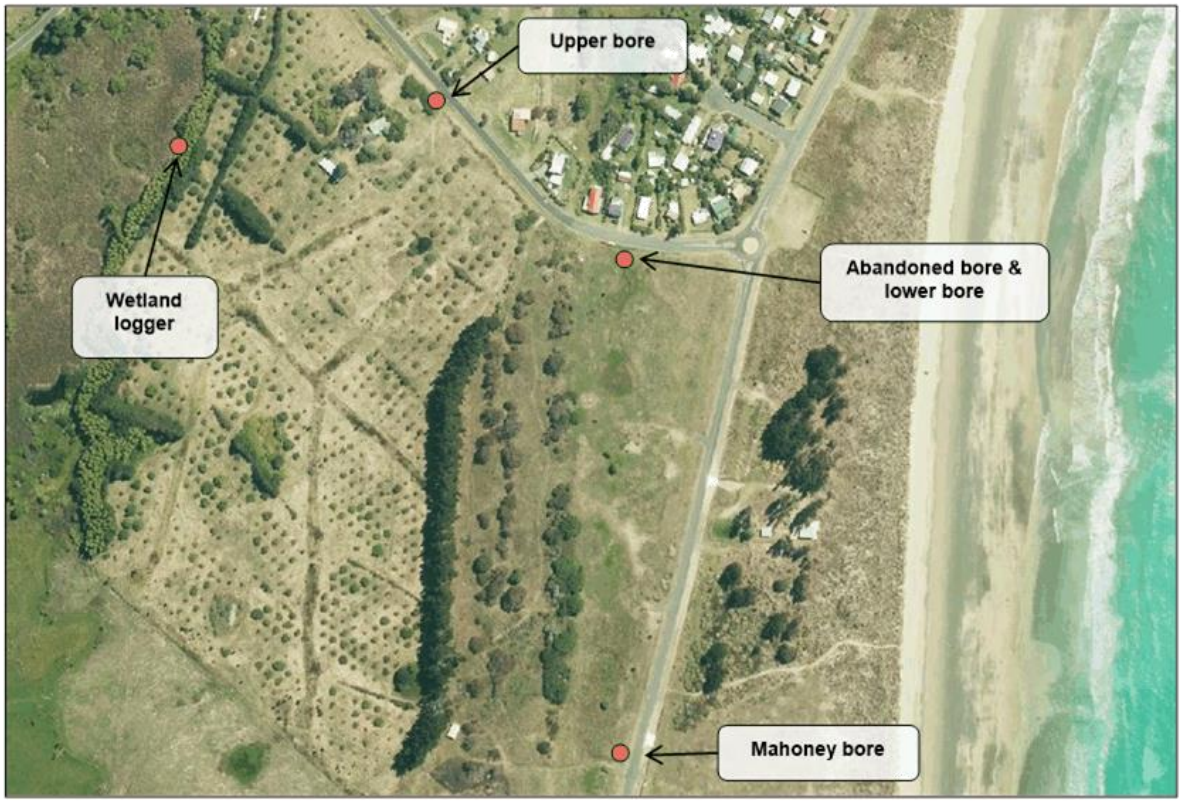

Figure 4.3: Location of pumped and observation bores (image from LINZ, 2015).

4.3.2. Observation bores

HBRC hold a database of all bores which have, or have had, an associated bore permit or resource consent. The database indicates that there have been four bores within a 500m radius of the Upper bore. Of these, two were not able to be used as observation bores; one could not be located, and the other was the Lower bore which was not able to be accessed because of the risk of damaging the headworks.

The remaining two bores near the Upper bore were used as observations bores during the subsequent pumping tests (Figure 4.3). The water level in a nearby wetland, located approximately 180m to the west of the Upper bore, was also monitored. Details of the locations where water levels were monitored are provided in Table 4.1.

Table 4.1: Observation bore summary

BORE ID[1]	DISTANCE FROM PUMPED BORE (m)	BORE DEPTH (m)	SCREEN DEPTH (mbgl)[2]	SCREEN DIAMETER (mm)
Mahoney Bore [5290]	480 (SE)	11.35	8 - 11	150
Abandoned Bore [15016]	180 (SE)	6.46[3]	unknown	unknown
Wetland	180 (W)	N/A	N/A	N/A

Notes: [1] Bore information is supplied from Hawkes Bay Regional Council. [2] Metres below ground level. [3] Bore depth measured on site, original log indicates depth is 17.2m.

Information from the Hawkes Bay Regional Council relating to these bores is provided in Appendix A.

4.4. Results

The manual measurements undertaken during the testing are provided in Appendix B.

4.4.1. Step test

A step test was undertaken on the Upper bore on 29 May 2018. The test included three steps; with pumping rates of 1.48L/s, 2.46L/s, and 3.14L/s. At each step, the pumping rate was held constant for at least 1 hour (Figure 4.4). Following pumping at the maximum rate (i.e. 3.14L/s), the bore was left to recover. The static water level, prior to the step test, was 3.9m below the top of the flange.

Upper bore

The Upper bore experienced an immediate drawdown to ~4.72m during the first step (i.e. at a pumping rate of 1.48L/s) (Figure 4.4). After approximately an hour of pumping at this rate, only one additional centimetre of drawdown was recorded. This indicates that the water level was stable and had reached equilibrium.

This pattern of groundwater response was repeated for each step change, where the total drawdowns were to ~5.17m (at 2.46L/s) and ~5.55m (at 3.14L/s). During the third step, an additional 4cm of drawdown was recorded over the hour-long step. Therefore, equilibrium conditions may not have been reached fully.

Following completion of the step test, and cessation of pumping, the bore recovered to the initial water level within 2 minutes. A small jump in the water level was recorded immediately after the bore recovered. This is considered to have occurred because of the sudden change in pressure within the bore, and its small diameter. When the pump was turned off, water flowed into the bore causing a small amount of 'bounce' before equilibrium conditions, and a stable static water level, were achieved.

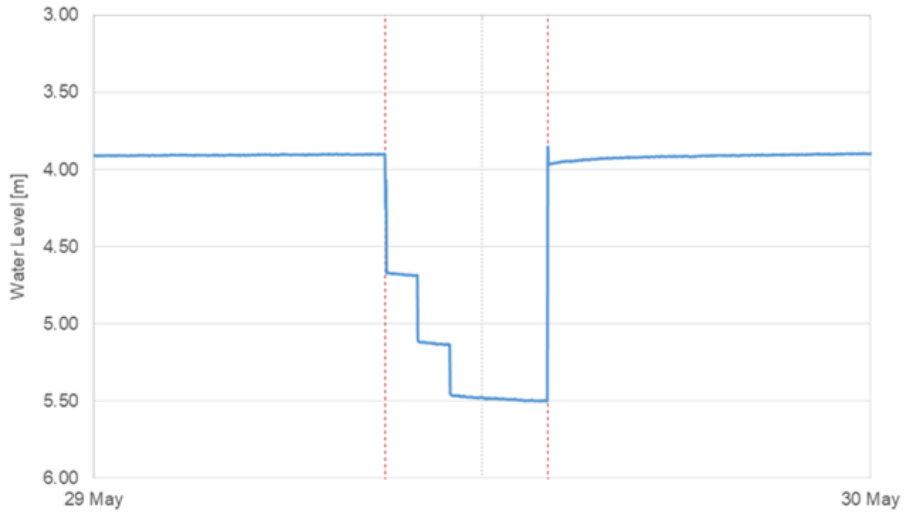

Figure 4.4: Water levels in Upper bore during step test.

The drawdown results from the step test are consistent, and the response of the bore to pumping was modelled well using a Theis with Jacob correction analysis; and its inherent assumptions. The transmissivity and storativity determined for the 100mm Upper bore from the step test are ~57m^2/s and 1x10^{-7} respectively.

Observation bores

None of the monitored observation bores, or the wetland, located between 180 and 480m from the pumped bore showed any response to the step test (Figure 4.5). It is noted that the static water levels increased slightly throughout the duration of testing. As discussed earlier, this is likely to be a response to the infiltration of rainfall experienced. Both the observation bores are likely to be screened in the same water-bearing unit as the pumped bore. As the aquifer is unconfined, it is also potentially hydraulically-connected to the wetland. This, however, could not be confirmed.

While no effects were observed within the abandoned bore, adjacent to the lower bore, the integrity of the bore itself is unknown. The measured depth of the bore was 6.46m; however, the original log indicates it is 17.2m deep. As the bore has been abandoned, it has not been maintained, and has no well-head protection. The metal is highly corroded and decaying (Figure 4.6). Given this, it is possible that the bore is at least partially blocked at depth. Despite this, it is noted that the water level observations within this bore mimic those of the functional Mahoney bore.

Since no response was recorded in any of the observation bores, the data from these bores were not used for the analysis of the aquifer properties. Any effects of pumping the Upper bore, however, cannot extend as far as these bores i.e. any effects must be very localised.

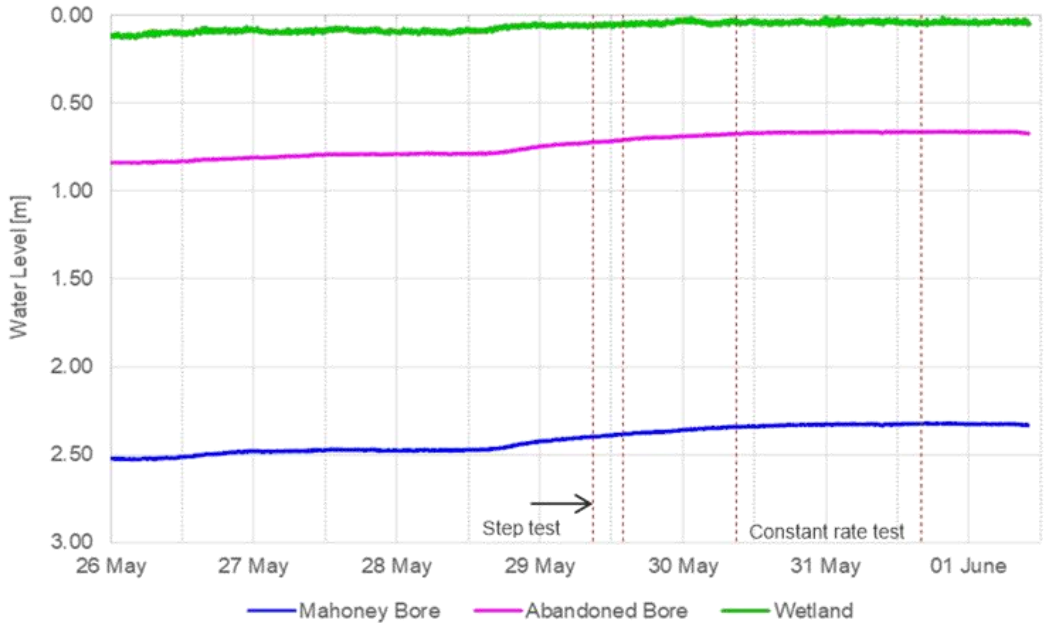

Figure 4.5: Monitored water levels in observation bores and wetland.

Figure 4.6: Abandoned bore.

4.4.2. Constant Rate Pumping Test

Since the step test indicated that the Upper bore had a sustainable yield of 3.14L/s, a constant rate pumping test was undertaken. The bore was pumped at a constant rate of 3.14L/s for 30 hours (i.e. from 30-31 May 2018). Monitoring was continued until the morning of 1 June to include the recovery phase following cessation of pumping. A longer recovery period could not be monitored as the investigation bore is providing a domestic supply currently, and the headworks needed to be reinstated immediately to ensure continuity of supply.

Upper bore

The pumped bore responded during the test in the same manner as described above with respect to the step test. There was an immediate drawdown in response to pumping, before the water levels began to trend towards equilibrium conditions i.e. the rate of drawdown decreased (Figure 4.7). Equilibrium conditions appeared to be established over the last 7 hours of the test, when the water level remained constant at 5.56m.

The bore showed an 'immediate' drawdown of ~1.5m and a maximum drawdown of 1.67m. Following the cessation of pumping, the bore recovered to the initial static water level within the first two minutes.

Like following the step test, a small 'bounce' in the water level was recorded immediately after the bore recovered. The reasons for this were discussed previously.

The results from the constant rate pumping test are almost identical to those from the step test. The transmissivity determined from the pumped bore was ~59m²/s (compared to 53m²/s from the step test).

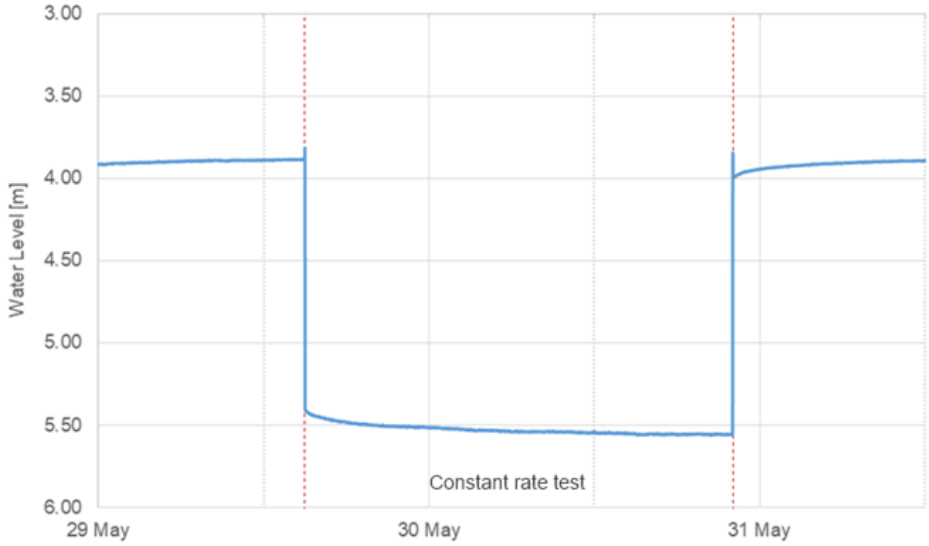

Figure 4.7: Monitored water levels in the Upper bore during the constant rate test

Observation bores

As with the step test, the water levels in the two observation bores and the wetland showed no response to pumping even after 30-hours (Figure 4.5). Over the duration of monitoring period, the static water level in the observation bores increased slightly before becoming steady around the time of the start of the constant rate test. The increasing water level is the result of rainfall and generally wet conditions leading up to, and throughout, the testing period.

4.5. Conductivity

Conductivity loggers were installed in both the pumped bore and the Mahoney bore to monitor any saline intrusion, or changes to conductivity throughout the testing period (Figure 4.8).

The monitoring results indicate an increase in conductivity in the Upper bore, during both the step test and constant rate test. The background conductivity values are about 0.72mS/cm, but rise to a maximum of 1.19mS/cm and 1.39mS/cm during the step and constant rate tests respectively. Following the completion of the constant rate test, the conductivity decreases slightly; however, as the bore recovers the conductivity begins to increase. The monitored recovery period was not long enough to show whether the conductivity would continue to rise, whether equilibrium conditions would be reached, or whether the conductivity would drop back to background level over time.

The Mahoney bore did not show any changes in conductivity throughout the monitoring period.

The increase in conductivity of the Upper bore during the pumping tests is attributed to 'older' water being drawn into the bore. This 'older' water is likely to have a higher ionic content because of the longer time this water had been in contact with the aquifer medium i.e. there is a general relationship between ionic concentration and residence time.

This increase in conductivity is not considered to be associated with salt water intrusion as the highest recorded conductivity within the Upper bore was only 1.39mS/cm. This is too low to be attributed to salt water contamination which has an average conductivity of about 50mS/cm. Furthermore, no change in conductivity was observed in the other monitored bore i.e. the Mahoney bore. This bore is located much closer to the coast and if pumping was stimulating saline intrusion, then some change in conductivity would have been observed in the Mahoney bore.

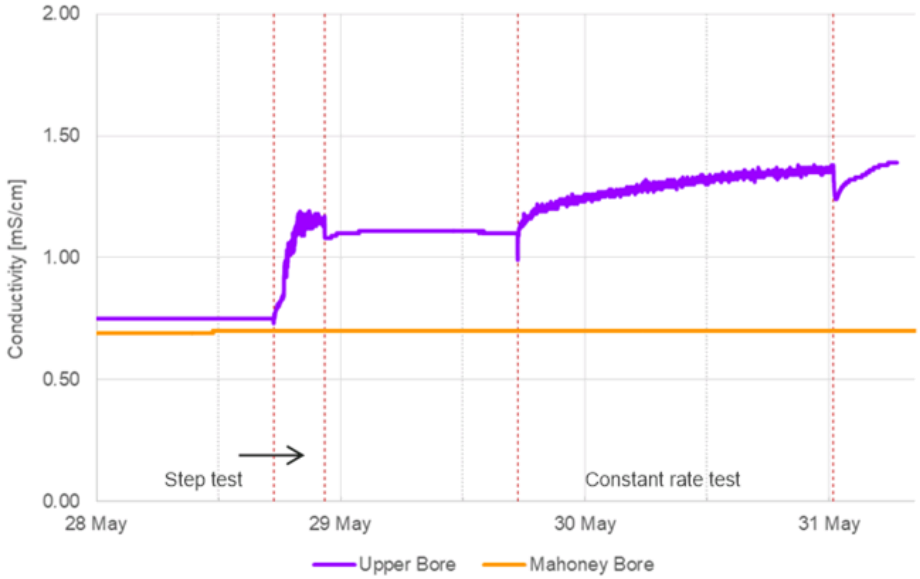

Figure 4.8: Conductivity in Upper (i.e. pumped) and Mahoney bores.

5. Conclusions and Recommendations

- The pumping tests show the establishment of equilibrium conditions, following both the commencement and cessation of pumping, is rapid and complete.
- The consistency in the results from both the step and constant rate tests provides a high level of confidence in the estimated aquifer properties.
- The results indicate that the Upper bore can sustain a yield of 3.14L/s, and that the transmissivity and storativity are 59m²/s and $1x10^{-7}$ respectively.
- There are very few other groundwater users near the pumped bore. No effects of pumping were measured in the observation bores, or the only local surface water feature. Any effects of pumping are therefore very localised.
- Throughout the pumping tests, the contractor noted that the discharging water was of poor quality and odorous. It is recommended that water quality testing be undertaken to determine whether the water is suitable for potable supply, and the level of treatment that may be required.
- Saline intrusion is not considered to be an issue. No contamination by sea water was recorded in the monitored bores. The conductivity of the pumped water remained significantly below that expected if saline contamination was occurring.
- 'Older' water appears to have been drawn into the pumped bore. A significant increase in conductivity, caused by the increased concentration of ions, was observed over the duration of the testing. It is unknown whether conductivity returned to background levels following the cessation of pumping.

- It should be noted that the pumping tests were undertaken during 'winter' conditions; with a high water-table, and no groundwater abstraction from the surrounding bores. Consequently, the results may be slightly conservative e.g. under-estimate the amount, and effects, of drawdown.

- The security of neither the Upper or Lower bores complies with Guidelines for Drinking-water Quality Management for New Zealand. While both bores are used for water supply currently; neither has any well-head protection, and the aquifer is shallow and unconfined. The Lower bore is in a depression and the headworks have deteriorated significantly.

6. References

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Appendix A

Bore Logs

HAWKE'S BAY REGIONAL COUNCIL

Well 2966 [Lower Bore]

IDENTIFICATION

WQ Site:	3148
Easting:	2022848.57
Northing:	5669858.576
Method:	Hand-held GPS
Address:	P.O. BOX 54, WAIROA, 4160

WELL INFORMATION

Drill date:	10/31/1991
Driller:	Honnor Drilling Limited
Casing Diameter (mm):	80
Bore Depth (m)	
Well Depth (m):	13.7
Screen top (m):	10.8
Screen bottom (m):	13.7
Open hole top (m):	
Open hole bottom (m):	
Water level access:	Unknown

CONSENT INFORMATION

Bore Consent

Consent Id	Consent Type	Use 1	Use 2
WP070611T	Ground-water consent	Public Water Supply	Potable Supply

Aquifer Information

Aquifer Lithology	Aquifer Condition	Inital Water Level
Sand	Unconfined	-4.26

Aquifer Tests

Bore Log (m)

Lithology	To Depth	From Depth
TOPSOIL	1	0
brown SAND	9	1
brown SAND with ash/pumice	10	9
blue SAND with ash/pumice (dense)	14	10

HAWKE'S BAY REGIONAL COUNCIL

Well 15016 [Abandoned Bore]

IDENTIFICATION

WQ Site:	2189
Easting:	2022819.515
Northing:	5669869.579
Method:	Hand-held GPS
Address:	Judges Parade, Mahanga

WELL INFORMATION

Drill date:	
Driller:	Unknown
Casing Diameter (mm):	150
Bore Depth (m)	
Well Depth (m):	17.2
Screen top (m):	
Screen bottom (m):	
Open hole top (m):	
Open hole bottom (m):	
Water level access:	Unknown

CONSENT INFORMATION

Bore Consent

Consent Id	Consent Type	Use 1	Use 2

Aquifer Information

Aquifer Lithology	Aquifer Condition	Inital Water Level
Unknown	Unknown	

Aquifer Tests

Bore Log (m)

Lithology	To Depth	From Depth

HAWKE'S BAY REGIONAL COUNCIL

Well 5290 [Mahoney Bore]

IDENTIFICATION

WQ Site:
Easting: 2022846.764
Northing: 5669505.984
Method: Hand-held GPS

Address: BLAKES APPROACH

WELL INFORMATION

Drill date: 4/10/2006
Driller: Honnor Drilling Limited
Casing Diameter (mm): 150
Bore Depth (m) 75
Well Depth (m): 12
Screen top (m): 8
Screen bottom (m): 11
Open hole top (m):
Open hole bottom (m):

Water level access: Unknown

CONSENT INFORMATION

Bore Consent

Consent Id	Consent Type	Use 1	Use 2
LU040370B	Bore consent	Residential - Single property	Potable Supply

Aquifer Information

Aquifer Lithology	Aquifer Condition	Inital Water Level
Sand	Unconfined	-2.2

Aquifer Tests

Bore Log (m)

Lithology	To Depth	From Depth
SAND	5	0
SAND with ash/pumice/shell	8	5
SAND with ash/pumice	12	8
ASH/PUMICE with peat/veg/wood	22	12
GRAVEL with clay/shell	23	22
fine blue SILT	30	23
blue CLAY (PAPA)	35	30
blue SANDSTONE	37	35
blue CLAY (PAPA)	52	37
yellow CLAY (PAPA)	64	52
blue CLAY (PAPA)	75	64

Appendix B

Manual water level readings during pumping tests

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WELLDRILLING ENGINEERS
EST 1946

PUMP TEST DATA SHEET

UPPER BORE - STEP TEST 1

Date:	29/05/2018		Client:	Wairoa District Council			
Job No:	BB02996		Test Conducted By:	Brad and Scott			
Actual time	**Pump Time / Duration (min)**	**Water level**	**Flow Rate**	**General Information**			
9:00	0	3.85	1.48	Bore location:			
9:01	1			Bore permit:			
9:02	2			Bore diameter:	100		
9:03	3	4.65		Material:	PVC		
9:04	4	4.65		Bore Top:			
9:05	5	4.65		Flanged:	☐		
9:06	6	4.65			✔		
9:07	7	4.65		Threaded:	☐		
9:08	8	4.65		Pump type:	4" Sub		
9:09	9	4.65		Pump model:	SQ		
9:10	10	4.65		Pump setting intake depth:	12.65m		
9:15	15	4.65		Orifice meter size:	3		
9:20	20	4.65		Orifice meter size:			
9:25	25	4.65		Orifice plate size:	1.75		
9:30	30	4.66		Orifice plate size:			
9:35	35	4.66		X Other			
9:40	40	4.66		Orifice Gauge	Inches		LPS
9:50	50	4.66			4		1.48
10:00	60	4.66					1.48
10:20	80						
10:40	100						
11:00	2hrs 120						
11:30	2.5 hrs 150						
12:00	3 hrs 180						
12:30	3.5 hrs 210						
13:00	4 hrs 240						
14:00	5 hrs 300						
15:00	6 hrs 360						
16:00	7 hrs 420			Comments and Calculations:			
17:00	8 hrs 480			Raining. Heavy Showers			
18:00	9 hrs 540						
19:00	10 hrs 600						
20:00	11 hrs 660						
21:00	12 hrs 720						
23:00	14 hrs 840						
1:00	16 hrs 960						
3:00	18 hrs 1080						
5:00	20 hrs 1200						
7:00	22 hrs 1320						
9:00	24 hrs 1440						

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PUMP TEST DATA SHEET

STEP TEST 2 UPPER BORE

Date:	29/05/2018		Client:	Wairoa District Council			
Job No:	BB02996		Test Conducted By:	Brad and Scott			
Actual time	**Pump Time / Duration (min)**	**Water level**	**Flow Rate**	**General Information**			
10:00	0	4.66	2.46	Bore location:			
10:01	1	5.09		Bore permit:			
10:02	2	5.09		Bore diameter:	100		
10:03	3	5.10		Material:	PVC		
10:04	4	5.10		Bore Top:			
10:05	5	5.10		Flanged:	☐		
10:06	6	5.10			✔		
10:07	7	5.10		Threaded:	☐		
10:08	8	5.10		Pump type:	4" Sub		
10:09	9	5.10		Pump model:	SQ		
10:10	10	5.10		Pump setting intake depth:	12.65		
10:15	15	5.10		Orifice meter size:	3		
10:20	20	5.10		Orifice meter size:			
10:25	25	5.10		Orifice plate size:	1.75		
10:30	30	5.11		Orifice plate size:			
10:35	35	5.11		X Other			
10:40	40	5.11		Orifice Gauge	Inches		LPS
10:50	50	5.11		3/1.75	11		2.46
11:00	60	5.11					
11:20	80						
11:40	100						
12:00	2hrs 120						
12:30	2.5 hrs 150						
13:00	3 hrs 180						
13:30	3.5 hrs 210						
14:00	4 hrs 240						
15:00	5 hrs 300						
16:00	6 hrs 360						
17:00	7 hrs 420			Comments and Calculations:			
18:00	8 hrs 480			Heavy Showers			
19:00	9 hrs 540						
20:00	10 hrs 600						
21:00	11 hrs 660						
22:00	12 hrs 720						
0:00	14 hrs 840						
2:00	16 hrs 960						
4:00	18 hrs 1080						
6:00	20 hrs 1200						
8:00	22 hrs 1320						
10:00	24 hrs 1440						

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PUMP TEST DATA SHEET

STEP TEST 3 UPPER BORE

Date:	29/05/2018		Client:	Wairoa District Council			
Job No:	BB02996		Test Conducted By:	Brad and Scott			
Actual time	**Pump Time / Duration (min)**	**Water level**	**Flow Rate**	**General Information**			
11:00	0	5.11	3.14	Bore location:			
11:01	1	5.45	3.14	Bore permit:			
11:02	2	5.46	3.14	Bore diameter:	100		
11:03	3	5.46	3.14	Material:	PVC		
11:04	4	5.46	3.14	Bore Top:			
11:05	5	5.46	3.14	Flanged:	☐		
11:06	6	5.46	3.14		✔		
11:07	7	5.46	3.14	Threaded:	☐		
11:08	8	5.46	3.14	Pump type:	4" Sub		
11:09	9	5.46	3.14	Pump model:	SQ		
11:10	10	5.46	3.14	Pump setting intake depth:	12.65		
11:15	15	5.46	3.14	Orifice meter size:	3		
11:20	20	5.46	3.14	Orifice meter size:			
11:25	25	5.46	3.14	Orifice plate size:	1.75		
11:30	30	5.46	3.14	Orifice plate size:			
11:35	35	5.47	3.14	X Other			
11:40	40	5.47	3.14	Orifice Gauge	Inches		LPS
11:50	50	5.47	3.14	3/1.75	18		3.14
12:00	60	5.47	3.14				
12:20	80						
12:40	100						
13:00	2hrs 120						
13:30	2.5 hrs 150						
14:00	3 hrs 180						
14:30	3.5 hrs 210						
15:00	4 hrs 240						
16:00	5 hrs 300						
17:00	6 hrs 360						
18:00	7 hrs 420			Comments and Calculations:			
19:00	8 hrs 480			Showers			
20:00	9 hrs 540						
21:00	10 hrs 600						
22:00	11 hrs 660						
23:00	12 hrs 720						
1:00	14 hrs 840						
3:00	16 hrs 960						
5:00	18 hrs 1080						
7:00	20 hrs 1200						
9:00	22 hrs 1320						
11:00	24 hrs 1440						

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PUMP TEST DATA SHEET

UPPER BORE - CONSTANT RATE TEST

Date:	30/05/2018		Client:	Wairoa District Council
Job No:	BB03000		Test Conducted By:	Brad and Scott

Actual time	Pump Time / Duration (min)	Water level	Flow Rate
9:00	0	3.83	3.14
9:01	1	5.40	3.14
9:02	2	5.40	3.14
9:03	3	5.41	3.14
9:04	4	5.41	3.14
9:05	5	5.41	3.14
9:06	6	5.41	3.14
9:07	7	5.41	3.14
9:08	8	5.41	3.14
9:09	9	5.41	3.14
9:10	10	5.41	3.14
9:15	15	5.41	3.14
9:20	20	5.42	3.14
9:25	25	5.42	3.14
9:30	30	5.43	3.14
9:35	35	5.43	3.14
9:40	40	5.43	3.14
9:50	50	5.44	3.14
10:00	60	5.44	3.14
10:20	80	5.45	3.14
10:40	100	5.45	3.14
11:00	2hrs 120	5.46	3.14
11:30	2.5 hrs 150	5.46	3.14
12:00	3 hrs 180	5.47	3.14
12:30	3.5 hrs 210	5.47	3.14
13:00	4 hrs 240	5.47	3.14
14:00	5 hrs 300	5.49	3.14
15:00	6 hrs 360	5.49	3.14
16:00	7 hrs 420	5.50	3.14
17:00	8 hrs 480	5.50	3.14
18:00	9 hrs 540	5.50	3.14

General Information			
Bore location:	Mahanga		
Bore permit:			
Bore diameter:	100		
Material:	PVC		
Bore Top:			
	Flanged:	☐	
100MM	Plain:	✔	
	Threaded:	☐	
Pump type:		4sub	
Pump model:		S4E12	
Pump setting intake depth:			12.65
Orifice meter size:			
Orifice meter size:			3
Orifice plate size:			1.75
Orifice plate size:			
X Other			
Orifice Gauge	Inches		LPS
	18		3.14

Comments and Calculations:

Drizzling

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PUMP TEST DATA SHEET

UPPER BORE-CONSTANT RATE TEST

Date:	31/05/2018		Client:	Wairoa District Council			
Job No:	BB03000		Test Conducted By:	Brad and Scott			
Actual time	**Pump Time / Duration (HOUR)**	**Water level**	**Flow Rate**	**General Information**			
7:00		5.53	3.14	Bore location:	Blakes Approach Road		
8:00		5.53	3.14	Bore permit:			
9:00		5.53	3.14	Bore diameter:	100		
10:00		5.53	3.14	Material:	PVC		
11:00		5.54	3.14	Bore Top:			
12:00		5.54	3.14	Flanged:	✔		
13:00		5.54	3.14	Plain:	☐		
14:00		5.54	3.14	Threaded:	☐		
15:00		5.54	3.14	Pump type:	4sub		
16:00		5.54	3.14	Pump model:	S4E12		
17:00				Pump setting intake depth:	12.65		
				Orifice meter size:	3		
				Orifice meter size:			
				Orifice plate size:	1.75		
				Orifice plate size:			
				X Other			
				Orifice Gauge	Inches		LPS
				Comments and Calculations:			
				9.55 Moloneys probe out			
				10.02 abandoned bore out			
				10.11 wet land			
				10.17 pumped bore out			

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PUMP TEST WELL RECOVERY

UPPER BORE - CONSTANT RATE TEST RECOVERY

Pump shut down Start Time	Time since start (min)	Water level Recovery	Comments and Calculations
16:00	0	5.54	SHUT DOWN AT 4.00PM
16:01	1	3.95	
16:02	2	3.95	
16:03	3	3.95	
16:04	4	3.95	
16:05	5	3.94	
16:06	6	3.94	
16:07	7	3.94	
16:08	8	3.94	
16:09	9	3.94	
16:10	10	3.94	
16:15	15	3.93	
16:20	20	3.93	
16:25	25	3.93	
16:30	30	3.93	
16:40	40	3.92	
16:50	50	3.92	
17:00	60	3.91	

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PUMP TEST DATA SHEET

ABANDONED BORE 100MM STEEL- CONSTANT RATE

Date:	30-31/05/2018		Client:	Wairoa District Council			
Job No:	BB03000		Test Conducted By:	Brad and Scott			
Actual time	**Pump Time / Duration (HOURS)**	**Water level**	**Flow Rate**	**General Information**			
	0	0.690		Bore location:	LOWER BORE SITE		
10:06		0.670	different dip meter	Bore permit:			
11:05		0.670		Bore diameter:	100		
12:03		0.670		Material:	STEEL		
13:04		0.670		Bore Top:			
14:05		0.670		Flanged:	☐		
15:05		0.670			✔		
16:04		0.670		Threaded:	☐		
17:05		0.670		Pump type:			
18:04		0.670		Pump model:			
				Pump setting intake depth:			
	31.05.18			Orifice meter size:			
7:00		0.670		Orifice meter size:			
8:00		0.670		Orifice plate size:			
9:00		0.670		Orifice plate size:			
10:00		0.670		X Other			
11:00		0.670		Orifice Gauge	Inches		LPS
12:00		0.670					
13:00		0.670					
14:00		0.670					
15:00		0.670					
16:00							
17:00							
				Comments and Calculations:			

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Baylis Bros LTD
WELLDRILLING ENGINEERS
EST 1946

PUMP TEST DATA SHEET

6" BORE PUKENUI - CONSTANT RATE

Date:	30-31/05/2018		Client:	Wairoa District Council			
Job No:	BB03000		Test Conducted By:	Brad and Scott			
Actual time	**Pump Time / Duration (HOURS)**	**Water level**	**Flow Rate**	**General Information**			
7:50		2.29		Bore location:			
10:03		2.27	different dip meter	Bore permit:			
11:03		2.27		Bore diameter:			
12:02		2.27		Material:			
13:02		2.27		Bore Top: Flanged: ☐			
14:03		2.27		☐			
15:03		2.27		Threaded: ☐			
16:02		2.27					
17:02		2.27		Pump type:			
18:03		2.27		Pump model:			
				Pump setting intake depth:			
	31.05.18			Orifice meter size:			
7:00		2.25		Orifice meter size:			
8:00		2.25		Orifice plate size:			
9:00		2.25		Orifice plate size:			
10:00		2.25		X Other			
11:00		2.25		Orifice Gauge	Inches		LPS
12:00		2.25					
13:00		2.25					
14:00		2.25					
15:00		2.25					
16:00							
17:00							
				Comments and Calculations:			

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Memorandum

To	Mike Charteris
Copy	Jack McConchie
From	Ella Boam
Office	Wellington Environmental Office
Date	15 August 2018
File	2-S0538.47
Subject	Mahanga Water Supply - Alternative Source

1 Background

Wairoa District Council (WDC) wish to upgrade the water supply to the settlement of Mahanga, in Mahia, to be fully compliant with the Drinking Water Standards for New Zealand (DWSNZ). A key part of this is ensuring that the water source can provide a sustainable and cost-effective water supply.

There are currently two groundwater abstraction bores in Mahanga which are owned by WDC; the upper and lower bores. A well condition assessment, water quality testing and pumping tests on both the upper and lower bores were to be undertaken. The lower bore was not tested however, because of the risk of damaging the existing headworks. Investigations of the upper bore indicated that it can sustain a yield of 3.14L/s during winter conditions, and that the water quality is poor, with high hardness, and elevated levels of arsenic and hydrogen sulphide.

To use water from the upper bore as a potable supply to the Mahanga community, either a restricted flow supply reliant on dilution with rain-water, or a fully treated supply will be required. A full treatment option would incur high treatment and waste disposal costs.

WDC wish to explore a more cost effective, and unrestricted supply solution.

2 Introduction

WDC wish to seek a groundwater supply source with higher quality, and a greater volume, than that available from the existing upper and lower bores. Ideally this new source would be within a reasonable distance of the existing supply reticulation to keep pipe costs to a minimum.

WDC have identified the following areas of interest (Figure 2.1):

- The area above Mahanga Road, including the lower slopes of the vegetated hills above the major lowland wetlands; and
- The 'Mahoney bore' along Pukenui Drive.

WSP Opus has been requested to provide advice on the likelihood of finding better quality water in sufficient volume to satisfy the demand of 5.2L/s (accounting for future growth). Water demand for Mahanga is detailed in the water treatment plant design report (WSP Opus, 2018).

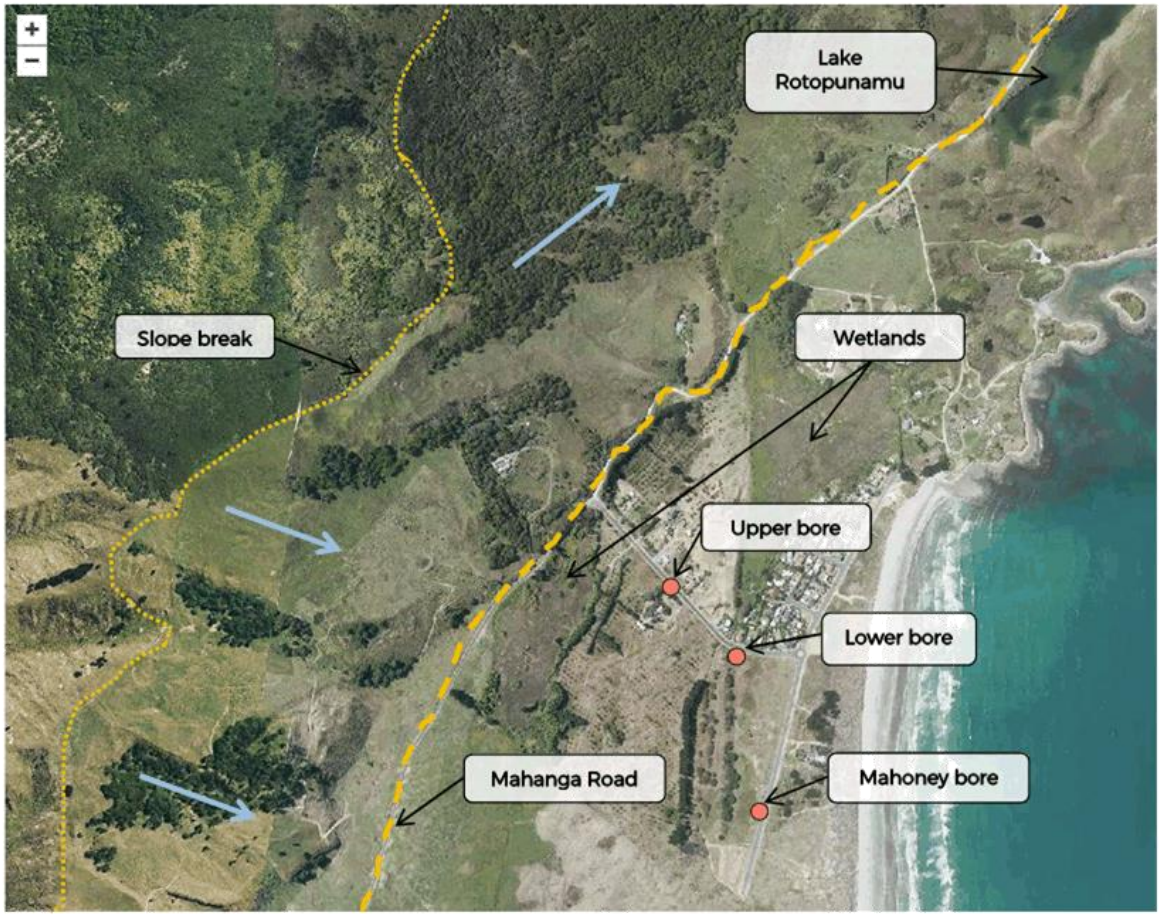


Figure 2.1: Mahanga area with existing water supply bores and locations of interest for alternate supply source. Indicative slope directions (likely water flow directions) are indicated as blue arrows.

3 Alternative groundwater source

3.1 Hills above Mahanga Road

3.1.1 Alluvial fan processes

Alluvial fans are likely to have formed at the base of the hills, upslope of Mahanga Road. These fans form from the erosion of material along the slope, which is then transported by water (streams) or gravity downslope into gullies to the base of the slope. Deposition occurs generally where there is a distinct change in slope angle ie. steep hillslopes to gentle lowlands.

The volume of water available in an alluvial fan is controlled by the amount of water entering the fan, and the ability of fan deposits to transmit water.

The amount of water available to enter an alluvial fan is likely to be proportional to the size of the upstream catchment. A greater catchment area receiving rainfall will funnel rainfall recharge into the fan at the base of the slope.

The ease of water movement within an alluvial fan is dependent on the geology of the parent material eroded upslope. The hills adjacent to Mahanga Road are mapped to consist of Tunanui Formation alternating sandstone and mudstone deposits, with minor conglomerate. The presence of large gravels or sand deposits would allow greater volumes of water to be stored and transmitted through the fan, faster flow rates and potentially allow the formation of a shallow unconfined aquifer.

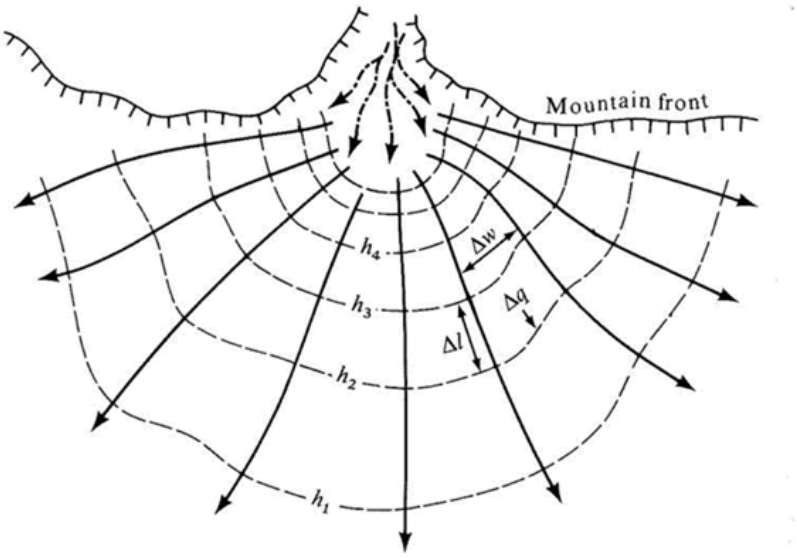


Figure 3.1: Flow net on an alluvial fan recharged by flows from the mouth of a wash at a slope front (Dunne & Leopold 1978)

Any water available from alluvial fans in the hills above Mahanga Road is expected to be younger and of higher quality. The water is likely to be recharged more often (therefore having a shorter residence time) than that of the lowlands and coastal areas of Mahanga. The shorter residence time limits the potential to dissolve and absorb possible contaminants from the aquifer medium.

3.1.2 Catchment Identification

Using available LiDAR for the Mahanga area, stream lines have been generated in the hills above Mahanga Road to understand the likely flow patterns of any groundwater (Figure 3.2). The generated stream lines and the topography were then reviewed to identify the largest catchments. There are labelled catchments 1-4. An area for each catchment was generated and is provided in Table 3.1.

Table 3.1: Catchment areas

Catchment zone	Area (ha)
Catchment 1	9.1
Catchment 2	7.8
Catchment 3	3.3
Catchment 4	17.5

It is noted that the stream lines and catchment areas are calculated from the LiDAR available through Hawkes Bay Regional Council (HBRC). This data does not cover the full area of the hill country above Mahanga Road (to the south of the community, Figure 3.2). The desktop nature of this study means that no detailed quality assurance was carried out on the LIDAR data. However, the data have been collected in a manner consistent with best practice, and is the most up to date dataset available.

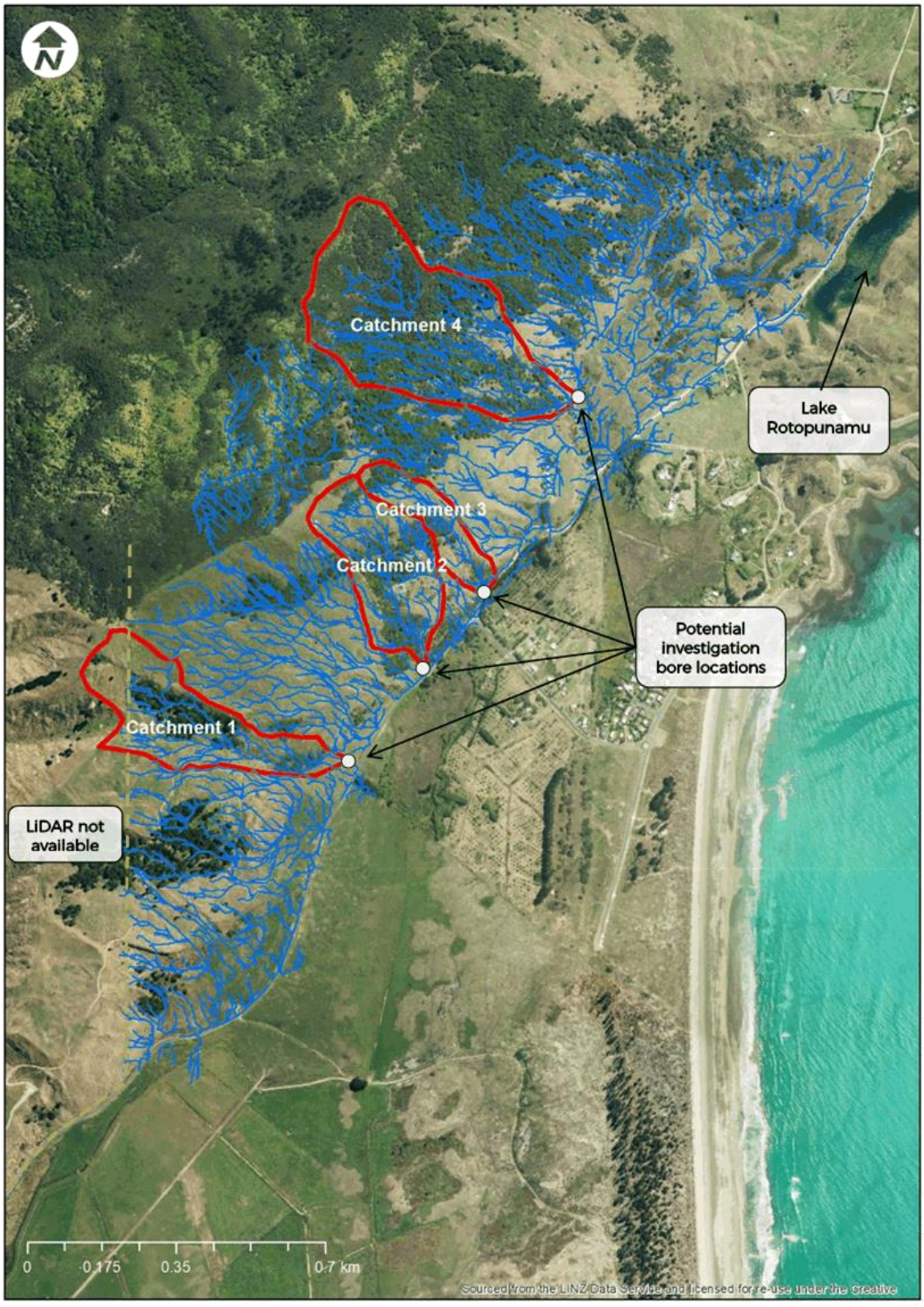


Figure 3.2: Automatically generated streamlines and catchments near Mahanga and location of possible investigation bores.

3.2 Mahoney Bore (HBRC 5290)

No pump test results or water quality data has been sourced for the Mahoney Bore, located along Pukenui Drive.

The Mahoney bore was used as an observation bore during the pumping tests undertaken on the upper bore. These tests are detailed in Opus (2018). At a distance of ~480m, and at a pumping rate of 3.14L/s, the Mahoney bore did not show any response to pumping of the upper bore.

Water quality at the Mahoney bore is potentially similar to that of the Upper Bore, and more likely to be affected by saline intrusion given its proximity to the sea.

3.3 Lake Rotopunamu

Lake Rotopunamu is a small lake on private property some 1.2km from Blakes Approach. This lake covers approximately 3.4Ha, and is surrounded by a small, farmed catchment.

We do not have information on water quality or quantity for this lake, but note that there is potential for Cyanobacteria growth in a water body of this type which could lead to Cyanotoxin contamination requiring expensive treatment solutions.

No further consideration has been made of this water as a potential source, however it has been included here for WDC to note.

4 Conclusions & Recommendations

Review of the topographic and geological information available for the Mahanga area indicates there is potential for a groundwater source in alluvial fan deposits at the base of the hill slopes above Mahanga Road. We expect that any groundwater system in these areas will be of higher quality than that of the upper bore. The water is expected to be younger and recharged more often. There is currently no information available to provide an indication of the quantity of groundwater resource that may be available from this source.

To further investigate the feasibility of this potential water source, we recommend that:

- An investigation bore is drilled to confirm the presence of a groundwater system. The location of the bore should be as close to the base of the hills and the head of the alluvial fan as possible. An indicative cost for producing a specification for and drilling an investigation bore is around $20,000. The location will require consideration of land ownership and access considerations. The preferred location would be toward the apex of the alluvial fan associated with catchment 4, the largest catchment with the greatest percentage of bush cover upstream.
- Once a groundwater system is confirmed, pumping tests to identify the quantity of the resource should be undertaken, as well as water quality testing. A pumping test and analysis will cost of the order of $20,000.
- It is noted that both runoff and groundwater from the hills above Mahanga Road are likely to be significant contributors to the wetlands in the lowland/coastal sand dune areas. Any abstraction of water at the base of the hills will likely reduce recharge to the wetlands which may complicate a Resource Consent application to take water.
- If Council wanted to investigate the viability of the Mahoney bore as a potable water supply, pumping tests should be undertaken. Testing would include conductivity monitoring to allow for any saline intrusion to be identified. As identified above, a pumping test and analysis will cost of the order of $15,000.

Memo

To: Stephen Heath
From: Johan Ehlers
Date: 6 November 2018
RE: **BLUE BAY WATER SUPPLY SYSTEM ESTIMATE**

Further to your request for a summary of the basis for the $678,000 cost estimate for the Blue Bay water supply system improvement, the scheme consists of the elements shown below:

Element	Description	Cost estimate
Scheme planning	Water quality and catchment risk assessment, source water options development and treatment process analysis.	$50,000
Existing bore	Hydrogeological analysis to assess the effect of taking water from the bore, aquifer test and redevelopment.	$29,000
New bore	New bore located in Ormond Road to the east of the railway line. The estimate includes hydrogeological work, tender process, construction and testing of the bore, associated pipework, instrumentation, electrical and control equipment.	$136,000
Raw water pumping main	Design and construction of a new pumping main from the new bore to the existing bore site.	$45,000
Treatment plant upgrade	Scheme plan and developed design, tendering and construction of a treatment plant upgrade consisting of: • Expansion of the site to create space for raw water tanks • Supply and installation of 3 x 25m^3 raw water tanks • Removal of 4 x 25m^3 existing treated water tanks and raising the tank pads to the surrounding ground level • Construction of an additional building to separate wastewater treatment equipment from water supply treatment equipment • Installation of raw water pump set • Supply and installation of two treatment systems consisting of 20-, 5- and 1-micron filters and ultraviolet disinfection equipment • Supply and installation of chlorine gas disinfection equipment • Supply and installation of 4 x 25m^3 treated water tanks • Move the treated water pump set and booster pump for fire-fighting water supply to the new building • Associated pipework, instrumentation, electrical and control equipment	$418,000
Total		**$678,000**

Regards

Johan Ehlers CP Eng

INFIR
INFRASTRUCTURE SOLUTIONS | PROJECT MANAGEMENT
PO Box 7335 Taradale 4141 p 06 650 5565 e admin@infir.nz www.infir.nz

MĀHANGA WATER SUPPLY UPDATE

Māhanga Water Referendum. This was a referendum to consider community views on the 'Closure of the Māhanga Water Supply".

The referendum was binding and if 75% or more of the votes cast were FOR the closure, the Māhanga water supply would close. If more than 25% of the votes cast were AGAINST the closure, the Māhanga water supply would remain open.

VOTES RECEIVED

21.6%
11 VOTES
FOR THE CLOSURE
OF MĀHANGA WATER SUPPLY

78.4%
40 VOTES
AGAINST THE CLOSURE
OF MĀHANGA WATER SUPPLY

WHAT DOES THIS MEAN?

This 78.4% result means that Council is required to deliver a municipal water supply to the Māhanga community that meets the drinking water standards of NZ. The community will be rated accordingly for both capital costs and annual water supply charge.

Council indicated capital costs would be around $200,000 for a Municipal water supply.

There are currently two groundwater abstraction bores in Māhanga that supply water to the residents. The upper and lower bores.

A well condition assessment, water quality testing and pumping tests on both the upper and lower bores were to be undertaken, however the lower bore was not tested due to it's age of approximately 28 years and because of the risk of damaging the existing bore head. Also, the bore was in poor condition. Previous water samples of the lower bore had tested positive for E.coli.

The Lower bore being bore no. 2966 is consented to take water for a water supply to a residential subdivision and public toilet, at a maximum rate of 2l/s and a total take of 1,210m³ in any seven day period. The lower bore consent will expire on 31/5/2024 and at that point in time WDC believe it will be very difficult to gain a new consent.

The 'upper bore' is not consented in terms of a bore construction permit nor a water take permit. Council have very limited records relating to it.

The bore is known to be 13.8m deep with the 100mm screen starting at 10.8m. The upper bore appears to be the newer of the two.

Investigations of the upper bore indicate that it can sustain a yield of only 3.14l/s during winter conditions, and that the water quality is poor, with high hardness and elevated levels of arsenic and hydrogen sulphide.

To use water from the upper bore as a potable supply to the Māhanga community it will require a fully treated supply. A full treatment option would incur high treatment and waste disposal costs.

THE CURRENT CLIMATE

The Havelock north water event in 2016 has significantly changed things in the water space for NZ.

After the event in 2016 a Joint Working Group (JWG) was formed with Hawke's Bay Regional Council, Hastings District Council, Napier City Council, and the Ministry of Health. The Central Government has a big focus on drinking water and safe sustainable water sources. This focus is not just in the Hawke's Bay region but the entirety of New Zealand. The JWG helps inform central government.

Due to the issues Wairoa District Council faced with the Blue Bay water supply, towards the end of 2018, the Council also met with the JWG to help better understand the environment we are now having to operate in.

The JWG are proposing "Secure Protection Zones" (SPZ) for water in-take which considers a large area (minimum of 2km radius) for possible contaminants that could enter into the bore water. This will have an impact on a suitable bore location in Māhanga.

Earlier this year the drinking water standards changed. As a result Wairoa District Council had to purchase new equipment and do more testing of the water for both Tuai and Wairoa. There is an expectation that more regulatory reforms for the three waters will happen.

Wairoa District Council believes that due to the above considerations a municipal water system to deliver safe reliable water for the Māhanga community may not be cost effective.

OTHER LONG TERM CONSIDERATIONS

Sewer system discharge (e.g. septic tanks)
Due to environmental change (global warming, rising sea levels, more frequent rain events) this is another longer term consideration for the Māhanga community. The septic tank system is at times compromised, it is Councils belief that over time this issue will become worse, however it is hard to predict when this might occur.

It is recognised that a property connected to a public water supply will use considerably more water than a property connected to a rain water tank system.

Points to note: Bath, shower, washing machine, wash basins all feed grey water into the septic tank and mixes with the toilet sewer. If a public water supply was to be available to households in Māhanga, this would further challenge the septic tank systems. Especially as the area develops and holiday periods will see peak demand pressures, resulting in more waste water discharged into the septic tank system.

A rain water tank supply has a more sustainable footprint and has proven to be more beneficial to smaller communities as it helps with storm water management and due to limited supply the water is used less. This means that less waste water is discharged into the septic tank system, therefore helping to extend the life of a septic tank system and the current community.

WHERE TO FROM HERE?

Wairoa District Council (WDC) wish to upgrade the water supply to the settlement of Māhanga.

To be fully compliant with the drinking water standards for New Zealand (DWSNZ), a key part is to ensuring that the water source can provide a sustainable and cost-effective water supply.

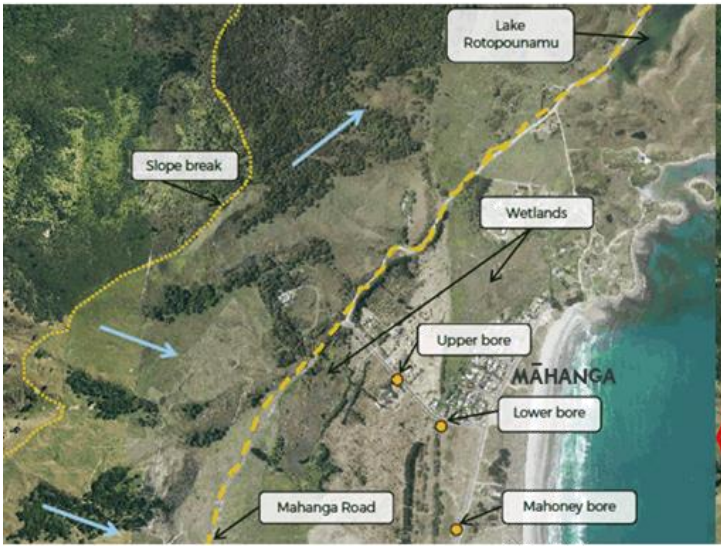
Wairoa District Council believes that there are significant challenges to delivering long term sustainable safe drinking water in the Māhanga community with longer term consequences to consider.

If a public water supply at Māhanga was to be implemented, Council would estimate costs will be significantly higher than first anticipated and would like to meet with the community to discuss a way forward.

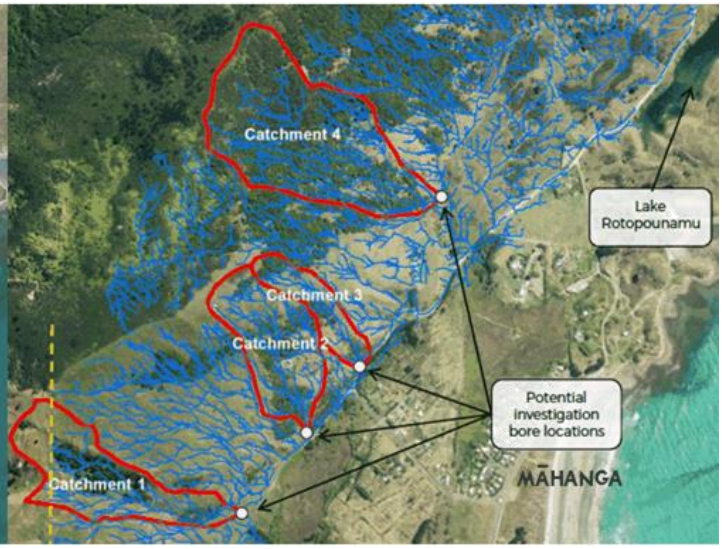
COMMUNITY MEETING

SAT, 18TH MAY 2019 - 10AM
MĀHANGA MARAE

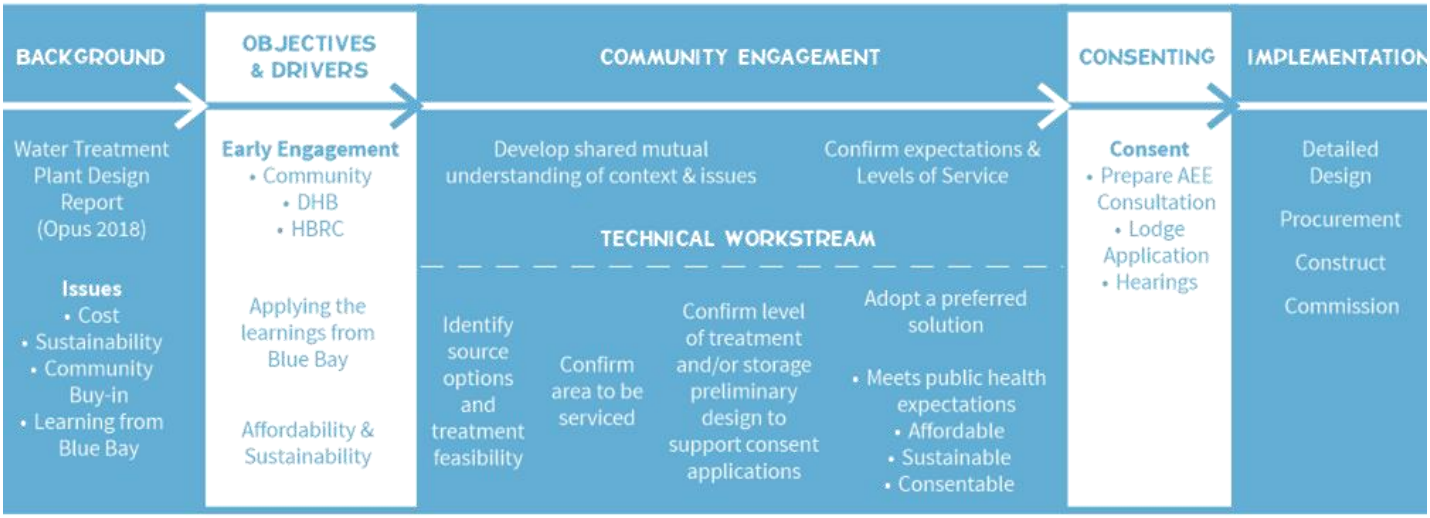
BORE LOCATIONS



ALTERNATIVE BORE LOCATIONS



PROGRESS ON MĀHANGA COMMUNITY WATER SUPPLY



WAIROA DISTRICT COUNCIL

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+64 6 838 8874
administrator@wairoadc.govt.nz
www.wairoadc.govt.nz
PO Box 54, Wairoa 4160, Hawke's Bay
Coronation Square, Queen Street, Wairoa

MAHANGA WATER SUPPLY

23rd May 2018

Dear Property Owner

Recently you were sent a letter from Council advising that the Community meeting in Mahanga was postponed until Saturday 8th June, at 10am, at Mahanga Marae.

As advised this was in order for Council to be able to send out the enclosed information, so you have time to read through the OPUS report.

Also enclosed are questions that have been asked of Council and would have been raised at the community meeting. This information is being sent to every Mahanga property owner so that whether you are able to attend the meeting or not you all have the same background information.

Apart from the information enclosed, Council staff are also looking at what questions might also be raised on the day by the community. This list is being compiled and will be sent out separately as I believe it will encourage a more focused discussion.

Please RSVP for the meeting to Juanita Savage by email to juanita@wairoadc.govt.nz or phone (06) 838 7309.

If you have any questions regarding this meeting, please forward in writing to Stephen Heath, Group Manager Community Assets and Services, at stephen@wairoadc.govt.nz

Yours faithfully

Steven May
CHIEF EXECUTIVE OFFICER

Notes for Mahanga Water Supply Meeting with Property Owners

Held at Mahanga Marae, Mahanga on Saturday 8th June 2019 at 10.00am

Present: His Worship the Mayor Mr C Little

Councillors
D Eaglesome-Karekare, C Lambert, H Flood, M Bird

Council Staff

S May	(Chief Executive Officer)
G Borg	(Chief Financial Officer)
K Tipuna	(Group Manager Community & Engagement/Electoral Officer)
S Heath	(Group Manager Community Assets & Services)
D Culshaw	(Maori Relationships Manager)
M Goldsmith	(Water Production Business Unit Manager)
J Savage	(Technical Co-ordinator Community Assets & Services)

Advisors

M Lawson	(Lawson Robinson – Barristers & Solicitors)
R Ball	(Ministry of Health Drinking Water Assessor/Health Protection Officer)
N Heath	(Hawkes Bay Regional Council – Catchment Manager Wairoa Mohaka)
P McFarlane	(WSP Opus Water Market Leader)
H De Wet	(WSP Opus Senior Project Engineer)

Mahanga Property Owners
Attendance Register

Apologies (noted following the meeting via an email from Mr D Caves)
John Bannister, Robert & Joanne Double

Discussion held by attendees. All questions were responded by either His Worship the Mayor, the advisors or WDC staff, whichever was applicable.

Motion moved by Mary Powdrell, and seconded by Tony Desmond:

That WDC consider holding another referendum with updated information for retaining the water supply or closing it.

Vote count:

In favour	41
Opposed	2
Abstain	3

Meeting closed: 12.20pm

8.6 MAORI STANDING COMMITTEE 20 MARCH 2020-RECOMMENDATION

Author: **Gay Waikawa, Kaiurungi Mana Ārahi Governance Officer**

Authoriser: **Kitea Tipuna, Pouwhakarae – Hapori / Whakatūtaki Group Manager Community and Engagement**

Appendices: **Nil**

1. PURPOSE

A recommendation has been presented from the Maori Standing Committee meeting held on Thursday, 12 March 2020.

RECOMMENDATION

The Kaiurungi Mana Ārahi Governance Officer RECOMMENDS that:

Council consider the recommendation from the Maori Standing Committee held on Thursday, 20 March being:

That P Kelly and H Nissen attend on behalf of the Maori Standing Committee the Council Workshop for the Maori Standing Committee Terms of Reference.

Cr J Harker/S Cooper

Signatories

	
Author Gay Waikawa	Approved by Kitea Tipuna

8.7 CEO REPORT

Author: **Steven May, Tumu Whakarae Chief Executive Officer**

Authoriser: **Steven May, Tumu Whakarae Chief Executive Officer**

Appendices: **Nil**

1. PURPOSE

1.1 This report provides information for Council on updates from the CEO. No decisions are required by Council at this stage.

RECOMMENDATION

The Tumu Whakarae Chief Executive Officer RECOMMENDS that Council receive the report.

Events attended since last Council meeting

- Zone 3 Local Government meeting
- Māori Standing Committee
- Hawke's Bay CEO meeting
- PGF Announcement - Mahia Resilient Roads Project Tuahuru Marae
- Hui - Pukenui Drive
- Chief Executives' meeting - Rural and Provincial meeting 5-6 March
- AFED Education Launch
- Faming Expo
- Regional CEO seminar
- HB Forestry Group Collaboration Project
- Council Forum
- PSA Collective agreement meeting
- Economic development Committee meeting
- Health 2020 Roadshow
- Visit to Councils Sister City (Japan)

Strategic initiatives

- The January 2020 Coalition Government's PGF investment announcements for Wairoa has enabled Council to commence work on the Te Wairoa E Whanake Project. Four buildings in the CBD have been secured by Council to provide a strategic footprint which will maximise the impact of the Te Wairoa E Whanake Project. A website has been created for the community to follow the process and have input into this community asset: www.tewairoaewhanake.co.nz.

- Further funds will be sought from the Government's Tourism Infrastructure Initiative to continue to provide local initiatives in our District.

- The second pre hearing for the waste water consent was completed

- An exciting regional collaboration between all five councils of Hawke's Bay has taken off. Aerial surveying of the region has started, using the latest LiDAR (Light Detecting and Ranging) technology collecting geographic data to create highly detailed 3D maps and models of our landscape. Hawke's Bay Regional Council, on behalf of Central Hawke's Bay District Council, Hastings District Council, Napier City Council and Wairoa District Council, secured funding from the Provincial Growth Fund (PGF) for the region. The Regional Council will be running the project which is part of a national LiDAR programme. "This collaboration will give us valuable information using the latest technology to support the development of 3D models of landscapes. These models will contribute to economic development in the region.

Looking ahead (as at 16/3/2020)

- The Governments response to the Covid-19 Pandemic is being closely monitored. Our Business Continuity Plan (BCP) is operational and the BCP control group are co ordinating a response. The external circumstances will have changed from the date of creating this report and the date of the Council meeting.

- Council has been advised that the regular assessment by IANZ in order for continued accreditation to be approved and planned for April this year may be postponed due to the effects of Covid-19.

- Updates to the Te Wairoa E Whanake Project will be tabled at the regular Economic Development Committee meeting.

- The timetable for the Annual plan is being adhered to.

Signatories

	
Author Steven May	Approved by Steven May

8.8 QRS STATEMENT OF INTENT FOR THE PERIOD 1 JULY 2020 TO 30 JUNE 2023 AND SIX MONTHLY REPORT TO 31 DECEMBER 2019.

Author: **Gary Borg, Pouwhakarae – Pūtea / Tautāwhi Rangapū Group Manager Finance and Corporate Support**

Authoriser: **Steven May, Tumu Whakarae Chief Executive Officer**

Appendices:
1. **QRS Statement of Intent 2020-23** ⇩
2. **QRS Statement of Intent 2019-22** ⇩
3. **QRS Half Year Report 2019-20** ⇩

1. PURPOSE

1.1 To present the Draft QRS Statement of Intent 2020-23 and the company's 6 monthly performance report to 31 December 2019 for consideration by Council.

RECOMMENDATION

The Chief Financial Officer RECOMMENDS that Council receives the QRS proposed Statement of Intent 2020-23 subject to further comment, and the 6 monthly performance report to 31 December 2019.

2. BACKGROUND

2.1 The Local Government Act 2002 (Schedule 8, paragraph 2) requires a Council Controlled Organisation (CCO) to deliver to its shareholders a Draft Statement of Intent (SoI) on or before 1 March each year.

2.2 Having received a Draft SoI, Council are required to comment, if it chooses to do so, within two months of 1 March. (LGA 2002 (Sch. 8, para.3))

2.3 The Draft SoI, attached as **Appendix 1**, was delivered to Council on 6 March 2020, having been slightly delayed as Council and the company continue to coordinate on strategic direction. It is complete in respect of the requirements of LGA 2002 Sch. 8, para.9.

2.4 Section 66 of the Act, and the company's current SoI, requires the Board to deliver to Council a half-yearly report on its operations within 2 months of the end of the first half of the financial year. This was delivered on 6 March 2020.

2.5 The directors will formally present the half-yearly report to Council at its Ordinary Meeting on 24 March 2020 and therefore it is attached as **Appendix 3**.

3. STATEMENT OF INTENT

3.1 The Draft SoI sets out the overall activities and intentions of QRS for the 3 years commencing 1 July 2020.

3.2 For ease of comparison the company's existing SoI for the period commencing 1 July 2019 is attached as **Appendix 2**.

4. OPTIONS

4.1 The options identified are:

a. Receive the Draft Statement of Intent without amendment and the half-yearly report; or

b. Receive the Draft Statement of Intent 2020-2023 subject to further comment and receive the half-yearly report.

4.2 Discussions with QRS regarding Council's expectations continue. Since Council has more than a month to comment, receiving the report will provide a formal and transparent record of this process.

4.3 The preferred option is *b)*, this contributes to the following community outcomes

Economic wellbeing	Social and Cultural Wellbeing	Environmental Wellbeing
1. A strong, prosperous and thriving economy. 2. A safe and integrated infrastructure.	6. Strong district leadership and a sense of belonging	

5. CORPORATE CONSIDERATIONS

What is the change?

5.1 There are no changes to council operations resulting from this decision.

Compliance with legislation and Council Policy

5.2 Both documents comply with the requirements of the Local Government Act 2002 in terms of content. As noted, they were delivered after the statutory date of 1 March 2020.

What are the key benefits?

5.3 These documents provide an oversight of the company and provide Council with a health check on its main equity investment.

What is the cost?

5.4 There is no cost with this decision.

What is the saving?

5.5 No savings are generated with this decision.

Who has been consulted?

5.6 No consultation is required or has been undertaken on this report.

Service delivery review

5.7 This report does not trigger a need for a s17A review.

Māori Standing Committee

5.8 This has not been referred to the Māori Standing Committee because it is of equal interest to the whole community.

6. SIGNIFICANCE

6.1 The decision can be changed by using LGA 2002 Section 8 paragraph 5(1) which allows for shareholders by resolution to require the CCO Board to modify a statement of intent after due consultation with the Board.

6.2 Although there are strategic considerations this matter is largely administrative and is assessed as being of low significance.

7. RISK MANAGEMENT

7.1 In accordance with the Council's Risk Management Policy the inherent risks associated with this matter are:

Human	Financial	Regulatory
Low	Low	Low
Operations	Employees	Image & Reputation
Low	Low	Low

Further Information

Not Applicable.

Background Papers

Not Applicable.

References (to or from other Committees)

This matter is refreshed annually and considered by Council.

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,

b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Signatories

	
Author Gary Borg	Approved by Steven May

Statement of Corporate Intent 2020-2023

Covering period 1 July 2020 to 30 June 2023

Foreword

Quality Roading and Services (Wairoa) Ltd (QRS) connects workers to their jobs, creates opportunities for the community, and protects it from an increasingly unpredictable natural environment.

QRS is incorporated and domiciled in New Zealand and wholly owned by Wairoa District Council. It is a Council Controlled Trading Organisation as defined in Section 6 of the Local Government Act 2002.

Our speciality is civil construction and road maintenance. We have quarry operations, a large-scale heavy diesel workshop, and offer civil engineering skills, experience and equipment.

The company believes strongly in the importance of people, performance, communities and partnerships (PPCP).

In 2019 QRS consolidated into a company of excellence successfully tendering for contracts of national significance and delivering fit-for-purpose road maintenance at a time of public demand and challenging conditions. Our **people** are the driving force behind our success. The culture at QRS rewards good **performance** and celebrates success. We actively connect with our **community** supporting everyone who visits, lives and works in the district. A key to success has been the revitalised relationship and **partnership** QRS has fostered with its sole shareholder (and client) WDC. Through improved communication both organisations are thinking in a similar way and focussed on what's 'best for Wairoa'

This Statement of Corporate Intent (SCI) sets out the overall activities and intentions of QRS for the financial year 1 July 2020 to 30 June 2021 and the two succeeding financial years. It also states the objectives to which those activities will contribute.

QRS looks forward to continuing its significant contribution to Wairoa District Council and the communities that it serves.

Nigel Pollock

Nigel Pollock
Quality Roading and Services chief executive
March 2020

Contents

1. Nature and scope of company activities

QRS and its staff are an integral part of Wairoa and the wider district. Our speciality is civil construction and road maintenance and offer a full range of civil engineering skills, experience and equipment.

The principal activities of QRS are:

- Roading maintenance and associated construction
- Civil construction
- Quarrying
- Heavy transport

2. Mission and vision

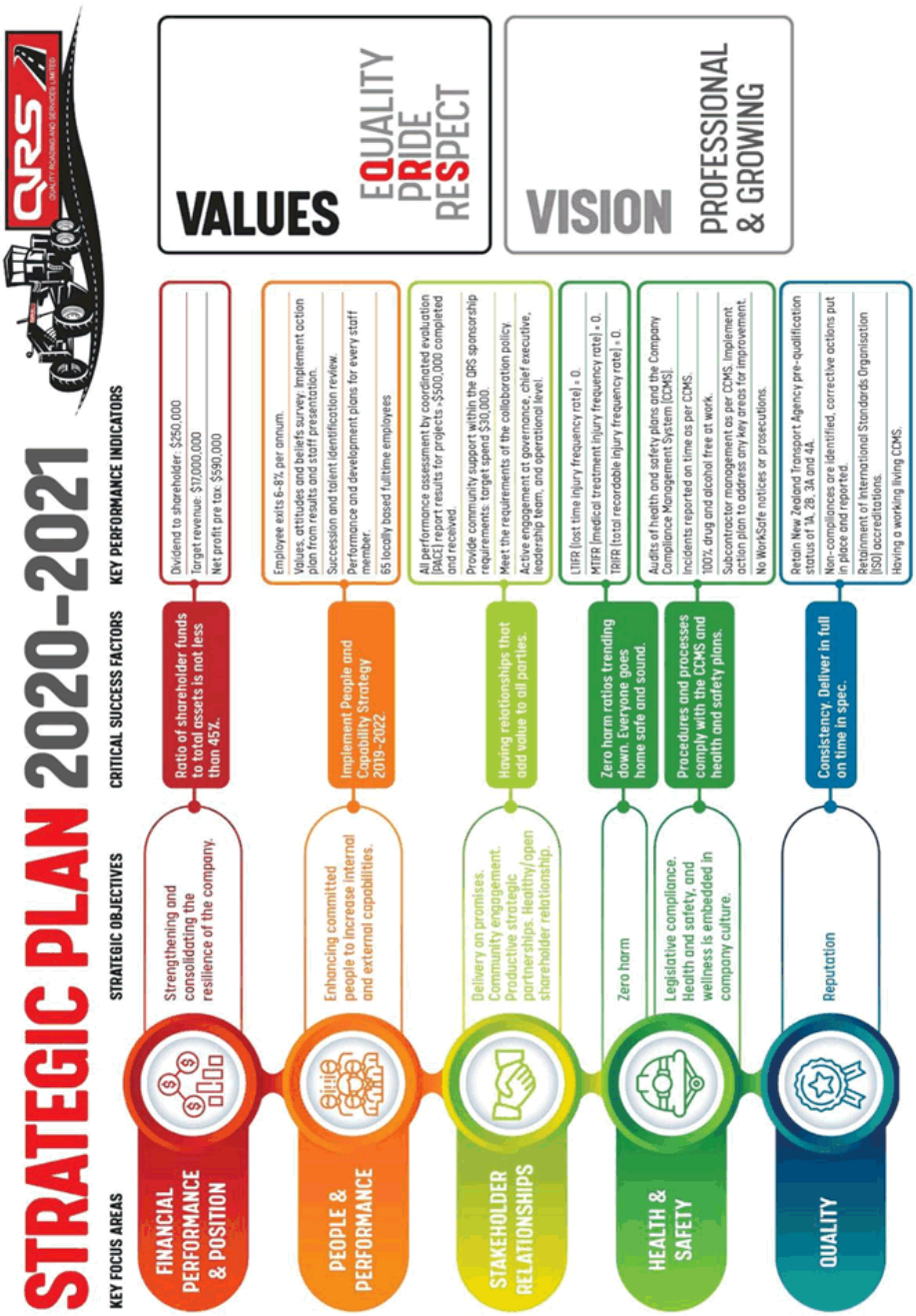
WDC mission: The Wairoa District Council exists so that residents and visitors alike can enjoy the community in which they live and visit, supported by local decision-making to promote the social, economic, environmental and cultural well-being of the Wairoa District in the present and for the future.

WDC vision: Connected Communities, Desirable Lifestyles, Treasured Environments

QRS mission: To grow and sustain a profitable and locally valuable contracting business on a foundation of safety and quality.

QRS vision: Professional and growing.

3. Strategic Plan 2020-2021



4. Governance

The role of the board is to effectively represent WDC and not to act contrary to the interests of WDC whilst adding long term value to the company.

The board will regularly review and monitor the management of the company by:

Determining purpose and direction: establishing objectives which are appropriate to the environment and circumstances.

Developing an effective governance culture: Ensuring the company's objectives are understood and endorsed by management; consider policies that will strengthen the company's performance; and engage effectively with the chief executive and leadership team

Holding to account: satisfying itself that the company is achieving its objectives; agreeing with management a set of financial and non-financial key performance indicators relevant to the agreed objectives.

The board will hold quarterly governance meetings with WDC. Day-to-day management of the company will be delegated to the chief executive.

5. Ratio of shareholder funds to total assets

To provide the company with the capacity to grow whilst maintaining an efficient capital structure that minimizes risk, QRS will target the ratio of shareholder funds to total assets for each year at not less than 45%.

The shareholder funds and total assets are defined as disclosed in the audited statement of financial position as at 30 June.

6. Accounting policies

The company's accounting policies comply with the requirements of the Financial Reporting Act 1993 and are consistent with generally accepted accounting principles.

Details of the accounting policies and their application are contained in Appendix 2.

7. Procurement

WDC to engage with QRS at a governance level for non-subsidised work thereby giving both organisations the opportunity to strategically provide the best benefits for Wairoa. If in doubt, the shareholder, as the contracting entity may apply principles of transparency and non-discrimination.

8. Performance targets

The following performance targets are the measures by which the company's performance will be judged as published in the 2018-2028 Land Transport Activity Management Plan commonly referred to as the Long Term Plan.

	2020/21	2021/2022	2022/2023
Target revenue	$17,000,000	$18,000,000	$19,000,000
Net profit after-tax	$425,000	$450,000	$475,000
Dividend forecast	$250,000	$250,000	$250,000
Net profit pre-tax of opening shareholder funds	6%	6%	6%
Ratio of Shareholders funds	>45%	>45%	>45%

9. Reports to the shareholder

9.1 General

The company will disclose information on its operations as is necessary to enable the shareholder to make an informed assessment of the performance of the company.

9.2 Draft Statement of Corporate Intent

The board will deliver to the shareholder a draft Statement of Corporate Intent on or before 1 March each year.

9.3 Completed Statement of Corporate Intent

The Board will:
(a) consider any comments on the draft Statement of Corporate Intent that are made to it within two months of March by the shareholder; and

(b) deliver the completed Statement of Corporate Intent to the shareholder on or before 30 June each year.

9.4 Quarterly update

The company will provide a quarterly update to a full general meeting of WDC.

9.5 Half year reporting

The Board will, by 28 February each year, deliver to the shareholder unaudited financial statements consisting of:

- Statement of financial position
- Statement of financial performance
- Cash flow statement for the six months to 31 December, together with statements of explanation and accounting policies upon which the financial statements are based.
- A written report on operations of the company during the period, and the amount of any interim dividend recommended, and the outlook for the next six months including any significant changes to previous forecasts or reports.

The company will make a formal presentation of the report at a meeting called by the shareholder. This meeting will be a formally constituted meeting of WDC called in terms of the Local Government Act 2002.

9.6 Annual Report

The Company will make available to the Shareholder and the public, audited financial statements in accordance with Section 67 of the Local Government Act 2002 within three months after the end of each financial year, being 30 September.

The annual general meeting of the company will be held no later than 21 days after the delivery of the annual report to the shareholder.

The company will make a formal presentation of the report to a meeting called by the shareholder. This meeting will be a formally constituted meeting of WDC called in terms of the Local Government Act 2002.

10. Consent for shareholding

Notwithstanding anything else contained in the constitution or the act, the board may not subscribe for, purchase, or otherwise acquire shares in any other company or other person without the prior written approval of the shareholder.

11. Estimate of commercial value of the shareholder's investments

The board will make an estimate of the commercial value of the company each year. An independent valuation will be performed once every three years. The shareholder will be advised of the value of their investment accordingly.

12. Profit distribution policy

Dividend Payments

The company will pay the shareholder a minimum annual dividend of $250,000. This includes an interim dividend of $50,000 after the six-monthly result, subject to the company passing the solvency test and board signing a solvency certificate.

In arriving at a recommendation in respect to a dividend the board will have regard to the company's:

- vision and objectives.
- financial performance for the past financial year taking regard for the future commercial environment.
- ability to meet financial commitments.
- investment proposals and profitability thereof
- ability to secure suitable financial arrangements
- requirements to reinvest in renewal of assets
- shareholder expectations with respect to overall performance of the company's commercial outcomes.

The Board may recommend the payment of dividends in addition to those contained within this statement of corporate intent.

12. Treasury policy

Corporate Objectives

Ensure the company is able to meet its future commitments as they fall due in both the short and long term through active treasury risk management. QRS will:

1. Reduce company cost of borrowing through effective control and management of its interest rate risk, and manage the company's exposure to interest rate risk within acceptable levels.

2. Manage funding risk by the selection of the best available methods for long term financing requirements.

3. Manage the company's return on funds invested through the effective control and management of its interest risk and maintain company exposure to interest risk within acceptable levels.

3. Maintain adequate internal controls to ensure that funds are invested and borrowed in accordance with company policy.

4. Know that company assets can be given as security. The use of long-term funds will be restricted to development and establishment of capital assets and the repayment of equity.

13. Investment policy

WDC believes it is important to maintain expertise in construction, roading and maintenance in the district, balanced with an intent to reduce ratepayer costs by providing effective, sustainable competition and providing community support.

As those ratepayers do not have any direct involvement with how that investment is determined, the directors owe a special duty of care to how that investment is managed.

In addition, the company will supply WDC with all business cases for investments above $500,000 for review prior to committing to the investment.

As an overall investment policy and in alignment with the WDC Investment Policy (item 4.3 dated 5 August 2015) and the WDC Long Term Plan 2018-2028, the company will endeavour to maximise the return on opening shareholder funds whilst acting within legislative parameters, maintaining investment risk within acceptable limits, and ensuring the company's funds are properly safeguarded.

The company will also operate as per Section 59 of the Local Government Act 2002 which states that the principle objective of a CCO (Council Controlled Organisation) is to:

- achieve the objectives of its shareholders, both commercial and non-commercial, as specified in the Statement of Corporate Intent
- be a good employer
- exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when able to do so,
- and if the CCO is a CCTO (Council Controlled Trading Organisation), it will conduct its affairs in accordance with sound business practice.

While the company's ability to provide regular dividends is a strategic objective in the WDC investment policy, growth opportunities are also available with reinvestment in the business.

Using a collaborative approach to economic development WDC agree in principal that QRS future-proof its assets by building a fit-for-purpose operational hub at QRS acknowledging that in time this asset will maximise the company's profit thereby ensuring long term financial stability.

In addition, WDC and QRS will go beyond formal governance structures to encourage collaborative behaviour and or identify opportunities for collaborative solutions for the benefit of the community.

Meanwhile, QRS continues to balance its return on shareholder value by contributing to the community socially and financially. The company invests in organisations that have a core focus of assisting the environment, children, and causes that support social wellness for individuals and the community of Wairoa.

Appendix 1 Collaboration policy

Quality Roading and Services (QRS) has embraced working collaboratively as a key pillar for achieving its vision of professional and growing; and sustaining a profitable and locally valuable business on a foundation of safety and quality.

QRS believes that working collaboratively will also maximise employee satisfaction, minimise conflict and produce sustainable outcomes for the business and our clients.

To achieve these goals QRS will endeavour to develop, maintain and monitor a culture of collaboration, both internally and externally with clients and stakeholders, based on:

- building trust with each other
- looking forward, not back
- providing timely responses
- having open, honest and frank communication
- being respectful of each other
- no surprises approach
- being positive and constructive

QRS will support the ideal of continuous improvement in working collaboratively.

Nigel Pollock
Chief executive officer
March 2020

Appendix 2 Accounting policies

The company's accounting policies comply with the requirements of the Financial Reporting Act 1993 and are consistent with generally accepted accounting principles.

The general accounting principles recognised as appropriate for the measurement and reporting of results and financial position on a historical cost basis have been followed.

The following particular accounting policies which materially affect the measurement of results and financial position have been applied.

1. Revenue Recognition

QRS is in the business of providing road maintenance and construction and sale of aggregate. Revenue from contracts with customers is recognised when control of the physical work completed on the clients asset or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

2. Sale of aggregate

Revenue from sale of aggregate is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the aggregate. The normal credit term is 30 to 60 days upon delivery.

3. Variable consideration

QRS does not enter into variable consideration arrangements nor provide any volume rebates. In addition, there are no financing components or warranty obligations beyond normal retentions held by the customer for road construction projects.

4. Borrowing costs

Borrowing costs are recognised as an expense when incurred.

5. Goods and services tax

The financial statements have been prepared exclusive of goods and services tax (GST) with the exception of receivables and payables which are stated with GST included. Where GST is irrecoverable as an input tax, it is recognised as part of the related asset or expense.

6. Employee benefits

Provision is made in respect of the Company's liability for annual leave, sick leave, long service leave and retirement gratuities.

The provision for sick leave is based on the additional amount that the company expects to pay as a result of the unused entitlement that has accumulated at balance date.

The provision for gratuities is based on the number of weeks the employee will be paid at retirement, the expected pay rate along with the probability of the employee still being employed by QRS at retirement age.

The provision for long service leave is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

Expected future payments for gratuities and long service leave are discounted using market yields at the reporting date.

Defined contribution pension plan obligations are recognised as an expense in the statement of comprehensive income as incurred.

7. Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past result. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a financing cost.

8. Taxation

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except when the deferred income tax asset relating to the deductible temporary difference arised from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

9. Accounts receivable

Accounts receivable are recognised initially at fair value and subsequently at amortised cost less an allowance for any uncollectable amounts. The Company assesses impairment losses by estimating the expected credit loss that may exist within its portfolio of accounts receivable based on its historical experience of credit loss arising from accounts receivable.

10. Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

11. Inventories

Inventories are valued on the basis of the lower of cost, determined on a first-in, first-out basis, and net realisable value.

12. Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred.

Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in profit or loss as incurred.

There are six classes of property, plant and equipment:

- Freehold land
- Quarries

- Freehold buildings
- Plant, equipment and vehicles
- Office equipment and furniture
- Computer hardware

The quarry asset class includes all development costs in relation to the Tangihanga Joint arrangement, accounted for by QRS in accordance with accounting policy(s).

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses are recognised in the statement of comprehensive Income in other operating expenses.

13. Depreciation

Depreciation is provided on a straight-line basis on freehold buildings and quarries. Freehold land is not depreciated.

Plant, equipment and motor vehicles, office equipment and furniture, and computer hardware are depreciated at rates calculated to allocate the assets cost less estimated residual value over their estimated useful lives. The rates for major classes of assets have been estimated as follows:

Quarries	3.3% Straight Line
Freehold Buildings	3.3% Straight Line
Plant, Equipment & Motor Vehicles	20% Diminishing Value
Office Equipment and Furniture	20% Diminishing Value
Computer Hardware	48% Diminishing Value

Depreciation is calculated on a monthly basis from the date of acquisition. The assets useful lives, residual values and depreciation method are reviewed at least every financial year.

14. Intangible assets

Intangible assets acquired separately are capitalised at cost. Following initial recognition, the cost model is applied to all classes or intangible assets.

The useful lives of all intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the amortisation period or method, as appropriate, which is a change in accounting estimate.

The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Gains or losses from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of comprehensive income when the asset is derecognised.

The amortisation of the software class of intangible assets is estimated at 20%-48% diminishing value, depending on the nature of the software.

15. Statement of cash flows

Operating activities include cash received from all income sources of the company and records the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise the change in equity and debt capital structure of the company.

16. Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of issue costs associated with the borrowing.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised and as well as through the amortisation process.

17. Trade and other payables

Trade payables and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the end of the financial year that are unpaid and arise when QRS becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

18. Leases

Operating lease payments, where the lessors effectively retain substantially all the risks and benefits of ownership of the leased items, are included in the determination of the operating surplus in equal instalments over the lease term.

19. Joint arrangements

QRS have a joint arrangement with Wi Pere Trust at the Tangihanga Quarry. A joint arrangement is an arrangement over which two parties or more have joint control. Joint control is the contractually agreed sharing of control over an arrangement which exists only when the decisions about the

relevant activities (being those that significantly affect the returns of the arrangement) require the unanimous consent of the parties sharing control. QRS's joint arrangement is a joint operation.

A joint operation is a type of joint arrangement in which the parties with joint control of the arrangement have the rights to the assets and obligations for the liabilities relating to the arrangement.

In relation to its interest in the joint operation, the financial statement for QRS includes:

- Assets, including its share of any assets held jointly
- Revenue from the sale of its share of the output arising from the joint operation
- Share of the revenue from the sale of the output by the joint operation
- Expenses, including its share of any expenses incurred jointly

All such amounts are measured in accordance with the terms of each arrangement which are in proportion to QRS's interest in the joint operation.

20. Tangihanga joint arrangement impairment test

QRS recognise $366,087 as it's share of development costs of the Tangihanga joint arrangement as at 30 June 2019. As a separate cash generating unit this has been impairment tested giving assurance to the board's expectations around the following key areas:

- Revenue
- Costs
- Timing

The assumptions are based on known production capacity, market demand on published forestry information and market pricing based on current rates achieved by competitors in the market which ranged from $21-$49. Production costs are based upon a current model for a fully owned quarry site by QRS. Discounted cashflow over 5 years with a terminal value and growth rate of 2% has been completed.

21. Significant accounting judgements, estimates and assumptions – quarry aftercare

A provision has been made for the present value of anticipated costs of future restoration of quarry sites. The provision includes future cost estimates associated with quarry aftercare.

The calculation of this provision requires assumptions such as application of environmental legislation and life of metal extraction from each quarry site. These uncertainties may result in future actual expenditure differing from the amounts currently provided.

The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting both the expense or asset (if applicable) and provision.

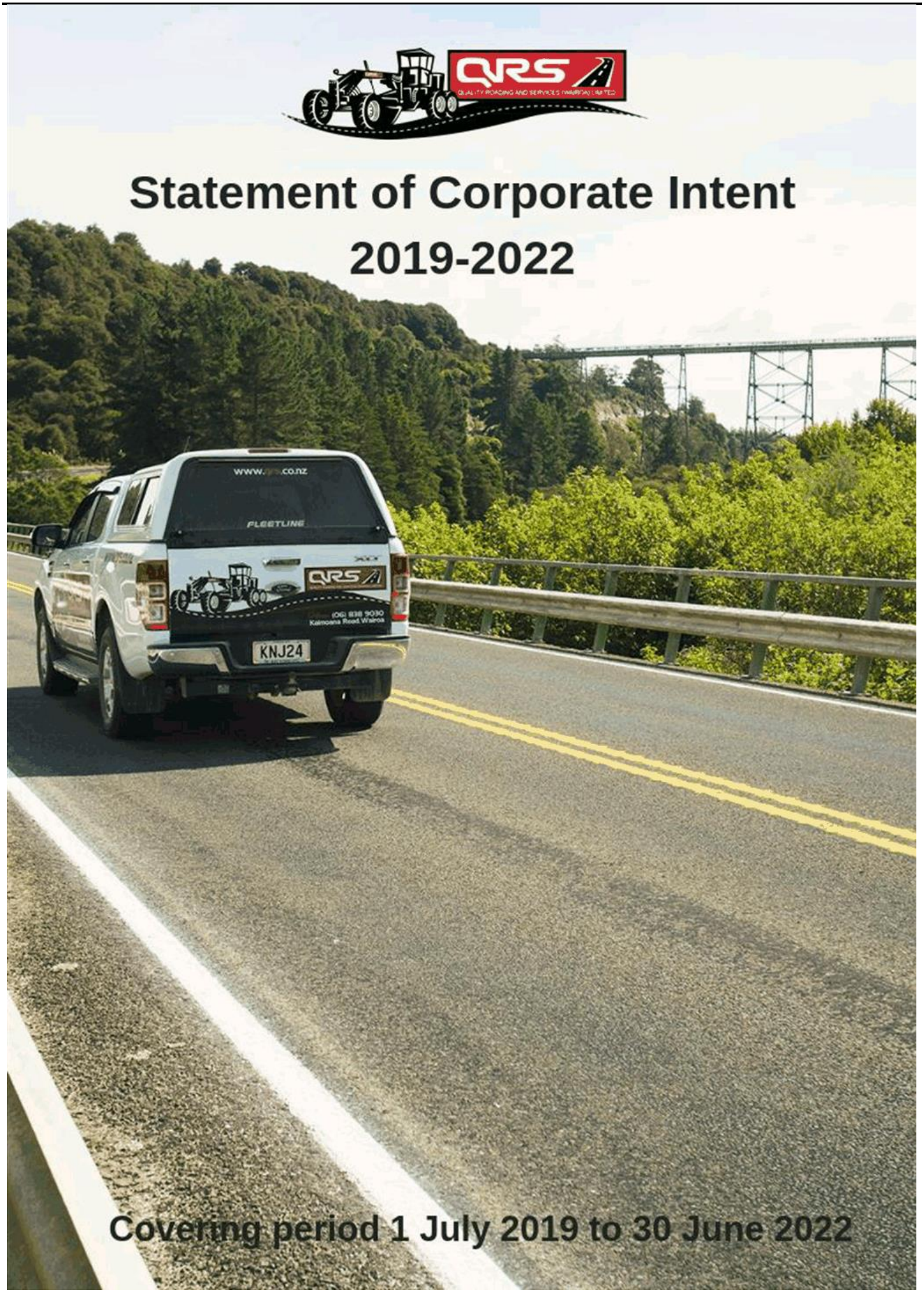
22. Contract assets and contract liabilities

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the company performs by transferring goods or services to a customer before the

customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

A trade receivable represents the company's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due).

A contract liability is the obligation to transfer goods or services to a customer for which the company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when company performs under the contract.


QRS
QUALITY ROADING AND SERVICES (WAIROA) LIMITED
Statement of Corporate Intent
2019-2022
www.qrs.co.nz
FLEETLINE
QRS
KNJ24
Covering period 1 July 2019 to 30 June 2022

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QRS mission: To grow and sustain a profitable and locally valuable contracting business on a foundation of safety and quality.

QRS vision: Professional and growing.

3. Objectives

To achieve its mission and vision QRS has objectives in five key focus areas: financial performance and position; people and leadership; stakeholder relationships; health and safety; and quality.

1. Financial performance and position

QRS will continue to manage the business to ensure its continued relevance to the Wairoa community.

Objective for the next three years

Strengthen and consolidate the resilience of the company

What would success look like?

Ratio of shareholder funds to total assets is not less than 45 percent.

How do we measure progress?

- Target revenue
- Net profit after-tax (4%)
- Dividend forecast
- Ratio of Shareholders funds

2. People and leadership

QRS will ensure it has the right people doing the right things all the time

Objective for the next three years

Be recognised as a good employer

Employ committed people with the right capabilities and attitude.

What would success look like?

The creation and adoption of a QRS-wide human resources strategy.

How do we measure progress?

Employee exits are no more than 6-8 percent per annum
Staff satisfaction surveys are used to understand employee attitudes and motivation, and as a result contribute to positive change.
Succession and talent identification reviews are carried out twice a year.
Performance and development plans are in place for all QRS staff

3. Stakeholder relationships

QRS will collaborate with stakeholders for the greater good of Wairoa.

Objectives for the next three years

Nurturing stakeholder relationships that add value

What would success look like?

Retention of good clients
Deliver on promises from the first contact right through to the completion of service delivery
Continued community engagement
Enduring productive strategic partnerships

How do we measure progress?

Gain a real-world view on how QRS is viewed and the things it could do or focus on to enhance its stakeholder relationships via interviews and surveys.
All Performance Assessment Contract Evaluation (PACE) report results for projects over $500,000 are completed and received.
The community is supported within QRS's sponsorship requirements
The Collaboration Policy requirements are met
Active engagement at the governance, chief executive and leadership team levels via the monthly relationship health check

4. Health and safety

Health, safety, and wellness is embedded into QRS company culture and we operate with a zero-harm approach to health and safety and legislative compliance.

Objectives for the next three years

QRS operates with a culture that strives for zero harm in accordance with industry best practice
Enhance employee understanding and comprehension of risks, hazards and responsibilities
Effective reporting systems
Employee participation in all health and safety matters that has the potential to affect them in their work
Compliance with relevant legislation and company standards

What would success look like?

Zero harm ratios trend down
Everyone gets home safe and sound
Procedures and processes comply with the company compliance management system and the health and safety plans

How do we measure progress?

Subcontractor management inspections ensure the production of quality deliverables that meet or exceed QRS's requirements
The lost time injury frequency rate is zero
The medically treated injury frequency rate is zero
The total recordable injury frequency rate is zero
Regular audits of the health and safety plan and the company compliance management system
Measurement of repeat non-compliance of health and safety systems
Timely reporting of incidents
Employees are 100 percent drug and alcohol free while at work

No Worksafe New Zealand notices or prosecutions

5. Quality

Quality is what QRS is known for.

Objectives for the next three years
Delivering in full, on time, and in specification.

What would success look like?

Maintaining a working living company compliance management system
Adherence to the company compliance management system
Continuous system improvements

How do we measure progress?

Audits of the company compliance management system to ensure adherence or improvements
Non-compliances are identified and corrective actions are then put in place and reported
Non-compliances are not repeated
Retainment of industry standards organisation accreditations
Annual reviews and updates of the company compliance management system

4. Governance

The role of the board is to effectively represent WDC and not to act contrary to the interests of WDC whilst adding long term value to the company.

The board will regularly review and monitor the management of the company by:

Determining purpose and direction: establishing objectives which are appropriate to the environment and circumstances.

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The board will hold quarterly governance meetings with WDC. Day-to-day management of the company will be delegated to the chief executive.

5. Ratio of shareholder funds to total assets

To provide the company with the capacity to grow whilst maintaining an efficient capital structure that minimizes risk, QRS will target the ratio of shareholder funds to total assets for each year at not less than 45%.

The shareholder funds and total assets are defined as disclosed in the audited statement of financial position as at 30 June.

6. Accounting policies

The company's accounting policies comply with the requirements of the Financial Reporting Act 1993 and are consistent with generally accepted accounting principles.

Details of the accounting policies and their application are contained in Appendix 2.

7. Performance targets

The following performance targets are the measures by which the company's performance will be judged:

	2019/20	2020/2021	2021/2022
Target revenue	$16,000,000	$17,000,000	$18,000,000
Net profit after-tax (4%)	$640,000	$680,000	$720,000
Dividend forecast	$100,000	$100,000	$100,000
Ratio of Shareholders funds	>45%	>45%	>45%

7.1 The company will deliberate implementing a remuneration policy for employees.

8. Reports to the shareholder

8.1 General

The company will disclose information on its operations as is necessary to enable the shareholder to make an informed assessment of the performance of the company.

8.2 Draft Statement of Corporate Intent

The board will deliver to the shareholder a draft Statement of Corporate Intent on or before 1 March each year.

8.3 Completed Statement of Corporate Intent

The Board will:
(a) consider any comments on the draft Statement of Corporate Intent that are made to it within two months of March by the shareholder; and

(b) deliver the completed Statement of Corporate Intent to the shareholder on or before 30 June each year.

8.4 Half year report

The Board will, by 28 February each year, deliver to the shareholder unaudited financial statements consisting of:

- Statement of financial position
- Statement of financial performance
- Cash flow statement for the six months to 31 December, together with statements of explanation and accounting policies upon which the financial statements are based.
- A written report on operations of the company during the period, and the amount of any interim dividend recommended, and the outlook for the next six months including any significant changes to previous forecasts or reports.

The company will make a formal presentation of the report at a meeting called by the shareholder. This meeting will be a formally constituted meeting of WDC called in terms of the Local Government Act 2002.

8.5 Annual Report

The Company will make available to the Shareholder and the public, audited financial statements in accordance with Section 67 of the Local Government Act 2002 within three months after the end of each financial year, being 30 September.

The annual general meeting of the company will be held no later than 21 days after the delivery of the annual report to the shareholder.

The company will make a formal presentation of the report to a meeting called by the shareholder. This meeting will be a formally constituted meeting of WDC called in terms of the Local Government Act 2002.

9. Consent for shareholding

Notwithstanding anything else contained in the constitution or the act, the board may not subscribe for, purchase, or otherwise acquire shares in any other company or other person without the prior written approval of the shareholder.

10. Estimate of commercial value of the shareholder's investments

The board will make an estimate of the commercial value of the company each year. An independent valuation will be performed once every three years. The shareholder will be advised of the value of their investment accordingly.

11. Profit distribution policy

Dividend Payments

The company will pay the shareholder a minimum annual dividend of $100,000 of the audited tax paid profit. This includes an interim dividend of $50,000 after the six-monthly result, subject to the company passing the solvency test and board signing a solvency certificate.

In arriving at a recommendation in respect to a dividend the board will have regard to the company's:

- vision and objectives.
- financial performance for the past financial year taking regard for the future commercial environment.
- ability to meet financial commitments.
- investment proposals and profitability thereof
- ability to secure suitable financial arrangements
- requirements to reinvest in renewal of assets
- shareholder expectations with respect to overall performance of the company's commercial outcomes.

The Board may recommend the payment of dividends in addition to those contained within this statement of corporate intent.

12. Treasury policy

Corporate Objectives

Ensure the company is able to meet its future commitments as they fall due in both the short and long term through active treasury risk management. QRS will:

1. Reduce company cost of borrowing through effective control and management of its interest rate risk, and manage the company's exposure to interest rate risk within acceptable levels.

2. Manage funding risk by the selection of the best available methods for long term financing requirements.

3. Manage the company's return on funds invested through the effective control and management of its interest risk and maintain company exposure to interest risk within acceptable levels.

3. Maintain adequate internal controls to ensure that funds are invested and borrowed in accordance with company policy.

4. Know that company assets can be given as security. The use of long-term funds will be restricted to development and establishment of capital assets and the repayment of equity.

13. Investment policy

The directors acknowledge that QRS, as a Council Controlled Trading Organisation, differs from a private sector company in that the shareholding investment by WDC is on behalf of all its ratepayers.

Furthermore, as those ratepayers do not have any direct involvement with how that investment is determined, the directors owe a special duty of care to how that investment is managed.

As an overall investment policy and having regard to the special duty of care referred to, the company will endeavour to maximise the return on investments whilst acting within legislative parameters, maintaining investment risk within acceptable limits, and ensuring the company's funds are properly safeguarded.

In addition, the company will supply WDC with all business cases for investments above $500,000 for review prior to committing to the investment.

Appendix 1 Collaboration policy

Quality Roading and Services (QRS) has embraced working collaboratively as a key pillar for achieving its vision of professional and growing; and sustaining a profitable and locally valuable business on a foundation of safety and quality.

QRS believes that working collaboratively will also maximise employee satisfaction, minimise conflict and produce sustainable outcomes for the business and our clients.

To achieve these goals QRS will endeavour to develop, maintain and monitor a culture of collaboration, both internally and externally with clients and stakeholders, based on:

- building trust with each other
- looking forward, not back
- providing timely responses
- having open, honest and frank communication
- being respectful of each other
- no surprises approach
- being positive and constructive

QRS will support the ideal of continuous improvement in working collaboratively.

Nigel Pollock
Chief executive officer
April 2018

Appendix 2 Accounting policies

The company's accounting policies comply with the requirements of the Financial Reporting Act 1993 and are consistent with generally accepted accounting principles.

The general accounting principles recognised as appropriate for the measurement and reporting of results and financial position on a historical cost basis have been followed.

The following particular accounting policies which materially affect the measurement of results and financial position have been applied.

1. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Specifically, revenue on contracts is recognised progressively over the period of each contract.

The amount included in the statement of comprehensive income, and the value of the contract work in progress, are established by assessment of individual contracts taking into account the proportion of work completed, cost analysis and estimated final results.

Where the contract outcome cannot be reliably measured, revenue is recognised only to the extent of the expenses recognised which are recoverable.

2. Expenses

Expenses shown in the statement of comprehensive income comprise the amounts paid and payable by the company for completed contracts for the supply from suppliers of goods and services in the ordinary course of business.

Borrowing costs are recognised as an expense when incurred.

3. Goods and services tax

The financial statements have been prepared exclusive of goods and services tax (GST) with the exception of receivables and payables which are stated with GST included. Where GST is irrecoverable as an input tax, it is recognised as part of the related asset or expense.

4. Employee benefits

Provision is made in respect of the Company's liability for annual leave, sick leave, long service leave and retirement gratuities.

The provision for sick leave is based on the additional amount that the company expects to pay as a result of the unused entitlement that has accumulated at balance date.

The provision for gratuities is based on the number of weeks the employee will be paid at retirement, the expected pay rate along with the probability of the employee still being employed by

QRS at retirement age.

The provision for long service leave is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

Expected future payments for gratuities and long service leave are discounted using market yields at the reporting date.

Defined contribution pension plan obligations are recognised as an expense in the statement of comprehensive income as incurred.

5. Differential reporting

QRS qualifies for differential reporting under New Zealand International Financial Reporting Standards (NZ IFRS) as it is not publicly accountable and not large.

All available differential reporting exemptions under the framework for differential reporting for entities applying NZ IFRS to reporting regime have been applied, except for NZ IAS 7 statement of cash Flows and NZ IAS 12 income taxes.

6. Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past result. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Where discounting is used, the increase in the provision due to the passage of time is recognised as a financing cost.

7. Taxation

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income.

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in

a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised.

This is the case except when the deferred income tax asset relating to the deductible temporary difference arisen from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

8. Accounts receivable

Accounts receivable are recognised and carried at original invoice amount less an allowance for any uncollectable amounts.

An estimate for doubtful debts is made when collection of the amount is no longer probable. Bad debts are written off when identified.

9. Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

10. Inventories

Inventories are valued on the basis of the lower of cost, determined on a first-in, first-out basis, and net realisable value.

11. Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred.

Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in profit or loss as incurred.

There are six classes of property, plant and equipment:

- Freehold land
- Quarries
- Freehold buildings
- Plant, equipment and vehicles
- Office equipment and furniture
- Computer hardware

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

If any such indication exists where the carrying values exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of property, plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

Impairment losses are recognised in the statement of comprehensive Income in other operating expenses.

12. Depreciation

Depreciation is provided on a straight-line basis on freehold buildings and quarries. Freehold land is not depreciated.

Plant, equipment and motor vehicles, office equipment and furniture, and computer hardware are depreciated at rates calculated to allocate the assets cost less estimated residual value over their estimated useful lives. The rates for major classes of assets have been estimated as follows:

Quarries	3.3% Straight Line
Freehold Buildings	3.3% Straight Line
Plant, Equipment & Motor Vehicles	20% Diminishing Value
Office Equipment and Furniture	20% Diminishing Value
Computer Hardware	48% Diminishing Value

Depreciation is calculated on a monthly basis from the date of acquisition.

13. Intangible assets

Intangible assets acquired separately are capitalised at cost. Following initial recognition, the cost model is applied to all classes or intangible assets.

The useful lives of all intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired.

The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the amortisation period or method, as appropriate, which is a change in accounting estimate.

The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Gains or losses from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of comprehensive income when the asset is derecognised.

The amortisation of the software class of intangible assets is estimated at 20%-48% diminishing value, depending on the nature of the software.

14. Statement of cash flows

Operating activities include cash received from all income sources of the company and records the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise the change in equity and debt capital structure of the company.

15. Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at cost, being the fair value of the consideration received net of issue costs associated with the borrowing.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised and as well as through the amortisation process.

16. Trade and other payables

Trade payables and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the end of the financial year that are unpaid and arise when QRS becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

17. Financial instruments

Financial instruments are recognised in the balance sheet when the group becomes party to a financial contract. They include cash balances, bank overdrafts, receivables, payables and term borrowings. All revenues and expenses in relation to the financial instruments are recognised in the statement of comprehensive income.

18. Leases

Operating lease payments, where the lessors effectively retain substantially all the risks and benefits of ownership of the leased items, are included in the determination of the operating surplus in equal instalments over the lease term.

19. Significant accounting judgements, estimates and assumptions – quarry aftercare

A provision has been made for the present value of anticipated costs of future restoration of quarry sites. The provision includes future cost estimates associated with quarry aftercare.

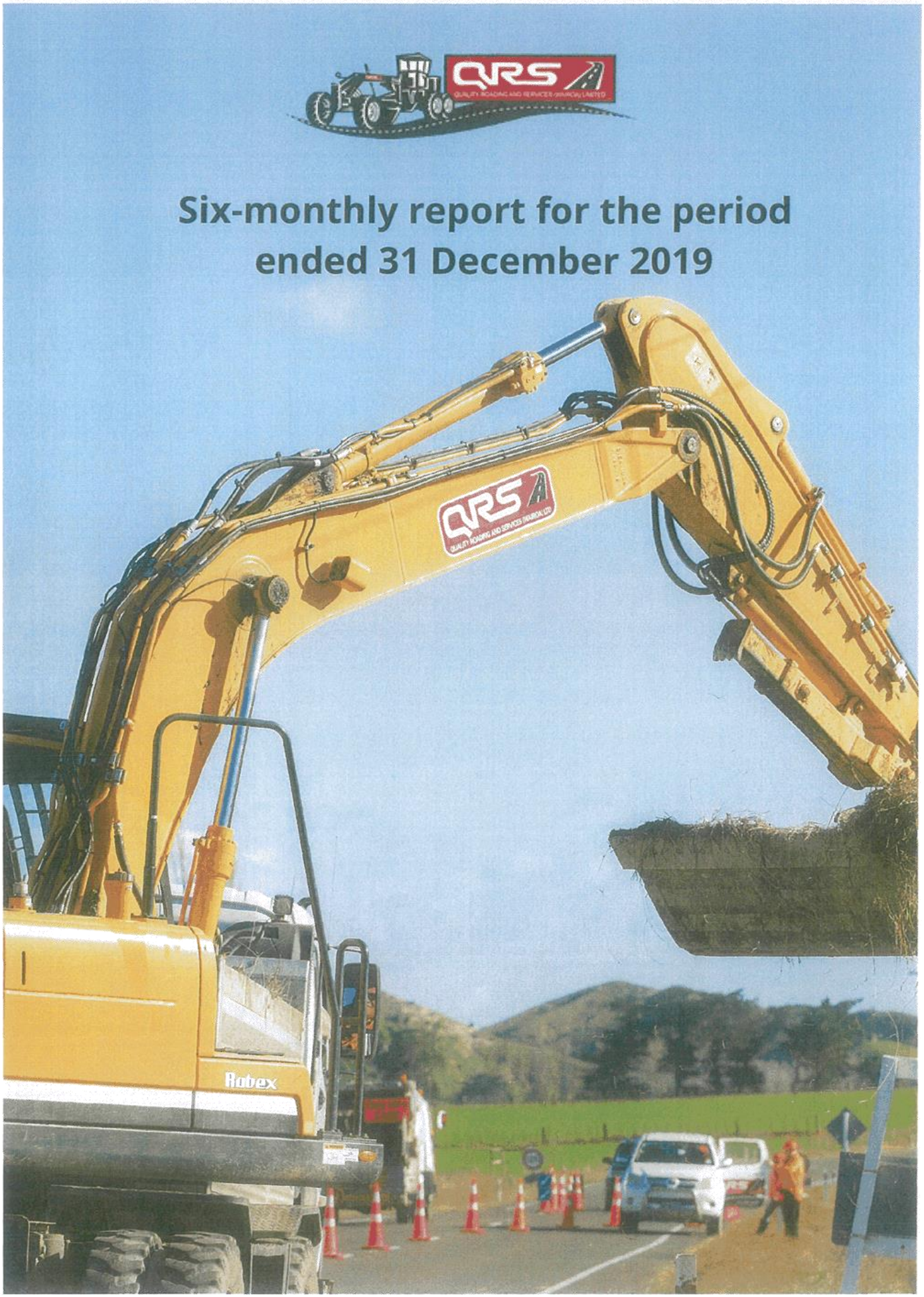
The calculation of this provision requires assumptions such as application of environmental legislation and life of metal extraction from each quarry site. These uncertainties may result in future actual expenditure differing from the amounts currently provided.

The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting both the expense or asset (if applicable) and provision.

20. New accounting standards and interpretations

The accounting policies adopted are consistent with those in the previous financial year. The company has elected not to early adopt any new standards or interpretations, which have been issued but are not yet effective, including the improvements to NZ IFRSs effective 1 July 2011 or 1 January 2012. There are no new or revised standards that had a material impact on the financial statements.

Six-monthly report for the period ended 31 December 2019



QUALITY ROADING AND SERVICES (WAIROA) LIMITED

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QUALITY ROADING AND SERVICES (WAIROA) LIMITED

DIRECTORY

Directors

Guy Gaddum (Chairman)
Tony Gray
David Proctor
Fenton Wilson (Appointed 01/08/2019)

Registered Office

Kaimoana Road
Wairoa

Postal Address

P O Box 83
Wairoa

Phone: (06) 838 9030
Fax: (06) 838 9049

Auditor

Stuart Mutch of Ernst & Young on behalf of the Office of the Auditor General

Bankers

Westpac
Wairoa

Solicitors

Mr Ian McDonald
Wairoa

Chairman's Six Month Report 2019

For the six-month period to December 2019

The QRS Directors declare a pre-tax profit of $351,173. (2018: $419,733).

The Company has reported revenue to 31 December 2019 of $12,848,000 incurring expenses of $12,497,000.

	31/12/17	31/12/18	31/12/19
REVENUE	7,300,000	9,047,000	12,848,000
EXPENSES	7.074,000	8,627,000	12,497,000
SURPLUS/(DEFICIT)	226,000	420,000	351,000

Report on Operations for the 6 months to December 31st 2019.

Financial Performance and Position

QRS has had a strong first 6 months of its 2020 financial year as shown above. Revenue at $12.8 million is a new company record and has been driven in the main through central government funding in regional road safety initiatives and improvements. This result goes a long way to achieving our primary financial goal of ***Strengthening and Improving the Resilience of the Company.***

This result includes a $150,000 provision for impairment of an asset. Underlying profit from operations is strong.

As a result of this, the Directors have resolved to pay an interim dividend of $50,000 (2018: $50,000) for the six-month period.

People and Performance

QRSs' people continue to improve and excel. Our strategic objective is ***Enhancing Committed People to Increase Internal and External Capabilities.*** To this end the company has conducted staff surveys to benchmark such things as attitudes to Health and Safety, general feelings of wellbeing and job satisfaction. Investment in the Human capital at QRS remains an ongoing strategic imperative and this is a lead indicator of the company's performance across all other areas of strategic measurement. Current staff levels are 94 (2018: 106), with 90% on full time permanent contracts and wages of $3 million for the 6 month period to 31 December 2019. All employees live locally in Wairoa and its surrounds.

Stakeholder Relationships

Our strategic achievement in this area is measured by ***Delivery on Promises, Community Engagement, Productive Strategic Partnerships, Healthy Open Shareholder relationship.*** We continue to enjoy a good open relationship with our 100% shareholder Wairoa District Council. This relationship is centered around quarterly liaison with a representative committee of 2 elected councilors, and a collaborative approach to the development of the companies Statement of Corporate Intent. QRS continues to be active in the local community with approximately $17,000 allocated to various community groups in the Wairoa area for the 6 months to December 2019. Our focus for sponsorship continues to be around local community groups and youth.

Health and Safety

Zero Harm, Legislative Compliance, Health and Safety and personal wellness are embedded in the Companies Culture. The company has like many others, a Zero harm target, this means Zero harm to people, plant, the environment, whether it belongs to QRS or other stakeholders. While being an audacious goal, we continue to see gains in the right direction with all indicators around harm, damage, incidents etc., trending towards the Zero benchmark. Near hit and incident reporting continues to increase not due to

more incidents but due to a maturation in company culture where incidents are learning opportunities for the company and its staff.

Quality
QRSs' quality focus is summed up in one word-***Reputation***. We believe that by delivery in full, on time, and in specification, we will satisfy our quality goals and build a company reputation for doing what it says it will. Recent NZTA contracts have exposed the company to a new level of reporting and compliance and I commend staff and management on their ongoing high level of achievement in this area-even when things have not gone according to plan.

Forecast for the remaining Financial Year
There is a lot of uncertainty in the global economy at present due to fully unrealized threats around such things as the Chinese COVID-19 (Corona Virus), Brexit, Climate change, American politics etc. If anything, these issues are making Governments and communities more defensive and less bullish in their outlook for the 2020 year.

Recent announcements by the NZ Labour Government regarding increases in roading spending are being treated with caution by QRS management and the board as we await firming up on where in NZ this money is going to be spent.

Locally there is still development of infrastructure happening funded by both private and public entities and QRS continues to actively seek out these opportunities.

Based on current information the board and management of QRS are expecting a decline in company profitability as we head into the second half of our financial year. Despite this we are confident of meeting all other company milestones as stated in our Statement of Corporate Intent for the 2019-2020 year.

The directors and management of QRS are fully cognizant that in uncertain times there is no better risk management tool than having a financially strong business.

The Directors thank CEO Nigel Pollock and the QRS team for their dedication to the company and our clients.

Finally, I thank my fellow directors on the board of QRS, Tony Gray, David Proctor, and Fenton Wilson.

Guy Gaddum
Chairman
Quality Roading and Services (Wairoa) Limited
17 February 2020

QUALITY ROADING AND SERVICES (WAIROA) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

	Notes	6 mnths to 31/12/2019	6 mnths to 31/12/2018	12 mnths to 30/06/2019
Revenue		12,848,375	9,046,649	24,283,632
Cost of Sales		8,019,666	3,808,116	13,020,058
Gross Profit		4,828,709	5,238,533	11,263,574
Personnel Expenses	2	3,242,243	3,572,233	6,991,410
Depreciation Expense	13	512,351	535,996	1,075,478
Administrative Expenses		487,004	562,792	1,097,042
Other Operating Expenses	1	202,954	83,941	408,112
		4,444,552	4,754,962	9,572,042
Operating Profit Before Financing Costs		384,157	483,571	1,691,532
Financing Income		2,878	375	815
Financing Expenses		(35,862)	(64,213)	(118,804)
Net Financing Costs		(32,984)	(63,838)	(117,989)
Profit/(Loss) Before Tax		351,173	419,733	1,573,543
Income Tax Expense	9	(98,328)	(117,525)	(443,924)
Profit/(Loss) For The Period		252,845	302,208	1,129,619
Other Comprehensive Income		-	-	-
Total Comprehensive Income/(Loss) for the Period		252,845	302,208	1,129,619

The accompanying accounting policies and notes form part of these financial statements.

QUALITY ROADING AND SERVICES (WAIROA) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

	Notes	6 mnths to 31/12/2019	6 mnths to 31/12/2018	12 mnths to 30/06/2019
EQUITY AT BEGINNING OF THE YEAR		6,961,660	5,942,042	5,942,041
Profit for the period		252,845	302,208	1,129,619
Total recognised revenues and expenses for the period		252,845	302,208	1,129,619
Other comprehensive income		-	-	-
Total comprehensive income for the period		-	-	-
Transactions with owners in their capacity as owners:		-	-	-
Dividends Paid	10	(300,000)	(60,000)	(110,000)
EQUITY AT THE END OF THE PERIOD		6,914,505	6,184,250	6,961,660

The accompanying accounting policies and notes form part of these financial statements.

QUALITY ROADING AND SERVICES (WAIROA) LIMITED
STATEMENT OF FINANCIAL POSITION
FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

	Notes	6 mnths to 31/12/2019	6 mnths to 31/12/2018	12 mnths to 30/06/2019
ASSETS:				
Current Assets				
Bank		2,379,120	1,325,521	1,898,147
Trade and Other Receivables	5	2,927,513	2,676,948	4,487,239
Inventories	4	858,361	945,383	789,162
Contract Assets		325,122	-	71,008
Total Current Assets		6,490,116	4,947,852	7,245,556
Non Current Assets				
Deferred Tax		506,204	351,014	506,203
Intangible Assets	12	112,277	186,902	125,390
Property, Plant and Equipment	13	5,562,594	5,455,545	4,895,042
Total Non Current Assets		6,181,075	5,993,461	5,526,635
TOTAL ASSETS		12,671,191	10,941,313	12,772,191
EQUITY:				
Share Capital	10	1,250,000	1,250,000	1,250,000
Retained Earnings	10	5,664,505	4,632,042	5,711,660
TOTAL EQUITY		6,914,505	5,882,042	6,961,660
LIABILITIES:				
Current Liabilities				
Income in Advance		75,990	250,290	
GST Payable		214,963	283,916	401,512
Trade and Other Payables	6	2,267,956	1,327,193	2497078
Employee Benefits	8	609,472	645,056	714,110
Interest-Bearing Loans and Borrowings	7	576,141	709,060	463,382
Taxation Payable		57,422	52,577	464,036
Contract Liabilities		365,750		233,501
Total Current Liabilities		4,167,693	3,268,092	4,773,619
Non Current Liabilities				
Employee Benefits	8	33,424	55,239	34,973
Quarry Aftercare Provision	14	166,287	159,347	162,930
Interest-Bearing Loans and Borrowings	7	1,389,282	1,274,385	839,009
Total Non Current Liabilities		1,588,993	1,488,971	1,036,912
TOTAL LIABILITIES		5,756,686	4,757,063	5,810,531
TOTAL EQUITY AND LIABILITIES		12,671,191	10,639,105	12,772,191

For and on behalf of the Board, who authorised the issue of these financial statements on 17 February 2020

Director _____ Director _____

The accompanying accounting policies and notes form part of these financial statements.

QUALITY ROADING AND SERVICES (WAIROA) LIMITED
STATEMENT OF CASH FLOW
FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

	Notes	6 mnths to 31/12/2019	6 mnths to 31/12/2018	12 mnths to 30/06/2019
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash was provided from:				
Receipts from Customers		14,153,988	8,704,558	22,060,242
Financing Income		2,878	374	815
		14,156,866	8,704,932	22,061,057
Cash was disbursed to:				
Payments to Suppliers		9,273,848	4,665,821	13,197,915
Payments to Employees		3,039,502	3,379,279	6,701,240
Taxes Paid		504,943	89,218	159,347
Financing Expense		35,862	64,213	118,804
		12,854,155	8,198,531	20,177,306
Net Cash Inflow/(Outflow) from Operating Activities	15	1,302,711	506,401	1,883,751
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash was provided from:				
Proceeds from Sale of Property, Plant and Equipment		23,748	446,381	518,387
		23,748	446,381	518,387
Cash was applied to:				
Purchase of Property, Plant and Equipment		1,208,518	1,308,610	1,454,286
Purchase of Intangibles		-	7,830	7,830
		1,208,518	1,316,440	1,462,116
Net cash Inflow/(Outflow) from Investing Activities		(1,184,770)	(870,059)	(943,729)
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash was provided from:				
Loans and Borrowings		1,480,727	513,700	513,700
		1,480,727	513,700	513,700
Cash was applied to:				
Payment of Dividends		300,000	60,000	110,000
Loans and Borrowings		817,695	481,007	1,162,061
		1,117,695	541,007	1,272,061
Net Cash Inflow/(Outflow) from Financing Activities		363,032	(27,307)	(758,361)
Net Increase / (Decrease) in Cash Held		480,973	(390,965)	181,661
Add Opening Cash and Cash Equivalents		1,898,147	1,716,486	1,716,486
Closing Cash and Cash Equivalents		2,379,120	1,325,521	1,898,147
Cash Balances in the Statement of Financial Position				
Cash / (Overdraft)		2,379,120	1,325,521	1,898,147
CLOSING CASH AND CASH EQUIVALENTS		2,379,120	1,325,521	1,898,147

The accompanying accounting policies and notes form part of these financial statements.

Reporting Entity

Quality Roading and Services (Wairoa) Limited ("QRS") is incorporated and domiciled in NZ and is wholly owned by the Wairoa District Council. The Company is a Council Controlled Trading Organisation as defined in Section 6 of the Local Government Act 2002.

The principal activities for the company are Roading Maintenance and Construction, Reserves Maintenance, Quarrying, Heavy Transport, Civil Construction, Lime Production and Utility Services within the Wairoa District and wider East Coast Region.

Basis of preparation

The financial statements have been prepared in acccordance with generally accepted accounting practice in New Zealand (NZ GAAP) and the requirements of the Companies Act 1993 , Financial Reporting Act 2013 and the Local Government Act 2002. The financial statements have also been prepared on a historical cost basis except where specifically provided for within these financial statements. The financial statements are presented in New Zealand dollars.

Statement of compliance

The financial statements have been prepared in accordance with generally accepted accounting practice in New Zealand (NZ GAAP). They comply with New Zealand equivalents to IFRSs and other applicable Financial Reporting Standards, as appropriate for profit-oriented entities in Tier 2 (NZ IFRS RDR).

The company is eligible to report in accordance with Tier 2 for profit accounting standards on the basis that it does not have public accountability and is not a large for profit public sector entity.

Changes in Accounting Policies

NZ IFRS 15 supercedes NZ IAS 11 *Construction Contracts*, NZ IAS 18 *Revenue* and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. NZ IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

NZ IFRS 15 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Company adopted NZ IFRS 15 using the full retrospective method of adoption. There has been no impact of the transition on the current period other than the re-classification to use the terms contract assets and contract liabilities.

The adoption of NZ IFRS 9 Financial Instruments replaces NZ IAS 39 Financial Instrument: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The adoption of NZ IFRS 9 has fundamentally changed the Company's accounting for impairment losses for financial assets by replacing NZ IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. NZ IFRS 9 requires the Company to recognise an allowance for ECLs for all debt instruments not held at a fair value through profit or loss and contract assets.

Accounting Policies

The following particular accounting policies which materially affect the measurement of results and financial position have been applied.

a1) Revenue Recognition

QRS is in the business of providing road maintenance and construction and sale of aggregate. Revenue from contracts with customers is recognised when control of the physical work completed on the clients asset or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer.

a2) Sale of Aggregate

Revenue from sale of aggregate is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the aggregate. The normal credit term is 30 to 60 days upon delivery.

a3) Variable consideration

QRS does not enter into variable consideration arrangements nor provide any volume rebates. In addition there are no financing components or warranty obligations beyond normal retentions held by the customer for road construction projects.

b) Borrowing costs

Borrowing costs are recognised as an expense when incurred.

c) Goods and Services Tax

The Financial Statements have been prepared exclusive of goods and services tax (GST) with the exception of receivables and payables which are stated with GST included. Where GST is irrecoverable as an input tax, it is recognised as part of the related asset or expense.

d) Employee Benefits

Provision is made in respect of the Company's liability for annual leave, sick leave, long service leave and retirement gratuities.

The provision for sick leave is based on the additional amount that the company expects to pay as a result of the unused entitlement that has accumulated at balance date.

The provision for gratuities is based on the number of weeks the employee will be paid at retirement, the expected pay rate along with the probability of the employee still being employed by QRS at retirement age.

The provision for long service leave is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

Expected future payments for gratuities and long service leave are discounted using market yields at the reporting date.

Defined Contribution Pension Plan obligations are recognised as an expense in the Statement of Comprehensive Income as incurred.

e) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

While discounting is used, the increase in the provision due to the passage of time is recognised as a financing cost.

f) **Taxation**

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the current period's taxable income. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except when the deferred income tax asset relating to the deductible temporary difference arised from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

g) **Accounts Receivable**

Accounts receivable are recognised initially at fair value and subsequently at amortised cost less an allowance for any uncollectable amounts. The Company assesses impairment losses by estimating the expected credit loss that may exist within its portfolio of accounts receivable based on its historical experience of credit loss arising from accounts receivable.

h) **Cash and Cash Equivalents**

Cash and short-term deposits in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

i) **Inventories**

Inventories are valued on the basis of the lower of cost, determined on a first-in, first-out basis, and net realisable value.

j) **Property, Plant and Equipment**

Property, Plant and Equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the property plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in profit or loss as incurred. There are six classes of Property, Plant and Equipment:

a.) Freehold Land
b.) Quarries
c.) Freehold Buildings
d.) Plant, Equipment and Motor Vehicles
e.) Office Equipment and Furniture
f.) Computer Hardware

The quarry asset class includes all development costs in relation to the Tangihanga Joint arrangement, accounted for by QRS in accordance with accounting policy (s).

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses are recognised in the Income Statement in administration expenses.

k) **Depreciation**

Depreciation is calculated to allocate the cost less estimated residual value of property, plant and equipment over their estimated useful lives.

Depreciation is provided on a straight line basis on Freehold Buildings and Quarries. Freehold Land is not depreciated.

Plant, Equipment and Motor Vehicles, Office Equipment and Furniture, and Computer Hardware are depreciated using the diminishing value method

The rates for major classes of assets have been estimated as follows:

a.)	Quarries	(3.3 % Straight Line)
b.)	Freehold Buildings	(3.3 % Straight Line)
c.)	Plant, Equipment & Motor Vehicles	(20 % Diminishing Value)
d.)	Office Equipment and Furniture	(20 % Diminishing Value)
e.)	Computer Hardware	(48 % Diminishing Value)

Depreciation is calculated on a monthly basis from the date of acquisition. The assets useful lives, residual values and depreciation method are reviewed at least every financial year.

l) **Intangible Assets**

Intangible assets acquired separately are capitalised at cost. Following initial recognition, the cost model is applied to all classes of intangible assets.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the amortisation period or method, as appropriate, which is a change in accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.
The amortisation of the software class of intangible assets has been estimated at 20%-48% diminishing value, depending on the nature of the software.

m) Statement of Cash Flows

Operating activities include cash received from all income sources of the Company and records the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise the change in equity and debt capital structure of the Company.

n) Interest-Bearing Loans and Borrowings

All loans and borrowings are initially recognised at fair value net of issue costs associated with the borrowing.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any issue costs, and any discount or premium on settlement.

Gains and losses are recognised in the income statement when the liabilities are derecognised and as well as through the amortisation process.

o) Trade and Other Payables

Trade payables and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the end of the financial year that are unpaid and arise when QRS becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

p) Leases

Operating lease payments, where the lessors effectively retain substantially all the risks and benefits of ownership of the leased items, are included in the determination of the operating surplus in equal instalments over the lease term.

q) Joint Arrangements

QRS have a joint arrangement with Wi Pere Trust at the Tangihanga Quarry. A joint arrangement is an arrangment over which two parties or more have joint control. Joint control is the contractually agreed sharing of control over an arrangment which exists only when the decisions about the relevant activities (being those that signicantly affect the returns of the arrangement) require the unanimous consent of the parties sharing control. QRS's joint arrangement is a joint operation.

A joint operation is a type of joint arrangement in which the parties with joint control of the arrangement have the rights to the assets and obligations for the liabilities relating to the arrangement.

In relation to its interest in the joint operation, the financial statement for QRS includes:

- Assets, including its share of any assets held jointly
- Liabilities, including its share of any liabilities incurred jointly
- Revenue from the sale of its share of the output arising from the joint operation
- Share of the revenue from the sale of the output by the joint operation
- Expenses, including its share of any expenses incurred jointly

All such amounts are measured in accordance with the terms of each arrangement which are in proportion to QRS's interest in the joint operation.

r) **Significant Accounting Judgements, Estimates and Assumptions**

Quarry Aftercare Make good provisions

A provision has been made for the present value of anticipated costs of future restoration of quarry sites. The provision includes future cost estimates associated with quarry aftercare. The calculation of this provision requires assumptions such as application of environmental legislation and life of metal extraction from each quarry site. These uncertainties may result in future actual expenditure differing from the amounts currently provided. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting both the expense or asset (if applicable) and provision.

s) **Contract Assets and Contract Liabilities**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

A trade receivable represents the company's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due)

A contract liability is the obligation to transfer goods or services to a customer for which the company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when company performs under the contract.

QUALITY ROADING AND SERVICES (WAIROA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Unaudited)
FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

		6 mnths to 31/12/2019	6 mnths to 31/12/2018	12 mnths to 30/06/2019
1	**OTHER OPERATING EXPENSES**			
	Auditors remuneration	34,840	30,633	61,266
	Directors fees	61,180	60,930	119,277
	Impairment of trade receivables (bad and doubtful debts)	7,915	-	(2,514)
	Loss on disposal of property plant and equipment	12,668	15,116	161,468
	Gain on disposal of property plant and equipment	(7,800)	(141,382)	(193,046)
	Loss on disposal of intangibles	-	-	39,567
	Amortisation of intangibles	13,115	21,709	43,678
	lease payments - operating lease	79,592	95,203	160,216
	- rental costs	1,444	1,732	18,200
		202,954	83,941	408,112
2	**PERSONNEL EXPENSES**			
	Wages and salaries	3,039,502	3,379,279	6,591,384
	Liability for long-service leave	(948)	7,033	10,501
	Liability for sick leave	114,006	87,118	203,839
	Liability for gratuities	1,694	4,409	4,353
	Contribution to defined contribution plans	87,990	94,394	181,333
		3,242,243	3,572,233	6,991,410
3	**OPERATING LEASES**			
	Leases as lessee			
	Non-cancellable operating lease rentals are payable as follows:			
	Not later than one year	75,104	54,104	150,209
	Later than one year and not later than five years	193,813	95,819	191,389
		268,917	149,923	341,598
4	**INVENTORIES**			
	Metal Stocks	693,930	577,899	674,776
	Other Supplies	98,519	93,969	102,237
	Work in Progress	65,911	273,515	12,149
		858,361	945,383	789,162
	Some inventories are subject to retention of title clauses. Work in progress is held at cost.			
5	**TRADE AND OTHER RECEIVABLES**			
	Trade Debtors	1,764,693	1,662,843	2,621,033
	Wairoa District Council	712,121	811,239	1,593,375
	Provision for Doubtful Debts	(7,915)	(3,798)	-
	Retentions	326,325	81,987	244,077
	Prepayments	132,289	124,677	28,754
		2,927,513	2,676,948	4,487,239
6	**TRADE AND OTHER PAYABLES**			
	Trade Creditors	1,517,675	1,104,259	2,026,316
	Other	750,281	222,934	470,762
		2,267,956	1,327,193	2,497,078

QUALITY ROADING AND SERVICES (WAIROA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Unaudited)
FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

	6 mnths to 31/12/2019	6 mnths to 31/12/2018	12 mnths to 30/06/2019
7 INTEREST BEARING LOANS AND BORROWINGS			
UDC Term Loan	1,024,939	919,199	505,108
Less Current portion	(320,356)	(377,806)	(182,528)
	704,584	541,394	322,580
Interest Rate	6.20%	6.20%	6.20%
UDC Current Account	-	786,430	696,430
Less Current Portion	-	(180,000)	(180,000)
	-	606,430	516,430
Interest Rate	6.20%	6.20%	6.20%
Porter Finance Limited	80,937	118,914	100,854
Less Current Portion	(80,937)	(37,977)	(100,854)
	-	80,937	-
Interest Rate	11.00%	11.00%	
Westpac Flexequip	859,546	-	-
Less Current portion	(174,848)	-	-
	684,698	-	-
Interest Rate	6.35%		
ANZ Term Loan	-	158,901	
Less Current portion	-	(113,277)	
	-	45,624	-
Interest Rate	6.25%	6.25%	
ANZ Term Loan			
Made up of:			
Current	576,141	709,060	463,382
Non-Current	1,389,282	1,274,385	839,010
	1,965,422	1,983,445	1,302,392
8 EMPLOYEE BENEFITS			
Long-service Leave	33,424	34,620	34,972
Annual Leave	339,058	392,211	383,810
Sick Leave	44,034	17,624	29,235
Gratuities	47,677	46,039	45,983
Time In Lieu	62,203	94,395	145,204
Accrued Pay	116,500	115,406	109,879
	642,896	700,295	749,083
Made up of:-			
Current	609,472	645,056	714,110
Non-current	33,424	55,239	34,973
	642,896	700,295	749,083

QUALITY ROADING AND SERVICES (WAIROA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Unaudited)
FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

		6 mnths to 31/12/2019	6 mnths to 31/12/2018	12 mnths to 30/06/2019
9	**TAXATION**			
	Profit/(Deficit) before taxation	351,173	419,733	1,573,543
	Prima facie taxation 28%	93,828	117,525	440,593
	Plus taxation effect of permanent differences:			
	- Non deductible expenses	-	-	3,331
		93,828	117,525	443,924
	Income tax expense at effective tax rate of 28%			
	Major components of taxation expense are:			
	Current taxation	-	-	506,826
	Deferred taxation			
	Origination and reversal of temporary differences	-	-	(62,902)
	Recognised tax losses	-	-	-
		-	-	443,924
	Imputation Credit Account			
10	**EQUITY**			
	(a) Share Capital			
	Opening balance	1,250,000	1,250,000	1,250,000
	Closing Balance	1,250,000	1,250,000	1,250,000
	At 31 December the company had issued 1,250,000 shares which are fully paid. All shares carry equal voting rights and the right to share in any surplus on winding up the company. None of the shares carry fixed dividend rights. The shares do not have a par value.			
	(b) Retained Earnings			
	Retained earnings at 1 July	5,711,660	4,692,042	4,692,041
	Net operating surplus/deficit	252,845	-	1,129,619
	Final Dividend	(300,000)	(60,000)	(50,000)
	Interim Dividend	-	-	(60,000)
	Retained earnings at 31 December	5,664,505	4,632,042	5,711,660

11 **BANK FACILITY**

A bank facility is available at the Westpac Bank, and is secured by a fixed and floating charge over the company's assets. The facility available totals $500,000 (2018: $200,000). The current interest rate is 6.40% (2018: 6.95%).

		6 mnths to 31/12/2019	6 mnths to 31/12/2018	12 mnths to 30/06/2019
12	**INTANGIBLE ASSETS**			
	Software			
	Balance at 1 July	293,391	668,833	668,833
	Additions	-	7,830	7,830
	Disposals	-	(109,988)	(383,272)
	Balance at 31 December	293,391	566,675	293,391
	Amortisation and Impairment Losses			
	Balance at 1 July	168,001	468,027	468,027
	Amortisation for the year	13,113	21,709	43,679
	Disposals	-	(109,963)	(343,705)
	Balance at 31 December	181,114	379,773	168,001
	Carrying Amounts			
	At 1 July	125,390	200,806	200,806
	At 31 December	112,277	186,902	125,390

QUALITY ROADING AND SERVICES (WAIROA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Unaudited)
FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

13 PROPERTY, PLANT AND EQUIPMENT

6 mnths to 31/12/19

Cost	Land	Quarries	Buildings	Plant & Machinery	Fixtures, fittings & equipment	Computer Hardware	Total
Balance at 1 July	29,433	394,280	714,956	13,587,170	637,574	209,816	15,573,229
Additions	-	-	18,249	1,160,214	27,500	2,554	1,208,517
Disposals	-	-	-	(169,344)	-		(169,344)
Balance at 31 December	29,433	394,280	733,205	14,578,040	665,074	212,370	16,612,402
Depreciation and Impairment Losses							
Balance at 1 July	-	26,054	388,774	9,759,959	330,013	173,387	10,678,186
Depreciation for the year	-	4,028	20,812	447,152	32,352	8,005	512,349
Disposals	-	-	-	(140,728)	-		(140,728)
Balance at 31 December	-	30,082	409,585	10,066,383	362,365	181,392	11,049,808
Carrying Amounts							
At 1 July	29,433	368,226	326,182	3,827,211	307,561	36,429	4,895,042
At 31 December	29,433	364,198	323,619	4,511,657	302,709	30,978	5,562,594

6 mnths to 31/12/18

Cost	Land	Quarries	Buildings	Plant & Machinery	Fixtures, fittings & equipment	Computer Hardware	Total
Balance at 1 July	29,433	494,288	620,335	14,187,864	706,462	443,373	16,481,755
Additions	-	83,500	64,130	1,139,385	14,518	7,079	1,308,612
Disposals	-	-	-	(1,368,913)	(48,323)	- 216,891	(1,634,127)
Balance at 31 December	29,433	577,788	684,465	13,958,336	672,658	233,561	16,156,240
							-
Depreciation and Impairment Losses							-
Balance at 1 July	-	22,011	345,777	10,346,627	367,181	397,114	11,478,710
Depreciation for the year	-	3,791	21,066	465,701	34,638	10,801	535,996
Disposals	-	-	-	(1,049,621)	(48,084)	- 216,306	(1,314,011)
Balance at 31 December	-	25,802	366,843	9,762,707	353,735	191,609	10,700,695
Carrying Amounts							
At 1 July	29,433	472,277	274,558	3,841,237	339,281	46,259	5,003,045
At 31 December	29,433	551,985	317,622	4,195,629	318,923	41,952	5,455,545

12 mnths to 30/06/19

Cost	Land	Quarries	Buildings	Plant & Machinery	Fixtures, fittings & equipment	Computer Hardware	Total
Balance at 1 July	29,433	494,288	620,335	14,187,864	706,462	443,373	16,481,755
Additions	-	-	98,022	1,300,515	42,518	13,230	1,454,285
Disposals	- -	100,008 -	3,401	(1,901,209)	(111,406)	(246,787)	(2,362,811)
Balance at 30 June	29,433	394,280	714,956	13,587,170	637,574	209,816	15,573,229
Depreciation and Impairment Losses							
Balance at 1 July	-	22,010	345,777	10,346,627	367,181	397,114	11,478,709
Depreciation for the year	-	10,044	44,272	928,389	70,393	22,380	1,075,478
Disposals	- -	6,000 -	1,275	(1,515,057)	(107,561)	(246,107)	(1,876,001)
Balance at 30 June	-	26,054	388,774	9,759,959	330,013	173,387	10,678,186
Carrying Amounts							
At 1 July	29,433	472,278	274,558	3,841,237	339,281	46,259	5,003,046
At 30 June	29,433	368,226	326,182	3,827,211	307,561	36,429	4,895,042

QUALITY ROADING AND SERVICES (WAIROA) LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Unaudited)
FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

	6 mnths to 31/12/2019	6 mnths to 31/12/2018	12 mnths to 30/06/2019
14 OTHER PROVISIONS			
QUARRY AFTERCARE PROVISION			
Balance at beginning of the year	162,930	155,886	155,886
Provided for during the year	3,357	3,461	7,045
Expenditure during the year	-	-	-
Balance at the end of the year	166,287	159,347	162,930

A provision is recognised for expected Quarry reinstatement costs based on past experience of the level of metal extraction.

15 RECONCILIATION OF NET OPERATING PROFIT AFTER TAXATION WITH CASH INFLOW FROM OPERATING ACTIVITIES	6 mnths to 31/12/2019	6 mnths to 31/12/2018	12 mnths to 30/06/2019
Reported net operating profit after taxation	252,845	302,208	1,129,619
Add back non-cash items:			
Depreciation	512,346	535,996	1,075,478
Amortisation	13,115	21,709	43,678
(Increase)/Decrease in Deferred Taxation	(92,288)	-	(62,901)
Increase/(Decrease) in Employee Benefits	(1,549)	10,734	(9,532)
Increase/(Decrease) in Quarry Aftercare Provision	3,356	3,461	7,045
	687,825	874,108	2,183,387
Add back items classified as investment activities:			
Net loss on sale of Property, Plant and Equipment	12,668	15,140	161,468
Gain on sale of Property, Plant and Equipment	(7,800)	(141,382)	(193,045)
Net loss on sale of Intangibles	-	-	39,567
	4,868	(126,242)	7,990
Movements in Working Capital:			
(Increase)/Decrease in Receivables & Prepayments	1,305,613	(342,091)	(2,223,390)
(Increase)/Decrease in Inventories	(69,199)	(130,018)	26,203
Increase/(Decrease) in Trade and Other Payables and GST	(207,432)	299,582	1,570,274
Increase/(Decrease) in Employee Benefits	(104,637)	(97,245)	(28,194)
(Increase)/Decrease in Tax Payable/Receivable	(314,327)	28,308	347,481
	610,018	(241,464)	(307,626)
Net Cash (outflow)/inflow from Operating Activities	1,302,711	506,402	1,883,751

9 RECEIPT OF MINUTES FROM COMMITTEES/ACTION SHEETS

9.1 RECEIPT OF MĀORI STANDING COMMITTEE MEETING - 5 FEBRUARY 2020

Author: **Gay Waikawa, Kaiurungi Mana Ārahi Governance Officer**

Authoriser: **Kitea Tipuna, Pouwhakarae – Hapori / Whakatūtaki Group Manager Community and Engagement**

Appendices: **1. Minutes of Māori Standing Committee Meeting - 5 February 2020**

RECOMMENDATION

1. That the Minutes of the Māori Standing Committee Meeting held on Wednesday 5 February 2020 be received and the recommendations therein be adopted.

1. RECOMMENDATIONS FROM THE COMMITTEE

MINUTES OF WAIROA DISTRICT COUNCIL
MĀORI STANDING COMMITTEE MEETING
HELD AT THE WAIROA AIRPORT, AIRPORT ROAD, WAIROA
ON WEDNESDAY, 5 FEBRUARY 2020 AT 12.30PM

PRESENT: Cr Jeremy Harker, Mr Kiwa Hammond, Mrs Here Nissen, Mr Paul Kelly, Mr Henare Mita, Ms Sharon Cooper, Ms Theresa Thornton, Mrs Fiona Wairau

IN ATTENDANCE: D Culshaw (Pouahurea Māori Māori Relationships Manager), Nathan Heath (HBRC Catchment Manager), G Waikawa (Kaiurungi Tutohu / Governance Officer)

1 KARAKIA

Karakia was given by K Hammond.

2 APOLOGIES FOR ABSENCE

APOLOGIES

COMMITTEE RESOLUTION 2020/120

Moved: Mr Henare Mita
Seconded: Mr Paul Kelly

That the apologies received from His Worship the Mayor, C Little and S May be accepted and leave of absence granted.

CARRIED

3 DECLARATION OF CONFLICT OF INTEREST

None.

4 CHAIRPERSON'S ANNOUNCEMENTS

None.

5 LATE ITEMS OF URGENT BUSINESS

None.

6 PUBLIC PARTICIPATION

None

7 MINUTES OF THE PREVIOUS MEETING

COMMITTEE RESOLUTION 2020/121

Moved: Mr Henare Mita
Seconded: Mrs Fiona Wairau

That the minutes of the Ordinary Meeting held on 12 December 2019 be confirmed.

CARRIED

8 GENERAL ITEM

8.1 TA TE POUAHUREA MAORI PURONGO

COMMITTEE RESOLUTION 2020/122

Moved: Mr Kiwa Hammond
Seconded: Mr Henare Mita

That the Māori Standing Committee receives the report.

CARRIED

The Pouahurea Māori Māori Relationships Manager's reported on Information Updates being Client Service Request, Standing Committees, Philicity Wilson for her support during the rahiri, Tuia 250 Mahia Mai Tawhiti, Informational Resignation from Whai-ora Maindonald and C Knight.

The Pouahurea Māori Māori Relationships Manager's also reported on Patangata bridge, Food Control Plans (Informational), Freedom Campbers Ambassadors Update (Informational) and Appointments.

HBRC update report

- Tuia 250 celebrations
- Submission for Proposed Plan Change 7 – Outstanding Water Bodies
- Farewell of HBRC colleague staff
- Nuhaka River Road
- Whakaki Marae AGM
- Hui between HBRC and Ngati Pahauwera

COMMITTEE RESOLUTION 2020/123

Moved: Mr Kiwa Hammond
Seconded: Cr Jeremy Harker

That the HBRC report be received.

CARRIED

Written takiwā reports received from:

- Rakaipaaka

Verbal update received from:

- Waikaremoana (Update from Putere Marae on Riparian planting, re-cladding of Pareroa, retaining wall, HBRC taking water samples, whakapapa knowledge, reaffirm kawa and

tikanga of Putere Marae and hapu hui being held on 4-5 April 2020).

- Matangirau
- Ruakituri
- Mahia-mai-Tawhiti
- Pahauwera
- Wairoa whanui

COMMITTEE RESOLUTION 2020/124

Moved: Mr Kiwa Hammond
Seconded: Mr Henare Mita

That the takiwa reports be received.

CARRIED

Closing karakia given by K Hammond.

The Meeting closed at 2.38pm.

The minutes of this meeting were confirmed at the Māori Standing Committee Meeting held on .

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CHAIRPERSON

9.2 RECEIPT OF ECONOMIC DEVELOPMENT COMMITTEE MEETING - 18 FEBRUARY 2020

Author: **Gay Waikawa, Kaiurungi Mana Ārahi Governance Officer**

Authoriser: **Kitea Tipuna, Pouwhakarae – Hapori / Whakatūtaki Group Manager Community and Engagement**

Appendices: **1. Minutes of Economic Development Committee Meeting - 18 February 2020**

RECOMMENDATION

1. That the Minutes of the Economic Development Committee Meeting held on Tuesday 18 February 2020 be received and the recommendations therein be adopted.

1. RECOMMENDATIONS FROM THE COMMITTEE

MINUTES OF WAIROA DISTRICT COUNCIL
INAUGURAL ECONOMIC DEVELOPMENT COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBER, WAIROA DISTRICT COUNCIL, CORONATION SQUARE, WAIROA
ON TUESDAY, 18 FEBRUARY 2020 AT 1.30PM

PRESENT: His Worship the Mayor Craig Little, Cr Denise Eaglesome-Karekare, Cr Melissa Kaimoana, Cr Danika Goldsack

IN ATTENDANCE: Cr Tumataroa-Clarke**,** Kitea Tipuna (Pouwhakarae – Hapori/Whakatūtaki Group Manager Community and Engagement), Simon Mutonhori (Kaiwhakahaere Ratonga Kiritaki/Customer Service Manager-Regulatory), Gary Borg (Pouwhakarae - Pūtea / Tautāwhi Rangapū | Group Manager: Finance and Corporate Support), Paul van Dorrestein (Kaiarataki Tutohu/Compliance Team Leader), Courtney Hayward (Vision Projects), M Rongo (Chief Executive, Rongomaiwahine Iwi Trust), G Waikawa (Kaiurungi Mana Arahi/Governance Officer)

1 KARAKIA

Karakia timatanga was given by K Tipuna

2 APOLOGIES FOR ABSENCE

The Chairperson noted Whaiora Maindonald had resigned from the Maori Standing Committee.

3 DECLARATION OF CONFLICT OF INTEREST

None

4 CHAIRPERSON'S ANNOUNCEMENTS

None

5 LATE ITEMS OF URGENT BUSINESS

COMMITTEE RESOLUTION 2020/08

Moved: Cr Melissa Kaimoana
Seconded: His Worship the Mayor Craig Little

That in accordance with Section 46A (7) of the Local Government Official Information and Meetings Act 1987 the items **9.3 – Update Gaiety Theatre** be considered given the item had not come to hand at the time of Agenda compilation and consideration of this matter is required now in order to respond within the timeframe allowed.

CARRIED

6 PUBLIC PARTICIPATION

A maximum of 30 minutes has been set aside for members of the public to speak on any item on the agenda. Up to 5 minutes per person is allowed. As per Standing Order 14.14

requests to speak must be made to the meeting secretary at least one clear day before the meeting; however this requirement may be waived by the Chairperson.

Mahia Freedom Camping Ambassador Programme

Mr Moana Rongo, Chief Executive, Rongomaiwahine Iwi Trust presented the Mahia Freedom Camping Ambassador Programme and reported on:

Alignment to the Iwi as kaitiaki within the rohe, Employment opportunities, Added value to organisations culture, Display skill set, Process for selection of staff, How trust operate, Dealing with customers, Results to date, Countries of origin, Improvement opportunities and Contract Management and Review.

7 MINUTES OF THE PREVIOUS MEETING

COMMITTEE RESOLUTION 2020/09

Moved: His Worship the Mayor Craig Little
Seconded: Cr Denise Eaglesome-Karekare

That the minutes of the Ordinary Meeting held on 1 October 2019 be received.

CARRIED

8 GENERAL ITEMS

8.1 REPORT FROM VISION PROJECTS

COMMITTEE RESOLUTION 2020/10

Moved: Cr Melissa Kaimoana
Seconded: Cr Danika Goldsack

That the Economic Development Committee receives this report

CARRIED

The report from Vision Projects reported on Provincial Growth Fund being Te Wairoa E Whanake and Regional Digital Hub and Library, Wairoa Regional Park, Summer Promotions and the Wairoa Riverside Market.

COMMITTEE RESOLUTION 2020/11

Moved: Cr Danika Goldsack
Seconded: His Worship the Mayor Craig Little

That the Economic Development Committee agree that the Chief Executive Officer, Wairoa District Council sign the Rural Digital Hub Funding Agreement.

CARRIED

8.2 UPDATE FROM THE GROUP MANAGER COMMUNITY & ENGAGEMENT

RECOMMENDATION

That the Economic Development Committee receives this report.

The Group Manager Community & Engagement reported on Summary of Activities being recent Provincial Growth Fund announcements, 2020 Waitangi Day Festival, Tourism Infrastructure Fund, Upcoming Events, Other Provincial Growth Fund Applications and Work, Partnering regionally, Matariki REDS and National Maori Housing Conference 2020.

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COMMITTEE RESOLUTION 2020/12

Moved: Cr Denise Eaglesome-Karekare
Seconded: Cr Melissa Kaimoana

That the Economic Development Committee co-opt members from the following organisations:

- Tatau Tatau o Te Wairoa
- Rongomaiwahine Iwi Trust
- Ngati Pahauwera Development Trust
- Tuhoe/Waikaremoana Tribal Authority
- Wairoa Business Community

CARRIED

COMMITTEE RESOLUTION 2020/13

Moved: Cr Danika Goldsack
Seconded: Cr Melissa Kaimoana

That Cr D Goldsack will be the Wairoa District Council's Economic Development Committee representative to attend the National Maori Housing Conference in Hastings from 30 April – 1 May 2020.

CARRIED

9 PUBLIC EXCLUDED ITEMS

RESOLUTION TO EXCLUDE THE PUBLIC

COMMITTEE RESOLUTION 2020/14

Moved: Cr Denise Eaglesome-Karekare
Seconded: His Worship the Mayor Craig Little

That the public be excluded from the following parts of the proceedings of this meeting at 2.32pm

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
9.1 - UPDATE - REGIONAL DIGITAL HUB PROJECT	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	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
9.2 - UPDATE - TE WAIROA E WHANAKE	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	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
1.1 - UPDATE - GAIETY THEATRE	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	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

CARRIED

Cr D Goldsack left at 2.56pm.

COMMITTEE RESOLUTION 2020/15

Moved: Mr Moana Rongo
Seconded: Cr Melissa Kaimoana

That Council moves out of Closed Council into Open Council.

CARRIED

Karakia whakamutunga was given by K Tipuna

The Meeting closed at 3.05pm.

The minutes of this meeting were confirmed at the Inaugural Economic Development Committee Meeting held on 31 March 2020.

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CHAIRPERSON

10 PUBLIC EXCLUDED ITEMS

Nil