



AGENDA

WEDNESDAY 25 OCTOBER 2017

VENUE

**Clocktower Chambers
Palmerston Street
Westport**

5.30pm

The Council, in considering each matter, must be:

- (a) Satisfied that it has sufficient information about the practicable options and their benefits, costs and impacts, bearing in mind the significance of the decisions;*
- (b) Satisfied that it knows enough about and will give adequate consideration to the views and preferences of affected and interested parties bearing in mind the significance of the decisions to be made.*

Significance Consideration

Evaluation : Council officers, in preparing these reports have had regard to Council's policy on significance. Council, Committee and Community Board members will make the final assessment on whether the subject under consideration is to be regarded as being significant or not. Unless Council a Committee or the Community Board explicitly determines that the subject under consideration is to be deemed significant then the subject will be deemed as not being significant.

Apologies

Item	Page	Description	Draft Recommendation
1	4	Members Interest	That Councillors disclose any financial or non-financial interest in any of the agenda items
2	5	Westport No. 1 Water Tunnel Repairs - Option 2d Feasibility Study	<ol style="list-style-type: none">1. That Council accept proposed Option 2d (stabilising + piping) No.1 Tunnel Repairs, as defined in the completed Feasibility Study.2. That Council continue with the Selection Study to evaluate other alternatives and determine the best long-term solution for Westport's water supply.
3	10	Punakaiki Water	

BULLER DISTRICT COUNCIL

FOR THE MEETING OF 25 OCTOBER 2017

Report for Agenda Item No 1

Prepared by - Andy Gowland-Douglas
- Chief Executive

Members Interest

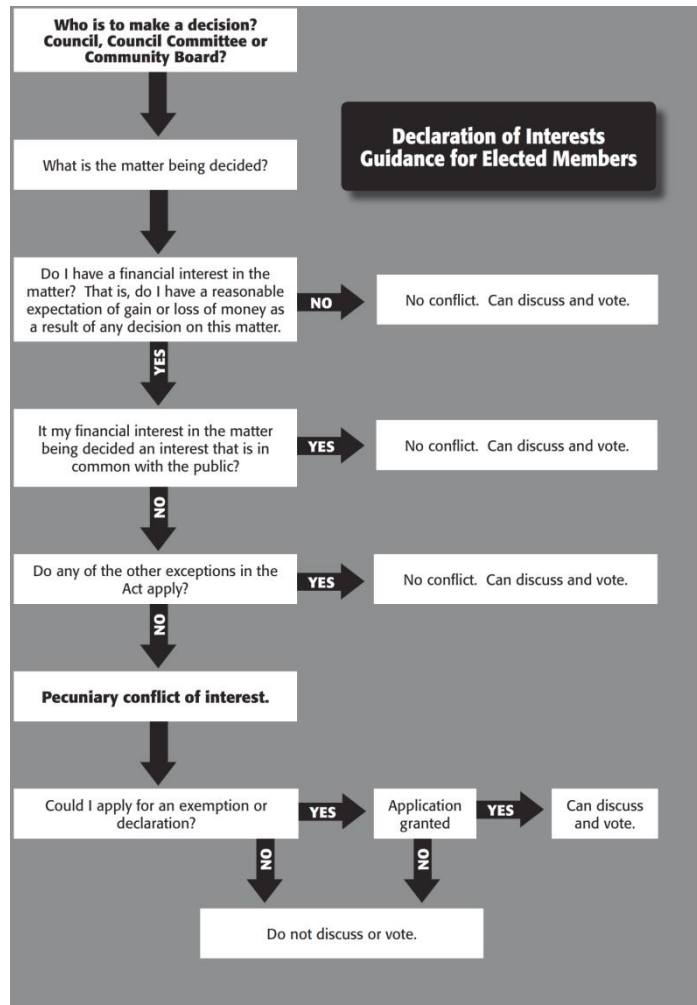
Councillors are encouraged to consider the items on the agenda and disclose whether they believe they have a financial or non-financial interest in any of the items in terms of Council's Code of Conduct.

Councillors are encouraged to advise the Personal Assistant, Chief Executive of any changes required to their declared Members Interest Register.

The flowchart may assist Councillors in making that determination (Appendix A from Code of Conduct).

Draft Recommendation

That Councillors disclose any financial or non-financial interest in any of the agenda items.



BULLER DISTRICT COUNCIL

FOR THE MEETING OF 25 OCTOBER 2017

Report for Agenda Item No 2

Prepared by - Mike Duff
- Group Manager Assets and Infrastructure

Reviewed by - Andy Gowland-Douglas
- Chief Executive

Westport No. 1 Water Tunnel Repairs - Option 2d Feasibility Study

Report Summary

The purpose of this report is to provide Council with the No.1 Tunnel Repairs Feasibility Study and recommend the proposed Option 2d (stabilising + piping) option as well as continuing the overall Selection Study to evaluate alternatives and determine the best long-term solution for Westport's water supply.

Draft Recommendation

1. That Council accept proposed Option 2d (stabilising + piping) No.1 Tunnel Repairs, as defined in the completed Feasibility Study.
2. That Council continue with the Selection Study to evaluate other alternatives and determine the best long-term solution for Westport's water supply.

Background

At an extraordinary meeting held 10 May 2017, Council resolved to eliminate all tunnel stabilisation options, on the basis that a longer term solution with lower residual risk would be more feasible.

With tunnel stabilisation eliminated, the focus of the original Feasibility Study changed to selecting a new go-forward option from those remaining in Table 4 of the Opus Supplementary Report March 2016.

The selection process was managed through an Options Workshop held 16 May 2017. Option 3a (pipe-jacking) was selected as the go-forward option.

On the basis of the report presented to Council on 28 June 2017, Option 3a (pipe-jacking) was rejected due to significant cost increase and risk factors.

Council then resolved to proceed with a new Selection Study (pre-feasibility) for the Westport Water Supply which would:

- Identify alternative long-term solutions; and
- Select a single go-forward option

New Options Workshop

A second Options Workshop was held 25 July 2017, with the purpose of short-listing the most feasible themes to be carried forward into a Selection Study. The following were identified:

- Existing Supply
 - Reinstate No.1 Tunnel
 - Stabilisation
 - Parallel Drive and Pipe
 - Above Ground Tunnel By-Pass
 - Surface Contour
 - Direct Line
- Buller River Supply (Infiltration Gallery and Storage)
 - Pumped to Existing WTP, Gravity Feed
 - New WTP, Pumped Feed
- Other Supplies
 - Westport Deep Bore
 - Gillows Dam
 - Cape Foulwind
 - Tauranga Baw Sawmill (added post-workshop)

It was agreed that the Existing Supply “Reinstate No.1 Tunnel” would be developed to a Worksafe acceptable solution to ensure it was a credible benchmark for Council to compare against the other options.

New Selection Study

Opus were engaged to deliver a new Selection Study, and commenced work based on the themes and options agreed at the July workshop.

As potentially the most cost-effective and fastest completion of all identified options, “Reinstate No.1 Tunnel” was prioritised and brought forward in response to the current criticality of the Westport Water Supply.

New Feasibility Study - Option 2d

As a result of the prioritised work on “Reinstate No.1 Tunnel”, a new Feasibility Study for Option 2d (stabilising + piping) has been completed. This offers Council the opportunity to proceed with a solution before the remaining options of the Selection Study are completed.

Option 2d is a proposed combination of tunnel stabilisation and piping through the worst tunnel sections and sufficiently beyond the current collapse zone to ensure water flow.

The technical concept and design methodology has been prepared by local mining experts Geotech Ground Engineering Limited (Geotech) and peer reviewed by Terra Firma Mining Limited. This development process included early engagement with Worksafe to ensure the proposed methodology would meet an acceptable safety and risk profile.

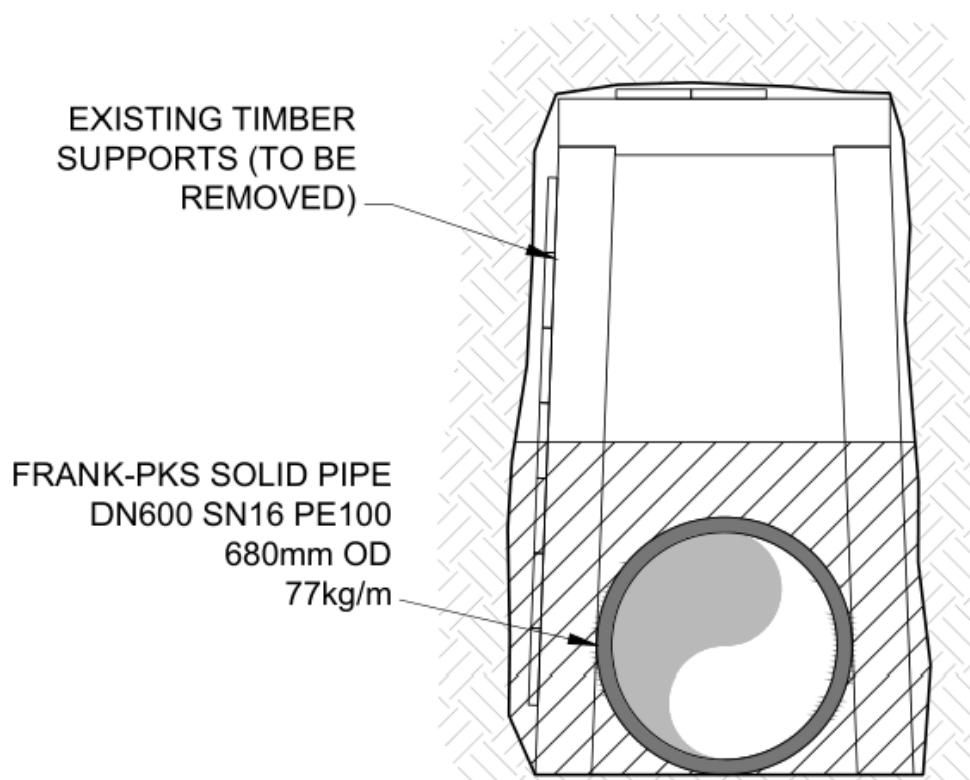
As the principal consultant for the overall Selection Study, the role of Opus was to incorporate the project delivery elements and risk assessment processes.

A comparison of the Feasibility Study Option 2d (stabilising + piping) versus the Option 2a (repair worst sections) from the Opus Supplementary Report March 2016 is provided in the table below:

Tunnel Repairs	Option 2d Feasibility Study October 2017	Option 2a Opus Supplementary Report March 2016
Scope	<ul style="list-style-type: none"> • Progressive tunnel stabilisation for safe entry, obstruction removal, upstream bulkhead, pipe installation and dry-mix concrete back-fill cover • Includes 500m of PE100, DN600, SN16 Solid Wall Wrapped polyethylene pipe (Frank-PKS NZ Ltd) • All enabling works included 	<ul style="list-style-type: none"> • Repair worst sections of tunnel (without enlargement) • No piping • Enabling works not included
Capital Cost	<ul style="list-style-type: none"> • \$2.0 M (Median) • Includes 20% Contingency 	<ul style="list-style-type: none"> • \$0.63 M (Median) • Includes 25% Contingency
Time	<ul style="list-style-type: none"> • Approximately 12 months • Includes planning, design, procurement and construction 	<ul style="list-style-type: none"> • Undefined • No schedule completed
Risk	<ul style="list-style-type: none"> • Defined in Risk Register, Appendix A1 	<ul style="list-style-type: none"> • Undefined • No risk register completed

<p>Comments</p>	<ul style="list-style-type: none"> • Local mining experts have developed the design and construction methodology • Early engagement of Worksafe has minimised project safety and compliance risks • Minor residual risks including cost, regulatory approval and construction 	<ul style="list-style-type: none"> • Poor planning phase (front-end loading) failed to identify critical issues • Poor level of definition and detail as a Selection Study • Changes in regulatory H&S requirements since 2016
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Refer to the following diagram for an indicative cross section of proposed piping:



On the basis of the Feasibility Study findings and in response to the current criticality of the Westport Water Supply, it is recommended to proceed with Option 2d into implementation phase.

Refer to Attachment A for the full Feasibility Study report.

Considerations

1. **Strategic Impact**

The successful delivery of major assets and infrastructure projects in accordance with our LTP is critical to the success of our district.

2. **Significance Assessment**

Major projects are considered highly significant in terms of capital and operating expenditure, complexity, impact to levels of service and community benefit.

3. **Risk Analysis**

Major project risks are managed in accordance with Council's risk management processes including a "what could go wrong?" approach to ensure all practicable steps are being taken to assess, control and monitor identified risks.

4. **Policy/Legal Considerations**

Council must comply with the relevant policy and legal requirements including the Public Works Act 1981, the Health and Safety at Work Act 2015, the Resource Management Act 1991, Local Government Act 2002 and Council's own Procurement Policy.

5. **Tangata Whenua Considerations**

Nil noted.

6. **Views of Those Affected**

Affected parties and stakeholders including community members, private sector, government ministries, agencies and authorities are consulted throughout the project delivery process.

7. **Costs**

Costs for major projects are expended against cost codes in our Annual Plan. Deviations (trends and changes) from approved control baselines will be indicated as budget variances and reported to Council accordingly.

8. **Benefits**

The benefits of major projects are in accordance with our LTP and aligned with community outcomes including well-being, learning, who we are, sustainable environment and prosperity.

9. **Media/Publicity**

Publicity is expected with major projects, not all of which will be positive. However, this should not deter from the reasons for delivering important assets and infrastructure for the community.

BULLER DISTRICT COUNCIL
FOR THE MEETING OF 25 OCTOBER 2017

Report for Agenda Item No 3

Prepared by - Mike Duff
- Group Manager Assets and Infrastructure

Punakaiki Water

Update to be provided