

Memorandum

To: Cr Bryant, Cr Henry, Cr Higgins, Cr Riley, Cr Inglis
From: Beryl Wilkes
Date: October 6, 2010
Re: NRSA – Bio Solid Rabbit Island

Further to the recent discussions with the Nelson Regional Sewerage Authority in regards to their proposal to apply for a Resource Consent to increase the amount of nitrogen in the Biosolid, apply Biosolid to Rough Island and apply Biosolid to younger trees:

On Wednesday 9th August a meeting was held in Bob Dickinson's office with Mike Schruer NRSA, Bob Dickinson, Cr Stuart Bryant, Beryl Wilkes and Dave Fincham PF Olsen to further discuss the issue of the proposed Resource consent variation especially in regards to the impact on the forest growth due to the extra nitrogen in the Biosolid.

A report had been received from Peter Wilks outlining the potential impacts to the harvest revenue of the forest from different Biosolid applications. (A copy of this report is attached.)

The dewatering plant which is proposed to be constructed within the next five years was discussed along with what the cost of this project would be and the implication for ratepayers.

The projected costs of a dewatering plant are thought to be \$4million (below some very approximate charges and costs)

Loan Charges P/A	\$400,000
Operating cost P/A	\$400,000
Landfill costs for dumping Dry waste P/A	<u>\$ 30,000</u>
Sub Total	<u>\$830,000</u>
Deduct	
Extra application of Bs	\$ 50,000
Biosolid contract amount	<u>\$350,000</u>
Difference	\$430,000

Calculation based on 40,000 residences paying pan charges

430,000 @ 40,000 = \$10.00 per residence

It was generally agreed that the proposal to apply higher rates of nitrogen in the Biosolid would only buy time as eventually the dewatering plant would be required and bringing the dewatering plant forward may have a minimum cost impact on the total pan charge.

However due to the impact of the higher rates of nitrogen in the Biosolid the forest revenue potential on Rabbit Island could potentially be adversely affected for a full rotation of the forest.

The issue of public consultation, the need to prove that the environmental effects of the proposed variation would not cause any issues and the cost in gaining varied resource consent were also discussed.

It was suggested to Mike that the working party may not support the NRSA application to apply Biosolid with higher rates of nitrogen to the forest at Rabbit Island but that the issue needed to be discussed with the full Enterprise Committee at its next meeting.

Beryl Wilkes

Reserves Manager

<http://tdctoday:82/Shared Documents/Meetings/Council/Committees and Subcommittees/Council Enterprises Subcommittee/Reports/2006/RFN060920ces Report Biosolids Memo.doc>