

STAFF REPORT

TO: Mayor and Councillors
FROM: Murray Staite
DATE: 27 February 2008
SUBJECT: **Nelson Regional Sewerage Business Unit**

Purpose

To receive and consider the recommendation from the Combined Shareholders Group in regard to the Nelson Regional Sewerage Business Unit (NRSBU).

Background

In December 2007 the NRSBU requested, via the Combined Shareholders Group, that both Councils pass the appropriate resolutions to proceed with the upgrade of the treatment plant.

NRSBU staff met with the Combined Shareholders Group and outlined the options available and their respective costs. After considerable discussion around the various options it was agreed to make the following recommendation to Council.

That the upgrade of the treatment plant proceed with a budget of \$8,656,000 (Option 2) to make allowance for variability of tendered costs in the current contracting environment, (\$5.15 million in 2007/2008 and \$3.506 million in 2008/2009).

Recommendation

That the recommendation of the Combined Shareholders Group be accepted.

Murray Staite
Corporate Services Manager