

COUNCIL MEETING AGENDA

SEPTEMBER 2018

2. DEMOCRACY

2.1 Minutes from Ordinary Meeting 9 August 2018

(D 2.1d)

See attached Minutes.

RECOMMENDATION
THAT the Minutes be received.

CHATHAM ISLANDS COUNCIL

**Minutes of the Ordinary Meeting of the Chatham Islands Council, held
in the Council Chambers, Tuku Road, Waitangi,
on Thursday, 9 August 2018, commencing at 1.34 p.m.**

- PRESENT:** Deputy Mayor J I Clarke, and Councillors,
M Croon, S Joyce, J Seymour, NC Ryan and
KL Day. Councillor EC Tuck joined the meeting via
teleconference.
- IN ATTENDANCE:** Chief Executive Officer, Owen Pickles
Council Secretary, Jo Clark
Fulton Hogan Maintenance Manager, Bill Lind
ECan Biodiversity Officer, Keri Moir
NZ Police, Constable Chris Mankelow
- PUBLIC GALLERY:** Alfred Johanson
- APOLOGIES:** Apologies were received from His Worship the Mayor
AWM Preece, and Councillors E Chisholm and NC Ryan
- RESOLVED THAT the apologies be received.
RS Joyce / M Croon CARRIED**

- STAFF:** **1.1 Leave of Absence – Councillor Eion Chisholm**
- Councillor Eion Chisholm had requested a Leave of
absence for 3 months due to ill health.
- RESOLVED THAT the Leave of Absence be approved.
J Seymour / KL Day CARRIED**

- DEMOCRACY:** **2.1 Ordinary Meeting, 28 June 2018**
- RESOLVED THAT the Minutes of the Ordinary
Meeting of the Chatham Islands Council, held on
Thursday 28 June 2018, be confirmed and adopted
as a true and correct record.
RS Joyce / KL Day CARRIED**

Matters Arising

MPA gates were now closed, and would be padlocked.

In reference to the need for speed signage outside Te
One School, Cr Day suggested electronic speed signs be
suitable during school hours. A workshop would be held
with Stantec at the end of September where this issue
could be discussed.

2.2 Representation Review

The Local Electoral Amendment Act 2002 requires that local authorities are required to review their representation arrangements at least every six years. Council agreed to stay with the status quo. It was Council's view that 9 elected members (Mayor and 8 Councillors) provided a good cross section of community representation and allowed for a larger quorum to cover for absentees. The community was too small to be split into Wards for representation purposes. There were no communities of interest large enough to warrant the establishment of a community board.

**RESOLVED THAT the Representation Arrangements be approved for public consultation.
RS Joyce / M Croon CARRIED**

FINANCE:

3.1 Council Dues Report as at 20 July 2018

**RESOLVED THAT the report be received.
M Croon / J Seymour CARRIED**

3.2 Accountability Report to Department of Internal Affairs

**RESOLVED THAT the report be received.
EC Tuck / KL Day CARRIED**

WORKS & SERVICES:

4.1 Fulton Hogan Road Maintenance Contract Monthly Report June & July 2018

Mr Bill Lind reported Fulton Hogan have been road strengthening on the Port Hutt Road. They had employed a new staff member, Geoffrey McKay and staff had been brought in from NZ. An expert Grader Operator had been brought to the island to give training to local staff.

Cr Croon complimented the condition of the road network and improvement in standard of grading.

Mr Lind noted the Otto seal on Maipito Road was working well.

Pitt Island roads have been scheduled for further works in 2019.

**RESOLVED THAT the report be received.
KL Day / J Seymour CARRIED**

**4.2 Fulton Hogan Water & Wastewater Contract
Monthly Report for June & July 2018**

Fulton Hogan is proposing a yearly maintenance regime to do the water maintenance which has been previously held by Reaman Industries.

Fulton Hogan has been asked to price 3 new water connections for the proposed Emergency housing, and a water and sewerage connection for proposed new motel development. If all units were occupied that would put a great pressure on already struggling water supplies.

NZTA have asked Fulton Hogan to price and install a new water tank and internal water pump system for the wharf. The water would be collected off the new wharf shed roof and be used to wash down stock yards.

**RESOLVED THAT the report be received.
KL Day / EC Tuck CARRIED**

4.3 Engineers Reports for June 2018

Cr Tuck asked the Chief Executive to determine the actual budget for roading on Pitt Island per year.

**RESOLVED THAT the report be received.
M Croon / KL Day CARRIED**

4.4 Owenga Waste Transfer Station

Cr Seymour had viewed the Owenga Waste Transfer Station site and noted rubbish was only able to be put in one end of the skip. Cr Clarke advised more openings were to be put in the skip along the sides.

ECan Officer, Keri Moir inquired if there was somewhere the public could dump their green waste as there was an issue with seeds being spread. Cr Clarke advised once the recycling centre was finished, a green waste programme would be developed. Council had applied for funding for a green waste programme in the past but had been declined.

RESOLVED THAT in the first instance, additional education be provided in an attempt to tidy up the Owenga Transfer Station site.

M Croon / J Seymour CARRIED

**COMMUNITY
SERVICES:**

5.1 Mortuary Services

A letter of response had been received from Canterbury District Health Board in regard to Council's letter to Chief Executive David Meates dated 3 July 2018.

The Chatham Islands did not have the availability of Funeral Directors so there was a need to establish responsibility for the Morgue and its service. A meeting with the Ministry of Justice may assist this issue.

A Trust had partly been formed under the leadership of the late Eddie Fraser, but had since lapsed. There was documentation around this but more volunteers were needed. The Mayor was looking to call a community meeting to rebuild community support and establish a volunteer base.

Constable Chris Mankelow advised there would be a coronial hearing on the island in October where this issue could be raised with the Chief Coroner. Constable Mankelow would address the Coroner's office via email to bring the issue to their attention.

RESOLVED:

- 1. THAT the correspondence be received;**
- 2. That further inquiries be made with the Ministry of Justice; and**
- 3. Further questions be raised with Canterbury District Health Board.**

RS Joyce / J Seymour CARRIED

REGULATORY:

6.1 Update from Environment Canterbury

ECan Biodiversity Officer Keri Moir advised another helicopter company had expressed an interest for gorse spraying. Mt Hutt Helicopters are still happy to perform the service but there would be a rise in costs and noted there would be a need to pay a deposit from anyone who booked in. A procurement process would be forthcoming from the two companies.

Moki (Biosecurity Dog) had found its first rat. Keri and Moki were hoping to get to Pitt Island in the coming weeks to work around the wharf and airstrip. Council were happy to contract out Moki's services.

The Gorse Contestable Fund was closing with few applications being received.

The latest Water Quality report would be posted to the website. A summary of the report was included in the Annual Report each year.

RESOLVED THAT the Activity Report be received.
EC Tuck / KL Day CARRIED

6.2 Chatham Islands Water Quality Report

RESOLVED THAT the information be received.
EC Tuck / KL Day CARRIED

6.3 Subdivision Consent Application

An application for Subdivision Consent had been received from Donna and Terry Tuanui relating to Lots 10-12 DP 417050, 626 Waitangi West Road.

A report to the Chatham Islands Council had been prepared by Paul Whyte from Beca.

RESOLVED THAT the:

1. Request be received.
2. That pursuant to Section 95A of the Act the application is non-notified.
3. That pursuant to Section 104B of the Act Council grants consent to:
 - a. Subdivide Lots 10-12 DP 417050 (CT CFR 465604) into Lot 1 (1.2180ha) and Lot 2 (120.122ha) in accordance with the plan submitted with the application subject to the following conditions:
 - (i) That Lot 2 be held with Lots 10 and 11 DP 417050 and one Certificate of Title be issued for the Lots.
 - (ii) The vehicle / crossing place to Lot 1 shall be constructed in accordance with Council Standards.
 - b. Locate an existing shed on Lot 2 within the required internal boundary in accordance with the plan submitted with the application.

RS Joyce / J Seymour CARRIED

6.4 Licensing Committee Decision – Hotel Chathams Ltd

Cr Monique Croon declared an interest.

RESOLVED THAT the information be received.
J Seymour / EC Tuck CARRIED

6.5 Control of Alcohol in Public Places Bylaw 2018

The Liquor Ban Bylaw 2012 was up for renewal. The bylaw has been updated to comply with the new Act.

RESOLVED THAT the Chatham Islands Council Control of Alcohol in Public Places Bylaw 2018 be approved for public consultation.

EC Tuck / RS Joyce CARRIED

6.6 Late Item - Chatham Islands Council Stock Control and Keeping of Poultry, Bees & Pigs and Boundary Fencing Bylaw

RESOLVED:

THAT the Late Item “Chatham Islands Council Stock Control and Keeping of Poultry, Bees & Pigs and Boundary Fencing Bylaw” be considered as a Late Item.

M Croon / RS Joyce CARRIED

No submissions had been received during the consultation period. The Chief Executive had approached the local Federated Farmers prior to the submission closing date to encourage them to submit.

RESOLVED THAT:

1. The Chatham Islands Council Stock Control and Keeping of Poultry, Bees & Pigs and Boundary Fencing Bylaw 2018 be adopted; and

2. That the Bylaw be signed and sealed to come in to effect on 1 November 2018.

EC Tuck / M Croon CARRIED

GOVERNMENT:

8.1 Elected Members Remuneration – Information Paper

The Remuneration Authority had released a new determination with effect from 1st July 2018.

Members to forward a written claim for technology expenses.

RESOLVED THAT the information be received.

RS Joyce / J Seymour CARRIED

8.2 Local Government New Zealand Conference 15-17 July 2018

This year's conference was held in Christchurch. The conference was attended by Mayor Alfred Preece, Deputy Mayor Jeffrey Clarke and Chief Executive Owen Pickles.

The conference began with the LGNZ AGM where 11 out of 12 remits were passed. This was followed by many young interesting speakers. The Chief Executive and Deputy Mayor gave a summary.

RESOLVED THAT the report be received.

KL Day / M Croon CARRIED

8.3 Late Item - NZTA Financial Assistance Rate (FAR) Review

RESOLVED:

THAT the Late Item "NZTA Financial Assistance Rate (FAR) Review" be considered as a Late Item.

M Croon / KL Day CARRIED

A response was received from the Minister of Transport Hon Phil Twyford to the Mayor's request for an increased FAR.

The FAR will stay at 88% and there will not be any more review of the FAR funding. Council propose to have further discussions with NZTA.

RESOLVED:

- 1. THAT the letter be received; and**
- 2. That Council continue to seek an increase in FAR.**

M Croon / RS Joyce CARRIED

CHATHAM ISLANDS:

9.1 The Chatham Islands Fishing Forum

A proposal Heads of Agreement for the establishment of the Chatham Islands Fishing Forum was included in the agenda. The Council had been invited to join the meetings. Cr Jeffrey Clarke was appointed as the Council representative.

RESOLVED THAT:

- 1. The report be received;**
- 2. That Council appoint Cr Jeffrey Clarke to attend Chatham Islands Fishing Forum meetings.**

RS Joyce / EC Tuck CARRIED

9.2 Attendance at Chatham Islands Visitor Group Meetings

A request was received from the Chatham Islands Visitor Group for a member of Council to attend their meetings. Cr Jason Seymour was appointed as the Council representative.

The letter also referred to a 'Bed Tax' but no Local Authority has the power to levy this.

**RESOLVED THAT the Council appoint Cr Jason Seymour as their representative to attend Chatham Islands Visitor Group meetings.
M Croon / KL Day CARRIED**

9.3 CIC Financial Review Report Redacted (Winder Report)

Appended to the agenda was a final copy of the Winder report with redactions. The report was what formed the basis for the cabinet paper which recommended an increase in the Council's Crown funding support. The recommendation was not accepted. The plan was to re-submit for 2019.

**RESOLVED THAT the report be received.
M Croon / KL Day CARRIED**

Constable Chris Mankelow attended the meeting to report on two issues.

The Makara Fire

The investigation in to the Makara fire was on-going and the CIB had handed the case to local police to investigate. Constable Mankelow asked if Council wished to pursue and seek reparation. There was an expectation from FENZ to pursue a criminal investigation. Victims of the fire would be also asked if they would like a criminal investigation pursued. Council would have an in-house discussion with regard to the issue.

Policing

The Police team had been working on community relations, through social media and a community catch-up. They had received positive feedback with most of the concerns around speeding and driver behaviour.

Firearms safety seminars had been held, with changes in legislation requiring a practical element to the process.

Recent Court sitting had 21 cases being heard, the majority were drunk driving and disqualified drivers. There had been a rapid decline in apprehension for drunk driving in the previous month and a decrease in disorder around the Hotel. More education was needed around trespass notices.

Disqualified drivers must now do 3 counselling sessions and undergo blood tests for drugs and alcohol. The Department of Internal Affairs would look at options for the Chatham Islands and were also considering a Chatham Islands Restricted License.

Constable Mankelow asked for security camera's to be installed on the corner of Tuku Road and Wharf Road, for enforcement purposes, and asked that they be monitored from the Police Station. There would be notices up so public were aware of the camera's. Constable Mankelow would write an official letter to Council requesting the cameras, and NZTA may support that.

Meeting Closure

After consideration of the In Camera Agenda, and there being no further business, the meeting was declared closed at 3.40pm.

CONFIRMED THIS 20TH DAY OF SEPTEMBER 2018

MAYOR

COUNCIL MEETING AGENDA

SEPTEMBER 2018

4. WORKS & SERVICES

- 4.1 Fulton Hogan Road Maintenance Contract Monthly Report August 2018 (WS 4.1b1)

See attached report.

RECOMMENDATION
THAT the report be received.



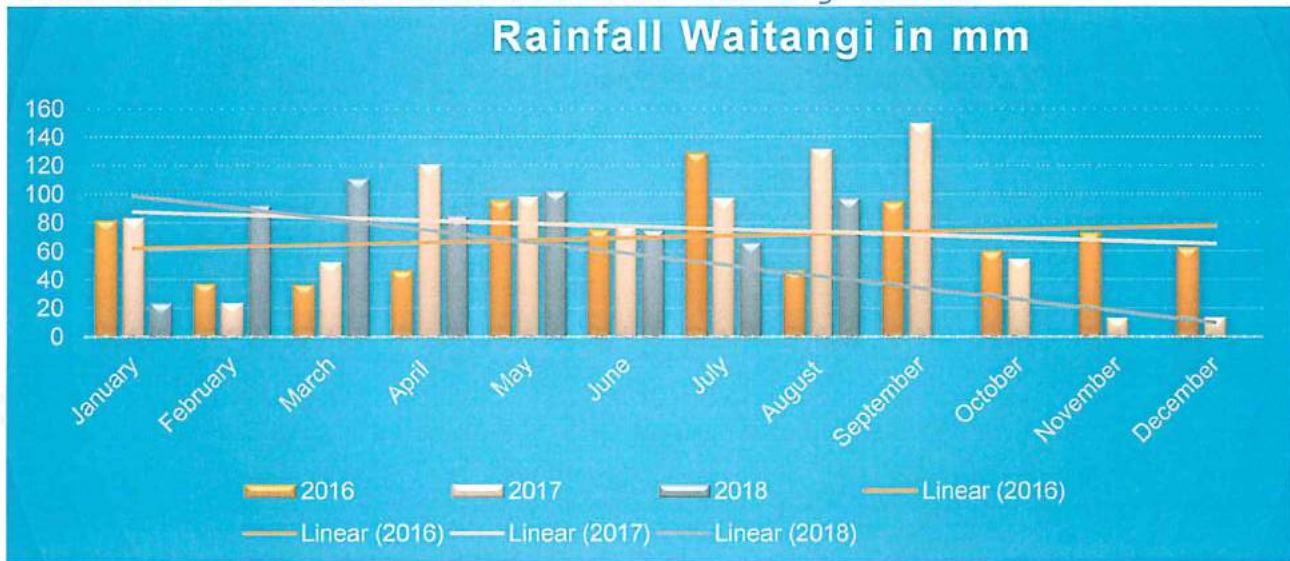
CHATHAM ISLANDS ROAD
MAINTENANCE CONTRACT
MONTHLY REPORT
August 2018

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Work Summary

Outline of work carried out during month



97mm of rain recorded in the Waitangi yard. Another busy month with a good portion of the watertabling completed on North Road with only about 4km left of the programmed work to complete. Strengthening at RP9000 has been nearly completed. Strengthening on Port Hutt Road completed and looking good. A digout was done on Tuku Road in the dip and this will be sealed when conditions are right. Footpath on Highet place has been completed and backfilled. Some maintenance metal spread and grading carried out on Taia Hapupu Road.

Routine Maintenance and Operations

Mowing continues as grass does not appear to have stopped growing at all this season. Spraying is a little behind due to the constant windy conditions at present. Some maintenance metaling undertaken this month and grading continues with most roads in good shape.

Pavement Renewals

Port Hutt Road completed and North Road section nearly complete.

Sealed Road Resurfacing

Bad area on Tuku Road has been dug out and awaiting sealing with BRP patches.

Drainage Renewals

One new culvert installed on Wharekauri Road. Watertabling on North Road well underway.

Bridge and Structure Renewals

None this month.

Traffic Services

A few EMP replacements this month. No sign vandalism.

Minor Improvements

None this month.

Vegetation Control

Mowing has slowed a little. Spraying is near impossible with constant winds this month.

Dayworks

Culvert works and the completion of the Hight Place footpath.

Programmed Work for following month

Watertabling, new culverts and some extra culvert cover on some culverts on Waitangi West road.

Schedule of Work by Road Name

1. Maintenance Grading

- Carried out as required during the month on the following roads:

| Road ID | Disp | Road ID | Start RP | End RP | Quantity M |
|------------------|------|---------|----------|--------|------------|
| TAIA HAPUPU ROAD | 2065 | 41 | 0 | 5325 | 5325 |
| NORTH ROAD | 2066 | 21 | 26381 | 31381 | 5000 |
| AIR BASE ROAD | 2067 | 71 | 0 | 5871 | 5871 |
| NORTH ROAD | 2068 | 21 | 4589 | 9506 | 4917 |
| | | | | TOTAL | 21.1km |

- 2 Unsealed Maintenance Metalling

- Carried out on the following roads using AP32 metal:

| Road ID | Disp | Road ID | Start RP | End RP | Quantity | Units |
|------------------|------|---------|----------|-------------|----------|-------|
| TAIA HAPUPU ROAD | 2060 | 41 | 0 | 4200 | 120 | |
| NORTH ROAD | 2061 | 21 | 10400 | 16000 | 88 | |
| PORT HUTT ROAD | 2072 | 51 | 6000 | 11400 | 128 | |
| | | Totals | | This Month | 336 | m3 |
| | | | | Contract TD | 16,736 | m3 |

Next Month's Target

Patch metalling will continue where required.

Crash Damage Report Summary

Crash Damage Report

| Date | Event | Action | Repaired Y/N |
|----------|---|------------------------------|---------------------------------------|
| 14/2/18? | Ute left road and rolled WWO Rd RP 4800 | No report as yet | No damage to CIC asset |
| 3/3/18 | Car hit loading ramp WWO Road RP1039 | Police investigation ongoing | No damage to CIC asset |
| 29/5/18 | Vehicle vrs calf cnr Maipito Waitangi Wharf Owenga Road | 7: 30 am | Minor vehicle damage |
| 25/6/18 | Not accident as such but vandalism of new seal on Waitangi Wharf Owenga Road by 2 Quad bikes overnight. | Police investigation | Lucky to get away with little damage. |

Network Inspections

| Month | Inspection Type | Faults Identified | Inspected By |
|---------------|-------------------|---|-----------------------|
| August 17 | Daytime | Safety drive over with Stantec | Tomby |
| August 17 | Night time | Safety drive over with Stantec | Bruce Winter |
| Sept 17 | Daytime | Most of the network during rain event. Numerous areas of drainage deficiencies identified | Bill, Tomby and Mario |
| October 2017 | Daytime | Done during Roadroid. Still a lot of areas requiring watertabling. Soft spots identified and programmed on Owenga Road | Bill Lind |
| November 2017 | Night Time | Tuku Road mostly good but a lot of dirty EMP's at the town end. North Road ok but could still do with more EMP's on sealed section (awaiting Stantec safety inspection results) | Bill Lind |
| December 2017 | Daytime 6 monthly | Waitangi West, Port Hutt and North Road mainly. Mostly drainage problems identified-high shoulder and watertabling. | |
| January 2018 | Night Time | Waitangi Wharf Owenga Road. Signs all good, some EMP's require cleaning. Airbase road good but some vandalised signage needs replacing. | Bill Lind |
| February 2018 | Daytime Roadroid | Still a lot of watertabling and drainage work required on most roads. Signage generally looking good with some needing cleaning | Bill Lind |
| March 2018 | Night Time | Tuku Rd and North Road. Signage and delineation looking better, Still some signs need cleaning. Serious lack of Streetlighting in Waitangi | Bill Lind |
| April 2018 | Daytime | WWO Road just graded. North Road needs grading. Water tabling needed on both roads. | Bill Lind |
| May 2018 | Night Time | Watertabling still required on most roads, wet conditions highlight this. Lack of street lighting becoming very serious. | Bill Lind |

| | | | |
|-------------|------------|---|-----------|
| | | Signs & EMP's dirty. | |
| June 2018 | Daytime | North Road and Kaingaroa Road Potholes being repaired/graded. Wet conditions lack of metal in places. Airbase Road digout required. | Bill Lind |
| July 2018 | Night Time | 2 new culverts required on Airbase Road. EMP's needed sealed area North Rd (Done) Most other signs all good. | Tomby |
| August 2018 | Daytime | Roads in good condition. New watertabling helping a lot. Tuku Rd needs digout (since done) | Tomby |

Monthly Safety Report and Statistics

Nothing to report.

1. Safety Engagements

| Date | Near Miss | Incident | Lost Time Injury | Plant Damage | Depot/Worksite Inspections |
|----------|-----------|----------|------------------|--------------|---|
| 6/7/17 | N | N | N | N | Cleaning Nairn River bridge deck and rails. No issues, good traffic control using a spotter. |
| 8/8/17 | N | N | N | N | Overlay Port Hutt Road. Good safe practices observed. |
| 20/9/17 | N | N | N | N | Watertabling Maipito Road No unsafe acts observed work progressing well. |
| 18/10/17 | N | N | N | N | Digouts WWO Road Good traffic control. No items to address. |
| 14/11/17 | N | N | N | N | Repairing roof on workshop. Full Hazard ID completed along with a risk analysis and checklist. No problems encountered. |
| 7/12/17 | N | N | N | N | Grading of Waitangi Wharf Owenga Road. Very dusty but no other problems. |
| 29/1/18 | N | N | N | N | Installing formwork for K&C on North Road. All good but traffic speed still a problem. |
| 14/2/18 | N | N | N | N | Te One culvert carriageway lowering. No issues. |
| 18/3/18 | Y | Y | N | Y | Grader came off barge and completely submerged during unloading. Investigation underway. |
| 30/4/18 | Y | N | N | N | Manhole cover moved when excavating for K&C |
| 22/5/18 | N | N | N | N | Audit done at Highet Place Re-Hab site. No issues arising. |
| 15/6/18 | N | N | N | N | Fish Factory Road Sealing All safe and job running smoothly. |
| 23/7/18 | N | N | N | Y | Landfill site. Delivery of cover material. Front bumper of truck caught on debris and damaged. |
| 9/8/18 | N | N | N | N | Audit of guys doing EMP's North Rd. No problems found |

Metal Stockpiles

| Site | AP30 Schist | AP65 | AP30 Basalt | AP100 Schist | AP100 Basalt | AP30 Blend | AP20 |
|-----------------|-------------|-------------|-------------|--------------|--------------|------------|-------------|
| Waitaha Schist | 1727 | 0 | 0 | 14950 | 0 | 0 | 0 |
| Waitaha Basalt | 0 | 2434 | 6076 | 0 | 0 | 0 | 964 |
| Paritu | 3852 | 0 | 0 | 1060 | 0 | 0 | 0 |
| Stoney Crossing | 0 | 868 | 575 | 0 | 0 | 0 | 948 |
| Yard | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ohinemama | 0 | 0 | 2456 | 0 | 0 | 0 | 0 |
| Yard | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Muirsons Schist | 2624 | 0 | 0 | 520 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| TOTALS | 8203 | 3302 | 9107 | 16530 | 0 | 0 | 1912 |

CIC Owned Materials Signs

| Stocktake of Chatham Islands Council Materials | | | | | |
|--|------|-----------|----------------|-------------|----------|
| Item Description | Unit | Purchased | Used August 18 | End Measure | Comments |
| Signs | | | | | |
| CS85 North Rd | ea | | | 1 | |
| CS85 Port Hutt Rd | ea | | | 1 | |
| RG1 | ea | | | 1 | |
| RG2 | ea | | | 1 | |
| RG6 | ea | | | 1 | |
| RM6 White | ea | | | 7 | |
| RM6 Yellow | ea | | | 3 | |
| RM7 | ea | | | 5 | |
| P66X242 | ea | | | 7 | |
| PW67 | ea | | | 0 | |
| PW2 | ea | | | 0 | |
| PW10 | ea | | | 0 | |
| PW11 | ea | | | 1 | |
| PW11.1L | ea | | | 1 | |
| PW11.1R | ea | | | 1 | |
| PW12L | ea | | | 1 | |
| PW12R | ea | | | 1 | |
| PW16L | ea | | | 0 | |

| | | | | | |
|------------------------|----|--|--|---|--|
| PW16R | ea | | | 1 | |
| PW17L | ea | | | 0 | |
| PW17R | ea | | | 0 | |
| PW21L | ea | | | 0 | |
| PW21R | ea | | | 0 | |
| PW24 | ea | | | 2 | |
| PW25 65KM | ea | | | 1 | |
| PW25 35KM | ea | | | 1 | |
| PW25 45KM | ea | | | 0 | |
| PW27 | ea | | | 0 | |
| PW28 | ea | | | 1 | |
| PW32 | ea | | | 0 | |
| PW34.1 | ea | | | 2 | |
| PW34.2 | ea | | | 2 | |
| PW37 | ea | | | 2 | |
| PW38 | ea | | | 1 | |
| PW39 | ea | | | 0 | |
| PW41 | ea | | | 4 | |
| PW41.3 | ea | | | 0 | |
| PW43.2 | ea | | | 0 | |
| PW44 | ea | | | 2 | |
| PW53 | ea | | | 1 | |
| PW49 FIRE ENGINE | ea | | | 2 | |
| PW 50 | ea | | | 1 | |
| PW 67 | ea | | | 0 | |
| PW67 Rural | ea | | | 0 | |
| PWSX1 | ea | | | 2 | |
| RH-4 | ea | | | 2 | |
| TS-3 ULTIMATE HIDEAWAY | ea | | | 0 | |
| MH -12 500 X 350 X 509 | ea | | | 0 | |
| MH - 12 ENDS | ea | | | 0 | |
| MH - SPILKES | ea | | | 0 | |
| PW54 | ea | | | 2 | |

Marker pegs

| | | | | | |
|---------------------|----|--|----|-----|--|
| EMP | ea | | 88 | 780 | |
| CULVERT MARKERS | ea | | | 196 | |
| WHITE RAPID MARKERS | ea | | | 16 | |

Misc Items

| | | | | | |
|--------------|----|---|--|---|--|
| ACROW PROPS | ea | 6 | | 6 | |
| ROAD COUNTER | ea | 2 | | 2 | |
| ROUGHOMETER | ea | 1 | | 1 | |

Culvert Pipes

ALUFLOW

| Item Description | Unit | Used Aug 18 | Purchased | End Measure |
|------------------|------|-------------|-----------|-------------|
| 375 | m | | | 12 |
| 300 | m | | | 12 |
| 450 | m | | | 30 |
| 525 | m | | | 0 |
| 600 | m | | | 18 |
| 750 | m | | | 30 |
| 825 | m | | | 0 |
| 900 | m | | | 23 |
| 1200 | m | | | 0 |
| 1500 | m | | | 0 |

FARMBOSS

| | | | | |
|-----|---|----|-----|-----|
| 225 | m | | | 63 |
| 300 | m | 6 | 120 | 112 |
| 450 | m | 12 | 60 | 48 |
| | | | | |

PVC

| | | | | |
|-----|---|--|--|---|
| 225 | m | | | 0 |
|-----|---|--|--|---|

Builders Mix

| | | | | |
|-------------|-------|--|--|----|
| CEMENT | T | | | 0 |
| GEOGRID | rolls | | | 19 |
| BIDIM CLOTH | rolls | | | 2 |

Environmental Compliance & Feedback

Environmental Compliance

| Date | Site Inspected | Compliant Y/N | Abatement Order Issued | Corrective Action Required | Completed By |
|----------|--------------------------------|---------------|------------------------|----------------------------|--------------|
| 21/8/17 | Pages Corner | Y | N | N | Tomby |
| 30/10/17 | Tiki Tiki Bore Head | Y | N | N | Bill Lind |
| 23/11/17 | Kaingaroa WTP | Y | N | N | Bill Lind |
| 7/12/17 | Waitangi Wharf Owenga Road | Y | N | N | Tomby |
| 24/1/18 | North Road Spraying | Y | N | N | Bill Lind |
| 22/2/18 | North Road Kerb & Channel | Y | N | N | Tomby |
| 19/3/18 | Pitt Island Grader incident | N | N | Y | Bill Lind |
| 6/4/18 | Hihete Place K&C | Y | N | N | Bill Lind |
| 18/5/18 | Hihete Place Re-Hab | Y | N | N | Bill Lind |
| 21/6/18 | Maipito Road OTTA Seal | Y | N | N | Tomby |
| 25/7/18 | North Road water tabling | Y | N | N | Tomby |
| 9/8/18 | Port Hutt Road Strengthening | Y | N | N | Bill Lind |

Stakeholder Complaints Register

| Month | Council/ Public Complaint | Complaint | Repair Undertaken | Response Time |
|----------|---------------------------------|--|--|---------------|
| 1/8/17 | Public | Tuku Rd Bus turn around area needs metal | Metal | 2 days |
| 4/8/17 | Public | Te Matare Rd boggy | Bad spots metalled | 1 day |
| 15/9/17 | CIC | Hotel sign request | Passed to Stantec | 2hrs |
| 21/9/17 | CIC | Dead sheep Port Hutt Rd | Removed | 3hrs |
| 26/9/17 | Public | Schist on Owenga Rd | Passed to Stantec for comment | 4hrs |
| 5/10/17 | Public | Potholes and dust on roads | Grader out Owenga Road | 2days |
| 3/11/17 | Public | Seal wanted on Owenga Road | Passed on to Stantec and CIC | 1 day |
| 21/11/17 | Public | Dust on North road | Replied through CIC | 2hrs |
| 11/12/17 | Public | Dust in general and too much grading | Public notice distributed asking people to drive to the conditions | 1 day |
| 19/1/18 | Public | Speeding traffic on Maipito Road | Installed new sign | 2 hrs |

| Month | Council/ Public Complaint | Complaint | Repair Undertaken | Response Time |
|---------|---------------------------------|--|---|------------------|
| 1/2/18 | Public | Signage at Port Hutt / North Rd intersection | Passed to Stantec for investigation | 1 hr |
| 8/2/18 | Public | Poor condition of Pitt Island Roads | Timetable for work on Pitt Island submitted to Council | 2 days |
| 12/2/18 | Public | Slippery conditions on Te Awainanga Hill | Metal spread | 3hrs |
| 29/5/18 | Public | WVO Road needs graded | Awaiting favourable conditions | 3 days |
| 5/6/18 | Public | Owenga Road needs graded and fish dump full | Road had been graded before complaint received | 1hr |
| 21/6/18 | Public | North Road needs graded | Grader is on North Road now | 1 day |
| 25/6/18 | Public | Loose chip on road at Cafe | Chip needs to be left on the road as long as possible to protect surface. Footpath swept today. | 4 hrs |
| 29/6/18 | Public | Port Hutt Road slippery | Basalt spread on the hills | 1day |
| 9/7/18 | Public | Tuku Road Scour | Metalled and minor water table built | 1 day |

Public Relations & Community Involvement

Sponsored Festival fundraising, pig hunting comp and the racing club

Innovation

Water table Material used for land fill rehab.

Summary of Monthly Progress Claim by Work Category

| Item | Work Category | Separable Portion One - Roading | | | |
|------|-----------------------------|---------------------------------|--------------|----------------|--------------------------|
| | | Value for Month | Value YTD | Annual Budget | % of Annual Budget |
| 1 | P&G Other | \$101,794.14 | \$175,821.64 | \$805,782.09 | 21.8% |
| 2 | Routine Maintenance and Ops | \$57,734.33 | \$116,116.98 | \$1,273,716.65 | 9.1% |
| 3 | Pavement Renewals | \$105,219.00 | \$105,219.00 | \$389,340.50 | 27% |
| 4 | Sealed Road Resurfacing | \$0 | \$0 | \$108,129.00 | 0% |
| 5 | Drainage Renewals | \$0 | \$0 | \$119,480.00 | 0% |
| 6 | Bridge Renewals | \$0 | \$0 | \$60,000.00 | 0% |
| 7 | Traffic Services | \$1,607.06 | \$2,873.24 | \$13,485.75 | 21.3% |
| 8 | Minor Improvements | \$0 | \$80 | \$130,000.00 | 0% |
| 9 | Vegetation Control | \$5,408.41 | \$10,816.82 | \$19,968.75 | 54% |
| 11 | Dayworks | \$19,836.8 | \$23,620.93 | \$242,871.00 | 9.7% |

| | | | | | |
|--|--------------|---------------------|---------------------|-----------------------|--------------|
| | | | | | |
| | Total | \$291,599.74 | \$142,868.87 | \$3,162,773.74 | 13.7% |

1. Miscellaneous

2. Traffic Counting

Completed for 2018.

3. Pitt Island

Visit to check Pitt Island in September.

4. Wind Damage

Nil.

Photos



North Road



North Road



Port Hutt Road



Appendix A: Minutes

| |
|---|
| <p>Contract Chatham Islands Council 15/01 Road Operation and Maintenance Contract</p> |
|---|

COUNCIL MEETING AGENDA

SEPTEMBER 2018

4. WORKS & SERVICES

- 4.2 Fulton Hogan Water & Wastewater Contract Monthly Report August 2018 (WS 4.1b1)

See attached report.

RECOMMENDATION
THAT the report be received.



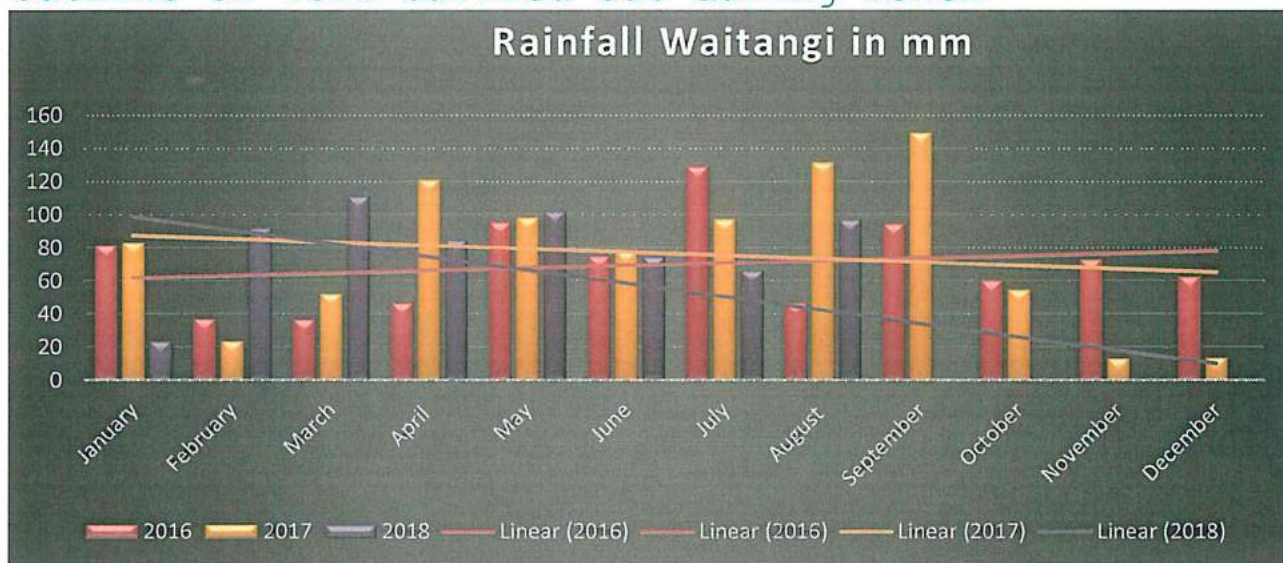
CHATHAM ISLANDS
WATER AND WATEWATER
OPERATION CONTRACT
MONTHLY REPORT
August 2018

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Work Summary

Outline of work carried out during month



97mm rainfall recorded in the Waitangi yard. We are monitoring the output turbidity at the WWTP as it seems a little high at present. Boil water notice is still in effect at Kaingarora. We believe the issue was a sampling one but the next tests will confirm this. The door at the Tiki Tiki treatment plant has required repairs.

Water Supply Operation & Maintenance

All working well. Still to complete the draw-down testing at the MPA bore site. Awaiting Chatham Islands Electricity for generator and wiring.

Water Treatment

We had a pipe joint come apart on the Kaingaroa rising main in the last week. This has been repaired and all is now going fine. The power supply at the Kaingaroa UV unit has failed and was replaced late in the month.

Wastewater Treatment Plant at Waitangi

See above.

Dayworks - Water

None this month but there will be a little in September with the costs for the UV power supply and the rising main repair costs to come.

Dayworks - Wastewater

Sucker truck to clear sewer blockage WWO Rd.

Water and Wastewater Reticulation Network

| | | <u>Separable Portion Two - Water and Wastewater</u> | | | |
|-------------|----------------------------|---|------------------|----------------------|---------------------------|
| <u>Item</u> | <u>Work Category</u> | <u>Value for Month</u> | <u>Value YTD</u> | <u>Annual Budget</u> | <u>% of Annual Budget</u> |
| 13 | Preliminary and General | \$2,451.01 | \$4,109.94 | \$49,614.04 | 8.2% |
| 14 | Water Supply Ops and Maint | \$922.32 | \$1,844.64 | \$20,067.84 | 9.1% |
| 15 | Water Treatment | \$2,947.89 | \$5,895.78 | \$39,801.86 | 14.8% |

Still one manhole to raise on Waitangi Wharf Owenga Road.

Water and Wastewater Treatment Plant: Monitoring

Both treatment plants have been monitored on a daily basis with just the turbidity issue and the non compliance at Kiangaroa being re tested.

Programmed Work for Following Month

Install pump and draw down test at the MPA yard.

Summary of Monthly Progress Claim by Work Category

| | | | | | |
|----|-----------------------------------|-------------|-------------|--------------|-------|
| 16 | WWTP Waitangi | \$5,678.72 | \$35,330.94 | \$35,580.63 | 99.3% |
| 17 | Dayworks - Water | \$220 | \$220 | \$9,519.14 | 2.3% |
| 18 | Dayworks - Wastewater | \$1,026.28 | \$1,026.28 | \$7,090.55 | 14.4% |
| 19 | Water and Wastewater Reticulation | \$0 | \$ | \$461.16 | 0% |
| 20 | Treatment Plant Monitoring | \$1,188.52 | \$2,377.04 | \$14,262.24 | 16.7% |
| | Total | \$14,434.74 | \$50,804.62 | \$176,397.46 | 34.7% |

Schedule of Work

Water Meter Report

See appendix

Irrigation Dosing

Sprinkler locations all sprayed and identified, most of the field has been mowed.

Quality Assurance

No issues

Site Safety Report

| Date | Near Miss | Incident | Lost Time Injury | Plant Damage | Depot/Worksite Inspections |
|----------|-----------|----------|------------------|--------------|---|
| 8/8/17 | N | N | N | N | Clean out old septic tank, no safety issues. |
| 13/9/17 | N | N | N | N | External survey and maintenance visit by Reamans and Stantec. No issues reported. |
| 20/10/17 | N | N | N | N | Site tidy up around WWTP All good. |
| 23/11/17 | N | N | N | N | Kaingaroa WTP checked ,cleaned and tidied out |
| 15/12/17 | N | N | N | N | WWTP Investigate/locate sprinkler heads and mark |

| | | | | | |
|---------|---|---|---|---|---|
| 15/1/18 | N | N | N | N | Repairing leak @ CIC flats, no safety issues. |
| 8/2/18 | N | N | N | N | Replaced toby valve and repaired pipe Highet Place. No safety issues. |
| 22/3/18 | N | N | N | N | Spraying and mowing @ WWTP no issues or concerns |
| 30/4/18 | N | N | N | N | Replace dislodged manhole cover at Highet Pl / Tuku Rd intersection. |
| 24/5/18 | N | N | N | N | Clear area, digout drain and metal road WWTP |
| 26/6/18 | N | N | N | N | RBC removal and bearing replacement at WWTP no issues |
| 9/7/18 | N | N | N | N | Replace float switch at old septic tank. No safety issues. |
| 23/8/18 | N | Y | N | N | Ecoli detected in Kaingaroa reticulation sample |

Environmental Non Compliance

E-coli detected in reticulation sample at kaingaroa. Boil water notice issued. Suspect a sampling error and currently awaiting subsequent testing to confirm. Boil water notice to continue until confirmed all clear.

Monthly Stocktake of Supplies

General Supplies Stockpile - Month Ending May 18

| | Stock Purchased | Stock End of Previous Month | Stock Used | Stock Remaining End of Month |
|----------|--------------------|--------------------------------------|---------------|---------------------------------------|
| Salt | | 38 bags | 10 | 28 |
| Chlorine | | 40 L | 10 | 30 |

PHOTOS



Failed bearing shell



Centre bearing position

COUNCIL MEETING AGENDA

SEPTEMBER 2018

4. WORKS & SERVICES

4.3 Kaingaroa Wharf (WS 4.1a1)

Attached is a letter that has been sent to all interested parties in the future viability of the Kaingaroa Wharf.

Council has two engineers' reports on:

1. What is required to make it safe
2. Future maintenance requirements

The intention is for wharf users to assist with the funding of the safety repairs and to seek funding for the more substantive work. See attached report.

RECOMMENDATION

THAT the Council continue to co-ordinate this project.



chatham islands council

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PO Box 24
Waitangi
CHATHAM ISLANDS 8942

Phone: 03 3050 033
Fax: 03 3050 044
Email: info@cic.govt.nz
www.cic.govt.nz

7 August 2018

The Chief Executive
Chatham Islands Council
PO Box 24
Chatham Islands

Dear Owen

Funding – Safety of Kaingaroa Wharf

Earlier this year, Chatham Islands Council agreed to purchase the Kaingaroa Wharf from Hokotehi Moriori Trust for \$1 (plus easement).

Chatham Islands Council is unable to obtain funding at this time to upgrade the Wharf, but needs to bring the wharf up to safe standards for the current users. To achieve this, the Council is seeking support/contributions from users and stakeholders.

Following the damage caused by Cyclone Pam in 2015 the Council's engineer provided a report on remedial repairs required to meet health and safety requirements; and what further works will be required to make the wharf structurally sound.

Chatham Islands Council is asking for, in principal, contributions from Stakeholders for the Kaingaroa Wharf to ensure its safety to current users while Stage 2 is in the planning.

Stage 1

Council has engaged Danny Whaitiri to price materials for hand rails and timber and other materials needed to ensure immediate safety.

Once he comes back to us with these costings we will be able to then calculate what each user would be asked to contribute.

Stage 2

Once all the work is completed we will further engage the Engineer to give their thoughts on the best way forward for the completion of the upgrade to the Kaingaroa Wharf.

Council thanks you for your consideration and hopefully support.

Yours faithfully

Owen Pickles
Chief Executive Officer

COUNCIL MEETING AGENDA

SEPTEMBER 2018

4. WORKS & SERVICES

4.4 Road Asset Valuation (WS 4.1a1)

Appended to this agenda is the latest valuation report covering the Council's roading assets. For accounting purposes this is required to be updated every 5 years.

RECOMMENDATION
THAT the report be received.

2018 ROADING INFRASTRUCTURE ASSET VALUATION

PREPARED FOR CHATHAM ISLANDS COUNCIL

August 2018



This document has been prepared for the benefit of Chatham Islands Council. No liability is accepted by this company or any employee or sub-consultant of this company with respect to its use by any other person.

This disclaimer shall apply notwithstanding that the report may be made available to other persons for an application for permission or approval to fulfil a legal requirement.

QUALITY STATEMENT

| PROJECT MANAGER | | PROJECT TECHNICAL LEAD | |
|-----------------------|--|--|--------------|
| Ali Sher Siddiqui | | Nigel Lister | |
| PREPARED BY | |  | |
| Laura Goodman | | | 3 / 09 /2018 |
| CHECKED BY | |  | |
| Shaun Bosh | | | 3 / 09 /2018 |
| REVIEWED BY | |  | |
| Nigel Lister | | | 3 / 09 /2018 |
| EXTERNAL REVIEW BY | |  | |
| Brian Smith | | | 3 / 09 /2018 |
| APPROVED FOR ISSUE BY | |  | |
| Ali Sher Siddiqui | | | 3 / 09 /2018 |

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REVISION SCHEDULE

| Rev No. | Date | Description | Signature or Typed Name (documentation on file) | | | |
|---------|-----------|-------------|---|------------|-------------|-------------|
| | | | Prepared by | Checked by | Reviewed by | Approved by |
| 1 | 3/09/2018 | Version 1 | LG | SB | NL | AS |
| | | | | | | |
| | | | | | | |

Abbreviations

| | |
|-----------|--|
| AMP | Activity Management Plan |
| CAF | Cost Adjustment Factor |
| CIC | Chatham Islands Council |
| DRC | Depreciated Replacement Cost |
| LTP | Long Term Plan |
| MRUL | Minimum Remaining Useful Life |
| NZIAVDG | NZ Infrastructure Asset Valuation and Depreciation Guidelines |
| NZTA | New Zealand Transport Agency |
| P&G | Preliminary and General |
| PBE IPSAS | Public Benefit Entity International Public Sector Accounting Standards |
| RAMM | Road Assessment and Maintenance Management (Database) |
| RAVM | RAMM Asset Valuation Module |
| TUL | Total Useful Life |

Glossary

| | |
|--------------------------------------|---|
| Annual Depreciation | The Annual Depreciation is the amount the asset depreciates in a year. It is defined as the replacement cost minus the residual value, divided by the estimated total useful life for the asset. |
| Carriageway Section | Roads in RAMM are divided into logical sections named Carriageways. These start and end at physical locations such as Intersections and Bridges. They also start and end when the number of Lanes in the Road changes or if the Road changes between Sealed and Unsealed. |
| Depreciation | Depreciation is a measure of the consumption of the economic benefits embodied in an asset. It distributes the cost or value of an asset over its estimated useful life. Thus, depreciation only applies to those assets with finite lives. Assets with infinite lives are not depreciated. Straight-line depreciation is used in this valuation. |
| Depreciated Replacement Cost | <p>Depreciated Replacement Cost is the current replacement cost less allowance for physical deterioration and optimisation for obsolescence and relevant surplus capacity.</p> <p>Where the remaining life of an asset can be assessed, the Depreciated Replacement Cost has been calculated as:</p> $DRC = (Replacement\ Cost - Residual\ Value) \times \frac{Remaining\ Useful\ Life}{Total\ Useful\ Life} + Residual\ Value$ <p>Note: That for assets that have exceeded their Total Useful Life (TUL) the Adjusted Total Useful Life is calculated as the age of the asset plus the Minimum Remaining Useful Life (MRUL).</p> |
| Engineering Fees | The Engineering Fees are to reflect the value of design effort required for construction of the asset to take place. For this valuation Engineering Fees are set at 10%. |
| Minimum Remaining Useful Life (MRUL) | The Minimum Remaining Useful Life is applied to assets that are older than their useful life. It recognises that, although an asset is older than its useful life, it may still be in service and therefore have some value. Where an asset is older than its standard useful life, the minimum remaining useful life is added to the standard useful life and used in the calculation of the depreciated replacement value. The minimum remaining useful lives of assets in this valuation are included in the asset assumption tables. |
| Preliminary and General (P&G) Costs | Preliminary and General Costs are the lump sum expenses which are incurred through the maintenance contract and are not directly related to the provision of construction materials or labour. This includes the Contractors costs for establishment, disestablishment, administration, and other general costs. |
| Replacement Cost | The Replacement Cost is the cost of building the asset "today". In arriving at the value, it is assumed that modern construction techniques and modern equivalent materials are used, but that the physical result replaces the asset as it exists. |
| Residual Value | The Residual Value is the value of the asset when it reaches the end of its life. For the purposes of this valuation we have assumed that all assets have no residual value except for concrete footpaths. The residual value has been removed due to the minimum remaining useful life being a more appropriate way of valuing assets that have reached the end of their TUL. |
| Total Useful Life (TUL) | The Total Useful Life is the period over which an asset is expected to be in service and available for use by an entity. |
| Treatment Length | A Treatment Length is a uniformly performing contiguous section of Road, which is performing differently from the adjacent sections within the same Carriageway Section. |

Chatham Islands Council

2018 Roding Infrastructure Asset Valuation

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1. Declaration of Valuation

Stantec NZ was commissioned by the Chatham Islands Council (CIC) to revalue their roading infrastructure assets as at 30 June 2018.

Stantec NZ certify that the revaluations summarised below have been completed in accordance with the following standards and are suitable for inclusion in the financial statements for the year ended 30 June 2018.

- NZ Infrastructure Asset Valuation and Depreciation Guidelines (NZIAVDG) – Edition 2.0;
- Public Benefit Entity International Public Sector Accounting Standards 5 and 17 (PBE IPSAS 5 and 17), and;
- The Local Government Act 2002.

Stantec NZ is not aware of any reason why CIC auditors should not place reliance in the valuation prepared.

The valuations are based on accurate and substantially complete asset registers, appropriate replacement costs, and useful lives. The basis of the data inputs used is described in detail in the report. All significant assumptions have been reviewed by local Stantec NZ engineers and confirmed as appropriate for the purposes of running the 30 June 2018 valuation.

- Asset lives are generally based upon NZ Infrastructure Asset Valuation and Depreciation Guidelines – Edition 2.0. In specific cases these have been modified where in the opinion of CIC/Stantec NZ a different life is appropriate.
- The asset component level of the data used for the valuation is sufficient to calculate depreciation separately for those assets that have different useful lives.

Table 1-1 shows the total valuation results for all assets. This shows an Annual Depreciation cost of **\$1,756,994**.

Table 1-1: Summary of the Asset Valuation as at 30 June 2018

| Asset Description | Replacement Cost | Total Accumulated Depreciation | Depreciated Replacement Cost | Annual Depreciation |
|---|---------------------|--------------------------------|------------------------------|---------------------|
| Formation | \$34,470,593 | \$0 | \$34,470,593 | \$0 |
| Sealed Pavement Surface | \$655,690 | \$284,578 | \$380,460 | \$65,023 |
| Sealed Pavement Layers | | | | |
| First Coat Seals | \$1,686,134 | \$131,301 | \$1,554,833 | \$28,102 |
| Basecourse | \$2,736,925 | \$213,773 | \$2,523,151 | \$45,615 |
| Subbase | \$2,353,410 | \$0 | \$2,353,410 | \$0 |
| Unsealed Pavement Layers | | | | |
| Wearing Course | \$9,332,088 | \$4,666,044 | \$4,666,044 | \$1,166,511 |
| Subbase | \$16,104,232 | \$0 | \$16,104,232 | \$0 |
| Drainage | \$11,055,003 | \$3,762,178 | \$7,292,825 | \$149,947 |
| Footpaths | \$956,880 | \$286,889 | \$669,991 | \$27,064 |
| Traffic Facilities | \$230,586 | \$114,572 | \$116,014 | \$19,919 |
| Signs | \$251,150 | \$130,670 | \$120,480 | \$29,902 |
| Bridges, Bridge Culverts, and Wharf | \$10,431,944 | \$5,175,557 | \$5,256,387 | \$176,805 |
| Minor Structures | \$354,262 | \$81,189 | \$273,074 | \$14,467 |
| Retaining Walls and Protection Structures | \$2,012,709 | \$1,638,315 | \$374,394 | \$33,638 |
| Total | \$92,631,606 | \$16,475,718 | \$76,155,887 | \$1,756,994 |

CHATHAM ISLANDS COUNCIL ROADING ASSET VALUATION 2018

Stantec NZ provided independent advice to CIC regarding this valuation.

This valuation has been externally peer reviewed by Brian Smith Advisory services Ltd.


The following personnel with relevant experience in civil engineering completed this valuation.

| Name/Role | Qualifications | Years of Relevant Experience |
|------------------------------------|--|------------------------------|
| Laura Goodman / Valuer | BE (Civil) | 1 |
| Nigel Lister / Valuer | BSc & PGDipSci (Surveying), BEng (Civil) | 12 |
| Brian Smith / External Peer Review | BCom CA | 27 |

Signatures of Valuers:



.....
Laura Goodman



.....
Nigel Lister



.....
Brian Smith (Brian Smith Advisory Services Ltd)

2. Disclosure Requirements

Consistent with NZ Infrastructure Asset Valuation and Depreciation Guidelines – Version 2.0 Section 6.2.1, it is prohibited to publish any of the following without the written approval of the valuer as to the form and context in which it is to appear:

- The report in whole, in part, or any reference thereto.
- The valuation figures contained within the report.
- The names and professional affiliations of the valuers.

The valuation has been prepared in accordance with appropriate guidelines and standards, that the engagement was performed independently and without bias towards the clients or others.

3. Comparison

3.1 Introduction

This section shows the comparison between the 30 June 2013 and 30 June 2018 valuations, with a summary comparison and individual asset type comparisons with explanations for the differences.

Table 3-1 shows the results from the 30 June 2013 valuation for all assets.

Table 3-1: Summary of 30 June 2013 Asset Valuation

| Asset Description | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|---|---|------------------------------|---------------------|
| Formation | \$24,775,260 | \$24,775,260 | \$0 |
| Sealed Pavement Surface | \$1,565,603 | \$915,817 | \$139,968 |
| Sealed Pavement Layers | | | |
| First Coat Seals | Previously reported under Sealed Pavement Surface | | |
| Basecourse | \$1,583,001 | \$791,501 | \$23,985 |
| Subbase | \$1,702,036 | \$1,702,036 | \$0 |
| Unsealed Pavement Layers | | | |
| Wearing Course | \$6,325,924 | \$3,162,962 | \$1,265,185 |
| Subbase | \$9,659,033 | \$9,659,033 | \$0 |
| Drainage | \$6,897,076 | \$3,798,105 | \$93,659 |
| Footpaths | \$625,934 | \$477,363 | \$10,550 |
| Traffic Facilities | \$221,366 | \$103,849 | \$19,929 |
| Signs | \$275,246 | \$129,009 | \$34,406 |
| Bridges, Bridge Culverts, and Wharf | \$7,892,783 | \$4,170,185 | \$154,853 |
| Minor Structures | \$179,232 | \$172,063 | \$3,585 |
| Retaining Walls and Protection Structures | \$1,860,786 | \$436,452 | \$31,934 |
| Total | \$63,563,280 | \$50,293,635 | \$1,778,054 |

Table 3-2: 30 June 2013 and 30 June 2018 Valuation Comparison

| Valuation | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|-----------------|------------------|------------------------------|---------------------|
| 30 June 2013 | \$63,563,280 | \$50,293,635 | \$1,778,054 |
| 30 June 2018 | \$92,631,606 | \$76,155,887 | \$1,756,994 |
| % Change | 46% | 51% | -1% |

The changes in Replacement Cost, Depreciated Replacement Cost, and Annual Depreciation are due to:

- Significant changes in maintenance contract rates, due to the change in Maintenance Contractor.
- Escalation/Inflation.
- An increase in asset quantities due to new construction / rehabilitation projects.
- Updates/Corrections to the asset records.
- Slight changes in valuing methodology¹.
- Inclusion of new asset types: guard rail end terminals.
- A field validation audit was completed by the previous contractor in 2013/14 and 2014/15. This compared the RAMM database records with the physical assets in the field for signs, drainage, footpaths, kerb & channel and some pavement widths.

¹ Any changes made to the valuing methodology are explained in the relevant sections.

3.2 Comparison by Asset Type

3.2.1 Formation

Table 3-3: 30 June 2013 and 30 June 2018 Formation Results

| Valuation | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|--------------|------------------|------------------------------|---------------------|
| 30 June 2013 | \$24,775,260 | \$24,775,260 | NA |
| 30 June 2018 | \$34,470,593 | \$34,470,593 | NA |
| % Change | 39% | 39% | NA |

The changes in Replacement Cost and Depreciated Replacement Cost are due to the following:

- An increase in area due to the assumption that unsealed roads have a width of 6m, instead of using the widths in the asset register (RAMM) due to a low level of data confidence.
- An update to extra widths has been made based on engineering judgement compared to the previous valuation.
- An increase in unit rates based on current escalation figures.
- Updates to the asset register (RAMM) of carriageway lengths.

3.2.2 Sealed Pavement Surface

Table 3-4: 30 June 2013 and 30 June 2018 Sealed Pavement Results

| Valuation | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|--------------|------------------|------------------------------|---------------------|
| 30 June 2013 | \$1,565,603 | \$915,817 | \$139,968 |
| 30 June 2018 | \$655,690 | \$380,460 | \$65,023 |
| % Change | -58% | -58% | -54% |

The changes in Replacement Cost, Depreciated Replacement Cost and Annual Depreciation are due to the following:

- First coat seals moved to Section 3.2.3 from 3.2.2 to reflect current valuation methodology.
- A decrease in unit rates for second coat seals, -20% and -5% for single coat and two coat chipseals, respectively, based on current contracts.
- A 4.6% increase in sealed area due to pavement widening of rehabilitation projects
- Updates to the asset register (RAMM) of carriageway lengths.

3.2.3 Sealed Pavement Layers

Table 3-5: 30 June 2013 and 30 June 2018 Sealed Pavement Layers Results

| Valuation | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|--------------|------------------|------------------------------|---------------------|
| 30 June 2013 | \$3,285,037 | \$2,493,536 | \$23,985 |
| 30 June 2018 | \$6,776,468 | \$6,431,394 | \$73,718 |
| % Change | 106% | 158% | 207% |

The changes in Replacement Cost, Depreciated Replacement Cost and Annual Depreciation are due to the following:

- An increase in unit rates for basecourse (46%) and a decrease in unit rates for subbase (-26%) due to cost fluctuations and the inclusion of current contract rates.
- First coat seals moved from Section 3.2.2 to 3.2.3 to reflect current valuation methodology.
- An 2.4 % increase in unit rates for first coat seals based on current contract rates.

3.2.4 Unsealed Pavement Layers

Table 3-6: 30 June 2013 and 30 June 2018 Unsealed Pavement Layers Results

| Valuation | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|-----------------|------------------|------------------------------|---------------------|
| 30 June 2013 | \$15,984,957 | \$12,821,995 | \$1,265,185 |
| 30 June 2018 | \$25,436,320 | \$20,770,276 | \$1,166,511 |
| % Change | 59% | 62% | -8% |

The changes in Replacement Cost, Depreciated Replacement Cost and Annual Depreciation are due to the following:

- An increase in area due to the assumption that unsealed roads have a width of 6m, instead of using the widths in the asset register (RAMM) due to a low level of data confidence.
- A revised TUL for wearing course based on current network maintenance practices.
- A 12% increase in unit rates for wearing course due to cost fluctuations and the inclusion of current contract rates.
- A 47% decrease in unit rates for subbase due to cost fluctuations and the inclusion of current contract rates.
- An update to the methodology of calculating subbase volume has been made based on engineering judgement compared to the previous valuation. The assumption is that all unsealed pavements have a 150mm subbase, so that the true replacement cost is better reflected in this valuation.

3.2.5 Drainage

Table 3-7: 30 June 2013 and 30 June 2018 Drainage Results

| Valuation | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|-----------------|------------------|------------------------------|---------------------|
| 30 June 2013 | \$6,897,076 | \$3,798,105 | \$93,659 |
| 30 June 2018 | \$11,055,003 | \$7,292,825 | \$149,947 |
| % Change | 60% | 92% | 60% |

The changes in Replacement Cost, Depreciated Replacement Cost and Annual Depreciation are due to the following:

- An increase in unit rates for drainage assets due to the inclusion of new contract rates. The exception are culverts with end areas greater than 0.64m² which saw a decrease in unit rates.
- Applying increased unit rates for drainage assets on Pitt Island to represent the increased costs associated with work on Pitt Island compared to Chatham Island. This was not done in the 2013 valuation.
- A 58% increase in the length of kerb and channel, primarily representing updates to the asset register (RAMM).
- A 171% increase in the number of sumps due to 'found asset' updates to the asset register (RAMM).

3.2.6 Footpaths

Table 3-8: 30 June 2013 and 30 June 2018 Footpath Results

| Valuation | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|-----------------|------------------|------------------------------|---------------------|
| 30 June 2013 | \$625,934 | \$477,363 | \$10,550 |
| 30 June 2018 | \$956,880 | \$669,991 | \$27,064 |
| % Change | 53% | 40% | 157% |

The changes in Replacement Cost, Depreciated Replacement Cost and Annual Depreciation are due to the following:

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- An increase in unit rates based on cost fluctuations and current contract rates.
- An overall 67% increase in total footpath area, from the new construction and updated asset records.

3.2.7 Traffic Facilities

Table 3-9: 30 June 2013 and 30 June 2018 Traffic Facility Results

| Valuation | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|--------------|------------------|------------------------------|---------------------|
| 30 June 2013 | \$221,366 | \$103,849 | \$19,929 |
| 30 June 2018 | \$230,586 | \$116,014 | \$19,919 |
| % Change | 4% | 12% | 0% |

The changes in Replacement Cost, Depreciated Replacement Cost and Annual Depreciation are due to the following:

- An increase in unit rates for cattle stops, sight rails and street lights based on cost fluctuation.
- A significant decrease in unit rates for edge marker posts and rapid markers based on current contract rates.
- A 21% increase in quantities due to new installations and updates to the asset register (RAMM).

3.2.8 Signs

Table 3-10: 30 June 2013 and 30 June 2018 Sign Results

| Valuation | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|--------------|------------------|------------------------------|---------------------|
| 30 June 2013 | \$275,246 | \$129,009 | \$34,406 |
| 30 June 2018 | \$251,150 | \$120,480 | \$29,902 |
| % Change | -9% | -7% | -13% |

The changes in Replacement Cost, Depreciated Replacement Cost and Annual Depreciation are due to the following:

- A significant decrease in unit rates based on current contract rates.
- A 15% increase in quantities due to new installations and updates to the asset register (RAMM).
- The Te One threshold signs performing beyond standard TUL.

3.2.9 Bridges, Bridge Culverts, and Wharves

Table 3-11: 30 June 2013 and 30 June 2018 Bridge, Bridge Culverts, and Wharves Results

| Valuation | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|--------------|------------------|------------------------------|---------------------|
| 30 June 2013 | \$7,892,783 | \$4,170,185 | \$154,853 |
| 30 June 2018 | \$10,431,944 | \$5,256,387 | \$176,805 |
| % Change | 32% | 26% | 14% |

The changes in Replacement Cost, Depreciated Replacement Cost and Annual Depreciation are due to the following:

- An increase in unit rates based updated cost estimates.
- A 23% decrease in number of structures due to updated asset record information and reclassification of bridge culverts based on NZTA criteria rather than using the classification in RAMM.
- An increase in depreciated replacement cost due to revised TUL for each structure based on renewal work done and condition as inspected in November 2017.
- An increase in depreciated replacement cost due to the replacement of the Te One Culvert and the Waipapaku Bridge.

3.2.10 Minor Structures

Table 3-12: 30 June 2013 and 30 June 2018 Minor Structures Results

| Valuation | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|-----------------|------------------|------------------------------|---------------------|
| 30 June 2013 | \$179,232 | \$172,063 | \$3,585 |
| 30 June 2018 | \$354,262 | \$273,074 | \$14,467 |
| % Change | 98% | 59% | 304% |

The changes in Replacement Cost, Depreciated Replacement Cost and Annual Depreciation are due to the following:

- A 212% increase in the length of guard rail valued due to new construction and 'found assets'.
- Valuing of guard rail end terminals as a separate item in the valuation with their associated cost and depreciation.
- Updates to the asset register (RAMM).
- A significant decrease in the unit cost for guard rails based on recent contracts.
- An increase in the unit rate for the Fish Factory concrete slab based on cost fluctuations.
- The TUL for guard rails was reduced to 20 years to better reflect in service performance.

3.2.11 Retaining Walls and Protection Structures

Table 3-13: 30 June 2013 and 30 June 2018 Retaining Walls and Protection Structures Results

| Valuation | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|-----------------|------------------|------------------------------|---------------------|
| 30 June 2013 | \$1,860,786 | \$436,452 | \$31,934 |
| 30 June 2018 | \$2,012,709 | \$374,394 | \$33,638 |
| % Change | 8% | -14% | 5% |

The changes in Replacement Cost, Depreciated Replacement Cost and Annual Depreciation are due to the following:

- Increase in unit rates based on cost fluctuations.
- The concrete retaining wall/seawall on Waitangi Wharf Road is performing beyond its standard TUL.

4. Valuation Methodology

4.1 Valuation Process

These values have been calculated to define this roading asset valuation; *Replacement Cost*, *Depreciated Replacement Cost* and *Annual Depreciation*. These terms are defined in the Glossary.

4.1.1 Data Source

The valuation of the roading network has been completed at a component level where appropriate. The general categories under which the road components have been valued are:

- Formation;
- Pavement (Structure and Surfacing);
- Drainage;
- Footpaths;
- Traffic Facilities;
- Signs;
- Bridges, Bridge Culverts, and Wharf;
- Minor Structures; and
- Retaining Walls and Protection Structures.

The majority of the information for valuing the above components was sourced from the Road Assessment and Maintenance Management (RAMM) database. There is a reasonable level of confidence in the completeness and accuracy of the dimensional data held in this database. All other data was sourced from Council staff and from the previous valuations. Where data is missing, assumptions have been made to enable the valuation to be completed. These assumptions are discussed further in the detail sections of this report.

All assets have been valued in spreadsheets.

4.1.2 Data Confidence

Data confidence assessments have been based on NZ Infrastructure Asset Valuation and Depreciation Guidelines – Version 2.0, Table 4.3.1: Data confidence grading system.

| | |
|----------------------------|--|
| A – Highly Reliable | Data based on sound records, procedure, investigations and analysis which is properly documented and recognised as the best method of assessment. |
| B – Reliable | Data based on sound records, procedures, investigations and analysis which is properly documented but has minor shortcomings. |
| C – Uncertain | Data based on sound records, procedures, investigation and analysis which is incomplete or unsupported, or extrapolation from limited sample for which grade A or B data is available. |
| D – Very Uncertain | Data based on unconfirmed verbal report and/or cursory inspection and analysis. |

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Table 4-1: Data Confidence

| Asset Description | Confidence | Comments |
|--|---------------------|--|
| Formation | C – Uncertain | The formation valuation uses assumed extra width allowances that have been calculated based on local engineering judgement. Unsealed roads have a default carriageway width of 6m due to a low level of confidence in the asset register. |
| Sealed Pavement Surface | A – Highly Reliable | 0.7% (by length) of sealed pavement surfaces do not have the surface material recorded and use the default single chip. |
| Sealed Pavement Layers | A – Highly Reliable | Uses assumed pavement depth allowances that have been calculated based on local engineering judgement. 0.7% (by length) of the sealed pavement layers use the default construction date (50% of TUL) as they have no construction date information. |
| Unsealed Pavements | C – Uncertain | Uses assumed pavement depth allowances that have been calculated based on local engineering judgement. Uses the default construction date (50% of TUL) as there is limited reliable construction date information. Unsealed roads have a default carriageway width of 6m due to a low level of confidence in the asset register. |
| Drainage | B – Reliable | 38% (by quantity) of the drainage assets use the default construction date (50% of TUL) as they have no reliable construction date information. |
| Footpath | B – Reliable | 11.8% (by length) of the footpath assets use the default construction date (50% of TUL) as they have no reliable construction date information. |
| Traffic Facilities – Cattle stops and sight rails | B – Reliable | Use the default construction date (50% of TUL) as they have no reliable construction date information. |
| Traffic Facilities – Street Lights and Edge Marker Posts | B – Reliable | Quantities have been estimated based on local engineering judgement. Use the default construction date (50% of TUL) as they have no reliable construction date information. |
| Signs | B – Reliable | 64.6% of the signs use the default construction date (50% of TUL) as they have no reliable construction date information. Each sign is assumed to have either one (small standard signs), two (large signs), or three (extra-large signs) post/poles due to the database having no post/pole information. |
| Bridges, Bridge Culverts, and Wharf | B – Reliable | TUL based on engineering judgement as per November 2017 bridge inspections. |
| Minor Structures | B – Reliable | Three of the minor structure assets use the default construction date (50% of TUL) as they have no reliable construction date information. |
| Retaining Walls | B – Reliable | 100% of construction dates known, however condition of retaining walls is estimated. |

4.1.3 Significant Assumptions

The default construction date is set to 50% of the Total Useful Life (TUL) – unless otherwise stated – and only used where there is no actual construction date contained in RAMM. Default dates are calculated as the first of January of the year that would make the asset halfway through its life.

Unsealed roads have a default carriageway width of 6m due to a low level of confidence in the asset register.

This valuation has been undertaken as a desktop assessment, no asset inspections were required as part of this valuation.

All significant assumptions have been reviewed by Council and confirmed as appropriate for the purposes of running the 30 June 2018 valuation. The assumptions used in this valuation are in line with current best practice and with the Council's Long-Term Plan (LTP) and Activity Management Plan (AMP).

4.1.4 Optimisation / Obsolescence

Potential physical, functional and external obsolescence has been considered in terms of the Application Guidance in PBE IPSAS 17.

The Optimised Replacement Cost is the cost of building the asset "today". In arriving at the value, it is assumed that modern construction techniques and modern equivalent materials are used but that the physical result replaces the asset as it exists. In particular, for this valuation we have assumed that all bridges and culverts will be replaced with a similar dimensioned bridge / culvert.

4.1.5 Unit Replacement Costs

The majority of unit rates in the 30 June 2018 valuation have been updated based on the current operation and maintenance contract rates (dated November 2015). These rates have been increased based on applicable NZTA cost adjustment factors to bring these rates into 2018 dollar terms.

Where current contract rates were not available, the 2013 Valuation unit rates have been adjusted based on NZTA cost adjustment factors from March 2013 to March 2018. The adjustment factor for maintenance works is 1.0626.

4.1.6 Total Useful Lives

Total Useful Lives (TULs) are generally based upon the NAMS Infrastructure Asset Valuation and Depreciation Guidelines Edition 2.0. The TULs used in the 2013 valuation were reviewed, with five changes:

- TUL for basecourse decreased from 66 years to 60 years.
- TUL for wearing course increased from 5 years to 8 years.
- TUL for streetlights decreased from 50 years to 35 years.
- TUL for guardrails decreased from 50 years to 20 years.
- Each bridge, bridge culvert, and the Owenga wharf were assigned individual TUL based on renewal/repair work completed and condition as inspected in November 2017.

All other TULs were deemed satisfactory.

4.1.7 Residual Value

For the purposes of this valuation we have assumed that all assets, except concrete footpaths, have no residual value. The residual value of footpaths is taken as the cost of the basecourse under the concrete footpaths.

4.1.8 Minimum Remaining Useful Lives

The Minimum Remaining Useful Life (MRUL) is applied to assets that are older than their useful life. It recognises that although an asset is older than its useful life it may still be in service and therefore have some value. Where an asset is older than its standard useful life, the minimum remaining useful life is added to the assets age and used in the calculation of the depreciated replacement value. The minimum remaining useful life is assumed to be two years for all assets.

4.1.9 Restoration / Dismantling / Removal

All replacement rates, where appropriate, include an allowance for site establishment, removal and disposal of the existing asset, and an amount for the formation, supply, placement, shaping, etc., of materials.

4.1.10 Quality Assurance Process

Quality checks, based on NZ Infrastructure Asset Valuation and Depreciation Guidelines – Version 2.0, Section 6.2.2, have been undertaken on this document by both the valuer and the reviewer.

4.1.11 Borrowing Cost, Construction Cost and Construction Period

No borrowing costs have been included in this valuation. The Accounting Standard PBE IPSAS 5, allows Public Benefit Entities the option to exclude or include borrowing costs on non-cash generating assets during the construction period. CIC has opted to exclude borrowing costs.

5. Formation

This item comprises bulk earthworks (excluding retaining structures) required to form the road corridor. It is not possible to assess the quantities involved with certainty as much of the construction was completed on a progressive basis over the earlier part of last century when detailed records were not kept.

Formation includes all earthworks necessary to prepare the cut and fill batters, to and bring the road foundation up to the underside of the subbase. It also includes formation of swale drain, side drains, and shoulders.

Each rate includes an allowance for:

- i) Engineering fees (10%);
- ii) P&G costs;
- iii) Clearing vegetation and stripping topsoil;
- iv) Bulk earthwork costs (cut-to-fill, borrow-to-fill etc.);
- v) Preparation of subgrade (over excavation in "soft" areas).

The replacement cost for formation is calculated as the length x (width + extra) of the treatment length multiplied by the square metre rate. The extra width (see Table 5-1) allows for additional shoulder, feathered edges, footpaths, and surface water channel (SWC) and is dependent on the terrain type.

In order to assess the value of the current formation, Stantec has established two terrain categories:

- Flat; and
- Rolling (cut and fill 1-3m).

As formation classifications are not currently recorded in RAMM for the Chatham Islands it was assumed that on Pitt Island all roads are rolling, and on Chatham Island that 50% of the roads are rolling and 50% are flat.

Table 5-1: Formation Extra Widths for Each Formation Type

| Terrain Type | Extra Width when Sealed | Extra Width when Unsealed |
|--------------|-------------------------|---------------------------|
| Flat | 1.5m each side | 1.0m each side |
| Rolling | 1.5m each side | 1.5m each side |

Table 5-2 shows the total valuation results for formation. The formation is assumed not to depreciate as regular maintenance (slip clearing, etc.) will allow it to provide adequate service indefinitely.

Table 5-2: Valuation Summary for Formation

| Description | Unit | Quantity | Unit Cost | TUL (yrs) | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|--------------|----------------------|------------------|-----------|-----------|---------------------|------------------------------|---------------------|
| Flat | m ² | 698,090 | \$12.41 | NA | \$8,663,098 | \$8,663,098 | \$0 |
| Rolling | m ² | 834,890 | \$30.91 | NA | \$25,807,495 | \$25,807,495 | \$0 |
| TOTAL | m² | 1,532,981 | | - | \$34,470,593 | \$34,470,593 | \$0 |

6. Sealed Pavement Surfacing

Pavement surfaces in the network have been analysed by carriageway length for valuation purposes.

The cost of resurfacing is calculated on a per square metre basis.

Each rate includes an allowance for:

- i) Engineering fees (10%);
- ii) P&G costs;
- iii) Surfacing supply and placement based on recent contract rates.

Note: The capital costs of installing first coat seals is allowed for as part of the sealed pavement layer structure rather than as a pavement surfacing. This is due to the first coat seal acting as the waterproof layer on the basecourse top surface and therefore being integral to the performance of the underlying pavement.

Table 6-1 shows the key parameters used in the valuation of sealed pavement surfaces.

Table 6-1: Valuation Summary for Pavement Surfacing

| Description | Unit | Quantity | Unit Cost | TUL (yrs) | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|---------------------------|----------------------|---------------|-----------|-----------|------------------|------------------------------|---------------------|
| First Coat | m ² | 43,431 | - | - | \$0 | \$0 | \$0 |
| Second Coat – Single Chip | m ² | 26,075 | \$15.95 | 10 | \$415,877 | \$203,008 | \$41,337 |
| Second Coat – Two Chip | m ² | 12,711 | \$18.87 | 10 | \$239,812 | \$177,452 | \$23,687 |
| TOTAL | m² | 82,216 | - | - | \$655,690 | \$380,460 | \$65,023 |

7. Sealed Pavement Layers

This item comprises the pavement structure made up of the first coat seal, subbase and basecourse layers. Pavement layers in the network have been analysed by carriageway length.

Replacement rates were based on the current maintenance contract.

The rates allow for:

- i) Engineering fees (10%);
- ii) P&G costs;
- iii) Supply, placement, shaping and compaction of layers.

Note: The capital costs of installing first coat seals is allowed for as part of the sealed pavement layer structure rather than as a pavement surfacing. This is due to the first coat seal acting as the waterproof layer on the basecourse top surface and therefore being integral to the performance of the underlying pavement.

The replacement costs for pavement layers are calculated as the *length x depth x width* of the treatment length multiplied by the cubic metre rate. An extra width allowance is added to the carriageway width to allow for additional pavement under the shoulder and batter slopes (see Table 7-1 and Figure 7-1) for details of the extra width allowances.

Table 7-1: Sealed Roads Extra Width Allowances

| Component | Sealed Pavement Extra Width |
|------------|-----------------------------|
| Basecourse | 0.7m each side |
| Subbase | 1.2m each side |

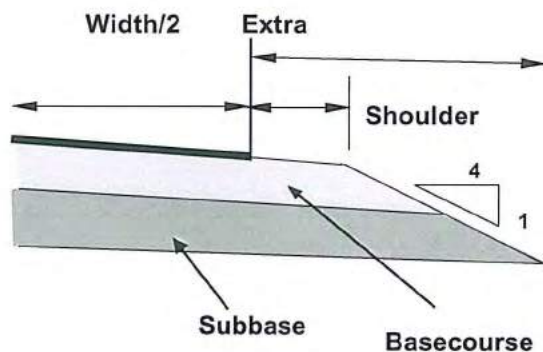


Figure 7-1: Effective Width for Sealed Pavement Structure Volumes

Pavement depths have been estimated based on Council Engineers' experience. Table 7-2 shows the values used to estimate the structure of existing pavements.

Table 7-2: Sealed Pavement Structure Depth Estimation

| Depth Estimates | |
|------------------|---------------|
| Basecourse Depth | Subbase Depth |
| 100mm | 150mm |

Table 7-3 shows the total valuation results for sealed pavement layers.

Table 7-3: Valuation Summary for Sealed Pavements

| Description | Unit | Quantity | Unit Cost | TUL (yrs) | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|------------------|----------------|----------|-----------|-----------|--------------------|------------------------------|---------------------|
| First Coat Seals | m ² | 82,216 | \$20.51 | 60 | \$1,686,134 | \$1,554,833 | \$28,102 |
| Basecourse | m ³ | 10,018 | \$273.19 | 60 | \$2,736,925 | \$2,523,151 | \$45,615 |
| Subbase | m ³ | 16,952 | \$138.83 | NA | \$2,353,410 | \$2,353,410 | \$0 |
| TOTAL | - | - | - | - | \$6,776,468 | \$6,431,394 | \$73,718 |

8. Unsealed Pavement Layers

Unsealed pavements are separated into wearing course and subbase components.

The replacement rates allow for:

- i) Engineering fees (10%);
- ii) P&G costs;
- iii) Supply, placement, shaping and compaction of layers.

The rate for the supply and placement of subbase does not vary significantly by location within the network.

The replacement costs for unsealed pavement layers are calculated as the length x depth x width of the treatment length multiplied by the cubic metre rate. An extra width allowance was added to the carriageway width to allow for additional pavement under the shoulder and batter slopes.

Table 8-1: Unsealed Pavement Extra Width Allowance

| Component | Unsealed Pavement Extra Width |
|----------------|-------------------------------|
| Wearing Course | 0m each side |
| Subbase | 0.25m each side |

Pavement depths have been estimated based on Council Engineers' experience. Table 7-2 shows the values used to estimate the structure of existing pavements.

Table 8-2: Unsealed Pavement Depth Estimation

| | Wearing Course Depth | Subbase Depth |
|----------------|----------------------|---------------|
| Unsealed Roads | 60mm | 150mm |

CIC replenishes the wearing course on a cyclic programme. The TUL for the wearing course is calculated by dividing the total unsealed pavement area by the annual area renewed under the maintenance contract (wearing course volume placed divided by depth).

It is assumed that all wearing course is halfway through its useful life due to limited reliable construction dates.

Unsealed roads subbase is assumed to not depreciate. Regular maintenance of the wearing course, through grading and replacement of lost metal, ensures the subbase layer will be unaffected by surface wear and tear and will provide service indefinitely.

Table 8-3 shows the total valuation result for unsealed pavements.

Table 8-3: Valuation Summary for Unsealed Pavements

| Description | Unit | Quantity | Unit Cost | TUL (yrs) | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|----------------|----------------------|----------------|-----------|-----------|---------------------|------------------------------|---------------------|
| Wearing Course | m ³ | 59,495 | \$156.86 | 8 | \$9,332,088 | \$4,666,044 | \$1,166,511 |
| Subbase | m ³ | 161,131 | \$99.94 | NA | \$16,104,232 | \$16,104,232 | \$0 |
| TOTAL | m³ | 220,626 | - | - | \$25,436,320 | \$20,770,276 | \$1,166,511 |

9. Drainage

This component covers the following drainage assets only (does not include any other storm water reticulation):

- Culverts (with end areas less than 3.4m²);
- Catch pits; and
- Kerb and Channel.

NZTA classifies any culvert with an end area greater than or equal to 3.4m² as a bridge culvert and as such, they are valued in the bridges section.

Replacement rates are based on actual replacements carried out in the past 3 years. Because not all size types have been replaced/installed since the last evaluation, cost rates for some sizes have been interpolated from other known rates.

The rates allow for:

- i) Engineering fees (10%);
- ii) P&G costs;
- iii) Supply, placement and compaction of backfill.

The RAMM database has many different culvert material types that when replaced, would typically be replaced with either high-density polyethylene (HDPE) or aluminium. The replacement value for earthenware, steel, wood, reinforced concrete, PVC, etc., have had the HDPE or aluminium value assigned to give a more accurate modern equivalent replacement cost.

Table 9-1 shows the total valuation results for all drainage assets.

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Table 9-1: Valuation Summary for Drainage

| Description | Unit | Quantity | Unit Cost | TUL (yrs) | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|--|------|----------|------------|-----------|---------------------|------------------------------|---------------------|
| Chatham Island | | | | | | | |
| Cul End Area <= 0.07m ² | m | 1,821 | \$1,295.12 | 75 | \$2,358,534 | \$1,668,827 | \$31,447 |
| Cul End Area >0.07 & <= 0.11m ² | m | 468 | \$1,599.34 | 75 | \$748,489 | \$502,290 | \$9,980 |
| Cul End Area >0.11 & <= 0.16m ² | m | 1,710 | \$1,895.72 | 75 | \$3,241,687 | \$2,111,810 | \$43,222 |
| Cul End Area >0.16 & <= 0.28m ² | m | 42 | \$2,465.03 | 75 | \$103,531 | \$70,401 | \$1,380 |
| Cul End Area >0.28 & <= 0.44m ² | m | 348 | \$3,003.04 | 75 | \$1,044,758 | \$672,969 | \$13,930 |
| Cul End Area >0.44 & <= 0.64m ² | m | 269 | \$3,509.75 | 75 | \$943,069 | \$578,743 | \$12,574 |
| Cul End Area >0.64 & <= 1.13m ² | m | 123 | \$4,429.27 | 75 | \$544,800 | \$400,229 | \$7,264 |
| Cul End Area >1.13 & <= 3.40m ² | m | 114 | \$5,460.53 | 75 | \$622,501 | \$433,202 | \$8,300 |
| Catch pit | ea | 20 | \$3,340.30 | 100 | \$66,806 | \$42,288 | \$668 |
| Kerb and Channel | m | 2,230 | \$372.58 | 60 | \$830,843 | \$510,609 | \$13,847 |
| Pitt Island² | | | | | | | |
| Cul End Area <= 0.07m ² | m | 183 | \$1,683.65 | 75 | \$308,108 | \$191,397 | \$4,108 |
| Cul End Area >0.11 & <= 0.16m ² | m | 18 | \$2,464.44 | 75 | \$44,360 | \$31,052 | \$591 |
| Cul End Area >0.44 & <= 0.64m ² | m | 12 | \$4,562.67 | 75 | \$54,752 | \$21,901 | \$730 |
| Cul End Area >0.64 & <= 1.13m ² | m | 10 | \$5,758.05 | 75 | \$57,580 | \$23,032 | \$768 |
| Cul End Area >1.13 & <= 3.40m ² | m | 12 | \$7,098.69 | 75 | \$85,184 | \$34,074 | \$1,138 |
| TOTAL | - | - | - | - | \$11,055,003 | \$7,292,825 | \$149,947 |

² Only the culvert sizes that are present on Pitt Island are shown

10. Footpaths

This component includes all footpaths in the road network. Inventory information is stored in RAMM and is considered to be largely complete.

Concrete footpaths are the only assets in this valuation that use the residual value fields in RAMM. The residual value of concrete footpaths is valued at \$33.20 per square metre in line with the current maintenance contract rates.

The rates allow for:

- i) Engineering fees (10%);
- ii) P&G costs;
- iii) Formation, supply, placement, shaping and compaction of layers.

The rate for the replacement of footpaths varies little throughout the network.

Table 10-1 shows the total valuation results for footpaths.

Table 10-1: Valuation Summary for Footpaths

| Description | Unit | Quantity | Unit Cost | TUL (yrs) | Replacement Cost | Residual Value | Depreciated Replacement Cost | Annual Depreciation |
|-------------------|----------------------|--------------|-----------|-----------|------------------|-----------------|------------------------------|---------------------|
| Sealed Footpath | m ² | 1,678 | \$357.89 | 60 | \$600,475 | \$45,837 | \$370,152 | \$9,244 |
| Unsealed Footpath | m ² | 1,567 | \$227.44 | 20 | \$356,405 | NA | \$299,839 | \$17,820 |
| TOTAL | m² | 3,245 | - | - | \$956,880 | \$45,837 | \$699,991 | \$27,064 |

11. Traffic Facilities

This component covers the following traffic facility assets owned by CIC and stored in RAMM:

- Cattle stops;
- Sight railing (where not attached to bridges);
- Street lights;
- Edge marker posts; and
- Rapid markers;

Exact quantities were calculated where possible.

Replacement rates allow for:

- Engineering fees (10%);
- P&G costs;
- Supply and placement.

Table 11-1 shows the total valuation results for all traffic facility assets.

Table 11-1: Valuation Summary for Traffic Facilities

| Description | Unit | Quantity | Unit Cost | TUL (yrs) | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|----------------------|------|--------------------|-------------|-----------|------------------|------------------------------|---------------------|
| Cattle Stops (large) | ea | 3 | \$10,986.27 | 15 | \$32,959 | \$16,479 | \$2,197 |
| Cattle Stops (small) | ea | 5 | \$6,408.67 | 15 | \$32,043 | \$16,022 | \$2,136 |
| Sight Rails | m | 69 | \$91.56 | 15 | \$6,317 | \$3,159 | \$421 |
| Street Lights | ea | 20 ³ | \$4,656.43 | 35 | \$93,129 | \$46,564 | \$2,661 |
| Edge Marker Posts | ea | 2,000 ⁴ | \$29.45 | 5 | \$58,894 | \$29,447 | \$11,779 |
| Rapid Markers | ea | 246 | \$29.45 | 10 | \$7,244 | \$4,343 | \$724 |
| TOTAL | - | - | - | - | \$230,586 | \$116,014 | \$19,919 |

³ Estimated based on 2013 valuation

⁴ Estimated based on 2013 valuation and safety audits undertaken in the past 5 years

12. Signs

This component covers the traffic signs owned by CIC and stored in RAMM.

Exact quantities were calculated where possible. The asset register (RAMM) was found to be inconsistent with regard to recording supplementary signs. In some locations there was both a record of the permanent warning sign and a separate entry for the supplementary sign. In 38 cases there was only one entry and so a manual search of the asset register had to be undertaken to identify the number of supplementary signs. It is recommended that the recording of supplementary signs in RAMM is reviewed going forward.

Replacement rates were based on recent sign replacements and used contract rates where available. The rates allow for:

- iv) Engineering fees (10%);
- v) P&G costs;
- vi) Supply and placement, including an allowance for the replacement of posts and fittings.

The total useful life for signs is lower than what might normally be expected on mainland New Zealand, this is due to the harsher weather conditions experienced on the Chatham Islands.

Table 12-1 shows the total valuation results for all signs.

Table 12-1: Valuation Summary for Signs

| Description | Unit | Quantity | Unit Cost | TUL (yrs) | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|------------------------------------|------|----------|-----------|-----------|------------------|------------------------------|---------------------|
| Hazard Markings ⁵ | ea | 630 | varies | 8 | \$67,147 | \$34,105 | \$8,356 |
| Information ⁶ and Guide | ea | 82 | \$439.76 | 8 | \$36,060 | \$18,800 | \$4,508 |
| Permanent Warning | ea | 159 | \$389.44 | 8 | \$61,922 | \$30,941 | \$7,633 |
| Permanent Warning Supplementary | ea | 82 | \$175.14 | 8 | \$14,362 | \$7,312 | \$1,795 |
| Regulatory General | ea | 71 | \$400.11 | 8 | \$28,408 | \$15,704 | \$3,401 |
| Regulatory Heavy Vehicle | ea | 14 | \$651.76 | 8 | \$9,125 | \$6,681 | \$1,141 |
| Regulatory Parking | ea | 8 | \$400.11 | 8 | \$3,201 | \$1,600 | \$400 |
| Miscellaneous ⁷ | ea | 7 | varies | 8 | \$30,927 | \$5,338 | \$2,669 |
| TOTAL | - | - | - | - | \$251,150 | \$120,480 | \$29,902 |

⁵ Hazard Markings include: culvert position markers (443), bridge end markers (132), hazard markers (10), single chevron curve indicators (31), and chevron horizontal curve boards (14).

⁶ Information signs include Department of Conservation signs (5).

⁷ Miscellaneous signs include: threshold signs (4), fire hazard grapefruit signs (2), and a Police road safety message sign.

13. Bridges, Bridge Culverts, and Wharf

The replacement cost of a bridge is calculated as the cost of building it "today". It is assumed that modern equivalent construction techniques and materials are used, but that the physical result replaces the bridge as it exists. For this valuation we have assumed that all bridges will be replaced with a similar dimensioned bridge or culvert which meets current cross section requirements.

Bridge length is measured as abutment to abutment, along the carriageway centreline. Bridge culvert length is measured from waterway inlet to outlet, typically perpendicular to the carriageway centreline. Approaches have been valued in the formation, pavement surfacing and pavement layer sections of this report.

There has only been a single bridge installed on the Islands since 2013, which was the full replacement of the Waipapaku Creek Bridge constructed in March 2018 on Pitt Island. Therefore, there is a lack of representative contracts to establish unit rates, particularly for Chatham Island.

Similarly, there has only been one large culvert installed on the Islands since 2013, which was the Te One Creek culvert constructed in November 2015. Therefore, there is also a lack of representative contracts to establish unit rates.

Stantec has calculated the 2018 unit rates by using cost estimations for bridge and bridge culvert replacements in New Zealand and then increased them by 15% to account for the additional costs associated with construction on the Chatham Islands.

The rates allow for:

- i) Engineering fees (10%);
- ii) P&G costs;
- iii) Substructure formation and construction;
- iv) Superstructure construction.

The remaining life of a bridge or bridge culvert is dependent on a number of factors. For the purpose of this valuation, Stantec has completed condition assessments on all bridges, bridge culverts and the wharf in November 2017 to determine their actual remaining useful lives.

Table 13-1 shows the total valuation results for bridges, bridge culverts, and wharf.

Table 13-1: Valuation Summary for Bridges, Bridge Culverts and Wharf

| Description | Unit | Quantity | Unit Cost | TUL (yrs) | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|--------------------|----------------|----------|----------------|-----------|---------------------|------------------------------|---------------------|
| One lane (simple) | m | 37 | \$29,828.70 | Varies | \$1,103,662 | \$570,438 | \$19,119 |
| Two lane (simple) | m | 59 | \$45,736.90 | Varies | \$2,698,477 | \$615,161 | \$53,055 |
| One lane (complex) | m | 40 | \$40,302.90 | Varies | \$1,612,116 | \$564,241 | \$26,869 |
| Two lane (complex) | m | 23 | \$61,798.00 | Varies | \$1,421,354 | \$473,785 | \$23,689 |
| Bridge culverts | m ² | 484 | \$3,689.40 | 100 | \$1,785,301 | \$1,547,714 | \$17,853 |
| Owenga Wharf | ea | 1 | \$1,811,034.74 | 50 | \$1,811,035 | \$1,485,048 | \$36,221 |
| TOTAL | - | - | - | - | \$10,431,944 | \$5,256,387 | \$176,805 |

14. Minor Structures

This component covers all the minor Structures that were identified in RAMM as owned by CIC. This consists of guard rails (and their end terminals) and a concrete slab at the foreshore (part of the road network at the Fish Factory).

Replacement rates were based on known construction costs, scaled up to account for inflation.

The rates allow for:

- i) Engineering fees (10%);
- ii) P&G costs;
- iii) Supply and installation.

Table 14-1 shows the total valuation results for the minor structures.

Table 14-1: Valuation Summary for Minor Structures

| Description | Unit | Quantity | Unit Cost | TUL (yrs) | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|---------------------------|----------------|----------|------------|-----------|------------------|------------------------------|---------------------|
| Guard Rail Safety Barrier | m | 281 | \$708.46 | 20 | \$199,078 | \$146,546 | \$9,954 |
| Barrier End Terminals | ea | 8 | \$5,873.13 | 20 | \$46,985 | \$33,477 | \$2,349 |
| Concrete Slab | m ² | 300 | \$360.66 | 50 | \$108,199 | \$93,051 | \$2,164 |
| TOTAL | - | - | - | - | \$354,262 | \$273,074 | \$14,467 |

15. Retaining Walls and Protection Structures

This component covers all retaining wall installations that were identified by the CIC as being owned/maintained by the Council.

The replacement cost of a retaining wall is calculated as the cost of building it "today". It is assumed that modern equivalent construction techniques and materials are used but that the physical result replaces the retaining wall as it exists. For this valuation, Stantec has assumed that all retaining walls will be replaced with a similar dimensioned concrete or rock retaining wall.

Replacement rates for retaining walls are very site specific with substantial variations depending on the engineering involved.

Each rate includes an allowance for:

- i) Engineering fees (10%);
- ii) P&G costs;
- iii) Supply and installation.

Rock protection structures have been given a total useful life of either 50 or 15 years. Those with 15 years are located adjacent to the sea and are more prone to erosion. It is recommended that a condition assessment of all retaining walls be carried out and a suitable useful life be assigned to each individual retaining wall.

The concrete retaining wall on Waitangi Wharf Road has a date of construction of 1935. This means the retaining wall has now exceeded its total useful life of 80 years.

Table 15-1 shows the total valuation results for the retaining walls.

Table 15-1: Valuation Summary for Retaining Walls

| Description | Unit | Quantity | Unit Cost | TUL (yrs) | Replacement Cost | Depreciated Replacement Cost | Annual Depreciation |
|--------------|----------|------------|------------|-----------|--------------------|------------------------------|---------------------|
| Concrete | m | 450 | \$2,731.49 | 80 | \$1,229,172 | \$28,922 | \$14,461 |
| Rock | m | 365 | \$2,146.68 | varies | \$783,537 | \$345,472 | \$19,177 |
| TOTAL | m | 815 | - | - | \$2,012,709 | \$374,394 | \$33,638 |

16. Recommended Improvement Actions

The following general recommendations will improve the accuracy of future valuations by reducing the number of assumptions required and by ensuring that those assumptions that are used best represent the conditions in the network.

Table 16-1 presents the improvement actions recommended in the previous valuation and the progress towards these actions.

Table 16-1: 2013 Recommended Improvement Actions

| Recommended Improvement Actions | Links to OAG Assessment Criteria for Asset Management* | Action Completed |
|--|--|---|
| Pavement Structure, Kerb and Channel, Footpaths and Traffic Facilities It is recommended that an audit be carried out prior to the next valuation to determine either their actual construction date or a remaining life based on condition. | Lifecycle (Optimised) Decision-making | An audit of kerb & channel, drainage, footpaths and traffic facilities as recorded in RAMM was undertaken by the Contractor during 2013/14 & 2014/15. |
| Bridges, Bridge Culverts, and Retaining Walls It is recommended that these assets have a condition assessment carried out to determine their remaining useful life and that a specific replacement cost be provided from a suitably qualified structural engineer. | Lifecycle (Optimised) Decision-making | Condition assessment undertaken in November 2017. |
| Pavements Review the width of pavements as recorded in RAMM | Description of Assets | An audit of the physical assets as recorded in RAMM was undertaken by the Contractor during 2013/14 & 2014/15. |
| Valuation Methodology The next audit to be completed using RAVM (RAMM Asset Valuation Module) rather than a spreadsheet-based evaluation. | N/A | Deferred due to RAMM data quality not being sufficient to complete valuation via RAVM. |

* As detailed in the International Infrastructure Management Manual – Version 3.0, 2006

Table 16-2 presents the 2018 valuation recommended improvement actions.

Table 16-2: 2018 Recommended Improvement Actions

| Recommended Improvement Actions | Links to OAG Assessment Criteria for Asset Management* | Action Completed |
|--|--|------------------|
| Engineering Fees Review and verify the current applied Engineering Fees, which are based on engineering judgement. | Planning Assumptions and Confidence Levels | |
| Valuation Assumptions Review and verify the assumptions used in the valuation. In particular total useful lives, pavement depths, pavement widths and extra widths which are based on engineering judgement. | Lifecycle (Optimised) Decision-making | |
| Valuation Methodology The next valuation to be completed using RAVM (RAMM Asset Valuation Module) rather than a spreadsheet-based evaluation. | N/A | |
| Valuation Frequency The next valuation to be completed in three year intervals, rather than in five year intervals. | Planning Assumptions and Confidence Levels | |

CHATHAM ISLANDS COUNCIL ROADING ASSET VALUATION 2018

| Recommended Improvement Actions | Links to OAG Assessment Criteria for Asset Management* | Action Completed |
|---|--|------------------|
| Retaining Walls and Protection Structures It is recommended that these assets have a condition assessment carried out to determine their remaining useful life. | Lifecycle (Optimised) Decision-making | |
| Signs Improve record keeping of supplementary signs in asset register. | Description of Assets | |
| Drainage Assets and Traffic Signs and Traffic Facilities 38%, 65%, and 100% of these asset types, respectively, use the default construction date of 50% of TUL. It is recommended that an audit be carried out prior to the next valuation to determine a remaining life based on condition. | Lifecycle (Optimised) Decision-making | |

* As detailed in the International Infrastructure Management Manual – Version 3.0, 2006

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COUNCIL MEETING AGENDA

SEPTEMBER 2018

6. REGULATORY

6.1 Update from Environment Canterbury

(R 6.1f1b)

See attached.

RECOMMENDATION
THAT the report be received.

Activity for July/August 2018

5. REGULATORY

5.1 Update from Environment Canterbury

CIC Corporate Services

Annual Report: Focus for the corporate services team is on preparing the Chatham Islands Council (CIC) Annual Report 2017/18 for audit. Audit NZ are expected to be on-site 1 October 2018. In preparing the financial statements, focus has been directed to resolving legacy system inconsistencies, which have been aggregated over time. It is likely this will involve a notable expenditure write-off in year, which may have an impact on the audit opinion.

On-going funding support: The confirmed level of support from the annual crown contribution for the 2018/19 budget was at the 'status quo' level of funding. This means, the Council will need to self-fund the 12% NZTA funding shortfall and any other unfunded capital projects. Going forward, it has been assumed that funding support from 2019/20 onwards will include sufficient coverage for all operating projects, support for a capital investment program and cover the NZTA shortfall. This additional support is not guaranteed and amounts to an approximate \$1.4 million increase in funding per annum.

The financial assistance package was independently reviewed by McGredy Winder, with the Government electing to fund the status quo, as opposed to suggested assistance packages. The level of support is now being reviewed by an independent consultant. The current confirmed level of funding support (and lack of infrastructural investment) may potentially impact on the Annual Report's audit opinion in terms of financial stability ("going concern") or asset management.

Payroll: Environment Canterbury (ECan) are now providing additional assistance processing payroll for all CIC staff, including PAYE reporting. In addition, we have been working with Council to assist with updating staff contracts and policies.

Reporting: ECan is in the process of updating the current CIC steering group dashboard report, this provides an opportunity to refresh the information currently being presented. We would appreciate receiving feedback on desired information for inclusion within these reports.

CIC Hydrology

No visits have been made to the Island this month; the telemetry is working well with no issues to report. Next visit is scheduled for mid-October.

ECan are currently querying the cost of satellite telemetry with our providers and will seek a cost reduction for the Chathams at the same time.

CIC Water Quality

ECan water quality, consenting and contaminated sites staff are meeting with the health board on Friday, 7 September to discuss the current Chatham Island sewage disposal methods, and possible risks associated with these. CDHB would also like to discuss the status of any consents in the area, and long-term solutions.

In a recent email from Susan Thorpe (Hokotehi Moriori Trust), there was the comment that monitoring data and analysis was not available. With permission, we can add all relevant reports to the CIC website under the environmental data section (with a new section for water quality) and look at providing a facility to download water quality data directly (ECan have just initiated this on our own website).

CIC Communications

- After technical/licensing issues, the new website finally went live on Thursday, 16 August 2018. Have since made minor content updates and will also add a Resource Management page (under primary services) – working with Lisa Jenkins on content.
 - Also finalising a website ‘guide’ for CIC staff incl. website purpose, guidelines, list of content owners and their responsibilities, review timeline i.e. annually for different content areas, process for making changes etc.
- Annual Report comms/design work has started.
- Developing a comms workplan for the year ahead, including all BAU items we know are coming up (that recur every year) and other known items such as a Facebook needs analysis/review.

CIC Consents

There is no further activity during this reporting period for Consents.

CIC Resource Management

At the last Steering Group meeting Joe Harrison briefed the group on the implications of the National Environmental Standard for Plantation Forestry (NES-PF) and noted that a simple plan change is needed to align the CIRMD with the NES-PF. Work has not progressed on this due to resourcing constraints in the past month; however, the Plan change can be completed over the next six weeks.

CIC Biosecurity – Border Control

Rodent Control

Routine rodent baiting still ongoing at the Waitangi Wharf, Airport and Glen Kings storage shed.

While Kerri and Moki were getting further training, they were invited to join other specialist dogs and handlers to carry out a “blitz” on Great Barrier Island in Whitianga Harbour between 29 October 2018 and 2 November 2018. The intent is to eradicate and/or locate all Rodents, Plague skinks and Argentine ants. All three of these species are of concern to Chatham Islanders, so I feel the experience for Kerri and Moki warrants the expense of sending them to this project. It also shows excellent collaboration with other specialists which we may need to call upon at some point in the future.

Approval sought:

1. To send Kerri and Moki to Whitianga for about 7 days to participate in this joint project

The Annual Report for Border biosecurity activities from SPS Biosecurity is attached to this report (Appendix 1)

CIC Biosecurity – Pest Management Strategy

Robin Seymour was off the Island for about 2½ weeks leave in late August. Kerri was also off island briefly with Moki and further training.

Jacqui has been engaged on a “as required” basis with weekly hours ranging from 4 to 24.

The following is an extract from Kerri’s Monthly Report which covers the bulk of activities for July/August.

- Issues with dirty freight coming from Timaru (warrant cards?) Have talked with Greg he seems to think biosecurity is not his handler’s problem. No issues with Napier as Loretta just refuses to accept the freight.
- Contestable Fund organised, advertised, property checks done, applications received and closed, meeting this afternoon regarding the allocation.
- Still waiting on the list of suppliers to the Chathams from SPS, have been asking for this for a long time now.
- Gunnera seed heads shipped off the island to Timaru for burial.
- Jacqui to Kaiwhata for Banana Passionfruit control.
- Jacqui carried out prilling on scattered gorse along the Owenga road and in some paddocks in the same area.
- Discussed the Emu situation with Oscar Nissen told him to contact the council to let them know about the issue.
- To Timaru with Moki to go over freight shed, interested in pallets that contained grass seed that were stored but not destined for the Chathams.
- To Nelson for NETS with Robin and Jacqui. Talked with Neil Martin from Kiwi care, they are keen to send over some product for us to trail out on gorse.

- Growsafe/Chainsaw course advertised, 16 for Growsafe and 13 for Chainsaw.
- Talk with James Moffett regarding his Crack willow on Pitt Island, he is happy for us to control it for some prills.
- South Coast to control one area of Kahili Ginger with Jacqui.
- Jacqui to carry out boat/freight when I was out.
- Bee Awareness month during September, was approached about this. Have talked with the three schools and they are all happy to receive information and bee seed mixes to plant around their schools, also there are a couple of area on council land where they can be scattered.
- To Rotorua for Dog Hui great turn out plenty of handlers and dogs, all very helpful if having an issue. Guss Knopers (purchased Moki) helped with a couple of obedience issues I am having with Moki. Training is ongoing, he is very good with tracking lines, found a rat that had died a couple of day earlier at the wharf shed. Has been on the Southern Tiare and found one area of interest around a freezer, been around all of the bait stations not a lot of interest in most, but very interested below the co-op at Owenga.

In late August, all Canterbury Bio-security Officers attended a full day training event entitled "The Bio-security Act 1993; Powers and Implementation". This was run by Grant Crossett of Grant Crossett Contracting Ltd.

I found this very informative, as it is a preamble to issuing new staff "Authorised Person Warrant Cards" and a refresher to current warranted staff. The emphasis was on how the Biosecurity Act links in with the Privacy Act and the Bill of Rights Act and how all our actions to protect the environment should follow procedure **AND** be fair and reasonable.

It also highlighted some glaring omissions in the Chathams context.

We currently have no Warranted Biosecurity Officers present on the Island and if we are required to stop freight, kill pests or require other actions from people we have no legal authority to do so.

A Warranted Person can only have their Warranted Card signed off by the CEO of the District/Region the Biosecurity Officers are working in, in terms of the local Pest Management Plan.

In the Chathams context, this is Owen and the Chatham Islands Pest Management Plan. Warranted Officers from Canterbury have no Authority on the Chatham Islands. This really needs to be rectified as soon as possible.

Approvals sought:

1. I would like approval to engage and send Grant Crossett to the Island to carry out the same training for Kerri, Robin, Jacqui and I would suggest all the Councillors.
2. Once this training has been done, we look at getting Kerri and Robin "Warranted" as soon as possible.

CIC Navigation Safety

- Ongoing provision of advice and support for the Waitangi Wharf project.
- Review of the existing CIC Safety Management System and Risk Assessment completed. Possible entry to ISO9001/2015 accreditation dependent upon funding from DIA.
- CIC now signed up to NZ Port & Harbour Marine Safety Code (the Code). Initial Code Consistency Assessment likely to be last quarter 2019.
- Annual Code membership fee for CIC paid by ECan HMO on behalf.
- The new Harbourmaster Direction to manage shipping at the new wharf is ready for review by the CIC HM's.
- AIS project in Canterbury is progressing. Information from this will be drawn on to provide a firmer view of what could be done for Chatham Islands Council and what costs/benefits would be.

CIC Compliance

Discussions are underway to conduct a compliance visit focusing on the storage of dangerous goods and potential contaminated sites.

RECOMMENDATION

THAT the Activity report be received.

COUNCIL MEETING AGENDA

SEPTEMBER 2018

6. REGULATORY

6.2 Allocation of Gorse Free Fund (R 6.7e)

Councillors met on Monday 3 September 2018 to consider the distribution of the Gorse Free Funds.

Kerri presented the revised schedule for approval at the Council meeting.

RECOMMENDATION

THAT Council approves the schedule of grants for distribution.

COUNCIL MEETING AGENDA

SEPTEMBER 2018

8. GOVERNMENT

8.1 Waitangi Day Celebrations

(R 8.3d)

Attached is a letter from Rt Hon Jacinda Adern, Minister of Arts Culture and Heritage, announcing the renewal of the 'Commemorating Waitangi Day Fund'.

Over recent years Chatham Community Focus Trust has organised the Chatham events. A copy of this has been forwarded to them.

RECOMMENDATION

THAT the letter be received.

Prime Minister

MP for Mt Albert

Minister for Arts, Culture & Heritage

Minister for National Security & Intelligence

Minister for Child Poverty Reduction



Owen Pickles
Chief Executive
Chatham Islands Council

owen@cic.govt.nz

Tēnā koe Owen

Marking Waitangi Day in your community

Waitangi Day is a time for reflection on the bicultural foundations of our modern nation and how we value the contribution of all the cultures who are represented in New Zealand today. Waitangi Day commemorations are important to the growth of our national identity in bringing people of all cultures together.

This is a day that should be commemorated not only at Waitangi, where the Treaty was first signed, but throughout the country, to recognise that the Treaty itself travelled, and that its impact is part of the fabric of our entire nation.

In many centres annual Waitangi Day events are well established and enjoyed by thousands of New Zealanders. However, there are some parts of the country where people do not have the opportunity to participate in such events.

If there is a gap in the calendar in your local community at Waitangi Day, I encourage local councils, local iwi and community groups to work together to design and run local events. It is my hope that we will see events organised throughout the country so that all New Zealanders have the opportunity to participate in an event on Waitangi Day, or on the local anniversary of the Treaty signing.

The Commemorating Waitangi Day Fund provides funding for events that commemorate the signing of the Treaty of Waitangi. Applications for the Commemorating Waitangi Day Fund are now open. Applications must be submitted by 1 October 2018. For more information on the fund criteria, please visit the Ministry for Culture and Heritage's website: mch.govt.nz/funding-nz-culture/ministry-grants-awards/commemorating-waitangi-day-fund.

I look forward to hearing about all the exciting events that are being planned for Waitangi Day 2019.

Nāku me ngā mihi

A stylized, handwritten signature in black ink.

Rt Hon Jacinda Ardern
Minister for Arts, Culture and Heritage