

Verbal presentation to GWRC Hearing Stream 3 on the topic of earthworks

Good afternoon,

Thank you for the opportunity to present to you today.

My name is Fraser May, I am the Communications and Advocacy Manager at Civil Contractors New Zealand.

CCNZ is a not for profit national business association, representing more than 800 companies that are responsible for constructing and maintaining the country's horizontal infrastructure, for instance roads, bridges, water networks, etc.

With me today is Marianne Archer, a director of Goodman Contractors, a CCNZ member contractor specializing in heavy earthmoving that employs over 200 staff, and has been responsible for a significant amount of the earthworks across the lower north island. Goodmans have been operating since 1963 and were the first contractor to work according to GWRC guidelines on a job in Kaitoke. Additionally, they were the first contractor to work in accordance with Horizons Guidelines on a job in Palmerston North. Goodmans photos are still scattered throughout the GWRC Guidelines.

We are here today to present on the earthworks provisions within PC1, further to the written submissions we made during the consultation process.

We are also here to cover off some of the impacts the changes made in PC1 have had on the industry since they were made.

For context, I'm not an expert in environmental science, or in making planning submissions to council. My background is communications and engagement, and part of my role is to listen to the issues members face and identify workable avenues where their practical knowledge can enable good results.

I have worked with Marianne and the rest of our members, who employ and manage crews of people with direct responsibility for earthmoving.

In our presentation today, we want to cover:

- A summary of some of the issues contractors have faced under the previous changes implemented under PC1
- The definition of earthworks
- Sediment control
- Winter works – can be managed in a variety of ways.
- Simplifying the rules to make compliance easier.

We welcome your questions and will leave time for those following the presentation.

Quick executive summary

We have made this submission in response to the increasing importance of good soil management in NZ. So, it was by chance that we participated in the planning process.

But we are glad we did. Civil contractors' business is to construct infrastructure. And for that to happen, earth must be moved.

The hard shutdown of winter earthworks that was proposed in the original PC1 of December 2023 makes it impossible for local earthmoving contractors to retain staff or stay in business. We have had significant impacts from unnecessary seasonal site shutdowns, and there are several significant issues from this.

One is **increased cost** for site shutdown preparations for the four months from June to September. One example provided by a member has seen earth bunds constructed and ground cover spread to the cost of around half a million dollars, because Greater Wellington has required it under its interpretation of the rules under PC1.

The site was already controlled in accordance with an Erosion Sediment Control plan approved by GWRC. This cost will be required every winter until the job is finished in 2027. A lot of clients do not understand these costs and do not want to pay them. Goodmans have a current situation where the client is refusing to pay for stabilization for winter. Goodmans therefore carry this cost or the risk of non-compliance.

Instead, these businesses could be actively managing sediment on site. Good management practices are available and supported by CCNZ, not least with the CCNZ Environmental Guide and *GWRC Erosion and Sediment Control Guideline for the Wellington Region (2021)*. I would ask why we are imposing shutdowns in the rules, when sites could instead be supported to achieve good practice.

Another is **workforce retention**. I ask how businesses with a four-month gap can be able to retain workers and provide for staff.

The workers that construct and maintain infrastructure are skilled heavy machine operators, and if we can't provide work for them for four months, they will leave our companies and more likely, the country.

[Marianne:] This year has hit particularly hard and Goodmans have 88 surplus staff that we don't require through the winter shut down. These are FTE employees and does not include our temps and subcontractors who we have already had to downsize. We are doing our best to keep everyone employed and are having to increase our borrowings by \$3.6m to do this. We need to maintain the staff to cover workload coming in October. We also take great pride in feeding families and the thought of letting 88 people go, and then having to re-hire them next season is heartbreaking.

Yes, sediment does increase on wet days, but it can be controlled on sites. Equally, sediment can come from tracks, fields, parks or yards, so it's important to recognize that earthworks, while controlled, aren't the only cause of sediment. Site controls in an approved ESCP are built for 1 in 20 year events and up to 1 in 30 year events. A lot of these 'weather' events are occurring outside of winter months. Additionally, earthworks sites are not always a risk in wet weather. Having 'winter' defined as the shut down is becoming irrelevant to current trends. Look at Cyclone Gabrielle – summer.

Civil contractors are the ones performing earth stabilization for infrastructure work, yet despite being the experts in earthmoving and physical construction, they are regularly excluded from having input to changes in policies. The industry stumbles across proposed changes by accident or after they are implemented having already impacted the industry.

So, that brings us to the ability to address the region's infrastructure needs. Practical application of the Natural Resources Plan requires careful consideration.

A big issue at the moment is the timing of granting winter works permits.

- A contractor must stabilize the site for winter shutdown before 1 June.
- GWRC will visit the site sometime in May to assess the site for winter works
- GWRC leave the site and review the winter works submission.
- As of 29/5 (today) we are still waiting to hear about 2x sites winter works applications.

This may seem arbitrary, but this leaves the contractor in a state of limbo for this period. Additionally, on 1 June, we're scrambling to find work for our staff with very little lead time. We believe that consideration of winter works needs to be brought forward earlier so all sites have time to react.

In line with this, we believe there needs to be better collaboration with GWRC – they should not just be enforcement. Even WorkSafe have moved away from this model. For every site, GWRC approve the ESCP and yet all the risk falls to the contractor. GWRC have no skin in the game. We believe good practical implementation of the NRP and collaboration would include:

- Be involved in project start up meetings to understand the site, the construction methodology, the geotechnical matters, and how this all applies to the construction and monitoring of environmental controls.
- Monthly proactive walk arounds and audits with the contract for compliance, but more importantly building a relationship and actively addressing issues as they arise.
- Having more options for stabilization – at the moment hay stabilization is standard – this is using good stock food when our farmers also need it. Technologies are changing all the time and polymers and other alternatives should be considered.
- Seminars and education – bring back the regular Muddy Waters Seminars

- Annual engagement via industry channels – e.g. CCNZ branch meetings
- Have a reasonable response time for queries and submissions
- Address the issue with late consenting – this year alone, Goodmans had 4 jobs start in mid February/March due to late consent approvals. We are working magic trying to get these jobs done (& our summer income in!) during a 3 month window instead of the entire construction season. The issue has been amplified this construction season.
- Where blatant disregard for regulation is evident, move to prosecution, but remove the red tape and become enablers.

[Fraser: Comment on earthworks not being the only source of sediment – and better monitored and controlled than some others, i.e. tracks, back yards, etc]

So, we are asking you to look at how earthworks are regulated through these rules and policies, and how they can enable Greater Wellington to support the industry to work optimally, year-round.

Having read the officer's report, we are glad the position has been changed and that some of the issues seem to have been recognized in policy. We note many of the recommended amendments in the updated version, and largely support these, but feel more fine tuning is needed.

For the next part of the submission, I'm going to be specific about the points we would like to see amended in the Earthworks provision, take you through the clauses we feel need to be fine tuned, then share some examples of the impact previous policies have had on the industry, and then we welcome further questions and discussion.

I would like to specifically review the policies proposed in Appendix 4: Recommended Amendments to Provisions and Section 32AA Evaluation

Policies WH.P29, P.P27 and WH.P30, P.P28: Management of earthworks sites and discharge standards for earthworks sites

Action required: Point (e), which references a 'winter shutdown of earthworks', must be deleted. This perception that all earthworks must

be shut down for an arbitrary four months is not acceptable to industry, as it means we are unable to retain a workforce to service the region's infrastructure needs.

We dispute the need for a shutdown of winter works, and question the intent of the closedown period noted in (e). This timing is arbitrary, not necessarily aligned with wet weather months, and does not recognise or support high-quality soil management and sediment control.

This point also does not align with the removal of a 'winter closedown period' from many other policies, namely the proposed deletion of Policies P.P29 and WH.P31: Winter shutdown of earthworks, which is proposed to be deleted due to recognition that sediment from earthworks can be managed and controlled- which is something we wholeheartedly agree with.

It's really important that GWRC recognises that the objective here is not minimising works, as in minimising the amount of work it is possible for the industry to perform, but rather minimising the adverse effects of works. There is a big difference, and this wording will guide the actions of GWRC staff.

Change requested: All mention of a 'winter works shutdown' must be removed to align with Policies P.P29 and WH.P31. This will work best **if point (e) is deleted.**

Alternate change required, if the above request is not acceptable:
The policy wording for point (e) should be amended to 'Minimising **any adverse effects resulting from** works between 1 June and 30 September'.

Policies WH.P30 + Rule WH.R24 + Rule P.R23: Discharge Standard for earthworks sites

The wording is too complex, and seems unworkable for sites due to complexity.

Site management and good practice is covered off under point (b). So it is not necessary to add the additional complexity proposed.

As it stands, the wording would require an expert to measure the average visual clarity of the river, and then measure the impacts of the discharge on the average visual clarity.

If it goes ahead, would require clear and simple illustration by GWRC for industry to reach appropriate solutions.

NTU is a normal measure for industry (in areas where there are low tannins in the water). It is an on-site rather than a lab-based test, meaning it does not delay work, and it can also be objective and measured over time, rather than based on an arbitrary point in time (that could be chosen based on whether the project is well-liked or not).

There are also notable cases of water dosing with flocculant and/or polymers used to improve visual clarity, which can increase risk for marine life.

We also question who the 'suitably qualified person' mentioned in (b) is for taking tests and the training needed to be able to do these tests. This needs to be someone who is part of project delivery, or it will cause delays.

Recommendation: Part (a) should end after 'artificial watercourse' as processes for management are already covered in the Sediment Control Guidelines mentioned under (b).

If the intent is to conduct stream monitoring, this is a separate activity and should be performed by GWRC or scoped for individual projects where it is a significant risk, not forced onto contractors as a blanket rule.

Part b needs immediate clarification around who is a 'suitably qualified person'.

Policies P.P29 and WH.P31: Winter shutdown of earthworks

We support removal of the shutdown of winter earthworks wholeheartedly. This policy needs to be removed as soon as possible, as it is not workable for our members.

We agree with the reasoning provided. It is essential this change goes ahead, and these policies are deleted in favour of good management of sediment on site.

Rule WH.R23A – Minor earthworks associated with infrastructure and
Rule P.R22A Minor earthworks associated with infrastructure

Agree with position that they should be permitted, but the list used in this rule was defined as 'not earthworks' earlier in the document. Is that correct?