

**BEFORE THE HEARINGS PANEL**

**IN THE MATTER** PC85 Rural Areas;  
PC85A Rural Production  
Environment;  
PC85B Strategic Rural Industry  
Environment;  
PC85D Rural Living Environment;  
PC87 Coastal Area;  
PC86A Rural (Urban Expansion)  
Environment;  
PC86B Rural (Urban Expansion)  
Living; and  
PC102 Minerals.

**AND** Submissions by **GBC Winstone**  
**(Submitter No. 250)**

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**STATEMENT OF EVIDENCE OF  
IAN WALLACE  
ON BEHALF OF GBC WINSTONE**

**Dated: 6 July 2017**

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## **STATEMENT OF EVIDENCE OF IAN WALLACE**

### **INTRODUCTION**

1. My qualifications are Bachelor of Science in biology and Master of Science in ecology and resource management (Honours) from the University of Waikato. I am an associate member of the New Zealand Planning Institute.

### **EXPERIENCE**

2. I am employed by GBC Winstone as an Environmental Projects Leader, a position I have held since October 2012. Responsibilities include the management of large consenting projects, stakeholder and community engagement, compliance and strategy.
3. I have worked in the environmental management field (primarily as a project manager) since 2007. Previously, I was employed by AWT New Zealand Limited as an Environmental Planner / Advisor for 3+ years, primarily involved with large wastewater / stormwater projects. I then worked for Mighty River Power as an Environmental Advisor for 3+ years, primarily involved with managing existing resource consents.

### **EXECUTIVE SUMMARY**

4. GBC Winstone has a long history operating quarries in the Northland region and seeks, wherever possible, to minimise the impacts of its operations. This can be achieved through local sourcing of aggregate and extending the operational life of existing quarries, rather than developing new quarries that are further from the market.
5. With the time critical nature of major infrastructure projects, such as the planned upgrade of State Highway 4 from Whangarei to Ruakaka, having access to aggregate in a timely manner is important in keeping the costs of projects down, reducing impacts on the transport network and benefitting the local economy.
6. It is important that regionally significant quarries such as Otaika, Portland and Wilsonville are appropriately recognised and protected through the proposed District Plan Changes 85 A – D, 86 A B, 87, 102 and 104. It is apparent from the Officer's Report that the significance of these operations is not well understood and consequently the proposed objectives, policies and rules are not sufficiently enabling and/or offer appropriate protection to enable their continued sustainable operation in the region.

### **SCOPE AND STRUCTURE OF EVIDENCE**

7. I have structured my evidence as follows:

- GBC Winstone's operations in New Zealand and the Northland Region;
- The importance of aggregates;
- The demand for aggregates;
- Otaika Quarry;
- Future development constraints;
- Reverse sensitivity and Otaika Quarry;
- Conclusions.

### **GBC WINSTONE'S OPERATIONS IN NEW ZEALAND AND THE NORTHLAND REGION**

8. GBC Winstone is a division of Fletcher Concrete and Infrastructure Limited, a member of the Fletcher Building group of companies. GBC Winstone is New Zealand's largest manufacturer and distributor of cement, aggregates and sand, which supplies roading, ready mixed concrete, concrete product manufacturers and building and contracting customers.
9. The roots of the Winstone portion of the company go back to the earliest days of Auckland in 1864, when William Winstone started a transport business utilising a horse and cart. The business grew to include quarrying in the early part of last century. It was purchased by Fletcher interests in 1988 and placed under the control of Fletcher Concrete and Infrastructure. The history of Golden Bay Cement is addressed the evidence of Theda Hall.
10. In the greater Northland region, Winstone has a long history which dates back to the early 1960's, which over the following decades grew to be a major branch of the Winstone Company. Today, GBC Winstone is the largest quarry operator in the country, and a significant contributor to the Whangarei District economy. It is:<sup>1</sup>
  - (a) A major employer in the district, directly employing approximately 270 FTE<sup>2</sup> staff (and is one of a handful of manufacturing businesses in the district employing more than 100 staff);
  - (b) Indirectly, is responsible for employment of further 280 FTE within the district via its supply contracts with other services/providers;

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<sup>1</sup> GBC Cement and Quarry Operations – An economic Impact Assessment (June 2016) (BERL)

<sup>2</sup> One FTE is a person who works more than 30 hours per week, people working under this were assigned 0.5 FTE value.

- (c) In 2015, had a direct economic impact on the district economy of \$43.7million;
  - (d) Generated 8.4% of the districts total GDP for the manufacturing sector;<sup>3</sup>
  - (e) In 2015, an additional \$29.7million in GDP was generated in the district economy due to the presence of GBC Winstone via capital expenditure, expenditure on goods and services etc; and
  - (f) Is involved in and is a key sponsor of community facilities, conservation and environmental initiatives throughout the district, including Friends of Matakoe - Limestone Island initiative, sponsors the Coastguard Northern Region Vessel, rural fire service, the Northland Science Fair, category sponsor of the Northland Business Awards (Northland Chamber of Commerce) and its long term support of the Quarry Arts Centre.
11. In terms of Otaika Quarry specifically, it employs 14-18 FTE staff and 5-6 contractors depending on the demand for aggregate and has an estimated annual spend figure in the district economy of \$4 - 5 million in terms of procurement of goods/service contracts from predominantly local based providers.

## **THE SIGNIFICANCE OF AGGREGATES**

12. Although aggregate is a commodity upon which everyone depends, the importance of aggregate resources to district and regional economies are not always fully appreciated. The aggregates industry provides a number of economic, social and environmental benefits to the community. Quarried products are essential to roading, construction and other infrastructure. They are also extensively used in manufacturing, including ready-mixed and asphaltic concrete, pre-cast concrete beams and panels, masonry, pavers, pipes and other products.
13. There are a substantial number of construction projects currently underway in the Northland Region and environs, which require considerable volumes of aggregate. The Puhoi to Warkworth motorway is one such major project and is part of the Central Government's "Roads of National Significance". Others are:
- (a) State Highway upgrade at Akerama;
  - (b) Rehabilitation of Kokopu/Pipiwai Roads;
  - (c) Upgrade of State Highway 1 (through Whangarei to Marsden Point);

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<sup>3</sup> GBC Winstone's Cement and Quarry Operations (June 2016), Berl, 3.

- (d) State Highway 4 from Whangarei to Ruakaka;
  - (e) Supplying sealing chip (high grade product) as far as Kumeu; and
  - (f) Building and construction – concrete aggregates (now consuming 70% of product produced).
14. Nationally, over half the aggregate produced is used on roads and a further 21% is used to construct commercial and residential buildings. A unique characteristic of the aggregate market is that the vast majority (75%) of annual production is sold to and used by local authorities.<sup>4</sup> Local authorities stand to be the most affected by any price increase as a result of uncertainty of supply or higher transportation costs.
15. The relatively high costs of transporting heavy aggregates or bulky rock means that the needs of a community for aggregates are best served when quarries are located close to where that material is used. For example, Otaika Quarry is a very significant source of aggregate for Whangarei (supplying approximately 80%) due to its close proximity to State Highway 1. The regional and national significance of Otaika Quarry is recognised in the NRC Regional Policy Statement.

## **THE DEMAND FOR AGGREGATES**

16. Aggregate demand is essentially driven by population growth and infrastructure development and maintenance, both of which Whangarei is currently experiencing at unprecedented levels. To provide for this growth, a sustained supply of aggregate will not only be required to provide for building, construction and roading projects associated with this growth, but will also be needed to maintain and redevelop existing infrastructure, which is key to unlocking regional economic potential.
17. A ready supply of aggregate is also required in the event of a natural disaster to facilitate recovery/rebuild. GBC Winstone has experienced this with its Christchurch quarry operations in the aftermath of the Canterbury Earthquakes. Production, sales and volumes from the Christchurch quarry have risen to approximately four times pre-quake volumes. However, to be able to respond to unanticipated demand, such as an earthquake, there needs to be sufficient future provision made for operational quarries to meet demand at that level.
18. The Northland region is expected to experience a sustained period of infrastructure growth for many years ahead. We expect regional demand for rock and concrete to rise, based on the

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<sup>4</sup> Source: Providing Solid Foundations for New Zealand; The Aggregate and Quarry Association of New Zealand; Undated.

large roading and construction projects like the Puhoi to Warkworth bypass motorway link which will result in district wide benefits.

## OTAIKA QUARRY

19. GBC Winstone's Otaika Quarry, located south of Whangarei (**see Appendix 1**) is the largest rock quarry in the Northland region. The quarry has been in operation since the 1950's and has been owned and operated by Winstone Aggregates since 1964. Otaika Quarry produces a variety of coarse and fine aggregate for the production of asphalt and concrete products and for the use in roading applications.
20. The life expectancy of the Otaika Quarry site at the present level of aggregate production is estimated to be more than 100 years of available resource, with current levels of production being at approximately 400,000 m<sup>3</sup> per year. This is approximately 80% of the rock aggregates being produced in the Whangarei District making Otaika the largest quarry in the Northland region. It is expected that levels of production will increase gradually over time in response to market demand for aggregate, fuelled by infrastructure and growth projects such as roads and housing.
21. Otaika's scale and location in terms of proximity to Whangarei and State Highway 1 means the quarry represents a regionally significant aggregate resource. The aggregate is used throughout the Northland and Auckland regions in construction (roading, building and concrete production) as well as in the surrounding rural areas for farm races, tracking etc.
22. The rock resource from Otaika is a greywacke deposit. It is of sufficient quality to produce high quality roading and building aggregates. The physical properties of the rock meet the necessary requirements for production of a full range of aggregates, including concrete aggregates and road sealing chip.
23. While short and medium term reserves of rock at Otaika have been determined, the total resources on the site are not precisely known. These resources will be defined progressively from time-to-time and their precise definition will depend on the relationship between resource types and products required to be produced from them by the market. This relationship is expected to change with changing technologies. The currently estimated volume of material to be excavated from Otaika Quarry is thought to be greater than 26 million m<sup>3</sup>. This is a conservative estimate.

## **GBC WINSTONE SUBMISSION ON PROPOSED CHANGES TO THE WHANGAREI DISTRICT PLAN**

### *REASONS FOR GBC WINSTONE'S SUBMISSION*

24. The three key reasons for GBC Winstone's interest in PPC102 and its impact on its Otaika operations are to ensure that:
- (a) Proposed Plan Change 102 ('PPC 102') objectives, policies and rules recognise the significant and important role that mineral extraction plays in the District and appropriately provides for these activities;
  - (b) To ensure that PPC102 adequately provides for the future sustainable development of GBC- Winstone's Otaika operations; and
  - (c) PPC102 continues to protect its operations from reverse sensitivity effects.

### *FUTURE DEVELOPMENT CONSTRAINTS AT OTAIIKA QUARRY*

25. The development of any quarry is reliant on access to rock resource and the ability to dispose of overburden. Overburden is the topsoil, clay and highly weathered rock, which sits on top of the rock resource below, that needs to be removed as part of quarrying activities. It has very little value or use, but needs to be removed in order to access the aggregate below.
26. Overburden stripping, removal and disposal is undertaken in a series of separate phases known as 'campaigns'. Overburden is not a "constant" activity, for example, at Otaika each campaign typically takes 6 - 8 months and is repeated once every three to five years. In the interim, land generally returns to grazing. Overburden placement involves the preparation of the site on which the overburden is placed. For example, the stripping of topsoil and preparatory foundation works to provide a solid foundation for the overburden, and then the progressive layering of overburden (as well as provision for drainage etc).
27. The challenge managing overburden disposal on a site like Otaika Quarry, that has an estimated 100+ years of aggregate resource remaining (based on current demand), is finding sufficient space within close proximity to the active extraction area, without placing this overburden on top of future areas to be quarried, therefore sterilising the resource by making it too difficult and/or expensive to reach. The future development of the quarry at Otaika is primarily constrained due to its ability to dispose of the overburden generated. Often overburden is used to fill areas that have already been quarried, however at Otaika (as is common with many quarries that have been operational for some time), all of these options within the main quarry area have been exhausted, there is no remaining capacity in which to place overburden in the quantities required.

28. The removal and placement of overburden is expensive due to its heavy, bulky nature. It must be placed near to where it is removed in order for the quarry to remain viable and to minimise effects such as truck movements. There are very few sites that are suitable for overburden disposal (in terms of effects, size, ownership) that are within sufficiently close proximity to Otaika Quarry. Transporting overburden from the quarry to another location quickly becomes cost prohibitive. Where at all possible, overburden is used for fill, off-site, however, third party demand for this product is very low (less than 10%), which is consistent with other parts of the country.
29. To mitigate this constraint, and to provide for its long-term sustainability, in 2006 GBC Winstone purchased the Pegram block, a 40.7 ha block of farmland immediately adjacent to the quarry (**see Appendix 1**). The entire area is currently zoned a mix of MEA3 Mineral Extraction (Active-Area), ME3 Mineral Extraction (Buffer Zone), Countryside and Living 3 in the Operative District Plan.
30. GBC Winstone requested in its submission that the MEA3 -Active Area, be extended over the entire Pegram block, and that an 'overburden overlay' be placed over this MEA3 Active Area, providing for the placement of overburden, (**refer Appendix 2**). These amendments sought by GBC Winstone did not seek to provide for the full range of mineral extraction activities in this area, but sought to enable the overburden placement within the area, where consent was obtained.
31. The rationale for this new 'overburden overlay' is to protect and enable the on-going sustainable development of Otaika Quarry by facilitating the activities associated with overburden placement only in this area and to offer some certainty to neighbours.

#### *REVERSE SENSITIVITY AT OTAIIKA QUARRY*

32. From my experience of working in the quarry industry, I am aware of the potential for conflict between quarries and residential, community, educational and other sensitive land uses. This effect is known as reverse sensitivity. The principle of reverse sensitivity and the land use planning response to such situations in terms of avoiding or minimising incompatible activities, is now well established in case law. In *Auckland RC v Auckland CC* 1997 NZRMA 295; 3 ELRNZ 54 (A10/97), the Court defined reverse sensitivity in following way:

*"The term 'reverse sensitivity' is used to refer to the effects of the existence of sensitive activities on other activities in their vicinity, particularly by leading to restraints in the carrying on of those activities."*

33. The areas adjacent to a quarry operation are commonly subject to the effects of noise from the operation of machinery including heavy vehicle aggregate transport, wind-borne dust, visual intrusion and air blast and vibration from blasting. Quarries are also sites where



hazardous substances (particularly explosives) are stored and used. It is important to realise that mineral extraction sites, unlike many other industries in the region, do not have the option of choosing where they locate as mineral resources are fixed in position and can only be extracted where the resource exists. This makes them particularly vulnerable to reverse sensitivity effects which can arise when sensitive development seek to locate nearby. Once these resources are compromised by urban development, they cannot simply go and locate elsewhere. Likewise, production can be restricted because of growing amenity concerns, reducing the quantities of aggregate going out the gate. Reverse sensitivity effects, particularly encroachment by residential activities, has been a key contributor to the reduction of the number of operation quarries New Zealand wide and has been a continued cause of concern for the quarry industry.

34. Years of experience at Winstone's quarries throughout New Zealand has provided the company with a depth of experience of the problems which can arise when development, particularly residential development, is allowed to encroach upon the boundaries of the quarry. Otaika Quarry on the outskirts of Whangarei is no exception. The quarry has operated lawfully on the site since the 1950's, at which time the surrounding area was rural/production. Over the decades, it has been, and is, threatened with encroachment by rural residential and residential development as Whangarei has expanded and land use patterns have changed.
35. On several occasions over the last three decades at Otaika Quarry, the company has to expend substantial resources making the case for protection of the resource and its activities, along with ensuring its position is taken into account through the resource consent process. Particularly in the resource consent process for subdivision of the surrounding sites for rural residential and residential uses, as new residents have often arrived with an expectation of a greater level of residential amenity, than the existing environment (including one that contains an operational quarry) provides. To protect its operations from the encroachment of residential activities, GBC Winstone has undertaken the following steps:
  - (a) Actively participated in the development of the operative Whangarei District Plan provisions in the previous plan reviews (including in 2001 which resulted in the introduction of the buffer areas and the 500m setbacks);
  - (b) Has participated in resource consent processes for the residential subdivision and use of surrounding land to ensure that it's activities are protected via consent conditions, no complaint covenants and consent notices on the titles (where these are justified). For example:
    - (i) The non-complaints covenant on the Pegram Block and

- (ii) Consent Notices and associated Covenants which were imposed as a condition of resource consent on selected adjacent properties within Acacia Park (where justified)
  - (c) Where the opportunity has arisen, GBC Winstone has purchased adjacent land (such as its acquisition of the Pegram Block. One of the reasons for doing so was in an effort to limit further encroachment of residential activities.
36. Reverse sensitivity also affects the ability to seek resource consents for future quarrying activities including renewal and expansion of operations. In 2009, Winstone spent \$3 million on the resource consents to extend the Hunua Quarry in Auckland. Gradual encroachment by residential and rezoning from rural production to countryside living/residential activities had resulted in changes to the way in which the environment was used and increased the conflict between residents with predetermined perceptions of rural living and the operational requirements of quarries. Particularly as properties change hands and knowledge of the initial basis on which the area was rezoned and/or terms on which subdivision were granted are lost. For Councils seeking to balance these two competing interests, this is no easy task.
37. The end outcome for GBC Winstone is that consenting and renewals become more complicated, are costly, time-consuming and productive operations are being potentially compromised because of the need to respond to the increased amenity values of the new countryside/or residential living environment. In the context of the region, this represents an inefficient outcome as aggregate is essential to the achievement of regional wellbeing.

#### **BACKGROUND TO GBC WINSTONE'S ZONING REQUEST**

38. GBC Winstone began exploring options for its future overburden disposal at Otaika being part of its long-term planning processes following its purchase of the Pegram Block in 2006.
39. This included discussions with Council as to how this could best be achieved. As part of the 'rolling review' process, GBC Winstone took the opportunity to consult with the Council to determine whether changes to the district plan and district plan maps could be incorporated into the Council's upcoming review of the Minerals Chapter of the operative plan and submitted material to Council in support of that request. This included:
- (a) Development of a conceptual design;
  - (b) Consideration of the key effects of overburden disposal on the Pegram site (including the preparation of expert reports); and

- (c) Development of a suite of amendments to the MEA provisions in the Plan to provide for an extension of the MEA over the Pegram block and a new 'Overburden overlay' within the MEA (Active Area) in order to accommodate overburden disposal; and
- (d) Community-focussed consultation with affected parties.

40. Ultimately, that did not come to fruition. The Council's notified PC102 did not reflect the re-zoning and rule changes sought by GBC Winstone to facilitate the placement of overburden on the Pegram block. Therefore, GBC Winstone opted to pursue this as relief in it's primary submission on PPC102.
41. In order to provide for its future requirements, a decision was also made by GBC Winstone to apply for resource consent (under the operative district plan provisions) to undertake overburden disposal on the Pegram Block.
42. I confirm that resource consent has been obtained from Northland Regional Council, and an application was made to the Whangarei District Council in June, which is currently being processed by Council with a hearing expected later in the year.
43. There are substantial differences between the resource consent application that has been made by GBC Winstone and the relief that GBC Winstone has sought in its submission. The resource consent application is comparatively a "parred- back" version. Whereas, the relief sought by GBC Winstone's sought in the PPC102 process, sought to provide for future options for overburden disposal by extending the area where overburden disposal could be considered appropriate within the MEA. If the application for which land use consent is currently being sought is granted approval, this proposal will provide for approximately 35 years capacity for overburden disposal on land immediately adjacent to Otaika Quarry.
44. As a result of the company's decision to lodge this application for land use consent with the Whangarei District Council, and consideration of the advice in the section 42A hearings report on PPC 102, that the re-zoning request requires further assessment and information<sup>5</sup> and that proposals for more specific activities within the MEA are "*more appropriately managed through a resource consent process*",<sup>6</sup> GBC Winstone has made the decision not to actively pursue aspects of its submission point 250/39 at this time, relating to its request to extend the MEA3 (Active area) into the Pegram Block, and that this area be annotated an 'overburden area' via

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<sup>5</sup> See Paragraph [208] the Officer rejects the request to extend MEA3 to include the Pegram Block and its subsequent identification as an overburden disposal area, on the basis that there is insufficient supporting information.

<sup>6</sup> Last bullet point paragraph [208].

PPC102 and provided for overburden placement as a Restricted Discretionary Activity ('RDA').

45. As discussed in the evidence of Ms Clarke on behalf of GBC Winstone, a compromise position has been put forward, by the company, which seeks changes to the provisions to enable overburden placement (and extraction and removal of over 5,000m<sup>3</sup> of material associated with overburden placement (as is sometimes required as part of preparatory works for overburden placement) to occur in the existing MEA3 Buffer Areas and in the Rural Production Environment as an RDA. This preserves the existing status of this activity in the Operative District Plan, but also enables the use of this area for overburden placement where and when it can be demonstrated in the resource consent process that the effects can be appropriately managed.

#### *RELATIONSHIP BETWEEN PPC102 AND THE RESOURCE CONSENT APPLICATION*

46. Regrettably, due to the timing of the resource consent application, and hearing of PPC102, this has resulted in some confusion amongst submitters (and to some extent, the author of the PPC102 s.42A Hearings Report), as to what is being sought and submitted by GBC Winstone in its submission on PPC102 and what it seeks and has submitted as part of its detailed AEE in its resource consent application. This has resulted in the detail of several written submissions on PPC102 expressing concerns as to matters relating to the content of the resource consent application that should rightly be confined to the resource consent process and not PPC102.
47. While this confusion amongst submitters is understandable, I note that material relating to the resource consent application is not relevant to PPC102 and falls outside the scope of matters that can be considered on PPC102.

#### **COMMENTS ON THE PC102 HEARINGS REPORT**

##### *ACTIVITY STATUS – OVERBURDEN DISPOSAL IN BUFFER ZONE*

48. While GBC Winstone is glad to see that the recommendations in the PC102 Hearings Report has supported its request to include overburden in the definition of mineral extraction activities, I disagree with the Author's opinion that all mineral extraction activities within the Buffer Areas of an MEA should be discretionary activities.
49. There are key differences between overburden placement, and other extraction activities such as excavation, blasting and crushing. As outlined above, overburden is a relatively short-duration temporary activity (placement occurs in campaigns following stripping of the overburden when a new area is accessed for quarrying.) This occurs in one go, known as a

campaign, as it is not economic or efficient to strip and dispose of small areas of overburden more frequently.

50. At Otaika, the overburden campaigns typically last for 6-8 months, approximately every 3-5 years, where the effects (aside from changes to the landscape form) are earthworks of short duration when compared to other day to day operational extraction activities associated with the Quarry (crushing, blasting, excavating etc, which can go on weekly for years at a time).
51. Once overburden is placed in an area, the site is grassed and rehabilitated back to pasture land suitable for grazing and left like that permanently. It is also a relatively simple activity (compared to other extractive activities), with known and identifiable effects. The recent resource consent application has demonstrated that effects can be adequately assessed, via the use of restricted discretionary criteria.
52. For the reasons described above, GBC Winstone requests that overburden placement within the buffer area of the MEA, be afforded Restricted Discretionary status under the plan (as opposed to full Discretionary status). This reflects:
  - (a) The physical constraints in respect of overburden placement – the need for overburden disposal to occur in close proximity to the quarry;
  - (b) Containment of activities associated with quarrying, such as overburden to the Mineral Extraction Areas, as opposed to the proliferation to other sites; and
  - (c) Gives a clear signal to neighbours as to the suitability of the use of buffer areas within the MEA for overburden disposal and other associated Mineral Extraction Activities, where it can be demonstrated that effects can be managed to acceptable levels.
53. This retains the current position in the operative district plan, (while enabling a full assessment of relevant effects to be assessed at the time of resource consent).
54. At Otaika, GBC Winstone now owns a large portion of the land which makes up the MEA (Buffer Area) via the Pegram Block. This is valuable productive land, which has been subject to MEA (Buffer Area) zoning for a considerable time. It does not make sense to place a more restrictive planning approach than in the Operative District Plan, as to what can occur in the MEA (Buffer Area), particularly where an Applicant can demonstrate the effects of this activity can appropriately managed in this area.

#### **PURPOSE OF THE BUFFER AREA IN AN MEA**

55. One way of protecting quarries from reserve sensitivity effects are through the use of buffer areas, this is commonly a setback distance, between the operational quarry area and other

uses. At Otaika Quarry, the buffer areas are essential because it is not possible to internalise all of the effects of already consented activities to the site, at all times due to the nature of the extraction activity.

56. The Operative WDP provides for a Mineral Extraction Area (MEA3) over Otaika Quarry. The MEA (Active Area) which generally sits over the Quarry site, and an extensive MEA buffer area that extends over adjacent properties, in addition the WDC operative plan provides for 500m setbacks on surrounding land to manage sensitive activities.

#### RESERVE SENSITIVITY BUFFERS

57. The buffer zone and setbacks for the Otaika Quarry area were introduced during the planning process for the operative District plan in 2001 and subsequent appeals to the Environment Court settled by consent order, which Winstone Aggregates (as the company was then called were involved in). A key reason for these was the acceptance of the Buffer Areas at Otaika in the Operative District Plan maps (based on the evidence at the time). It was recognised at Otaika that it was practicable to internalise all its effects.
58. These provisions were introduced to *protect* the Otaika Quarry from reverse sensitivity effects arising from encroaching more sensitive residential activities, not to preserve that land as an amenity buffer for the benefit of adjacent landowners. This is reflected in Part E Resource Areas – Mineral Extraction Area Rules in the (WDC operative plan) in that the Buffer Area is described as follows:

*“In some cases, the Mineral Extraction Area includes a Buffer Area beyond the Active Area of the quarry. In these cases it may not be reasonable to require the operator to comply with all permitted activity rules for mineral extraction, in relation to the Active Area. This approach was recognised by the Environment Court in Winstone Aggregates v Auckland Regional Council A49/2002, where it was held that the effects such as noise and vibration could not reasonably and economically be contained within the site, **and a reverse sensitivity buffer was imposed.**”*

59. The Author of the PC102 Hearings Report appears to wrongly assume that the Buffer Area, is an Amenity Buffer to protect residential properties from the Quarry, which is not the case and does not recognise the role, purpose and manner in which this planning mechanism has developed over time. A “switch” from purpose as a “reverse sensitivity buffer” to protect quarry activities from reverse sensitivity effects of nearby sensitive activities – not an “Amenity Buffer” which operates to protect adjacent properties from the effects of quarrying, represents a considerable departure from the current planning approach in the operative plan, and removes part of the protection afforded to Otaika Quarry (as a long term lawfully established activity) in the operative district plan.

60. It is also inconsistent with the existing regional and district consents currently held for Otaika Quarry, the Quarry Management Plan, and the conditions of consents granted for the adjacent residential subdivisions. and if the buffer area of the MEA was implemented as amenity buffer (as opposed to a reverse sensitivity buffer) this will result in a serious constraint on future development, use and re-consenting of the quarry.

## **CONCLUSION**

61. Aggregates form an essential part of the Whangarei and Northland economies and GBC Winstone's Otaika Quarry represents a regionally significant source of those aggregates. GBC-Winstone recognises that mineral extraction activities have the potential to generate adverse effects. The company acknowledges that it is important that appropriate plan provisions are put in place to manage these potential adverse effects, as well as ensuring the continued availability of the regionally significant mineral resources for extraction, and also to manage potential reverse sensitivity conflicts between these mineral extraction operations and urban development.
62. It is hoped the information provided in this statement assists the Hearings Panel and the Council, in understanding GBC-Winstone's operations particularly at Otaika, and the reasons that the company has sought the outcomes requested as part of this District Plan review process.

***Ian Andrew Wallace***  
**July 2017**

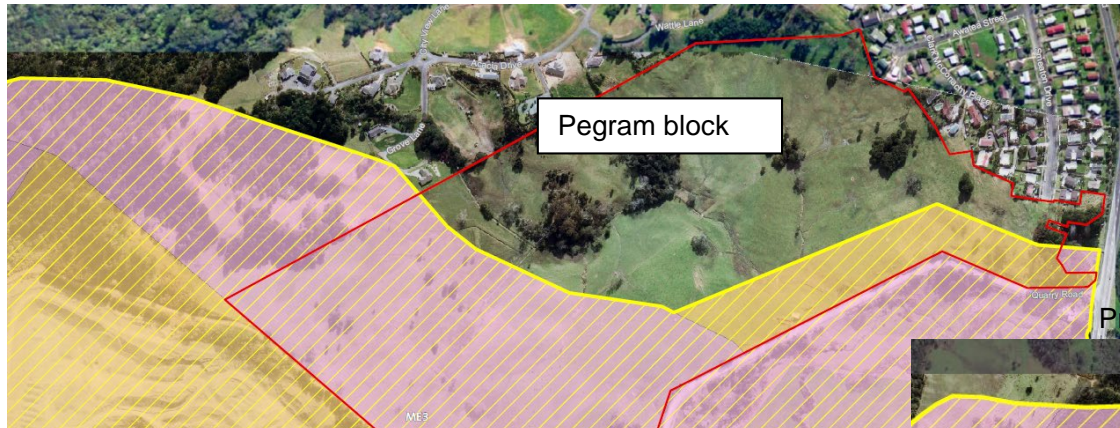
Appendix 1 – Otaika Quarry Location





### Appendix 2 – Pegram block

Current zoning



Proposed zoning

