

BEFORE THE WAIKATO DISTRICT COUNCIL AND WAIKATO REGIONAL COUNCIL

IN THE MATTER

of a Resource Consent Application under the Resource Management Act 1991 ("**Act**")

AND

IN THE MATTER

of an application for resource consents by MCPHERSON RESOURCES LIMITED to extract and sell aggregate from the McPherson Quarry (including all associated activities)

Applicant

LUC0123/19

**STATEMENT OF EVIDENCE OF MICHAEL MCPHERSON
FOR MCPHERSON RESOURCES LIMITED**

**KINETIC ENVIRONMENTAL CONSULTING LIMITED
HAMILTON**

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STATEMENT OF EVIDENCE OF MICHAEL MCPHERSON FOR MCPHERSON RESOURCES LIMITED

1. INTRODUCTION

Qualifications and Experience

- 1.1 My full name is Michael Peter Spencer McPherson.
- 1.2 I am a founding shareholder and director of McPherson Resources Limited (McPherson Resources) together with my brother, Stephen McPherson. I am the current Quarry Manager of the McPherson Quarry.
- 1.3 I hold a B Grade Quarry Managers Certificate (and am in the process of applying for an A Grade Certificate) and also a National Certificate in Extractive Industries (Mining Administration Surface Extraction A Grade) Level 5, and am a full member of the Institute of Quarrying New Zealand (Institute).
- 1.4 Having a B Grade Quarry Manager is a requirement for all quarries in New Zealand employing 4 or less people. In order to gain a B Grade Manager certification, you need to have relevant experience within the industry as well as demonstrate skills in the following areas:
 - (a) Water usage and maintenance at a quarry site
 - (b) Understand the protection of the environment
 - (c) Regulatory requirements for managing quarries
 - (d) Understand and review consent conditions
 - (e) Maintain quarry working surfaces
 - (f) Understand safety plans for benching operations
 - (g) Carry out an incident investigation
 - (h) Understand and minimise risks in the extractive operation
- 1.5 My brother Stephen also holds a National Certificate in Extractive Industries (Mining Administration Surface Extraction A Grade) Level 5. In order to gain this certification, some or all of the following skills must be demonstrated:
 - (a) Carry out an incident investigation
 - (b) Understand and minimise risks in the extractive operations
 - (c) Understand human factors
 - (d) Understand the coordinated incident management system (CIMS)
 - (e) Demonstrate knowledge of explosive properties and storage

- 1.6 In the 14 years prior to taking over and running our own quarry, I worked in the Quarry and Mining industry as a Shotfirer, then blast designer and team manager. The first two years I spent in the West Australian goldfields before returning home to work for Orica Mining services, where I headed the quarry services team. This involved managing and designing blasting operations in many of the North Islands Quarries and Mines and also construction blasting projects in and around Auckland and as far south as Queenstown. During this time, I obtained my Controlled Substance Licence for Manufacturing, Storage, Use, Transport, and Disposal of explosives in the Quarrying, Mining and Construction industries. Most of my working life before that was spent working as a heavy machine operator for the McRobbie family in civil, farm and forestry projects including forestry quarries and also the quarry on our home property.
- 1.7 My brother Steve also has significant quarry experience, having worked in quarrying and construction for the past 30 years as an A Grade Heavy Equipment Automotive Engineer. He originally completed his apprenticeship with Gough Gough and Hamer (being the New Zealand agents for Caterpillar). After that, he worked for Porter Group (1995-2008) where he was responsible for their fleet of gear in and around Auckland with a majority of this work being based in the major Auckland quarries.
- 1.8 My evidence is given as the director and manager of McPherson Resources in support of the application for resource consent from Waikato District and Waikato Regional Councils. I have read and am familiar with all specialist reports that informed the application and Assessment of Environmental Effects (AEE).

2. HISTORY OF THE QUARRY

- 2.1 McPherson Resources manage the McPherson Quarry and have done since the previous managers, the McRobbie family, finished up in mid-2009. The McRobbie family managed the quarry for around 50 years prior to my brother and I taking over.
- 2.2 My siblings and I grew up at the quarry and lived in the house situated immediately to the east of the quarry entrance (where my brother currently lives). When we were young, the farm on the property was managed and operated by our parents who had taken over from our grandparents and great grandparents.
- 2.3 The quarry and the surrounding land have been owned by our family for four generations, with the quarry originally opening its gates in the late 1950s . As mentioned, at that time the

quarry was operated by the McRobbie family, as my own family farmed the land surrounding it.

- 2.4 In the early days the quarry was a small operation, selling largely brown rock to surrounding farmers and the like. Since then the quarry has remained relatively small (comparatively speaking), having operated with around 4-5 employees at any given time. The quarry has supplied local clients with brown and blue rock for over 60 years now.
- 2.5 As a result of my childhood and eventual career in mining, quarrying and construction, I have become intimately familiar with the quarry industry and the various overarching welfare and environmental requirements for quarry operations. In that sense, I want to point out that this application is a product of a dynamic regulatory environment, spanning not only environmental but also health & safety and mining legislation/regulations.
- 2.6 As mentioned, our quarry has been in operation in some shape or form since its inception in the late 1950s. In that time, it has largely operated without complaints from surrounding landowners who have (until fairly recently) principally consisted of farmers or rural businesses.
- 2.7 Throughout the last 60+ years, our quarry has supplied a range of large and small local clients with aggregate. The extraction rate and type of aggregate sold has been (as it always will be) determined by the demand at the time. At times we sell more blue rock (depending on where in the stage of the extraction process we are at) and other times our sales are more focused on overburden and brown rock. Somewhat unusually, our quarry sells a large amount of overburden or 'brown rock', which is not typically the case (as the demand for brown rock is not always as high as for blue rock).
- 2.8 While fluctuations can be expected over a 60 year period (particularly with an industry that is so dependent on local/regional infrastructure projects), overall the demand remained relatively steady for a long time. In saying that, when Stephen and I took over the operation of the quarry some 11-12 years ago, we were in the middle of a recession so annual aggregate volumes were low at the time. Since then our sales have returned to the pre-recession levels experienced by the McRobbie's, and this has largely coincided with the intensified development for (particularly) the Pokeno settlement, which began in earnest a few years ago.

3. PERCEPTION & COMPLIANCE

- 3.1 Quarrying forms an integral part of New Zealand's economy, as without aggregate our country would not be able to keep up with the growth demand for housing, roads and other vital infrastructure. Our country has a long and successful quarrying history of which our quarry forms part.
- 3.2 In my experience, quarrying has at times gained negative attention from the public, mainly as a result of perceived and/or alleged adverse effects on the environment (such as dust, noise and vibrations). While I find that people generally value aggregate as a product, many do not fully understand just how critical it is for a fully functioning modern society and unfortunately tend to look at it in a negative light. Quarrying does not result in adverse effects on the environment that are difficult to assess and/or manage. Rather, the environmental effects are well understood, able to be assessed, and readily managed with good operating procedures.
- 3.3 As mentioned, at the McPherson Quarry we have extracted aggregate for many decades now and during that time we have predominantly had good and friendly relationships with our neighbours. In fact, some of our neighbours are people we would consider friends (both of the family and of mine and Steve's personally).
- 3.4 The first time we were made aware of any complaints from a neighbour was in December 2015 when Ian Boddington (Waikato District Council's Monitoring Officer) contacted us. These complaints originated from one property located to the south of our operation, around 800m from the edge of the quarry (namely 219 State Highway 2, Pokeno). The complaints related to alleged issues around dust, noise, vibrations and overburden stripping and to my knowledge, none have been verified by Council.
- 3.5 Since my brother and I started managing the quarry, we have not received any complaints directly from our neighbours. We have had annual visits from Council monitoring officers, most of which have related to the water take and discharge consents obtained by the McRobbies shortly before they left. Each time and up until the start of this consenting process, we have received a high level of compliance with no major issues raised.
- 3.6 I also want to comment on the accusations made in some of the submissions that our quarry has operated without having the requisite consents or authorisations from District Council.
- 3.7 The first time we were made aware of the fact that our operations would require a resource consent was when Mr Boddington contacted us in December 2015. At no point did we question the validity of that request and instead we immediately sought expert planning

advice and engaged Christian McDean of (then) Opus International Consultants to assist us with preparing the necessary documentation. I want to stress that we took this action without delay and as soon as we were informed of the legislative requirement for a resource consent. Had we been made aware of the need to apply for a consent sooner, we would naturally have made our application much sooner.

3.8 Back in 2015, no one anticipated that it would take this long to get to where we are today and for my brother and I personally, the process has been arduous, stressful and hugely expensive, costing us in excess of \$450,000 already (with a further investment of \$500,000-\$600,000 required to complete the hearing process and implement the mitigation measures required by the proposed consent conditions, or a total investment of over \$1M). I also want to point out that the delays with this process have been caused by a range of factors, most of which have been out of our control, such as:

- (a) Negotiations with NZTA to narrow down what safety upgrades would be required on SH2, which took around two (2) years. This was a key part of our proposal which had to be narrowed down in advance of progressing an application, as it had the potential to make or break our business.
- (b) A number of changes in processing officers both by District Council (Ms Majoor is the third officer appointed since 2018) and Regional Council (the first officer processed the application for around 1 year before revealing that our nearest neighbour, Mr Cowan, was a close relative of hers).
- (c) Repeated and sometimes late requests for more information from both Councils, most of which had to be responded to by technical experts (some of which were engaged post-lodgement as our original experts were no longer available) and subsequently peer reviewed by other experts. The ecological peer review discussions alone took almost a year and a half from start to finish.

4. REGULATORY CONTEXT

4.1 As mentioned, quarrying is subject to a range of legislative requirements aside from the Resource Management Act 1991, namely:

- (a) The Mines Rescue Act 2013
- (b) The Health and Safety at Work Act 2015

(c) Health and Safety at Work (Mining Operations and Quarrying Operations) Regulations 2016

(d) The Electricity (Safety) Regulations 2010

4.2 I do not intend on outlining the contents of the above legislation within my evidence, other than to say that as Quarry Manager, I am personally responsible for the health and safety of all those who work or operate within our quarry boundaries, as well as for ensuring that our operations comply with all other quarrying standards and best practices. At times that responsibility means that I am having to manage a multitude of demands set out under a range of legislation/regulations. Be that as it may, at the forefront of all quarrying is the health and safety of our workers, which naturally has to take precedence in situations of conflict (should there be any).

4.3 Much like other legislation, the above regulations are subject to updates/amendments from time to time. Some of the more recent changes to the Mining Regulations have meant that the older parts of the quarry are no longer compliant with the new rules, such as the requirement to keep face heights to a maximum of 15m.

4.4 As a result, when designing the stages for this consent application, care was taken to ensure that as we move into new stages (and untouched grounds) the quarry is brought up to current health and safety standards insofar as benches and faces are concerned. By factoring that into our design, we would be able to address some of the older quarry faces (some of which are very high) by reducing their height. This particularly impacts on the face situated directly below the vegetation proposed to be removed in Stage 1. This quarry face has historically been very high (at times up to 40m) and as a result, some recent adjustments to the face and bench in this location were necessary to ensure the health and safety of our workers. This involved a small amount of vegetation removal, as without removing the vegetation, a safe bench width and face height would not have been able to be achieved.

4.5 It has been a delicate balancing act to bring these original benches up to a safe working standard whilst removing the least amount of vegetation possible (all the vegetation removed during this process has been re-growth on the original quarry benches). Even so, this face is fast becoming a major hazard/safety risk due to the location of the vegetation, steepness of the land on which the vegetation rests, the height and the internal haul roads required in this area. It is now at a stage where I have major concerns about this face and the potential erosion risks that could eventuate in a major storm event, not to mention the accident risk for any machinery traversing the area to access other parts of the quarry.

4.6 I also want to point out that while the resource consent application refers to an ‘expansion’ of the quarry, this is aimed at the increase in extraction rate from what we have been doing in recent years (between 200,000 and 340,000 tonnes per annum) as compared to our proposed new, maximum annual rate of 490,000 tonnes. The fact that the quarry will break new ground in stages 1 through 3 is not, in quarry terms, an ‘expansion’ in and of itself, as all quarries eventually have to move into new areas when all available product has been extracted in existing areas.

5. BENEFITS OF THE PRODUCT

5.1 Aggregates are literally the “foundation” of our economy and society.

5.2 Aggregates are a non-renewable resource which we use and benefit from every day. We live and work in buildings built with or on aggregate foundations, our children go to schools built with aggregate, we reach our destinations on roads and highways constructed from aggregate. Even the water we drink is filtered and purified by aggregate.

5.3 To demonstrate the significance aggregate plays in our society, I have inserted some statistics of average use from the Aggregate and Quarry Association website below:

- *New Zealand uses 9-10 tonnes of aggregate every year for each adult and child.*
- *To build an average house, you need about 250 tonnes of aggregate - for use in concrete, asphalt, mortar and building products.*
- *To build 1km of a two-lane motorway, you need around 14,000 tonnes of construction aggregates (400 truckloads).*
- *Quarrying needs to be carried out close to where materials will be used. This keeps transportation costs low and helps to minimise building costs and emissions in local communities. Otherwise, it costs double for every 30km further away from its source.*
- *New Zealand needs to plan ahead and protect our aggregate supplies - so we can provide affordable houses for Kiwis and continue to build and repair our infrastructure.*

Michael McPherson

14 November 2020