

SUMMARY: LANDFILL ASSET MANAGEMENT PLAN

Contribution to Council outcomes

(AMP Chapter 2)

Council's solid waste disposal services are provided for the benefit of the community to ensure that the Vision of 'Healthy people thriving in a safe, vibrant and sustainable community', as expressed in the Long Term Plan, is achieved.

Following an extensive community consultation process, Council developed a number of outcomes and strategies that took a balanced approach to the four well beings (economic, social, environmental and cultural), which together are intended to support the Vision through delivering sustainable, long term growth and development.

The key contributions relate to protecting public health and the environment and conserving resources by minimising waste.

Council has two closed landfills at Tirau and Putaruru, and an operational landfill at Newell Road, Tokoroa.

Levels of service

(AMP Chapter 3)

Customers' expectations of the service have been identified and subsequently defined in terms of Levels of Service and Performance Indicators that can be monitored, measured and reported.

The Community Consultation prior to development of the 2012-2022 Long Term Plan indicated that the community was satisfied with the current levels of service.

Environmental protection requirements are specified in the resource consent conditions for the landfills.

Proposals for waste minimisation are currently being developed, as required by legislation.

Planning

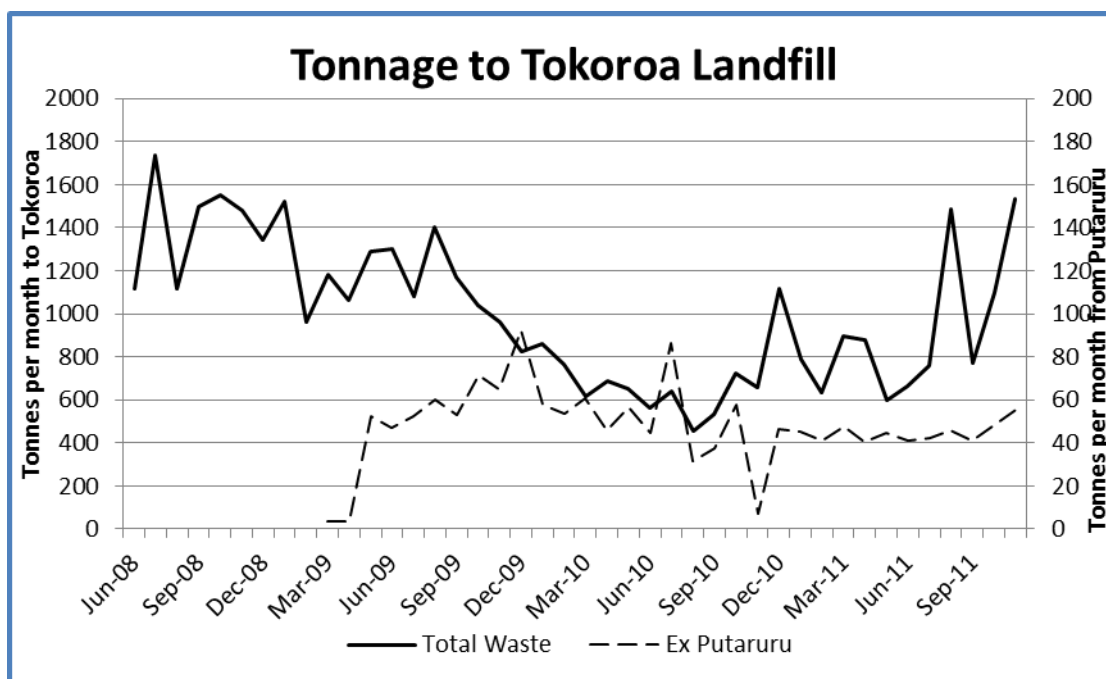
(AMP Chapter 4)

The key issues that are expected to arise within the 10 year planning period are:

- Adoption and implementation of a waste minimisation and management plan.
- Protecting the economic viability of the landfill.
- Managing the additional costs incurred by the government imposed landfill levy and Emissions Trading Scheme.
- Addressing a resource consent renewal toward the end of the decade, if necessary.

The following legislative requirements apply to waste management:

- Local Government Act 2002.
- Waste Minimisation Act 2008.
- Health Act 1956.
- Resource Management Act 1991.



Projecting future demand

There is no current analysis available of demand for waste disposal by different consumer sectors apart from identifying the larger commercial users at the disposal facilities, and monitoring the recycling tonnages from residential and commercial sectors. General economic conditions have a large influence on disposable income, purchases of consumer goods, housing and ultimately solid waste disposal.

Changes to recycling collections, separation of recyclables at the kerbside using purpose built vehicles, and publicity should see an increase in recycling tonnages from current circa 2,500 tonnes per annum (TPA) to 3,000/3,500 TPA by 2020.

Total organic diversions/reuse (from municipal stream) should increase from current 1,800 TPA to 3,000 TPA by 2020, although 'special' (biosolids) waste is likely to reduce from current 1,100 TPA as a result of planned sludge dewatering at the Tokoroa Wastewater Treatment Plant.

Lifecycle management

(AMP Chapter 5)

Council currently has the following landfill sites:

- A landfill at Newell's Road, Tokoroa comprising 47ha of land, of which 9ha is currently in use. A resource consent became operative with the construction of a lined cell in 2004 (which was substantially filled and restored to final contours early 2010). A further adjacent lined cell was constructed in 2009, and is consented to accept up to 20,000m³ per year until 2020.
- A closed landfill site near Tirau comprising 2.3ha of land bounded by the Rotorua-Kinleith branch railway and the Oraka Stream.
- A closed landfill just south of Putaruru comprising 2.5ha of land adjacent to State Highway 1. The consents for this site expired in March 2007. Putaruru is now serviced with a transfer station on this site with waste being taken to Tokoroa Landfill.

The pertinent issue for the on-going management of the Tokoroa Landfill is the identification of trigger points for landfill capacity, the effects of Emissions Trading legislation and the commercial risks in operating solid waste disposal sites. While the plant items associated with the landfill have

limited asset lives and will need to be maintained and renewed, the economic life of the landfill itself is completely dependent on the balance of available capacity.

Risk

(AMP Chapter 6)

Sustainable and reliable delivery of the waste disposal service requires careful consideration of the various types of risk associated with the service.

The major risks addressed in this Asset Management Plan include:

Business

The Corporate Risk Management Policy addresses the four well beings, vision statement and strategic themes. Full details can be found in the South Waikato Risk Register and Risk Profile, which ranks the risks and includes control measures, where they exist.

Asset management

The 2007 Asset Criticality and Risk Assessment report addressed the consequences of infrastructure failure in terms of the four well beings (with assumed weightings) and identified the critical assets that required further investigation in order to ensure that they would continue to perform reliably delivering the agreed Levels of Service.

Insurance

Council is a member of the LAPP fund, which is provided by local authorities to provide funds for reconstruction following major catastrophic events. This type of cover is not available through private insurance providers. Membership requires that all participants undergo a full risk management assessment.

Risk Pool

Council is a member of Risk Pool, which is provided by local authorities for long term legal and professional liability.

Civil Defence

Council participates in a region wide Civil Defence Emergency Management Group, as required by legislation. The scope includes co-ordinated planning, training, public awareness and response to major events that affect the safety of its residents.

Waikato Engineering Lifelines Group

Council participates in the co-ordinated assessment of risks and responses to events that are likely to affect a range of services, some of which are not Council's responsibility, such as communications and energy utilities.

Emergency Management

The Water Supply Emergency Back-up Plan provides a guide for response to situations where water cannot be supplied by conventional means.

Business Continuity

Council is developing Business Continuity Plans that address the continuation of service delivery, such as fire at the waste disposal sites, or collapse of the weighbridge structures.

The risks associated with Council's Landfill infrastructure are currently believed to be minimal. Future work on Landfill Risk Management is required, particularly relating to commercial risks, potential population related waste stream changes, and the on-going effects of Council's Waste Minimisation strategies.

Financial forecasts

(AMP Chapter 7)

The key assumptions underpinning these financial projections are:

- Service levels are generally assumed to remain the same for the period covered by the projections.
- The District's resident population is expected to remain stable; however the volume of waste is not determined purely by population size, as waste is diverted to landfills outside the district.
- Government's landfill levy of \$10 per tonne of waste will not change.
- Government's levy for the Emissions Trading Scheme will not change.

Expenditure

Operations and maintenance direct costs constitutes around \$ 1.14M of annual landfill expenditure for the 2011/12 year. Along with on-going operations and maintenance there are a small number of Renewal Capital works required.

Significant Capital Works are listed below for each year during the planning period.

Tokoroa – Recycling centre facilities \$900, 000 (2011/12)

Tokoroa – Reseal of entry road \$10, 000 (2012/13)

Putaruru – Reseal of entry road, and seal turnaround \$30, 000 (2012/13)

Tokoroa – Purchase of carbon credits \$117, 000 (2012/13)

Tokoroa – Security fencing \$51, 152 (2012/13)

Tokoroa – Midlife upgrade of weighbridge, \$50, 000 (2013/14)

Tokoroa – Purchase of carbon credits \$234, 000 (2013/14)

Tokoroa – Purchase of carbon credits \$234, 000 (2014/15)

Tokoroa – Tipping pad and access road, \$150, 000 (2015/16)

Tokoroa – Purchase of carbon credits \$234, 000 (2015/16)

Tokoroa – Replace both leachate pumps \$12, 000 (2016/17)

Tokoroa – Purchase of carbon credits \$234, 000 (2016/17)

Putaruru – Midlife upgrade of weighbridge \$50, 000 (2017/18)

Tokoroa – Design/report for resource consent renewal \$100, 000 (2017/18)

Tokoroa – Purchase of carbon credits \$234, 000 (2017/18)

Tokoroa- Resource Consent Application \$50, 000 (2018/19)

Tokoroa – Purchase of carbon credits \$234, 000 (2018/19)

Putaruru – Refurbish Kiosk \$10, 000 (2018/19)

Tokoroa – Refurbish Kiosk \$10, 000 (2018/19)

*Tokoroa – Design fees and Transfer Station \$300, 000 (2019/20) ***

Tokoroa – Purchase of carbon credits \$234, 000 (2019/20)

Tokoroa –Tipping Pad development and access road \$50, 000 (2020/21)

Tokoroa – Purchase of carbon credits \$234, 000 (2020/21)

*Tokoroa – Land purchase - extension \$100, 000 (2024/25) ***

*Tokoroa – Construction of new cell \$2, 500, 000 (2025/26) ***

*** Provisional allowance.*

Revenue

Council aims to keep the ratio of UAGC funding to user charges at about 20:80 as per the funding policy in the LTP, although this may change when the Waste Minimisation and Management Plan is adopted.

The setting of landfill charges includes all costs associated with running a landfill and includes post closure costs.

Systems and processes

(AMP Chapter 8)

The Group Manager Assets is responsible for all the activities described in the Asset Management Plans, while the Group Manager Corporate is responsible for corporate risk management.

The Landfills activity uses the BizeAsset software system for recording all relevant information regarding the individual infrastructure items and is updated regularly to include all additions and deletions. The information is used for regular reporting on depreciation and triennial revaluations.

BizeAsset is currently being updated to provide increased capability via a web base and is being developed to assist with achieving the target 'core plus' level of asset management.

Accounting is processed via Council's NCS financial system.

Geographic data is managed electronically, using Council's GIS software.

Various other information flows and processes are used to develop the Long Term Plans, establish service agreements, manage contracts, update standard operating procedures, monitor performance and report on resource consent compliance.

Improvement

(AMP Chapter 9)

Council's asset management target is to achieve the 'core plus' level, which is considered to be appropriate for an organisation of its size. Following guidance from the Office of the Auditor General and the NAMS manual, a number of Improvement Plans have been developed and implemented historically, while others are on-going. Further improvement proposals are based on a review of the current status of compliance with the requirements of 'core plus' and the recently updated IIMM, which refers to 'intermediate' rather than 'core plus'.

The 2015 AMPs are planned to be completely restructured to make them more useful and to streamline their structure and content.