

## **Finance and Performance Committee**

### **SUPPLEMENTARY AGENDA**

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#### **Notice of Meeting:**

An ordinary meeting of the Finance & Performance Committee will be held on:

**Date:** Thursday 26 May 2022  
**Time:** 9.30am  
**Venue:** Council Chambers, Civic Offices,  
53 Hereford Street, Christchurch

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#### **Membership**

Chairperson	Deputy Mayor Andrew Turner
Deputy Chairperson	Councillor Sam MacDonald
Members	Mayor Lianne Dalziel
	Councillor Jimmy Chen
	Councillor Catherine Chu
	Councillor Melanie Coker
	Councillor Pauline Cotter
	Councillor Mike Davidson
	Councillor Celeste Donovan
	Councillor Anne Galloway
	Councillor James Gough
	Councillor Yani Johanson
	Councillor Aaron Keown
	Councillor Phil Mauger
	Councillor Jake McLellan
	Councillor Tim Scandrett
	Councillor Sara Templeton

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**24 May 2022**

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Note: The reports contained within this agenda are for consideration and should not be construed as Council policy unless and until adopted. If you require further information relating to any reports, please contact the person named on the report.

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Part A	Matters Requiring a Council Decision
Part B	Reports for Information
Part C	Decisions Under Delegation

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## 18. Resolution to Include Supplementary Reports

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### 1. Background

- 1.1 Approval is sought to submit the following report to the Finance and Performance Committee meeting on 26 May 2022:
  - 19. Implications of Organics Processing Plant Closure
- 1.2 The reason, in terms of section 46A(7) of the Local Government Official Information and Meetings Act 1987, why the report was not included on the main agenda is that it was not available at the time the agenda was prepared.
- 1.3 It is appropriate that the Finance and Performance Committee receive the report at the current meeting.

### 2. Recommendation

- 2.1 That the report be received and considered at the Finance and Performance Committee meeting on 26 May 2022.
  - 19. Implications of Organics Processing Plant Closure

## 19. Implications of Organics Processing Plant Closure

Reference / Te Tohutoro: 22/652379

Report of / Te Pou  
Matua:

Lynette Ellis – Head of Transport & Waste Management

General Manager /  
Pouwhakarae:

Jane Davis – General Manager for Infrastructure, Planning and  
Regulatory Services

### 1. Purpose of the Report Te Pūtake Pūrongo

- 1.1 The purpose of this report is to provide the Finance & Performance Committee with information about the net cost and implications of immediate closure of the Organics Processing Plant (OPP), ahead of establishing a new plant at another site.
- 1.2 Members of the local Bromley community have told Council that the impact of odour in the area is negatively impacting their wellbeing and have requested that the OPP be closed effective immediately.
- 1.3 This report has been prepared in response to the resolution made at the 26 April Finance and Performance Committee meeting, FPCO/2022/00019;  
*6. Request staff bring back in one month the full net cost to Council and implications of immediately closing the plant.*
- 1.4 There are significant implications, cost impacts and risks related to the closure of the OPP and the associated diversion of organics to landfill. A tabular summary of the impacts identified and implications, to Council and its commercial customers who utilise the services of the OPP, is attached (A).
- 1.5 The decision in this report is of high significance in relation to the Christchurch City Council's Significance and Engagement Policy. Immediate termination of the OPP operation means organics are diverted to landfill. A decision to undertake this will have city wide impacts and any decision to close the OPP now will require consultation to learn the views and preferences of the wider community.
- 1.6 We consider that the costs and risks of immediate closure are such that the current operations should continue, with a focus on continuing to manage the on-site operations to avoid offensive odours beyond the boundary, while investigating setting up an alternative facility.

### 2. Officer Recommendations Ngā Tūtohu

That the Finance and Performance Committee:

1. Receive the report and the information contained in the report.
2. Confirm the previous resolution of 26 April 2022, to  
*Support the continued operation at the Metro Place site with the current process controls to manage and mitigate odour until an alternative facility is operational.*
3. Notes staff will consider whether any further process control measures can be implemented to mitigate the risk of odours beyond the boundary
4. Notes staff will use all measures possible to expedite the procurement process for an alternative facility.

5. Agrees that the public excluded information will be released when the Chief Executive is satisfied that the threshold for release has been met.

### 3. Reason for Report Recommendations Ngā Take mō te Whakatau

- 3.1 Council staff have considered the impacts and implications of immediate closure of the existing OPP at Bromley and made an estimate of the net cost to Council of early closure.
- 3.2 The closure of the OPP at the Metro Place site in Bromley would provide immediate relief to the affected residents of the local community.

#### Organics Diverted to landfill

- 3.3 If the existing OPP is closed before an alternative plant is established there is no other organics processing facility available to take City's kerbside organic waste. This means this organics stream (green bins) would need to be diverted to landfill.
- 3.4 For diversion to landfill, the kerbside organics would be collected and transported to council owned or commercial waste transfer stations, where organics would be consolidated with municipal solid waste, before being compacted and transported to Kate Valley Regional Landfill for disposal as landfill.
- 3.5 In order to accept this material at council owned transfer stations (Styx, Parkhouse and Metro), a number of considerations, including compliance with Canterbury Air Regional Plan would need to be met. Staff consider it likely that these sites would require significant upgrades to enclose operations as the acceptance of putrescible organics at the existing facilities is likely to create additional odour.
- 3.6 Commercial transfer stations may provide a suitable alternative to council owned facilities, dependant on throughput capacity (for blending), resource consents and ability to source appropriate transport units.
- 3.7 Regardless of the transfer station arrangement chosen, the likely cost of sending this material to landfill is likely to include the costs associated with; waste handling/aggregation, transport and disposal.

#### Policy

- 3.8 The diversion of organics to landfill would undermine Council's sustainability commitments and be inconsistent with Council's policy: the diversion of organics to landfill is contrary to the Council's Waste Management and Minimisation Plan (WMMP 2020) and the Ōtautahi Climate Resilience Strategy 2021.
- 3.9 The diversion of organics would be contrary to Government policy and legislative framework including the Waste Minimisation Act 2008, Te panoni I te hangarua / Transforming Recycling, Emissions Reduction Plan (16 May 2022) and NZ's first emission budget.

#### Cost

- 3.10 There would be significant cost implications resulting from an immediate closure of the OPP with one-off costs in 2022/23 and 2023/24 plus a net annual operating cost increase of \$6.1m from 2022/23. Depending on the timeframe to establish a new facility, this would equate to a total cost after inflation of:
- \$28.5m for three years, or
  - \$41.4m for five years.

- 3.11 The rates impact would be 1.23% for increased annual costs to divert to Kate Valley plus another 1.5% for one-off costs.
- 3.12 There are a number of assumptions in these calculations and there is a risk that costs to Council could be higher.

**Other considerations**

- 3.13 Climate change implications would be significant due to increased production of biogenic methane and increased truck movements to Kate Valley.
- 3.14 There is a consenting and compliance risk both for the Transfer Stations and Kate Valley.
- 3.15 The behaviour change implications of diverting organics to landfill may be long and difficult to revert.

#### 4. Alternative Options Considered Ētahi atu Kōwhiringa

- 4.1 Use of the existing OPP facility to receive and compact the organic waste stream as this means the facility would not be closed, until an alternative plant is established and operational.
  - There is no compactor or bulk bin handling system at the Organics Processing Plant in Metro Place,
  - There is a requirement to mix the organic matter with municipal waste to avoid pockets of methane forming in the landfill and this facility is not consented for this activity.
  - There will still be activity at the site.
- 4.2 Send kerbside collection material to another organics processing facility.
  - There is not currently an operational facility with available capacity to take our organic waste.
- 4.3 Use red bin collection weekly and do not have green bins.
  - There is a requirement to vary the kerbside collection contract.
  - Changing the behaviour of residents heightens the risk of bin contamination when the process reverts to separation of organics.
  - Modifying the 3 bin kerbside system will require the Council to change the terms and conditions for the kerbside collection service which sit under the Council's Waste Management Bylaw 2009. A city-wide change to those terms and conditions would require consultation to ascertain the views and preferences of interested and affected persons.

#### 5. Detail Te Whakamahuki

**CURRENT SITUATION**

- 5.1 The processing of organic material, collected via the kerbside green bin service, at the Metro Place site has been happening since 2009. We have heard from the residents of Bromley about the impact odour in the area is having on their wellbeing. The residents have identified both the OPP, and more recently the wastewater treatment plant following the fire in the trickling filters, as sources of odour.
- 5.2 In December 2020 Environment Canterbury issued an abatement notice requiring compliance with a resource consent condition that there be no offensive or objectionable odour beyond the boundary of the site. In response a range of process changes have been undertaken to

ensure that there is not offensive or objectionable odour beyond the boundary, under a transitional plan for the plant. Measures include:

- 5.2.1 Effective treatment of processing air, including biofilter maintenance (May 2021)
- 5.2.2 Ceased accepting pre-consumer food organics (December 2021)
- 5.2.3 The addition of a probiotic to enhance the composting process
- 5.2.4 Cleared 31,397t of compost maturing in outdoor windrows from site
- 5.2.5 All processing now occurs indoors (since January 2022)
- 5.2.6 A lower maturity compost product is moved off site within 48 hours and deposited around the wastewater treatment ponds as part of a landscaping plan.
- 5.3 These measures have reduced the odour from the plant.
- 5.4 Environment Canterbury considers that there are, or may be, continued occasional offensive and objectionable odours. The Council's assessment does not agree with that. While the situation is clarified, the following activities are continuing:
  - 5.4.1 Independent consultants are continuing to undertake proactive odour assessments and monitoring
  - 5.4.2 Community Liaison Group meetings are continuing
  - 5.4.3 Environment Canterbury is continuing to monitor the odour and receive any odour complaints.
- 5.5 We understand Environment Canterbury is now investigating whether ongoing "chronic" odour (i.e. low level but frequent) is a breach of the resource consent.

#### **DIVERSION PROCESS**

- 5.6 In diverting organics away from the OPP, staff have proposed an approach which minimises changes to the kerbside service. There will however be a significant impact on operations at the transfer stations where the kerbside organics are handled before being transported to landfill. The primary reason for maintaining the organics collection is to minimise confusion for households.
- 5.7 Kerbside organics collections will be diverted to transfer stations across the city, rather than taken to the OPP. This will then be mixed with municipal waste, compacted and transported to Kate Valley for disposal as landfill.
- 5.8 The mixing of organics with municipal waste, as part of the compaction process, is undertaken in an open environment at the transfer stations instead of in the enclosed receival hall at the OPP. This will mean an increased risk of odour occurring at the transfer stations and an increased risk of enforcement action by ECan if the odour at those sites is offensive and objectionable.
- 5.9 55,000 tonnes of organic material will be transported to landfill per annum.
- 5.10 There will be an estimated 2,756 additional truck movements per annum, making the 140km round trip to Kate Valley from the transfer stations. This will increase the cost and carbon footprint of organics processing. Canterbury Waste Services has informed us that they would need a variation of the Kate Valley resource consent conditions to provide for the extra truck movements, and that they would need to increase their fleet by 3-4 trucks.
- 5.11 The OPP currently processes 5,280 t/annum of organic waste for Waimakariri District Council (WDC) which would also need to be diverted to landfill at Kate Valley. WDC has provided commentary on the impact of this closure (Attachment B).



- 5.12 The compost produced at the OPP, which is currently being utilised for landscaping at the Wastewater Treatment Plant, will no longer be available. This has cost and carbon impacts for this landscaping work.
- 5.13 Cost implications are covered in Section 7 of this report.
- 5.14 Policy implications are covered in Section 6 of this report.

## OTHER CONSIDERATIONS

### Government Policy

- 5.15 Central Government has clearly signalled a desire to reduce the amount of material being diverted to landfill through the Waste Minimisation Act 2008. This is supported by the Council's Waste Management and Minimisation Plan 2020. Further, the recent release of the Government's *Te panoni i te hangarua/Transforming Recycling* has shown a desire to divert household organics away from landfill. And in addition, the recent release of the Government's Emissions Reduction Plan is clearly driving a reduction in biogenic methane.
- 5.16 The Ministry for Environment has clearly indicated that in their opinion the diversion of organics to landfill is not consistent with Government direction. Refer attached correspondence (E).

### Waste levy

- 5.17 There is the potential for the Secretary for the Environment to cease paying the Council the waste levy funding, if the Minister considers that the Council is not discharging its obligation to invest the levy money on matters to promote or achieve waste minimisation and in accordance with its Waste Management and Minimisation Plan (sections 32 and 37).

### Living Earth contract

- 5.18 The immediate closure of the plant would be in breach of the contract with Living Earth unless the Council could prove that Living Earth is itself in breach of the contract.
- 5.19 If the Council wishes to terminate the contract without cause, then the Council could seek to negotiate an agreed resolution with Living Earth.

## COMMUNITY VIEWS

- 5.20 We have heard from the local Bromley community that the operation of this facility is:
  - 5.20.1 Affecting their quality of life
  - 5.20.2 Negatively impacting their health and wellbeing
  - 5.20.3 Reducing house/property values in the area
- 5.21 These impacts have been ongoing for the community for a number of years. A number of people in the community have said that only a closure of the plant would improve their sense wellbeing.
- 5.22 If the OPP was closed it would provide immediate relief for the residents of the local community.
- 5.23 However, a closure decision affects the entire district. The closure of the OPP will also have an impact on rates. The views of the wider community have not been sought regarding a closure.
- 5.24 A full community consultation process would take in the order of 6 months and would not be completed within the term of the current Council
- 5.25 The OPP is in the Waikura Linwood-Central-Heathcote ward.

## 6. Policy Framework Implications Ngā Hīraunga ā- Kaupapa here

### Strategic Alignment Te Rautaki Tīaroaro

- 6.1 The following policies are considered in relation to this proposal:
- 6.1.1 Waste Minimisation Act 2008 - The purpose of this Act is to encourage waste minimisation and a decrease in waste disposal in order to (a) protect the environment from harm; and (b) provide environmental, social, economic, and cultural benefits.
  - 6.1.2 Waste Management and Minimisation Plan 2020 – *make sure the organics facilities support climate change emissions targets*
  - 6.1.3 Ōtautahi Climate Resilience Strategy 2021 - *Maximise composting or organics & reduce transport emissions*
  - 6.1.4 Te panoni I te hangarua/Transforming Recycling - *Food and garden waste should be diverted from landfills to support working towards a low emission circular economy*
  - 6.1.5 Emissions Reduction Plan 2022 – *need to reduce biogenic methane emissions*
- 6.2 A decision to immediately close the OPP and divert organic waste to landfill does not align with the Council's strategic priority to 'meet the challenge of climate through every means available'.
- 6.3 A decision to close the OPP and divert organic waste to landfill does not promote the community outcome we strive to achieve, 'sustainable use of resources and minimising waste'.
- 6.4 The immediate closure of the OPP does not supports the [Council's Long Term Plan \(2018 - 2028\)](#):
- 6.4.1 Activity: Solid Waste and Resource Recovery
    - Level of Service: 8.2.7 Organic materials collected by Kerbside Collection and received for processing at the Organics Processing Plant (OPP) - 130kg +40%/-10% organic materials / person / year collected by Kerbside Collection

### Policy Consistency Te Whai Kaupapa here

- 6.5 The decision is inconsistent with Council's Plans and Policies:
- 6.5.1 Waste Management and Minimisation Plan (WMMP 2020)
  - 6.5.2 Recent submission on Te panoni I te hangarua / Transforming Recycling
  - 6.5.3 Ōtautahi Climate Resilience Strategy 2021
- 6.6 The decision does not align with Council's target of being net carbon neutral for its operations by 2030 or the commitments under the Waste Management and Minimisation Plan 2020.
- Impact on Mana Whenua Ngā Whai Take Mana Whenua 6.7 The decision does involve a significant decision in relation to ancestral land or a body of water or other elements of intrinsic value, therefore this decision does specifically impact Mana Whenua, their culture and traditions.
- 6.8 Full and comprehensive consultation with Mana Whenua should be undertaken before any decision is made to divert organics to landfill as this action is contrary to the Council's Plans and Strategies that have been developed in partnership with iwi.

### Climate Change Impact Considerations Ngā Whai Whakaaro mā te Āhuarangi

- 6.9 The Council is committed to achieving net zero emissions by 2030. Programme 9 of the Ōtautahi Christchurch Climate Resilience Strategy commits the Council to work towards zero waste and includes as a focus area work to maximise the diversion of organic material.
- 6.10 Diverting organic waste from the kerbside green bins to landfill instead of processing it increases greenhouse gas emissions. This is due to the increase in methane produced and emitted into the atmosphere from the landfilling of organic waste as well as through the carbon impact of the transportation of waste to the remote landfill site.
- 6.11 There is a Green House Gas (GHG) emissions impact of transporting\* kerbside organics to landfill at Kate Valley; 55,000t @ 21 t of Waste per blue bin, 2 bins able to be carted each 140km return trip is; 274 Tonnes CO<sub>2</sub>-e per annum. \* Estimate excluding the operational impacts at each site which are offset by loader/onsite truck movements.
- 6.12 Sending organic waste to landfill emits the potent greenhouse gas methane. The regional landfill, Kate Valley, has a process to capture methane and utilise this to generate energy. However, the existing generators may be at capacity with additional landfill gas flared, contributing CO<sub>2</sub> to the atmosphere. Also, no landfill gas capture system is fully effective and the most sustainable solution is to process organic waste through a bespoke system, such as composting or anaerobic digestion.

## 7. Resource Implications Ngā Hīraunga Rauemi

### Capex/Opex / Ngā Utu Whakahaere

- 7.1 Closing the OPP immediately would result in additional operating costs in the 2022/23 and 2023/24 years and the costs sourcing an alternative commercial supply for wastewater treatment plant for 2 years.
- 7.2 An additional \$12.7m p.a. would be required as residual waste charges to send the organics to Kate Valley landfill. This is partially offset through cancelling the annual organics processing contract budget of \$6.6m.
- 7.3 Therefore, a direct result of an immediate closure of the OPP there would be one-off costs in 2022/23 and 2023/24 plus net annual operating cost increase of \$6.1m from 2022/23. At this stage we do not know how long a replacement facility will take to become operational. To provide an indication of the possible total costs, the following two scenarios provide an indication of total costs after inflation:
- \$28.5m for three years, or
  - \$41.4m for five years.
- 7.4 The rates impact is 1.23% for annual costs to divert organics to Kate Valley plus another 1.5% for one-off costs.
- 7.5 These changes would also shift cost to the residual waste stream funded by general rates and lower the cost of the organics portion of waste minimisation which is funded via a targeted rate.

### Other / He mea anō

- 7.6 Consideration of this decision is complex and there are uncertainties in the estimated cost calculation, including:
- 7.6.1 whether the Minister would exercise discretion to withhold the levy;

- 7.6.2 whether the Council and Living Earth will negotiate an agreed early termination on terms favourable for the Council;
- 7.6.3 whether the Council could mount a successful claim for compensation against Living Earth for breach of contract;
- 7.6.4 whether Council's movement of the waste through the transfer stations could avoid the compliance concerns;
- 7.6.5 how long it would take to establish a new organics waste processing facility at a new site.

## 8. Legal Implications Ngā Hīraunga ā-Ture

### Statutory power to undertake proposals in the report / Te Manatū Whakahaere Kaupapa

- 8.1 The Council has the statutory power to make the decision to close the OPP but must comply with its decision-making obligations under Part 6 of the Local Government Act 2002.

### Other Legal Implications / Ētahi atu Hīraunga-ā-Ture

- 8.2 Section 76 of the Local Government Act 2002 requires that the decision-making provisions in Part 6 are 'appropriately observed' for high significance decisions. Section 77 also provides that if any of the options for a decision involves a significant decision in relation to land or a body of water, the Council must take into account the relationship of Māori and their culture and traditions with their ancestral land, water, sites, waahi tapu, valued flora and fauna, and other taonga.
- 8.3 Furthermore, under Part 6, the more significant the matter, the higher the standard of compliance is expected from the identification and assessment of options, the consideration of the views of those affected, and the extent of the written record kept showing compliance.
- 8.4 In this case, the decision is one of high significance, and affects the whole city. The Council would need to be able to take into account the views and preferences of interested and affected persons across the city. Legal Services consider that this would require consultation.
- 8.5 Immediately closing the OPP and diverting organic waste to landfill is inconsistent with the Council's Waste Management and Minimisation Plan. The statutory importance of the Plan is reinforced by the fact that the Council must use a special consultative process to change the Plan and the Minister can direct the Secretary to withhold the levy from the Council if it is not acting in accordance with the Plan.
- 8.6 A decision to immediately close the OPP will also require dealing with Living Earth and the termination of the contract as referred to at paragraphs 5.18 and 5.19 above.
- 8.7 A decision to immediately close the OPP may also require re-consideration of the Revenue and Financing Policy and rating arrangements.

## 9. Risk Management Implications Ngā Hīraunga Tūraru

- 9.1 The Council needs to consider a number of risks when considering the decision on the immediate closure of the OPP. Of particular note are the following:

### Behaviour change

- 9.1.1 With the organics going to landfill people may change the way they use their bins. There is a risk that there will be a lengthy and costly process to encourage people to 'Bin Good' when organics operating again.

### Resource Management Act

- 9.1.2 Compliance action from Environment Canterbury in relation to objectionable odour at the transfer stations. There is a risk of breach of the RMA in relation to operations at those sites, if the Council does not take adequate steps to avoid, remedy or mitigate adverse effects. However, we understand that this also remains a significant risk for current operations at the Living Earth site.
- 9.1.3 The operators of Kate Valley landfill will require a variation to their current resource consents in relation to truck movements. Such a variation may be opposed by the Hurunui community and consent variation may not be granted.



### Contractual

- 9.1.4 There are a number of risks associated with terminating the contract with Living Earth

### Financial

- 9.1.5 Financial estimates have been undertaken, there is still a risk that the final costs are higher than anticipated. There is also a risk that Council loses government funding via the organics levy and cannot leverage future funding opportunities.
- 9.1.6 Operating costs increase or capital investment will be required at the Transfer Stations due to the increased volume and activity.

## Attachments / Ngā Tāpirihanga

No.	Title	Page
A 	OPP Closure Summary Redacted	15
B 	Projected Impacts on Waimakariri District of Immediate Closure of Christchurch City Council's Compost Plant Letter to CCC Ross Trotter	18
C	OPP - MFE Email - Emissions Reduction Plan ( <i>Under Separate Cover</i> ) - <b>CONFIDENTIAL</b>	
D	OPP Closure PX redactions from the officer report ( <i>Under Separate Cover</i> ) - <b>CONFIDENTIAL</b>	

In addition to the attached documents, the following background information is available:

Document Name	Location / File Link
Nil	Nil

## Confirmation of Statutory Compliance / Te Whakatūtutanga ā-Ture

Compliance with Statutory Decision-making Requirements (ss 76 - 81 Local Government Act 2002).

(a) This report contains:

- (i) sufficient information about all reasonably practicable options identified and assessed in terms of their advantages and disadvantages; and
- (ii) adequate consideration of the views and preferences of affected and interested persons bearing in mind any proposed or previous community engagement.

(b) The information reflects the level of significance of the matters covered by the report, as determined in accordance with the Council's significance and engagement policy.

## Signatories / Ngā Kaiwaitohu

<b>Authors</b>	Lynne Armitage - Project Manager Brent Pizzey - Senior Legal Counsel Ross Trotter - Manager Resource Recovery Rowan Latham - Contract & Project Lead Vivienne Wilson - Senior Legal Counsel
<b>Approved By</b>	Peter Langbein - Finance Business Partner Lynette Ellis - Head of Transport & Waste Management Jane Davis - General Manager Infrastructure, Planning & Regulatory Services

# Attachment A

# Attachment A

# Attachment A

	Context	Impact(s)	Implications
		<ul style="list-style-type: none"> <li>Capital requirements</li> <li>Increased labour requirements</li> <li>Plant and equipment maintenance</li> <li>Risk – odour (putrescible waste, not enclosed)</li> </ul>	
<b>Canterbury Waste Services (CWS) – owned by Waste management. Operational arm of TransWaste</b>  <b>(Kate Valley)</b>	Organic material diverted from OPP to landfill	<ul style="list-style-type: none"> <li>Approximately 55,000 T p.a of kerbside organics being transported 140 km (70km each way) to Kate Valley landfill.</li> <li>Extra transport distance, 140km round trip</li> <li>Truck movements - Additional 53 heavy vehicle movements each week (2756 / annum). CWS say that the number of additional trips requires a variation of consent conditions.</li> <li>Truck numbers – may have to subcontract transport noting long lead time for additional vehicles &amp; R&amp;M liability for older trucks approaching retirement.</li> <li>Insufficient ‘pods’ available for CWS to transport the additional organic waste materials to landfill. Note cost &amp; lead time for manufacture of additional</li> <li>Garden waste, which makes up a significant proportion of the volume in the organics stream, cannot be compacted to the same extent as general waste, consequently there is a risk that the pods will be lighter and more loads will be required to transport the additional volume of materials to landfill.</li> </ul>	<ul style="list-style-type: none"> <li>Transwaste Canterbury, Supply agreement - MOU</li> <li>CWS need variation to consent to allow for additional truck movements</li> </ul>
<b>Waimakariri District Council (WDC)</b>	The OPP takes 5,207T/annum of organic waste from WDC this material would be diverted to landfill.	<ul style="list-style-type: none"> <li>Forecast is 5,207 in 2022-2023 T/annum [REDACTED]</li> <li>This organic material would need to be diverted to landfill (likely Kate Valley)</li> <li>Increase in the number of truck movements along SH1 (through Woodend and the Pegasus roundabout; and through Amberley).</li> </ul>	<ul style="list-style-type: none"> <li>WDC Waste Minimisation &amp; Management Plan</li> <li>Waste Levy received from the Ministry</li> <li>Current Ministry work programme - Emissions Reduction Plan, Transforming Recycling consultation– this decision contradicts our own submission</li> <li>Waste Management Act 2008</li> <li>New Zealand Waste Strategy 2010</li> </ul>

TRIM: 22/612279



	Context	Impact(s)	Implications
			<ul style="list-style-type: none"> <li>Climate Change Response Act 2002</li> <li>Climate Change Response (Zero carbon) Amendment Act 2019</li> <li>Te hau mārohi ki anamata   Transitioning to a low-emissions and climate-resilient future: Have your say, 2021</li> <li>Emissions Reduction Plan 2022</li> </ul>
<b>Ministry for the Environment (MfE)</b>	Organic material directed from OPP to landfill	<ul style="list-style-type: none"> <li>Approximately 55,000 T p.a of kerbside organics (50 CCC / 5 WDC) being transported 140 km to Kate Valley landfill (round trip).</li> <li>Deviation from WWMP – not meeting specified organics targets. (Maximise the diversion of Organics - Action 1. Improve operations at the organics processing plant to accept more products, address processing capacity and odour challenges)</li> <li>Discretion of Minister to withhold the waste levy if the Council isn't spending it to promote waste minimisation in accordance with Council's waste minimisation and management plan.</li> <li>Note section 44 c. of the Waste Minimisation Act : 'Requirements when preparing, amending or revoking plans' (c) have regard to the New Zealand Waste Strategy, or any Government policy on waste management and minimisation that replaces the policy;</li> <li>Contra to the Emissions Reduction Plan 2022 (released 16 May 2022)</li> </ul>	<ul style="list-style-type: none"> <li>Waste Minimisation &amp; Management Plan (WMMP 2020)</li> <li>Current Ministry work programme - Emissions Reduction Plan, Transforming Recycling consultation – this decision contradicts our own submission</li> <li>Waste Management Act 2008</li> <li>New Zealand Waste Strategy 2010</li> <li>Climate Change Response Act 2002</li> <li>Climate Change Response (Zero carbon) Amendment Act 2019</li> <li>Te hau mārohi ki anamata   Transitioning to a low-emissions and climate-resilient future: Have your say, 2021</li> <li>Emissions Reduction Plan 2022</li> </ul>

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Our Reference: SHW-15 / 220513076392

13 May 2022

Christchurch City Council  
PO Box 73014  
Christchurch 8154

Attention: Ross Trotter  
Emailed to: [Ross.Trotter@ccc.govt.nz](mailto:Ross.Trotter@ccc.govt.nz)

Dear Ross

**Projected Impacts on Waimakariri District of Immediate Closure of Christchurch City Council's Compost Plant**

This letter confirms discussions held with you and your colleagues about the potential impacts on Waimakariri District Council of the closure of your Council's compost plant at Metro Place in Bromley.

Please note that at their meeting in May, our Councillors expressed concern at the thought that CCC may close the Bromley compost plant before an alternative facility is available, given that this would significantly impact not only City residents but our residents as well.

As you are aware, we provide a kerbside collection service for mixed organic waste which is similar to your service to residents within our kerbside collection area, but ours is an opt-in service with an available range of 3 bin sizes. The collected mixed food and garden waste is sent to the compost plant in Bromley. The garden waste we receive at our transfer station facilities is currently being delivered to a local composting operation, but they are not consented to accept food waste or mixed organics from kerbside.

The following table shows the likely costs our Council and ratepayers would incur over a five year period if the compost plant were to close, that being the likely timeline of the City Council having an alternative compost plant operational.

	2022/23	2023/24	2024/25	2025/26	2026/27
Additional annual costs for landfill disposal of kerbside organics	\$801,900	\$983,200	\$1,091,400	\$1,134,000	\$1,176,600
Accumulated extra costs		\$1,785,100	\$2,876,500	\$4,010,500	\$5,187,100
Number of rated organics bins	12,900	13,950	14,550	15,000	15,440
'Average' rate costs per organics bin from 22/23 AP, including GST	\$116	\$120	\$123	\$125	\$127
Forecast rate costs per organics bin if collected organics are landfilled	\$192	\$207	\$216	\$218	\$221
Increase in organics rate	66%	72%	75%	74%	74%

**Likely costs and rating impacts of landfilling kerbside organics**

These costs are based on the assumptions that a separate organics collection service continues, there will be no change in forecast organics bin numbers and weights, and that the mixed organics will be landfilled instead of composted at Bromley.

I am sure that you will have considered the following impacts when writing your report to your councillors about the impacts of closing the Bromley compost plant before another sustainable option is in place.

There may be insufficient 'pods' available for CWS to transport the additional organic waste materials from Christchurch City Council (CCC) and Waimakariri District Council (WDC) to landfill. There is a reasonably long lead-in time for the pods to be manufactured, and there is a high risk that there would not be sufficient pods available to take all of the additional materials from both Christchurch City and Waimakariri District, should kerbside organics be sent to landfill.

In addition to the higher rates that would need to be charged for kerbside collection services in Waimakariri, there would other impacts on the wider communities in both Waimakariri and in Hurunui.

There would be an increase in number of truck movements along SH1, through Woodend and the Pegasus roundabout, and through Amberley. WDC staff estimate there would more than 50 additional heavy vehicle movements each week from both CCC and WDC, increasing to 60 heavy vehicle movements per week in the fourth year, based on current 'pod' weights.


Garden waste, which makes up a significant proportion of the volume in our organics stream, cannot be compacted to the same extent as general waste, consequently there is a risk that at times the landfill 'pods' will be lighter and more loads would be required to transport the additional volume of materials to landfill.

The number of additional truck movements could result in CWS exceeding the consented number of vehicle movements for Kate Valley.

Should our Council continue to collect organics separately and send the materials to landfill, the Council's reputation would be at risk, and it would take considerable time to build up trust with our community in our waste minimisation services.

I trust this provides some useful additional information for your report on the impacts of an 'immediate closure' of the compost plant.

Yours faithfully



Kitty Waghorn  
Solid Waste Asset Manager

## 15. Resolution to Exclude the Public

*Section 48, Local Government Official Information and Meetings Act 1987.*

I move that the public be excluded from the following parts of the proceedings of this meeting, namely items listed overleaf.

Reason for passing this resolution: good reason to withhold exists under section 7.

Specific grounds under section 48(1) for the passing of this resolution: Section 48(1)(a)

### Note

Section 48(4) of the Local Government Official Information and Meetings Act 1987 provides as follows:

- “(4) Every resolution to exclude the public shall be put at a time when the meeting is open to the public, and the text of that resolution (or copies thereof):
- (a) Shall be available to any member of the public who is present; and
  - (b) Shall form part of the minutes of the local authority.”

This resolution is made in reliance on Section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

ITEM NO.	GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED	SECTION	SUBCLAUSE AND REASON UNDER THE ACT	PLAIN ENGLISH REASON	WHEN REPORTS CAN BE RELEASED
19.	IMPLICATIONS OF ORGANICS PROCESSING PLANT CLOSURE				
	ATTACHMENT C - OPP - MFE EMAIL - EMISSIONS REDUCTION PLAN	S7(2)(C)(I)	PROTECTION OF SOURCE OF INFORMATION	CORRESPONDENCE IN CONFIDENCE	25 MAY 2023 ON APPROVAL OF HOD TRANSPORT AND WASTE MANAGEMENT / HOD LEGAL SERVICES
	ATTACHMENT D - OPP CLOSURE PX REDACTIONS FROM THE OFFICER REPORT	S7(2)(B)(II), S7(2)(G), S7(2)(H), S7(2)(I)	PREJUDICE COMMERCIAL POSITION, MAINTAIN LEGAL PROFESSIONAL PRIVILEGE, COMMERCIAL ACTIVITIES, CONDUCT NEGOTIATIONS	CONTAINS WORKING LEGAL ADVICE AND CONTRACT NEGOTIATION FIGURES	25 MAY 2023 WITH APPROVAL OF THE HOD TRANSPORT & WASTE MANAGEMENT / HOD LEGAL SERVICES UNIT. UPON COMPLETION OF CONTRACT NEGOTIATION AND RESOLUTION OF LEGAL ISSUES