

Finance and Performance Committee MINUTES ATTACHMENTS

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

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*CCC Finance and Performance Committee
26 May 2022 Item 19.*

Implications of Organics Processing Plant Closure

An appeal to keep the plant open until a new facility can replace it

Deputation by John Gould

KEY POINTS

- *While I greatly sympathize with residents of Bromley and affected suburbs dealing with odour issues and support moving the Organic Processing Plant, immediate or imminent closure would have disastrous effects*
- *Closure of the Compost plant would be totally inconsistent with the CCC Strategic Priority of “**Meeting the Climate Change Challenge through every means available**” and the Council’s own policies on Waste Minimization (2020) and the Climate Resilience Strategy (2021)*

KEY POINTS

CLIMATE CHANGE IMPLICATIONS

- *While there are several compelling reasons for keeping the plant open e.g. high cost to the rate payer of immediate closure and contractual obligations to partnering companies, the key reason I want to highlight is climate change implications*
- *Just transporting 55,000 tons of green “waste” to the remote Kate Valley site will according to CCC staff (this Agenda 6.11) generate 274 tons – CO2-e annually*

KEY POINTS

CLIMATE CHANGE IMPLICATIONS

- *The 55,000 tons of organic waste when mixed with general waste and landfilled will produce large quantities of the potent GHG methane up to 3 tons CO₂-e per ton of organic material.*
- *Although Kate Valley has a methane capture system for energy generation, this maybe near capacity (this Agenda 6.12) and methane when flared off produces CO₂.*
- *In any case such capture systems are subject to significant methane leakage to the atmosphere*

THE WAY FORWARD

- Clearly a new Composting facility needs to be established as soon as possible and all steps taken to mitigate the current odour issues associated with the existing plant.

PLEA TO THE COUNCIL

I therefore urge councillors to consider the wider and long term implications of a decision to close the Composting Plant before a replacement facility is ready.

Finally, some constructive suggestions

The most sustainable, economic and climate friendly way to deal with organic waste is to compost it in the backyard

When the funding is being arranged for the new composting plant

I would encourage CCC staff and councillors include funds to:

- i. Vigorously promote home composting and provide information, community workshops and even composting bins to some households, if required*
- ii. Support a city wide campaign to reduce food waste (to help households both save money and the environment)*

•

South Library Earthquake Repair Options (Item 12)

Comment

- i. \$25m seems a huge amount to spend on this project*
- ii. Are there really no other alternatives than an expensive repair or rebuild?*
- iii. If the library has to be rebuilt please make it a model of sustainability by using locally sourced timber, a passive solar design, rainwater harvesting features etc.*

-

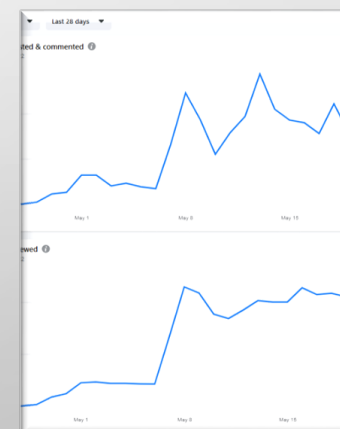
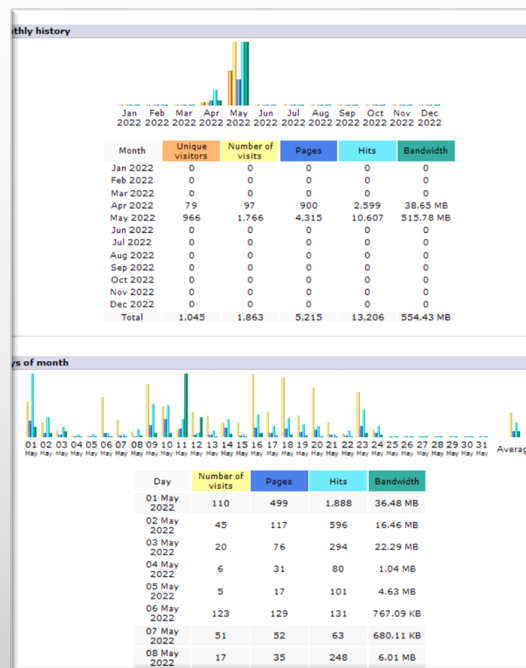


FINANCE AND PERFORMANCE – WASTE PROCESSING AND IT DEPUTATION 26 MAY 2022

DON GOULD – RICHMOND RESIDENT

SOCIAL MEDIA UPDATE

- 1,400+ MEMBERS
- TARGET OF SPAMMERS
- MORE ADMINS APPOINTED
- GROWN AND ORGANIC LIFE OF ITS OWN
- HALF A DOZEN CHAT GROUPS FOR ADMIN, MEDIA ENGAGEMENT, ELECTED MEMBER ENGAGEMENT
- STEADY FLOW OF COMPLAINTS
- STEADY FLOW OF UPDATES



PUBLIC MEETING UPDATE

- 60+ PEOPLE
- CONCERNS ABOUT TRUST
- CONCERNS ABOUT AIR QUALITY TESTING
- CONCERNS ABOUT SUPPORT BOUNDARY
- CONCERN ABOUT WHERE SMELL IS ACTUALLY COMING FROM
- CONCERNS ABOUT HEALTH CARE – CALL FOR A PUBLIC DOOR TO DOOR REGISTER
- \$1M DOLLARS IS SIMPLY NOT ENOUGH – CCC SPENT \$16M ON HEAT PUMPS FOR 2,000 HOMES - \$1M ON 3,018 HOMES



PETER MEECHAM/STUFF
A small crowd listens as east Christchurch resident Don Gould talks at the Bromley Community Centre about city council proposals for compensation over the ongoing smell from the sewage treatment plant.



PETER MEECHAM/STUFF
Local residents like Don Gould are frustrated about the ongoing impact on the lives of the damaged wastewater plant.

ENVIRONMENTAL IMPACT CONCERNS – THE PONDS

- THE PONDS ARE CLEARLY DEAD – NO EVIDENCE OTHERWISE
- REPORTS DON'T COVER WHAT IS BEING DONE TO ADDRESS SUCH
- LOGIMA REQUESTS NOT RESPONDED TO
- LACK OF TRANSPARENCY – MEMBERS ARE SIMPLY NOT BEING LISTENED TO AND MAKING COMMITMENTS THAT STAFF AREN'T BACKING UP
- NOT WORKING WITH WIDER COMMUNITY – FEELS LIKE FAVOURING SELECTED CONTRACTORS – TRUST
- FLUSH THE PONDS – POUR IN FRESH WATER FROM ACROSS THE CITY



ORGANICS PROCESSING PLANT REPORT

- REPORT LACKS WORKINGS FOR GOOD GOVERNANCE
- EX-STAFF ARE ON RADIO MAKING PUBLIC CLAIMS
- EX-ELECTED MEMBERS ARE CLAIMING THEIR COMMENTS ONLINE ARE BEING CENSORED
- LEGAL FRAMEWORK FOR GOOD GOVERNANCE SEEMS POOR AND NOT FIT FOR PURPOSE

Finance and Performance Committee
26 May 2022

Christchurch
City Council

19. Implications of Organics Processing Plant Closure

Reference / Te Tohutoro: 22/652379

Report of / Te Pou

Matus: Lynette Ellis - Head of Transport & Waste Management

General Manager / Jane Davis - General Manager for Infrastructure, Planning and

Pouwhakarare: Regulatory Services

Item 19

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.

NEW REQUEST: Organics Processing plant report workings

To: Official Information ⓘ Date: Today 11:09

Morning Sean,

Can you please supply the workings that informed the report released yesterday.

\$41m over 5 years, hoe was that figure calculated?

4 more trucks, how many movements?

What are the numbers for waste moving from the west to east currently.

How is a 1.5% rates impact calculated?

I also understand that there is discussion with Transwaste about negotiating a trade because of the economic value of this waste to the Kate Vally plant.

This report also doesn't detail the community impact, doesn't detail the numbers of staff and families that are impacted. Will drivers jobs be impacted, their hours and conditions?

Can you also provide a projection on the growth of any plant. A recent community meeting explained that this years season was higher than previously.

This report doesn't have enough detail for good governance. It leaves to many questions.

D.

IT ISSUES REPORT

- CONCERN MASSIVE UNDERSPENDING
- JOBS JUST AREN'T GETTING DONE AND SHOULDN'T BE ON THE AGENDA IF THERE IS ZERO ABILITY TO DELIVER
- CRITICAL PROJECT UPGRADES NOT DELIVERED AND REPORTS NOT UPDATED - WINDOWS SERVER OS UPDATES BY END OF MARCH – NOW MAY
- TECHNO JARGON – WHAT IS GEMS, BUT WHAT DOES THE UPDATE TEXT ACTUALLY MEAN?!?!?

Financial Year Summary



Windows Server OS Upgrades
Apex work started. Validation Data Hub, BSM Space and VM Exchange Testing started. Three remaining VM servers to be migrated by the end of March.

Get off GEMS

High certainty to spend due to onboarding contractors to increase output.

SUMMARY

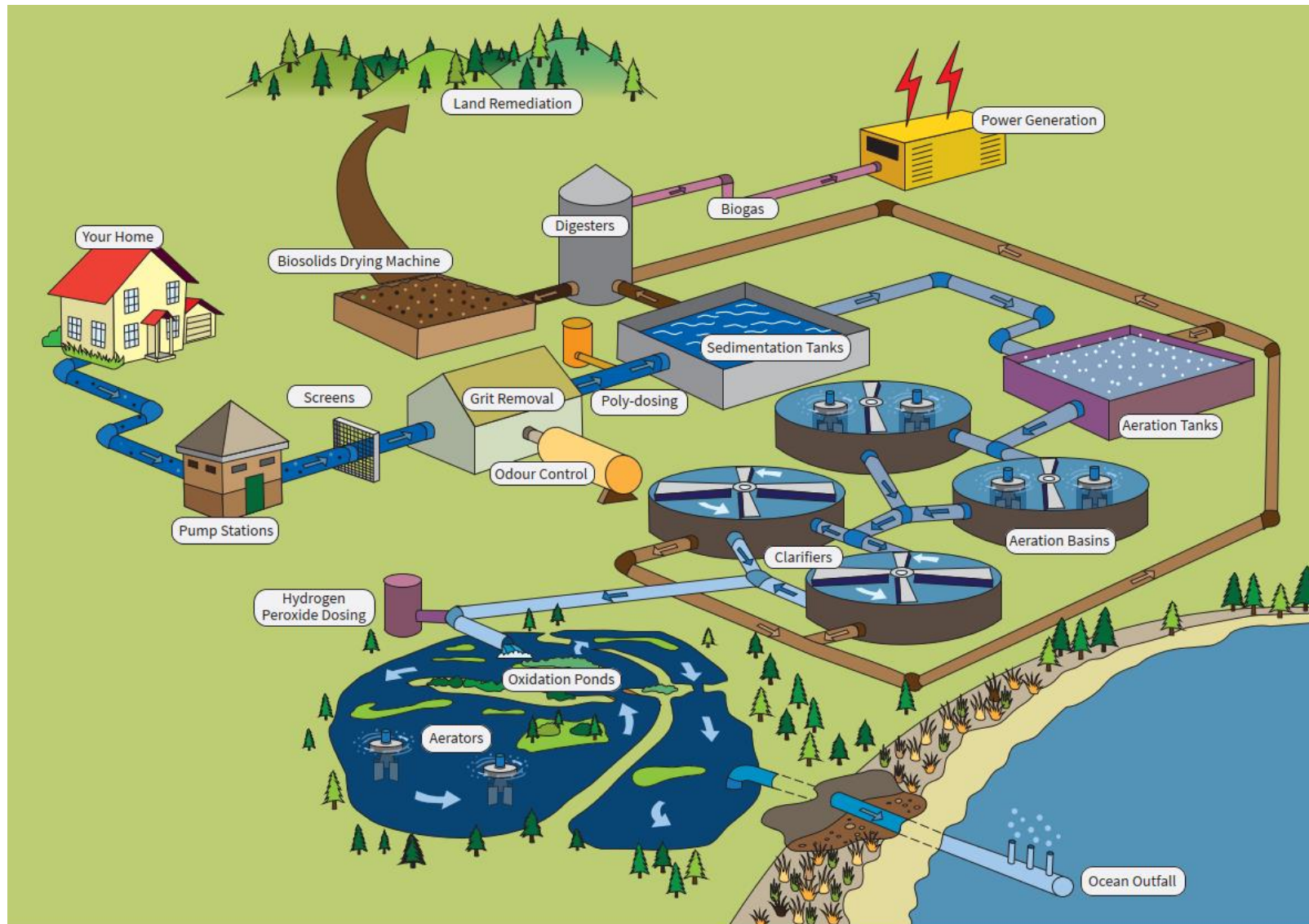
- CONCERNS:
 - PROMISES MADE AROUND TRANSPARENCY NOT REALLY HEARD
 - MEMBERS FOCUS NOT BEING HEARD
 - STAFF NOT HEARING THE TONE OF THE PUBLIC
- STEPHEN AND I HAD TO COME BACK TO COUNCIL OVER THE HEAT PUMPS DELIVERY
- I DON'T FEEL STAFF ARE HEARING THE MEMBERS, I DON'T FEEL LIKE THE MEMBERS ARE MAKING THEIR VOICES HEARD ON OUR BEHALF

Christchurch Wastewater Treatment Plant

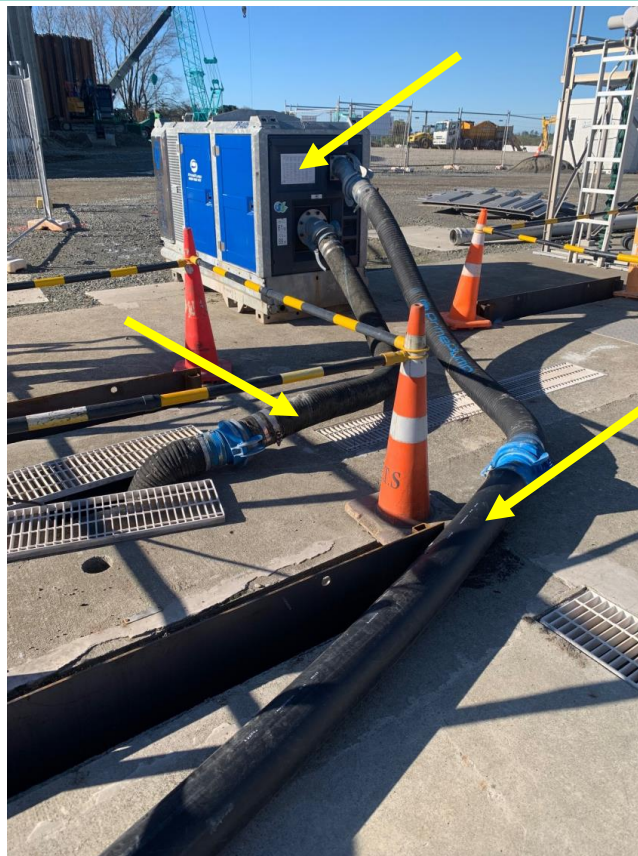
Fire recovery fortnightly update
12 May – 26 May 2022

Overview of today's presentation

- CWTP interim operations update
- Oxidation Ponds
- Trickling Filters
- Environmental & Health monitoring
- Community Support
- Communications update
- Reporting



Interim Operations Update



- The concrete plugging of the trickling filter outlets has started (to isolate the trickling filters), with wastewater being over pumped into Grit Tank 5 as this takes place.

Interim Operations Update (Cont.)



- Tricking Filter bypass pipeline construction continuing

Interim Operations Update (Cont.)



- Excavated material from the Trickling Filter by-pass trench excavation is being stored in the lagoons – to allow testing for contaminants before disposal

Interim Operations Update (Cont.)

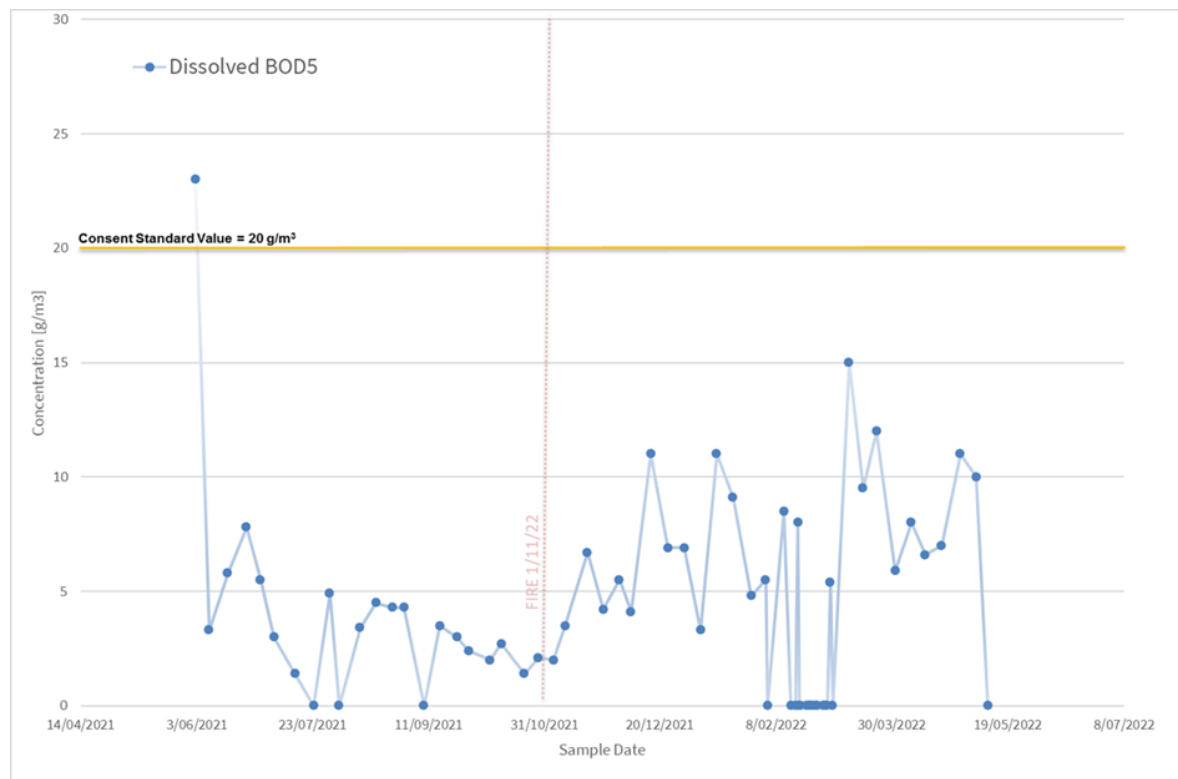


- Power cables to the new aerators in the converted clarifiers – installation completed, and the aerators swapped over to site power (taken off the generators)

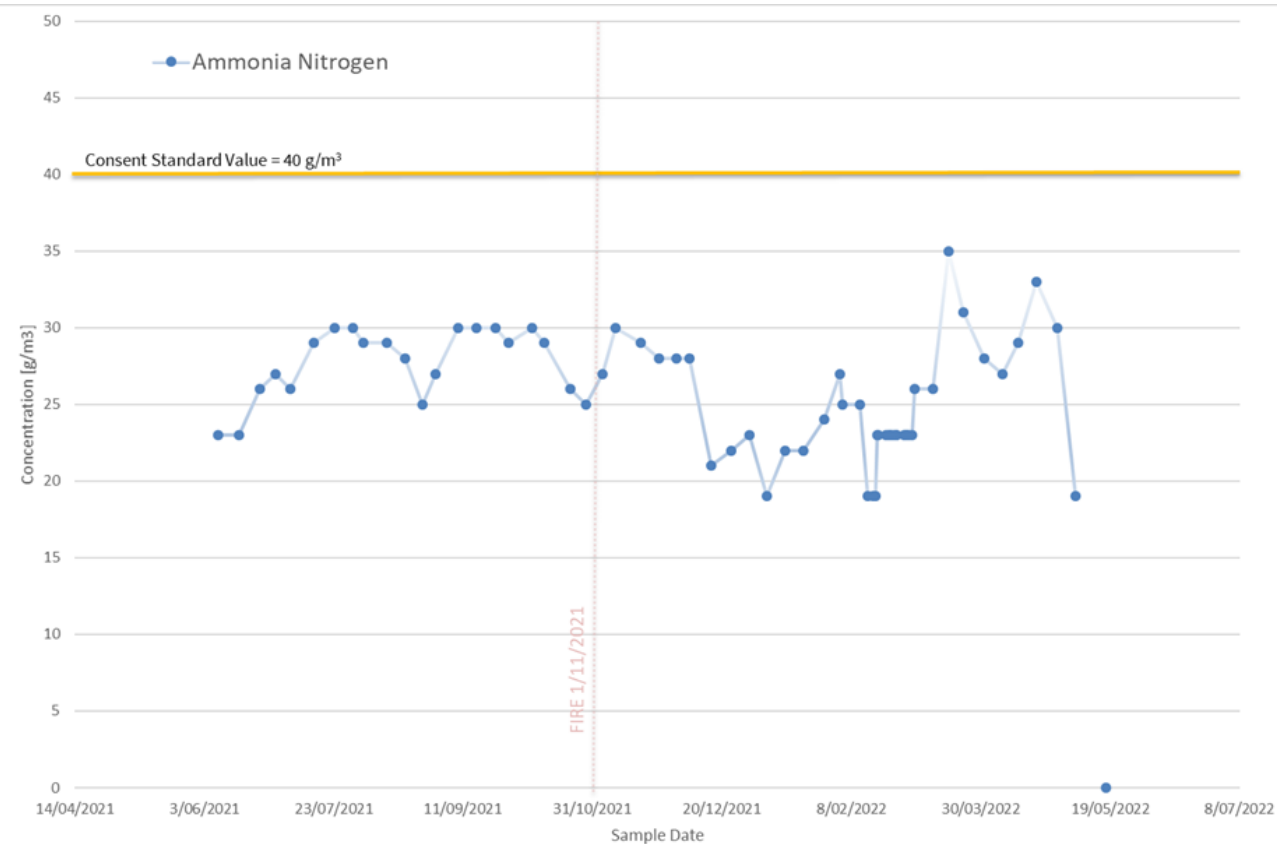
Oxidation Ponds

- Have been receiving a higher load of organic material since the fire
- Performed well over the summer period
- Cooler temperatures and reduced sunshine hours affecting performance
- Seeing a deterioration in water quality over last few weeks
- Consequent increase in odours – largely due to hydrogen sulphide
- Unsuitable habitat for midges and have seen a reduction in bird numbers

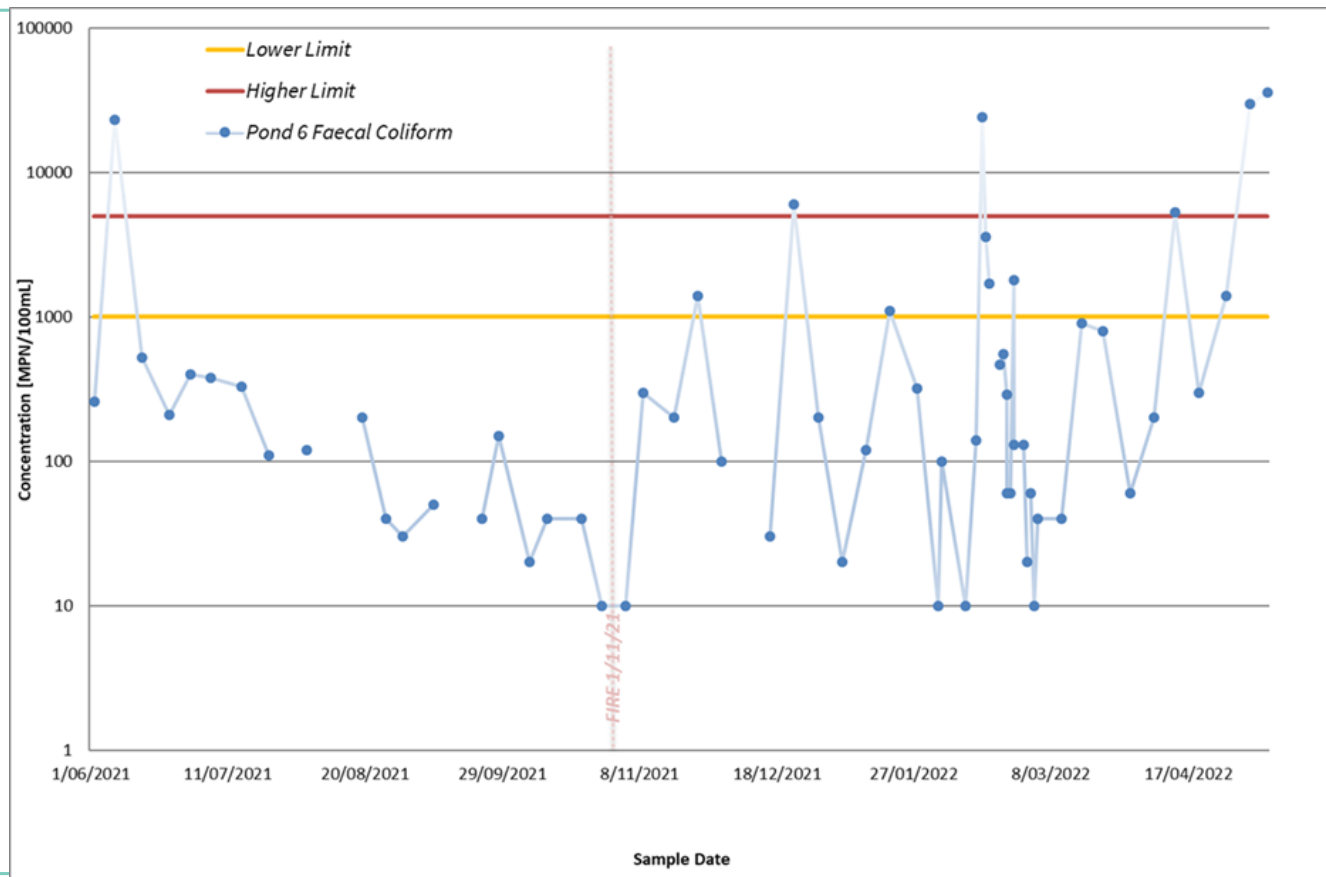
Oxidation ponds – biological oxygen demand



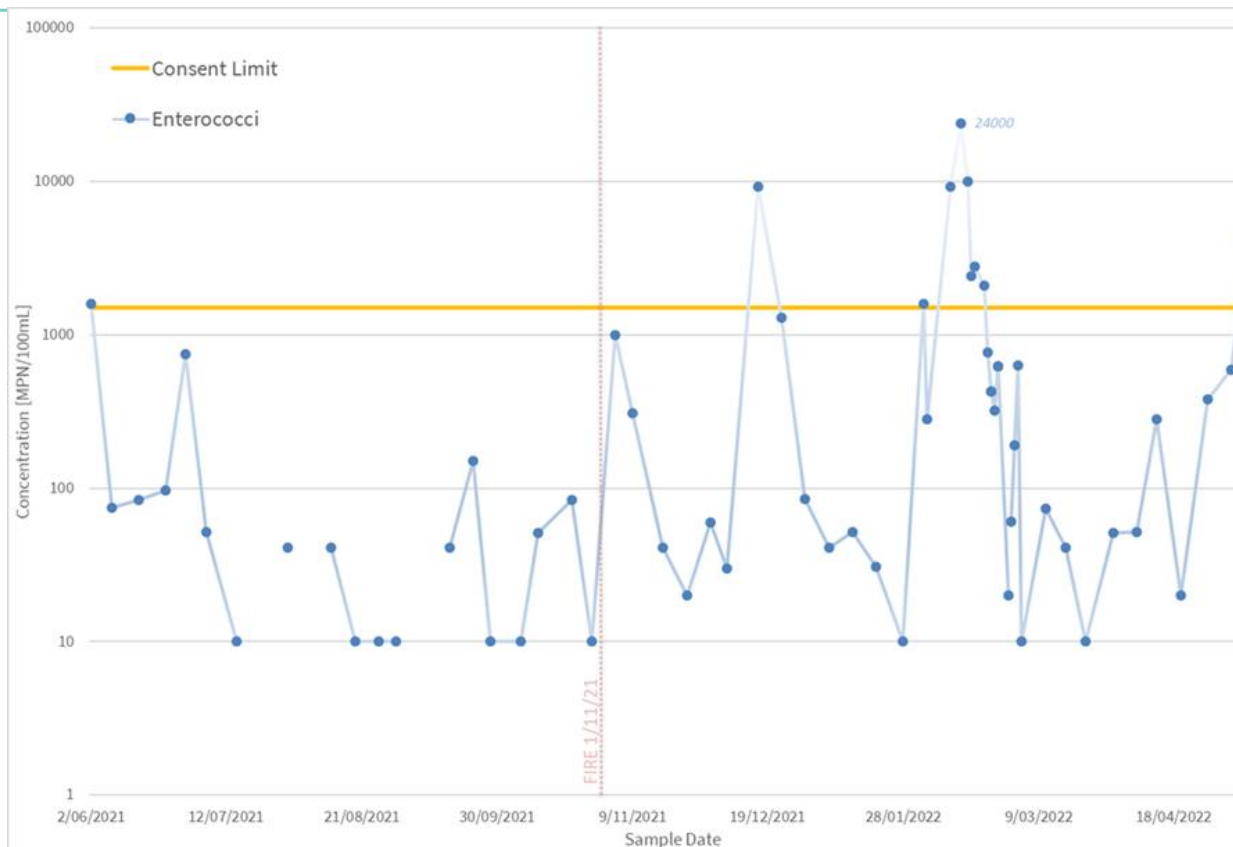
Oxidation ponds – ammoniacal nitrogen



Oxidation ponds – faecal coliforms



Oxidation ponds – Enterococci



Coastal water quality

Weekly samples for Faecal coliforms and Enterococci over the past 12 months

- New Brighton beach surf club
 - High Faecal coliforms following February storm event
 - Enterococci all within standard
- South New Brighton beach
 - Faecal coliforms all within standard
 - Enterococci all within standard
- Sumner beach surf club
 - High Faecal coliforms following February storm event
 - High Enterococci in January – second sample within standard

Trickling Filter Media Removal

Site works undertaken to date

- Delivery of machinery and materials
- Earthworks
- Site clearance
- Sheetpiling for Ramp 1 started

Next Week

- Complete sheetpiling for Ramp 1
- Fill with AP65
- Pad for chippers and compactors
- Removal of media commencing 2 June

27 May 2022

Drone footage (Captured Wednesday 25 May 2022)



27 May 2022

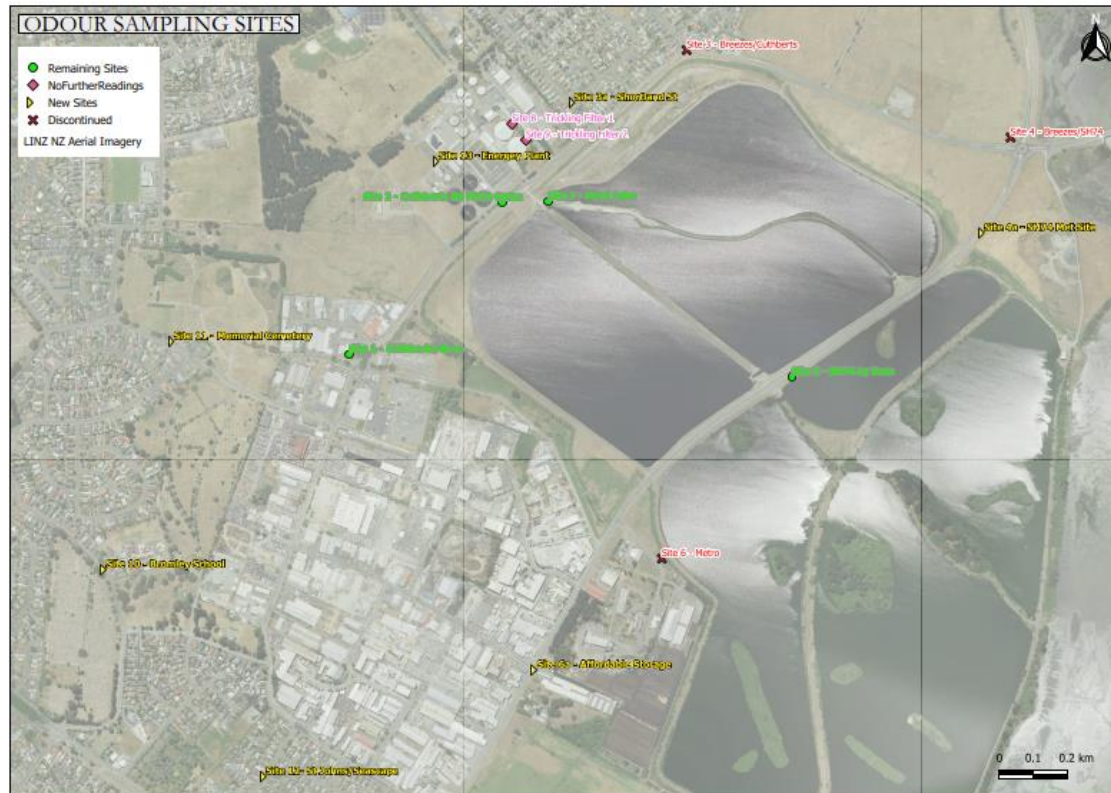
Environmental monitoring

Air quality testing to characterise odour

- Monitoring on 28 April, 12 May, 18 May, 25 May
- Hydrogen Sulphide and Mercaptans detected
- Continue to review sites

27 May 2022

Environmental monitoring (Cont.)



27 May 2022

Environmental monitoring (Cont.)

Collaboration with Environment Canterbury and Community Public Health

Meetings weekly to discuss –

- Monitoring results in context of prevailing wind direction
- Monitoring sites across plant and community
- Inform public health assessment

Schools and Early Childhood Education Centres

- Engagement with the Ministry of Education and local schools

Black discolouration

- Provider located to both analyse samples and air born spore traps.

Environmental monitoring (Cont.)

Next steps

- Review results to date with partners
- Confirm ongoing sampling locations
- Confirm parameters to test for
- Assess continuous monitoring for hydrogen sulphide – leased instruments

Community support

OVERVIEW

- Context
- Objective
- Proposed Package
- Financials

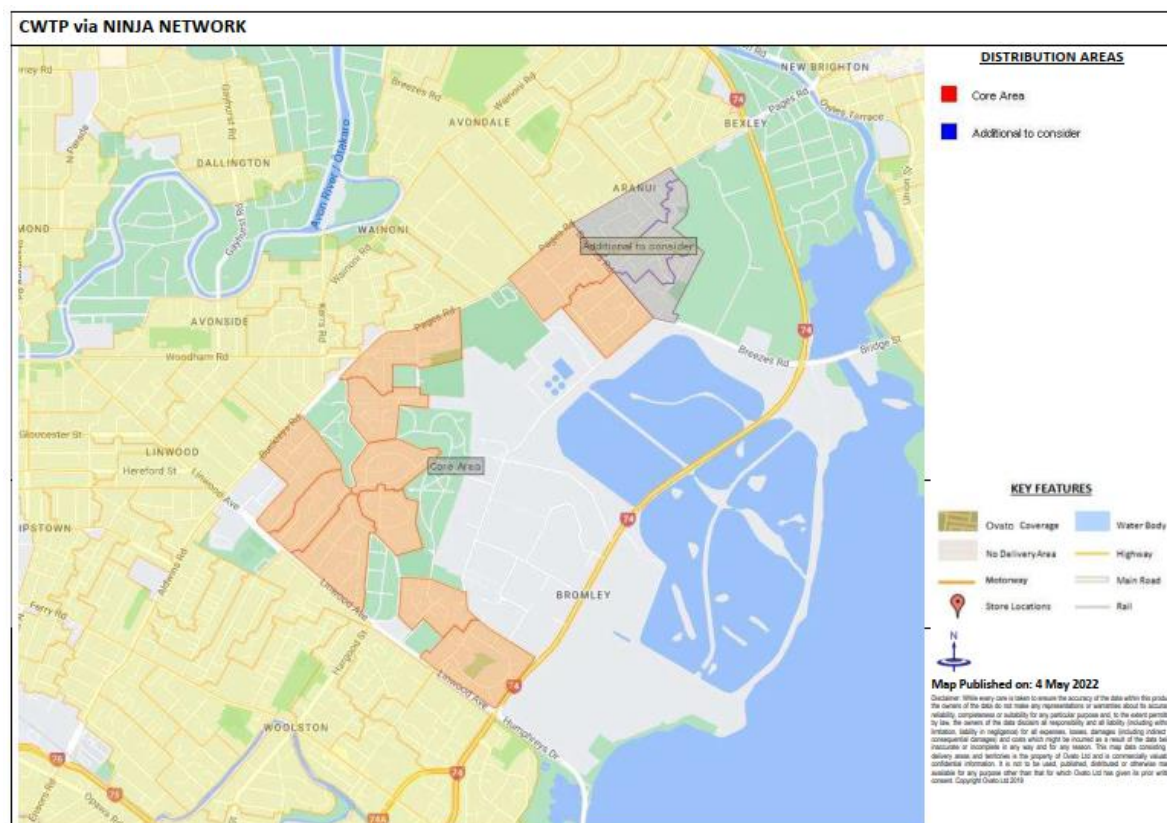
27 May 2022

Context

The proposed responses are based on the following understand:

- We have listened to the community feedback when designing this package
- Residents have been living with horrible odour as a result of the fire at the Waste Water Treatment plant.
- There are 3380 households in the direct vicinity
- There are a further properties experience a level of discomfort
- One of the main sources of stench from the plant will be eliminated by early September 2022 (4 months)

The Area Identified As Most Affected



The area was chosen due to an assessment of the frequency of the odours, intensity of the odours, duration reported, offensiveness of smell and proximity to plant.

Objective

The Objective is to:

- Alleviate some the immediate financial impacts for local residents
- Improve community access to information
- Work with community partners to increase access/referral to other supports

Proposed response package

1. Financial support for households
 2. Support package to schools
 3. Referral process to other supports
 4. Planned workshops to deliver guidance around liveability
-

Household Financial Support

Funding provided to:

- Households who are resident in the most affected area (3380)
- Contribute to costs incurred by residents, for example
 - Increase power to run fans, dehumidifiers, air conditioners, operating clothes dryer etc
 - Purchase of appliances etc. fan
- Contribute to cost of specialist services, for example GPs & other professionals
- Contribute to relief options, for example
 - For example, Petrol voucher or night's accommodation for someone to get away from smell for a night/weekend

How financial support distributed

Essential that:

- Available as quickly as possible
- No requirement for invoices just proof of address
- Has no impact on current financial support residents may be eligible to receive.
- Easy to access
- Flexible and responsive
- Minimal transaction cost (ie money get to people not spent on administration)

Therefore propose to distributed

- Partnership with community agencies
 - With exception of power and firewood which will be directly by Council or in partnerships

Distributed in Partnership Community Agencies

Distributed in partnership with community agencies

- With exception of power which could be directly by Council or in partnerships

Rationale

- Larger number of access points
- Community groups can also link people to other supports
- Less cost on administration
- Relationship in place

School Support

- Objective
 - To provide relief to students and staff
- Ministry of Education has identified 23 schools including Early Learning Centres.
- Council is meeting with MOE and Principals within the next 7 days to consider support options.

Objectives of Community Information

Ensure residents are:

- Informed and empowered;
- Know where to get support;
- Have practical options to minimise distress ie heat pump hints, safety around using smell elimination options etc

Ensure other groups and agencies know what is available and can refer people to supports.

Financials

What		
Household Support & referral	3380 households @\$200 per H/H Discretionary allocations on medical grounds. Community support & admin	\$800,000
School Support	Lump sum	\$200,000

SOURCE - Funding from identified operational savings in F22

Where to from here:

- Report signed off by Finance and Performance 26/05/22
- Finance released to the partner agencies to allow funding allocation available from 30/05/22
- Community information workshops calendar published 08/06/22
- Ongoing conversations with Community Public Health, Ministry of Social Development and Ministry of Education to look at partnership support options.
- Evaluate and monitor the support package.
- Information booklet will be in eligible peoples mail boxes by Monday.

Communications update – in the past two weeks

- Start Works Notice distributed
- Rolling blog established on website, updated at least twice-daily
 - Wind forecasts for coming day
 - On-site updates
 - Q&As answered
 - Air quality testing results
 - Community support package info
- Weekly E-newsletter
- Website updated regularly 2-3 times a week with information
- Q&As updated

27 May 2022

Communications update – coming up

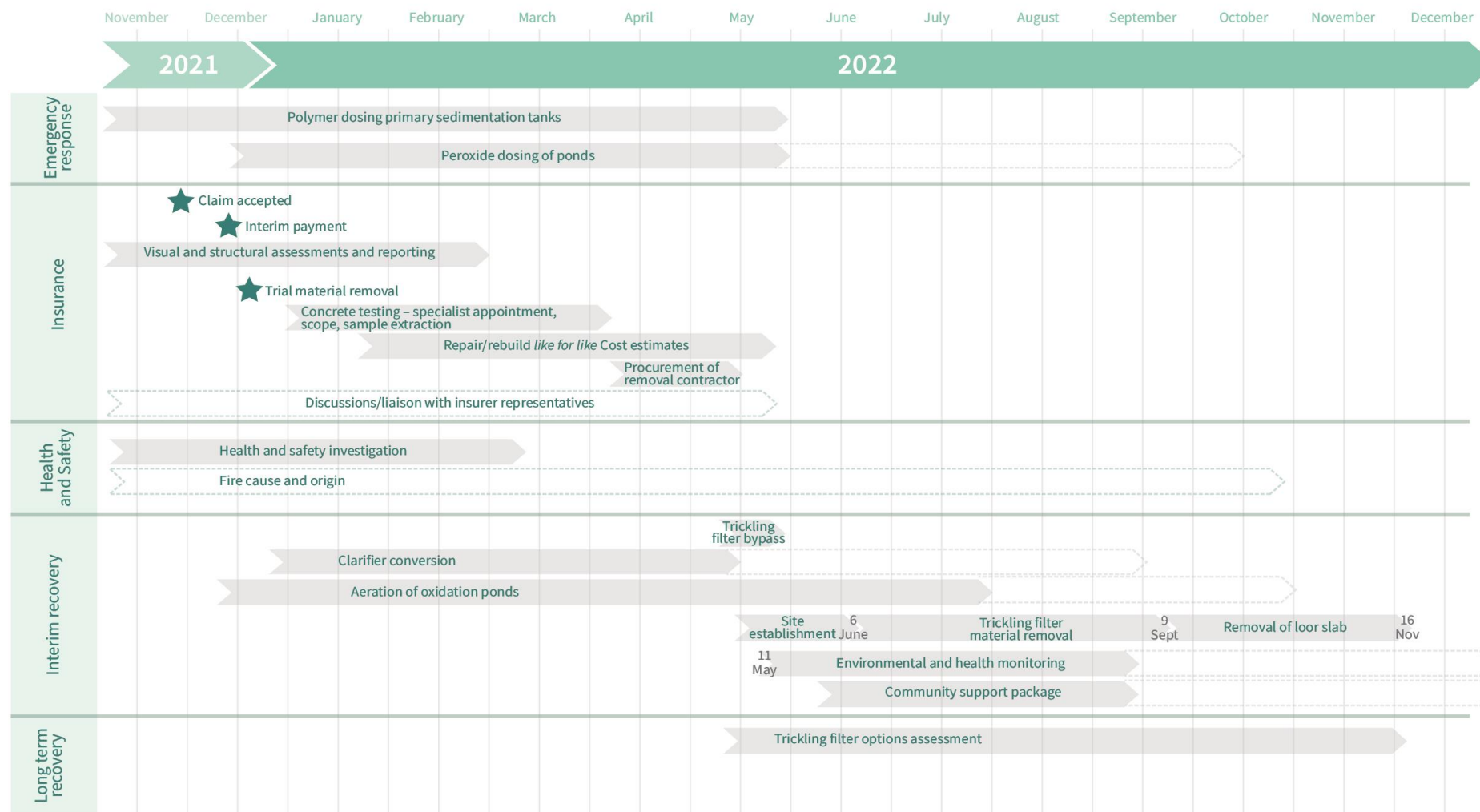
- Community support package information
 - Booklet to homes
 - Newsline
 - social media
 - e-newsletter and hard-copy e-newsletter
 - internal comms information for staff
 - Q&As for providers and customer service developed
 - Continuing the daily rolling blog info and updates
 - Information panels for community providers and Eastgate Mall
 - Media opportunity on-site post Queens Birthday Weekend
 - Responding to questions and updates about community support – continuing developing Q&As
 - Video development
 - Submersible pumps updates
 - Weekly e-newsletter and hard-copy newsletter
 - Continuing to update website
-

27 May 2022

Meetings & Reporting - coming up

- Meetings with Ministry of Education – 27 May and 2 June
- Joint Waitai Coastal-Burwood and Waikaura Linwood-Central-Heathcote Community Board presentation – 30 May
- Three Waters Infrastructure and Environment Committee - 8 June
- Council - 9 June
- Audit and Risk Committee – 15 June
- Insurance Subcommittee – 16 June
- Community Meeting - end of June
- Weekly catch-ups with Environment Canterbury and Canterbury District Health Board

27 May 2022



Questions?



TRIM 22/

Finance & Performance Committee Meeting

The cost & implications of early (no cause)
closure of the organics processing plant

Thursday 26 May 2022

Agenda

- Introduction
- Mitigation Actions
- Overview
- Organics to Landfill
- Considerations (Closure, Cost, Policy, GHG Emissions, Compliance, Legal)
- Process for Decision Making
- Summary
- Q&A

Introduction

We have been processing organics at the Bromley site since 2009.

We have heard from Bromley residents about the impact odour in the area is having on their wellbeing. The residents have identified both the organics processing plant and more recently the wastewater treatment plant as sources of odour.

We have introduced a range of processes to manage and mitigate odour as part of our transitional plan and this has reduced the odour from the plant.

Mitigation Actions

- Maintained effective treatment of processing air including biofilter maintenance (May 2021)
 - Ceased accepting pre-consumer food organics (December 2021)
 - Using probiotic additive to accelerate maturation
 - Cleared 31,397 t of compost maturing in outdoor windrows
 - All processing now occurs indoors (since January 2022)
 - A lower maturity product is moved off site within 48 hours
- Consider removal of all tailings from site or enclose more of the operation

Overview

- The immediate closure of the OPP would require the diversion of organics to landfill.
- Kerbside organics (Green bins containing food and garden waste) would no longer be received and processed at the (Living Earth) Organics Plant.
- In considering the impacts & implications of this change we have received feedback from Kate Valley, Living Earth, EcoCentral, Central Government, Ministry for Environment, and Waimakariri District Council.

Organics to Landfill (Kate Valley)

- 55,000 T/pa organics transported to landfill
- 140km round trip to landfill site
- 2,756 additional truck movements/pa, will trigger a change to the current resource consent
- Methane capture considerations

Organics to Landfill

Commercial waste streams

Living Earth will no longer take organics from Waimakariri District Council and other commercial operations

- Volume
- Cost impact

Waimakariri District Council (WDC)

- 5,280 T/year organics transported to landfill
- Cost impact to WDC ratepayers

Considerations – Closure of Plant

- We have heard from the community that the operation of this facility is :
 - ❖ Affecting their quality of life
 - ❖ Negatively impacting their health and wellbeing
 - ❖ Reducing house/property values
- This has been ongoing for a number of years.

If the plant was to close this would provide immediate relief to the local Bromley residents.

Considerations - Cost

- Increased costs
 - ❖ Cost implications include one-off costs in 2022/23 and 2023/24.
 - ❖ \$12.7m p.a. from 2022/23 added residual waste charges to send to landfill.
- Offsets
 - ❖ Capital improvement project funding deferred
 - ❖ Annual organics processing contract budgets \$6.6m p.a.
- Rates Impact \$1.23% for annual amounts plus 1.5% for one-offs
- Funding mechanism –increase in general rate / decrease in targeted rate

Considerations - Cost

- Estimated Net cost - One-off costs in 2022/23 and 2023/24 plus net costs of \$6.1m p.a. from 2022/23
 - \$28.5m for 3 years (including inflation)
 - \$41.4m for 5 years (including inflation)
- Environment Court costs – should ECan take enforcement action
- The potential cost of the loss of levy is not included in these figures (organics levy \$883 K pa)

Considerations - Policy

- ❖ Waste Minimisation Act 2008 -

Encourage waste minimisation and a decrease in waste disposal in order to protect the environment from harm.

- ❖ Waste Minimisation and Management Plan 2020

Make sure the organics facilities support climate change emissions targets

- ❖ Otautahi Climate Resilience Strategy

Maximise composting or organics & reduce transport emissions

- ❖ Emissions Reduction Plan 2022

Reduce biogenic methane emissions

- ❖ 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.

If organics are diverted to landfill it will be inconsistent with these policies.

Considerations – GHG Emissions

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 round trip

274 Tonnes CO₂-e per annum

* Estimate excluding the operational impacts at each site which are offset by loader/onsite truck movements

Considerations - Compliance

- ECan letter received 23 May states ECan opinion that Council is in breach of the abatement notice.
- Council's independent odour expert disagrees with ECan. Staff are engaging with ECan in relation to this matter
- External consultants engaged for proactive odour assessments and reporting – ongoing

Considerations - Legal

- As the Council does not agree that there is a breach of the RC condition termination of the contract would need to be negotiated
- Cost calculations here assume without cause and agreement
- ECan enforcement risk re handling of organics at the Transfer Stations

Process for decision making

- 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.
- The decision is one of high significance, and affects the whole city.
- Legal Services consider that a closure decision would require city wide consultation.

Summary

- This is a complex issue with significant costs risks & implications for Christchurch residents
- The closure and diversion of organics to landfill would impact the Waimakariri District
- The climate impacts are considerable and go against Councils own policy as well as Government Policy
- The OPP cannot be immediately closed because we do not know the views and preferences of the general public
- Not closing the facility will mean that the stress for the neighbouring community will continue until an alternative is found.

RECOMMENDATION: Plant continues to operate until an alternative organics processing operation is secured. Staff will actively work to expedite the process to finding a new solution.

Questions