

2 August 2012



WASTEWATER TREATMENT PLANT AND LANDFILL JOINT COMMITTEE

A Joint Committee of the Porirua and Wellington City Councils

Notice is hereby given that, commencing at 3.30pm on TUESDAY 7 AUGUST 2012, a meeting of the WASTEWATER TREATMENT PLANT AND LANDFILL JOINT COMMITTEE will be held in the PORIRUA CITY COUNCIL CHAMBER, ADMINISTRATION BUILDING, HAGLEY STREET, PORIRUA CITY, to conduct the business set out as under.

TERMS OF REFERENCE

To provide governance for the joint services entered into by the Porirua and Wellington City Councils through the joint venture agreements for the Wastewater Treatment Plant and the Spicer Valley Landfill.

MEMBERSHIP

Porirua City Council:

Cr T M Sheppard (Chairperson)
Cr S M Dow
Cr B E Kropp

Wellington City Council:

Cr N Best (Deputy Chairperson)

A handwritten signature in blue ink, appearing to read "G Simpson".

Gary Simpson
CHIEF EXECUTIVE



SCOPE OF ACTIVITY

To consider and make recommendations to both Councils regarding:

- *overview, input and policy formulation in the areas of management of the Spicer Valley joint landfill operation, and the Wastewater Treatment Plant, as set out in the joint venture agreements, entered into by both Councils, including development of Trade Waste Bylaws.*
- *proposals for infrastructural development relating to the joint ventures*
- *new initiatives relating to the joint ventures*
- *the Spicer Forest partnership agreement between Greater Wellington Regional Council, Wellington City Council and Porirua City Council on land surrounding the Spicer Valley Landfill*
- *the budget for operation of the joint ventures for inclusion in the Councils' Annual Plans / Long Term Council Community Plans*
- *receipt of the Annual Report of the joint ventures for inclusion in the Councils' Annual Reports*
- *any proposed service changes*

POWER TO ACT

The powers of the Joint Standing Committee as described in the Deed Relating to Joint Works dated 22 December 1986 and the powers of the Joint Committee as described in the Agreement Relating to Joint Refuse Disposal Works dated 2 May 1983

Setting of fees and charges related to the operation of the Spicer Valley Landfill and recommending the basis for charging for trade wastes at the Wastewater Treatment Plant

Decisions on acceptance of wastes into the Spicer Valley Landfill and Wastewater Treatment Plant

ORDER OF BUSINESS

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2. CONFIRMATION OF MINUTES	
Meeting held 11 April 2012	
<u>CHAIRPERSON'S RECOMMENDATION</u>	4
<i>That the minutes be adopted as a true and correct record.</i>	
3. ITEM FOR DECISION	
3.1. JOINT WASTE MANAGEMENT INVESTIGATION – UPDATE AS OF JULY 2012	7
Report #789472 of the General Manager Asset Management and Operations dated 16 July 2012.	
<u>CHAIRPERSON'S RECOMMENDATION</u>	
<i>That the Porirua City Council:</i>	
<i>Note that joint work to confirm the mechanism for the delivery of the benefits of joint management of solid waste services, and a more detailed transition business case, has been stopped following a decision by Wellington City Council to "stop work on a joint waste management Council Controlled Organisation with Porirua City Council."</i>	

WASTEWATER TREATMENT PLANT AND LANDFILL JOINT COMMITTEE

Minutes of Joint Committee meeting held in the Council Chambers, Administration Building, Hagley Street, Porirua on Wednesday 11 April 2012 at 3.30pm.

PRESENT

Wellington City Council: Cr N Best (Chairperson)
Porirua City Council: Cr B E Kropp

OFFICERS

Porirua City Council: P Bailey General Manager Asset Management and Operations
P Keller Solid Waste Manager
K Stillwell Manager Leisure Assets and Services
J Saywell Waste Water Assets Manager
S Mika Committee Advisor

Wellington City Council: M Mendonca Business Unit Manager CitiOperations
M Oates Manager Open Spaces and Recreation

APOLOGIES

From Councillors S M Dow and T M Sheppard were sustained on the motion of Councillors N Best and B E Kropp

21/12 CONFIRMATION OF MINUTES

Meeting held 30 November 2011.

RESOLVED (Best / Kropp)

That the minutes be adopted as a true and correct record.

CARRIED

22/12 DEPUTATION - TAKE CARE BUSINESS SERVICES

Ms Leanne Pelabon spoke about a proposal for a composting facility. The following points were highlighted in her presentation:

- Recycling Organic Waste
- Key benefits to the region and community
- Project update
- Collaboration and Support

23/12 PROPOSED LANDFILL FEE INCREASE FROM 1 JULY 2012

Report #747996 of the General Manager Asset Management and Operations dated 5 March 2012

RECOMMENDED (Best / Kropp)

- 1. That Porirua City Council agree to increase landfill charges at Spicer Landfill by 15% from 1 July 2012.**
- 2. That Wellington City Council agree that Porirua City Council increases landfill charges at Spicer Landfill by 15% from 1 July 2012.**
- 3. That Porirua City and Wellington City Councils note that an additional increase in landfill charges at Spicer Landfill will be required from 1 January 2013, to compensate for Emissions Trading Scheme charges.**

CARRIED

24/12 REVIEW OF 'CHOICE COMPOSTING' PROPOSAL

Report #747998 of the General Manager Asset Management and Operations dated 5 March 2012

RECOMMENDED (Best / Kropp)

- 1. That Porirua City Council declines the proposal.**
- 2. That Wellington City Council agrees that Porirua City Council decline the proposal.**
- 3. That both Councils note that while the current proposal's benefits do not outweigh the costs and risks, there is an expectation that composting or digestion of food wastes for renewable energy is likely to be commercially viable in Porirua in the medium term (five to ten years) and may be a future business growth opportunity.**
- 4. That both Councils note that the solid waste Council Controlled Trading Organisation currently under investigation may wish to consider the composting or digestion of food waste once it is established.**
- 5. That both Councils note that Take Care Business Services Ltd intends to undertake a local composting trial to test the reliability of the composting process in New Zealand. This trial will be observed by Porirua City Council Officers.**

CARRIED

25/12 SPICER FOREST PARTNERSHIP WITH GREATER WELLINGTON REGIONAL COUNCIL

Joint report of the Manager Open Spaces and Recreation Planning Wellington City Council and Manager Leisure Assets & Services Porirua City Council dated 21 March 2012

RECOMMENDED (Best / Kropp)

That the Wastewater Treatment Plant and Landfill Joint Committee (the JV Committee) agree to recommend to Porirua City Council and Wellington City Council (the Councils) that:

- 1. the Councils agree to exit the joint management agreement for forestry with Greater Wellington Regional Council as of 30th June 2012 through a Deed of Dissolution**
- 2. compensation of \$393,689 be paid to Greater Wellington as full and final settlement for their loss of logging rights under the joint management agreement**
- 3. the compensation payment be paid by the Councils is based on their respective land areas covered by the joint management agreement: Wellington City Council pay \$220,336 and Porirua City Council pay \$173,353.**
- 4. any income received from logging as part of the Meridian Access Road be used to investigate and develop recreational activities and facilities within Spicer Forest.**

CARRIED

The meeting closed at 4.07pm.

Approved and adopted as a true and correct record:

.....
CHAIRPERSON

.....
DATE



JOINT WASTE MANAGEMENT INVESTIGATION - JULY 2012 UPDATE

PURPOSE

To update the Committee on the status of investigative work on the joint management of Porirua City Council and Wellington City Council solid waste services.

SIGNIFICANCE OF DECISION

The matters considered in this report do not trigger the Porirua City Council's Significance Policy.

RECOMMENDATIONS

That the Porirua City Council:

1. Note that joint work to confirm the mechanism for the delivery of the benefits of joint management of solid waste services, and a more detailed transition business case, has been stopped following a decision by Wellington City Council to "stop work on a joint waste management Council Controlled Organisation with Porirua City Council".

Report prepared by:

Peter Keller
SOLID WASTE MANAGER

Approved for submission by:

Peter Bailey
GENERAL MANAGER ASSET MANAGEMENT AND OPERATIONS

1 EXECUTIVE SUMMARY

- 1.1 In July 2011, the Wastewater Treatment Plant and Landfill Joint Committee recommended that a project be established to investigate the potential benefits, costs and risks of jointly managing waste services under a Council Controlled Trading Organisation.
- 1.2 At the 30 November 2011 Committee meeting, officers reported on the outcome of the first stage of investigative work, completed by Deloitte.
- 1.3 The Committee agreed that a joint high level proposal be prepared for inclusion in the 2012-2022 Long Term Plan (LTP). A high level proposal was included in both Council's Long Term Plans.
- 1.4 The Committee also agreed that "further work as required to confirm the particular mechanics for the delivery of the identified benefits and a more detailed transition business case be carried out".
- 1.5 Officers of both Council's have been working together to clarify the benefits of joint waste management services and develop the transition business case.
- 1.6 However, this work has now been stopped after Wellington City Council considered submissions on its Long Term Plan and decided to "stop work on a joint waste management Council Controlled Organisation with Porirua City Council".

2 CONTRIBUTION TO COUNCIL'S STRATEGIES

Relationship to Council's Strategic Priorities

A City of Villages	A Healthy Harbour	A Growing City	A Great City Experience
			✓

- 2.1 Wellington City Council and Porirua City Council work collaboratively on waste-related issues. Such work is consistent with the recently agreed Regional Waste Management and Minimisation Plan.

3 ASSOCIATED PORTFOLIOS

Relationship to Council's Portfolios of Responsibility

Sport, Leisure and Recreation	Community and Social Development	Infrastructure and Environment	Economy and Arts	Planning and Regulatory	Finance and Audit
	✓	✓		✓	✓

Relationship to Project Portfolios

Emergency Management	Sister Cities	Village Planning	Harbour	City Centre	Community Empowerment
✓		✓	✓	✓	✓

4 BACKGROUND

- 4.1 As a result of shared ownership of the Spicer Landfill, Porirua City Council and Wellington City Council have a working relationship in solid waste. In addition to this partnership, both Councils have worked together on strategic planning for waste management in the preparation of the Regional Waste Management and Minimisation Plan, as required by the Waste Minimisation Act 2008.
- 4.2 The Wastewater Treatment Plant and Landfill Joint Committee (the Committee) considered the question of joint management at their 25 July 2011 meeting. The Committee recommended that a project be established to investigate the potential benefits, costs and risks of Porirua City Council and Wellington City Council jointly managing waste services under a Council Controlled Trading Organisation (CCTO). It was further decided that, dependent on the outcome of the investigation, recommendations would be developed on the form and function of the joint entity, financial and governance matters and a transitional path.
- 4.3 At the 30 November 2011 Committee meeting, officers reported on the outcome of the first stage of investigative work, completed by Deloitte.
- 4.4 The Committee agreed that a joint high level proposal be prepared for inclusion in each Council's 2012-2022 Long Term Plan (LTP).
- 4.5 The Committee also agreed that "further work as required to confirm the particular mechanics for the delivery of the identified benefits and a more detailed transition business case be carried out".
- 4.6 A joint high level proposal was included in both Councils' Long Term Plans.

5 DISCUSSION AND OPTIONS CONSIDERED

- 5.1 Officers of both Councils have been working together to clarify the benefits and develop the transition business case for a solid waste CCTO, with the aim of reporting back late in the 2012 calendar year.
- 5.2 After receiving submissions on its Long Term Plan, Wellington City Council decided to stop work on the solid waste Council Controlled Trading Organisation investigation.
- 5.3 A copy of the extract from Wellington City Council Resolution from the meeting of 27 June 2012 is attached at the end of this report (refer attachment 11.1).

6 OPERATIONAL IMPLICATIONS

- 6.1 This decision will stop progress on the implementation of a joint Council Controlled Trading Organisation.

7 FINANCIAL IMPLICATIONS

7.1 There are no clearly identifiable financial implications at this stage.

8 STATUTORY REQUIREMENTS

8.1 The matters considered in this report do not trigger the Porirua City Council's Significance Policy.

9 CONSULTATION

9.1 The Committee agreed that a joint high level proposal be prepared for inclusion in each Council's 2012-2022 Long Term Plan (LTP). A high level proposal was included in both Councils' Long Term Plans and officers were progressing a joint Statement of Proposal which would have been a basis for further consultation.

10 CONCLUSION

10.1 At the 30 November 2011 meeting of the Wastewater Treatment Plant and Landfill Joint Committee, the Committee agreed that a joint high level proposal be prepared for inclusion in the 2012-2022 Long Term Plan (LTP). A high level proposal was included in both Councils' Long Term Plans.

10.2 The Committee also agreed that "further work as required to confirm the particular mechanics for the delivery of the identified benefits and a more detailed transition business case be carried out".

10.3 Officers of both Councils have been working together to clarify the benefits and develop the transition business case for a CCTO. However, this work has now been stopped following a decision by Wellington City Council to "stop work on a joint waste management Council Controlled Organisation with Porirua City Council".

11 ATTACHMENTS:

11.1 Extract from Wellington City Council Resolution from the meeting of 27 June 2012:

"RESOLVED:

THAT Council:

1. *Receive the information.*
2. *Note that the Strategy and Policy Committee considered the issues raised in written and oral submissions at its meeting of 12 June 2012.*

3. *Note that the 2012-22 Long-Term Plan (attached as appendix 1) has been prepared based on the decisions and recommendations of the Strategy and Policy Committee meeting of 12 June 2012 following the special consultative procedure, and note that all changes from the draft are highlighted **with a minor correction as follows:***

Executive Summary – Priority 3 A well-managed city

*It is noted that the Council voted to stop work ~~on the proposed joint venture with Porirua City Council on a joint waste management Council Controlled Organisation until we have completed a review of our approach to Council Controlled Organisations~~ **on a joint waste management Council Controlled Organisation with Porirua City Council.***

Activity Statement 2.2 Waste Reduction and Energy Conservation

*Further work ~~on joint waste management governance options is deferred until after a review of Council Controlled Organisations is completed later this year.~~ **It is noted that the Council voted to stop work on a joint waste management Council Controlled Organisation with Porirua City Council.***