



Waste Management Committee Meeting Minutes

Held on

Tuesday, 18 August 2015
Commencing at 4.12pm

In Council Chambers
Cnr Bentley and Collins Streets, Donnybrook WA 6239

J R Attwood
Chief Executive Officer

19 August 2015

DISCLAIMER

The advice and information contained herein is given by and to the Council without liability or responsibility for its accuracy. Before placing any reliance on this advice or information, a written inquiry should be made to the Council giving entire reasons for seeking the advice or information and how it is proposed to be used.

Please note these minutes contain recommendations which have not yet been adopted by Council.



WASTE MANAGEMENT COMMITTEE MEETING MINUTES

18 August 2015

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SHIRE OF DONNYBROOK/BALINGUP WASTE MANAGEMENT COMMITTEE MINUTES

Held in Council Chambers on Tuesday 18 August 2015

The Chairperson declared the meeting open at 4.12pm.

MEMBERS PRESENT

COUNCILLORS	STAFF	COMMUNITY
Cr Duncan Cr Dawson Cr Mitchell	Leigh Guthridge – MDES	

PUBLIC GALLERY

Nil

APOLOGIES

Emma Thomas

1. PUBLIC QUESTION TIME

Nil

2. DECLARATION OF FINANCIAL INTEREST

Division 6: Sub-Division 1 of the *Local Government Act 1995*. Care should be taken by all Committee members to ensure that a financial interest is declared and that they refrain from voting on any matter considered may come within the ambit of the Act.

Nil

3. PETITIONS/DEPUTATIONS/PRESENTATIONS

Nil

4. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

Moved: Cr Duncan

Seconded: Cr Mitchell

That the Minutes of the Waste Management Committee Meeting held on 21 November 2013 be confirmed as a true and correct record.

Carried 3/0

5. REPORTS OF OFFICERS

5.1 Manager of Development & Environmental Services

5.1.1	SUBJECT:	APPLICATION FOR VARIATION TO THE MANAGEMENT OF THE DONNYBROOK WASTE MANAGEMENT FACILITY CONTRACT
	Location:	Goodwood Road Donnybrook
	Applicants:	Hastie Waste
	Zone:	State Forest
	File Ref:	HLT 09/2
	Author:	Leigh Guthridge – Manager Development and Environmental Services
	Report Date:	5 August 2015
	Attachment:	5.1.1(1) - Application details 5.1.1(2) - Photos of Landfill Machines 5.1.1(3) - ASK Waste Management – Cost Benefit Analysis

Background

The purpose of this report is to:

1. Endorse continuing to landfill in the active area of the Donnybrook Waste Management Facility (DWMF) and raise the final waste height 2.5 metres above that planned in the Shire's approved Landfill Closure Management Plan (LCMP) to provide an additional 24,300m³ of void space; and
2. Consider the offer by Hastie Waste to provide a landfill compactor and adjust the rates of the Management of the Donnybrook Waste Management Facility (DWMF) Contract (the Contract) accordingly.

Comment

Provision of Landfill Compactor

Hastie Waste has made application for a variation to the Contract to upgrade the machine that it uses to landfill and compact and adjust the contract rates for same. A copy of the application is as per **Attachment 5.1.1(1)**. Photos of the track machine (used as part of the existing contract) and the compactor are illustrated at **Attachment 5.1.1(2)**.

The existing machine used in accordance with the contract is a 12 tonne track loader and it is proposed to replace this with a 25 tonne compactor. Hastie Waste advises that it has already purchased the compactor because an opportunity arose for its purchase at a low price (<\$25,000) and given that it is a machine designed specifically for land fill operations, is 25 tonnes (double the weight) and has a bucket it delivers improved compaction and versatility for landfill operations.

When the Shire sought tenders for the Contract in 2011, the tender specified that a machine was to be provided that (among other things) delivered a minimum approximate compaction rate of 600kg/m³. It was anticipated that tracked machines would be used by the successful tenderer.

It is known that landfill compactors deliver greater compaction of 600 kg/m³ but it was deemed that for the size of the DWMF, the amount of waste received that requires landfilling and associated economies of scale, the costs of providing a compactor would be excessive and not commensurate for the size of the operation.

Given the high cost of capital and operational costs of compactors it generally only becomes viable to provide compactors in a contract where in excess of 20,000 tonnes are received at a landfill facility where a compactor would be provided and amortised over the life of the contract. The DWMF receives on average 6,000 tonnes per year.

Compactor Rates – Price Adjustment to the Contract

Determining what is a fair rate for a landfill compactor being offered given its age is difficult to determine. As the machine was manufactured in 1986 and has done in excess of 10,000 hours it has a higher risk of breakdown and downtime. Whilst the capital cost for the compactor was relatively low (<\$25,000) operational costs, risk of breakdown and the cost to repair will remain high. An electronic lifecycle costing calculator (spreadsheet) was used as the basis of determining the rates for the Compactor.

After negotiation between Shire staff and Hastie Waste the following rates have been offered by Hastie Waste:

- \$18,000 per annum over 4 years;
- \$21,000 per annum over 2 years; or
- \$55 per Landfill Compactor machine hour (no minimum period)

Compaction

Given the age of the Landfill Compactor the exact compaction rate could not be verified because compaction specifications for the Compactor are not available. However based on industry knowledge on these machines a compaction rate of 830kg/m³ is being used during this evaluation. This compaction rate also aligns with the compaction rates as confirmed in the Caterpillar Handbook.

Works Approval

The works approval for the extension to the DWMF is yet to be issued. Recent Officer's advice from Department of Environment and Regulation (DER) confirm that the works

approval will be refused on the basis that the Shire's application does not propose to install a liner and leachate collection system as per the Victorian Best Practice Environmental Management Guidelines (BPEM). Based on this the Shire will be required to investigate every opportunity to extend the life of the landfilling operations until other solutions are found.

Compactor - Evaluation of Costs and Benefits

Ask Waste Management Report

Ask Waste Management was commissioned to provide advice on the cost benefit of the proposal whilst taking into account known risks of limited landfill capacity and anticipated works approval refusal at the DWMF as per **Attachment 5.1.1(3)**.

The report evaluates the cost benefit of the proposal considering the following:

- Rates proposed by Hastie Waste for providing a landfill compactor;
- Remaining Void Space - Projections for the active area using survey data and options to increase the volume of void space;
- Operational Life - Comparisons of anticipated landfill void space savings with the Compactor versus the tracked loader;
- Economic Assessment - of the active landfill area only and methodology using operational costs and not the whole of life costs; and
- Conclusions and recommendations

ASK Waste Management recommend that the offer from Hastie Waste should be accepted for the following reasons:

- The Contractor's compactor will increase the operational life of the active area, thus resulting in significant cost savings to the Shire by continuing to landfill at the DWMF as opposed to transporting the waste and disposing it at a regional facility; and
- It will provide sufficient time for the Shire to determine and implement alternative strategies.

Council is advised to support the recommendations from ASK Waste Management and:

- Accept the rates offered from Hastie Waste for two years at \$21,000 plus GST per annum; and
- Continue to land fill in the active area as per option 2 within the existing landfill footprint (to the maximum slopes of 1:5 as stipulated by BPEM) to realise an additional 3.9 years (with tracked loader) or 5.8 years (with compactor) of land fill capacity based on projected rates of waste received at the DWMF.

Whilst it is acknowledged that at least 4 years of landfill capacity is available based on the projections provided by ASK Waste Management, Council is advised to only accept a 2 year option with Hastie Waste for the provision of the Compactor as several issues need to be evaluated at the DWMF including:

- Future acceptance of commercial waste;
- Whole of life costs of developing future landfill areas if works approval is granted by DER;

- Diversion of kerbside waste collection from the DWMF to a regional facility; and
- Diversion of the Balingup Transfer Station waste from the DWMF to a regional facility

It is planned that an economic review be undertaken in the 2015/16 budget year to evaluate these matters and other whole of life principles for consideration of Council. A budget provision has been made for this purpose.

Consultation

Ask Waste Management was commissioned to provide advice on short term landfill options and the cost benefit of paying Hastie Waste to provide a landfill compactor.

Mr Tony Battersby – Chief Executive Officer of the Bunbury- Harvey Regional Council provided advice on the benefits of a compactor, typical operational costs and compaction rates etc.

Policy/Statutory/Voting Implications

Voting

Simple Majority

Financial Implications

Section 5.10 of the contract between the Shire and Hastie Waste for the Management of the Donnybrook Waste Management Facility provides for price variations to the contract.

The Shire pays Hastie Waste \$228,060 per annum (subject to rise and fall provisions) to manage the DWMF. If Council accepts the recommendation to vary the Contract and introduce the compactor into the landfill operations the amount payable will be \$249,060 per annum or an increase of 9% to the contract.

It will be prudent to accept the offer from Hastie Waste considering the projected yearly additional cost of \$350,754 of transporting waste to a regional landfill facility as compared to continuing to landfill at the DWMF. The Compactor will provide an additional 1.9 years of additional landfill capacity if used in lieu of the tracked loader equating to \$666,432 savings based on the additional projected yearly cost.

Strategic Implications

The Shire of Donnybrook – Balingup Strategic Community Plan (SCP) States:

Outcome 2.2 – Efficient and Effective Waste Management.

Strategy 2.2.3 - Continue to provide waste management infrastructure to accommodate the waste management needs of the community.

Officer's Recommended Resolution

Moved:

Seconded:

That Council:

- 1. Approve a variation to the Management of the Donnybrook Waste Management Facility Contract with Hastie Waste to use a landfill compactor (C66 Hanomag) for two years concluding on the 30 June 2017 at a rate of \$21,000 plus GST per annum and be subject to the rise and fall adjustments within the Contract.**
- 2. Modify the Management of the Donnybrook Waste Management Facility Contract that in the event of breakdown of the Compactor exceeding three days, and the track loader is required to be used, that the rates payable apply to that of the original contract price calculated on a pro rata basis.**
- 3. Select Option 2 as recommended by Ask Waste Management report dated 30 July 2015 and continue to landfill the active area within the existing landfill footprint.**

Committee's Resolution

Moved: Cr Mitchell

Seconded: Cr Duncan

That Council:

- 4. Approve a variation to the Management of the Donnybrook Waste Management Facility Contract with Hastie Waste to use a landfill compactor (C66 Hanomag) for four years concluding on the 30 June 2019 at a rate of \$18,000 plus GST per annum and be subject to the rise and fall adjustments within the Contract.**
- 5. Modify the Management of the Donnybrook Waste Management Facility Contract that in the event of breakdown of the Compactor exceeding three days, and the track loader is required to be used, that the rates payable apply to that of the original contract price calculated on a pro rata basis.**
- 6. Select Option 2 as recommended by Ask Waste Management report dated 30 July 2015 and continue to landfill the active area within the existing landfill footprint.**

Carried 3/0

5.1.2**SUBJECT:****SOUTH WEST – REGIONAL WASTE
MANAGEMENT STRATEGY**

Location:	South West
Applicants:	City of Bunbury
Zone:	N/A
File Ref:	HLT 08/8
Author:	Leigh Guthridge – Manager Development and Environmental Services
Report Date:	11 August 2015
Attachments:	5.1.2 - Regional Waste Management Strategy – Executive Summary (Confidential)

Background

The City of Bunbury on behalf of the South West Group of Council's commissioned Talis to prepare the Regional Waste Management Strategy (RWMS). The South West Group of Councils consists of:

Shire of Augusta – Margaret River	Shire of Collie
Shire of Bridgetown - Greenbushes	Shire of Dardanup
City of Boyup Brook	Shire of Donnybrook – Balingup
City of Bunbury	Shire of Harvey
Shire of Busselton	Shire of Manjimup
Shire of Capel	Shire of Nannup

The City of Bunbury has requested that each local government consider the report and confirm their commitment to progress the recommendations in the report. Given the size of the document (150 pages) the executive summary inclusive of the recommendations is attached. A full copy of the report can be provided to Council members (in confidence as some detail in the report can be considered commercially sensitive) upon request of the officer.

Comment

The RWMS makes 13 recommendations. The RWMS details opportunities for local governments to collaborate on a regional level and evaluate the most effective, efficient and sustainable way to systemically manage waste. Each local government can potentially benefit from larger economies of scale taking into account strong projected population growth in the region.

The executive summary details:

- Existing waste management practices, waste volumes and diversion rates in the region and projected figures for same in the future;
- Existing legislation drivers for waste management in WA;
- Strategic waste management options identified as part of the review taking into account SWOT analysis and the presence and absence of support structures that will facilitate the successful implementation of various waste management options;

- Discussion of large scale alternative waste treatment options that include biological and thermal waste (waste to energy) treatment and projected landfill diversion rates for these technologies;
- Industries in the southwest that could utilise the energy generated from the waste to energy technology if constraints with the support structures are overcome;
- Indicative cost savings to local governments of a regional landfill facility factoring in the estimated whole of life costs of a regional facility including capital and operational costs associated with meeting environmental standards of operating contemporary landfill facilities;
- Methodology of determining a location for a landfill facility; and
- Comment on local level waste infrastructure needs supporting a regional facility.

The report presents waste options that are conceptual by nature. Technical and financial feasibility is yet to be undertaken. Further evaluation required is detailed in the recommendations to the report.

Given that the Shire's Strategic Community Plan supports investigating regional waste opportunities it is advised that the Shire commit to the feasibility of the recommendations in the RWMS with other local governments in the region.

Consultation

The Chief Executive Officers from each Local Government have been meeting for several years overseeing this process.

Policy/Statutory/Voting Implications

Policy

The Western Australian Waste Strategy "Creating the right Environment" details requirements for local governments to meet waste recovery targets by 2015 and 2020.

Voting

Simple majority

Financial Implications

The cost to the Shire of Donnybrook – Balingup for supporting further feasibility will be up to \$5,000 based on a rate revenue pro rata methodology amongst the local governments. The draft 2015/16 budget has allowed for this process.

Strategic Implications

The Shire of Donnybrook – Balingup Strategic Community Plan (SCP) States:

Outcome 2.2 – Efficient and Effective Waste Management.

Strategy 2.2.4 - Continue to investigate regional waste opportunities.

Officer's Recommended Resolution

Moved:

Seconded:

That Council receives the Regional Waste Management Strategy and confirm its commitment to feasibility of the recommendations and contribute up to \$2,000 to this process.

Committee's Resolution

Moved: Cr Duncan

Seconded: Cr Mitchell

That Council receives the Regional Waste Management Strategy and confirm its commitment to feasibility of the recommendations and contribute up to \$5,000 to this process.

Carried 3/0

5.1.3	SUBJECT:	REMOVAL OF BULK RECYCLING BINS – KIRUP AND LOWDEN
	Location:	Shire of Donnybrook – Balingup
	Applicants:	Kirup Progress Association Inc
	Zone:	N/A
	File Ref:	HLT
	Author:	Leigh Guthridge – Manager Development and Environmental Services
	Report Date:	5 August 2015
	Attachments:	5.1.3 - Letter - Kirup Progress Association

Background

The Shire of Donnybrook–Balingup (the Shire) provides a co-mingled recycling drop off points in Kirup and Lowden by placing skip bins in these locations. They are collected by Hastie Waste and delivered to Picton and subsequently transported to a Material Recovery Facility in the metropolitan area managed by Perth Waste. These recyclables enter the same recycling diversion stream as the kerbside recycling service.

The Kirup Progress Association has requested that this service be removed from Kirup because of the level of contamination that enter the bins and the fact the bins are often used by travellers and non-Kirup residents. It is prudent that the service provided at both locations be reviewed.

It is understood that the service (skip bins) were introduced into these areas when the Lowden tip was closed and also to encourage recycling for the rural residents and/or householders who do not have a kerbside recycling service. However this type of service gives rise to problems (as it is not controlled) that have been conveyed by the Kirup Progress Association.

Comment

Removal of the service in both areas of Kirup and Lowden is recommended. Rural residents who do not have a kerbside putrescible waste or recycling service need to take their waste to the Donnybrook Waste Management Facility (DWMF) or alternative facility. As residents (without kerbside services) need to visit a disposal facility it is reasonable that they can also dispose of recyclables (if they choose to recycle) at the same time.

Furthermore the Shire has over years improved its recycling drop off options for different types of recycling categories including the construction of the Material Recovery Facility (operated by the Lions Club) at the DWMF.

This is a better outcome for the Shire as the DWMF is controlled and contamination is therefore minimised, use by non-shire residents will be eliminated and savings will be made by not providing the bulk recycling service.

Consultation

If Council supports the recommendation it is proposed that the Shire advertise that the bulk recycling bins be removed via the local newspapers and the Shires website.

Policy/Statutory/Voting Implications

Voting

Simple Majority

Financial Implications

The Shire has allocated \$12,000 in the 2015/16 budget to provide and manage bulk recycling bins. It is anticipated that if the bulk recycling service in Kirup and Lowden is removed \$10,000 will be saved annually.

Strategic Implications

The Shire of Donnybrook – Balingup Strategic Community Plan (SCP) States:

Outcome 2.2 – Efficient and Effective Waste Management.

Committee's Resolution (Officer's Recommended Resolution)

Moved: Cr Duncan

Seconded: Cr Mitchell

That Council advertise in the Donnybrook-Bridgetown Mail, the Preston Press and the Shire website of its intention to cease providing the bulk recycling services located at Lowden and Kirup and remove the skip bins in these areas on the 30 October 2015.

Carried 3/0

6. CLOSURE OF MEETING

The Chairperson advised that the date of the next Waste Management Committee meeting will be advised.

The Chairperson declared the meeting closed at 5.05pm.

These Minutes were confirmed as a true and accurate record at the Waste Management Committee Meeting held on _____.		
Shire President		Presiding Member