

Notice of the ordinary meeting of the

Nelson Tasman Regional Landfill Business Unit
Tira ā-Rohe Pakihi Ruapara o Whakatū,
o Te Tai o Aorere

Date:	Friday 13 March 2020
Time:	9.30a.m.
Location:	Rūma Waimārama Floor 2A, Civic House 110 Trafalgar Street, Nelson

Agenda

Rārangi take

Chair	Nelson City Cr Judene Edgar
Deputy Chair	Tasman District Cr Trindi Walker
Members	Tasman District Cr Stuart Bryant Nelson City Cr Kate Fulton Andrew Stephens (Iwi Representative)

Quorum: 3

Pat Dougherty
Chief Executive

Nelson City Council Disclaimer

Please note that the contents of these Council and Committee Agendas have yet to be considered by Council and officer recommendations may be altered or changed by the Council in the process of making the formal Council decision.

Nelson Tasman Regional Landfill Business Unit – Delegations

The Nelson Tasman Regional Landfill Business Unit (NTRLBU) is a joint committee of Nelson City and Tasman District Councils. The NTRLBU is governed by a Terms of Reference (A1983272).

Areas of Responsibility

- Matters relating to the operation and use of the York Valley and Eves Valley landfills as regional landfill facilities, and the timing of their use.

Powers to Decide

- Setting of fees and charges for waste disposal at the regional landfill facilities by 30 June each year; including the power to apply discounted fees and charges for the disposal of waste in bulk; and to determine other circumstances where discounted fees and charges may be applied.
- Decisions to accept (or not accept) waste that is generated outside the Nelson-Tasman region.

Power to Recommend to Councils:

- Any other matters under the area of responsibility of the Business Unit
- All recommendations to Council will be subject to adoption of an equivalent resolution by the other Council, unless it is a matter specific to one Council only.

Quorum:

- The Memorandum of Understanding governing the NTRLBU allows for either four or five members to be appointed. The quorum at a meeting is either two (if four members are appointed), or three (if five members are appointed), including at least one from each local authority.

Procedure:

- The Standing Orders of the Council providing administration to the committee shall be applied at each meeting
- The Chairperson will not have a casting vote
- Copies of minutes of meetings of the Nelson Tasman Regional Landfill Business Unit will be retained by each Council for record keeping purposes

1. Apologies

Nil

2. Confirmation of Order of Business

3. Interests

3.1 Updates to the Interests Register

3.2 Identify any conflicts of interest in the agenda

4. Public Forum

5. Confirmation of Minutes

5-7

5.1 13 December 2019

Recommendation

That the Nelson Tasman Regional Landfill Business Unit

1. Confirms the minutes of the meeting of the Nelson Tasman Regional Landfill Business Unit, held on 13 December 2019, as a true and correct record.

6. Nelson Tasman Regional Landfill Business Unit Acting General Manager's Update

8 - 15

Document number R15884

Recommendation

That the Nelson Tasman Regional Landfill Business Unit

1. Receives the report Nelson Tasman Regional Landfill Business Unit Acting General Manager's Update (R15884).

7. Nelson Tasman Regional Landfill Business Unit Revised Business Plan 2020/2021 **16 - 31**

Document number R15890

Recommendation

That the Nelson Tasman Regional Landfill Business Unit

- 1. Receives the report Nelson Tasman Regional Landfill Business Unit Revised Business Plan 2020/2021 (R15890) and its attachment (A2355972); and***
- 2. Approves the revised Nelson Tasman Regional Landfill Business Unit Business Plan 2020/2021 (A2355972).***

Recommendation to Nelson City and Tasman District Councils

That the Nelson City and Tasman District Councils

- 1. Accept the revised Nelson Tasman Regional Landfill Business Unit Business Plan 2020/2021 (A2355972).***



Minutes of a meeting of the Nelson Tasman Regional Landfill Business Unit

Held in the Council Chamber, Tasman District Council, 189 Queen Street, Richmond

On Friday 13 December 2019, commencing at 9.30a.m.

Present: Nelson City Councillor J Edgar (Chairperson), Tasman District Councillors S Bryant and T Walker (Deputy Chairperson)

In Attendance: Acting General Manager Nelson Tasman Regional Landfill Business Unit (D Clifford), Tasman District Council Engineering Services Manager (R Kirby) and Governance Adviser (J Brandt)

Apologies: Mr A Stephens (Iwi Representative);

Nelson City Councillor K Fulton subsequently tendered an apology

1. Appointment of Chairperson and Deputy Chairperson (agenda item 5)

Document number R13691, agenda page 5 refers.

Tasman District Council Engineering Manager, R Kirby, opened the meeting and called for nominations for the two vacancies.

Resolved RLBU/2019/001

That the Nelson Tasman Regional Landfill Business Unit

- 1. Appoints Nelson City Councillor Judene Edgar as Chairperson of the Nelson Tasman Regional Landfill Business Unit for the triennium 2019-2022; and***

Bryant/Walker

Carried

Resolved RLBU/2019/002

- 2. Appoints Tasman District Councillor Trindi Walker as Deputy Chairperson of the Nelson Tasman Regional Landfill Business Unit for the triennium 2019-2022.**

Edgar/Bryant

Carried

Nelson City Councillor Edgar assumed the Chair for the remainder of the meeting.

2. Apologies (agenda item 1)

Resolved RLBU/2019/003

- That the Nelson Tasman Regional Landfill Business Unit Receives and accepts the apology from Mr A Stephens.***

Bryant/Walker

Carried

3. Confirmation of Order of Business (agenda item 2)

There was no further change to the order of business.

4. Interests (agenda item 3)

There were no updates to the Interests Register, and no interests with items on the agenda were declared.

5. Public Forum (agenda item 4)

There was no public forum.

6. Nelson Tasman Regional Landfill Business Unit General Manager Update

Document number R13695, agenda pages 6 - 35 refer.

Acting General Manager Nelson Tasman Regional Landfill Business Unit (NTRLBU), Don Clifford, presented the report.

Mr Clifford answered questions about a sink hole at York Valley landfill and the Emissions Trading Scheme (ETS), noting that an application to reduce the ETS levy was being prepared for submission by 31 January 2020. The Board was in support of the application.

The Government consultation "Reducing waste: a more effective landfill levy consultation document" was discussed and it was agreed that due to the 3 February 2020 closing date, the draft would be reviewed by the

respective Chairs of the NTRLBU, the Nelson City Infrastructure Committee and the Tasman District Operations Committee.

The meeting was adjourned from 10.57a.m. to 11.17 a.m.

Mr Clifford tabled revision 4 of the draft NTRLBU Business Plan 2020/21 (A2320013), which superseded revision 3, which was attached to agenda item 6.

The Board reviewed the Long Term Objectives and Performance Measures in section 7 of the business plan and provided feedback including SMART measures. A recommendation was added requesting a revised Business Plan to be brought back to the next meeting, and the recommendation to the Councils was removed.

Resolved RLBU/2019/004

That the Nelson Tasman Regional Landfill Business Unit

- 1. Receives the report Nelson Tasman Regional Landfill Business Unit General Manager Update (R13695) and its attachments (A2313830, A2313829 and A2313868); and***
- 2. Requests a further updated Nelson Tasman Regional Landfill Business Unit Business Plan 2020/21 with inclusion of feedback regarding long term objectives and Key Performance Measures as provided by the Board at the 13 December 2019 meeting to be brought back to the first Nelson Tasman Regional Landfill Business Unit meeting in 2020.***

Bryant/Walker

Carried

Attachments

- 1 A2320013 - Tabled document - Nelson Tasman Regional Landfill Business Unit Draft Business Plan 2020/21 Revision 4

There being no further business the meeting ended at 11.57a.m.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date

Item 0: Nelson Tasman Regional Landfill Business Unit General Manager Update



Nelson Tasman Regional Landfill Business Unit Joint Committee

13 March 2020

Report Title: NTRLBU Acting General Manager's Update
Report Author: Don Clifford, Acting General Manager
Report Number: R15884

1. Purpose of Report

1.1 This report provides the three-monthly update on activity of the Nelson Tasman Regional Landfill Business Unit (NTRLBU).

2. Report Summary

2.1 The landfill operations are generally running well and aligned with Plan.

3. Recommendation

That the Nelson Tasman Regional Landfill Business Unit

1. Receives the report Nelson Tasman Regional Landfill Business Unit Acting General Manager Update (R15884).

4. Health and Safety

4.1 The contractor at York Valley has reported no significant incidents.

5. Operations

Finance report on trading to date

5.1 Attachment **1&2** are the financial reports to the end of January 2020:

- Income Account for the period to 31 January 2020
- Balance Sheet as at 31 January 2020

5.2 Generally, we have continued the same trend as for earlier this year with income slightly above budget; however costs were down.

Sensitivity: General

- 5.3 Year-to-date landfill fees received were 101% against budget.
- 5.4 Total year-to-date staff and administration costs were again down significantly to only 67% against YTD budget due to lower activity.
- 5.5 The net YTD surplus after Local Disposal Levy was \$295,815.
- 5.6 There may be an increase in Post closure cost provision at year end if upcoming survey work demonstrates reduced available air space.
- 5.7 Yet to be received invoices will reduce the surplus by year end.

6. Landfill Operations and Maintenance – York Valley and Eves Valley

- 6.1 Residual waste tonnages are still tracking slightly above budget projections (5,900 tonnes per month vs plan of 5,800t).

7. York Valley & Eves Valley Annual Monitoring Reports

- 7.1 A consulting engineering firm has prepared draft reports to address the recommendations from the Annual Monitoring Report for York Valley Landfill.
- 7.2 A separate consulting engineering firm has been engaged to address the recommendations from the Annual Monitoring Report for Eves Valley Landfill.

8. Joint Landfill Asset Management Plan

- 8.1 A consultant has commenced a review of the AMP.
- 8.2 Feedback from the Committee's discussion workshop 12 February 2020 will be incorporated into an updated AMP.

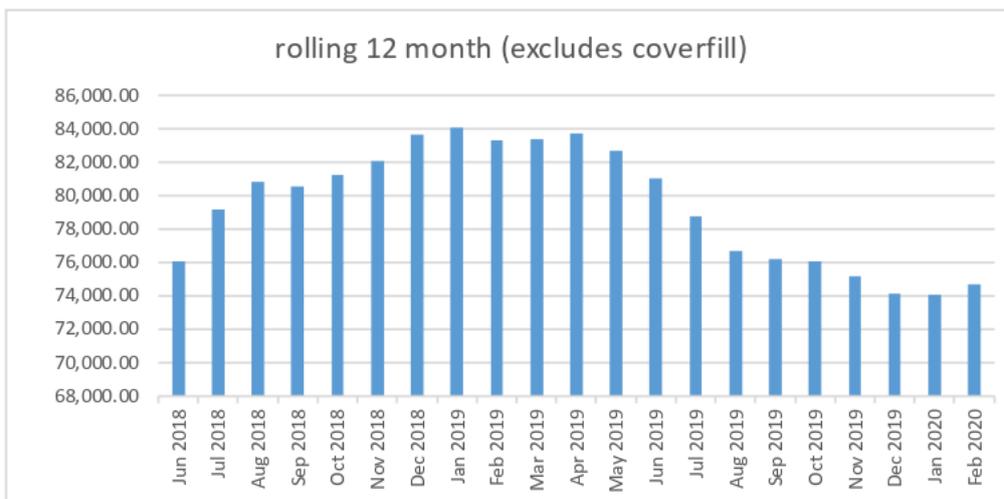
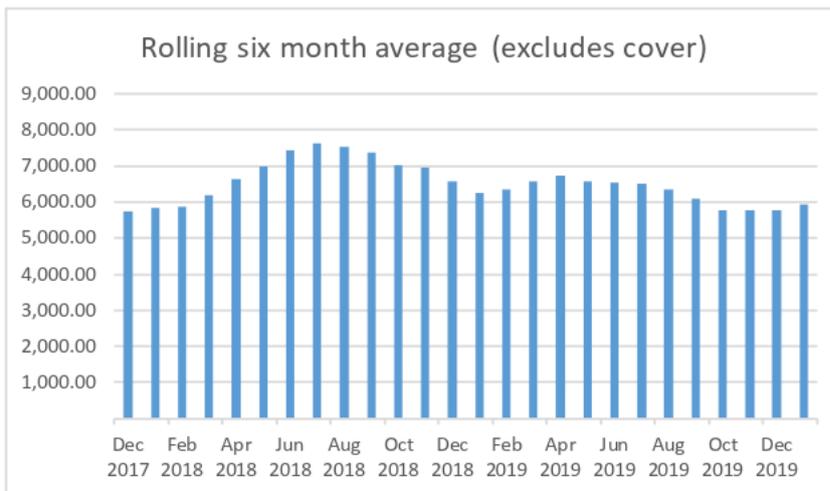
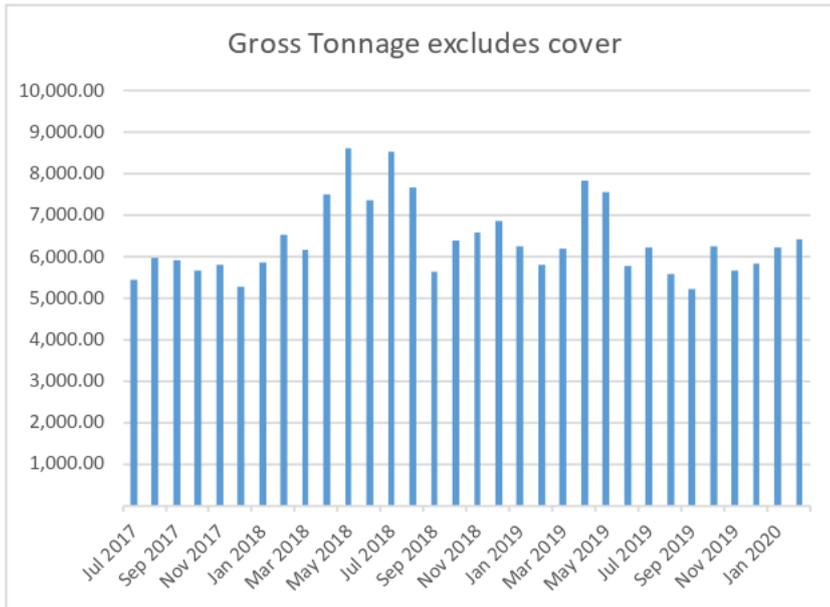
9. Business Plan

- 9.1 The draft 2020/2021 Business Plan that was approved by the Committee at the September 2019 meeting was issued to both Councils.
- 9.2 Subsequent feedback from Nelson City Council and the Committee has been incorporated.
- 9.3 Committee approval of the final 2020/2021 Business Plan (rev 5) is sought (as per separate Decision report).

10. York Valley Landfill Tonnages

- 10.1 The tables below show recent weighbridge records of total tonnages per month received at York Valley. For comparison, the **2019/20 budgets** are based upon an average monthly tonnage of approximately **5,800 tonnes**.

Item 0: Nelson Tasman Regional Landfill Business Unit General Manager Update



Sensitivity: General

11. Annual Report

11.1 The 2018/2019 annual report has now been received by both councils.

12. Emissions

12.1 Nothing new to report.

13. Emissions Trading Scheme (ETS)

13.1 We have applied to the Environmental Protection Agency (EPA) for a Unique Emissions Factor (UEF).

13.2 This was a Clause 23C application relating to the landfill gas collection and destruction system.

13.3 The UEF is related to the efficiency of the gas destruction system. Our application is for a UEF (2019 year) of 0.888. The Default Emissions Factor (DEF) is currently 1.19.

13.4 There is the further option to undertake "SWAP" studies to assess the typical make-up of waste being placed in the landfill. That information may indicate a further possibility to adjust the UEF if the waste composition is favourable (in comparison to the default).

13.5 It is intended that two SWAP studies will be commissioned in the 2020 calendar year.

13.6 At the last meeting the Board asked for a brief summary about the Emissions Trading Scheme (ETS):

13.7 The ETS has been New Zealand's primary tool for addressing greenhouse gas emissions, and operates by putting a price on pollution. Some organisations are required to pay for their greenhouse gas emissions through carbon credits. Because it is a market-based system, credits can be bought and sold between organisations. The ETS does not have a firm cap on carbon credits.

13.8 What is a carbon credit?

13.9 Think of it like a voucher that can be redeemed for one tonne of pollution. Most credits in the ETS are New Zealand units (NZUs), which are issued by the Government. Organisations either receive credits for free from the Government, buy them from other credit holders, or buy them from the Government. Every year an eligible organisation must surrender enough credits to cover their pollution. The value of a carbon credit rises and falls with demand.

13.10 Based on the Default Emissions Factor the landfill is deemed to emit carbon at the rate of 1.19 tonnes per tonne of waste received.

13.11 Last year we received 81,000 tonnes so our liability for the financial year is 96,000 units.

13.12 The scheme runs on a calendar year.

13.13 We pre-purchase units to meet this liability and fix our costs.

Item 0: Nelson Tasman Regional Landfill Business Unit General Manager Update

13.14 We purchase units rather than futures as our cost of funds is less than the market and we are not constrained by cash flow.

13.15 Last year we chose to pay the fixed price of \$25 rather than surrender units as the market price was above \$25 at the time.

14. Stormwater Control at York Valley

14.1 A consultant has prepared two draft reports on (a) the overall stormwater control systems at York Valley, and (b) the Western Drain; there will be follow-on work required to prepare design solutions.

14.2 The reports are under review.

15. Truck Wash

15.1 A new project approved in the Business Plan is to install a truck wash at York Valley.

15.2 The current concept being developed is to install it within the existing wheel wash structure.

15.3 Some options are under review.

16. Road Surface renewal

16.1 The condition of the existing York Valley sealed road surface is being assessed.

16.2 It is likely that a reseal will be required.

16.3 Budgets will be checked before any physical works are commissioned.

17. Government landfill levy consultation

17.1 Tasman District Council has made a submission on the proposed levy changes.

17.2 The current levy is \$10 per tonne.

17.3 The proposed levy would **increase** between \$10 and \$50 per tonne.

17.4 These increased costs would have to be passed-on to all landfill users.

Sensitivity: General

18. General Management

- 18.1 The new General Manager (GM) started in his role 9 March 2020.
- 18.2 There will be a transition period during which the previous Acting GM will provide support as requested by the new GM.
- 18.3 Recruitment is currently underway for the new Operations Manager (OM) and the new Activity Manager (AM).
- 18.4 All three roles (GM/OM/AM) will be filled by individuals who will also hold a similar role for the Nelson Regional Sewerage Business Unit (NRSBU).

19. Joint Waste Minimisation Management Plan

- 19.1 At the February 2020 committee workshop there was discussion about the role of the NTRLBU in relation to the JWMMP.
- 19.2 A separate discussion and decision report has been prepared.

Don Clifford, Acting General Manager NTRLBU

Attachments to follow

Two financial reports up to the end of January 2020:

- 1. Income Account for the period to 31 January 2020.
- 2. Balance Sheet as at 31 January 2020.

Nelson Tasman Regional Landfill Business Unit

Income Account for the period to 31st January 2020

	Actual Month	Budget Month	Actual YTD	% YTD	% Year	2019/20 Budget	
						YTD	Annual
Income							
Landfill Fees	879,211	816,812	5,798,071	101%	59%	5,717,687	9,801,749
Other recoveries	3,128	4,250	30,202	102%	59%	29,750	51,000
Interest	3,832	6,914	26,828	55%	32%	48,400	82,972
Total Income	886,171	827,976	5,855,101	101%	59%	5,795,837	9,935,721
Less Expenses							
Staff and Administration	17,245	31,880	149,306	67%	39%	223,160	382,558
York Valley Expenses							
Landfill Operation	138,340	163,464	1,100,881	96%	56%	1,144,249	1,961,568
ETS Levy	185,475	168,583	1,219,200	103%	60%	1,180,083	2,023,000
Depreciation	17,829	18,189	124,811	98%	57%	127,322	218,266
Aftercare provision	5,695	11,085	39,863	51%	30%	77,594	133,019
Contingency and Advice	29,980	19,582	69,011	50%	29%	137,082	235,000
Eves Valley Expenses							
Holding Costs	-	867	2,196	36%	21%	6,067	10,400
Depreciation	1,267	1,267	8,868	100%	58%	8,868	15,202
Aftercare provision	6,450	13,059	45,150	49%	29%	91,413	156,708
Total Expenses	402,280	427,976	2,759,286	92%	54%	2,995,838	5,135,721
Net Surplus before levy	483,891	400,000	3,095,815	111%	64%	2,799,999	4,800,000
Local Disposal Levy	400,000	400,000	2,800,000	100%	58%	2,800,000	4,800,000
Net Surplus (Deficit) after Levy	83,891	0	295,815			(1)	0

Nelson Tasman Regional Landfill Business Unit

Balance Sheet as at 31st January 2020

	Current	Last Month	30 June 2019
Equity			
Equity 1 July	6,504,327	6,504,327	6,285,296
Plus Net Income	<u>295,815</u>	<u>211,925</u>	<u>219,031</u>
Closing Equity	<u><u>6,800,142</u></u>	<u><u>6,716,251</u></u>	<u><u>6,504,327</u></u>
Which was invested as follows -			
Current Assets			
NCC Current Account	1,443,614	1,159,546	651,312
Debtors	5,184	3,178	549,376
NZETS units	<u>3,080,194</u>	<u>3,080,194</u>	<u>2,584,194</u>
Total Current Assets	4,528,991	4,242,918	3,784,882
Fixed Assets	5,669,742	5,688,838	5,801,173
Investments	<u>3,420,943</u>	<u>3,417,111</u>	<u>3,394,115</u>
Total Assets	13,619,677	13,348,867	12,980,170
Less Liabilities			
Current Liabilities			
Sundry Creditors	87,997	95,576	62,794
NCC Creditor	31,407	31,407	838,849
ETS Accrual	2,216,507	2,031,032	997,307
Aftercare provision - Current	<u>117,057</u>	<u>120,179</u>	<u>295,340</u>
Total Current Liabilities	2,452,967	2,278,193	2,194,289
Term Liabilities	<u>4,366,568</u>	<u>4,354,423</u>	<u>4,281,555</u>
Net Assets	<u><u>6,800,142</u></u>	<u><u>6,716,251</u></u>	<u><u>6,504,327</u></u>



Nelson Tasman Regional Landfill Business Unit Joint Committee

13 March 2020

Report Title: Nelson Tasman Regional Landfill Business Unit Revised Business Plan 2020/2021

Report Author: Don Clifford, Acting General Manager

Report Number: R15890

1. Purpose of Report

1.1 To seek approval from the Committee and both Councils of the revised Nelson Tasman Regional Landfill Business Unit Business Plan 2020/2021.

2. Report Summary

2.1 The Draft Business Plan 2020/2021 was issued to the Committee and both Councils for comment.

2.2 The Business Plan has now been revised after consideration of comments received.

2.3 Approval of the revised (final) Business Plan 2020/2021 is now sought.

3. Recommendation

That the Nelson Tasman Regional Landfill Business Unit

1. Receives the report Nelson Tasman Regional Landfill Business Unit Revised Business Plan 2020/2021 (R15890) and its attachment (A2355972); and

2. Approves the revised Nelson Tasman Regional Landfill Business Unit Business Plan 2020/2021 (A2366972).

Recommends that the Nelson City and Tasman District Councils

1. Accept the revised Nelson Tasman Regional Landfill Business Unit Business Plan 2020/2021 (A2355972).

4. Business Plan

4.1 The Terms of Reference states that:

- 4.1.1 The Business Plan should state the activities and intentions of the NTRLBU. It shall outline how those activities relate to the objectives of the NTRLBU as documented in the current strategic plan, the financial forecasts for the following three years, the performance targets for the coming year and any variations to fees and charges proposed for that financial year.
- 4.1.2 A draft of the Business Plan for the coming year shall be presented to the councils annually by 31 October.
- 4.1.3 After the councils have had an opportunity to discuss and comment on the draft Business Plan the NTRLBU shall finalise the Business Plan, incorporating any changes agreed between the councils and the NTRLBU and present the final Business Plan to the councils by 31 May for inclusion in each council's draft Annual Plan.
- 4.1.4 Any changes to the draft Business Plan arising out of consultation on the draft Annual Plan shall require joint agreement of the two councils.
- 4.2 The draft 2020/2021 Business Plan, as approved by the Committee at the September 2019 meeting, was issued to both Councils.
- 4.3 Subsequent feedback from Nelson City Council and the Committee has been incorporated. There was no feedback from Tasman District Council.
- 4.4 Committee approval of the final 2020/2021 Business Plan (rev 5) is now sought (**Attachment 1, A2355972**)

Don Clifford, Acting General Manager NTRLBU

Attachment

1. A2355972 – Nelson Tasman Regional Business Unit Business Plan 2020/21 (Rev 5)



Nelson Tasman Regional Landfill Business Unit

Business Plan 2020/2021



A2355972

Nelson Tasman Regional Landfill Business Plan (NTRLBU) Business Plan 2020/21

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Prepared by: Don Clifford Acting General Manager

Approved by:

Cover photograph: Toe Embankment York Valley

*Nelson Tasman Regional Landfill Business Unit
Business Plan 2020/21 (Rev 5)
Page 2 of 14*

A2355972

Item 7: Nelson Tasman Regional Landfill Business Unit Revised Business Plan 2020/2021: Attachment 1

1. PURPOSE

The purpose of the Nelson Tasman Regional Landfill Business Unit (NTRLBU) Business Plan 2020/21 is to outline management goals and objectives to ensure that there is a sanitary landfill available in the Nelson Tasman region.

2. TERMS OF REFERENCE REQUIREMENTS

The Terms of Reference document states that the Nelson Tasman Regional Landfill Business Unit (NTRLBU) Joint committee shall by 31 October each year supply to the councils (Nelson City and Tasman District Councils) a copy of its draft Business Plan for the management of the NTRLBU and the assets for the ensuing year. The final Business Plan must be presented to both councils by 31 May.

The Terms of Reference document was revised February 2019; and shall be reviewed if and when required.

3. INTRODUCTION

This Business Plan 2020/21 summarises the projects and initiatives to be implemented during the year. It also outlines the associated funding required.

The Business Plan is aligned with the NTRLBU Landfill Asset Management Plan 2018 (although some budgets have changed). It incorporates the business objectives and performance targets (Section 7), the three-year renewal and upgrade forecasts (Section 9); and the Financial Plan (section 11)

The Joint committee activity schedule and levels of service are appended.

- Appendix A – Joint committee Activity Schedule;
- Appendix B - Targeted levels of service established by the Landfill Asset Management Plan.

4. MISSION STATEMENT

The NTRLBU's mission statement is to plan for the future needs of the community in a cost efficient and environmentally sustainable manner in accordance with the objectives of the Nelson Tasman Waste Management and Minimisation Plan.

5. STRATEGIC GOALS

The NTRLBU aspires to achieve the following goals:

- Provide sanitary landfill capacity for the needs of the Nelson Tasman region.
- The costs of disposal of residual solid waste are affordable.
- Risks associated with the activity are identified and mitigated to a level agreed with the owners.
- We engage the right people with the right skills and experience.
- The NTRLBU operates sustainably and endeavours to remedy or mitigate any identified adverse environmental, social and cultural impact.
- Greenhouse gas emissions are monitored and managed in a responsible manner
- Good relationships are maintained with all stakeholders.

Item 7: Nelson Tasman Regional Landfill Business Unit Revised Business Plan 2020/2021:
Attachment 1

- All statutory obligations are met.

The NTRLBU functional activities are managed by the Nelson City Council and therefore the NTRLBU functional activities shall comply with the requirements of the Nelson City Council Health and Safety Policy and fully subscribe to the vision for a Zero Harm Culture.

All strategic goals are important and no one goal will be pursued at the expense of another.

6. NTRLBU BACKGROUND

The NTRLBU was established in April 2017 and began operations on 1 July 2017.

The Regional Landfills Asset Management Plan was adopted in June 2018 by the Joint Committee. A draft of the long-term financial plan was adopted on 8 December 2017 and will enable council staff to integrate this into their own long-term plans at their discretion.

The Deed of Agreement determines that the NTRLBU will annually agree on the value to be distributed 50:50 at appropriate intervals to the two councils to fund waste management and minimisation activities; and to recover this amount from landfill charges.

At the end of each financial year the operating surplus/deficit will be shared equally between the two councils and used exclusively for waste management and minimisation initiatives (subject to the NTRLBU retaining up to \$300,000 to manage year-to-year fluctuations).

7. BUSINESS OBJECTIVES AND PERFORMANCE MEASURES

The objectives outlined below describe the long term aims of the business unit. Performance is to be reported quarterly to the Joint Committee and annually or six monthly, as appropriate, to the shareholding councils.

Long Term Objectives	Key Performance Measures
<i>Landfill capacity is available to receive solid waste generated within the Nelson Tasman region.</i>	
At least 5 years capacity of consented landfill is available.	1) Report the available landfill airspace annually (in terms of years remaining).
Adequate planning has been completed and agreed to before the five-year wind down period begins at York Valley.	2) The development of a new sanitary landfill is agreed on by the end of 2023.
	3) Lodge a Resource Consent application for the new landfill by December 2025.
The available airspace at the landfill is used efficiently.	Airspace consumption of 1.23m ³ per tonne of residual waste received is maintained or improved. [This is a key deliverable under the Operations & Maintenance contract]
<i>Disposal to landfill is efficient and cost effective</i>	

Item 7: Nelson Tasman Regional Landfill Business Unit Revised Business Plan 2020/2021:
Attachment 1

Long Term Objectives	Key Performance Measures
Disposal to landfill is cost effective for users.	Regularly monitor and review financial performance. Levels of service (as per Appendix B) are met and budgets (as per current Business Plan) are met.
The economic lives of all assets are optimised.	Three yearly internal audit of asset management practices confirms this.
Consider and use new technology where it will provide benefit.	New technology choices are reliable and increase efficiency (and/or reduce cost).
<i>Risks associated with the services provided are identified and mitigated.</i>	
Risk management plans include all significant health and safety, environmental, cultural, social, economic and contractual risks.	No event, which impacts on agreed levels of service, occurs that has not been identified in the NTRLBU risk management plans.
Contingency plans adequately address emergency events.	Following incidents which require activation of the plan, the effectiveness of the Landfill Management Plan is reviewed and confirmed.
<i>Performance Monitoring</i>	
The Board and key stakeholders are kept well-informed about performance of the NTRLBU.	All agreed reports (as per Appendix A) are issued on time.
Those engaged with the NTRLBU have the right skills, experience and support to perform well.	The Joint Committee reviews its performance at two year intervals (commencing June 2021).
All activities are planned and agreed.	The AMP is reviewed every three years.
<i>NTRLBU operates sustainably and endeavours to remedy or mitigate any identified adverse environmental, social or cultural impact</i>	
NTRLBU minimises adverse environmental, social and cultural impacts where this is economically viable.	Environmental, social and cultural impacts are considered in all decision making.

Item 7: Nelson Tasman Regional Landfill Business Unit Revised Business Plan 2020/2021:
Attachment 1

<i>Climate change effects are managed responsibly</i>	
The NTRLBU measures the greenhouse gas emissions of landfill activities	<p>The composition of incoming waste is assessed annually, commencing December 2020.</p> <p>The emissions from the York Valley landfill are assessed and reported annually, commencing June 2021.</p> <p>The annual emissions from the Eves Valley closed landfill are estimated commencing June 2021.</p>
The NTRLBU reduces the greenhouse gas emissions rate for landfill activities	<p>A target for emissions per tonne of waste is established by June 2021 and reviewed annually.</p> <p>The NTRLBU will annually report on and consider applying for a Unique Emissions Factor for landfill operations.</p> <p>The NTRLBU will annually assess the business case for reducing emissions from landfill operations, including the reduction of high emissions waste and the improved capture of landfill gas.</p>
<i>Good relationships are maintained with all stakeholders</i>	
Shareholders are satisfied with the strategic direction and the economic performance of the business unit.	<p>All business plans are approved by shareholders.</p> <p>Budget projections are met.</p>
Good relationships are maintained with all stakeholders including owners, iwi, customers, contractors, neighbours, and the wider community.	<p>All complaints or objections are addressed promptly.</p> <p>All applications for resource consents are approved.</p> <p>Up to date information on activities and achievements are publicly available.</p>
<i>All statutory obligations are met</i>	
All statutory obligations are identified and met and are included in contracts with suppliers.	100% compliance with all statutory obligations.
All resource consent requirements are met.	100% compliance with all resource consents.

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8. LANDFILL CHARGES

It is projected that a balanced budget (no surplus or deficit) will be achieved during the 2020/21 financial year if expenditure is maintained within the projected budget at the proposed landfill charges.

The 2019/2020 charges are shown in [brackets].

The proposed landfill charges per tonne (including GST) are:

	Proposed 2020/2021 charges	2019/2020 charges
Residual waste:	\$171	[\$163]
HAIL > 17,000 tonne:	\$146	[\$138]
HAIL <17,000 tonne:	\$154	[\$148]
HAIL Residential/tested:	\$103	[\$98]
Polystyrene:	\$2180	[\$2,080]

A review of HAIL charges is to be undertaken annually in advance of setting gate fees for the following year.

9. OPERATIONS & MAINTENANCE BUDGET

Administration budget: \$165,000

Management budget: \$220,000

The budget includes operation and management discretionary contingencies as follows:

Professional advice: \$25,000 (Joint committee discretion)
Operations & Maintenance: \$190,000 (General Manager's discretion)

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10. THREE YEAR RENEWAL AND UPGRADE EXPENDITURE FORECAST (\$'000)

Renewal Plan (\$,000)	Projected 2019/20	2020/21	2021/22	2022/23
Piezo monitoring well (Eves)	30	30	30	25
Miscellaneous and Safety (Eves)	30	50	35	
Moveable debris fences (York)	15			
Upgrade vehicle wash (York)	50	75		
Planting (either site)	25	25	25	25
Storm water and Leachate control (mostly York)	240	500	500	100
Planning/investigation/activities for Stage 2 and Stage 3 Resource Consent (Eves Valley)	100			
Emissions Studies and Investigations	10			
Weighbridge Technology upgrades (York)	35	50	50	
Contingency (both sites)	65	65	65	65
Total	600	795	705	215

Following recommendations from the annual monitoring reports, there are several renewal and upgrade items above that were not included in the earlier Asset Management Plan. Therefore, the above table shows increased budgets to cover activities such as studies, design and implementation.

Investigations and studies will result in additional renewal works and design being undertaken in FY2021/22 and FY 2022/23.

A contingency amount of \$65,000 is included in the renewal budget for allocation by the General Manager if required.

11. LONG TERM CAPITAL PROGRAMME

Studies are required to scope all likely future capital works at both the Eves Valley and York Valley sites and will include:

- Stormwater systems

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- Leachate systems and disposal
- Landfill stability
- Emissions assessments

Those studies will inform the long-term capital programme. It is noted that the predicted spend profile will change from that reported in the 2018/19 Business Plan (and the Regional Landfills Asset Management Plan 2018-28).

The main new capital item is the Stage 3 Resource Consent for Eves Valley.

Safety considerations may trigger investigations and study (estimated at \$100,000) for a new access bridge at Eves Valley.

Capital Plan (\$,000)	Projected 2019/20	2020/21	2021/22	2022/23
Planning/investigation/activities for Stage 2 and Stage 3 Resource Consent (Eves Valley)	100	150	200	200
Total	100	150	200	200

12. EMISSIONS

Nelson City Council and Tasman District Council are both considering their Emissions “footprint”. As the NTRLBU assets are jointly owned by the councils, then the Business Unit will also need to assess its emissions. A notional allowance of \$100,000 per year has been added to the Business Plan for this activity.

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13. FINANCIAL PLAN

Nelson Tasman Regional Landfill Business Unit

Budget Summary for 2020 to 2023

	Budget	Projection	Budget	Budget	Budget
	2019/2020	2019/2020	2020/2021	2021/2022	2022/2023
	\$000	\$000	\$000	\$000	\$000
Income					
Landfill income	9,802	9,802	10,405	11,076	11,755
Interest	83	83	47	48	50
Other Recoveries	51	51	50	50	50
Total Income	9,936	9936	10,502	11,174	11,855
Expenditure					
Operations and Maintenance	1,905	1905	1990	2023	2,061
Management			220	220	220
Administration			165	165	165
Carbon Studies (UEF)			100	100	100
Emissions Trading Scheme	2,023	2023	2,083	2,650	3,229
Waste Levy (MfE)	680	680	700	707	714
After care (adjustment)	290	290	86	83	79
Local Disposal Levy	4,800	4800	4,800	4,800	4,800
Interest	0	0	0	0	1
Insurance	5	5	5	5	5
Depreciation	233	233	274	341	401
Total Operating Cost	9,936	9936	10,423	11,094	11,775
Surplus/Deficit	0	0	79	80	80
Budgeted Volumes	68,000	68000	70,000	70,700	71,407

14. BUSINESS IMPROVEMENT PLAN

This section describes initiatives to improve the efficiency and effectiveness of the Business Unit and is based on the Nelson Tasman Regional Landfill Business Unit 2018 NTRLBU Asset Management Plan and inputs from stakeholders.

IP	Description	Resource Requirements	Progress
1	Develop long term strategy for storm water management	Joint committee, Internal and consultant	Consultant engaged
2	Review landfill gas harvesting	Internal and consultant	Updated application for UEF to be submitted by January 2021
3	Emissions studies and investigations	Tasman District Council, Nelson City Council, Consultants and internal	Emissions baseline to be established by June 2021

APPENDIX A: Nelson Tasman Regional Landfill Business Unit – Joint Committee Activity Schedule 2020-2021

Date	Activity	Papers required
By 31 August 2020	Review draft Annual Report and Financial Statement	Draft annual report and financial statement
By 15 September 2020	Deliver draft Annual Report to both councils	
By 31 October 2020	Review joint committee planning/meeting timetable Adopt draft business plan for presentation to Tasman District Council and Nelson City Council Review and update Interests Register	Planning/meeting timetable Draft Business Plan Interests Register
By 31 May 2021	Present Annual Report and Business Plan to Tasman District Council and Nelson City Council	Annual Report and Business Plan
By 30 June 2021	Review joint committee performance Receive report on Contingency Plan review by customer representatives Review customer satisfaction survey results Review Audit Management Report	Checklist for joint committee effectiveness Report on Contingency Plan review by customer representatives Customer survey report Audit Management Report

APPENDIX B: Landfill Levels of Service Targets

Related Community Outcomes	Strategic Themes	Levels Of Service	Performance Indicators	Method of Measurement	Target
SOLID WASTE DISPOSAL - NTRLBU will provide a landfill for waste disposal					
Health Environment Education	Impacts	All landfill activities, facilities and services comply with resource consent conditions, site management plans and appropriate legislative requirements.	Compliance with resource consents	Number of non-compliances	Nil
		Adequate landfill airspace available to ensure future sustainability of solid waste disposal.	Available landfill space that has been consented	Years of available consented landfill space	5 Years
		Available landfill space that has been developed	Years of available developed landfill space	2 Years	
	Costs	Cost effective and sustainable landfill services available.	No rates required to support landfill activities	User Pays %	100%
	Demand	NTRLBU operational contracts require minimum standards of waste compaction to maximise landfill capacity. Landfills are open at convenient times.	Waste compaction density exceeds minimum target level. Hours and days that the landfill is available for disposal	Surveyed compaction Opening hours specified	> 0.8t/m ³ 100%
Health and	Landfill activity provided in a safe manner and pose no health and safety risks to nearby	No reported incidences of injury or	Complaints and	Nil	

Related Community Outcomes	Strategic Themes	Levels Of Service	Performance Indicators	Method of Measurement	Target
	Safety	residents.	illness attributable to use of facilities.	incident forms.	
	Quality	<p>Good quality customer service</p> <p>Inquiries received through the Councils' service request system acknowledged within 24 hours</p>	<p>Customers are content with the services offered.</p> <p>All requests responded to in compliance with Council customer service policy</p>	<p>Customer satisfaction survey</p> <p>Service request response time</p>	<p>Highly satisfied</p> <p>90%</p>