

Late Report Ordinary Meeting Of Council



Wollondilly Shire Council

Late Report – Monday 21 December
2015

BARGO WASTE MANAGEMENT CENTRE MANAGEMENT AND REHABILITATION
OPTIONS

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EN3 – Bargo Waste Management Centre Management and Rehabilitation Options

LATE REPORT

EN3 Bargo Waste Management Centre Management and Rehabilitation Options

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TRIM 1807#1141

EXECUTIVE SUMMARY

- The purpose of this report is to inform Council of the management and rehabilitation options for the Bargo Waste Management Centre and the process necessary for the continued operations of the facility.
- This report recommends that:
 - Council reaffirms its decision for the continued operations and rehabilitation of the Bargo Waste Management Centre as the means of continuing to provide landfill capacity as well as garden organics (green waste) and general recycling facilities within the Shire
 - Council notes the start of a project to confirm the scope and procurement method for the rehabilitation and ongoing operations of the Bargo Waste Management Centre
 - The existing Bargo Waste Management Centre Operations contract (2006/21) be extended on a month by month basis until approximately December 2016, with up to an additional six months on a month by month basis, subject to review, until the new operations and/or rehabilitation contract(s) are in place.
 - That an \$110,000 (for 2015/16) be allocated from the Domestic Waste Management reserve through the second 2015/16 quarterly review to undertake procurement of detailed concept designs, including revised cost estimates, for the design of Bargo Waste Management Centre.

REPORT

BACKGROUND

The Bargo Waste Management Centre (BWMC) is Wollondilly's only approved landfill and recycling facility within the Shire and is currently operated, on council's behalf, by J&C Facilities Management.

With the BWMC's current layout and service level, the centre is approaching the end of its useable life with respect to landfill capacity and regulatory compliance. It requires significant augmentation, reconfiguration and rehabilitation to allow for continued operations past 2016/17 or significant rehabilitation if it were to be closed.

The majority of council's waste and recycling materials are collected under the domestic waste collection contract and disposed of at the Spring Farm Resource Recovery Facility (previously known as Jack's Gully) operated by SUEZ (previously SITA Environmental Solutions) under the Waste Disposal Contract.

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The BWMC currently provides the Shire's residents with the only facility for the disposal of non-putrescible solid waste and recovery of garden organics (green waste) and general recycling within the Shire and could also provide an alternative site for the emergency disposal of domestic waste materials (subject to approvals).

Issues at the BWMC requiring management

The operations of the BWMC require strategic assessment and direction as:

1. The existing landfill is approaching capacity under its current filling plan with the current site configuration and facilities, possibly by the end of 2017. A previously commissioned report by GHD in 2010 titled Life Options of BWMC gave a prediction of 15 to 30 years; however, filling rates have exceeded those predicted in that report, hence shortening the landfill life predicted in that report.
2. Existing landfill operations have encroached upon the western extension of Anthony Road reserve.
3. The landfill batter on the east side of the site is over steep and the batter slope needs to be reduced
4. Current requirements of the Protection of the Environment Operations (Waste) Regulation 2014 and Resource Recovery Orders require the pasteurisation of garden organics and the use of a weighbridge for registering receipt and/or removal of materials from waste facilities (the BWMC currently uses volumetric estimates)
5. As an old landfill site, initial preparation and early use of the site does not meet current regulations for waste management and a significant rehabilitation process will be required for either closing or the continued operations of the site.

As a part of investigating the issues outlined above and opportunities for the site, Coffey Environment Australia Pty Ltd (Coffey) were engaged in 2014 to undertake an initial assessment and provide a report on necessary remediation and augmentation options available for council's consideration.

The Coffey report confirmed, broadly, that there are three (3) scenarios available to council given the short-term realisation of landfill capacity at the site:

- Scenario A - Complete closure of the site as an operational landfill with no further waste received at the site;

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Scenario B - Complete closure as an operational landfill with provisions for a waste and recycling transfer station, a reuse centre and treatment of organic garden material;

Scenario C - Complete closure as a dry municipal solid waste (MSW) landfill with scope for an asbestos burial/management site, with provisions for a waste and recycling transfer station, a reuse centre and treatment of organic garden material.

All of these scenarios identify up to nine (9) actions as being available or required for the site and provided an advantages and disadvantages assessment for the actions as follows:

1. Change the site boundary of the landfill, with permission of NSW Environmental Protection Authority (EPA); and also construct a 6 metre wide road on the remaining road reserve area for the purposes of fire control access - required
2. Remediation of the eastern landfill batter - required
3. Remediation of the western landfill batter - required
4. Modification and implementation of a revised filling plan to achieve maximum landfill potential with the reconfigured site plan - optional but recommended
5. Site rehabilitation - required
6. Reconfiguration of garden organics treatment facility - required for continued operations
7. Installation of a weighbridge and power - required by the end of 2016 for continued operations, estimated \$965,000 (whole of project costs) {The EPA had originally advised that a weighbridge would be required by February 2016, extension requested}
8. Construction of a waste receipt and transfer station only {required for ongoing operations of the landfill and would be available for transfer only at the end of filling capacity}
9. Improved site facilities for operators and site security required for ongoing operations (cost included in augmentation scope)

The Coffey report suggests that under a revised filling plan, taking into consideration the above actions, that the landfill life of the facility could be 11 to 24 years.

The estimated cost of reconfiguration and augmentation opportunities to maintain landfill capacity and remaining life is approximately \$3.8 million {the estimate does not include annual rehabilitation costs that will be implemented under the new management regime, total estimated rehabilitation costs are \$2 million (\$2015)}.

The alternative to augmenting and expanding the life of the BWMC is to close and rehabilitate the site and rely on the construction of a new waste transfer station, either by council or a "for profit" party for transporting waste materials to and out of Shire waste facility at full commercial cost.

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Operation of the BWMC

The BWMC is currently operated under contract by J&C Facilities Management, who also provides council's clean up service for illegally dumped waste under a separate contract.

The BWMC operations contract was originally accepted by council in 2006 for a four year term and included a provision for extending the contract on a month by month basis "until such time as the facility is no longer capable of being used as a landfill", at council's discretion.

Given the satisfactory performance of the contract and the successful continued use of the site for landfill to date, the contract has been extended on the month by month basis a number of times.

The analysis of the Coffey report and recent discussions with the EPA regarding the BWMC has now provided a timeline for either the closure and rehabilitation or the augmentation and reconfiguration of the centre. A decision on either option being required by the end of 2016.

Preliminary cost estimates relating to the requirements of new regulations and Licence conditions have previously been sought and include:

- Weighbridge installation (including provision of power supply) \$965,000
- Adjustment to western landfill boundary \$100,000
- Rehabilitation of eastern batter (as a single project) \$1,280,000
- Rehabilitation of western batter (as a single project) \$160,000
- Perimeter fencing replacement and upgrade \$160,000
- New entrance off road reserve \$240,000
- Design of site for potential putrescible waste \$250,000
- Design and construct new site facilities \$150,000
- Design and construction of waste transfer facility \$500,000

Proposal

Ongoing use of the BWMC

The BWMC provides the residents of Wollondilly with a facility within the Shire that is capable of receiving and managing non-putrescible waste and garden organics as well as providing a direct materials recycling facility. In addition, the site could also provide an alternative site for the emergency disposal of domestic waste materials (subject to approvals).

The Coffey report has identified the opportunity to reconfigure the centre to allow regulatory compliance and maintain the landfill capacity to up to 24 years (based on current disposal trends) for an estimated total cost of \$3.78 million.

Recent confirmation of the EPA requirements for the ongoing operation of the facility have also identified specific additional facilities being required for the

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receipt of waste and the receipt and treatment of garden organic i.e. weighbridge and suitable pasteurisation facilities.

As the scope of works is now clearer, it is proposed to initiate the detail scoping and design processes necessary for the delivery of site management improvements and augmentation of the site to enable the achievement of the maximum possible land fill life. Pending final designs, approvals and satisfactory cost estimates, the implementation phase of the project would be the subject of the annual planning and budgeting processes.

Management of the BWMC

The clarification of the EPA requirements for the facility and the estimated timeframes for the delivery of the required improvements that will need to be delivered also quantifies the potential management gap for the immediate future with respect to the day to day management of the facility.

The current facility management contractor is on a month by month extension as per the contract. The management of the facility after the augmentation program will be the subject of a tendering process or internal resourcing strategy, as appropriate, as the management requirements will change with the change in facility type.

Given that it would take approximately three (3) months to undertake a tendering process, starting in January 2016, for the existing management processes to replace the current contractor, there may be as little as eight months available for any future contractor to manage the site before a new management regime is required.

The current contractor has been providing effective and responsive services at a reasonable cost to council. It is therefore proposed to extend the contract under a month by month basis until approximately December 2016 such that the design development and implementation plan for the facility can be completed expeditiously. Noting that the contract would have to be extended for approximately four (4) months to undertake a procurement process for a replacement contractor in any case, which could result in the procurement process being undertaken twice in 2016/17.

If the implementation of the facility improvements is delayed, a further month to month extension for another six (6) months will be considered, subject to a performance review.

Conclusion

The ongoing successful operation of a waste facility within the Shire is an important part of managing council's waste management risks as well as providing proximate and effective services to the community as a part of delivering greater diversion of the waste stream from landfill and increased material recycling within the Shire.

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The initiation of the project to augment and rehabilitate the BWMC is an important step in the ongoing delivery of waste management services for the Shire.

The community benefits of this proposal include

- 11 to 24 years of ongoing landfill capacity
- the continued provision of a garden organics processing facility pre and post the landfill life capacity being achieved
- providing the opportunity for the future conversion to a transfer station
- cost benefits of progressive rehabilitation
- future opportunities for the receipt of different waste streams
- reduced risk to customers through a reconfiguration of the existing customer drop off points and processes

The alternative to this proposal would be the closure of the landfill, possibly as soon as 2017 and the need to rehabilitate the whole site as a major project incurring all costs of that project at one time. This alternate would not provide residents with a local waste disposal option in the future.

CONSULTATION

Consultation to date has been with the Environmental Protection Authority regarding scope and requirements for rehabilitation and/or augment and reconfiguring the existing facility.

FINANCIAL IMPLICATIONS

Funding for the operational management of the existing BWMC facility is included within the existing budget.

The rehabilitation and/or augmentation of the BWMC is able to be predominantly funded from accumulated and future charges included within Council's Annual Domestic Waste Management Charge, with the proportion of the works attributable to non-domestic waste management able to be funded from Council's internally restricted Infrastructure reserves. The accumulated funds that are currently available within Council's Domestic Waste Management Restricted Cash Account amount to just over \$5 million and this balance will continue to accumulate over time from future charges. Subject to the final implementation strategy and acceptance of tenders, it is proposed that this funding be made available for the required works.

It is proposed that funding of \$110,000 from restricted cash for the initial stage of detailed project scoping and specification process can be considered for allocation in the 2015/16 second Quarterly Review. Further funding for the 2016/17 period will be considered during the development of the 2016/17 annual budget and Operational Plan.

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ATTACHMENTS

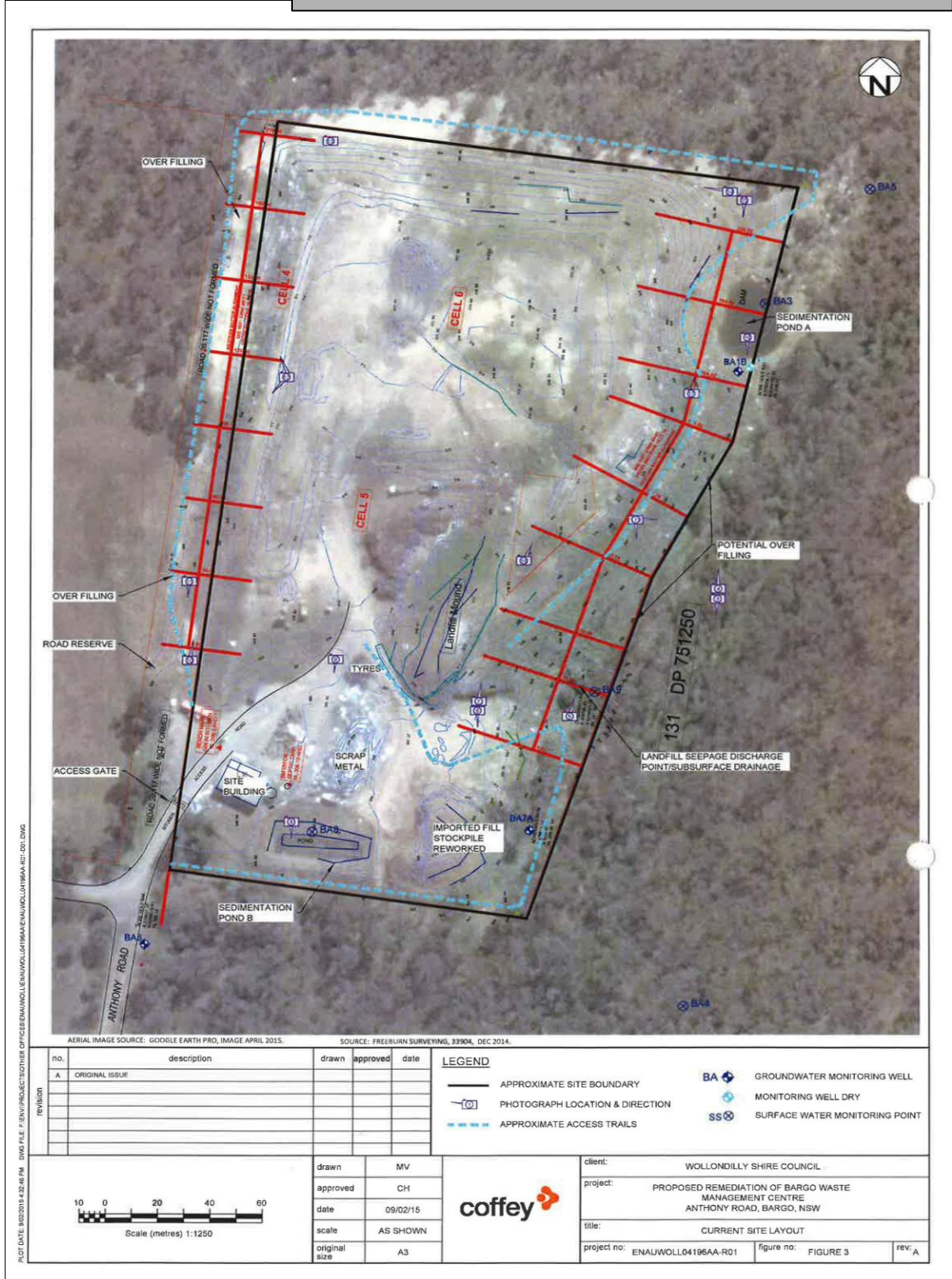
1. A map showing the location and boundaries of the BWMC
2. Example of BWMC layout from Coffeys report

RECOMMENDATION

1. Council reaffirms its decision for the continued operations and rehabilitation of the Bargo Waste Management Centre as the means of continuing to provide landfill capacity as well as garden organics (green waste) and general recycling facilities within the Shire
2. Council notes the start of a project to confirm the scope and procurement method for the rehabilitation and ongoing operations of the Bargo Waste Management Centre
3. The existing Bargo Waste Management Centre Operations contract (2006/21) be extended on a month by month basis until approximately December 2016, with up to an additional six months on a month by month basis, subject to review, until the new operations and/or rehabilitation contract(s) are in place.
4. That an \$110,000 (for 2015/16) be allocated from the Domestic Waste Management reserve through the second 2015/16 quarterly review to undertake procurement of detailed concept designs, including revised cost estimates, for the design of Bargo Waste Management Centre.

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ATTACHMENT 1 – 1807 – 21 DECEMBER 2015



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ATTACHMENT 2 – 1807 – 21 DECEMBER 2015

