

2. TRANSWASTE CANTERBURY LTD UPDATE

An oral update on the matters considered by the Transwaste Canterbury Ltd Board was provided by the Chairman. This related to:

- The economics of the landfill proposal - The Chairman reported that the economics of the landfill proposal had been the subject of detailed further investigation and the nominee directors, Gill Cox and Gerald Clemens, had been extensively involved in this. Policy decisions taken related to the agreement to sell most of the Tiromoana Station site with the area for the landfill and the downstream area to be retained.
- The financial model for the landfill was based on a 20 year term and recognised the fact that the agreement with the territorial local authorities was for that term only.
- The projected tonnages used in the model related to what was likely to be achieved in waste reduction over this term and were based on a 50% reduction in waste volumes.
- In accordance with the Memorandum of Understanding the financial model was to be independently assessed and this would be done in due course. In the interim an audit had been undertaken by Gerald Clemens including the rate of return for the contractor.
- A consultation communication strategy had been adopted which comprised:
 - Stage 1 - Currently under way, involves communication, information, relationship building, interviews and identification of issues
 - Stage 2 - Will be related to technical and other information, consultation on this including other options, explaining technical details and effects
 - Stage 3 - Resolution of outstanding issues, consultation regarding the final assessment of environmental effects (AEE)
- The company was investigating triple bottom line reporting and was liaising with Landcare and the Redesigning Resources Group.
- It was agreed that appropriate ISO accreditation be obtained for the company.
- Re project progress - technical investigations had been mainly completed and no issues discovered, work was currently being undertaken on the transport system.
- Re Cattle Peaks - a sale process had been decided to obtain the maximum gain.
- Costs were currently within budget and the farm operation was running satisfactorily.
- Legal proceedings had been started against the Otago Regional Council and Waitaki District Council regarding the consents issued for the landfill in the Waitaki basin and contact had also been made with the Ministry for the Environment on this issue.
- The situation in Europe had been recently examined and it was noted that more stringent standards for landfills had been adopted in Europe and that there was strong opposition developing against incineration.
- Management Agreement - The Council directors were currently working on this and an alternative draft was to be discussed with Canterbury Waste Services.

The opportunity was then taken to allow members to ask questions.