

## 5. TRANSPORT COSTS FOR WASTE TO KATE VALLEY 2008/09

<b>General Manager responsible:</b>	General Manager City Environment, DDI: 941 8608
<b>Officer responsible:</b>	City Water and Waste Manager
<b>Author:</b>	Zefanja Potgieter, Asset & Network Planning

### PURPOSE OF REPORT

1. The purpose of this report is to approve the annual report for the shared transport cost arrangement for waste transported to Kate Valley landfill.

### BACKGROUND

2. On 4 September 2004 the Canterbury Waste Subcommittee passed a resolution to implement a shared transport cost arrangement whereby Christchurch City Council, Banks Peninsula District Council (now part of Christchurch City) and Waimakariri District Council proportionally contribute towards the transports costs for residual waste sent to Kate Valley landfill by Ashburton and Selwyn District Councils, in terms of an agreed method of calculation. By agreement the Hurunui District Council, as host council to the landfill, is not part of this cost share arrangement. The purpose of the arrangement is to ensure that communities further away from the landfill are not disadvantaged through transport costs.
3. The table below sets out a summary of 2008/09 financial year information based on all waste tonnages going to Kate Valley from Ashburton and Selwyn districts:

	Total waste in tonnes \$	Average cost / tonne for four Councils \$	Cost based on average cost \$	Actual cost paid by district Council \$	Difference funded by CCC and WDC \$	CCC Share based on tonnages \$	WDC Share based on tonnages \$
<b>Ashburton</b>	8,837.14	26.91	237,807.44	490,155.26	252,347.82	233,618.07	18,729.75
<b>Selwyn</b>	10,449.86	26.91	281,205.73	296,067.69	14,861.96	13,758.88	1,103.08

4. The agreed mechanism for payments to Ashburton and Selwyn Councils is through a request by the Committee to Transwaste Canterbury Ltd to adjust the Company's final dividend payments (to be declared) accordingly – i.e. to reduce the Christchurch and Waimakariri Councils' dividend payments by the amounts indicated above and to increase the Ashburton and Selwyn Councils' dividend payment accordingly.

### STAFF RECOMMENDATION

It is recommended that the Canterbury Landfill Joint Committee:

- (a) Approve the proposed transport cost payments to Ashburton and Selwyn District Councils as set out in the report.
- (b) Request Transwaste Canterbury Ltd to implement the payments set out above by adjusting its dividend payments to the participating territorial authority shareholders.