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Corporate Plan Output: Solid Waste	

The purpose of this report is to update the Council on progress with negotiations on the feasibility of setting up a Hazaka Compost Plant in Christchurch.

#### **BACKGROUND**

Councillors will recall that a team of Council Officers lead by Mike Stockwell (Waste Manager) together with Councillors Wright and O'Rourke are negotiating with the Japanese on the feasibility of setting up a joint-venture with Mr Hazaka to establish an invessel composting plant in Christchurch. The advantages of this system over our existing windrow system have been outlined in my previous reports to Council (latest May 1999) and are briefly as follows:

- An enclosed invessel system will overcome future Resource Consent issues such as dust and odour problems
- Will enable us to compost putrescibles and biosolids (undercover)
- Will shorten production time
- Will produce a far better product

Advantages of a joint-venture with Japan have also been outlined in previous reports and are:

- Will foster organic compost production
- Foster organic farming generally in Canterbury
- Foster City and Regional business and economic development
- Will develop synergies with Japan for other recyclable materials business developments especially in association with Recovered Materials Foundation activities.

## **PROGRESS**

A second round of negotiations has just concluded between our team and Mr Hazaka's team from Saturday 19 to Tuesday 22 July. These negotiations were very successful in terms of the following progress by the negotiating team.

- The Hazaka representatives now understand all aspects of our refuse operation (as it relates to composting) and are in a position to produce a plant design that has the capacity to handle the City's current and future composting requirements (including biosolids and putrescibles)
- A site location for the plan has been found at Metro Refuse Station.
- A promising potential joint-venture partnering arrangement between the Council, Hazaka and Living Earth Company has been prepared.
- A tentative timetable for feasibility plans, approval by all joint-venture partners (including a seminar and reports to our own City Services and Council in September/October/November) has been agreed.
- Professional advisers for liaison between joint-venture partners and project co-ordination have been agreed.

## **CONCLUSION**

This is a very exciting project which promises to deliver a showcase in vessel compost plant to the City, to process the City's greenwaste, putrescibles and biosolids into a high quality organic compost. The project will be capital funded by the Hazaka company details of a potential joint-venture between the Council, Hazaka Company and Living Earth company are being developed by the negotiating team and will be presented to this Committee and Council in September/October/November.

Note: Mike Stockwell will be overseas during the July City Services and Council meeting, but Messrs O'Rourke, Wright, Bourke and Collin will be able to answer any questions.

### **Chairman's**

**Recommendation:** That the information be received.