



## **Statement of Proposal for the Implementation of a Regional Landfill**

**July 2014**

**This document constitutes the Statement of Proposal for the purposes of  
Section 83(1)(a) of the Local Government Act 2002.**

## 1. Introduction

- 1.1. The Joint Waste Assessment in March 2010 identified the separate operation of two landfills in the region was the biggest impediment to waste minimisation initiatives in the region.
- 1.2. The Joint Nelson /Tasman Waste Management and Minimisation Plan (JWMMP), adopted by both the Nelson City and Tasman District Councils in April 2012, had an objective to investigate the implementation of a joint regional landfill facility for the benefit of both districts.
- 1.3. Studies undertaken jointly and separately by Nelson City Council and Tasman District Council considered both financial and non-financial criteria. These have shown that a single facility would improve environmental and financial sustainability for the region. It would achieve economies of scale and result in best use and value of the existing landfill assets. Moving to a joint landfill arrangement would provide a platform for the two councils to progress the variety of other waste management and minimisation initiatives set out in the JWMMP.
- 1.4. The best option identified was to use the existing capacity at the Nelson City Council landfill at York Valley as a regional facility and then to identify the most suitable location for a future landfill following the eventual closure of the current landfills once they have reached the end of their useful life. The proposal is for all waste from the region (Nelson and Tasman) to go to the York Valley Landfill. Tasman District Council will retain the residual capacity at Eves Valley (of around two years) for the remaining life of the existing stage at York Valley Landfill (16 years under this proposal) as a back-up, to allow for events (eg natural disasters) that may render York Valley in-operable.
- 1.5. Nelson City Council commissioned a review of the financial modelling by Deloitte and it was reported that “the results of our 50 year parallel modelling indicate that the proposal is financially beneficial to Nelson City Council, with Nelson City Council’s share of the additional landfill surpluses more than offsetting the impact of Nelson City Council incurring costs of replacing the landfill 16 years earlier than it would have otherwise faced.”<sup>1</sup>
- 1.6. This Statement of Proposal gives public notice of the proposal to enter into an agreement with Tasman District Council to receive residual solid waste at York Valley from Tasman District Council transfer stations; sets out the consultation process that will be adopted; the period for submissions to be made on the proposal; and how Council will hear submissions on the proposal.

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<sup>1</sup> York Valley is consented for another 20 years, ie until 2034; Nelson’s current volumes suggest there is capacity for a further 12 years in the existing valley.

## 2. Proposal

- 2.1. Council proposes to enter into an agreement with Tasman District Council to receive municipal rubbish (residual solid waste) from Tasman District Council transfer stations.
- 2.2. Tasman District Council will continue to maintain Eves Valley Landfill so that the residual capacity of Eves Valley will be available as a contingency in the event of York Valley being in-operable or inaccessible.
- 2.3. Nelson City Council and Tasman District Council will jointly investigate the next generation regional landfill and ensure that a new landfill is identified for development before the remaining York Valley landfill airspace reaches six years.
- 2.4. No rates funding is currently or will be required from Nelson City Council residents to support the solid waste activity.
- 2.5. Tasman District Council will be charged the published landfill charge for material disposed of at York Valley.
- 2.6. Nelson City Council and Tasman District Council will continue to support waste management and minimisation initiatives through the imposition of a local waste disposal levy applied to residual waste disposed at York Valley.
- 2.7. Nelson City Council will recover a local solid waste disposal levy of \$3.43M from landfill charges and share this equally with Tasman District Council.
- 2.8. A fund will be established to manage/mitigate potential risks of fluctuating landfill costs. The Solid Waste Stabilisation Fund with a nominal amount of \$400,000 will be created and maintained, and funded by the two councils on an equal basis from surpluses to be realised in year one after implementation of this initiative.
- 2.9. Landfill surpluses will be shared with Tasman District Council on a 60/40 (NCC/TDC) basis.
- 2.10. Landfill surpluses accrued to Nelson City Council will be used at the discretion of Nelson City Council for the benefit of Nelson residents as set out in the Long Term and Annual Plans.
- 2.11. The financial modelling is detailed in the Regional Landfill Disposal Study and the Deloitte Landfill Proposal Review.
- 2.12. This proposal does not presuppose who will fund the next landfill. However, Deloitte's modelling showed whether it was jointly funded, Nelson City or Tasman District Council funded, in all scenarios, the joint landfill proposal was beneficial financially for Nelson City Council (refer Deloitte report).

### 3. Reasons for the proposal to implement a regional landfill

- 3.1. The separate operation of two landfills in the Nelson/Tasman region was identified as the single largest impediment to improved waste management and minimisation initiatives in the region.
- 3.2. The Regional Landfill Disposal Study carried out by Nelson City Council and Tasman District Council demonstrates that the regional landfill proposal set out in section two has the lowest financial costs and provides beneficial outcomes for both councils, the general public and landfill users.
- 3.3. The implementation of the proposal will lead to lower greenhouse gas emissions and improve the sustainability of landfill gas harvested at York Valley for continued beneficial use at the Nelson Hospital.
- 3.4. The implementation of the proposal will bring forward the development of a new generation residual solid waste management strategy while gaining value from using existing assets optimally and improving environmental management within the Nelson/Tasman region.
- 3.5. The implementation of the proposal will create opportunities to improve waste management and minimisation initiatives in the region.

### 4. Options

- 4.1. Council considered options on improving the delivery of landfill services in the region. They are:
  - Option 1: The current proposal, as set out in section two.
  - Option 2: Remain with the status quo.
- 4.2. The options were assessed for their costs and benefits, their fit to community outcomes as set out in Council's Long Term Plan 2012-2022, the way in which the option supports Nelson 2060 and Council's statutory responsibilities.
- 4.3. The following table provides a comparison between the proposal and the status quo from a Nelson City Council perspective.

The proposal to accept residual waste from Tasman District Council transfer stations at York Valley; Tasman District Council maintaining Eves Valley for the remaining life of the York Valley Landfill so that the residual capacity will be available as a contingency in the event of a natural disaster making York Valley in-operable or inaccessible is compared to the status quo where the councils operate separate landfills.

	Option 1	Option 2
Benefits and costs	Nelson City Council share control of waste management and minimisation strategies developed in the	Nelson City Council and Tasman District Council individually implement waste management and minimisation strategies that could create diverging levels of

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	Nelson/Tasman region.	service.
	Operating costs reduce to the two councils to allow surpluses to be returned.	Based on current projections, charges may need to increase to cover costs.
	Nelson City Council generates additional income that can be used by Council for the benefit of Nelson ratepayers by funding projects included in the Long Term Plan, or used to offset debt.	No change.
	Realise the economic value of the York Valley landfill by filling it within the current consent timeframe.	The ability to realise the economic value of the York Valley landfill within the current consent timeframe is uncertain.
	Vehicle movements increase less than 1% along Market Road.  No change in the type of vehicles using the roads or the timing of additional vehicle movements.  The impact overall is considered minor.	No change to present.
	Increased tonnages of solid waste will benefit the sustainability of the landfill gas harvesting at York Valley and help build the economy.	The opportunity to improve the sustainability of methane supply for beneficial use at the Nelson Hospital at no additional capital investment will be lost.
	Modelling shows there are economic gains to Nelson from a joint, regional proposal.	No change to present.
	The broader income base and improved stability in revenue generation provides the opportunity to optimise the use of existing assets and to improve the range of options available to the community to manage residual solid waste.  Increased resilience in the event of York Valley being in-	The competition between two landfills located in close proximity will constrain the implementation of waste management and minimisation initiatives.  No obvious back up plan in the event of York Valley becoming inoperable.

	operable or inaccessible.	
	Implementing the proposal will allow the Council to better achieve the goals of the Joint Waste Management and Minimisation Plan.	The ability of Nelson City Council to implement waste management and minimisation strategies will be constrained by revenue consideration.

- 4.4. The Non-Financial Elements Review of the Joint Venture Study demonstrated that there were no barriers from a non-financial aspect for York Valley being the single landfill in the region.
- 4.5. In the Non-Financial Elements Review of the Joint Venture Strategy it is shown that traffic movements along Market Road, servicing mainly the residents of Bishopdale, will increase from an average of 2,300 vehicle movements per day to around 2,322 traffic movements following the implementation of this proposal.
- 4.6. York Valley landfill is consented to receive municipal waste until 2034. It is estimated that the remaining capacity of the landfill will allow the acceptance of municipal waste generated in the Nelson/Tasman region until 2031.
- 4.7. The next generation landfill will be the subject of a comprehensive study, in the next decade.

## 5. Submissions

- 5.1. Any person or organisation is welcome to make a submission on this Statement of Proposal to establish a Regional Landfill at York Valley. Council will be taking account of all submissions made when it decides on the final agreement with Tasman District Council in establishing a Regional Landfill.
- 5.2. Submissions must be received by Council no later than 4.00pm on Thursday, 25 August 2014.
- 5.3. A submission form is available on the Nelson Council website [www.nelson.govt.nz](http://www.nelson.govt.nz) or can be obtained from Nelson City Council offices at 110 Trafalgar Street Nelson.
- 5.4. Submissions can also be sent in letter or email form and should be:

Posted to:                   Regional Landfill: Consultation  
Nelson City Council  
PO Box 645  
Nelson 7040

Or emailed to:            [submissions@ncc.govt.nz](mailto:submissions@ncc.govt.nz)

Please state in your submission whether or not you wish to speak at a hearing in support of your submission.

- 5.5. Submitters should note that their submission will be copied and made available to the public after the submission period closes.

- 5.6. Council will contact all submitters who wish to be heard, in writing to advise the confirmed time, date and venue of the hearing.
- 5.7. All enquiries should be directed to Johan Thiart, Senior Asset Engineer – Solid Waste, on telephone 546-0332 or by email to johan.thiart@ncc.govt.nz.

## **6. Related Documents**

- 6.1. Joint Waste Assessment.
- 6.2. Joint Nelson/Tasman Waste Management and Minimisation Plan.
- 6.3. Regional Landfill Disposal Study – MWH.
- 6.4. Non-Financial Elements Review of the Joint Venture Strategy – Tonkin & Taylor.
- 6.5. Deloitte Landfill Proposal Review.