

ORDINARY MEETING 16 JUNE 2015	5.8
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WASTE MANAGEMENT IN DEGARRA

Abbey Belcher: Technical Officer Waste

Paul Hoye: General Manager Operations

RECOMMENDATION:

That Council resolves to:-

1. **Issue letters to Degarra property owners that are currently paying a Special Refuse Charge requesting feedback on the two (2) proposed options for future waste management in the Degarra area. The two proposed options being:-**
 - a). **A user pays arrangement where users of the transfer station would pay the applicable fee for waste disposal and the current Special Refuse Charge (\$156.87) would be removed; or**
 - b). **Increasing the Special Refuse Charge (“SRC”) to an amount that reflects Council’s costs; and**
2. **The owners of the commercial property be advised that as from July 1 2015 the Special Refuse Charge will be removed from the property and that they will no longer be able to dispose of waste at the Ayton Transfer Station free of charge.**

EXECUTIVE SUMMARY:

Douglas Shire Council currently contributes to the operational costs of the Ayton Transfer Station (“the Transfer Station”) for use by Degarra residents. Cook Shire Council has introduced a kerbside collection for Cook residents in their area and the collection cannot be extended to Degarra due to access issues. Two options are proposed for future waste management in this area. These options are:-

- a). **A user pays arrangement where users of the transfer station would pay the applicable fee for waste disposal and the current Special Refuse Charge (\$156.87) would be removed; or**
- b). **Increasing the Special Refuse Charge (“SRC”) to an amount that reflects Council’s costs. The suggested SRC would be \$350.00 for residential properties and \$14 000.00 for the single commercial property.**

Currently Council contributes almost \$25 000.00 to Cook Shire Council each year for operations at the transfer station.

BACKGROUND:

Council currently subsidises the use of the Transfer Station for waste disposal by one (1) commercial and twenty three (23) residential properties located in Degarra. Cook Shire Council has introduced a kerbside collection for Cook residents in the area which cannot be extended to Degarra due to access issues. As a result future arrangements for waste disposal for residents in Degarra must be determined.

The Ayton Transfer Station is open Wednesdays 2pm-6pm and Saturdays 11am-2pm. The transfer station is approximately 10 km from Degarra via dirt and sealed roads.

COMMENT:

Council is required to review waste management in Degarra due to changes that have been implemented at the Transfer Station by Cook Shire Council. Council is currently invoiced quarterly by Cook Shire Council to enable use of the Transfer Station by Douglas residents. Council's current payments constitute a substantial subsidy for each of the 24 lots levied the SRC in Degarra. This subsidy is ultimately paid by ratepayers in the balance of the Shire. Of particular concern is that the single commercial property in the catchment is estimated to contribute 59% of the waste that Council is charged for by Cook Shire Council.

The Transfer Station currently accepts items from all Douglas residents, irrespective of whether they pay the SRC. Users of the Transfer Station will be expected to show a Special Refuse Card from 1 July 2015 or pay for disposal in accordance with Cook Shire Council's fees and charges. Table 1 below shows Council's current expenses and income from the SRC.

Table 1 – Current Expenses and Income - Waste Management in Degarra

Expense	
Quarterly payments to Cook Shire Council of \$6,182.85*	\$24,731.40
Income	
24 lots in the Degarra area levied the SRC of \$156.87 annually	\$3,764.88
Subsidised annually**	\$20,966.52

* The current quarterly charge by Cook Shire Council will increase as of 1 July 2015.

** This is a subsidy of \$873.61 per eligible lot, per year on a direct per lot basis. On a user basis the commercial property is being subsidised in an amount of approximately \$14,680.00 and the 23 residential users \$373.75 each.

Staff have investigated the use of the Cook contractor for collection from properties in the area but this is not possible due to inaccessibility by the truck. A further investigation into a bin bank outside of Degarra was also considered but was not considered feasible due to establishment, monitoring and administration costs and also high collection costs.

It is the opinion of staff that two (2) options are available to residents

- a). a user pays arrangement where users of the transfer station would pay the applicable fee for waste disposal and the current Special Refuse Charge (\$156.87) would be removed; or
- b). increasing the Special Refuse Charge ("SRC") to an amount that reflects Council's costs. The suggested SRC would be \$350.00 for residential properties and \$14 000.00 for the single commercial property.

It is recommended the commercial user have the SRC removed and be advised that continued use of the Ayton transfer Station be on a commercial arrangement with Cook Shire Council.

It is expected the consultation process will mean that the new arrangements for residential properties will take effect from September 1, 2015.

PROPOSAL:

That Council resolves to:-

1. Issue letters to Degarra property owners that are currently paying a Special Refuse Charge requesting feedback on the two (2) proposed options for future waste management in the Degarra area. The two proposed options being:-
 - a). A user pays arrangement where users of the transfer station would pay the applicable fee for waste disposal and the current Special Refuse Charge (\$156.87) would be removed; or
 - b). Increasing the Special Refuse Charge ("SRC") to an amount that reflects Council's costs; and
2. Advise the owners of the Bloomfield Lodge that as from July 1, 2015 the Special Refuse Charge will be removed from the property and that they will no longer be able to dispose of waste at the Ayton Transfer Station free of charge.

For Council's information the current Cook Shire Council fees and charges for the transfer station are attached in Attachment 1.

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE:

Goal 2 – To demonstrate leadership in local government through sound, transparent, accountable and equitable decision making.

COUNCIL'S ROLE:

Council can play a number of different roles in certain circumstances and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Information Provider	Advocate	Facilitator	Agent	Part Funder	Asset Owner
					<input type="checkbox"/>
					Fully Responsible
					<input type="checkbox"/>
					Regulator

Information Provider: Providing access to information to assist communities and organisations.

Facilitator: Bringing people together to develop solutions to problems.

FINANCIAL/RESOURCE IMPLICATIONS:

The level of commercial and residential subsidy of waste disposal in the area is expected to substantially decrease with the implementation of either option proposed.

RISK MANAGEMENT IMPLICATIONS:

Financial – Waste disposal for Degarra residents is currently heavily subsidised. Either option identified will lead to savings for Council and reduce the level of subsidy provided by other ratepayers in the Shire.

Provision of service– The opening hours at the Transfer Station are decided at the discretion of Cook Shire Council and so these may alter over time. Similarly cook can increase fees in accordance with their fees and charges.

SUSTAINABILITY IMPLICATIONS:

ECONOMIC: Waste management in Degarra is currently heavily subsidised. The level of subsidy is expected to decrease with the implementation of either option proposed. As a result of the proposed change there will be some financial impact on property owners previously paying the Special Refuse Charge.

ENVIRONMENTAL: A user pays, fee based system should result in a decrease in waste disposal and an increase in recycling or alternative arrangements such as composting of waste for both residential and the commercial property.

SOCIAL: Community consultation with properties levied the SRC is expected to identify the preferred option for future waste management in the Degarra area. Blocks in the Degarra area are large and rural in nature and with basic alternatives such as chickens, composting and recycling waste generation should be very low. Many Degarra residents travel to Mossman and Cairns via the Bloomfield Track on a regular basis and have access to Council's Transfer Stations when in the area.

INTERNAL/EXTERNAL CONSULTATION:

Community consultation should be undertaken with residents and the commercial operator to identify the preferred option for future waste management in the Degarra area. A letter will be sent to properties which are levied the Special Refuse Charge requesting their feedback on which option is most preferred.

Properties will be advised of the requirement to show a Special Refuse Card from 1 July, 2015 at the Transfer Station or pay for disposal in accordance with Cook Shire Council's fees and charges.

ATTACHMENTS:

Fees and Charges 2014/15 – Ayton Transfer Station

MIXED WASTE (Construction,residential,commercial,industrial waste)						
<i>(Mixed Construction and Demolition Waste not accepted at Ayton Transfer Station)</i>						
<i>Does not cover regulated waste eg asbestos, battery, CCA treated timber or mixed waste containing regulated waste</i>						
<i>(Charges not applicable at Ayton Transfer Station. Amounts of mixed household waste greater than 3m3 not accepted at Ayton Transfer Station)</i>						
<i>gst included</i>						
Uncompacted Mixed Waste <0.06m3	\$4.00	per bag				1420.110.137
<i>Example: 1 garbage bag (approx 60L)</i>	\$4.00					1420.110.137
<i>Example: 1 wheelie bin (approx 0.24m3)</i>	\$16.00					1420.110.137
Uncompacted Mixed Waste >0.06m3	\$64.00	per m3 - fees based on volumetric capacity of the vehicle or operator's estimate	GST		Commercial / Other	1420.110.137
<i>Example: 120L wheelie bin (approx 0.12 m3)</i>	\$8.00		GST		Commercial / Other	1420.110.137
<i>Example: 240L wheelie bin(approx 0.24 m3)</i>	\$16.00		GST		Commercial / Other	1420.110.137
<i>Example: car, 4WD (approx 0.5m3)</i>	\$32.00		GST		Commercial / Other	1420.110.137
<i>Example: small trailer, ute , van (approx 1m3)</i>	\$64.00		GST		Commercial / Other	1420.110.137

Sorted recyclables are free of charge.