



INFORMATION BULLETIN

Issue No. 13
September 2013



B. CALLANDER
CEO

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RESOURCE RECOVERY FACILITY UPDATE REPORT	
File No:	WST/13-03
Attachment/s:	Nil
Date:	18 September 2013
Prepared by:	Gunther Hoppe, Director Corporate Services

This report presents a summary of activities that have taken place in the reporting period covering 15 August 2013 to 18 October 2013.

ONGOING MATTERS

Composter Structural Issues

BioVision is still of the view that it is still likely that the composters will be replaced in the 1st quarter of 2015, despite the court hearing for the insurance claim being delayed until October 2013.

The consequence of this to the Mindarie Regional Council (MRC) is that the work will occur in the 2014/15 financial year, and as a result, the 2013/14 financial year will be a normal year with an anticipated 100,000 tonnes of waste being processed. The 2014/15 financial year will be the year in which the Resource Recovery Facility (RRF) will experience availability disruptions associated with the composter repairs.

OPERATIONAL INFORMATION

Waste Delivery

Waste Delivery Summary for Reporting Period

MONTH	SCHEDULED TONNES	DELIVERED TONNES	DIFFERENCE TONNES
August 2013	6,800	7,640	840

For the 5th Contract Year, year to date, the RRF is 1,047 tonnes ahead of schedule.

In summary, the RRF is operating as anticipated in the Resource Recovery Facility Agreement (RRFA), with average availability of 99.7% over the past contract year.

On a monthly basis, Additional Tonnes (those tonnes greater than the monthly scheduled tonnes) only incur the Variable Operating Cost charge, but not the Capital Cost or Fixed Operating Cost charges.

Unavailable Tonnes (those tonnes less than the monthly scheduled tonnes) are not paid for unless:

- Within the Contract Year there is a positive balance of Additional Tonnes, these Additional Tonnes can be off-set against the Unavailable Tonnes. In this case, the off-set Additional Tonnes incur the full gate fee cost less the Variable Operating Cost (which has already been paid on the Additional Tonnes); or
- If the RRF Availability for a month is less than 92% of the monthly Scheduled Tonnes and there are no accumulated Additional Tonnes remaining to be off-set, then the MRC is required to pay the Capital Cost on all Unavailable Tonnes up to 92% of the monthly Scheduled Tonnes.

At the end of the Contract Year, if 100,000 tonnes of waste have been delivered to the RRF then the above “overs and unders” system should balance out.

Waste Diversion

Waste Diversion for the past six months (March 2013 to August 2013) has been 50.6% with a Waste Diversion Target of 51.3%. This is in line with the comparative rate for the prior year.

Operational Activities

On the last day of July, all power to the maturation hall was lost due to the collapse of a cable ladder. Despite this, the operating staff were able to recover production hours and end the month ahead of schedule.

Community Complaints

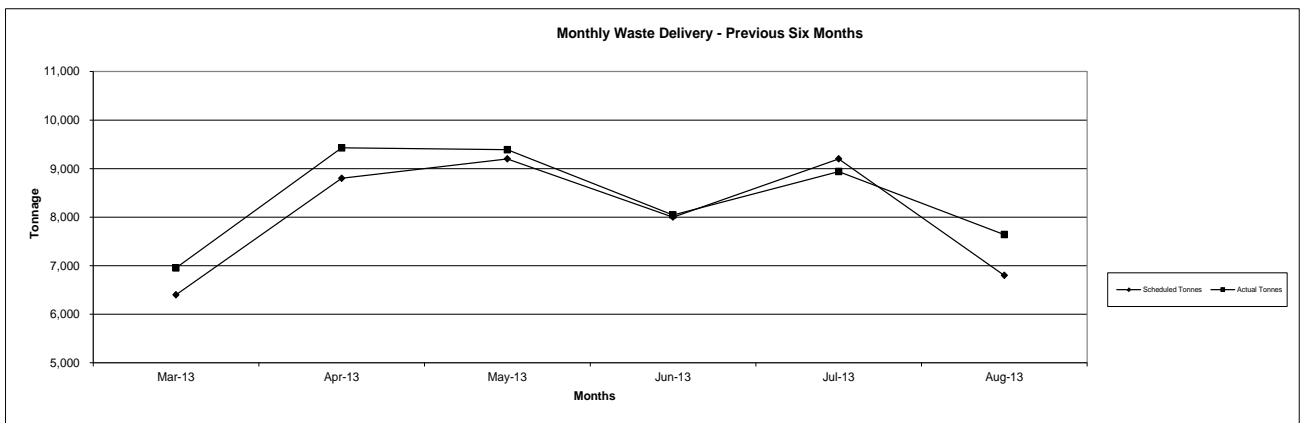
Community Complaints Summary for the Reporting Period

Date	Complaint	From	Outcome
Nil			

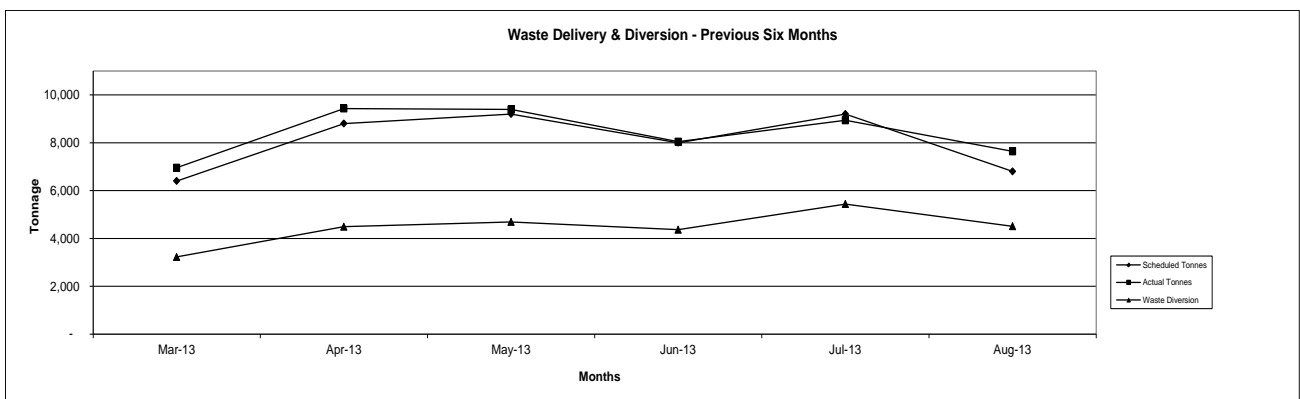
No odour complaints were noted in August.

The graphs below provide data up to **31 August 2013**.

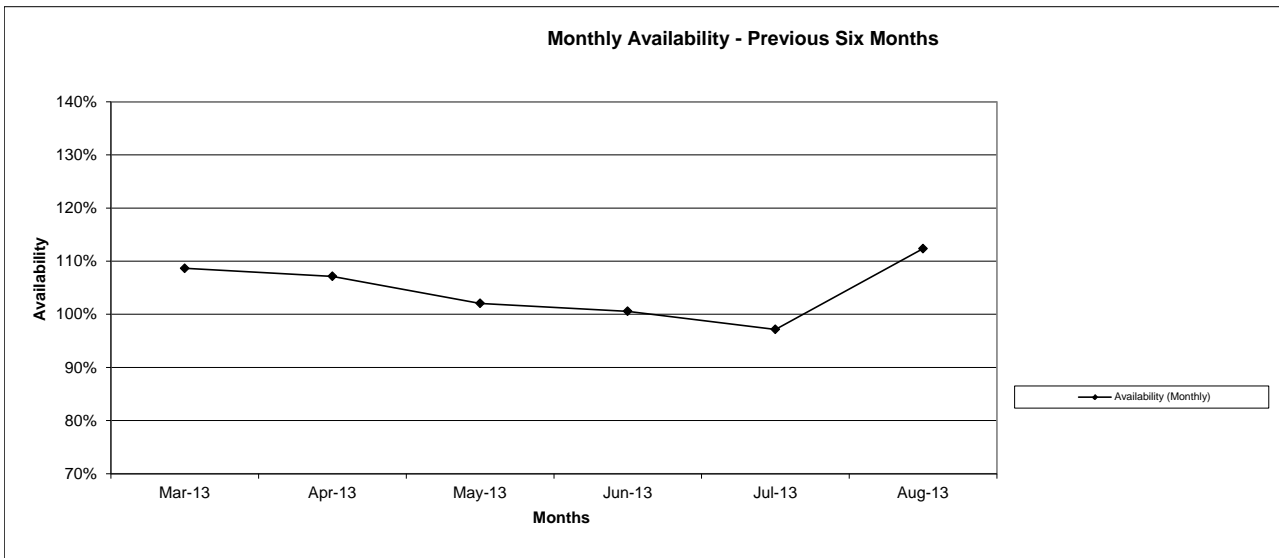
Graph No. 1 – Monthly Waste Delivery – Previous Six Months



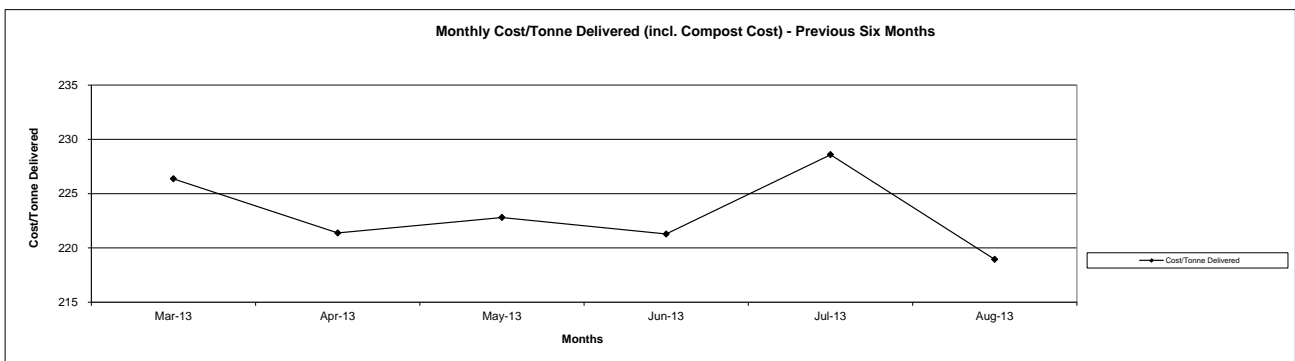
Graph No. 2 – Waste Delivery & Diversion – Previous Six Months



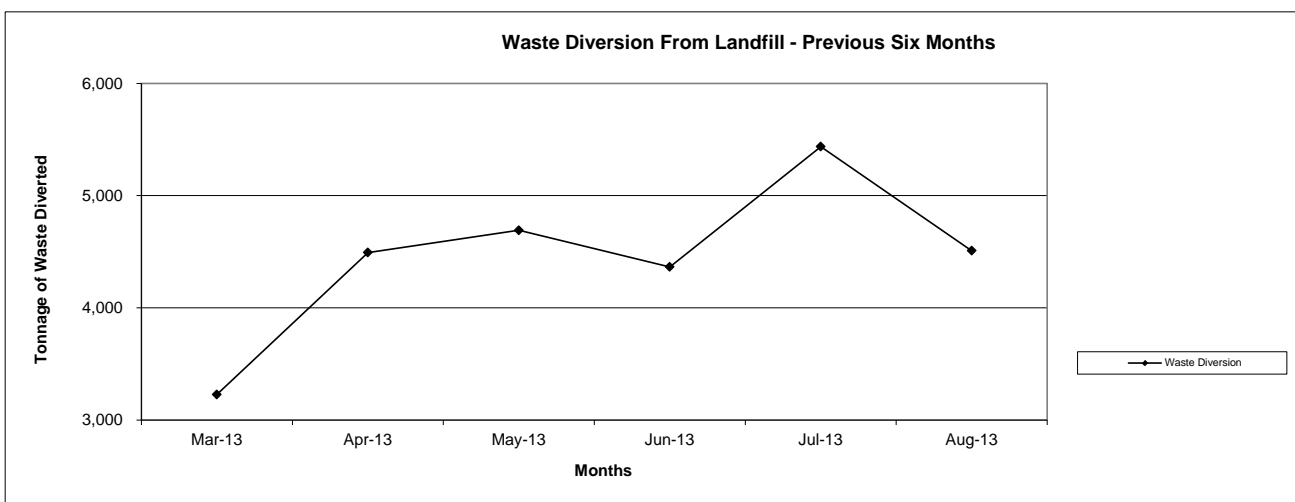
Graph No. 3 – Monthly Availability – Previous Six Months



Graph No. 4 – Monthly Cost/tonne Delivered (incl. Compost Cost) – Previous Six Months



Graph No. 5 – Waste Diversion from Landfill – Previous Six Months



Performance Indicators

KPI's as per the RRFA are as follows:

Table No. 1 – KPI Summary (to 31 August 2013)

KPI	Target	Previous 6 Months	August	
Availability	95%*	105%	112.0%	
Environmental Standard - Number of Breaches	0	0	0	
Waste Diversion	51.3%	50.6%	53.4%	
Quality of Compost - Number of Breaches**	0	5	2	
Quantity of Recyclable Packaging ***	0.80%	0%	0%	
Health and Safety - Number of LTI's	0	0	0	
Community Acceptance - Number of Complaints ****	0	0	0	
Project Culture - PAG Chairperson Score	100	100	100	

* The Target Availability during the Initial Operating Period is to achieve an Availability of greater than 95% over a six-month period.

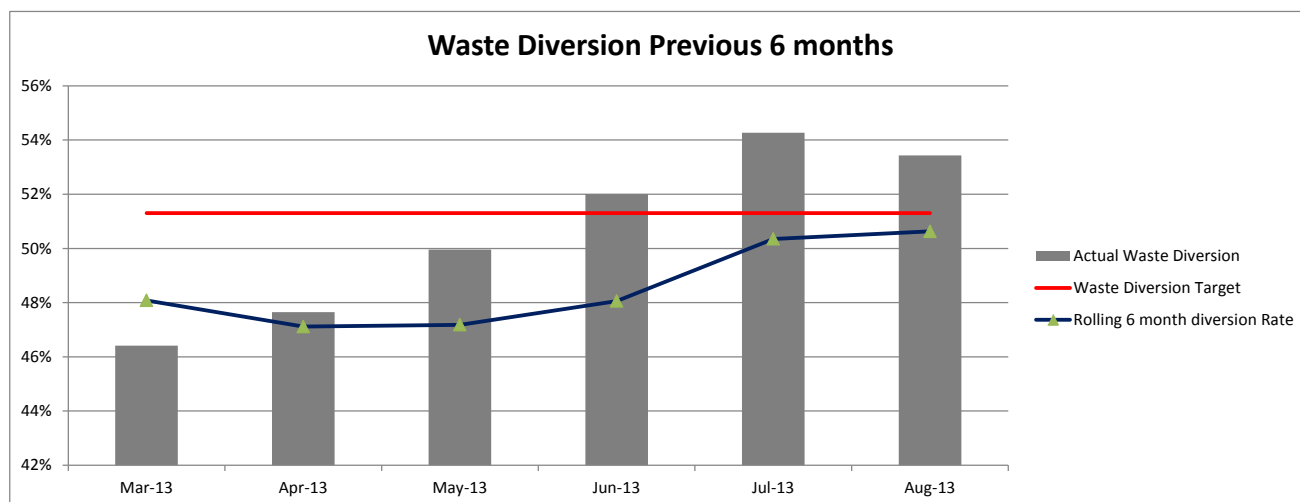
** The compost standard within the RRFA is currently under review. A separate report has been included dealing with the compost KPI breaches.

*** KPI suspended pending new recycler

**** Numerous complaints relating to a single event are treated as a single complaint. Biofilter odour is not registered as a complaint as this is seen as a normal operating odour condition.

Waste Diversion

The average waste diversion for the past six months (March 2013 to August 2013) has been 50.6%.



Project Advisory Group (PAG) as at 14 August 2013

MRC Representatives:

Cr Laura Gray
Ian Watkins
Gunther Hoppe

BioVision Representatives:

Craig Barker
Nial Stock
Alan Turner

Apologies:

Brian Callander (CEO)
Frank Sciarrone

Chairperson:

Mike Wadsworth

Visitors:

Greg Oatley (SITA)

The PAG last met on 14 August 2013.

Items dealt with by the group include:

- Contract Variations
- Composter Structural Issues
- BioVision Monthly Report/Update
- Compost Marketing and Compost Quality
- Residue management
- Insurance

Copies of the meeting minutes will be distributed to the Strategic Working Group members and all MRC Councillors in due course.

Community Engagement

The MRC community engagement program continues to be managed via the Community Engagement and Advisory Group (CEAG).

The group last met on 31 July 2013 at the MRC.

FINANCIAL IMPLICATIONS

Operational Expenditure

The Project Operational Summary below sets out the 2012/13 facility operating budget against which operational costs are tracked throughout the year.

Project Operational Costs Summary for 2013/14 Financial Year – as at 31 August 2013.

Mindarie Regional Council						
OPERATING STATEMENT						
For the month ended 31 August 2013						
Description	Adopted Budget	YTD Budget	YTD Actual	\$ Variance	% Variance	Note
Resource Recovery Facility						
Operating Expenditure						
Employee Costs						
Salaries	-	-	-	-		
Allowances	-	-	-	-		
Workers Compensation Premium	-	-	-	-		
	-	-	-	-		
Consultants and Contract Labour						
Consultancy	35,000	3,332	825	(2,507)	(75.24%)	
Contract Labour External	-	-	-	-		
	35,000	3,332	825	(2,507)	(75.24%)	
Office Expenses						
Cleaning of Buildings	11,600	1,932	269	(1,663)	(86.09%)	
	11,600	1,932	269	(1,663)	(86.09%)	
Information System Expenses						
Computer System Maintenance	25,200	4,200	2,532	(1,668)	(39.72%)	
	25,200	4,200	2,532	(1,668)	(39.72%)	
Building Maintenance						
Building Maintenance	3,000	-	-	-		
Building Security	2,700	250	256	6	2.26%	
	5,700	250	256	6	2.26%	
RRF Operation Expenses						
Fencing and Gate Maintenance	1,500	-	-	-		
Road Maintenance	-	-	-	-		
Bores and Pipework	-	-	-	-		
Vehicle Wash Facility Operations	-	-	-	-		
Landscaping and Gardens	7,500	400	793	393	98.18%	
Compost Disposal	402,000	37,500	59,965	22,465	59.91%	
Contractor's Fees	23,215,414	3,714,466	3,675,208	(39,258)	(1.06%)	
	23,626,414	3,752,366	3,735,965	(16,401)	(0.44%)	
Utilities						
Electricity	7,400	1,232	-	(1,232)	(100.00%)	
Rates	30,000	5,000	4,540	(460)	(9.19%)	
	37,400	6,232	4,540	(1,692)	(27.14%)	
Insurance						
Municipal Property Insurance	-	-	-	-		
Public Liability Insurance	-	-	-	-		
	-	-	-	-		
Cost of Borrowings						
Interest on Loans	415,700	76,276	68,391	(7,885)	(10.34%)	
Loan Expenses	-	-	450	450		
	415,700	76,276	68,841	(7,435)	(9.75%)	
Amortisations						
Amortisation Pre-operating Costs	104,700	17,450	17,450	-	0.00%	
Amortisation Costs	435,500	72,584	72,584	-	0.00%	
	540,200	90,034	90,034	-	0.00%	
Depreciation						
Depreciation on Infrastructure	4,100	684	683	(1)	(0.10%)	
	4,100	684	683	(1)	(0.10%)	
Total Operating Expenditure	24,701,314	3,935,306	3,903,945	(31,361)	(0.80%)	
Net Total	(24,701,314)	(3,935,306)	(3,903,945)	31,361	(0.80%)	

Member Council Deed of Guarantee

The table below indicates the potential fluctuation in member Council potential liabilities under the Member Council Deed of Guarantee throughout the duration of the RRFA. This information should be treated as indicative only.

Deed of Guarantee Annual Value Change								
Termination Payment for MRC Default								
Council	Shareholding	Year 1 16/07/2009	Year 2 16/07/2010	Year 3 16/07/2011	Year 5 16/07/2014	Year 10 16/07/2019	Year 15 16/07/2024	Year 19 16/07/2028
Stirling	33.33%	29,422,667	29,099,000	28,832,000	27,880,667	23,521,000	15,497,667	6,007,000
Joondalup	16.67%	14,711,333	14,549,000	14,416,000	13,940,333	11,760,500	7,748,833	3,003,500
Wanneroo	16.67%	14,711,333	14,549,000	14,416,000	13,940,333	11,760,500	7,748,833	3,003,500
Perth	8.33%	7,355,667	7,275,000	7,208,000	6,970,167	5,880,250	3,874,417	1,501,750
Cambridge	8.33%	7,355,667	7,275,000	7,208,000	6,970,167	5,880,250	3,874,417	1,501,750
Vincent	8.33%	7,355,667	7,275,000	7,208,000	6,970,167	5,880,250	3,874,417	1,501,750
Victoria Park	8.33%	7,355,667	7,275,000	7,208,000	6,970,167	5,880,250	3,874,417	1,501,750
Total	100.00%	\$88,268,000	\$87,297,000	\$86,495,000	\$83,642,000	\$70,563,000	\$46,493,000	\$18,021,000
Termination Payment for Forced Majeure								
	Shareholding	Year 1 16/07/2009	Year 2 16/07/2010	Year 3 16/07/2011	Year 5 16/07/2014	Year 10 16/07/2019	Year 15 16/07/2024	Year 19 16/07/2028
Stirling	33.33%	25,811,000	25,545,000	25,206,000	24,159,333	19,708,333	12,008,000	1,666,667
Joondalup	16.67%	12,905,500	12,773,000	12,603,000	12,079,667	9,854,167	6,004,000	833,333
Wanneroo	16.67%	12,905,500	12,773,000	12,603,000	12,079,667	9,854,167	6,004,000	833,333
Perth	8.33%	6,452,750	6,386,000	6,301,000	6,039,833	4,927,083	3,002,000	416,667
Cambridge	8.33%	6,452,750	6,386,000	6,301,000	6,039,833	4,927,083	3,002,000	416,667
Vincent	8.33%	6,452,750	6,386,000	6,301,000	6,039,833	4,927,083	3,002,000	416,667
Victoria Park	8.33%	6,452,750	6,386,000	6,301,000	6,039,833	4,927,083	3,002,000	416,667
Total	100.00%	\$77,433,000	\$76,636,000	\$75,617,000	\$72,478,000	\$59,125,000	\$36,024,000	\$ 5,000,000

COMMUNICATIONS AND EDUCATION REPORT	
File No:	WST/178
Attachment(s):	Nil
Date:	19 September 2013
Responsible Officer:	Geoff Atkinson, Education Manager

Communication and Education Report – August 2013

During the August 2013 reporting period the following are some of the key activities and happenings that occurred.

Tours

Fifteen tours took place during August involving 285 people.

These involved:

- 10 tours of Tamala Park and Ed Centre
- 1 of the RRF
- 5 of both sites (RRF & Tamala Park)

School groups made up 9 of these tours. The remainder of the tours were community groups coming from a variety of locations including Joondalup, Victoria Park, Wanneroo, Perth and Stirling.

Tours of the MRC facilities continue to be very well received. Feedback indicates a high level of satisfaction, with the tours being considered very worthwhile. Participants indicating that they would return or would advise others to come on tour.

The education staff has continued to develop displays and activities at both the Tamala Park Education Centre and the RRF Visitors Centre to endeavour to keep improving on the educational experience given to visitors to these sites.

At the Tamala Park Education Centre new displays include:

- Wicking bed in a bathtub
- What goes in what bin?
- Landfill gas extraction
- The carbon issue

All designed to get the conversation happening.

At the RRF Visitors Centre, student worksheets are currently being developed to enhance the educational opportunities presented at the Centre through greater engagement with the displays.

The Roaming Recycler Waste Education Display

This time of year tends to be a quieter time for this display. The Roaming Recycler did not attend any events this month.

Battery Program

Batteries from school and community bins continued to be collected in large numbers. Importantly most of these batteries previously would have gone into the household green top wheelie-bin then to the RRF and the chemicals contained within ultimately into the compost. This is a good result.

Batteries (kg):

August 2013	542.5
Cambridge	115
Joondalup	187.5
Perth	34
Vic Park	77.5
Vincent	67.5
Wanneroo	61

CFLs

CFLs are a HHW and are another problem product that we are encouraging residents to dispose of somewhere else other than their green top bin, Special collection units have been placed in most member council areas and they have been well utilised.

CFLs (kg):

August 2013	48
Cambridge	13
Joondalup	0
Perth	1
Vic Park	15
Vincent	15
Wanneroo	4

Talks and Visits

Only one school visits took place, to the Montessori School, Victoria Park, to talk to parent re recycling etc.

Earth Carers

The Earth Carers program remains strong promoting a 'living with less waste' ethos.

Up to 25 people were attending sessions of our August/September training course. The majority being newcomers but the group has also included past Earth Carers refreshing and updating their knowledge of the waste industry.

The 2013 Advanced Earth Carers course continued during this time with the group of very passionate people participating. They are now in the process of completing a waste project, a mandatory component of the course.

The previous Advanced Earth Carers have set up a Facebook page, Earth Carers North, and with limited publicity has now over 130 Likes and is regularly accessed by an increasing number of followers.

Infinity Awards 2013

This year Mindarie Regional Council was a finalist in the Waste Authority Infinity Awards 2013 and received Highly Commended in the Waste Champion Category for its efforts in community engagement, education and in particular its Earth Carers program.

Awarded every year at a special celebratory function, this year on Friday 30th August at the State Reception Centre in Kings Park. The Infinity Awards provide public recognition and encouragement to individuals, business, local/regional government and State Government agencies and community organisations that demonstrate innovation and commitment to reducing waste and increasing re-use and recycling.

The award is an acknowledgement of MRC's strong Earth Carers program. Nearly 300 in number, the Earth Carers are an integral part of the MRC education program. They provide strong links into the community and are an ongoing resource in communicating waste messages into homes, schools, work places and businesses.



Up Coming Activities

During this period work was conducted in preparation for events in the future, including:

- Waste and Recycling Conference tour of Tamala Park and Display at conference in Fremantle (September)
 - Perth Royal Show display in conjunction with other Regional Councils (Sept/Oct)
 - Tamala Park Open Day, Saturday 5th Oct, to inform local residents of the activities that occur at the Tamala Park site, the services offered to the community by the facility and to inform them of MRC's reduce, reuse, recycle and dispose wisely philosophy.
 - Garage Sale Trail, Saturday 26th Oct, a national project sponsored by the Waste Authority in WA.
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