



# ***2008 ANNUAL REPORT***





# Board of Management

as at 30 June 2008



## *Standing from left:*

Jim Huckstepp – Deputy Member (*City of Holdfast Bay*)  
Ian Walker – Member (*City of Holdfast Bay*)  
Jeff Rittberger – Member (*City of Marion*)  
Bruce Williams – Member (*City of Onkaparinga*)

## *Seated from left:*

Terry Sutcliffe – Deputy Chair (*City of Onkaparinga*)  
Mark Booth – Chairman  
Carol Bouwens – Member (*City of Marion*)

## *Absent:*

Mikki Bouchee – Member (*City of Holdfast Bay*)  
Doreen Erwin – Deputy Member (*City of Onkaparinga*)  
Richard Peat – Deputy Member (*City of Onkaparinga*)  
Frank Verrall – Deputy Member (*City of Marion*)

*SRWRA is a regional subsidiary established by the Cities of Onkaparinga, Marion and Holdfast Bay, pursuant to Section 43 of the Local Government Act, 1999.*

*Under our Charter, SRWRA is responsible for providing and operating waste management services on behalf of our constituent Councils and ensuring that a long term Waste Management Strategy exists in the southern region of Adelaide.*

*At a practical level, our core business activity is the management of our wholly-owned SRWRA Landfill Operation (formerly the Southern Region Waste Disposal Depot) located at McLaren Vale, South Australia. This is one of the State's major landfill operations receiving in excess of 200,000 tonnes of waste annually.*

*Energy Developments Limited has been extracting landfill gas (methane) from the site since 1996 and through its generating plant, supplies power to around 3,500 homes and businesses.*

*Cover Photo: Landfill Cell 3 Stage 3 construction.*

# Chairman's Report

by Mark Booth



**I am pleased to present the 2008 Annual Report and to advise that the Authority continues to meet its responsibilities under the Charter in a fiscally and environmentally responsible manner.**

This would of course not be possible without a committed Board and a dedicated team of administrative and landfill operations staff, capably led by Executive Officer Nick Brown and Landfill Manager Colin McArdle. I extend my thanks to you all for your contribution.

The Authority is charged with a responsibility to provide and operate waste management services on behalf of the Constituent Councils and to ensure that a long term waste management strategy exists in southern Adelaide.

In discharging this responsibility, the Authority continues to be an active participant in the waste management industry in South Australia as owner and operator of one of the largest landfills in the state, providing a necessary service to southern Adelaide in an environmentally responsible manner.

Although a major component of the State's waste strategy advocates the disposal of less waste to landfill and indeed establishes hard targets to achieve this objective, landfills are an important part of South Australia's waste management infrastructure with approximately one million tonnes of waste still going to landfill each year.

The past 12 months have been a challenging time with the cost of waste management and waste disposal rising due to a combination of factors largely beyond our control. Although the operations of the Authority are impacted by the global economy through rising diesel prices and exchange rate fluctuations, the most significant impacts on costs have been policy related.

State government policy to tighten landfill standards is to be applauded where it improves environmental outcomes. However, the significant increase in waste levy, which rose from \$11.20/tonne to \$22.40/tonne in 2007, is unlikely to result in a significant reduction in waste disposal at this level. Furthermore, this cost was felt most by the householder primarily through the increased cost borne by local government for the disposal of municipal waste.

It is likely that these challenges and cost pressures will be further exacerbated by policy changes in coming years with the waste industry likely to be included in the Federal government's Emission Trading Scheme (despite initial reports suggesting it should not be) and an acknowledgement that in order to achieve the state waste diversion targets the levy will need to be further substantially increased.

The Authority is aware of these challenges and is preparing to meet them.

Modern landfills offer vastly improved environmental protection over earlier landfill designs and waste management practices. Despite the impact of policy instruments such as levies, landfill still represents a cost effective disposal option for many waste streams.

The Authority looks forward to further resource recovery from landfills when viable end markets for resources can be developed and demonstrated. Until then landfill will continue to be an important component of the waste management service provide by the Authority, it is after all both necessary and responsible.



# Executive Officer's Report

by Nick Brown



**This is my first report as Executive Officer since joining SRWRA in September 2007 and I would like to thank the Board Members and staff for a smooth transition into the role.**

## *Board Members*

Board Membership remained stable in 2007/08, the only change was the resignation of Debra Just (City of Onkaparinga) due to a change in employment. Bruce Williams (City of Onkaparinga) was appointed to the Board in December 2007.

## *Management*

Les Perry (Executive Officer) retired in July 2007. SRWRA undertook an organisational review in May last year resulting in the existing organisational structure being retained. There have been no other major changes in landfill site staff or administration staff.

## *Landfill Site Adjoining Landowners*

A priority of the past year has been the building of the relationship with the landowners adjoining the landfill site. SRWRA staff and Board Members have met with these landowners on a regular basis to discuss a number of matters. These meetings have been very beneficial to building a better relationship. Positive outcomes include:

- Development of a new Integrated Litter Management Plan;
- A reduction in litter due to a substantial increase in landfill site litter fences;
- A general tidy up of the northern area of the landfill site; and
- A reduction in the height of rubble stockpiles.

The meetings provide a valuable forum for the adjoining landowners to express their views and receive feedback on a variety of landfill site matters.

## *Business Plan*

SRWRA conducted a complete review of the 2006–2009 Business Plan which included consultation with the Constituent Councils and the updated Business Plan was adopted in July 2008. The Business Plan contains a strategy relating to the development of Asset Management Plans and Long Term Financial Plans. SRWRA has invested a considerable amount of time with the support of financial and technical experts to the development of the plans. The plans will assist the Board in the decision making for the long term financial sustainability of the Authority.

## *Strategic Plan*

The process has commenced to develop a Strategic Plan. SRWRA's Chairman and Executive Officer presented a briefing to the three Constituent Councils regarding:

- SA landfill scene;
- Contracts/waste gate fees;
- Current and future issues/threats; and
- Future opportunities.

The session provided a forum to communicate with SRWRA's key decision makers and stakeholders and to gain feedback for the preparation of a Strategic Plan.

## *Charter Review*

SRWRA's Charter is required to be reviewed by the Constituent Councils at least once every three years. The Charter was reviewed in 2005 and again in 2008. The review process included a workshop with SRWRA Board Members and staff, after which a draft Charter was referred to a Local Government legal expert for a legal opinion and then referred to the Constituent Councils for their consideration and adoption.

## *Greenhouse Gas Emissions*

The Federal Government's National Greenhouse and Energy Reporting Act has established a national framework for Australian corporations to report greenhouse gas emissions. SRWRA appointed Balance Carbon to audit the landfill site's greenhouse gas emissions and provide information to the Board on the likely implications of the new legislation. The Federal Government has recently released a Carbon Pollution Reduction Scheme Green Paper. Following a consultation period with the industries affected by the proposed scheme further legislation will be prepared in late 2008 to clarify a number of greenhouse gas emission reporting issues. At the time of preparing this report the implications for SRWRA are unknown.

## *Financial Statements*

The Authority recorded a net operating deficit of \$72,000 for the year ended 30 June 2008 and distributed \$850,000 to Member Councils.

## *Dividends – Constituent Councils*

Constituent Councils received the following dividends based on equity for 2007–08.

City of Onkaparinga	\$467,500
City of Marion	\$255,000
City of Holdfast Bay	\$127,500



# Landfill Manager's Report

by Colin McArdle



**The second year as an owner operator has been accomplished by the SRWRA. The Landfill Operation has undertaken several onsite projects through out the year including a waste relocation program from Cell 2, side liner construction and bulk earth works for Cell 3 Stage 3.**

Project works have been undertaken in house whilst striving to maintain a high standard of service to all customers of the landfill operation. Site amenity has been constantly monitored and managed to a high criterion.

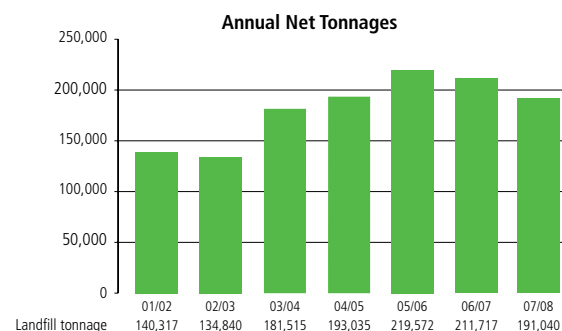
Waste disposal services are provided for up to five metropolitan Councils, four rural Councils, various enterprises and casual customers delivering waste directly to the landfill site.

## Waste Volumes

The introduction of the 3-bin system in various local government areas along with greater recycling initiatives, particularly the price of scrap metal, have impacted upon the amount of waste being delivered to the site for disposal.

There has been a reduction of approximately 22,000 tonnes from the 2006–07 volume of 212,000 tonnes to approximately 190,000 tonnes being received in 2007–08.

Approximately 19,000 tonnes of waste spoil was received for disposal / waste cover.



## Cell Development

Cell 3, Stage 3 has begun construction. SRWRA landfill operation has undertaken the bulk earthworks with the clay and composite lining systems being let to contractors.

The clay is being sourced off site and to meet SRWRA Quality Assurance expectations, the HDPE lining material is being sourced from Chile via a contractor.

A further contractor will provide the rock crushing and leachate drainage aggregate to be installed in the cell.

A management program for the relocation of approximately 100,000m<sup>3</sup> of waste as a direct result of the overflowing Cell 2 was accomplished. Consultation with neighbouring residents was fundamental to the achievement of the massive task.

## Plant and Equipment

Two major items of mobile plant were purchased during the budget year to replace equipment that was aging and or pending high maintenance.

A new 35 tonne Komatsu landfill compactor and an upgraded service truck have been introduced to the landfill site.

## Resource Recovery

Even with the introduction of waste diversion strategies and the 3-bin system, SRWRA has strived to remove recyclables where practical.

Higher prices being paid for metals in particular have reduced the amount of recyclables present in waste being deposited at the landfill site.

1,189 tonnes of recyclable products were sent off site for sale during the 2007–08 financial year.



### *Landfill Gas Management*

Energy Developments Limited (EDL), the owners and operators of the co-generation plant on site, have undertaken a re-drill program on the western portion of the site and within Cell 2 to ensure the maximum amount of landfill gas produced by the degradation of waste is being captured.

During the 2007–08 financial period, 14,806 MWh of electricity was generated and exported directly into the states grid.

EDL have extracted a total of 70,695 tonnes of landfill gas (CO<sub>2</sub> equivalent), which was consumed as fuel for the co-generation plant, with a Methane content of 3,366 tonnes.

Landfill gas monitoring bores have been installed around the site to monitor the potential migration of gas off site. There has been no indication of landfill gas migration detected on site.

### *Landscape / Buffer Zone Maintenance*

Share Farming / Cropping of the buffer areas adjacent to the landfill site has been employed to assist in the reduction of weeds and to provide the rural aspect expected within the region.

In a bid to assist with the control of on site litter, a permanent litter fence and several moveable litter fences have been installed on the south eastern portion of the site adjacent to Cell 2.

*SRWRA took delivery of this new landfill compactor during 2007–08.*





# Southern Region Waste Resource Authority

## Summary Financial Report For The Year Ended 30 June 2008

	2008 \$'000	2007 \$'000
Total Revenue	10,508	8,511
Employee Costs	863	916
Materials, Contracts & Other Expenses	5,870	4,202
Depreciation, Amortisation & Impairment	2,740	2,118
Other Expenses	1,107	1,785
Total Expenses	10,580	9,021
Operating Surplus/(Deficit)	(72)	(510)
Net gain (loss) on disposal or revaluation of assets	33	23
Net Surplus/(Deficit)	(39)	(487)
<b>CURRENT ASSETS</b>		
Cash & Cash Equivalents	8,664	7,355
Trade & Other Receivables	1,574	1,065
Other Financial Assets	731	688
<b>TOTAL CURRENT ASSETS</b>	10,969	9,108
<b>NON-CURRENT ASSETS</b>		
Infrastructure, Property, Plant & Equipment	9,685	10,283
<b>TOTAL NON-CURRENT ASSETS</b>	9,685	10,283
<b>TOTAL ASSETS</b>	20,654	19,391
<b>CURRENT LIABILITIES</b>		
Trade & Other Payables	1,235	941
Provisions	26	319
<b>TOTAL CURRENT LIABILITIES</b>	1,261	1,260
<b>NON CURRENT LIABILITIES</b>		
Provisions	12,830	10,679
<b>TOTAL NON CURRENT LIABILITIES</b>	12,830	10,679
<b>TOTAL LIABILITIES</b>	14,091	11,939
<b>NET ASSETS</b>	6,563	7,452
<b>EQUITY</b>		
Accumulated Surplus	2,354	3,940
Other Reserves	4,209	3,512
<b>TOTAL EQUITY</b>	6,563	7,452



# SRWRA

Southern Region Waste Resource Authority

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