

Chairperson and Subcommittee Members
GRANT ALLOCATION SUB-COMMITTEE

20 NOVEMBER 2014

Meeting Status: **Public**

Purpose of Report: For Decision

RECOMMENDATIONS ON WASTE LEVY GRANT APPLICATIONS

PURPOSE OF REPORT

- 1 This report seeks approval for:
 - the allocation of funding for the current round of the Community Education and Projects Contestable Fund; and
 - responding to Expressions of Interest (EOIs) received for the Innovation: New Technologies and Seed Funding Contestable Fund.

SIGNIFICANCE OF DECISION

- 2 This report does not trigger the Council's Significance Policy.

BACKGROUND

- 3 The Waste Minimisation Act 2008 requires operators of waste disposal facilities to pay a levy of \$10 per tonne of residual waste disposed of to landfill. Approximately half of this levy money is allocated by the Ministry for the Environment to local authorities to spend on implementing their waste management and minimisation plans. The remaining money is allocated through the national Waste Minimisation Fund. Further information on solid waste and legislation is available in the report SP-10-871.
- 4 The Waste Levy Allocation Policy, approved by the Environment and Community Development Committee on 22 July 2010 and updated on 1 September 2011 (Appendix A **attached** to this report), sets out how the Council would spend part of this funding.
- 5 The overall objective of the Policy is:
 - To ensure optimal and transparent allocation of the national waste levy funding to waste minimisation projects.*
 - To increase the range, scale and number of waste minimisation activities on the Kāpiti Coast through effective use of the waste levy fund.*
- 6 This financial year, \$17,000 is available for funding under Category 3 of the Waste Levy Allocation Policy: Community Education and Projects Contestable Fund. For Category 4 of the Waste Levy Allocation Policy: Innovation: New Technologies and Seed Funding Contestable Fund, \$50,000 is available.

- 7 Applications for Category 3 were called for in August 2014 and twelve were received. The applications are:

Applicant	For	Amount excl GST
He Iti Nā Mōtai	Worm farm, worms and litterless lunchbox subsidy	\$823.87
Ocean Square Greener Neighbourhood Group	Bicycle trailer and Paekākāriki public place recycling trial	\$3,396.00
Organic Wealth/Asert Tatou Development Trust (Te Rito Gardens)	'Zam!' performances, organic waste recycling consultation and installation of compost bins at ten ECEs in Kāpiti	\$3,966.00
Otaihanga Greener Neighbourhood Group	Household organic waste recycling project	\$3,000.00
Ōtaki College	Hansa C7 mulcher	\$2,600.00
Ōtaki College	Three-bay composting set-up	\$830.43
Paekākāriki School Gardening Club	Three worm farms/baths and housing	\$765.22
Paraparaumu Beach School	Three-bay composting set-up	\$853.05
Parkwood Lodge	Four hand driers and installation	\$8,266.00
Raumati Beach School	Four worm farms, worms and freight	\$1,880.00
Tilly/Tarawa Precinct Greener Neighbourhood Group	Twelve composting units and recycled pallet composting bin workshop	\$2,150.00
Whakatapuranga Rua Mano Charitable Trust	Extension of existing waste management system using livestock, anaerobic digester investigation, educational posters and signage, event to celebrate launch of initiative	\$5,472.00
TOTAL		\$34,002.57

- 8 Category 3 applications were assessed against the criteria in the Waste Levy Allocation Policy. Some applicants were contacted by a Council staff member for clarification or to request further information. Following that process, nine applications are recommended for full or part approval. Two applications are recommended to be removed from this grants process to be partly or fully funded through the solid waste minimisation education budget. One application is recommended to be declined. A description of each application follows in the next section of this report. Applications with follow-up correspondence are **attached** as Appendices B – M.
- 9 EOIs for Category 4 funding were called for in August 2014 and two were received. Both propose trials for composting municipal biosolids from the Council's Wastewater Treatment Plant. Dried biosolids are currently disposed at

Otaihanga Landfill so this represents a significant waste minimisation and beneficial reuse opportunity. The EOIs are:

Applicant	For	Amount
Biobagga Ltd	Biosolids in-vessel composting trial	\$50,000
Laybys New Zealand Limited	Biosolids vermi-composting trial	\$40,000

- 10 The EOIs were assessed against the criteria in the Waste Levy Allocation Policy. A summary of the EOIs and issues for consideration follows in the next section of this report. EOIs are **attached** as Appendices N and O.
- 11 The applicant(s) who pass this first assessment stage will be invited to develop a full proposal or business case by 13 February 2015. A further decision on the final allocation of funding for Category 4 will be made soon after that.

Updates

- 12 Category 3: in 2013/14 \$12,252.66 was approved for allocation. A summary of results from the funded projects is **attached** as Appendix P.
- 13 Category 4: Take Care Business Services was awarded \$2,745.00 seed-funding for the Elderly Care Composting Project. Take Care's case study report is **attached** as Appendix Q.

CONSIDERATIONS

Category 3: Community Education and Projects Contestable Fund

- 14 Please refer to Appendix A for the objectives and requirements of Category 3 projects under the Policy.

Applications

- 15 **He Iti Nā Mōtai (HINM)** has applied for \$823.87 to purchase a worm farm and worms, and to subsidise the purchase of 100 reusable lunchboxes. A recent audit showed that waste-to-landfill from the centre comprised mostly single-use packaging/wrapping and organic material suitable for worm-composting. The lunchboxes would be offered to families at ~50% of the retail price (of \$15.99 *incl* GST). HINM has committed to implementing a 'nude lunchbox' policy and would continue to offer partly-funded lunchboxes once those subsidised through the grant have been allocated. It is recommended that the application for \$823.87 is approved on the condition that a follow-up waste audit is carried out as part of the report-back process.
- 16 **Ocean Square Greener Neighbourhood Group** has applied for \$3,396.00 to purchase a bicycle trailer and run a public place recycling trial in Paekākāriki. The trailer could prove to be a valuable community asset and assist with waste minimisation activities, but would not directly contribute to waste minimisation. The trial presents an opportunity to increase the level of waste minimisation in Kāpiti, but several operational issues would need to be addressed. It is recommended that the application for \$3,396.00 is not funded under Category 3. It is proposed to work with the Group and fund a refined public place recycling

trial from the existing waste levy education budget. The trial would contribute to action KC9 in the Council's Waste Management and Minimisation Plan (WMMP) and serve as a case study for further public place recycling in Kāpiti.

- 17 **Organic Wealth in partnership with the Aserit Tatou Development Trust (Te Rito Gardens, Porirua)** has applied for \$3,966.00 to deliver 'Zam! Healthy kids, Healthy Soil' performances, provide organic waste recycling consultation, and install composting units at ten ECEs (Early Childhood Education Centres) in Kāpiti. The programme was developed in part by Leanne Myers (of Take Care) and has received positive reviews from ECEs in Porirua. It is recommended that the application for \$3,966.00 is not funded under Category 3; instead, it is proposed to fund the programme from the waste minimisation education budget. The programme would contribute to action KC10 in the WMMP and significantly enhance the scope and level of waste minimisation support available for ECEs in Kāpiti.
- 18 **Otaihanga Greener Neighbourhood Group** has applied for \$3,000.00 to purchase a range of organic waste recycling systems. With support from the Council's Green Gardener, the Group will be running a series of workshops to demonstrate the various options available, e.g. composting, worm-farming, bokashi, livestock etc. Following these workshops, participants will implement the systems which best suit their respective households. Grant funds would be allocated according to household size with any surplus funds (from households underspending their allocation) distributed to households which become involved in this project after the allocation date. If no further households come forward, remaining funds would be used to subsidise construction of boxed rat traps to guard against the rodents that can be attracted by some composting methods. Participants expect to contribute up to fifty per cent of the total cost of their respective systems. It is recommended that the application for \$3,000.00 is approved.
- 19 **Ōtaki College** has applied for \$2,600.00 to purchase a Hansa C7 mulcher. At present, green waste is stockpiled on the College grounds as transportation and drop-off fees are seen as prohibitive. The mulcher would create compost and mulch for the College's garden and present financial benefits; however, it would not reduce waste-to-landfill in Kāpiti. It is recommended that the application for \$2,600.00 is not funded under Category 3. Contact and hire details for the Ōtaki community mulcher (funded under Category 3 in 2011/12) would be provided to the College.
- 20 **Ōtaki College** has applied for \$830.43 to purchase three pre-made macrocarpa compost bins (~\$235 + P&P per unit) and material to create a drop-off zone for organic waste to be stored (\$43.48). Previous successful grant applicants have constructed DIY three-bay macrocarpa compost bins for less than \$305. The College is willing to pursue this more cost-effective option with assistance from Council staff. It is recommended that the application is approved for \$348.48.
- 21 **Paekākāriki School Gardening Club** has applied for \$765.22 to purchase materials and pay a builder to design and construct three worm farm baths with rodent-proof housing. The project will be shared with other schools and groups as an example of best-practice design from recycled materials. The School received \$705.00 under Category 3 to purchase two worm farms in 2011/12, but these do not provide enough capacity to treat all of the School's food scraps. It is recommended that the application for \$765.22 is approved.

- 22 **Paraparaumu Beach School** has applied for \$853.05 to purchase three pre-made macrocarpa compost bins (~\$235 + P&P per unit), food waste buckets (\$48.70) and signage (\$17.39). As with Ōtaki College's application, Paraparaumu Beach School is willing to pursue the more cost-effective DIY option instead of the pre-made compost bins. It is recommended that the application is approved for \$371.09.
- 23 **Parkwood Lodge** has applied for \$8266.00 to purchase and install four hand driers. Located within Parkwood Retirement Village, the Lodge provides full-time care for approximately 80 residents. The Lodge and Village are managed by a not-for-profit trust. This proposal follows a waste audit which identified paper hand towels as a significant waste stream (close to one tonne per annum), and is part of a wider waste reduction initiative at the Lodge. A successful in-house recycling trial has been conducted, and a Lodge-wide scheme will be rolled out in 2015. Paper towels are not accepted for recycling and are difficult to compost hygienically on a small scale; therefore, prevention is the preferred management option. Because Category 3 is oversubscribed, it is recommended that the application for two of the four hand driers is approved (to a value of \$4016.00) on the condition that the Lodge prepares a case study as part of the report-back process. The case study would detail the scale of waste reduction and payback period of installing hand driers, and could serve as a useful resource for council staff in assisting other businesses and organisations to reduce waste from paper towels.
- 24 **Raumati Beach School** has applied for \$1,880.00 to purchase four worm farms and worms. The School Envirogroup would contribute an additional \$200 towards the cost of the project. The Envirogroup currently manages a small worm farm with limited capacity. This application is part of a project which aims to educate all staff and students (>650) to recycle their food scraps. It is recommended that the application for \$1,880.00 is approved.
- 25 **Tilly/Tarawera Precinct Greener Neighbourhood Group** has applied for \$2,150.00 to run a public workshop on constructing 'combination compost bin/worm farm/recycling pallet palaces' and purchase materials to construct twelve such units. These customisable units contain space for composting activities and optional storage for kerbside recycling crates. They can be constructed from recycled pallets; but, for a longer life span, macrocarpa will be used for those made during the workshop. It is recommended that the application for \$2,150.00 is approved.
- 26 **Whakatupuranga Rua Mano (WRM) Charitable Trust** has applied for \$5,472.00 to purchase materials to expand Te Kura-ā-Iwi o Whakatupuranga Rua Mano's livestock housing capacity (to allow for increased diversion of food waste from surrounding institutions and businesses), investigate the installation of an anaerobic digester (to process organic waste with a view to generating electricity), develop educational posters and signage, and run an event to celebrate the launch of the initiative. WRM has a proven track record, community buy-in, and the required project management resources. This initiative would have the potential to serve as a show case for community-driven waste minimisation on a medium-to-large scale. The application includes \$500 to provide kai for the event. Catering is ineligible for funding under this process. It is recommended that the remainder of the application (\$4,972.00) is approved on the condition that all relevant bylaws and regulations around keeping livestock are observed.

Category 4: Innovation: New Technologies and Seed Funding Contestable Fund

- 27 Please refer to Appendix A for the objectives and requirements of Category 4 projects under the Policy.

Expressions of Interest

- 28 Under the evaluation process, applicants with EOIs that pass this first assessment stage will be asked to develop a full proposal or business case by 13 February 2015. EOIs for Category 4 are:
- A. For new technology proposals
 - B. For businesses using proven existing technologies and processes
- 29 **Biobagga Ltd (Director: Andrew Walker)** has applied for \$50,000 to conduct a biosolids composting trial on the Composting New Zealand (CNZ) site at Otaihanga Landfill. CNZ would be subcontracted as the trial operator.
- 30 Biobagga applied to this fund to conduct a similar trial in 2012/13, but withdrew its application due to perceived difficulties in gaining consent from Greater Wellington Regional Council. While approval or consent still needs to be gained, this is no longer regarded as an insurmountable barrier as the new draft Regional Plan allows the application of biosolids to land under certain conditions.
- 31 The Biobagga system utilises 60-metre agricultural bags with controlled aeration through air injection. This technology is widely used internationally and is currently employed by Buller District Council for the treatment of biosolids.
- 32 It is recommended that Biobagga is invited to develop its EOI into a full proposal for funding under Category 4B.
- 33 **Laybys New Zealand Limited (Director: Barry Lucinsky)** has applied for \$40,000 to conduct a biosolids vermi-composting (worm-composting) trial at the Otaki Waste Water Treatment Plant. The trial would be supported by the Centre for Integrated Biowaste Research.
- 34 Vermi-composting is employed both internationally and in the Western Bay of Plenty to treat municipal biosolids.
- 35 Laybys proposes to use waste GIB board as a bulking agent which presents a further opportunity for waste minimisation in Kāpiti. The current EOI presents significant operational and site-related issues that would need to be addressed before such a trial could proceed.
- 36 It is recommended that Laybys is invited to develop its EOI into a full proposal that addresses the operational and site-related issues.

Financial Considerations

- 37 Applicants are required to provide a bank account number before funds are released. This enables them to purchase goods directly. All applicants would be required to have made their purchases within six months of receiving the grant and submit proof of purchase. Unspent funds would be returned to the Council.
- 38 The recommendations for Category 3 result in a grand total of **\$18,326.66**. This exceeds the advertised amount of \$17,000; the difference, if all recommendations are approved, can be met by unspent funds carried over from

2013/14. As discussed in paragraphs 16 and 17, proposals from Ocean Square and Organic Wealth can be funded through existing budgets. There is no impact on rates funding.

Legal Considerations

- 39 There are no legal considerations for the Council. The applicants themselves are responsible for ensuring their activities comply with all relevant laws and regulations. The allocation and use of the funding will be subject to audit by the Ministry for the Environment.

Delegation

- 40 The Grants Allocation Subcommittee may make a decision under Clause 7 of Section C.1 of the Governance Structure and Delegations:

“Authority to assess all applications and allocate funds for [...] the Waste Levy Fund grants.”

Policy Implications

- 41 The applications and EOIs have been assessed against the criteria in the Waste Levy Allocation Policy 2011.

Publicity Considerations

- 42 Selected projects will be publicised by the Council through media releases, the Council’s sustainability newsletter ‘On To It,’ and other communication avenues such as the Sustainable Home and Garden Show. Several applicants have proposed to carry out their own publicity activities, e.g. local radio, school newsletters etc.

RECOMMENDATIONS

- 43 That the Grants Allocation Subcommittee approves the list of funding as set out in paragraphs 15 to 26 of report IS-14-1362, and summarised in the following table:

Applicant	For	Amount excl GST
He Iti Nā Mōtai	Worm farm, worms and litterless lunchbox subsidy. The funding is conditional on a follow up waste-audit being carried out to assess the impact of the initiative.	\$823.87
Ocean Square Greener Neighbourhood Group	Bicycle trailer and Paekākāriki public place recycling trial	\$0.00*
Organic Wealth/Asert Tatou Development Trust (Te Rito Gardens)	‘Zam!’ performances, organic waste recycling consultation and installation of compost bins at ten ECEs in Kāpiti	\$0.00*
Otaihanga Greener Neighbourhood Group	Household organic waste recycling project	\$3,000.00

Ōtaki College	Hansa C7 mulcher	\$0.00
Ōtaki College	Three-bay composting set-up	\$348.48
Paekākāriki School Gardening Club	Three worm farms/baths and housing	\$765.22
Paraparaumu Beach School	Three-bay composting set-up	\$371.09
Parkwood Lodge	Four hand driers and installation. The funding is conditional on the applicant providing the Council with a case study report including waste audit and cost data before and after installation.	\$4016.00
Raumati Beach School	Four worm farms, worms and freight	\$1,880.00
Tilly/Tarawa Precinct Greener Neighbourhood Group	Twelve composting units and recycled pallet composting bin workshop	\$2,150.00
Whakatapuranga Rua Mano Charitable Trust	Extension of existing waste management system using livestock, anaerobic digester investigation, educational posters and signage, event to celebrate launch of initiative. The funding is conditional on the applicant complying with all relevant bylaws and regulations.	\$4,972.00
TOTAL		\$18,326.66

*An asterisk indicates projects to be funded or partly funded through alternative existing budgets.

- 44 That the Grants Allocation Subcommittee invites Biobagga Ltd to develop its Expression of Interest into a full proposal for funding under Category 4B.
- 45 That the Grants Allocation Subcommittee invites Laybys New Zealand Limited to develop its Expression of Interest into a full proposal for funding under Category 4B.

Report prepared by:

Approved for submission by:

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ATTACHMENTS:

Appendix A – Waste Levy Allocation Policy 2011

Appendix B – He Iti Nā Mōtai Grant Application

Appendix C – Ocean Square Greener Neighbourhood Group Grant Application

Appendix D – Organic Wealth/Asert Tatou Development Trust Grant Application

Appendix E – Otaihanga Greener Neighbourhood Group Grant Application

Appendix F – Ōtaki College Grant Application (mulcher)

Appendix G – Ōtaki College Grant Application (three bay composting set-up)

Appendix H – Paekākāriki School Gardening Club Grant Application

Appendix I – Paraparaumu Beach School Grant Application

Appendix J – Parkwood Lodge Grant Application

Appendix K – Raumati Beach School Grant Application

Appendix L – Tilly/Tarawa Precinct Greener Neighbourhood Group Grant Application

Appendix M – Whakatapuranga Rua Mano Charitable Trust Grant Application

Appendix N – Biobagga Ltd EOI

Appendix O – Laybys New Zealand Limited EOI

Appendix P – Report back from successful 2013/14 Category 3 Applicants

Appendix Q – Elderly Care Composting Project Case Study Report