

4.4 CLAYTON SOUTH REGIONAL LANDFILL LAND ACQUISITION (SH, ENV17)

Responsible Director: Jarrod Doake

RECOMMENDATION

That Council, as a member of the Clayton South Regional Landfill User Group, note the Notice of Intention to Acquire under the Land Acquisition and Compensation Act 1986, a portion of land at 654 – 718 Clayton Road, Clayton South, known as the Clayton South Regional Landfill.

PURPOSE

This report is intended to inform Council that a Notice of Intention to Acquire has been received by the City of Boroondara on behalf of the joint owners of the Clayton South Regional Landfill, including Monash, for the purposes of sub dividing a portion of the land for future use by the Department of Environment, Land, Water and Planning's (DELWP) Chain of Parks program.

BACKGROUND

The Clayton South Regional Landfill, located in the City of Kingston, is jointly owned by five municipal Councils who are bound by a legal agreement with a charter having been approved by each member Council. Member Councils are Boroondara, Whitehorse, Stonnington, Glen Eira and Monash. Each member of the Supervising Committee is formally appointed by the Council represented, with powers related to the approval of expenditure and to execute contracts on behalf of Council.

The Clayton South Regional Landfill ceased taking Municipal Waste in late 2015. The site is now being rehabilitated in accordance with the EPA Best Practice Guidelines and the requirements of the Planning Permit.

DISCUSSION

The proposed acquisition for the Sandbelt Parklands has been authorised by the Minister for Environment and Climate Action.

Land proposed to be acquired is partial acquisition of 654-718 Clayton Road, Clayton South VIC 3169, being Reserve No. 1 on proposed Plan of Subdivision 904624V and being part of Lot 1 on Title Plan 254522M contained in Certificate of Title Volume 05720 Folio 817 .

As detailed in the notice, the Minister for Environment and Climate Action has since determined to proceed with the compulsory acquisition of the

site to ensure that the parklands can be delivered to the community. In particular, as part of the Chain of Parks program. It is understood that land previously set aside in Kingston for future parklands but that has recently been acquired by the Suburban Rail Loop Authority has prompted this further land acquisition.

The land to be acquired is a 2.388-hectare portion at the northern end of the landfill site. It is reserved for Public Purposes under the Kingston Planning Scheme. Preliminary discussions have been held by the Clayton South Landfill Joint Venture Committee and representatives from DELWP to better understand the implications of this acquisition should it occur. Such discussions include consideration to acquire the whole site, compensation to owner Councils, management and maintenance of the site including landfill infrastructure, future liability for landfill remediation and maintaining access for the remaining landfill site. Now that the Notice of Intent has been received, these matters will need to be agreed prior to the land acquisition, proposed for October 2022.

FINANCIAL IMPLICATIONS

There is direct cost associated from this land acquisition. Any possible income to Monash from the land acquisition has not been advised as DELWP has yet to undertake an valuation.

The Management of the site, rehabilitation and monitoring costs up until recently have mainly been sort from reserves obtained from the charges from the waste deposited at the site over the years of operation. Reserves were depleted by early in the 2021/22 year and Councils were called upon to contribute directly to these costs from 2021/22 going forward. This has been flagged in earlier budgets and included in Monash's long term financial plan. Monash's contribution in 2021/22 was \$349,757.

Expected net deficit for the 2022/23 is \$1,914,250 (for all owning Councils). This will be supplemented by cash reserves of \$635,679 and Council contributions of \$1,578,571 leaving an expected closing cash balance at 30 June 2023 of \$300,000.

Monash owns a 16.8% share of the landfill and it is estimated that it will be required to contribute \$265,199, \$198,889 and \$203,066 in the 22/23, 23/24 and 24/25 years respectively. These estimates have been included in the 22/23 budget.

A review of future uses for the site has been undertaken, including a solar farm, but at this stage it is considered unlikely that any income would offset a significant portion or all of future maintenance costs.

CONCLUSION/RECOMMENDATION

That the Notice of Intention to Acquire be noted.

Attachments

Attachment 1 - Notice of Intention to Acquire

Attachment 2 - Cover Letter

Attachment 3 – Statement Accompanying Notice

Attachment 4 – Plan of Sub Division

Appendix A

2022/23 Clayton South Budget Details

Cash Income -	- \$20,000
Which includes –	
Royalty Dividend Sergasco	-\$20,000
Expenditure -	\$1,334,250
Which includes -	
Environmental Monitoring	\$170,000
Site Maintenance	\$84,000
JV Secretariat & support	\$48,000
Audit & Accounting Fees	\$26,000
Bank Fees & Charges	\$250
External Consultancy	\$40,000
Legal Fees – General	\$10,000
Management Fee	\$192,000
Gas and leachate collection	\$380,000
Water Treatment (Sewer)	\$384,000
Miscellaneous Expenses	\$0
Leachate Pond Lining Upgrade	\$0
Capital Expenditure -	\$600,000
Which Includes -	
Stormwater pond construction	\$600,000
Total Expenditure and Capital Works	\$1,934,250
Net Deficit for the 2020/2021 year is -	-\$1,914,250
Opening Cash Balance	\$635,679
Total Council Contributions	\$1,578,571
Projected Closing Cash	\$300,000