

NA49913061/303

19 March 2013



Kim Glassborow & Chris Biggs

### Dial A Dump Industries - Genesis Facility Compliance Audit

Kim and Chris,

### RE: INDEPENDENT ENVIRONMENTAL COMPLIANCE AUDIT FOR DADI GENESIS FACILITY

#### BACKGROUND

Kester Boardman and Tim Gunns of Cardno conducted an independent environmental audit of the Dial A Dump Industries (DADI) Genesis Facility on December 7<sup>th</sup> 2012 to satisfy Schedule 5, Condition 7 of Project Approval 06\_0139 (as modified).

Condition 7 is extracted below:

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*Within 6 months of the commencement of operation, and every 2 years thereafter, unless the Director-General directs otherwise, the Proponent shall commission and pay the full cost of an Independent Environmental Audit of the project.*

*This audit must:*

- a) be conducted by a suitably qualified, experienced and independent team of experts (including an odour expert), whose appointment has been endorsed by the Director-General;
- b) include consultation with the relevant agencies;
- c) include a full odour audit of the project, taking into consideration the relevant technical guidelines and any odour complaints made since the previous audit;
- d) assess the environmental performance of the project and assess whether it is complying with the relevant requirements in this approval and any relevant EPL (including any assessment, plan or program required under these approvals);
- e) review the adequacy of strategies, plans or programs required under these approvals; and, if appropriate; and
- f) recommend measures or actions to improve the environmental performance of the project, and/or any assessment, plan or program required under these approvals.

*Note: This audit team must be led by a suitably qualified auditor and include experts in any fields specified by the Director-General.*

By written agreement between DADI Legal and the Department, the audit excluded an odour audit until such time as the greenwaste operations were fully operational. Cardno did not undertake an odour assessment as part of this audit exercise. Prior to undertaking this audit Cardno has never been engaged by DADI.

The recycling / waste transfer facility (formally known as the Materials Processing Facility or MPC) opened 8 June 2012 and operates pursuant to EPL 20121.

The intended operation of the facility is for mixed or comingled building and demolition waste to be transported by truck to the facility where it is unloaded within the MPC. Preliminary sorting of materials unsuitable for processing takes place with asbestos sheeting and compressed fibre cement board being removed for separate



disposal by landfilling. Metal gas cylinders and fire extinguishers are also removed at this point.

The remaining materials are then loaded into a primary crusher which reduces the mean size of the waste materials before they are transported through a series of mechanised processes to remove both ferrous and non-ferrous metals, timber and to separate the residue of hardfill materials [predominantly brick and concrete] into various sizes.

The landfilling operations commenced on 15 November 2012 and operate pursuant to EPL 13426 which authorises the landfilling of general solid waste (non-putrescible), tyres and asbestos waste.

The audit was designed to assess compliance with Project Approval 06\_0139 (as modified), Environmental Protection Licence (EPL) 20121 and 13426. The audit included:

- > Consultation with relevant agencies;
- > Desktop review of appropriate supporting documentation;
- > A site inspection incorporating an audit of compliance with the relevant project approval and Environmental Protection Licence documentation;
- > Follow up review of supplementary documentation;
- > Follow up meeting to discuss draft audit findings and corrective actions taken with DADI; and
- > Revision and issue of the audit.

## AUDIT PARTICIPANTS

The following people actively participated in the audit:

- > Kester Boardman (Cardno, Lead Auditor);
- > Tim Gunns (Cardno, Auditor);
- > Kim Glassborow (DADI, Legal Counsel);
- > Christopher Biggs (DADI, General Counsel);
- > Bob Crotty (DADI, Landfill Manager);
- > Paul Ryan (DADI, MPC Manager);
- > Paul Wilcockson (DADI, Workshop Manager); and
- > Cherie Duncan (DADI, Weighbridge Manager).

## AGENCY CONSULTATION

Several agencies were consulted as part of the independent audit as required by Project Approval 06\_0139. The following agencies were identified as having an interest in the site and were therefore consulted as part of the audit:

- > NSW EPA;
- > Sydney Water Corporation;
- > NSW Fire and Rescue; and
- > Blacktown City Council.

Consultation with these agencies identified a number of additional findings, primarily related to stormwater and waste water management. Consultation findings are detailed in **Table 4**.

## AUDIT FINDINGS

The Project Approval and EPL documents set out the minimum standards that DADI are legally required to meet during construction and over the operating life of the facility to ensure that the environment is adequately protected. The site, having commenced operations in 2012, appeared to be largely compliant

with conditions contained within the approval documents and environmental licences; however, there are a number of areas where non-conformance or opportunities for improvements have been identified.

In general, activities at the site were found to be undertaken in a manner which is unlikely to result in significant environmental harm, however there were a number of examples where actual or potential environmental non-conformances were identified and corrected but were not effectively documented. It is considered that improved record keeping in relation to environmental non-conformance tracking and close out would assist the site in demonstrating sound environmental management activities being undertaken.

Audit findings covered a range of issues and were grouped into three categories:

- > **Non-Conformance:** Identifies major findings or non-compliance with conditions stipulated in licences and approval documents. Non-Conformances are considered to be either a technical non-conformance, where the root cause is administrative, and unlikely to cause environmental harm, or an environmental non-compliance where there is a risk of environmental harm. A Non-conformance of either type generally requires immediate attention.
- > **Area of Concern:** Identifies moderate findings which may lead to a non-conformance and can be improved through taking action in the near future.
- > **Observation:** Identifies minor findings where improvement can be easily achieved through slight management adjustments. Also includes positive findings and suggestions for improvement of the system.

The draft findings of the audit were presented to DADI on 12 February 2013, and a meeting was held to discuss the draft audit findings at the DADI head office in Alexandria on 5 March 2013. Following receipt of the draft findings, DADI implemented a number of corrective actions, and provided Cardno with additional evidence of compliance prior to, and following implementation of corrective actions. This report recognises the successful completion of corrective actions to close out audit findings.

Following the implementation of corrective actions and provision of additional information, the independent audit identified the following findings:

- > 1 non-conformance (environmental)
- > 2 non-conformances (technical);
- > 4 areas of concern;
- > 17 observations; and
- > 17 positive findings.

Following acknowledgement of the corrective actions implemented by DADI, the audit identified the following Non Conformances:

- > *Finding 2-1 - Hours of Operation:* Clause L4 and L5 of EPL 20121 and 13426 respectively, requires that 'Operating hours for all activities at the premises must be limited to 7:00am to 6:00pm Monday to Friday, and 8:00am to 4:00pm Saturday, Sunday and Public Holidays'. It was advised that maintenance and cleaning operations are conducted at night. Both EPLs indicate that all operations at the site are subject to the approved operating hours, which prohibit work at night. There is no indication that the activities being undertaken at night present a risk to the environment, and this is therefore considered to be a 'technical non-conformance'. It is recommended that to avoid the risk of illegal operation, DADI seek a modification of the Project Approval and EPL in order to permit necessary night time operations.
- > *Finding 2-3 – Weed and Pest Management:* Clauses O4.2 of EPL 20121 and 13426, and Sch.3:14 of PA 06\_0139 require the implementation of weed and pest control measures, and that there is sufficient inspection and monitoring to ensure that these measures are effective. A Vegetation Management Plan (VMP) has been prepared to meet these requirements, however only partial

compliance with the VMP is currently being achieved, and in particular periodic monitoring and review of the success of the VMP is not undertaken.

- > ***Finding 2-6 – Operational Areas:*** The permitted operational area specified by the EPL's includes Lot 1 and 4 on DP1145808. It was observed that part of the operational area of the site appears to occur on land not specified in the EPL's (Lot 2 DP1145808). This appears to be an administrative error made by the EPA, and no observation was made which suggests that this would give rise to uncontrolled environmental impact. It is therefore considered to be a 'technical non-conformance'. It is recommended that DADI should request a correction from the EPA to align the EPL with schedule 1 of the project approval which refers to Lot 1, 2, 3 and 4 in DP 1145808. It is further noted that a similar modification has previously been made to the project approval (PA 06\_0139 MOD2).

Findings from the audit are provided in **Tables 1-4**. They include findings in the areas of:

- > Operational areas specified in the EPLs;
- > Waste receival and acceptance;
- > Complaints recording;
- > Hydrocarbon spill management/bunding;
- > Staff training;
- > Waste tyre management; and
- > Operation of the weather station.

To ensure on-going compliance of the site, suggested timeframes for addressing audit findings are provided in **Tables 1 and 2**. These timeframes indicate the period by which audit findings should be appropriately addressed and closed out. These timeframes are noted below:

- > Immediate – Within three weeks;
- > Short Term – Within two months; and
- > Long Term – within four months.

## POSITIVE FINDINGS

In addition to the findings discussed above, the audit also demonstrated areas of good environmental management. A number of these positive findings are identified below:

- > Waste Receival/Acceptance;
- > Dust Management;
- > Weed and Pest Management; and
- > Waste Segregation.

All positive audit findings are detailed in **Table 3**.

## CONCLUSIONS

An independent audit of compliance with Project Approval 06\_0139, Environmental Protection Licence (EPL) 20121 and EPL 13426 was conducted on 7 December 2012 by Cardno.

In response to the audit, a number of corrective actions were implemented by DADI, following which, [3 non-conformances (2 of which were technical), 4 areas of concern, and 17 observations in relation to the sites compliance with Project Approval 06\_0139, Environmental Protection Licence (EPL) 20121 and 13426 were identified.

The audit also recorded 17 positive findings.

All audit findings, detailed in **Tables 1 - 4**, should be formally reviewed and considered by site management and should be appropriately actioned within the assigned timeframe.

The audit recognised that, at this stage of early operations, there appears to be no clear system to formally identify, manage and close out environmental issues. It is recommended that in order to facilitate ongoing environmental improvement, the site must utilise existing corrective action procedures (or a modified version of them) to appropriately track and close out issues.

A regular program of internal audit at the site is recommended to supplement external audits. Each audit should:

- > Review findings of the previous audit and evaluate effectiveness of corrective actions undertaken; and
- > Evaluate compliance against regulatory requirements not considered by previous audits.

## LIMITATIONS

The audit and its findings had limitations as the site inspection was restricted to one day. During this time it was not possible to visit all areas of the site, or to review all relevant documentation. Priorities were assessed during the opening meeting, following an initial data review and stakeholder consultation and wherever possible the audit focussed on the agreed priority areas.

In light of the above, it is possible that significant issues may not have been identified during the audit. Should this be the case, no responsibility for any omission is accepted by Cardno.

Yours sincerely



**Kester Boardman**  
Environment and Sustainability – Section Leader

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**Table 1: FINDINGS FOR WHICH CORRECTIVE ACTIONS HAVE BEEN CLOSED OUT**

| Condition Reference                    | Condition Description  | Finding Number | Initial Finding Category and Finding  | Licence holder's Response / Corrective Action taken  | Revised Finding Category and Recommendations   | Status / Closeout Timeframe                     |
|--|--|----------------|---|--|--|---|
| P1.1<br>(EPL 20121)                    | Air Monitoring Requirements  | 1-1            | <p><b>NON CONFORMANCE</b></p> <p>11/09/12 PAE Holmes report indicates three sampling points were used in the monitoring round. Condition P1.1 states that 4 sampling points must be monitored.</p> <p>At the time of the audit, Cardno was not provided evidence that the EPA had been consulted and approval had been granted to conduct monitoring at three locations instead of four.</p>            | <p>PAE Holmes Air Quality Report dated 22nd February 2011 indicates that four dust collection monitoring points had been installed around the site. Subsequently one of these together with a continuous flow air quality electronic monitor stolen by persons unknown.</p> <p>Following the audit, DADI provided Cardno with ALS Laboratory results dated 27 Nov 2012 which clearly show that samples were collected and analysed from 4 locations as required.</p> | <p><b>OBSERVATION</b></p> <p>Evidence provided clearly shows that the required corrective actions had been undertaken by DADI sometime prior to November 2012.</p> <p>Ensure all future monitoring events includes all monitoring points as required by the EPL.</p> | Closed Out                                      |
| Sch. 3: 55<br>(PA 06_0139)             | No stockpile should exceed the height of the berm, impervious barriers or screens. | 1-2            | <p><b>OBSERVATION</b></p> <p>At the time of the site inspection the stockpile of woodchip in the green waste area was observed to be greater than the height of the impervious barriers that surround it.</p>   | <p>Cardno has inspected correspondence between the Licence Holder and EPA relating to this issue.</p> <p>The matter was resolved by EPL variation agreed with the EPA on 21<sup>st</sup> December 2012. Clause L7.1b of the modified EPL (dated 21.12.12) permits stockpiles of heights up to 2.5m above the existing concrete walls of the green waste storage facility.</p>  | <p><b>N/A</b></p> <p>No further action is required.</p>  | Closed Out                                      |
| PA (06_0239)<br>– Mod 1                | Construction of the Green Waste Facility   | 1-3            | <p><b>OBSERVATION</b></p> <p>Modification 1 of the project approval states that the green waste area is to be divided by concrete walls and individually covered and fitted with aeration equipment. At the time of the visit, the green waste processing area was one large area, which had not been subdivided. It is noted that this is required prior to commencement of composting activities.</p> | N/A  | <p><b>OBSERVATION</b></p> <p>Prior to undertaking any green waste processing, the required modifications to the green waste processing area must be constructed.</p>   | Prior to commencement of green waste processing |
| L4<br>(EPL 20121)<br>L5<br>(EPL 13426) | Hours of Operations  | 1-4            | <p><b>OBSERVATION</b></p> <p>Hours of operations on Saturdays are limited by both operational EPLs to 8am – 4pm. Posted hours of operations on the front gate noted opening times on Saturday as 7am. At the time of the audit it was advised that the sign is incorrect and operations on Saturday commence at 8am as required.</p>  | <p>Since the site visit, the hours of operations sign on the front gate has been replaced with the correct opening times.</p>  | <p><b>N/A</b></p> <p>Cardno have confirmed that appropriate corrective action has been implemented, and that the observation has been closed out.</p>  | Closed Out                                      |

| Condition Reference                | Condition Description | Finding Number | Initial Finding Category and Finding   | Licence holder's Response / Corrective Action taken   | Revised Finding Category and Recommendations            | Status / Closeout Timeframe |
|------------------------------------|-----------------------|----------------|--|---|---|-----------------------------|
| M5/M6<br>(EPL 20121,<br>EPL 13426) | Complaint Recording   | 1-5            | <p><b>AREA OF CONCERN</b></p> <p>A call was placed to the complaints hotline and was answered. A complaint was not made, however it appeared not all staff were familiar with the complaints hotline and/or complaint recording/reporting procedure.</p> | Cardno have confirmed that revised guidance has been provided to telephone operators about the handling of complaints, and that appropriate corrective action has been taken. | <p><b>N/A</b></p> <p>No further action recommended.</p> | Closed Out.                 |

Table 2: FINDINGS FOR WHICH FURTHER CORRECTIVE ACTIONS ARE REQUIRED

| Condition Reference   | Condition Description    | Finding Number | Initial Finding Category and Finding   | Corrective Action Status  | Finding Category and Recommendations  | Status / Closeout Timeframe  |
|---|--------------------------|----------------|--|---|---|--|
| L4<br>(EPL 20121)<br><br>L5<br>(EPL 13426)                          | Hours of Operations      | 2-1            | <p><b>NON CONFORMANCE</b></p> <p>Cardno was advised that maintenance and cleaning operations are conducted at night.</p> <p>Both EPL's indicate that all operations at the site should be subject to the approved operating hours which do not allow working at night.</p> <p>There was nothing to suggest that the activities undertaken at night would give rise to any significant environmental impact, however technically, the maintenance and cleaning operations constitute a non-conformance.</p> | <p>A Review of Paragraph 3.7 of the Environmental Assessment Report which is incorporated by reference into the Consent Indicate that there are two phases. Construction (now completed) and Operations.</p> <p>Operations involve a number of subsets such as receipt of waste, tipping of materials, crushing, grinding or separating works and landfilling.</p> <p>Office cleaning contractors and security patrols are specifically excluded from "operations"</p>  | <p><b>NON CONFORMANCE (TECHNICAL)</b></p> <p>It is recommended that DADI requests a modification of the Approval and EPLs in order to permit the activities which are occurring overnight.</p>  | Commence corrective actions in the short term, noting that close out will involve other parties as well as DADI. |
| O4.2<br>(EPL 20121,<br>EPL 13426)<br><br>Sch. 3: 14<br>(PA 06_0139) | Weed and Pest Management | 2-2            | <p><b>NON CONFORMANCE</b></p> <p>No evidence of compliance with weed management measures in the VMP is noted from 01/10/2009 to when a contractor was engaged on 26/11/2012.</p>   | <p>DADI have noted the following background information relating to the Conservation Area:</p> <ul style="list-style-type: none"> <li>&gt; September 2009 Abel Ecology briefed for a VMP in anticipation of getting an approval.</li> <li>&gt; 22nd October 2010 VMP submitted to DoP.</li> <li>&gt; Nov 2009 Approval Conditions issued.</li> <li>&gt; It was not until mid to late 2010 that the conservation area was actually identified by survey.</li> <li>&gt; Jan – August 2011 weed control reporting and environmental measures were reported on by Lucas Dobroloot an employee. (No evidence available).</li> <li>&gt; 8<sup>th</sup> February 2012 correspondence with Abel ecology because trees in the Conservation area (and surrounding lands) appeared to be degrading.</li> </ul> | <p><b>AREA OF CONCERN (Partial Non-Conformance)</b></p> <p>There is evidence that some components of the VMP are currently being undertaken, in particular with respect to nominated weed management activities.</p> <p>It is noted that there is an ongoing commitment to weed management, and DADI are required to continue to engage a suitable contractor for these activities.</p> | Ongoing Commitment Required.   |

| Condition Reference     | Condition Description            | Finding Number | Initial Finding Category and Finding   | Corrective Action Status  | Finding Category and Recommendations   | Status / Closeout Timeframe  |
|-------------------------|----------------------------------|----------------|--|---|--|--|
|                         |                                  | 2-3            | <p><b>NON CONFORMANCE</b></p> <p>Aside from the recent engagement of a weed management contractor, it is unclear whether the full range of measures specified in the VMP has been commissioned by DADI. This includes the establishment of sampling points and transects and ongoing monitoring of these locations.</p>  | See comment above.  | <p><b>NON CONFORMANCE</b></p> <p>There is currently only partial compliance with the schedule of works provided in section 7 of the VMP. In particular It is noted that 6 monthly monitoring of transects is not occurring which makes conclusive assessment of changes to the vegetation health difficult. Further, data is not being collected to allow an assessment of the success of the VMP to be measured using the indicators and performance targets defined in Table 1 of the VMP.</p> <p>Steps should be undertaken to implement all the requirements of the VMP.</p>   | Commence corrective actions in the short term, noting that close out will involve other parties as well as DADI. |
| Sch. 3: 59 (PA 06_0139) | Management of Conservation Areas | 2-4            | <p><b>NON CONFORMANCE</b></p> <p>Visual comparison of the conservation area at the time of the audit with aerial images and photos provided in the VMP suggests vegetation condition within the conservation area has declined. It is difficult to determine change in health of the conservation area based on a single visit and it is not possible to draw firm conclusions without further data.</p> <p>Further assessment of the conservation area, as recommended in the VMP, was unable to be provided.</p> | See comment above.  | <p><b>AREA OF CONCERN</b></p> <p>Monitoring of the conservation area should be conducted on a 6 monthly basis as per the Schedule of Works identified in section 7 of the VMP. The results should be compared to performance targets provided in the VMP to ascertain any change in the health of the conservation area.</p> <p>In addition, it is suggested that consideration is given to similar studies at a suitable reference site in order to allow assessment of whether any change in vegetation composition and health identified is occurring only locally, or in the wider population.</p> <p>A follow up internal and external audit of the VMP is recommended.</p> | Commence corrective actions in the short term, noting that close out will involve other parties as well as DADI. |
| Sch. 3: 2b (PA 06_0139) | Waste Signage                    | 2-5            | <p><b>NON CONFORMANCE</b></p> <p>No signage was observed at the entrance that detailed the types of waste accepted and prohibited on site. It was advised that the installation of signage had been delayed due to ongoing discussion with the Department of Planning and Infrastructure (DP&amp;I) and Blacktown City Council.</p>  | <p>Photographic evidence shows that temporary signage has been installed at the gate.</p> <p>Cardno has inspected correspondence from DADI to Blacktown City Council dated 14 February 2013 requesting comments on proposed permanent signage for the front gate.</p> | <p><b>OBSERVATION</b></p> <p>Assuming that no objections are raised to the proposed signage by Blacktown City Council, DADI should erect the proposed signage with minimum delay, ensuring that the wording accurately and unambiguously describes wastes which can and cannot be accepted.</p>  | Action instigated. Needs prompt follow up.   |

| Condition Reference                               | Condition Description                | Finding Number | Initial Finding Category and Finding   | Corrective Action Status  | Finding Category and Recommendations   | Status / Closeout Timeframe  |
|---|--------------------------------------|----------------|--|---|--|--|
| A2.1<br>(EPL 20121,<br>EPL 13426)                 | Operational Areas                    | 2-6            | <p><b>NON CONFORMANCE (TECHNICAL)</b></p> <p>Permitted operational area specified by the EPL's includes Lot 1 and 4 on DP1145808. It was observed that part of the operational area of the site appears to occur on land not specified in the EPL's (Lot 2 DP1145808).</p> <p>This appears to be an administrative error made by the EPA, and no observation was made which suggests that this would give rise to uncontrolled environmental impact.</p> | N/A   | <p><b>NON CONFORMANCE (TECHNICAL)</b></p> <p>DADI should request a correction from the EPA to align the EPL with schedule 1 of the project approval which refers to Lot 1, 2, 3 and 4 in DP 1145808.</p> <p>It is noted that a similar administrative error was corrected in Modification 2 of the Project Approval (PA 06_0139 MOD 2) in order to reference all Lots (Lot 1, 2, 3 and 4 in DP 1145808).</p> | Commence corrective actions in the short term, noting that close out will involve other parties as well as DADI. |
| L2.1/L2.3<br>(EPL 20121)<br><br>L3<br>(EPL 13426) | Waste Receival/Acceptance            | 2-7            | <p><b>OBSERVATION</b></p> <p>The definition of 'timber' and 'green waste' is unclear. Branches and leafy material were observed in a load entering the Material Processing Centre (MPC).</p>   | Timber and green waste should be clearly defined in appropriate documents. The existing waste acceptance criteria clearly state that green waste is not acceptable, but that timber waste is suitable.  | <p><b>OBSERVATION</b></p> <p>The distinction between timber and green waste should be clearly defined, and all spotters should be made aware of the distinction.</p>   | Short Term   |
| L2.4<br>(EPL 20121)                               | Storage of Chemicals, Fuels and Oils | 2-8            | <p><b>AREA OF CONCERN</b></p> <p>Machinery parts leaking oil were observed in an unbunded, concreted area adjacent to the workshop. Buckets had been placed under some of the larger leaks however surface staining of the concrete was observed. It was advised that these parts had recently being delivered and they were promptly removed when notified of this observation.</p>   | Appropriate corrective actions were immediately undertaken. Since the date of the site inspection, signage has been improved, operators have received training, and the status and availability of spill kits has been incorporated into the daily and weekly housekeeping checks and procedures. | <p><b>OBSERVATION</b></p> <p>All parts that have the potential to leak fluids should always be placed in a fully bunded area.</p> <p>Housekeeping records should be maintained and any situation with the potential to release hydrocarbons to the environment should be promptly corrected.</p>   | Closed out, but there is an ongoing requirement  |
|   |                                      | 2-9            | <p><b>AREA OF CONCERN</b></p> <p>The rear tray of the mobile refuelling truck was found to be unbunded and diesel was observed on the surfaces. Oil or lubricant was also observed to be leaking from the lubricant storage area onto the ground.</p> <p>No absorbent material was available in the truck at the time of inspection. It was advised it had been recently used and not replaced.</p>  | Since the date of the site inspection, signage has been improved, operators have received training, and the status and availability of spill kits has been incorporated into the daily and weekly housekeeping checks and procedures.   | <p><b>AREA OF CONCERN</b></p> <p>Ensure that sufficient absorbent material is carried on the truck at all times.</p> <p>Consider modifying the design of the truck to contain any spillage of hydrocarbon material.</p>  | Ongoing  |

| Condition Reference                                | Condition Description                     | Finding Number | Initial Finding Category and Finding  | Corrective Action Status   | Finding Category and Recommendations   | Status / Closeout Timeframe |
|--|---|----------------|---|--|--|-----------------------------|
|  |   | 2-10           | <p><b>OBSERVATION</b></p> <p>Hydrocarbon absorbent material / spill management kits were not conveniently located throughout workshop area; however a large store of material was noted in the partially bunded container. Signage indicating the location of such material was not apparent.</p> | <p>Cardno have been shown photographic evidence of improved signage and availability of spill kits in the workshop areas.</p> <p>Since the date of the site inspection, signage has been improved, operators have received training, and the status and availability of spill kits has been incorporated into the daily and weekly housekeeping checks and procedures.</p> | <p><b>OBSERVATION</b></p> <p>Spill kits should continue to be located in easy reach throughout the workshop area.</p>  | Ongoing                     |
| O3<br>(EPL 20121,<br>EPL 13426)                    | Dust                                      | 2-11           | <p><b>OBSERVATION</b></p> <p>It was noted that the dust suppression sprays, activated automatically by the Rainbird weather station, were not fully operational and had to be activated manually.</p>   | <p>This was found to be a software issue. Cardno have seen documentary evidence that discussions with the software supplier have been instigated.</p>  | <p><b>OBSERVATION</b></p> <p>DADI should continue to work with the software supplier to ensure that the system is fixed and fully operational.</p>   | Ongoing                     |
| O5.1-5.5<br>(EPL 20121)                            | Waste Management – Storage of Waste Tyres | 2-12           | <p><b>AREA OF CONCERN</b></p> <p>The volume of the inherited tyre stockpile at the crushing area is unknown. There is a potential for a licence compliance issue if the two stockpiles onsite are found to be &gt;50 tonnes.</p>  | <p>It was advised that a survey was conducted to ascertain the amount of tyres in the inherited stockpile, however the information was not available at the time of the audit.</p>   | <p><b>AREA OF CONCERN</b></p> <p>Results of the volumetric assessment of the inherited tyre stockpile should be identified and efforts made to remove this stockpile, reducing the potential of a licence conformance issue</p> <p>The development of a waste tyre management strategy is recommended.</p> | Long Term                   |
| O6.1<br>(EPL 20121)<br><br>O6.2-6.3<br>(EPL 13426) | Control of litter on and off site         | 2-13           | <p><b>OBSERVATION</b></p> <p>Litter appeared to be managed on site. A roster was provided for the daily litter pick up although, it was unclear whether this was occurring. The roster does not include litter collection from two stormwater containment dams in the base of the landfill.</p>   | N/A  | <p><b>OBSERVATION</b></p> <p>The litter roster should be updated to include the stormwater detention ponds in the landfill.</p>  | Immediate                   |
| O6.2<br>(EPL 20121)<br><br>O6.4<br>(EPL13426)      | Staff Training                            | 2-14           | <p><b>OBSERVATION</b></p> <p>The site induction manual, dated 24/01/12, includes the site environmental policy but provides no other reference to environmental management. The induction manual would not make staff aware of all key environmental issues on site.</p>                          | N/A  | <p><b>OBSERVATION</b></p> <p>The induction manual should be updated to include key environmental issues on and around site.</p> <p>Additional role specific environmental awareness training similar to the asbestos training provided should be considered.</p>   | Immediate                   |

| Condition Reference                             | Condition Description    | Finding Number | Initial Finding Category and Finding  | Corrective Action Status   | Finding Category and Recommendations   | Status / Closeout Timeframe |
|---|--------------------------|----------------|---|--|--|-----------------------------|
| M1<br>(EPL 20121,<br>EPL 13426)                 | Monitoring Records       | 2-15           | <b>OBSERVATION</b><br><br>Surface water and groundwater monitoring records were not viewed on the day of the audit.   | N/A  | <b>OBSERVATION</b><br><br>Compliance with surface and groundwater monitoring should be reviewed through subsequent audit work.   | Long Term                   |
| M4<br>(EPL 20121),<br>M4.1 - 4.2<br>(EPL 13426) | Environmental Monitoring | 2-16           | <b>OBSERVATION</b><br><br>The weather station appeared to be receiving and storing data. However, it was advised that the data could only be downloaded to a password protected laptop in the weighbridge and remote access was not functional. As such, weather station data was not readily available across the site.<br><br>The information printout did not include wind speed and direction and it was difficult to find on the Rainbird program. | N/A  | <b>OBSERVATION</b><br><br>Improve accessibility of weather station data across the site.<br><br>Include wind speed and direction in the data print out and main screen of the Rainbird program.  | Short Term                  |
|   |                          | 2-17           | <b>AREA OF CONCERN</b><br><br>It was advised that the dust suppression sprays, activated automatically by the Rainbird weather station was not fully operational and had to be activated manually (See <b>Finding 2-11</b> ).   | This was found to be a software issue. Cardno have seen documentary evidence that discussions with the software supplier have been instigated. | <b>OBSERVATION</b><br><br>DADI should continue to work with the software supplier to ensure that the system is fixed and fully operational.  | Ongoing                     |
| M5/M6<br>(EPL 20121,<br>EPL 13426)              | Complaint Recording      | 2-18           | <b>OBSERVATION</b><br><br>A complaints hotline number was not directly referenced on the sites webpage.   | N/A  | <b>OBSERVATION</b><br><br>The sites website should be updated to include direct reference to a complaints hotline.   | Short Term                  |
|   |                          | 2-19           | <b>OBSERVATION</b><br><br>No system designed to formally identify, manage and closeout environmental issues was observed to be in operation at the site. For example, a number of examples of where an actual or potential non-conformance was identified and corrected were described by site staff but not effectively documented with the result that good environmental practice could not be demonstrated.   | N/A  | <b>OBSERVATION</b><br><br>Utilise or modify system procedures to appropriately track and close out issues raised and generate ongoing environmental improvement.<br><br>Ensure that good environmental practices are routinely documented. | Ongoing                     |

| Condition Reference               | Condition Description             | Finding Number | Initial Finding Category and Finding  | Corrective Action Status | Finding Category and Recommendations   | Status / Closeout Timeframe |
|-----------------------------------|-----------------------------------|----------------|---|--------------------------|--|-----------------------------|
| L1.2<br>(EPL 20121,<br>EPL 13426) | Pollution of waters               | 2-20           | <p><b>OBSERVATION</b></p> <p>It is unclear whether the bund surrounding the leachate collection tanks has been specifically engineered and is capable of containing the volume of the tanks in the event of a failure.</p>  | N/A                      | <p><b>OBSERVATION</b></p> <p>Engineering or 'as built' plans should be provided to clarify the suitable construction of the leachate bunds.</p>  | Short Term                  |
| L1<br>(EPL 20121,<br>EPL 13426)   | Management of Sedimentation Ponds | 2-21           | <p><b>OBSERVATION</b> Whilst the redevelopment of the site sedimentation ponds was a positive finding, no information could be provided which detailed the process from the identification of the issue through to completion and close out of the corrective action</p>  | N/A                      | <p><b>OBSERVATION</b></p> <p>A process/procedure should be developed to track corrective actions from identification to close-out.</p>   | Short Term                  |
|                                   |                                   | 2-22           | <p><b>OBSERVATION</b></p> <p>It was reported that in times of high flow, surface water from the site discharges to a farm dam located west of the southern sedimentation pond. It was advised that this has been permitted, however no evidence of this was provided.</p> | N/A                      | <p><b>OBSERVATION</b></p> <p>Evidence of approval should be provided demonstrating that discharge to the farm dam is permitted and under what conditions. If this is not approved, discharge should not occur.</p> | Short Term                  |

Table 3: POSITIVE AUDIT FINDINGS

| Condition Reference  | Description                               | Finding Number | Finding  |
|--|---|----------------|--|
| L2.1/L2.3<br>(EPL 20121)                                   | Waste Receipt/Acceptance                  | 3-1            | The site was observed to be effective in managing unwanted / restricted waste and maintained a log of all rejected loads. A total number of 62 rejected loads were recorded from the 23/08/12 to 05/12/12. Spotting stations were noted at the weigh bridge, MPC and crushing areas.   |
|  |   | 3-2            | The process for rejecting a load, including spotting and documentation procedures, were observed at the weighbridge and found to be satisfactory.  |
| L2.4<br>(EPL 20121)  | Storage of Chemicals, Fuels and Oils      | 3-3            | Spill materials were being used in the workshop areas.<br>Mechanics interviewed had a good attitude towards spill management, using buckets and absorbent material.  |
| L3<br>(EPL 20121)  | Noise Limits and Monitoring               | 3-4            | A PAE Holmes noise monitoring report dated 07/09/12 measured noise as required under the EPL, and found the site to be compliant with conditions.  |
| L5<br>(EPL 20121)  | Potentially Offensive Odour               | 3-5            | No offensive odour was noted to be associated with any operations on site. (Note green waste processing was not approved, or being carried out at the time of the audit).  |
| M2.2<br>(EPL 20121)  | Air Monitoring Requirements               | 3-6            | A PAE Holmes air monitoring report dated 11/09/12 provides evidence of air quality and dust deposition monitoring and demonstrates compliance with applicable conditions. Measured results were noted to be compliant with conditions.   |
| O2<br>(EPL 20121)  | Maintenance of Plant and Equipment        | 3-7            | Internal and external maintenance records for all equipment onsite were readily available and up to date. Scheduling of maintenance activities for plant and equipment onsite was observed.  |
| O3<br>(EPL 20121, EPL 13426)<br>Sch. 3: 34<br>(PA 06_0139) | Dust                                      | 3-8            | Dust appeared to be well managed on site. Dust control measures were observed to be working at the MPC facility and employees were also observed to be wetting unloaded material by hand. A trial was also underway at the time of the audit using a foam surfactant to minimise dust from timber processing.<br>An indication was given that dust suppressant for unsealed roads may be trialled in the future.   |
| O4.1<br>(EPL 20121)  | Segregation of Stockpiled Waste           | 3-9            | Stockpiles on site appeared to be segregated satisfactorily.   |
| O4.2<br>(EPL 20121)  | Weed and Pest Management                  | 3-10           | A Landscape and Vegetation Management Plan references the Vegetation Management Plan (VMP) prepared by Abel Ecology (22/10/09). The VMP applies to the conservation area identified in the north-west corner of the site and riparian habitat along Ropes Creek. The plan was approved by the Director General on 05/12/11.<br>An agreed scope of works starting 26/11/2012 for Anthony Liardo engaged by Davcol Electrical Services was provided for removal of weeds. Cardno understands this is an ongoing agreement with no final end date. The scope includes weed management in the conservation area, inspecting and removing noxious weeds from the riparian habitat and inspecting, maintaining and clearing the fire trail in the conservation area.<br>Evidence of weed removal and spraying was observed in the conservation area with weed vegetation stockpiled onsite waiting approval to burn.<br>It was reported that trail bike access to the conservation area is a decreasing problem. Fence maintenance is undertaken as required with the integrity of fences an item on the daily check list. |
| O5.1-5.1<br>(EPL 20121)                                    | Waste Management - Storage of Waste Tyres | 3-11           | Tyres stockpiled in the appropriate area behind the MPC appear to be well managed and <10 tonnes. The area around the stockpile was concreted and free from combustible material.  |
| O5.6<br>(EPL 20121)  | MPC and Green Waste Leachate              | 3-12           | Stockpile leachate appeared to be contained with the MPC and green waste area. Leachate from the green waste area was directed into a sump and dedicated storage tanks.  |

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| O6.2<br>(EPL 20121)<br>O6.4<br>(EPL 13426)                       | Staff Training   | 3-13 | A spill control procedure was provided and shows evidence that workshop staff were aware of the procedure detailed in the document.<br><br>Training records show that to date, seven staff have received external asbestos training.<br><br>Specific internal waste procedure training was provided to the spotters.<br><br>A register of staff who have received induction training is maintained. |
| M1<br>(EPL 20121, EPL13426)                                      | Monitoring Records   | 3-14 | Up to date air quality and noise monitoring data was viewed on the day of the audit.  |
| L1.3<br>(EPL 13246)  | Management of Sedimentation Ponds  | 3-15 | Cardno was advised that the sedimentation ponds were significantly reworked five months prior to the independent audit in order to meet appropriate specifications. 'As constructed' plans and construction certificates provided by AT&L were viewed, confirming that the basins meet Blacktown City Council specifications.   |
| M7.1-7.2<br>(EPL 13246)  | Odour Management   | 3-16 | Odour was not specifically addressed in the audit scope; however no offensive odour was noted from the MPC or landfill operations during the audit. It is recommended that odour is assessed separately once the green waste process is fully established and underway.   |
| Sch. 3: 5, 8, 10, 14, 16, 21, 37, 40, 51, 59, 61<br>(PA 06_0139) | Preparation and Implementation of Management plans, codes of conduct and Monitoring Programs | 3-17 | All management plans and monitoring programs required in the Project Approval has been approved by the Director General. Approval was granted in letters dated 05/12/11 and 23/12/11 from the DP&I.   |

Table 4: AGENCY CONSULTATION FINDINGS

| Agency       | Finding Number | Description   | Finding   | Recommendation / Requirement  | Audit Finding  |
|--------------|----------------|---|---|---|--|
| Sydney Water | SW1            | Unbunded Leachate Tanks                                 | An unbunded leachate tank was observed by Sydney Water behind the green waste area. Sydney Water was advised that bunding would be addressed immediately.   | Provide evidence that that the leachate tank is now banded.   | Photographic evidence has been provided to Cardno which demonstrates that the leachate tank is now banded, although no physical inspection of the bund has been carried out by Cardno to verify the integrity and suitability of the bund. |
|              | SW2            | 'Clean Water' Tanks                                     | There are also 'clean water' tanks next to the leachate tank behind the green waste area. Sydney water raised the question of how 'clean water' is defined and whether the tanks should be banded.                                      | Clear indication of what is contained within the 'clean water' tanks should be provided.  | The tanks are labelled as fresh water. No testing of the water was carried out as part of the Cardno audit, however DADI advise that Sydney Water Corporation would be permitted to test the water on request.                             |
|              | SW3            | Green Waste Area Release Valve                          | A concern was raised about the location of a release valve in the green waste area, and in particular whether the location and height of the valve could compromise the integrity of the bund   | Evidence should be provided to confirm whether the location of the release valve in the green waste area will compromise the integrity of the bund. | This item was not addressed during the audit. It is recommended that the next audit reviews the location of the release valve and associated pipework.   |
|              | SW4            | Conditional Consent to Release Leachate                 | The facility has a twelve month conditional consent to discharge leachate. Eight (8) samples of discharge should be collected during this period. As far as Sydney Water is aware, the facility has not started to release waste water. | Confirm whether discharge has taken place and if so, whether appropriate samples have been taken as per conditional consent.                        | Item was not addressed in the audit. Requirement should be noted by DADI.  |
|              | SW5            | Control of Maximum and Instantaneous Leachate Discharge | Maximum and instantaneous leachate discharge rates must be controlled to the consented level. Sydney Water has not yet been satisfied that appropriate controls were in place.  | Evidence of appropriate controls of maximum and instantaneous discharge should be provided.   | Item was not addressed in the audit. Requirement should be noted by DADI.  |
|              | SW6            | Discharge of Biomass                                    | Leachate tanks (bioreactors?) should not be drained completely so that biomass is discharged into the sewage system. Sydney Water is not clear what fail safes are in place to ensure biomass is not released from the bioreactors      | Provide evidence that fail safes are in place and active.   |  |
|              | SW7            | Water Meter Backflow                                    | The water meter backflow compliance needs to be checked.  | Provide evidence that the water meter backflow is compliant to applicable Sydney Water standards.   | Item was not addressed in the audit. Requirement should be noted by DADI.  |
|              | SW8            | Site contact  | A 24hr site contact is required by Sydney Water in order to manage any related issues onsite.   | Provide Sydney Water with a 24hr site contact.  | DADI have advised that the contact is Bob Crotty and Ian Grey (nominated water consultant), and that Sydney Water have been advised of this.   |

|                        |   |   |  |   |  |
|------------------------|---|---|--|---|--|
| Blacktown City Council | BCC1  | Preparation of Final Stormwater Management Plan | As noted in the LEC Order dated 11/11/2010, requirement 1c(h) states that a final stormwater management system plan be submitted to the Director General within three years of project approval (i.e. 22/11/12).   | This requirement appears to be satisfied by the current Site Surface Water Management Plan which was approved by the Director General as per <b>Finding 3-17</b> . However confirmation of the Director Generals approval should be provided. | Confirmation of the Director Generals approval should be provided.   |
|                        | BCC2  | Stormwater Management System Reporting          | As noted in the LEC Order dated 11/11/2010, requirement 1c(i) states that inspection, monitoring and maintenance reports are to be provided to Council annually after the system is established. It is not apparent whether this is being conducted.               | Evidence should be provided that this documentation has or is scheduled to be supplied to Blacktown City Council (BCC).   | Item was not addressed in the audit. Requirement should be noted by DADI.  |
| EPA                    | EPA1  | Compliance with Levy Requirements               | Under the <i>Protection of the Environment Operations (Waste) Regulation 2005</i> , the site is required to have an operational weighbridge, video monitoring system, conduct annual volumetric surveys and provide monthly waste contribution reports to the EPA. | A weighbridge and video monitoring systems were observed to be operational.<br><br>Review of volumetric surveys and monthly waste contribution reports were not reviewed during the audit   | Item was not fully addressed in the audit.<br>Requirement should be noted by DADI.   |
|                        | EPA2  | Compliance with the Waste Regulatory Framework  | The site and operations should be compliant with the NSW waste regulatory framework.<br><br>Do products generated at the premises meet resource recovery exemptions?   | Noted.  |  |
|                        | EPA3  | Waste Acceptance Procedures                     | The site should have proper waste acceptance procedures in place.  | Waste acceptance procedures have been addressed in <b>Table 2</b> and <b>3</b> .  | Waste Acceptance procedures are in place. Relevant findings were addressed in the audit with observations noted in <b>Table 2</b> and <b>3</b> . |
| NSW Fire and Rescue    | NSW Fire and Rescue verbally provided comments on the audit scope, however they requested that their comments not be included in the audit report. Cardno notes that the verbal comments did not identify any significant concerns held by NSW Fire and Rescue. |   |  |   |  |