



MINUTES

ORDINARY COUNCIL MEETING

5 JULY 2012

TIME: 5.30PM

CITY OF WANNEROO

Managing waste and recovering resources responsibly
Constituent Members: Cities of Perth, Joondalup, Stirling, Vincent and Wanneroo
Towns of Cambridge and Victoria Park



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10 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

10.1 ORDINARY COUNCIL MEETING – 19 APRIL 2012

The Minutes of the Ordinary Council Meeting held on 19 April 2012 have been printed and circulated to members of the Council.

RESPONSIBLE OFFICER RECOMMENDATION

That the Minutes of the Ordinary Council Meeting of Council held on 19 April 2012 be confirmed as a true record of the proceedings.

10.2 SPECIAL COUNCIL MEETING – 3 MAY 2012

The Minutes of the Special Council Meeting held on 3 May 2012 have been printed and circulated to members of the Council.

RESPONSIBLE OFFICER RECOMMENDATION

That the Minutes of the Special Council Meeting of Council held on 3 May 2012 be confirmed as a true record of the proceedings.

10.3 SPECIAL COUNCIL MEETING – 6 JUNE 2012

The Minutes of the Special Council Meeting held on 6 June 2012 have been printed and circulated to members of the Council.

RESPONSIBLE OFFICER RECOMMENDATION

That the Minutes of the Special Council Meeting of Council held on 6 June 2012 be confirmed as a true record of the proceedings.

Cr Butler moved that Items 10.1 to 10.3 be voted en bloc. Seconded by Cr Robbins

CARRIED UNANIMOUSLY (10/0)

Items 10.1 to 10.3 were then moved en bloc

RESOLVED

Cr Butler moved, Cr Robbins seconded

That the recommendations of Items 10.1 to 10.3 be adopted.

CARRIED UNANIMOUSLY (10/0)

11 PROJECT MANAGER REPORTS

ITEM 11.1 DEED OF AMENDMENT	
File No:	WST/147
Appendix(s):	Appendix 1 Appendix 2
Date:	12 June 2012
Responsible Officer:	Ian Watkins

SUMMARY

After four and a half years of operating under the conditions of the Resource Recovery Facility Agreement (RRFA), of which nearly three years have been during facility operation, there are a number of contractual changes required to make the RRFA more suitable to both parties.

This Item covers the proposed changes to the RRFA and requests Council approval thereof.

Proposed RRFA Changes

During the period that the MRC and BioVision (Parties) have been operating under the RRFA, there have been a few circumstances where the RRFA does not reflect the most effective method of operation or is silent on certain aspects. As these circumstances have been tabled by the Parties at past PAG meetings, an agreed position has been documented and a list of RRFA changes developed. It is now appropriate that this list of changes be formalised and present to Council (and BioVision and ANZ Bank) for review and determination.

In most circumstances, the proposed changes are minor in nature and have been implemented immediately following the attainment of an agreed position by the PAG.

Refer to Appendix No. 1 – **Draft Deed of Amendment** for a detailed copy of the Proposed Changes.

Refer to Appendix No. 2 - **Table 1 – Proposed RRFA Changes**, lists the changes to the RRFA along with comment as to why the change is proposed or required.

Approval Process

Following the initial drafting of the proposed Deed of Amendment by the MRC/Freehills, the Draft Deed was provided to BioVision for comment. BioVision made a few changes to the Draft Deed. These changes have been reviewed by the MRC Administration and Freehills, with a few minor amendments having been made. This most recent draft is currently under view by BioVision. If/when BioVision is satisfied with the Draft Deed, BioVision will forward the Deed on to the ANZ Bank for signoff.

Council is being requested to approve the most recent draft of the Deed of Amendment dated 10 May 2012, appended to this Item. It may be that BioVision or ANZ Bank request some minor changes be made to the Draft Deed; hence, the requested Council approval allows the MRC CEO, subject to the appropriate legal advice, to make minor amendments to the Draft Deed that do not increase the MRC liability under the RRFA (as amended by the Deed of Amendment).

CONSULTATION

Consultation was occurred with the following parties:

- BioVision
- SITA
- Freehills

STATUTORY ENVIRONMENT

Nil

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

COMMENT

The majority of the changes to the RRFA have been proposed by the MRC Administration and those proposed by BioVision have been assessed and accepted by the MRC Administration.

The MRC Administration recommends approval of the Draft Deed of Amendment, with an ability for the CEO to make minor amendments that may result from the BioVision and ANZ Bank review of the Deed.

ADDITIONAL COMMENT

Subsequent to the Council Agenda being issued, BioVision lawyers have raised a concern with the additions made by the MRC to clause 13.4(d) of the Deed relating to the circumstance whereby the RRF receives more than 100,000 tonnes of waste in a Contract Year, but then in the subsequent Contract Year is unable to accept 100,000 tonnes due to licence restrictions. The MRC had proposed that BioVision cover the MRC 92% Capital Cost Guarantee to the extent that it was caused by the over-acceptance of waste in the previous Contract Year. The BioVision lawyers have pointed out that at the outset of the Contract, the ANZ Bank insisted that the MRC (or its member councils through the Deed of Guarantee) underwrite the capital cost of the project. This amendment changes this and passes the capital cost liability to BioVision; which is what the Bank was originally concerned about.

The MRC Administration and Freehills have accepted this position and have proposed an alternative position whereby BioVision returns any gain (the Fixed Operating Costs) that it received in the previous Contract Year to offset the 92% Capital Cost guarantee that the MRC incurs as a result of the operating licence restrictions. BioVision and its lawyers are comfortable with this alternative position and are currently in the process of finalising the amended words in the Deed of amendment.

Based on the above changes, in the worst case scenario of the 92% Capital Cost guarantee being called upon for the full additional tonnage that was delivered in the previous Contract Year, the net effect across two Contract Years is that the MRC will still be ahead by the Fixed Operating Cost (approximately \$38/t).

VOTING REQUIREMENT

Absolute Majority

RESPONSIBLE OFFICER RECOMMENDATION

That Council:

- 1. Accept the changes to the Resource Recovery Facility Agreement as documented in the Deed of Amendment – Resource Recovery Facility Agreement dated 10 May 2012 (with an amended clause 13.4(d)), subject to the BioVision and ANZ Bank approval;**
- 2. Accept that the clause 13.4(d) of the Deed of Amendment, last paragraph has been deleted and is to be replaced with a clause requiring BioVision to return any gain (the Fixed Operating Costs) that it received in the previous Contract Year to offset the 92% Capital Cost guarantee that the MRC incurs as a result of operating licence restrictions caused by the over-acceptance of waste in the previous Contract Year, and**
- 3. Authorise the CEO to make minor changes to the Deed, subject to the appropriate legal advice, that do not increase the MRC liability.**

RESOLVED

**Cr Stewart moved, Cr Gray seconded
That the recommendation be adopted.**

CARRIED UNANIMOUSLY (10/0)

ITEM 11.2	WASTE MINIMISATION FUNDING – WASTE CHARACTERISATION AUDIT
File No:	WST/190
Appendix(s):	Appendix 3
Date:	12 June 2012
Responsible Officer:	Ian Watkins

SUMMARY

As part of the ongoing waste minimisation funding from the DEC, the third round of Regional Investment Plan (RIP) funding is available to Local Governments. For this round of funding, the MRC has been allocated \$337,316. This allocation is for the six member councils excluding the City of Stirling. The DEC has anticipated the imminent withdrawal of the City of Stirling and hence the City of Stirling has a separate allocation of funding (provided it joins up with another local council grouping).

The funding is for a 2 year period January 2012 through to December 2013. With Local Government groups or regional councils being allocated funds based on the number of councils and population in the groups. There is also an additional weighting for regional priority areas where additional funds are allocated to encourage regionalisation of waste minimisation activities. Once the funding value has been allocated by the DEC, it is up to the regional grouping of Local Governments to determine what the funding is to be spent on (provided it is in line with the regions original Strategic Waste Minimisation Plan 2009) and then submit an application to the DEC to obtain the funding.

DETAIL

Project Definition

Following the announcement of funding by the DEC in late 2011, the MRC and the Strategic Projects Committee has been working to determine the preferred project(s) to undertake with the allocated funds. The outcome being that the six member councils have a preference to undertake a large scale waste characterisation audit to identify what is in the green and yellow wheelie bins and what is in the RRF residue. The object being that the outputs from the audit would provide important information to guide the councils on how to optimise the usage of both the green and yellow wheelie bins with the intention of improving the downstream processing of the material in the bins to reduce the percentage of residue ending up in the landfill. The audit may also assist in determining the future recycling needs (RRF Stage 2) within the Region.

To this end, a detailed scope of work was established for the audit. All member councils have had an opportunity to provide input and review the final document. Appendix No. 3 to this Item provides a copy of the Scope of Work.

Available Auditors

Numerous councils and regional councils have recently undertaken waste characterisation audits, the largest being done by the Rivers Regional Council (800 bins). There are a number of consultants that “dabble” in waste audits, but very few that specialise in this activity. The Southern Metropolitan Regional Council (SMRC) has a dedicated waste audit facility and a registered auditor on its staff who carries out all the waste audit requirements for the regional council. The SMRC also offers this waste auditing service to external customers.

The MRC Administration has had numerous discussions with the SMRC about undertaking the proposed audit and are encouraged by the SMRC ability and experience in providing the service. The SMRC is currently in the process of assessing the audit scope of work and providing a quote to undertake the work. The advantage being that the MRC does not need to go out to tender if the work is carried out by another local government and with the Rivers Regional Council having recently been out to tender for a similar exercise, the MRC has a reference point with which to compare the SMRC quote.

Funding Application

The funding has been allocated to the MRC as the regional council; however, the funding is for the benefit of all of the member councils. The MRC primary role is to ensure that the funds are spent in accordance with the DEC requirements (and be able to be audited if necessary), that the member councils are involved in the decision making and carrying out of administrative functions in applying for the funding, spending the funds and reporting back to the DEC.

The MRC Administration has completed the funding application and passed it to the DEC for initial review. The DEC has provisionally accepted the content of the application and the proposed project. The last stage before submission of the final application to the DEC is to obtain sign off from all six member council CEOs. This process commenced on 12 June 2012. Once the six signatures have been secured, the application will be forwarded to the DEC. It is anticipated that the funding will become available to the MRC by July 2012.

Financial Arrangements

The DEC requirements are that the regional council provide a minimum of 20% of the project funding in cash contribution or in-kind contribution. With the DEC providing \$337,316 the MRC is required to provide an additional \$84,329. This will be broken down into \$40,000 of cash contribution split into the 2011/12 and 2012/13 financial years and a \$44,329 in-kind contribution, also split over the two financial years.

CONSULTATION

Consultation has occurred with the following:

- Strategic Projects Committee
- Town of Cambridge officers
- Rivers Regional Council
- Southern Metropolitan Regional Council
- Town of Nedlands
- Spartel (waste auditing consultant)
- DEC

STATUTORY ENVIRONMENT

Nil

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Significant funding is available to the Region. In order to access \$337,316 the MRC will be contributing \$40,000 in cash budgeted over 2 years and \$44,329 in in-kind contribution.

STRATEGIC IMPLICATIONS

Improved waste minimisation and waste diversion from landfill is consistent with the MRC Strategic Plan 2009-2029 as well as the recently released State Waste Strategy.

COMMENT

The definition of the project has been driven by the member councils out of a desire to know more about what type of waste is being collected and hence how best to improve the processing thereof. The MRC Administration is supportive of spending the DEC funding allocation on the large scale waste characterisation audit and recommends that Council endorse this project.

ADDITIONAL COMMENTS

In light of the 'in cash' and 'in kind' contributions required from the MRC over the next two financial years in respect of this program, the Administration is requesting that the cash expenditure of \$20,000 in each of the 2012/2013 and the 2013/2014 budget years, be approved by Council. In addition, the Administration is requesting that the 'in-kind' contributions required of \$22,165 in each of the 2012/2013 and 2013/2014 budget years be approved by Council. The \$20,000 expenditure for 2012/2013 has been included in the Draft 2012/2013 Budget that will be considered later in tonight's meeting.

VOTING REQUIREMENT

Simple Majority/Absolute Majority

RESPONSIBLE OFFICER RECOMMENDATION

- 1. That Council endorse the proposal to spend the available DEC Regional Investment Plan Funding (\$337,316) on a large scale waste characterisation audit.**
- 2. That Council approve the expenditure of \$20,000 in cash and \$22,165 in kind in each of the 2012/2013 and 2013/2014 budget years.**

Absolute majority required

RESOLVED

**Cr Bissett moved, Cr Gray seconded
That the recommendation be adopted.**

CARRIED UNANIMOUSLY (10/0)

12 CHIEF EXECUTIVE OFFICER REPORTS

ITEM 12.1	REVIEW OF COMMITTEES AND WORKING GROUPS
File No:	GOV/28
Appendix(s):	Nil
Date:	12 June 2012
Responsible Officer:	CEO

SUMMARY

A report was presented to the Ordinary Council Meeting on 19 April 2012 recommending changes to the current Council committee structure. At this meeting Council resolved to reconsider one of the recommendations that related to the Strategic Projects Committee and requested the Administration to present a report to the next council meeting.

BACKGROUND

Council at its meeting on the 19 April 2012 considered a review of the current committee structure and endorsed significant changes to its current committees. One of the changes recommended in the report was to amend the title of the "Strategic Projects Committee" to the Strategic Planning Committee and replace its current Terms of Reference to enable the Committee to assist the Council in the development, and implementation, of a new Strategic Plan. The Council considered that this was not supportable as strategic planning was the responsibility of the MRC administration and the elected council members. The council resolved that a further report be presented at the next Council meeting on the Strategic Projects Committee.

The Strategic Projects Committee has been in place since 2010 and has been influential in getting major projects underway and/or completed, such as the Establishment Agreement, DEC Waste Minimisation, Future Landfill Site Investigation and WDT variations including setting up Sub Committee.

The Strategic Projects Committee met on the 28 May 2012 where the councils position on the committee was discussed and the committee commented that there was a need for communication between the member councils and the MRC at the strategic level but they did not see the need for a formally constituted committee to have such communications and that the same outcomes could be achieved with a working group.

COMMENT

It is clear that there is merit in having a forum consisting of members from the member councils and MRC as it provides an opportunity for both parties to be informed on the strategic challenges faced by the MRC and allows the member councils to discuss issues that they would like the MRC to consider. Given this, it is recommended that the Council discontinue with the Strategic Projects Committee and replace it with a Strategic Working Group. The Group will be represented by a member from each of the member councils as determined by the member councils CEOs. The Working Group would meet bi monthly or as required.

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

The Strategic Projects Committee be discontinued and replaced by a Strategic Working Group consisting of a representative from each member council (appointed by the member councils CEO) that will meet bi monthly or as required.

Cr Newton gave thanks to the Strategic Projects Committee and the Chair of the Strategic Projects Committee for the excellent work done in the last 18 months.

RESOLVED

**Cr Bissett moved, Cr Hollywood seconded
That the recommendation be adopted.**

CARRIED UNANIMOUSLY (10/0)

The Chairman invited the Director of Corporate Services to advise the changes to the budget previously distributed to the elected members under separate cover.

The Director of Corporate Services informed the meeting of the following changes:

- *The updated schedule of fees and charges for non-members which now reflects the correct GST and GST inclusive charges*
- *The updated members' gate fee which has now been changed from \$136.60 to \$137.00 per tonne*
- *An increase in the carry forward capital expenditure from \$4.1m as presented in the original budget document to \$4.8m.*

The additional carry forward items relate to:

- <i>A replacement bin truck</i>	<i>\$150,000</i>
- <i>Gas well installations</i>	<i>\$64,000</i>
- <i>Leachate system</i>	<i>\$10,000</i>
- <i>Capping works</i>	<i>\$514,700</i>
- <i>Pumps and compressor</i>	<i><u>\$36,000</u></i>
	<i>\$774,700</i>

- *The creation of a cash backed reserve for the Carbon Price, with an amended value of \$1.443m.*
-

Cr Withers joined the meeting.

ITEM 12.2	BUDGET APPROVAL FINANCIAL YEAR 2013
File No:	FIN/127
Appendix(s):	Appendix No. 4
Date:	15 June 2012
Responsible Officer:	Gunther Hoppe

SUMMARY

The purpose of this Item is to present the draft Budget for 2013 to the Council for approval and adoption.

BACKGROUND

The 2013 budget process commenced in March 2012 and included two workshops with Councillors and Officers held on 3 May 2012 and 6 June 2012 respectively.

The underlying operating budget has been developed from a 'zero base' in discussion with the managers across the business and has been reviewed in detail to ensure that the Mindarie Regional Council (MRC) continues to deliver its current service offering in an efficient, cost effective manner.

Given the recent change in senior leadership and the fact that a strategic review is currently underway, the budget has been premised on a 'business-as-usual' basis, with no significant alterations to the activities of the MRC being contemplated in the year under consideration.

Feedback from Councillors and Officers arising from the budget workshops has been incorporated in this final draft of the budget.

Some of the significant changes between the 2012 and 2013 budgets include:

- The reduction of the Members' gate fee by using the surplus from the Non-members' gate fee as a subsidy
- The increase in expected Non-member tonnes from 50,000 to 53,000
- The inclusion of a carbon price in the gate fee
- Increased Resource Recovery Facility (RRF) costs as a result of the increased throughput when compared to the tonnes processed in 2012.

Overall, this results in an increase in the Members' gate fee from \$123 per tonne (2012) to \$136.50 per tonne (2013), both excluding GST.

This represents an increase of \$13.50 (11%). Of the \$13.50 increase, \$4.33 (3.5%) relates to the Carbon price (*the actual cost per tonne to landfill is \$7.40 – the difference is explained later in this report*). The balance of the increase being \$9.17 (7.5%), is driven by the increase in tonnes diverted to the RRF.

The Non-members' gate fee has increased from \$140 per tonne (2012) to \$151.40 per tonne (2013), both excluding GST.

This represents an increase of \$11.40 (8%). Of the \$11.40 increase, \$7.40 (5.3%) relates to the Carbon price. The balance of the increase being \$4 (2.9%) represents a pure inflationary increase.

DETAIL

Budget 2013

The Budget for 2013 takes into account a significant number of the findings from the Morrison and Low report that was commissioned in 2011.

Other than reducing the number of Councillors and their associated costs, no specific adjustments have been made for the potential exit of the City of Stirling, on the basis that the timing of this occurring is still largely uncertain.

RRF Costs

The RRF costs have increased from \$17.7m (\$200 per tonne) to \$21.6m (\$216 per tonne). There are three main drivers behind the \$16 per tonne (8%) increase:

- The increase in the MRC's gate fee (including the Carbon price)
- The pass through of the Carbon price on BioVision's electricity consumption
- The inflationary increases under the RRF contract

The increase in the MRC gate fee (including the Carbon price) accounts for \$6 (3%) of the overall per tonne increase in RRF costs.

The pass through of the Carbon price on BioVision's electricity consumption is estimated at \$1.70 (1%) per tonne.

The balance of the increase of \$8 (4%) per tonne relates to escalations as per the RRF contract with BioVision.

The permanent repairs of the Composters were initially planned to occur in 2012 and as a result the tonnage throughput for 2012 was budgeted at 88,400 tonnes.

These repairs did not occur in 2012 and we are now advised that the repairs will not be undertaken until late in 2014. As a result, the budget reflects 100,000 tonnes being diverted to the RRF in 2013.

The one off capital cost of temporary repairs to the composters of \$1,065,033 incurred in 2012, along with the adjustment to the waste diversion target of \$333,039 are not required in the 2013 budget.

Other operational expenditure

The operational expenditure budget tabled for 2013 takes into account a number of the efficiency recommendations from the Morrison and Low report and is largely in line with the expenditure budget for 2012, achieving approximately a 2% cost reduction on the 2012 adopted budget.

Tonnages

Approximately 198,471 tonnes (Budget 2012: 200,281) of waste are expected to be delivered by Member Councils during the course of the year.

Of this, 100,000 tonnes (Budget 2012: 88,400) is expected to be diverted to the RRF, which will in turn generate 44,070 tonnes (Budget 2012: 37,791) of residue which will be sent back to Tamala Park. The RRF waste diversion target is expected to be approximately 52%.

Non-members are expected to deliver 53,000 tonnes (Budget 2012: 50,000) to Tamala Park.

Capital Expenditure

The following capital expenditures have been included in the Budget for 2013:

New capital expenditures

	\$
• Landfill infrastructure expenditure	34,000
• Office furniture and equipment	7,000
• Computer equipment	88,500
- Server upgrades	45,000
- New hardware	8,500
- Weighbridge hardware & licences	35,000
• Plant and equipment	51,000
- Tarpomatic tarps	25,000
- Hook lift bins	14,000
- Tip face lighting (solar)	12,000
• Vehicles	204,000
- CEO vehicle	54,000
- DCS vehicle	42,000
- Replacement Ute	28,000
- Replacement Caterpillar MTL	80,000
	<u>384,500</u>

Carried forward capital expenditures

• Landfill infrastructure expenditure	11,100
• Land Purchase (new Landfill Site)	4,000,000
• Computer equipment	48,000
• Vehicles (waste education vehicle)	41,000
	<u>4,100,100</u>

Total Capital expenditure **4,484,600**

Reserves

The existing Cash Backed Reserves with the projected balances at 30 June 2012 are as follows:

Reserve for RRF Operational Requirements

Estimated balance at 30 June 2012: \$5,498,219

Purpose: To be used to fund the ongoing RRF Operations requirements.

Reserve for Capital Expenditure

Estimated balance at 30 June 2012: \$41,000

Purpose: To be used to fund the ongoing capital expenditure requirements.

Reserve for Members' Revenue Equalisation

Estimated balance at 30 June 2012: \$2,032,800

Purpose: To be used to fund any under recovery in the Members' tipping fees and any exceptional or extra ordinary expenditure.

It is proposed that the following alterations to the existing reserves be made:

- Reserve for RRF Operational Requirements
Acknowledging that there is no contractual requirement for this reserve, the reserve will be de-designated as a cash-backed reserve and released to the Retained Surplus account. Cash reserved for this reserve will be released back to unreserved cash funds.
 - Reserve for Capital Expenditure
The purpose of this fund will remain unaltered and funds will be transferred to this account based on an average of the four year capital expenditure plan. No interest on reserved funds will be credited to the reserve.
 - Reserve for Members' Revenue Equalisation
The name of this reserve will be changed to "Participants' Surplus Reserve Account", in line with the proposed Establishment Agreement. The purpose of the fund will be changed to 'To be used to fund any deficit or part of a deficit as shown in the annual financial report of the MRC'. Interest accruing on the reserved funds will cease to be credited to the reserve with effect from 1 July 2013.
 - Site Rehabilitation Reserve
A provision (as distinct from a reserve) currently exists on the balance for post closure liabilities, but is not cash-backed. It is proposed that a new cash-backed reserve for site rehabilitation be created. At 30 June 2013, it is estimated that the balance on this reserve will be \$7,350,960. Unrestricted funds will be transferred to restricted funds to cash-back this reserve.
-

The purpose of this new reserve will be 'To be used to fund post closure site rehabilitation costs associated with the Tamala Park landfill site'.

- **Carbon Price Reserve**

A provision (as distinct from a reserve) is currently included in the proposed budget as at 30 June 2013, totalling \$1,251,600. This liability will be matched by cash in the bank, although the funds will not be formally restricted for this purpose.

The estimated liability as shown in the current budget pack is understated by \$191,400 due to a change in calculation basis. In the final version of the budget pack this will be updated to \$1,443,000. This is purely a balance sheet adjustment and does not affect the gate fee in any way.

It is proposed that a new cash-backed reserve for the Carbon Price be created to replace the provision, with full cash-backing.

The purpose of this new reserve will be 'To be used to fund the MRC's liability arising from the Carbon Price Mechanism'.

The revised Cash Backed Reserves with the projected balances at 30 June 2013 would be as follows:

Site rehabilitation Reserve

Estimated balance at 30 June 2013: \$7,350,960

Purpose: To be used to fund post closure site rehabilitation costs associated with the Tamala Park landfill site.

Reserve for Capital Expenditure

Estimated balance at 30 June 2013: \$556,400

Purpose: To be used to fund the ongoing capital expenditure requirements.

Participants' Surplus Reserve Account

Estimated balance at 30 June 2013: \$2,032,800

Purpose: To be used to fund any deficit or part of a deficit as shown in the annual financial report of the MRC.

Carbon Price Reserve

Estimated balance at 30 June 2013: \$1,443,000

Purpose: To be used to fund the MRC's liability arising from the Carbon Price Mechanism.

With the exception of the Carbon Price Reserve, the changes to these Reserves were discussed and agreed in the budget workshops.

Carbon Price

As a result of Federal legislation, the Carbon Price Mechanism comes into effect from 1 July 2013, at which point the MRC will start to accrue a liability for the carbon emissions associated with waste deposited at the Tamala Park facility.

For the first three years of operation, the price of carbon offsets will be fixed. Unlimited offsets will be available, but organisations may not bank these offsets during this period (i.e. you may only purchase what you require to abate that year's carbon emissions).

For the second three years of operation, the price will be allowed to 'float' but with an imposed ceiling and floor price. In the seventh year, it is proposed that the price will be allowed to 'float' with no restrictions.

The Administration, in conjunction with consultants Greensense, have developed a carbon price gate fee model which assists in determining the incremental charge which needs to be added to the MRC gate fees in order to compensate for the future carbon emissions liability. The model provides a robust, verifiable basis for calculating the MRC's carbon price.

Landfill sites face the unique challenge of needing to collect sufficient fees on the day the waste is delivered to cover a 40 year future carbon emissions liability. By nature, this requires detailed modelling and the use of significant assumptions.

In determining the MRC's future carbon emissions liability, the following factors, among others, have been considered:

- the amount of carbon emissions that each tonne of waste is likely to emit over its lifetime, calculated for each waste stream
- the relative proportion of each waste stream received at Tamala Park
- Landfill gas capture rates
- The future pricing of carbon offsets
- The level of inaccuracy associated with measuring carbon emissions
- The risk associated with trying to quantify a significantly future-dated liability

The two major components which present risks to the MRC are the estimation of the quantity of likely carbon emissions and the estimation of the price of purchasing carbon offsets.

Detailed sensitivity analysis and validation has been undertaken with respect to how the model estimates the quantity of likely carbon emissions. The results of this work show that there is a strong correlation between the outputs of the model and the expected carbon emissions liability. There is also a risk that the Government changes the carbon emission estimation methodology or underlying assumption with retrospective application. There is nothing that can be done to mitigate this risk at the present time. Should such an event occur, significant lobbying would be required to protect the MRC's interests.

It is proposed that pricing risk will be addressed through purchasing carbon offsets immediately in the year in which the waste is received. This does not entirely remove price risk, but is considered a conservative approach to managing the risk within acceptable levels.

For 2013, MRC is proposing to charge \$7.40 per tonne in respect of all waste received to meet the lifetime carbon emission liability associated with that tonne.

Given that the gross tonnes delivered by member councils are reduced by the RRF, and as a result only a portion of this waste goes to landfill, member councils will be charged a net rate of \$4.33 per tonne on their gross tonnes tipped. This still equates to \$7.40 per tonne of waste actually going into landfill.

Surplus

The Budget shows a forecast surplus of \$639,482. Of this surplus, a net \$515,400 will be transferred to the Capital Expenditure Reserve, which leaves a net surplus of \$124,082.

Funding Plan

- Operational expenditures will be funded from the Members' and Non-members' gate fees.
- Capital Expenditure (excluding landfill cell development and the purchase of land) will be funded from the Capital Expenditure Reserve.
- Other Capital expenditure relating to cell development and the purchase of land will be funded from dedicated new loans. It is anticipated that a new loan of \$4 million will be required to fund the land acquisition.

SUMMARY OF APPENDIX

Appendix to this Item is as follows:

- Appendix 4 – Statutory Budget and Supplementary Information

CONSULTATION

Two workshops for Councillors and Officers were conducted in May 2012 and June 2012 respectively to discuss the 2013 Budget. Feedback from these workshops has been taken into account in compiling this final draft of the budget.

The main points raised in the second workshop revolved around the calculation of interest and the calculation of the RRF costs. The interest calculation has now been revised and is correctly included in the final draft of the budget.

A separate supporting memorandum on the calculation of the RRF costs will be distributed to Officers ahead of the Ordinary Council meeting in July 2012.

STATUTORY ENVIRONMENT

Budget approval is required by end of August 2012 in accordance with section 6.2 of the Local Government Act 1995 (as amended).

Modifications of existing reserves and creation of new reserves is done in compliance with section 6.11 of the Local Government Act 1995 (as amended).

POLICY IMPLICATIONS

The Budget 2013 process is consistent with existing MRC policy.

FINANCIAL IMPLICATIONS

As detailed in Appendix 4.

STRATEGIC IMPLICATIONS

In the absence of an updated strategic plan, the draft Budget for 2013 is still broadly consistent with the Council's 2009–2029 Strategic Plan.

VOTING REQUIREMENT

Absolute Majority

ADDITIONAL COMMENTS

Carbon Price

When the budget was included as part of the Agenda pack for the Ordinary Council Meeting on 5 July 2012, the MRC's future liability under the Carbon Price Mechanism had been recognised as an 'on balance sheet' liability.

Subsequent consideration has led the Administration to form the view that these funds should rather be quarantined as a cash-backed reserve. In addition, the basis of estimating this liability has been further refined and the corrected balance of \$1,443,000 will be shown in the final version of the budget. This is purely an adjustment affecting cash and reserves and does not impact on the gate fee in any way.

As a result, the Administration is recommending the creation of an additional reserve to be called the "Carbon Price Reserve" with a purpose defined as "Fund the MRC's liability arising from the Carbon Price Mechanism".

RRF Gate Fee

As a result of additional work done on the RRF Gate fee, it is anticipated that these costs will rise by an additional \$96,000. This will be reflected in the final version of the budget and result in an estimated increase in the Members' gate fee from the \$136.50 discussed in this document to \$137.00.

RESPONSIBLE OFFICER RECOMMENDATION

1. **Adopt the Budget for the Mindarie Regional Council for Financial Year 2013 subject to the following changes to that presented in Appendix 4:**
 - **the changes to the Schedule of Fees to correctly reflect the calculation of the GST on the Carbon Price inclusive fee to give a GST and Carbon Price inclusive non-members' gate fee of \$166.54 as follows:**
-

MINDARIE REGIONAL COUNCIL
NOTES TO AND FORMING PART OF THE BUDGET
For the Year Ending 30 June 2013

SCHEDULE OF FEES FOR 2012/2013

		PROPOSED Fee (GST inclusive) from 1 July 2011	GST Payable to ATO	PROPOSED Fee (GST inclusive) from 1 July 2012	Carbon Price	GST Payable to ATO
1	(a) GENERAL ENTRY General waste and household rubbish (domestic) excepting liquid waste, swill or semi liquid waste. Charge per tonne Minimum charge for entry to site	154.00 12.00	14.00 1.09	166.54 12.00	7.40 0.37	15.14 1.09
	(b) Swill or Semi Liquid Waste	Not Accepted				
	(c) In the event of weighbridge breakdown due to power failure, maintenance or repairs the following fees shall apply to (a) above (I) All vehicles carrying uncompact waste - per wheel of truck or trailer (larger than 1.8mx1.2m) Trailer (1.8mx1.2m or less) (II) All vehicles carrying compacted waste - per wheel of truck or trailer	40.00 40.00 80.00	3.64 3.64 7.27	42.20 42.20 84.40	2.00 2.00 4.00	3.84 3.84 7.67
	(d) Asbestos - whole loads per tonne (incl burial fee)	200.00	18.18	200.00	-	18.18
	(e) Unweighed Load (Drive-Aways)	60.00	5.45	65.00	3.00	5.91
2	SPECIAL BURIALS (SUPERVISED) At the discretion of the Site Controller in addition to the tonnage rates Charge per 5 cubic metres	200.00	18.18	200.00	-	18.18
3	CONTROLLED WASTE PER TONNE	200.00	18.18	207.40	7.40	18.85
4	SPECIAL COMMERCIAL ITEMS In lieu of the charges in 1, 2 & 3 above the following apply:					
	(a) Motor bodies and old machinery each item	25.00	2.27	26.00	1.00	2.36
	(b) Animal carcasses Small domestic animals Large animals (Sheep and cattle etc.)	8.00 20.00	0.73 1.82	8.50 21.00	0.50 1.00	0.77 1.91
	(c) Tyres (Maximum disposal 4)-per 4 tyre, pro rata for < 4 Per tonne	18.00 300.00	1.64 27.27	18.00 300.00	- -	1.64 27.27
	(d) Safe sharp containers 7 litre or less each Over 7 litres per litre	13.00 1.50	1.18 0.14	13.65 1.60	0.60 0.10	1.24 0.15
	(e) Light weight bulk material less 300 kg per cubic metre - each cubic metre	60.00	5.45	65.00	3.00	5.91
5	REPLACEMENT OF LOST/DAMAGED DCS CARDS (a) Replacement of DCS Cards	50.00	4.55	50.00	-	4.55
6	INFRINGEMENT AGENCY COSTS					
	(a) Debt Collection Fee (b) Dishonoured Cheque Fee			Debt Collection Agency's Costs plus 20% Admin Fee nil	Debt Collection Agency's Costs plus 20% Admin Fee - nil	
7	A discount may be granted at the discretion of the Chief Executive Office					

- the changing of the Members' gate fee to \$137.00 per tonne (excluding GST) to correctly reflect the impact of the Carbon Price
- the changes required in respect of the additional carried forward expenditures
- the changes required in respect of the increase in the value of the Carbon Price reserve

- **Approve the Capital Budget Program of \$5,259,300 for 2013 as follows:**

New capital expenditures

	\$
• Landfill infrastructure expenditure	34,000
• Office furniture and equipment	7,000
• Computer equipment	88,500
• Plant and equipment	51,000
• Vehicles	<u>204,000</u>
	384,500

Carried forward capital expenditures

• Landfill infrastructure expenditure	635,800
• Land Purchase (new Landfill Site)	4,000,000
• Computer equipment	48,000
• Vehicles	<u>191,000</u>
	4,874,800

Total Capital expenditure **5,259,300**

Absolute majority required

2. **endorse the on-going strategy of deferred payment of operational surplus, as approved by Council at its August 2005 meeting, for the Financial Year 2005/2006 and future years to meet its on-going capital requirement**

Absolute majority required

3. **approve the use of an on-going overdraft facility of \$1 million to manage cashflow 'short falls' during Financial Year 2013 and future years**

Absolute majority required

4. **approve the carry forward of the following operating budget to 2013:**

• Computer Software Acquisition	25,000
• Computer Software Maintenance	27,000
• Landfill/Bushland Management	<u>29,100</u>
	81,100

Absolute majority required

5. **approve that \$1 million will be transferred from the Operating Surplus to the Reserve for Capital Expenditure.**

Absolute majority required

6. **approve the transfer of \$484,600 from the Reserve for Capital Expenditure to fund capital expenditure during the year.**

Absolute majority required

7. **approve the de-designation of the Reserve for RRF Operational Requirements as a cash-backed reserve, with the reserve transferred to the Retained Surplus account and the cash restricted for this reserve transferred to unrestricted cash funds.**

Absolute majority required

8. approve the creation of a new cash-backed Site Rehabilitation Reserve, the purpose of which will be *‘to fund post closure site rehabilitation costs associated with the Tamala Park landfill site’*.

Absolute majority required

9. approve the transfer of the opening balance on the Site Rehabilitation Provision as at 1 July 2012, along with any movement for the year, to the newly created Site Rehabilitation Reserve, and that the cash required to back this reserve will be transferred from unrestricted funds to restricted funds.

Absolute majority required

10. approve that all interest earned on cash funds associated with cash-backed reserves will not be credited to the reserve.

Absolute majority required

11. approve the change in name of the *“Reserve for Members’ Revenue Equalisation”* to *“Participants’ Surplus Reserve Account”* and the purpose of the reserve from *“To be used to fund any under recovery in the Members’ tipping fees and any exceptional or extra ordinary expenditure”* to *“to fund any deficit or part of a deficit as shown in the annual financial report of the MRC”*.

Absolute majority required

12. approve the creation of the Carbon Price Reserve and the purpose of the reserve, which is *“To be used to fund the MRC’s liability arising from the Carbon Price Mechanism”*.

Absolute majority required

RESOLVED

Cr Bissett moved, Cr Gray seconded

Cr Stewart requested that part (7), (10) and (11) of the Motion be voted on separately, which the Chairperson accepted.

RESOLVED

That Parts (1), (2), (3), (4), (5), (6), (8), (9) and (12) be adopted.

CARRIED UNANIMOUSLY (11/0)

RESOLVED

That Part (7) be adopted.

CARRIED (7/4)

Against: Cr Italiano, Cr Lagan, Cr Robbins, and Cr Stewart

RESOLVED

That Part (10) be adopted.

CARRIED (7/4)

Against: Cr Italiano, Cr Lagan, Cr Robbins, and Cr Stewart

RESOLVED

That Part (11) be adopted.

CARRIED (7/4)

Against: Cr Italiano, Cr Lagan, Cr Robbins, and Cr Stewart

ITEM 12.3	FINANCIAL STATEMENTS FOR THE PERIODS ENDED 31 MARCH 2012 AND 30 APRIL 2012
File No:	FIN/5-02
Appendix(s):	Appendix No. 5 Appendix No. 6 Appendix No. 7
Date:	12 June 2012
Responsible Officer:	Gunther Hoppe

SUMMARY

The purpose of this report is to provide financial reporting in line with statutory requirements which provides useful information to stakeholders of the Council.

BACKGROUND

Reporting requirements are defined by Financial Management Regulations 34 of the Local Government (Financial Management) Regulations 1996.

The financial statements presented for each month consist of:

- Operating Statement by Nature – Combined
- Operating Statement by Nature – RRF Only
- Operating Statement by Function
- Statement of Financial Activity
- Statement of Reserves
- Statement of Financial Position
- Statement of Investing Activities
- Information on Borrowings
- Tonnage Report

DETAIL

The Financial Statements attached are for the months ended 31 March 2012 and 30 April 2012 are attached at **Appendix 5 and 6** to this Item. The Tonnage Report for the 8 months to 29 February 2012 are attached at **Appendix 7**.

The complete suite of Financial Statements which includes the Operating Statements, Statement of Financial Position, Statement of Financial Activity and other related information are reported on a monthly basis.

These Statements includes:

- Accruals
- Provisions for Amortisation of Cell Development, Capping and Post Closure expenditure

to provide meaningful reporting to Stakeholders.

The estimates for Provisions for Amortisation of Cell Development, Capping and Post Closure expenditure are based on the estimated rates per tonne calculated with reference to estimated excavation cost of various stages of the landfill and the life of the landfill. An adjustment is made (if necessary) at the end of the year based on actual tonnages on a survey carried out to assess the “air space” remaining and other relevant information.

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the Financial Statements set out in Appendix 5 and 6 for the months ended 31 March 2012 and 30 April 2012 be received.

RESOLVED

**Cr Hollywood moved, Cr Italiano seconded
That the recommendation be adopted.**

CARRIED UNANIMOUSLY (11/0)

ITEM 12.4	LIST OF PAYMENTS MADE FOR THE MONTHS ENDED 31 MARCH 2012 AND 30 APRIL 2012
File No:	FIN/5-02
Appendix(s):	Appendix No. 8 Appendix No. 9
Date:	12 June 2012
Responsible Officer:	Gunther Hoppe

SUMMARY

The purpose of this report is to provide details of payments made during the periods identified. This is in line with the requirement under delegated authority to the Chief Executive Officer, that a list of payments made from the Municipal Fund, since the last Ordinary Council meeting be presented to Council.

COMMENT

The lists of payments for the months ended 31 March 2012 and 30 April 2012 are at **Appendix 8 and 9** to this Item and are presented to Council for noting. Payments have been made in accordance with the delegated authority to CEO that allow payments between meetings. At the Ordinary Council Meeting held on 13 October 2011, the Council delegated to the Chief Executive Officer the exercise of its power to make payments from the Municipal Fund. In order to satisfy the requirements of Clause 13(2) of the Local Government (Financial Management) Regulations, a list of payments made must be submitted to the next Council meeting following such payments.

It should be noted that generally all payments are GST inclusive and Mindarie Regional Council is able to claim this tax as an input credit when remittance of GST collected is made each month to the ATO.

Months Ended	Account	Vouchers	Amount
31 March 2012	General Municipal	Cheques 9242 - 9305 EFT 412 - 425 DP 690 - 707	\$3,103,774.14
30 April 2012	General Municipal	Cheques 9306 - 9365 EFT 426 - 439 DP 708 - 728	\$4,086,983.33

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the list of payments made under delegated authority to the Chief Executive Officer, for the months ended 31 March 2012 and 30 April 2012 be noted.

RESOLVED

**Cr Newton moved, Cr Gray seconded
 That the recommendation be adopted.**

CARRIED UNANIMOUSLY (11/0)

CEO left chamber at 6.06pm

ITEM 12.5	CEO PERFORMANCE REVIEW
File No:	PER/11
Appendix(s):	Nil
Date:	25 June 2012
Responsible Officer:	Sonia Cherico

SUMMARY

Review the CEO's performance and remuneration as per current contract.

BACKGROUND

Brian Callander was appointed CEO 16 January 2012 for a (3) three year period. The contract of employment requires Council to review performance (clause 3.3) and remuneration (clause 5.5) after a period of 6 months as detailed below:

“3.3 Performance Review

Within 6 months of the commencement of this agreement, the Council and you must negotiate and determine the KPIs. You agree that:

the KPIs must be reasonably achievable by you.

you must use every reasonable endeavour to comply with the KPIs.

The Council will review your performance each year during April-May review period with the first review 6 months after commencement and then annually. Your performance may be reviewed more frequently if the Council deems it necessary. The performance review will take into account:

your performance, including whether or not you have met the KAs and KPIs; and

your responsibilities during the preceding year.

You will be given reasonable notice in writing that a performance review is to be conducted, including how the review will be conducted, to allow you sufficient time to prepare.

The Council may use the outcome of any performance review for the purposes of your remuneration review in accordance with clause 5.5

The Council may vary the KAs and KPIs outlined in your Position Description and Performance Review, in consultation with you, and replace all or any of them with such other duties, key accountabilities or key performance indicators as may be agreed from time to time.

5.5 Review of Remuneration Package

The Council will review your Remuneration Package each year. The first review will be in June 2012 with any increase in remuneration to occur on or after the first pay period in July 2012 and thereafter annually each year.

The review will take into account:

**the outcomes of your performance review under clause 3.3;
any benefits which have accrued and will accrue to you under this agreement; and
industry salary movements over the review period.**

The Council is under no obligation to increase your Remuneration Package following such a review.”

John Phillips from WALGA was appointed to assist the CEO Performance Review Committee in reviewing the CEO performance and remuneration against industry standards, which resulted in the following resolution of Council at its meeting 19 April 2012 as follows:

“That Council:

2.1 Vary the CEO’s KPI’s in accordance with clause 3.3 (f) as follows:

- Complete the organisational review and restructure by 30 June 2012*
- Develop and present to Council a new Strategic Plan and long term financial plan compliant with the DLG’s integrated planning framework requirements by 30 June 2013*
- Improve the MRC’s budget preparation and financial reporting and presentation requirements by 30 June 2013*

2.2 Undertake a review of the CEO’s remuneration package in accordance with clause 5.5 viz:

The Council will review your Remuneration Package each year. The first review will be in June 2012 with any increase in remuneration to occur on or after the first pay period in July 2012 and thereafter annually each year.

The review will take into account:

- (g) the outcomes of your performance review under clause 3.3;*
- (h) any benefits which have accrued and will accrue to you under this agreement;*
- and*
- (i) industry salary movements over the review period.*

The Council is under no obligation to increase your Remuneration Package following such a review.”

DETAIL

The CEO has strived to meet the new KPI’s endorsed by Council and has gained endorsement of a new Organisational Structure (refer OCM 4 April 2012, Item 11.3) and has modified the budget preparation and financial reporting for the 2012/13 Budget.

Two Councillor Workshops were held where the 2012/13 Draft Budget was presented by the Director Corporate Services, Gunther Hoppe. Positive feedback was received from the Councillors on the process and professional manner the Draft Budget was presented and the willingness of Management to respond to questions.

However none of the above has been formally reviewed including the CEO’s remuneration therefore it is recommended that Council approve contracting the services of John Phillips to assist the CEO Performance Review Committee in determining whether the CEO has satisfactorily met his obligations contained in clause 3.3 and his remuneration review in clause 5.5 of his contract.

CONSULTATION

N/A

STATUTORY ENVIRONMENT

N/A

POLICY IMPLICATIONS

N/A

FINANCIAL IMPLICATIONS

Approximate Cost of review is \$4,000.

Budget to be taken from the 2012/13 consultancy budget GL 5110.

STRATEGIC IMPLICATIONS

N/A

COMMENT

N/A

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That Council appoint John Phillips from WALGA to assist the CEO Performance Review Committee in reviewing the performance and remuneration of the Chief Executive Officer, Brian Callander.

RESOLVED

Cr Bissett moved, Cr Gray seconded

That the recommendation be adopted.

CARRIED UNANIMOUSLY (11/0)

CEO returned to Chamber 6.15pm.

13 COMMITTEE REPORTS

ITEM 13.1	UNCONFIRMED MINUTES - STRATEGIC PROJECTS COMMITTEE – 28 MAY 2012
File No:	GOV/28/05
Appendix(s):	Appendix 10
Date:	12 June 2012
Responsible Officer:	CEO

BACKGROUND

The Strategic Projects Committee was established by absolute majority decision at Ordinary Council Meeting 25 February 2010.

The primary objective of the Strategic Project Committee is to undertake planning, research and development of strategic projects for recommendation to and consideration by the Mindarie Regional Council (MRC).

As the Strategic Projects Committee is an appointed committee of MRC reports from the Strategic Projects Committee will be formally presented to the MRC at each meeting of the MRC. The reports will contain recommendations, progress reports on matters under consideration and such other matters relevant to the Strategic Projects Committee's terms of reference.

Reports and recommendations of each Strategic Projects Committee meeting shall be presented to the next ordinary meeting of the Council.

STATUTORY ENVIRONMENT

The Strategic Projects Committee was established by absolute majority decision as a Committee of the MRC under s5.8 and s5.9(2)(e) (employees and other persons) of the *Local Government Act 1995* and will not have any general delegated authority however s5.17(1)(c) of the *Local Government Act 1995* gives the MRC authority to grant limited delegation as required.

POLICY IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the Unconfirmed Minutes of the Strategic Projects Committee meeting held on 28 May 2012 be received.

RESOLVED

**Cr Newton moved, Cr Robbins seconded
That the recommendation be adopted.**

CARRIED UNANIMOUSLY (11/0)

The Chair thanked Karen Caple (City of Wanneroo) Chair of the Strategic Projects Committee for work done on this committee.

14 MEMBERS INFORMATION BULLETIN – ISSUE NO. 5

Cr Newton commented on the amount of breaches (24) there was in the Quality of the Compost and sought clarification on the cause of the breaches. CEO took the question on notice.

RESPONSIBLE OFFICER RECOMMENDATION

That the Members Information Bulletin Issue No. 5 be received.

RESOLVED

**Cr Butler moved, Cr Hollywood seconded
That the recommendation be adopted.**

CARRIED UNANIMOUSLY (11/0)

15 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

NOTICE OF MOTION

In accordance with section 5.25(1)(e) of the *Local Government Act 1995*, Regulation 10 of the *Local Government (Administration) Regulation 1996* and pursuant to clause 6.4 of the Mindarie Regional Council Standing Orders Local Law 2010, a Notice of Motion to revoke a previous decision of the Council has been received from Cr Hollywood on 21 June 2012 and supported by Cr Bissett, Cr Fishwick and Cr Gray in accordance with the Standing Orders and the Local Government Act 1995. The motion is to revoke the decision of Council at its meeting as follows:

That Council:

REVOKE its decision of 3 May 2012 as follows:

“That Mindarie Regional Council:

- a. supports the management of waste disposal and treatment on a metropolitan wide basis;***
- b. believes that the State Government should take responsibility for waste disposal and management; and***
- c. supports private sector involvement in waste disposal and management.”.***

Further, Cr Hollywood has sought the following Motion to be considered as a response to the Metropolitan Local Government Review Draft Findings:

MOTION 1

ADOPT the following position in response to the Metropolitan Local Government Review Draft Findings (April 2012):

“That the Mindarie Regional Council:

- a. acknowledges that waste collection from residential premises is best managed by local government;***
- b. believes that the State Government should play a more proactive role in policy development, financing and ensuring that legislation addresses the requirements of waste management in the Perth Metropolitan Area with particular focus on the development and operation of Resource Recovery Facilities.”.***

REASON

The original resolution carried by the Council could be interpreted that local government members of the Mindarie Regional Council wish to withdraw from its waste management role, particularly in waste collection.

It is the view that there is a more prominent role to be played by the State Government in recycling and waste minimisation programs rather than waste collection programs.

CARRIED UNANIMOUSLY (11/0)

AMENDMENT

Cr Hollywood Moved, Cr Bissett seconded

Amend part b. of Motion 1 by deleting Resource Recovery Facilities and inserting “Alternative Waste Treatment Facilities”.

CARRIED UNANIMOUSLY (11/0)

AMENDMENT

Cr Fishwick moved, Cr Stewart seconded

Amend Motion 1 with a new part c.

- c. CEO be requested to advise the Minister for Local Government of Council’s changes to its position on the Draft Metropolitan Local Government Review.

CARRIED UNANIMOUSLY (11/0)

Cr Withers requested that the motion be voted on separately, which the Chairperson approved.

RESOLVED

That Part (a) be adopted.

CARRIED UNANIMOUSLY (11/0)

RESOLVED

That Part (b) be adopted.

CARRIED (10/1)

Against: Cr Withers

RESOLVED

That Part (c) be adopted.

CARRIED UNANIMOUSLY (11/0)

FINAL COMPOSITE RESOLUTION (For Information)

That the Mindarie Regional Council:

- a. acknowledges that waste collection from residential premises is best managed by local government;
 - b. believes that the State Government should play a more proactive role in policy development, financing and ensuring that legislation addresses the requirements of waste management in the Perth Metropolitan Area with particular focus on the development and operation of Alternative Waste Treatment Facilities.
 - c. CEO be requested to advise the Minister for Local Government of Council’s changes to its position on the Draft Metropolitan Local Government Review.
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16	URGENT BUSINESS
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Nil

17	QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN
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Nil

PROCEDURAL MOTION

Cr Fishwick moved, Cr Robbins seconded

That Council proceed “behind closed” doors to consider Confidential Item 18.1.

CARRIED UNANIMOUSLY (11/0)

There were no members of the public or journalist present. Member Council Officers and two MRC staff members departed the Chamber.

Governance Officer, Lynda Nyssen remained in the Chamber.

18 MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

ITEM 18.1	RESOURCE RECOVERY FACILITY – REQUEST FOR RELOCATION OF MR & MRS TULL DUE TO ALLEGED NOISE AND ODOURS CAUSING ILL HEALTH
File No:	WST/118
Appendix(s):	
Date:	27 June 2012
Responsible Officer:	CEO

Cr Fishwick moved, Cr Bissett seconded to reopen the meeting to the public.

CARRIED UNANIMOUSLY (11/0)

The attendees were invited back to the meeting.

The Chairperson read out the resolution, made behind closed doors, of the Council on Item 18.1 as follows:

“That the Item be deferred until the next ordinary meeting of council”.

NOTE: The Chief Executive Officer has NOT released this report for Public information due to legal privilege.

19 NEXT MEETING

Next meeting to be held on Thursday 23 August 2012 in the Council Chambers at City of Vincent commencing at 5.30pm.

20 CLOSURE

The Chairman closed the meeting at 7.10pm and thanked the City of Wanneroo for their hospitality and the use of their meeting facilities.

These Minutes were confirmed by the Council as a true and accurate record of the Ordinary Meeting of the Council held on 5 July 2012.

Signed.....Chairman

Dated this..... day of.....2012
