



**WALGA**

**North Metropolitan Zone  
Minutes**

**1 December 2011**



# North Metropolitan Zone WALGA

Hosted by the City of Joondalup  
90 Boas Ave Joondalup Phone 9400 4000  
Thursday 1 December 2011 - Commenced at 6:00 pm

## Minutes

### ATTENDANCE

### 4 Voting Delegates from each Member Council

City of Joondalup

Cr Geoff Amphlett JP  
Cr Russ Fishwick  
Cr Mike Norman  
Cr Christine Hamilton-Prime  
Mr Jamie Parry, Director Governance and Strategy - non voting

City of Stirling

Mayor David Boothman - **Chair**  
Cr Giovanni Italiano JP  
Cr Bill Stewart  
Cr David Michael

City of Wanneroo

Mayor Tracey Roberts  
Cr Stuart Mackenzie  
Cr Rudi Steffens  
Cr Frank Cvitan  
Mr John Paton, Director Corporate Strategy & Performance – non voting

WALGA  
Representatives

Mr Zac Donovan, Executive Manager Marketing and Communications  
Ms Melanie Bainbridge, Climate Change Coordinator

### APOLOGIES

DLG Representative

City of Joondalup

City of Stirling

City of Wanneroo

City of Wanneroo

WALGA

Mr Garry Hunt, Chief Executive Officer – non voting delegate  
Mr Stuart Jardine, Chief Executive Officer – non voting  
Mr Daniel Simms, Chief Executive Officer – non voting delegate  
Cr Diane Guise  
Shannon Horsley, Road Safety Officer Metro North

### ANNOUNCEMENT

Confirmation of Attendance an attendance sheet was circulated prior to the commencement of the meeting, to register your name for the minutes.

### ATTACHMENTS IN THE AGENDA

1. Minutes of previous meeting
2. Zone Status Report
3. WALGA President's Report
4. Standing Orders

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## **1. ELECTIONS – NORTH METROPOLITAN ZONE**

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### **1.1 Election of Chair and Deputy Chair of the North Metropolitan Zone**

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Pursuant to the WALGA Constitution, the Secretariat assumed the Chair for conducting the election of Office Bearers.

Guidelines for elections were distributed to Member Councils on 1 September 2011 and were included in the September 2011 Zone Agenda.

The election of the Chairperson and Deputy Chairperson is for a term set at two years.

The WALGA Secretariat invited nominations from the floor for the position of Chairperson for the period of March 2012 to March 2014.

Mayor Tracey Roberts nominated for the position.

#### **RESOLUTION**

**That Mayor Tracy Roberts, City of Wanneroo be elected as Chairperson of the North Metropolitan Zone for the term of 2 years commencing March 2012 and expiring in March 2014.**

**Moved Cr Frank Cvitan Seconded Cr David Michael**

**CARRIED**

The WALGA Secretariat invited nominations from the floor for the position of Deputy Chairperson for the period of March 2012 to March 2014.

Cr Stuart MacKenzie nominated for the position.

#### **RESOLUTION**

**That Cr Stuart MacKenzie, City of Wanneroo be elected as Deputy Chairperson of the North Metropolitan Zone for the term of 2 years commencing in March 2012 and expiring in March 2014.**

**Moved Mayor Tracy Roberts Seconded Cr Frank Cvitan**

**CARRIED**

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### **1.2 Election of State Council Representatives and Deputy State Council Representatives of the North Metropolitan Zone**

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Pursuant to the WALGA Constitution, the Secretariat conducted the election of Representatives and Deputy Representatives to the State Council.

Notification of the election and guidelines for elections, were distributed to Member Councils in a letter dated 1 September 2011. Call for nominations were distributed to all Member Councils on 26 October 2011.

WALGA incorporates a 24 member State Council with its members derived from Metropolitan and Country Zones. The State Council is chaired by the Association President.

In accordance with sub-clause 9 (3) of the WALGA Constitution, representatives and deputy representatives to the State Council shall be elected by Zones of the metropolitan and country constituencies for two (2) year terms, commencing from the Ordinary Meeting of

State Council in March 2012, concluding at the Ordinary Meeting of State Council in March 2014.

For the North Metropolitan Zone, there are three State Council Representative and three Deputy State Council Representative positions.

The following written nominations were received for the positions of State Council Representative by the closing date of 18 November 2011:

- Cr Geoff Amphlett
- Cr David Michael
- Cr Tracey Roberts

## **RESOLUTION**

**That Cr Geoff Amphlett, City of Joondalup, Cr David Michael, City of Stirling and Mayor Tracey Roberts, City of Wanneroo be elected as Representatives of the North Metropolitan Zone to the State Council, for the term of 2 years commencing March 2012 and expiring in March 2014.**

**Moved Cr Stewart Seconded Cr Cvitan**

**CARRIED**

The following written nomination was received for the position of State Council Deputy Representative by the closing date of 18 November 2011.

- Cr Stuart MacKenzie

Nominations were called from the floor.

Cr Russell Fishwick and Cr Bill Stewart nominated for the positions.

## **RESOLUTION**

**That Cr Stewart MacKenzie, City of Wanneroo, Cr Russell Fishwick, City of Joondalup and Cr Bill Stewart, City of Stirling be elected as Deputy Representatives of the North Metropolitan Zone to the State Council for the term of 2 years commencing March 2012 and expiring in March 2014.**

**Moved Cr Geoff Amphlett Seconded Cr David Michael**

**CARRIED**

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## **2. DEPUTATIONS**

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Nil

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## **3. CONFIRMATION OF MINUTES**

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## **RESOLUTION**

**That the Minutes of the meeting of the North Metropolitan Zone held on 29 September 2011 be confirmed as a true and accurate record of the proceedings.**

**Moved Cr David Michael Seconded Cr Geoff Amphlett**

**CARRIED**

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#### **4. DECLARATION OF INTEREST**

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Pursuant to our Code of Conduct, Councillors must declare to the Chairman any potential conflict of interest they have in a matter before the Zone as soon as they become aware of it. Councillors and deputies may be directly or indirectly associated with some recommendations of the Zone and State Council. If you are affected by these recommendations, please excuse yourself from the meeting and do not participate in deliberations.

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#### **5. BUSINESS ARISING**

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Nil

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#### **6. REPORTS FROM MEMBER COUNCILS**

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##### **6.1 Request Increase in Dog Registration Fees**

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##### **In Brief**

Dog Registration fees have not increased since 1995. This brief calls for a review and an increase to more realistic levels to ensure that dog registration revenue is more balanced with the cost of animal management.

##### **Background**

Dog registration fees are controlled under the Western Australian Dog Act, Dog Regulations 1976 and have not increased since 1995, 16 years ago. Prior to this the fees were increased in 1987, 8 years earlier. The current fees as provided for the Dog Regulations 1976, second Schedule effective November 1995 are as follows:

	1 Year Renewal		3 Year Renewal	
	Full	Pension Concession	Full	Pension Concession
Unsterilised	\$30.00	\$15.00	\$75.00	\$37.50
Sterilised	\$10.00	\$5.00	\$18.00	\$9.00

Dog registration fees are intended to help pay for the administration of the registration process and also to help offset costs for dog control and enforcement.

The costs of administering dog registrations as well as dog control and enforcement has increased over the past 16 years and a significant increase in fees is overdue.

In 1996 the revenue collected for dog registrations was approximately the same as it is today in the order of \$180,000. However costs over the same period have continued to increase. For example, the activities associated with running the City's dog pound in 1996 totalled approximately \$48,600. The figure today is \$133,000 (budgeted costs excluding employee, marketing and internal costs). This highlights a substantial imbalance and one which needs to be addressed as soon as possible. In this same time, the Perth CPI has increased fifty five percent (55%) and salaries have risen by nearly sixty percent (60%). Utilising the CPI rate, the full year cost of a dog registration today would increase from \$75 to approximately \$116 pa.

The City of Stirling has previously requested the Department of Local Government and Regional Development, to make changes to the Western Australian Dog Act 1976, including

requesting an increase in dog registration fees particularly relating to fees for unsterilised dogs. It is somewhat disappointing that these changes have not been made to-date.

### **Comment**

In accordance with advice received from the Department of Local Government and Regional Development, dog registration fees are to be used to offset the costs associated with licensing dogs, including to assist with the administration and enforcement of the Western Australian Dog Act 1976.

The City of Stirling's current budget for 2011/2012 shows a significant short fall in the Animal Control budget of approximately \$250,000 inclusive of salaries for officers for the coordination of the dog registration process, promotional and responsible dog ownership information. However these costs do not include Ranger salaries who spend approximately 70% of their time dealing with dog control including education and enforcement. If we include these costs it would exceed \$1,250,000 pa.

City officers find the community less tolerant of irresponsible dog control by owners. Dog problems, particularly noise nuisances, are less tolerated and so to are dogs wandering and leaving their mess in neighbours gardens and public places. The City also treats dangerous dogs seriously and takes formal action by way of a court prosecution or fines in cases where an injury or an attack has occurred. The investigations associated with these are often extensive and the legal actions costly.

In addition to the above costs, Stirling will spend in the order of \$20,000 this financial year supplying dog pooch pouches for dog owners in its Parks and Reserves and beaches.

The City of Stirling is home to about 20,000 dogs and registration fees are too low to support the required services. While it is not considered appropriate that registration fees fully fund animal management costs, it is important to meet the balance and apply a stronger user pay principle.

This certainly needs to be the case in relation to irresponsible actions by owners and increases in penalties for not complying are certainly also supported. To this event it is recommended that the minimum penalty for an infringement notice be increased from \$100 to \$250 for offences relating to non registration, wandering and nuisances associated with the Dog Act.

### **RESOLUTION**

- 1. That North Metropolitan Zone request that the Western Australian Local Government Association apply to the Minister for Local Government to increase dog registration fees to a more realistic level.**
- 2. That the North Metropolitan Zone strongly supports an increase in the penalties for unregistered dogs.**

**Moved Cr David Michael Seconded Cr Mike Norman**

**CARRIED**

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## **6.2 Municipal Solid Waste Management**

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### **In Brief**

For the North Metropolitan Zone of WALGA to give consideration to recommending to the WALGA State Council that it give consideration to advocating to State Government that it assist local governments with Municipal Solid Waste Management issues

### **Background**

The Council of the City of Joondalup, at its meeting held on 11 October 2011, resolved as follows:

*“That Council:*

- 1 *REQUESTS the Chief Executive Officer to write to the Premier and the Minister of Environment encouraging the State Government to assist local governments with Municipal Solid Waste management issues and provide support in consideration of:*
  - 1.1 *The severe funding pressures local governments incur in delivering Municipal Solid Waste services, and particularly for Resource Recovery Facility projects, and the concern that the current situation is not sustainable;*
  - 1.2 *Direct financial assistance for local governments with Resource Recovery Facilities by the State Government as a matter of urgency, to address the severe financial difficulties being created by the operation and acquisition of these facilities; and*
  - 1.3 *The reintroduction of the Resource Recovery Rebate Scheme, with an increase in the proportion of landfill levy revenue dedicated to waste management from 25% to 100%.*
- 2 *REQUESTS the Chief Executive Officer to submit the issues involved in Part 1 above to the next available Western Australian Local Government Association North Zone meeting.”*

Local government waste in the metropolitan area is currently handled by five Regional Councils, being Mindarie Regional Council (MRC); Eastern Metropolitan Regional Council (EMRC); Western Metropolitan Regional Council (WMRC); Southern Metropolitan Regional Council (SMRC); and Rivers Regional Council.

There are also a few local governments which are operating their own landfills, for example the Cities of Armadale and Rockingham, and others who deliver their waste outside of regional Council membership, for example the Cities of Canning, Mandurah and Stirling.

There are currently three Resource Recovery Facilities operating in the metropolitan area at the MRC, SMRC and WMRC. To date there has been no State Government support for these facilities, notwithstanding the pressure that the State Government has placed on local government to divert waste from landfill as demonstrated in the *Waste Avoidance and Resource Recovery Act 2007* and the Waste Authority's most recent Directions Statement (Attachment 1 refers).

In 1998 a levy of \$3.00 per tonne was introduced for putrescible waste delivered to metropolitan landfill sites in Western Australia. Putrescible waste is the waste placed in the green lid bin as part of all municipal solid waste.

At the same time, the State Government introduced the Municipal Recycling Scheme which provided a reward fund for local governments that were recycling their waste. In January 2001 the Municipal Recycling Scheme was re-badged as the Resource Recovery Rebate Scheme (RRRS) with increased levels of funding, amended criteria and increased reporting requirements. The RRRS distributed 50% of the collected levy to local governments which were practising resource recovery or recycling and operated until June 2006. In October 2006 the levy for putrescible waste increased to \$6.00 per tonne and in January 2010 it increased to \$28.00 per tonne. There is also a levy for inert waste, which was increased to \$13.00 per tonne in January 2010. There has been no replacement for the RRRS and the funding opportunities for local government waste from the levies have reduced to 25% of the total levy revenue, which includes funding of the Waste Authority.

These requirements were set out in the *Waste Avoidance and Resource Recovery Act 2007 (WARR Act 2007)* and the *Waste Avoidance and Resource Recovery Levy Act 2007*.

Generally the cost of the Waste Authority is 30% of the waste levy attributed to local government and to date the balance (70%) has not been fully distributed to local government funding programs.

Metropolitan local governments collect in excess of 900,000 tonnes of putrescible waste for processing or disposal. When operating at full capacity, the three resource recovery facilities can process 264,000 tonnes of putrescible waste, leaving a shortfall in excess of 640,000 tonnes.

Each of the resource recovery facilities has had design or production difficulties and the processing of waste through these facilities is significantly more expensive than landfill. Consequently there is now a reluctance for local government to increase resource recovery. In the case of the MRC, the gate fee for putrescible waste has been increased from \$54.00 per tonne in 2008 to \$123.00 per tonne on 2011, due to the introduction of the Resource Recovery Facility.

Whilst local government have been encouraged to dispose of their waste through resource recovery facilities, the State Government treats all its waste as commercial which is disposed of in metropolitan landfills. This is an inequitable position and it is considered that the State Government should be redirecting its waste from landfill to resource recovery facilities.

Since the introduction of the landfill levy and prior to June 2006, at least 50% of the collected levy was returned to local government to encourage resource recovery and recycling through the RRRS. There is a reasonable argument or hypothecation that all levy revenues should be applied to waste management, either in support of waste projects or in a subsidy scheme as existed with the RRRS.

In terms of further encouraging resource recovery and recycling, a scheme such as the RRRS, where the reward is proportionately linked to the quantity of waste recovered or recycled, is appropriate. There appears to be no rationale why landfill levy funds ought to be expended on general Department of Conservation non-waste activities, as is the case for at least 75% of current levies collected.

Alternatively, the levy could be abolished. However, this then no longer provides financial incentives for resource recovery as an alternative waste management to landfill.

The potential options for State Government are as follows:

<b>Option</b>	<b>Advantages</b>	<b>Disadvantages</b>
Do nothing	Nil	Local government continues to fund all municipal waste management.
Utilise resource recovery for processable waste streams generated by the State delivered to existing resource recovery facilities.	Increase volume of waste Only those local governments with resource recovery facilities will benefit.	RRRS is reintroduced Funding is distributed to local governments which are actively recovering or recycling.
The levy is not hypothecated for waste management with only 25% available.	Hypothecate levy for waste management only Local governments and waste management receive the full benefit of the levy collected.	Department of Conservation will have to find alternative funding source for non-waste activities currently funded from the levy.

Cancel the landfill levy	Landfill and resource recovery gate fees are reduced.	There is no longer a financial encouragement to promote alternative waste recovery options.
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## Comment

The funding of waste management services, in particular disposal and/or processing of municipal solid waste will continue to be a challenge for local governments.

It is therefore appropriate to lobby the Premier for the State Government to provide direct financial assistance for local governments with resource recovery facilities. This could best be facilitated with the reintroduction of the RRRS, with all landfill levy funds utilised for waste management.

The Western Australian Local Government Association (WALGA) has presented a range of areas that need support and financial assistance to the Minister for Environment. WALGA has also called for a return to the previous system whereby all funds collected were used for waste reduction initiatives, rather than being allocated to general expenditure budgets.

In a July 2011 WALGA media release it was stated that "There are a great number of initiatives which could be implemented should these funds [from the landfill levy] be invested back into waste infrastructure, research and education, all of which are urgently needed."

The media release also states that "The initiatives include the development of local markets and infrastructure for recycled materials; a needs analysis to address illegal dumping and a campaign to increase recycling rates."

The Minister for Environment, Hon Bill Marmion MLA, has as yet not demonstrated that he is keen to increase funding to local government for managing waste. However, the Premier has recently spoken about the need for the State to become more involved in waste management, in consideration of the difficulties local government was having in meeting demand.

## RESOLUTION

**That the North Metropolitan Zone Committee recommend to the WALGA State Council that it give consideration to advocating to the State Government that it assist local governments with Municipal Solid Waste management issues and provide support in consideration of:**

- 1. The severe funding pressures local governments incur in delivering Municipal Solid Waste services, and particularly for Resource Recovery Facility projects, and the concern that the current situation is not sustainable;**
- 2. Direct financial assistance for local governments with Resource Recovery Facilities by the State Government as a matter of urgency, to address the severe financial difficulties being created by the operation and acquisition of these facilities;**
- 3. The reintroduction of the Resource Recovery Rebate Scheme, with an increase in the proportion of landfill levy revenue dedicated to waste management from 25% to 100%.**

**Moved Cr Russell Fishwick Seconded: Cr Mike Norman**

**CARRIED**

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**7. STATE COUNCIL AGENDA - MATTERS FOR DECISION**

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*(Zone delegates to consider the Matters for Decision contained in the WA Local Government Association State Council Agenda and put forward resolutions to Zone Representatives on State Council)*

**RESOLUTION**

That the North Metropolitan Zone endorse all items within the December 2011 State Council Agenda 'en-bloc'

Moved Cr Russell Fishwick Seconded Cr Mike Norman

**CARRIED**

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**8. EXECUTIVE REPORTS**

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**8.1 President's Report to the Zone**

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Mr Zac Donovan from WALGA presented the President's Report to the meeting.

**Noted**

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**8.2 State Councillor's report to the Zone**

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Cr Geoff Amphlett presented on the previous State Council meeting.

**Noted**

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**8.3 Department of Local Government Representative Update Report.**

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Representative from the Department of Local Government was an apology to the meeting. The DG Update Report was an attachment to the agenda.

**Noted**

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**9. BUSINESS**

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**9.1 Metropolitan Local Government Review – Special Meeting**

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As per State Council Agenda Item 5.1, it is proposed to hold a Special State Council meeting on 30 January 2012. This means a meeting is needed during the week of 23 January to 27 January 2012. (26 January is a public holiday).

The suggested timeframe for Zone meetings is very tight and following Christmas. The Association believes that the issue is so important that it warrants Special Zone and State Council meetings.

**RESOLUTION**

That a Special Meeting of the North Metropolitan Zone be held on Tuesday 24 January 2012 at the City of Stirling commencing at 6pm.

Moved Cr Russell Fishwick Seconded Cr David Michael

**CARRIED**

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**10. OTHER BUSINESS**

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Nil

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**11. DATE, TIME AND PLACE OF NEXT MEETING**

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**RESOLVED**

**That the next ordinary meeting of the North Metropolitan Zone to be held 6:00pm on Thursday 1 March 2012 at the City of Wanneroo.**

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**12. CLOSURE**

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There being no further business the Chair declared the meeting closed at 6.30pm.

**THE VOICE OF LOCAL GOVERNMENT**

**DECEMBER 2011**

**STATE COUNCIL SUMMARY  
MINUTES**



**WALGA**

## MINUTES OF MEETING

Meeting No 7 of 2011 of the Western Australian Local Government Association State Council held at WALGA, 15 Altona St, West Perth on **Wednesday 7 December** 2011 commencing at 5:01 pm.

### 1. ATTENDANCE, APOLOGIES & ANNOUNCEMENTS

#### 1.1 Attendance

Chairman	President of WALGA	Mayor Troy Pickard
Members	Avon-Midland Country Zone	Cr Lawrie Short
	Central Country Zone	President Cr Steve Martin JP (Deputy President)
	Central Metropolitan Zone	Cr Janet Davidson JP
	East Metropolitan Zone	Cr Paul Kelly
		Cr Glenys Godfrey
		Mayor Cr Terence Kenyon (from 5.25pm)
	Gascoyne Country Zone	Cr Ross Winzer (from 5.52pm)
	Goldfields Esperance Country Zone	Mayor Ron Yuryevich AM RFD
	Great Eastern Country Zone	President Cr Eileen O'Connell
	Great Southern Country Zone	President Cr Barry Webster
	Kimberley Country Zone	President Cr Graeme Campbell (Deputy)
	Murchison Country Zone	President Cr Simon Broad
	North Metropolitan Zone	Cr David Michael (from 5.10pm)
		Cr Brett Treby
		Cr Geoff Amphlett JP
	Northern Country Zone	President Cr Karen Chappel (Deputy)
	Peel Country Zone	President Cr Wally Barrett
	Pilbara Country Zone	President Cr Lynne Craigie
	South East Metropolitan Zone	Cr Kevin Trent (Deputy)
	South Metropolitan Zone	Mayor Cr Henry Zelones JP
	Mayor Cr Carol Adams	
	Cr Maria Rico (Deputy)	
	Cr Doug Thompson	
	President Cr John Gardiner	
Ex-Officio Secretariat	Local Government Managers Australia	Dr Shane Silcox
	Chief Executive Officer	Ms Ricky Burges
	Deputy Chief Executive Officer	Mr Wayne Scheggia
	Exec Manager Governance & Strategy	Mr Tony Brown
	Exec Manager Marketing & Communications	Mr Zac Donovan
	Exec Manager Planning & Community Development	Ms Allison Hailes
	Exec Manager Infrastructure	Ms Ian Duncan
	Exec Manager Workplace Solutions	Mr John Phillips
	Exec Manager Corporate Business Solutions	Mr Nick Wood
	Manager Governance	Mr James McGovern
	Executive Officer Governance and Strategy	Ms Janet Done
	<b>Observers</b>	
	Mr Brian Warner, Ex State Councillor,	South Metropolitan Zone (from 6.43pm)



## 1.2 Apologies

Cr Bill Hopkinson (Deputy)  
Ms Lisa Scaffidi  
Cr Anne Prince  
Mayor Brad Pettitt  
Mrs Tina Mosscrop  
Mr Mark Batty

Gascoyne Country Zone  
The Rt Hon Lord Mayor of the City of Perth  
Deputy, South Metropolitan Zone  
Deputy, South Metropolitan Zone  
Finance Manager  
Exec Manager Environment & Waste

## 1.3 Announcements

The President confirmed the State Councillors who have been appointed or returned to State Council for the 2012 – 2014 term of office, commencing the first Ordinary meeting of Council on 7 March 2012.

As a result of Zone elections, there are four State Councillors whose term of office will cease in 2012 and the President will make a presentation to them at the conclusion of the meeting.

## 2. MINUTES OF THE PREVIOUS MEETINGS

### 2.1 Minutes of 5 October 2011 State Council Meeting

#### RECOMMENDATION:

Moved: Cr J Davidson  
Seconded: Cr D Thompson

That the Minutes of the Western Australian Local Government Association (WALGA) State Council Meeting held on 5 October 2011 be confirmed as a true and correct record of proceedings.

#### RESOLUTION 137.7/2011

CARRIED UNANIMOUSLY

#### 2.1.1 Business Arising from the Minutes of 5 October 2011

There was no business arising from the Minutes.

### 2.2 Minutes of 7 October 2011 State Council Meeting Flying Minute

#### RECOMMENDATION:

Moved: Mayor H Zelones  
Seconded: Cr D Thompson

That the Minutes of the Western Australian Local Government Association (WALGA) State Council Meeting held on 7 October 2011 by Flying Minute be confirmed as a true and correct record of proceedings.

#### RESOLUTION 138.7/2011

CARRIED UNANIMOUSLY

#### 2.1.2 Business Arising from the Minutes of 7 October 2011

There was no business arising from the Minutes.



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### **3 DECLARATION OF INTEREST**

Mayor Yuryevich, Mayor Zelones and Mayor Adams declared an interest in Item 5.12 (Selection Committee); each have nominations for consideration to various Boards and Committees.

Cr Kelly declared an interest in Item 5.8 and 5.12 (LG Self Insurance Schemes Board Membership and Selection Committee) as he is Chairman of the Board.

### **PAPERS**

State Councillors were distributed the following papers under separate cover:

- President's Report (previously emailed to your Zone meeting)
- Item 5.8 LGIS Board Member re-appointment
- Item 5.9 Proposal for the 2012 Regional Meeting of State Council
- Item 5.10 Use of the Association's Common Seal
- Item 5.11 Finance Services Committee Minutes (Green)
- Item 5.12 Selection Panel Minutes (Pink)
- CEO's report to State Council (Yellow)

### **4. EMERGING ISSUES**

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There were no emerging issues.



## **5. MATTERS FOR DECISION**

### **5.1 Metropolitan Local Government Review (05-034-01-0018 TL)**

#### **WALGA RECOMMENDATION**

That the Association's process for responding to the Metropolitan Local Government Review Panel be endorsed.

<b>Avon Midland Country Zone</b>	WALGA recommendation supported
<b>Central Country Zone</b>	WALGA recommendation supported
<b>Central Metropolitan Zone</b>	WALGA recommendation supported
<b>East Metropolitan Zone</b>	WALGA recommendation supported
<b>Gascoyne Zone</b>	WALGA recommendation supported
<b>Goldfields Esperance Country Zone</b>	WALGA recommendation supported
<b>Great Eastern Country Zone</b>	WALGA recommendation supported
<b>Great Southern Country Zone</b>	WALGA recommendation supported
<b>Kimberley Zone</b>	WALGA recommendation supported
<b>Murchison Country Zone</b>	Meeting held prior to distribution of SC Agenda
<b>North Metropolitan Zone</b>	WALGA recommendation supported
<b>Northern Country Zone</b>	WALGA recommendation supported
<b>Pilbara Zone</b>	WALGA recommendation supported
<b>South East Metropolitan Zone</b>	WALGA recommendation supported
<b>South Metropolitan Zone</b>	WALGA recommendation supported
<b>South West Country Zone</b>	WALGA recommendation supported

#### **PEEL ZONE**

That WALGA notes the Peel Zone's view that the Peel Region must be kept together and that the WALGA submission to the Metropolitan Local Government Review reflect these wishes.

#### **SECRETARIAT COMMENT**

The Peel Zone's position will be considered during the preparation of WALGA's submission.

**Moved: Cr G Godfrey**  
**Seconded: President Cr L Craigie**

That the Association's process for responding to the Metropolitan Local Government Review Panel be endorsed.

**RESOLUTION 139.7/2011**

**CARRIED**



## 5.2 Country Local Government Fund Review – WALGA Submission (05-055-03-0005 TL)

### WALGA RECOMMENDATION

That the Association's submission to the Western Australian Regional Development Trust on the Review of the Country Local Government Fund be endorsed.

Avon Midland Country Zone	WALGA recommendation supported
Central Country Zone	WALGA recommendation supported
Central Metropolitan Zone	WALGA recommendation supported
East Metropolitan Zone	WALGA recommendation supported
Gascoyne Zone	WALGA recommendation supported
Goldfields Esperance Country Zone	WALGA recommendation supported
Great Eastern Country Zone	WALGA recommendation supported
Great Southern Country Zone	WALGA recommendation supported
Kimberley Zone	WALGA recommendation supported
Murchison Country Zone	Meeting held prior to distribution of SC Agenda
North Metropolitan Zone	WALGA recommendation supported
Northern Country Zone	WALGA recommendation supported
Pilbara Zone	WALGA recommendation supported
South East Metropolitan Zone	WALGA recommendation supported
South Metropolitan Zone	WALGA recommendation supported
South West Country Zone	WALGA recommendation supported

### PEEL ZONE

That

1. WALGA be requested to consider in the submission, the disproportionate basis of distribution at present; and
2. Any formula proposed should account for growth.

### SECRETARIAT COMMENT

The WALGA submission proposed the formula should match the purpose of the Fund.

Moved: Mayor R Yuryevich  
Seconded: President Cr W Barrett

That the Association's submission to the Western Australian Regional Development Trust on the Review of the Country Local Government Fund be endorsed.

RESOLUTION 140.7/2011

CARRIED



### 5.3 Capital City Planning Framework – A Vision for Central Perth (05-036-03-0025 VJ)

#### WALGA RECOMMENDATION

That:

1. The interim submission to the WA Planning Commission on the Capital City Planning Framework is endorsed; and
2. Further consultation with the Local Government sector be undertaken by the State Government in regard to the implementation of the Capital City Planning Framework actions.

<b>Avon Midland Country Zone</b>	WALGA recommendation supported
<b>Central Country Zone</b>	WALGA recommendation supported
<b>East Metropolitan Zone</b>	WALGA recommendation supported
<b>Gascoyne Zone</b>	WALGA recommendation supported
<b>Goldfields Esperance Country Zone</b>	WALGA recommendation supported
<b>Great Eastern Country Zone</b>	WALGA recommendation supported
<b>Great Southern Country Zone</b>	WALGA recommendation supported
<b>Kimberley Zone</b>	WALGA recommendation supported
<b>Murchison Country Zone</b>	Meeting held prior to distribution of SC Agenda
<b>North Metropolitan Zone</b>	WALGA recommendation supported
<b>Northern Country Zone</b>	WALGA recommendation supported
<b>Peel Zone</b>	WALGA recommendation supported
<b>Pilbara Zone</b>	WALGA recommendation supported
<b>South East Metropolitan Zone</b>	WALGA recommendation supported
<b>South Metropolitan Zone</b>	WALGA recommendation supported
<b>South West Country Zone</b>	WALGA recommendation supported

#### CENTRAL METROPOLITAN ZONE

That additional comment be added to the State Council Recommendation as Item 3:

- “3. Consideration should be given to ensuring that the document reflects a whole-of-Government approach to planning for Central Perth, by embedding additional aspirational information from other State Government agencies to achieve greater consistency across Government agencies.”

#### **SECRETARIAT COMMENT**

The Central Metropolitan Zone’s comment has been included in the composite recommendation.



**Moved** Cr K Trent  
**Seconded** Cr J Davidson

**That:**

- 1. The interim submission to the WA Planning Commission on the Capital City Planning Framework is endorsed;**
- 2. Further consultation with the Local Government sector be undertaken by the State Government in regard to the implementation of the Capital City Planning Framework actions; and**
- 3. Consideration should be given to ensuring that the document reflects a whole-of-Government approach to planning for Central Perth, by embedding additional aspirational information from other State Government agencies to achieve greater consistency across Government agencies.**

**RESOLUTION 141.7/2011**

**CARRIED**

Mayor Kenyon entered the meeting at 5.25pm



**5.4 Review of State Planning Policy 3.1 – Residential Design Codes (R-Codes) (05-015-02-0002 VJ)**

**WALGA RECOMMENDATION**

That:

1. The interim submission to the WA Planning Commission on the review of State Planning Policy 3.1 – Residential Design Codes (R-Codes) is endorsed;
2. Further consultation with the Local Government sector be undertaken by the State Government, in regard to any further changes to the R-Codes following the close of the public comment period; and
3. A second draft of the R-Codes be prepared by the Department of Planning for consultation with stakeholders, prior to the document being formally considered for final approval by the WA Planning Commission and Minister for Planning.

<b>Avon Midland Country Zone</b>	WALGA recommendation supported
<b>Central Country Zone</b>	WALGA recommendation supported
<b>Central Metropolitan Zone</b>	WALGA recommendation supported
<b>East Metropolitan Zone</b>	WALGA recommendation supported
<b>Gascoyne Zone</b>	WALGA recommendation supported
<b>Goldfields Esperance Country Zone</b>	WALGA recommendation supported
<b>Great Eastern Country Zone</b>	WALGA recommendation supported
<b>Great Southern Country Zone</b>	WALGA recommendation supported
<b>Kimberley Zone</b>	WALGA recommendation supported
<b>Murchison Country Zone</b>	Meeting held prior to distribution of SC Agenda
<b>North Metropolitan Zone</b>	WALGA recommendation supported
<b>Northern Country Zone</b>	WALGA recommendation supported
<b>Peel Zone</b>	WALGA recommendation supported
<b>Pilbara Zone</b>	WALGA recommendation supported
<b>South East Metropolitan Zone</b>	WALGA recommendation supported
<b>South Metropolitan Zone</b>	WALGA recommendation supported
<b>South West Country Zone</b>	WALGA recommendation supported

**Moved: Mayor R Yuryevich**  
**Seconded: President Cr W Barrett**

That:

1. The interim submission to the WA Planning Commission on the review of State Planning Policy 3.1 – Residential Design Codes (R-Codes) is endorsed;
2. Further consultation with the Local Government sector be undertaken by the State Government, in regard to any further changes to the R-Codes following the close of the public comment period; and
3. A second draft of the R-Codes be prepared by the Department of Planning for consultation with stakeholders, prior to the document being formally considered for final approval by the WA Planning Commission and Minister for Planning.

**RESOLUTION 142.7/2011**

**CARRIED**



**5.5 Submission for the Draft Referral Guidelines for Three Species of Western Australian Black Cockatoos (05-014-01-0003 JS)**

**WALGA RECOMMENDATION**

That the submission for the 'Draft Referral Guidelines for Three Species of Western Australian Black Cockatoos' be endorsed.

<b>Avon Midland Country Zone</b>	WALGA recommendation supported
<b>Central Country Zone</b>	WALGA recommendation supported
<b>Central Metropolitan Zone</b>	WALGA recommendation supported
<b>East Metropolitan Zone</b>	WALGA recommendation supported
<b>Gascoyne Zone</b>	WALGA recommendation supported
<b>Goldfields Esperance Country Zone</b>	WALGA recommendation supported
<b>Great Eastern Country Zone</b>	WALGA recommendation supported
<b>Kimberley Zone</b>	WALGA recommendation supported
<b>Murchison Country Zone</b>	Meeting held prior to distribution of SC Agenda
<b>North Metropolitan Zone</b>	WALGA recommendation supported
<b>Northern Country Zone</b>	WALGA recommendation supported
<b>Peel Zone</b>	WALGA recommendation supported
<b>Pilbara Zone</b>	WALGA recommendation supported
<b>South East Metropolitan Zone</b>	WALGA recommendation supported
<b>South Metropolitan Zone</b>	WALGA recommendation supported
<b>South West Country Zone</b>	WALGA recommendation supported

**GREAT SOUTHERN ZONE**

The Zone endorses the WALGA Submission but strongly objects to the draft referral guidelines.

**SECRETARIAT COMMENT**

The concern of smaller Local Governments on the resources required to meet these guidelines has been included in the submission.

**Moved: President Cr B Webster**  
**Seconded: Cr K Trent**

That the submission for the 'Draft Referral Guidelines for Three Species of Western Australian Black Cockatoos' be endorsed.

**RESOLUTION 143.7/2011**

**CARRIED**



**5.6 Enough is Enough Interpersonal Violence Prevention Strategy (05-019-03-0006 RS)**

**WALGA RECOMMENDATION**

That:

1. State Council endorse the key principles of the Crime Prevention Council's *Enough is Enough Interpersonal Violence Prevention Strategy*, being:
  - To develop a culture which reinforces that violence is unacceptable
  - That social change can be effected through influencing the attitudes and behaviour of the wider community
  - That key influencers such as parents, employers and community leaders require support in developing a community 'appetite' for change
  - That physical, cultural and social environments need support to discourage abuse of alcohol and other drugs (AOD) related violence; and
  - That social change requires a broad range of complementary strategies implemented by a wide range of stakeholders.
  
2. A draft Memorandum of Understanding between the Crime Prevention Council and the Local Government sector on the *Enough is Enough Interpersonal Violence Prevention Strategy* be presented to State Council in March 2012.

<b>Avon Midland Country Zone</b>	WALGA recommendation supported
<b>Central Country Zone</b>	WALGA recommendation supported
<b>Central Metropolitan Zone</b>	WALGA recommendation supported
<b>East Metropolitan Zone</b>	WALGA recommendation supported
<b>Gascoyne Zone</b>	WALGA recommendation supported
<b>Goldfields Esperance Country Zone</b>	WALGA recommendation supported
<b>Great Eastern Country Zone</b>	WALGA recommendation supported
<b>Great Southern Country Zone</b>	WALGA recommendation supported
<b>Kimberley Zone</b>	WALGA recommendation supported
<b>Murchison Country Zone</b>	Meeting held prior to distribution of SC Agenda
<b>North Metropolitan Zone</b>	WALGA recommendation supported
<b>Northern Country Zone</b>	WALGA recommendation supported
<b>Peel Zone</b>	WALGA recommendation supported
<b>Pilbara Zone</b>	WALGA recommendation supported
<b>South East Metropolitan Zone</b>	WALGA recommendation supported
<b>South Metropolitan Zone</b>	WALGA recommendation supported
<b>South West Country Zone</b>	WALGA recommendation supported



**Moved: Mayor R Yuryevich**  
**Seconded: President Cr W Barrett**

**That:**

- 1. State Council endorse the key principles of the Crime Prevention Council's *Enough is Enough Interpersonal Violence Prevention Strategy*, being:
  - To develop a culture which reinforces that violence is unacceptable
  - That social change can be effected through influencing the attitudes and behaviour of the wider community
  - That key influencers such as parents, employers and community leaders require support in developing a community 'appetite' for change
  - That physical, cultural and social environments need support to discourage abuse of alcohol and other drugs (AOD) related violence; and
  - That social change requires a broad range of complementary strategies implemented by a wide range of stakeholders.**
  
- 2. A draft Memorandum of Understanding between the Crime Prevention Council and the Local Government sector on the *Enough is Enough Interpersonal Violence Prevention Strategy* be presented to State Council in March 2012.**

**RESOLUTION 144.7/2011**

**CARRIED**



**5.7 Tough on Graffiti Strategy 2011-2015 (05-019-02-0004 RS)**

**WALGA RECOMMENDATION**

That the *Tough on Graffiti Strategy 2011-2015* be endorsed by State Council, subject to:

1. A review of the Juvenile Clean-Up Referral Program to ensure that its governance and processes align with Local Government standards;
2. Designing Out Crime Program and Designing Out Graffiti funding being reinstated;
3. Funding is provided to Local Government to ensure that all Local Governments can optimize the functionality of the Goodbye Graffiti website;
4. A commitment from the Taskforce and local and district Police to improve Local Government access to graffiti crime statistics;
5. Greater commitment from State agencies, and utilities to report on their key performance indicators for graffiti management;
6. Utilities commitment to achieving the graffiti removal targets as outlined in *Premier's Circular 2006*.

Avon Midland Country Zone	WALGA recommendation supported
Central Country Zone	WALGA recommendation supported
Central Metropolitan Zone	WALGA recommendation supported
East Metropolitan Zone	WALGA recommendation supported
Gascoyne Zone	WALGA recommendation supported
Goldfields Esperance Country Zone	WALGA recommendation supported
Great Eastern Country Zone	WALGA recommendation supported
Great Southern Country Zone	WALGA recommendation supported
Kimberley Zone	WALGA recommendation supported
Murchison Country Zone	Meeting held prior to distribution of SC Agenda
North Metropolitan Zone	WALGA recommendation supported
Northern Country Zone	WALGA recommendation supported
Peel Zone	WALGA recommendation supported
Pilbara Zone	WALGA recommendation supported
South Metropolitan Zone	WALGA recommendation supported
South West Country Zone	WALGA recommendation supported

**SOUTH EAST METROPOLITAN ZONE**

That the *Tough on Graffiti Strategy 2011-2015* NOT be endorsed by State Council, until the following outstanding issues have been actioned:

1. A review of the Juvenile Clean-Up Referral Program to ensure that its governance and processes align with Local Government standards
2. Designing Out Crime Program and Designing Out Graffiti funding being reinstated
3. Funding is provided to Local Government to ensure that all Local Governments can optimize the functionality of the Goodbye Graffiti website
4. A commitment from the Taskforce and local and district Police to improve Local Government access to graffiti crime statistics
5. Greater commitment from State agencies, and utilities to report on their key performance indicators for graffiti management, and
6. Utilities' commitment to achieving the graffiti removal targets as outlined in Premier's Circular 2006.

**SECRETARIAT COMMENT**

The majority of Zones support the WALGA submission.



**Moved:** Mayor R Yuryevich  
**Seconded:** President Cr W Barrett

**That the *Tough on Graffiti Strategy 2011-2015* be endorsed by State Council, subject to:**

- 1. A review of the Juvenile Clean-Up Referral Program to ensure that its governance and processes align with Local Government standards;**
- 2. Designing Out Crime Program and Designing Out Graffiti funding being reinstated;**
- 3. Funding is provided to Local Government to ensure that all Local Governments can optimize the functionality of the Goodbye Graffiti website;**
- 4. A commitment from the Taskforce and local and district Police to improve Local Government access to graffiti crime statistics;**
- 5. Greater commitment from State agencies, and utilities to report on their key performance indicators for graffiti management;**
- 6. Utilities commitment to achieving the graffiti removal targets as outlined in *Premier's Circular 2006*.**

**RESOLUTION 145.7/2011**

**CARRIED**



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**MATTERS FOR CONSIDERATION BY STATE COUNCILLORS  
(UNDER SEPARATE COVER)**

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**5.8 Local Government Self Insurance Schemes Board Membership (07-007-01-0004 JP)**

*By Ricky Burges, Chief Executive Officer*

Cr Kelly declared an interest in the following item as Chairman of the Board and offered to leave the meeting during the deliberation of this item. However the general consensus was that his comments would be welcome by the members and that his interest was not considered a conflict. Cr Kelly endorsed the recommendation to re-appoint Mr Freemantle as Director of the LG Self Insurance Schemes Board.

**Moved: Mayor H Zelones  
Seconded: Cr D Thompson**

**That State Council re-appoint Mr Jim Freemantle as an independent Director to the Local Government Self Insurance Schemes Board for a term of 3 years to 1 February 2015.**

**RESOLUTION 146.7/2011**

**CARRIED UNANIMOUSLY**

**5.9 Proposal for the 2012 Regional Meeting of State Council (01-004-02-0002 JD)**

*By Tony Brown, Executive Manager Governance & Strategy*

**Moved: President Cr W Barrett  
Seconded: Cr D Michael**

**That the annual Regional State Council meeting for 2012 be held on Wednesday 2 and Thursday 3 May in Mandurah, with a regional forum to be held with Councils from the Peel Country Zone.**

**RESOLUTION 147.7/2011**

**CARRIED**

**5.10 Use of the Association's Common Seal (01-004-07-0001 RB)***By Ricky Burges, Chief Executive Officer***Moved: Mayor C Adams****Seconded: Cr L Short****That the use of the Association's common seal for the following purposes be noted:**

<b>Document</b>	<b>Document Description</b>	<b>Signatory</b>	<b>State Council prior approval</b>
<b>Offer &amp; Acceptance Borrowings Local Government House Trust</b>	<b>Offer &amp; Acceptance</b>	<ul style="list-style-type: none"> <li>• Bankwest</li> <li>• WALGA President, Mayor Troy Pickard</li> <li>• WALGA CEO, Ricky Burges</li> </ul>	<b>No</b>
<b>Extension of Licence 15 &amp; 17 Altona St, West Perth</b>	<b>Extension of Licence</b>	<ul style="list-style-type: none"> <li>• Jardine Lloyd Thomson</li> <li>• WALGA President, Mayor Troy Pickard</li> <li>• WALGA CEO, Ricky Burges</li> </ul>	<b>No</b>
<b>Extension of Licence Whole levels 1 &amp; 2 17 Altona St and Part Level 1 and Unit 1, Level 3, 15 Altona St</b>	<b>Extension of Licence</b>	<ul style="list-style-type: none"> <li>• Jardine Lloyd Thomson</li> <li>• WALGA President, Mayor Troy Pickard</li> <li>• WALGA CEO, Ricky Burges</li> </ul>	<b>No</b>
<b>Mortgage Lot 102 on diagram 67528</b>	<b>Mortgage</b>	<ul style="list-style-type: none"> <li>• Bank of Western Australia Ltd (Bankwest)</li> <li>• WALGA President, Mayor Troy Pickard</li> <li>• WALGA CEO, Ricky Burges</li> </ul>	<b>No</b>
<b>Mortgage of Business – Details</b>	<b>Mortgage</b>	<ul style="list-style-type: none"> <li>• Bank of Western Australia Ltd (Bankwest6)</li> <li>• WALGA President, Mayor Troy Pickard</li> <li>• WALGA CEO, Ricky Burges</li> </ul>	<b>No</b>
<b>Set-off Agreement</b>	<b>Set-off Agreement</b>	<ul style="list-style-type: none"> <li>• Bank of Western Australia Ltd (Bankwest)</li> <li>• WALGA President, Mayor Troy Pickard</li> <li>• WALGA CEO, Ricky Burges</li> </ul>	<b>No</b>
<b>Set Off and Security Deed</b>	<b>Set Off and Security Deed</b>	<ul style="list-style-type: none"> <li>• Bank of Western Australia (Bankwest)</li> <li>• WALGA President, Mayor Troy Pickard</li> <li>• WALGA CEO, Ricky Burges</li> </ul>	<b>No</b>
<b>Grant Agreement – Integrated Planning &amp; Reporting Training for Local Government Elected Members</b>	<b>Grant Agreement</b>	<ul style="list-style-type: none"> <li>• Department of Local Government</li> <li>• WALGA President, Mayor Troy Pickard</li> <li>• WALGA CEO, Ricky Burges</li> </ul>	<b>No</b>

**RESOLUTION 148.7/2011****CARRIED**



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**5.11 Finance & Services Committee Minutes – Under Separate Cover (01-006-03-0006 NW)**

*By Nick Wood, Executive Manager, Corporate Business Solutions*

**Moved:** Cr G Godfrey  
**Seconded:** President Cr W Barrett

That the minutes of Finance & Services Committee meeting of 23 November 2011 be received.

**RESOLUTION 149.7/2011**

**CARRIED**

**5.12 Selection Committee Update September 2011 (01-006-03-0011 JD)**

*By Janet Done, Executive Officer Governance and Strategy*

Mayor Yuryevich, Mayor Adams, Cr Kelly and Mayor Zelones had previously declared an interest in the following item as they are nominees for various committees and left the meeting at 5.51pm.

**Moved:** President Cr S Martin  
**Seconded:** Cr J Davidson

**That:**

1. the advisory recommendations detailed in the Selection Committee Minutes dated 23 November 2011 be endorsed;
2. the resolutions made under delegated authority in the Selection Committee Minutes dated 23 November 2011 be noted; and
3. State Council grant the Selection Committee delegated authority to undertake the nomination and selection process for the Local Government Standards Panel and WAPC Metropolitan Member and Deputy Metropolitan Member positions by 18 January 2012.

**RESOLUTION 150.7/2011**

**CARRIED**

Cr Winzer entered the meeting at 5.52pm

Mayor Yuryevich, Mayor Adams, Cr Kelly and Mayor Zelones returned to the meeting at 6.06pm.



## **6. MATTERS FOR NOTING / INFORMATION**

### **6.1 Constitutional Recognition (05-074-03-0001 WFS)**

#### **WALGA RECOMMENDATION**

That the submission to the Expert Panel on the Constitutional Recognition of Local Government be noted.

<b>Avon Midland Country Zone</b>	WALGA recommendation noted
<b>Central Country Zone</b>	WALGA recommendation noted
<b>Central Metropolitan Zone</b>	WALGA recommendation noted
<b>East Metropolitan Zone</b>	WALGA recommendation noted
<b>Gascoyne Zone</b>	WALGA recommendation noted
<b>Goldfields Esperance Country Zone</b>	WALGA recommendation noted
<b>Great Eastern Country Zone</b>	WALGA recommendation noted
<b>Great Southern Country Zone</b>	WALGA recommendation noted
<b>Kimberley Zone</b>	WALGA recommendation noted
<b>Murchison Country Zone</b>	Meeting held prior to distribution of SC Agenda
<b>North Metropolitan Zone</b>	WALGA recommendation noted
<b>Northern Country Zone</b>	WALGA recommendation noted
<b>Peel Zone</b>	WALGA recommendation noted
<b>Pilbara Zone</b>	WALGA recommendation noted
<b>South East Metropolitan Zone</b>	WALGA recommendation noted
<b>South Metropolitan Zone</b>	WALGA recommendation noted
<b>South West Country Zone</b>	WALGA recommendation noted

**Moved: Mayor H Zelones**  
**Seconded: President Cr W Barrett**

That the submission to the Expert Panel on the Constitutional Recognition of Local Government be noted.

**RESOLUTION 151.7/2011**

**CARRIED**



## 6.2 State Budget Submission (05-088-03-0001WS)

### WALGA RECOMMENDATION

That State Council note the content of the State Budget Submission.

Avon Midland Country Zone	WALGA recommendation noted
Central Country Zone	WALGA recommendation noted
Central Metropolitan Zone	WALGA recommendation noted
East Metropolitan Zone	WALGA recommendation noted
Gascoyne Zone	WALGA recommendation noted
Goldfields Esperance Country Zone	WALGA recommendation noted
Great Eastern Country Zone	WALGA recommendation noted
Great Southern Country Zone	WALGA recommendation noted
Kimberley Zone	WALGA recommendation noted
Murchison Country Zone	Meeting held prior to distribution of SC Agenda
North Metropolitan Zone	WALGA recommendation noted
Northern Country Zone	WALGA recommendation noted
Peel Zone	WALGA recommendation noted
Pilbara Zone	WALGA recommendation noted
South East Metropolitan Zone	WALGA recommendation noted
South Metropolitan Zone	WALGA recommendation noted
South West Country Zone	WALGA recommendation noted

### SECRETARIAT COMMENT

There has been a slight amendment to the State Budget Submission, to include a request for funding for street lighting infrastructure.

Moved: Cr J Davidson  
Seconded: President Cr W Barrett

That State Council note the content of the State Budget Submission, as amended.

RESOLUTION 152.7/2011

CARRIED UNANIMOUSLY



### 6.3 Local Government Services Delivery to Discrete Aboriginal Communities (05-032-02-0010 JH)

#### WALGA RECOMMENDATION

That State Council note that:

1. The 22 Local Government's with Discrete Aboriginal Communities continue to express concern with the proposed transition of Local Government services to Local Government by July 2012, as contained in the National Partnership Agreement on Remote Aboriginal Housing; and
2. WALGA will be hosting a forum on 5 December 2011 with the affected Local Governments. The forum will discuss Local Government positions, the outcomes of the costing and scoping exercises, and an action plan, including the development of a sector agreement to take to Commonwealth and State Government negotiations.

Avon Midland Country Zone	WALGA recommendation noted
Central Country Zone	WALGA recommendation noted
Central Metropolitan Zone	WALGA recommendation noted
East Metropolitan Zone	WALGA recommendation noted
Gascoyne Zone	WALGA recommendation noted
Goldfields Esperance Country Zone	WALGA recommendation noted
Great Eastern Country Zone	WALGA recommendation noted
Great Southern Country Zone	WALGA recommendation noted
Kimberley Zone	WALGA recommendation noted
Murchison Country Zone	Meeting held prior to distribution of SC Agenda
North Metropolitan Zone	WALGA recommendation noted
Northern Country Zone	WALGA recommendation noted
Peel Zone	WALGA recommendation noted
South East Metropolitan Zone	WALGA recommendation noted
South Metropolitan Zone	WALGA recommendation noted
South West Country Zone	WALGA recommendation noted

#### PILBARA COUNTRY ZONE

That State Council note that:

1. The 22 Local Government's with Discrete Aboriginal Communities continue to express grave concern with the proposed transition of Local Government services to Local Government by July 2012, as contained in the National Partnership Agreement on Remote Aboriginal Housing; and

#### **SECRETARIAT COMMENT**

The Pilbara Country Zone's comment has been incorporated in the Composite Recommendation.

'Municipal' services more appropriately describes the phrase used in the National Partnership Agreement on Remote Aboriginal Housing.

#### Update

The Forum was held on 5 December 2011 and the following Composite Recommendation has been amended to reflect the meeting outcome.



Moved: President Cr Craigie  
Seconded: President Cr Campbell

That State Council note that:

1. The 22 Local Government's with Discrete Aboriginal Communities continue to express grave concern with the proposed transition of 'municipal' services to Local Government by July 2012, as contained in the National Partnership Agreement on Remote Aboriginal Housing; and
2. WALGA hosted a forum on 5 December 2011 with the affected Local Governments during which a draft Local Government position was considered for future endorsement by State Council and subsequent presentation to State and Commonwealth Governments.

**Amendment**

Moved: Cr D Thompson  
Seconded: President Cr B Webster

1. The State Council supports the 22 Local Government's with Discrete Aboriginal Communities in their expression of grave concern with the proposed transition of 'municipal' services to Local Government by July 2012, as contained in the National Partnership Agreement on Remote Aboriginal Housing; and
2. A draft Local Government position be considered for future endorsement by State Council and subsequent presentation to State and Commonwealth Governments.

**CARRIED**

**THE AMENDMENT BECAME THE MOTION AND WAS**

**RESOLUTION 153.7/2011**

**CARRIED UNANIMOUSLY**



## 6.4 Keelty Inquiry Implementation Committee Restructure (05-024-03-0025 JL)

### WALGA RECOMMENDATION

That State Council note the restructure of the Keelty Inquiry Implementation Committee.

Avon Midland Country Zone	WALGA recommendation noted
Central Country Zone	WALGA recommendation noted
Central Metropolitan Zone	WALGA recommendation noted
East Metropolitan Zone	WALGA recommendation noted
Gascoyne Zone	WALGA recommendation noted
Goldfields Esperance Country Zone	WALGA recommendation noted
Great Eastern Country Zone	WALGA recommendation noted
Great Southern Country Zone	WALGA recommendation noted
Murchison Country Zone	Meeting held prior to distribution of SC Agenda
North Metropolitan Zone	WALGA recommendation noted
Northern Country Zone	WALGA recommendation noted
Peel Zone	WALGA recommendation noted
Pilbara Zone	WALGA recommendation noted
South East Metropolitan Zone	WALGA recommendation noted
South Metropolitan Zone	WALGA recommendation noted
South West Country Zone	WALGA recommendation noted

### KIMBERLEY ZONE

That the Zone advises the State Council in relation to Item 6.4 – Keelty Inquiry Implementation Committee Restructure - on State Council Agenda that it resolved the following and seeks State Council support for alternative arrangements to be made available.

1. That the Kimberley Country Zone adopt a position of:
  - o Opposing the imposition of state-wide institutional arrangements, pointing out that vastly different circumstances prevail in different parts of the State; and
  - o Lobbying for the establishment of a single, well-resourced and skilled fire control body for the Kimberley region.

### SECRETARIAT COMMENT

The Kimberley Country Zone's comment is noted.

Moved: Cr J Davidson  
Seconded: President Cr W Barrett

That State Council note the restructure of the Keelty Inquiry Implementation Committee.

RESOLUTION 154.7/2011

CARRIED UNANIMOUSLY



## 6.5 Transfer of Responsibility for Fire Hydrants (05-024-02-0029 JL)

### WALGA RECOMMENDATION

That State Council note talks have recommenced on the transfer of ownership of fire hydrants located outside Gazetted Fire Districts from Local Government to the water providers.

Avon Midland Country Zone	WALGA recommendation noted
Central Country Zone	WALGA recommendation noted
Central Metropolitan Zone	WALGA recommendation noted
East Metropolitan Zone	WALGA recommendation noted
Gascoyne Zone	WALGA recommendation noted
Goldfields Esperance Country Zone	WALGA recommendation noted
Great Eastern Country Zone	WALGA recommendation noted
Great Southern Country Zone	WALGA recommendation noted
Kimberley Country Zone	WALGA recommendation noted
Murchison Country Zone	Meeting held prior to distribution of SC Agenda
North Metropolitan Zone	WALGA recommendation noted
Northern Country Zone	WALGA recommendation noted
Peel Zone	WALGA recommendation noted
Pilbara Zone	WALGA recommendation noted
South East Metropolitan Zone	WALGA recommendation noted
South Metropolitan Zone	WALGA recommendation noted
South West Country Zone	WALGA recommendation noted

Moved: Cr J Davidson  
Seconded: President Cr W Barrett

That State Council note talks have recommenced on the transfer of ownership of fire hydrants located outside Gazetted Fire Districts from Local Government to the water providers.

**RESOLUTION 155.7/2011**

**CARRIED UNANIMOUSLY**



## 6.6 Local Government Risk and Resilience Project (05-024-02-0006 JH)

### WALGA RECOMMENDATION

That State Council notes the Local Government *Risk and Resilience Pilot Project* between WALGA, Local Government Insurance Services (LGIS) and Emergency Management Western Australia (EMWA).

Avon Midland Country Zone	WALGA recommendation noted
Central Country Zone	WALGA recommendation noted
Central Metropolitan Zone	WALGA recommendation noted
East Metropolitan Zone	WALGA recommendation noted
Gascoyne Zone	WALGA recommendation noted
Goldfields Esperance Country Zone	WALGA recommendation noted
Great Eastern Country Zone	WALGA recommendation noted
Great Southern Country Zone	WALGA recommendation noted
Kimberley Zone	WALGA recommendation noted
Murchison Country Zone	Meeting held prior to distribution of SC Agenda
North Metropolitan Zone	WALGA recommendation noted
Northern Country Zone	WALGA recommendation noted
Peel Zone	WALGA recommendation noted
Pilbara Zone	WALGA recommendation noted
South East Metropolitan Zone	WALGA recommendation noted
South Metropolitan Zone	WALGA recommendation noted
South West Country Zone	WALGA recommendation noted

Moved: Cr J Davidson  
Seconded: President Cr W Barrett

That State Council notes the Local Government *Risk and Resilience Pilot Project* between WALGA, Local Government Insurance Services (LGIS) and Emergency Management Western Australia (EMWA).

**RESOLUTION 156.7/2011**

**CARRIED UNANIMOUSLY**



**6.7 Local Government Safe System Project, Phase Two Project Plan 2011-2014  
(065-049-01-0002 AS, LRW, RW)**

**WALGA RECOMMENDATION**

**That the Local Government Safe System Project, Phase Two Project Plan 2011-2014 be noted.**

<b>Avon Midland Country Zone</b>	WALGA recommendation noted
<b>Central Country Zone</b>	WALGA recommendation noted
<b>Central Metropolitan Zone</b>	WALGA recommendation noted
<b>East Metropolitan Zone</b>	WALGA recommendation noted
<b>Gascoyne Zone</b>	WALGA recommendation noted
<b>Goldfields Esperance Country Zone</b>	WALGA recommendation noted
<b>Great Eastern Country Zone</b>	WALGA recommendation noted
<b>Great Southern Country Zone</b>	WALGA recommendation noted
<b>Kimberley Zone</b>	WALGA recommendation noted
<b>Murchison Country Zone</b>	Meeting held prior to distribution of SC Agenda
<b>North Metropolitan Zone</b>	WALGA recommendation noted
<b>Northern Country Zone</b>	WALGA recommendation noted
<b>Peel Zone</b>	WALGA recommendation noted
<b>Pilbara Zone</b>	WALGA recommendation noted
<b>South East Metropolitan Zone</b>	WALGA recommendation noted
<b>South Metropolitan Zone</b>	WALGA recommendation noted
<b>South West Country Zone</b>	WALGA recommendation noted

**Moved: Cr J Davidson  
Seconded: President Cr W Barrett**

**That the Local Government Safe System Project, Phase Two Project Plan 2011-2014 be noted.**

**RESOLUTION 157.7/2011**

**CARRIED UNANIMOUSLY**

Cr Kelly left the meeting at 6.33pm and returned at 6.35pm



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## **7. ORGANISATIONAL REPORTS**

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### **7.1 Key Activity Reports**

<b>7.1.1 Report on Key Activities, Environment and Waste (01-006-03-0017 MJB)</b>
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Moved: President Cr L Craigie  
Seconded: Cr L Short

That the Key Activities Report from the Environment and Waste Unit to the December 2011 State Council meeting be noted.

**RESOLUTION 158.7/2011**

**CARRIED UNANIMOUSLY**

<b>7.1.2 Report on Key Activities, Governance and Strategy (01-006-03-0007 TB)</b>
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Moved: President Cr L Craigie  
Seconded: Cr L Short

That the Key Activities Report from the Governance and Strategy Unit to the December 2011 State Council meeting be noted.

**RESOLUTION 159.7/2011**

**CARRIED UNANIMOUSLY**

<b>7.1.3. Report on Key Activities, Infrastructure (05-001-02-0003 ID)</b>
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Moved: President Cr L Craigie  
Seconded: Cr L Short

That the Key Activities Report from the Infrastructure Unit to the December 2011 State Council meeting be noted.

**RESOLUTION 160.7/2011**

**CARRIED UNANIMOUSLY**

<b>7.1.4 Report on Key Activities, Planning and Community Development (01-006-03-0014 AH)</b>
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Moved: President Cr L Craigie  
Seconded: Cr L Short

That the Key Activities Report from the Planning and Community Development Unit to December 2011 State Council meeting be noted.

**RESOLUTION 161.7/2011**

**CARRIED UNANIMOUSLY**



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**7.2 Policy Forum Report (01-006-03-0007 TB)**

**Moved: President Cr L Craigie**  
**Seconded: Cr L Short**

**That the report on the key activities of the Association's Policy Forums to the December 2011 State Council meeting be noted.**

**RESOLUTION 162.7/2011**

**CARRIED UNANIMOUSLY**

Cr Treby left the meeting at 6.40pm and returned at 6.42pm

---

**7.3 President's Report**

**Moved: President Cr S Broad**  
**Seconded: President Cr E O'Connell**

**That the President's Report for December 2011 be received.**

**RESOLUTION 163.7/2011**

**CARRIED UNANIMOUSLY**

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**7.4 CEO's Report**

**Moved: President Cr S Broad**  
**Seconded: President Cr E O'Connell**

**That the CEO's Report for December 2011 be received.**

**RESOLUTION 164.7/2011**

**CARRIED UNANIMOUSLY**



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## 8. ADDITIONAL ZONE RESOLUTIONS

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Moved: Cr G Godfrey  
Seconded: Cr J Davidson

That the additional Zone Resolutions from the December 2011 round of Zones meetings as follows be referred to the appropriate policy area for consideration.

RESOLUTION 165.7/2011

CARRIED UNANIMOUSLY

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### GREAT EASTERN COUNTRY ZONE

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***Television Rebroadcasting Services – Shire of Koorda (Planning and Community Development)***

That WALGA lobby the Federal Government for Local Governments to have the option of accessing the Satellite Subsidy Scheme funds for upgrading of self-help television rebroadcasting services in favour of the VAST installations in every household.

***Patient Transfers – Shire of Mukinbudin (Planning and Community Development)***

That WALGA highlight the Zone's concerns in relation to the strain on volunteer ambulance services and officers through increased requests for ambulance assisted patient transfer services and request that WALGA investigate whether this issue is one of wide spread concern across other non-metropolitan Zones.

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### CENTRAL COUNTRY ZONE

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***SMS Broadcasting – Shire of Wickepin (Planning and Community Development)***

That the Central Country Zone request WALGA to negotiate a tailored industry rate with Telstra for the provision of desktop SMS service utilised by many local governments in delivering vital emergency service and community service messages, further that the rate per message sought be in the vicinity of \$0.05 per message packaged under existing WALGA/Telstra local government industry contract.

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### EAST METROPOLITAN ZONE

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***Local Government Act – Councillor Entitlements and Gifts (Governance and Strategy)***

That the East Metropolitan Zone move that WALGA State Council resolve to:

1. Lobby the Minister for Local Government and the Department of Local Government to review the inequitable Local Government Act in regard to Councillor entitlements and gifts.
2. Ask Council to contact their Local Members and lobby for a change to the laws.

***Premiers Circular 2010-02 Payments to Public Servants on Boards and Committees (Governance and Strategy)***

The East Metropolitan Zone move that WALGA State Council resolve to:

1. Conduct a survey of Councils to ascertain how many Councillors have been adversely affected by the Premiers Circular 2010-02 Payments to Public Servants on Boards and Committees (this should also include Councillors that did not nominate for a Board or Committee because of the Circular).
2. Lobby the Premier, Minister for Local Government, Public Sector Commissioner and the Department of Premier and Cabinet to stop the discrimination practice against Public Servants,



3. Lobby for a change to the Circular that allows Public servants that are representing their LG as an elected member in their own time (not representing their Government Department) to have the same entitlements as other elected members on the same board or committee.

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## **NORTH METROPOLITAN ZONE**

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### ***Request Increase in Dog Registration Fees (Governance and Strategy)***

1. That North Metropolitan Zone request that the Western Australian Local Government Association apply to the Minister for Local Government to increase dog registration fees to a more realistic level.
2. That the North Metropolitan Zone strongly supports an increase in the penalties for unregistered dogs.

### ***Municipal Solid Waste Management (Environment and Waste)***

That the North Metropolitan Zone Committee recommends to the WALGA State Council that it give consideration to advocating to the State Government that it assist Local Governments with Municipal Solid Waste management issues and provide support in consideration of:

1. The severe funding pressures Local Governments incur in delivering Municipal Solid Waste services, and particularly for Resource Recovery Facility projects, and the concern that the current situation is not sustainable;
2. Direct financial assistance for Local Governments with Resource Recovery Facilities by the State Government as a matter of urgency, to address the severe financial difficulties being created by the operation and acquisition of these facilities;
3. The reintroduction of the Resource Recovery Rebate Scheme, with an increase in the proportion of landfill levy revenue dedicated to waste management from 25% to 100%.

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## **PEEL ZONE**

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### ***October 2011 State Council Item 5.10 – State Community Crime Prevention Plan 2011-2014 (Planning and Community Development)***

That the Peel Zone requests WALGA conduct an assessment of CCTV infrastructure requirements across all zones and arrive at a suitable figure to put to the State Government.

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## **SOUTH EAST METROPOLITAN ZONE**

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### ***Recommendations for Keelty Report (Planning and Community Development)***

That South East Metropolitan Zone recommends to WALGA that they:

1. Use the expertise within the Local Governments most likely to be affected by the proposed high fire prone area designations in its representations for proposed planning and regulatory changes; and
2. Make very strong representations through its role on advisory groups regarding the high level of consultation required with both the affected Local Government and State agencies such as the Water Corporation, before any proposed Emergency Services Levy boundary changes.

### ***South East Sector Public Transport (Infrastructure)***

That WALGA:

1. Recognises the need for a safe and reliable public transport service to serve the greater Perth metropolitan area.
2. Support the Local Governments served by the Perth-Fremantle, Perth-Midland and Perth-Armadale commuter rail –lines in seeking State Government in modernizing both lines, ensuring a state-of-the-art public transport service, similar to that provided on the new north-south service.
3. Encourage all local governments served by the Perth rail network to work with relevant State agencies in resolving issues that discourage citizens from using public transport as their preferred travel option.



4. That Mayors of the South East Metropolitan Zone seek a deputation to the Minister for Transport, Hon Troy Buswell to discuss a range of issues including renaming the line, infrastructure upgrades, security, and parking
5. That Mayors of the South East Metropolitan Zone brief local Members of Parliament pending the outcomes of the ministerial meeting.

## **9. MEETING ASSESSMENT**

Cr Simon Broad provided feedback on the effectiveness of the meeting.

## **10. DATE OF NEXT MEETINGS**

10.1 A Special Meeting of the Western Australia Local Government Association State Council will be held in the Boardroom at WALGA, 15 Altona Street West Perth, on Monday 30 January 2012 commencing 5pm.

10.2 The next Ordinary Meeting of the Western Australia Local Government Association State Council will be held in the Boardroom at WALGA, 15 Altona Street West Perth, on Wednesday 7 March 2012 commencing 5pm.

## **11. ACKNOWLEDGEMENT OF RETIRING STATE COUNCILLORS**

The President acknowledged the following State Councillors for their invaluable commitment, dedication and contribution to the Western Australian Local Government Association State Council:

**Cr Brian Warner** - As State Councillor from October 2008 to October 2011

**Cr Brett Treby** - As State Councillor from February 2010 to March 2012.

**Mayor Cr Terry Kenyon** - As State Councillor from February 2010 to March 2012.

**Cr Paul Kelly** - As State Councillor from 2001 to March 2012 and Deputy President 2004 - 2005

**President Cr Steve Martin** - As State Councillor from March 2007 to March 2012 and Deputy President 2010 - 2012

## **12. CLOSURE**

The President thanked all State Councillors and the WALGA Executive Team for their contributions over the past 12 months and wished everyone and their families a safe and happy Christmas and New Year.

There being no further business, the President closed the meeting at 7.17pm.



# MINUTES

ORDINARY COUNCIL MEETING

TIME: 5.30PM

8 DECEMBER 2011

TOWN OF VICTORIA PARK

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*Managing waste and recovering resources*

*Constituent Members: Cities of Perth, Joondalup, Stirling, Vincent and Wanneroo  
Towns of Cambridge and Victoria Park*



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**1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS**

*Chairman declared meeting open at 5.30pm.*

**2 ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE****PRESENT: Chairman**

Cr R Fishwick  
Cr D Boothman  
Cr R Butler (*arrived 5.45pm*)  
Cr S Cooke  
Cr L Gray JP  
Cr K Hayes  
Cr K Hollywood  
Cr A MacTiernan (*arrived 5.50pm*)  
Cr D Newton JP  
Cr J Robbins  
Cr B Stewart  
Cr S Withers

**APOLOGIES:**

Nil

**IN ATTENDANCE:**

Mindarie Regional Council Officers

J Bonker  
K Dhillon  
L Nyssen  
M Tolson

A/Chief Executive Officer

Member Council Officers

K Cagle  
C Colyer  
G Eves  
G Flood  
D Forster  
J Giorgi  
P Hoar  
S Jardine  
S Spinks  
A Vuleta

City of Wanneroo  
Town of Cambridge  
City of Stirling  
City of Joondalup  
City of Perth  
City of Vincent  
City of Joondalup  
City of Stirling  
City of Wanneroo  
Town of Victoria Park

Consultants

Ian Watkins

**VISITORS:**

Brian Callander

**MEDIA:**

Nil

**PUBLIC:**

4

Cr Bissett has been granted leave of absence from 3 November until 18 December 2011.

**3 DECLARATION OF INTERESTS**

*Mr Watkins declared a financial interest for Consultant fees in Item 9.1.*

**4 PUBLIC QUESTION TIME**

Nil

**5 ANNOUNCEMENTS BY THE PRESIDING PERSON**

*The Chairman welcomed Cr Hayes to the meeting.*

*The Chairman welcomed Brian Callander the newly appointed CEO to the meeting.*

*The Chairman thanked the A/CEO for his valuable work and contribution to the MRC.*

*The Chairman advised that Item 10.4 and Item 10.10 have been withdrawn by the A/CEO.*

*The Chairman invited Councillors to attend a tour of the RRF the week commencing 16 January 2012. The A/CEO will forward an invitation by email.*

**6 APPLICATIONS FOR LEAVE OF ABSENCE**

Nil

**7 PETITIONS / DEPUTATIONS / PRESENTATIONS**

Deputation - Northern Districts Combined Community Groups Association (NDCCGA) Inc.

*The Chairman welcomed the Deputation from the NDCCGA and advised the rules for a deputation as per clause 3.8 of the MRC Standing Orders Local Law 2010.*

Speaker 1: Mr Mike O'Brien (Vice President NDCCGA) of 45 Aberdare Way WARWICK WA 6024 gave a background history of the association and meetings held with City of Joondalup CEO and stated that the association is seeking facilities for a Multi-Wheeled Sports Park with club rooms.

Speaker 2: Mr Joe Cox (Committee Member NDCCGA) of 1 Piper Street QUINNS ROCK WA 6030 advised that the northern metropolitan region does not have a multi cycling facility or club rooms. Various options have been looked at in the past including Joondalup Quarry.

Speaker 3: Mr Tim Argus (President NDCCGA) of 17 Portmarnock Circuit CONNOLLY WA 6027 presented a case for facilities for wheeled sports to be provided in the northwest corridor and believed Tamala Park would be a suitable location.

Backup Speaker: Mr Chris Muller (Committee Member NDCCGA) of 9 View Court EDGEWATER WA 6027

*The Chairman thanked the deputation and advised that the site would not close until 2024 and approval from the seven participant councils would be required. He recommended the Association engage a consultant to conduct a preliminary feasibility study into the suitability of the site given that it has a number of environmental, planning and heritage constraints.*

*(Cr Butler joined the meeting)*

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**8 CONFIRMATION OF MINUTES OF PREVIOUS MEETING****8.1 ORDINARY COUNCIL MEETING – 13 OCTOBER 2011**

The Minutes of the Ordinary Council Meeting held on 13 October 2011 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 13 October 2011 be confirmed as a true record of the proceedings.**

**8.2 SPECIAL COUNCIL MEETING – 26 OCTOBER 2011**

The Minutes of the Special Council Meeting held on 26 October 2011 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 26 October 2011 be confirmed as a true record of the proceedings.**

**8.3 SPECIAL COUNCIL MEETING – 17 NOVEMBER 2011**

The Minutes of the Special Council Meeting held on 17 November 2011 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 17 November 2011 be confirmed as a true record of the proceedings.**

**RESOLVED**

**Cr Butler moved, Cr Hollywood seconded**

**The recommendations for Items 8.1, 8.2 and 8.3 be adopted.**

*CARRIED UNANIMOUSLY (11/0)*

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**9 PROJECT MANAGER REPORTS**

<b>ITEM 9.1 RESOURCE RECOVERY FACILITY UPDATE REPORT</b>	
<b>File No:</b>	<b>WST/13-02 (D/11/7007)</b>
<b>Appendix(s):</b>	<b>Appendix 1 (page 2)</b>
<b>Date:</b>	<b>9 November 2011</b>
<b>Project Manager:</b>	<b>Ian Watkins</b>

Summary of activities during the reporting period 13 September 2011 to 9 November 2011. For additional information refer to Appendix 1.

Composter Structural Issues.

BioVision Board has made the decision to replace the composters. The replacement equipment is currently being designed, with installation due in early 2013.

This is good news for the MRC as this will remove all historical issues associated with the failed composters and simplify the future property insurance process.

Standstill Deed

The Second Standstill Deed has been finalised, signed by all parties and replaces the original Standstill Deed.

Waste Delivery

Waste delivery Summary for Reporting Period

<b>MONTH</b>	<b>SCHEDULED TONNES</b>	<b>DELIVERED TONNES</b>	<b>DIFFERENCE TONNES</b>
September 2011	8,800	9,474	+674
October 2011	8,400	6,991	-1,409
Total	17,200	16,465	-735

During the reporting period, the RRF Availability was reduced due to the replacement of ring tight and wear plates in the composters, resulting in 735 tonnes less than scheduled being delivered. For the Contract Year (16/7/11 to 15/7/12) waste delivery is still 579 tonnes ahead of schedule.

Waste Diversion

Waste Diversion for the past six months (March 2011 to August 2011) has been 50.9%.

Project Insurance

The Industrial Special Risks insurance policy was finalised and taken up before the 30 September 2011 deadline. The new policy has a deductible of \$250,000 or 10 working days, which is not in accordance with the RRFA (\$25,000 and 10 working days), but an improvement on the previous policy (\$1,000,000 or 30 working days).

Project Advisory Group

Following the recent Local Government elections, Cr Laura Gray has been reappointed as the MRC Project Advisory Group elected member representative. There is still a need to nominate an alternative representative.

#### Quantity of Recyclables

BioVision has recently advised that it is now able to recommence metal extraction as One Steel has agreed to take the scrap metal after it has been hand sorted (cleaned up) by Cleanaway.

#### **VOTING REQUIREMENT**

Simple Majority

#### **RESPONSIBLE OFFICER RECOMMENDATION**

1. **The information on the RRF project for the period 13 August 2011 to 9 November 2011 be received.**
2. **Councillor..... be appointed as the MRC Alternative Representative on the Project Advisory Group.**

#### **RESOLVED**

**Cr Gray moved, Cr Cooke seconded**

**That the recommendation be adopted with the appointment of Cr Newton in recommendation 2 and the inclusion of new point 3, as follows:**

3. **Althea Malligan who has resigned from the Community Engagement Advisory Group after 7 years of service be thanked for her valuable contribution to the Mindarie Regional Council.**

*CARRIED UNANIMOUSLY (11/0)*

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**10 CHIEF EXECUTIVE OFFICER REPORTS**

<b>ITEM 10.1 BUSINESS INFORMATION REPORT</b>	
<b>File No:</b>	<b>COR/8/02 (D/11/7008)</b>
<b>Appendix(s):</b>	<b>Nil</b>
<b>Date:</b>	<b>23 November 2011</b>
<b>Responsible Officer:</b>	<b>CEO</b>

**Process Review Committee**

The Committee overseeing the organisational review held a briefing meeting with Morrison Low Consultants on Wednesday 2 November 2011. The Committee met with them again on 24 November 2011.

Morrison Low anticipate the draft report will be completed in early 2012.

**City of Stirling Withdrawal** (Refer separate report)**New Establishment Agreement** (Refer separate report)**Communications and Education Report – September/October 2011**

This is the start of the Spring fair, fete and festival season presenting the MRC with many great opportunities to mingle and get the waste messages out there. This outreach program being the focus of the MRC activity in the current budget climate with other project areas being scaled back.

The following are some of the key activities and happenings that occurred during September/October.

Tours

Thirty three tours of the MRC facilities took place by school and community groups with groups coming from all Member Council areas.

The Roaming Recycler waste education display

The Roaming Recycler display was out at 10 events during this period.

This included the week long Perth Royal Show where we teamed with the other Regional Councils and Earth Carers display at the four day Conscious Living Expo.

The display continues to be developed to engage people when visiting. New items include:

- The game 'Chutes and Conveyors', based on the 'snakes and ladders' game only with a waste and recycling theme.
- Little soldier, made of waste material for children to interact with at the display
- 'New' brochure holder made from a verge side ironing board and plastic milk containers

### Schools and Visits

Six school visits took place and there was one school that visited to Tamala Park to carrying out a recycling workshop at the Education Centre.

Two community talks were held.

Waste Wise Schools came to Tamala Park to shoot a segment for a DVD they are producing.

### Waste and Recycling Conference

The 2011 Waste and Recycling Conference was held with the following involvement by the MRC:

- Tour of Tamala Park facility, showcasing Tarpomatic system of end of day cover
- Household Hazardous Waste workshop
- Assisted Waste Authority with the facilitation of the Waste Education workshop
- Conference paper
- Waste Awards – Peg Davies Waste Champion

### Earth Carers

A 'Working with waste wood' workshop was held for existing Earth Carers in conjunction with the Earth Carers from other Regions.

Training Course #9 was held with 21 enthusiastic participants. Special thanks to the City of Wanneroo who opened their depot as part of the course to help us discuss the collection side of the business.

### Battery Program

Two new battery bins were delivered to schools. In both cases they were delivered during school assemblies and a brief presentation was given.

During this period steady stream of dry celled batteries continue to be deposited into and collected from the community and school bins. See tables below.

Battery containers were also delivered to aged care facilities throughout the Region to promote the collection of batteries.

### Number of Community & School Battery Bins

<b>Council</b>	<b>Community</b>	<b>School</b>
<b>Joondalup</b>	6	20
<b>Perth</b>	3	0
<b>Vincent</b>	4	5
<b>Wanneroo</b>	5	13
<b>Cambridge</b>	5	4
<b>Victoria Park</b>	3	1
<b>TOTAL</b>	<b>26</b>	<b>43</b>

---

Community & School Battery Bin Collection Statistics for 2011 (kilograms)

Council	January-March		April-June		July-September		Year to date		Total
	Community	School	Community	School	Community	School	Community	School	
<b>Joondalup</b>	320	0	372	248	283	40	1222.5	708.5	<b>1931</b>
<b>Perth</b>	138	0	68.5	0	14	0	251	0	<b>251</b>
<b>Vincent</b>	219.5	40	213.5	94.5	96.5	0	623.5	241.5	<b>865</b>
<b>Wanneroo</b>	231	0	170	157	163.5	16	689.5	371	<b>1060.5</b>
<b>Cambridge</b>	173.5	0	294.5	63.5	154.5	0	822.5	101.5	<b>924</b>
<b>Victoria Park</b>	158.5	0	237	9	116	0	569.5	12	<b>581.5</b>
<b>GRAND TOTAL</b>									<b>5613</b>

Contamination

There have been a number of contamination issues with the community battery bins with drink bottles, containers, food, general rubbish, soiled nappies as well as a number of lead acid batteries found in the bins.

Other

- Monthly WESSG meetings were held.  
An update version of 2010 Strategic Waste Minimisation Plan (SWMP) project Events Guidelines were presented for trial and comment.
- A Community Engagement Advisory Group (CEAG) meeting took place 12 October 2011.
- The MRC website, MRC e-news and the Earth Carer's Blog and Forum continue being maintained.

**Waste to Landfill Tonnages Report**

The total Members Processable and Non-Processable waste for the 4 months to 31 October 2011 is in line with the pro-rata year to date projected (budgeted) waste tonnage.

Although City of Joondalup and City of Vincent waste tonnages are slightly lower than the projected targets, these are offset by higher waste tonnages from the Cities of Wanneroo and Perth and Town of Cambridge.

Other

The total Bales and Residues tonnages for this period are about 13% above target. This is mainly due to higher tonnages of Residues from the RRF and Wanneroo WRC.

The Casuals/Commercial tonnages for the 4 months to 31 October 2011 are approximately 7% higher than the pro-rata budget.

During this period, 2,348 tonnes of waste from City of Stirling were processed at the commercial rates following the approval of the exemption, of delivery of waste by City of Stirling to Tamala Park, at the 7 July 2011 Council meeting.

MINDARIE REGIONAL COUNCIL  
ORDINARY COUNCIL MEETING MINUTES – 8 DECEMBER 2011

Landfill, resource recovery & recycling tonnages year to date 2011/12						Month:	Oct-11		
						YTD (%):	33.55%		
TONNAGE						REVENUE			
<u>MEMBERS</u> Processable & Non-processable	RRF Actual	Landfill Actual	Total Tonnage	Y-T-D previous year	Budget 2011/12	Actual G/L \$	Budget 2011/12	Actual % Year to Date	
Cambridge	2,107	1,506	3,613	2,596	10,400	\$ 444,388	\$ 1,279,200	34.7%	
Joondalup	14,860	5,643	20,503	16,756	64,800	\$ 2,521,973	\$ 7,970,400	31.6%	
Perth	-	4,822	4,822	3,520	14,250	\$ 593,102	\$ 1,752,750	33.8%	
Stirling	-	1,260	1,260	20,461	-	\$ 156,096	\$ -		
Victoria Park	2,017	2,421	4,439	3,331	13,200	\$ 546,311	\$ 1,623,600	33.6%	
Vincent	2,597	1,896	4,493	3,258	14,516	\$ 552,665	\$ 1,785,468	31.0%	
Wanneroo	13,849	9,753	23,602	16,557	68,115	\$ 2,904,407	\$ 8,378,145	34.7%	
<b>Sub Total</b>	<b>35,431</b>	<b>27,300</b>	<b>62,731</b>	<b>66,479</b>	<b>185,281</b>	<b>\$ 7,718,942</b>	<b>\$ 22,789,563</b>	<b>33.9%</b>	
<b>Other</b>									
Sita Biovision Residues		14,539	14,539	11,133	37,791	\$ 1,788,270	\$ 4,648,293	38.5%	
Stirling Bales		-	-	2,858	-	\$ -	\$ -		
Wanneroo WRC		5,523	5,523	3,314	15,000	\$ 679,382	\$ 1,845,000	36.8%	
<b>Sub Total Other</b>		<b>20,062</b>	<b>20,062</b>	<b>17,306</b>	<b>52,791</b>	<b>\$ 2,467,652</b>	<b>\$ 6,493,293</b>	<b>38.0%</b>	
<b>Member charged as Trade</b>									
City of Stirling		2,348	2,348	-	-	\$ 328,728	\$ -		
<b>SUB TOTAL MEMBERS</b>	<b>35,431</b>	<b>49,710</b>	<b>85,141</b>	<b>83,784</b>	<b>238,072</b>	<b>\$ 10,515,322</b>	<b>\$ 29,282,856</b>	<b>35.9%</b>	
<b>CASUALS</b>									
South Perth		9	9	14	-	\$ 1,231	\$ -		
Trade & Cash		17,267	17,267	12,627	50,000	\$ 2,454,598	\$ 7,000,000	35.1%	
<b>Sub Total Casuals</b>		<b>17,275</b>	<b>17,275</b>	<b>12,641</b>	<b>50,000</b>	<b>\$ 2,455,829</b>	<b>\$ 7,000,000</b>	<b>35.1%</b>	
<b>TOTAL</b>	<b>35,431</b>	<b>66,985</b>	<b>102,416</b>	<b>96,425</b>	<b>288,072</b>	<b>\$12,971,151</b>	<b>\$ 36,282,856</b>	<b>35.8%</b>	
						Recycling centre sales	\$ 73,873	\$ 400,000	18.5%

Community CFL Collection Statistics for 2011 (kilograms)

Council	Jan-Mar	April-June	Jul-Sept	Year to date
Vincent	19.5	30.5	24	<b>93</b>
Cambridge	63	45.5	28	<b>156.5</b>
<b>GRAND TOTAL</b>				<b>249.5</b>

**New Landfill Site Acquisition**

Following Council adoption of the Gingin land purchase Business Plan, the Administration has worked with Woodhouse Legal to develop a suitable option/sale agreement as well as developed a strategy by which to approach landowners of properties that the MRC may be interested in acquiring. In the near future, the Administration will be making approaches to landowners.

**VOTING REQUIREMENT**

Simple Majority

**RESPONSIBLE OFFICER RECOMMENDATION**

(Cr MacTiernan joined the meeting)

The Business Information Report be received for the period to 31 October 2011.

**RESOLVED**

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

CARRIED UNANIMOUSLY (12/0)

<b>ITEM 10.2</b>	<b>CITY OF STIRLING WITHDRAWAL</b>
<b>File No:</b>	<b>LEG/14 (D/11/7009)</b>
<b>Appendix(s):</b>	<b>Nil</b>
<b>Date:</b>	<b>23 November 2011</b>
<b>Responsible Officer:</b>	<b>CEO</b>

## SUMMARY

The purpose of this report is to update the members on the status quo of the Stirling withdrawal process with a view to facilitating a timely and mutually satisfactory conclusion to the matter.

## BACKGROUND

1. On 3 August 2010, the 7 member Councils and the MRC signed a Heads of Agreement consenting to the City of Stirling withdrawing from the MRC.
2. Section 699 of the repealed Local Government Act 1960 applies to a withdrawal from the MRC which culminates in the Governor being authorised to make an Order to that effect on the recommendation from the Minister.
3. Section 699 envisages a period of 12 months from the service of a withdrawal request for agreement to be reached between the parties as to the adjustment of assets and liabilities, and the making of a new establishment agreement for the remaining parties. If this has not been achieved to the satisfaction of the Minister within 12 months the Minister can grant an extension of time or waive the requirement for an agreement, or decline to make any recommendation to the Governor at all.
4. The Minister has the same powers at the end of any extension to the initial 12 month period.
5. If there is no agreement as to the “adjustment of assets and liabilities between them” (i.e. between the City of Stirling and the MRC) then the Governor, on the recommendation of the Minister, may by Order make those adjustments.
6. The Minister must not make a recommendation to the Governor for an Order unless he has approved 2 different agreements i.e.
  - (i) between the City of Stirling and the MRC as to “the adjustment of assets and liabilities between them”.
  - (ii) between the remaining 6 councils varying the establishment agreement to provide for the determination of contributions between them and for the alteration of the number of regional councillors.
7. The preparation of a new establishment agreement is nearing finalisation and is the subject of a separate report on the agenda of this meeting.
8. In August 2010 the City of Stirling made a request to the Minister to withdraw from the MRC.
9. On 30 September 2011 the City of Stirling wrote to the Minister requesting an extension until 31 December 2011.
10. The Minister granted the extension in a letter dated 25/10/2011.
11. In the meantime the MRC commissioned PricewaterhouseCoopers (PwC) to undertake a valuation of the assets and liabilities of the MRC. In a Stage 2 report

dated 3 August 2011 PwC valued it in the range of \$30.1M - \$47.8M under Scenario A, and \$29.3 - \$41.3 under Scenario B.

12. In a letter dated 21 September 2011 (Attachment 1) the City of Stirling submitted a withdrawal “proposal” consisting of the following elements:
  - (i) Receipt of a financial settlement of \$11.14M;
  - (ii) Release from the BioVision Guarantee; and
  - (iii) Retention of their share of the ownership in Tamala Park.
13. Although section 699 envisages an agreement being reached between the MRC and the City of Stirling, inevitably such an agreement would have an impact on the 6 remaining councils. For that reason there is a reluctance to make any recommendation to the MRC until the position of those councils is known.
14. At a meeting of member council CEOs on 6 October 2011 it was evident that Stirling’s withdrawal “proposal” had, at that time, yet to be considered by the 6 councils.
15. The Acting CEO subsequently wrote to the 6 councils requesting their response to Stirling’s proposal or, if the matter was being referred to their respective Councils, advice as to if and when that would occur.
16. As at 24 November, the following responses have been received:

City of Perth (Attachment 2)

- Agrees with PwC’s valuation methodology.
- Considers Stirling’s offer of \$12.38M less 10% discount (i.e. \$11.14M) “is a figure from which negotiations can progress”. The final figure is subject to Council approval.
- Suggests a discount of 35 – 40% would be more acceptable (i.e. net \$7.5 - \$8.0M).
- City of Perth will not accept any increase in financial exposure in relation to Stirling’s withdrawal from the BioVision Guarantee.
- Has no objection to Stirling’s ongoing Shareholding of the Tamala Park site.

City of Vincent (Attachment 3)

The City has not responded to the specifics of Stirling’s withdrawal offer. They list 2 conditions under which the Mayor and CEO are authorised to *negotiate the matter* these being: i) *that the MRC and all member councils jointly continue to participate in the negotiations in good faith*, and ii) *the City of Stirling give an undertaking that it will not recommence legal action in the Supreme Court during the negotiations*.

City of Wanneroo

The City advised that a full report on the withdrawal offer will be going to the next Ordinary Council meeting scheduled for 13 December. The City “*remains committed to the process and working in good faith with all parties, to seek a resolution to this matter.*”

**COMMENT**

Cash Component of Stirling’s Proposal (\$11.14M)

17. The valuation used by Stirling in arriving at the \$11.14M is the average of the valuations calculated under Scenarios A and B prepared by PwC. PwC recommended the Scenario B valuation, the average of which was \$11.8M before the application of a discount.
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18. A 10% discount on the \$11.8M would reduce it to \$10.62M; a 20% discount would result in \$9.44M.
19. The Acting CEO believes a negotiated figure within a range of \$10M - \$11M is reasonable. This would place the liability on each of the remaining 8 shares at between \$1.25M and \$1.375M.

#### Withdrawal from the BioVision Guarantee

20. A withdrawal from the Guarantee is a separate matter that was not part of the requirements under the Heads of Agreement signed in August 2010.
21. It is doubtful when section 699 refers to the “adjustment of assets and liabilities between them” that it extends to the BioVision Guarantee. The Guarantee involves liabilities not just between the MRC and the City of Stirling but also between BioVision and the other 6 municipalities.
22. Stirling cannot withdraw from the Guarantee without BioVision’s consent and BioVision is not obliged to give its consent.
23. The MRC earlier wrote to Stirling advising that it will not request BioVision to consent to a withdrawal. One of the reasons was that at least 3 of the other participants did not agree to it.
24. The BioVision Guarantee is a contractual matter between BioVision and 7 Councils which does not involve the assets and liabilities of the MRC, making it unlikely that both the Minister and the Governor would have any jurisdiction in making an Order to release Stirling from its Guarantee.
25. It may however be possible for the 6 member Councils to negotiate a trade-off with Stirling in relation to their withdrawal price, their ongoing ownership in the leased area of the Tamala Park land and/or future obligations following closure of the landfill. However that would require the member Councils who have previously advised that they would not entertain an increase in their share of the BioVision Guarantee to reverse their position.

#### Retention of Shareholding in the Area of Tamala Park Leased by the MRC

26. The transfer of ownership of this land is not part of the withdrawal Heads of Agreement and it is currently not an asset of the MRC.
  27. However following closure of the landfill operations there will be post closure liabilities on the land which would either require:
    - (i) the MRC to continue to lease the land for as long as it needs to fulfil its post-closure obligations, or
    - (ii) prior to, or at the time of the landfill closure, the owners agreeing to transfer the ownership to the MRC, in which case it would become both an asset and a liability, the net effect of which could be positive or negative dependent on the ongoing costs of monitoring and/or remediation of the site, and what other uses may be permitted on the landfilled and non-landfilled parts of the land.
  28. From an administrative point of view obtaining MRC’s ownership of the leased area is clearly preferable to a lease of indeterminate duration. The Acting CEO understands that the 6 councils have previously expressed support for this preference.
  29. Should Stirling retain its shareholding in the leased land following withdrawal there should be a formal agreement between Stirling and the other parties (6 Councils and the MRC) setting out the circumstances and extent to which they will be party to any ongoing management decisions relating to the land. This is to guard against possible
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future obstructionism and the vetoing of proposals the other shareholders may wish to progress.

### **Funding Options**

30. From a commercial perspective, the City of Stirling withdrawal settlement amounts to a buyout of an existing shareholder and this is usually funded by the shareholders themselves.
31. However it is anticipated the MRC will be called upon to facilitate the buyout on behalf of the 6 councils and, if so, the following options are available:
- (i) Funded internally from funds available within MRC.
  - (ii) Funded externally through loans.
  - (iii) Funded by a combination of internal and external funds.
  - (iv) Funded by stakeholders individual to their share of the settlement.
32. The options below are based on a projected final settlement between \$8M to \$11M.

#### **Option (i)**

The investments in Bank Deposits held by MRC at 31 October 2011 total approximately \$9.5M and are made up as follows:

Guarantee from BioVision 2020 Pty Ltd (under RRF Agreement)	524,000
Cash backed Reserve Investments	8,745,000
Municipal Investment	188,000
	<u>9,457,000</u>

#### *Bank Guarantee from BioVision 2020 Pty Ltd*

The Guarantee from BioVision 2020 Pty Ltd relates to funds held on deposit in lieu of a bank guarantee. The funds are held in trust for BioVision and can only be called on in an event which, under the terms of the RRF Agreement, triggers the right for MRC to use the Guarantee. For example, if BioVision is unable to meet its commitments under the RRF Agreement.

The \$0.5M only forms part of the total Guarantee. The remaining Guarantee is in the form of a Bank Guarantee.

#### *Cash Backed Investments*

These investments support the following Reserves:

- *Reserve for Capital Expenditure* \$1.1M  
 Purpose: Reserve for Capital Expenditure to fund capital expenditure committed for the Regional Council for the current or future financial years.
  - *Carried Forward Expenditure* \$0.4M  
 Purpose: Carried Forward Expenditure Reserve to be used to fund operational expenditure committed and brought forward from previous years.
  - *Reserve for Resource Recovery Facility (RRF) Operational Requirements* \$5.3M
-

Purpose: This reserve was established to overcome the need to establish an overdraft facility of \$5M to meet any unexpected payments which may arise under the terms of the Resource Recovery Facility Agreement (RRFA). Under the RRFA, MRC is required to pay the first \$5M of any claims, determined in favour of BioVision, promptly within 20 days of determination as required by the Financing Parties.

- *Reserve for Members Revenue Equalisation* \$1.9M

Purpose: Members Revenue Equalisation Reserve is to be used to fund any under recovery of the Members Gate Fees in the current and future years, or any exceptional / abnormal expenditure.

Total \$8.7M

The cash backed Reserves are retained for specific purposes but a purpose can be changed subject to one month's local public notice of an intention to do so. [s.6.11(2)]

An amount of around \$2M is the maximum the MRC administration would recommend as being sourced from current bank deposits and it would be drawn from the Members Revenue Equalisation Reserve. However this would erode council's flexibility to fund any future mid-year adjustments in Members' Gate Fees, abnormal expenditure or ad-hoc items.

Alternatively the MRC could make available the \$5m held in the RRF Operational Reserve but this would then require the establishment of a substitute \$5M bank overdraft facility which, if required to be accessed, would be very expensive.

#### **Option (ii)**

The Administration has held discussions with MRC's principal banker and WA Treasury Corporation (WATC) and the settlement can be funded through a commercial loan from the Bank or WATC, the details of which are summarized below:

#### ***Funding through Commercial Bank***

A commercial loan can be arranged by MRC and the repayments reimbursed by the 6 councils in proportion to their equity in the MRC.

Loan	\$8M to \$11M
Term	10 years
Rate of Interest	6% (Variable) 6.5% to 8% (fixed for 3 to 10 years)

#### ***Funding through WATC***

Funding through WATC can be done in two ways:

##### **1. Loan to MRC**

The WATC loans to MRC and the remaining participants reimburses MRC the repayments on the loan. An application would need to be completed and the criteria for the loan and conditions are summarised below.

The borrowing terms are as follows:

- **Quantitative Criteria** – Net Debt Ratio and Debt Service Cover Ratio
- **Qualitative Criteria** – Credit assessment to determine credit worthiness
- Only those local government participants with a credit risk assessment that meets the above criteria will be permitted to provide the necessary security over their general funds, for their share of the borrowings by the Regional Council.
- Participants will need to provide Key Financial Information (Annual Report, Budget and Monthly financials).
- Outstanding debt servicing obligations of each participant – Council loans and participant's share of the proposed regional council's loans are taken into consideration.

#### Documentation

- Loan Agreement between WATC and the Regional Council. This agreement would need to be signed by the Regional Council and each individual Participant.
- An individual Charge Agreement between WATC and each Participant. The Charge Agreement ties the Regional Council's loans by way of a charge over its general funds.
- The cost of drawing up the legal documentation would be passed back to the Regional Council.
- Estimated time frame to draw up the necessary documents through the State Solicitors Office 3 – 6 months.
- Estimated cost of the above documentation \$18,000.00 (2011 costing).

## 2. Loans to each remaining participant for their respective share of the City of Stirling settlement

MRC arranges with WATC for a loan for the total amount of the Stirling settlement and the participants will borrow their respective share of the settlement and will be responsible for the debt individually. The process is detailed below.

- Each participant would approach WATC for its share of the required loan and then provide the funds to the Regional Council.
- The participants would need to comply with WATC's credit criteria including:  
**Quantitative Criteria** – Net Debt Ratio and Debt Service Cover Ratio  
**Qualitative Criteria** – Credit assessment to determine credit worthiness
- Participants will be able to determine their own loan structure.
- Documentation is in the form of a standard Loan Agreement direct to the participant which requires security over the Council's general funds.
- Participant is responsible for the debt servicing obligations of this loan.
- WATC absorbs the cost of preparing the Loan Agreement.
- If all credit criteria are met, the loan can be provided within 21 days.

The interest rates under both options of funding from WATC are similar and estimated at between 4.9% to 5.1% depending on the term of the loan. It should be noted that if the Stirling settlement is funded through a direct loan to MRC it will take 3 – 6 months to finalise in view of the documentation requirements, compared to about a month where lending is direct to the individual member councils.

### Option (iii)

Under this option the Stirling settlement can be funded through a combination of internal funds from MRC and an external loan.

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**Option (iv)**

Under this option, the remaining participants will arrange their own funding for their share of the Stirling settlement.

**SUMMARY**

To honour the commitment given in the Heads of Agreement the member councils need to give the MRC direction on the terms of the proposed withdrawal. Empowering a committee of elected members to negotiate these with the City of Stirling is considered an expeditious and practical way of achieving this.

It is recommended that the member councils strive to reach agreement with Stirling in a timely manner rather than run the risk of potential further court action or having the matter decided by the Minister. Either eventuality would not be in the financial and public interest of the member councils, and the MRC, and should be avoided at all cost.

**CONSULTATION**

Member council CEOs were requested to provide information in relation to Stirling's withdrawal offer. (Refer Clause 15 above)

**STATUTORY ENVIRONMENT**

The statutory instruments relating to this item are:

- the Constitution Agreement made under the 1960 Local Government Act,
- the transitional sections applicable from the 1960 Act, and
- the current Local Government Act 1995.

**VOTING REQUIREMENT**

Simple Majority / Absolute Majority

**RESPONSIBLE OFFICER RECOMMENDATION**

That:

1. An occasional committee consisting of the Chairman, Crs.....and.....be appointed for the purpose of negotiating the terms and conditions of the withdrawal with the Mayor and CEO of the City of Stirling. *(Absolute majority required)*
  2. The Committee not be authorised to commence the negotiations until at least 4 of the 6 councils have provided the MRC with a written response to the withdrawal proposal submitted by the City of Stirling in their letter dated 21 September 2011.
  3. Once an agreement has been successfully negotiated the Committee be authorised to recommend its acceptance to the 6 member councils in any manner it considers appropriate, including personal representation and deputations to meetings of the respective councils.
  4. In view of the fact that acceptance by the 6 member councils of any negotiated settlement cannot be achieved by 31 December 2011, the City of Stirling be requested to seek from the Minister a further 6 months' extension to their current withdrawal request.
-

**MOTION 1**

Cr Stewart moved, Cr Robbins seconded

That:

1. An occasional committee consisting of the Chairman, Crs Butler and Gray be appointed for the purpose of negotiating the terms and conditions of the withdrawal with the Mayor and CEO of the City of Stirling.
2. The Committee not be authorised to commence the negotiations until at least 4 of the 6 councils have provided the MRC with a written response to the withdrawal proposal submitted by the City of Stirling in their letter dated 21 September 2011.
3. Once an agreement has been successfully negotiated the Committee be authorised to recommend its acceptance to the 6 member councils in any manner it considers appropriate, including personal representation and deputations to meetings of the respective councils.
4. In view of the fact that acceptance by the 6 member councils of any negotiated settlement cannot be achieved by 31 December 2011, the City of Stirling be requested to seek from the Minister a further 6 months' extension to their current withdrawal request.
5. All member councils be requested to formally respond to the City of Stirling withdrawal offer (as per their letter of 21 September 2011) prior to the first Mindarie Regional Council ordinary meeting in 2012.

*(Lost: 5/7)*

*For: Cr Stewart, Cr Boothman, Cr Cooke, Cr Robbins, Cr Gray*

*Against: Cr Newton, Cr Butler, Cr Fishwick, Cr Hayes, Cr Hollywood, Cr MacTiernan, Cr Withers*

**MOTION 2**

Cr Withers moved, Cr Fishwick seconded

That:

1. **A Working Group comprising the Mindarie Regional Council Chairman and Chief Executive Officer, and the participant local government mayors be established to consider options for the membership, structure and the operations of the Mindarie Regional Council.**
2. **The Mindarie Regional Council Chief Executive Officer be requested to submit regular progress reports to the Council on the deliberations of the Working Group formed in Clause 1 above.**
3. **The City of Stirling be requested to seek from the Hon. Minister for Local Government a further 3\* months' extension to their current withdrawal request from the Mindarie Regional Council.**

*(\* with the consent of the mover and seconder the 6 months in the original motion was changed to 3 months)*

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**AMENDMENT 1**

**Cr Boothman moved, Cr MacTiernan seconded**

**A fourth part be added to the motion:**

- 4. The Working Group deliberations include all options, including progressing the withdrawal of the City of Stirling from the Mindarie Regional Council.**

*(Carried: 7/5)*

*For: Cr Boothman, Cr Butler, Cr Fishwick, Cr Hayes, Cr Hollywood, Cr MacTiernan, Cr Withers*

*Against: Cr Gray, Cr Newton, Cr Robbins, Cr Stewart, Cr Cooke*

**AMENDMENT 2**

**Cr Butler moved, Cr Hollywood seconded**

**Part 1 of the motion be amended by inserting the words “and/or their elected representatives” after “mayors”**

*(Carried: 8/4)*

*For: Cr Boothman, Cr Butler, Cr Hollywood, Cr MacTiernan, Cr Newton, Cr Robbins, Cr Stewart, Cr Cooke*

*Against: Cr Gray, Cr Withers, Cr Hayes, Cr Fishwick*

*The Chairman consented to having each of the 4 parts of the motion voted on separately.*

**MOTION 2 – Part 1(as amended)**

**Cr Withers moved, Cr Fishwick seconded**

- 1. A Working Group comprising the Mindarie Regional Council Chairman and Chief Executive Officer, and the participant local government mayors and/or their elected representatives, be established to consider options for the membership, structure and the operations of the Mindarie Regional Council.**

*(Voting: 6/6 Chairman, after casting a second vote, declared the motion CARRIED )*

*For: Cr Butler, Cr Fishwick, Cr Hayes, Cr Hollywood, Cr MacTiernan, Cr Withers*

*Against: Cr Gray, Cr Newton, Cr Robbins, Cr Stewart, Cr Cooke, Cr Boothman*

**MOTION 2 – Part 2**

**Cr Withers moved, Cr Fishwick seconded**

- 2. The Mindarie Regional Council Chief Executive Officer be requested to submit regular progress reports to the Council on the deliberations of the Working Group formed in Clause 1 above.**

*(The Chairman ruled that the Motion was LOST after the initial vote was thought to be 4/7 or 5/7 which, on a recount, subsequently changed to 6/6).*

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**MOTION 2 – Part 3**

**Cr Withers moved, Cr Fishwick seconded**

- 3. The City of Stirling be requested to seek from the Hon. Minister for Local Government a further 3 months' extension to their current withdrawal request from the Mindarie Regional Council.**

*(Carried: 9/3)*

*For: Cr Boothman, Cr Butler, Cr Fishwick, Cr Hayes, Cr Hollywood, Cr MacTiernan, Cr Withers, Cr Robbins, Cr Cooke*

*Against: Cr Gray, Cr Newton, Cr Stewart*

**MOTION 2 – Part 4**

**Cr Withers moved, Cr Fishwick seconded**

- 4. The Working Group deliberations include all options, including progressing the withdrawal of the City of Stirling from the Mindarie Regional Council.**

*(Carried: 8/4)*

*For: Cr Boothman, Cr Butler, Cr Fishwick, Cr Hayes, Cr Hollywood, Cr MacTiernan, Cr Withers, Cr Cooke*

*Against: Cr Gray, Cr Newton, Cr Stewart, Cr Robbins*

**FINAL COMPOSITE RESOLUTION (For Information)**

**That:**

- 1. A Working Group comprising the Mindarie Regional Council Chairman and Chief Executive Officer, and the participant local government mayors and/or their elected representatives, be established to consider options for the membership, structure and the operations of the Mindarie Regional Council.**
  - 2. The City of Stirling be requested to seek from the Hon. Minister for Local Government a further 3 months' extension to their current withdrawal request from the Mindarie Regional Council.**
  - 3. The Working Group deliberations include all options, including progressing the withdrawal of the City of Stirling from the Mindarie Regional Council.**
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**ATTACHMENT 1**  
**TO ITEM 10.2**  
**ORDINARY COUNCIL MEETING**  
**8 DECEMBER 2011**  
**LETTER DATED 21 SEPTEMBER 2011**  
**FROM CITY STIRLING**

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*Office of the Chief  
Executive Officer*

21 September 2011

Councillor Russell Fishwick  
Chairman  
Mindarie Regional Council  
1700 Marmion Avenue  
MINDARIE WA 6030

Dear Councillor Fishwick

At its Full Council meeting held 13 September 2011, the Council passed the following motion:

1. That the Council **NOTES** the Stage 2 Report of PricewaterhouseCoopers in Attachment 1.
2. That the Council **APPROVES** the valuation of the City's shareholding in Mindarie Regional Council as outlined in the officer's report.
3. That the Council **APPROVES** the discount on the valuation as outlined in the officer's report and authorises the Mayor and Chief Executive Officer to negotiate to finalise the valuation.
4. As part of the withdrawal process Council **AUTHORISES** the Chief Executive Officer to withdraw the City's guarantee with respect to the BioVision contract.
5. That Council **APPROVES** the retention of the City's shareholding in the land at the Tamala Park site, which includes the Mindarie Regional Council landfill operations and the buffer zone, which is jointly owned by the participants of the Mindarie Regional Council.

In regard to **Item 2, the valuation**, Council has approved a valuation that is based on the average of Scenario A & B as set out on Page 8 of the 'PwC Stage 2 Report in relation to the City of Stirling's withdrawal from the MRC Dated 3 August 2011'. That is one third share of the average of \$39m and \$35.3m. **Therefore we accept the valuation of \$12.38m.** This valuation is based on the midpoint of the "Preferred" calculation which estimated the value of Stirling's shareholding to be between \$9.8m and \$15.9m.

In respect to **Item 3, the discount**, we do not believe a discount on this transaction is at all appropriate. The discount is inappropriate for the following reasons:

City of Stirling

25 Cedric Street Stirling WA 6021

Telephone (08) 9345 8555

Facsimile (08) 9345 8822

E-mail [stirling@stirling.wa.gov.au](mailto:stirling@stirling.wa.gov.au)

[www.stirling.wa.gov.au](http://www.stirling.wa.gov.au)

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## 1. Background

- 1.1. In justifying the application of a minority interest discount, PWC have stated the following:
- 1.2. *"It is our view that a discount should be applied to the pro rata value to reflect the fact that the City of Stirling is not able in its own right to force a sale of the business and the realisation of assets. It can only do so with the agreement of the other Councillors representing the member Councils."*
- 1.3. The PWC report then goes on to discuss discounts for both lack of control and lack of marketability, with reference to transactions observed in the marketplace.
- 1.4. We do not agree with the concept of applying a discount in either of these circumstances and, as such, have based our reasoning as follows.

## 2. Analysis – minority discount

- 2.1. With respect to a discount for lack of control or minority discount, we note that PWC cites control premiums that have been observed in take-over activity on the various global stock exchanges.
- 2.2. Inherent to any regular take-over activity is the belief that a bidder may obtain 'special-value' through the realisation of synergies as part of the transaction. In such circumstances, a bidder will often be prepared to pay a premium beyond that required to obtain control and this premium is commonly included within observed market data.
- 2.3. The exit of City of Stirling from the MRC is clearly not a take-over scenario nor are there synergies to be generated from the transaction. It is therefore our opinion that applying a discount based on take-over activity is inappropriate.
- 2.4. Further, whilst we consider that a minority discount should not apply, if a discount was applied a more appropriate approach would be to consider the premiums observed within transactions where minimal synergies can be obtained. Such a scenario would be a back-door listing, control premiums for this type of activity have been observed to be in the range of 5%-10%. It should be noted however that whilst these discounts are low they too include a premium for special value since the acquirer can avoid the substantial costs associated with listing on a stock exchange.

## 3. Analysis – marketability discount

- 3.1. In our opinion, the constituents, council representation and designated function of the MRC represent a tightly controlled operation and are akin to a quasi-partnership.

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- 3.2. Whilst there is no known precedent specific to the local government characteristics of the MRC, there is Court precedent demonstrating that a closely held corporation or quasi-partnership would not be valued at “fair market value” but rather at “fair value”.
  - 3.3. Courts have previously concluded that the notion of “fair market value” of shares in a closely held corporation imports special value of the shares into the hands of another shareholder and that discounting for a minority shareholder is not “fair”.
  - 3.4. The Courts consider the concept of a “fair value” approach to cater for minority interests. In doing so they have not discounted for marketability in tightly held corporations such as a quasi-partnership.
  - 3.5. In addition, if a marketability discount is applied, prima facie, a premium is transferred to the remaining member Councils. The application of such a discount will result in an inequality in the value returned to other member Councils on their future withdrawal.
  - 3.6. This inequitable discount would create a significant precedent for future transactions should other member Councils exit the MRC at some date in the future.
  - 3.7. Furthermore, whilst we consider that a marketability discount should not be applied, given the uniqueness of this event, we are not aware of a comparable transaction that would justify the application of a marketability discount or the quantum of such a discount if one were applied.
4. Analysis – other matters
- 4.1. In addition to the matters raised under points 2 and 3 above, we note that City of Stirling holds the largest individual shareholding of all of the MRC member Councils.
  - 4.2. In our opinion, by virtue of being the largest shareholder in MRC, the City of Stirling has reasonable to argue that it should be entitled to a premium to its pro-rata value due to the relative size of its shareholding in comparison to the other member Councils.
  - 4.3. Notwithstanding this fact, we understand that in leaving the MRC, City of Stirling wishes to act in good faith to the benefit of all of the member Councils and is therefore prepared to forego any claim to a premium for relative shareholding size.

In addition to the points above, we conclude that whilst the application of a discount may be the subject of significant hypothetical discussion, the unique circumstances surrounding this particular event are not of the type that can be tied to transaction theory observed in the ordinary course of business.

21 September 2011  
City of Stirling Withdrawal from Mindarie Regional Council

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In such circumstances, we therefore believe that applying an undiscounted valuation that is equitable to all members of the Council is the most appropriate procedure in the absence of any alternative and proven methodology.

In conclusion in consideration of the matters raised above, in the Council's opinion neither a discount for minority interest nor a discount for marketability should be applied.

**However, as we are acting in good faith in the interests of resolving this matter, the Council is prepared to accept a 10% discount on the valuation. Therefore the City is prepared to accept an overall valuation of \$12.38m minus \$1.24m which equates to \$11.14m.**

In regard to **Item 4, the BioVision guarantee**, it is the Council's view that the withdrawal from the MRC must be accompanied by it ceasing to be a guarantor under the Deed of Guarantee with BioVision made on 21 November 2007. In particular, this would be consistent with the spirit and terms of the Heads of Agreement signed by the parties on 3 August 2010.

In regard to **Item 5**, the Council wishes to retain its shareholding in the Tamala Park site.

Yours sincerely



Trevor Holland  
**ACTING CHIEF EXECUTIVE OFFICER**

cc Mr John Bonker, Acting Chief Executive Officer, Mindarie Regional Council  
Mr Jason Buckley, Chief Executive Officer, Town of Cambridge  
Mr Garry Hunt, Chief Executive Officer, City of Joondalup  
Mr Frank Edwards, Chief Executive Officer, City of Perth  
Mr Arthur Kyron, Chief Executive Officer, Town of Victoria Park  
Mr John Giorgi, Chief Executive Officer, City of Vincent  
Mr Daniel Simms, Chief Executive Officer, City of Wanneroo  
Mr Stuart Jardine, Chief Executive Officer, City of Stirling  
Mr Ed Herne, Director Corporate Services, City of Stirling

**ATTACHMENT 2**  
**TO ITEM 10.2**  
**ORDINARY COUNCIL MEETING**  
**8 DECEMBER 2011**  
**LETTER DATED 1 NOVEMBER 2011**  
**FROM CITY OF PERTH**

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Enquiries to: Doug Forster  
Business Units Directorate (9461 3109)  
Email: douglas\_forster@cityofperth.wa.gov.au  
Our Ref: P1026142 (TRIM 117227/11)

1 November, 2011

Mr J Bonker  
Acting Chief Executive Officer  
Mindarie Regional Council  
PO Box 538  
**JOONDALUP WA 6919**

Dear John

### **CITY OF STIRLING – PROPOSED WITHDRAWAL**

Your letter dated 18 October, 2011 regarding the above refers.

The following information is provided in response. For simplicity, I will address the items outlined in the City of Stirling's letter dated 21 September, 2011 to the Chairman, Mindarie Regional Council.

It is my understanding that all MRC Councils agreed to the Price Waterhouse Coopers (PWC) report findings after having agreed the methodology of asset valuation apart from some reservations by the Town of Cambridge. Nevertheless, the different methods utilised by PWC's work generally resulted in a similar financial outcome within acceptable accuracies.

While not accepting the City of Stirling's "offer" outright it is the City of Perth's view that the valuation of \$12.38 million less a 10% discount is a figure from which negotiations can progress. As an observation a discount percentage in the order of 35% - 40% would be more acceptable.

Once a valuation figure has been negotiated City of Perth officers will have to seek the approval of our Council as would most likely be the case for others, I would expect.

In a letter dated 16 June 2011 to the CEO MRC, the City's position was outlined in respect to the proposed Stirling withdrawal from the BioVision guarantee. In essence, the position of the Council is that the City of Perth will not accept any increase in financial exposure that is an increase in its share of the guarantee, than currently exists under the present arrangements.

As discussed by telephone yesterday a letter was sent several weeks ago on behalf of the members other than Stirling, by legal counsel MinterEllison to

BioVision seeking their views on the guarantee in terms of the City of Stirling's proposed withdrawal. No reply had been forthcoming as at the time of writing this letter.

In terms of the City of Stirling's ongoing shareholding of the land at the Tamala Park site the City's view at this point in time, is that there would be no objections to that relationship continuing.

It is noted that all the above items need to be considered as a package. It is hoped that meaningful negotiations can take place as soon as practical to have this matter resolved.

Yours sincerely



DOUG FORSTER  
DIRECTOR BUSINESS UNITS

Copy: Councillor R Butler  
Chief Executive Officer

**ATTACHMENT 3**  
**TO ITEM 10.2**  
**ORDINARY COUNCIL MEETING**  
**8 DECEMBER 2011**  
**LETTER DATED 23 NOVEMBER 2011**  
**FROM CITY OF VINCENT**

---

ENQUIRIES TO: John Giorgi (9273 6002)  
Chief Executive Officer  
YOUR REF:  
OUR REF: ORG0087 JG:mem



23 November 2011

Mr John Bonker  
Chief Executive Officer  
Mindarie Regional Council  
PO Box 538  
**JOONDALUP WA 6919**

**CITY OF VINCENT**  
Administration & Civic Centre  
244 Vincent Street (Cnr Loftus)  
Leederville, Western Australia 6007  
PO Box 82, Leederville WA 6902

**Telephone (08) 9273 6000**  
Facsimile (08) 9273 6099  
Email: [mail@vincent.wa.gov.au](mailto:mail@vincent.wa.gov.au)  
Web: [www.vincent.wa.gov.au](http://www.vincent.wa.gov.au)

Dear John

**MINDARIE REGIONAL COUNCIL**

I refer to your letter dated 18 October 2011 requesting the City's position concerning the Price Waterhouse Coopers (PwC) report dated 3 August 2011.

This matter was considered as a confidential item at the Ordinary Meeting of Council held on 22 November 2011 and the Council resolved as follows;

*"That the Council;*

1. *RECEIVES the Confidential Report No. 2 of the Price Waterhouse Coopers (PwC) dated 3 August 2011, as 'Tabled';*
2. *AUTHORISES the Mayor and the Chief Executive Officer to negotiate the matter, subject to:*
  - 2.1 *the MRC and all Member Councils jointly continuing to participate in the negotiations in good faith;*
  - 2.2 *the City of Stirling giving an undertaking that it will not recommence legal action in the Supreme Court during the negotiations; and*
  - 2.3 *the Council being advised as soon as practicable after the conclusion of the negotiations;*
3. *ADVISES the MRC and Member Councils of the Council's decision; and*
4. *NOTES:*
  - 4.1 *that a further report will be presented to the Council at the conclusion of the negotiations; and*
  - 4.2 *the progress of the new Draft Establishment Agreement, as detailed in this report."*

Yours sincerely

**JOHN GIORGI, JP**  
**CHIEF EXECUTIVE OFFICER**

- c.c. Chief Executive Officers:  
Town of Cambridge  
City of Joondalup  
City of Perth  
City of Stirling  
Town of Victoria Park  
City of Wanneroo

<b>ITEM 10.3</b>	<b>CITY OF STIRLING REQUEST FOR EXTENSION OF EXEMPTION TO DISPOSE OF WASTE TO MRC FACILITIES</b>
<b>File No:</b>	<b>LEG/14/06 (D/11/7010)</b>
<b>Appendix(s):</b>	<b>Nil</b>
<b>Date:</b>	<b>11 November 2011</b>
<b>Responsible Officer:</b>	<b>CEO</b>

**SUMMARY**

The City of Stirling has requested an extension to the previously granted exemption to dispose of waste to MRC facilities, these being the Tamala Park landfill and the Neerabup RRF.

**BACKGROUND**

Council, at its meeting held on 7 July, exempted the City from its obligations to deposit waste at its facilities commencing on 1 July 2011 and ending on 31 December 2011 on the condition that the MRC's fees and charges applicable to casual and commercial users would also apply to the City for any of their waste received during this period.

Council also agreed to reconsider this matter *"prior to 31 December 2011 in the event that the withdrawal of the City of Stirling from the MRC has not been completed"*.

**COMMENT**

Granting the requested extension is consistent with, and in the spirit of, Stirling's withdrawal and should therefore be supported.

**STATUTORY ENVIRONMENT**

Under the current Establishment Agreement the City of Stirling is obliged to deliver waste to MRC facilities but the MRC may grant an exemption (i) for any period; (ii) subject to any conditions; and (iii) in respect of any type or quantity of waste, determined by the MRC Council from time to time.

**VOTING REQUIREMENT**

Simple Majority

**RESPONSIBLE OFFICER RECOMMENDATION**

**That the application from the City of Stirling for an extension to be exempted from the obligation to deliver waste to MRC facilities for a further six (6) months until 30 June 2012 or until the withdrawal has been finalised, whichever is the sooner, be approved on the condition that MRC fees and charges applicable to casual and commercial users will continue to apply to any waste delivered by the City of Stirling during the exemption period.**

**RESOLVED**

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

*CARRIED UNANIMOUSLY (12/0)*

<b>ITEM 10.4</b>	<b>NEW ESTABLISHMENT AGREEMENT</b>
<b>File No:</b>	<b>LEG/2-02 (D/11/6972)</b>
<b>Appendix(s):</b>	<b>Appendix 2 (page 10)</b>
<b>Date:</b>	<b>23 November 2011</b>
<b>Responsible Officer:</b>	<b>CEO</b>

*Item withdrawn by the A/CEO.*

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<b>ITEM 10.5</b>	<b>LEASE AT TAMALA PARK – MARKET RENT REVIEW</b>
<b>File No:</b>	<b>FIN/91 (D/11/7011)</b>
<b>Appendix(s):</b>	<b>Appendix 3 (page 39)</b>
<b>Date:</b>	<b>10 November 2011</b>
<b>Responsible Officer:</b>	<b>Kalwant Dhillon</b>

## SUMMARY

The purpose of this report is to brief the Council on the findings of the Market Rent Review on the Tamala Park lease, conducted by Landgate (formerly Valuer General Office) in line with the terms of the Lease Agreement between Mindarie Regional Council and the seven participating Member Councils.

## BACKGROUND

The land on which the Tamala Park Landfill Facility resides, is owned by the seven participating member Councils namely Cities of Joondalup, Perth, Stirling, Wanneroo and Vincent and Towns of Cambridge and Victoria Park. The land was leased to Mindarie Regional Council (MRC) for an initial term from 1 July 1990 to 30 June 2011 with an option for extension of the term to 30 June 2032.

The option to extend the lease was exercised and the lease was extended by a Deed of Variation dated 25 September 2006, from 1 January 2006 to 30 June 2032.

Under this Deed of Variation, a Market Rent Review need to be conducted every five years with the first review to be conducted on 1 January 2011.

Landgate was appointed in early 2011 to conduct this review but the review was only conducted in July 2011 due to Landgate's 'heavy' commitment.

## DETAIL

The final Report, in respect of the Market Rent Review pertaining to the lease of the land for the Tamala Park Landfill Facility, has been received and is attached under Appendix 3.

The Report has placed an annual Market Rental Value of \$623,000 on the lease of the land for the Tamala Park Landfill Facility. The lease rental, in accordance with the Deed of Variation, need to be adjusted from 1 January 2011.

### *Financial Implications.*

The Financial impact of the increase in rental of the land for the Tamala Park Facility, in line with this Market Rent Review, relating to the period 1 January 2011 to 30 June 2012 is summarised below:

Additional Rental (1 January to 30 June 2011)	\$13,456
Additional Rental (1 July to 31 December 2011)	\$6,000
Additional Rental (1 January to 30 June 2012)	\$15,345
	<u>\$34,801</u>

**CONSULTATION**

Consultation was carried out with the following:

- Landgate
- Minter Ellison

**STATUTORY ENVIRONMENT**

Nil

**POLICY IMPLICATIONS**

Nil

**FINANCIAL IMPLICATIONS**

The shortfall in funding of approximately \$35,000 arising from the revision of the lease rental as a result of the Market Rental Review will be funded from the Operating Surplus for this financial year and will be reflected in the mid year review.

**STRATEGIC IMPLICATIONS**

Nil

**VOTING REQUIREMENT**

Absolute Majority

**RESPONSIBLE OFFICER RECOMMENDATION**

That:

1. The Landgate Report, pertaining to the Market Value Review in respect of the land leased to the Tamala Park Landfill Facility, be received.
2. The revised Lease Rental, as recommended in the Landgate Report be adopted effective from 1 January 2011 in accordance with the Deed of Variation for the lease dated 25 September 2006.
3. An additional budget allocation of \$35,000 for the land lease rental to cover the increase in rent from the Market Rental Review, be approved.
4. The funding shortfall of \$35,000 arising from the increased lease rental be funded from the Operating Surplus in the mid-year review.

**RESOLVED**

Cr Butler moved, Cr Gray seconded  
That the Recommendation be adopted.

*CARRIED UNANIMOUSLY (12/0)*

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<b>ITEM 10.6</b>	<b>MINDARIE REGIONAL COUNCIL MEETING DATES FOR 2012</b>
<b>File No:</b>	<b>COR/10 (D/11/7012)</b>
<b>Appendix(s):</b>	<b>Nil</b>
<b>Date:</b>	<b>24 November 2011</b>
<b>Responsible Officer:</b>	<b>Kathleen van Son</b>

## SUMMARY

The purpose of this report is to provide the proposed meeting dates for Ordinary Council Meetings and Agenda Review Committee Meetings for 2012.

## BACKGROUND

The Mindarie Regional Council has previously considered, in December of each year, the Council meeting schedule for the forthcoming calendar year.

## DETAIL

The business rules used in the formulation of Council meetings scheduled for Year 2012 are as follows:

- That six Council meetings be held in the calendar year 2012
- That no meetings be held in June, but that this meeting be held in early July 2012 to accommodate the swearing in of Councillors, and the appointment of Chairman and Deputy Chairman. This assumes that current rules will still apply
- That the meeting scheduled for December be held relatively early in the month to accommodate other commitments of the festive season
- That all other meetings of the Council i.e. February, April, August and October be held on the fourth Thursday of those months.
- That meetings be scheduled at the Chambers of Member Councils

## Programme of Meetings for Year 2012

### Ordinary Council Meeting (OCM)

The proposed schedule for Ordinary Council meetings for Year 2012 is as follows:

- Thursday 1 March (City of Stirling)  
**(NOTE: Clashes with WALGA Zone meetings)**
- Thursday 26 April (City of Joondalup)  
**(NOTE: Clashes with WALGA Zone meetings)**
- Thursday 5 July (City of Wanneroo)
- Thursday 23 August (City of Vincent)
- Thursday 25 October (City of Perth)
- Thursday 6 December (Town of Victoria Park)

All meetings will commence at 5.30pm.

#### *Agenda Review Committee (ARC)*

The proposed schedule for Agenda Review Committee meetings for Year 2012 is as follows:

- Friday 10 February
- Thursday 5 April (6 April is Good Friday)
- Friday 15 June
- Friday 3 August
- Friday 5 October
- Friday 16 November

#### **Strategic Projects Committee (SPC)**

The proposed schedule for Strategic Projects Committee meetings for Year 2012 is as follows:

- Monday 16 January
- Monday 12 March
- Monday 21 May
- Monday 9 July
- Monday 10 September
- Monday 29 October
- Monday 3 December

#### **Chief Executive Officer's Meetings**

It is proposed that two (2) meetings will be held during 2012 to enable discussion between CEO of MRC and CEOs of Member Councils on matters related to Mindarie Regional Council. These meetings are scheduled for April and October. The dates, location and duration to be confirmed and advised.

#### **Arrangements for Special Meetings**

Special Council Meetings will be held on an 'as required' basis.

#### **Project Advisory Group (PAG)**

The proposed schedule for the Project Advisory Group (PAG) meetings for Year 2012 is that they be held on the 2nd Wednesday of each month, commencing at 10am.

#### **Community Engagement Advisory Group (CEAG)**

The proposed schedule for Community Engagement Advisory Group (CEAG) meetings for 2012 is that the meetings shall be held on the second Wednesday, bi-monthly commencing February 2012.

#### **Waste Education Strategy Steering Group (WESSG)**

The proposed schedule for Waste Education Strategy Steering Group (WESSG) meetings for 2012 is to be held on the last Tuesday of each month.

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**STATUTORY ENVIRONMENT**

s.5.3(2) of the Local Government Act 1995, requires that “Ordinary Meetings are to be held not more than 3 months apart.”

**POLICY IMPLICATIONS**

Not applicable.

**STRATEGIC IMPLICATIONS**

Not applicable.

**FINANCIAL IMPLICATIONS**

MRC Members are paid an annual attendance fee. A deputy appointed by the Member Council to a meeting in the place of the Member is paid a fee per meeting attended.

**COMMENT**

The proposed schedule for Ordinary Council meetings for Year 2012 is submitted for approval. The Administration proposes the February meeting be deferred for 1 week (to 1 March) to provide extra time for preparing the mid-year budget review, completing the annual statutory compliance report and having that considered by the Audit Committee before the Council meeting.

The rotational order of meeting venue has been modified by moving the City of Stirling to be the first host in 2012 in case their withdrawal takes effect in the first half of 2012.

**VOTING REQUIREMENT**

Simple Majority

**RESPONSIBLE OFFICER RECOMMENDATION**

**The following schedule for Ordinary Council Meetings for Year 2012 be adopted:**

- Thursday 1 March 2012 (**City of Stirling**)
- Thursday 26 April 2012 (**City of Joondalup**)
- **Thursday 5 July 2012 (City of Wanneroo)**
- **Thursday 23 August 2012 (City of Vincent)**
- **Thursday 25 October 2012 (City of Perth)**
- **Thursday 6 December 2012 (Town of Victoria Park)**

**RESOLVED**

**Cr Stewart moved, Cr Boothman seconded**

**That the recommendation be adopted subject to the following date changes:**

- **Thursday 1 March 2012 change to Thursday 23 February 2012**
- **Thursday 26 April 2012 change to Thursday 19 April 2012**

*CARRIED: (11/1)*  
*Against: Cr Butler*

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<b>ITEM 10.7</b>	<b>MINDARIE REGIONAL COUNCIL TAMALA PARK LOCAL LAW 2002 – REVIEW</b>
<b>File No:</b>	<b>LAW/5 (D/11/7013)</b>
<b>Appendix(s):</b>	<b>Appendix 4 (page 56)</b>
<b>Date:</b>	<b>22 November 2011</b>
<b>Responsible Officer:</b>	<b>Kathleen van Son</b>

### **SUMMARY**

The purpose of this report is to obtain Council's approval to repeal and replace the Tamala Park Local Law 2002.

### **BACKGROUND**

The existing Local Law dealing with conduct on the Tamala Park site is the Mindarie Regional Council Tamala Park Local Law 2002. This Local Law was gazetted on 20 December 2002.

Under the Local Government Act 1995 the Local Laws are required to be reviewed every 8 years.

The CEO gave Statewide public notice of the proposed review of the Local Law. Public notice was given in the Western Australian newspaper of 6 August 2011 with a closing date for submissions of 26 September 2011.

No submissions have been received.

It is proposed that the Mindarie Regional Council Tamala Park Local Law 2002 be repealed and that a new Local Law be made. A copy of the proposed new Local Law, the Mindarie Regional Council Waste Facility Site Local Law 2011, is attached at Appendix 4.

### **DETAIL**

The proposed new Local Law has been developed by the MRC's administration in consultation with Woodhouse Legal. The proposed new Local Law is based on the previous Local Law and has borrowed provisions and the modern legislative drafting style of the Botanic Gardens and Parks Regulations 1999.

The proposed new Local Law continues to deal with various types of restricted or prohibited behaviour at the Tamala Park site including unauthorised entry, observance of parking and traffic signs, protection of flora and fauna, lighting of fires and unauthorised removal of property.

The modified penalties are proposed to increase from \$100 to \$200.

### **COMMENT**

The purpose of the Local Law is to regulate the conduct of the public whilst they are on the Council's leased area of Tamala Park.

The effect of the Local Law is to regulate and prohibit certain conduct by the public whilst on the site. It provides that some activities may only take place with permission and that some activities are restricted or prohibited. Restricted activities include parking and removal of flora, fauna and other property.

### **CONSULTATION**

Statewide public notice was given.

### **STATUTORY ENVIRONMENT**

Local Government Act 1995, Section 3.16

### **POLICY IMPLICATIONS**

Nil

### **FINANCIAL IMPLICATIONS**

Nil

### **STRATEGIC IMPLICATIONS**

Nil

### **VOTING REQUIREMENT**

Absolute Majority

### **RESPONSIBLE OFFICER RECOMMENDATION**

**That:**

- 1. It be noted that no submissions were received in relation to the review of the Mindarie Regional Council Tamala Park Local Law 2002.**
- 2. In accordance with section 3.12(3) and section 3.16(4) of the Local Government Act 1995, the Council authorises the giving of Statewide public notice that the Mindarie Regional Council proposes to make the Mindarie Regional Council Waste Facility Local Law 2011 (a copy of which is attached as Appendix 4 which will repeal the Mindarie Regional Council Tamala Park Local Law 2002.**

### **RESOLVED**

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

*CARRIED UNANIMOUSLY (12/0)*

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<b>ITEM 10.8</b>	<b>FINANCIAL STATEMENTS FOR THE PERIODS ENDED 30 SEPTEMBER 2011 AND 31 OCTOBER 2011</b>
<b>File No:</b>	<b>FIN/5-02 (D/11/7015)</b>
<b>Appendix(s):</b>	<b>Appendix 5 (page 67) Appendix 6 (page 79)</b>
<b>Date:</b>	<b>22 November 2011</b>
<b>Responsible Officer:</b>	<b>Kalwant Dhillon</b>

**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

**DETAIL**

The Financial Statements attached are for the months ended 30 September 2011 and 31 October 2011 are attached at Appendix 5 and 6 to this Item.

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 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 30 September 2011 and 31 October 2011 be received.**

**RESOLVED**

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

*CARRIED UNANIMOUSLY (12/0)*

<b>ITEM 10.9</b>	<b>LIST OF PAYMENTS MADE FOR THE MONTHS ENDED 30 SEPTEMBER 2011 AND 31 OCTOBER 2011</b>
<b>File No:</b>	<b>FIN/5-02 (D/11/7016)</b>
<b>Appendix(s):</b>	<b>Appendix 7 (page 91) Appendix 8 (page 97)</b>
<b>Date:</b>	<b>22 November 2011</b>
<b>Responsible Officer:</b>	<b>Kalwant Dhillon</b>

**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 30 September 2011 and 31 October 2011 are at Appendix 7 and 8 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
30 September 2011	General Municipal	Cheques 8628 - 8784 EFT 00355 - 00361 DP 00605 - 00623	\$3,608,099.29
31 October 2011	General Municipal	Cheques 8785 - 8924 EFT 00362 - 00369 DP 00624 - 00632	\$5,066,635.98

**VOTING REQUIREMENT**

Simple Majority

**RESPONSIBLE OFFICER RECOMMENDATION**

**That the list of payments made under the delegated authority to Chief Executive Officer, for the months ended 30 September 2011 and 31 October 2011 be noted.**

**RESOLVED**

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

*CARRIED UNANIMOUSLY (12/0)*

<b>ITEM 10.10</b>	<b>MINDARIE REGIONAL COUNCIL – AMENDMENT STANDING ORDERS LOCAL LAW 2010</b>
<b>File No:</b>	<b>LAW/6 (D/11/7188)</b>
<b>Appendix(s):</b>	<b>Nil</b>
<b>Date:</b>	<b>24 November 2011</b>
<b>Responsible Officer:</b>	<b>Kathleen van Son</b>

*Item withdrawn by the A/CEO.*

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<b>ITEM 10.11</b>	<b>TAMALA PARK WEIGHBRIDGES UPGRADE REPORT</b>
<b>File No:</b>	<b>(D/11/7200)</b>
<b>Appendix(s):</b>	<b>Nil</b>
<b>Date:</b>	<b>24 November 2011</b>
<b>Responsible Officer:</b>	<b>Mike Tolson</b>

**SUMMARY**

The purpose of this item is to inform the elected members in regard to the condition of the weighbridges at Tamala Park.

**BACKGROUND**

The annual calibration of the weighbridges was conducted earlier this month by Mettler Toledo Limited. They reported that because of the age of the load cell components the bridges were vulnerable to a major failure.

**DETAIL**

The two sixty-tonne weighbridges were installed at Tamala Park circa 1991. The bridges are structurally sound however the Mettler Toledo Limited post action report indicated that in the event of a load cell failure on either of the weighbridges, the original analog load cells could not be replaced as there are no spares available. Mettler Toledo recommended to ensure the reliability of the weighbridges for the next 20 years, the analog load cells and the associated peripherals be upgraded to digital load cells and digital peripherals. Quotes to upgrade the bridges were sought from Western Australian suppliers indicating an upgrade cost in the order of \$60,000.

**CONSULTATION**

Acuweigh Pty Ltd  
Mettler Toledo Ltd

**COMMENT**

The weighbridges are critical to MRC provision of waste services to council business and to meet legislative requirements. The weighbridge load cell system should therefore be upgraded as soon as practical to avoid possible operational disruption. At this stage it is planned that the work be completed in January

**FINANCIAL IMPLICATIONS**

There is no allocation for the upgrade of the weighbridges at Tamala Park in the current 2011/12 budget.

**VOTING REQUIREMENT**

Absolute Majority

**RESPONSIBLE OFFICER RECOMMENDATION**

**That Council:**

- 1. Approve a budget allocation of \$60,000 to fund the upgrade of the Tamala Park weighbridge load cell systems.**
- 2. Approve the re-allocation of \$60,000 from the RRF Vehicle Washdown Bay Facility allocation of \$650,000 to the Tamala Park Weighbridge upgrade as the RRF Washdown Bay Facility project, should it proceed, is not likely to be fully utilised in FY 2011/12.**

**RESOLVED**

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

*CARRIED UNANIMOUSLY (12/0)*

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**11 COMMITTEE REPORTS**

<b>ITEM 11.1</b>	<b>MINUTES - STRATEGIC PROJECTS COMMITTEE – 24 OCTOBER 2011</b>
<b>File No:</b>	<b>GOV/28/05 (D/11/7017)</b>
<b>Appendix(s):</b>	<b>Appendix 9 (page 103)</b>
<b>Date:</b>	<b>22 November 2011</b>
<b>Responsible Officer:</b>	<b>CEO</b>

**BACKGROUND**

The Strategic Projects Committee (SPC) 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.

Minutes of Strategic Projects Committee meeting held on 24 October 2011 at Appendix 9.

**1. RESPONSIBLE OFFICER RECOMMENDATION****1.1 MINUTES – 24 October 2011 (Appendix 9)**

The Unconfirmed Minutes of the Strategic Projects Committee meeting held on 24 October 2011 be received.

**2. RECOMMENDATIONS FROM SPC MEETING****2.1 MRC Establishment Agreement**

The Committee recommend that the Draft Establishment Agreement be referred to the Council for consideration with 1 minor drafting change which has been highlighted and the timing of Councillor Tenure clause.

**2.2 Use of DEC Waste Minimisation Funding**

- a. The Project Manager be requested to prepare a Tender Specification and distribute this to the Committee members.
- b. The Committee recommendation that when the funding is available from the DEC Waste Minimisation Funding it be used for an Audit to be completed twice (summer and winter) on waste in the Green and yellow bins and output of the RRF.

**RESOLVED**

**Cr MacTiernan moved, Cr Newton seconded  
That the recommendations be adopted.**

*CARRIED UNANIMOUSLY (12/0)*

<b>ITEM 11.2</b>	<b>AUDIT COMMITTEE MEETING MINUTES – 22 NOVEMBER 2011</b>
<b>File No:</b>	<b>COR/22 (D/11/7018)</b>
<b>Appendix(s):</b>	<b>Appendix No. 10 (page 163)</b>
<b>Date:</b>	<b>22 November 2011</b>
<b>Responsible Officer:</b>	<b>Kalwant Dhillon</b>

**BACKGROUND**

The Internal Audit Committee was established during the 2005/2006 financial year and it held its Inaugural meeting in June 2006.

**DETAIL****Establishment of Audit Committee**

The Audit Committee was established by Ordinary Council Meeting resolution on 7 July 2005. The Terms of Reference for this Committee were approved by Council at its Ordinary Council Meeting on 27 October 2005.

Powers of the Audit Committee, as stated in the Terms of Reference, can be summarised by the following extract:

*“The Committee is to report to Council and provide appropriate advice and recommendations ....”*

In summary, the Audit Committee does not have delegated authority from Council for decision making.

**STATUTORY ENVIRONMENT**

An Internal Audit Committee is required under the Local Government Act 1995 and Regulations. The Committee is required to meet at least once a year and report any matters discussed including outcomes to the Council.

**1. RESPONSIBLE OFFICER RECOMMENDATION****1.1 MINUTES – 22 November (Appendix 10)**

**The Unconfirmed Minutes of the Audit Committee meeting held on 22 November 2011 be received.**

**2. RECOMMENDATIONS FROM AUDIT COMMITTEE MEETING****2.1 Annual Report 2010/11**

**That Council accepts the Annual Report, including the audited Financial Statements for year ended 30 June 2011.**  
*(Absolute Majority vote required)*

**2.2 Audit Management Letter 2010/11**

**That Council note the Audit Management Letter issued upon completion of the 2010/11 audit.**

**RESOLVED**

**Cr Boothman moved, Cr Fishwick seconded  
That the recommendations be adopted.**

*CARRIED UNANIMOUSLY (12/0)*

**12 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil

**13 URGENT BUSINESS**

Nil

**14 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN**

Nil

**15 MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC**

Nil

**16 NEXT MEETING**

Ordinary Council Meeting to be held on Thursday 23 February 2012 at City of Stirling commencing at 5.30pm.

**17 CLOSURE**

*The Chairman closed the meeting at 7.18pm and thanked the Town of Victoria Park for their refreshments. He wished all present a happy Christmas and a prosperous new year.*

*These Minutes were confirmed by the Council as a true and accurate record of the Ordinary Meeting of the Council held on 8 December 2011.*

Signed ..... Chairman

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

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**WALGA**

**North Metropolitan Zone**

**Minutes**

***SPECIAL MEETING***

**Tuesday 24 January 2012**



# North Metropolitan Zone WALGA

Hosted by the City of Stirling  
25 Cedric Street Stirling  
Date Tuesday 24 January 2012 - Commenced at 6pm

## Minutes – Special Meeting

### ATTENDANCE

4 Voting Delegates from each Member Council

City of Joondalup

Cr Geoff Amphlett JP  
Cr Russ Fishwick  
Cr Mike Norman  
Cr Christine Hamilton-Prime  
Mr Garry Hunt, Chief Executive Officer – non-voting delegate  
Mr Jamie Parry, Director Governance and Strategy – non-voting delegate

City of Stirling

Mayor David Boothman - **Chair**  
Cr Giovanni Italiano JP  
Cr Bill Stewart  
Cr David Michael  
Mr Stuart Jardine, Chief Executive Officer – non-voting delegate  
Mr Dylan Griffiths, Coordinator Strategic Planning – non-voting delegate

City of Wanneroo

Mayor Tracey Roberts  
Cr Diane Guise  
Cr Stuart Mackenzie – **Deputy Chair**  
Cr Rudi Steffens  
Mr Len Kosova, Director Planning and Sustainability - non-voting delegate  
Mr Michael Barry, Manager Executive Services - non-voting delegate

WALGA

Representatives

Mayor Troy Pickard, WALGA President  
Mr Tony Brown, Executive Manager Governance and Strategy

### APOLOGIES

City of Wanneroo

Mr Daniel Simms, Chief Executive Officer  
Mr John Paton, Director Corporate Strategy & Performance

### ATTACHMENTS to the Agenda

1. State Council Agenda Item (Attachment 1)
2. WALGA Submission (Attachment 2)
3. Metropolitan Local Government Reform – Development and Analysis of Alternative Models (Report by Conway Davy and Planning Context) (Attachment 3)
4. Standing Orders – within the Agenda.

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## **1. DECLARATION OF INTEREST**

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Nil

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## **2. BUSINESS**

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### **2.1 Metropolitan Local Government Review**

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WALGA delegates provided an overview of the proposed submission on Metropolitan Local Government Reform.

### **RESOLUTION**

**That the Association's submission to the Metropolitan Local Government Review Panel be endorsed, subject to the following amendments;**

- 1. Deletion of the second (2<sup>nd</sup>) bullet point of recommendation 11 and replace it with;  
  
"Establishment of Regional Service Providers to undertake Regional Service Delivery on a voluntary basis."**
  
- 2. In Bullet point one (1) of recommendation 11 delete the following after the words Directions 2031;  
  
"activity centres including the capital city, strategic metropolitan centres, and some specialist and secondary centres."**
  
- 3. In recommendation 12 add the word "made" following "is" on the first line of the recommendation**

**Moved Cr Bill Stewart Seconded Cr David Michael**

**CARRIED UNANIMOUSLY**

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## **3. CLOSURE**

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There being no further business the Chair declared the meeting closed at 7:10pm



**WALGA**

**Minutes**  
of  
**Special Meeting**  
of  
**State Council**

**WALGA**  
**15 Altona Street**  
**Monday 30 January 2012**

# MINUTES

## NOTICE OF SPECIAL MEETING

Notice of a Special Meeting of the Western Australian Local Government Association's State Council was issued in accordance with Clause 11.2 of the Association Constitution and Clauses 2 and 4.4 of the Standing Orders, held at WALGA, 15 Altona Street West Perth, on Monday, 30 January 2012 commencing at 5.01pm

## **1. ATTENDANCE, APOLOGIES & ANNOUNCEMENTS**

### **1.1 Attendance**

Chairman	President of WALGA	Mayor Troy Pickard
Members	Avon-Midland Country Zone	Cr Lawrie Short
	Central Country Zone	President Cr Steve Martin JP (Deputy President)
	Central Metropolitan Zone	Cr Janet Davidson JP (teleconference)
		Cr Paul Kelly (teleconference)
	East Metropolitan Zone	Cr Glenys Godfrey
	Goldfields Esperance Country Zone	Cr Jeff Carter (Deputy)
	Great Eastern Country Zone	President Cr Eileen O'Connell
	Great Southern Country Zone	President Cr Barry Webster (teleconference)
	Kimberley Country Zone	President Cr Graeme Campbell (Deputy)
	Murchison Country Zone	President Cr Simon Broad (teleconference)
	North Metropolitan Zone	Cr David Michael
		Cr Brett Treby
	Northern Country Zone	Cr Geoff Amphlett JP
	Peel Country Zone	President Cr Karen Chappel (Deputy)
	Pilbara Country Zone	President Cr Wally Barrett
	South East Metropolitan Zone	President Cr Lynne Craigie
		Cr Kevin Trent (Deputy)
	South Metropolitan Zone	Mayor Cr Henry Zelones JP
		Mayor Cr Carol Adams
		Cr Maria Rico (Deputy)
		Cr Dennis Wood (Deputy)
	South West Country Zone	President Cr John Gardiner
Ex-Officio	Local Government Managers Australia	Dr Shayne Silcox
Secretariat	Chief Executive Officer	Ms Ricky Burges
	Deputy Chief Executive Officer	Mr Wayne Scheggia
	EM Governance & Strategy	Mr Tony Brown
	EM Infrastructure	Mr Ian Duncan
	EO Governance and Strategy	Ms Janet Done
	Governance and Strategy Facilitator	Mr Tim Lane
	Regional Co-operation Manager	Ms Jo Burges
Observers	Cr Lou Parker, Deputy State Councillor Elect	Northern Country Zone
	Cr Julie Brown, State Councillor Elect	South East Metropolitan Zone

### **1.2 Apologies**

Mayor Ron Yuryevich AM RFD	Goldfields Esperance Country Zone
Mayor Cr Terence Kenyon	East Metropolitan Zone
Cr Doug Thompson	South Metropolitan Zone
Ms Lisa Scaffidi	Rt Hon Lord Mayor, City of Perth

### **1.3 Announcements**

Nil

## **2. DECLARATIONS OF INTEREST**

There were no declarations of interest received.

## **3. MATTERS FOR DECISION**

The purpose of the meeting is to consider the submission by WALGA to the Metropolitan Local Government Review Panel as listed.

## **4. DATE OF NEXT MEETING**

The next Ordinary meeting of the Western Australia Local Government Association State Council be held in the Boardroom at WALGA, 15 Altona Street West Perth, on **Wednesday 7 March 2012** commencing **5pm**.

## **5. CLOSURE**

On behalf of the members present, the President extended congratulations to:

Dr Shayne Silcox, on being awarded the 2012 Australia Day Public Service Medal, in recognition of his long and dedicated service to Local Government in WA; and

Cr Kevin Trent on being awarded the 2012 Australia Day Order of Australia Reserve Force Decoration in recognition of his service to local government and the community of South Perth through a range of ex-service and social welfare organisations.

There being no further business, the President closed the meeting at 7.05pm

### 3. MATTERS FOR DECISION

#### 3.1 Metropolitan Local Government Review (05-034-01-0018 TB)

*By Tony Brown, Executive Manager Governance and Strategy*

#### RECOMMENDATION

**That the Association's submission to the Metropolitan Local Government Review Panel be endorsed.**

<b>Avon Midland Country Zone</b>	WALGA recommendation noted; Refer comments
<b>Central Country Zone</b>	WALGA recommendation supported
<b>Central Metropolitan Zone</b>	WALGA recommendation supported; Refer comments
<b>East Metropolitan Zone</b>	WALGA recommendation supported
<b>Gascoyne Zone</b>	WALGA recommendation noted
<b>Goldfields Esperance Country Zone</b>	WALGA recommendation supported
<b>Great Eastern Country Zone</b>	WALGA recommendation supported
<b>Great Southern Country Zone</b>	No meeting held; comments sought – WALGA recommendation supported
<b>Kimberley Zone</b>	No meeting held
<b>Murchison Country Zone</b>	Flying Minute: WALGA recommendation supported
<b>North Metropolitan Zone</b>	WALGA recommendation supported, subject to comments
<b>Northern Country Zone</b>	Flying Minute: WALGA recommendation supported
<b>Peel Zone</b>	WALGA recommendation supported; Refer comments
<b>Pilbara Zone</b>	Meeting scheduled for 30 January 2012 – cancelled
<b>South East Metropolitan Zone</b>	WALGA recommendation noted; Refer comments
<b>South Metropolitan Zone</b>	WALGA recommendation supported
<b>South West Country Zone</b>	Refer comments

#### **GASCOYNE COUNTRY ZONE**

The Zone requested that the issue of rating State Government organisations be included in the Submission.

#### Secretariat Comment

*The metropolitan context of this issue is largely captured within Recommendation 5.*

#### **SOUTH METROPOLITAN ZONE**

That the following recommendation be added to the 14 recommendations of the Submission. That the Metropolitan Review Panel develops a transition plan as part of their final representations to the Minister.

#### Secretariat Comment

*Accepted – new Recommendation 13.*

### **EAST METROPOLITAN ZONE**

That the Association's submission to the Metropolitan Local Government Review Panel be endorsed having regard to the comments, notes and amendments to the Recommendations made by the Zone.

Recommendation 4 – That Recommendation 4 be amended to make additional reference to the application of rate exemptions where group housing for the physically and intellectually disabled is supported under a government scheme such as a Commonwealth-State Housing Agreement or Commonwealth-State Disability Agreement.

Secretariat Comment

*Accepted – revised Recommendation 4.*

That a new recommendation be added to the WALGA submission to the Metropolitan Local Government review, reading:

That further research and investigation be undertaken on the potential for an over-arching Metropolitan Regional Council, including consideration of best practice models such as the East Metropolitan Regional Council (EMRC).

Secretariat Comment

*No other Zone has requested this proposal and the Forum outcome precluded a single Metropolitan Regional Council.*

### **AVON MIDLAND COUNTRY ZONE**

That the WA Local Government Association's submission to the Metropolitan Local Government Review Panel be received but not endorsed by the Zone.

That the Zone recommends to the WA Local Government Association that its submission to the Metropolitan Local Government Review Panel be strengthened by highlighting the importance of

- Transport corridors through the metropolitan area, particularly to ports and transport terminals; and
- The connectivity between the metropolitan area and its rural hinterland.

Secretariat Comment

*The Submission content has been amended at page 21 to incorporate the Zone's concerns.*

### **SOUTH WEST COUNTRY ZONE**

That:

1. The SWZ of the WALGA chooses not to make a comment at this time and is prepared to leave it to the Metropolitan Councils to determine the nature of the submission.
2. We do not really comprehend how the model is proposed to act upon the structure of local government in country and regional areas and we reserve the right to make further comment when the committee releases its first report.
3. Country area Local Governments do need to take these matters back to their Councils and because we have not been able to do so it is difficult to say what the collective view of the Council may be when it sees the report.

Secretariat Comment

*No comment required.*

### **GREAT EASTERN COUNTRY ZONE**

That the Great Eastern Country Zone:

1. Congratulate WA Local Government Association (the Association) on the work undertaken in the preparation of the submission to the Metropolitan Local Government Review;
2. Endorse the Association's submission to the Metropolitan Local Government Review Panel; and

3. Meet to consider the recommendations contained within the draft report of the Metropolitan Local Government Review Panel.

Secretariat Comment

*No comment required.*

### **CENTRAL COUNTRY ZONE**

That the Central Country Zone endorse the Association's submission to the Metropolitan Local Government Review Panel, subject to the knowledge that some of these recommendations are not necessarily applicable to regional Western Australia.

Secretariat Comment

*No comment required.*

### **NORTH METROPOLITAN ZONE**

That the Association's submission to the Metropolitan Local Government Review Panel be endorsed, subject to the following amendments;

1. Deletion of the second (2<sup>nd</sup>) bullet point of Recommendation 11 and replace it with:  
"Establishment of Regional Service Providers to undertake Regional Service Delivery on a voluntary basis."
2. In Bullet point one (1) of Recommendation 11 delete the following after the words Directions 2031:  
"activity centres including the capital city, strategic metropolitan centres, and some specialist and secondary centres." and
3. In Recommendation 12 add the word "made" following "is" on the first line of the recommendation

Secretariat Comment

1. *This proposal has only been raised by the North Metropolitan Zone. No change to the Recommendation proposed.*
2. *This proposal has only been raised by the North Metropolitan Zone. No change to the Recommendation proposed.*
3. *Accepted see Recommendation 12.*

### **GOLDFIELDS ESPERANCE COUNTRY ZONE**

That the Goldfields Voluntary Regional Organisation of Councils:

1. Congratulate WA Local Government Association (the Association) on the work undertaken in the preparation of the submission to the Metropolitan Local Government Review;
2. Endorse the Association's submission to the Metropolitan Local Government Review Panel; and
3. Meet to consider the recommendations contained with the draft Metropolitan Local Government Review Panel Report.

Secretariat Comment

*No comment required.*

### **SOUTH EAST METROPOLITAN ZONE**

#### ***Preamble to Recommendation***

*South East Metro Zone delegates expressed concern with the process leading up to the preparation of the final WALGA submission to the Local Government Review Panel and make the following comments*

1. *South East Metro Zone Delegates formed the view that the Forum held on the 16<sup>th</sup> of January was conducted in a manner to drive delegates to a predetermined conclusion, the results of the voting process was not audited and that other governance models were not considered or able to be considered during workshop.*
2. *Concern was also expressed that delegates to the forum were not given a fifth option to the models in that none of the 4 models be supported.*

3. *Given there was a close preference indicated between models 1 and 2, the submission should have indicated that option 1 was the least change option and should have then been WALGA's default position.*
4. *South East Metro Zone Delegates were of the view that as WALGA's submission had not been viewed or endorsed by their respective Councils so Zone Delegates were not comfortable endorsing a submission without the support of their Council or community.*
5. *Zone Delegates understand the enormity of the task but the changes and disruption to our communities should not be overlooked or ignored in bending to the will of the government.*

That the South East Metropolitan Zone Delegates:-

1. Note the Association's Submission to the Metropolitan Local Government Review Panel and
2. Recommends the following amendments to the Submission's recommendations:
  - A. Deletion of Recommendation 2 (Local Government Commission)
  - B. New Recommendations be added:
    - a. That a Transition Plan be prepared by the Metropolitan Local Government Review Panel, and
    - b. That the Metropolitan Local Government Review Panel's Final Report be made public
  - C. That Recommendation 13 be amended to read "That any State Government imposed structural change of Local Government in Western Australia is entirely State Government funded"
  - D. That Recommendation 11 is replaced with WALGA's Model 1 to read "That an appropriate framework be created to determine the number of Councils in metropolitan Perth using pre-determined criteria underpinned by the following sustainability principles:
    - Economic sustainability
    - Social sustainability
    - Environmental sustainability, and
    - Organisational sustainability"

Secretariat Comment

1. *Noted*
- 2A. *Majority of Zones support the inclusion of a Local Government Commission.*
- 2B(a) *Accepted – refer new Recommendation 13*
- 2B(b) *Accepted – refer new Recommendation 15*
- 2C *Accepted – refer amended wording of newly numbered Recommendation 14 (refer Central Metropolitan Zone comment – point 2)*
- 2D *This proposal has only been raised by the South East Metropolitan Zone. No change to the Recommendation proposed.*

**CENTRAL METROPOLITAN ZONE**

That the Associations submission to the Metropolitan Local Government Review Panel be endorsed, subject to the following;

- 1) That Dot point 1 of Recommendation 11 be deleted and the report amended to reflect WALGA's support for its existing Member Councils to conduct efficient operations under the new Regional Councils and Local Government Commission.
- 2) That recommendation 13 be amended to read;  
"That any change to the Structure and Governance of Local Governments whether forced or voluntary, to be funded by the State Government."
- 3) That the following recommendation be inserted in the Transition section;  
"That elections for any new Local Government Councils be held prior to the commencement of any new Local Government."

### Secretarial Comment

1. *This recommendation is only supported by the Central Metropolitan Zone. No change to the Recommendation proposed*
2. *Accepted – refer amended wording of newly numbered Recommendation 14.*
3. *This recommendation is only supported by the Central Metropolitan Zone. No change to the Recommendation proposed.*

### **PEEL ZONE**

That:

1. The Peel Zone supports the retention of the Peel Region as a separate region in its entirety.
2. The boundaries of the Peel Region remain as they are.
3. The Shire of Serpentine Jarrahdale remains part of the Peel Region given its critical economic and strategic input to the Region.

That, subject to the modifications made, the Peel Zone supports the Submission and Recommendations.

Recommendation 1 – supported.

Recommendation 2 – not supported.

Recommendation 3 – supported.

Recommendation 4 – members requested further clarity on charitable rating reviews be included in the recommendation.

Recommendation 5 – supported.

Recommendation 6 – supported.

Recommendation 7 – supported.

Recommendation 8 – supported.

Recommendation 9 – supported.

Recommendation 10 – supported, emphasising that councils are not boards.

Recommendation 11 – that ‘**and other economies**’ be added to dot point one of the recommendation following ‘**strategic industrial areas**’. Members asked for dot point two be removed from the recommendation because they were unconvinced regarding regional bodies.

Recommendation 12 – supported, adding ‘**that the panel be requested to come up with a transitional plan and the report to be made public.**’

Recommendation 13 – supported.

### Secretariat Comment

*The Terms of Reference of this Review does not include the Peel Region. It is restricted to the metropolitan area. The Association’s submission is silent on this matter.*

*Recommendation 2 - Majority of Zones support the inclusion of a Local Government Commission.*

*Recommendation 4 – Accepted – refer amended wording*

*Recommendation 10 – this comment is already included in the Submission on page 51.*

*Recommendation 11*

*(1) ‘other economies’ is accepted and has been included in the amended Recommendation;*

*(2) This recommendation is only supported by the Peel Zone. No change to the Recommendation proposed.*

*Recommendation 12 – Accepted – refer new Recommendation 13.*

### **GREAT SOUTHERN ZONE**

The Chair of the Zone advised that while a formal meeting was not held, comments were sought from each of the members of the Zone in relation to the Submission.

### **SECRETARIAT COMMENT**

Following the distribution of the draft submission, a number of valid administrative content amendments were proposed and have been incorporated in the Submission as per recommendation 1 of the composite recommendation.

NB: Recommendation numbers have been updated to incorporate new additional recommendations from Zones.

### **COMPOSITE RECOMMENDATION**

**Moved: Mayor C Adams**

**Seconded: Cr L Short**

**That the Association's submission to the Metropolitan Local Government Review Panel be endorsed subject to:**

**1. The following administrative content being included in the Submission;**

On page 12 – WALGA Submission, additional sentence to be added following the first paragraph;

*The positions taken in this paper should not be used for any other purpose other than a response to the Metropolitan Review process.*

At the top of page 18 (immediately before the heading 'Metropolitan Governance Success Criteria') the following was added:

*In Metropolitan Perth, Local Governments have established Regional Local Governments to undertake a range of services – most predominantly waste – on a regional basis.*

On page 21, under the general heading of "Challenges and Trends", and following the completion of the sub heading "Environment" insert a new sub-heading and paragraph;

*Metropolitan – Rural Connectivity*

*A challenge to be considered is the connectivity between the metropolitan area and the rural hinterland. Transport corridors through the metropolitan area, particularly to ports and transport terminals require significant consideration.*

On page 38, the first paragraph in response to question 32 now reads as follows:

Local Governments seek opportunities to streamline their service delivery functions within current legislative constraints. One example of streamlined service delivery is demonstrated by waste processing undertaken by Regional Local Governments on behalf of Local Governments. *The Eastern Metropolitan Regional Council (EMRC) also undertakes regional development and tourism for its member Local Governments.* Another example relates to the South West Group which undertakes economic development and explores regional service delivery opportunities on behalf of its member Local Governments.

On page 46 - Restriction on Borrowings, immediately prior to the recommendation, add the following:-

*This is particularly relevant since the Global Financial Crisis. Treasury now requires member Local Governments to show as contingent liabilities in their balance sheet their proportion of contingent liabilities of the Regional Local Government of which they are a member. Given that the cost of provision of an Alternative Waste Disposal System is anything up to \$100 million, the*

*share of contingent liabilities for any Local Government is significant. Even under a 'Build-Own-Operate' financing method, the unpaid (future) payments to a contractor must be recognised in the balance sheet of the Regional Local Government as a contingent liability.*

*This alone is likely to prevent some Local Governments from borrowing funds to finance its own work as the value of contingent liabilities are taken into account by Treasury for borrowing purposes.*

On page 57 – Modifications to the Preferred Models; re-word the first sentence commencing with “Participants at the forum ....”

*Of the four models presented at the Forum, participants were in favour of Models 1 and 2.*

On page 58 – Preferred Governance Model; re-word the first sentence;

From the four models presented, the Association’s preferred governance model ....

On page 61 - Period of Uncertainty - reword paragraph commencing with 'The Local Government sector.....' as follows:-

*The Local Government sector more broadly may also be affected. Attracting and retaining skilled professionals is difficult enough now for the Local Government sector, given the current strength of the Western Australian economy. With the uncertainty of tenure of employment facing the future of the sector, potential employees may find the sector unattractive and the difficulty in attracting skilled staff may be amplified as a result of the looming structural change.*

**Cr Janet Davidson left the meeting at 5.25pm**

**The President put each Recommendation to the vote separately.**

**RESOLUTION 1.1/2012**

**CARRIED UNANIMOUSLY**

Moved: Cr K Trent  
Seconded: Cr G Amphlett

2. That the Association’s submission to the Metropolitan Local Government Review Panel be endorsed encompassing the following recommendations:

**Cr Davidson returned to the meeting at 5.26pm and left at 5.38pm and did not return to the meeting.**

**Recommendation 1**

A protocol guiding communication and consultation between the State Government and the Local Government sector be developed and implemented as a matter of urgency

**RESOLUTION 2.1/2012**

**CARRIED UNANIMOUSLY**

**Recommendation 2**

A Local Government Commission be established in Western Australia as proposed in this submission

**RESOLUTION 3.1/2012**

**CARRIED UNANIMOUSLY**

### Recommendation 3

A comprehensive review of the Local Government Act 1995 be undertaken to restore the Act to the principle of 'general competence'

#### **RESOLUTION 4.1/2012**

**CARRIED UNANIMOUSLY**

Cr Michael entered the meeting at 5.43pm

### Recommendation 4

#### **AMENDMENT:**

**Moved: Cr K Trent**

**Seconded: Cr D Wood**

- a. The *Local Government Act 1995* be amended to remove the rate exemption for Independent Living Units. *Delete the following and add commentary in the Submission: (except for Independent Living Units granted an exemption by the Commonwealth Aged Care Act 1997 and where group housing for the physically and intellectually disabled is supported under a government scheme such as a Commonwealth State Housing Agreement or Commonwealth State Disability Agreement)*
- b. The Local Government Act 1995 be amended to provide clarification on rating of land used for charitable purposes.

#### **RESOLUTION 5.1/2012**

**CARRIED UNANIMOUSLY**

### Recommendation 5

That LandCorp and other Government Trading Entities' rate equivalency payments be made to the relevant Local Governments instead of the State Government

#### **RESOLUTION 6.1/2012**

**CARRIED UNANIMOUSLY**

### Recommendation 6

That Section 6.21 of the Local Government Act 1995 be amended to allow Local Governments to use freehold land, in addition to its general fund, as security when borrowing

#### **RESOLUTION 7.1/2012**

**CARRIED UNANIMOUSLY**

### Recommendation 7

That a review be undertaken to remove fees and charges from legislation and Councils be empowered to set fees and charges for Local Government services

#### **RESOLUTION 8.1/2012**

**CARRIED UNANIMOUSLY**

### Recommendation 8

A review, with the involvement of the Association and the Local Government sector, examining the regulatory and compliance burden of Regional Local Governments be undertaken.

#### **RESOLUTION 9.1/2012**

**CARRIED UNANIMOUSLY**

### Recommendation 9

That the *Local Government Act 1995* and Regulations be amended to enable Local Governments to establish regional subsidiaries as intended by the *Local Government Amendment (Regional Subsidiaries) Bill 2010*

#### **RESOLUTION 10.1/2012**

**CARRIED UNANIMOUSLY**

### **Recommendation 10**

That the *Local Government Act 1995* and Regulations be amended to enable Local Governments to establish Council Controlled Organisations<sup>1</sup>

### **RESOLUTION 11.1/2012**

**CARRIED UNANIMOUSLY**

### **Recommendation 11**

That a Governance Model based on the following guiding principles be adopted for the Perth metropolitan region:

- Determination of Local Government boundaries based on sustainability principles (economic, social, environmental and organisational) with reference to Directions 2031 activity centres including the capital city, strategic metropolitan centres, and some specialist and secondary centres. The existence of strategic industrial areas, other major land uses and other economies should also be considered
- Establishment of regional bodies to undertake regional service delivery and regional strategic planning, and
- Enhancement of Intergovernmental Relations between State Government and the Local Government sector at the strategic, policy and project levels.

**Cr Craigie left the meeting at 6.13pm**

#### **AMENDMENT**

**Moved: Cr G Amphlett**

**Seconded: Cr B Treby**

That a Governance Model based on the following guiding principles be adopted for the Perth metropolitan region:

1. Deletion of the second (2<sup>nd</sup>) bullet point of Recommendation 11 and replace it with:  
“Establishment of Regional Service Providers to undertake Regional Service Delivery on a voluntary basis.”

**LOST**

**Cr Craigie returned to the meeting at 6.19pm**

#### **AMENDMENT**

**Moved: Cr G Amphlett**

**Seconded: Cr B Treby**

1. In Bullet point one (1) of Recommendation 11 delete the following after the words Directions 2031:  
“activity centres including the capital city, strategic metropolitan centres, and some specialist and secondary centres.”

### **RESOLUTION 12.1/2012**

**CARRIED**

#### **AMENDMENT**

**Moved: Cr M Rico**

**Seconded: Cr G Godfrey**

Subject to the criterion that any changes to a Local Government's boundaries is conditional upon deep and broad community support, as assessed by a poll of electors., the determination of Local Government boundaries .....

#### **PROCEDURAL AMENDMENT**

**Moved: Cr G Campbell**

That the motion be put.

**CARRIED**

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<sup>1</sup> Proposed legislative provisions detailed in appendix 2

**THE AMENDMENT WAS PUT AND**

**LOST**

Cr Craigie left the meeting at 6.40pm

**AMENDMENT**

**Moved: President Cr S Martin**

**Seconded: Mayor C Adams**

Delete “other economies” from the original Recommendation.

**RESOLUTION 13.1/2012**

**CARRIED**

Cr Craigie returned to the meeting at 6.45pm

**THE AMENDMENT BECAME THE MOTION AND WAS PUT**

**Recommendation 11**

That a Governance Model based on the following guiding principles be adopted for the Perth metropolitan region:

- Determination of Local Government boundaries based on sustainability principles (economic, social, environmental and organisational) with reference to Directions 2031. The existence of strategic industrial areas and other major land uses should also be considered
- Establishment of regional bodies to undertake regional service delivery and regional strategic planning, and
- Enhancement of Intergovernmental Relations between State Government and the Local Government sector at the strategic, policy and project levels.

**RESOLUTION 14.1/2012**

**CARRIED**

Members agreed to vote Recommendations 12, 13, 14, 15 and 16 en bloc.

**RESOLUTION 15.1/2012**

**CARRIED UNANIMOUSLY**

**Recommendation 12**

That the Metropolitan Local Government Review Panel ensures the State Government is made aware of the potential impacts of their recommendations on the workforces and financial positions of Local Governments

**Recommendation 13**

That the Metropolitan Review Panel develops a transition plan as part of their final representations to the Minister.

**Recommendation 14**

That any change to the Structure and Governance of Local Governments whether forced or voluntary, to be funded by the State Government.

**Recommendation 15**

That the Local Government sector and Local Government peak bodies – WALGA and the LGMA – are involved in any Local Government reform initiative stemming from the Metropolitan Local Government Review

### **Recommendation 16**

That the Metropolitan Local Government Review Panel's final report be made public.

#### **RESOLUTION 16.1/2012**

**CARRIED UNANIMOUSLY**

#### **RECOMMENDATION**

**Moved: Cr M Rico**

**Seconded: Cr G Godfrey**

That a Governance Model be subject to the criterion that any changes to a Local Government's boundaries is conditional upon deep and broad community support, as assessed by a poll of electors.

**LOST**

#### **RECOMMENDATION**

**Moved: Cr Trent**

**Seconded: Cr Wood**

That the Metropolitan Local Government Review Panel, when releasing their draft findings for public comment, provide substantiating commentary.

#### **RESOLUTION 17.1/2012**

**CARRIED UNANIMOUSLY**

**Moved: Mayor H Zelones**

**Seconded: Cr L Short**

- 3 The MWAC Submission be removed from the WALGA Submission and put forward to the Metropolitan Local Government Review Panel separately.**

#### **RESOLUTION 18.1/2012**

**CARRIED UNANIMOUSLY**

#### **RECOMMENDATION**

**Moved: Cr P Kelly**

**Seconded: Mayor C Adams**

On Page 41 of the Submission, under section 'Local Government Commission', remove "potential for" and replace with "inherent".

#### **RESOLUTION 19.1/2012**

**CARRIED UNANIMOUSLY**

#### **RECOMMENDATION**

**Moved: Cr P Kelly**

**Seconded: Cr B Treby**

On Page 63 of the Submission, add the following after the second paragraph; "The oversight committee should report on the evaluation of the reforms including social, environmental and economic efficiencies."

#### **RESOLUTION 20.1/2012**

**CARRIED UNANIMOUSLY**

The President thanked State Councillors for their contributions to the meeting both via teleconference and in person.

A copy of the updated amended motion is attached.

## ATTACHMENT 1

**That the Association's submission to the Metropolitan Local Government Review Panel be endorsed subject to:**

On page 12 – WALGA Submission, additional sentence to be added following the first paragraph;

*The positions taken in this paper should not be used for any other purpose other than a response to the Metropolitan Review process.*

At the top of page 18 (immediately before the heading 'Metropolitan Governance Success Criteria') the following was added:

*In Metropolitan Perth, Local Governments have established Regional Local Governments to undertake a range of services – most predominantly waste – on a regional basis.*

On page 21, under the general heading of "Challenges and Trends", and following the completion of the sub heading "Environment" insert a new sub-heading and paragraph;

*Metropolitan – Rural Connectivity*

*A challenge to be considered is the connectivity between the metropolitan area and the rural hinterland. Transport corridors through the metropolitan area, particularly to ports and transport terminals require significant consideration.*

On page 38, the first paragraph in response to question 32 now reads as follows:

Local Governments seek opportunities to streamline their service delivery functions within current legislative constraints. One example of streamlined service delivery is demonstrated by waste processing undertaken by Regional Local Governments on behalf of Local Governments. *The Eastern Metropolitan Regional Council (EMRC) also undertakes regional development and tourism for its member Local Governments.* Another example relates to the South West Group which undertakes economic development and explores regional service delivery opportunities on behalf of its member Local Governments.

On page 41 Local Government Commission;

*remove "potential for" and replace with "inherent"*

On page 45 in respect to "Rating Exemptions – Charitable Purposes" insert commentary prior to the recommendation;

*"WALGA's policy position on this issue is that the Local Government Act 1995 should be amended to remove the rate exemption for Independent Living Units. There may be an argument for exemptions to be granted by State or Federal legislation. Examples include exemptions granted by the Commonwealth Aged Care Act 1997 and group housing for the physically and intellectually disabled which is supported under a government scheme such as a Commonwealth-State Housing Agreement or Commonwealth-State Disability Agreement.*

*The sphere of government that determines that exemptions should be granted should fund the exemption. This will ensure that funding the revenue shortfall will be equitably and appropriately distributed amongst taxpayers. For example, the State Government have a compensatory fund of this nature relating to pensioner discounts for the payment of rates.*

*The Local Government Act 1995 needs to be amended to provide clarification on rating of land used for charitable purposes.*

On page 46 - Restriction on Borrowings, immediately prior to the recommendation, add the following:-

*This is particularly relevant since the Global Financial Crisis. Treasury now requires member Local Governments to show as contingent liabilities in their balance sheet their proportion of contingent liabilities of the Regional Local Government of which they are a member. Given that the cost of provision of an Alternative Waste Disposal System is anything up to \$100 million, the share of contingent liabilities for any Local Government is significant. Even under a 'Build-Own-Operate' financing method, the unpaid (future) payments to a contractor must be recognised in the balance sheet of the Regional Local Government as a contingent liability.*

*This alone is likely to prevent some Local Governments from borrowing funds to finance its own work as the value of contingent liabilities are taken into account by Treasury for borrowing purposes.*

On page 57 – Modifications to the Preferred Models; re-word the first sentence commencing with “Participants at the forum ....”

*Of the four models presented at the Forum, participants were in favour of Models 1 and 2*

On page 58 – Preferred Governance Model; re-word the first sentence;

From the four models presented, the Association’s preferred governance model ....

On page 61 - Period of Uncertainty - reword paragraph commencing with 'The Local Government sector.....' as follows:-

*The Local Government sector more broadly may also be affected. Attracting and retaining skilled professionals is difficult enough now for the Local Government sector, given the current strength of the Western Australian economy. With the uncertainty of tenure of employment facing the future of the sector, potential employees may find the sector unattractive and the difficulty in attracting skilled staff may be amplified as a result of the looming structural change.*

On Page 63 add the following after the second paragraph;

“The oversight committee should report on the evaluation of the reforms including social, environmental and economic efficiencies.”

### **Recommendation 1**

A protocol guiding communication and consultation between the State Government and the Local Government sector be developed and implemented as a matter of urgency

### **Recommendation 2**

A Local Government Commission be established in Western Australia as proposed in this submission

### **Recommendation 3**

A comprehensive review of the Local Government Act 1995 be undertaken to restore the Act to the principle of 'general competence'

### **Recommendation 4**

- c. The *Local Government Act 1995* be amended to remove the rate exemption for Independent Living Units.
- d. The Local Government Act 1995 be amended to provide clarification on rating of land used for charitable purposes.

### **Recommendation 5**

That LandCorp and other Government Trading Entities' rate equivalency payments be made to the relevant Local Governments instead of the State Government

### **Recommendation 6**

That Section 6.21 of the Local Government Act 1995 be amended to allow Local Governments to use freehold land, in addition to its general fund, as security when borrowing

### **Recommendation 7**

That a review be undertaken to remove fees and charges from legislation and Councils be empowered to set fees and charges for Local Government services

### **Recommendation 8**

A review, with the involvement of the Association and the Local Government sector, examining the regulatory and compliance burden of Regional Local Governments be undertaken.

### **Recommendation 9**

That the *Local Government Act 1995* and Regulations be amended to enable Local Governments to establish regional subsidiaries as intended by the *Local Government Amendment (Regional Subsidiaries) Bill 2010*

### **Recommendation 10**

That the *Local Government Act 1995* and Regulations be amended to enable Local Governments to establish Council Controlled Organisations<sup>2</sup>

### **Recommendation 11**

That a Governance Model based on the following guiding principles be adopted for the Perth metropolitan region:

- Determination of Local Government boundaries based on sustainability principles (economic, social, environmental and organisational) with reference to Directions 2031. The existence of strategic industrial areas and other major land uses should also be considered
- Establishment of regional bodies to undertake regional service delivery and regional strategic planning, and
- Enhancement of Intergovernmental Relations between State Government and the Local Government sector at the strategic, policy and project levels.

### **Recommendation 12**

That the Metropolitan Local Government Review Panel ensures the State Government is made aware of the potential impacts of their recommendations on the workforces and financial positions of Local Governments

### **Recommendation 13**

That the Metropolitan Review Panel develops a transition plan as part of their final representations to the Minister.

### **Recommendation 14**

That any change to the Structure and Governance of Local Governments whether forced or voluntary, to be funded by the State Government.

### **Recommendation 15**

That the Local Government sector and Local Government peak bodies – WALGA and the LGMA – are involved in any Local Government reform initiative stemming from the Metropolitan Local Government Review

### **Recommendation 16**

That the Metropolitan Local Government Review Panel's final report be made public.

### **Recommendation 17**

That the Metropolitan Local Government Review Panel, when releasing their draft findings for public comment, provide substantiating commentary

## **3 The MWAC Submission be removed from the WALGA Submission and put forward to the Metropolitan Local Government Review Panel separately**