



MINUTES

ORDINARY COUNCIL MEETING

TIME: 5.30PM

24 APRIL 2014

CITY OF WANNEROO

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



CONTENTS

1	DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS.....	3
2	ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE	3
3	DECLARATION OF INTERESTS.....	4
4	PUBLIC QUESTION TIME	4
5	ANNOUNCEMENTS BY THE PRESIDING PERSON	4
6	APPLICATIONS FOR LEAVE OF ABSENCE	4
7	PETITIONS / DEPUTATIONS / PRESENTATIONS	4
	7.1 Deputation by the Community Engagement Advisory Group - Performance of the Resource Recovery Facility.....	4
8	CONFIRMATION OF MINUTES OF PREVIOUS MEETING	7
	8.1 Ordinary Council Meeting – 20 February 2014.....	7
9	CHIEF EXECUTIVE OFFICER REPORTS	8
	9.1 Financial Statements for the periods ended 31 January 2014 and 28 February 2014.....	8
	9.2 List of Payments made for the months ended 31 January 2014 and 28 February 2014.....	10
	9.3 Audit Committee Recommendations for consideration by Council	11
	9.4 Tour of Waste to Energy Facilities in the United Kingdom.....	14
	9.5 Sorting Shed Proposal.....	16
10	MEMBERS INFORMATION BULLETIN – ISSUE NO. 16	31
11	MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN.....	31
12	URGENT BUSINESS.....	31
13	QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN.....	31
14	MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC.....	32
	14.1 Resource Recovery Facility – Request from BioVision to increase Plant Maintenance Costs	32
	14.2 Tender for Recycling of Scrap Steel/Metal.....	34
	14.3 Tender for Recycling of Mattresses	35
15	NEXT MEETING	35
16	CLOSURE	35

1	DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS
----------	--

The Chairman declared the meeting open at 5.30pm.

The Chairman welcomed Cr Christine Hamilton-Prime from City of Joondalup.

2	ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE
----------	--

Councillor Attendance

Cr R Fishwick JP (Chairman)	City of Joondalup
Cr J Bissett (Deputy Chairman)	Town of Victoria Park
Cr D Boothman	City of Stirling
Cr J Carey	City of Vincent
Cr J Davidson OAM JP	City of Perth
Cr R Driver	City of Wanneroo
Cr C Hamilton-Prime	City of Joondalup
Cr D Newton JP	City of Wanneroo
Cr S Proud	City of Stirling
Cr E Re JP	City of Stirling
Cr B Stewart	City of Stirling
Cr S Withers	Town of Cambridge

Apologies

Cr K Hollywood	City of Joondalup
----------------	-------------------

MRC Officers

Mr B Callander (Chief Executive Officer)
Mr G Hoppe (Director Corporate Services)
Ms L Nyssen (Executive Support)
Ms P Davies (Education Officer)

Member Council Observers

Warren Bow (Town of Victoria Park)
Geoff Eves (City of Stirling)
Doug Forster (City of Perth)
Om Gupta (City of Perth)
Chris Morrison (City of Wanneroo)
Andrew Murphy (City of Joondalup)
Sean Sciberras (City of Stirling)

Visitors

Mr R Sewell (Chairman of CEAG)
Mr Ted Smith (member of CEAG)
Mr B Foulds (member of CEAG)

Members of the Public

Nil

Press

Nil

3 DECLARATION OF INTERESTS

Interest Type	Financial
Name and Position of Person	Mr Brian Callander, CEO Mindarie Regional Council
Report Item No. and Topic	9.4 – Tour of Waste to Energy facilities in the United Kingdom
Nature of Interest	The report considers the allocation of finances to allow the CEO will be attending Waste to Energy Plants in the UK.

4 PUBLIC QUESTION TIME

Nil

5 ANNOUNCEMENTS BY THE PRESIDING PERSON

The Chairman advised Councillors that:

1. The MRC formally received advice on the 10 April 2014 that a court settlement has been reached for the replacement of the Resource Recovery Facility's (RRF) composters. Work on the composter replacement to commence in the second half of 2015;
2. On 17 April 2014 the MRC was advised that one of the Composters at the RRF has had to be shut down due to a mechanical failure. The RRF will operate extended hours to minimise tonnage shortfall; and
3. The MRC Education Unit and Officers from member councils through the Waste Education Strategic Steering Group are developing an education campaign aimed at getting the community to place glass in the recyclable bin to reduce glass contamination in the waste delivered to the RRF and improve the quality of the compost.

6 APPLICATIONS FOR LEAVE OF ABSENCE

Nil

7 PETITIONS / DEPUTATIONS / PRESENTATIONS

7.1 DEPUTATION BY THE COMMUNITY ENGAGEMENT ADVISORY GROUP – PERFORMANCE OF THE RESOURCE RECOVERY FACILITY

The Presiding Person has, in accordance with Mindarie Regional Council's Standing Orders, approved a deputation from the Community Engagement Advisory Group (CEAG).

The CEAG was formed in accordance with the Resource Recovery Facility Agreement to act as a conduit between the MRC and the community. The Group requested the deputation to inform the Councillors of their concerns on the performance of the Resource Recovery Facility (RRF). CEAG raised their concerns formally in a letter to the MRC, which was distributed to the MRC Councillors on 15 April 2014. The letter reads as follows:

"I am writing on behalf of the Community Engagement Advisory Group (CEAG) to advise you of our findings pertaining to the construction and performance of the RRF.

As you are aware, CEAG was formed as the Community representative to carry forward the Community Point of view concerning aspects of the recycling project and to oversee the progress.

The plant construction is complete and has now been operational for more than three years. CEAG have now finalised a review of the project. The purpose of the review was to determine if the RRF has performed efficiently and achieved the objectives and benefits originally promised to residents and ratepayers.

At the conclusion of our review we have determined that the RRF has failed to deliver all the promised benefits and objectives as outlined in the original mandate to residents and ratepayers.

The following points have contributed to the plant's underperformance:

- 1. The plant is not producing a quality/marketable product. The end product is contaminated and as such is disposed of at a cost to Councils, residents and ratepayers.*
- 2. The percentage of residue to land fill has not been achieved. The Council has seen fit to reduce the percentage to that of the original contract. Whilst we understand the contract allows for this amendment, the efficiency of the plant is questioned as originally outlined.*
- 3. The original specification quoted that all green bin waste was acceptable, however, due to contaminants (mainly glass), the end product as presently produced is unacceptable to its target market. The problem is further reflected in the MRC's decision not to penalise BioVision for underperformance. What is going to be the outcome of this situation? The longer this problem exists, the greater the impact on the profitability of the operation. No education to residents and ratepayers to improve the quality waste in green bins has been made to alleviate the problem.*
- 4. The original information to residents was "the plant would not produce an odour" whilst steps have been taken to reduce the odour, there are still ongoing concerns with the golf course and the possibility of further and greater problems with new houses currently being constructed near the plant. Originally, residents requested the plant be located in the estate further north – this was rejected.*
- 5. Whilst the current operation of the plant has improved the diversion to landfill, the plant is still failing to fulfil its obligations under the original performance promises.*
- 6. Management has estimated the current cost of operation to residents to be approximately \$80 per household. Whilst it is appreciated that there would be a cost to ratepayers to operate the plant, excluding escalation of cost, the real figure is higher than anticipated. This can only be as a result of the failure of the plant to meet its original performance expectations and residents and ratepayers are paying the price!*

I am sure the Council are aware of the points raised and the partial failure of the plant's performance, however, due to CEAG's involvement with the project, it is CEAG that is responsible for reporting to and following up for our fellow residents and ratepayers. We would seek your response as to what action the MRC is taking

to rectify the failure of the RRF's performance. The originally promised efficiency of the RRF and its subsequent contribution to waste management has not been fully achieved – it has failed – and residents and ratepayers must be made aware of this. The committee are of the opinion that the Contractor and or associated parties should be held responsible for the under performance of the plant and for the cost of correction of its performance.

As CEAG have been involved in this project over many years, many many man hours have been expended by volunteer members into a project that promised to be a contribution to waste recycling. Our current view is that the project has failed to adequately produce the outcome promised and we now have a plant that is only partially fulfilling its objectives.

We seek the MRC endorsement of the above points and ask what remedies will be offered to residents and ratepayers. The MRC is committed to the on-going operation of the plant. Residents and ratepayers should be advised of the situation and further informed of what future actions or measures are in place or will be taken to improve the RRF's performance. What are these measures?

CEAG would seek a deputation to the MRC in the near future to express views and raise concerns relating to the RRF.

This letter must only be read in the same constructive light in which it has been written. Please remember, that CEAG, as the community group charged with the responsibility to look after the interests (RRF and recycling) of residents and ratepayers must highlight relevant concerns and inadequacies to the MRC. Furthermore, CEAG also has a role in keeping our communities up to date with the operation of the facility and the provision of factual and reliable data.

We look forward to a constructive future of improving the RRF and generally moving the cause of land fill diversion further forward.”

Deputation – Community Engagement Advisory Group (CEAG)

The Chairman welcomed the Deputation from the CEAG and invited the Chairperson of CEAG, Mr Russell Sewell to open the discussion.

Speaker 1: Mr Russell Sewell (Chairman CEAG) 38 Moondyne Trail, GNANGARA WA 6065 advised he joined CEAG in 2008 and gave a background history of why the CEAG was formed and then introduced Mr Ted Smith and Dr Bill Foulds as foundation members of the CEAG and invited them to speak.

Speaker 2: Mr Ted Smith (member CEAG representing the Carramar Tapping area) 98 Golf Links Drive, CARRAMAR WA 6031 advised that approval for the RRF was based upon the condition of producing commercial grade compost. This has not occurred due to contamination. The waste diversion from the facility was originally set at 71.4% whereas the actual diversion is 51.33%. There appears to be reluctance by member councils to jointly achieve a standard level of diversion of waste. Mr Smith said that he understood that some councils' have external contracts but there should be a consistency across the region in the waste disposal methods allowing a more direct education campaign across the region.

The Education Centre at the RRF is under-utilised.

Odour complaints continue to be received from the Wanneroo Golf Course and many homes are getting close to the RRF.

In relation to the cost of operation of the RRF to ratepayers CEAG was told it would cost a carton of beer \$30, the cost should be today approximately \$50 not the current estimated cost of \$80.

The public are not aware of the RRF performance and why their rates increase annually. The Plant has been operating over 3 years and the issues still continue and the additional costs of running the RRF should not be at the ratepayers' expense. As a resident committee member of CEAG we have a responsibility to bring this matter up on behalf of the residents and ratepayers.

Speaker 3: Dr Bill Foulds (member CEAG – environmental specialist) 38 Kexby Street, BALCATTWA WA 6021 advised that the compost is of a low quality with glass in the compost and that there were problems in the collection of ferrous metals as the waste is trapped between the magnet and metals. Dr Foulds questioned the council on why a washing system was not looked at and indicated that the MRC should have received better advice on the requirements of the Plant.

Mr Sewell closed the deputation and asked the Councillors if there were any questions.

Cr Re thanked the members of the deputation, and asked for a copy of all the questions that has been put to the MRC over the last three years.

The Chairman thanked the deputation and asked the deputation to leave their statements with the Administration.

8 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

8.1 ORDINARY COUNCIL MEETING – 20 February 2014

The Minutes of the Ordinary Council Meeting held on 20 February 2014 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 20 February 2014 be confirmed as a true record of the proceedings.

RESOLVED

Cr Re moved, Cr Proud seconded

That the recommendation be adopted.

CARRIED UNANIMOUSLY (12/0)

9 CHIEF EXECUTIVE OFFICER REPORTS
--

9.1	FINANCIAL STATEMENTS FOR THE PERIODS ENDED 31 JANUARY 2014 AND 28 FEBRUARY 2014
File No:	FIN/5-04
Appendix(s):	Appendix No. 1 Appendix No. 2 Appendix No. 3
Date:	2 April 2014
Responsible Officer:	Director Corporate Services

SUMMARY

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

BACKGROUND

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

The financial statements presented for each month consist of:

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

DETAIL

The Financial Statements attached are for the months ended 31 January 2014 and 28 February 2014 and are attached at **Appendix No. 1 and 2** to this Item. The Tonnage Report for the 8 months to 28 February 2014 is attached at **Appendix No. 3**.

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.

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

Summary of results for the year to 28 February 2014

	Actual	Budget	Variance
	t	t	t
Tonnes – Members	237,864	216,057	21,807
Tonnes – Others	21,980	27,430	(5,450)
TOTAL TONNES	259,844	243,487	16,357
	\$	\$	\$
Revenue – Members	29,200,988	31,200,845	(1,999,857)
Revenue – Other	6,256,077	6,889,989	(633,912)
TOTAL REVENUE	35,457,065	38,090,834	(2,633,769)
Expenses	30,559,436	32,491,058	1,931,622
Profit on sale of assets	48,884	-	48,884
NET SURPLUS	4,946,513	5,599,776	(653,263)

Commentary

Member tonnes for the 8 months to February 2014 are 21,807t higher than budgeted, primarily as a result of increased tonnes from the City of Stirling (24,995t) offset by net minor reductions from the other councils.

Non-member tonnes continue to lag behind the budget, primarily as a result of the lower than budgeted commercial tonnes.

Member revenue is below budget primarily as a result of the reduction in the members' gate fee from \$149/t to \$120/t in October 2013, offset by the increase in tonnes mentioned above.

Expenses are also significantly below budget primarily as a result of the reduction in the RRF gate fee (\$1,093k) on the back of the members' gate fee reduction, coupled with other reductions across the business including reduced employee costs (\$278k) and reduced landfill expenses (\$483k).

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the Financial Statements set out in Appendix No. 1 and 2 for the months ended 31 January 2014 and 28 February 2014, respectively, be received.

RESOLVED

Cr Bissett moved, Cr Re seconded

That the recommendation be adopted.

CARRIED UNANIMOUSLY (12/0)

9.2	LIST OF PAYMENTS MADE FOR THE MONTHS ENDED 31 JANUARY 2014 AND 28 FEBRUARY 2014
File No:	FIN/5-04
Appendix(s):	Appendix No. 4 Appendix No. 5
Date:	2 April 2014
Responsible Officer:	Director Corporate Services

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 the delegated authority to the Chief Executive Officer (CEO), that a list of payments made from the Municipal Fund since the last Ordinary Council meeting be presented to Council.

COMMENT

The lists of payments for the months ended 31 January 2014 and 28 February 2014 are at **Appendix 4 and 5** to this Item and are presented to Council for noting. Payments have been made in accordance with the delegated authority to the CEO which allows payments to be made between meetings. At the Ordinary Council Meeting held on 5 September 2013, the Council delegated to the CEO 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 the Mindarie Regional Council is able to claim this tax as an input credit when GST remittances are made each month to the Australian Tax Office.

Months Ended	Account	Vouchers	Amount
31 January 2014	General Municipal	Cheques	\$156,001.62
		EFT	\$5,295,399.54
		DP	\$294,411.10
		Total	\$5,745,812.26
28 February 2014	General Municipal	Cheques	\$119,123.47
		EFT	\$2,681,062.92
		DP	\$327,855.51
		Total	\$3,128,041.90

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the list of payments made under delegated authority to the Chief Executive Officer, for the months ended 31 January 2014 and 28 February 2014 be noted.

RESOLVED

Cr Stewart moved, Cr Boothman seconded

That the recommendation be adopted.

CARRIED UNANIMOUSLY (12/0)

9.3	AUDIT COMMITTEE RECOMMENDATIONS FOR CONSIDERATION BY COUNCIL
File No:	COR/22-03
Appendix(s):	Appendix 6 Appendix 7 Appendix 8
Date:	2 April 2014
Responsible Officer:	Director Corporate Services

SUMMARY

The purpose of this report is to present the recommendations of the Mindarie Regional Council (MRC) Audit Committee to Council for consideration.

BACKGROUND

The MRC's Audit Committee has met in February and March 2014 and has made recommendations for consideration by Council with respect to three issues:

- 1) The challenges facing local governments in recruiting suitably qualified external audit committee members
- 2) Revisions to the Audit Committee's terms of reference given recent changes to guidelines published by the Department of Local Government
- 3) The appointment of a new external Audit Committee member

DETAIL

1. Difficulties in recruiting external Audit Committee members

The manner in which the local government legislation is drafted prevents fees being paid to external audit committee members for the services they render. Instead, they may only be reimbursed for expenses incurred in the performance of their duties.

The MRC's experience in trying to recruit a new external audit member is that the potential field of applicants is significantly narrowed as a result of this provision. The Audit Committee considered that it was less likely that local governments would be able to attract an external member with the requisite skills and experience where the councils were prohibited for paying a commensurate fee for services rendered.

The Audit Committee was of the view that this matter should be brought to the attention of the Minister for Local Government.

AUDIT COMMITTEE RECOMMENDATION

That the Council writes to the Minister for Local Government outlining the challenges being faced in trying to recruit an external audit committee member as a result of the limitations of the Local Government Act preventing a fee to be paid to a suitably qualified person to be the external audit committee member of the Audit Committee.

2. Revisions to the Audit Committee's terms of reference

The Audit Committee's terms of reference were last reviewed in October 2005. In late 2013, the Department of Local Government published an updated guideline with respect to the functioning of Audit Committees in Local Government. Among other changes, the revisions extended the responsibility of the Audit Committee to include Risk. A copy of the guideline is included at **Appendix 6**.

In response to the changes, the Audit Committee is recommending a number of changes to the terms of reference. The original terms of reference are included at **Appendix 7**. The revised terms of reference are included at **Appendix 8**.

The main changes to the terms of reference which were proposed include:

- Making allowance for the appointment of an external Audit Committee member, as well as setting the qualifications required of the member and their reimbursement
- Revising the meeting frequency and establishing the quorum required for meetings
- Broadening the Audit Committee's role to include the consideration of:
 - The financial report
 - The annual compliance return
 - The CEO's biennial systems review
 - Major lawsuits affecting the MRC
 - Material risks affecting the MRC
- Changing the Audit Committee's role from needing to '*Recommend adoption...*' of the financial report to '*Consider recommending adoption...*' of the financial report to make allowance for the possibility that the Audit Committee may not endorse the report as presented in every instance.

AUDIT COMMITTEE RECOMMENDATION

That the Council adopts that the revised terms of reference with the following changes:

- a) That under point 4, the meeting frequency shall be changed from '*as and when required*' to '*at least once a year*'; and
- b) That under point 6(p), '*Recommend adoption...*' shall be changed to '*Consider recommending adoption...*'

3. Appointment of a new external Audit Committee member

With the expiry of Mr Alex Dermedgoglou's term as external Audit Committee member in late 2013, the Audit Committee commenced a process to recruit a new external member.

Advertisements for suitable candidates were published in the Weekend West Australian and on the Australian Institute of Company Directors' website.

Two applications were received, both from suitably qualified and experienced candidates. Both candidates were presented to the Audit Committee at its March 2014 meeting for consideration.

The candidates' resumes have been distributed under separate confidential cover to the Councillors.

AUDIT COMMITTEE RECOMMENDATION

- a) That the Audit Committee recommends to Council that:
- i. Both Ms Gayle Rogers and Ms Lorraine Hannett be endorsed as suitable candidates for the position of external audit committee member.
 - ii. Ms Rogers be offered the position of external audit committee member for a two year term, ending in April 2016; and
 - iii. In the event that Ms Rogers is unable to accept the appointment the Audit Committee by given delegated authority to appoint a suitably qualified person to the position.
- b) That the candidate appointed to the role is to meet with the Director Corporate Services ahead of the next Audit Committee meeting.

VOTING REQUIREMENT

Simple/Absolute Majority

AUDIT COMMITTEE RECOMMENDATION

- 1) That the Council writes to the Minister for Local Government outlining the challenges being faced in trying to recruit an external audit committee member as a result of the limitations of the Local Government Act preventing a fee to be paid to a suitably qualified person to be the external audit committee member of the Audit Committee.
- 2) That the Council adopts that the revised terms of reference with the following changes:
 - a) That under point 4, the meeting frequency shall be changed from ‘*as and when required*’ to ‘*at least once a year*’; and
 - b) That under point 6(p), ‘*Recommend adoption...*’ shall be changed to ‘*Consider recommending adoption...*’
(*Absolute Majority*)
- 3) a) That the Audit Committee recommends to Council that:
 - i. Both Ms Gayle Rogers and Ms Lorraine Hannett be endorsed as suitable candidates for the position of external audit committee member.
 - ii. Ms Rogers be offered the position of external audit committee member for a two year term, ending in April 2016; and
 - iii. In the event that Ms Rogers is unable to accept the appointment the Audit Committee by given delegated authority to appoint a suitably qualified person to the position.

b) That the candidate appointed to the role is to meet with the Director Corporate Services ahead of the next Audit Committee meeting.
(*Absolute Majority*)

RESOLVED

Cr Proud moved, Cr Fishwick seconded
That the recommendation be adopted.
CARRIED UNANIMOUSLY (12/0)

9.4	TOUR OF WASTE TO ENERGY FACILITIES IN THE UNITED KINGDOM
File No:	CMR/29
Appendix(s):	Nil
Date:	25 March 2014
Responsible Officer:	Chief Executive Officer

SUMMARY

The Chief Executive Officer (CEO) is taking annual leave in May to catch up with his family in Scotland. The CEO's visit to Scotland provides an opportunity to inspect Waste-to-Energy plants in England where many of these plants are currently operating.

BACKGROUND

The Waste Authority's objective to plan for infrastructure solutions in the Metropolitan Area and Peel region to meet diversion from landfill targets has resulted in significant interest from international and local companies to provide Waste-to-Energy solutions in Western Australia. These targets were considered when the MRC developed its Strategic Plan, where construction of an alternative waste treatment plant is planned for 2020. The CEO's visit to Scotland provides a cost effective opportunity to visit plants in England to obtain firsthand knowledge and information on the operations of these type of plants.

DETAIL

SITA and the Martin Group are two significant international companies that have plants up and running in England and have indicated a willingness to assist the CEO in gaining access to these plants.

The CEO is taking leave between Monday 5 May through to Friday 23 May 2014 and will be in Scotland for that duration. The plants that are being offered for inspection are all in England (refer table below) and can be visited by the CEO from Monday 26 May to Friday 30 May 2014.

Location	Plant Type	Capacity
Martin Group Sheffield	Reverse Acting Grate Combustion	220,000 tonnes per annum
Martin Group Lincolnshire	Reverse Acting Grate Combustion	165,000 tonnes per annum
SITA Newcastle	Combustion and Gasification (new)	390,000 tonnes per annum 350,000 tonnes per annum
SITA Suffolk	Combustion	269,000 tonnes per annum

The incremental cost associated with the visit to the sites is approximately \$4,000 as detailed in the following table:

VEHICLE	HOTEL/MOTEL	EXPENSES
\$300 per day for seven days	\$250 per night for six nights	\$75 per day as per Council Policy CP04
\$2,100	\$1,500	\$450
	TOTAL	\$4,050

LEGAL COMPLIANCE

Nil

FINANCIAL IMPLICATIONS

Currently the 2013/14 Budget has allocated \$6,000 (GL 4207) for the CEO's attendance to interstate conferences, of which \$4,700 is still unspent. The CEO will not be attending any conferences in this financial year, therefore the funds set aside can be used to fund the visits to the Waste-to-Energy Plants.

STRATEGIC/COMMUNITY AND CORPORATE/BUSINESS PLAN IMPLICATIONS

The visits to the Waste-to-Energy Plants will assist the MRC in meeting its strategic objectives and strategies as follows:

Strategic Community Plan 2013/14 - 2033/34	
Objective 1	Long Term Viability
Strategy 1.2	Manage and acquire suitable assets to achieve an optimal mix of waste management solutions
Objective 3	Sustainable Waste Management
Strategy 3.4	Partner with organisations in order to further develop new and innovative approaches to waste minimisation and resource recovery

Corporate Business Plan 2013/14 – 2016/17		
Strategies	Actions	Responsible Officer
3.1.3	Keep up with trends in the waste industry by networking and attending relevant courses and conferences	CEO

COMMENT

The CEO's leave to Scotland provides a cost effective opportunity to allow him to see firsthand different types of Waste-to-Energy solutions, being combustion and gasification. The CEO would provide a report on his findings and the differences between combustion and gasification processes.

VOTING REQUIREMENT

Absolute Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the Council:

1. Approves the Chief Executive Officer's visits to the Waste-to-Energy sites in England as presented in the details section of this report.
2. The costs of visiting the sites, estimated to be \$4,050, be funded from GL 4207 – CEO Conferences.

(Absolute Majority Required)

RESOLVED

Cr Stewart moved, Cr Re seconded

That the recommendation be adopted.

CARRIED UNANIMOUSLY (12/0)

9.5	SORTING SHED PROPOSAL
File No:	WST/202
Appendix(s):	Appendix No. 9 Appendix No. 10 Appendix No. 11
Attachment(s):	Attachment 1 Attachment 2 Attachment 3
Date:	4 April 2014
Responsible Officer:	Director Corporate Services

SUMMARY

The purpose of this report is to present the business case for the construction of a Materials Sorting Shed (MSS) by the Mindarie Regional Council (MRC) to Council for consideration.

BACKGROUND

The Waste Authority in its strategy paper published in 2012, *'Creating the Right Environment'*, set some long term targets for waste diversion from landfill – 50% diversion by 2015 and 65% diversion by 2020.

As part of its strategy setting process conducted in 2013, the MRC used the Waste Authority's waste diversion targets as key factors in setting the MRC's strategic approach to waste management over the next 20 years.

An analysis of the region's waste, coupled with expected population growth, led the MRC to form the opinion that the only meaningful way to improve its waste diversion was through the construction of new alternative waste treatment (AWT) facilities.

The MRC's strategy recognises that its member councils are conducting activities in their own right, particularly as regards greens waste and yellow top bin collections, which contribute significantly towards the achievement of the regional waste diversion targets. Notwithstanding this, the waste received by the MRC constitutes a significant portion of the region's waste and as a result, the MRC needs to pursue further AWT options.

The MRC's strategy identified the member councils' bulk verge waste stream as one which could be processed at a comparatively low cost, while still achieving significant waste diversion results.

In response to this, a MSS was identified as the first of a number of AWTs that the MRC was proposing to construct to help achieve the region's waste diversion targets and provision was made in the 2013/14 for the construction of a MSS, subject to separate approval by Council.

The concept of the MSS has been discussed in both the Technical Working Group (TWG) and Strategic Working Group (SWG) forums, as well as at various strategy presentations to Councillors and member council CEOs and officers.

DETAIL

In line with the commitment made during the budget setting process, a business analysis of the proposed MSS construction and operation has been prepared for consideration by Council.

Concept design and location

In looking at a design for the MSS, the proposal is to proceed with a 'flat floor' general purpose shed which will provide the greatest versatility over time. This recognises that the items the MRC is looking to recover from the waste or the waste stream itself may change over time and the more versatile the infrastructure that can be built, the better.

A simple 'flat floor' design would also be versatile enough to accommodate a variety of waste delivery systems (trucks, skip bins, etc.).

Preliminary analysis suggests that the MSS and associated infrastructure would require an area of approximately 4,000 square metres. The MSS could comfortably be built on land available at the Tamala Park landfill site or alternatively at the RRF precinct in Neerabup.

A high level design plan and suggested locations at either Tamala Park or the RRF precinct are included at **Appendix 9**.

Feedstock

For the 3 months from October to December 2013, the MRC received approximately 20,000 tonnes of waste from its member councils' bulk verge collections (excluding green waste). For the purposes of the base case modelling, the assumption is that the MRC will continue to receive 80,000 tonnes of bulk verge feedstock per annum.

Based on a study of the region's bulk verge collections commissioned by the MRC in 2009, the following waste composition statistics were identified by tonnage:

<u>Material composition</u>	
Metal	30%
Timber	27%
Carboard	12%
Rubble	5%
Other	26%
	<u>100%</u>

A copy of the report is included at **Appendix 10**.

Based on the expected tonnages and the composition data shown above, the MSS would look to recover at least the metal, timber, cardboard and rubble components of the waste stream. It is anticipated that mattresses would also be recovered, but they do not represent a significant portion of the waste stream based on weight.

This would lead to a potential 69% diversion of this waste stream from landfill.

Operation

The actual sorting process itself will be very simple, with 3 employees using a combination of a multi-track loader and an exactor fitted with a grab to separate and sort the material.

It is proposed that the cost of the MSS operations and the associated capital cost would be recovered through the members' gate fee over the 5 year period.

Materials recovered through the process will either be sold at commercial rates to offset the cost of the operations or disposed of at the lowest possible commercial rates.

Once separated, the waste components will be loaded into hook lift bins and transported to their end destinations, as outlined below:

Metal	Sold to a recycler at commercial rates
Timber	Processed by a recycler at commercial rates
Cardboard	Sold to a recycler at commercial rates
Rubble	Taken to a class 1 landfill
Other	The residue of the process would be landfilled at Tamala Park at the members' gate fee

Once in operation, the 'Other' fraction could well be further separated to divert other worthwhile waste streams. In addition, options exist for the rubble component to be taken to Construction and Demolition (C&D) waste recyclers, thereby further increasing the diversion rate.

In order to ensure that the MSS is operated in the most cost efficient manner, it is anticipated that the contract to operate the facility would be put to a competitive tender process. The MRC would submit an in-house bid.

The MRC would purchase all the equipment necessary to operate the MSS and include the ongoing maintenance and replacement of the equipment, as well as a capital cost charge, as part of the tender requirements. This protects the MRC from major capital costs should it have to take the operation of the MSS in house in the future.

Financial modelling

As with all financial modelling, significant assumptions often need to be made as exact reference data is not always available. This is particularly true in this instance, where the composition of the waste may well have changed from the time when the composition study report was commissioned in 2009. The report however presents the best available information that we have at this point in time.

It is recommended that the MSS is run as part of the MRC's normal operations, with its costs absorbed into the members' gate fee.

Based on the initial modelling and working to 80,000 tonnes of feedstock per annum, it is expected that there would be a \$1.40 per tonne decrease in the members' gate fee in the first year, decreasing to a \$0.22 reduction in the fifth year of operation. Basically, the MSS would be cost neutral to run.

This is achieved through the relatively low intrinsic cost of the infrastructure and ongoing operations, coupled with realising commercial rates for the materials recovered.

Strategically, the process will divert approximately 55,200 tonnes from landfill - an improvement of 17.6% on the MRC's current waste diversion rate.

As a result, the MSS is regarded as an extremely cost effective way of dramatically improving the MRC's waste diversion rate.

Even in the scenario where no Waste Authority funding is received for the project, the impact on the members' gate fee would be less than \$1 per tonne.

The detailed workings for the proposal are included at **Appendix 11**.

Where individual councils or members of the public are allowed to recover significant quantities of material (e.g. steel) from the bulk verge waste stream before it is delivered to the MRC, this would naturally decrease the cost effectiveness of the project. This should be avoided or controlled in order for this project to be fully successful.

Discussions have been held with Waste Authority representatives with regard to obtaining funding from its Regional Funding Program. This program is a five year program that supports regional groups of local governments across Western Australia in the implementation of Strategic Waste Management Plan and closes on 27 June 2014. The discussions were positive and indicated that the MSS would likely qualify for a level of funding. Mr Ian Watkins has been engaged to submit a funding proposal to the Waste Authority, should the Council resolve to approve the MSS and should all 7 member councils continue to provide their bulk verge waste stream to the MRC over a 5 year period.

<u>Profitability Analysis</u>	June 2015	June 2016	June 2017	June 2018	June 2019
Steel sales	3,960,000	3,960,000	3,960,000	3,960,000	3,960,000
Cardboard sales	336,000	336,000	336,000	336,000	336,000
Total revenue	4,296,000	4,296,000	4,296,000	4,296,000	4,296,000
Disposal cost - rubble	110,000	110,000	110,000	110,000	110,000
Disposal cost - timber	172,800	172,800	172,800	172,800	172,800
Disposal cost - residue	2,579,200	2,686,694	2,765,415	2,846,674	2,930,125
Operator costs	240,000	252,000	264,600	277,830	291,722
Fuel	50,000	52,500	55,125	57,881	60,775
Incidentals	100,000	105,000	110,250	115,763	121,551
Capital cost recovery	519,700	519,700	519,700	519,700	519,700
Revenue forgone at Tamala Park					
Total costs	3,771,700	3,898,694	3,997,890	4,100,648	4,206,673
Net profit	524,300	397,306	298,110	195,352	89,327
Total Member tonnes	378,293	380,365	388,374	396,485	404,585
Reduction in the members' gate fee	1.39	1.04	0.77	0.49	0.22

Diversion of the bulk verge collections to parties other than the MRC

When considering the per tonne rates for commercial alternatives that may be available to individual member councils, it is worth noting that as tonnes are diverted away from the MRC, the gate fee for the remaining tonnes processed by the MRC increases as a consequence.

As a result, to achieve the best possible outcomes it is recommended that before the MSS proceeds to construction, each member council be required to provide a commitment to deliver its bulk verge collection waste stream to the MRC for processing for the next 5 years.

The consequences of individual member councils processing their waste with operators other than the MRC are best illustrated in the example below:

		Current Position	Tonnes Diverted	Variable cost Reduction	Revised Position
A	Total member costs	46,908,000		901,127	46,006,873
B	Tonnes to the MRC	378,293	20,000		358,293
A / B	Members' gate fee	<u>124.00</u>			<u>128.41</u>
	<i>Lost contribution to fixed costs for the diverted tonnes</i>				1,578,856 <i>(128.41 - 124.00) x 358,293</i>
	Cost per tonne of diverted tonnes				78.94 <i>(1,578,856 / 20,000)</i>

ALTERNATIVE OUTCOMES

Where less waste than the current 80,000 tonnes is achieved through consumer consumption reductions, recycling activities or other efficiencies, the project naturally becomes less financially viable as the tonnes reduce.

The nominal net cash flows from each scenario are tabled below:

	80,000t	60,000t	40,000t	20,000t
Net 5 year cash flow	\$1,504,396	(\$60,077)	(\$1,624,550)	(\$3,189,023)

The profitability summaries for each of the scenarios with 60,000 tonnes, 40,000 tonnes and 20,000 tonnes are shown below and the full modelling is included at Attachments 1, 2 and 3 respectively.

Profitability Analysis - Scenario 2 - 60,000 tonnes per annum					
Steel sales		2,970,000	2,970,000	2,970,000	2,970,000
Cardboard sales		252,000	252,000	252,000	252,000
Total revenue		3,222,000	3,222,000	3,222,000	3,222,000
Disposal cost - rubble		82,500	82,500	82,500	82,500
Disposal cost - timber		129,600	129,600	129,600	129,600
Disposal cost - residue		1,934,400	2,015,021	2,074,061	2,135,005
Operator costs		240,000	252,000	264,600	277,830
Fuel		50,000	52,500	55,125	57,881
Incidentals		100,000	105,000	110,250	115,763
Capital cost recovery		519,700	519,700	519,700	519,700
Revenue forgone at Tamala Park					
Total costs		3,056,200	3,156,321	3,235,836	3,318,279
Net profit		165,800	65,679	-13,836	-96,279
Total Member tonnes <i>(reduced for tonnes processed elsewhere)</i>		358,293	360,365	368,374	376,485
Increase in the members' gate fee average		0.46	0.18	-0.04	-0.26
		-0.02			

Profitability Analysis - Scenario 3 - 40,000 tonnes per annum

Steel sales	1,980,000	1,980,000	1,980,000	1,980,000	1,980,000
Cardboard sales	168,000	168,000	168,000	168,000	168,000
Total revenue	2,148,000	2,148,000	2,148,000	2,148,000	2,148,000
Disposal cost - rubble	55,000	55,000	55,000	55,000	55,000
Disposal cost - timber	86,400	86,400	86,400	86,400	86,400
Disposal cost - residue	1,289,600	1,343,347	1,382,707	1,423,337	1,465,063
Operator costs	240,000	252,000	264,600	277,830	291,722
Fuel	50,000	52,500	55,125	57,881	60,775
Incidentals	100,000	105,000	110,250	115,763	121,551
Capital cost recovery	519,700	519,700	519,700	519,700	519,700
Revenue forgone at Tamala Park					
Total costs	2,340,700	2,413,947	2,473,782	2,535,911	2,600,210
Net profit	-192,700	-265,947	-325,782	-387,911	-452,210
Total Member tonnes	338,293	340,365	348,374	356,485	364,585
Increase in the members' gate fee average	-0.57	-0.78	-0.94	-1.09	-1.24
	-0.92				

Profitability Analysis - Scenario 4 - 20,000 tonnes per annum

Steel sales	990,000	990,000	990,000	990,000	990,000
Cardboard sales	84,000	84,000	84,000	84,000	84,000
Total revenue	1,074,000	1,074,000	1,074,000	1,074,000	1,074,000
Disposal cost - rubble	27,500	27,500	27,500	27,500	27,500
Disposal cost - timber	43,200	43,200	43,200	43,200	43,200
Disposal cost - residue	644,800	671,674	691,354	711,668	732,531
Operator costs	240,000	252,000	264,600	277,830	291,722
Fuel	50,000	52,500	55,125	57,881	60,775
Incidentals	100,000	105,000	110,250	115,763	121,551
Capital cost recovery	519,700	519,700	519,700	519,700	519,700
Revenue forgone at Tamala Park					
Total costs	1,625,200	1,671,574	1,711,729	1,753,542	1,796,979
Net profit	-551,200	-597,574	-637,729	-679,542	-722,979
Total Member tonnes	318,293	320,365	328,374	336,485	344,585
Increase in the members' gate fee average	-1.73	-1.87	-1.94	-2.02	-2.10
	-1.93				

STRATEGIC IMPLICATIONS

This proposal aligns directly with the MRC's overall vision of "Winning Back Waste" and would serve to dramatically increase the MRC's overall waste diversion statistics.

The infrastructure proposed is also in line with the approved budget and capital expenditure program.

FINANCIAL IMPLICATIONS

The capital expenditure required for the building infrastructure of up to \$4M has been approved in the 2013/14 budget.

The costs associated with the purchase of the vehicles and equipment and the additional staff members required, would need to be included in the 2014/15 budget as appropriate.

It is expected that there would be a \$1.40 per tonne decrease in the members' gate fee in the first year of operation, decreasing to a \$0.22 reduction in the fifth year of operation.

Discussions have been held with Waste Authority representatives with regard to obtaining funding for a part of the proposal. The discussions were positive and indicated that the MSS would likely qualify for a level of funding. Mr Ian Watkins has been engaged to submit a funding proposal to the Waste Authority, should the Council resolve to approve the MSS and should all 7 member councils continue to provide their bulk verge waste stream to the MRC over a 5 year period.

CONSULTATION

The broad concept plan has been discussed with the SWG, the TWG and Councillors, member council CEOs and Officers are various strategy presentations.

The concept has also been discussed at a high level with Mr Ian Watkins.

COMMENT

The construction of the MSS presents an excellent opportunity to increase the MRC's diversion rate, in a very cost efficient manner. This type of project highlights the MRC's ability to act as a regional aggregator to achieve economies of scale benefits for its member council.

This project also has the strongest possible alignment to the MRC's strategic plan and starts the MRC off positively in being able to deliver on the commitments made in the strategic plan.

Where the initial project is successful, there may even be capacity for a second phase at either of the two proposed locations.

VOTING REQUIREMENT

Simple Majority

ADDITIONAL COMMENTS

Concerns have been raised by members of the Strategic Working Group in relation to the commitment required to support the project. The commitment required by the member councils is not necessarily to the tonnage in the primary business analysis included in the report, but that the bulk verge waste stream (excluding greens) picked up by the member councils is delivered to the MRC, without the member council first recycling elements of this waste stream. This is necessary as the viability of the modelling is based on the revenue generated from the materials recovered during processing. If that material is removed prior to the waste being delivered to the MRC, it will result in less revenue and therefore increase the cost of the service to the member councils.

The Responsible Officer's Recommendation has been amended to allow further discussion with the member councils (via the Strategic Working Group and Technical Working Group) on the level of commitment required to ensure that the project is viable.

RESPONSIBLE OFFICER RECOMMENDATION

A That the Council:

1. Approve, in principle, the construction of the Material Sorting Shed (MSS) at either Tamala Park or Pederick Road up to a value of \$4M to accommodate the processing of the member councils' bulk verge waste stream (excluding green waste).
2. Endorses a special combined meeting of the Strategic Working Group and the Technical Working Group to clarify the member councils' commitment to this project by seeking the delivery of the bulk verge collection waste stream (excluding green waste) to the MRC, irrespective of the collection method.
3. Receive a further report, detailing the outcome of the special combined meeting with the Strategic Working Group and the Technical Working Group.

B. That the Council proceed with a submission to the Waste Authority for funding towards the MSS prior to the funding of its Regional Funding Program deadline of 27 June 2014.

Cr Stewart moved a procedural motion to: "suspend clause 5.8 'Limitation on members speaking' of the MRC Standing Orders Local Law 2010".

Cr Proud seconded.

CARRIED (11/1)

The CEO advised Councillors that the Sorting Shed is included in the MRC Strategic Community Plan and is budgeted in this year's Budget and one of the reasons for presenting the report was to gain endorsement to lodge a funding application to the Waste Authority, which closes on 27 June 2014.

Cr Stewart moved a motion to have only Parts A.2. and A.3. of the Responsible Officers Recommendation considered.

Cr Bissett seconded.

CR STEWART'S MOTION

That the Council:

1. Endorses a special combined meeting of the Strategic Working Group and the Technical Working Group to clarify the member councils' commitment to this project by seeking the delivery of the bulk verge collection waste stream (excluding green waste) to the MRC, irrespective of the collection method.
2. Receive a further report, detailing the outcome of the special combined meeting with the Strategic Working Group and the Technical Working Group.

RESOLVED

That the recommendation be adopted.

CARRIED (9/3)

*For: Crs Boothman, Proud, Re, Stewart, Driver, Newton, Withers, Bissett, and Carey.
Against: Crs Davidson, Fishwick, and Hamilton-Prime.*

The reason provided for the change to the Responsible Officers Recommendation was to allow the MRC and the member councils to determine the methodology of the bulk waste collection and determine the commitment of tonnage delivered by each of the member councils prior to committing to the Sorting Shed.

Cr Stewart moved to restore MRC Standing Orders Local Law 2010.

Cr Re seconded.

CARRIED UNANIMOUSLY (12/0)

ATTACHMENT 1
TO ITEM 9.5
ORDINARY COUNCIL MEETING
24 APRIL 2014
SCENARIO 2 - 60,000 TONNES

SORTING SHED		June 2015	June 2016	June 2017	June 2018	June 2019
23-Apr-14		Forecast	Forecast	Forecast	Forecast	Forecast
<u>Sorting shed tonnes</u>						
SCENARIO 2	60,000 (per annum)	60,000	60,000	60,000	60,000	60,000
<u>Material composition</u>						
Metal	30%	18,000	18,000	18,000	18,000	18,000
Timber	27%	16,200	16,200	16,200	16,200	16,200
Carboard	12%	7,200	7,200	7,200	7,200	7,200
Rubble	5%	3,000	3,000	3,000	3,000	3,000
Other	26%	15,600	15,600	15,600	15,600	15,600
	100%	60,000	60,000	60,000	60,000	60,000
<u>Tonnes diverted</u>						
Tonnes diverted		41,400	41,400	41,400	41,400	41,400
Tonnes to Class 1 landfill		3,000	3,000	3,000	3,000	3,000
Residues to landfill		15,600	15,600	15,600	15,600	15,600
		60,000	60,000	60,000	60,000	60,000
<u>Revenue streams (rates per tonne)</u>						
Metal		165.00	165.00	165.00	165.00	165.00
Carboard		35.00	35.00	35.00	35.00	35.00
<u>Costs per stream (rates per tonne)</u>						
Rubble		27.50	27.50	27.50	27.50	27.50
Timber		8.00	8.00	8.00	8.00	8.00
Residues to Tamala Park		124.00	129.17	132.95	136.86	140.87
Profitability Analysis						
Steel sales		2,970,000	2,970,000	2,970,000	2,970,000	2,970,000
Cardboard sales		252,000	252,000	252,000	252,000	252,000
Total revenue		3,222,000	3,222,000	3,222,000	3,222,000	3,222,000
Disposal cost - rubble		82,500	82,500	82,500	82,500	82,500
Disposal cost - timber		129,600	129,600	129,600	129,600	129,600
Disposal cost - residue		1,934,400	2,015,021	2,074,061	2,135,005	2,197,594
Operator costs		240,000	252,000	264,600	277,830	291,722
Fuel		50,000	52,500	55,125	57,881	60,775
Incidentals		100,000	105,000	110,250	115,763	121,551
Capital cost recovery		519,700	519,700	519,700	519,700	519,700
Revenue forgone at Tamala Park						
Total costs		3,056,200	3,156,321	3,235,836	3,318,279	3,403,441
Net profit		165,800	65,679	-13,836	-96,279	-181,441
Total Member tonnes (reduced for tonnes processed elsewhere)		358,293	360,365	368,374	376,485	384,585
Increase in the members' gate fee average	-0.02	0.46	0.18	-0.04	-0.26	-0.47
<u>Capital costs of shed</u>						
	<u>Cost</u>	<u>Residual</u>	<u>Net to recover</u>			
MRC funded	2,000,000		2,000,000			
Waste Authority funded	2,000,000					
Skid steer	105,000	10,500	94,500			
Excavator	185,000	18,500	166,500			
Bin truck	275,000	27,500	247,500			
10 hook lift bins	150,000	60,000	90,000			
			<u>2,598,500</u>			
<u>Operating costs</u>						
3 x operators	240,000					
Fuel	50,000					
Incidentals	100,000					
<u>Current gate fee composition</u>						
Members' fee	124.00	129.17	132.95	136.86	140.87	
<u>Less variable costs</u>						
Carbon price	6.03	6.05	6.06	6.08	6.10	
Landfill levy	28.00	28.00	28.00	28.00	28.00	
Cell development amortisation	11.62	11.41	11.46	11.53	11.62	
Net contribution loss to be recovered		<u>78.35</u>	<u>83.71</u>	<u>87.43</u>	<u>91.25</u>	<u>95.15</u>

ATTACHMENT 2
TO ITEM 9.5
ORDINARY COUNCIL MEETING
24 APRIL 2014
SCENARIO 3 - 40,000 TONNES

SORTING SHED		June 2015	June 2016	June 2017	June 2018	June 2019
23-Apr-14		Forecast	Forecast	Forecast	Forecast	Forecast
<u>Sorting shed tonnes</u>						
SCENARIO 3	40,000 (per annum)	40,000	40,000	40,000	40,000	40,000
<u>Material composition</u>						
Metal	30%	12,000	12,000	12,000	12,000	12,000
Timber	27%	10,800	10,800	10,800	10,800	10,800
Carboard	12%	4,800	4,800	4,800	4,800	4,800
Rubble	5%	2,000	2,000	2,000	2,000	2,000
Other	26%	10,400	10,400	10,400	10,400	10,400
	100%	40,000	40,000	40,000	40,000	40,000
<u>Tonnes diverted</u>						
Tonnes diverted		27,600	27,600	27,600	27,600	27,600
Tonnes to Class 1 landfill		2,000	2,000	2,000	2,000	2,000
Residues to landfill		10,400	10,400	10,400	10,400	10,400
		40,000	40,000	40,000	40,000	40,000
<u>Revenue streams (rates per tonne)</u>						
Metal		165.00	165.00	165.00	165.00	165.00
Carboard		35.00	35.00	35.00	35.00	35.00
<u>Costs per stream (rates per tonne)</u>						
Rubble		27.50	27.50	27.50	27.50	27.50
Timber		8.00	8.00	8.00	8.00	8.00
Residues to Tamala Park		124.00	129.17	132.95	136.86	140.87
Profitability Analysis						
Steel sales		1,980,000	1,980,000	1,980,000	1,980,000	1,980,000
Cardboard sales		168,000	168,000	168,000	168,000	168,000
Total revenue		2,148,000	2,148,000	2,148,000	2,148,000	2,148,000
Disposal cost - rubble		55,000	55,000	55,000	55,000	55,000
Disposal cost - timber		86,400	86,400	86,400	86,400	86,400
Disposal cost - residue		1,289,600	1,343,347	1,382,707	1,423,337	1,465,063
Operator costs		240,000	252,000	264,600	277,830	291,722
Fuel		50,000	52,500	55,125	57,881	60,775
Incidentals		100,000	105,000	110,250	115,763	121,551
Capital cost recovery		519,700	519,700	519,700	519,700	519,700
Revenue forgone at Tamala Park						
Total costs		2,340,700	2,413,947	2,473,782	2,535,911	2,600,210
Net profit		-192,700	-265,947	-325,782	-387,911	-452,210
Total Member tonnes		338,293	340,365	348,374	356,485	364,585
Increase in the members' gate fee average	-0.92	-0.57	-0.78	-0.94	-1.09	-1.24
<u>Capital costs of shed</u>						
	<u>Cost</u>	<u>Residual</u>	<u>Net to recover</u>			
MRC funded	2,000,000		2,000,000			
Waste Authority funded	2,000,000					
Skid steer	105,000	10,500	94,500			
Excavator	185,000	18,500	166,500			
Bin truck	275,000	27,500	247,500			
10 hook lift bins	150,000	60,000	90,000			
			2,598,500			
<u>Operating costs</u>						
3 x operators	240,000					
Fuel	50,000					
Incidentals	100,000					
<u>Current gate fee composition</u>						
Members' fee	124.00	129.17	132.95	136.86	140.87	
<u>Less variable costs</u>						
Carbon price	6.53	6.54	6.55	6.56	6.58	
Landfill levy	28.00	28.00	28.00	28.00	28.00	
Cell development ammortisation	11.62	11.41	11.46	11.53	11.62	
Net contribution loss to be recovered		77.85	83.22	86.94	90.77	94.67

ATTACHMENT 3
TO ITEM 9.5
ORDINARY COUNCIL MEETING
24 APRIL 2014
SCENARIO 4 - 20,000 TONNES

SORTING SHED		June 2015	June 2016	June 2017	June 2018	June 2019
23-Apr-14		Forecast	Forecast	Forecast	Forecast	Forecast
<u>Sorting shed tonnes</u>						
SCENARIO 4	20,000 (per annum)	20,000	20,000	20,000	20,000	20,000
<u>Material composition</u>						
Metal	30%	6,000	6,000	6,000	6,000	6,000
Timber	27%	5,400	5,400	5,400	5,400	5,400
Carboard	12%	2,400	2,400	2,400	2,400	2,400
Rubble	5%	1,000	1,000	1,000	1,000	1,000
Other	26%	5,200	5,200	5,200	5,200	5,200
	100%	20,000	20,000	20,000	20,000	20,000
Tonnes diverted		13,800	13,800	13,800	13,800	13,800
Tonnes to Class 1 landfill		1,000	1,000	1,000	1,000	1,000
Residues to landfill		5,200	5,200	5,200	5,200	5,200
		20,000	20,000	20,000	20,000	20,000
<u>Revenue streams (rates per tonne)</u>						
Metal		165.00	165.00	165.00	165.00	165.00
Carboard		35.00	35.00	35.00	35.00	35.00
<u>Costs per stream (rates per tonne)</u>						
Rubble		27.50	27.50	27.50	27.50	27.50
Timber		8.00	8.00	8.00	8.00	8.00
Residues to Tamala Park		124.00	129.17	132.95	136.86	140.87
Profitability Analysis						
Steel sales		990,000	990,000	990,000	990,000	990,000
Cardboard sales		84,000	84,000	84,000	84,000	84,000
Total revenue		1,074,000	1,074,000	1,074,000	1,074,000	1,074,000
Disposal cost - rubble		27,500	27,500	27,500	27,500	27,500
Disposal cost - timber		43,200	43,200	43,200	43,200	43,200
Disposal cost - residue		644,800	671,674	691,354	711,668	732,531
Operator costs		240,000	252,000	264,600	277,830	291,722
Fuel		50,000	52,500	55,125	57,881	60,775
Incidentals		100,000	105,000	110,250	115,763	121,551
Capital cost recovery		519,700	519,700	519,700	519,700	519,700
Revenue forgone at Tamala Park						
Total costs		1,625,200	1,671,574	1,711,729	1,753,542	1,796,979
Net profit		-551,200	-597,574	-637,729	-679,542	-722,979
Total Member tonnes		318,293	320,365	328,374	336,485	344,585
Increase in the members' gate fee average	-1.93	-1.73	-1.87	-1.94	-2.02	-2.10
<u>Capital costs of shed</u>						
MRC funded	<u>Cost</u>	2,000,000		<u>Residual</u>		<u>Net to recover</u>
Waste Authority funded		2,000,000				2,000,000
Skid steer		105,000	10,500		94,500	
Excavator		185,000	18,500		166,500	
Bin truck		275,000	27,500		247,500	
10 hook lift bins		150,000	60,000		90,000	
					<u>2,598,500</u>	
<u>Operating costs</u>						
3 x operators		240,000				
Fuel		50,000				
Incidentals		100,000				
<u>Current gate fee composition</u>						
Members' fee		124.00	129.17	132.95	136.86	140.87
<u>Less variable costs</u>						
Carbon price		0.00	0.00	0.00	0.00	0.00
Landfill levy		28.00	28.00	28.00	28.00	28.00
Cell development ammortisation		11.62	11.41	11.46	11.53	11.62
Net contribution loss to be recovered		84.38	89.76	93.49	97.33	101.25

10 MEMBERS INFORMATION BULLETIN – ISSUE NO. 16

RESPONSIBLE OFFICER RECOMMENDATION

That the Members Information Bulletin Issue No. 16 be received.

RESOLVED

Cr Boothman moved, Cr Hamilton-Prime seconded

That the recommendation be adopted.

CARRIED UNANIMOUSLY (12/0)

11 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

12 URGENT BUSINESS

Nil

13 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

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

The Chairman requested that in accordance with Clause 7.9 of the Mindarie Regional Council Standing Orders Local Law 2010 and s5.23 of the Local Government Act 1995, Council proceed to meet “behind closed doors” to allow the Council to consider Confidential Items 14.1, 14.2 and 14.3 of this agenda. As they relate to a decision of Council that may result in contracts being entered into.

Cr Proud moved, Cr Re seconded
CARRIED UNANIMOUSLY (12/0)

Member Council CEOs and Officers, Mindarie Regional Council CEO and officers were invited to stay.

Visitors departed the Chamber at 6.21pm.

The Chairman sought that the meeting be reopened to the public.
Cr Proud moved, Cr Davidson seconded.

CARRIED UNANIMOUSLY (12/0)

The meetings was reopened at 6.38pm

The Chairman read out the resolutions and the votes, made behind closed doors, of the Council Items 14.1, 14.2 and 14.3 as follows:

This report is Confidential in accordance with Section 5.23 (2) (d) of the Local Government Act 1995 as it contains advice from MRC’s solicitors and may result in a contract being entered into.	
--	--

14.1	RESOURCE RECOVERY FACILITY – REQUEST FROM BIOVISION TO INCREASE PLANT MAINTENANCE COSTS
File No:	WST/147-03
Appendix(s):	Nil
Date:	14 February 2014
Responsible Officer:	Chief Executive Officer

That the Council:

- 1. Advise BioVision that the MRC is prepared to try and find a negotiated outcome on a “without prejudice” basis to the claim BioVision presented in correspondence dated 22 January 2014 and that the MRC will reserve its full rights to settle the claim in accordance with the Resource Recovery Facility Agreement.**
 - 2. Authorise the Chief Executive Officer (CEO) and the Director Corporate Services to:**
-

- i) review the report prepared by PricewaterhouseCoopers entitled “*Development of Operations Phase Cost model for Neerabup BioVision ARRT*” with the aim of determining the reasonability of the report findings and any costs included in the report that would be considered to be normal maintenance;
 - ii) Commence the negotiations with BioVision as anticipated in (1) above;
 - iii) present a position paper to the Project Advisory Group based on the outcome of the negotiations; and
3. Receive a further report detailing the recommendations from the Project Advisory Group and the CEO.

RESOLVED

Cr Bissett moved, Cr Davidson seconded

That the recommendation be adopted.

CARRIED UNANIMOUSLY (12/0)

NOTE: The Chief Executive Officer has NOT released Report 14.1 for Public information due to Council’s decision as the report contains advice from its solicitors and that it may result in a contract being entered into.

This report is **Confidential** in accordance with Section 5.23 (2) (c) of the Local Government Act 1995 as Council's decision may result in a contract being entered into.

14.2	TENDER FOR RECYCLING OF SCRAP STEEL/METAL
File No:	WST/198
Appendix(s):	Nil
Date:	4 April 2014
Responsible Officer:	Resource Recovery Manager

That the Council:

1. **Award Tender Number 13/121 - Recycling of Scrap Metal/Steel to Sims Group Australia for a period of Three Years with two One Year options subject to MRC at its sole discretion terminating the agreement where the contract price decreases by more than 10% in any quarter.**

2. **Inform Hills Scrap Metal:**
 - a. **that its tender was non-conforming as it did not respond to the following essential criteria:**
 - i) **Part 4.2 Selection Criteria**
 - **Clause f) Risk Assessment .**
 - ii) **Part 4.2.2 Qualitative Criteria**
 - **Clause A Relevant Experience; and**
 - **Clause B Tenderer's Resources.**
 - b. **of the outcome of the tender including the name of the successful tenderer.**

RESOLVED

That the recommendation be adopted.

CARRIED UNANIMOUSLY (12/0)

NOTE: The Chief Executive Officer has NOT released Report 14.2 for Public information due to Council's decision may result in a contract being entered into.

This report is **Confidential** in accordance with Section 5.23 (2) (c) of the Local Government Act 1995 as Council’s decision may result in a contract being entered into.

14.3 TENDER FOR RECYCLING OF MATTRESSES	
File No:	WST/200
Appendix(s):	Nil
Date:	9 April 2014
Responsible Officer:	Resource Recovery Manager

That the Council:

1. **Award Tender Number 13/122 - Recycling of Mattresses to Spider Waste for a period of Three Years as per Option 1 of the report.**
2. **Inform the unsuccessful tenderer Garbology:**
 - a. **that its tender was unsuccessful.**
 - b. **of the outcome of the tender including the name of the successful tenderer.**

RESOLVED

That the recommendation be adopted.

CARRIED UNANIMOUSLY (12/0)

NOTE: The Chief Executive Officer has NOT released Report 14.3 for Public information due to Council’s decision may result in a contract being entered into.

15 NEXT MEETING

Special Council Meeting: Thursday 12 June 2014 in the Council Chambers at City of Vincent commencing at 6.00pm.

Ordinary Council Meeting: Thursday 3 July 2014 in the Council Chambers at City of Stirling commencing at 5.30pm.

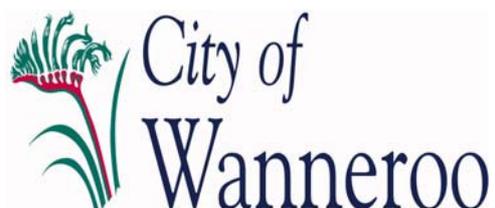
16 CLOSURE

The Chairman closed the meeting at 6.44pm and thanked City of Wanneroo for their hospitality and use of their meeting facilities.

These Minutes were confirmed by the Council as a true and accurate record of the Ordinary Meeting of the Council held on 24 April 2014.

Signed Chairman

Dated this day of 2014



**LOCAL EMERGENCY MANAGEMENT COMMITTEE
MINUTES
City of Joondalup**

10.00am Thursday 1 May 2014

1. ATTENDANCE AND APOLOGIES

ATTENDANCE		
Name	Position	Organisation
Cr John Chester	Elected Member/Chair	City of Joondalup
Cr Sam Thomas	Elected Member/Deputy Delegate	City of Joondalup
Charlie Reynolds	Manager Asset Management	City of Joondalup
Debbie Terelinck	Manager Community Development and Library Services	City of Joondalup
Charles Slavich	Principal Environmental Health Officer	City of Joondalup
Derek Fletcher	Emergency Management Officer	City of Joondalup
Cr Dot Newton	Elected Member	City of Wanneroo
Chris Morrison	Director City Businesses	City of Wanneroo
Ian McDowell	Coordinator Community Safety	City of Wanneroo
Resmie Greer	Senior Emergency Management and Community Safety Officer	City of Wanneroo
Nic Warren	Senior Environmental Health Officer	City of Wanneroo
Phillip Hay	Chief bushfire Control Officer/Community Emergency Services Manager	City of Wanneroo/DFES
Sam Brocklesby	OIC Wanneroo	WA Police
Mal Jones	OIC Clarkson	WA Police
Glenn Hamilton	OIC Joondalup	WA Police
Jason Macander	OIUC Yanchep	WA Police
Rebecca Mayger	A/OIC Clarkson	WA Police
Joanne Cramp	Emergency Management Officer	WA Police
Jo-Anne Bennett	Snr District Emergency Services Officer	CPFS
Mary Anne Jackson	Local Welfare Coordinator	CPFS
Allan Daw	District Officer North Coastal	DFES
Merveen Cross	Community Emergency Management Officer	SEMC
Sam Hurd	Fire Operations Officer	DPaW
Helen Barrett	Disaster Management Coordinator	Joondalup Health Campus

APOLOGY		
Name	Position	Organisation
Alan McColl	Manager Regulatory Services	City of Wanneroo
Wayne Harris	Senior EHO	City of Wanneroo
Charlie Carver	Superintendent NW Metro District	WA Police
Andrew Henderson	A/Superintendent NW Metro District	WA Police
Geoff DeSanges	Inspector/Assistant District Officer	WA Police
Alex Ryan	OIC Hillarys	WA Police
Bill Hansen	Local Manager	W/J SES
Steve Pethick	Primary Response Coordinator	Western Power
Darryl Welsby	Manager Business Risk and Resilience	ECU

Cr John Chester opened the meeting at 10.09 and welcomed those members in attendance

2. PRESENTATION

As there was no formal presentation for this meeting Cr Chester asked the newly appointed City of Wanneroo, Director of City businesses Chris Morrison to give the meeting a brief outline of his involvement in Emergency Management.

Chris Morrison advised the committee he had worked for several Local Governments and had been involved in emergency management in these councils.

Hi focus in emergency management in the City of Wanneroo will be to upgrade induction training for staff and emergency service volunteers, move up the training agenda and regular updating of councillors.

3. CONFIRMATION OF PREVIOUS MINUTES

Moved Jo-Anne Bennett **Seconded** Mal Jones

The minutes of the Local Emergency Management Committee Meeting held on 6 February 2014 be confirmed as a true and accurate record

CARRIED

4. BUSINESS ARISING

Nil

5. CORRESPONDENCE

The Inwards and Outwards correspondence was tabled at the meeting for reviewing and comments.

STANDING ITEMS

Agency Updates:

City of Joondalup

Derek Fletcher reported that staff members had attended a one day workshop facilitated by WALGA on manage Recovery Activities for Local Government and had also attended a half day workshop by CPFS on setting up a Evacuation/Welfare centre

Charlie Reynolds advised the meeting that Derek Fletcher would be retiring at the end of June and that a replacement had been sourced and was waiting to be appointed. Details would be provided to the committee when paperwork was completed.

Cr John Chester thanked Derek for his contribution to the committee for the past 5 years.

City of Wanneroo

Resmie Greer reported she had attended (along with Derek Fletcher) the Annual meeting of the Metro North and East Recovery Group at the Shire of Kalamunda

The City will be conducting AIIMS training for elected members and staff.

Some staff will be attending the CPFS Evacuation/Welfare centre workshop next week

The City has applied for funding from AWARE to replace electronic Information Signs.

Motor racing will be held at Barbagello Raceway 16-18 May with an expected attendance of 30,000

Ian McDowell advised the City fire protection crew had commenced prescribed burning

WA Police

Mal Jones reported the Hydra exercise would be held on 14 May at the Police Academy

There will be no DEFS Fire and rescue presence at Barbagello Raceway on 15, 16 17 May for the V8 Supercar Event.

Surf life savers have finished beach patrols for the season

Joanne Cramp has been promoted to Sergeant and would be based at Mirrabooka Police Station Cr Chester thanked Joanne for her contribution to the committee.

Department of Fire and Emergency Services

Alan Daw speculated the fire season is over

DFES focus now on storm season

Training program has commenced

Steve Watson (FRS) advised water bombing had ceased and reminded all to check and maintain smoke alarms

State Emergency Service

No one in attendance

Department of Parks and Wildlife

Sam Hurd reported the burning program would commence next week.

Department for Child Protection and Family Support

Jo-Anne Bennett advised she had conducted two workshops on opening and running a Evacuation/Welfare centre, one at City of Stirling and one at Fleur Freame Pavilion a City of Joondalup designated Evacuation/Welfare centre. The workshop would be run in the City of Wanneroo next week.

A Wanneroo/Joondalup combined exercise to test the learning from these workshops would be held at Fleur Freame on 21 May.

Mary Anne Jackson would lead the exercise.

Western Power

No one in attendance

Stakeholders

SEMC Secretariat

Merveen Cross reported on the Parkerville/Stoneville/Mt Helena fires

Some confusion at first as to the name of the fire, this was resolved as above.

Recovery commenced with Response with all positions in the recovery team working well.

The Metropolitan North and East Recovery Agreement was activated with the City of Swan and the Shire of Kalamunda providing staff to assist the Shire of Mundaring.

WANDRRA also provided funds to hire temporary staff.

Some issues were experienced with people not being able to return to their homes.

Demolition of damaged buildings will commence in May however there is a lot of asbestos in the area and this may delay some works.

Most people who could go back to their homes have now done so.

After consultation SEMC Policy 4.7 Community Evacuation has gone back to the working group and Policy 2.5 Emergency Management in Local Government Districts has gone back to the relevant sub-committee.

Edith Cowan University

No one in attendance

Joondalup Health Campus

Helen Barrett stated the hospital would be holding a Chemical, Biological, Radiological (CBR) drill on 27 May.

Red Cross

No one in attendance

Hillarys Boat Harbour

No one in attendance

Coastal Emergency Group

No one in attendance

Police Academy

No one in attendance

West Coast Institute of Training

No one in attendance

6. LOCAL EMERGENCY MANAGEMENT ARRANGEMENTS

Risk Register/Mitigation Treatments:

Nil

Training Activities/Simulations:

Other Emergency Activations for mention:

Nil

Review/Outcomes/Lessons Learnt:

Nil

7. NEW BUSINESS

Cr Chester commented on an article he had read on DFES Commissioner Wayne Gregson, in particular a comment attributed to the Commissioner "*if you own the fuel you are responsible for it*" in reference to bush blocks.

Mal Jones queried if there was a relationship between the number of complaints re fuel load at Yellagonga Park and the incidence of deliberately lit fires in the area.

Cr Newton advised the Mindarrie Regional Council had provided \$15,000,000 to DPaW

Chris Morrison advised that Work Safe required staff and volunteers must operate under suitably qualified persons.

Merveen Cross advised that a revised version of the LEMC annual report was almost complete.

8. NEXT MEETING

City of Joondalup 7 August

9. CLOSE

Cr Chester closed the meeting at 10.55am



WALGA

WORKING FOR LOCAL GOVERNMENT

North Metropolitan Zone

Minutes

1 May 2014



North Metropolitan Zone WALGA

Hosted by the City of Stirling
25 Cedric Street STIRLING
Thursday 1 May 2014 - Commenced at 6:07 pm

Minutes

ATTENDEES

4 Voting Delegates from each Member Council

City of Joondalup	Cr Geoff Amphlett JP (SC) Chair Cr Philippa Taylor Cr Sam Thomas (DSC) Cr Christine Hamilton-Prime - Deputy Mr Jamie Parry, Director Governance and Strategy – non-voting delegate
City of Stirling	Cr David Michael (SC) Mr Stuart Jardine, Chief Executive Officer - Deputy
City of Wanneroo	Cr Russell Driver Cr Domenic Zappa Cr Linda Aitken - Deputy Mr Tim Evans, Acting Manager Executive Services – non-voting delegate
WALGA Representatives	Ms Allison Hailes, Executive Manager Planning & Community Development Mr Nick Wood, Executive Manager Business Solutions
DLGC Representative	Mr Gary Angel
Guest Speaker	Ms Shari Freeman, Business Development Ngurra Barna

APOLOGIES

City of Stirling	Cr Elizabeth Re JP Cr David Boothman Mr Aaron Bowman, Manager Governance & Council Support – non-voting delegate Mayor Giovanni Italiano JP (DCS) Deputy Chair
City of Joondalup	Cr Russ Fishwick JP Mr Garry Hunt, Chief Executive Officer – non-voting delegate
City of Wanneroo	Mayor Tracey Roberts JP- (SC) Cr Frank Cvitan JP (DSC) Mr Daniel Simms, Chief Executive Officer – non-voting delegate

ANNOUNCEMENTS

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

ATTACHMENTS

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

1. DEPUTATIONS

1.1 Recognise, Engage and Reconcile

Ms Shari Freeman, Business Development Ngurra Barna, Aboriginal Corporate Services, presented to the meeting.

Background

Ngurra Barna is a not for profit social enterprise developed to provide support to Native Title groups in WA following their Native Title determination process. Through their work with Aboriginal communities Ngurra Barna has recognized a great number of opportunities available to support the social, economic and cultural goals of Aboriginal communities in WA. Yet through experience in this field they have also recognized that one of the greatest barriers to Aboriginal communities accessing the many opportunities available to them, is due to limited engagement with Institutions.

To explore this barrier, Ngurra Barna is now working in partnership with Reconciliation Western Australia and Reconciliation Australia to support WA Local Government Authorities to increase the quantity, effectiveness and prominence of their engagement activities with Aboriginal people and communities. Ngurra Barna, Reconciliation Western Australia and Reconciliation Australia is currently working together to deliver a forum for WA Local Government Authorities that will;

- Build Local Government understanding of their capacity to engage with Aboriginal communities
- Build Local Government understanding of the mutual benefits of engagement.
- Provide Local Government authorities with a framework for engagement.
- Elicit and document stories and experiences to develop a specific Local Government Aboriginal engagement model.

In addition to the forum it is hoped to develop a book of engagement stories to develop a guidebook of effective engagement practices in WA.

This presentation aims to develop an understanding of Local Government interest and support for this proposed initiative and gather feedback from Local Government about how this strategy can be best approached.

Actions:

- **Ngurra Barna to arrange one-on-one meetings with each Local Government within the North Metropolitan Zone to explore opportunities.**
- **Each Local Government within the North Metropolitan Zone to provide contact details to Ngurra Barna.**

Noted

2. CONFIRMATION OF MINUTES

RESOLUTION

Moved Cr Michael
Seconded Cr Zappa

That the Minutes of the meeting of the North Metropolitan Zone held on 27 February 2014 be confirmed as a true and accurate record of the proceedings.

3. DECLARATION OF INTEREST

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.

Nil.

4. BUSINESS ARISING

A Status Report outlining the actions taken on the Zone's resolutions was enclosed as an attachment to the Agenda.

Noted.

5. REPORTS FROM MEMBER COUNCILS

5.1 Advocacy for Legislative Change to the Building Act 2011

By City of Stirling

IN BRIEF

The implementation of the *Building Act 2011* in April 2012 has been extremely problematic for local government, the construction industry and the public. It is widely regarded that the legislation was poorly drafted and that the associated regulations were rushed and unable to make up for the errors in the legislation.

It is the City's view that there are key flaws in the *Building Act 2011*. In particular the *Building Act 2011* introduces a hybrid private-regulated system which creates an uneven operating environment between private building surveyors (whose fees are unregulated) and local government whose fees are regulated and penalties are applied for failure to provide a service within the prescribed time on local government but not private agents.

BACKGROUND

On 11 December 2012, the Stirling City Council resolved as follows:-

- "1. That an organisational and service review be UNDERTAKEN of the Approvals and Health and Compliance Business Units.*

Consultants were subsequently appointed to undertake the Organisational and Service Review and provided a report which incorporated a number of recommendations. One of the recommendations of the independent review was that:

Council advocate for legislative change to the *Building Act 2011* to:-

- Provide increased clarity and certainty for Council and the community
e.g. define whether there is any Council liability for accepting applications with private certification;
- Enable the sustainable efficient delivery of different service delivery options
e.g. change the requirement for Council to provide certification for Class 1 and 10 to allow more flexibility to service delivery options; and
- Ensure a 'level playing field' (cost, revenue and risk) between different service delivery mechanisms.
e.g. set price structures for local government services, but not private.

The Stirling City Council endorsed the independent review recommendations as they would provide for full privatisation of this service, which will ultimately lead to improved customer service and a more sustainable service delivery approach to building approvals.

COMMENT

Local government is currently expected to be able to provide services in direct competition with the private sector but is controlled by the same legislation to operate under unfair and counterproductive controls.

Local governments are required under the legislation to provide certification services for Class 1 and 10 structures in competition with the private sector. Structures which fall into this category are predominantly dwellings and outbuildings. However local government providers are controlled in their fees and response times while no such controls exist over the private certifiers.

With respect to the first point it has not been made sufficiently clear by the Building Commission as to whether a local government which issues a permit for a privately certified application is exposed to any liability for a failure on the part of a private certifier.

It is the City's view that local government should be expressly protected in the legislation from any liability for a failure on the part of a third party when issuing a permit for a privately certified application. Without that protection local government is obliged to review and confirm all certified applications for any obvious errors by a private certifier.

The act of doing so pushes up the time and therefore costs for the local government. When an issue is identified (which occurs regularly) this leads to serious arguments between applicants and local government and uncertainty for owners. The act of reviewing a certified application, to check for example whether there are any contraventions of sections 76 and 77 of the Building Act 2011 due to encroachment or adverse affect on adjacent land, may also increase the liability issue for local government as it has now had its eyes on the application and could be associated with the certification process.

In this respect it is also unclear whether insurances taken out by private building surveyors may be sufficient for the full costs of future claims. If those insurances are insufficient claimants could conceivably attempt to draw in the relevant local government.

The City requests WALGA make representations to the Building Commission and Minister regarding identifying and implementing a solution to the issue of liability for local government and the exposure to future insurance claims.

On the second point, local government is required by the legislation to provide a certification service for building permits for Class 1 and 10 structures. Local government is prevented from choosing not to provide a service that may be uneconomic to operate in competition with the private sector.

Deregulation of certification for only Class 2-9 structures leaves local government in the invidious position of having to provide a limited service where competitors operating across all classes may pick and choose their contracts and are not constrained to blanket timeframes irrespective of the nature of the structure being certified.

Thirdly the fees and charges are regulated for local government only. Local government is unable to both recover costs and also attract and employ qualified and experienced staff within the regulated fees. There is no such constraint on the private sector. Local government in order to be able to attract qualified and experienced building surveyors needs to be able to recover sufficient fees to provide competitive salaries and packages. The current award structures and various employment agreements cannot compete with the current pay rates being paid by the private sector.

These factors do not provide for a level playing field for local government to provide a service in forced competition with the private sector. This current arrangement is a drain on resources to provide a cost ineffective service where there is a suitable alternative provider(s) in the private sector.

Due to the current legislation it is apparent that marginal or loss making certification assessments of class 1 and 10 structures are not undertaken by the private sector and are defaulting to the local government. As such local government is certifying vastly less profitable proposals which generate less income per proposal, with serious financial losses if statutory time frames are not met.

Secretariat Comment

The Association recently met with the Minister for Commerce, Hon Michael Mischin to discuss the ongoing issues with the current legislation and processes, following 2 years of operation. The Association stressed that if expansion of the private certification system was to be considered by the Government, it is imperative that a comprehensive review of the system is conducted and that the balance of the Act, which provides for inspection, enforcement and auditing is introduced.

WALGA advocated for a review of the current system to enable an assessment of the new private certification system to be undertaken to ascertain whether the objectives of the legislation have been met, whether there have been benefits to consumers, whether consumers and local governments have any increased risk due to private certification of BA's and what the impact has been on local government operations. This would include a review of local governments' level of cost recovery for services and the regulated fees and charges regime.

The Minister acknowledged that there have been a number of issues with the new system and many instances of private certifiers not fulfilling the requirement to ensure all other prior approvals had been obtained prior to lodging Building Permit applications. The Minister agreed to speak to the Building Commission about a review.

RESOLUTION

**Moved Cr Michael
Seconded Cr Driver**

That WALGA request the State Government to review the Building Act 2011 and associated regulations to:

- 1. Expressly exempt local government from liability from claims involving privately certified building permits, occupancy permits and building approval certificates.**
- 2. Remove the requirement for local government to provide certification services for Class 1 and 10 structures.**
- 3. Remove statutory timeframes for local government certification services.**
- 4. Deregulate fees for certification services provided by local government**

6. STATE COUNCIL AGENDA - MATTERS FOR DECISION

(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

Moved Cr Michael
Seconded Cr Hamilton-Prime

That the recommendations within the State Council Agenda for May 2014 be endorsed enbloc.

7. EXECUTIVE REPORTS

7.1 President's Report to the Zone

Nick Wood, Executive Manager Business Solutions, presented the President's Report

Noted

7.2 State Councillor's report to the Zone

WALGA State Councillor, Cr David Michael, presented on the outcomes arising from the previous State Council meeting.

Noted

7.3 Department of Local Government and Communities Representative Update Report.

Department of Local Government and Communities representative, Mr Gary Angel presented the Director General's Update Report.

Cr Michael enquired as to when the Local Government Amendment Bill would pass through the Legislative Council. Mr Angel was unable to provide an answer to this enquiry and committed to getting back to the North Metropolitan Zone with a response prior to the next meeting.

Noted

8. BUSINESS

Nil.

9. OTHER BUSINESS

Nil

10. DATE, TIME AND PLACE OF NEXT MEETING

That the next ordinary meeting of the North Metropolitan Zone will be held at 6:00pm on Thursday 26 June 2014 at the City Wanneroo commencing at 6pm.

11. CLOSURE

There being no further business the Chair declared the meeting closed at 7.00pm.



SUMMARY MINUTES

STATE COUNCIL MEETING

May 2014

NOTICE OF MEETING

Meeting No. 2 of 2014 of the Western Australian Local Government Association State Council held at the Cummins Theatre, Merredin on 9 May 2014 beginning at 10:04am.

1. ATTENDANCE, APOLOGIES & ANNOUNCEMENTS

1.1 Attendance

Chairman	President of WALGA Deputy President of WALGA Pilbara Country Zone	Mayor Troy Pickard Cr Lynne Craigie
Members	Avon-Midland Country Zone Central Metropolitan Zone East Metropolitan Zone Gascoyne Country Zone Goldfields Esperance Country Zone Great Eastern Country Zone Great Southern Country Zone Kimberley Country Zone Murchison Country Zone Northern Country Zone North Metropolitan Zone Peel Country Zone South East Metropolitan Zone South Metropolitan Zone South West Country Zone	Cr Lawrie Short Cr Janet Davidson JP Mayor Heather Henderson Cr Steve Wolff Cr Mick Wainwright Cr Ross Winzer President Cr Malcolm Cullen President Cr Eileen O'Connell President Cr Ken Clements President Cr Elsia Archer Cr Simon Broad Cr Ian West Mayor Tracey Roberts JP Cr Geoff Amphlett JP Cr David Michael President Cr Wally Barrett Mayor Cr Henry Zelones JP Cr Fiona Reid Mayor Carol Adams Cr Doug Thompson Cr Wayne Sanford
Secretariat	Acting Chief Executive Officer EM Environment & Waste EM Governance & Corporate Services EM Marketing & Communications EM Planning & Community Development EM Infrastructure EM Business Solutions EO Governance and Strategy	Mr Wayne Scheggia Mr Mark Batty Mr Tony Brown Mr Zac Donovan Ms Allison Hailes Mr Ian Duncan Mr Nick Wood Ms Ana Fernandez

1.2 Apologies

Associate	The Rt Hon Lord Mayor of the City of Perth Central Country Zone Goldfields Esperance Country Zone Northern Country Zone South Metropolitan Zone Kimberley Country Zone	Ms Lisa Scaffidi President Cr Philip Blight Mayor Ron Yuryevich AM RFD President Cr Karen Chappel Mayor Logan Howlett Cr Chris Mitchell
Ex-Officio	Local Government Managers Australia Chief Executive Officer EM Workplace Solutions	Mr Mark Chester Ms Ricky Burges Mr John Philips

OBSERVERS

- Members of the Great Eastern Country Zone
- Cr Onida Truran – Deputy President, Shire of Yilgarn
- Cr Rhonda Cole – Deputy President, Shire of Narembeen
- Cr Geoff Waters – Deputy President, Shire of Trayning

MEETING ASSESSMENT

Cr Janet Davidson to undertake a meeting assessment at the conclusion of the meeting.

ANNOUNCEMENTS

- Nil

1. MINUTES OF THE PREVIOUS MEETINGS

2.1 Minutes of March 2014 State Council Meeting

Moved: Cr F Reid

Seconded: Cr E O'Connell

That the Minutes of the Western Australian Local Government Association (WALGA) State Council Meeting held on Wednesday 5 March 2014 be confirmed as a true and correct record of proceedings.

RESOLUTION 28.2/2014

CARRIED

2.1.1 Business Arising from the Minutes of March 2014

Nil

2. DECLARATION OF INTEREST

Pursuant to our Code of Conduct, the following State Councillors declared an interest to the Chairman:

- Cr J Davidson – 5.11.1 and 5.11.2 Selection Committee
- Cr C Adams - Impartiality interest - Item 5.6 WA Police and WALGA Memorandum of Understanding for the Provision of Crime Statistics

4. EMERGING ISSUES

4.1 Road Funding Campaign

By Zac Donovan, Executive Manager, Marketing and Communications

Recommendation

That:

- 1. On receipt of advice from the Minister for Transport that the local road funding agreement will not be reinstated, the Association implements a public campaign to voice strong opposition to the State Government decision.**
- 2. The campaign highlights that the State Government reneged on the previous agreement with the sector on road funding; and the potential consequences for community safety.**
- 3. The campaign includes State wide public communications channels; and components that are readily able to be implemented and supported by Member Councils at minimal direct cost to Member Councils.**
- 4. The cost of the initial campaign budget to be up to \$350,000 with funding to be allocated from the Association Strategic Reserve.**

In Brief

- As a consequence of the 2013/14 mid-year Budget review, the State Government effectively abandoned the local roads agreement, costing the sector \$70 million over three years.
- WALGA has since met with the new Transport Minister to seek to have the decision reversed without success and, given commentary from Treasury in regard to general austerity measures across government, there should be little prospect the local roads funding will be reinstated.
- The quantum of the lost funding; that a formal agreement was summarily discarded by the State Government without consultation; and that local road funding is core to the function of Local Government, compels WALGA to strongly voice the dissatisfaction of the sector.
- It is proposed WALGA implement a State wide campaign condemning the State Government decision that maximizes public exposure and enables Local Government participation.
- It is proposed that the funding for the campaign be drawn from the WALGA Strategic Reserve.
- The campaign and funding request is premised on WALGA receiving confirmation from the Minister for Transport that the local road funding will not be reinstated.

Attachment

Nil.

Relevance to Strategic / Business Plan

- Providing strong representation for Local Government
- Providing effective leadership for Local Government
- Building a positive profile for Local Government
- Enhancing the capacity of Local Government to deliver services

Policy Implications

- The State Road Funds to Local Government Agreement 2011/12 to 2015/16 was endorsed by State Council in April 2011. Delivering the local roads funding agreement is a core policy objective of the Association and a major achievement of 2011.
- Implementing a public campaign critical of the State Government decision will likely challenge relationships with government in the Transport portfolio with the risk of also hindering relations with government departments, agencies and Ministers across all portfolios.

Budgetary Implications

- Implementation of a public campaign as outlined as preferred in this document will cost \$350,000 which is proposed to be funded from the WALGA Strategic Reserve.
- The WALGA Strategic Reserve is current at \$750,000 and is scheduled to increase to \$1.25m in 2015/16 with the Local Government House Trust committed to repay the \$500,000 loan from WALGA to redress the Trust's cash flow issues resulting from the ONE70 investment.
- The WALGA Strategic Reserve benefitted from the abandonment of the Referendum on Constitutional Recognition and supporting campaign to which WALGA had been committed to fund \$1.1m but of which only \$78,000 was required for preliminary tasks.
- In addition to the direct cost of the campaign there is the risk of potential impact on the general WALGA operating budget if the State Government takes a punitive response to the criticism in the campaign and withdraws grant funding in the transport portfolio.
- Currently grant funding to WALGA in the transport portfolio totals \$2.166m, comprising \$996,000 for ROMAN II, \$390,000 for RoadWise and \$780,000 for transport and roads policy.

Background

- The State Road Funds to Local Government Agreement 2011/12 to 2015/16 was endorsed by State Council in April 2011.
- In the recent 2013/14 mid-year Budget review, the State Government announced that funding for local roads would be capped at the 2010/11 allocation.
- With this decision the State Government abandoned the cornerstone of the five-year funding agreement that 27 per cent of all vehicle registrations would be allocated to local roads.
- The impact of the decision is the loss over the remaining three years of the agreement of \$70 million in road funding to Local Governments.

- On April 15, 2014 the WALGA President, CEO and senior policy officer met with the new Minister for Transport with the view to have the funding decision redressed without success.
- Road funding is a core operation of Local Governments, indeed the genesis of the sector was as local roads boards.
- The critical importance of road funding, the quantum of the effect and the manner in which the agreement was abandoned, demand WALGA represent the sector in the strongest terms.
- It is proposed that the Association implement a public campaign to voice its strong opposition to the funding situation and demonstrate its support for the impact on Member Councils.
- The campaign is proposed to include both state wide advertising and components that enable Local Governments to participate in voicing their opposition at minimal direct cost.
- Given that the State Government has repeatedly cited financial constraint and has implemented a program of cost cutting across departments, it is highly unlikely the funding will be reinstated.
- In addition it should be recognized that a campaign publicly critical of the State Government could prompt an adverse response to withdraw other grant funding from the Association.
- It should be noted the Association opposition to the road funding cuts has broad support of other interested groups including the Freight and Logistics Council and the RAC of WA.

Comment

Local road funding goes to the very core of the function of Local Government both operationally and historically. Road works is the single largest activity by expenditure with almost 90 per cent of public roads in WA the responsibility of Local Government. The genesis of today's Local Government structure was as local road boards.

The decision by the State Government as part of the mid-year Budget review breaks a five-year formal agreement that provided certainty to the sector. The quantum of this decision – the loss of \$70 million over three years – will significantly hinder the ability of Local Government to maintain the roads network which ultimately will have a detrimental impact on community safety.

It is for these reasons that WALGA, as the representative body of Local Government in WA, has an overwhelming obligation to Member Councils to oppose and condemn the State Government approach. The Association should provide support for Member Councils in ensuring their opposition to the changes is also heard.

The campaign as proposed has been developed to achieve these ends.

Risks and Consequences

As mentioned previously, undertaking a substantial public campaign that criticizes the State Government decision has potential financial and relational risks to the operations of WALGA and its policy functions.

That is the direct criticism of the decision relating to local road funding will likely strain relationships with government departmental, agency and Ministerial representatives in the

Transport portfolio. There is also the lesser risk of also hindering relations across all portfolios. Any resulting breakdown in communication, consultation or access with relevant State decision makers and implementers would significantly obstruct the performance of the WALGA policy function.

In addition there is the financial risk that if the State Government makes a vindictive response to the public criticism of the campaign that it could seek to withdraw other funding to WALGA. As detailed earlier the funding directly at risk in the transport portfolio amounts to \$2.166m, comprising \$996,000 for ROMAN II; \$390,000 for RoadWise; and \$780,000 for transport and roads policy.

These risks need to be weighed against the reality that the State Government broke a five-year formal agreement without consultation; that the quantum of lost funding is substantial and over an extended period; and that the issue of road funding is overwhelmingly at the core of Local Government in WA.

The recommendation to implement a public campaign, is not taken without due consideration of the potential financial or relational risks. However it is offered that given the importance of the issue to Member Councils, for WALGA not to voice its strong opposition and condemnation of the process and decision would pose greater risk arising from the anticipated criticism of and disillusionment in the Association that would emanate from the sector.

In addition to the risks of undertaking a campaign there are also risks specific to the proposed campaign tactics which are detailed in the following campaign proposal.

Campaign Proposal Summary

The decision by the State Government to break the five-year agreement with Local Government on road funding comes amid a range of austerity measures across departments and agencies with significant increases proposed for fees and charges. It should be recognized from the outset that in this environment the prospects of having the local road funding agreement reinstated are remote.

Any decision to reinstate the funding will ultimately rest with the Premier and the Minister for Transport. As such these are the primary target to influence in the campaign however they are not the primary audience. The community and local Liberal/National Members of Parliament are the primary audience that the campaign will seek to leverage to influence the key decision makers.

WALGA has already presented the arguments to reverse the decision to the Minister without success so it should be assumed that the key decision makers in State Government (Premier and Minister) are aware of the issues that would be presented in a public campaign. However there is the potential for a campaign to influence the Premier and Minister by harnessing the interest/support of the community and the impact on local Members of Parliament to create a groundswell of community and party room opinion.

Consequently the campaign has the objective of seeking to gain support of the community and local Members of Parliament to pressure the State Government to reverse the decision to cut local road funding. It is important that any objective have a reasonable prospect of achievement. Given the austerity measures implemented by the State Government and supporting commentary, it should be recognized that having the funding reinstated may be a stretch target but not a realistic objective.

The complementary elements of the campaign set out to achieve this objective - to influence the key decision makers by campaigning to their communities of interest. The campaign has the working tagline of *"Make a Noise About Unsafe Road Funding Cuts"*. Outlined in the following, the campaign proposed at this time includes State wide public communications channels as well as tactics that can be implemented by individual Local Governments at minimal direct costs.

The State wide components proposed are metropolitan and regional television advertising focused on news and current affairs programming with a call to action to visit the campaign website. The stand-alone web site will include additional information on the issue; examples of impacted local roads projects; ability to replay the TVC; and a feature to request users select their Local Government to generate an email from their account to their relevant local Member of Parliament to express their support for the funding to be reinstated.

The proposed campaign components for implementation by Local Governments include collateral material (posters and flyers) that can be used at community facilities and if necessary reproduced at low cost to Member Councils by being compatible with color photocopiers. Also for Local Governments that have a government Member of Parliament in their area, the Council will be provided a temporary rumble strip to install outside the electorate offices. This tactic is designed to constantly remind the community and MPs of where lies responsibility for the funding decision and also provide local Mayors and Presidents with a local media opportunity. In addition the website will enable Local Governments to upload examples of works that will be affected by the funding decision.

The advertising components of the proposed campaign are scheduled over a four-week period with the website and media aspects to continue and be updated as required. The television advertising will provide for most adults to see the TVC on average more than nine times during the four week period. While the required media spend is significant for WALGA it is not for what the campaign is trying to achieve. Without a reasonable on-air campaign - and an average nine exposures over four weeks is moderate – then there is the risk that it will fail to gain the public interest to then engage the website to drive party room pressure on the key decision makers.

Prior to the implementation of the campaign WALGA will confirm the viability of the proposed tactics (in particular the temporary rumble strips) and the interest of Local Governments to actively participate. If there is insufficient Local Government interest in assisting to implement tactics at a local level, then WALGA and State Council should reconsider investing reserves and taking the relational and financial risks associated with a public campaign that criticizes the State Government.

Campaign Objective

The principle objective of the campaign is to:

Gain support of the community and local Members of Parliament to pressure the State Government to reverse the decision to cut local road funding

Target Audiences

The primary target audiences of the campaign are:

WA Community (Road Users):

Harnessing the support and action of the wider community to pressure local Members of Parliament to seek to reinstate local road funding; and the poor perception of the State Government process and decision created by the campaign, should go to influence the key decision makers (Premier and Transport Minister).

Local Members of Parliament:

Critical to motivating Local Members of Parliament to seek to influence the key decision makers (Premier and Transport Minister) to reinstate the funding will be emphasizing the implications of community disillusionment in the State Government process and decision and the consequential perception of the performance of local MPs in representing their electorate's interests.

The secondary target audiences of the campaign are:

Key State Government Decision Makers:

Specifically the Premier and Transport Minister are the key targets to be influenced by the campaign but not the primary target audience of the various components. Any redress to the funding cuts rests with the Premier and Minister and having been provided extensive detail as to the operational arguments, the campaign will aim to highlight the sector, community and local Member opposition to the decision to seek to influence the key decision makers' position.

WA Local Government Representatives:

The reduction in local road funding strikes at a core function of Local Government and it should be expected that Elected Members and senior staff will be looking to the Association to represent the sector interests to the State Government. From a WALGA perspective it is critical that the campaign projects this to Local Government representatives.

Associated Interest Groups:

There are a number of related interest groups who have complementary advocacy plans that will enhance the argument to redress the local road funding. These include the RAC WA which is running a Risky Roads campaign (that requests the community report issues with local roads) and the Freight and Logistics Council (which plans to advocate out of concerns the efficiency of transport operations will be compromised with a deteriorating road network).

Key Message

The campaign sets out to present strong opposition to the process by which the State Government broke a formal five-year agreement that has cut local road funding by \$70m over three years. The logical consequence of this decision is that the funding shortfall will either be met by Local Government (which is unrealistic to cover with rates increases) or, more likely, road works and maintenance will be reduced, eventually affecting the quality and safety of the local road network which comprises 88 per cent of all roads in WA.

In consideration of this, the key salient message of the campaign is:

The community should be alarmed that road safety will be at risk from the State Government going back on its word and demand road funding be reinstated.

This message encapsulates the decision by State Government to break a formal agreement without consultation or due discussion of implications while also presenting an ultimate consequence to the community that should be expected to have relevance and salience.

Tagline

The full development of the creative aspects of the campaign is reliant on the availability of funding. Consequently aspects such as the tagline are proposed as preliminary or works in progress, offered to help portray the creative direction. The working tag line for the campaign at this stage is:

Make a Noise About Unsafe Road Funding Cuts

The tagline aims to align the campaign tactics and support the call to action to the community to register their opposition to the road cuts with their local MPs via the campaign website.

State wide Tactical Components

The tactical components that are proposed to be implemented throughout the State are as follows:

State wide Television Advertising: Intensive advertising during news programs on metropolitan and regional networks (TVW7; GWN7) over a four week period that will provide for the TVC to be seen on average 9.5 times by 63 per cent of all people 18 years

and older in WA. It will feature a call to action directing viewers to the campaign website to register their support.

Campaign Website: A stand-alone website that will provide additional information on the issues including the refuting of counter arguments; provide the option for viewers/Councils to like the site on Facebook to assist campaign reach; provide the facility for users to select their Local Government and have an email generated to send to their local Member of Parliament; enable local Governments to present examples of the impact of the funding cuts.

Media Management: WALGA will continue to use its existing channels (specifically the President's column in *The West Australian* and media releases and interviews) to promote the campaign and perpetuate the arguments for the local road funding to be reinstated.

Local Area Tactical Components

The tactical components to assist Local Governments to actively participate in the campaign in their local area are as follows:

Rumble Strip Tactic: Councils that have a Liberal or National Member of Parliament based in their area will be provided a temporary rumble strip device to install outside the electorate offices to reinforce the campaign tagline to "Make a Noise about Road Funding Cuts". The devices will provide a focus for community attention of the role of the local MP in the process. The installation of the devices provides a local media opportunity for the respective Mayors and Presidents.

Campaign Collateral Material: Campaign materials (posters; flyers) will be produced and distributed to all Councils in limited numbers (within the campaign budget) to display and distribute at local facilities. The material will provide a local area activity for Local Governments that do not have a government MP based in their area. The materials will include the call to action to register support at the campaign website. The design of the materials will be such that additional supplies can be reproduced at minimal cost (using a color photocopier).

Website Local Examples: The campaign website will include capacity for Local Governments to upload examples of works that would be expected to be affected by the cut to local road funding. These issues would be on a rolling display on the campaign website identifying the Local Government affected.

Budget

The total budget for the campaign components as proposed is \$350,000 comprising of:

State wide TV Media	\$225,000
TVC Production	\$40,000
Rumble Strip Tactic	\$35,000
Website	\$25,000
Collateral Material	\$20,000
Ad Tracking	\$5000

Implementation and Timing

As detailed in the tactical components, the campaign is proposed to be implemented over an intensive four-week period. The channels selected aim to maximize public exposure but also to afford Member Councils the opportunity to participate and campaign in their communities.

The selection of a four-week campaign is to ensure maximum cost per media impact of the available advertising budget and to focus the participation of the sector. Keeping the paid components to a limited period also helps to mitigate any criticism in spending funds on campaigning while claiming that the local road funding cuts will impact available resources.

Tactical components that do not have an ongoing budget implication – such as the collateral material and website – can continue to be available. While it would be possible to extend or develop the campaign – and that decision should be made following the initial four-week phase – it is not anticipated that this would be necessary. Given the objective of the campaign is to gain the interest and support of the community to impact local Members of Parliament to influence the key decision makers (Premier and Transport Minister), it is proposed that a four week period would capture the majority of those that would offer support.

There is also the question of when to implement the start of the campaign. The development of the campaign material cannot commence until the Transport Minister has confirmed that the State Government would not be reversing its decision.

It is proposed that the campaign commence as soon as is possible to following that announcement.

Risks and Mitigation

In addition to the relational and financial risks identified previously in implementing a campaign critical of the State Government decision, the risks specifically to the campaign components are:

- The non-participation by Local Governments in the local area campaign components.
- Unforeseen statutory requirements especially in regard to the rumble strip device.

The proposed Mitigation to these specific Risks are:

Tactic Proving: Prior to the creation of supporting TVC, work would be undertaken to confirm the preliminary advice that the rumble strip device would not be contrary to requirements of any authority external to the sector. A senior expert on infrastructure from the sector is working with the Marketforce advertising agency to define these requirements as per the selected device.

Sector Insight: All WA Local Governments would be contacted via email to express their capacity or willingness to support the campaign through the reproduction and display of collateral materials and provide examples to the campaign website. Local Governments with a government electorate office in their area would also be contacted separately as to their willingness to participate and promote the installation of the rumble strip device.

Performance Measurement

The principle objective of the campaign is to: *Gain support of the community and local Members of Parliament to pressure the State Government to reverse the decision to cut local road funding.* That is to raise community awareness and emphasize the sector's position. Consequently it is proposed that campaign performance be measured by indicators that align with the intent of the objective as per the following:

- **Ad Tracking Results:** Tracking involving a random sample of 200 State wide to test key perceptual attributes of the TVC in awareness; believability; and agreement.
- **Website Analytics:** Data collected in regard to the website for total visits, unique visits, page views, time on site and interactive response.
- **Local Government Participation:** The extent to which Member Councils engage in the installation of the local area tactics.
- **Media Coverage:** Member Councils will be requested to forward any local media they generate as a consequence of the campaign tactics which along with WALGA media monitoring.

Moved: Cr W Barrett

Seconded: Cr M Wainwright

That:

- 1. On receipt of advice from the Minister for Transport that the local road funding agreement will not be reinstated, the Association implements a public campaign to voice strong opposition to the State Government decision.**
- 2. The campaign highlights that the State Government reneged on the previous agreement with the sector on road funding; and the potential consequences for community safety.**
- 3. The campaign includes State wide public communications channels; and components that are readily able to be implemented and supported by Member Councils at minimal direct cost to Member Councils.**
- 4. The cost of the initial campaign budget to be up to \$350,000 with funding to be allocated from the Association Strategic Reserve.**

RESOLUTION 29.2/2014

CARRIED UNANIMOUSLY

5. MATTERS FOR DECISION

5.1 Interim submission to the Inquiry into the Management of WA's Freight Rail Network (05-006-02-0005 PS)

WALGA RECOMMENDATION

That the Association's interim submission to the Economics and Industry Standing Committee's Inquiry into the Management of WA's Freight Rail Network.

Avon Midland Country Zone	WALGA Recommendation Supported
Central Country Zone	WALGA Recommendation Supported
Central 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	No Minutes Received
Murchison Country Zone	WALGA Recommendation Supported
North Metropolitan Zone	WALGA Recommendation Supported
Northern Country Zone	WALGA Recommendation Supported
Peel Zone	WALGA Recommendation Supported
Pilbara Zone	Meeting Held Prior To Agenda Distribution
South Metropolitan Zone	WALGA Recommendation Supported
South West Country Zone	WALGA Recommendation Supported

SOUTH EAST METROPOLITAN ZONE

That the Association's interim submission to the Economics and Industry Standing Committee's Inquiry into the Management of WA's Freight Rail Network be endorsed.

EAST METROPOLITAN ZONE

That the Association's interim submission to the Economics and Industry Standing Committee's Inquiry into the Management of WA's Freight Rail Network be endorsed.

Moved: Cr M Wainwright

Seconded: Cr L Short

That the Association's interim submission to the Economics and Industry Standing Committee's Inquiry into the Management of WA's Freight Rail Network be endorsed.

RESOLUTION 30.2/2014

CARRIED

5.2 Zone Tax Offset Reform (05-055-03-0002 PS)

WALGA RECOMMENDATION

That the Association advocate to the Federal Government for:

1. The following increases in the fixed component of the zone tax offset: Zone A, from \$338 to \$584; Zone B, from \$57 to \$99; Special Areas, from \$1173 to \$2028. The variable components of the zone tax offset (i.e., notional offsets) should be increased by the same proportion as the fixed components.
2. Indexation of zone tax offsets to reflect changes in the Australian Consumer Price Index.
3. Eligibility changes to ensure the zone tax offset only applies to permanent residents of the zones.
4. A review of the zones so that they reflect a more contemporary definition of remoteness.
5. A review of higher income earners' eligibility for the zone tax offset.
6. Any savings that are made from better targeting of the zone tax offset should go towards further increasing the amount of the offset for those taxpayers who remain eligible.

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	No Minutes Received
Murchison Country Zone	WALGA Recommendation Supported
North Metropolitan Zone	WALGA Recommendation Supported
Northern Country Zone	WALGA Recommendation Supported
Peel Zone	WALGA Recommendation Supported
Pilbara Zone	Meeting Held Prior To Agenda Distribution
South East Metropolitan Zone	WALGA Recommendation Supported
South Metropolitan Zone	WALGA Recommendation Supported
South West Country Zone	WALGA Recommendation Supported

**Moved: Cr G Amphlett
Seconded: Cr L Short**

That the Association advocate to the Federal Government for:

- 1. The following increases in the fixed component of the zone tax offset: Zone A, from \$338 to \$584; Zone B, from \$57 to \$99; Special Areas, from \$1173 to \$2028. The variable components of the zone tax offset (i.e., notional offsets) should be increased by the same proportion as the fixed components.**
- 2. Indexation of zone tax offsets to reflect changes in the Australian Consumer Price Index.**
- 3. Eligibility changes to ensure the zone tax offset only applies to permanent residents of the zones.**
- 4. A review of the zones so that they reflect a more contemporary definition of remoteness.**
- 5. A review of higher income earners' eligibility for the zone tax offset.**
- 6. Any savings that are made from better targeting of the zone tax offset should go towards further increasing the amount of the offset for those taxpayers who remain eligible.**

RESOLUTION 31.2/2014

CARRIED

5.3 Interim submission to the Productivity Commission's Draft Report on Public Infrastructure (05-088-03-0001 PS)

WALGA RECOMMENDATION

That the Association's interim submission to the Productivity Commission's Draft Report on Public Infrastructure 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	No Minutes Received
Murchison Country Zone	WALGA Recommendation Supported
North Metropolitan Zone	WALGA Recommendation Supported
Northern Country Zone	WALGA Recommendation Supported
Peel Zone	WALGA Recommendation Supported
Pilbara Zone	Meeting Held Prior To Agenda Distribution
South East Metropolitan Zone	WALGA Recommendation Supported
South Metropolitan Zone	WALGA Recommendation Supported
South West Country Zone	WALGA Recommendation Supported

Moved: Cr I West
Seconded: Cr E O'Connell

That the Association's interim submission to the Productivity Commission's Draft Report on Public Infrastructure be endorsed.

RESOLUTION 32.2/2014

CARRIED

5.4 Senate Economics References Committee: Inquiry into Affordable Housing in Australia – WALGA Submission (05-036-03-0020 CG)

WALGA RECOMMENDATION

That State Council endorse the interim submission to the Senate Economics References Committee regarding the Inquiry into Affordable Housing in Australia.

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	No Minutes Received
Murchison Country Zone	WALGA Recommendation Supported
North Metropolitan Zone	WALGA Recommendation Supported
Northern Country Zone	WALGA Recommendation Supported
Peel Zone	WALGA Recommendation Supported
Pilbara Zone	Meeting Held Prior To Agenda Distribution
South East Metropolitan Zone	WALGA Recommendation Supported
South Metropolitan Zone	WALGA Recommendation Supported
South West Country Zone	WALGA Recommendation Supported

Moved: Cr W Barrett
Seconded: Mayor H Henderson

That State Council endorse the interim submission to the Senate Economics References Committee regarding the Inquiry into Affordable Housing in Australia.

RESOLUTION 33.2/2014

CARRIED

5.5 Review of the Australian Citizenship Ceremonies Code 2009 (05-091-03-0001JH)

WALGA RECOMMENDATION

That the Associations' interim submission to the Hon Scott Morrison MP, Minister for Immigration and Border Protection's Review on Australian Citizenship Ceremonies Code (2009) 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	No Minutes Received
Murchison Country Zone	WALGA Recommendation Not Supported
North Metropolitan Zone	WALGA Recommendation Supported
Northern Country Zone	WALGA Recommendation Supported
Peel Zone	WALGA Recommendation Supported
Pilbara Zone	Meeting Held Prior To Agenda Distribution
South Metropolitan Zone	WALGA Recommendation Supported
South West Country Zone	WALGA Recommendation Supported

SOUTH EAST METROPOLITAN ZONE

That the Association's interim submission to the Hon Scott Morrison MP, Minister for Immigration and Border Protection's Review on Australian Citizenship Ceremonies Code (2009) be endorsed subject to:

1. the issue of representation contained in the Australian Citizenship Ceremonies Code being reviewed; and
2. greater emphasis being placed on the increasing costs to local government of hosting citizenship ceremonies.

SECRETARIAT COMMENT

The Zones comments are supported. WALGA sought feedback from Members in March 2014 via an info page for financial and human resources cost of citizenship ceremonies. Only the East Metropolitan Zone Members provided comprehensive financial data. WALGA will request further financial data from Members to include in the submission.

Moved: Mayor H Zelones
Seconded: Mayor T Roberts

That the Association's interim submission to the Hon Scott Morrison MP, Minister for Immigration and Border Protection's Review on Australian Citizenship Ceremonies Code (2009) be endorsed subject to:

- 1. the issue of representation contained in the Australian Citizenship Ceremonies Code being reviewed; and**
- 2. greater emphasis being placed on the increasing costs to local government of hosting citizenship ceremonies.**

AMENDMENT

Moved: Cr D Thompson
Seconded: Cr G Amphlett

- 1. That the Association's interim submission to the Hon Scott Morrison MP, Minister for Immigration and Border Protection's Review on Australian Citizenship Ceremonies Code (2009) be endorsed subject to:**
 - a) the issue of representation contained in the Australian Citizenship Ceremonies Code being reviewed; and**
 - b) greater emphasis being placed on the increasing costs to local government of hosting citizenship ceremonies.**
- 2. That the Association Policy on this matter be reviewed and updated.**

MOTION AS AMENDED PUT AND

RESOLUTION 34.2/2014

CARRIED

5.6 WA Police and WALGA Memorandum of Understanding for the Provision of Crime Statistics (05-019-03-0006JH)

WALGA RECOMMENDATION

The proposed Memorandum of Understanding between WA Police and WA Local Government Association for the provision of crime statistical information 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	No Minutes Received
Murchison Country Zone	WALGA Recommendation Supported
North Metropolitan Zone	WALGA Recommendation Supported
Northern Country Zone	WALGA Recommendation Supported
Peel Zone	WALGA Recommendation Supported
Pilbara Zone	Meeting Held Prior To Agenda Distribution
South East Metropolitan Zone	WALGA Recommendation Supported
South Metropolitan Zone	WALGA Recommendation Supported
South West Country Zone	WALGA Recommendation Supported

Moved: Cr E O'Connell
Seconded: Cr W Sanford

The proposed Memorandum of Understanding between WA Police and WA Local Government Association for the provision of crime statistical information be endorsed.

RESOLUTION 35.2/2014

CARRIED

5.7 Local Government & Provision of Facilities for Child Health Centres (05-019-03-0006JH)

WALGA RECOMMENDATION

That:

1. The final AEC Report *Local Government and Provision of Facilities for Child Health Centres* be forwarded to the Hon Kim Hames, Minister for Health and the Hon Tony Simpson, Minister for Local Government and Communities seeking a commitment to the following outcomes:
 - a. The Department of Health and the Department of Local Government and Communities working with Local Government to develop a strategic plan for the provision of child health services, which identifies priority locations requiring maternal and child health services based on population growth and demographic data, and provides a sustainable framework for future investment by the State Government; and
 - b. The Departments working with WALGA and its members to establish sustainable and equitable funding and leasing arrangements between the State and Local Governments for the provision of facilities from which child health services are delivered in Western Australia;
2. WALGA develop and conduct a Local Government Early Years Forum to enable Local Governments to discuss the key issues facing the sector.

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
Great Eastern Country Zone	WALGA Recommendation Supported
Great Southern Country Zone	WALGA Recommendation Supported
Kimberley Zone	No Minutes Received
Murchison Country Zone	WALGA Recommendation Supported
North Metropolitan Zone	WALGA Recommendation Supported
Northern Country Zone	WALGA Recommendation Supported
Peel Zone	WALGA Recommendation Supported
Pilbara Zone	Meeting Held Prior To Agenda Distribution
South East Metropolitan Zone	WALGA Recommendation Supported
South Metropolitan Zone	WALGA Recommendation Supported
South West Country Zone	WALGA Recommendation Supported

GOLDFIELDS ESPERANCE ZONE

In relation to Item 5.7 (Local Government & Provisions of facilities for Child Health Centres (05-019-03-0006JH) the Recommendation should read as follows:

That:

1. The final AEC Report *Local Government and Provision of Facilities for Child Health Centres* be forwarded to the Hon Kim Hames, Minister for Health and the Hon Tony Simpson, Minister for Local Government and Communities seeking a commitment to the following outcomes:

Simpson, Minister for Local Government and Communities seeking a commitment to the following outcomes:

- a. The Department of Health and the Department of Local Government and Communities working with Local Government to develop a strategic plan for the provision of child health services, which identifies priority locations requiring maternal and child health services based on population growth and demographic data, and provides a sustainable framework for future investment by the State Government; and.
- b. The Departments working with WALGA and its members to establish sustainable and equitable funding and leasing arrangements between the State and Local Governments for the provision of facilities from which child health services are delivered in Western Australia;
- c. Should a Local Government wish to transfer the title or management order to the State or Health Department at no cost then the State or Health Department should give a commitment to accept the property or management transfer.

WALGA develop and conduct a Local Government Early Years Forum to enable Local Governments to discuss the key issues facing the sector.

SECRETARIAT COMMENT

The additional point is supported as it aligns with the current State Council position endorsed in March 2012. The Premier and Minister for Health wrote to WALGA following this resolution to advise that the State would not support the transfer of title or management orders.

Since this time the WALGA President met with Minister Hames to discuss early years investment and the Minister was receptive to working with WALGA to address leasing and management arrangements and the need to undertake a strategic review of the current child health centres to ensure that the centres are being provided based on community need rather than historical arrangements.

In March senior WALGA staff and Department of Health staff met to commence discussions and were advised that the State Government is also preparing the tender to review the 16 Parent and Child Centres which are collocated on Department of Education sites mostly at primary schools. This review is for the effectiveness of the centres and management arrangements.

Moved: Cr F Reid
Seconded: Mayor H Zelones

That:

- 1. The final AEC Report *Local Government and Provision of Facilities for Child Health Centres* be forwarded to the Hon Kim Hames, Minister for Health and the Hon Tony Simpson, Minister for Local Government and Communities seeking a commitment to the following outcomes:
 - a. The Department of Health and the Department of Local Government and Communities working with Local Government to develop a strategic plan for the provision of child health services, which identifies priority locations requiring maternal and child health services based on population growth and demographic data, and provides a sustainable framework for future investment by the State Government;**
 - b. The Departments working with WALGA and its members to establish sustainable and equitable funding and leasing arrangements between the State and Local Governments for the provision of facilities from which child health services are delivered in Western Australia; and**
 - c. Should a Local Government wish to transfer the title or management order to the State or Health Department at no cost then the State or Health Department should give a commitment to accept the property or management transfer.****
- 2. WALGA develop and conduct a Local Government Early Years Forum to enable Local Governments to discuss the key issues facing the sector.**

RESOLUTION 36.2/2014

CARRIED

5.8 Review of the State / Local Government Agreement for the Provision of Public Library Services (05-012-03-0001JH)

WALGA RECOMMENDATION

1. That an extension to the current State / Local Government Agreement for the Provision of Public Library Services to June 2015 is supported;
2. That WALGA is requested to conduct a broad review and visioning process on the future of public library services comprised of:
 - a. a background paper on trends, priorities and innovation in library services in other jurisdictions;
 - b. a series of visioning workshops and forums with elected members, CEO's, managers, public librarians and community groups;
 - c. an analysis of the financial contributions of the State and Local Governments to libraries, the socio-economic benefits derived from this investment and potential sources of funding; and
 - d. development of a paper outlining the vision of WA Local Governments for public library services in 2025 and the strategies to achieve this;
 and provide a report to State Council on the outcomes of the process by March 2015.

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
Great Eastern Country Zone	WALGA Recommendation Supported
Great Southern Country Zone	WALGA Recommendation Supported
Kimberley Zone	No Minutes Received
Murchison Country Zone	WALGA Recommendation Supported
North Metropolitan Zone	WALGA Recommendation Supported
Northern Country Zone	WALGA Recommendation Supported
Peel Zone	WALGA Recommendation Supported
Pilbara Zone	Meeting Held Prior To Agenda Distribution
South Metropolitan Zone	WALGA Recommendation Supported
South West Country Zone	WALGA Recommendation Supported

SOUTH EAST METROPOLITAN ZONE

After recommendation 2(d) add an additional part (e) which reads:

1. That an extension to the current State / Local Government Agreement for the Provision of Public Library Services to June 2015 is supported;
2. That WALGA is requested to conduct a broad review and visioning process on the future of public library services comprised of:
 - a. background paper on trends, priorities and innovation in library services in other jurisdictions;
 - b. a series of visioning workshops and forums with elected members, CEO's, managers, public librarians and community groups;

- c. an analysis of the financial contributions of the State and Local Governments to libraries, the socio-economic benefits derived from this investment and potential sources of funding;
- d. development of a paper outlining the vision of WA Local Governments for public library services in 2025 and the strategies to achieve this; and
- e. an advisory group made up of local government public library representatives who are currently working within the local government public library system, to guide the review and visioning process and to ensure potential operating issues and future service delivery parameters are included;

and provide a report to State Council on the outcomes of the process by March 2015.

GOLDFIELDS ESPERANCE COUNTRY ZONE

In relation to Item 5.8 (review of the State / Local Government Agreement for the Provision of Public Library Services (05-12-3-001JH) the Recommendation should read as follows:

1. That an extension to the current State / Local Government Agreement for the Provision of Public Library Services to June 2015 is supported;
2. That WALGA is requested to conduct a broad review and visioning process on the future of public library services comprised of:
 - a. a background paper on trends, priorities and innovation in library services in other jurisdictions;
 - b. a series of visioning workshops and forums with elected members, CEO's, managers, public librarians and community groups;
 - c. an analysis of the financial contributions of the State and Local Governments to libraries and the regional library service, the socio-economic benefits derived from this investment and potential sources of funding; and
 - d. development of a paper outlining the vision of WA Local Governments for public library services in 2025 and the strategies to achieve this;

and provide a report to State Council on the outcomes of the process by March 2015.

SECRETARIAT COMMENT

The secretariat does not support the additional point (e) from the South East Metropolitan Zone. There is already an Operational Management Group (OMG) comprised of senior Local Government public librarians and State Government librarians that meet monthly to consider operational issues and provide advice to the strategic Public Library Agreement Steering Committee (SPLASC). The OMG is a formal committee of the current framework agreement established in 2008. Despite the suspension of the SPLASC, the OMG continues to provide advice to WALGA and the State Library of WA whilst the broader strategic review is being undertaken. It is the most appropriate mechanism to receive the library sectors advice and is supported by Public Libraries Western Australia (PLWA) the peak body for public libraries in WA. There will also be direct engagement of library managers and senior librarians throughout the consultation process.

WALGA is seeking a fundamental review of the current model of service delivery and funding arrangements for the provision of public library services. This requires a strategic focus and particular input from Local Government Executive Staff and Elected Members.

The additional comment from the Goldfields Esperance Country Zone is supported.

**Moved: Cr G Amphlett
Seconded: Cr D Michael**

- 1. That an extension to the current State / Local Government Agreement for the Provision of Public Library Services to June 2015 is supported;**
 - 2. That WALGA is requested to conduct a broad review and visioning process on the future of public library services comprised of:**
 - a. a background paper on trends, priorities and innovation in library services in other jurisdictions;**
 - b. a series of visioning workshops and forums with elected members, CEO's, managers, public librarians and community groups;**
 - c. an analysis of the financial contributions of the State and Local Governments to libraries and the regional library service, the socio-economic benefits derived from this investment and potential sources of funding; and**
 - d. development of a paper outlining the vision of WA Local Governments for public library services in 2025 and the strategies to achieve this;**
- and provide a report to State Council on the outcomes of the process by March 2015.**

RESOLUTION 37.2/2014

CARRIED

5.9 Interim Submission to the Department of the Environment's Emission Reduction Fund – Green Paper (05-028-03-0016CP)

WALGA RECOMMENDATION

That the Association's interim submission to the Department of the Environment's Emission Reduction Fund – Green Paper 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	No Minutes Received
Murchison Country Zone	WALGA Recommendation Supported
North Metropolitan Zone	WALGA Recommendation Supported
Northern Country Zone	WALGA Recommendation Supported
Peel Zone	WALGA Recommendation Supported
Pilbara Zone	Meeting Held Prior To Agenda Distribution
South East Metropolitan Zone	WALGA Recommendation Supported
South Metropolitan Zone	WALGA Recommendation Supported
South West Country Zone	WALGA Recommendation Supported

Moved: Cr S Wolff

Seconded: Cr M Wainwright

That the Association's interim submission to the Department of the Environment's Emission Reduction Fund – Green Paper be endorsed.

RESOLUTION 38.2/2014

CARRIED

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

5.10 Association Honours 2014 – Minutes of the WALGA Honours Panel (01-006-04-0001) AF

Moved: Cr L Craigie
Seconded: Mayor C Adams

That the minutes of the Honours Panel meeting held on 4 March 2014 be received.

RESOLUTION 39.2/2014

CARRIED

Cr J Davidson left the meeting 10.56am

5.11.1 Selection Committee Minutes (Attached) (01-006-03-0011) MD

Moved: Cr L Craigie
Seconded: Cr G Amphlett

That the recommendations from the Selection Committee meeting minutes dated 14 April 2014 be endorsed by State Council.

RESOLUTION 40.2/2014

CARRIED

5.11.2 Selection Committee Interview Report (01-006-03-0011) MD

Moved: Cr L Craigie
Seconded: Cr G Amphlett

That the recommendation from the Selection Committee Interview Panel to appoint Mayor Simon Withers to the WA Super Trustee Board as Member be endorsed.

RESOLUTION 41.2/2014

CARRIED UNANIMOUSLY

Cr J Davidson returned to the meeting 10.58am

5.12 Finance and Services Committee Minutes (01-006-03-0006 AF)

Moved: Cr W Barrett
Seconded: Cr E O'Connell

That the Minutes of the Finance and Services Committee meetings held 23 April 2014 be endorsed.

RESOLUTION 42.2/2014

CARRIED UNANIMOUSLY

6. MATTERS FOR NOTING / INFORMATION

6.1 Local Government Reform and Poll Provisions (05-034-01-0015)

WALGA RECOMMENDATION

That the update on the 5 March 2014 State Council Emerging Issue relating to Local Government reform and the poll provisions be noted.

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	No Minutes Received
Murchison Country Zone	WALGA Recommendation Noted
North Metropolitan Zone	WALGA Recommendation Noted
Northern Country Zone	WALGA Recommendation Noted
Peel Zone	WALGA Recommendation Noted
Pilbara Zone	Meeting Held Prior To Agenda Distribution
South East Metropolitan Zone	WALGA Recommendation Noted
South Metropolitan Zone	WALGA Recommendation Noted
South West Country Zone	WALGA Recommendation Noted

CENTRAL METROPOLITAN ZONE

That the Central Metropolitan Zone expresses its concern that State Council at its last meeting deferred the opportunity to reaffirm WALGA's policy on Council amalgamation and Dadour polls and failed to authorise WALGA Executive to present WALGA's position on Metropolitan Council amalgamations, despite 6 Zones voting to support the Wagin motion.

Moved: Cr M Wainwright
Seconded: Cr D Thompson

That the update on the 5 March 2014 State Council Emerging Issue relating to Local Government reform and the poll provisions be noted.

RESOLUTION 43.2/2014

CARRIED

6.2 Review of 2013 Local Government Elections – Member Feedback (06-024-01-001JMc)

WALGA RECOMMENDATION

That State Council note the report on the 2013 Local Government Elections.

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	No Minutes Received
Murchison Country Zone	WALGA Recommendation Noted
North Metropolitan Zone	WALGA Recommendation Noted
Northern Country Zone	WALGA Recommendation Noted
Peel Zone	WALGA Recommendation Noted
Pilbara Zone	Meeting Held Prior To Agenda Distribution
South East Metropolitan Zone	WALGA Recommendation Noted
South Metropolitan Zone	WALGA Recommendation Noted
South West Country Zone	WALGA Recommendation Noted

Moved: Cr R Winzer
Seconded: Mayor H Zelones

That State Council note the report on the 2013 Local Government Elections.

RESOLUTION 44.2/2014

CARRIED

7. ORGANISATIONAL REPORTS

7.1 Key Activity Reports

7.1.1 Report on Key Activities, Environment and Waste (01-006-03-0017 MJB)

Moved: Cr Ian West
Seconded: Cr Simon Broad

That the Key Activities Report from the Environment and Waste Unit to the May 2014 State Council meeting be noted.

RESOLUTION 45.2/2014

CARRIED

7.1.2 Report on Key Activities, Governance and Strategy (01-006-03-0007 TB)

Moved: Cr Ian West
Seconded: Cr Simon Broad

That the Key Activities Report from the Governance and Strategy Unit to the May 2014 State Council meeting be noted.

RESOLUTION 46.2/2014

CARRIED

7.1.3. Report on Key Activities, Infrastructure (05-001-02-0003 ID)

Moved: Cr Ian West
Seconded: Cr Simon Broad

That the Key Activities Report from the Infrastructure Unit to the May 2014 State Council meeting be noted.

RESOLUTION 47.2/2014

CARRIED

7.1.4 Report on Key Activities, Planning and Community Development (01-006-03-0014 AH)

Moved: Cr Ian West
Seconded: Cr Simon Broad

That the Key Activities Report from the Planning and Community Development Unit to May 2014 State Council meeting be noted.

RESOLUTION 48.2/2014

CARRIED

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

**Moved: Mayor C Adams
Seconded: Mayor H Henderson**

That the report on the key activities of the Association's Policy Forums to the May 2014 State Council meeting be noted.

RESOLUTION 49.2/2014

CARRIED

7.3 President's Report

**Moved: Cr W Barrett
Seconded: Cr R Winzer**

That the President's Report for May 2014 be received.

RESOLUTION 50.2/2014

CARRIED

7.4 CEO's Report

**Moved: Cr W Sanford
Seconded: Mayor T Roberts**

That the CEO's Report for May 2014 be received.

RESOLUTION 51.2/2014

CARRIED

8. ADDITIONAL ZONE RESOLUTIONS

Moved: Mayor H Zelones
Seconded: Cr F Reid

That the additional Zone Resolutions from the May 2014 round of Zones meetings as follows be referred to the appropriate policy area for consideration.

RESOLUTION 52.2/2014

CARRIED

SOUTH WEST COUNTRY ZONE (Planning & Community)

Seniors Housing (Shire of Dardanup)

1. That the SW Zone of WALGA request that the South West Development Commission undertake a survey of all towns in the South West to gauge the demand for seniors housing.
2. That the higher demands identified through the survey be given priority to develop a business case for a seniors housing development, with priority to the more remote towns.
3. That the South West Development Commission with the support of WALGA lobby the state government through the Minister for Housing, the Minister for Communities and Seniors and the Minister for Regional Development to create a funding program to support the development of aged accommodation through the South West.
4. That the SW Zone oppose cost shifting, however, each local government is encouraged to assess the value of a seniors housing project to their respective communities and whether the Council invests in a particular project.

SOUTH METROPOLITAN ZONE (Planning & Community)

Public Library Service Provision Future

That WALGA:

1. Undertake an economic assessment of the impact of current public library stock funding and management practices for local government and use that analysis as the basis to progress the actions endorsed by State Council in July 2013 with the goal of implementing:
 - a. Direct funding to local governments for the purchase of stock via supplier contracts, allowing for a two tier system for those municipalities who prefer/require support from SLWA.
 - b. Transfer of ownership of public library stock to local government and associated withdrawal from any exchange program.
 - c. Formalised local level agreements with each Local Government authority in accordance with the Library Board Act.
2. Provide an update on current SLPASC projects and priorities which includes a recommendation on the validity of the shared Library Management System project.
3. As a longer term project, lobby for a more contemporary versions of the Library Board Regulations and Library Board Act.

CENTRAL COUNTRY ZONE (Governance & Strategy)

Country Reform Policy Forum

That the Central Country Zone express concern to WALGA that the holding of the of the Country Reform Policy Forum meeting on Wednesday 7 May 2014 is not a suitable date as there are a number of representatives unable to attend due to agricultural and related activities and request that the meeting be delayed until a time more convenient that would enable all representatives to attend.

AVON-MIDLAND COUNTRY ZONE (Planning & Community)

Day Care Facilities

1. That the Avon-Midland Country Zone seek assistance from the WA Local Government Association in ascertaining the issues of providing “day-care” facilities within rural Councils, and in particular the Wheatbelt region of WA.
2. Further that the Avon-Midland Country Zone seek discussions with both the Wheatbelt RDA and Wheatbelt Development Commission in regards the same issue.

GASCOYNE COUNTRY ZONE (Environment & Waste)

Illegal Camping

That the Gascoyne Zone, through WALGA representation during the review of the Caravan Park and Camping Grounds Act, seek:

1. Recognition of the issues associated with illegal camping; and
2. Greater enforcement powers to police illegal camping.

GREAT SOUTHERN COUNTRY ZONE (Governance & Strategy)

Electors’ General Meeting – Shire of Plantagenet

That the Great Southern Zone of WALGA promotes the position that a General Meeting of the Electors of a District being held once every financial year should no longer be required and, therefore, that the appropriate amendment to Section 5.27 of the Local Government Act 1995 be sought.

Regional State Council Meeting 2015

The Great Southern Zone proposes that WALGA hold a State Council meeting in a Great Southern town in 2015.

NORTH METROPOLITAN ZONE (Planning & Community)

Advocacy for Legislative Change to the Building Act 2011

That WALGA request the State Government to review the Building Act 2011 and associated regulations to:

1. Expressly exempt local government from liability from claims involving privately certified building permits, occupancy permits and building approval certificates.
2. Remove the requirement for local government to provide certification services for Class 1 and 10 structures.
3. Remove statutory timeframes for local government certification services.
4. Deregulate fees for certification services provided by local government

CENTRAL METROPOLITAN ZONE (Workplace Solutions)

Elected Member Training

The Central Metropolitan Zone strongly requests that consideration be given to some Training for Elected Members be held on Saturdays.

The Central Metropolitan Zone also requested information on whether there were model induction processes for CEOs to induct new Councillors. This was considered particularly important where Councillors were required to vote on resolutions only a few days after being appointed.

9. MEETING ASSESSMENT

Cr Janet Davidson provided feedback as to the effectiveness of the meeting.

10. DATE OF NEXT MEETING

That the next meeting of the Western Australia Local Government Association State Council be held in the Boardroom at WALGA, ONE70 Railway Parade, on Wednesday 2 July 2014 commencing 4pm.

11. CLOSURE

There being no further business, the President declared the meeting closed at 11.57am.