

01-005-03-0001

ATTACHMENT 1



# North Metropolitan Zone

## Minutes

30 August 2018

# North Metropolitan Zone

Hosted by the City of Stirling

25 Cedric Street Stirling, phone 9205 8555

Thursday 30 August commenced at 6:00 pm

## Minutes

### MEMBERS

#### 4 Voting Delegates from each Member Council

City of Joondalup	Cr Russ Fishwick JP Cr Nige Jones Mr Jamie Parry, Director Governance and Strategy – non-voting delegate
City of Stirling	Cr Giovanni Italiano JP Mr John Beaton, Manager Governance – non-voting delegate
City of Wanneroo	Mayor Tracey Roberts Cr Frank Cvitan Cr Samantha Fenn Cr Sonet Coetzee Mr Mustafa Yildiz, Manager Governance and Legal – non-voting delegate
WALGA Representatives	Mr Chris Hossen, Senior Planner Mr Mal Shervill, Policy Officer Road Safety
Guest Speakers	Ms Jodie Holbrook, Director DLGSC

### APOLOGIES

City of Stirling	Mayor Mark Irwin Cr David Lagan Cr Suzanne Migdale Mr Stuart Jardine, Chief Executive Officer
City of Joondalup	Cr Mike Norman Cr Christopher May Mr Garry Hunt, Chief Executive Officer
City of Wanneroo	Cr Domenic Zappa Mr Daniel Simms, Chief Executive Officer

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## **ANNOUNCEMENTS**

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

## **ATTACHMENTS WITHIN THE AGENDA**

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

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### **1. DEPUTATIONS**

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#### **1.1 Presentation – Local Government Act Review – Luke Stevens**

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On 1 August Minister Templeman announced the Government's reforms resulting from phase one of the review of the Act. These cover training, gifts, elected member conduct, CEO recruitment and performance review, public access to information and some administrative efficiencies. The presentation will provide some more detail and allow members to ask questions on these reforms.

The coverage and timeline for phase two of the review will also be outlined.

**Mr Luke Stevens unable to attend – presentation to be re-scheduled.**

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### **2. CONFIRMATION OF MINUTES**

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#### **RESOLUTION**

**Moved Cr Frank Cvitan JP**  
**Seconded Cr Samantha Fenn**

**That the Minutes of the meeting of the North Metropolitan Zone held on 28 June 2018 be confirmed as a true and accurate record of the proceedings.**

**CARRIED**

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### **3. DECLARATION OF INTEREST**

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

Nil

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### **4. BUSINESS ARISING**

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

**The Status Report outlining the actions taken on the Zone's resolutions was noted.**

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## **5. REPORTS FROM MEMBER COUNCILS**

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Nil

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## **6. STATE COUNCIL AGENDA - MATTERS FOR DECISION**

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<https://walga.asn.au/getattachment/About-WALGA/Structure/State-Council/Agendas-and-Minutes/Agenda-State-Council-7-September-2018-with-attachments.pdf.aspx>

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### **Item 5.2 Stop Puppy Farming – Local Government Consultation**

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The following alternative resolution was proposed regarding Stop Puppy Farming – Local Government Consultation at item 5.2 of the State Council Agenda.

#### **RESOLUTION**

**Moved Cr Frank Cvitan JP**  
**Seconded Cr Samantha Fenn**

**That WALGA:**

- 1. Confirms any amendments to relevant legislation regulating puppy farming must focus on the welfare of dogs and not transfer any responsibility for enforcement, regulation or associated costs to Local Government;**
- 2. Supports a State Government led education initiative whereby the community is encouraged to purchase puppies from professional registered breeders; and**
- 3. Supports a centralised dog registration system that is developed, operated and maintained by State Government.**

**CARRIED**

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### **Item 5.10 2018 WALGA Annual General Meeting**

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The following alternative resolution was proposed for recommendation 2 regarding 2018 WALGA Annual General Meeting at item 5.10 of the State Council agenda.

#### **RESOLUTION**

**Moved Cr Russ Fishwick JP**  
**Seconded Cr Nige Jones**

- 2. Items 4.2, 4.3 and 4.4 be forwarded to the relevant State Council Policy Teams for action subject to consideration being given to protecting endangered vegetation species in relation to item 4.2 “Roadside Vegetation: Regulatory Amendments”.**

**CARRIED**

#### **RESOLUTION**

**Moved Cr Frank Cvitan**  
**Seconded Cr Samantha Fenn**

**That the North Metropolitan Zone supports all remaining items within the September 2018 State Council agenda ‘en-bloc’.**

**CARRIED**

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**7. EXECUTIVE REPORTS**

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

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Mayor Tracey Roberts presented the President's Report.

**Noted**

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

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Cr Giovanni Italiano presented on the previous State Council meeting.

**Noted**

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**7.3 Department of Local Government, Sport and Cultural Industries Representative Update Report.**

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Ms Jodie Holbrook provided an update on Department of Local Government, Sport and Cultural Industries' issues.

**Noted**

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**8. BUSINESS**

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Nil

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**9. OTHER BUSINESS**

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Nil

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

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**The next ordinary meeting of the North Metropolitan Zone will be held at 6:00pm on Thursday 29 November 2018 at the City of Wanneroo, commencing at 6pm.**

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**11. CLOSURE**

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There being no further business the Chair declared the meeting closed at 6.40 pm.



# MINUTES

## ORDINARY COUNCIL MEETING

TIME: 6.00PM

5 JULY 2018

CITY OF VINCENT

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



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*Prior to taking their seats for the meeting each member elected by the Member Councils, made the required Declaration of Elected Member for the position of Councillor of the Mindarie Regional Council (MRC) in accordance with the Transitional Provisions of the Local Government Act 1995 (Schedule 9.3) using s702 of the Local Government Act 1960 (repealed).*

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

The acting CEO declared the meeting open at 6.00 pm.

## **2 ELECTION OF CHAIR**

The acting CEO advised Council that he had received a nomination from Cr Fishwick nominating Cr Boothman for the Chairperson's role.

The acting CEO asked Cr Boothman if he accepted the nomination and Cr Boothman confirmed that he accepted the nomination.

The acting CEO asked if there were any further nominations.

No further nominations were made.

The acting CEO declared Cr Boothman elected unopposed as the Chairperson.

## **3 ELECTION OF DEPUTY CHAIR**

The Chair advised Council that the acting CEO had received a nomination from Cr Fishwick nominating Cr Norman for the Deputy Chairperson's role.

The Chair asked Cr Norman if he accepted the nomination, Cr Norman confirmed that he accepted the nomination.

The Chair asked if there were any further nominations.

No further nominations were made.

The Chair declared Cr Norman elected unopposed as the Deputy Chairperson.

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<b>4 ATTENDANCE/APOLOGIES/ LEAVE OF ABSENCE</b>
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**Councillor Attendance**

Cr D Boothman JP (Chair)	City of Stirling
Cr M Norman (Deputy Chair)	City of Joondalup
Cr R Fishwick JP	City of Joondalup
Cr A Hammond	City of Perth
Cr F Cvitan JP	City of Wanneroo
Cr R Driver	City of Wanneroo
Cr A Guilfoyle	City of Stirling
Cr S Proud JP	City of Stirling
Cr K Sargent	City of Stirling
Cr K Shannon	Town of Cambridge
Cr S Gontaszewski	City of Vincent

**Apologies**

Cr E Cole	City of Vincent
Cr K Vernon	Town of Victoria Park
Cr E Lumsden	City of Perth

**Leave of Absence**

Nil

**Absent**

Nil

**MRC Officers**

Mr G Hoppe (A/Chief Executive Officer)  
Mr A Slater (A/Director Corporate Services)  
Ms D Toward (Executive Support)  
Ms S Cherico (Human Resources Officer)

**MRC Observers**

Nil

**Member Council Observers**

Mr A Murphy (City of Vincent)  
Ms R March (City of Joondalup)  
Mr B Twine (MRC)  
Mr J Wong (Town of Victoria Park)  
Mr C Colyer (Town of Cambridge)  
Mr S Cairns (City of Stirling)  
Mr H Singh (City of Wanneroo)  
Mr P Crabbe (City of Stirling)  
Mr I Hunter (City of Stirling)

**Visitors**

Ms M Hanson (LOGO Appointments)

**Members of the Public**

Nil

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**Press**  
Nil

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**5 DECLARATION OF INTERESTS**

<b>Interest Type</b>	Financial Interest
<b>Name and Position of Person</b>	Gunther Hoppe, Acting Chief Executive Officer
<b>Report Item No and Topic</b>	17.1 CEO Contract
<b>Nature of Interest</b>	The CEO contract is under consideration

<b>Interest Type</b>	Impartiality
<b>Name and Position of Person</b>	Cr David Boothman
<b>Report Item No and Topic</b>	11.4 Audit Committee Member
<b>Nature of Interest</b>	Andrew Burchfield (applicant known to David Boothman)

**6 PUBLIC QUESTION TIME**

Nil

**7 ANNOUNCEMENTS BY THE PRESIDING PERSON**

Nil

**8 APPLICATIONS FOR LEAVE OF ABSENCE**

Nil

**9 PETITIONS / DEPUTATIONS / PRESENTATIONS**

Nil

**10 CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

**10.1 ORDINARY COUNCIL MEETING – 31 May 2018**

The Minutes of the Ordinary Council Meeting held on 31 May 2018 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 31 May 2018 be confirmed as a true record of the proceedings.**

**Cr Fishwick moved, Cr Cvitan seconded**

**RESOLVED**

**That the recommendation be adopted.**

(CARRIED 11/0)

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<b>11 CHIEF EXECUTIVE OFFICER REPORTS</b>
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11.1 FINANCIAL STATEMENTS FOR THE MONTHS ENDED 30 APRIL 2018 AND 31 MAY 2018	
File No:	FIN/5-07
Appendix(s):	Appendix No. 1 Appendix No. 2
Date:	14 June 2018
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 are for the months ended 30 April 2018 and 31 May 2018 and are attached at **Appendix No. 1 and 2** to this Item. The Tonnage Report for the 11 months to 31 May 2018 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.

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Summary of results for the eleven-month period ended 31 May 2018

	Actual	Budget	Variance
	t	t	t
Tonnes – Members	247,359	243,969	3,390
Tonnes – Others	14,474	15,119	(645)
<b>TOTAL TONNES</b>	<b>261,833</b>	<b>259,088</b>	<b>2,745</b>
	\$	\$	\$
Revenue – Members	43,507,868	42,905,744	602,124
Revenue – Other	6,174,817	5,065,170	1,109,647
<b>TOTAL REVENUE</b>	<b>49,682,685</b>	<b>47,970,914</b>	<b>1,711,771</b>
Expenses	48,126,073	48,243,224	117,151
Profit on sale of assets	8,585	8,586	(1)
Loss on sale of assets	-	-	-
<b>NET SURPLUS</b>	<b>1,565,197</b>	<b>(263,724)</b>	<b>1,828,921</b>

Commentary

Member tonnes for the year to May 2018 are tracking above budget, mainly due to the extra City of Stirling tonnages. Trade and casuals are 645 tonnes behind budget. The net variance to budget of \$1,828,921 reflects the ongoing reduction in budgeted tonnage and RRF operating expenditures, offset by decreased tonnage related expenditure (DWER Levy). The net forecast position for the end of the year was forecast to be a deficit of \$1.8m, however this has improved significantly as a result of some unforeseen changes, including:

- City of Stirling extra tonnage in the last quarter (during Balcatta maintenance); and
- Higher sale of Renewable Energy Credits (RECs) than what was anticipated

The overall trend of reduction in waste to landfill is consistent with the MRC's vision of 'Winning Back Waste', but will over time see the cost per tonne to landfill for the remaining waste increasing proportionally.

**VOTING REQUIREMENT**

Simple Majority

**RESPONSIBLE OFFICER RECOMMENDATION**

**That the Financial Statements set out in Appendix No. 1 and 2 for the months ended 30 April 2018 and 31 May 2018 are received.**

**Moved Cr Norman, seconded Cr Fishwick**

**RESOLVED**

**That the recommendation be adopted**  
(CARRIED 11/0)

11.2 LIST OF PAYMENTS MADE FOR THE MONTHS ENDED 30 APRIL 2018 AND 31 MAY 2018	
File No:	FIN/5-06
Appendix(s):	Appendix No. 4 Appendix No. 5
Date:	13 June 2018
Responsible Officer:	Acting 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 30 April 2018 and 31 May 2018 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 14 September 2017, 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 MRC 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
30 April 2018	General Municipal	Cheques	\$12,314.10
		EFT	\$5,926,166.56
		DP	\$421,230.52
		Inter account transfers	<u>\$2,500,000.00</u>
		<b>Total</b>	<b>\$8,859,711.18</b>
31 May 2018	General Municipal	Cheques	\$4,862.51
		EFT	\$2,639,906.87
		DP	\$267,191.88
		Inter account transfers	<u>\$0.00</u>
		<b>Total</b>	<b>\$2,911,961.26</b>

### 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 30 April 2018 and 31 May 2018, be noted.**

Moved Cr Sargent, seconded Cr Cvitan

**RESOLVED**

**That the recommendation be adopted  
(CARRIED 11/0)**

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11.3 BUDGET APPROVAL – FINANCIAL YEAR 2018/19	
File No:	FIN/146
Appendix(s):	Appendix No. 6
Date:	14 June 2018
Responsible Officer:	Acting Director of Corporate Services

### SUMMARY

The purpose of this Item is to present the Budget for 2018/19 to the Council for approval and adoption.

### BACKGROUND

The 2018/19 budget process commenced in March 2018 and included one workshop held with Councillors and Officers on 31 May 2018.

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

The budget has been premised largely on a 'business-as-usual' basis. In addition to the MRC's normal operations however, a redesign of the transfer station at Tamala Park has been included in this year's budget of \$200k and \$522k for new leachate processing infrastructure.

The budget also contemplates the MRC continuing in its waste supply deed with the Western Metropolitan Regional Council (WMRC), whereby the MRC will supply up to 24,000 tonnes of Municipal Solid Waste (MSW) to the WMRC and in return, the WMRC will supply the MRC with an equivalent amount of processed residues. This will assist the WMRC in meeting its contractual obligations in respect of the DiCom facility. The arrangement has been structured in such a way that it has no impact on the MRC's gate fee.

Some of the significant changes between the 2017/18 and 2018/19 budgets include:

- A decrease in expected Member tonnes from 252,090 to 200,442 tonnes (20%) based on information provided by the member councils;
  - The inclusion of \$300k of project costs for the Face Your Waste campaign
  - The inclusion of \$522k of project costs for the environmental leachate processing project
  - The inclusion of the transfer station redesign project of \$200k
  - The increase of the landfill levy from \$65 to \$70 per tonne landfilled, effective from 1 July 2018.
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The table below outlines the changes in the Members' and Non-members' gate fees (excluding GST) for the 2017/18 financial year.

	2018/19	2017/18 Mid Year	2017/18
Members' Gate Fee	<b>\$205.00</b>	\$180.00	<b>\$174.00</b>
Non-members' Gate Fee	<b>\$192.72</b>	\$190.91	<b>\$190.91</b>

This represents an increase of \$31 per tonne (15%) year-on-year in the Members' gate fee. This increase in the Members' gate fee is driven primarily by the tonnage reduction and the per tonne increase in the DWER landfill levy (\$5).

The Non-members' gate fee has been increased by an inflationary increment of \$1.81 per tonne.

## **DETAIL**

### **Budget 2018/19**

The Budget for 2018/19 has been set to achieve a \$2.1 million surplus. The proposed surplus has been set intentionally to assist with the funding of long-term site post closure liabilities and to re-establish (in part) the participants' surplus reserve if necessary by end June 2018.

Significant changes in year-on-year operating costs are outlined in more detail below.

#### **Employee costs**

Employee costs have decreased by \$347k which is primarily driven by savings in the landfill area due to a change in roster structure to address the reducing tonnages.

#### **Consultants and contract labour**

Consultants and contract labour has decreased by \$517k mainly due to waste audit budget not being needed for the 18/19 budget year.

#### **RRF costs**

The RRF costs have increased by \$1.9m directly attributed to the increase in MRC members' gate fee, and contractual indexed increase in the contractor's fees.

#### **WMRC processing costs**

The 2018/19 budget includes a \$4,920,000 expense in respect of 24,000 tonnes which the MRC is contracting to deliver to the WMRC for processing, which is the subject of a separate report to Council. These tonnes will be processed by the WMRC and they will charge the MRC a fee equivalent to the MRC Members' gate fee of \$205 per tonne.

This expense is offset by an equal revenue amount whereby the MRC will receive 24,000 tonnes of residue from the WMRC for landfilling at Tamala Park, for which the WMRC will be charged the MRC Members' gate fee of \$205 per tonne. The net financial effect of the transaction will be nil.



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### DWER Landfill Levy

The Department of Water and Environmental Regulation (DWER) landfill levy expense has decreased by \$2.3m which primarily reflects the increase in the levy from \$65 to \$70 per tonne offset by a reduction in the number of tonnes being landfilled for the year.

There is no clarification of any further increases after this budget year as yet.

### Tonnages

Approximately 200,442 tonnes (Budget 2017/18: 252,090 tonnes) of waste are expected to be delivered to the MRC by Member Councils during the course of the year.

Of this, 100,000 tonnes (Budget 2017/18: 100,000 tonnes) is expected to be diverted to the RRF, which will in turn generate 48,700 tonnes (Budget 2017/18: 48,700 tonnes) of residue which will be sent back to Tamala Park. The RRF waste diversion target is set at 51.3%.

Non-members are expected to deliver 15,800 tonnes (Budget 2017/18: 16,400 tonnes) to Tamala Park.

### Capital Expenditure

The following capital expenditures have been included in the Budget for 2018/19:

#### New capital expenditures

		\$
• Office furniture and equipment		72,300
- Furniture and equipment	7,300	
- Air Conditioning Units	65,000	
• Computer equipment		105,500
- Server upgrades	19,000	
- Admin server UPS and desktops	26,500	
- Document management system	60,000	
• Plant and equipment		2,594,000
- Repl. Bomag Compactor	1,700,000	
- Repl. Sumitomo Excavator	150,000	
- Repl. Small Vehicles (x4)	152,000	
- Repl. Komatsu Loaders (x2)	190,000	
- Repl. Skid Steer Loader	15,000	
- Repl. 30T Dump Truck	55,000	
- Repl. Hook Lift Bins (x6)	72,000	
- Repl. Tarpomatic Tarps (x2)	25,000	
- Small Equipment and radios	10,000	
- Cardboard Compactors (x2)	225,000	

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• Infrastructure		1,145,340
- Gas monitoring units	35,000	
- Leachate treatment project	522,000	
- Environmental drilling	115,000	
- Airwell pumps (x2)	16,000	
- Irrigation new shop	10,000	
- Compressor back up	44,121	
- Transfer station extension	200,000	
- Cell development lining	203,219	
		<b>3,917,140</b>

Carried forward capital expenditures

• Cardboard compactors	50,000
• New telephone system	15,000
• Repl. Toyota Forklift	28,000
• Repl. Komatsu Loaders (x2)	580,000
• Repl. Excavator	200,000
• Repl. Skid steer loader	90,000
• Repl. 30T Dump truck	360,000
• Kitchen, ablution upgrade tipface	20,000
• Weighbridge RRF	20,000
• Weighbridge TP	20,000
• Recycling centre renovations	145,296
	<b>1,528,296</b>

<b>Total Capital expenditure</b>	<b>5,445,436</b>
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## Reserves

The revised Cash Backed Reserves with the projected balances at 30 June 2019 are expected to be as follows:

### Site rehabilitation Reserve

Estimated balance at 30 June 2019: \$10,582,944

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

A transfer of \$395,588 to this reserve is anticipated during the course of the 2018/19 financial year with no anticipated drawdowns on the reserve.

This will result in a funded reserve of approximately \$10.5 million to cover an estimated post closure liability of approximately \$15.9 million. As a result, the post closure liabilities will be 68% funded. This means that funding for these liabilities is lagging behind where it should be when compared with the amount of the landfill capacity that has been consumed (approximately 80%). The unfunded portion of the post closure liabilities will need to be funded over the remaining life of the landfill.

### Reserve for Capital Expenditure

Estimated balance at 30 June 2019: \$708,348

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

A transfer of \$5,445,436 to this reserve is anticipated during the course of the year with drawdowns to fund capital expenditures of \$5,445,436 withdrawn from the reserve.

### Participants' Surplus Reserve Account

Estimated balance at 30 June 2019: \$2,000,000

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

No allocations are proposed to this reserve in the 2018/19 financial year.

### Carbon Abatement Reserve

Estimated balance at 30 June 2019: \$491,076

Purpose: *To be used to fund carbon abatement projects.*

MRC plan to investigate the suitability of solar being installed to the new recycling shop upon completion of the renovations.

## Surplus

The budget shows a forecast surplus of \$2.1 million. It is proposed that the surplus will be allocated in part to the Site Rehabilitation Reserve and in part to the re-establishment of the participants' surplus reserve.

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### **Funding Plan**

- Operational expenditures will be funded from the proceeds of the Members' and Non-members' gate fees.
- Capital Expenditure will be funded from the Capital Expenditure Reserve.

### **SUMMARY OF APPENDICES**

Attachment to this Item is as follows:

- Appendix No. 6 – Statutory Budget and Supplementary Information

### **CONSULTATION**

One workshop for Councillors and Officers was conducted in May 2018 to discuss the 2018/19 Budget. The participants indicated that they did not feel a second budget workshop was required. Feedback from the workshop has been taken into account in compiling this final draft of the budget.

### **STATUTORY ENVIRONMENT**

Budget approval is required by end of August 2018 in accordance with section 6.2 of the Local Government Act 1995 (as amended).

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

### **POLICY IMPLICATIONS**

The 2018/19 budget process is consistent with existing MRC policy.

### **FINANCIAL IMPLICATIONS**

The Members' gate fee will be set at \$205 per tonne (excluding GST) for the 2018/19 financial year.

The Non-members' gate fee will be set at \$192.72 per tonne (excluding GST) for the 2018/19 financial year.

An estimated surplus of \$2.1 million is budgeted for the 2018/19 financial year.

Capital expenditure of \$5,445,436 is budgeted for the 2018/19 financial year, of which \$1,528,296 is carry forward expenditure.

### **STRATEGIC IMPLICATIONS**

The Budget for 2018/19 has been derived from the MRC's Strategic Community Plan, the Corporate Business Plan, the Asset Management Plan, the Workforce Plan and the 20 year Financial Plan and is consistent with these documents, in compliance with section 6.2(2) of the Local Government Act 1995 (as amended).

In developing the 2018/19 budget, the funding required for the activities outlined in the Corporate Business Plan have been taken into account.

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## VOTING REQUIREMENT

Absolute Majority

## ADDITIONAL COMMENTS

Subsequent to the budget workshop held on 31 May 2018, the following material adjustments have been made to the budget:

- Income: Gas Generations Sales (REC's) has increased by \$150k
- Income: Shop Sales income has increased by \$100k

The Members' gate fee has not been adjusted for the impacts of any of these changes.

## RESPONSIBLE OFFICER RECOMMENDATION

That Council:

- adopt the Budget for the Mindarie Regional Council for 2018/19 financial year
- endorse the on-going strategy of deferred payment of operational surpluses, as approved by Council at its August 2005 meeting, for the 2005/06 financial year and future years to meet its on-going capital requirements
- Approve the Capital Budget Program of \$5,445,436 for 2018/19 as follows:

**New capital expenditures**

	\$
• Buildings	-
• Office furniture and equipment	72,300
• Computer equipment	105,500
• Plant and equipment and vehicles	2,594,000
• Infrastructure	<u>1,145,340</u>
	3,917,140

**Carried forward capital expenditures**

• Cardboard compactors	50,000
• New telephone system	15,000
• Repl. Toyota Forklift	28,000
• Repl. Komatsu Loaders (x2)	580,000
• Repl. Excavator	200,000
• Repl. Skid steer loader	90,000
• Repl. 30T Dump truck	360,000
• Kitchen, ablution upgrade tipface	20,000
• Weighbridge RRF	20,000
• Weighbridge TP	20,000
• Recycling centre renovations	<u>145,296</u>
	1,528,296

<b>Total Capital expenditure</b>	<b>5,445,436</b>
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- (v) approve that \$395,588 will be transferred from the Operating Surplus to the Site Rehabilitation Reserve.
- (vi) approve that \$3,917,140 be transferred from the Reserve for Capital Expenditure to Operating Surplus to fund capital expenditures.
- (vii) approve that any funds required for carbon abatement projects be transferred from the Carbon Abatement Reserve to the Operating Surplus.
- (viii) approve that all interest earned on cash funds associated with cash-backed reserves will not be credited to the respective reserves.

*(Absolute Majority Required)*

Moved Cr Norman, seconded by Cr Driver

**RESOLVED**

That the recommendation be adopted

**(CARRIED UNANIMOUSLY 11/0)**

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11.4 EXTERNAL AUDIT COMMITTEE MEMBER APPOINTMENT	
File No:	COR/22-07
Appendix(s):	None
Date:	14 June 2018
Responsible Officer:	Acting Director Corporate Services

## SUMMARY

The MRC has historically appointed an external audit committee member to the MRC Audit Committee in line with good governance practice.

The incumbent external member's appointment expired at the end of April 2018 and she indicated that she did not wish to be considered for re-appointment.

As a result, the recruitment process for a new external audit committee member was approved at the March 2018 Audit Committee meeting.

The advert was placed in the West Australian and on the Australian Institute of Company Directors (AICD) website. The adverts resulted in four suitable applications being received. The MRC arranged a face-to-face informal chat with each of the applicants, at which stage one applicant withdrew his application.

## COMMENT

The MRC met with each of the candidates and provided resumes and brief details to the audit committee members on 14 June 2018.

The Audit Committee discussed the 3 applicants and recommended that Phillip Draber be put forward as the most suitable candidate.

There is no remuneration payable for this position, however the member can be compensated for expenses associated with enabling them to discharge their duties of the role up to an annual limit of \$1,000.

## VOTING REQUIREMENT

Simple Majority

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#### **AUDIT COMMITTEE RECOMMENDATION**

- 1) That Council appoint Phillip Draber as the MRC external audit committee member, subject to his acceptance of the appointment, for the period from 5 July 2018 to 19 October 2019, the date of the next Local Government Elections.
- 2) That Council endorse that Phillip Draber be considered as a candidate for the role of MRC external audit committee member for the period from 20 October 2019 to 30 June 2020.

Moved Cr Fishwick, seconded Cr Gontaszewski

**RESOLVED**

That the recommendation be adopted

(CARRIED 11/0)

#### **12 MEMBERS INFORMATION BULLETIN – ISSUE NO. 42**

##### **RESPONSIBLE OFFICER RECOMMENDATION**

That the Members Information Bulletin Issue No. 42 be received.

Moved by Cr Norman, seconded by Cr Sargent

**RESOLVED**

That the recommendation be adopted.

(CARRIED 11/0)

#### **13 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

The Chairperson confirmed that the Acting CEO received a notice of motion from Cr Shannon, which had been previously separately distributed to Councillors.

The Chairperson stated the item related to a matter already set out in the Agenda at 17.1 - CEO Contract of Employment, and therefore the notice of motion would be considered as a foreshadowed alternative motion on Item 17.1.

#### **15 URGENT BUSINESS**

Nil

#### **16 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN**

Nil

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

**This report is Confidential in accordance with Section 5.23 (2) (C) of the *Local Government Act 1995* as it is a matter that may result in a contract being entered into.**

**17.1 CEO CONTRACT OF EMPLOYMENT**

<b>File No:</b>	<b>PER/95</b>
<b>Attachments(s):</b>	<b>CEO CONTRACT OF EMPLOYMENT</b>
<b>Date:</b>	<b>5 July 2018</b>
<b>Responsible Officer:</b>	<b>HUMAN RESOURCE OFFICER</b>

**RESPONSIBLE ELECTED MEMBERS RECOMMENDATION:**

**That the Council:**

- 1. ENDORSES the Chief Executive Officer Employment Contract commencing 5 July 2018.**
- 2. APPROVES in accordance with the Salaries and Allowance Tribunal Band 3 for Regional Council CEO's, the total reward package be set at \$242,006.**
- 3. APPROVES the Chairman to execute the signing of the Chief Executive Officer Employment Contract.**

The Chairperson requested that in accordance with clause 7.9 of the *Mindarie Regional Council Standing Orders Local Law 2010* and s5.23(2) of the *Local Government Act 1995*, Council proceed to meet "behind closed doors" to allow the Council to consider item 17.1 as it is a matter of a confidential nature.

Note: The Acting Chief Executive Officer has not released Report 17.1 for Public information as it relates to matters that affect the CEO Employment contract.

**Moved Cr Boothman, seconded Cr Fishwick**

**RESOLVED**

To close the meeting to the public.

(CARRIED 10/1)

*For: Crs Boothman, Norman, Fishwick, Sargent, Guilfoyle, Proud, Hammond, Driver, Cvitan, Gontaszewski. Against: Cr Shannon*

People in the gallery left the room.

MRC Acting CEO, MRC Acting Director Corporate Services, and MRC Executive Support left the room.

Melissa Hanson, LOGO Appointments and Sonia Cherico, MRC HR Officer remained in the room.

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*Doors closed at 6.18 pm*

Behind closed doors:

**Cr Fishwick moved, Cr Norman seconded  
RESOLVED**

To open the meeting behind closed doors  
(CARRIED 11/0)

**Cr Fishwick moved, Cr Norman seconded  
RESOLVED**

5.2 Superannuation.

To remove clause 5.2(b).

To keep the clause 5.2 (a) but remove the (a) leaving it numbered as 5.2 only.

(CARRIED 11/0)

**Cr Gontaszewski moved, Cr Norman seconded  
RESOLVED**

The CEO may elect to provide his own vehicle, then the Council will pay a vehicle allowance equal to \$14,779, Super not paid on amount.

(LOST 4/7)

*For: Shannon, Norman, Gontaszewski, Sargent*

*Against: Fishwick, Boothman, Driver, Hammond, Guilfoyle, Proud, Cvitan*

**Cr Driver moved a procedural motion, Cr Shannon seconded  
RESOLVED**

To hold over item 17.1 of the CEO Contract of Employment to the next Council meeting, in order to obtain advice on vehicle FBT (5.1 (b) (iii) (iv) Remuneration Package)

(CARRIED 11/0)

**Moved Cr Boothman, seconded Cr Norman  
RESOLVED**

To reopen the doors to the public.

(CARRIED 11/0)

*Doors were reopened to the public at 7.13 pm, people in the gallery and MRC staff returned to their seats.*

The Chair declared the meeting re-open at 7.15 pm.

The Chair announced that the Councillors had met behind closed doors and resolved to hold over item 17.1 CEO Contract of Employment to the next Council meeting.

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**18      NEXT MEETING**

Next meeting to be held on Thursday 6 September 2018 in the Council Chambers at City of Perth commencing at 6.00 p.m. Please note a strategic workshop will immediately follow the meeting.

**19      CLOSURE**

The Chairman closed the meeting at 7.20 pm and thanked the City of Vincent for their hospitality and use of their meeting rooms.

These minutes were confirmed by the Council as a true and accurate record of the Ordinary Meeting of Council held on 5 July 2018.

Signed ..... Chairman

Dated this .....day of .....2018

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# MINUTES

## ORDINARY COUNCIL MEETING

TIME: 6.00PM

6 SEPTEMBER 2018

CITY OF PERTH

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



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*Prior to the meeting Cr Karen Vernon made the Declaration of Elected Member for the position of Councillor of the Mindarie Regional Council (MRC) in accordance with the Transitional Provisions of the Local Government Act 1995 (Schedule 9.3) using s702 of the Local Government Act 1960 (repealed)*

<b>1</b>	<b>DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS</b>
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The Chair declared the meeting open at 6.00 pm.

<b>2</b>	<b>ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE</b>
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**Councillor Attendance**

Cr D Boothman JP (Chairman)	City of Stirling
Cr M Norman (Deputy Chairman)	City of Joondalup
Cr A Hammond	City of Perth
Cr F Cvitan JP	City of Wanneroo
Cr R Driver	City of Wanneroo
Cr A Guilfoyle	City of Stirling
Cr S Proud JP	City of Stirling
Cr K Sargent	City of Stirling
Cr K Shannon	Town of Cambridge
Cr E Cole ( <i>arrived 6.04 pm</i> )	City of Vincent
Cr K Vernon	Town of Victoria Park

**Apologies**

Cr R Fishwick	City of Joondalup
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**Leave of Absence**

Nil

**Absent**

Nil

**MRC Officers**

Mr G Hoppe (A/Chief Executive Officer)  
Mr A Slater (A/Director Corporate Services)  
Ms D Toward (Executive Support)  
Ms S Cherico (Human Resources Officer)

**MRC Observers**

Mr G Atkinson  
Mr B Twine  
Mr A Griffiths

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**Member Council Observers**

Mr D Simms, City of Wanneroo  
Mr H Singh, City of Wanneroo  
Mr S Cairns, City of Wanneroo  
Ms D Page, City of Joondalup  
Mr N Claassen, City of Joondalup  
Ms R March, City of Joondalup  
Mr M Littleton, City of Stirling  
Mr R Bryant, City of Stirling  
Mr A Murphy, City of Vincent  
Mr J Wong, Town of Victoria Park  
Mr N Ahern, City of Perth

**Visitors**

Ms R Harding (Jackson McDonald)  
Ms M Hanson (LOGO Appointments)

**Members of the Public**

Nil

**Press**

Nil

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**3 DECLARATION OF INTERESTS**

<b>Interest Type</b>	Financial Interest
<b>Name and Position of Person</b>	Gunther Hoppe, Acting Chief Executive
<b>Report Item No and Topic</b>	14.3 CEO employment contract
<b>Nature of Interest</b>	Item relates to potential employment as the MRC CEO

**4 PUBLIC QUESTION TIME**

Nil

**5 ANNOUNCEMENTS BY THE PRESIDING PERSON**

Nil

**6 APPLICATIONS FOR LEAVE OF ABSENCE**

Nil

**7 PETITIONS / DEPUTATIONS / PRESENTATIONS**

Nil

**8 CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

**8.1 ORDINARY COUNCIL MEETING – 5 July 2018**

The Minutes of the Ordinary Council Meeting held on 5 July 2018 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 5 July 2018 be confirmed as a true record of the proceedings.**

**Cr Norman moved, Cr Driver seconded  
RESOLVED**

**That the recommendation be adopted.**  
(CARRIED UNANIMOUSLY 10/0)

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<b>9</b>	<b>CHIEF EXECUTIVE OFFICER REPORTS</b>
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<b>9.1</b>	<b>FINANCIAL STATEMENTS FOR THE MONTH ENDED 30 JUNE 2018</b>
<b>File No:</b>	<b>FIN/5-07</b>
<b>Appendix(s):</b>	<b>Appendix No. 1 Appendix No. 2</b>
<b>Date:</b>	<b>7 August 2018</b>
<b>Responsible Officer:</b>	<b>Acting Director Corporate Services</b>

#### **SUMMARY**

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

#### **BACKGROUND**

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

The financial statements presented for each month consist of:

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

#### **DETAIL**

The Financial Statements are for the month ended 30 June 2018 and are attached at **Appendix No. 1** to this Item. The Tonnage Report for the 12 months to 30 June 2018 is attached at **Appendix No. 2**. The figures presented are pre-audit approval and are subject to change.

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.

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Summary of unaudited results for the financial year ended 30 June 2018

	Actual	Budget	Variance
	t	t	t
Tonnes – Members	268,261	263,209	5,052
Tonnes – Others	15,552	16,400	(848)
<b>TOTAL TONNES</b>	<b>283,813</b>	<b>279,609</b>	<b>4,204</b>
	\$	\$	\$
Revenue – Members	47,271,329	46,389,535	881,794
Revenue – Other	6,577,806	7,008,009	(430,203)
<b>TOTAL REVENUE</b>	<b>53,849,135</b>	<b>53,397,544</b>	<b>451,591</b>
Expenses	52,550,266	55,213,025	2,662,759
Profit on sale of assets	29,489	18,526	10,963
Loss on sale of assets	-	3,792	3,792
<b>NET SURPLUS</b>	<b>1,328,358</b>	<b>(1,800,747)</b>	<b>3,129,105</b>

*The results above are unaudited and do not include any adjustments arising from the year end audit process*

Commentary

Member tonnes for the financial year to June 2018 were above budget (2%), mainly due to the extra City of Stirling tonnages. Trade and casuals were 848 tonnes behind budget (5%).

The net variance to budget of \$3,129,105 reflects the ongoing reduction in budgeted tonnage and RRF operating expenditures, offset by tonnage related expenditure (DWER Levy). The net forecast position for the end of the year was forecast to be a deficit of \$1.8m, this has changed significantly by a few late changes;

- City of Stirling extra tonnage in the last quarter (shed maintenance)
- Higher sale of RECs than what was anticipated

The overall reduction in waste to landfill is consistent with the MRC's vision of 'Winning Back Waste' but will over time see the cost per tonne to landfill for the remaining waste increasing proportionally.

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**VOTING REQUIREMENT**

Simple Majority

**RESPONSIBLE OFFICER RECOMMENDATION**

**That the Financial Statements set out in Appendix No. 1 for the month ended 30 June 2018 are received.**

**Moved Cr Cvitan, seconded Cr Driver**

**RESOLVED**

**That the recommendation be adopted**  
**(CARRIED UNANIMOUSLY 10/0)**

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<b>9.2</b>	<b>LIST OF PAYMENTS MADE FOR THE MONTH ENDED 30 JUNE 2018</b>
<b>File No:</b>	<b>FIN/5-06</b>
<b>Appendix(s):</b>	<b>Appendix No. 3</b>
<b>Date:</b>	<b>20 August 2018</b>
<b>Responsible Officer:</b>	<b>Acting Director Corporate Services</b>

#### **SUMMARY**

The purpose of this report is to provide details of payments made during the periods identified. This is in line with the requirement under 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 month ended 30 June 2018 are at **Appendix 3** 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 14 September 2017, 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.

<b>Months Ended</b>	<b>Account</b>	<b>Vouchers</b>	<b>Amount</b>
30 June 2018	General Municipal	Cheques	\$28,741.03
		EFT	\$3,790,006.15
		DP	\$208,465.13
		Inter account transfers	\$1,800,000.00
		<b>Total</b>	<b>\$5,827,212.31</b>

**VOTING REQUIREMENT** Simple Majority

#### **RESPONSIBLE OFFICER RECOMMENDATION**

**That the list of payments made under delegated authority to the Chief Executive Officer, for the month ended 30 June 2018, be noted.**

**Moved Cr Vernon, seconded Cr Hammond  
RESOLVED**

**That the recommendation be adopted  
(CARRIED UNANIMOUSLY 10/0)**

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9.3 REVIEW OF COUNCIL POLICIES AND DELEGATIONS TO COUNCIL COMMITTEES AND THE CHIEF EXECUTIVE OFFICER	
File No:	GOV/27-08
Appendix(s):	Appendix 4 - Council Policies – with tracked changes Appendix 5 - Council Policies – clean copy
Attachment(s):	Attachment 1 - Register of Delegations
Date:	20 August 2018
Responsible Officer:	A/Chief Executive Officer

### SUMMARY

The report seeks endorsement of the review undertaken by the A/Chief Executive Officer (A/CEO) on the current Council Policies, Delegations to Committees of the Council and the CEO, and the addition of two new policies.

### BACKGROUND

Sections 5.18 and 5.46 of the *Local Government Act 1995* (the Act) require that at least once every financial year, delegations are to be reviewed by the Council.

The MRC's Corporate Business plan requires that the Council Policies are relevant and reviewed by Council.

Council are requested to endorse the review of the Delegations Register and the Council Policies to ensure they are operating effectively, providing for efficient and timely administrative decisions and services in relation to discretionary decisions the Council has the ability to make by virtue of the Act and other statutes.

Proposed amendments/additions to the Register of Delegations and Council Policies are submitted in Attachment 1 (Register of Delegations) and Appendices 4 and 5 (Council Policies).

### DETAIL

The 2018 annual review of the Register of Delegations of Authority and Council Policies and was undertaken to determine the appropriateness of existing delegations and Council Policies.

The A/Chief Executive Officer's review of the Register of Delegation and Council Policies identified a number of changes, as well as proposing the addition of two new Council Policies.

The Register of Delegations of Authority identified only minor changes to text which can be found at Attachment 1.

The review of the Council Policies included introduction of 2 new policies and the deletion of an existing policy, the review of the existing policies also included improvements to the wording. The changes have been included at Appendix 4 which includes a copy of the track changes. A summary of the changes for the Council Policies is as follows:

**CP01** – Annual Fees, Allowances and Expenses for Councillors  
Minor change to text – no material change to policy.

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**CP02 – Affixing of the Common Seal**

No change

**CP03 – Councillor Arrangements when attending an Overseas/Interstate/Intrastate Conference**

Minor text change – no material change to policy

**CP04 – Employee Arrangements when attending an Overseas/Interstate/Intrastate Conference**

No change

**CP05 - Environmental Management of Tamala Park**

The MRC request the Council to consider deleting this policy.

The MRC has previously had its environmental management practices accredited through an ISO14001 audit process. The MRC has elected not to continue with the ISO accreditation process and as a result, the contents of CP05 are now adequately addressed through policy EP01 and CP05 is no longer required.

The decision to discontinue the accreditation was made in light of significant proposed changes to the accreditation system which would have placed an additional financial burden on the MRC for little practical advantage.

The MRC determined that the existing environmental management practices, consistent with the old ISO14001 standards, could be maintained without the need to renew the accreditation. The MRC has robust systems in place which have consistently met the ISO14001 benchmark since 2009 and which will continue to be maintained by the MRC.

The MRC remains committed to best practice environmental approaches to protect the natural environment and to minimise the social and environmental impacts associated with its landfill and recycling operations at Tamala Park.

**CP06 - Purchase of Goods and Services**

- Minor changes to reflect previous increases to the threshold values consistently across the body-text of the policy
- Aligning number of panel members to read '4' at relevant sections
- Addition of an Environmental Consideration

**CP07 - Gratuity Payments**

This policy was removed – approved at OCM on 20/8/2015

**CP08 - Provision and Use of Council Vehicles**

- Director of Corporate Usage changed from Private Unrestricted to Per Contract to reflect the underlying employment relationship
  - Site Supervisor and Plant Supervisor deleted from the table, as these positions no longer require their own vehicle
  - The Manager Operations contribution towards private vehicle usage has increased from \$20 to \$25 to reflect market increases
  - Use of MRC vehicles off-road is governed by the policy, but wording has been added to govern variations to the policy in this respect to reflect current practice
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**CP09 - Investments**

No change

**CP10 – Donations – Financial Assistance/Support**

Minor grammar changes – no material change to the policy

**CP11 – Use of Corporate Credit Cards**

Sentence added to clarify the requirement of reporting CEO credit card expenditure to the Council, to reflect current practice

**CP12 – Gate Fee Setting**

No change

**CP13 – Budget Variance Reporting Threshold**

No change

**CP14 – Acting Chief Executive Officer Appointment**

New draft policy for Council Consideration

**CP15 – Employee Matching Community Contributions**

New draft policy for Council Consideration

**EP01 – Environmental Policy**

Remove references to ISO14001

**CONSULTATION**

Nil

**STATUTORY ENVIRONMENT**

***Local Government Act 1995***

The following extracts from the Act relate to Council's obligations in the areas of policy development and delegations to the CEO.

*"2.7. Role of Council*

*(1) The Council —*

- (a) governs the local government's affairs; and*
- (b) is responsible for the performance of the local government's functions.*

*(2) Without limiting subsection (1), the Council is to —*

- (a) oversee the allocation of the local government's finances and resources; and*
- (b) determine the local government's policies.*

*5.42. Delegation of some powers and duties to CEO*

*(1) A local government may delegate\* to the CEO the exercise of any of its powers or the discharge of any of its duties under —*

- (a) this Act other than those referred to in section 5.43; or*
- (b) the Planning and Development Act 2005 section 214(2), (3) or (5).*

*\* Absolute majority required.*

*(2) A delegation under this section is to be in writing and may be general or as otherwise provided in the instrument of delegation.*

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5.43. *Limits on delegations to CEO*

*A local government cannot delegate to a CEO any of the following powers or duties —*

- (a) any power or duty that requires a decision of an absolute majority or 75% majority of the local government;*
- (b) accepting a tender which exceeds an amount determined by the local government for the purpose of this paragraph;*
- (c) appointing an auditor;*
- (d) acquiring or disposing of any property valued at an amount exceeding an amount determined by the local government for the purpose of this paragraph;*
- (e) any of the local government's powers under section 5.98, 5.98A, 5.99, 5.99A or 5.100;*
- (f) borrowing money on behalf of the local government;*
- (g) hearing or determining an objection of a kind referred to in section 9.5;*
- (ha) the power under section 9.49A (4) to authorise a person to sign documents on behalf of the local government;*
- (h) any power or duty that requires the approval of the Minister or the Governor;*
- (i) such other powers or duties as may be prescribed."*

**POLICY IMPLICATIONS**

Nil

**FINANCIAL IMPLICATIONS**

Nil

**STRATEGIC/COMMUNITY AND CORPORATE/BUSINESS PLAN IMPLICATIONS**

<b>Strategic Community Plan 2018 -2037</b>		
OBJECTIVE 1		Long Term Viability
Sub Objective		Good Corporate Governance
This report is required by legislation to ensure that the Council has the opportunity to review its current policies and the delegations it has provided to the Chief Executive Officer thus maintaining the relevance of the documents.		
<b>Corporate Business Plan 2018 – 2037</b>		
Strategies	Actions	Responsible Officer
<b>1.1.2</b>	Ensure Council Policies are relevant and reviewed by Council	<b>CEO</b>
<b>1.1.3</b>	Review the relevance of the delegations from the Council and report findings to Council	<b>CEO</b>
These actions ensure that an officer within the organisation, in this case the CEO, has a direct responsibility to review the current Council Policies and Instrument of Delegation and report the review findings to Council.		

**COMMENT**

The MRC is to keep a register of the delegations made and review the delegations at least once every financial year.



## **VOTING REQUIREMENT**

Simple/Absolute Majority

## **RESPONSIBLE OFFICER RECOMMENDATION**

**That the Council:**

1. **Approve the addition of policy CP14 Acting Chief Executive Officer Appointment**
2. **Approve the addition of policy CP15 Employee Matching Community Contributions**
3. **Approve the deletion of policy CP 05 Environmental Management of Tamala Park**
4. **Retain the remaining existing Council Policies with changes as contained in Appendix 6 of this agenda.**
5. **Retains the delegations to the Chief Executive Officer with minor changes as detailed in Attachment 1 of this report;**

**(Absolute Majority Required)**

**Moved Cr Norman, seconded Cr Driver**

*6.04 pm Cr Emma Cole arrived*

*Meeting paused to allow Cr Cole time to complete the Declaration of Elected Member for the position of Councillor of the Mindarie Regional Council (MRC) in accordance with the Transitional Provisions of the Local Government Act 1995 (Schedule 9.3) using s702 of the Local Government Act 1960 (repealed).*

## **RESOLVED**

**That the recommendation be adopted**  
**(CARRIED UNANIMOUSLY 11/0)**

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**Attachment 1 - MINDARIE REGIONAL COUNCIL – Delegations of Authority Register**

**COUNCIL TO CHIEF EXECUTIVE OFFICER**

<b>1. GOVERNANCE</b>				
No.	Reference	Delegation	Condition(s)	Assignee(s)?
1.1	LGAct 1995 s.9.10	Appoint persons or classes of persons to be authorised for the purposes of performing particular functions	Each authorised person to be issued with a certificate of authorisation	NO
1.2	LGAct 1995 s.5.42	Appoint an employee of the MRC to the position of Acting CEO where the CEO is unable, or expected to be unable by reason of illness, temporary absence from WA, or any other reason, to perform the functions of the position	Not exceeding 3 months in any period of 12 months	NO
<b>2. FINANCE</b>				
2.1	LG (Functions and General) Regulations 1996 Reg. 11A	Approve requisitions and purchase orders for the supply of goods and services	Requisitions and purchase orders to be within the budget allocation as reviewed from time to time	YES
2.2	LG(Financial Management Regulations) 1996 Reg.8	Open and close bank accounts, access accounts electronically and transfer funds electronically		YES
2.3	LG(Financial Management Regulations) 1996 Reg. 11, 12 and 13	Approve and make payment of accounts	1. In accordance with approved procedure set out in Reg.11; 2. Where funds have been provided in the budget and the accounts are acquitted prior to payment; 3. List of accounts paid to be reported to Council as required by Reg.13	YES
2.4	LG(Financial Management Regulations) 1996 Reg.34(1)(a)	Prepare monthly financial reports	In accordance with Reg.34	YES
2.5	LGAct s.6.14	Invest funds surplus to the immediate needs of the Council	Subject to the internal control procedures set out in Reg.19	YES
2.6	LGAct s.6.12	Waive Fees and Write Off Debts	1. Not exceeding a total of \$10,000 for any one debtor in any financial year; 2. Ensure all reasonable effort has been made to recover the debt; 3. Where fees or debts have been waived, or concessions granted, they are to be reported in the mid-year budget review	NO
2.7	LGAct s.3.57	Seek Expressions of Interest and/or call tenders for goods or services	For items listed on the budget and subsequently approved for proceeding by Council	YES
2.8	LG(Functions & General) Regs.14(2a) and 20	Vary contracts up to \$50,000 or 10% of the contract value, whichever is the lesser	1. For the RRFA only if it incurs no additional risk or liability to the MRC; 2. Variations approved for significant contracts, including all contracts awarded following public tenders, to be reported to the next following Council meeting	NO
2.9	LGAct s.3.58(5) and LG(Functions & General) Regs.30(3)	Dispose, which includes writing off, of property (assets)	1. The value of the property (assets) is less than \$20,000; 2. Ensure all reasonable effort has been made to secure current market prices for the item or material	NO

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<b>9.4 BUDGET APPROVAL FOR ODOUR INVESTIGATION</b>	
<b>File No:</b>	<b>ENV/15-05</b>
<b>Appendix(s):</b>	<b>NIL</b>
<b>Date:</b>	<b>20 August 2018</b>
<b>Responsible Officer:</b>	<b>Operations Manager</b>

#### **SUMMARY**

The purpose of this item is to seek approval for funds to undertake an odour investigation within the adjoining suburb Kinross to address potential future odour complaints.

#### **BACKGROUND**

The Mindarie Regional Council (MRC) has seen an increase in odour complaints from Kinross over the past three years. In 2016, four odour complaints were reported. In 2017, six complaints and 2018 thus far, eight odour complaints have been received. The MRC has put a number of odour control/mitigation measures in place which have assisted in maintaining low odour complaint numbers, aided by the fact that landfilling has been below ground level. Landfilling, now occurs above ground level and has the potential to contribute to the increase in odour complaints in Kinross.

During 2017 the MRC engaged Talis Consultants to undertake a site Odour Audit. From this work, odour hotspots were addressed. In early 2018 another Odour Audit was undertaken to determine the effects of the MRC's improvements in odour mitigation. This report showed a 45% decrease in odour impact. Also within this report, known 'odorous loads' were measured and addressed to reduce odours. In May 2018 an internal early morning odour audit identified additional odours and appropriate measures were implemented to help mitigate these.

All odour complaints reported are investigated to seek understanding of odour sources, time, date, type of odour experienced and details of the complainant (where possible). The MRC makes personal contact with complainants (where possible) to assist in understanding the odours they have experienced. Complainants' information can cover a large range of times and days, which can be problematic in pinpointing exact odour information as to the casual sources. The MRC is keen to better understand the odours being experienced by Kinross and their sources - not only the times and dates, but also the strength of the odours.

It is worth noting, that the landfill site is not the only odour source in the area, with possible odours also being generated from the beach to the west and the water treatment plant to the east, as well as various other localised odour sources, such as suburban rainfall sumps, etc.

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## DETAIL

The MRC is proposing to appoint Talis Consultants to undertake a field survey within, but not limited to, Kinross over a number of weeks when weather patterns are conducive to an odour event being experienced. A number of predetermined hotspots have been provided to Talis, with the expectation that additional hot spots may be identified when undertaking the field survey.

On conclusion of the field survey, a report will be provided to the MRC outlining the survey locations, intensity frequencies and the odour intensities. Finally providing a risk rating of those locations.

The report will also provide objection evidence to either confirm or refute the veracity of odour complaints which may be received.

This field survey and report was not included at the time the budget was prepared as the need for the survey is only subsequently being triggered by odour complaints received. The proposed survey will cost \$30,000, which the MRC is proposing to fund in the mid-year budget review, but which it does not anticipate will result in an increase in the members' gate fee.

## CONSULTATION

Consultation occurs within every odour complaint raised at the MRC. In a number of recent odour complaints, elected members of Joondalup have been informed that odour complaints have occurred in Kinross. Investigations were undertaken and continual consultation the elected members and the community has occurred and will continue to occur as new information comes to light.

Previous consultation with Talis Consultant has provided a robust Site Odour Audit Report, which has assisted in odour mitigation measures being successfully implemented on site.

## LEGAL COMPLIANCE

The MRC holds a Department of Water and Environmental Regulations, Part V, conditional licence. Within this licence the MRC is required to prevent, reduce and control of emission and discharges to the environment and charged with the monitoring and reporting of them.

MRC must adhere to:

Environmental Protection Act 1986,

Clause 49: Causing pollution and unreasonable emissions:

*Unreasonable emissions – means an emission or transmission of noise, odour or electromagnetic radiation which unreasonable interferes with the health, welfare, convenience, comfort or amenity of any person.*

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### **POLICY IMPLICATIONS**

The MRC requires compliance with the council approved Environment Policy (EP01).

*“To show that Mindarie Regional Council (MRC) is committed to pollution prevention strategies and compliance with legal and non-legal requirements. MRC strives to undertake best practice environmental approaches to protect the natural environment and to minimise the social and environmental impacts associated with its landfill and recycling operations at Tamala Park.”*

### **FINANCIAL IMPLICATIONS**

The cost of the proposed odour survey is \$30,000 which has not been included in the 2018/19 budget, but which the administration is proposing to fund through the mid-year budget review. It is not anticipated that this will result in a change to the members' gate fee.

### **STRATEGIC/COMMUNITY AND CORPORATE/BUSINESS PLAN IMPLICATIONS**

The proposed survey supports the MRC's "Strategic Objective 2: Effective Management" through maintaining "Reliable progressive systems and processes", which targets no major non-compliances with the MRC's DWER licencing conditions.

### **COMMENT**

The proposed survey is expected to demonstrate the MRC's commitment to proactive management of environmental issues and will strengthen the factual information available to the MRC when dealing with odour complaints from the public.

### **VOTING REQUIREMENT**

Absolute Majority

### **RESPONSIBLE OFFICER RECOMMENDATION**

That Council:

**Approves the funding of the \$30,000 required to undertake the Kinross Odour Survey through the mid-year budget review process.**

**Moved Cr Cole, seconded Cr Cvitan**

**RESOLVED**

**That the recommendation be adopted**

**(CARRIED UNANIMOUSLY 11/0)**

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<b>10 MEMBERS INFORMATION BULLETIN – ISSUE NO. 43</b>
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**RESPONSIBLE OFFICER RECOMMENDATION**

**That the Members Information Bulletin Issue No. 43 be received.**

**Moved Cr Norman, seconded Cr Vernon**

**RESOLVED**

**That the recommendation be adopted.**

**(CARRIED UNANIMOUSLY 11/0)**

<b>11 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN</b>
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Nil

<b>12 URGENT BUSINESS</b>
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Nil

<b>13 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN</b>
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Nil

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<b>14 MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC</b>
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The Chair moved a procedural motion:

**That in accordance with clause 7.9 of the Council Standing Orders Local Law 2010 and s5.23 (2) of the Local Government Act 1995, Council proceed to meet “behind closed doors” to allow the Council to consider items 14.1, 14.2 & 14.3 as these items are of a confidential nature.**

*Note: The Acting Chief Executive Officer has not released Reports 14.1, 14.2 for Public information as it relates to Contracts to be entered into. Report 14.3 has not been released as it relates to matters that affect the CEO Employment Contract.*

The Chair advised that Ms Hanson (LOGO Appointments) and Ms Harding (Jackson McDonald) were allowed to remain in the Chambers only for Item 14.3 CEO Contract of Employment.

**Seconded by Cr Cvitan  
(CARRIED UNANIMOUSLY 11/0)**

*People in the Gallery, Ms Cherico (MRC) and invited guests, Ms Hanson (LOGO appointments) and Ms Harding (Jackson McDonald) left the Council Chambers.*

*MRC staff Mr Hoppe, Ms Slater and Ms Toward remained in the Council Chambers.*

Doors closed at 6.18 pm

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Behind Closed Doors:

**This report is Confidential in accordance with Section 5.23 (2) (C) of the *Local Government Act 1995* as it is a matter that may result in a contract being entered into.**

<b>14.1</b>	<b>TAMALA PARK CARDBOARD BALER</b>
<b>File No:</b>	<b>WST/47-07</b>
<b>Attachments(s):</b>	
<b>Date:</b>	<b>23 August 2018</b>
<b>Responsible Officer:</b>	<b>A/Chief Executive Officer</b>

**RESPONSIBLE OFFICER RECOMMENDATION**

**That the Council:**

- 1. Award the tender for the supply and install of a cardboard baler at Tamala Park (Tender Number 13/138) to MILTEK WASTE SOLUTIONS PTY LTD at a fixed price detailed within the report.**
- 2. Advise the unsuccessful tenderers of the decision to award the tender to MILTEK WASTE SOLUTIONS PTY LTD**

**Moved Cr Cole, seconded Cr Vernon**

**RESOLVED**

**That the recommendation be adopted.**

**(CARRIED UNANIMOUSLY 11/0)**

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This report is Confidential in accordance with Section 5.23 (2) (C) of the *Local Government Act 1995* as it is a matter that may result in a contract being entered into.

<b>14.2</b>	<b>BUDGET APPROVAL FOR COMINGLED RECYCLABLES SUMMER WASTE AUDIT</b>
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<b>File No:</b>	<b>WST/216</b>
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<b>Attachments(s):</b>	
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<b>Date:</b>	<b>23 August 2018</b>
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<b>Responsible Officer:</b>	<b>A/Chief Executive Officer</b>
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**RESPONSIBLE OFFICER RECOMMENDATION**

**That the Council:**

**Approve the funding of \$145,000 required to undertake the comingled recyclables summer waste audit through the mid-year budget review process.**

**Moved Cr Cole, seconded Cr Proud**

**RESOLVED**

**That the recommendation be adopted.**

**(CARRIED UNANIMOUSLY 11/0)**

*At 6.26pm MRC staff Mr Hoppe, Ms Slater and Ms Toward left the Council Chambers.*

*Ms Cherico (MRC) and invited guests, Ms Harding (Jackson McDonald) and Ms Hanson (LOGO appointments) re-entered the Chambers.*

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This report is Confidential in accordance with Section 5.23 (2) (C) of the *Local Government Act 1995* as it is a matter that may result in a contract being entered into.

**14.3 CEO CONTRACT OF EMPLOYMENT**

File No:	PER/95
Attachments(s):	CEO CONTRACT OF EMPLOYMENT
Date:	6 SEPTEMBER 2018
Responsible Officer:	Human Resource Officer

**RESPONSIBLE ELECTED MEMBER RECOMMENDATION**

That the Council:

1. **ENDORSES** the Chief Executive Officer Employment commencing 6 September 2018.
2. **APPROVES** in accordance with the Salaries and Allowance Tribunal Band 3 for Regional Council CEO's, the total reward package be set at \$252,212.
3. **APPROVES** the Chairman to execute the signing of the Chief Executive Officer Employment Contract.

**Moved Cr Proud, seconded Cr Norman**

Prior to the item being voted on, **Cr Shannon moved a procedural motion:**

**That the Contract is amended at 7.2(b)(i) removing the words 'six (6) months' and replacing with the words 'three (3) months'**

**Cr Vernon seconded**

(LOST 4/7)

*For: Cr's Shannon, Cole, Vernon and Guilfoyle*

*Against: Cr's Cvitan, Driver, Norman, Hammond, Sargent, Proud and Boothman*

**RESOLVED**

**That the recommendation be adopted.**

(CARRIED UNANIMOUSLY 11/0)

*Doors were reopened to the public at 6.50 pm, people in the Gallery and MRC staff returned to their seats.*

The Chair announced that the Councillors had met behind closed doors and read out the resolutions, as detailed above, to items 14.1, 14.2 and 14.3.

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**15      NEXT MEETING**

*Next meeting to be held on Thursday 25 October 2018 in the Council Chambers at Town of Victoria Park commencing at 6.00 pm.*

**16      CLOSURE**

The Chairman closed the meeting at 6.52 pm and thanked the City of Perth for their hospitality and use of their meeting rooms.

These minutes were confirmed by the Council as a true and accurate record of the Ordinary Meeting of Council held on 6 September 2018.

Signed..... Chairman

Dated this .....day of .....2018

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