



AGENDA

ORDINARY COUNCIL MEETING

TIME: 5.30PM

THURSDAY 3 JULY 2014

CITY OF STIRLING

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



**MINDARIE REGIONAL COUNCIL
NOTICE OF MEETING**

19 June 2014

Councillors of the Mindarie Regional Local Government are advised that an Ordinary Meeting of the Council will be held in the Council Chambers of the City of Stirling, 25 Cedric Street, Stirling, at 5.30pm on Thursday 3 July 2014.

The agenda pertaining to the meeting is attached.

Your attendance is respectfully requested.

**BRIAN CALLANDER
CHIEF EXECUTIVE OFFICER**

MINDARIE REGIONAL COUNCIL - MEMBERSHIP

Cr R Fishwick JP (Russ) - Chair	City of Joondalup
Cr J Bissett (John) – Deputy Chair	Town of Victoria Park
Cr S Withers (Simon)	Town of Cambridge
Cr K Hollywood (Kerry)	City of Joondalup
Cr J Davidson OAM JP (Janet)	City of Perth
Cr D Boothman (David)	City of Stirling
Cr S Proud (Stephanie)	City of Stirling
Cr E Re JP (Elizabeth)	City of Stirling
Cr B Stewart (Bill)	City of Stirling
Cr J Carey (John)	City of Vincent
Cr R Driver (Russell)	City of Wanneroo
Cr D Newton JP (Dot)	City of Wanneroo

NB: Although some Councils have nominated alternate members, it is a requirement that a Council carries a specific resolution for each occasion that the alternate member is to act.

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Prior to the commencement of the meeting, Councillors will be required to make the required declaration of office as a councillor of the Mindarie Regional Council. The prescribed form for that purpose is enclosed.

1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The CEO will open the meeting.

2 ELECTION OF CHAIR

(Nominations for the office of Chairman close at 5.30 pm on 3 July 2014.)

The CEO will conduct the election of Chairman

The Councillor elected will be required to make the required declaration of office as the Chairman of MRC.

3 ELECTION OF DEPUTY CHAIR

(Nominations for the office of Deputy Chairman close at 5.30 pm on 3 July 2014.)

The Chairman will conduct the election of Deputy Chairman.

The Councillor elected will be required to make the required declaration of office as the Deputy Chairman of MRC.

4 ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

5 DECLARATION OF INTERESTS

Declaration of Financial/Conflict of Interest to be recorded prior to dealing with each item.

Disclosure of Financial and Proximity Interests

- (a) *Members must disclose the nature of their interest in matters to be discussed at the meeting. (Section 5.65 of the Local Government Act 1995).*
- (b) *Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting. (Sections 5.70 and 5.71 of the Local Government Act 1995).*

Disclosure of Interest Affecting Impartiality

- (a) *Members and staff must disclose their interest in matters to be discussed at the meeting in respect of which the member or employee has given or will give advice.*

6 PUBLIC QUESTION TIME

7 ANNOUNCEMENTS BY THE PRESIDING PERSON

8 APPLICATIONS FOR LEAVE OF ABSENCE

9 PETITIONS / DEPUTATIONS / PRESENTATIONS

10 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

10.1 ORDINARY COUNCIL MEETING – 24 APRIL 2014

The Minutes of the Ordinary Council Meeting held on 24 April 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 24 April 2014 be confirmed as a true record of the proceedings.

10.2 SPECIAL COUNCIL MEETING – 26 JUNE 2014

The Minutes of the Special Council Meeting held on 26 June 2014 have been printed and circulated to members of the Council.

RESPONSIBLE OFFICER RECOMMENDATION

That the Minutes of the Special Council Meeting of Council held on 26 June 2014 be confirmed as a true record of the proceedings.

11 CHIEF EXECUTIVE OFFICER REPORTS

11.1	FINANCIAL STATEMENTS FOR THE PERIODS ENDED 31 MARCH 2014 AND 30 APRIL 2014
File No:	FIN/5-04
Appendix(s):	Appendix No. 1 Appendix No. 2 Appendix No. 3
Date:	12 June 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 March 2014 and 30 April 2014 and are attached at **Appendix No. 1 and 2** to this Item. The Tonnage Report for the 10 months to 30 April 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 30 April 2014

	Actual	Budget	Variance
	t	t	t
Tonnes – Members	297,086	303,392	(6,306)
Tonnes – Others	26,961	29,461	(2,500)
TOTAL TONNES	324,047	332,853	(8,806)
	\$	\$	\$
Revenue – Members	35,699,005	37,370,818	(1,671,813)
Revenue – Other	7,648,005	8,295,257	(647,252)
TOTAL REVENUE	43,347,010	45,666,075	(2,319,065)
Expenses	38,288,772	39,827,801	1,539,029
Profit on sale of assets	48,884	-	48,884
Loss on sale of assets	7,000	-	(7,000)
NET SURPLUS	5,100,122	5,838,274	(738,152)

Commentary

Member tonnes for the 10 months to April 2014 are 6,306t lower than budgeted, primarily as a result of changes to the phasings of the budgeted tonnes arising from the half year budget review process.

Non-member tonnes continue to lag behind the budget, primarily as a result of the lower than budgeted commercial tonnes. Commercial entities are always looking for more cost effective options. The MRC has held the underlying non-members' gate fee unchanged for the past two years in an attempt to stay competitive and is proposing to continue to do so in the 2014/15 budget.

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.

Expenses are also significantly below budget primarily as a result of reduced employee costs (\$321k), reduced consultant and contract labour expenditure (\$208K), reduced landfill expenses (\$523k), reduced RRF costs (\$187k) and reduced borrowing costs (\$140k).

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the Financial Statements set out in Appendix No. 1 and 2 for the months ended 31 March 2014 and 30 April 2014, respectively, be received.

11.2	LIST OF PAYMENTS MADE FOR THE MONTHS ENDED 31 MARCH 2014 AND 30 APRIL 2014
File No:	FIN/5-04
Appendix(s):	Appendix No. 4 Appendix No. 5
Date:	12 June 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 March 2014 and 30 April 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 March 2014	General Municipal	Cheques	\$166,909.09
		EFT	\$2,965,350.08
		DP	\$203,828.10
		Inter account transfers	\$1,300,000.00
		Total	\$4,636,087.27
30 April 2014	General Municipal	Cheques	\$112,202.55
		EFT	\$5,160,260.75
		DP	\$291,961.29
		Inter account transfers	\$1,500,000.00
		Total	\$7,064,424.59

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the list of payments made under delegated authority to the Chief Executive Officer, for the months ended 31 March 2014 and 30 April 2014 be noted.

11.3	CEO PERFORMANCE REVIEW COMMITTEE - ENGAGEMENT OF CONSULTANT TO ASSIST IN THE REVIEW OF THE CEOS PERFORMANCE
File No:	PER/79
Appendix(s):	Nil
Date:	19 May 2014
Responsible Officer:	HR OFFICER

SUMMARY

Report seeks approval to appoint a Consultant to assist the CEO Performance Review Committee in reviewing the CEO performance and remuneration as per current contract.

BACKGROUND

The current Chief Executive Officer, Brian Callander was appointed on 16 January 2012 for a (3) three year period. At the Ordinary Council Meeting 20 February 2014 the Council approved to extend the contract for a further 5 years from January 2015 to January 2020. The contract of employment requires Council to review the CEO's performance (clause 3.3) and remuneration (clause 5.5) annually.

At the Ordinary Council Meeting 20 June 2013 John Phillips from WALGA was appointed to assist the CEO Performance Review Committee conduct the annual review, which resulted in the following resolution of Council at its meeting on 5 September 2013:

"That Council:

A. Approve the CEO's Performance Review Committee's recommendations as follows:

- 1. Endorse the 2013 Performance Review Report for the CEO as contained in Attachment 1;*
 - 2. Endorse the overall rating of "Meets performance criteria and associated performance indicators at a highly satisfactory level";*
 - 3. Endorse the Key Result Areas and Objectives for 2013/2014 as follows:*
 - a. Develop key actions that will increase the rate of recycling, mitigate against market risk and reduce ongoing costs.*
 - b. Liaise with the Waste Authority and Regional Councils in providing a coordinated State waste management process to enable efficiencies in processing, and higher recycling rates.*
 - c. Develop a Strategic Waste Management Plan in conjunction with member Councils and in accordance with the requirements of the Waste Authority;*
 - d. In accordance with the Strategic Community Plan 2013/14 – 2033/34, and in conjunction with member Councils investigate solutions for:*
 - i. a new landfill site suitable for the development for a class 2 landfill; and,*
 - ii. a sorting shed designed to increase the amount of waste recycled and reused.*
 - e. Develop Business Plans for 3.d.i and 3.d.ii (above) for consideration of*
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Council.

4. *Approve an increase to the CEO's remuneration package from \$XXXXXX to \$XXXXXX per annum, effective from the first pay period in July 2013.*

*CEO's remuneration value removed as it is negotiated under contract.

DETAIL

On 18 March 2014 request for quotation letters were sent out to four Specialist Human Resource Consultants seeking quotation for services to assist Council's CEO Performance Review Committee conduct the annual review of the CEO's performance and remuneration. At the time of closing the request for quotation on 4 April 2014 two quotes were received. The following table details the consultants that responded to the request and the price that was quoted:

No.	Consultant Name	Price (\$)
1	WALGA - John Phillips	3,000
2	Portland Broome	18,800

The CEO Performance Review Committee received the quotations by email on 16 April 2014 where they were presented for discussion and comment. The committee agreed to recommend to Council the appointment of John Phillips from WALGA to perform the CEO Performance Review.

CONSULTATION

NIL

STATUTORY ENVIRONMENT

NIL

POLICY IMPLICATIONS

NIL

FINANCIAL IMPLICATIONS

The costs of engaging the consultant recommended by the Committee of \$3,000 is included in the 2014/15 Budget - Consultants - GL 5110.

STRATEGIC IMPLICATIONS

NIL

COMMENT

Submissions from consultants detailed the scope and process of work required to complete the CEO review. Submission two (2) provides work of greater depth outside the scope of work requested, reflected in the cost being \$15k higher. Submission one (1) John Phillips for WALGA meets the required scope of work at a reasonable cost to council.

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

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

11.4	MEMBER COUNCIL MANAGEMENT OF RESIDUES FROM RECYCLING PROCESSES
File No:	WST/101-02
Appendix(s):	Nil
Date:	13 June 2014
Responsible Officer:	Chief Executive Officer

SUMMARY

The report seeks Council's consideration of providing an exemption for member councils from returning residues from their recycling activities to Tamala Park.

BACKGROUND

The City of Wanneroo currently own and operate a Municipal Recycling Facility and have recently sought an expression of interest from interested parties to manage the facility or manage the waste that is sent to the facility offering the ability to have the residues from any recycling processes disposed of in the most appropriate environmental and/or cost effective manner.

The current Constitution permits member councils' to retain waste that it recycles stating the following:

*“...‘waste’ means house and trade rubbish and refuse and other waste matters but does not include liquid wastes or any wastes composed substantially of liquid **and does not include any waste retained by a constituent municipality for the purpose of recycling.**”*

Emphasis added to indicate a variation to the definition of the Constitution as contained in a Deed of Variation of Constitution in 1996.

The waste definition makes no reference to how the residues from the recycling process are to be managed. Legal advice was sought by the Mindarie Regional Council (MRC), which indicated that the residues from recycling processes should be returned to Tamala Park unless an exemption is provided under clause 4.A.2 of the MRC Constitution.

DETAIL

The matter was placed on the agenda of the Strategic Working Group (SWG) where the Town of Cambridge's Director Technical Services, Chris Colyer, indicated that the residues from recycling processes was discussed during the development of the new Draft Establishment Agreement (currently on hold as a result of the Local Government reform). On review of the Draft Agreement it is apparent that the revised definition of waste does address this issue as follows:

*“**“Participant’s waste”** means waste which is:*

- (a) collected or received by a Participant from the Region; or*
- (b) generated by the operations of a Participant,*

****but excludes:***

- (i) waste which is solely or predominantly comprised of liquid;*
 - (ii) sewage; or*
 - (iii) waste which is:
 - (A) placed, for collection by the Participant, in a receptacle intended for the deposit of glass, plastics, metals, paper or**
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- cardboard, separate from other waste; and*
- (iv) *(B) collected or received by a Participant from the Region; or waste which is;*
- (A)(1) placed, for collection by the Participant, in a receptacle intended for the deposit for vegetative waste from gardens, trees or lawns, separate from other waste; and*
- (2) collected or received by the Participant from the Region; or*
- (B) vegetative waste from gardens, trees or lawns collected separately by the Participant from other waste;*
- (v) *waste which is produced by the processing or recycling of any waste referred to in paragraphs (i), (ii), (iii) and (iv) ***including any residual waste remaining after that processing or recycling.****
- *Emphasis Added**

A review of previous exemptions provided to Member Councils allowing the recycling of waste revealed that there has been no condition requiring the residues from the recycling processes to be returned to Tamala Park.

CONSULTATION

Member Councils have been consulted through the SWG where it was agreed to seek an exemption for the Member Councils from bringing the residue waste, which is produced as a result of a recycling process, to Tamala Park as it was already accepted in previous exemptions provided by the Council for recycling and included in the Draft Establishment Agreement.

LEGAL COMPLIANCE

The Council can provide an exemption from binding the Member Councils to deliver waste to such sites nominated by the MRC as specified in part 4A.2 of the Constitution, which reads as follows:

“The Regional Council may exempt a constituent municipality from the provisions of 4A.1 hereof for such time and subject to such conditions as the Regional Council deems fit and any exemptions granted shall be communicated in writing.”

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

As the exemption is in line with MRC's previous decisions on Member Councils' recycling activities there is no financial implication for the MRC.

STRATEGIC/COMMUNITY AND CORPORATE/BUSINESS PLAN IMPLICATIONS

Nil

COMMENT

It is clear from previous decisions of the Council, and the definition in the draft new Establishment Agreement, that residues from any recycling process are not required to be returned to Tamala Park notwithstanding that the practice is inconsistent with the current Constitution. As such it is considered appropriate to legitimise the practice and provide to all member councils an exemption for residues that are the residual from recycling processes until such time that it is formalised on the Gazettal of the new Establishment Agreement.

VOTING REQUIREMENT

Simple Majority / Absolute Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the Council:

- 1. in accordance with part 4A.2 of its Constitution exempt Member Councils from bringing the residue waste, which is produced as a result of a recycling process, to Tamala Park.**
 - 2. approve that the exemption detailed in (1) is to remain valid until the new Establishment Agreement has been Gazetted.**
 - 3. The Member Councils be formally advised, in writing, of the exemption detailed in (1) above.**
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12 MEMBERS INFORMATION BULLETIN – ISSUE NO. 17

RESPONSIBLE OFFICER RECOMMENDATION

That the Members Information Bulletin Issue No. 17 be received.

13 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

14 URGENT BUSINESS

15 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

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

<p>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.</p>
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16.1	TENDER FOR DEVELOPMENT OF A CONCEPTUAL SITE MODEL AND THE PROVISION OF CONSULTING SERVICES TO ASSIST WITH THE MANAGEMENT OF GROUNDWATER AND LANDFILL GAS
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File No:	WST/201
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Appendix(s):	Nil
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Date:	
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Responsible Officer:	Environmental Supervisor
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THIS ITEM IS CONFIDENTIAL, NOT FOR PUBLIC VIEWING.

SEPARATE COVER TO MEMBERS

17 NEXT MEETING

Next meeting to be held on Thursday 4 September in the Council Chambers at City of Vincent commencing at 5.30pm.

18 CLOSURE
