



# AGENDA

ORDINARY COUNCIL MEETING

TIME: 6.00 PM

25 OCTOBER 2018

TOWN OF VICTORIA PARK

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



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**MINDARIE REGIONAL COUNCIL  
NOTICE OF MEETING**

19 October 2018

Councillors of the Mindarie Regional Council are advised that an Ordinary Meeting of the Council will be held in the Council Chambers of the Town of Victoria Park, at 6 pm on 25 October 2018.

The agenda pertaining to the meeting follows.

Your attendance is respectfully requested.



**GÜNTHER HOPPE  
CHIEF EXECUTIVE OFFICER**

**MINDARIE REGIONAL COUNCIL - MEMBERSHIP**

Cr D Boothman JP (David) - <b>Chair</b>	City of Stirling
Cr M Norman (Mike) – <b>Deputy Chair</b>	City of Joondalup
Cr R Fishwick (Russ)	City of Joondalup
Cr E Lumsden (Eric)	City of Perth
Cr A Guilfoyle (Andrew)	City of Stirling
Cr K Sargent (Keith)	City of Stirling
Cr S Proud JP (Stephanie)	City of Stirling
Cr E Cole (Emma)	City of Vincent
Cr R Driver (Russell)	City of Wanneroo
Cr F Cvitan JP (Frank)	City of Wanneroo
Cr K Shannon (Keri)	Town of Cambridge
Cr K Vernon (Karen)	Town of Victoria Park

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

**2 ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE**

**3 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.*

**4 PUBLIC QUESTION TIME**

**5 ANNOUNCEMENTS BY THE PRESIDING PERSON**

**6 APPLICATIONS FOR LEAVE OF ABSENCE**

**7 PETITIONS / DEPUTATIONS / PRESENTATIONS**

**8 CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

**8.1 ORDINARY COUNCIL MEETING – 6 SEPTEMBER 2018**

The Minutes of the Ordinary Council Meeting held on 6 September 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 6 September 2018 be confirmed as a true record of the proceedings.**

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<b>9 CHIEF EXECUTIVE OFFICER REPORTS</b>
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<b>9.1</b>	<b>FINANCIAL STATEMENTS FOR THE MONTHS ENDED 31 JULY 2018 AND 31 AUGUST 2018</b>
<b>File No:</b>	<b>FIN/5-07</b>
<b>Appendix(s):</b>	<b>Appendix No. 1 Appendix No. 2 Appendix No. 3</b>
<b>Date:</b>	<b>03 October 2018</b>
<b>Responsible Officer:</b>	<b>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 months ended 31 July 2018 and 31 August 2018 and are attached at **Appendix No. 1 and 2** to this Item. The Tonnage Report for the 2 months to 31 August 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 two-month period ended 31 August 2018

	Actual	Budget	Variance
	t	t	t
Tonnes – Members	48,073	36,529	11,544
Tonnes – Others	2,468	1,929	539
<b>TOTAL TONNES</b>	<b>50,541</b>	<b>38,458</b>	<b>12,083</b>
	\$	\$	\$
Revenue – Members	9,596,843	7,488,481	2,108,362
Revenue – Other	761,646	685,868	75,778
<b>TOTAL REVENUE</b>	<b>10,358,489</b>	<b>8,174,349</b>	<b>2,184,140</b>
Expenses	9,842,724	8,841,008	<b>(1,001,716)</b>
Profit on sale of assets	1,598	1,278	320
Loss on sale of assets	-	-	-
<b>NET SURPLUS</b>	<b>517,363</b>	<b>(665,381)</b>	<b>1,182,744</b>

Commentary

The Member Councils' processable waste for the financial year to date is 9,951 tonnes above forecast, with all Member Councils delivering more than forecast.

The non processable waste for the period to date is 1,630 tonnes above the financial forecast, primarily as a result of the City of Stirling (1,241t) and City of Wanneroo (1,759t) bringing more waste than budgeted abated by City of Joondalup bringing in less than what was budgeted (1,110t).

These variances leave the MRC 25% ahead in its budgeted waste receipts from member councils. Overall the Member Council waste is 11,543 tonnes above the phased budget as at the end of August 2018.

RRF

The Resource Recovery Facility residue tonnes are on budget at 37 tonnes below forecast. However, we will see an increase over the next months in preparation for the scheduled maintenance shutdown which is scheduled for November 2018.

Trade & Casual

The Casual and Trade tonnages are 539 tonnes higher than forecast for the financial year.

Overall for the period ended 31 August 2018, the tonnes received are 12,083 tonnes above what was budgeted.

**VOTING REQUIREMENT**

Simple Majority

**RESPONSIBLE OFFICER RECOMMENDATION**

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

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<b>9.2</b>	<b>LIST OF PAYMENTS MADE FOR THE MONTHS ENDED 31 JULY 2018 AND 31 AUGUST 2018</b>
<b>File No:</b>	<b>FIN/5-06</b>
<b>Appendix(s):</b>	<b>Appendix No. 4 Appendix No. 5</b>
<b>Date:</b>	<b>03 October 2018</b>
<b>Responsible Officer:</b>	<b>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 months ended 31 July 2018 and 31 August 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 6 September 2018, 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>
31 July 2018	General Municipal	Cheques	\$6,113.99
		EFT	\$6,111,638.02
		DP	\$198,795.45
		Inter account transfers	\$2,600,000.00
		<b>Total</b>	<b>\$8,916,547.46</b>
31 August 2018	General Municipal	Cheques	\$5,175.40
		EFT	\$4,339,314.94
		DP	\$299,429.56
		Inter account transfers	\$3,300,000.00
		<b>Total</b>	<b>\$7,943,919.90</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 31 July 2018 and 31 August 2018, be noted.**



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<b>9.3</b>	<b>APPOINTMENT OF COUNCILLORS ON TO THE MUNICIPAL WASTE ADVISORY COUNCIL (MWAC)</b>
<b>File No:</b>	<b>GOV/1-04</b>
<b>Attachment(s):</b>	<b>1. Municipal Waste Advisory Council Details</b>
<b>Date:</b>	<b>12 October 2018</b>
<b>Responsible Officer:</b>	<b>Chief Executive Officer</b>

### **SUMMARY**

The purpose of this report is to seek the appointment of a Councillor of the Mindarie Regional Council (MRC) to the Municipal Waste Advisory Council (MWAC).

### **BACKGROUND**

The MRC is currently a member of an advisory group of WALGA known as MWAC. A MRC Councillor is required to be a member of this group.

MWAC was established as part of the MRC's commitment to the Western Australia Local Government Association membership.

Attachment 1 to this agenda item provides details of the tenure, membership, duties and responsibilities associated with being a member of MWAC.

### **DETAILS**

At the MRC Ordinary Council meeting held on 9 November 2017 Councillor Russ Fishwick was appointed as a Member and Cr Andrew Guilfoyle as a Deputy Member on to MWAC.

On 19 September 2018 Councillor Fishwick resigned from MWAC. The resignation has resulted in the need for the MRC to swear in a new member.

It should also be noted that Councillor Fishwick has resigned from his positions as Chair of the CEO Recruitment and Performance Review Committee and Chair of the Audit Committee. Cr Fishwick remains a member of both committees, with a new Chair to be appointed at the next respective committee meetings.

The following provides a brief explanation of the purpose of MWAC:

#### Municipal Waste Advisory Council

The Municipal Waste Advisory Council (MWAC) was established in December 1994 as a Standing Committee of the Western Australian Local Government Association (WALGA) with delegated authority to represent the Association in respect of matters relating to municipal waste issues. MWAC is established under a partnership agreement with WALGA, Eastern Metropolitan Regional Council, City of Geraldton/Greenough, Mindarie Regional Council, Rivers Regional Council, Southern Metropolitan Regional Council and Western Metropolitan Regional Council.

The objective of MWAC is to encourage and promote economically sound, environmentally safe waste management practices and to ensure that the shared interests of all Western Australian Local Governments, as they relate to waste management, are

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effectively managed. As MWAC is a standing committee of WALGA it requires councillor representation. An Officer Advisory Group (OAG) has been established as an advisory committee to the MWAC.

**LEGAL COMPLIANCE**

Refer attachment 1 to determine the compliance requirements of MWAC.

**FINANCIAL IMPLICATIONS**

There is no remuneration attached to this position.

**COMMENT**

There are 6 meetings per calendar year.

**VOTING REQUIREMENT**

Simple Majority

**RESPONSIBLE OFFICER RECOMMENDATION**

**That the Council:**

1. Appoint Cr \_\_\_\_\_ on to the Municipal Waste Advisory Council.
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## ATTACHMENT 1

### MUNICIPAL WASTE ADVISORY COUNCIL

#### MEMBERSHIP

One Councillor and a Deputy  
Supported by one staff member who is on a sub-group of MWAC entitled the Officers' Advisory Group.

#### MEETING FREQUENCY

Bi-Monthly

#### DUTIES AND RESPONSIBILITIES

##### *General Functions of the MWAC*

- (a) The principal role of the MWAC in exercising its delegated authority is to govern the Municipal Waste Program and to represent the interests of the Parties and Local Government generally, in all matters relating to local government waste management.
  - (b) Without limiting the MWAC's principal role, the broad functions and responsibilities of the MWAC include:
    - (i) defining policy and providing the overall strategic direction of the Municipal Waste Program to achieve the interests of the Parties to this Partnership Agreement;
    - (ii) maintaining the MWAC as a credible, active and effective peak body in the area of waste management;
    - (iii) facilitating and encouraging cooperative linkages between Local, State and Federal Government, Regional Councils, FORC, WMAA, Waste Authority, industry and the community;
    - (iv) representing the interests of the Association in all matters relating to local government waste management in accordance with the Association's policy statements and formal positions on an issue, and without prior reference to the Association where a formal Association position on an issue is not current or has not yet been developed PROVIDED THAT any such position is subsequently put to the Association as soon as practicable for confirmation;
    - (v) acting as an interface between the Parties to this Partnership Agreement and other local governments;
    - (vi) promoting economically sound, environmentally safe and socially acceptable waste management and minimisation strategies;
    - (vii) coordinating and initiating research on waste management issues;
    - (viii) through the WALGA Chief Executive Officer and the MWAC Chair, monitoring and evaluating the performance of the Executive Officer against established key performance indicators;
    - (ix) approving major operating plans, including the strategic plan;
    - (x) approving the Annual Budget in accordance with the terms of this Partnership Agreement; and
    - (xi) ensuring the Municipal Waste Program complies with the law and the
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Association's operational policies and procedures.

- (c) Under the terms of the delegated authority, the MWAC may not make decisions:
- (i) concerning the acquisition, holding and disposition of real property or the borrowing of money or setting Association subscription levels;
  - (ii) that are inconsistent with an existing formal policy statement of the Association without prior reference to and the prior approval of the State Council; and
  - (iii) relating to operational matters as such matters remain the responsibility of the Executive Officer, reporting to the WALGA Chief Executive Officer or to their delegate.

**APPOINTMENT/TENURE**

Membership continues until notification is given to the other party advising of a change in the membership.

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<b>9.4</b>	<b>MINDARIE REGIONAL COUNCIL ORDINARY COUNCIL MEETING AND STRATEGY WORKSHOP DATES FOR 2019</b>
<b>File No:</b>	<b>COR/10-02</b>
<b>Appendix(s):</b>	<b>Nil</b>
<b>Date:</b>	<b>12 October 2018</b>
<b>Responsible Officer:</b>	<b>Chief Executive Officer</b>

### **SUMMARY**

The purpose of this report is to provide notice of the dates, times and locations for the Mindarie Regional Council's (MRC) Ordinary Council Meetings (OCM) and Strategy Workshops (SW) for 2019.

### **BACKGROUND**

The MRC is required to schedule OCMs for the forthcoming calendar year and provide public notice of their dates, times and locations. In addition, the dates are set for two SWs.

### **DETAIL**

In setting the dates for the 2019 OCM's consideration has been given to the following:

- The Tamala Park Regional Council meeting dates for 2019.
- The WALGA Metropolitan Zone meeting dates for 2019.
- Availability of Member Council's Chambers.

In addition to the above, two SWs are included in the meeting schedule. These workshops are important as they provide the Councillors, member council CEOs and representatives on the Strategic Working Group and MRC management an opportunity to review and discuss the MRC's strategic direction.

### **Programme of Meetings**

Given the above, the proposed schedule of OCMs for 2019, commencing at 6.00 pm, is as follows:

- Ordinary Council Meeting – 7 February 2019 (City of Joondalup)
- Ordinary Council Meeting – 11 April 2019 (City of Wanneroo)
- Ordinary Council Meeting – 4 July 2019 (City of Stirling)
- Ordinary Council Meeting – 19 September 2019 (City of Vincent)
- Ordinary Council Meeting – 21 November 2019 (Town of Victoria Park)
- Ordinary Council Meeting – 12 December 2019 (City of Perth)

The SWs for 2019 will be held directly after the following OCMs:

- 2019 – 7 February 2019
  - 2019 - 19 September 2019
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## STATUTORY ENVIRONMENT

Part 12 (1) and (2) of the Local Government (Administration) Regulations 1996 requires local government to issue public notice of its meeting dates at least once per year stating:

*“12. Meetings, public notice of (Act s. 5.25(1)(g))*

- (1) At least once each year a local government is to give local public notice of the dates on which and the time and place at which —
  - (a) the ordinary council meetings; and*
  - (b) the committee meetings that are required under the Act to be open to members of the public or that are proposed to be open to members of the public,*are to be held in the next 12 months.*
- (2) A local government is to give local public notice of any change to the date, time or place of a meeting referred to in subregulation (1).*

S.1.7 of the Local Government Act 1995 prescribes local public notice as:

*“1.7. Local public notice*

- (1) Where under this Act local public notice of a matter is required to be given, a notice of the matter is to be —
  - (a) published in a newspaper circulating generally throughout the district; and*
  - (b) exhibited to the public on a notice board at the local government’s offices; and*
  - (c) exhibited to the public on a notice board at every local government library in the district.**
- (2) Unless expressly stated otherwise it is sufficient if the notice is —
  - (a) published under subsection (1)(a) on at least one occasion; and*
  - (b) exhibited under subsection (1)(b) and (c) for a reasonable time, being not less than —
    - (i) the time prescribed for the purposes of this paragraph; or*
    - (ii) if no time is prescribed, 7 days.”***

## POLICY IMPLICATIONS

Nil

## STRATEGIC IMPLICATIONS

Nil

## FINANCIAL IMPLICATIONS

Nil

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### **COMMENT**

The proposed schedule for OCM's for 2019 is now submitted for approval. In addition, it is recommended that the Council endorse the scheduling of the two SWs directly following on from the OCMs scheduled in February and September.

### **VOTING REQUIREMENT**

Simple Majority

### **RESPONSIBLE OFFICER RECOMMENDATION**

That the Council:

1. adopt the following schedule for Council Meetings for 2019, commencing at 6.00 pm:
    - Ordinary Council Meeting – 07 February 2019 (City of Joondalup)
    - Ordinary Council Meeting – 11 April 2019 (City of Wanneroo)
    - Ordinary Council Meeting – 04 July 2019 (City of Stirling)
    - Ordinary Council Meeting – 19 September 2019 (City of Vincent)
    - Ordinary Council Meeting – 21 November 2019 (Town Victoria Park)
    - Ordinary Council Meeting – 12 December 2019 (City of Perth)
  2. issue Public Notice on the meetings location, dates and times as detailed in (1) above in accordance with Part 12 (1) of the *Local Government (Administration) Regulations 1996* and the *Local Government Act 1995*.
  3. adopt the following dates for the two Strategy Workshops for 2019 as follows:
    - 07 February 2019 – following the OCM at the City of Joondalup
    - 19 September 2019 – following the OCM at the City of Vincent
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<b>9.5</b>	<b>SUBMISSION ON THE DRAFT WASTE STRATEGY 2030</b>
<b>File No:</b>	<b>WST/122-05</b>
<b>Appendix(s):</b>	<b>Appendix 6 and 7</b>
<b>Date:</b>	<b>17 October 2018</b>
<b>Responsible Officer:</b>	<b>Chief Executive Officer</b>

### **SUMMARY**

The purpose of this report is to obtain Council's approval of the Mindarie Regional Council's (MRC) proposed response to the Waste Authority's draft *Waste Strategy 2030* document.

### **BACKGROUND**

In February 2018, the State Government and the Waste Authority commenced a review of the WA Waste strategy. Various consultation workshops were undertaken and a consultation document was published for comment.

Given the exceedingly tight response time frames, it was not possible to put the MRC's response to Council for endorsement and the then Acting Chief Executive Officer (CEO) submitted a response to the Waste Authority on behalf of the MRC, a copy of which is tabled at Appendix 6.

On 10 October 2018, the Waste Authority distributed a modified draft *Waste Strategy 2030* document for review to those parties who had previously made a submission. A copy of the draft document is included at Appendix 7 and has been separately distributed to MRC Councillors, member council CEOs and member of the Strategic Working Group. Interested parties may request variations to the draft within 28 days of issue (by 6 November 2018). The Waste Authority will then provide a draft, with any modifications, to the Minister for Environment.

The administration of the MRC has reviewed the draft *Waste Strategy 2030* and has drafted an outline of its proposed response on the modified draft document for Council approval.

### **DETAIL**

#### **High level overview of the draft *Waste Strategy 2030***

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The draft strategy is based on a vision which is that:

*Western Australia will become a sustainable, low-waste, circular economy in which human health and the environment are protected from the impacts of waste.*

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That vision is supported by three objectives:

**1. AVOID**

*Western Australians generate less waste.*

**2. RECOVER**

*Western Australians recover more value and resources from waste.*

**3. PROTECT**

*Western Australians protect the environment by managing waste responsibly.*

Each objective has had various targets set to measure performance:

**1. AVOID**

*2025 – 10% reduction in waste generation per capita*

*2030 – 20% reduction in waste generation per capita*

**2. RECOVER**

*2025 – Increase material recovery to 70%*

*2030 – Increase material recovery to 75%*

*2020 – Recover energy only from residual waste*

**3. PROTECT**

*2025 - No more than 15% of waste generated in Perth and Peel regions is landfilled*

*2030 – All waste is managed and / or disposed to better practice facilities*

These targets are then broken down further into more specific targets for waste generators and waste managers.

A key theme throughout the document is about fostering the move from a linear waste economy to a more circular economy.

Specific focus materials are identified for additional attention under each of the objectives.

In total, 50 different strategies are outlined addressing the following key themes:

- *Knowledge,*
  - *Enabling Infrastructure,*
  - *Incentives,*
  - *Information and data,*
  - *Engagement and education,*
  - *Regulation and policy, and*
  - *Planning.*
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### **Outline of MRC's initial recommendations**

In the MRC's response to the initial consultation document (Appendix 6), a total of 10 recommendations were made. Some, but not all, of these recommendations have been addressed in the draft *Waste Strategy 2030* as follows:

#### Recommendation 1:

Consideration should be given in the Waste Strategy as to how potential markets and uses for materials generated in the circular economy can be created, fostered, subsidised or otherwise supported by State Government.

■ *Partially addressed (strategies 9, 10, 14).*

#### Recommendation 2:

Consideration should be given in the Waste Strategy to the implementation of a standardised, mandatory waste collection system across the metropolitan area.

■ *Partially addressed (introduction of targets, strategy 17)*

#### Recommendation 3:

Consideration should be given to the recommendations made in the SWIP report, with a view to identifying appropriately zoned sites for future waste infrastructure, as part of the Waste Strategy.

■ *Partially addressed (Strategy 50)*

#### Recommendation 4:

Consideration should be given in the Waste Strategy to only requiring regulators to consider licence approvals for facilities which align with the waste processing technologies and preferred locations outlined in the Waste Strategy.

■ *Partially addressed (Strategy 44)*

#### Recommendation 5:

Consideration should be given in the Waste Strategy as to what waste education is required to change consumer behaviour to better support end markets, collection systems and waste processing infrastructure, with guidelines as to how that responsibility is to be shared, and funded, by the respective levels of government in the state.

■ *Fully addressed (Strategies 1, 4, 10, 11, 12, 13, 25, 43)*

#### Recommendation 6:

Consideration should be given in the Waste Strategy to additional waste management targets, such as percentage targets for organics recycling and reductions in per household waste generation.

■ *Fully addressed (additional targets set)*

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Recommendation 7:

Consideration should be given in the Waste Strategy to a rolling 10 year projection of the expected Landfill Levy.

■ *Not addressed*

Recommendation 8:

Consideration should be given in the Waste Strategy to providing clarity around other levies, if any, that are being contemplated for AWTs.

■ *Not addressed*

Recommendation 9:

Consideration should be given in the Waste Strategy to a revised funding program to assist the industry in responding effectively to the objectives of the Waste Strategy.

■ *Partially addressed (broad mention of 'support' across a number of strategies)*

Recommendation 10:

An 'all of Government' approach should be considered in the drafting of the Waste Strategy, with at least proposed changes to the Local Government Act being considered and taken into account or revised as necessary, to help create statutory entities to support waste management in the region.

■ *Not addressed*

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**Outline of MRC's general observations and specific requests for variations**

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General observations

The MRC views the draft *Waste Strategy 2030* as an improvement on previous waste strategy documents and supports the overall direction being outlined.

The proposed responses to the Waste Authority are consistent with the MRC's vision of *Winning Back Waste*. The MRC's strategic direction is closely aligned with the objectives being outlined in the *Waste Strategy 2030* draft.

**COMMUNITY IMPACTS**

The cost of transitioning away from low cost landfilling to dealing with waste further up the waste hierarchy is likely to result in increased waste processing costs. This in turn will likely result in local government rates increases which may exceed CPI in any given year. It would be useful for the Waste Authority to undertake the necessary modelling to estimate what the financial impact of implementing the *Waste Strategy 2030* is likely to be on Western Australian households. Once these likely impacts are understood, consistent messaging from the Minister for Local Government and the Minister for Environment to assist in managing community expectations around possible rate increases will be important.

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#### LANDFILL LEVY

Local government landfills and commercially operated landfills collect significant levies for the State Government from rate payers and businesses. A wholly insignificant proportion of these levies are reinvested into the waste sector in any form.

#### ACTION PLANS

The *Waste Strategy 2030* outlines some significantly aspirational waste targets for the next decade. The present reality is that by-and-large, the markets for the material to be recovered and the mechanisms to recover material from the proposed waste streams do not exist.

In order for Western Australia to be able to meet the proposed targets, robust actions plans will be required to underpin the 50 proposed strategies. The MRC would strongly encourage State Government and the Waste Authority to consult with local government and industry when developing these action plans.

#### Variation 1:

In order to provide investment certainty for local governments and industry, the *Waste Strategy 2030* should provide clarity around the quantum of the state landfill levy until 2030; how much of that figure will be hypothecated to the WARR account; and what proportion of the hypothecated amount will be reinvested into the waste industry.

In particular, will the funds be used to incentivise local governments and State government to adopt the use of recycled or recovered products.

Further, to what extent will the funds be used by State Government to invest in waste processing infrastructure. There is a strong preference for the investment in local industry that will help reduce the costs and environmental impacts of having to transport waste.

#### Variation 2:

The *Waste Strategy 2030* should provide clarity on how the Waste Authority intends to apply the landfill levy to remote and regional Western Australian, if at all, and whether a similar levy will be applied to Energy from Waste Facilities or other AWTs.

#### Variation 3:

The targets contained in the *Waste Strategy 2030* are all expressed as percentage change figures. The *Waste Strategy 2030* should provide the 2014/15 empirical base data that will be used as the starting point for measurement against these targets. Notably:

- Current (2014/15) material recovery rates per stream
- Current waste generation volumes for Perth and Peel, along with current annual landfill volumes

#### Variation 4:

No rationale for the selection of the various targets is provided. The *Waste Strategy 2030* should outline the comparative performance of other states in Australia and other comparable international economies against the proposed target metrics.

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Variation 5:

The *Waste Strategy 2030* should signal the State Government's intent to promote producer packing stewardship programs through legislation if necessary.

Variation 6:

The *Waste Strategy 2030* needs to provide clarity as to what activities would be classed as 'recovery' and how this recovery will be measured, to ensure that perverse outcomes such as waste stockpiling are significantly dis-incentivised.

Variation 7:

The *Waste Strategy 2030* needs to provide clarity on how better practice guidelines will be implemented and importantly, what the transition provisions for new guidelines will be.

Significant infrastructure investments are likely to be required to deliver against the targets in the *Waste Strategy 2030* and there needs to be certainty for investors that the parameters which supported their investment are not going to be adversely changed when a new guideline is introduced without appropriate transition provisions.

A live case study in this regard is playing out with the MRC's Resource Recovery Facility contract, where the current push to change collection systems and recover organics from the waste stream is likely to have an adverse impact on the MRC's investment in waste processing infrastructure, which was designed to respond to the waste system parameters in effect at the time of construction.

**CONSULTATION**

The administration of the MRC has reviewed the draft *Waste Strategy 2030* document internally and have participated in a WALGA led discussion forum which was attended by the other Regional Councils and a number of local governments.

The views contained in the MRC's proposed responses to the draft *Waste Strategy 2030* document and the modifications it is requesting are largely consistent with the views expressed by the other parties who attended the WALGA forum.

**STATUTORY ENVIRONMENT**

The review of the State's waste strategy document is governed by the Waste Avoidance and Resource Recovery Act 2007 and has been undertaken in compliance with the Act.

**POLICY IMPLICATIONS**

The proposed response to the Waste Authority is consistent with existing MRC policy and strategic direction.

**FINANCIAL IMPLICATIONS**

Nil.

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### **STRATEGIC IMPLICATIONS**

The proposed responses to the Waste Authority are consistent with the MRC's vision of *Winning Back Waste*. The MRC's strategic direction is closely aligned with the objectives being outlined in the *Waste Strategy 2030* draft.

The changes being proposed will however have a significant impact of the MRC's member councils – in particular their collection systems – and as a consequence, the composition and volume of waste being directed to the MRC.

This will likely in turn have a material impact on the MRC's existing contractual arrangements with the Resource Recovery Facility in Neerabup.

The *Waste Strategy 2030* draft is also silent on how the proposed changes to waste management are likely to impact on processing fees, and ultimately, the rates payable by individual rate payers for their waste services.

### **VOTING REQUIREMENT**

Simple Majority

### **ADDITIONAL COMMENTS**

The MRC views the draft *Waste Strategy 2030* as an improvement on previous waste strategy documents and supports the overall direction being outlined. The success and effectiveness of the strategy will depend significantly on the quality of the action plans that are put in place to deliver on the various strategies outlined in the draft.

Further information on key drivers of behaviour, such as the landfill levy, needs to be clearly outlined in the strategy in order for waste managers and markets to be able to make informed decisions with respect to new ventures and investment in waste infrastructure.

The ability of the sector to achieve the targets outlined in the document in a sustainable manner will hinge on the development of viable, stable markets for the various product streams being recovered. The State Government needs to take a leading role in helping identify and foster these markets until they reach a self-sustaining level of maturity.

### **RESPONSIBLE OFFICER RECOMMENDATION**

That Council:

- i) **Endorses the MRC's proposed responses and variations to the Waste Authority's draft *Waste Strategy 2030* document contained in the detail of this report and;**
  - ii) **authorises the CEO to write to the Waste Authority to communicate the MRC's position as endorsed in point i).**
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<b>9.6</b>	<b>CAPITAL EXPENDITURE REALLOCATIONS</b>
<b>File No:</b>	<b>FIN/153</b>
<b>Appendix(s):</b>	<b>Nil</b>
<b>Date:</b>	<b>9 October 2018</b>
<b>Responsible Officer:</b>	<b>Director of Corporate Services</b>

### SUMMARY

The purpose of this report is to present certain capital expenditure reallocations in the 2018/19 budget to Council for approval. These reallocations do not affect the overall capital expenditure total and do not affect the members' gate fee.

### BACKGROUND

When the 2018/19 budget was prepared in early 2018, a combination of current market data, historical market data and modelling forecasts were used to determine the estimated capital costs of various pieces of plant.

A subsequent round of market testing conducted in September 2018 has firmed up pricing for the plant and highlighted where reallocations of expenditure are required.

### DETAIL

Ahead of commencing procurement activities for the plant budgeted for in the 2018/19 budget, the Mindarie Regional Council (MRC) has undertaken a review of indicative market prices for the various items of large plant due to be replaced in the year.

The pricing obtained is indicative only at this stage and will be confirmed through a formal procurement process in line with MRC Council Policy CP06 *Purchase of Good and Services* in due course.

The Table A below reflects the originally budgeted amount for each item, the updated indicative pricing and the net change across the assets.

**TABLE A**

<b>Plant details</b>	<b>2018/19 Budget</b>	<b>2018/19 Updated budget</b>	<b>Net Saving</b>
Bomag Compactor	1,700,000	1,350,000	(350,000)
Sumitomo Excavator	350,000	330,000	(20,000)
Komatsu Loader	385,000	500,000	115,000
Komatsu Loader	385,000	580,000	195,000
Dump Truck	415,000	440,000	25,000
<b>TOTAL</b>	<b>3,235,000</b>	<b>3,098,000</b>	<b>(35,000)</b>

As per the table above, it is expected that the MRC will be able to procure the required plant within the originally anticipated capital expenditure budget, and as a result the proposed reallocation of capital expenditure will not impact the members' gate fee.

### **CONSULTATION**

The MRC has undertaken a market testing exercise with various suppliers to update its estimates of expected capital expenditure.

### **STATUTORY ENVIRONMENT**

Original budget approval is made in accordance with section 6.2 of the Local Government Act 1995 (as amended).

Modifications to the budget is done in compliance with section 33A of the Local Government (Financial Management) Regulations 1996.

### **POLICY IMPLICATIONS**

The proposed budget reallocations are consistent with existing MRC policy.

### **FINANCIAL IMPLICATIONS**

The changes proposed will be accommodated within the originally budgeted total capital expenditure for the 2018/19 financial year, and within the originally budgeted members' gate fee for the 2018/19 financial year.

The proposed reallocations will be included in the mid-year budget review.

### **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.

### **VOTING REQUIREMENT**

Absolute Majority

### **ADDITIONAL COMMENTS**

Nil

### **RESPONSIBLE OFFICER RECOMMENDATION**

That Council:

**Approve the proposed reallocation of budgeted capital expenditures between budgeted items of plant as proposed in Table A of this report, which will be reflected in the mid-year budget review.**

***(Absolute Majority Required)***

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**10 MEMBERS INFORMATION BULLETIN – ISSUE NO. 44**

**RESPONSIBLE OFFICER RECOMMENDATION**

**That the Members Information Bulletin Issue No. 44 be received.**

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

**12 URGENT BUSINESS**

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

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<b>14 MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC</b>
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<b>This report is Confidential in accordance with Section 5.23 (2) (C) of the <i>Local Government Act 1995</i> as it is a matter that may result in a contract being entered into.</b>
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<b>14.1 ENERGY FROM WASTE SHORT TERM CONTRACT</b>
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<b>File No:</b>	<b>WST/209-02</b>
<b>Attachments(s):</b>	
<b>Date:</b>	<b>09 October 2018</b>
<b>Responsible Officer:</b>	<b>Chief Executive Officer</b>

<b>This report is Confidential in accordance with Section 5.23 (2) (C) of the <i>Local Government Act 1995</i> as it is a matter that may result in a contract being entered into.</b>
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<b>14.2 WMRC WASTE PROPOSAL</b>
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<b>File No:</b>	<b>WST/101-03</b>
<b>Attachments(s):</b>	<b>Item 14.2 - Attachment 1</b>
<b>Date:</b>	<b>10 October 2018</b>
<b>Responsible Officer:</b>	<b>Chief Executive Officer</b>

<b>This report is Confidential in accordance with Section 5.23 (2) (C) of the <i>Local Government Act 1995</i> as it is a matter that may result in a contract being entered into.</b>
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<b>14.3 TENDER FOR PROVISION OF LANDFILL LEACHATE TREATMENT TECHNOLOGY AND SERVICE</b>
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<b>File No:</b>	<b>ENV/47-01</b>
<b>Attachments(s):</b>	
<b>Date:</b>	<b>11 October 2018</b>
<b>Responsible Officer:</b>	<b>Chief Executive Officer</b>

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**14.4 RRF FOGO TRIAL**

File No:	COR/48-07
Attachments(s):	Item 14.4 - ATTACHMENT 1
Date:	11 October 2018
Responsible Officer:	Chief Executive Officer

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.

**14.5 FINANCIAL MODELLING FOR MRC STRATEGIC DIRECTIONS**

File No:	FIN/153
Attachments(s):	
Date:	11 October 2018
Responsible Officer:	Chief Executive Officer

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.

**14.6 RRFA DEED OF VARIATION**

File No:	WST/147-07
Attachments(s):	
Date:	10 October 2018
Responsible Officer:	Chief Executive Officer

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**15 NEXT MEETING**

*Next meeting to be held on Thursday 6 December 2018 in the Council Chambers at Town of Cambridge commencing at 6.00 pm.*

**16 CLOSURE**

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