



AGENDA

ORDINARY COUNCIL MEETING

TIME: 5.30PM

23 FEBRUARY 2012

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**

17 February 2012

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 23 February 2012.

Your attendance is respectfully requested.

BRIAN CALLANDER
Chief Executive Officer

MINDARIE REGIONAL COUNCIL - MEMBERSHIP

| | |
|---|-----------------------|
| Cr S Withers (Simon) | Town of Cambridge |
| Cr R Fishwick (Russ) - Chair | City of Joondalup |
| Cr K Hollywood (Kerry) | City of Joondalup |
| Cr R Butler (Rob) | City of Perth |
| Cr D Boothman (David) | City of Stirling |
| Cr S Cooke (Sharon) | City of Stirling |
| Cr J Robbins (Jason) | City of Stirling |
| Cr B Stewart (Bill) | City of Stirling |
| Cr J Bissett (John) – Deputy Chair | Town of Victoria Park |
| Cr A MacTiernan (Alannah) | City of Vincent |
| Cr L Gray JP (Laura) | 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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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 – 8 DECEMBER 2011

The Minutes of the Ordinary Council Meeting held on 8 December 2011 have been printed and circulated to members of the Council.

RESPONSIBLE OFFICER RECOMMENDATION

That the Minutes of the Ordinary Council Meeting of Council held on 8 December 2011 be confirmed as a true record of the proceedings.

9 CHIEF EXECUTIVE OFFICER REPORTS

| | |
|-----------------------------|--|
| ITEM 9.1 | FINANCIAL MANAGEMENT – MID YEAR FINANCIAL REVIEW – FINANCIAL YEAR 2011/2012 |
| File No: | FIN/80 (D/12/745) |
| Appendix(s): | Appendix 1 Appendix 2 Appendix 3 |
| Date: | 2 February 2012 |
| Responsible Officer: | Kalwant Dhillon |

SUMMARY

The purpose of this report is to describe the financial position of the organisation in relation to the Adopted Budget, Business Plan and Actuals and recommend changes that will reflect the anticipated outcomes for the balance of the 2011/2012 financial year. This will assist in better ongoing management of the Mindarie Regional Council operations and provide stakeholders with a view of the likely result at the conclusion of the financial year.

BACKGROUND

Council at its meeting held on 7 July 2011, resolved as follows:

That Council:

- (i) *adopt the Budget for the Mindarie Regional Council for Financial Year 2011/2012*
- (ii) *endorse the on-going strategy of deferred payment of operational surplus, as approved by Council at its August 2005 meeting, for the Financial Year 2005/2006 and future years to meet its on-going capital requirement*
- (iii) *approve the use of an on-going overdraft facility of \$1 million to manage cashflow 'short falls' during Financial Year 2011/2012 and future years*
- (iv) *approve the Capital Budget Program of \$15,841 million for 2011/2012 as follows:*

New Capital Expenditure

| | |
|--|--------------------|
| • <i>Plant and Vehicles</i> | 191,000 |
| • <i>Machinery and Equipment</i> | 85,000 |
| • <i>Furniture and Fittings</i> | 10,000 |
| • <i>Computing Equipment</i> | 85,500 |
| • <i>Infrastructure (Leachate System)</i> | 10,000 |
| • <i>Landfill Stage 2 Phase 3 Development (work in progress)</i> | 2,000,000 |
| • <i>Landfill Gas Infrastructure</i> | 15,000 |
| • <i>Resource Recovery Facility</i> | 650,000 |
| <i>Sub Total</i> | \$3,046,500 |

Capital Expenditure Brought Forward

| | |
|------------------------------|---------------------|
| • <i>Computing Equipment</i> | 3,000 |
| • <i>Building</i> | 86,200 |
| • <i>Land (New Landfill)</i> | 12,000,000 |
| • <i>Infrastructure</i> | 704,800 |
| <i>Sub Total</i> | \$12,794,000 |
| TOTAL | \$15,840,500 |

-
- (v) *approve the carry forward of the following operating budget to 2011/2012:*
- *Computer Software Acquisition –
SQL Development Reporting 15,000*
 - *Computer Software Acquisition –
HR Module Development and Implementation 30,000*
 - *Bushland Management 51,000*
 - *Waste Management Education – Bus Subsidy 3,500*
 - *Waste Management Education – Build E-news Database 2,500*
 - *Waste Management Education – Battery Program 4,800*
 - *RRF Computer Maintenance – Setup Cost for
Communication Tower 2,300*
- (vii) *note that \$1.1 million will be transferred from the Operating Surplus to the Reserve for Capital Expenditure as approved by Council at the 30 May 2011 Special Council Meeting*
- (viii) *approve a further \$2.3 million loan to fully fund the \$8.9 million Phase 3 landfill cell development expenditure from a dedicated loan (\$6.6 million has been approved by the Council in 2008/2009)*
- (ix) *approve the following transfers from respective Reserves:*
- *Transfer \$1.065 million from the Reserve for RRF Operating Requirements to cover MRC's cost associated with the repairs of the damaged composters*
 - *Transfer \$1.057 million from the Reserve for Capital Expenditure to cover the 2011/2012 Capital Expenditure program excluding purchase of land, Phase 3 landfill cell development and the other carry forward items*

Council operations have been conducted in line with the strategies and objectives incorporated in the Council's Strategic Plan, Annual Business Plan and Adopted Budget 2011/2012. Monthly Financial Statements on the Actual Expenditure and Variations from the Adopted Budget have been submitted to each Council meeting. In line with benchmark practice and to comply with Local Government Regulations a detailed review of Council operations at 31 December 2011 has been carried out.

The methodology of this report is:

- to comment by exception on those items that reflect significant trend variations to budgeted allocations,
- to provide revised financial projections to 30 June 2012 as required, to recognise such variations and statutory obligations that will allow for the ongoing effective management of the financial plan for the remainder of the financial year, and
- to invite Council consideration of any new expenditure identified as a result of the Review

The Financial Statement as at 31 December 2011, reflecting the Adopted Budget and Actual Expenditure to 31 December 2011 is enclosed under **Appendix 1** of this report. Any revised estimates or re-allocations are included in the recommendations.

Appendix 2 is a Statement of the Projected Operating Expenditure.

Appendix 3 is a Statement of Projected Investing Activities.

DETAIL

CITY OF STIRLING WITHDRAWAL

The City of Stirling commenced proceedings in May 2010 against the Mindarie Regional Council in the Supreme Court of Western Australia. The City of Stirling disputed the decision of the Mindarie Regional Council at council meeting of 22 April 2010 to adopt a single fee for the receipt by the Mindarie Regional Council of waste from the Participants including from the City of Stirling. The other 6 Participants subsequently joined the proceedings as Second Defendants.

At a mediation ordered by the Supreme Court and held on 3 August 2010, the parties reached a settlement and entered into a Heads of Agreement.

Under the Heads of Agreement, the parties agreed, amongst other things, that:

- a) the City of Stirling would discontinue the Supreme Court proceedings;
- b) the City of Stirling would make a request to the Minister for Local Government to withdraw from the Mindarie Regional Council;
- c) the other Participants would consent to the proposed withdrawals; and
- d) good faith negotiations would take place as to the adjustments of assets and liabilities referred to in section 699 of the Local Government Act 1960

The Heads of Agreement expired on 30 April 2011. However, Member Councils agreed to continue negotiations in good faith and an extension of time was granted by the Minister to 31 December 2011.

The negotiations of the settlement pertaining to the final amount payable to City of Stirling is currently in progress and the Minister has granted City of Stirling a further extension until 31 March 2012 to resolve this matter.

The City of Stirling settlement is not included in this review as the full impact is not known at this stage.

Revenue

Actual Revenue to 31 December 2011.

The actual total revenue for six months to 31 December 2011 is \$1.3m higher than the pro-rated budget to 31 December 2011.

This is mainly due to the following.

| | \$'000 |
|---|---------------|
| Increased Members Revenue | 116 |
| Increase in RRF Residue | 556 |
| Increase in Commercial/Casual Fees | 231 |
| Additional Revenue from City of Stirling as casual customer | 329 |
| Others | 20 |
| Total | 1252 |

The increase in Member Revenue is largely due to the additional \$155,000 received from City of Stirling in relation to waste sent to Tamala Park prior to receiving exemption in July 2011. At this stage City of Stirling is not sending any waste to Tamala Park since July/August 2011.

The increase in RRF residue is related to additional tonnes being processed at the RRF facility due to delay in permanent repairs of the Composters delayed to 2013.

The Commercial/Casual revenue is higher due to increased tonnages and the trend is expected to continue for the rest of this financial year.

Projected Revenue for 2011/2012

Projected revenue for 2011/2012 is analysed below.

Members

Members' tonnages (in aggregate) for both Processable and Non Processable waste (including residue from Wanneroo WRC) are expected to be down by approximately 5,000 tonnes (\$616,000). 3,200 tonnes (\$395,000) of the shortfall in waste tonnages relates to Wanneroo WRC and the balance 1,800 tonnes (\$221,000) is due to lower tonnes from the remaining Member Councils with the exception of City of Perth. The lower tonnes from Wanneroo WRC is due to the fact that City of Wanneroo is sending the glass residue from their Wanneroo WRC to a private contractor, RCG Pty Ltd.

The shortfall in the waste tonnages from Member Councils is expected to be offset mainly by the additional 4,500 tonnes (\$484,000) received from City of Stirling.

RRF Residue

The RRF residue is expected to be 6,800 tonnes (\$840,000) higher than the budgeted tonnes due to an additional 13,600 tonnes of waste expected to be processed at RRF as a result of the delay in the permanent repairs of the Composters at the facility, which is now more likely to happen in 2014.

Casuals/Commercial

The Commercial/Casuals tonnages are expected to be 3,000 tonnes higher than budgeted which would generate an additional income of \$420,000.

Other Revenue

- **Sale of Recyclable Material**

The revenue for recyclable material is expected to be on target.

- **Interest Earning**

The interest earnings are expected to be approximately \$20,000 higher than the approved budget of \$612,232 as a result of the more favourable rates received on the Deposits placed with the bank. It is recommended that the budget be revised from \$612,232 to \$632,000. MRC is currently receiving interest rates of 5.5 – 6.0% on these Deposits depending on the term of the deposit.

- **Gas Power Generation Sales**

Sale of Renewable Energy Certificates (REC) and Royalties from Gas is expected to be \$150,000 higher than the budget of \$610,000. Recommended that the budget be adjusted to \$760,000.

- **Grants and Subsidies**

The Grant and Subsidies Income is relating to the Waste Minimisation Project funded by DEC. The budget for this project is \$420,000 and would have been funded this project up to \$400,000 and the balance \$20,000 by MRC, in line with the Grant guidelines and conditions. The DEC verbally stated it has allocated \$360,000 towards this project and MRC needs to submit project details prior to receiving the funds. However, DEC is in the process of finalising the Waste Strategy for Western Australia and MRC submission can only happen once the WA Waste Strategy is finalised. There has been a delay in the finalisation of this Strategy and in view of this, MRC Waste Minimisation Project commencement date will be delayed. Only \$100,000 is expected to be incurred this year which will be funded by DEC. The balance \$260,000 of the allocation for MRC will be utilised in 2012/2013 and these funds will only be received in 2012/2013.

In view of this, the administration recommends that the budget for the Grant on this project be reduced by \$300,000 to \$100,000 with a corresponding reduction in the expenditure budget for this project.

- **Other Reimbursements**

Reimbursements are mainly for the E-Waste and hazardous waste from DEC through WALGA as well WALGA insurance reimbursements. MRC allocation from WALGA on the E-Waste and Hazardous Waste for 2010/11 is expected to be approximately \$75,000. However, MRC cost would be higher due to the decrease in the rate of subsidy from 100% to 50%. Recommend that the budget be increased to \$92,000.

- **Other Income**

Other income is expected to be on target.

In summary, the overall revenue project for the financial year ending 2011/2012 is:

| | \$'000 |
|---|---------------|
| Decrease in Members' Fees | (770) |
| Increase in RRF Residue | 840 |
| Increase in Casuals / Commercial – Commercial | 420 |
| Revenue from City of Stirling - as non-member rates | 329 |
| Revenue from City of Stirling – as member | 155 |
| Increase in Gas Power Generation Sales | 150 |
| Decrease in Grants & Subsidies | (300) |
| Increase in Reimbursements (from DEC) | 42 |
| Increased Interest Earning | 20 |
| Other | 1 |
| Net Increase in Revenue | 887 |

Operating Expenditure

Actual expenditure at 31 December 2011

MRC's overall operating expenditure for the six months to 31 December 2011 is \$20.5 million which is \$1.1 million higher than the pro-rated budget of \$19.4 million. See **Appendix 1**.

The increase in actual expenditure is mainly due to the increase in Fees paid to the RRF Contractor (BioVision 2020 Pty Ltd) of \$1.4 million as a result of additional tonnes of waste being processed at the RRF facility following the delay in the permanent repair of the Composters at the RRF facility to 2012/2013.

This is marginally offset by lower net expenditure at the landfill facility and, administration cost of \$0.3m.

Projected Expenditure for 2011/2012

The projections for the full financial year is as follows:

| | Increase/ (Decrease) \$'000 | Note |
|--|--|-------------|
| Increase in RRF Facility Expenditure | 1,572 | 1 |
| Increase/(Decrease) in Landfill Facility and Administration cost | | |
| • DEP Levy | (165) | 2 |
| • Amortisation for Cell Development | (62) | 2 |
| • Provision for Post Closure/Monitoring | (5) | 2 |
| • Plant & Equipment Operating & Hire – Fuel & Oil | (30) | 2 |
| • Members Costs | 28 | 3 |
| • Employee Costs | 120 | 4 |
| • Consultants Costs | 100 | 5 |
| • Landfill Expenses | 54 | 6 |
| • Waste Minimisation Project | (315) | 7 |
| • Utilities | 13 | 8 |
| • Building Maintenance | 9 | 9 |
| • Communication and Public Consultation | 3 | |
| • Office Expenses | (4) | |
| • Administration Expenses | (4) | |
| Sub Total | (258) | |
| Net additional cost for MRC | 1,314 | |

Capital Expenditure

The capital expenditure is progressing well with the exception of the following projects which have been either delayed or deferred. The savings from these projects are partially offset by the funding required for Weighbridge Load Cells upgrade project approved at the Ordinary Council Meeting in December 2011 at \$60,000.

| | \$'000 |
|---|---------------|
| • Phase 3 Lining project To be deferred to 2012/2013 | 1,960 |
| • Vehicle Wash Facility at RRF | 689 |
| • Weighbridge Load Cell Upgrade | (60) |
| Net Savings | 2,589 |

A recommendation will be made in this report to defer both these projects to 2012/2013.

SUMMARY OF REVENUE AND EXPENDITURE

The projected operating revenue and expenditure is summarised in the table below.

| | Adopted Budget | Adjusted Actual | Increase/Decrease |
|--------------------------|----------------|-----------------|-------------------|
| | \$'000 | \$'000 | \$'000 |
| Total Revenue | 38,536 | 39,423 | 887 |
| Total Expenditure | 38,712 | 40,026 | 1,314 |
| Net Loss | (176) | (603) | (427) |

The increased Operating Revenue is resulting from the following:

| | \$'000 |
|---|---------------|
| Decrease in Members' Fees | (770) |
| Increase in RRF Residue | 840 |
| Increase in Casuals / Commercial – Commercial | 420 |
| Revenue from City of Stirling - as non-member rates | 329 |
| Revenue from City of Stirling – as member | 155 |
| Increase in Gas Power Generation Sales | 150 |
| Decrease in Grants & Subsidies | (300) |
| Increase in Reimbursements (from DEC) | 42 |
| Increased Interest Earning | 20 |
| Others | 1 |
| Net Increase in Revenue | 887 |

The increased Operating Expenditure is due to the following:

| | Increase/ (Decrease) \$'000 | Note |
|--|---------------------------------------|------|
| Increase in RRF Facility Expenditure | 1,572 | 1 |
| Increase/(Decrease) in Landfill Facility and Administration cost | | |
| • DEP Levy | (165) | 2 |
| • Amortisation for Cell Development | (62) | 2 |
| • Provision for Post Closure/Monitoring | (5) | 2 |
| • Plant & Equipment Operating & Hire – Fuel & Oil | (30) | 2 |
| • Members Costs | 28 | 3 |
| • Employee Costs | 120 | 4 |
| • Consultants Costs | 100 | 5 |
| • Landfill Expenses | 54 | 6 |
| • Waste Minimisation Project | (315) | 7 |
| • Utilities | 13 | 8 |
| • Building Maintenance | 9 | 9 |
| • Communication and Public Consultation | 3 | |
| • Office Expenses | (4) | |
| • Administration Expenses | (4) | |
| Sub Total | (258) | |
| Net additional cost for MRC | 1,314 | |

Notes:

- The increase of RRF expenditure is mainly due to the increased tonnages diverted to RRF Facility following the delay in permanent repair of the Composters at the RRF Facility to which is now more likely to occur in 2014.

-
2. Savings in DEP Levy, Amortisation for Cell Development, Provision for Post Closure and Plant & Equipment Operating Hire are mainly due to the additional diversion of tonnages to RRF Facility due to the delay of permanent repair of the Composters to 2012/2013.
 3. The increase in Members Costs is due to the unbudgeted Member's Fees and Allowances for Members of City of Stirling. The budget was prepared on the basis that City of Stirling would leave by 30 June 2011.
 4. The increase of Employee Cost is mainly due to overtime incurred by the Operational permanent and part time staffs to cover staff who were on annual and long service leave during the period of November 2011 to January 2012 and to cover the vacant 3 FTE's position awaiting the outcome of MRC Organizational Review. MRC is establishing a Casual Pool to cover permanent staff taking Annual and Long Service Leave.
 5. The increase of Consultants cost is related to the unbudgeted amount relating to the Consultants appointed for Organizational Review of MRC.
 6. The increase in Landfill Expenses is mainly relating to Recycling Contractor's cost as a result of the high volume of E-waste dropped at the Recycling Centre. 50% of this cost will be reimbursed by Department of Environment through WALGA.
 7. This is due to a delay in the receipt of funding for MRC Waste Minimisation Project from the Department of Environment and Conservation (DEC) which is pending the finalization of the State's Waste Management Strategy.
 8. The increase in Utilities is due to significant increase in the Council Rates imposed by City of Wanneroo for the Neerabup Land. The budget was based on last year actual plus 3%.
 9. The increase is due to the repair of the Height Restrictor which was damaged by a MRC commercial customer. The insurance claim is currently being processed.

Funding

The net loss of \$603,803 is proposed to be funded as follows:

| | |
|--|------------------|
| • Reserve for carried forward expenditure | \$374,425 |
| • Re-allocation of funding for Vehicle Wash Facility | \$229,378 |
| Total | \$603,803 |

The Weighbridge Land Cell Upgrade project will be funded from a re-allocation of funds from the Vehicle Wash Facility, as approved at the December Ordinary Council Meeting.

CONSULTATION

Consultation occurred with Member Councils (in relation to tonnages).

STATUTORY ENVIRONMENT

The Mid-Year Budget Review is carried out in accordance with the provision of the Local Government Act and Regulations.

POLICY IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Not applicable.

FINANCIAL IMPLICATIONS

As detailed

VOTING REQUIREMENT

Absolute Majority

RESPONSIBLE OFFICER RECOMMENDATION

That Council:

1. Approve by Absolute Majority the increase/decrease in Operating Revenue for the following areas to more accurately reflect the projected Operating Revenue for this financial year.

| | \$'000 |
|---|------------|
| Decrease in Members' Fees | (770) |
| Increase in RRF Residue | 840 |
| Increase in Casuals / Commercial – Commercial | 420 |
| Revenue from City of Stirling – as non-member rates | 329 |
| Revenue from City of Stirling – as member | 155 |
| Increase in Gas Power Generation Sales | 150 |
| Decrease in Grants & Subsidies | (300) |
| Increase in Reimbursements (from DEC) | 42 |
| Increased Interest Earning | 20 |
| Others | 1 |
| Net Increase in Revenue | 887 |

2. Approve by Absolute Majority the increase/decrease in Operating Expenditure for the following expenditure items to reflect the projected position.

| | Increase/ (Decrease) \$'000 | Note |
|--|-----------------------------------|------|
| Increase in RRF Facility Expenditure | 1,572 | 1 |
| Increase/(Decrease) in Landfill Facility and Administration cost | | |
| • DEP Levy | (165) | 2 |
| • Amortisation for Cell Development | (62) | 2 |
| • Provision for Post Closure/Monitoring | (5) | 2 |
| • Plant & Equipment Operating & Hire – Fuel & Oil | (30) | 2 |
| • Members Costs | 28 | 3 |
| • Employee Costs | 120 | 4 |
| • Consultants Costs | 100 | 5 |
| • Landfill Expenses | 54 | 6 |
| • Waste Minimisation Project | (315) | 7 |
| • Utilities | 13 | 8 |
| • Building Maintenance | 9 | 9 |
| • Communication and Public Consultation | 3 | |
| • Office Expenses | (4) | |
| • Administration Expenses | (4) | |
| Sub Total | (258) | |
| Net additional cost for MRC | 1,314 | |

- 3. Approve by Absolute Majority**
- (a) The deferral of the Vehicle Wash Facility to 2012/2013 pending Council consideration on completion of the feasibility study, and further deliberation by the Strategic Projects Committee; and
- (b) The funding of the net loss of \$603,803 projected for 2011/2012 from the following sources:
- Reserve for Carried Forward Expenditure \$374,425
 - Re-allocation of funding for Vehicle Wash Facility \$229,378
- (c) The re-allocation of \$60,000 from the Vehicle Wash Facility Funding to fund the Weighbridge Local Cell Upgrade.
- 4. Approve by Absolute Majority the budget allocation of \$1.96 million for the Phase 3 lining project be carried forward to 2012/2013 as part of the Budget Planning process for 2012/2013.**
-

| | |
|-----------------------------|---|
| ITEM 9.2 | MINDARIE REGIONAL COUNCIL STANDING ORDERS AMENDMENT LOCAL LAW 2012 |
| File No: | LAW/6 (D/12/746) |
| Appendix(s): | Appendix 4 |
| Date: | 1 February 2012 |
| Responsible Officer: | Kathleen van Son |

SUMMARY

On the 13 October 2011, the Council resolved to give Statewide public notice of its proposal to amend the Mindarie Regional Council (MRC) Standing Orders Local Law 2010.

Subsequently, Statewide public notice was given of the proposed new Local Law. No submissions were received.

BACKGROUND

The MRC Standing Orders Local Law 2010 was Gazetted on Friday 29 July 2011. The MRC was subsequently advised by the Joint Standing Committee on Delegated Legislation of its preliminary concerns regarding clause 5.9(3) which read as follows:

“5.9 Questions during debate

- (3) *Where the presiding person considers a question asked is not succinct and to the point, but is prefaced by comment or other information, the presiding person may rule that the member has spoken on the matter and, in that event, the member must not speak again on the matter....”*

Due to its concerns, the “Committee resolved to give notice of motion to disallow the MRC Standing Orders Local Law 2010 in the Legislative Council on 27 September 2011. ”

The Committee requests the Council undertake to:

- delete clause 5.9(3) of the Local Law, and that*
- all consequential undertakings arising from the undertaking will be made;*
- clause 5.9(3) will not be enforced in a manner contrary to the undertakings that the Council gives;*
- the undertaking will be completed within six months of the date of the Mindarie Regional Council’s letter given the undertaking;*
- the Mindarie Regional Council will provide a copy of the minutes of the meeting at which the Council resolves to provide the undertaking; and*
- where the Local Law is made publicly available, whether in hard copy or electronic form, it be accompanied by a copy of these undertakings.*

DETAIL

The MRC Standing Orders Amendment Local Law has been prepared by the MRC Administration and is at **Appendix 4**.

CONSULTATION

The Department of Local Government provided ongoing consultation with the drafting of this amended local law.

STATUTORY ENVIRONMENT

Nil

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

As set down under s3.12(4) of the Local Government Act, on the 14 December 2011, Statewide Public Notice was provided for the MRC Standing Orders Amendment Local Law 2012.

COMMENT

Nil

VOTING REQUIREMENT

Absolute Majority

RESPONSIBLE OFFICER RECOMMENDATION

That Council proceeds to make the Mindarie Regional Council Standing Orders Amendment Local Law 2012 as set out in Appendix 4.

| | |
|-----------------------------|---|
| ITEM 9.3 | MINDARIE REGIONAL COUNCIL WASTE FACILITY SITE LOCAL LAW 2012 |
| File No: | LAW/5 (D/12/747) |
| Appendix(s): | Appendix 5 |
| Date: | 1 February 2012 |
| Responsible Officer: | Kathleen van Son |

SUMMARY

On the 14 December 2011, the Council resolved to give Statewide public notice of the proposed new Mindarie Regional Council (MRC) Waste Facility Site Local Law 2011 and subsequently, Statewide public notice was given of the proposed new Local Law and no submissions were received.

The Department of Local Government wrote to the MRC recommending a number of minor changes be addressed in the new Local Law. Those changes have been addressed by the MRC Administration and as a result, a revised version of the Local Law has been prepared.

BACKGROUND

The existing local law dealing with conduct on the Tamala Park site is the MRC Tamala Park Local Law 2002. This local law was gazetted on 20 December 2002.

Local Laws are required to be reviewed every 8 years by virtue of section 3.16 of the Local Government Act 1995.

The CEO caused Statewide public notice to be given that the MRC proposes to make the new MRC Waste Facility Site Local Law 2011. Statewide public notice was given on the 14 December 2011 with a closing date for submissions of 27 January 2012, no submissions were received.

DETAIL

The purpose of the local law is to regulate the conduct of the public whilst they are on the “site” on which the MRC conducts its waste operations.

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

A revised version of the draft Local Law in response to the Department of Local Government’s recommendations has been prepared and is at **Appendix 5**.

A summary of the Department’s recommended changes is set out below:

1. The citation title of the local law should include “2012” since that will be the year in which the final copy of the local law is adopted.
 2. Schedule headings should be bold, centralised and not in block print.
 3. The definition for **traffic sign** should be changed to the following:
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- a. **traffic sign** has the meaning given to it by the *Road Traffic Code 2000*.
 4. It is suggested that clause 5 be reworded as follows:
 - a. The site is all of the land from time to time being Lot 9504 on Plan 52070 known as 1700 Marmion Avenue.
 5. It is suggested that subclause (2) be reworded in order to make the clause simpler to understand:
 - a. (2) Where the local government closes any part of the site including a road, track or path on the site, it shall erect signs to give effect to the closure.
 - b. It is suggested that Council not use terms such as ‘sufficient signage’. Such a term is vague and would require a suitable definition to be included in the local law.
 6. Paragraph (e) sets out the conditions in which a person may park in a disabled parking area. Under clause 25(2) the penalty for failing to comply with clause 11 would be an amount “not exceeding \$5000”.

This would be inconsistent with the *Local Government (Parking for Disabled Persons) Regulations 1988*, which has already set penalties and modified penalties for the misuse of disabled parking areas.

It is suggested that the Council amend clause 11 to prevent the possibility of inconsistency with any regulations. This can be done by the following amendments:

- Set a specific penalty of \$1000 for an offence under clause 11(e); and
 - Set a modified penalty of \$100.
7. To avoid repetition, it is suggested that clause 18 be reworded as follows:
 - a. A person must not, without permission –
 - i. sell, hire, or offer or expose for sale or hire, any goods or services;
 - ii. provide any service or conduct any business or activity for fee or reward; or
 - iii. sell, distribute, or offer or expose for sale or distribution any printed or written material on the site
 - b. For the purposes of (1)(iii) it is immaterial that the material was distributed, or exposed for distribution, free of charge.
 8. It is suggested that clause 20 be reworded as follows:
 - a. A person must not without permission –
 - i. place any notice, advertisement or document on any structure, object or natural surface on the site; or
 - ii. paint, mark or deface any structure, object or natural surface on the site.
 9. It is suggested that clause 24 be reworded as follows:
 - a. a person must not remove or disturb any property on the site without
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permission.

- b. subclause (1) does not apply to the owner of the property or to any person legally entitled to possession of the property.

10. The list for prescribed offences does not include several offences, including clause 7 and the majority of parking offences listed under clause 11.

The Council does not need to provide a modified penalty for every offence under the local law however; the Council should ensure that the list in Schedule 1 is sufficient in detail to fulfil the Council's intentions.

11. It is suggested that the Council consider the following minor edits:

- a. Use italics for citation titles;
- b. Replace all use of "authorized" with "authorise"; and
- c. Move all clause definitions into clause 4

CONSULTATION

The MRC Waste Facility Local Law 2012 was developed in consultation with the Department of Local Government.

STATUTORY ENVIRONMENT

Nil

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Following the giving of Statewide public notice of the proposed new local law, the Council is required in s3.12(4) of the Local Government Act to consider any submissions and subsequently, no submissions were received. The Council is therefore authorised to make a proposed new Local Law.

COMMENT

Nil

VOTING REQUIREMENT

Absolute Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the Council proceeds to make the MRC Waste Facility Site Local Law 2012 as set out in Appendix 5.

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|-----------------------------|---|
| ITEM 9.4 | FINANCIAL STATEMENTS FOR THE PERIODS ENDED 30 NOVEMBER 2011 AND 31 DECEMBER 2011 |
| File No: | FIN/5-02 (D/12/748) |
| Appendix(s): | Appendix 6 Appendix 7 Appendix 8 |
| Date: | 14 February 2012 |
| Responsible Officer: | Kalwant Dhillon |

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 30 November 2011 and 31 December 2011 are attached at **Appendix 6 and 7** to this Item.

The complete suite of Financial Statements which includes the Operating Statements, Statement of Financial Position, Statement of Financial Activity and other related information are reported on a monthly basis.

These Statements includes:

- Accruals
- Provisions for Amortisation of Cell Development, Capping and Post Closure expenditure

to provide meaningful reporting to Stakeholders.

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

Also attached at **Appendix 8** is the Tonnage Report for the 6 months to 31 December 2011 which will in future form part of the financial information presented to Council as part of the financial reporting requirement.

VOTING REQUIREMENT

Simple Majority

RESPONSIBLE OFFICER RECOMMENDATION

That the Financial Statements set out in Appendix 6 and 7 for the months ended 30 November 2011 and 31 December 2011 be received.

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|-----------------------------|---|
| ITEM 9.5 | LIST OF PAYMENTS MADE FOR THE MONTHS ENDED 30 NOVEMBER 2011 AND 31 DECEMBER 2011 |
| File No: | FIN/5-02 (D/12/749) |
| Appendix(s): | Appendix 9 Appendix 10 |
| Date: | 14 February 2012 |
| Responsible Officer: | Kalwant Dhillon |

SUMMARY

The purpose of this report is to provide details of payments made during the periods identified. This is in line with the requirement under delegated authority to the Chief Executive Officer, that a list of payments made from the Municipal Fund, since the last Ordinary Council meeting be presented to Council.

COMMENT

The lists of payments for the months ended 30 November 2011 and 31 December 2011 are at **Appendix 9 and 10** to this Item and are presented to Council for noting. Payments have been made in accordance with the delegated authority to CEO that allow payments between meetings. At the Ordinary Council Meeting held on 13 October 2011, the Council delegated to the Chief Executive Officer the exercise of its power to make payments from the Municipal Fund. In order to satisfy the requirements of Clause 13(2) of the Local Government (Financial Management) Regulations, a list of payments made must be submitted to the next Council meeting following such payments.

It should be noted that generally all payments are GST inclusive and Mindarie Regional Council is able to claim this tax as an input credit when remittance of GST collected is made each month to the ATO.

| Months Ended | Account | Vouchers | Amount |
|------------------|-------------------|--|----------------|
| 30 November 2011 | General Municipal | Cheques 8925 - 9012 EFT 00370 - 00382 DP 00633 - 00646 | \$3,434,681.75 |
| 31 December 2011 | General Municipal | Cheques 9013 - 9107 EFT 00383 - 00392 DP 00647 – 00658 | \$2,972,203.71 |

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 November 2011 and 31 December 2011 be noted.

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| 10 COMMITTEE REPORTS |
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| ITEM 10.2 | MINUTES – STRATEGIC PROJECTS COMMITTEE MEETINGS |
| File No: | GOV/28-02/02 (D/12/798) |
| Appendix(s): | Appendix 11 Appendix 12 Appendix 13 |
| Date: | 13 February 2012 |
| Responsible Officer: | CEO |

BACKGROUND

The Strategic Projects Committee was established by absolute majority decision at Ordinary Council Meeting 25 February 2010.

The primary objective of the Strategic Project Committee is to undertake planning, research and development of strategic projects for recommendation to and consideration by the Mindarie Regional Council (MRC).

As the Strategic Projects Committee is an appointed committee of MRC reports from the Strategic Projects Committee will be formally presented to the MRC at each meeting of the MRC. The reports will contain recommendations, progress reports on matters under consideration and such other matters relevant to the Strategic Projects Committee's terms of reference.

Reports and recommendations of each Strategic Projects Committee meeting shall be presented to the next ordinary meeting of the Council.

STATUTORY ENVIRONMENT

The Strategic Projects Committee was established by absolute majority decision as a Committee of the MRC under s5.8 and s5.9(2)(e) (employees and other persons) of the *Local Government Act 1995* and will not have any general delegated authority however s5.17(1)(c) of the *Local Government Act 1995* gives the MRC authority to grant limited delegation as required.

POLICY IMPLICATIONS

Not applicable.

STRATEGIC IMPLICATIONS

Not applicable.

VOTING REQUIREMENT

Simple Majority.

RESPONSIBLE OFFICER RECOMMENDATION

That the Unconfirmed Minutes of the Strategic Projects Committee meetings held on 15 December 2011, 16 January 2012 and 3 February 2012 be received.

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| ITEM 10.2 | MINUTES - AUDIT COMMITTEE MEETING – 14 FEBRUARY 2012 |
| File No: | COR/22 (D/12/804) |
| Appendix(s): | Appendix 14 |
| Date: | 14 February 2012 |
| Responsible Officer: | Kalwant Dhillon |

BACKGROUND

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

DETAIL

Establishment of Audit Committee

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

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

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

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

STATUTORY ENVIRONMENT

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

1. RESPONSIBLE OFFICER RECOMMENDATION

1.1 MINUTES – 14 February 2012 (Appendix 14)

The Unconfirmed Minutes of the Audit Committee meeting held on 14 February 2012 be received.

2. RECOMMENDATIONS FROM AUDIT COMMITTEE MEETING

2.1 2011 Annual Compliance Audit Return

That Council accepts the 2011 Annual Compliance Audit Return and approve for submission to the Local Government Office.

(Absolute majority vote required)

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| 11 MEMBERS INFORMATION BULLETIN – ISSUE NO. 3 |
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RESPONSIBLE OFFICER RECOMMENDATION

That the Members Information Bulletin Issue No. 3 be received.

12 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

13 URGENT BUSINESS

14 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

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

16 NEXT MEETING

Next meeting to be held on 19 April 2012 in the Council Chambers at City of Joondalup.

17 CLOSURE
