



Ordinary Council Meeting

Minutes

30 June 2016

Bunbury-Harvey Regional Council

Old Railway Station Complex

Carmody Place

Bunbury WA 6230

Western Australia

Correspondence to:

Post Office Box 21

Bunbury WA 6231

Ordinary Council Meeting Declaration of Opening

The Chairman declared the meeting open at **4:02pm**.

These Minutes are confirmed as being true and correct by Council – **RESOLUTION: OC81023-1406**

Cr Judy Jones
Chairman

Mr Tony Battersby
Chief Executive Officer

Minutes 30 June 2016

Council Members:

Member Name	Representing
Cr Judy Jones	City of Bunbury
Cr Jaysen Miguel	City of Bunbury
Cr Murray Cook	City of Bunbury
Cr Peter Monagle	Shire of Harvey
Cr Bill Adams	Shire of Harvey

Ex-officio Members (non-voting):

Member Name	Representing
Mr Tony Battersby	Chief Executive Officer (BHRC)
Mr Michael Parker	Chief Executive Officer (Shire Of Harvey)

Support Staff:

Name	Title
Ms Martinette Pieterse (minute taker)	Secretary
Chris Welham	Accountant

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ATTACHMENTS:

Attachment 1 - Draft BROPF Business Plan (Revised)

Attachment 2 - Draft Safety Management System 2016 Policy

Attachment 3 - Talis Consultants Letter to DER SRWMF Licence Amendment Supporting Information

Attachment 4 - Draft DER Environmental Standards for Compost - BHRC Comments June 2016

Attachment 5 - Veen's Conceptual Plans for Administration Complex

Attachment 6 - Toxfree Notification of Successful RFP - Waroona Bush Fire Waste Disposal

Attachment 7 - Draft Hazard Risk Management Procedure

Attachment 8 - Draft Consultation and Communication Procedure

1. Attendances

Council Members:

Member Name	Representing
Cr Judy Jones	City of Bunbury
Cr Wendy Giles	City of Bunbury
Cr Joel McGuinness	City of Bunbury
Cr Peter Monagle	Shire of Harvey
Cr Bill Adams	Shire of Harvey

Ex-officio Members (non-voting):

Member Name	Representing
Mr Tony Battersby	Chief Executive Officer (BHRC)
Mr Michael Parker	Chief Executive Officer (Shire of Harvey)
Mr Gavin Harris	Director Works and Services (City of Bunbury)

Support Staff:

Name	Title
Martinette Pieterse (minute taker)	Secretary
Jai Pearce	Compost Technical Officer – Banksia Road Organic Processing Facility
Chris Welham	Accountant

1.1 **Apologies**

Cr Murray Cook – Cr McGuinness attended meeting on his behalf.
Cr Jaysen Miguel – Cr Giles attended meeting on his behalf.

1.2 **Approved Leave of Absence**

Cr Jaysen Miguel on leave of absence for May and June 2016 scheduled ordinary meetings.
Cr Murray Cook on leave of absence for June scheduled ordinary meeting.

2. Public Question Time

Nil

3. Summary of Response to previous Questions taken on notice

Nil

4. Applications for Leave of absence

Nil

5. Confirmation of Minutes

Council Decision: **Moved:** Cr Bill Adams **Seconded:** Cr Peter Monagle

The minutes of the Ordinary meeting of Council held on 26 May 2016, are confirmed as a true and accurate record.

CARRIED
5/0

RESOLUTION: OC81023-1401

6. Petitions and Memorials

Nil

7. Declarations of Interests

Cr Bill Adams declared his interest with relationship (father/son) with Russell Adams, who's employed by the BHRC.

Tony Battersby declared his interest with Item 13 of this Agenda.

8. Announcements (by the presiding member without discussion)

Nil

9. Reports of Committees

Nil

10. Business of Previous Meeting

Nil

11. Reports of Officers

11.1 Financial Statements for the period ending 31 May 2016

Reporting Officer: Chris Welham, Accountant

File Number:

Attachments: Appendices 1 to 8

Summary

The following comments are provided on the key elements of Council's financial performance.

1. Statement of Comprehensive Income (**attached** at Appendix 1)

a. Year-to-date Financial Performance to 31 May 2016

	ACTUAL	BUDGET	VARIANCE	
• Year-to-date income	3,071,862	3,356,998	(285,136)	<i>unfavourable</i>
• Year-to-date expenditure	2,649,562	2,769,037	119,475	<i>favourable</i>
• Year-to-date operating surplus	422,300	587,961	(165,661)	<i>unfavourable</i>

2. Capital Works (**attached** at Appendix 4)

- Year-to-date capital expenditure 638,943 638,292 (651) *unfavourable*

3. Balance Sheet (**attached** at Appendix 5)

- Current Assets of \$7,208,767 includes; **Actual**
 - Cash and Cash Equivalents 6,771,144
 - Trade and Other Receivables 435,822
 - Inventories 1,801
- Current Liabilities of \$127,198 includes;
 - Trade and Other Payables 53,943
 - Provisions 73,255
- Working Capital (Current Assets *less* Current Liabilities) is 7,081,569
- Equity (Total Assets *less* Total Liabilities) is 10,142,650
- Reserves of \$6,199,285 includes;
 - Plant and Infrastructure Reserve 331,454
 - Site Post Closure Rehabilitation Reserve 3,711,094
 - Waste Minimisation Reserve 623,580
 - Stanley Road Lined Cell Construction Reserve 527,452
 - Site Acquisition and Investigation Reserve 1,005,705

4. Investments

- Total of \$6,668,860 includes;
 - ANZ Banking Group 1,013,550
 - Commonwealth Bank 279,387
 - National Australia Bank 5,375,923

Background

A financial management report is provided to Councillors on a monthly basis which includes the following summaries:

- Statement of Comprehensive Income (**attached** at Appendix 1)
- Banksia Road Operations (**attached** at Appendix 2)
- Statement of Financial Activity (**attached** at Appendix 3)
- Capital Works Expenditure Summary (**attached** at Appendix 4)
- Statement of Financial Position (**attached** at Appendix 5)
- Statement of Net Current Assets (**attached** at Appendix 6)
- Fees and Charges Summary (**attached** at Appendix 7)
- Debtors Report (**attached** at Appendix 8)

Legislative Compliance

In accordance with the provisions of Section 6.4 of the Local Government Act 1995 and Regulation 34(1) of the Local Government (Financial Management) Regulations 1996, a Local Government is to prepare each month a Statement of Financial Activity (Attached at Appendix 3) reporting on the revenue and expenditure as set out in the annual budget under Regulations 22 (1) (d) for this month.

At the Council Meeting on 16 July 2015, Council adopted that a variance between actual and budget-to-date of greater than or equal to 10% and \$15,000 is considered to be a material variance for reporting purposes in the Statement of Financial Activity for 2015/16.

Officer Comment

Banksia Road operations have a deficit of \$24,658 compared to a deficit year-to-date budget of \$19,762. The forecast to 30 June 2016 is an operating deficit of \$33,251. Organic waste from the Shire of Collie is expected to increase in the next financial year. Materials and Contracts costs include compost amendments (additions to standard compost) which will be recouped through sales in the next financial year.

Statement of Comprehensive Income	YTD Actual to YTD Budget Variance
Operating Income	
Fees and Charges	
Casual Tipping Fees Casual tipping revenue is less than budget. The expected increase in tipping revenue following the recent fires in the Shire of Harvey has not yet been realised and Perth Waste have diverted waste to their own new landfill in Bannister. The year-end forecast has been revised accordingly. New waste streams are being sought to increase Casual Tipping revenue. The BHRC has been awarded a tender for the Yarloop Waste. The revenue from this waste is expected to have minimal impact in the current financial year.	\$(300,429) (25)%
Operating Expenditure	
Employee Costs	
Gatehouse, and Organics employee costs are over budget which are offset by savings in Waste Transfer Station employee costs . This reflects deployment of staff in different operational areas as required and savings in COB Support Staff costs. The overall employee costs are 1% under budget. Staff allocations will be reviewed in the 2017 annual budget.	Gatehouse \$(30,137) (27)% Waste Transfer Station \$43,525 14% Organics \$(17,895) (10)%
Materials and Contracts	
Waste Transfer Station and Earthworks Operations Savings in plant maintenance have been realised. Extended warranties have been negotiated after major services on major plant items (CAT Loader and Bomag).	\$18,954 19%
Earthworks Operations Please refer to the comments above on Waste Transfer Station materials and contracts.	\$28,923 13%
Land Site Investigation Savings have been realised as this expenditure has been deferred into the next financial year.	\$20,000 100%

Statement of Financial Activity	YTD Actual to YTD Budget Variance
Revenues by Nature and Type	
Fees and Charges Please refer above to the comments on Fees and Charges for the Statement of Comprehensive Income.	\$(279,693) (10)%
Expenditure by Nature and Type	
Employee Costs Please refer above to the comments on Employee Costs for the Statement of Comprehensive Income.	\$9,015 1%
Materials and Contracts This favourable variance is largely made up of savings in earthworks and waste transfer station plant maintenance costs and Land Site investigation costs as detailed above in the comments on the Statement of Comprehensive Income.	\$82,570 9%

Officer Recommendation

Council Decision: Moved: Cr Peter Monagle Seconded: Cr Wendy Giles

That the Financial Statements for the period ending 31 May 2016 be received.

CARRIED
5/0

RESOLUTION: OC81023-1402

11.2 Summary of Accounts paid for May 2016

Reporting Officer: Chris Welham, Accountant
File Number:
Attachments:

Summary

Section 13 (2) of Government (Financial Management) Regulations 1996 require that where Local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing detail for each account paid since such list was prepared. This item is presented to Council to advice of payments made for May 2016.

Background

As noted above

Officer Comment

The attachment details all payments made for May 2016.

Consultation

Nil

Financial Implications

As per the declaration within the schedule summary, the accounts have been checked and are fully supported by vouchers and invoices and which have been duly certified as to the receipt of goods and the rendition of service and as to prices, computations and costings. Sufficient allocations are contained within the 2015/2016 budget to cover payment of the accounts.

Statutory Environment

Sections 12 and 13 of the Local Government (Financial Management) Regulations 1996 Apply.

Strategic Implications

Nil

Policy Implications

Nil

Voting Requirement

Simple Majority

Officer Recommendation

Council Decision: **Moved:** Cr Wendy Giles **Seconded:** Cr Peter Monagle

That the attached summary of accounts paid for May 2016 be received.

CARRIED

5/0

RESOLUTION: OC81023-1403

11.3 DRAFT – Banksia Road Organics Processing Facility – 2016 Business Plan (Revised)

Reporting Officer: Tony Battersby, Chief Executive Officer
File Number: -
Attachments: **Attachment 1:** Draft – Banksia Road Organics Processing Facility Business Plan

Précis

The Bunbury-Harvey Regional Council commissioned a very ambitious plan in 2012 to construct and operate a regional compost facility to convert municipal organic waste into a high grade soil amendment improving the carbon depleted soils of the local area and reducing the amount of landfill gases being produced at Stanley Road Waste Facility.

In June 2013 the City of Bunbury being the first of the Councils in the region to implement the three bin service commenced disposing of organics at the newly commissioned facility. The Shire of Capel commenced their organics service a couple of months later with the Shire of Donnybrook-Balingup twelve months later and just recently the Shire of Collie has commenced.

The four Councils have a combined population of 64,117 residents and deliver an estimated 11,726 tonne of organics from the municipal organics waste collection and a further 4,092 tonne of green waste from verge side bi-annual collection and waste transfer stations per year.

It would be anticipated that in the future to see the remaining Councils in the Wellington Group of Councils to commence with a municipal organics collection and the possibility of expanding the service outside of the Wellington Group to Councils within the South West and Peel areas.

Background

The BHRC has not previously adopted a Banksia Road Organics Processing Facility Business Plan.

Consultation

BHRC Staff

Financial Implications

Nil

Statutory Environment

- Local Government Act 1995
- DER Licence Number 8746/2013/1
- *Local Government Regulations 1996*
- *Waste Avoidance and Resource Recovery Act 2007*
- *Waste Avoidance and Resource Recovery Regulations 2008*
- *Environmental Protection Rural Landfill Regulations 2002*
- *Environmental Protection Regulations 1987*
- *Environmental Protection (Unauthorised Discharge) Regulations 2004*
- *Environmental Protection (Controlled Waste) Regulations 2004*
- *Environmental Protection (Noise) Regulations 1997*
- *Trade Practices Act 1974*
- *Occupational Health & Safety Act 1984*
- *Occupational Health & Safety Regulations 1996*
- *Workers Compensation and Injury Management Act 1981*
- *Privacy Act 1988*
- *Equal Opportunity Act 1984*
- *Australian Standard (AS4454-2012) for Composts, Soil Conditioners and Mulches*

Strategic Implications

Bunbury – Harvey Regional Council Strategic Community Plan 2016

Policy Implication

Nil

Voting Requirement

Simple Majority

Officer Recommendation

Council Decision:

Moved: Cr Bill Adams

Seconded: Cr Wendy Giles

That Council adopt the Banksia Road Organics Processing Facility – 2016 Business Plan as detailed in attachment.

CARRIED
5/0

RESOLUTION: OC81023-1404

11.4 **DRAFT – 2016 Safety Management System**

Reporting Officer: Tony Battersby, Chief Executive Officer
File Number: -
Attachments: **Attachment 2:** 2016 Safety Management System Policy

Précis

The Bunbury-Harvey Regional Council has a duty under the *Occupational Safety & Health Act 1984* to provide a safe working environment and to ensure that workers and other persons are not exposed to health and safety risks arising from its operation.

BHRC recognises that success in achieving a healthy and safe workplace depends on the commitment and cooperation of management, workers and authorised visitors to the facility and is committed to providing a workplace that enables all work activities to be carried out safely.

We will endeavour to take all reasonably practicable measures to eliminate or minimise risks to the health, safety and welfare of workers, contractors, visitors, and anyone else who may be affected by our operations. We are committed to ensuring we comply with the *Occupational Safety and Health Act 1984* and will also comply with any other relevant legislation, applicable Codes of Practice and Australian Standards as far as is reasonably practicable.

This Safety Management System Plan and BHRC's OSH Policies and Procedures set out the safety arrangements and principles which are to be observed by BHRC and its workers, contractors and visitors to ensure compliance with the *Occupational Safety & Health Act 1984* and to provide appropriate mechanisms for continuing consultation and management of OSH matters.

Background

The BHRC has not previously adopted a Safety Management System Policy and has previously unofficially utilised the City of Bunbury Safety Management System Policy for the BHRC employees.

Consultation

BHRC Employees

Financial Implications

The Safety Management System Policy will not have an increased financial impact to Council other than what is currently in the Occupational Health and Safety budget.

Statutory Environment

- Occupational Safety and Health Act 1984
- Occupational Safety and Health Regulations 1996
- Equal Opportunity Act 1984
- Fair Work Act 2009
- Safe Work Australia First Aid in the Workplace – Code of Practice
- Workplace Relations Act 1996
- Privacy Act 1988
- AS/NZS 3760: 2010 In-service safety inspection and testing of electrical equipment

Strategic Implications

Nil

Policy Implication

Discussed in the body of the Report.

Voting Requirement

Simple Majority

Officer Recommendation

Council Decision:

Moved: Cr Peter Monagle

Seconded: Cr Joel McGuinness

That Council adopt the Safety Management System Policy 2016 as detailed in attachment.

CARRIED

5/0

RESOLUTION: OC81023-1405

12. General Business

12.1 Operational Update – June 2016

• **Draft 2016/2017 Budget**

As attached for consultation and clarification.

• **Stanley Road Expansion**

Closure and Post-Closure Management Plan was submitted to the DER prior to the closing date of 1 February 2016 - **Awaiting DER response.**

Phase 2 – Hydrogeological works and Geotechnical Investigation commenced with additional groundwater monitoring bores completed. Quotation on final landfill cells designs works to be sourced – on hold awaiting DER response.

Met with the DER on the 7th June to discuss licence amendments, closure and post-closure including future lined cell construction. Meeting went well with verbal approval given to southern foot print extension and capping for first three stages. DER have asked for gabion wall design drawings and the hydrogeological report, once these have been reviewed by DER then they will give written approval. – DER letter - **Attachment 3**

Further licence amendment and approvals for lined cells will be considered at a later date, the first stage of approvals will give an additional three years of landfilling.

• **Compost Site Relocation**

Banksia Road Organics Processing Facility – 2016 Business Plan as per agenda.

• **DER Draft – Environmental Standards for Composting**

DER has released revised compost standards and separation distances, out for public consultation until 30 June 2016. A second submission was sent to the DER as per – **Attachment 4**

- **Compost Sales**

Intuit Earth has committed to a pre- ordered of 3,000 tonne of compost for the 2016 /2017 financial year, this order will be the total amount of 1st grade compost produced for the year and will leave a further 1,000 tonne of 2nd grade compost for remaining customers. An additional 1,500 tonne of mulch will also be available for sale and 2,000 tonne 3rd grade compost suitable for rehabilitation at Stanley Road will be available.

- **Compost in May**

As part of the Waste Authorities promotion of compost in May they granted the Council with \$800 to supply compost to the schools with-in the Bunbury Wellington area. Over thirty schools participated in the event all collecting one tonne of compost to make a dedicated garden promoting organic recycling.

- **Stanley Road Groundwater Monitoring Quotes**

Have requested quotes for groundwater monitoring from GHD, 360 Environment, Cardno, Coffey, Talis, Aurora and Hydro Sultions.

- **Stanley Road Administration Complex**

Chris Coates consultant engineer doing site drawings and specifications including bushfire prone planning requirements and Veen's Design Drafting Services doing architects drawings and plans for administration complex tender. Tender to include all services i.e. septics, car park, retainer walls, paving, power supply etc. and will have allowances for new or second hand building.

Conceptual plans – **Attachment 5**

Have requested a month to month rental extension on the City of Bunbury Lot 5 Carmody office complex.

- **Yarloop Fire Waste Disposal**

Meeting with Officer from Entech Risk Consultant (company contracted to coordinate Yarloop fire clean up) on Tuesday 26 April 2016 to discuss options of waste from Yarloop going to Stanley Road. Toxfree have advised of being successful tenderer for part of waste as per – **Attachment 6**

- **Hazard Risk Management Procedure**

The attached Hazard Risk Management procedure is for Council information – **Attachment 7**

- **Consultation and Communication Procedure**

The attached Consultation and Communication procedure is for Council information – **Attachment 8**

- **Weighbridge Re-Classification**

Both the Stanley Road and Banksia Road weighbridges have been re-classified.

- **Staff Matters**

Staff have been offered seasonal flu shots through the LGIS scheme.

Staff have been offered seasonal skin cancer screening through the LGIS scheme.

A blanket drug and alcohol screening was conducted in early June on all BHRC employees, a 100% negative result was returned.

Draft enterprise bargaining agreement has been completed, all staff to meet on Wednesday 29th June to consider EB Agreement and decide on going to the vote on it..

Staff Training – Fire Extinguisher and Spill Response Training, Safety Representative Training and Household Hazardous training.

13. Confidential Reports

CEO Probation – Sub Committee (Cr Jones, Cr Monagle & Cr Cook) to get together to discuss. Cr Giles advised that she will stand in for Cr Cook if he's unavailable to attend discussions.

14. Notice of Motion

- Michael Parker have suggested that Stanley Road should be considered as Regional Landfill and also notified Council that he has been in discussions to get Royalties Money to be allocated to Stanley Road Waste Management Facility.
- Michael Parker also the question as why CEO (Tony Battersby) isn't getting invited to the regional meetings and that he will look into the reason.

15. Next Meeting

To be held on Thursday 28 July 2016 at the Shire of Harvey Council Chambers, Mulgara Street, Australind, at 4:00pm.

16. Close of Meeting

The Presiding Member closed the meeting at **5:12pm**.