



# Ordinary Council Meeting

## Minutes

23 March 2017

**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 **4:00pm**.

These Minutes are confirmed as being true and correct by Council – **RESOLUTION: OC81023-1464**

\_\_\_\_\_  
**Cr Judy Jones**  
Chairman

\_\_\_\_\_  
**Mr Tony Battersby**  
Chief Executive Officer

### Minutes 23 March 2017

*Council Members:*

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

*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 Andrew Brien	Chief Executive Officer (City of Bunbury)

*Support Staff:*

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

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**ATTACHMENTS:**

- Attachment 1 - Draft Compliance Audit Return 2016**
- Attachment 2 - Draft Motor Vehicle Management Policy**
- Attachment 3 - Confidential Evaluation Report - Purchase of Capital Equipment (Second Hand Bulldozer RFT1617-0003)**
- Attachment 4 - South West Regional Waste Group Minutes - 23/02/2017**
- Attachment 5 - DER Annual Environmental Report 2016 (Information Only)**
- Attachment 6 - Refuse Site Employees Leave Balances**

## 1. Attendances

### *Council Members:*

Member Name	Representing
Cr Judy Jones	City of Bunbury (Chairman)
Cr Murray Cook	City of Bunbury
Cr Wendy Giles	City of Bunbury
Cr Peter Monagle	Shire of Harvey
Cr Bill Adams	Shire of Harvey (Deputy Chairman)

### *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 Andrew Brien	Chief Executive Officer (City of Bunbury)

### *Support Staff:*

Name	Title
Miss Martinette Pieterse (minute taker)	Secretary
Mr Chris Welham	Accountant
Mr David Ransom	Manager Finance (City of Bunbury)
Mr Gavin Harrison	Director Works and Services (City of Bunbury)

#### 1.1 Apologies

Cr Jaysen Miguel

#### 1.2 Approved Leave of Absence

Nil

## 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 Murray Cook      **Seconded:** Cr Peter Monagle

The minutes of the Ordinary meeting of Council held on 23 February 2017, are confirmed as a true and accurate record.

CARRIED  
5/0  
OC81023-1458

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.

**4:02pm – Chris Welham arrived at meeting**

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 December 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 28 February 2017

	<b>ACTUAL</b>	<b>BUDGET</b>	<b>VARIANCE</b>	
• Year-to-date income	3,982,497	3,732,697	249,800	<i>favourable</i>
• Year-to-date expenditure	2,740,539	2,688,973	(51,566)	<i>unfavourable</i>
• Year-to-date operating surplus	1,241,958	1,043,723	198,235	<i>favourable</i>

2. Statement of Financial Activity (**attached** at Appendix 3)

Closing Funding Surplus to 30 June 2017 is forecast at \$760K which is \$251K more than the Revised Budget Closing Surplus of \$509K.

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

	<b>ACTUAL</b>	<b>BUDGET</b>	<b>VARIANCE</b>	
• Year-to-date capital expenditure	890,287	886,693	3,594	<i>unfavourable</i>

4. Statement of Financial Position (**attached** at Appendix 5)

	<b>Year-to-date</b>	<b>Forecast</b>
• Current Assets of \$8,514,281 includes:		
○ Cash and Cash Equivalents	7,074,867	7,207,674
○ Trade and Other Receivables	1,437,454	306,830
○ Inventories	1,960	2,000
• Current Liabilities of \$651,652 includes:		
○ Trade and Other Payables	483,392	209,224
○ Provisions	168,260	180,211
• Working Capital (Current Assets <i>less</i> Current Liabilities) is	7,862,629	7,127,069
• Equity (Total Assets <i>less</i> Total Liabilities) is	11,835,708	11,705,791
• Reserves of \$6,400,626 includes:		
○ Plant and Infrastructure Reserve	339,296	504,915
○ Site Post Closure Rehabilitation Reserve	3,781,896	2,876,503
○ Waste Minimisation Reserve	716,112	805,431
○ Stanley Road Lined Cell Construction Reserve	536,541	542,399
○ Site Acquisition and Investigation Reserve	1,026,781	1,631,147

5. Investments

• Total of \$6,696,739 includes:	
○ Bankwest	1,010,478
○ Commonwealth Bank	125,128
○ National Australia Bank	5,561,133

### 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 28 July 2016, 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 2016/17.

The following is an explanation of significant variances identified in the Statement of Comprehensive Income and the Statement of Financial Activity. Although comments have been provided on variances in some line items in the Statement of Comprehensive Income, the summary line items in the Statement of Financial Activity are all within budget tolerances.

Statement of Comprehensive Income	YTD Actual to YTD Budget Variance
<b>Operating Income</b>	
<b>Fees and Charges</b>	
<b>Casual Tipping Fees</b> Revenue is favourable compared to year-to-date budget. Higher tonnages have been received from outside the Bunbury-Harvey Region so that the waste body can be prepared for capping, due to Council receiving an amended licence for Stanley Road on 21.10.16.	\$299,893 15%
<b>Other Revenue</b>	
<b>Landfill Levy Income</b> is above year-to-date budget due to the increased casual tipping fees from the Perth area. Please refer to the comments on Casual Tipping Fees above.	\$68,362 11%
<b>Operating Expenditure</b>	
<b>Other Expenditure</b>	
<b>Landfill Levy Expenditure</b> is above budget due to increased tonnage being received from the Perth metropolitan area. This expenditure is fully recouped from customers.	\$(67,311) (12)%

**Council Decision:** Moved: **Cr Murray Cook** Seconded: **Cr Bill Adams**

The Financial Statements for the period ending 28 February 2017 be received.

CARRIED/LOST  
5/0

**RESOLUTION: OC81023-1459**

## 11.2 Summary of Accounts paid for February 2017

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 February 2017.

### **Background**

As noted above

### **Officer Comment**

The attachment details all payments made for February 2017.



**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 2016/2017 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 Peter Monagle                            **Seconded:** Cr Wendy Giles

That the attached summary of accounts paid for February 2017 be received.

CARRIED/LOST  
5/0  
**RESOLUTION: OC81023-1460**

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**11.3 DRAFT – Compliance Audit Return 2016**

Reporting Officer:                    Tony Battersby, Chief Executive Officer  
File Number:                            -  
Attachments:                            **Attachment 1:** Draft – Compliance Audit Return 2016

**Précis**

Regulation 14 of the Local Government (Audit) Regulations 1996 requires that a local government carry out a compliance audit for the period 1 January to 31 December of each year. This report is presented to Council for consideration of the Compliance Audit for the period 1 January 2016 to 31 December 2016.

**Background**

Regulation 14 of the Local Government (Audit) Regulations 1996 requires that a local government carry out a compliance audit for the period 1 January to 31 December of each year. After carrying out a Compliance Audit the local government is to prepare Compliance Audit Return (CAR) in a form approved by the Minister.

The CAR is required to be submitted to the Executive Director by 31 March of each year. The form of CAR approved by the Minister for the 2015 CAR is via completion of an online form on the Department of Local Government and Regional Developments (DLGRD) website. The CEO has completed the return (Attachment 11.3A) and the report is provided for Council's information.

**Officer Comment**

Notes are included in the attached Compliance Audit Return.

**Consultation**

Nil

**Financial Implications**

Nil

**Statutory Environment**

Regulation 14 of the Local Government (Audit) Regulations 1996 apply require the Local Government to complete a Compliance Audit Return each year.

**Strategic Implications**

Nil

**Policy Implications**

Nil

**Voting Requirement**

Simple Majority

**Officer Recommendation**

**Council Decision:**            **Moved:** Cr Bill Adams            **Seconded:** Cr Murray Cook

That the Compliance Audit for 2016 to be received and Council request the Chief Executive Officer and Chairman to sign the Compliance Audit Return and forward the return to the Department of Local Government.

CARRIED/LOST  
5/0

**RESOLUTION: OC81023-1461**

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**11.4 DRAFT – Motor Vehicle Management Policy**

Reporting Officer:            Tony Battersby, Chief Executive Officer  
File Number:                    -  
Attachments:                   **Attachment 2:** Draft – Motor Vehicle Management Plan

**Précis**

The intent of this policy is to provide clear direction to all staff employed by Bunbury-Harvey Regional Council (BHRC) undertaking activities that require them to use any motor vehicle owned by BHRC. This includes cars, light vehicles, trucks and heavy machinery.

All BHRC employees shall observe the highest standards of ethics and integrity in undertaking activities and to act in an honest and professional manner that supports the standing of the BHRC in compliance with the BHRC's Code of Conduct Policy.

**Background**

The BHRC has not previously adopted a Motor Vehicle Management Policy and has previously unofficially utilised the City of Bunbury Motor Vehicle Management Policy for the BHRC.

**Consultation**

Nil

**Financial Implications**

Nil

**Statutory Environment**

- Local Government Act 1995
- Local Government (Functions and General) Regulations 1996
- Surveillance Device Act 1998 (WA)

**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 Wendy Giles

That Council adopt the Motor Vehicle Management Policy as detailed in attachment.

CARRIED/LOST  
5/0  
**RESOLUTION: OC81023-1462**

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## 11.5 **Purchase of Capital Equipment**

### **Late Agenda Item**

Reporting Officer: Tony Battersby, Chief Executive Officer  
File Number: -  
Attachments: **Attachment 3:** Confidential Evaluation Report – RFT1617-0003

#### **Précis**

This item is presented to Council for Council to consider the approval of funds for purchasing Capital Equipment. The equipment will be utilised in the Stanley Road Waste Facility Operations for site rehabilitation and new cell construction.

The CEO is seeking Council approval to purchase the following equipment: One (1) – Second Hand Track Type Tractor (Bulldozer).

#### **Background**

The purchase of one (1) Second Hand Track Type Tractor (Bulldozer) is included in 2016/2017 Budget which was adopted by Council at the Ordinary Meeting held 28 July 2016. The Bulldozer does not replace any existing BHRC plant at the Stanley Road Waste Facility.

#### **Officer Comment**

Funding for the Capital Equipment Purchase is included in the 2016/2017 Annual Budget. Quotations were sourced from an open tender process, advertised in West Australian Wednesday 1 March 2017 and the South Western Times Thursday 2 March 2017.

Contract No. RFT1617-0003 for the supply of a one (1) Second Hand Track Type Tractor (Bulldozer). Tenders closed at 4.00pm on Wednesday 15 March 2017 and were opened by the BHRC Chief Executive Officer – Tony Battersby and the BHRC Administration Officer – Martinette Pieterse. Officers conducted a review on all tenders submitted and are confident with their evaluations and recommendations.

#### **Tender Submissions**

The following quotations were received: **Supply of One (1) – Second Hand Track Type Tractor (Bulldozer).**

#### **Tender No. Company Address**

1 Komatsu Australia Pty Ltd, 33 McCombe Road Bunbury WA 6230  
2 Westrac Pty, Ltd 1 Wilson Road Bunbury WA 6230

#### **Consultation**

Consultation with all relevant organisations and parties has been conducted through Evaluation Report, including the Bunbury Harvey Regional Council Staff and Evaluation Report Team.

#### **Financial Implications**

A budget allocation for the purchase of one (1), Second Hand Track Type Tractor (Bulldozer) has been included in the 2016/2017 annual budget allocation for Capital Equipment Purchase GL # 49002.215.15: 1 x Track Type Dozer \$490,000.00.

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**Strategic Implications**

Acceptance of the Officers Recommendation is consistent with Council's Strategic Waste Management Plan and will "facilitate the provision of a reliable essential service to the Bunbury-Harvey Regional Council customers.

**Policy Implications**

Nil

**Voting Requirement**

Absolute Majority

**Council accepts the late agenda item for discussion**

**Council Decision:** Moved: **Cr Murray Cook**

Seconded: **Cr Peter Monagle**

CARRIED/LOST  
5/0

**RESOLUTION: OC81023-1463**

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**Officer Recommendation**

**Council Decision:** Moved: **Cr Murray Cook**

Seconded: **Cr Wendy Giles**

That Council accepts the tender submission of Westrac Pty Ltd (CAT) Option two for One Second Hand Caterpillar D7RII Track Type Tractor (Bulldozer) for tendered price of \$465,000.00

CARRIED/LOST  
5/0

**RESOLUTION: OC81023-1464**

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**12. General Business**

**12.1 Operational Update – March 2017**

• **Request for BHRC Workshop**

A Workshop was held on Wednesday 16 November 2016 and was facilitated by Ian Watkins from IW Projects.

"Letters was sent" to the City of Bunbury and the Shire of Harvey on Friday 25 November 2016 requesting their commitment to waste disposal at Stanley Road Waste Management Facility on a long term basis, their preferred model of future Governance for the Regional Council and ownership options for Lot 45 Stanley Road Wellesley.

No further correspondence received from either Member Council.

• **Stanley Road Rehabilitation**

A tender document is currently being formatted for construction of Gabion Wall as per DER licences, tenders to be called early 2017. Awaiting completion of final design drawings and specifications, estimate tender release mid-March 2017.

Documentation been delayed due more detailed engineering design being completed due to stabilisation issues with gabion wall being constructed on old landfill.

- **Track Type Tractor (Bulldozer) Tender**  
As per agenda.
- **South West Regional Waste Group**  
The minutes for the last meeting held on 23 February 2017 – **Attachment 4**
- **Stanley Road Administration Complex**  
Currently put on hold until security of long term landfilling is finalised and future budget allocation. Exploring the possibility of short term temporary transportable offices to utilise at site for all admin staff - **CEO to table a report at the next meeting scheduled for April 2017**
- **BHRC Standing Orders**  
The Proposed Standing Orders have been advertised on BHRC website, in the state and regional newspapers and have been advertised on public notice boards at each Member Council's Administration buildings and libraries. The Proposed Standing orders are to be advertised for six (6) weeks and then brought back to Council for adoption.
- **Stanley Road DER Annual Environmental Report 2016 (Information Only)**  
Completed – **Attachment 5**
- **Regional Compost Facility Relocation to Stanley Road**  
Quotations are currently being sourced from suitably qualified consultants for the following:
  1. Design new compost facility to meet :
    - The latest DER guidelines;
    - Best Practice for odour control allowing for local environmental conditions and residential buffers at new location (Lot 45 Stanley Road Wellesley);
    - Incorporate in the design existing plant and equipment;
    - Operational Plan to be provided for new facility design; and
    - Expansion of existing facility size to cater for increased inputs from new Local Government customers.
  2. Licence and Planning Approvals from:
    - Department of Environment and Regulations; and
    - Shire of Harvey.
  3. Licence Amendment to existing Stanley Road licence for:
    - Concrete crushing and processing;
    - Household Hazardous storage facility; and
    - Wood Waste and Green Waste storage area.
- **Current BHRC Staff Leave Entitlements**  
As requested by Chairman Cr Judy Jones – **Attachment 6**

**Have a look at the Fair Work Act and put a report together for next meeting scheduled for April 2017.**

**13. Confidential Reports**

Nil

**14. Notice of Motion**

Nil

**15. Next Meeting**

To be held on Thursday 27 April 2017 at the BHRC Administration Office, Old Railway Station Complex, Lot 5 Carmody Place, Bunbury, commencing at 4:00pm.

**16. Close of Meeting**

The Presiding Member closed the meeting at **5:05pm**.