



Ordinary Council Meeting

Minutes

27 October 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 **4:05pm**.

These Minutes are confirmed as being true and correct by Council – **RESOLUTION: OC81023-1433**

Cr Judy Jones
Chairman

Mr Tony Battersby
Chief Executive Officer

Minutes 27 October 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)
Mr Andrew Brien	Chief Executive Officer (City of Bunbury)

Support Staff:

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

Table of Contents

<u>Item No</u>	<u>Subject</u>	<u>Page No</u>
1.	Attendances	4
1.1	Apologies.....	4
1.2	Approved Leave of Absence.....	4
2.	Public Question Time	4
3.	Summary of response to previous questions taken on notice	4
4.	Applications for Leave of absence	4
5.	Confirmation of Minutes.....	4
6.	Petitions and Memorials	5
7.	Declarations of Interests	5
8.	Announcements (by the presiding member without discussion).....	5
9.	Reports of Committees	5
10.	Business of Previous Meeting	5
11.	Reports of Officers	6
11.1	Financial Statements for the period ending 30 September 2016.....	6-8
11.2	Summary of Accounts Paid for September 2016.....	8-9
12.	General Business	9
12.1	Operational Update – October 2016	9-10
13.	Confidential Reports	10
14.	Notice of Motion.....	11
15.	Next Meeting	11
16.	Close of Meeting	11

ATTACHMENTS:

- Attachment 1 - Evaluation Report Tender RFT1617-0002 (Sale of Existing Bomag Compactor)**
- Attachment 2 - DRAFT - BHRC Standing Orders Local Law 2016**
- Attachment 3 - Stanley Road Expansion - Talis Consultants letter to DER**
- Attachment 4 - Organic Media Release**

1. **Attendances**

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
Martinette Pieterse (minute taker)	Secretary
Chris Welham	Accountant

1.1 **Apologies**

Andrew Brien – Chief Executive Officer (City of Bunbury)

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 Bill Adams **Seconded:** Cr Murray Cook

The minutes of the Ordinary meeting of Council held on 25 August 2016 and 22 September 2016, are confirmed as a true and accurate record.

CARRIED
5/0
OC81023-1430

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.

8. **Announcements (by the presiding member without discussion)**

Nil

9. **Reports of Committees**

Nil

10. **Business of Previous Meeting**

RFT1617-0001 Purchase of Landfill Compactor and Trade of Existing Bomag Landfill Compactor.

City of Bunbury CEO, Andrew Brien informed council that if a trade or sell of existing plant is greater than \$75,000.00 (excl. GST); a separate tender is required.

*** Council authorise CEO to continue with purchase and trade when confident that everything is within Regulation. CEO to seek clarification on Regulation about the trade / sell of existing equipment greater than \$75,000.000 (excl. GST)**

Clarification was sort from the Department of Local Government on the above matter and the verdict was yes the procedure that we had followed for the sale an asset over the value of \$75,000 was in breach of the Act.

*The Department advised that in our next annual compliance report under the sale of assets and tenders to report that we were in breach of the Act. I as the CEO decided to rectify the breach by re- tendering the sale of the existing Bomag Landfill Compactor as a separate tender RFT 1617-0002 - Evaluation Report Attached **(Attachment 1)***

11. Reports of Officers

11.1 Financial Statements for the period ending 30 September 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 30 September 2016

	ACTUAL	BUDGET	VARIANCE	
• Year-to-date income	1,276,464	922,922	353,542	<i>favourable</i>
• Year-to-date expenditure	804,215	807,898	3,683	<i>favourable</i>
• Year-to-date operating surplus	472,249	115,024	357,225	<i>favourable</i>

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

Closing Funding Surplus to 30 June 2017 is forecast at \$721K, which is \$269K more than the Current Budget Closing Surplus of \$452K. This will be included in the February 2017 Budget Review.

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

• Year-to-date capital expenditure	51,089	51,089	0
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4. Statement of Financial Position (**attached** at Appendix 5)

• Current Assets of \$7,952,054 includes:	Year-to-date	Forecast
○ Cash and Cash Equivalents	7,345,189	5,534,270
○ Trade and Other Receivables	604,905	300,000
○ Inventories	1,960	2,000
• Current Liabilities of \$349,853 includes:		
○ Trade and Other Payables	148,876	202,879
○ Provisions	200,977	148,826
• Working Capital (Current Assets <i>less</i> Current Liabilities) is	7,602,201	5,484,565
• Equity (Total Assets <i>less</i> Total Liabilities) is	11,125,227	10,548,250
• Reserves of \$6,314,361 includes:		
○ Plant and Infrastructure Reserve	335,873	504,852
○ Site Post Closure Rehabilitation Reserve	3,731,155	2,882,159
○ Waste Minimisation Reserve	707,039	806,284
○ Stanley Road Lined Cell Construction Reserve	530,918	542,417
○ Site Acquisition and Investigation Reserve	1,009,376	27,571

5. Investments

- Total of \$6,917,706 includes:
 - BankWest 1,027,723
 - Commonwealth Bank 403,524
 - National Australia Bank 5,486,459

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:

Statement of Comprehensive Income	YTD Actual to YTD Budget Variance
Operating Income	
Fees and Charges	
Casual Tipping Fees Casual tipping revenue favourable compared to budget. The primary reason for this is that Council has received \$432K from the Yarloop Fire cleanup.	\$361,008 105%
Other Revenue	
Landfill Levy Income is above budget. Tonnage from the Perth area has been received from Cross Resource Management, Clean Site Bins and West Bins.	\$14,259 116%
Operating Expenditure	
Materials and Contracts	
Organics Expenditure Savings in organics expenditure relate to reduced maintenance costs on the mulcher and screener, which have had no major breakdowns this year, and equipment hire has not been necessary this year.	\$18,704 34%
Earthworks Operations expenditure is above budget because an earth bund has been removed to extend the life of the landfill.	\$(32,616) (63)%

Other Expenditure	
Landfill Levy Expenditure is above budget because tonnage from the Perth area has been received from 3 customers: Cross Resource Management, Clean Site Bin and West Bins. This expenditure is fully recouped from customers.	\$(15,577) (135)%

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.	\$337,179 41%

Officer Recommendation

Council Decision: **Moved:** Cr Murray Cook **Seconded:** Cr Jaysen Miguel

The Financial Statements for the period ending 30 September 2016 be received.

CARRIED

5/0

RESOLUTION: OC81023-1431

11.2 Summary of Accounts Paid for September 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 September 2016.

Background

As noted above

Officer Comment

The attachment details all payments made for September 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 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 Bill Adams **Seconded:** Cr Murray Cook

That the attached summary of accounts paid for September 2016 be received and requested that if Chief Executive Officer uses Credit Card for personal use and needs to reimburse Council, that a detailed summary be supplied to Council.

CARRIED

5/0

RESOLUTION: OC81023-1432

12. General Business

12.1 Operational Update – October 2016

- **BHRC Standing Orders**
Draft BHRC Standing Orders for Councils consideration to adopting its own Standing Orders – **Attachment 2**
- **Request for BHRC Workshop**
Request to conduct a workshop including all BHRC Councillors and Executive Officers from member Councils to discuss medium and long term future of the Regional Council and in particular Stanley Road.

Workshop scheduled for Wednesday 16 November 2016 and to be facilitated by Ian Watkins from IW Projects.

- **Stanley Road Expansion**
Received draft amendment licence from the DER, there are three areas on concerns that are being addressed with the DER. Letter that was sent to the DER by Talis on behalf of the BHRC, detailing amendments required to draft Stanley Road licence – **Attachment 3**

Have spoken to the Officer at DER in charge of the Stanley Road amendments and he has verbally clarified that all requested amendments to the draft have been granted and changed in the final licence. Document awaiting sign off from Department head prior to issuing.

- **Compost Site Relocation**
Awaiting on the DER new Environmental Standards for Composting to be released which will include the required buffer distances for new compost facilities – Still waiting.

- **Organic Certification**
Organic certification for the Banksia Road Compost Facility is nearing completion with the authorities from Australian Certified Organic conducting audit for certification on the site. All indications appear to be positive with only a couple of minor changes required to recording of temperatures through all five stages. Trialling goats for use of weed control on site in line with environmental friendly and chemical free as per organic certification.

- **Organic Media Release**
Media Release sent to all local media organisations – **Attachment 4**

(Southwest Times have indicated doing a story in the 27 November 2016 edition)

- **Stanley Road Administration Complex**
Will make a decision on this matter after the outcome of the BHRC workshop.

- **Yarloop Fire Waste Disposal**
Final tally of waste deposited from the Yarloop fires at Stanley Road are 6,146.94 tonnes equating to \$395,778.51 plus GST.

- **Paintback Scheme**
The Stanley Road Waste Management Facility has been chosen as one of five location in Western Australia (the only site outside of the Perth metropolitan area) to participate in the Federal stewardship Paintback scheme. The scheme will allow all domestic and commercial unused paint to be deposited free of charge at the facility and will commence mid December 2016 as per below.

PBL administers a consumer and trade waste reduction scheme known as Paintback for the collection, recycling and environmentally friendly treatment of liquid architectural and decorative paint together with the containers in which the paint is sold in Australia.

Under the Paintback scheme, PBL engages both public and private sector partners to provide appropriate fixed collection facilities and services to accept A&D Paint and allow it to be sent for treatment or material recovery.

- **Regional Waste Education Coordinator**
Margaret Macindoe has unfortunately tendered her resignation and will be relocating with her family to Sydney; the Regional Waste Education Coordinators position has been advertised with applications closing 4 November 2016.

On behalf of the BHRC I would like to say that it has been a pleasure and a real asset to have had Margaret working for the BHRC over the last four years and her efforts into making the organics recycling a true success in the region along with all other waste minimisation programs implemented. I wish Margaret and her family all the very best in the future and our loss will be her next employers win.

13. Confidential Reports

Nil

14. Notice of Motion

Nil

15. Next Meeting

To be held on Thursday 24 November 2016 at the Shire of Harvey Council Chambers, Mulgara Street, Australind, commencing at 4:00pm.

16. Close of Meeting

The Presiding Member closed the meeting at **5:00pm**.