

# Bunbury - Harvey Regional Council

## Minutes (Confirmed)



For the Ordinary Council Meeting of

**17<sup>th</sup> December 2015**

**BUNBURY-HARVEY REGIONAL COUNCIL**

**MINUTES (CONFIRMED) FOR THE ORDINARY MEETING OF COUNCIL TO BE HELD ON  
17<sup>TH</sup> DECEMBER 2015**

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These Minutes are confirmed as being true & correct by Council **Resolution Nr: OC81023-1367**

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**Cr Judy Jones**  
Chairman

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**Tony Battersby**  
Chief Executive Officer

• **Meeting was declared open 3:07pm**

**1. Attendance, Apologies & Leave of Absence**

Cr John Sabourne – Attended on behalf of Cr Adams

Cr Wendy Giles – Attended on behalf of Cr Miguel

David Ransom (City of Bunbury – Manager Finance) – attended on behalf of Chris Welham

<b>Name</b>	<b>Attended</b>	<b>Apologies</b>	<b>Leave of Absence</b>
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)			✓
Tony Battersby – CEO	✓		
Michael Parker – CEO Shire of Harvey	✓		
Chris Welham – Accountant		✓	
Martinette Pieterse – Secretary to CEO	✓		

**2. Public Question Time**

Nil

**3. Summary of Response to previous Questions taken on notice**

Nil

**4. Applications for leave of absence**

Cr Judy Jones – seek approval for leave of absence from 20 December 2015 to 15 January 2016, council accepts and approves her application.

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<b>OC81023-1361</b>	<b>Moved:</b>	<b>Cr Murray Cook</b>	
	<b>Second:</b>	<b>Cr Peter Monagle</b>	
			<b>5/0</b>
			<b>Unanimous</b>
			<b>CARRIED</b>

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**5. Confirmation of Minutes**

Minutes of the Ordinary meeting of Council held 26<sup>th</sup> November 2015.

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<b>OC81023-1362</b>	<b>Moved:</b>	<b>Cr Peter Monagle</b>	
	<b>Second:</b>	<b>Cr Murray Cook</b>	
			<b>5/0</b>
			<b>Unanimous</b>
			<b>CARRIED</b>

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**6. Petitions and Memorials**

Nil

**7. Declarations of Interests**

Nil

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

Cr Jones wished council compliments to the season and all the best for upcoming challenges and projects in the New Year.

**9. Reports of Committees**

Nil

**10. Business of Previous Meeting**

Nil

**11. Reports of Officers**

11.1 Financial Statements for the period ended 30 November 2015

**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 November 2015

	<b>ACTUAL</b>	<b>BUDGET</b>	<b>VARIANCE</b>	
Year-to-date income	1,472,064	1,726,758	(254,694)	<i>unfavourable</i>
Year-to-date expenditure	1,261,235	1,825,162	563,927	<i>favourable</i>
Year-to-date operating surplus	210,829	(98,404)	309,233	<i>favourable</i>

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

Year-to-date capital expenditure	154,568	155,144	576	<i>favourable</i>
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3. Balance Sheet (**attached** at Appendix 5)

Current Assets of \$7,329,790 include:

	<b>Actual</b>
Cash and Cash Equivalents	6,967,114
Trade and Other Receivables	360,875
Inventories	1,801

Current Liabilities of \$186,376 includes:

Trade and Other Payables	82,232
Provisions	103,144
Working Capital (Current Assets <i>less</i> Current Liabilities) is	7,143,414
Equity (Total Assets <i>less</i> Total Liabilities) is	9,931,179

Reserves of \$5,774,622 include:

Plant and Infrastructure Reserve	587,796
Site Post Closure Rehabilitation Reserve	3,061,479
Waste Minimisation Reserve	614,428
Stanley Road Lined Cell Construction Reserve	519,923
Site Acquisition and Investigation Reserve	990,996

4. Investments

Total of \$6,863,944 includes:

ANZ Banking Group	3,151,965
Commonwealth Bank	545,533
National Australia Bank	3,166,446

## 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)
- Balance Sheet Summary (**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.

The following is an explanation of significant variances identified in the Statement of Comprehensive Income and the Statement of Financial Activity. These variances will be addressed in the February 2016 Budget Review and are reflected in the Forecast figures.

Statement of Comprehensive Income	YTD Actual to YTD Budget Variance
<b>Operating Income</b>	
<b>Fees and Charges</b>	
<b>Casual Tipping Fees</b> Casual tipping revenue is less than budget mainly due to diversion of waste from the Perth area by Perthwaste into their own landfill in Bannister.	\$ (303,912) (40)%
<b>Sale of Scrap Metal</b> Ferrous Scrap metal is being stockpiled rather than sold because the demand from dealers has reduced and the price per tonne is down to \$30 or less. There is still a market for non-ferrous (aluminium, copper etc.) metals.	\$(34,912) (93)%
<b>Disposal – Shire of Harvey</b> Shire of Harvey tipping tonnages are above budget because waste has been diverted from the Richardson Road landfill.	\$42,606 26%
<b>Other Revenue</b>	
<b>Landfill Levy Income:</b> Income from the levy (which is levied at \$55 per tonne) is favourable compared to budget. This will be addressed in the Budget Review.	\$23,931 115%
<b>Operating Expenditure</b>	
<b>Materials and Contracts</b>	
<b>Site Rehabilitation</b> Site rehabilitation expenditure has been deferred until DER approval of the Stanley Road cell capping plan has been	\$541,075 98%

received. The forecast expenditure to the end of the current year has been reduced by \$1,000,000 and this amount has been transferred to the forecasted balance of the Site Post Closure Rehabilitation Reserve.	
<b>Depreciation</b>	
<b>Depreciation on Vehicles, Plant and Equipment</b> This is favourable because the purchase of new equipment has occurred later than expected in the original budget timeline.	\$28,493 16%
<b>Other Expenditure</b>	
<b>Landfill Levy Expenditure.</b> Note that this variance is offset by the additional income received year to date.	\$ (21,600) (110)%

<b>Statement of Financial Activity</b>	<b>YTD Actual to YTD Budget Variance</b>
<b>Revenues by Nature and Type</b>	
<b>Fees and Charges</b> Pease refer above to the comments on Fees and Charges for the Statement of Comprehensive Income.	(315,226) (20)%
<b>Other Revenue</b> Pease refer above to the comments on Landfill Levy Income for the Statement of Comprehensive Income.	\$ 37,048 74%
<b>Expenses by Nature and Type</b>	
<b>Materials and Contracts</b> Pease refer above to the comments on Site Rehabilitation Expenditure for the Statement of Comprehensive Income.	\$552,698 59%
<b>Depreciation</b> Pease refer above to the comments on Depreciation on Vehicles, Plant and Equipment for the Statement of Comprehensive Income.	\$32,482 16%
<b>Other Expenditure</b> Pease refer above to the comments on Landfill Levy Expenditure for the Statement of Comprehensive Income.	\$ (30,848) (28)%

**Executive Recommendation**

The Financial Statements for the period ending 30 November 2015 be received.

**OC81023-1363**

**Moved:** *Cr John Sabourne*  
**Second:** *Cr Wendy Giles*

**5/0**  
**Unanimous**  
**CARRIED**

11.2 Payments of Accounts for November 2015

**Reporting Officer:** Chris Welham, Accountant  
**File Number:** -  
**Attachments:** Summary of Accounts Paid for November 2015

**Précis**

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 advise of payments made for November 2015.

**Background**

As noted above.

**Officer Comment**

The attachment details all payments made for November 2015.

**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 services 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**

That the attached summary of schedule of accounts paid for November 2015 be received.

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**OC81023-1364**

**Moved:** Cr Murray Cook  
**Second:** Cr John Sabourne

**5/0  
Unanimous  
CARRIED**

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11.3 Draft Reviewed Purchasing Policy

**Reporting Officer:** Tony Battersby, Chief Executive Officer  
**File Number:** -  
**Attachments:** Draft Reviewed Purchasing Policy  
Previous Adopted Purchasing Policy

**Précis**

Section 11A (1) of the Local Government (Functions and General) Regulations 1996 requires a local government to prepare or adopt and implement a purchasing policy in relation to contracts for other persons to supply goods or services where the consideration under the contract is , or is expected to be, \$150,000 or less or worth \$150,000 or less. This item is presented to Council to consider adoption of such a policy

**Background**

In August 16<sup>th</sup> 2007 Council adopted the original Purchasing Policy; on the 1<sup>st</sup> October 2015 tender provisions of the Local Government (Functions and General) Regulations 1996 were amended to raise the tendering threshold from \$100,000 to \$150,000. This was on the basis that local government would implement a policy to control procurement where the contract value is \$150,000 or less.

**Officer Comment**

Attachment contains an amended purchasing policy that complies with the provision of the Local Government (Functions and General) Regulations 1996 and provides flexibility, transparency and accountability in regard to procurement undertaken by the BHRC.

**Consultation**

Nil

**Financial Implications**

The Policy should provide greater surety and less risk associated with procurement thereby minimising the Council's exposure to unforeseen expenditure associated with procurement.

**Statutory Environment**

Part 4 of the Local Government (Functions and General) Regulations 1996 apply to procurement.

**Strategic Implications**

Nil

**Policy Implication**

Discussed in the body of the Report.

**Voting Requirement**

Simple Majority

**Officer Recommendation**

That Council adopt the amended Purchasing Policy as detailed in attachment.

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**OC81023-1365**

**Moved:**

**Cr Peter Monagle**

**Second:**

**Cr Murray Cook**

**5/0**

**Unanimous  
CARRIED**

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**11.4 Draft Reviewed Purchasing Policy**

**Reporting Officer:**

*Tony Battersby, Chief Executive Officer*

**File Number**

-

**Attachments:**

*Attachment - "A"*

**Précis**

Seek approval from Council to adopt the attached Closure and Post-Closure Management Plan for the Stanley Road Waste Management Facility.

**Background**

Letter received from DER on the 21<sup>st</sup> September 2015 requires the BHRC to submit an updated Landfill Closure Management Plan by 1<sup>st</sup> February 2016, as stated:

- DER requires sufficient additional information in an updated Landfill Closure Management Plan including, but not limited to the information stipulated in full letter. This should be presented in the context of, and in reference to current and proposed hydrogeological and water balance investigation.
- Talis Consultancy has been preparing the Closure and Post-Closure Management Plan in consultation with the DER and BHRC.

**Officer Comment**

The Closure and Post Closure Management Plan prepared by Talis is a comprehensive plan covering all aspects of the Stanley Road landfill rehabilitation. The Closure and Post-Closure Management Plan is accompanied by an Excavation Works Management Plan and a Risk Assessment – Closure and Post Closure Management Plan.

The key objectives of the Closure and Post Closure Management Plan are to provide:

1. A final capping system profile in accordance with the Best Practice Landfill Guidelines;
2. A filling plan to provide direction for the remaining filling operations having regard to the final closure profile;
3. Remaining void space calculations;
4. Environmental engineering and management measures for landfill gas and surface water in accordance with best practice landfill guidelines;
5. A comprehensive phased closure plan which will form the basis of a future detailed design for the whole site and subsequent construction drawings and contract documentation required for the phases of the project;
6. Post-closure monitoring plan for the rehabilitated landfill;
7. Cost estimates for rehabilitation and post-closure management plan; and

8. Implementation plan to guide the BHRC towards achieving the outcomes in this Closure and Post Closure Management Plan.

The Closure and Post Closure Management Plan also includes conceptual design drawings for the proposed landfill capping profile.

**Consultation**

Officers from DER and BHRC have met and corresponded on numerous occasions to discuss the progression of finalising the Closure and Post Closure Management Plan.

**Financial Implications**

Funding for Stanley Road landfill rehabilitation has been allowed for in Site (Post Closure) Rehabilitation Reserve, but further funding will need to be allocated in future budgets to accommodate the full cost of the estimated closure costs.

**Statutory Environment**

The DER requires that Council prepare an updated Closure and Post-Closure Management Plan Landfill Management Plan submitted by 1<sup>st</sup> February 2016.

**Economic, Social and Environmental Issues**

The adoption of the Closure and Post Closure Management Plan has the potential to have a positive impact on the local natural environmental by rehabilitating the landfill to the best practice landfill guidelines.

**Strategic Implications**

The Closure and Post Closure Management Plan is in accordant with, Future Directions, of Council's interim strategic plan.

**Policy Implications**

Nil

**Voting Requirement**

Simple Majority

**Officer Recommendation**

Council to adopt the Closure and Post Closure Management Plan as submitted by Talis Consultancy and submit to the DER for approval.

Council move to hold off on submitting report to DER until Talis made modifications to report and table the amended report at a workshop to provide clarification to council before 1<sup>st</sup> February 2016.

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**OC81023-1366**

**Moved:**

**Cr Murray Cook**

**Second:**

**Cr Wendy Giles**

**5/0  
Unanimous  
CARRIED**

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## 12. General Business

### 12.1 Operational Update for December 2015

**Reporting Officer:** Tony Battersby, Chief Executive Officer

**File Number:** -

- **Stanley Road Expansion**

**DER has requested that a Closure Plan be completed to:**

- review the information submitted by BHRC in relation to progressive closure and post-closure rehabilitation; and
  - provide a written response outlining any areas where DER may require additional information or clarification.
- Closure and Post Closure Management Plan – as per agenda.

- **Compost Site Relocation**

Site currently investigating:

Elders Real Estate (Noel Jones) – Old Timber Mill site South West Highway Gwindinup.  
Cristal Mining (Warren Smith) – Gwindinup mine site.  
Iluka Resources (Russell Harvey) – Capel mine sites.  
Professional Real Estate – (Tom Panizza) – 315 Weld Road Capel

Waiting on new DER Compost Regulation and Separation Distance Plan to be released.

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

DER has released consultation papers on Environmental Standards for Composting and Separation Distances between Industrial and Sensitive Land Uses.

A submission was submitted on behalf of the BHRC - **waiting on final standards and separation distance to be released.**

- **Waste Authority**

The Waste Authority is intending to conduct its next scheduled meeting with-in the Greater Bunbury area and has asked to have a tour of the Stanley Road Waste Facility and the Banksia Road Compost Facility on Wednesday 2<sup>nd</sup> December 2015.

Waste Authority tour of Stanley Road and Banksia Road completed with positive and complementary comments from all on tour.

- **Tender for Mobile Aerated Floor Expansion**

Mobile Aerators ordered – delivery time anticipated six (6) weeks.

Delivery due 16<sup>th</sup> December 2015.

- **Tender for Concrete Bunkers – Compost Facility**

Concrete Bunkers ordered – delivery time anticipated four (4) weeks.

Delivery starting the week of the 14<sup>th</sup> December 2015.

- **Tender for Hook Bin Truck**

Tenders have been requested through the WALGA preferred supplies panel for the purchase on one Hook Bin Truck, tenders close 5 November 2015.

Purchase order completed for Hino Hook Bin Truck, delivery late Jan to early Feb 2016.

- **Waste to Energy**

Had a meeting with representatives from Parker Range Resources who are an international waste to Energy Company wanting to look at the feasibility of putting a waste to energy facility at Stanley Road.

**Company's plasma technology and proposal - attached.**

- **BHRC Strategic Community Plan**

Attached Draft Plan – to be discussed and reviewed by Council.

Open for feedback from Council.

**NOTE:** Council to have workshop to discuss plan and get proper plan in place, which is straight forward, simple and not complicated.

- **Staff Matters**

Council and Staff Christmas Party was held on the 12<sup>th</sup> December 2015 at the Bunbury Trotting Club, feedback has all been positive with hopefully everyone enjoying themselves.

Margaret Macindoe on annual leave from 14<sup>th</sup> December 2015 to 18<sup>th</sup> January 2016.

Martinette Pieterse on long service leave from 21<sup>st</sup> December 2015 to 26<sup>th</sup> January 2016.

Mark Hay on annual leave from 28<sup>th</sup> December to 10<sup>th</sup> January 2016.

Russel Adams on annual leave from 4<sup>th</sup> January 2016 to 25<sup>th</sup> January 2016.

**13. Confidential Reports**

Nil

**14. Notices of Motion**

Nil

**15. Next Meeting**

Council agrees to have meeting on Thursday 21<sup>st</sup> January 2016 at 3:00pm to meet and discuss amended Closure Plan with Talis Consultants.

To be held on Thursday 25<sup>th</sup> February 2016 **Shire of Harvey Admin Building, Mulgara Street, Australind, commencing at 3:00pm.**

**16. Closure**

4:29pm

**Comments / Notes**

<b>Notes from Closure and Post Closure Report:</b>
➤ Judy – Page 9: Proximity wrong (14km from Bunbury)
➤ Judy – Page 16: licence was extended until 2019!
➤ Michael – Page 11: Monitoring “Leachate” – Context
➤ David – Page 39: Onslow???
➤ Murray – Is this long or short term?
➤ Judy – Talis to rectify terminology throughout report, make it more positive, look at figures
etc. and get them to attend meeting on Thursday 21/01/2016. QUESTION: clay vs. liner? DER – will clay
comply with regulation?
➤ Judy – Tony to compile a chart on the landfill closure, time, costs etc.
➤ Michael – include the lined cell proposal with the closure plan “re-word plan before submitting
to DER”
➤ Michael – is the time frames in plan (page 25)? Plan is designed to show the landfill is closing
In 2019 – need to amend to reflect that we are seeking approvals for lined cells at the same time as
Post Closure Plan.