



# Special Council Meeting

## Notice of Meeting & Agenda

31 August 2022

*Meeting to be held at: The Administration Complex, Stanley Road Waste Management Facility, Lot 45, Stanley Road, Wellesley on Wednesday 31 August 2022, commencing at 4:15pm*

### Open Council Meetings – Procedures

1. All Council meetings are open to the public, except for matters raised by Council under “confidential items”.
2. Members of the public may ask a question at an ordinary Council meeting under “public question time”.
3. Members of the public who are unfamiliar with meeting procedures are invited to seek advice at the meeting. If unsure about proceedings, just raise your hand when the presiding member announces public question time.
4. All other arrangements are in accordance with the Council’s standing orders, policies and decisions of the Council.

Undersigned

Chief Executive Officer

Bunbury-Harvey Regional Council  
Lot 45 Stanley Road, Wellesley  
Western Australia 6233

*Correspondence to:*  
Post Office Box 111  
Australind WA 6233

## Table of Contents

|   |    |
|---|----|
| 1. Declaration of Opening / Announcement of Visitors.....                               | 5  |
| 2. Attendances and Apologies .....  | 5  |
| 2.1. Attendances.....   | 5  |
| 2.2. Apologies .....  | 5  |
| 3. Public Question Time.....  | 5  |
| 4. Summary of Response to previous Questions taken on notice .....                      | 5  |
| 5. Applications for Leave of Absence.....   | 5  |
| 6. Confirmation of Minutes .....  | 5  |
| 7. Petitions / Memorials / Presentations .....  | 5  |
| 8. Declarations of Interests.....   | 5  |
| 9. Announcements (by the presiding member without discussion) .....                     | 5  |
| 10. Reports of Committees.....  | 5  |
| 11. Reports of Officers.....  | 5  |
| 11.1. Budget for the Year Ending 30 June 2023.....                                      | 6  |
| 12. Elected Member motions of which previous notice has been given .....                | 11 |
| 13. Urgent business approved by the person presiding or by decision of the Council..... | 11 |
| 14. Confidential Business (Meeting Closed to the Public) .....                          | 12 |
| 15. Next Meeting.....   | 12 |
| 16. Close of Meeting.....   | 12 |

### ATTACHMENTS

- Attachment 1 - Budget 2022/2023**  
**Attachment 2 - Evaluation Report "CONFIDENTIAL" RFT2022-0001 (including Dropbox Link)**



## VISION

To develop, implement and maintain innovative and sustainable waste reduction, recycling and landfilling services while managing waste facilities with best practice standards for the councils of the Wellington Region and beyond.

To provide sustainable waste minimisation, recycling and alternative waste treatment services to an informed community while reducing the environmental impact of waste and maximising the conservation of natural resources through reduced material use and increased resource recovery

## MISSION

To ensure the delivery of an integrated, cost-effective and environmentally sound waste management system and to promote sustainable community programs and policies ensuring that the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations.

Reduce the environmental impact of waste and maximise conservation of natural resources through reduced overall material use and increased materials and energy recovery.

## VALUES

### *Excellence:*

To provide best practice facilities and waste services to our community through the development of quality controls and continuous improvements.

### *Leadership:*

Having a clear vision and direction, that engages with key stakeholders and our community.

### *Integrity:*

Acting with a level of trust, respect, honesty, hard work, communication and shared responsibility that is exhibited by its people.

### *Accountability:*

To ensure the collection and management of solid waste and recovered materials in an environmentally sound manner and in accordance with regulatory requirements and the Department of Water and Environmental Regulation licence conditions.

### *Innovation:*

Embrace new and better ways to achieve improved results through creativity, inventiveness and teamwork.

### *Respect*

We value diversity and respect and are committed to work towards integrating the principles of Equal Employment Opportunity and ensure that the work environment is free from harassment and discrimination. We value and respect all members of our community.



# Bunbury-Harvey Regional Council

## Notice of Meeting

The next Special Council Meeting will be held at the Administration Complex, Stanley Road Waste Management Facility, Lot 45 Stanley Road, Wellesley on Wednesday, 31<sup>st</sup> August 2022 at 4:15pm.



Signed:

**Peter Keane**

**Chief Executive Officer**

(Date of Issue: 29 August 2022)

### AGENDA

**Note:** The recommendations contained in this document are not final and are subject to adoption, amendment (or otherwise) at the meeting.

| <i>Council Members:</i>                          | Representing                              |
|--|---|
| Cr Tresslyn Smith ( <b>Chairperson</b> )         | City of Bunbury                           |
| Cr Wendy Dickinson ( <b>Deputy Chairperson</b> ) | Shire of Harvey                           |
| Cr Karen Turner                                  | City of Bunbury                           |
| Cr John Bromham                                  | Shire of Harvey                           |
| Cr Ben Andrew                                    | City of Bunbury                           |
| <i>Executive Leadership Team (Non-Voting)</i>    | Representing                              |
| Mr Peter Keane                                   | Chief Executive Officer (BHRC)            |
| Ms Annie Riordan                                 | Chief Executive Officer (Shire of Harvey) |
| Mr Mal Osborne                                   | Chief Executive Officer (City of Bunbury) |
| <i>Officers (Non-Voting)</i>                     | Representing                              |
| Mrs Susan Beeson                                 | Finance Manager                           |
| Mrs Taryn York                                   | Council Meeting Support Officer           |
| <i>Others (Non-Voting)</i>                       | Representing                              |
| Mayor Jaysen De San Miguel                       | City of Bunbury                           |
| Cr Dakota Krispyn                                | Shire of Harvey                           |
| Mr Gavin Harris                                  | City of Bunbury                           |
| Mr Rick Lotznicker                               | Shire of Harvey                           |
| Mr Hayden Jones                                  | Shire of Harvey                           |

## 1. Declaration of Opening / Announcement of Visitors

The Presiding Member Declares Meeting open \_\_\_\_\_

## 2. Attendances and Apologies

### 2.1. Attendances

### 2.2. Apologies

## 3. Public Question Time

## 4. Summary of Response to previous Questions taken on notice

## 5. Applications for Leave of Absence

## 6. Confirmation of Minutes

## 7. Petitions / Memorials / Presentations

## 8. Declarations of Interests

## 9. Announcements (by the presiding member without discussion)

## 10. Reports of Committees

## 11. Reports of Officers

### 11.1. Budget for the Year Ending 30 June 2023

|                                |  |                                     |                      |                          |
|--------------------------------|--|-------------------------------------|----------------------|--------------------------|
| <b>Applicant / Proponent:</b>  | Internal                                   |                                     |                      |                          |
| <b>Responsible Officer:</b>    | Susan Beeson, Finance Manager              |                                     |                      |                          |
| <b>Executive:</b>              | Peter Keane, Chief Executive Officer       |                                     |                      |                          |
| <b>Authority / Discretion:</b> | Advocacy                                   | <input checked="" type="checkbox"/> | Review               | <input type="checkbox"/> |
|                                | Executive/Strategic                        | <input checked="" type="checkbox"/> | Quasi-Judicial       | <input type="checkbox"/> |
|                                | Legislative                                | <input checked="" type="checkbox"/> | Information Purposes | <input type="checkbox"/> |
| <b>Attachment(s):</b>          | <b>Attachment 1</b> – Budget for 2022/2023 |                                     |                      |                          |

#### *Summary*

Section 6.1 of the Local Government Act 1995 requires a local government to prepare and adopt (in the period June 1 to August 31) an annual budget of its Municipal fund for that same year.

#### *Background*

In July 2020, BHRC received an Environmental Protection Notice (EPN), due to significant non-compliances against Licence conditions at the Stanley Rd site. The EPN directed BHRC to cease all acceptance of Commercial Putrescible waste.

Landfill operations also ceased in March 2022, which caused all municipal waste streams to be diverted from BHRC Stanley Rd to an alternative landfill including BHRC.

Both these events have had a significant impact on the income stream for BHRC, and as such BHRC have required to receive a financial contribution in FY21/22 from both member councils.

In FY2021/22, fees and charges were reviewed and updated/endorsed twice with new schedule of fees being applied in September 2021 and February 2022.

#### *Officer Comments*

1. Elected Members Meeting Attendance Fees

In accordance with the Local Government Act 1995, fees will be paid to Councillors for attendance at meetings of Council and Council (Standing) Committees. This is in addition to any other expenses which may be reimbursed.

The prescribed minimum and maximum payments under the Local Government (Administration) Regulations 1996, 30(3A) are:

2. Reporting of Material Variances in the Monthly Statement of Financial Activity for 2022/23

It is a requirement under the Local Government (Financial Management) Regulations, for the Council to adopt (each year) a percentage or value, to be used for reporting material variances in the Statement of Financial Activity.

Any variance meeting these criteria will be required to have a supporting explanation in the monthly report to Council. Information is considered "material" if its omission, miss-statement or nondisclosure has the potential to adversely affect decisions by users of the financial report or affect the discharge of accountability by management or Council.

*(Refer to Recommendation 3)*

3. Late Payment Interest Charge

An interest charge of 7% per annum, calculated on a simple interest basis for the number of days outstanding, may apply on unpaid debts outstanding 35 days from the date of invoices raised after 1 July 2022 subject to:

- (a) This interest rate cannot be applied to a person who is considered by the Bunbury-Harvey Regional Council to be suffering financial hardship as a consequence of the COVID-19 pandemic.  
(Refer to Recommendation 4)

4. Fees and Charges

A review of the fees and charges was undertaken in May 2022, culminating in a new schedule of Fees and Charges being applied from 1<sup>st</sup> July 2022. This new schedule of fees and charges was adopted at the 2 June 2022 Ordinary Meeting of Council. These new fees and charges have been utilised as the basis for the FY 2022/23 income component of the budget.

5. Member Contributions

With the diversion of both commercial and municipal waste, BHRC is unable to generate the necessary income to support the full cost of current service provision. As such BHRC require a member contribution for FY22/23 to financial support the Council, securing the financial sustainability of BHRC.

6. Employee Expenses

The Employee costs included in the budget have considered:-

- (a) The Stanley Rd employee costs reflect a change to the operating model of the Stanley Rd site, taking a conservative approach, with limited “back-of-house” operations, waste transfer station and container for change operations only, the transport of residential waste from Stanley Rd to an alternative site.
- (b) The ceasing of Harvey Transfer Station operations, and associated Income and expenses, aligns with the Shire of Harvey indicating its willingness to bring in-house the operation of the site. The budget has assumed that this transition will take place by Jan 2023.

7. Materials and Contracts Expenses

The Materials and Contracts expenses included in the budget have considered

- (a) Additional expense associated the Repair and Maintenance of equipment, due to the non-replacement of key pieces of equipment at both operating sites.
- (b) Additional expense associated with the ongoing and expanded scope of the Contaminated Sites Investigation, as per recommendations of the Contaminated Sites Mandatory Auditor.
- (c) Expected increase in expense for the ongoing monitoring of ground and surface water, in line with renewal of contract for ground water monitoring and additional testing and expected recommendations associated with the ongoing Detailed Site Investigated being conducted under Contaminated Sites.
- (d) The effective and efficient operation of the Compost Facility with the production and sale of Compost from the site, and consequently, the landfill expense associated the screening and landfilling of contamination volumes from the process

8. Capital costs

Significant Capital costs have been included in the FY22/23 budget as per the following:-

- (a) Compost Facility (Banksia Rd)

Replacement/Upgrade Screening unit - New upgraded equipment in support of current intake volumes and address the efficient and effective management of operations to being able to produce significant volumes of compost for sale. Funded from the Organic Processing Reserve.

(b) Stanley Rd Facility

Unlined Cell Capping Costs - associated with capping phase 3 to 5 of the unlined cells, ensuring the ongoing compliance of the site toward the development of contemporary Waste Management facility. Member Councils resolved to fund \$6Million as loan funding toward the cost of capping Phase 3 to 5.

Ensure additional expense associated with:-

- Contingency associated with the capping construction works
- Contracting of Construction Superintendent and Construction Quality Assurance works

Note: Revegetation costs estimated at \$408,000 not included or provided for in rehabilitation reserve, with the costs to be borne in 2024/25.

9. Non-compliance Rectification Costs

No non-compliance rectification capital costs have been included in the FY22/23 budget, due to the inability to estimate the costs associated with the works required. Council is currently undertaking an Expression of Interest process, which will potentially inform Council as to the potential costs of the solutions, based upon Expression of Interest submissions. These items include Stanley Rd Mattress & Wood Waste and Banksia Rd Unscreened Product Stockpiles.

These non-compliance capital costs will be brought to Council as Expression of Interest Council Agenda item for deliberation and decision, with funding being required from Member Councils via further funding contributions.

Additional Stanley Rd Green Waste processing has been included in the expense element within the budget with a nominal amount of \$100,000.

*Consultation*

BHRC Councillors  
City of Bunbury CEO  
Shire of Harvey CEO  
City of Bunbury Director Infrastructure  
Shire of Harvey Director Infrastructure Services

*Financial Implications*

Notes are included in the draft budget papers in regard to new items of income and expenditure in addition to Officer Comments in this report.

BHRC require a financial contribution from Member Councils for FY2022/23, to remain financially viable. The member contribution will provide the additional income necessary to offset the “business-as-usual” operating expenses of the Council.



**Statutory Environment**

Section 6.1 of the Local Government Act 1995 applies.

**Strategic Implications**

Potential Impact to Member Council’s delivery program over the coming years

**Policy Implications**

Nil

**Officer Recommendations**

Recommendation 1 – Elected Members Meeting Attendance Fees

That Council adopt the Elected Member sitting fees as prescribed by the Local Government (Administration) Regulations 1996 being:

- (a) Council Meeting fees:
  - Chairman \$186.00 per meeting
  - Councillors \$95.00 per meeting
  
- (b) Committee Meeting fees:
  - Chairman and Councillors \$47.00 per meeting.

Note: Absolute Majority Vote Required

MOVED BY: \_\_\_\_\_ SECONDED BY: \_\_\_\_\_

RESULT: CARRIED / LOST \_\_\_\_\_

RESOLUTION: \_\_\_\_\_

Recommendation 2 – Adoption of the 2022/23 Budget

Budgets for the following funds for the year ended 30 June 2022, be adopted:

- Municipal Fund
- Plant and Infrastructure Reserve
- Site (Post Closure) Rehabilitation Reserve
- Stanley Road Environmental Protection and Cell Construction Reserve
- Organic Processing Reserve

Note: Absolute Majority Vote Required

MOVED BY: \_\_\_\_\_ SECONDED BY: \_\_\_\_\_

RESULT: CARRIED / LOST \_\_\_\_\_

RESOLUTION: \_\_\_\_\_

Recommendation 3 – Reporting of Material Variances in the Monthly Statement of Financial Activity for 2022/23

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 2022/23.

Note: Absolute Majority Vote Required

MOVED BY: \_\_\_\_\_ SECONDED BY: \_\_\_\_\_

RESULT: CARRIED / LOST \_\_\_\_\_

RESOLUTION: \_\_\_\_\_

Recommendation 4 – Late Payment Interest Charge

An interest charge of 7% per annum, calculated on a simple interest basis for the number of days outstanding, may apply on unpaid debts outstanding 35 days from the date of invoices raised after 1<sup>st</sup> July 2021 subject to:

- a. This interest rate cannot be applied to a person who is considered by the Bunbury-Harvey Regional Council to be suffering financial hardship as a consequence of the COVID-19 pandemic.

Note: Absolute Majority Vote Required

MOVED BY: \_\_\_\_\_ SECONDED BY: \_\_\_\_\_

RESULT: CARRIED / LOST \_\_\_\_\_

RESOLUTION: \_\_\_\_\_

Recommendation 5 – Redistribution of Site (Post Closure) Rehabilitation Reserve

Endorses the redistribution of Rehabilitation Site (Post Closure) Reserve funding to Capital Expenditure for Capping Construction Phase 3 to 5 up to \$3,378, as per section 6.11 of the Local Government Act 1997.

Note: Absolute Majority Vote Required

MOVED BY: \_\_\_\_\_ SECONDED BY: \_\_\_\_\_

RESULT: CARRIED / LOST \_\_\_\_\_

RESOLUTION: \_\_\_\_\_

Recommendation 6 – Redistribution of Plant and Infrastructure Reserve

Endorses the redistribution of Plant and Infrastructure Reserve funding to Capital Expenditure for Capping Construction Phase 3 to 5 up to \$157,777, as per section 6.11 of the Local Government Act 1997.

Note: Absolute Majority Vote Required

MOVED BY: \_\_\_\_\_ SECONDED BY: \_\_\_\_\_

RESULT: CARRIED / LOST \_\_\_\_\_

RESOLUTION: \_\_\_\_\_

Recommendation 7 - Redistribution of Organics Processing Reserve

Endorses the redistribution of Organics Processing Reserve funding to Capital Expenditure for Capping Construction Phase 3 to 5 up to \$395,359, as per section 6.11 of the Local Government Act 1997.

Note: Absolute Majority Vote Required

MOVED BY: \_\_\_\_\_ SECONDED BY: \_\_\_\_\_

RESULT: CARRIED / LOST \_\_\_\_\_

RESOLUTION: \_\_\_\_\_

Recommendation 8 - Financial Contributions for BHRC

Council requires the Chief Executive Officer of the BHRC to formally write to the BHRC Member Councils seeking an annual contribution in pursuant of Clause 7. 3 & 7.4(1) of the Regional Council Constitution Agreement for the sum of contribution of up to \$1.3M for the 2022/2023 Financial Year on an equivalent waste split between the two member councils.

Note: Absolute Majority Vote Required

MOVED BY: \_\_\_\_\_ SECONDED BY: \_\_\_\_\_

RESULT: CARRIED / LOST \_\_\_\_\_

RESOLUTION: \_\_\_\_\_

*Consultation*

Nil

*Financial Implications*

The financial implications are as included in the 2022/23 Budget attached at Attachment 1.

*Statutory Environment*

Sections 6.1 of the Local Government Act 1995 applies.

*Strategic Implications*

Nil

12. Elected Member motions of which previous notice has been given

13. Urgent business approved by the person presiding or by decision of the Council

#### 14. Confidential Business (Meeting Closed to the Public)

This report is confidential in accordance with section 5.23(2)(d) of the Local Government Act 1995, which permits the meeting to be closed to the public.

A confidential report and recommendation have been circulated to members under a separate cover (Confidential Report CRUSC1).

|                                |   |                                     |                      |                          |
|--------------------------------|---|-------------------------------------|----------------------|--------------------------|
| <b>Applicant / Proponent:</b>  | Internal                                    |                                     |                      |                          |
| <b>Responsible Officer:</b>    | Peter Keane, Chief Executive Officer        |                                     |                      |                          |
| <b>Responsible Manager:</b>    | -   |                                     |                      |                          |
| <b>Executive:</b>              | Peter Keane, Chief Executive Officer        |                                     |                      |                          |
| <b>Authority / Discretion:</b> | Advocacy                                    | <input type="checkbox"/>            | Review               | <input type="checkbox"/> |
|                                | Executive/Strategic                         | <input checked="" type="checkbox"/> | Quasi-Judicial       | <input type="checkbox"/> |
|                                | Legislative                                 | <input type="checkbox"/>            | Information Purposes | <input type="checkbox"/> |
| <b>Attachment(s):</b>          | Attachment 2 – “Confidential Report CRUSC1” |                                     |                      |                          |

#### *Officer Recommendation*

That Council:

Presiding Member Cr Smith declared the meeting was closed to the public at \_\_\_\_\_ pm to discuss “**Confidential Report CRUSC1**”.

MOVED BY: \_\_\_\_\_ SECONDED BY: \_\_\_\_\_

RESULT: CARRIED / LOST \_\_\_\_\_

RESOLUTION: \_\_\_\_\_

Presiding Member Cr Smith declared the meeting was opened to the public at \_\_\_\_\_ pm.

MOVED BY: \_\_\_\_\_ SECONDED BY: \_\_\_\_\_

RESULT: CARRIED / LOST

RESOLUTION: \_\_\_\_\_

#### 15. Next Meeting

The next meeting is scheduled for Thursday, 29 September 2022 at the Administration Complex, Lot 45 Stanley Road, Wellesley, commencing at 4:15pm.

#### 16. Close of Meeting

The Presiding Member declares meeting closed at \_\_\_\_\_