



## Waste Advisory Committee

# AGENDA

to be held on  
**Thursday, 3 September 2020**  
at **5:00pm**, at the  
EMRC Administration Office  
1<sup>st</sup> Floor, 226 Great Eastern Highway  
ASCOT WA 6104

Meeting Room: Council Chambers

**EASTERN METROPOLITAN REGIONAL COUNCIL  
WASTE ADVISORY COMMITTEE**

**NOTICE OF MEETING**

Dear Members

I wish to advise that a meeting of the Waste Advisory Committee will be held at the EMRC Administration Office, 1<sup>st</sup> Floor, 226 Great Eastern Highway, ASCOT WA 6104 on **Thursday 3 September 2020**, commencing at **5:00pm**.



**WENDY HARRIS**  
**Chief Sustainability Officer**

(Delegated Authority for the CEO)

28 August 2020

**Please Note**

If any member/officer has a **query regarding a report item** or requires additional information in relation to a report item, please **contact the responsible Officer** (SOURCE OF REPORT) prior to the meeting.

**WAC Committee Members**

Cr Steve Wolff ( <b>Chairman</b> )	EMRC Member	City of Belmont
Cr Mel Congerton ( <b>Deputy Chairman</b> )	EMRC Member	City of Swan
Cr Kathryn Hamilton	EMRC Member	Town of Bassendean
Cr Giorgia Johnson	EMRC Member	City of Bayswater
Cr Dylan O'Connor	EMRC Member	City of Kalamunda
Cr Doug Jeans	EMRC Member	Shire of Mundaring
Mr Jeremy Maher	Executive Manager Sustainability and Environment	Town of Bassendean
Mr Doug Pearson	Director Works and Infrastructure	City of Bayswater
Ms Melanie Reid	Director Infrastructure Services	City of Belmont
Mr Brett Jackson	Director Asset Services	City of Kalamunda
Mr Shane Purdy	Director Infrastructure Services	Shire of Mundaring
Mr Jim Coten	Executive Manager Operations	City of Swan
Mr Marcus Geisler	Chief Executive Officer	EMRC

**WAC Committee Deputies**

Cr Jai Wilson	EMRC Member	Town of Bassendean
Cr Lorna Clarke	EMRC Member	City of Bayswater
Cr Janet Powell	EMRC Member	City of Belmont
Cr Lesley Boyd	EMRC Member	City of Kalamunda
Cr John Daw	EMRC Member	Shire of Mundaring
Cr Charlie Zannino	EMRC Member	City of Swan
Mr Brice Campbell	Recycling & Waste Coordinator	Town of Bassendean
Mr Michael Worthington	Manager Environmental Health	City of Bayswater
Mr Steve Morrison	Manager Works	City of Belmont
Mr Chris Thompson	Manager Asset & Waste Operations	City of Kalamunda
Mr Roger Haripersad	Co-ordinator Waste & Fleet	Shire of Mundaring
Mr Colin Pumphrey	Manager Fleet & Waste Services	City of Swan

## WASTE ADVISORY COMMITTEE

### AGENDA

3 September 2020

(REF: D2020/13852)

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**1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS**

**2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE (PREVIOUSLY APPROVED)**

**3 DISCLOSURE OF INTERESTS**

**4 ANNOUNCEMENTS BY THE CHAIRMAN OR PRESIDING MEMBER WITHOUT DISCUSSION**

**5 PETITIONS, DEPUTATIONS AND PRESENTATIONS**

**6 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**

**6.1 MINUTES OF THE WASTE ADVISORY COMMITTEE MEETING HELD ON 7 MAY 2020**

That the Minutes of the Waste Advisory Committee meeting held on 7 May 2020 which have been distributed, be confirmed.

**WAC RESOLUTION(S)**

MOVED

SECONDED

**7 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN**

**8 QUESTIONS BY MEMBERS WITHOUT NOTICE**

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**9 ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH MEETINGS MAY BE CLOSED TO THE PUBLIC**

NOTE: Section 5.23(2) of the *Local Government Act 1995*, details a number of matters upon which Council may discuss and make decisions without members of the public being present. These matters include: matters affecting employees; personal affairs of any person; contractual matters; legal advice; commercial-in-confidence matters; security matters; among others.

The following report items are covered in Section 14 of this agenda.

9.1 CLASS IV WASTE CELL (PRELIMINARY DESIGN & APPROVALS)

**10 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING**

Nil

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## **11 REPORTS OF EMPLOYEES**

- Item 11.1 PROGRESS REPORT ON THE IMPLEMENTATION OF THE EMRC FOGO RECOVERY STRATEGY
- Item 11.2 EXEMPTION FROM TENDER REGULATIONS FOR A SUPPLIER
- Item 11.3 DEVELOPMENT OF ADMINISTRATION & WORKSHOP BUILDING, HAZELMERE RESOURCE RECOVERY PARK
- Item 11.4 WASTE TRANSFER STATION, HAZELMERE RESOURCE RECOVERY PARK
- Item 11.5 ITEMS CONTAINED IN THE INFORMATION BULLETIN

### **QUESTIONS**

The Chairman invites questions from members on the reports of employees.

### **RECOMMENDATION(S)**

That with the exception of items ....., which are to be withdrawn and dealt with separately, Council adopts the recommendations in the Reports of Employees (Section 11).

### **WAC RECOMMENDATION(S)**

MOVED CR

SECONDED CR

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## 11 REPORTS OF EMPLOYEES

### 11.1 PROGRESS REPORT ON THE IMPLEMENTATION OF THE EMRC FOGO RECOVERY STRATEGY

REFERENCE: D2020/13486

#### PURPOSE OF REPORT

The purpose of this report is to provide an update on the implementation of the Food Organics and Garden Organics (FOGO) Recovery Strategy including endorsement of the Feasibility Study for a Permanent FOGO Facility.

#### KEY POINTS AND RECOMMENDATION(S)

- The Town of Bassendean commenced deliveries of FOGO waste to the interim facility at Red Hill Waste Management Facility on 3 August 2020.
- The EMRC's waste education team have been supporting the Town of Bassendean with the rollout of this service.
- The City of Bayswater have advised that the start date for the commencement of FOGO collections will be deferred until February/March 2021.
- Engineering consultants GHD have been appointed as the advisers to support the tender process for a permanent FOGO facility.
- GHD have prepared a feasibility study for a permanent FOGO facility based on the scope of work agreed with the technical officer group.
- The technical officer group have reviewed the draft FOGO Supply Agreement for FOGO supply.

#### Recommendation(s)

That:

1. Council endorses the Feasibility Study for a Permanent FOGO Facility forming the confidential attachment to this report.
2. Council approves the preparation of a Request for Tender for a Permanent FOGO Facility to be issued to the Acceptable Tenderers after endorsement of the tender documents by the member Council technical officer group.
3. Council request its member Councils to confirm their commitment to supply their FOGO waste, at an indicative cost in the range as referred to in the confidential attachment to this report, to the Permanent FOGO Processing Facility for a 20-year period from the commencement of operations.
4. Council by absolute majority in accordance with s.6.8 of the *Local Government Act 1995* approves unbudgeted expenditure of \$400,000 for the 2020/2021 to progress the implementation of the FOGO Recovery Strategy.
5. The attachment remains confidential and be certified by the Chairman and CEO.

#### SOURCE OF REPORT

Chief Project Officer



*Item 11.1 continued*

## **BACKGROUND**

At its 6 December 2018 meeting of Council, it was resolved (Ref: D2018/17076):

*“THAT COUNCIL:*

- 1. ACKNOWLEDGE THE REQUESTS FROM THE TOWN OF BASSENDEAN AND THE CITY OF BAYSWATER FOR THE INVESTIGATION OF THE PROCESSING OF FOOD AND GARDEN ORGANIC WASTE (FOGO) AT THE RED HILL WASTE MANAGEMENT FACILITY.*
- 2. NOTES THE OPTIONS BEING CONSIDERED FOR THE PROCESSING OF FOGO WASTE AT THE RED HILL WASTE MANAGEMENT FACILITY.*
- 3. AS PART OF THE VARIOUS OPTIONS BEING CONSIDERED, THAT INVESTIGATIONS AND COST MODELLING BE UNDERTAKEN ON OPTIONS TO ESTABLISH AN INTERIM FINANCIAL ARRANGEMENT ON BEHALF OF MEMBER COUNCILS, WITH SOUTHERN METROPOLITAN REGIONAL COUNCIL OR OTHER APPROPRIATE THIRD PARTIES FOR THE PROCESSING OF FOGO COMMENCING 1 JULY 2019 UNTIL THE RED HILL WASTE MANAGEMENT FACILITY IS ABLE TO RECEIVE AND PROCESS FOGO WASTE.*
- 4. REQUEST THE OUTCOME FROM THE REVIEW OF THE VARIOUS OPTIONS INCLUDING COST MODELLING BE PRESENTED TO THE MARCH 2019 ORDINARY COUNCIL MEETING.”*

At its 21 March 2019 meeting of Council, it was resolved (D2019/05266):

*“THAT:*

- 1. THE EMRC BEGIN THE PROCESS OF DEVELOPING A LONG-TERM FOOD ORGANIC & GARDEN ORGANIC (FOGO) STRATEGY INCLUDING, IF REQUIRED, SEEKING EXPRESSIONS OF INTEREST FOR THE APPROPRIATE TECHNOLOGY TO IMPLEMENT LONG-TERM FOGO PROCESSING SOLUTIONS TO CATER FOR ALL MEMBER COUNCIL WASTE STREAMS.*
- 2. IN THE INTERIM, THE EMRC PROCEEDS WITH THE PROCUREMENT PROCESS AND LICENCE APPROVAL FOR THE ADDITION OF A TRIAL MOBILE AERATOR FLOOR (MAF) COMPOSTING SYSTEM FOR THE PROCESSING OF UP TO 10,000 TPA OF FOGO WASTE AT THE RED HILL WASTE MANAGEMENT FACILITY.*
- 3. APPROVES THE EXPENDITURE OF UP TO \$400,000 EX GST FOR THE PURCHASE AND INSTALLATION OF A SUITABLE MAF SYSTEM, INCLUDING HARDSTAND INSTALLATION AND THAT THE FUNDS BE ALLOCATED FROM THE SECONDARY WASTE RESERVE.*
- 4. NOTES THAT INTERIM ARRANGEMENTS ARE AVAILABLE WITH SEVERAL THIRD PARTY PROCESSORS OF FOGO WASTE IF THE INSTALLATION OF A PROCESSING FACILITY OR THE LICENCE APPROVAL IS DELAYED FOR WHATEVER REASON BEYOND PLANNED START DATES FOR FOGO COLLECTIONS BY MEMBER COUNCILS.*
- 5. ADVISE THE TOWN OF BASSENDEAN AND THE CITY OF BAYSWATER OF THE COUNCIL RESOLUTION AND AUTHORISE THE CEO TO ENTER INTO NEGOTIATIONS WITH THESE MEMBER COUNCILS FOR A SUITABLE PROCESSING ARRANGEMENT.*
- 6. SEEK FUNDING SUPPORT FROM THE WASTE AUTHORITY FOR THE FOGO TRIAL AT THE RED HILL WASTE MANAGEMENT FACILITY.*
- 7. THAT THE EMRC EXPLORE ALL MARKETING OPPORTUNITIES FOR THE COMPOST PRODUCT DURING THE FOGO TRIAL PERIOD.”*

Following the draft Food Organics and Garden Organics (FOGO) Waste Strategy (Ref: D2019/14024) being presented to the Waste Advisory Committee on 5 September 2019, it was subsequently endorsed by Council at its 19 September 2019 meeting and was resolved as follows (Ref: D2019/14022):

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*Item 11.1 continued*

*“THAT COUNCIL ENDORSES THE DRAFT FOOD ORGANICS AND GARDEN ORGANICS (FOGO) RECOVERY STRATEGY SUBJECT TO THE LAST DOT POINT UNDER ‘PRINCIPLES’ ON PAGE 9 BEING AMENDED TO STATE “THE FUNDING OF BINS, CADDIES AND INITIAL EDUCATION/PRODUCT MARKETING FOR MEMBER COUNCILS WILL BE FUNDED THROUGH THE SECONDARY WASTE RESERVE.”*

At its 20 February 2020 meeting of Council, it was resolved (Ref: D2020/2381):

*“THAT:*

- 1. THE FOLLOWING RESPONDENTS TO THE EXPRESSION OF INTEREST ARE LISTED AS ACCEPTABLE TENDERERS:
  - A. BARPA PTY LTD;*
  - B. HITACHI ZOSEN INOVA AUSTRALIA PTY LTD;*
  - C. PINDAN CONTRACTING PTY LTD;*
  - D. SACYR ENVIRONMENT AUSTRALIA PTY LTD; AND*
  - E. VEOLIA ENVIRONMENTAL SERVICES (AUSTRALIA) PTY LTD.**
- 2. THE FOLLOWING RESPONDENTS TO THE EXPRESSION OF INTEREST ARE NOT LISTED AS ACCEPTABLE TENDERERS:
  - A. AURIGEN GROUP*
  - B. BIOGASS RENEWABLES PTY LTD;*
  - C. CLEANAWAY PTY LTD;*
  - D. FOCUS ENVIRO (EMER PTY LTD)*
  - E. REGROUP PTY LTD; AND*
  - F. SKALA AUSTRALASIA PTY LTD.**
- 3. THE RESPONDENTS TO EXPRESSION OF INTEREST 2019 -007 BE ADVISED OF THE OUTCOME OF THE ASSESSMENT.*
- 4. THAT A FEASIBILITY STUDY IS PREPARED AND ADOPTED BY COUNCIL PRIOR TO TENDERS BEING CALLED.*
- 5. THE ATTACHMENT(S) REMAIN CONFIDENTIAL AND BE CERTIFIED BY THE CHAIRMAN AND CEO.”*

At its 19 March 2020 meeting of Council, it was resolved (Ref: D2020/05700)

*“THAT COUNCIL:*

- 1. DECLARES ON THIS DAY 19 MARCH 2020, A DISTRIBUTION TALLING \$13,789,200 FROM THE SECONDARY WASTE RESERVE TO BE DISTRIBUTED TO ALL MEMBER COUNCILS ON OR BEFORE 30 JUNE 2020.*
  - 2. AUTHORISES THE DISTRIBUTION TO THE RESPECTIVE PARTICIPANTS OF THE EMRC:
    - A. BE BASED ON \$100 PER HOUSEHOLD; AND*
    - B. FOLLOWING THE NEXT CENSUS IN 2021 AN ADJUSTMENT DISTRIBUTION BE MADE BASED ON REVISED NUMBER OF HOUSEHOLDS PER MEMBER COUNCIL.**
  - 3. AGREES THE DISTRIBUTION OF FUNDS TO THE RESPECTIVE MEMBER COUNCILS IS TO ASSIST AND SUPPORT THE IMPLEMENTATION OF FOGO RECOVERY PROGRAM INCLUDING THE COST OF BINS, KITCHEN CADDIES AND FIRST YEAR CADDY LINERS IN LINE WITH THE SECONDARY WASTE TREATMENT OF HOUSEHOLD MUNICIPAL WASTE.*
  - 4. SHOULD A MEMBER COUNCIL DECIDE NOT TO PROCEED WITH THE FOGO PROGRAM, DISTRIBUTED FUNDS ARE TO BE REFUNDED TO THE SECONDARY WASTE RESERVE.*
-



*Item 11.1 continued*

5. *REQUEST AN UPDATED TIMELINE FOR TENDER IMPLEMENTATION OF A PERMANENT FOGO PROCESSING SOLUTION THAT INCLUDES THE TASKS OF PREPARING A FEASIBILITY STUDY AND OBTAINING COUNCIL APPROVAL PRIOR TO TENDERS BEING CALLED."*

At its 21 May 2020 Council meeting it was resolved: (Ref: D2020/08952)

*"THAT COUNCIL:*

- 1. RECEIVES THE REPORT.*
- 2. REFER THE DRAFT TIMELINE FOR TENDER IMPLEMENTATION TO A WORKING GROUP, CONSISTING OF EMRC OFFICERS AND MEMBER COUNCIL'S TECHNICAL OFFICERS.*
- 3. REPORT BACK TO A FUTURE WASTE ADVISORY COMMITTEE MEETING WITH A REVISED TIMELINE.*
- 4. THAT THE SCOPE OF WORKS FOR THE FEASIBILITY STUDY STEMMING FROM THE EMRC COUNCIL MEETING DECISION OF 20 FEBRUARY 2020 IS ENDORSED BY THE WASTE ADVISORY COMMITTEE PRIOR TO COMMENCEMENT."*

## **REPORT**

### **FOGO Collections and FOGO Education**

The EMRC's waste education team have been supporting the Town of Bassendean with the rollout of their FOGO collection service which commenced on 27 July 2020.

The City of Bayswater have advised that the start date for the commencement of FOGO collections will be deferred until February/March 2021.

### **Interim FOGO Processing**

The interim facility at Red Hill Waste Management Facility (Red Hill) received licence approval from the Department of Water Environmental Regulation (DWER) on 29 June 2020. After completion of the hard stand and leachate pond and installation of the two stage Mobile Aerated Floor (MAF) system, FOGO waste from the Town of Bassendean was received on 3 August 2020.

### **Feasibility Study for a FOGO Permanent Facility**

Engineering consultants GHD have been appointed as the advisers to support the tender process for a permanent FOGO facility.

GHD have prepared a feasibility study for a permanent FOGO facility based on the scope of work agreed with the technical officer group. The draft feasibility study was reviewed by the technical officer group on 27 August 2020 and feedback has been incorporated into a final version which is a confidential attachment to this report (Attachment 1).

### **Acceptable Tenderer Presentations**

The five acceptable tenderers were invited to provide presentations on their technologies and consortiums to a group comprising of EMRC and member Council technical officer representatives between 14 and 21 August 2020. The confidential presentations were made either in person or online and were comprehensive and feedback has informed the feasibility study and will inform the tender process going forward.

### **FOGO Supply Agreement**

A redrafted FOGO Supply Agreement has been reviewed by the technical officer group following input from the EMRC's lawyers. The technical officer group have requested further amendments and when a satisfactory draft is available, the FOGO Supply Agreement will be sent to member Councils for their independent legal review. Following this process, the FOGO Supply Agreement will be the subject of a report to Council for endorsement, prior to the issue of a Request for Tender for a Permanent FOGO Processing Facility.

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*Item 11.1 continued*

In the meantime, member Councils are requested to commit to supply their FOGO Waste to the Permanent FOGO Processing Facility for a 20-year period from the commencement of operations at an upper indicative gate fee per tonne as referred to in the confidential Feasibility Study.

**RFT for Permanent FOGO Facility**

The indicative timeline for the implementation of a tender process for a Permanent FOGO Processing facility is as follows:

<b>PROJECT STAGE</b>	<b>DATE</b>
Tenders called	December 2020
Tender period	15 weeks
Tender review	March – May 2021
Council approval	June 2021
Preferred tenderer notified	June 2022
Contract award	July/August 2021
Construction period	15 – 18 months (subject to tender)
Commissioning	Jan 2023 (subject to tender)
Operations commence	Mar 2023 (subject to tender)

**STRATEGIC/POLICY IMPLICATIONS**

Key Result Area 1 – Environmental Sustainability

- 1.1 To provide sustainable waste disposal operations

**FINANCIAL IMPLICATIONS**

For the year ended 30 June 2020, \$514,910 was underspent against the budget. There is some provision in the adopted 2020/2021 Annual Budget but the underspend was not carried forward into the current year. To progress the implementation, unbudgeted funds of \$400,000 is sought to be utilised from the Secondary Waste Reserve.

**SUSTAINABILITY IMPLICATIONS**

Nil

**MEMBER COUNCIL IMPLICATIONS**

<b>Member Council</b>	<b>Implication Details</b>
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
City of Kalamunda	
Shire of Mundaring	
City of Swan	



*Item 11.1 continued*

**CONFIDENTIAL ATTACHMENT(S)**

Feasibility Study for a Permanent FOGO Processing Facility (Ref D2020/19423)

This attachment is recommended to be confidential because it contains matters of a commercial-in-confidence nature.

See Confidential Item circulated with the Agenda under Separate Cover. **(To be supplied)**

**VOTING REQUIREMENT**

Absolute Majority

**RECOMMENDATION(S)**

That:

1. Council endorses the Feasibility Study for a Permanent FOGO Facility forming the confidential attachment to this report.
2. Council approves the preparation of a Request for Tender for a Permanent FOGO Facility to be issued to the Acceptable Tenderers after endorsement of the tender documents by the member Council technical officer group.
3. Council request its member Councils to confirm their commitment to supply their FOGO waste, at an indicative cost in the range as referred to in the confidential attachment to this report, to the Permanent FOGO Processing Facility for a 20-year period from the commencement of operations.
4. Council by absolute majority in accordance with s.6.8 of the *Local Government Act 1995* approves unbudgeted expenditure of \$400,000 for the 2020/2021 to progress the implementation of the FOGO Recovery Strategy.
5. The attachment remains confidential and be certified by the Chairman and CEO.

**WAC RECOMMENDATION(S),**

MOVED

SECONDED

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## 11.2 EXEMPTION FROM TENDER REGULATIONS FOR A SUPPLIER

REFERENCE: D2020/19068

### PURPOSE OF REPORT

The purpose of this report is to seek Council approval for exemption from the tender regulations for one of the EMRC's suppliers, Petro Min Engineers.

### KEY POINTS AND RECOMMENDATION(S)

- The EMRC use the services of Petro Min Engineers (PME) as electrical engineering consultants primarily on the Wood Waste to Energy project to advise on the electrical design work and fabrication/procurement being done by the contractor, Anergy Australia Pty Ltd.
- On current projections, the amount procured is likely to exceed the tender limit of \$250,000 (ex GST) before 31 December 2020.
- R.11(1)(f) of the *Local Government (Functions and General) Regulations 1996* requires tenders to be publicly invited for contracts worth more than \$250,000.
- R.11(2)(f) of the *Local Government (Functions and General) Regulations 1996* provides that where a local government has good reason to believe that, because of the unique nature of the goods or services required or for any other reason, it is unlikely that there is more than one potential supplier, then tenders do not need to be invited.
- Due to PME's existing involvement and experience on the Wood Waste to Energy Project and for commercial reasons associated with the costs to change consultants at this stage, particularly in terms of time to bring a new contractor up to speed, it is suggested that in accordance with r.11(2)(f) of the *Local Government (Functions and General) Regulations 1996* that tenders not be invited on this occasion.

#### Recommendation(s)

That:

1. Council acknowledges that because of Petro Min Engineers existing involvement and experience, it has good reason to believe there is unlikely to be any other supplier who can provide a similar value for money outcome to complete the electrical engineering requirements for the Hazelmere Wood Waste to Energy Project.
2. In accordance with r.11(2)(f) of the *Local Government (Functions and General) Regulations 1996* that tenders not be invited on this occasion.

### SOURCE OF REPORT

Chief Project Officer

### BACKGROUND

The EMRC uses the services of PME to advise on electrical engineering matters from time to time related to access to the Western Power grid and site electrical reticulation issues. PME have also been involved in the Wood Waste to Energy (WWTE) Project from the early days of the project, both advising Anergy on electrical engineering aspects of the design and assisting EMRC with the options for export of the power.



*Item 11.2 continued*

In a confidential report to Council on 21 May 2020 it was resolved: (Ref: D2020/08317)

“*THAT:*

1. *COUNCIL AUTHORISES THE CHIEF EXECUTIVE OFFICER TO ENTER INTO AN AMENDMENT TO THE DEED OF VARIATION WITH ANERGY AUSTRALIA PTY LTD SIGNED IN NOVEMBER 2019 AND NEGOTIATE AND AGREE AMENDMENTS OTHER THAN TO THE MAXIMUM TOTAL AMOUNT OF PAYMENTS SPECIFIED IN SCHEDULE A TO THE DEED OF VARIATION.*
2. *COUNCIL AUTHORISES A CONTINGENCY ALLOWANCE ON THE COST TO COMPLETION UP TO THE VALUE SPECIFIED IN THE REPORT.*
3. *THE REPORT AND REMAINS CONFIDENTIAL AND BE CERTIFIED BY THE CHAIRMAN AND CEO.”*

The contingency allowance included an estimated expenditure on PME to assist the completion of the WWTE Plant.

## **REPORT**

Over the last 12 months, the EMRC has required the WWTE contractor Anergy to utilise the services of PME in checking electrical engineering aspects of the plant design and equipment fabrication by external suppliers.

On current projections, the services procured from PME is likely to exceed the tender limit of \$250,000 (ex GST) before 31 December 2020. R.11(1) of the *Local Government (Functions and General) Regulations 1996* requires tenders to be publicly invited for contracts worth more than \$250,000, unless subsection (2) states otherwise.

R.11(2)(f) of the *Local Government (Functions and General) Regulations 1996* state that where a local government has good reason to believe that, because of the unique nature of the goods or services required or for any other reason, it is unlikely that there is more than one potential supplier, then tenders do not need to be invited.

Due to PME’s previous and existing involvement in the WWTE Project and for commercial reasons associated with the cost to change consultants at this stage, particularly in terms of time to bring a new contractor up to speed, it is recommended that the EMRC continue to utilise the services of PME to oversee the low voltage electrical installation tender issued by Anergy and the final sign off by Western Power. Therefore, it is suggested that in accordance with r.11(2)(f) of the *Local Government (Functions and General) Regulations 1996* that tenders not be invited on this occasion.

## **STRATEGIC/POLICY IMPLICATIONS**

### **Key Result Area 1 – Environmental Sustainability**

- 1.1 To provide sustainable waste disposal operations
- 1.4 To investigate leading edge waste management practices

### **Key Result Area 3 – Good Governance**

- 3.4 To continue to improve financial and asset management practices
-



*Item 11.2 continued*

## **FINANCIAL IMPLICATIONS**

Funds are provided in the adopted annual budget for 2020/2021 for consulting expenses to support the completion of the WWTE Plant. Expenditure on services from PME is likely to exceed \$250,000 this calendar year, including services estimated at \$150,000 between now and the plant completion.

## **SUSTAINABILITY IMPLICATIONS**

The use of experienced and qualified consultants will ensure that the WWTE Plant is finished to the standard required by the EMRC and regulators.

## **MEMBER COUNCIL IMPLICATIONS**

<b>Member Council</b>	<b>Implication Details</b>
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
City of Kalamunda	
Shire of Mundaring	
City of Swan	

## ATTACHMENT(S)

Nil

## VOTING REQUIREMENT

Simple Majority

## **RECOMMENDATION(S)**

That:

1. Council acknowledges that because of Petro Min Engineers existing involvement and experience, it has good reason to believe there is unlikely to be any other supplier who can provide a similar value for money outcome to complete the electrical engineering requirements for the Hazelmere Wood Waste to Energy Project.
2. In accordance with r.11(2)(f) of the *Local Government (Functions and General) Regulations 1996* that tenders not be invited on this occasion.

## **WAC RECOMMENDATION(S)**

MOVED

SECONDED



### **11.3 DEVELOPMENT OF ADMINISTRATION & WORKSHOP BUILDING, HAZELMERE RESOURCE RECOVERY PARK**

**REFERENCE: D2020/16426**

#### **PURPOSE OF REPORT**

The purpose of this report is to obtain Council endorsement of the Business Case for the development of an administration & workshop building at the Hazelmere Resource Recovery Park and authorise a budget allocation for this project in the 2020/2021 capital works programme.

#### **KEY POINTS AND RECOMMENDATION(S)**

- The EMRC requires a new facility at the Hazelmere Resource Recovery Park (HRRP) for administration staff and for the maintenance of plant and equipment.
- The existing facilities are inadequate from a health and safety point of view and efficient management of the site.
- A Business Case for the proposed development is a confidential attachment to this report as requested by Council.
- Budget allocation is required to be approved.

#### **Recommendation(s)**

That:

1. Council endorses the Business Case for the proposed administration & workshop building at the Hazelmere Resource Recovery Park attached to this report.
2. Council by absolute majority in accordance with s.6.8 of the *Local Government Act 1995* approves the allocation of funding as outlined in the confidential attachment 1 for the capital works programme for 2020/2021 Council.
3. The report and attachments remain confidential and be certified by the Chairman and CEO.

#### **SOURCE OF REPORT**

Chief Project Officer

#### **BACKGROUND**

The EMRC has planned the development of a new workshop at Hazelmere for some years and this is included in the Concept Plan for Hazelmere Resource Recovery Park. A budget allocation was made in the draft capital works budget for 2020/2021 but this was subsequently ring-fenced for reconsideration by Council after presentation of a satisfactory business case.

The Concept Plan for the HRRP also included an administration building to be located near the small vehicle entrance in Lakes Road. It has now been decided that this would be better included in the workshop building to provide for a central integrated facility.





*Item 11.3 continued*

## **REPORT**

The HRRP requires a new administration & workshop building to accommodate site staff and provide an undercover mechanical workshop. Presently, the accommodation for the administration and operational staff is spread between the old house and two demountable offices. The house is in poor condition and is not suitably equipped or sized to accommodate the site's administration staff in one location, hence the ongoing use of a demountable for the administration officer and another for the site engineer. There is no dedicated meeting room in the house, offices are adapted from the bedrooms and the kitchen is a shared facility with administration staff and plant operators and ablution facilities are basic. Furthermore, the house is located within the area designated for the future proposed Community Recycling Centre (CRC) due for development in 2021 if approved by Council.

The current workshop consists of a small open-ended dome shelter providing very limited space for maintenance of the mobile heavy plant and some instances it is too small and not sufficient for the overhaul and maintenance of the HAAS grinder with very limited protection from adverse weather conditions. The present hardstand is deteriorating and is difficult to operate in during the winter months as can be seen in the images in the Business Case (See Figure 1).

These facilities are inadequate from a health and safety point of view and for efficient management of the site.

As part of this proposed development, the workshop hardstand will be regraded, asphalt paved, and additional stormwater management infrastructure installed to manage existing flooding issues of the area during the winter. A design has been developed for an integrated administration & workshop building as shown in attached Business Case (Attachment 1). This will provide for improved health and safety of the workforce and more efficient management of the site.

The new administration & workshop building will accommodate and provide amenities for up to 28 staff (including existing administration and operations staff and staff required for future site developments). The building will include the following features:

- Office space for managers and supervisors as required;
- Centralised IT Server Room for whole of the Site, to include NBN fibre connection and CCTV servers;
- Environmental laboratory for product material analysis;
- Staff meeting/ lunch room;
- Kitchen;
- Toilets and showers;
- Two large workshop bays including a gantry crane and dedicated compressor bay; and
- Supplies and parts storage.

Council endorsement is sought for the Business Case for an administration & workshop building at the Hazelmere Resource Recovery Park and a budget allocation to complete the project.

The budget estimate for the administration & workshop building is as shown in the attached Business Case which will be subject to a tender process and Council approval. The expected timeframe for completion of the construction is June 2021.

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*Item 11.3 continued*

## **STRATEGIC/POLICY IMPLICATIONS**

Ker result Area 1 – Environmental Sustainability

- 1.1 To provide sustainable waste disposal operations
- 1.2 To improve regional waste management
- 1.4 To investigate leading edge waste management practices

## **FINANCIAL IMPLICATIONS**

A budget allocation as outlined in the confidential attachment 1 is requested for the 2020/2021 Capital Works programme to be funded from the Secondary Waste Reserve.

## **SUSTAINABILITY IMPLICATIONS**

The administration & workshop building will provide for modern and safe, all weather facilities for the housing of staff at Hazelmere Resource Recovery Park and for the maintenance of plant and equipment.

## **MEMBER COUNCIL IMPLICATIONS**

<b>Member Council</b>	<b>Implication Details</b>
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
City of Kalamunda	
Shire of Mundaring	
City of Swan	

## **CONFIDENTIAL ATTACHMENT(S)**

1. Business Case, Administration & Workshop Building, Hazelmere Resource Recovery Park (Ref: D2020/19208)
2. Drawing - Development of Administration Workshop Floor Plan (Ref: D2020/19310)
3. Development of Administration Cost Estimates – Hazelmere Workshop (Ref: D2020/19309)

These attachments are recommended to be confidential because they contain matters of a commercial-in-confidence nature.

See Confidential Item circulated with the Agenda under Separate Cover.

## **VOTING REQUIREMENT**

Absolute Majority



*Item 11.3 continued*

**RECOMMENDATION(S)**

That:

1. Council endorses the Business Case for the proposed administration & workshop building at the Hazelmere Resource Recovery Park attached to this report.
2. Council by absolute majority in accordance with s.6.8 of the *Local Government Act 1995* approves the allocation of funding as outlined in the confidential attachment 1 for the capital works programme for 2020/2021 Council.
3. The report and attachments remain confidential and be certified by the Chairman and CEO.

**WAC RECOMMENDATION(S)**

MOVED

SECONDED

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## 11.4 WASTE TRANSFER STATION, HAZELMERE RESOURCE RECOVERY PARK

REFERENCE: D2020/16425

### PURPOSE OF REPORT

The purpose of this report is to obtain Council endorsement for the Business Case for the proposed Waste Transfer Station at Hazelmere Resource Recovery Park and seek Council approval to proceed with the procurement process.

### KEY POINTS AND RECOMMENDATION(S)

- As part of the tender evaluation of the Resource Recovery Facility in 2017, the EMRC investigated the feasibility of a waste transfer station at Hazelmere Resource Recovery Park (HRRP).
- A Business Case for a Waste Transfer Station (WTS) at the HRRP Red Hill Waste Management Facility has been developed and forms a confidential attachment to this report.
- A Works Approval for the proposed WTS has been received from the Department of Environment and Water Regulation (DWER).

#### Recommendation(s)

That:

1. Council endorses the Business Case for the proposed Waste Transfer Station at Hazelmere Resource Recovery Park which forms a confidential attachment to this report.
2. Council by absolute majority in accordance with s.6.8 of the *Local Government Act 1995* approves the unbudgeted expenditure up to the amount detailed in the report to the capital works programme for 2020/2021 to progress the design and tender process for the proposed Waste Transfer Station.
3. The attachment remains confidential and be certified by the Chairman and CEO.

### SOURCE OF REPORT

Chief Project Officer

### BACKGROUND

In a confidential report to the 7 September 2017 Special meeting of Council it was resolved: (Ref: D2017/12794)

*“THAT:*

1. *COUNCIL CONFIRMS THAT THE PREFERRED TENDERER FOR REQUEST FOR TENDER (RFT) 2016-005 – RESOURCE RECOVERY FACILITY (RRF) IS A CONSORTIUM COMPRISING HITACHI Zosen Inova AG, New Energy Corporation Pty Ltd and Tribe Infrastructure Development Pte Ltd (HZI Consortium).*
2. *COUNCIL CONFIRMS THAT HZI CONSORTIUM INTENDS TO ESTABLISH AN ENERGY FROM WASTE FACILITY IN EAST ROCKINGHAM TO PROCESS MUNICIPAL WASTE FROM THE EMRC, MRC AND COMMERCIAL CUSTOMERS.*
3. *COUNCIL ADOPTS THE WASTE SUPPLY AGREEMENT BETWEEN EMRC AND HZI CONSORTIUM FORMING AN ATTACHMENT TO THIS REPORT.*



*Item 11.4 continued*

4. *THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER BE AUTHORISED TO SIGN THE WASTE SUPPLY AGREEMENT WITH HZI CONSORTIUM UNDER THE COMMON SEAL.*
5. *COUNCIL ADOPTS THE FINANCIER SIDE DEED WITH THE SECURITY TRUSTEE AND EACH OF THE EMRC MEMBER COUNCILS FORMING AN ATTACHMENT TO THIS REPORT.*
6. *THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER BE AUTHORISED TO SIGN THE FINANCIER SIDE DEED WITH THE SECURITY TRUSTEE UNDER THE COMMON SEAL.*
7. *COUNCIL ADOPTS THE PARTICIPANTS AGREEMENT FOR A WASTE SUPPLY AGREEMENT WITH EACH OF THE EMRC MEMBER COUNCILS.*
8. *THE CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER BE AUTHORISED TO SIGN THE PARTICIPANTS AGREEMENT FOR A WASTE SUPPLY AGREEMENT UNDER THE COMMON SEAL WITH EACH OF THE EMRC MEMBER COUNCILS.*
9. *THE CEO BE AUTHORISED IN CONSULTATION WITH THE CHAIRMAN AND ON LEGAL ADVICE TO MAKE MINOR CHANGES TO THE AGREEMENTS FORMING ATTACHMENTS TO THIS REPORT.*
10. *EMRC MEMBER COUNCILS BE REQUESTED TO ADOPT AND SIGN THE PARTICIPATION AGREEMENT FOR A WASTE SUPPLY AGREEMENT.*
11. *EMRC MEMBER COUNCILS BE REQUESTED TO ADOPT AND SIGN THE FINANCIER SIDE DEED.*
12. *THE REPORT AND ATTACHMENTS REMAIN CONFIDENTIAL AND BE CERTIFIED BY THE CHAIRMAN AND CEO.”*

In a confidential report to the 21 February 2019 meeting of Council, it was resolved: (Ref: D2019/02171)

*“THAT:*

1. *COUNCIL NOTES THE CONTRACTOR’S ADVICE THAT FINANCIAL CLOSE FOR THE EAST ROCKINGHAM RESOURCE RECOVERY FACILITY (RRF) PROJECT MAY NOT BE REACHED BY 14 MARCH 2019 AS SPECIFIED IN THE WASTE SUPPLY AGREEMENT.*
2. *COUNCIL GRANTS AN EXTENSION OF TIME FOR THE CONTRACTOR TO ACHIEVE FINANCIAL CLOSE UNTIL 30 JUNE 2019.*
3. *COUNCIL AUTHORISES THE CEO TO GRANT FURTHER EXTENSIONS OF TIME TO THE CONTRACTOR FOR FINANCIAL CLOSE AS REQUIRED.*
4. *THE REPORT REMAINS CONFIDENTIAL AND BE CERTIFIED BY THE CHAIRMAN AND CEO.”*

In a confidential report to a Special Meeting of Council on 27 June 2019, it was resolved: (Ref: D2019/08734)

*“THAT:*

1. *COUNCIL NOTES THE CONTRACTOR’S ADVICE THAT FINANCIAL CLOSE FOR THE EAST ROCKINGHAM RESOURCE RECOVERY FACILITY (RRF) PROJECT WILL NOT BE REACHED BY 30 JUNE 2019 AS SPECIFIED IN THE WASTE SUPPLY AGREEMENT.*
  2. *COUNCIL ADOPTS OPTION 5 AS CONTAINED IN THE BODY OF THE REPORT AND ADVISES THE CONTRACTOR ACCORDINGLY.*
  3. *THE REPORT REMAINS CONFIDENTIAL AND BE CERTIFIED BY THE CHAIRMAN AND CEO.”*
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*Item 11.4 continued*

## **REPORT**

As part of the budget approval process for 2020/2021 it was decided to ring-fence the capital budget for the proposed Waste Transfer Station (WTS) and reconsider this upon the presentation of a business case for the facility.

The financial modelling for the WTS has been revised after discussions with the member Council technical officer group and the amended costings are included in the Business Case (attached). On advice from the technical officer group, discussions were held with the City of Gosnells and the City of Rockingham regarding their existing or proposed use of waste compactor systems which has informed the Business Case.

Council endorsement is sought for the Business Case for a Waste Transfer Station at the Hazelmere Resource Recovery Park and approval for a budget allocation of \$150,000 in the capital works programme to complete the detailed design and tender documentation.

## **STRATEGIC/POLICY IMPLICATIONS**

Ker result Area 1 – Environmental Sustainability

- 1.1 To provide sustainable waste disposal operations
- 1.2 To improve regional waste management
- 1.4 To investigate leading edge waste management practices

## **FINANCIAL IMPLICATIONS**

Funding for the implementation of the Waste Transfer Station in 2020/2021 is requested including the detailed design and documentation for a request for tender. Funding will be provided from the Secondary Waste Reserve.

## **SUSTAINABILITY IMPLICATIONS**

The Waste Transfer Station will provide for sustainable and reliable consolidation of participant Council residual waste for transport to the East Rockingham RRF and minimise environmental impacts.

## **MEMBER COUNCIL IMPLICATIONS**

<b>Member Council</b>	<b>Implication Details</b>
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
City of Kalamunda	
Shire of Mundaring	
City of Swan	



*Item 11.4 continued*

**CONFIDENTIAL ATTACHMENT(S)**

Business Case, Waste Transfer Station, Hazelmere Resource Recovery Park (Ref: D2020/19395)

This attachment is recommended to be confidential because it contains matters of a commercial-in-confidence nature.

See Confidential Item circulated with the Agenda under Separate Cover.

**VOTING REQUIREMENT**

Absolute Majority

**RECOMMENDATION(S)**

That:

1. Council endorses the Business Case for the proposed Waste Transfer Station at Hazelmere Resource Recovery Park which forms a confidential attachment to this report.
2. Council by absolute majority in accordance with s.6.8 of the *Local Government Act 1995* approves the unbudgeted expenditure up to the amount detailed in the report to the capital works programme for 2020/2021 to progress the design and tender process for the proposed Waste Transfer Station.
3. The attachment remains confidential and be certified by the Chairman and CEO.

**WAC RECOMMENDATION(S)**

MOVED

SECONDED

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## **11.5 ITEMS CONTAINED IN THE INFORMATION BULLETIN**

**REFERENCE: Ref: D2020/13861**

The following items are included in the Information Bulletin, which accompanies the Agenda.

### **1. WASTE SERVICES**

- 1.1 2019/2020 COUNCIL TONNAGE COMPARISONS AS AT 30 JUNE 2020 (Ref: D2020/13856)
- 1.2 2020/2021 COUNCIL TONNAGE COMPARISONS AS AT 31 JULY 2020 (Ref: D2020/19059)

### **RECOMMENDATION**

That the Waste Advisory Committee notes the items contained in the Information Bulletin accompanying the 3 September 2020 Waste Advisory Committee Agenda.

### **WAC RESOLUTION(S)**

MOVED

SECONDED





**12 REPORTS OF DELEGATES**

**13 NEW BUSINESS OF AN URGENT NATURE APPROVED BY THE CHAIRMAN OR PRESIDING MEMBER OR BY DECISION OF MEETING**

**14 CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC**

**RECOMMENDATION (Closing meeting to the public)**

That the meeting be closed to members of the public in accordance with Section 5.23(2)(c) of the *Local Government Act 1995* for the purpose of dealing with matters of a confidential nature.

**WAC RESOLUTION**

MOVED SECONDED

**14.1 CLASS IV WASTE CELL (PRELIMINARY DESIGN & APPROVALS)**

**REFERENCE: D2020/16428**

This item is recommended to be confidential because it contains matters of a commercial-in-confidence nature.

See Confidential Item circulated with the Agenda under Separate Cover.

**RECOMMENDATION [Meeting re-opened to the public]**

That the meeting be re-opened, the members of the public be invited to return to the meeting and the recommendations passed behind closed doors be recorded.

**WAC RESOLUTION**

MOVED SECONDED

Recording of the recommendations passed behind closed doors, namely:

**14.1 CLASS IV WASTE CELL (PRELIMINARY DESIGN & APPROVALS)**

**REFERENCE: D2020/16428**

**WAC RECOMMENDATION(S)**

MOVED SECONDED

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## **15 FUTURE MEETINGS OF THE WASTE ADVISORY COMMITTEE**

The next meeting of the Waste Advisory Committee will be held on ***Thursday, 8 October 2020 (if required)*** at the EMRC Administration Office, 1<sup>st</sup> Floor, 226 Great Eastern Highway, Ascot WA 6104 commencing at 5:00pm.

### **Future Meetings 2020**

Thursday	8 October	(if required)	at	EMRC Administration Office
Thursday	19 November	(if required)	at	EMRC Administration Office

## **16 DECLARATION OF CLOSURE OF MEETING**

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