



SECTION 15

Minutes of Committees

For the Ordinary Meeting of Council

24 May 2018

Item 15.1 – TAC Minutes 10 May 2018 (Yellow)

TECHNICAL ADVISORY COMMITTEE

MINUTES

10 May 2018

(REF: D2018/00090 (TAC) – D2018/05840)

A meeting of the Technical Advisory Committee was held at the EMRC Administration Office, 1st Floor, 226 Great Eastern Highway, BELMONT WA 6104 on **Thursday, 10 May 2018**. The meeting commenced at **4:00pm**

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1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Chairman opened the meeting at 4:00pm.

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

Committee Members

Mr Ric Lutey (Chairman)	Director Technical Services	City of Belmont
Mr Dennis Blair (Deputy Chairman)	Director Asset Services	City of Kalamunda
Mr Simon Stewert-Dawkins (Arrived 4:03pm)	Director Operational Services	Town of Bassendean
Mr Doug Pearson	Director Technical Services	City of Bayswater
Mr Shane Purdy	Director Infrastructure Services	Shire of Mundaring
Mr Colin Pumphrey (Deputising for Mr Coten)	Manager Fleet & Waste Services	City of Swan
Mr Peter Schneider	Chief Executive Officer	EMRC

Apologies

Mr Jim Coten	Executive Manager Operations	City of Swan
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EMRC Officers

Mr Stephen Fitzpatrick	Director Waste Services
Mr Hua Jer Liew	Director Corporate Services
Mr Dave Beresford	Manager Resource Recovery
Mr Stephen Conway	Manager Engineering & Waste Services
Ms Annette Rakich	Administration Officer Waste Services (Minutes)

3 DISCLOSURE OF INTERESTS

Nil

4 ANNOUNCEMENTS BY THE CHAIRMAN OR PRESIDING MEMBER WITHOUT DISCUSSION

The Chairman congratulated Mr Blair on the announcement of his semi-retirement at the end of July 2018. The Chairman also advised that he would be retiring around the same time. The Chairman wished Mr Blair all the best in his semi-retirement.

5 PETITIONS, DEPUTATIONS AND PRESENTATIONS

Nil



6 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

6.1 MINUTES OF THE TECHNICAL ADVISORY COMMITTEE MEETING HELD ON 16 NOVEMBER 2017

That the Minutes of the Technical Advisory Committee meeting held on 16 November 2017, which have been distributed, be confirmed.

TAC RESOLUTION(S)

MOVED MR BLAIR

SECONDED MR PEARSON

THAT THE MINUTES OF THE TECHNICAL ADVISORY COMMITTEE MEETING HELD ON 16 NOVEMBER 2017 WHICH HAVE BEEN DISTRIBUTED, BE CONFIRMED.

CARRIED UNANIMOUSLY

7 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

8 QUESTIONS BY MEMBERS WITHOUT NOTICE

Nil

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

Nil

10 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil



11 REPORTS OF EMPLOYEES

11.1 PURCHASE OF A TWENTY (20) TONNE WHEEL LOADER

REFERENCE: D2018/05179 (TAC) – D2018/06516

PURPOSE OF REPORT

The purpose of this report is to recommend acceptance of a quotation for the supply and delivery of one (1) 20 tonne wheel loader.

KEY ISSUES AND RECOMMENDATION(S)

- One of the EMRC's four wheel loaders located at the Red Hill Waste Management Facility has reached its replacement point based on operating hours.
- Quotations were sought for a 20 tonne wheel loader using the WALGA e-quote system for replacement plant including maintenance service agreements.
- Four (4) companies submitted quotes.
- Funds for the purchase of the wheel loader is included in the 2017/2018 budget.

Recommendation(s)

That Council accept:

1. The quote for the supply and delivery to Red Hill Waste Management Facility of one Volvo L120F wheel loader with a 5 year/8,000 hour extended warranty, submitted by CJD Equipment, for the sum of \$445,000 (ex. GST).
2. The offer to undertake the repair and maintenance agreement for the Volvo L120F to be located at the Red Hill Waste Management Facility for a 5 year/8,000 hour period submitted by CJD Equipment at a cost of \$5.10/hr (ex. GST).

SOURCE OF REPORT

Director Waste Services

BACKGROUND

Under the EMRC's plant replacement programme, a Volvo wheel loader utilised at Red Hill Waste Management Facility is due for replacement having reached 8,000 hours of service.



Item 11.1 continued

REPORT

Quotations for the replacement of a four wheel loader were sought using the WALGA e-quote system in March 2018. Four (4) companies provided submissions for a suitable machine, all of which have been evaluated by Waste Services staff against the selection criteria detailed in the quotation specification.

Submissions were received from Liebherr Australia (L556), Tutt Bryant Equipment (Kawasaki 80Z7), Westrac (Caterpillar 962M) and CJD Equipment (Volvo L120F).

Selection Criteria and Rating Scale

Each submission was evaluated based on the criteria requested via the WALGA e-quote.

Compliance criteria

Each submission was assessed on a Yes/No basis as to whether the criterion was satisfactorily met. An assessment of "No" against any criterion may have eliminated the submission from consideration.

Description of Compliance criteria	Yes/No
Complied with Specification contained in this e-Quote request	Yes/No

Qualitative criteria

Each submission was scored against the qualitative criteria below.

Description of Qualitative criteria	Weighting
a) Specifications	40%
b) Delivery	10%
c) Warranty	5%
d) Parts/Consumables	20%
e) Quoted Price (including supply and delivery)	25%

The compliance check in the evaluation process determined that there were three conforming submissions which were evaluated against the above criteria. Compliant submissions had to include all the items in the specification, including an extended warranty for 5 years/8,000 hours, full service/repair and maintenance quote. The quotation submitted by Tutt Bryant did not meet the specification requirement for a 5 year/8,000 hours extended warranty and was not evaluated further.

The evaluation process determined the submission from CJD Equipment for the Volvo L120F included all the items in the specification, including an extended warranty for 5 years/8,000 hours, full service/repair and maintenance quote for 5 years/8,000 hours at \$5.10/hour totalling \$40,800 (ex. GST) and provides the best value for money.



Item 11.1 continued

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 1 – Environmental Sustainability

- 1.1 To provide sustainable waste disposal operations

FINANCIAL IMPLICATIONS

The capital expenditure has been allowed for in the 2017-2018 Annual Budget.

SUSTAINABILITY IMPLICATIONS

Nil

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
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 Council accept:

1. The quote for the supply and delivery to Red Hill Waste Management Facility of one Volvo L120F wheel loader with a 5 year/8,000 hour extended warranty, submitted by CJD Equipment, for the sum of \$445,000 (ex. GST).
2. The offer to undertake the repair and maintenance agreement for the Volvo L120F to be located at the Red Hill Waste Management Facility for a 5 year/8,000 hour period submitted by CJD Equipment at a cost of \$5.10/hr (ex. GST).



Item 11.1 continued

Discussion ensued

The Director Waste Services answered questions on the selection criteria for the loader evaluation.

TAC RECOMMENDATION(S)

MOVED MR PEARSON

SECONDED MR BLAIR

That Council accept:

1. The quote for the supply and delivery to Red Hill Waste Management Facility of one Volvo L120F wheel loader with a 5 year/8,000 hour extended warranty, submitted by CJD Equipment, for the sum of \$445,000 (ex. GST).
2. The offer to undertake the repair and maintenance agreement for the Volvo L120F to be located at the Red Hill Waste Management Facility for a 5 year/8,000 hour period submitted by CJD Equipment at a cost of \$5.10/hr (ex. GST).

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR

SECONDED CR



11.2 DRAFT SCHEDULE OF FEES AND CHARGES 2018/2019

REFERENCE: D2018/02028 (TAC) – D2018/06517

PURPOSE OF REPORT

The purpose of this report is to provide a Draft Schedule of Fees and Charges for consideration by Council so that the Draft 2018/2019 Budget can be completed.

KEY ISSUES AND RECOMMENDATION(S)

- Tonnages from member Councils and commercial customers received at the Red Hill Waste Management Facility have continued to decline in 2017/2018 compared to the previous financial year.
- Landfill cell operating and construction costs have continued to rise, mainly driven by higher standards of construction and monitoring required by the Department of Water and Environmental Regulation.
- Because of these factors, it is proposed to increase the member Council base waste disposal fee to \$67.00/tonne (ex. GST), an increase of \$5.50 on the 2017/2018 base rate.
- The member Council contribution to the Secondary Waste Reserve is proposed to be increased by \$2.00/tonne to \$38.00/tonne (ex. GST).
- The State Government's Landfill Levy of \$65.00/tonne (ex. GST) will increase by \$5.00/tonne (ex. GST) to \$70.00 (ex. GST) from 1 July 2018.
- The disposal fee for member Council MGB greenwaste is proposed to be increased by 6.8% to \$118.50/tonne (ex. GST).

Recommendation(s)

That the member Council related items from the Draft 2018/2019 Waste Management Schedule of Fees and Charges, forming the attachment to this report, be used in developing the 2018/2019 Draft Budget.

SOURCE OF REPORT

Director Waste Services



Item 11.2 continued

BACKGROUND

Each year a Draft Schedule of Fees and Charges is prepared and, after consideration by Council, used in the development of the Draft Budget for the forthcoming year.

At the meeting held 2 June 1999 (Ref: DMDOC/104171) Council resolved that funds, for the proposed secondary waste processing facility, should be set aside and that a contribution of \$2.00/tonne, on each tonne of member Council waste, be put into a reserve fund and that each subsequent year the contribution be increased by \$2.00/tonne.

At the meeting held 2 December 2004 (Ref: DMDOC/27617) Council resolved to adopt 'volume' discounts for commercial entities delivering large quantities of waste so as to provide incentives for large volumes of waste to be delivered and thus generate surpluses.

REPORT

Increases in the base waste disposal fee for member Councils has been maintained at or under inflation until the past few years, made possible largely because of the volumes of commercial waste received at the Red Hill Waste Management Facility, which has helped to offset increases in the member rate.

Due to a combination of the increasing landfill levy and commercial waste collectors directing waste to their own private landfills, commercial tonnages received at Red Hill have declined significantly and are forecast to be around 23,400 tonnes in 2017/2018 compared to the forecast of 133,274 tonnes of municipal waste from member Councils. This compares to 40,660 tonnes of commercial waste and 135,690 tonnes of member Council waste in 2016/2017 and 66,924 tonnes of commercial waste and 136,970 tonnes of member Council waste in 2015/2016.

In addition, member Council tonnages have declined by approximately 3% in 2017/2018, being 110,631 tonnes year to date (end of April 2018) compared to 114,220 tonnes for the same period in 2016/2017.

Landfill cell operating and construction costs have continued to rise, mainly driven by higher standards of construction and monitoring required by the Department of Water and Environmental Regulation.

The State Government's Landfill Levy for putrescible waste will increase by \$5.00 to \$70.00/tonne on 1 July 2018 and will remain at this level until the Waste Authority advise the future landfill levy schedule, likely to be announced as part of the current review of the State Waste Strategy.

The setting of fees and charges takes into account a range of costs including fuel, wages and salaries and cell construction and regulatory approval costs as discussed above. As a consequence of this it is proposed the member Council base waste disposal fee be increased to \$67.00/tonne (ex. GST) an increase of \$5.50 on the 2017/2018 base rate.

It is also proposed that the member Council contribution to the Secondary Waste Reserve be increased by \$2.00/tonne to \$38.00/tonne (ex. GST) to continue to build the reserve for the proposed Resource Recovery Facility in line with Council's previous resolution. Whilst Council has accepted a tender for a Waste Supply Agreement with Hitachi Zosen Inova Consortium and has executed contracts in relation to this, the project still has to satisfy conditions precedent including obtaining environmental approval and reaching financial close, expected in early 2019. Additionally, at the March 2018 Council Meeting, it was resolved that the EMRC will work with the Town of Bassendean and the City of Bayswater to explore their future waste disposal requirements. Accordingly, it would be prudent to continue with the \$2/tonne increment of the Secondary Waste Charge and review this again in 2019/2020.

The Waste Education Levy of \$3.50/tonne will remain unchanged at \$3.50/tonne for member Councils.

This means that the total member Council general waste disposal fee is proposed to be increased to \$178.50/tonne (ex. GST) from the 2017/2018 rate of \$166.00/tonne (ex. GST).



Item 11.2 continued

Mattress disposal fees at Hazelmere Resource Recovery Park for member Council residents are proposed to be increased to \$15.45/mattress (ex. GST), an increase of \$0.45/mattress (ex. GST).

The disposal fee for member Council MGB greenwaste is proposed to be increased 6.8% to cover increased costs of processing and licence compliance.

It is proposed that the member Council consulting fees for contaminated sites work and advice on waste management be increased between 1.00% - 2.00%.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 1 – Environmental Sustainability

- 1.1 To provide sustainable waste disposal operations
- 1.2 To improve regional waste management
- 1.3 To provide resource recovery and recycling solutions in partnership with member Councils
- 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

FINANCIAL IMPLICATIONS

Fees and Charges are set to ensure the costs of providing waste management services are recouped whilst minimising costs to member Councils.

SUSTAINABILITY IMPLICATIONS

Fees and Charges are set to ensure services offered are sustainable in the long term.

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} As outlined in the report.
City of Bayswater	
City of Belmont	
City of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

Draft 2018/2019 Waste Management Schedule of Fees and Charges (Ref: D2018/06518)



Item 11.2 continued

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That the member Council related items from the Draft 2018/2019 Waste Management Schedule of Fees and Charges, forming the attachment to this report, be used in developing the 2018/2019 Draft Budget.

Discussion ensued

The CEO and the Director Waste Services provided a brief overview of the background to the increment in the secondary waste charge of \$2.00/tonne and the future use of the secondary waste reserve.

TAC RECOMMENDATION(S)

MOVED MR PURDY

SECONDED MR PEARSON

That the member Council related items from the Draft 2018/2019 Waste Management Schedule of Fees and Charges, forming the attachment to this report, be used in developing the 2018/2019 Draft Budget.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR

SECONDED CR

EASTERN METROPOLITAN REGIONAL COUNCIL
EXTRACT FROM THE DRAFT 2018-2019 - WASTE MANAGEMENT SCHEDULE OF FEES AND CHARGES

Description	Unit	2017/2018 Charges with no GST \$	Value of GST \$	2017/2018 Charges inc GST \$	2018/2019 Charges with no GST \$	Value of GST \$	2018/2019 Charges inc GST \$
Waste Management Charges							
Disposal Rates							
Member Councils	1 tonne						
Base Tipping Fee		61.50			67.00		
CWES Levy		3.50			3.50		
Secondary Waste Reserve		36.00			38.00		
Landfill Levy		65.00			70.00		
Total Member Council disposal rate		166.00	16.59	182.59	178.50	17.85	196.35
Councils - Other							
Domestic Refuse Tip Pass (Gidgegannup @ 3bags/wk)	N/A	5.91	0.59	6.50	6.36	0.64	7.00
Council Refuse Tip Passes - Trailers (up to 500kg)	N/A	54.55	5.45	60.00	59.10	5.90	65.00
Council Greenwaste Tip Passes (up to 500 kg)	N/A	30.00	3.00	33.00	30.00	3.00	33.00
General Waste							
Cars / Station Wagons	N/A	30.00	3.00	33.00	31.82	3.18	35.00
Trailers (6 x 4)	N/A	52.73	5.27	58.00	54.55	5.45	60.00
Trailers (6 x 4) High Sides	N/A	66.37	6.64	73.00	69.09	6.91	76.00
Tandem/ Horse Floats (< 1 tonne)	N/A	98.19	9.81	108.00	102.73	10.26	113.00
Vans / Utes	N/A	51.82	5.18	57.00	53.63	5.36	59.00
240 Litre Mobile Garbage Bin	N/A	N/A	N/A	N/A	10.00	1.00	11.00
Greenwaste							
Greenwaste - Member Councils (uncontaminated - Red Hill & Hazelmere)	1 tonne	46.36	4.64	51.00	46.36	4.64	51.00
Greenwaste - MGB (Member Councils)	1 tonne	111.00	11.09	122.09	118.50	11.85	130.35
(Minimum charge for greenwaste 0.5 tonne)							
Note 1:							
In the event that the weighbridges at Red Hill Waste Management Facility are not operational, vehicles will be charged according to their carrying capacity (in tonnes) multiplied by the appropriate rate from the schedule of fees and charges according to the type of waste being disposed.							

EASTERN METROPOLITAN REGIONAL COUNCIL
EXTRACT FROM THE DRAFT 2018-2019 - WASTE MANAGEMENT SCHEDULE OF FEES AND CHARGES

Description	Unit	2017/2018 Charges		2017/2018 Charges inc GST		2018/2019 Charges with no GST		2018/2019 Charges inc GST	
		with no GST \$	Value of GST \$	with no GST \$	Value of GST \$	with no GST \$	Value of GST \$	with no GST \$	Value of GST \$
Waste Management Charges continued ..									
Disposal Rates continued..									
Special Wastes									
Car Bodies - Member Council residents only	each	25.45	2.55	28.00		25.45	2.55	28.00	
Tyre Disposal (off rim) *	each	5.00	0.50	5.50		5.00	0.50	5.50	
Tyre Disposal (with rim) *	each	6.82	0.68	7.50		6.82	0.68	7.50	
Tyre Recovery Charges (for tyres at the landfill face)	each	23.64	2.36	26.00		23.64	2.36	26.00	
Mattress disposal fee (Member Council Residents)	each	15.00	1.50	16.50		15.45	1.55	17.00	
E-Waste (Price applicable after quota has been reached under Infoactive agreement)	each	9.10	0.90	10.00		9.10	0.90	10.00	
Hazelmere									
Wood Waste (per cubic metre)									
- Grade 1	1 m ³	8.00	0.80	8.80		8.00	0.80	8.80	
- Grade 2	1 m ³	9.00	0.90	9.90		9.00	0.90	9.90	
- Contaminated	1 m ³	55.95	5.60	61.55		35.00	3.50	38.50	
Wood Waste (per tonne)									
- Grade 1	1 tonne	52.00	5.20	57.20		52.00	5.20	57.20	
- Grade 2	1 tonne	58.50	5.85	64.35		58.50	5.85	64.36	
- Contaminated	1 tonne	363.64	36.36	400.00		227.27	22.73	250.00	
Hazelmere - Commercial & Industrial Waste Sorting Facility									
Member Councils including bulk verge Collections and skip bins	1 tonne	135.00	13.50	148.50		135.00	13.50	148.50	
Minimum Charge (Member Councils)	0.50 tonnes	67.50	6.75	74.25		67.50	6.75	74.25	
Additional Charges for Recovered Items									
Tyre - Passenger car (off rim)	each	5.00	0.50	5.50		5.00	0.50	5.50	
Tyre - Passenger car (with rim)	each	6.82	0.68	7.50		6.82	0.68	7.50	
Tyre - Light truck, Light Industrial (off rim)	each	10.00	1.00	11.00		10.00	1.00	11.00	
Tyre - Light truck, Light Industrial (with rim)	each	20.00	2.00	22.00		20.00	2.00	22.00	
Fridges & Freezers / White Goods / Air Conditioning Units	each	30.00	3.00	33.00		30.00	3.00	33.00	
Car Batteries	each	10.00	1.00	11.00		10.00	1.00	11.00	
Handling Fee (for special handling requirements)	per load	145.45	14.55	160.00		145.45	14.55	160.00	
Note 1 : If a C&I waste load is contaminated by more than 50% (by visual inspection) , a surcharge of 50% of the disposal charge per tonne will apply plus a handling fee will be applied to the consignment.									
Note 2 : In the event that the weighbridge at Hazelmere Resource Recovery Park is not operational, vehicles will be charged according to the estimated waste volumes in cubic metres converted to tonnes.									
* Only car and 4 wheel drive vehicle tyres accepted. Member Council residents only maximum 4 per person.									

EASTERN METROPOLITAN REGIONAL COUNCIL
EXTRACT FROM THE DRAFT 2018-2019 - WASTE MANAGEMENT SCHEDULE OF FEES AND CHARGES

Description	Unit	2017/2018 Charges		2017/2018 Charges		2018/2019 Charges		2018/2019	
		with no GST	Value of GST	inc GST	with no GST	Value of GST	Charges inc GST	Charges inc GST	
		\$	\$	\$	\$	\$	\$	\$	\$
Waste Management Charges continued ..									
Sale of Materials (all ex stockpile, minimum 10 tonnes)									
Mixed clay/fill (purchaser to load)	1 tonne	4.55	0.45	5.00	4.55	0.45	5.00		
Mixed clay/fill (loaded)	1 tonne	7.27	0.73	8.00	7.27	0.73	8.00		
Ferricrete sub-base	1 tonne	N/A	N/A	N/A	11.82	1.18	13.00		
Filter Rock (20 - 40 mm)	1 tonne	11.82	1.18	13.00	11.82	1.18	13.00		
Filter Rock (40 - 80 mm)	1 tonne	11.82	1.18	13.00	11.82	1.18	13.00		
Rock Spalls (150 - 300 mm)	1 tonne	N/A	N/A	N/A	22.73	2.27	25.00		
Ferricrete (Member Councils)	1 tonne	10.00	1.00	11.00	10.00	1.00	11.00		
Manufactured Products (per tonne)									
Mulch (Member Council)	1 tonne	21.41	2.14	23.55	21.41	2.14	23.55		
Soil Improver (Member Councils)	1 tonne	20.00	2.00	22.00	20.00	2.00	22.00		
Premium Recycled Wood Chip (Coloured) - Hazelmere	1 tonne	272.73	27.27	300.00	318.18	31.82	350.00		
Standard Recycled Wood Chip (Coloured) - Hazelmere	1 tonne	190.91	19.09	210.00	218.18	21.82	240.00		
Premium Recycled Wood Chip - Hazelmere	1 tonne	44.55	4.45	49.00	44.55	4.45	49.00		
Standard Recycled Wood Chip - Hazelmere	1 tonne	35.45	3.55	39.00	35.45	3.55	39.00		
Trailer Loaded Products (per scoop)									
Soil Improver	1 scoop	14.09	1.41	15.50	14.09	1.41	15.50		
Mixed Mulch	1 scoop	14.09	1.41	15.50	14.09	1.41	15.50		
Member Councils Consulting Fees									
Consultant Director	1 hour	120.00	12.00	132.00	122.41	12.24	134.65		
Consultant Manager	1 hour	105.50	10.55	116.05	107.59	10.76	118.35		
Senior Consultant	1 hour	90.91	9.09	100.00	92.73	9.27	102.00		
Consultant	1 hour	81.82	8.18	90.00	83.45	8.35	91.80		
Project Officer	1 hour	63.64	6.36	70.00	64.91	6.49	71.40		



11.3 TENDER 2017- 003 - CONSTRUCTION OF LEACHATE PONDS AT THE RED HILL WASTE MANAGEMENT FACILITY

REFERENCE: D2018/05923 (TAC) – D2018/06519

PURPOSE OF REPORT

The purpose of this report is to seek Council's authority to increase the contingency for Tender 2017-003 for the Construction of Leachate Ponds at the Red Hill Waste Management Facility.

KEY ISSUES AND RECOMMENDATION(S)

- A tender for the Construction of Leachate Ponds at the Red Hill Waste Management Facility was awarded to WBHO Infrastructure Pty Ltd for \$2,114,513.22 (ex. GST) in December 2017 with an authorisation for a 10% contingency on the contract sum for any contract variations.
- Work is well underway but a significant part of the 10% contingency allowance had to be used for additional work under the contract. To ensure the construction is completed without any delay or compliance issues, an additional 10% contingency is proposed on the contract sum.

Recommendation(s)

That Council authorise a further 10% contingency of \$211,451.32 (ex GST) on the contract sum for any contract variations to Tender 2017-003 – Construction of Leachate Ponds at Red Hill Waste Management Facility for any variations that may be agreed on between the CEO and WBHO Infrastructure Pty Ltd.

SOURCE OF REPORT

Director Waste Services

BACKGROUND

The leachate ponds at the Red Hill Waste Management Facility rely on recirculation of leachate in landfill and evaporation to reduce the levels over summer, to allow for the leachate generated in winter to be stored.

At its 7 December 2017 meeting Council resolved:

"That Council:

1. *AWARD TENDER NUMBER 2017-003 CONSTRUCTION OF LEACHATE PONDS AT RED HILL WASTE MANAGEMENT FACILITY TO WBHO INFRASTRUCTURE PTY LTD FOR \$2,114,513.22 (EX. GST).*
2. *AUTHORISE THE CEO TO ENTER INTO A CONTRACT, ON BEHALF OF THE EMRC, WITH WBHO INFRASTRUCTURE PTY LTD IN ACCORDANCE WITH THEIR SUBMITTED TENDER, SUBJECT TO ANY MINOR VARIATIONS THAT MAY BE AGREED ON BETWEEN THE CEO AND WBHO INFRASTRUCTURE PTY LTD.*
3. *AUTHORISE A 10% CONTINGENCY ON THE CONTRACT SUM FOR ANY CONTRACT VARIATIONS TENDER 2017-003 – CONSTRUCTION OF LEACHATE PONDS AT RED HILL WASTE MANAGEMENT FACILITY."*



Item 11.3 continued

REPORT

The contract to construct leachate evaporation ponds at the Red Hill Waste Management Facility was awarded to WBHO Infrastructure Pty Ltd in December 2017.

Construction of the leachate evaporation ponds is underway and due for completion in June 2018. During the excavation of the ponds, more rock was encountered than had been expected by the contractor and the EMRC had to use a significant part of the previously authorised contingency allowance to remove this material and allow the construction to proceed. The additional rock removed will be crushed and converted to saleable ferricrete which will exceed the cost of the rock removal and processing.

The previously authorised contingency allowance was \$211,451.32 (ex GST) or 10% of the contract sum of which the EMRC has used \$194,887.53 (ex GST) leaving a remaining contingency of \$16,563.79 (ex GST).

To avoid any compliance issues and delays in completing the project, it is proposed to increase the contingency allowance to 20% of the contract sum just in case there are any further contract variations that may arise during the completion of the leachate evaporation ponds. This will allow the EMRC to complete the project within the expected timeframe without having to revert back to Council for further authorisation.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 1 – Environmental Sustainability

- 1.2 To improve regional waste management
- 1.4 To investigate leading edge waste management practices

FINANCIAL IMPLICATIONS

Budget provisions of \$3 million were made in the adopted 2017/2018 Annual Budget for the Leachate Treatment Project.

SUSTAINABILITY IMPLICATIONS

In order to provide sustainable leachate management.

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT(S)

Nil



Item 11.3 continued

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That Council authorise a further 10% contingency of \$211,451.32 (ex GST) on the contract sum for any contract variations to Tender 2017-003 – Construction of Leachate Ponds at Red Hill Waste Management Facility for any variations that may be agreed on between the CEO and WBHO Infrastructure Pty Ltd.

Discussion ensued

Discussion ensued on whether the variation was covered by the approved budget, which was confirmed for 2017/2018.

TAC RECOMMENDATION(S)

MOVED MR PEARSON

SECONDED MR PUMPHREY

That Council authorise a further 10% contingency of \$211,451.32 (ex GST) on the contract sum for any contract variations to Tender 2017-003 – Construction of Leachate Ponds at Red Hill Waste Management Facility for any variations that may be agreed on between the CEO and WBHO Infrastructure Pty Ltd.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR

SECONDED CR



11.4 ITEMS CONTAINED IN THE INFORMATION BULLETIN

REFERENCE: Ref: D2018/02586

The following item is included in the Information Bulletin, which accompanies the Agenda.

1. WASTE SERVICES

1.1 COUNCIL TONNAGE COMPARISONS AS AT 31 MARCH 2018 (Ref: D2018/01712)

RECOMMENDATION

That the Technical Advisory Committee notes the items contained in the Information Bulletin accompanying the 10 May 2018 Technical Advisory Committee Agenda.

TAC RESOLUTION(S)

MOVED MR BLAIR

SECONDED MR PURDY

THAT THE TECHNICAL ADVISORY COMMITTEE NOTES THE ITEMS CONTAINED IN THE INFORMATION BULLETIN ACCOMPANYING THE 10 MAY 2018 TECHNICAL ADVISORY COMMITTEE AGENDA.

CARRIED UNANIMOUSLY

12 REPORTS OF DELEGATES

Nil

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

Nil

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

Nil



15 FUTURE MEETINGS OF THE TECHNICAL ADVISORY COMMITTEE

The next meeting of the Technical Advisory Committee will be held on **Thursday 7 June 2018 (if required)** at the EMRC Administration Office, 1st Floor, Ascot Place, 226 Great Eastern Highway, Belmont WA 6104 commencing at 4:00pm.

Future Meetings 2018

Thursday	7	June	(if required)	at	EMRC Administration Office
Thursday	5	July	(if required)	at	EMRC Administration Office
Thursday	9	August	(if required)	at	EMRC Administration Office
Thursday	6	September	(if required)	at	EMRC Administration Office
Thursday	4	October	(if required)	at	EMRC Administration Office
Thursday	22	November	(if required)	at	Red Hill Waste Management Facility

16 DECLARATION OF CLOSURE OF MEETING

There being no further business, the Chairman declared the meeting closed at 4:22pm.