



MINUTES

**CERTIFICATION OF CONFIRMATION OF
COUNCIL MEETING MINUTES**

22 APRIL 2010

I, Cr Graham Pittaway, hereby certify that the following minutes pages 1 to 436 of the Meeting of Council held on 22 April 2010 were confirmed at a meeting of the Council held on 20 May 2010

A handwritten signature in blue ink, appearing to be "G. Pittaway", is written over a horizontal line.

Signature

Cr Graham Pittaway
Name

Person presiding at the Council Meeting held on 20 May 2010



MINUTES

Ordinary Meeting of Council

22 April 2010

ORDINARY MEETING OF COUNCIL

MINUTES

22 April 2010

(REF: COMMITTEES-10552)

An Ordinary Meeting of Council was held at the EMRC Administration Office, 1st Floor, 226 Great Eastern Highway, BELMONT WA 6104 on **Thursday, 22 April 2010**. The meeting commenced at **6.02pm**.

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1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Chairman opened the meeting at 6.02pm and welcomed visitors and Cr John Gangell who was sworn in as an EMRC Councillor prior to the meeting.

2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

Councillor Attendance

Cr Graham Pittaway (Chairman)	EMRC Member	City of Bayswater
Cr John Gangell	EMRC Member	Town of Bassendean
Cr Gerry Pule	EMRC Member	Town of Bassendean
Cr Alan Radford	EMRC Member	City of Bayswater
Cr Janet Powell	EMRC Member	City of Belmont
Cr Don McKechnie	EMRC Member	Shire of Kalamunda
Cr Frank Lindsey	EMRC Member	Shire of Kalamunda
Cr Tony Cuccaro (Deputy Chairman) (to 7.10pm)	EMRC Member	Shire of Mundaring
Cr Kevin Bailey (Deputising for Cr Färdig)	EMRC Deputy Member	City of Swan

Apologies

Cr Glenys Godfrey	EMRC Member	City of Belmont
Cr Alan Pilgrim	EMRC Member	Shire of Mundaring
Cr Charlie Zannino	EMRC Member	City of Swan
Cr David Färdig	EMRC Member	City of Swan

EMRC Officers

Mr Peter Schneider	Chief Executive Officer
Mr Adam Johnson	Director, Waste Management Services
Ms Rhonda Hardy	Director Regional Services
Ms Robyn O'Callaghan	Director Corporate Services
Mr Steve Fitzpatrick	Manager Project Development
Ms Prapti Mehta	Manager Organisational Development
Ms Sue Campbell	Manager Regional Development
Ms Theresa Eckstein	Executive Assistant to Chief Executive Officer
Ms Mary-Ann Winnett	Personal Assistant to Director Corporate Services (Minutes)

EMRC Observers

Mr David Ameduri	Manager, Financial Services
Ms Annie Hughes-d'Aeth	Administration Support Officer

Observers

Mr Bob Jarvis	Chief Executive Officer	Town of Bassendean
Ms Francesca Le fante	Chief Executive Officer	City of Bayswater
Mr Stuart Cole	Chief Executive Officer	City of Belmont
Mr Jonathan Throssell	Chief Executive Officer	Shire of Mundaring
Mr Doug Pearson	Director Technical Services	City of Bayswater

Guests

Professor Themelis	Director Earth Engineering Centre and founder/chairman of the Waste to Energy Research and Technology (WTER) Council
Ms Robin Davidov	Executive Director Northeast Maryland Waste Disposal Authority
Mr Colin Ashton-Graham	Department of Transport

Visitors

Mr Ian Walters
Mr Ron Snelgar



3 DISCLOSURE OF INTERESTS

3.1 PETER B. SCHNEIDER – CHIEF EXECUTIVE OFFICER – INTERESTS AFFECTING IMPARTIALITY:

Item: 19.2
Subject: Confidential Report Item 13.1 of the CEOPRC – Proposed Process for Establishing the Chief Executive Officer's Performance Objectives for 2010/2011
Nature of Interest: Subject matter of the report directly relates to the Chief Executive Officer.

3.2 PRAPTI MEHTA – MANAGER ORGANISATIONAL DEVELOPMENT – INTERESTS AFFECTING IMPARTIALITY:

Item: 19.2
Subject: Confidential Report Item 13.1 of the CEOPRC – Proposed Process for Establishing the Chief Executive Officer's Performance Objectives for 2010/2011
Nature of Interest: Due to reporting relationship to the CEO.

4 ANNOUNCEMENT BY THE CHAIRMAN OR PERSON PRESIDING WITHOUT DISCUSSION

4.1 ACER – ACHIEVING CARBON EMISSIONS REDUCTION PROJECT

The ACER (Achieving Carbon Emissions Reduction) project was listed as a finalist in the WA Sustainable Energy Awards for Innovation and Excellence 2010 – Community and Regional Initiatives. The Chairman advised that whilst not taking out the award, just being nominated was a major form of recognition for the staff involved in the programme.

4.2 EMRC ENTRY TO LOCAL GOVERNMENT INNOVATION IN WASTE AWARD

An application entitled "securing markets for waste products" was recently entered into the Local Government Innovation in Waste Award being conducted by Impact Environmental and Waste Management Association Australia (WMAA).

There were 33 entries and the EMRC has received advice that it is one of five (5) finalists shortlisted from applicants Australia wide.

The awards will be decided at a function being held in Coffs Harbour on the 5 May 2010.

4.3 TOWN OF BASSENDEAN'S DELEGATE TO THE EMRC

Mayor John Gangell from the Town of Bassendean was sworn in earlier this evening as the Town of Bassendean's delegate to the EMRC replacing the late Cr Sam Piantadosi.

4.4 CHAIRMAN AND DEPUTY CHAIRMAN OF THE AUDIT COMMITTEE

At the Audit Committee meeting held on the 8 April 2010, Cr Janet Powell was elected Chairman and Cr Alan Pilgrim as Deputy Chairman.

4.5 CHAIRMAN AND DEPUTY CHAIRMAN OF THE CHIEF EXECUTIVE OFFICER'S PERFORMANCE REVIEW COMMITTEE

At the Chief Executive Officer's Performance Review Committee meeting held on the 15 April 2010, Cr Gerry Pule was elected Chairman and Cr Janet Powell as Deputy Chairman.



4.6 EMRC STAFF RECOGNITION

The Chairman advised that he attended the EMRC yesterday afternoon to present two (2) awards for five (5) years of service at the EMRC and stated that it was good to get the opportunity to get to know the staff and recognise them for their efforts.

4.7 EMRC'S TEMPORARY PREMISES IN WELSHPOOL

The Chairman advised that he had been to EMRC's temporary premises in Welshpool and saw the cramped conditions there and congratulated all EMRC staff on continuing to work on a daily basis in such conditions.

4.8 RESPONSE FROM THE CHIEF EXECUTIVE OFFICER OF WALGA

The Chairman advised that he had received a response from WALGA to the letter he sent regarding Registration of Interest - 20 Year Supply Agreement Commercial AWT – Perth Metropolitan Area. Due to the concerns raised, WALGA had advised that the Registration of Interest process had been terminated and that their internal processes were being reviewed to ensure that actual or perceived conflicts of interest did not occur in the future.

5 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

5.1 RESPONSE TO QUESTIONS FROM MR IAN WALTERS

The following questions were taken on notice at the Council meeting held on 18 February 2010 and a written response was supplied to Mr Walters as follows:

Question 1: In relation to EMRC – Investment Policy.

Can you please advise why the current policy omits to clearly state:

- Approved Investments – type.
- Risk Management Guidelines for example:
 - (a) Portfolio Credit Framework – limits overall credit exposure of the portfolio to S&P (Standard & Poors) Credit Rating.
 - (b) Counterparty credit framework (diversification).
 - (c) Term of Maturity.

Question 2: Bearing in mind past history of poor investments can as a matter of urgency the EMRC carry out an immediate review of its investment policy? If not why not?

Response: In 2008 the Council established an Investment Committee with delegated authority to deal with all matters connected with EMRC's investments.

The Investment Committee has issued guidelines in relation to the EMRC's investments being i) the EMRC spread the funds up to \$1m to banks covered by the \$1m guarantee and ii) limit additional funds to the big 4 banks and not purchase the .7% guarantee unless rates offered by other non-major Australian banks are greater, net of the .7% guarantee.

The EMRC's investment policy is currently being reviewed and this is due to be considered by council within 12 months of the ordinary local government elections held in October 2009.

Question 3: Does the EMRC have a code of conduct relative to Councillors?

Response: The EMRC does have a Code of Conduct, a copy of which, was forwarded to you via email on Tuesday 16 March 2010.



6 PUBLIC QUESTION TIME

At the Chairman's invitation, members of the public raised the following questions:

6.1 QUESTIONS FROM MR RON SNELGAR

- Question 1: In relation to the investment by Bassendean Town Council in EMRC.
In 1999, the Town of Bassendean's investment in EMRC was 4.684% of the total equity.
In 2007 it was 4.877%
In 2008 it was 4.806%
In 2009 it was 4.684%
- As you can see the percentage interest in 1999 is exactly the same as 2009. Can you explain the apparent coincidence?
Can you advise the formula used to calculate the percentage interest in EMRC?
- Question 2: Could you please supply me with a copy of a detailed schedule of Investments by EMRC at 30 June 2007, 30 June 2008 and 30 June 2009.

The Chief Executive Officer advised that the questions would be taken on notice and a written response would be provided.

6.2 QUESTIONS FROM MR IAN WALTERS

- Question 1: In relation to EMRC Investment Policy.
Mr Walters stated that EMRC's response to his question at the Ordinary Meeting of Council held on 18 February 2010 regarding EMRC's Investment Policy did not answer the question.
Mr Walters quoted the following from EMRC's letter to him:
"The Investment Committee has raised guidelines in relation to the EMRC's investments being:
1. The EMRC spread the funds up to \$1m to banks covered by the \$1M guarantee."
How can the EMRC invest in banks covered by the \$1M guarantee when such a guarantee facility no longer exists?
- Question 2: In reality and in view of your advice by the way of EMRC letter dated 16 April 2010, it is apparent in the absence of evidence to the contrary, one has to draw the conclusion that the current Investment Policy is inadequate.
Would you please confirm you share this opinion. If not, please advise the facts to support your contrary view.
- Question 3: In relation to conduct of a female councilor at EMRC's Ordinary Meeting of Council held at the City of Belmont on 18 February 2010.
Bearing in mind the conditions of EMRC's Code of Conduct, why was the female Councillor permitted to interject whilst he was speaking?

The Chief Executive Officer advised that the Australian Government Guarantee Scheme up to the first \$1M still exists. In relation to the Investment Policy, the Chief Executive Officer advised that the Investment Committee had taken a conservative approach during the global financial crisis while the policy was under review and over the long term would be replaced by a revised Investment Policy, which will be dealt with at the next Investment Committee meeting.

The Chief Executive Officer advised that the questions would be taken on notice and a written response would be provided.



Item 6 continued

The Chairman reiterated that responses would be provided in writing and he had not heard the interjection at the Ordinary Meeting of Council held on 18 February 2010 but if it was out of order he apologised.

The Chairman took the opportunity to formally thank the City of Belmont for hosting EMRC's Council and Committee meetings while renovations to EMRC's Ascot Place building were being undertaken.

7 APPLICATION FOR LEAVE OF ABSENCE

Nil

8 PETITIONS, DEPUTATIONS AND PRESENTATIONS

8.1 PRESENTATION ON WASTE TO ENERGY BY PROFESSOR THEMELIS AND ROBIN DAVIDOV

Professor Themelis and Ms Robin Davidov gave a presentation on international best practice and community engagement on waste to energy projects and responded to questions.

Cr Gangell departed the meeting at 7.04pm.

The Chairman thanked Professor Themelis and Ms Davidov and stated that he looked forward to seeing the full presentation at EMRC on 23 April 2010.

Cr Gangell entered the meeting at 7.06pm.

Ms Davidov advised that they had provided a CD of the presentation for Council and email addresses were included on that.

Cr Radford departed the meeting at 7.09pm.

Cr Cuccaro departed the meeting at 7.10pm and did not return.

8.2 PRESENTATION ON LIVING SMART PROGRAMME BY DEPARTMENT OF TRANSPORT FROM COLIN ASHTON-GRAHAM, PRINCIPAL POLICY OFFICER HOUSEHOLD SUSTAINABILITY

Mr Colin Ashton-Graham from the Department of Transport gave a presentation on the Living Smart Programme.

Cr Radford entered the meeting at 7.11pm.

The Chairman thanked Mr Colin Ashton-Graham for his presentation.

9 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

9.1 MINUTES OF ORDINARY MEETING OF COUNCIL MEETING HELD ON 18 FEBRUARY 2010

That the minutes of the Ordinary Meeting of Council held on 18 February 2010 which have been distributed, be confirmed.

COUNCIL RESOLUTION

MOVED CR POWELL

SECONDED CR MCKECHNIE

THAT THE MINUTES OF THE ORDINARY MEETING OF COUNCIL HELD ON 18 FEBRUARY 2010 WHICH HAVE BEEN DISTRIBUTED, BE CONFIRMED.

CARRIED UNANIMOUSLY



10 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

11 QUESTIONS WITHOUT NOTICE

11.1 QUESTIONS ON LIFE SPAN OF DIFFERENT TECHNOLOGIES RELATED TO THE RESOURCE RECOVERY PROJECT

Cr Lindsey referred to the Resource Recovery Project and asked for clarification on the life span of the different technologies, whether it would be 25 or 50 years. The Chief Executive Officer advised that modeling had been undertaken based on a 20 year life span but Red Hill may last longer than that.

In response to Cr McKechnie's query on whether the Resource Recovery Facility would be paid for at the end of the 20 year life span, the Chief Executive Officer confirmed that the modeling had been based on achieving payment at the end of that period.

12 ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH THE MEETING 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 19 of this agenda:

- 12.1 CONFIDENTIAL ATTACHMENT TO REPORT ITEM 9.2 OF THE RESOURCE RECOVERY COMMITTEE – VISIT TO RESOURCE RECOVERY FACILITIES, JANUARY 2010
- 12.2 ITEM 13.1 OF THE CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE - PROPOSED PROCESS FOR ESTABLISHING THE CHIEF EXECUTIVE OFFICER'S PERFORMANCE OBJECTIVES FOR 2010/2011

13 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil



14 REPORTS OF OFFICERS

QUESTIONS

The Chairman invited questions from members on the reports of officers.

RECOMMENDATION

That with the exception of items, which are to be withdrawn and dealt with separately, the recommendations in the Officers Reports (Section 14) be adopted.

COUNCIL RESOLUTION

MOVED CR MCKECHNIE

SECONDED CR POWELL

THAT WITH THE EXCEPTION OF ITEMS 14.6, 14.7 & 14.8, WHICH ARE TO BE WITHDRAWN AND DEALT WITH SEPARATELY, THE RECOMMENDATIONS IN THE OFFICERS REPORTS (SECTION 14) BE ADOPTED.

CARRIED UNANIMOUSLY



14 REPORTS OF OFFICERS

14.1 LIST OF ACCOUNTS PAID DURING THE MONTHS OF FEBRUARY AND MARCH 2010

REFERENCE: COMMITTEES-10753

PURPOSE OF REPORT

The purpose of this report is to present to Council a list of accounts paid under the Chief Executive Officer's delegated authority during the months of February and March 2010 for noting.

KEY ISSUES AND RECOMMENDATION(S)

- As per the requirements of the Local Government (Financial Management) Regulations 1996 (Clause 13 (1)) the list of accounts paid during the months of February and March 2010 is provided for noting.

Recommendation(s)

That Council notes the CEO's list of accounts for February and March 2010 paid under delegated power in accordance with Regulation 13(1) of the Local Government (Financial Management) Regulations 1996, as attached to this report totalling \$5,952,972.24.

SOURCE OF REPORT

Director Corporate Services
 Manager Financial Services

BACKGROUND

Council has delegated to the Chief Executive Officer (CEO) the exercise of its power to make payments from the Municipal Fund and Trust Fund. In accordance with Regulation 13(1) of the Local Government (Financial Management) Regulations 1996, a list of accounts paid by the CEO is to be provided to Council, where such delegation is made.

REPORT

The table below summarises the payments drawn on the funds during the months of February and March 2010. A list detailing the payments made is appended as an attachment to this report.

Municipal Fund	EFT Payments:	15507 – 16055	
	Cheque Payments:	218660 - 218716	
	Payroll EFT:	PAY-16, PAY-17, PAY-18, PAY-19 & PAY-20	
	DIRECT DEBITS		
	- Bank Charges:	1*FEB10 & 1*MAR10	
	- Other:	389 - 397	\$6,257,927.34
	LESS		
	Cancelled EFTs and Cheques	EFT15634	(\$304,955.10)
Trust Fund	Not Applicable		Nil
Total			\$5,952,972.24



Item 14.1 continued

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 4 – Good Governance

- 4.5 To provide responsible and accountable governance and management of the EMRC; and
- 4.6 To continue to improve financial and asset management practices.

FINANCIAL IMPLICATIONS

As contained within the report.

SUSTAINABILITY IMPLICATIONS

Nil

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil direct implications for member Councils
City of Bayswater	
City of Belmont	
Shire of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

CEO's Delegated Payments List for the months of February and March 2010 (Ref: Committees-10763)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That Council notes the CEO's list of accounts for February and March 2010 paid under delegated power in accordance with Regulation 13(1) of the Local Government (Financial Management) Regulations 1996, as attached to this report totalling \$5,952,972.24.

COUNCIL RESOLUTION

MOVED CR MCKECHNIE

SECONDED CR POWELL

THAT COUNCIL NOTES THE CEO'S LIST OF ACCOUNTS FOR FEBRUARY AND MARCH 2010 PAID UNDER DELEGATED POWER IN ACCORDANCE WITH REGULATION 13(1) OF THE LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996, AS ATTACHED TO THIS REPORT TOTALLING \$5,952,972.24.

CARRIED UNANIMOUSLY

Eastern Metropolitan Regional Council

07/04/2010

12:40:00 PM



**CEO's DELEGATED PAYMENTS LIST
FOR THE MONTHS OF FEBRUARY & MARCH 2010**

Cheque /EFT No	Date	Payee	Amount
EFT15507	05/02/2010	COMMAND-A-COM AUSTRALIA PTY LTD	1,044.00
EFT15508	05/02/2010	360 RECYCLING PTY LTD	55.00
EFT15509	05/02/2010	ADCORP	5,387.41
EFT15510	05/02/2010	ADECCO AUSTRALIA PTY LTD	1,421.90
EFT15511	05/02/2010	AIR FILTER DRY CLEAN SYSTEMS PTY LTD	774.54
EFT15512	05/02/2010	AIRWELL PUMPS PTY LTD	21,963.42
EFT15513	05/02/2010	ALLIGHT PTY LTD	33,241.98
EFT15514	05/02/2010	ASCOT QUAYS APARTMENT HOTEL PTY LTD	600.00
EFT15515	05/02/2010	AUSTRALIA POST - RED HILL	534.99
EFT15516	05/02/2010	BE SUSTAINABLE	6,600.00
EFT15517	05/02/2010	BELVIDERE FRESH GROWERS MARKET	69.95
EFT15518	05/02/2010	BOC GASES	89.71
EFT15519	05/02/2010	BRING COURIERS	740.25
EFT15520	05/02/2010	BUNNINGS BUILDING SUPPLIES PTY LTD	135.72
EFT15521	05/02/2010	CORPORATE EXPRESS AUSTRALIA LTD	317.68
EFT15522	05/02/2010	DC COMPUTERS	786.20
EFT15523	05/02/2010	DEVLYN CONSTRUCTIONS PTY LTD	63,445.14
EFT15524	05/02/2010	DIRECT OFFICE FURNITURE	613.80
EFT15525	05/02/2010	ECOSAVE PTY LTD	7,414.00
EFT15526	05/02/2010	ERBEAC INC	1,096.70
EFT15527	05/02/2010	FUJI XEROX AUSTRALIA PTY LTD	385.17
EFT15528	05/02/2010	HILLS FRESH	70.00
EFT15529	05/02/2010	INTEWORK INC	603.75
EFT15530	05/02/2010	ISS WASHROOM SERVICES	480.33
EFT15531	05/02/2010	LANDFILL GAS & POWER PTY LTD	2,651.90
EFT15532	05/02/2010	LANDMARK OPERATIONS LIMITED	1,723.31
EFT15533	05/02/2010	MUNDARING CRANE TRUCK HIRE	99.00
EFT15534	05/02/2010	NEVERFAIL SPRINGWATER	247.85
EFT15535	05/02/2010	ODOUR CONTROL SYSTEMS INTERNATIONAL LTD	23,977.91
EFT15536	05/02/2010	PRESTIGE PUMP RENTALS	18,378.48
EFT15537	05/02/2010	REMIDA PERTH INC	204.00
EFT15538	05/02/2010	ROSS HUMAN DIRECTIONS	2,599.27
EFT15539	05/02/2010	RUDD INDUSTRIAL AND FARM SUPPLIES	212.85
EFT15540	05/02/2010	SAI GLOBAL LIMITED	148.50
EFT15541	05/02/2010	SCRD HOLDINGS P/L T/A SECURE COMPUTER RECYCLING & DISPOSAL	3,312.87
EFT15542	05/02/2010	STEVENSON CONSULTING	2,244.00
EFT15543	05/02/2010	TELSTRA - A/C 008 2879 300 - SECONDARY WASTE PRJ	179.74
EFT15544	05/02/2010	TELSTRA - A/C 295 7816 000 - RED HILL	1,002.89
EFT15545	05/02/2010	TOLL PRIORITY	95.52
EFT15546	05/02/2010	UNIQUE WASTE MANAGEMENT SERVICES	7,755.00
EFT15547	05/02/2010	VOLICH WASTE CONTRACTORS PTY LTD	44.00
EFT15548	05/02/2010	WESTERN AUSTRALIAN LOCAL GOVERNMENT	25,062.75
EFT15549	05/02/2010	PAYG PAYMENTS	48,368.54



**CEO's DELEGATED PAYMENTS LIST
FOR THE MONTHS OF FEBRUARY & MARCH 2010**

Cheque /EFT No	Date	Payee	Amount
EFT15550	05/02/2010	Q3 PTY LTD TRADING AS Q3 ARCHITECTURE	8,635.24
EFT15551	05/02/2010	TELSTRA - A/C 335 6242 598 - MOBILE PHONES	1,168.35
EFT15552	12/02/2010	WESTERN AUSTRALIAN LOCAL GOVERNMENT	28,783.08
EFT15553	12/02/2010	ALL DAY CONTRACTING	4,341.15
EFT15554	12/02/2010	IPING PTY LTD	1,128.80
EFT15555	12/02/2010	A.T. MILK SUPPLY	80.70
EFT15556	12/02/2010	APPRENTICESHIPS AUSTRALIA PTY LTD	297.00
EFT15557	12/02/2010	ASTAR HARDWARE DISTRIBUTION	595.65
EFT15558	12/02/2010	AUSTRALIA POST - ASCOT PLACE	20.52
EFT15559	12/02/2010	AUSTRALIAN HVAC SERVICES	38,643.00
EFT15560	12/02/2010	AUSTRALIAN LABORATORY SERVICES PTY LTD	22,769.45
EFT15561	12/02/2010	B&J CATALANO PTY LTD	509.90
EFT15562	12/02/2010	BUNNINGS BUILDING SUPPLIES PTY LTD	70.37
EFT15563	12/02/2010	CHAMBERLAIN AUTO ELECTRICS	429.14
EFT15564	12/02/2010	CMA RECYCLING PTY LTD	997.70
EFT15565	12/02/2010	EMERSON NETWORK POWER AUSTRALIA PTY LTD	371.25
EFT15566	12/02/2010	ESSENTIAL OFFICE PRODUCTS PTY LTD	1,831.50
EFT15567	12/02/2010	FLEXI STAFF PTY LTD	2,624.59
EFT15568	12/02/2010	JAYCOURT NOMINEES PTY LTD T/A BARFIELD MECHANICAL SERVICES	1,237.50
EFT15569	12/02/2010	KELLY SERVICES (AUSTRALIA) LTD	4,313.03
EFT15570	12/02/2010	KIRKGATE CONSULTING	3,484.80
EFT15571	12/02/2010	LEFKAPHA P/L T/A CENTRE FORD	33,544.95
EFT15572	12/02/2010	LEN FRENCH FENCING CONTRACTOR	340.00
EFT15573	12/02/2010	MACHINERY WAREHOUSE	32.00
EFT15574	12/02/2010	MARKET CLARITY PTY LTD	5,555.00
EFT15575	12/02/2010	MOTORCHARGE PTY LTD	7,108.27
EFT15576	12/02/2010	MUNDARING TYRE CENTRE	25.00
EFT15577	12/02/2010	NEVERFAIL SPRINGWATER	297.70
EFT15578	12/02/2010	PIRTEK	157.22
EFT15579	12/02/2010	PITNEY BOWES (POSTAGE BY PHONE)	18.15
EFT15580	12/02/2010	TELSTRA - A/C 3356 2426 14 (MOBILE DATA)	178.00
EFT15581	12/02/2010	TOTALLY WORKWEAR MIDLAND	253.62
EFT15582	12/02/2010	TRANEN PTY LTD	7,953.00
EFT15583	12/02/2010	TRANSPACIFIC CLEANAWAY LTD	196.76
EFT15584	12/02/2010	UHY HAINES NORTON (WA) PTY LTD	825.00
EFT15585	12/02/2010	UNIQUE WASTE MANAGEMENT SERVICES	4,158.00
EFT15586	12/02/2010	WEBTRACK PTY LTD T/A MOBILE PHONE INSTALLATIONS AUSTRALIA	200.00
EFT15587	12/02/2010	WEST AUSTRALIAN SECURITY PARTNERS	3,205.40
EFT15588	12/02/2010	WESTERN AUSTRALIAN LOCAL GOVERNMENT	318.00
EFT15589	12/02/2010	WESTERN TREE RECYCLERS	33,330.00
EFT15590	12/02/2010	WESTRAC EQUIPMENT PTY LTD	9,206.67
EFT15591	12/02/2010	WURTH AUSTRALIA PTY LTD	21.38
EFT15592	19/02/2010	CHILD SUPPORT	491.84



**CEO's DELEGATED PAYMENTS LIST
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Cheque /EFT No	Date	Payee	Amount
EFT15593	19/02/2010	CHUBB FIRE SAFETY LTD	6,075.30
EFT15594	19/02/2010	GRA EVERINGHAM PTY LTD	16,500.00
EFT15595	19/02/2010	HELENA HOLDINGS WA PTY LTD	4,004.00
EFT15596	19/02/2010	ADCORP	12,548.33
EFT15597	19/02/2010	AIMEE HYNES	31.77
EFT15598	19/02/2010	AIR FILTER DRY CLEAN SYSTEMS PTY LTD	572.33
EFT15599	19/02/2010	ALLIGHT PTY LTD	549.73
EFT15600	19/02/2010	ANALYTICAL REFERENCE LABORATORY	148.50
EFT15601	19/02/2010	AUSSIE CRATES WA PTY LTD	13,800.00
EFT15602	19/02/2010	AUSTRACLEAR LIMITED	61.91
EFT15603	19/02/2010	AUSTRALIA POST - RED HILL	144.92
EFT15604	19/02/2010	AUSTRALIAN HVAC SERVICES	140.25
EFT15605	19/02/2010	B&J CATALANO PTY LTD	243.99
EFT15606	19/02/2010	BEAUMONDE CATERING	4,395.10
EFT15607	19/02/2010	BLACKWOODS ATKINS	71.49
EFT15608	19/02/2010	BP AUSTRALIA LIMITED	23,615.98
EFT15609	19/02/2010	BP GIDGEGANNUP	33.20
EFT15610	19/02/2010	C&M COMPUTER SOLUTIONS	247.50
EFT15611	19/02/2010	CJD EQUIPMENT PTY LTD	1,794.56
EFT15612	19/02/2010	COMPU-STOR	587.77
EFT15613	19/02/2010	COMSYNC CONSULTING PTY LTD	429.00
EFT15614	19/02/2010	CORPORATE EXPRESS AUSTRALIA LTD	819.02
EFT15615	19/02/2010	CROSSLAND & HARDY PTY LTD	528.00
EFT15616	19/02/2010	DOUWE EGBERTS AUSTRALIA	246.39
EFT15617	19/02/2010	DUN & BRADSTREET PTY LTD	57.67
EFT15618	19/02/2010	EMAIL MEDIA	165.00
EFT15619	19/02/2010	FLEXI STAFF PTY LTD	2,129.28
EFT15620	19/02/2010	FREEHILLS	2,530.00
EFT15621	19/02/2010	FUELQUIP (AUSTRALIA) PTY LTD	869.87
EFT15622	19/02/2010	GOURMET INDULGENCE	1,162.00
EFT15623	19/02/2010	GRACE REMOVALS GROUP	616.00
EFT15624	19/02/2010	HAYDN ROBINSON BARRISTER & SOLICITOR	42,871.62
EFT15625	19/02/2010	INTEGRATED GROUP LTD	654.95
EFT15626	19/02/2010	IPAA (REFER TO 1721 FOR HISTORY)	105.00
EFT15627	19/02/2010	ISS WASHROOM SERVICES	113.66
EFT15628	19/02/2010	JOHN HUGHES MITSUBISHI	293.01
EFT15629	19/02/2010	KENNARDS HIRE	644.00
EFT15630	19/02/2010	KOTT GUNNING LAWYERS	1,841.95
EFT15631	19/02/2010	LANDMARK OPERATIONS LIMITED	113.85
EFT15632	19/02/2010	LINFOX ARMAGUARD PTY LTD	158.42
EFT15633	19/02/2010	MAIL PLUS PERTH	204.60
EFT15634	19/02/2010	MAJOR MOTORS PTY LTD	304,955.10
EFT15635	19/02/2010	MAYDAY EARTHMOVING	9,116.25
EFT15636	19/02/2010	MCINERNEY FORD	337.00
EFT15637	19/02/2010	MEHMET SHENAYE	303.52



**CEO's DELEGATED PAYMENTS LIST
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Cheque /EFT No	Date	Payee	Amount
EFT15638	19/02/2010	MORLEY GENERAL CLEANING SERVICE	2,541.09
EFT15639	19/02/2010	NEVERFAIL SPRINGWATER	179.75
EFT15640	19/02/2010	NEVERFAIL SPRINGWATER LTD - COPPIN ROAD	77.55
EFT15641	19/02/2010	NEVERFAIL SPRINGWATER LTD - HAZELMERE	133.00
EFT15642	19/02/2010	NEVERFAIL SPRINGWATER LTD - MATHIESON ROAD	33.95
EFT15643	19/02/2010	OAKVALE CAPITAL LTD	2,333.49
EFT15644	19/02/2010	ON SITE RENTALS PTY LTD	239.25
EFT15645	19/02/2010	PIRTEK	645.01
EFT15646	19/02/2010	Parkerville Cartage Pty Ltd	22,528.00
EFT15647	19/02/2010	SEEK LIMITED	462.00
EFT15648	19/02/2010	SNAP PRINTING	486.42
EFT15649	19/02/2010	SPUDS GARDENING SERVICES	1,964.00
EFT15650	19/02/2010	STANTONS INTERNATIONAL	5,280.00
EFT15651	19/02/2010	TELSTRA - A/C 031 1799 300 - LAND CARE CENTRE	54.35
EFT15652	19/02/2010	THOMSON REUTERS (PROFESSIONAL) AUSTRALIA	399.00
EFT15653	19/02/2010	TOTALLY WORKWEAR MIDLAND	547.60
EFT15654	19/02/2010	ULTIMO CATERING	815.35
EFT15655	19/02/2010	UNIQUE WASTE MANAGEMENT SERVICES	3,212.00
EFT15656	19/02/2010	WASTE MANAGEMENT ASSOCIATION OF AUSTRALIA	5,960.00
EFT15657	19/02/2010	WEBTRACK PTY LTD T/A MOBILE PHONE INSTALLATIONS AUSTRALIA	250.00
EFT15658	19/02/2010	WEST AUSTRALIAN SECURITY PARTNERS	5,106.48
EFT15659	19/02/2010	PAYG PAYMENTS	52,188.40
EFT15660	19/02/2010	TELSTRA - A/C 148 4710 000 - ASCOT PLACE	1,999.80
EFT15661	19/02/2010	TELSTRA - A/C 163 4688 200 - HAZELMERE	111.49
EFT15662	19/02/2010	CECK PTY LTD	682,110.48
EFT15663	25/02/2010	DEPUTY COMMISSIONER OF TAXATION	286,646.00
EFT15664	25/02/2010	WALGS PLAN	63,197.90
EFT15665	25/02/2010	ALL DAY CONTRACTING	21,065.00
EFT15666	25/02/2010	HOSECO (WA) PTY LTD	236.45
EFT15667	25/02/2010	INSTANT WEIGHT PTY LTD T/A INSTANT WEIGHING	357.50
EFT15668	25/02/2010	PPC WORLDWIDE PTY LTD	275.00
EFT15669	25/02/2010	PRIME HEALTH GROUP LTD	187.00
EFT15670	25/02/2010	A.T. MILK SUPPLY	55.50
EFT15671	25/02/2010	ACCESS INDUSTRIAL TYRES	878.15
EFT15672	25/02/2010	ADCORP	812.35
EFT15673	25/02/2010	ADECCO AUSTRALIA PTY LTD	1,049.96
EFT15674	25/02/2010	AIR FILTER DRY CLEAN SYSTEMS PTY LTD	311.93
EFT15675	25/02/2010	ALL CABINETS WA	12,540.00
EFT15676	25/02/2010	AUSSIE CRATES WA PTY LTD	6,600.00
EFT15677	25/02/2010	AUSTRALIAN COMMUNICATIONS AND MEDIA	57.00
EFT15678	25/02/2010	AUSTRALIAN INSTITUTE OF MANAGEMENT	795.00
EFT15679	25/02/2010	AUSTRALIAN TRAINING MANAGEMENT PTY LTD	2,160.00
EFT15680	25/02/2010	B&J CATALANO PTY LTD	2,800.28
EFT15681	25/02/2010	BIMPASI PTY LTD T/A THE LINEN PRESS	140.80



**CEO's DELEGATED PAYMENTS LIST
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Cheque /EFT No	Date	Payee	Amount
EFT15682	25/02/2010	BLACK DIAMOND PROTECTION	2,149.40
EFT15683	25/02/2010	BOBCAT ATTACH	407.00
EFT15684	25/02/2010	BOC GASES	89.71
EFT15685	25/02/2010	BP AUSTRALIA LIMITED	25,491.96
EFT15686	25/02/2010	CJD EQUIPMENT PTY LTD	1,384.50
EFT15687	25/02/2010	CMS EVENTS	1,375.00
EFT15688	25/02/2010	COMPLIANCE MONITORING PTY LTD	5,071.00
EFT15689	25/02/2010	CORPORATE EXPRESS AUSTRALIA LTD	287.63
EFT15690	25/02/2010	CROSSLAND & HARDY PTY LTD	1,724.25
EFT15691	25/02/2010	CSG SOLUTIONS PTY LTD	605.00
EFT15692	25/02/2010	DEVLYN CONSTRUCTIONS PTY LTD	295,533.15
EFT15693	25/02/2010	FLEXI STAFF PTY LTD	2,337.75
EFT15694	25/02/2010	G & S FURNITURE SALES (WA) PTY LTD	319.00
EFT15695	25/02/2010	GOURMET INDULGENCE	224.50
EFT15696	25/02/2010	HILLS FRESH	70.00
EFT15697	25/02/2010	IMPRINT PLASTIC	86.90
EFT15698	25/02/2010	J & K HOPKINS	314.00
EFT15699	25/02/2010	JOYCE EARTHMOVING PTY LTD	1,760.00
EFT15700	25/02/2010	KELLY SERVICES (AUSTRALIA) LTD	1,356.41
EFT15701	25/02/2010	KLB SYSTEMS	556.60
EFT15702	25/02/2010	LYONS AIRCONDITIONING SERVICES	52.80
EFT15703	25/02/2010	Laminex Group Pty Ltd - Kewdale	231.00
EFT15704	25/02/2010	MACHINERY WAREHOUSE	66.00
EFT15705	25/02/2010	MALCOLM & CARIL BARKER	660.00
EFT15706	25/02/2010	MIDLAND TOYOTA	621.70
EFT15707	25/02/2010	MISS MAUD	38.00
EFT15708	25/02/2010	MS N RAKELA	199.76
EFT15709	25/02/2010	MUNDARING CRANE TRUCK HIRE	132.00
EFT15710	25/02/2010	MUNDARING TYRE CENTRE	25.00
EFT15711	25/02/2010	NATIONAL TAX MANAGER	132.00
EFT15712	25/02/2010	NEVERFAIL SPRINGWATER	226.65
EFT15713	25/02/2010	NEVERFAIL SPRINGWATER LTD - HAZELMERE	53.65
EFT15714	25/02/2010	PRESTIGE ALARMS	430.00
EFT15715	25/02/2010	PRESTIGE PUMP RENTALS	18,158.48
EFT15716	25/02/2010	PROFESSIONAL PRINTERS	352.00
EFT15717	25/02/2010	REPLANTS.COM PTY LTD	990.00
EFT15718	25/02/2010	RUDD INDUSTRIAL AND FARM SUPPLIES	14.92
EFT15719	25/02/2010	RUPINDER SINGH	1,085.00
EFT15720	25/02/2010	SEEK LIMITED	220.00
EFT15721	25/02/2010	SHUGS ELECTRICAL	454.30
EFT15722	25/02/2010	SIGNS & LINES	477.47
EFT15723	25/02/2010	SNAP PRINTING	1,808.16
EFT15724	25/02/2010	SNAP PRINTING (MIDLAND)	94.00
EFT15725	25/02/2010	ST JOHN AMBULANCE ASSOCIATION	100.07
EFT15726	25/02/2010	TELSTRA - A/C 246 2455 400 - RH SECURITY MONITOR	38.50



**CEO's DELEGATED PAYMENTS LIST
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Cheque /EFT No	Date	Payee	Amount
EFT15727	25/02/2010	TOTALLY WORKWEAR MIDLAND	1,080.25
EFT15728	25/02/2010	UNIQUE WASTE MANAGEMENT SERVICES	5,126.00
EFT15729	25/02/2010	VERTICAL TELECOM WA PTY LTD (VERTEL)	96.80
EFT15730	25/02/2010	WA MACHINERY GLASS	770.00
EFT15731	25/02/2010	WEBTRACK PTY LTD T/A MOBILE PHONE INSTALLATIONS AUSTRALIA	95.00
EFT15732	25/02/2010	WEST AUSTRALIAN SECURITY PARTNERS	2,085.63
EFT15733	25/02/2010	WESTERN AUSTRALIAN LOCAL GOVERNMENT	13,286.80
EFT15734	25/02/2010	WREN OIL	60.50
EFT15735	25/02/2010	LANDFILL GAS & POWER PTY LTD	129.62
EFT15736	05/03/2010	PRIME HEALTH GROUP LTD	456.50
EFT15737	05/03/2010	SNAP BURSWOOD	66.00
EFT15738	05/03/2010	TISARA (AUSTRALIA) PTY LTD	70.00
EFT15739	05/03/2010	360 RECYCLING PTY LTD	55.00
EFT15740	05/03/2010	ACADEMY OFFICE NATIONAL	275.50
EFT15741	05/03/2010	ADCORP	372.55
EFT15742	05/03/2010	AIR FILTER DRY CLEAN SYSTEMS PTY LTD	578.95
EFT15743	05/03/2010	AUSTRACLEAR LIMITED	39.91
EFT15744	05/03/2010	B&J CATALANO PTY LTD	1,950.52
EFT15745	05/03/2010	BEAUMONDE CATERING	1,896.25
EFT15746	05/03/2010	BELMONT - REDCLIFFE NEWSROUND	227.90
EFT15747	05/03/2010	BLACK DIAMOND PROTECTION	2,128.23
EFT15748	05/03/2010	BRING COURIERS	441.57
EFT15749	05/03/2010	BUNNINGS BUILDING SUPPLIES PTY LTD	109.00
EFT15750	05/03/2010	C & H SWEEPING	467.50
EFT15751	05/03/2010	CABCHARGE	226.27
EFT15752	05/03/2010	CAPITAL TRANSPORT SERVICES (WA) PTY LTD	1,544.04
EFT15753	05/03/2010	CJD EQUIPMENT PTY LTD	747.98
EFT15754	05/03/2010	CORPORATE EXPRESS AUSTRALIA LTD	434.38
EFT15755	05/03/2010	COVENTRYS	167.91
EFT15756	05/03/2010	CROMMELINS AUSTRALIA	274.26
EFT15757	05/03/2010	DIRECT OFFICE FURNITURE	613.80
EFT15758	05/03/2010	FASHION HOUSE CORPORATE WEAR	1,277.37
EFT15759	05/03/2010	FILTERS PLUS	388.58
EFT15760	05/03/2010	FIRE RESCUE SAFETY AUSTRALIA PTY LTD	2,700.00
EFT15761	05/03/2010	FUJI XEROX AUSTRALIA PTY LTD	2,640.34
EFT15762	05/03/2010	GOURMET INDULGENCE	275.00
EFT15763	05/03/2010	GRACE REMOVALS GROUP	34,977.80
EFT15764	05/03/2010	HILLS FRESH	70.00
EFT15765	05/03/2010	HOLCIM (AUSTRALIA)PTY LTD	5,394.84
EFT15766	05/03/2010	HOSEMASTERS	388.37
EFT15767	05/03/2010	INTEWORK INC	431.25
EFT15768	05/03/2010	ISS WASHROOM SERVICES	113.66
EFT15769	05/03/2010	JANE COFFEY AND ASSOCIATES	880.00
EFT15770	05/03/2010	JAYCOURT NOMINEES P/L T/A BARFIELD EARTHMOVING	4,333.90



**CEO's DELEGATED PAYMENTS LIST
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Cheque /EFT No	Date	Payee	Amount
EFT15771	05/03/2010	KALAMUNDA TOYOTA	287.39
EFT15772	05/03/2010	KENNARDS HIRE	644.00
EFT15773	05/03/2010	KIRTON & DURACK ENGINEERING & CONSULTANCY SERVICES	14,753.20
EFT15774	05/03/2010	LANDFILL GAS & POWER PTY LTD	903.25
EFT15775	05/03/2010	LANDMARK OPERATIONS LIMITED	109.36
EFT15776	05/03/2010	LESMURDIE BUS SERVICE	330.00
EFT15777	05/03/2010	LINC	405.63
EFT15778	05/03/2010	MCLEODS BARRISTERS & SOLICITORS	979.55
EFT15779	05/03/2010	MEDIA ON MARS	1,210.00
EFT15780	05/03/2010	MIDLAND TOYOTA	42,922.50
EFT15781	05/03/2010	MUNDARING TYRE CENTRE	40.00
EFT15782	05/03/2010	NEVERFAIL SPRINGWATER	601.65
EFT15783	05/03/2010	NEVERFAIL SPRINGWATER LTD - HAZELMERE	17.60
EFT15784	05/03/2010	ON SITE RENTALS PTY LTD	207.90
EFT15785	05/03/2010	PERTH POLO CLUB INC	3,000.00
EFT15786	05/03/2010	PRECISION PANEL & PAINT	1,288.84
EFT15787	05/03/2010	PRITCHARD FRANCIS PTY LTD	2,585.00
EFT15788	05/03/2010	RED 11 PTY LTD	27,184.60
EFT15789	05/03/2010	ROBYN O'CALLAGHAN	138.00
EFT15790	05/03/2010	ROSS HUMAN DIRECTIONS	2,411.13
EFT15791	05/03/2010	SNAP PRINTING	958.70
EFT15792	05/03/2010	ST JOHN AMBULANCE ASSOCIATION	3,097.00
EFT15793	05/03/2010	STEVENSON CONSULTING	3,663.00
EFT15794	05/03/2010	SYNERGY	579.60
EFT15795	05/03/2010	TELSTRA - A/C 008 2879 300 - SECONDARY WASTE PRJ	179.00
EFT15796	05/03/2010	TELSTRA - A/C 295 7816 000 - RED HILL	631.45
EFT15797	05/03/2010	ULTIMO CATERING	327.20
EFT15798	05/03/2010	UNIQUE WASTE MANAGEMENT SERVICES	3,872.00
EFT15799	05/03/2010	VOLICH WASTE CONTRACTORS PTY LTD	44.00
EFT15800	05/03/2010	WESTERN AUSTRALIAN LOCAL GOVERNMENT	1,056.00
EFT15801	05/03/2010	WESTRAC EQUIPMENT PTY LTD	1,515.36
EFT15802	05/03/2010	YOUNGS HOLDEN	440.77
EFT15803	05/03/2010	ALL DAY CONTRACTING	6,928.90
EFT15804	05/03/2010	PITNEY BOWES AUSTRALIA (WA)	870.10
EFT15805	05/03/2010	SNAP BURSWOOD	693.00
EFT15806	05/03/2010	WESTCARE INDUSTRIES	396.00
EFT15807	05/03/2010	ALLIGHT PTY LTD	652.20
EFT15808	05/03/2010	COVENTRYS	270.93
EFT15809	05/03/2010	CROMMELINS AUSTRALIA	2,716.50
EFT15810	05/03/2010	EXPERIENCE PERTH	1,188.00
EFT15811	05/03/2010	HILLS FRESH	70.00
EFT15812	05/03/2010	JAYCOURT NOMINEES PTY LTD T/A BARFIELD MECHANICAL SERVICES	2,107.12
EFT15813	05/03/2010	KENNARDS HIRE	630.00



**CEO's DELEGATED PAYMENTS LIST
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Cheque /EFT No	Date	Payee	Amount
EFT15814	05/03/2010	KOKO SOLUTIONS P/L T/A KENWICK DRUM	422.40
EFT15815	05/03/2010	MACHINERY WAREHOUSE	105.00
EFT15816	05/03/2010	MISS MAUD	115.31
EFT15817	05/03/2010	PAYG PAYMENTS	48,508.29
EFT15818	05/03/2010	PIRTEK	375.80
EFT15819	05/03/2010	Q3 PTY LTD TRADING AS Q3 ARCHITECTURE	8,250.00
EFT15820	05/03/2010	TELSTRA - A/C 335 6242 598 - MOBILE PHONES	1,263.60
EFT15821	05/03/2010	TOTALLY WORKWEAR MIDLAND	254.44
EFT15822	05/03/2010	UNIQUE WASTE MANAGEMENT SERVICES	572.00
EFT15823	05/03/2010	WESTRAC EQUIPMENT PTY LTD	587.15
EFT15824	12/03/2010	ALL DAY CONTRACTING	38,940.00
EFT15825	12/03/2010	KEYWEST LOCK SERVICE	352.00
EFT15826	12/03/2010	AIR FILTER DRY CLEAN SYSTEMS PTY LTD	327.73
EFT15827	12/03/2010	ASCOT QUAYS APARTMENT HOTEL PTY LTD	1,924.00
EFT15828	12/03/2010	B&J CATALANO PTY LTD	872.25
EFT15829	12/03/2010	BLACK DIAMOND PROTECTION	2,095.23
EFT15830	12/03/2010	BP GIDGEGANNUP	55.95
EFT15831	12/03/2010	BUNNINGS BUILDING SUPPLIES PTY LTD	18.77
EFT15832	12/03/2010	CHAMBERLAIN AUTO ELECTRICS	673.51
EFT15833	12/03/2010	CJD EQUIPMENT PTY LTD	132.02
EFT15834	12/03/2010	COMPU-STOR	647.04
EFT15835	12/03/2010	FILTERS PLUS	4.95
EFT15836	12/03/2010	FOUR THE BOYS	41.01
EFT15837	12/03/2010	FUJI XEROX AUSTRALIA PTY LTD	37.21
EFT15838	12/03/2010	GOURMET INDULGENCE	215.00
EFT15839	12/03/2010	HILLS FRESH	140.00
EFT15840	12/03/2010	ID CONSULTING PTY LTD	302.50
EFT15841	12/03/2010	IMPRINT PLASTIC	23.65
EFT15842	12/03/2010	INDEPTH CREATIVE	14,120.04
EFT15843	12/03/2010	J & K HOPKINS	720.00
EFT15844	12/03/2010	KELLY SERVICES (AUSTRALIA) LTD	5,009.15
EFT15845	12/03/2010	LEN FRENCH FENCING CONTRACTOR	4,725.00
EFT15846	12/03/2010	LINFOX ARMAGUARD PTY LTD	316.84
EFT15847	12/03/2010	MIDLAND PICTURE FRAMERS	144.00
EFT15848	12/03/2010	MOTORCHARGE PTY LTD	7,950.37
EFT15849	12/03/2010	NELL CARTAGE	1,870.00
EFT15850	12/03/2010	NEVERFAIL SPRINGWATER	242.10
EFT15851	12/03/2010	NORTH EAST REGION TRAINING ASSOCIATION	255.00
EFT15852	12/03/2010	PRECISION PANEL & PAINT	3,053.29
EFT15853	12/03/2010	Parkerville Cartage Pty Ltd	13,992.00
EFT15854	12/03/2010	ROSS HUMAN DIRECTIONS	4,089.50
EFT15855	12/03/2010	SNAP PRINTING	300.00
EFT15856	12/03/2010	SOUTHERN METROPOLITAN REGIONAL COUNCIL	92.60
EFT15857	12/03/2010	TOLL PRIORITY	189.43
EFT15858	12/03/2010	TRANSPACIFIC CLEANAWAY LTD	93.36



**CEO's DELEGATED PAYMENTS LIST
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Cheque /EFT No	Date	Payee	Amount
EFT15859	12/03/2010	UNIQUE WASTE MANAGEMENT SERVICES	3,300.00
EFT15860	12/03/2010	WESTRAC EQUIPMENT PTY LTD	261.93
EFT15861	12/03/2010	INDEPTH CREATIVE	10,696.00
EFT15862	19/03/2010	ALL DAY CONTRACTING	7,664.25
EFT15863	19/03/2010	IPING PTY LTD	1,128.80
EFT15864	19/03/2010	PRIME HEALTH GROUP LTD	137.50
EFT15865	19/03/2010	AIR FILTER DRY CLEAN SYSTEMS PTY LTD	260.41
EFT15866	19/03/2010	ALLIGHT PTY LTD	347.66
EFT15867	19/03/2010	ASCOT QUAYS APARTMENT HOTEL PTY LTD	241.00
EFT15868	19/03/2010	AUSTRALIA POST - ASCOT PLACE	2,494.00
EFT15869	19/03/2010	AUSTRALIA POST - RED HILL	422.62
EFT15870	19/03/2010	B&J CATALANO PTY LTD	1,438.06
EFT15871	19/03/2010	BENARA NURSERIES	497.27
EFT15872	19/03/2010	BLACK DIAMOND PROTECTION	2,128.23
EFT15873	19/03/2010	BLACKWOODS ATKINS	559.15
EFT15874	19/03/2010	BP AUSTRALIA LIMITED	23,565.50
EFT15875	19/03/2010	CARDNO BSD MEINHARDT JOINT VENTURE	48,939.06
EFT15876	19/03/2010	CECK PTY LTD	688,120.10
EFT15877	19/03/2010	CJD EQUIPMENT PTY LTD	33.14
EFT15878	19/03/2010	CLIFTON PERTH	4,228.84
EFT15879	19/03/2010	COMSYNC CONSULTING PTY LTD	1,144.00
EFT15880	19/03/2010	CORPORATE EXPRESS AUSTRALIA LTD	1,389.00
EFT15881	19/03/2010	DATA 3 PERTH	21.95
EFT15882	19/03/2010	DELOITTE TOUCHE TOHMATSU	19,458.00
EFT15883	19/03/2010	ENCYCLE CONSULTING PTY LTD	1,804.00
EFT15884	19/03/2010	ERBEAC INC	1,148.90
EFT15885	19/03/2010	ESTILL & ASSOCIATES	1,936.00
EFT15886	19/03/2010	EXPANDABRAND	1,887.05
EFT15887	19/03/2010	FILTERS PLUS	74.25
EFT15888	19/03/2010	GUILDFORD LANDING FUNCTION CENTRE	610.00
EFT15889	19/03/2010	HILLS FRESH	70.00
EFT15890	19/03/2010	KELLY SERVICES (AUSTRALIA) LTD	2,642.76
EFT15891	19/03/2010	KLB SYSTEMS	8,767.00
EFT15892	19/03/2010	LANDFILL GAS & POWER PTY LTD	2,122.54
EFT15893	19/03/2010	LANDMARK OPERATIONS LIMITED	347.76
EFT15894	19/03/2010	LYONS AIRCONDITIONING SERVICES	1,994.73
EFT15895	19/03/2010	MACHINERY WAREHOUSE	215.00
EFT15896	19/03/2010	MAJOR MOTORS PTY LTD	295,953.81
EFT15897	19/03/2010	MIDLAND TOYOTA	26,253.78
EFT15898	19/03/2010	MISS MAUD	79.90
EFT15899	19/03/2010	MUNDARING FLORIST AND ARTISTRY	75.00
EFT15900	19/03/2010	MUNDARING TYRE CENTRE	30.00
EFT15901	19/03/2010	NEVERFAIL SPRINGWATER	157.73
EFT15902	19/03/2010	NEVERFAIL SPRINGWATER LTD - HAZELMERE	53.45
EFT15903	19/03/2010	OAKVALE CAPITAL LTD	2,333.49



**CEO's DELEGATED PAYMENTS LIST
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EFT15904	19/03/2010	PEACETREE PERMACULTURE AND EDIBLE LANDSCAPES	770.00
EFT15905	19/03/2010	PITNEY BOWES (POSTAGE BY PHONE)	18.15
EFT15906	19/03/2010	ROSS HUMAN DIRECTIONS	1,503.13
EFT15907	19/03/2010	SEEK LIMITED	220.00
EFT15908	19/03/2010	SIGN SUPERMARKET	154.00
EFT15909	19/03/2010	SILVERLOCK PACKAGING	211.75
EFT15910	19/03/2010	SNAP PRINTING	764.65
EFT15911	19/03/2010	SYNERGY	311.85
EFT15912	19/03/2010	TELSTRA - A/C 031 1799 300 - LAND CARE CENTRE	50.05
EFT15913	19/03/2010	TELSTRA - A/C 148 4710 000 - ASCOT PLACE	5,400.49
EFT15914	19/03/2010	TELSTRA - A/C 3356 2426 14 (MOBILE DATA)	178.00
EFT15915	19/03/2010	TOTALLY WORKWEAR MIDLAND	410.41
EFT15916	19/03/2010	TRANSLATION HOUSE	2,497.00
EFT15917	19/03/2010	TRANSPACIFIC CLEANAWAY LTD	51.70
EFT15918	19/03/2010	ULTIMO CATERING	216.60
EFT15919	19/03/2010	UNIQUE WASTE MANAGEMENT SERVICES	4,158.00
EFT15920	19/03/2010	VERTICAL TELECOM WA PTY LTD (VERTEL)	970.00
EFT15921	19/03/2010	WESTERN RESOURCE RECOVERY PTY LTD	1,701.92
EFT15922	19/03/2010	WESTRAC EQUIPMENT PTY LTD	1,023.94
EFT15923	19/03/2010	PRIME HEALTH GROUP LTD	253.00
EFT15924	19/03/2010	A.T. MILK SUPPLY	55.50
EFT15925	19/03/2010	ANALYTICAL REFERENCE LABORATORY	148.50
EFT15926	19/03/2010	ASTAR HARDWARE DISTRIBUTION	595.65
EFT15927	19/03/2010	AWARD CONTRACTING	313.50
EFT15928	19/03/2010	B&J CATALANO PTY LTD	702.25
EFT15929	19/03/2010	BLACK DIAMOND PROTECTION	1,224.30
EFT15930	19/03/2010	BP AUSTRALIA LIMITED	23,770.67
EFT15931	19/03/2010	BUNNINGS BUILDING SUPPLIES PTY LTD	1,033.47
EFT15932	19/03/2010	CJD EQUIPMENT PTY LTD	125.64
EFT15933	19/03/2010	CROMMELINS AUSTRALIA	56.12
EFT15934	19/03/2010	FUELQUIP (AUSTRALIA) PTY LTD	463.89
EFT15935	19/03/2010	HILLS FRESH	70.00
EFT15936	19/03/2010	LANDFILL GAS & POWER PTY LTD	2,420.00
EFT15937	19/03/2010	LANDMARK OPERATIONS LIMITED	2,194.35
EFT15938	19/03/2010	MACHINE SECURITY COVERS	3,454.00
EFT15939	19/03/2010	MACHINERY WAREHOUSE	12.00
EFT15940	19/03/2010	MORLEY GENERAL CLEANING SERVICE	2,805.09
EFT15941	19/03/2010	NELL CARTAGE	1,650.00
EFT15942	19/03/2010	NEVERFAIL SPRINGWATER	179.05
EFT15943	19/03/2010	O'BRIEN GLASS	515.05
EFT15944	19/03/2010	PAYG PAYMENTS	49,871.29
EFT15945	19/03/2010	PIRTEK	48.44
EFT15946	19/03/2010	PULSE DESIGN	6,175.07
EFT15947	19/03/2010	RSEA - ONE STOP SAFETY SHOP	59.50
EFT15948	19/03/2010	RUDD INDUSTRIAL AND FARM SUPPLIES	439.27



**CEO's DELEGATED PAYMENTS LIST
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Cheque /EFT No	Date	Payee	Amount
EFT15949	19/03/2010	SPUDS GARDENING SERVICES	852.00
EFT15950	19/03/2010	SUBARU WANGARA	31,295.90
EFT15951	19/03/2010	TELSTRA - A/C 148 4710 000 - ASCOT PLACE	1,894.28
EFT15952	19/03/2010	TELSTRA - A/C 163 4688 200 - HAZELMERE	111.75
EFT15953	19/03/2010	TIM DAVIES LANDSCAPING PTY LTD	783.20
EFT15954	19/03/2010	TOTALLY WORKWEAR MIDLAND	107.96
EFT15955	19/03/2010	UNIQUE WASTE MANAGEMENT SERVICES	4,972.00
EFT15956	19/03/2010	VERTICAL TELECOM WA PTY LTD (VERTEL)	4,855.51
EFT15957	19/03/2010	WESTRAC EQUIPMENT PTY LTD	384.65
EFT15958	19/03/2010	WURTH AUSTRALIA PTY LTD	443.90
EFT15959	24/03/2010	PRIME HEALTH GROUP LTD	137.50
EFT15960	24/03/2010	PURE AIR FILTERS	74.80
EFT15961	24/03/2010	A TEAM PRINTING	172.50
EFT15962	24/03/2010	A.T. MILK SUPPLY	55.50
EFT15963	24/03/2010	ACCESS INDUSTRIAL TYRES	253.00
EFT15964	24/03/2010	ADCORP	2,312.35
EFT15965	24/03/2010	AIR FILTER DRY CLEAN SYSTEMS PTY LTD	432.18
EFT15966	24/03/2010	AIRWELL PUMPS PTY LTD	13,353.88
EFT15967	24/03/2010	ANGUS & ROBERTSON	1,080.00
EFT15968	24/03/2010	AUSSIE CRATES WA PTY LTD	6,600.00
EFT15969	24/03/2010	BIG BUBBLE RETAIL	51.27
EFT15970	24/03/2010	BLACK DIAMOND PROTECTION	903.93
EFT15971	24/03/2010	CARBON NEUTRAL LTD	3,834.32
EFT15972	24/03/2010	CARDNO (WA) PTY LTD	8,800.79
EFT15973	24/03/2010	CARDNO BSD MEINHARDT JOINT VENTURE	37,565.86
EFT15974	24/03/2010	CORPORATE EXPRESS AUSTRALIA LTD	1,700.61
EFT15975	24/03/2010	CREATIVE EVENTS DECORE P/L T/A INCREDIBLE	2,047.10
EFT15976	24/03/2010	EURO DIESEL SERVICES PTY LTD	1,146.64
EFT15977	24/03/2010	FUJI XEROX AUSTRALIA PTY LTD	548.48
EFT15978	24/03/2010	GRA EVERINGHAM PTY LTD	5,500.00
EFT15979	24/03/2010	KELLY SERVICES (AUSTRALIA) LTD	1,962.18
EFT15980	24/03/2010	LANDMARK OPERATIONS LIMITED	1,647.76
EFT15981	24/03/2010	MIDLAND PICTURE FRAMERS	24.00
EFT15982	24/03/2010	MIDLAND TOYOTA	43,302.32
EFT15983	24/03/2010	MUNDARING TYRE CENTRE	580.00
EFT15984	24/03/2010	NEVERFAIL SPRINGWATER	187.75
EFT15985	24/03/2010	Q3 PTY LTD TRADING AS Q3 ARCHITECTURE	8,250.00
EFT15986	24/03/2010	ROSS HUMAN DIRECTIONS	905.23
EFT15987	24/03/2010	SAI GLOBAL LIMITED	28.00
EFT15988	24/03/2010	SCRD HOLDINGS P/L T/A SECURE COMPUTER RECYLING & DISPOSAL	3,674.15
EFT15989	24/03/2010	SKIPPER TRUCKS	1,047.13
EFT15990	24/03/2010	THE UTESHED	160.00
EFT15991	24/03/2010	ULTIMO CATERING	572.40
EFT15992	24/03/2010	WESTERN TREE RECYCLERS	36,768.60



**CEO's DELEGATED PAYMENTS LIST
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Cheque /EFT No	Date	Payee	Amount
EFT15993	31/03/2010	CHILD SUPPORT	737.76
EFT15994	31/03/2010	WALGS PLAN	96,619.65
EFT15995	31/03/2010	COMMAND-A-COM AUSTRALIA PTY LTD	203.50
EFT15996	31/03/2010	HOSECO (WA) PTY LTD	50.60
EFT15997	31/03/2010	KEYWEST LOCK SERVICE	18.00
EFT15998	31/03/2010	PRIME HEALTH GROUP LTD	137.50
EFT15999	31/03/2010	SNAP BURSWOOD	264.00
EFT16000	31/03/2010	ACCESS INDUSTRIAL TYRES	652.30
EFT16001	31/03/2010	ACCLAIMED CATERING	653.95
EFT16002	31/03/2010	AIR FILTER DRY CLEAN SYSTEMS PTY LTD	387.30
EFT16003	31/03/2010	AIRWELL PUMPS PTY LTD	3,485.17
EFT16004	31/03/2010	ALL EARTH CONTRACTING	91,410.00
EFT16005	31/03/2010	AUSTRACLEAR LIMITED	43.21
EFT16006	31/03/2010	BLACK DIAMOND PROTECTION	903.93
EFT16007	31/03/2010	BLACKWOODS ATKINS	270.18
EFT16008	31/03/2010	BOBCAT ATTACH	396.00
EFT16009	31/03/2010	BRING COURIERS	970.60
EFT16010	31/03/2010	CABCHARGE	6.00
EFT16011	31/03/2010	CARPENTRY, HOUSE AND YARD MAINTENANCE	590.00
EFT16012	31/03/2010	CCH AUSTRALIA LTD	702.00
EFT16013	31/03/2010	CHAMBERLAIN AUTO ELECTRICS	280.50
EFT16014	31/03/2010	CITY OF BELMONT	445.50
EFT16015	31/03/2010	CJD EQUIPMENT PTY LTD	1,875.00
EFT16016	31/03/2010	CMS EVENTS	1,408.00
EFT16017	31/03/2010	COMSYNC CONSULTING PTY LTD	3,503.50
EFT16018	31/03/2010	CORPORATE EXPRESS AUSTRALIA LTD	43.38
EFT16019	31/03/2010	CRISALIS INTERNATIONAL PTY LTD	19,783.50
EFT16020	31/03/2010	CROSSLAND & HARDY PTY LTD	9,779.00
EFT16021	31/03/2010	DAVID BROADWAY	250.00
EFT16022	31/03/2010	DEVLYN CONSTRUCTIONS PTY LTD	539,368.39
EFT16023	31/03/2010	EDWIN DELL	44.51
EFT16024	31/03/2010	FREEHILLS	44.95
EFT16025	31/03/2010	FUJI XEROX AUSTRALIA PTY LTD	6,846.81
EFT16026	31/03/2010	GUILDFORD LANDING FUNCTION CENTRE	900.60
EFT16027	31/03/2010	HAYS SPECIALIST RECRUITMENT	711.96
EFT16028	31/03/2010	INTEWORK INC	679.22
EFT16029	31/03/2010	ISS WASHROOM SERVICES	1,554.66
EFT16030	31/03/2010	KELLY SERVICES (AUSTRALIA) LTD	2,648.84
EFT16031	31/03/2010	LEN FRENCH FENCING CONTRACTOR	4,800.00
EFT16032	31/03/2010	MACHINERY WAREHOUSE	942.00
EFT16033	31/03/2010	MILNE AGRIGROUP PTY LTD	1,188.00
EFT16034	31/03/2010	MISS MAUD	149.35
EFT16035	31/03/2010	MUNDARING CRANE TRUCK HIRE	660.00
EFT16036	31/03/2010	ON SITE RENTALS PTY LTD	207.90
EFT16037	31/03/2010	PACIFIC INT. TRANSLATIONS T/A THE INT. LANGUAGE	115.50



**CEO's DELEGATED PAYMENTS LIST
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Cheque /EFT No	Date	Payee	Amount
		COMPANY	
EFT16038	31/03/2010	PRESTIGE PUMP RENTALS	13,944.70
EFT16039	31/03/2010	QMW INDUSTRIES (WA)	10,853.70
EFT16040	31/03/2010	ROSS HUMAN DIRECTIONS	2,656.21
EFT16041	31/03/2010	SAFETY SIGNS SERVICE	520.74
EFT16042	31/03/2010	SKIPPER TRUCKS	31.99
EFT16043	31/03/2010	SNAP PRINTING	1,053.85
EFT16044	31/03/2010	SPUDS GARDENING SERVICES	440.00
EFT16045	31/03/2010	TOLL PRIORITY	95.52
EFT16046	31/03/2010	TOTALLY WORKWEAR MIDLAND	469.28
EFT16047	31/03/2010	TRANSLATION HOUSE	759.00
EFT16048	31/03/2010	ULTIMO CATERING	364.10
EFT16049	31/03/2010	UNIQUE WASTE MANAGEMENT SERVICES	7,172.00
EFT16050	31/03/2010	VANCOVER WASTE SERVICES PTY LTD T/A WA BIO FUEL	19,756.00
EFT16051	31/03/2010	VERTICAL TELECOM WA PTY LTD (VERTEL)	2,910.01
EFT16052	31/03/2010	VOLICH WASTE CONTRACTORS PTY LTD	44.00
EFT16053	31/03/2010	WREN OIL	16.50
EFT16054	31/03/2010	PAYG PAYMENTS	50,150.32
EFT16055	31/03/2010	TELSTRA - A/C 008 2879 300 - SECONDARY WASTE PRJ	218.52
218660	05/02/2010	EMRC PETTY CASH - REDHILL	209.45
218661	12/02/2010	EMRC PETTY CASH - HAZELMERE	176.45
218662	12/02/2010	GIDGIE GROG LIQUOR STORE	194.93
218663	19/02/2010	CANNINGTON NEWS	106.42
218664	19/02/2010	EMRC PETTY CASH - BELMONT	934.40
218665	19/02/2010	HUTCHISON 3G AUSTRALIA PTY LTD	107.00
218666	19/02/2010	MELBOURNE IT LTD	340.00
218667	19/02/2010	MULBERRY ON SWAN	22,399.00
218668	25/02/2010	CITY OF SWAN	1,082.48
218669	25/02/2010	CITY OF SOUTH PERTH	63.50
218670	25/02/2010	KEYNOTE CONFERENCES	1,425.00
218671	25/02/2010	GENERATIONS PERSONAL SUPERANNUATION PLAN	379.04
218672	25/02/2010	WESTSCHEME	1,129.90
218673	25/02/2010	ANZ SUPER ADVANTAGE	313.20
218674	25/02/2010	ASGARD ELEMENTS SUPER ACCOUNT	315.84
218675	25/02/2010	AUSTRALIAN SUPER	484.62
218676	25/02/2010	AXA AUSTRALIA (RETIREMENT BOND)	336.21
218677	25/02/2010	BT BUSINESS SUPER	701.78
218678	25/02/2010	BT LIFETIME - PERSONAL SUPER	364.18
218679	25/02/2010	CBUS INDUSTRY SUPER	305.04
218680	25/02/2010	HOSTPLUS SUPERANNUATION FUND	402.99
218681	25/02/2010	ING LIFE LTD	118.71
218682	25/02/2010	IOOF INVESTMENT MANAGEMENT	184.38
218683	25/02/2010	MASTERSUPER	851.54
218684	25/02/2010	MTAA SUPERANNUATION FUND	285.05
218685	25/02/2010	NORWICH UNION LIFE INSURANCE SOCIETY	448.97



**CEO's DELEGATED PAYMENTS LIST
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218686	25/02/2010	RETAIL EMPLOYEES SUPERANNUATION TRUST	366.86
218687	25/02/2010	THE INDUSTRY SUPERANNUATION FUND	285.06
218688	25/02/2010	ZURICH AUSTRALIAN SUPERANNUATION	319.64
218689	25/02/2010	Wesfeeds Pty Ltd	824.55
218690	05/03/2010	WATER CORPORATION	117.40
218691	12/03/2010	EMRC PETTY CASH - BELMONT	892.55
218692	12/03/2010	EMRC PETTY CASH - REDHILL	216.95
218693	19/03/2010	CITY OF SWAN	943.80
218694	19/03/2010	HUTCHISON 3G AUSTRALIA PTY LTD	107.00
218695	24/03/2010	CANNINGTON NEWS	106.42
218696	24/03/2010	EMRC PETTY CASH - REDHILL	262.05
218697	31/03/2010	GENERATIONS PERSONAL SUPERANNUATION PLAN	566.02
218698	31/03/2010	MASTERSUPER	1,277.31
218699	31/03/2010	WESTSCHEME	1,941.30
218700	31/03/2010	ANZ SUPER ADVANTAGE	469.80
218701	31/03/2010	ASGARD ELEMENTS SUPER ACCOUNT	473.75
218702	31/03/2010	AUSTRALIAN SUPER	726.93
218703	31/03/2010	AXA AUSTRALIA (RETIREMENT BOND)	503.99
218704	31/03/2010	BT BUSINESS SUPER	1,106.34
218705	31/03/2010	BT LIFETIME - PERSONAL SUPER	540.17
218706	31/03/2010	CBUS INDUSTRY SUPER	493.50
218707	31/03/2010	EMRC PETTY CASH - BELMONT	593.50
218708	31/03/2010	ING LIFE LTD	65.11
218709	31/03/2010	IOOF INVESTMENT MANAGEMENT	293.07
218710	31/03/2010	MTAA SUPERANNUATION FUND	427.59
218711	31/03/2010	NORWICH UNION LIFE INSURANCE SOCIETY	678.96
218712	31/03/2010	RETAIL EMPLOYEES SUPERANNUATION TRUST	620.45
218713	31/03/2010	THE INDUSTRY SUPERANNUATION FUND	427.58
218714	31/03/2010	UNISUPER LIMITED	260.08
218715	31/03/2010	ZURICH AUSTRALIAN INSURANCE LIMITED	2,000.00
218716	31/03/2010	ZURICH AUSTRALIAN SUPERANNUATION	478.58
389	01/03/2010	WBC - CORPORATE MASTER CARD - D AMEDURI	1,295.13
390	01/03/2010	WBC - CORPORATE MASTER CARD - ENAD ZRAID	2,243.78
391	01/03/2010	WBC - CORPORATE MASTER CARD - S FITZPATRICK	12,108.17
392	01/03/2010	WBC - CORPORATE MASTERCARD - ADAM JOHNSON	200.00
393	29/03/2010	WBC - CORPORATE MASTER CARD - D AMEDURI	961.88
394	29/03/2010	WBC - CORPORATE MASTER CARD - ENAD ZRAID	2,706.39
395	29/03/2010	WBC - CORPORATE MASTER CARD - R MEDBURY	80.30
396	29/03/2010	WBC - CORPORATE MASTER CARD - S FITZPATRICK	291.01
397	29/03/2010	WBC - CORPORATE MASTERCARD - ADAM JOHNSON	698.95
PAY-16	02/02/2010	PAYROLL FE 2/2/10	164,329.98
PAY-17	16/02/2010	PAYROLL FE 16/2/11	170,568.56
PAY-18	02/03/2010	PAYROLL FE 2/3/10	165,005.86
PAY-19	16/03/2010	PAYROLL FE 16/3/11	168,501.16
PAY-20	30/03/2010	PAYROLL FE 30/3/12	171,610.12



**CEO's DELEGATED PAYMENTS LIST
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Cheque /EFT

No	Date	Payee	Amount
1*FEB10	01/02/2010	BANK CHARGES BS 1338 - 1341	894.19
1*MAR10	01/03/2010	BANK CHARGES BS 1342 - 1346	1,072.43
SUB TOTAL			6,257,927.34

LESS CANCELLED CHEQUES & EFTs

EFT15634	19/02/2010	MAJOR MOTORS PTY LTD	-304,955.10
SUB TOTAL			-304,955.10

TOTAL 5,952,972.24

REPORT TOTALS**TOTAL**

Bank Code	Bank Name	Amount
1	EMRC - Municipal Fund	5,952,972.24
TOTAL		5,952,972.24



14.2 FINANCIAL REPORT FOR PERIOD ENDED 30 NOVEMBER 2009

REFERENCE: COMMITTEES-10632

PURPOSE OF REPORT

The purpose of this report is to provide Council with an overview of the Eastern Metropolitan Regional Council's (EMRC's) financial performance for the period ended 30 November 2009.

KEY ISSUES AND RECOMMENDATION(S)

Significant year to date budget variances greater than 10% or \$10,000, which ever is the greater, within each nature and type category on the Statement of Financial Activity as at 30 November 2009 have been identified and are reported on in the body of the report.

Recommendation(s)

That the Income Statement, Capital Expenditure Statement, Balance Sheet and the Statement of Cash and Investments for the period ended 30 November 2009 be received.

SOURCE OF REPORT

Director Corporate Services
Manager Financial Services

BACKGROUND

It is a requirement of the Local Government (Financial Management) Regulations 1996 (Clause 34) that a Local Government is to prepare and present to Council financial reports in such a form as the Local Government considers to be appropriate.

The 2009/2010 Budget was presented in a format that separated operating income and expenditure from other revenue and expenses to provide improved disclosure of Council's underlying operating result.

The financial summaries attached to this report provide an overview of year to date budget performance for operating activities and capital works. Also included are end of year forecasts by nature and type for operating activities and end of year forecasts for each capital works project. These forecasts are reviewed periodically in order to provide an accurate forecast end of year result.

The initial forecast review for 2009/2010 was undertaken during November 2009 and was based on the financial performance to the period ended 30 November 2009. As at this time a full wages and salaries forecast review is yet to be undertaken. It is anticipated that this will be undertaken during March 2010 and be reflected in the March 2010 financial reports.

A Balance Sheet is also provided with year to date actual balances compared with budget provisions and end of year forecasts for all balance sheet items.

REPORT

Outlined below are financial summaries for the period ended 30 November 2009. Where possible the year to date monthly budget allocations have been reviewed in order to match the appropriate timing for the various projects budgeted to be undertaken. This will provide a better comparison between the year to date actual and year to date budget figures.



Item 14.2 continued

Income Statement - Nature and Type (refer Attachment 1)

The operating result from normal activities as at 30 November is a favourable variance of \$63,513. The following information is provided on key aspects of Council's financial performance:

<u>Operating Income</u>	<i>Year to Date</i>	A favourable variance of \$60,058 (0.63%).
	<i>End of Year Forecast</i>	A favourable variance of 2,292,078 (9.86%).

Operating Income variances previously reported to Council:

1. Year to date Contributions of \$518,579 are inclusive of the following unbudgeted funds totalling \$126,844:
 - Perth Solar City project - \$90,000 carried forward from the 2008/2009 financial year.
 - Regional Water Campaign - \$11,844.
 - Regional Tourism Development - \$5,000.
 - Regional Cycling Tourism Opportunities - \$20,000.

Contribution income for other budgeted projects is invoiced throughout the year based on project timings.

End of Year Contribution income has been forecast to be \$137,814 above the budget provision of \$525,590 and includes the projects outlined above.

2. Interest on Municipal Funds as at year end has been forecast to be above the annual budget provision by \$171,000. This represents the expected value of accrued interest to be brought to account as at year end that was not provided for in the 2009/2010 annual budget.
3. Other Income has been forecast to be \$134,137 greater than the budget provision of \$735,676 as at year end. Major forecast variations relate to the following:
 - A \$93,000 forecast increase in the fuel rebate scheme. As a result of the broadening of plant and fuel categories and classifications the EMRC is able to claim fuel rebates retrospectively from 1 July 2008.
 - A reduction of \$30,000 for the sale of Laterite from the Red Hill Waste Disposal site.
 - An increase of \$80,000 in the end of year forecast relating to the sale of products from the wood waste project located at the Hazelmere site. The wood waste products are currently being actively marketed contributing to the increased sales.

Operating Income variances not previously reported to Council:

Reimbursement Income as at year end has been forecast to be \$87,196 lower than the budget provision of \$861,492. Significant variances are summarised below:

- An insurance good driver rebate, relating to the 2008/09 year, totalling \$5,800 was received in November 2009.
 - Income of \$6,153, not previously provided for, was received from external participants attending the Continuous Improvement Programme co-ordinated by the EMRC.
 - A rebate of \$9,052 compared to a budget provision of \$3,500 was received from WALGA as a rebate for advertising undertaken during the 2008/09 financial year.
 - Reimbursement income directly relating to the operations at the Kalamunda Transfer Station has been forecast to be \$68,113 as at year end compared to a budget provision of \$31,708.
-



Item 14.2 continued

- Reimbursement income from the Red Hill green waste operations has been forecast at \$30,000 as at year end compared to a budget provision of \$6,000. This is directly related to the recoup of delivery costs associated with the increase in the sale of mulch.
- Income associated with the recoup of costs relating to the “Forum of Regional Councils” has been forecast to increase by approximately \$46,000 to \$75,512 as at year end.
- Reimbursement income relating to the disposal of Household Hazardous Waste at the Red Hill Waste Disposal Site has been forecast has reduced by \$44,504 to \$5,500 as at year end compared to the budget provision of \$50,004. This is as a result of WALGA reporting insufficient funds being available for the programme.
- Reimbursement income relating to Engineering/Waste Management Special Projects totalling \$173,135 has been reduced to \$400 as at year end. Of this amount \$158,135 has been reclassified within the same account to income to be received from Grant funding.

Operating Income variances outside the reporting requirement threshold:

1. Although User Charges show a variation of \$29,048 below the year to date budget of \$7,586,000, and is below the reporting requirement threshold, it should be noted that significant variations exist with Class III tonnages received as at 30 November 2009 which are below the year to date budget expectation by approximately 16,350 tonnes (11.71% or approximately \$604,000). This however, is off-set by additional Class IV tonnages received of approximately \$555,000 (9,232 compared to a year to date budget of 1,701 tonnes). At this stage it is expected that Class IV tonnages will total 16,101 as at year end. This will therefore result in a short fall in User Charges as at year end.

Year end User Charges are forecast to be \$2,129,032 above the budget provision of \$18,290,615. This reflects the increase in the Landfill Levy from \$8.00 per tonne to \$28.00 per tonne with effect 1 January 2010. The increased income resulting from the increase in the landfill levy has been forecast to be \$2,980,900.

As advised above, this is partially off-set by variations as listed below in the Class III & Class IV tonnages expected to be received as at year end:

Description	Budget Tonnages	Forecast Tonnages	Tonnages Variation	Forecast Income Variation
Class III tonnages	329,951	292,976	-36,975	-\$1,883,000
Class IV tonnages	4,020	16,101	12,081	\$1,006,168

2. The Operating Grants as at year end have been forecast to be \$2,094,747. A reduction of \$173,086 from the budget provision of \$2,267,833. Although this variation is below the reporting requirement threshold, it should be noted that significant variations exist within this “type” of income. Significant variations have been summarised below:

- Grant income totalling \$39,840 relating to the Fluorescent Light Recycling study and trial has been carried forward into the 2010/11 financial year.
- Forecast grant income for Engineering/Waste Management has been reduced by \$72,055 to \$23,000. Following the successful receipt of a SWIS grant, \$69,007 of this amount has been reallocated to the Council Turf Recycling account.
- As outlined earlier in this report, \$158,135 has been reclassified within the Engineering/Waste Management Special Projects account from reimbursement income.
- Grant funding relating to the Eastern Hills Catchment Management project (EHCMP) has been forecast to be \$80,000 less than the budget provision of \$220,000 as at year end. Appropriate expenditure cuts have been made within the project to allow for this reduction in grant funding.



Item 14.2 continued

- Grant funds totalling \$243,345, relating to the Perth Solar City Project, have been carried forward into the 2010/11 financial year.
- Additional Grant funding of \$25,000 for the Dieback Management Framework project has been received.

There were no further significant Operating Income variances as at 30 November 2009.

<u>Operating Expenditure</u>	<i>Year to Date</i>	A favourable variance of \$3,455 (0.05%).
	<i>End of Year Forecast</i>	An unfavourable variance of 2,606,756 (11.77%).

Operating Expenditure variances previously reported to Council:

1. Year to date Materials expenses are \$52,399 below the year to date budget provision of \$283,227. Significant variations include Catering/Food/Beverage expenses which are \$25,410 lower than the year to date budget provision of \$94,530 and Material Expenses - General which is \$32,134 lower than the year to date budget provision of \$99,287. These variations are the cumulative values applicable to numerous accounts across all sections of the organisation and are based on the timing of various projects and activities yet to be undertaken as well as a general reduction of expenditure to date.

End of year Material Expenses have been forecast to be \$225,146 lower than the budget provision of \$1,156,845. The principal variation relates to an end of year forecast of \$100,000 compared to a budget provision of \$300,000 for the supply of materials for intermediate/daily cover for the Class III waste disposal cell. This relates specifically to material to be used by an "Alternative Cover" item of plant that is now expected to be purchased in the later part of the financial year.

2. Insurance expenses exceed the year to date budget by \$34,032 (25.85%). This variation relates principally to an additional premium of \$8,281 payable for the new landfill compactor and an additional plant and motor vehicles premium adjustment of \$10,142. The premium adjustment relates to the year end valuation adjustment on plant and vehicles insured in 2008/2009. This was not invoiced until this financial year. This amount is marginally off-set by a good driving rebate of \$5,800 received from the insurance company. The balance of the variation relates to higher than budgeted insurance premiums for 2009/2010 (approximately \$15,000).

Insurance expenses as at year end have been forecast to be \$40,612 above the budget provision of \$149,612. This variation, which has been outlined above, also includes an additional forecast of approximately \$6,600 for insurance claim expenses.

- Year end Miscellaneous Expenses have been forecast to be \$2,273,638 higher than the budget provision of 3,729,788. The major variation is an increase in the landfill levy payment of \$2,387,867. This is as a result of the increase in the landfill levy from \$8.00 per tonne to \$28.00 per tonne effective from 1 January 2010.

Operating Expenditure variances not previously reported to Council:

1. Year to date Depreciation Expenses of \$1,138,268 is \$220,245 greater than the year to date budget provision of \$918,023. Significant variations include the following:
 - Higher Class IV Cell Usage costs of approximately \$88,000 as a result of higher Class IV tonnages received to date.
 - Lower Class III Cell Usage costs of approximately \$57,000 as a result of lower Class III tonnages received to date.
-



Item 14.2 continued

- Depreciation for new plant together with additional provisions relating to the Class III and Class IV Leachate ponds, Red Hill roads, Red Hill Green waste processing area, Hazelmere Hardstand and Road and Class IV Cell usage.

Year end forecasts have been increased by \$570,000 to provide adequate depreciation for new plant together with additional provisions relating to the Class III and Class IV Leachate ponds, Red Hill roads, Red Hill Greenwaste processing area and Hazelmere Hardstand and Road and Class IV Cell usage.

Year end net cell usage (Class III and Class IV) has increased by approximately \$19,000.

2. Costs allocated as at year end have been forecast to be \$11,387 greater than the budget provision of \$47,383. This item represents a variety of internal costing allocations undertaken between and within the various divisions of the organisation throughout the financial year. The significant variation related to this is the reclassification of on-costs totalling \$16,387 from Other Expenses to Operating Expenditure.

There were no further significant Operating Expenditure variances as at 30 November 2009.

<u>* Other Revenues and Expenses (Net)</u>	<i>Year to Date</i>	A favourable variance of \$224,088 (11.48%).
	<i>End of Year Forecast</i>	An unfavourable variance of \$495,141 (9.99%).

** Note: This sections also includes Unrealised Gain/Loss from change in fair value of Investments*

Other Revenues and Expenses variances previously reported to Council:

1. Year to date Salary expenses are \$36,936 (32.19%) below the year to date budget provision of \$114,751. This variation relates principally to the salary expenses for a Project Development Assistant position which is yet to be filled.
Full year Salary Expenses have been forecast to be \$55,916 lower than the budget provision of \$293,403.
2. Year to date Contract expenses are \$54,509 (15.75%) above the year to date budget provision of \$346,026. This relates specifically to the timing of budgeted and contracted consultancy billings for the Resource Recovery project.
End of year Contract Expenses have been forecast to be \$66,381 higher than the budget provision of \$686,250 following a review of expected contract expenses within the Resource Recovery project.
3. Year to date Material Expenses of \$23,919 exceed the year to date budget provision by \$15,894. This variation relates principally to the additional expenditure incurred for the printing of Expressions of Interest (EOI) documentation (\$7,776) that was outsourced rather than undertaken in-house.
Full year Material Expenses have been forecast to be \$12,676 higher than the budget provision of \$24,350 due to the outsourcing of work undertaken.
4. The Unrealised Gains from the Change in Fair Value of Investments for the period ending 30 November 2009 is a gain of \$468,216.

Unrealised gains or losses represent a fair market value measurement of the financial instruments during the period in which they are held, i.e. marked to market. It should be noted that actual gains or losses on financial instruments will not be realised until such time as the individual investments are sold.



Item 14.2 continued

Other Revenues and Expenses variances not previously reported to Council:

Costs allocated at year end have been forecast to be \$16,387 greater than the budget allocation of \$41,883. This item represents internal costing allocations to the Resource Recovery Project from other divisions of the organisation throughout the financial year. As outlined earlier in this report, the significant variation related to this is the reclassification of on-costs totalling \$16,387 from Other Expenses to Operating Expenditure.

There were no further significant Other Revenues and Expenses variances as 30 November 2009.

Capital Expenditure Statement (refer Attachment 2)

<u>Capital Expenditure</u>	<i>Year to Date</i>	A favourable variance of \$66,249 (3.90%)
	<i>End of Year Forecast</i>	A favourable variance of \$349,597 (3.43%).

Capital Expenditure variances:

A favourable variance of \$66,249 exists as at 30 November 2009 when comparing to the year to date budget provision of \$1,699,813. The year to date budget provisions are used as a guide only as expenditure of a capital nature is undertaken as and when required. Significant Capital Expenditure items to 30 November 2009 include the purchase of a landfill compactor valued at \$1,034,000 and Ascot Place vehicle purchases totalling \$176,768.

Year end Capital expenditure has been forecasted below the budget by \$349,597 (3.43%). Significant variations include the following:

- An increase of \$826,000 relating to the upgrade of the Administration building. This item has been subject to previous reports to council. In an effort to consolidate all costs relating to the refurbishment of the administration building, this increase also includes a reallocation provision of \$208,449 from the Upgrade of the administration building air conditioning account.
- A forecast cost reduction of \$63,000 for the construction of the Class III Cell - Farm Stage 1.
- A forecast reduction of \$101,120 for the construction of roads/car parks at the Red Hill Waste Disposal Facility.
- A forecast reduction of \$500,000 for the construction of water storage dams at the Red Hill Waste Disposal Facility. This amount has been carried forward into the 2010/2011 financial year.
- A forecast reduction of \$243,063 for the purchase of plant at the Red Hill Waste Disposal Facility.
- A forecast increase of \$54,982 in the purchase/replacement of vehicles at the Red Hill Waste Disposal Facility. Vehicle replacements are dependent on timing with change over occurring at 40,000km or 3 year whichever occurs first. It has been forecast that these vehicles will have reached the changeover criteria earlier than what has been provided for in the 5 year vehicle replacement programme.

Balance Sheet (refer Attachment 3)

The Balance Sheet shows the overall impact of actual balances compared with budget provisions and end of year forecasts for operating and capital works activities.

It has been forecast that Total Equity as at 30 June 2010 will be below the original budget estimate of \$52,085,545 by \$809,818. This variation reflects the reduction in forecast profits in 2009/2010.

Statement of Cash and Investments (refer Attachment 4)

The level of cash and investments in the Municipal fund as at 30 November 2009 is \$6,620,237 and Restricted Assets amount to \$20,383,632. This figure is net of cumulative unrealised losses of \$6,962,459 which have been provided for in this amount.



Item 14.2 continued

The total level of cash and investments as at 30 November 2009 is \$27,003,868, (\$33,966,327 excluding unrealised losses).

The net movement for the month is an increase of \$827,864.

The Forecast for 2009/2010 represents the expected balances for the Municipal and Reserve funds as at the end of the financial year.

The year to date actual Municipal cash and Investments reflects the current balance to date and is dependent on the timing of payments made and income received. It should also be noted that the transfers to and from the Reserve funds are undertaken as at the end of the financial year. This will reduce the Municipal fund Cash and Investments balance to budget expectations.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 4 – Good Governance

- 4.5 To provide responsible and accountable governance and management of the EMRC; and
- 4.6 To continue to improve financial and asset management practices.

FINANCIAL IMPLICATIONS

As outlined in the attached financial reports.

SUSTAINABILITY IMPLICATIONS

Nil

ATTACHMENT(S)

1. Income Statement by Nature and Type (Ref: Committees-10637)
2. Capital Expenditure Statement (Ref: Committees-10634)
3. Balance Sheet (Ref: Committees-10635)
4. Statement of Cash and Investments (Ref: Committees-10636)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That the Income Statement, Capital Expenditure Statement, Balance Sheet and the Statement of Cash and Investments for the period ended 30 November 2009 be received.

COUNCIL RESOLUTION(S)

MOVED CR MCKECHNIE

SECONDED CR POWELL

THAT THE INCOME STATEMENT, CAPITAL EXPENDITURE STATEMENT, BALANCE SHEET AND THE STATEMENT OF CASH AND INVESTMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2009 BE RECEIVED.

CARRIED UNANIMOUSLY

INCOME STATEMENT Nature and Type

NOVEMBER 2009

Year to Date				Full Year			
Actual	Budget	Variance		Current Budget	Forecast Change		End of Year Forecast
Operating Income							
(\$7,556,952)	(\$7,586,000)	(\$29,048)	(U)	(\$18,290,615)	(\$2,129,032)	(F)	(\$20,419,647)
(\$127,668)	(\$137,425)	(\$9,757)	(U)	(\$329,849)	\$19,622	(U)	(\$310,227)
(\$518,579)	(\$416,848)	\$101,731	(F)	(\$525,590)	(\$137,814)	(F)	(\$663,404)
(\$485,116)	(\$482,206)	\$2,910	(F)	(\$2,267,833)	\$173,086	(U)	(\$2,094,747)
(\$182,930)	(\$195,817)	(\$12,887)	(U)	(\$225,500)	(\$171,000)	(F)	(\$396,500)
(\$364,946)	(\$359,541)	\$5,405	(F)	(\$861,492)	\$87,196	(U)	(\$774,296)
(\$308,219)	(\$306,515)	\$1,704	(F)	(\$735,676)	(\$134,137)	(F)	(\$869,813)
(\$9,544,410)	(\$9,484,352)	\$60,058	(F)	(\$23,236,556)	(\$2,292,078)	(F)	(\$25,528,634)
Operating Expenditure							
\$2,819,044	\$2,905,448	\$86,404	(F)	\$6,990,481	(\$65,702)	(F)	\$6,924,779
\$1,597,549	\$1,554,344	(\$43,205)	(U)	\$6,706,998	\$40,698	(U)	\$6,747,696
\$230,828	\$283,227	\$52,399	(F)	\$1,156,845	(\$225,146)	(F)	\$931,699
\$44,531	\$38,470	(\$6,061)	(U)	\$90,950	\$7,722	(U)	\$98,672
\$271,536	\$297,720	\$26,184	(F)	\$760,165	(\$24,115)	(F)	\$736,050
\$5,649	\$5,290	(\$359)	(U)	\$12,700	\$200	(U)	\$12,900
\$165,661	\$131,629	(\$34,032)	(U)	\$149,612	\$40,612	(U)	\$190,224
\$1,138,268	\$918,023	(\$220,245)	(U)	\$2,469,964	\$570,236	(U)	\$3,040,200
\$1,290,121	\$1,429,532	\$139,411	(F)	\$3,729,788	\$2,273,638	(U)	\$6,003,426
\$0	\$0	\$0	(F)	\$135,184	\$0	(F)	\$135,184
(\$23,430)	(\$20,471)	\$2,959	(F)	(\$47,383)	(\$11,387)	(F)	(\$58,770)
\$7,539,757	\$7,543,212	\$3,455	(F)	\$22,155,305	\$2,606,756	(U)	\$24,762,061
(\$2,004,653)	(\$1,941,140)	\$63,513	(F)	(\$1,081,251)	\$314,678	(U)	(\$766,573)
Surplus	Surplus			Surplus			Surplus

Notes:

1. User Charges - include member Councils, WMRC and casual users pertaining to waste, risk management and environmental services fees and charges;
2. Special Charges - Waste Education Levy;
3. Contributions - member Councils' contributions to projects and services;
4. Operating Grants - grant income predominately from government agencies; and
5. Miscellaneous Expenses - includes Landfill Levy as the major component.

Operating Income and Expenditure relates to the ordinary operations of the organisation.

Other Revenues and Expenditures relates to the Resource Recovery Project, interest from cash reserves and disposal of assets.

(F) denotes Favourable variance and (U) denotes Unfavourable variance



INCOME STATEMENT

Nature and Type

NOVEMBER 2009

Year to Date				Full Year				
Actual	Budget	Variance		Current Budget	Forecast Change		End of Year Forecast	
Other Revenues								
(\$1,854,271)	(\$2,036,970)	(\$182,699)	(U)	Secondary Waste Charge	(\$4,888,756)	\$476,075	(U)	(\$4,412,681)
(\$69,364)	(\$69,506)	(\$142)	(U)	Operating Grants	(\$70,272)	\$108	(U)	(\$70,164)
(\$297,212)	(\$322,000)	(\$24,788)	(U)	Interest Restricted Cash Investments	(\$1,100,000)	\$0	(F)	(\$1,100,000)
(\$1,653)	(\$20)	\$1,633	(F)	Reimbursements	(\$50)	(\$3,400)	(F)	(\$3,450)
(\$129,099)	(\$128,830)	\$269	(F)	Proceeds from Sale of Assets	(\$663,002)	(\$8,078)	(F)	(\$671,080)
(\$2,351,599)	(\$2,557,326)	(\$205,727)	(U)	Total Other Revenues	(\$6,722,080)	\$464,705	(U)	(\$6,257,375)
Other Expenses								
\$77,815	\$114,751	\$36,936	(F)	Salary Expenses	\$293,403	(\$55,916)	(F)	\$237,487
\$400,535	\$346,026	(\$54,509)	(U)	Contract Expenses	\$686,250	\$66,381	(U)	\$752,631
\$23,919	\$8,025	(\$15,894)	(U)	Material Expenses	\$24,350	\$12,676	(U)	\$37,026
\$913	\$1,330	\$417	(F)	Utility Expenses	\$3,200	\$0	(F)	\$3,200
\$2,281	\$2,400	\$119	(F)	Insurance Expenses	\$2,400	(\$118)	(F)	\$2,282
\$672	\$606	(\$66)	(U)	Depreciation Expenses	\$1,820	\$295	(U)	\$2,115
\$12,887	\$10,295	(\$2,592)	(F)	Miscellaneous Expenses	\$94,300	\$791	(U)	\$95,091
\$102,034	\$105,000	\$2,966	(F)	Carrying Amount of Assets Disposed Of	\$620,509	(\$10,060)	(F)	\$610,449
\$23,430	\$17,652	(\$5,778)	(U)	Costs Allocated	\$41,883	\$16,387	(U)	\$58,270
\$644,486	\$606,085	(\$38,401)	(U)	Total Other Expenses	\$1,768,115	\$30,436	(U)	\$1,798,551
Unrealised (Gain)/Loss From Change in Fair Value of Investments								
(\$468,216)	\$0	\$468,216	(F)	Unrealised (Gain)/Loss	\$0	\$0	(F)	\$0
(\$468,216)	\$0	\$468,216	(F)	Total Unrealised (Gain)/Loss	\$0	\$0	(F)	\$0
(\$2,175,329)	(\$1,951,241)	\$224,088	(F)	OPERATING RESULT FROM OTHER ACTIVITIES	(\$4,953,965)	\$495,141	(U)	(\$4,458,824)
Surplus	Surplus				Surplus			Surplus
(\$4,179,982)	(\$3,892,381)	\$287,601	(F)	CHANGE IN NET ASSETS FROM OPERATIONS	(\$6,035,216)	\$809,819	(U)	(\$5,225,397)
Surplus	Surplus				Surplus			Surplus



CAPITAL EXPENDITURE STATEMENT

NOVEMBER 2009

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					

Governance and Corporate Services

\$176,768	\$150,662	\$26,106 (U)	\$126,946	Purchase Vehicles - Ascot Place (24440/00)	\$556,988	(\$11,398) (F)	\$545,590
\$13,463	\$20,666	(\$7,203) (F)	\$21,106	Purchase Office Equipment - Corporate Services (24510/01)	\$62,000	(\$22,000) (F)	\$40,000
\$5,379	\$5,500	(\$121) (F)	\$0	Purchase Information Technology PC's and Printers (24550/00)	\$82,500	(\$12,500) (F)	\$70,000
\$36,472	\$49,500	(\$13,029) (F)	\$0	Purchase Network Communication Equipment (24560/00)	\$148,500	\$0 (F)	\$148,500
\$15,013	\$44,333	(\$29,320) (F)	\$9,772	Purchase Information Technology Servers (24570/00)	\$133,000	\$0 (F)	\$133,000
\$764	\$5,333	(\$4,569) (F)	\$710	Purchase PABX/Telephone Equipment (24580/00)	\$16,000	\$0 (F)	\$16,000
\$1,445	\$666	\$779 (U)	\$0	Purchase/ Replace other Equipment - Ascot Place (24590/01)	\$2,000	\$0 (F)	\$2,000
\$0	\$3,333	(\$3,333) (F)	\$0	Purchase Office Furniture and Fittings - Corporate Services (24610/01)	\$10,000	\$0 (F)	\$10,000
\$4,727	\$4,000	\$727 (U)	\$5,727	Purchase Art Works (24620/00)	\$12,000	\$0 (F)	\$12,000
\$291	\$666	(\$375) (F)	\$0	Purchase/ Replace Miscellaneous Furniture and Equipment-Ascot Place (24690/00)	\$2,000	\$0 (F)	\$2,000
\$2,508	\$0	\$2,508 (U)	\$0	Upgrade Landscaping - Ascot Place (25140/01)	\$0	\$20,000 (U)	\$20,000
\$67,416	\$67,500	(\$84) (F)	\$1,117,291	Upgrade Administration Building - Ascot Place (25240/01)	\$839,000	\$826,000 (U)	\$1,665,000
\$15,340	\$15,500	(\$160) (F)	\$0	Upgrade Air Conditioning Equipment - Ascot Place (25240/02)	\$227,000	(\$208,449) (F)	\$18,551
\$0	\$4,165	(\$4,165) (F)	\$0	Upgrade Security Equipment - Ascot Place (25530/01)	\$10,000	\$10,000 (U)	\$20,000
\$339,585	\$371,824	(\$32,239) (F)	\$1,281,553		\$2,100,988	\$601,653 (U)	\$2,702,641

CAPITAL EXPENDITURE STATEMENT

NOVEMBER 2009

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					
Environmental Services							
\$0	\$666	(\$666) (F)	\$0	Purchase Office Equipment - Environmental Services (24510/05)	\$2,000	\$0 (F)	\$2,000
\$0	\$500	(\$500) (F)	\$0	Purchase Office Furniture and Fittings - Environmental Services (24610/05)	\$1,500	\$0 (F)	\$1,500
\$0	\$1,166	(\$1,166) (F)	\$0		\$3,500	\$0 (F)	\$3,500
Regional Development							
\$574	\$500	\$74 (U)	\$0	Purchase Office Equipment - Regional Development (24510/04)	\$1,500	\$0 (F)	\$1,500
\$0	\$500	(\$500) (F)	\$0	Purchase Office Furniture and Fittings - Regional Development (24610/04)	\$1,500	\$0 (F)	\$1,500
\$574	\$1,000	(\$426) (F)	\$0		\$3,000	\$0 (F)	\$3,000
Risk Management							
\$0	\$166	(\$166) (F)	\$0	Purchase Office Equipment - Risk Management (24510/06)	\$500	\$0 (F)	\$500
\$0	\$166	(\$166) (F)	\$0	Purchase Office Furniture and Fittings - Risk Management (24610/06)	\$500	\$0 (F)	\$500
\$0	\$332	(\$332) (F)	\$0		\$1,000	\$0 (F)	\$1,000
Resource Recovery							
\$0	\$333	(\$333) (F)	\$0	Purchase Office Equipment - Resource Recovery (24510/07)	\$1,000	\$0 (F)	\$1,000
\$5,497	\$333	\$5,164 (U)	\$0	Purchase Other Equipment - Resource Recovery (24590/07)	\$1,000	\$5,000 (U)	\$6,000
\$772	\$500	\$272 (U)	\$0	Purchase Office Furniture and Fittings - Resource Recovery (24610/07)	\$1,500	\$0 (F)	\$1,500
\$6,269	\$1,166	\$5,103 (U)	\$0		\$3,500	\$5,000 (U)	\$8,500

CAPITAL EXPENDITURE STATEMENT

NOVEMBER 2009

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					
\$0	\$0	\$0 (F)	\$0		\$5,000	(\$5,000) (F)	\$0
\$0	\$20	(\$20) (F)	\$0		\$50,050	\$0 (F)	\$50,050
\$0	\$0	\$0 (F)	\$0		\$60,000	\$0 (F)	\$60,000
\$5,048	\$20,830	(\$15,782) (F)	\$0		\$50,000	\$0 (F)	\$50,000
\$94,423	\$94,423	\$0 (U)	\$1,070,923		\$3,420,268	(\$63,000) (F)	\$3,357,268
\$0	\$0	\$0 (F)	\$0		\$5,000	(\$5,000) (F)	\$0
\$1,955	\$2,000	(\$45) (F)	\$4,725		\$8,500	\$0 (F)	\$8,500
\$0	\$0	\$0 (F)	\$97,363		\$330,000	\$0 (F)	\$330,000
\$0	\$0	\$0 (F)	\$0		\$46,000	(\$46,000) (F)	\$0
\$6,916	\$7,000	(\$84) (F)	\$0		\$111,120	(\$101,120) (F)	\$10,000
\$0	\$0	\$0 (F)	\$71,850		\$580,000	(\$500,000) (F)	\$80,000
\$0	\$0	\$0 (F)	\$0		\$0	\$979 (U)	\$979
\$0	\$0	\$0 (F)	\$6,323		\$12,600	\$0 (F)	\$12,600

CAPITAL EXPENDITURE STATEMENT

NOVEMBER 2009

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					
Waste Management							
\$2,210	\$0	\$2,210 (U)	\$0	Construct Hardstand and Road - Hazelmere (24395/01)	\$0	\$3,100 (U)	\$3,100
\$0	\$8,330	(\$8,330) (F)	\$0	Construct Monitoring Bores - Red Hill Landfill Facility (24396/00)	\$20,000	\$0 (F)	\$20,000
(\$495)	\$2,080	(\$2,575) (F)	\$5,057	Construct Perimeter Bunds - Red Hill Landfill Facility (24397/00)	\$5,000	\$10,000 (U)	\$15,000
\$1,034,000	\$1,034,000	\$0 (F)	\$1,018,721	Purchase / Replace Plant - Red Hill Landfill Facility (24410/00)	\$2,567,000	(\$243,063) (F)	\$2,323,937
\$47,175	\$44,633	\$2,542 (U)	\$0	Purchase / Replace Plant - Hazelmere (24410/01)	\$283,900	\$0 (F)	\$283,900
\$45,853	\$45,205	\$648 (U)	\$27,439	Purchase / Replace Minor Plant and Equipment-Red Hill Landfill Facility (24420/00)	\$178,400	(\$519) (F)	\$177,881
\$0	\$8,293	(\$8,293) (F)	\$0	Purchase / Replace Minor Plant and Equipment - Hazelmere (24420/02)	\$24,880	\$0 (F)	\$24,880
\$36,856	\$36,856	\$0 (U)	\$106,785	Purchase / Replace Vehicles - Red Hill Landfill Facility (24430/00)	\$117,884	\$54,982 (U)	\$172,866
\$445	\$166	\$279 (U)	\$0	Purchase / Replace Office Equipment - Engineering / Waste Management (24510/02)	\$500	\$0 (F)	\$500
\$0	\$0	\$0 (F)	\$1,000	Purchase / Replace Office Equipment - Red Hill Landfill Facility (24510/08)	\$9,000	\$0 (F)	\$9,000
\$0	\$200	(\$200) (F)	\$0	Purchase Fire Fighting System/Equipment - Hazelmere (24520/07)	\$600	\$0 (F)	\$600
\$0	\$0	\$0 (F)	\$0	Purchase / Replace Fire Fighting Equipment - Red Hill Landfill Facility (24520/08)	\$6,000	(\$6,000) (F)	\$0
\$0	\$0	\$0 (F)	\$0	Purchase / Replace Security System - Red Hill Waste Management Facility (24530/08)	\$7,900	(\$3,000) (F)	\$4,900
\$4,510	\$4,510	\$0 (U)	\$8,793	Purchase / Replace Other Equipment - Red Hill Landfill Facility (24590/00)	\$35,650	\$0 (F)	\$35,650

CAPITAL EXPENDITURE STATEMENT

NOVEMBER 2009

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					
Waste Management							
\$4,473	\$8,833	(\$4,360) (F)	\$727	Purchase / Replace Miscellaneous Plant & Equipment - Hazelmere (24590/02)	\$26,500	(\$720) (F)	\$25,780
\$2,307	\$900	\$1,407 (U)	\$0	Purchase/Replace Other Equipment - Engineering and Waste Management (24590/03)	\$2,700	\$0 (F)	\$2,700
\$0	\$0	\$0 (F)	\$0	Purchase Other Equipment - Waste Education Fluorescent Light Recycling Grant (24590/04)	\$19,509	(\$9,809) (F)	\$9,700
\$1,460	\$800	\$660 (U)	\$0	Purchase Office Furniture and Fittings-Engineering and Waste Management (24610/03)	\$2,400	\$0 (F)	\$2,400
\$0	\$0	\$0 (F)	\$0	Purchase / Replace Office Furniture and Fittings - Red Hill Landfill Facility (24610/08)	\$1,000	\$0 (F)	\$1,000
\$0	\$0	\$0 (F)	\$0	Purchase Office Furniture and Fittings-Hazelmere (24610/10)	\$0	\$720 (U)	\$720
\$0	\$4,831	(\$4,831) (F)	\$0	Purchase Miscellaneous Furniture and Fittings - Red Hill Education Programme (24690/01)	\$12,000	(\$1,500) (F)	\$10,500
\$0	\$0	\$0 (F)	\$0	Refurbish Environmental Education Centre - Redhill Landfill Facility (25253/00)	\$32,300	(\$16,300) (F)	\$16,000
\$0	\$415	(\$415) (F)	\$0	Refurbish Waste Transfer Station Building - Red Hill Landfill Facility (25259/01)	\$25,000	(\$25,000) (F)	\$0
\$0	\$0	\$0 (F)	\$0	Refurbish Plant - Red Hill Landfill Facility (25410/00)	\$24,000	\$0 (F)	\$24,000
\$0	\$0	\$0 (F)	\$0	Refurbish Minor Plant - Red Hill Landfill Facility (25420/00)	\$1,200	\$0 (F)	\$1,200
\$1,287,137	\$1,324,325	(\$37,188) (F)	\$2,419,708		\$8,081,861	(\$956,250) (F)	\$7,125,611

\$1,633,564	\$1,699,813	(\$66,249) (F)	\$ 3,701,261	TOTAL CAPITAL EXPENDITURE	\$10,193,849	(\$349,597) (F)	\$9,844,252
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BALANCE SHEET

NOVEMBER 2009

Full Year

Actual 2008/2009	Actual Year to Date		Current Budget 2009/2010	Forecast Change		Forecast 2009/2010
		(F) = Favourable variation (U) = Unfavourable variation				
Current Assets						
\$1,921,192	\$2,926,783	Cash and Cash Equivalents	\$1,388,143	\$2,432,235	(F)	\$3,820,378
\$22,205,947	\$24,077,086	Investments	\$21,840,922	(\$2,331,985)	(U)	\$19,508,937
\$2,255,656	\$2,582,118	Trade and Other Receivables	\$2,255,656	\$0	(F)	\$2,255,656
\$30,680	\$14,651	Inventories	\$30,680	\$0	(F)	\$30,680
\$50,881	\$72,901	Other Assets	\$50,881	\$0	(F)	\$50,881
\$0	\$0	Current Assets Other	\$0	\$0	(F)	\$0
\$26,464,356	\$29,673,539	Total Current Assets	\$25,566,282	\$100,250	(F)	\$25,666,532
Current Liabilities						
\$0	\$0	Bank Overdraft	\$0	\$0	(F)	\$0
\$1,762,406	\$1,184,196	Trade and Other Payables	\$1,762,406	\$0	(F)	\$1,762,406
\$902,420	\$902,420	Provisions	\$935,503	\$0	(F)	\$935,503
\$0	\$0	Borrowings - Current Portion	\$0	\$0	(F)	\$0
\$0	\$0	Liabilities Other	\$0	\$0	(F)	\$0
\$2,664,826	\$2,086,615	Total Current Liabilities	\$2,697,909	\$0	(F)	\$2,697,909
\$23,799,530	\$27,586,923	Net Current Assets	\$22,868,373	\$100,250	(F)	\$22,968,623



BALANCE SHEET

NOVEMBER 2009

Full Year

Actual 2008/2009	Actual Year to Date		Current Budget 2009/2010	Forecast Change		Forecast 2009/2010
		(F) = Favourable variation (U) = Unfavourable variation				
Non Current Assets						
\$7,639,917	\$7,639,917	Property Plant and Equipment	\$7,639,917	\$20,000 (F)		\$7,659,917
\$2,509,418	\$2,482,931	Buildings	\$3,665,218	\$554,683 (F)		\$4,219,901
\$9,043,150	\$8,457,182	Structures	\$12,249,184	(\$782,642) (U)		\$11,466,542
\$3,995,921	\$4,593,506	Plant	\$6,275,064	(\$651,504) (U)		\$5,623,560
\$249,758	\$286,169	Equipment	\$684,737	(\$50,032) (U)		\$634,705
\$96,629	\$94,002	Furniture and Fittings	\$122,229	(\$573) (U)		\$121,656
\$33,904	\$407,579	Work in Progress	\$33,904	\$0 (F)		\$33,904
\$0	\$0	Investments - Non Current	\$0	\$0 (F)		\$0
\$0	\$0	Non Current Assets Other	\$0	\$0 (F)		\$0
\$23,568,696	\$23,961,286	Total Non Current Assets	\$30,670,252	(\$910,068) (U)		\$29,760,184
Non Current Liabilities						
\$1,317,897	\$1,317,897	Provisions	\$1,453,081	\$0 (F)		\$1,453,081
\$0	\$0	Borrowings - Long Term Portion	\$0	\$0 (F)		\$0
\$0	\$0	Non Current Liabilities Other	\$0	\$0 (F)		\$0
\$1,317,897	\$1,317,897	Total Non Current Liabilities	\$1,453,081	\$0 (F)		\$1,453,081
Equity						
\$19,513,931	\$19,513,931	Accumulated Surplus/Deficit	\$25,015,132	\$809,818 (U)		\$24,205,314
\$0	\$0	AAS27 Adjustments	\$0	\$0 (F)		\$0
\$0	\$0	Asset Revaluation Reserve	\$0	\$0 (F)		\$0
\$26,536,398	\$26,536,398	Cash Backed Reserves	\$27,070,412	\$0 (F)		\$27,070,412
\$46,050,330	\$46,050,330	Total Equity	\$52,085,545	\$809,818 (U)		\$51,275,727
\$0	\$4,179,982	Net change in assets from operations	\$0	\$0		\$0

Note : A negative value in the Forecast Change column of the Equity section results in a favourable increase in the equity position of the organisation.



CASH AND INVESTMENTS

NOVEMBER 2009

Full Year

Actual 2008/2009 YTD Actual 2009/2010 (F) = Favourable variation
(U) = Unfavourable variation Current Budget 2009/2010 Forecast Change Forecast 2009/2010

Municipal Cash and Investments

1,917,892	2,923,483	Cash at Bank - Municipal Fund 01001/00	1,384,843	2,432,235	(F)	3,817,078
1,250	1,250	Cash on Hand - Ascot Place 01019/00	1,250	0	(F)	1,250
600	600	Cash on Hand - Walliston/Mathieson & Coppin Road Transfer Stations 01019/01	600	0	(F)	600
1,450	1,450	Cash on Hand - Red Hill / Hazelmere 01019/02	1,450	0	(F)	1,450
2,587,743	3,693,454	Investments - Municipal Fund 02021/00	1,443,243	171,000	(F)	1,614,243
4,508,935	6,620,237	Total Municipal Cash	2,831,386	2,603,235	(F)	5,434,621

Restricted Cash and Investments

776,748	785,048	Restricted Investments - Plant and Equipment 02022/01	37,738	82,248	(F)	119,986
2,635,734	2,672,077	Restricted Investments - Site Rehabilitation Red Hill 02022/02	2,624,172	69,600	(F)	2,693,772
2,946,239	2,977,721	Restricted Investments - Future Development 02022/03	1,516,139	(1,000,000)	(U)	516,139
281,405	284,412	Restricted Investments - Environmental Monitoring Red Hill 02022/04	292,905	0	(F)	292,905
238,367	240,914	Restricted Investments - Environmental Insurance Red Hill 02022/05	223,411	0	(F)	223,411
10,522	10,634	Restricted Investments - Risk Management 02022/06	10,952	0	(F)	10,952
87,232	88,164	Restricted Investments - Class IV Cells Red Hill 02022/07	137,809	141,177	(F)	278,986
412,501	416,908	Restricted Investments - Regional Development 02022/08	55,706	102,302	(F)	158,008
16,080,560	16,252,390	Restricted Investments - Secondary Waste Processing 02022/09	21,772,232	(2,092,709)	(U)	19,679,523
3,013,965	3,046,171	Restricted Investments - Class III Cells 02022/10	544,024	194,397	(F)	738,421
53,125	53,693	Restricted Investments - Building Refurbishment (Ascot Place) 02022/11	55,325	0	(F)	55,325
(7,430,675)	(6,962,459)	Restricted Investments - Unrealised Loss/Gain on Investments 02022/20	(7,430,675)	0	(F)	(7,430,675)
512,481	517,957	Restricted Investments - Long Service Leave 02022/90	557,941	0	(F)	557,941
19,618,204	20,383,632	Total Restricted Cash	20,397,679	(2,502,985)	(U)	17,894,694
24,127,139	27,003,868	TOTAL CASH AND INVESTMENTS	23,229,065	100,250	(F)	23,329,315

The Cash at Bank - Municipal Fund represents the balance on the last day of the relevant month. Any portion of the balance available for investment is transferred into the Investment - Municipal Fund account in the following period. Funds held in the Cash at Bank - Municipal Fund continue to accrue interest as per the Westpac commercial rates.



14.3 FINANCIAL REPORT FOR PERIOD ENDED 31 DECEMBER 2009

REFERENCE: COMMITTEES-10645

PURPOSE OF REPORT

The purpose of this report is to provide Council with an overview of the Eastern Metropolitan Regional Council's (EMRC's) financial performance for the period ended 31 December 2009.

KEY ISSUES AND RECOMMENDATION(S)

Significant year to date budget variances greater than 10% or \$10,000, which ever is the greater, within each nature and type category on the Statement of Financial Activity as at 31 December 2009 have been identified and are reported on in the body of the report.

Recommendation(s)

That the Income Statement, Capital Expenditure Statement, Balance Sheet and the Statement of Cash and Investments for the period ended 31 December 2009 be received.

SOURCE OF REPORT

Director Corporate Services
Manager Financial Services

BACKGROUND

It is a requirement of the Local Government (Financial Management) Regulations 1996 (Clause 34) that a Local Government is to prepare and present to Council financial reports in such a form as the Local Government considers to be appropriate.

The 2009/2010 Budget was presented in a format that separated operating income and expenditure from other revenue and expenses to provide improved disclosure of Council's underlying operating result.

The financial summaries attached to this report provide an overview of year to date budget performance for operating activities and capital works. Also included are end of year forecasts by nature and type for operating activities and end of year forecasts for each capital works project. These forecasts are reviewed periodically in order to provide an accurate forecast end of year result.

The initial forecast review for 2009/2010 was undertaken during November 2009 and was based on the financial performance to the period ended 30 November 2009. As at this time a full wages and salaries forecast review is yet to be undertaken. It is anticipated that this will be undertaken during March 2010 and be reflected in the March 2010 financial reports.

A Balance Sheet is also provided with year to date actual balances compared with budget provisions and end of year forecasts for all balance sheet items.

REPORT

Outlined below are financial summaries for the period ended 31 December 2009. Where possible the year to date monthly budget allocations have been reviewed in order to match the appropriate timing for the various projects budgeted to be undertaken. This will provide a better comparison between the year to date actual and year to date budget figures.



Item 14.3 continued

Income Statement - Nature and Type (refer Attachment 1)

The operating result from normal activities as at 31 December is a favourable variance of \$72,483. The following information is provided on key aspects of Councils financial performance:

<u>Operating Income</u>	<i>Year to Date</i>	A favourable variance of \$95,281 (0.84%).
	<i>End of Year Forecast</i>	A favourable variance of 2,292,078 (9.86%).

Operating Income variances previously reported to Council:

1. Year end User Charges are forecast to be \$2,129,032 above the budget provision of \$18,290,615. This reflects the increase in the Landfill Levy from \$8.00 per tonne to \$28.00 per tonne with effect 1 January 2010. The increased income resulting from the increase in the landfill levy has been forecast to be \$2,980,900.

As advised above, this is partially off-set by variations as listed below in the Class III & Class IV tonnages expected to be received as at year end:

Description	Budget Tonnages	Forecast Tonnages	Tonnages Variation	Forecast Income Variation
Class III tonnages	329,951	292,976	-36,975	-\$1,883,000
Class IV tonnages	4,020	16,101	12,081	\$1,006,168

2. Year to date Contributions of \$636,561 are inclusive of the following unbudgeted funds totalling \$126,844:

- Perth Solar City project - \$90,000 carried forward from the 2008/2009 financial year.
- Regional Water Campaign - \$11,844.
- Regional Tourism Development - \$5,000.
- Regional Cycling Tourism Opportunities - \$20,000.

Contribution income for other budgeted projects is invoiced throughout the year based on project timings.

End of Year Contribution income has been forecast to be \$137,814 above the budget provision of \$525,590 and includes the projects outlined above.

3. Interest on Municipal Funds as at year end has been forecast to be above the annual budget provision by \$171,000. This represents the expected value of accrued interest to be brought to account as at year end that was not provided for in the 2009/2010 annual budget.
4. Reimbursement Income as at year end has been forecast to be \$87,196 lower than the budget provision of \$861,492. Significant variances are summarised below:
 - An insurance good driver rebate, relating to the 2008/09 year, totalling \$5,800 was received in November 2009.
 - Income of \$6,153, not previously provided for, was received from external participants attending the Continuous Improvement Programme co-ordinated by the EMRC.



Item 14.3 continued

- A rebate of \$9,052 compared to a budget provision of \$3,500 was received from WALGA as a rebate for advertising undertaken during the 2008/09 financial year.
 - Reimbursement income directly relating to the operations at the Kalamunda Transfer Station has been forecast to be \$68,113 as at year end compared to a budget provision of \$31,708.
 - Reimbursement income from the Red Hill green waste operations has been forecast at \$30,000 as at year end compared to a budget provision of \$6,000. This is directly related to the recoup of delivery costs associated with the increase in the sale of mulch.
 - Income associated with the recoup of costs relating to the "Forum of Regional Councils" has been forecast to increase by approximately \$46,000 to \$75,512 as at year end.
 - Reimbursement income relating to the disposal of Household Hazardous Waste at the Red Hill Waste Disposal Site has been forecast has reduced by \$44,504 to \$5,500 as at year end compared to the budget provision of \$50,004. This is as a result of WALGA reporting insufficient funds being available for the programme.
 - Reimbursement income relating to Engineering/Waste Management Special Projects totalling \$173,135 has been reduced to \$400 as at year end. Of this amount \$158,135 has been reclassified within the same account to income to be received from Grant funding.
5. Year to date Other income is \$95,362 above the year to date budget provision of \$367,818. Of this amount approximately \$87,000 relates to an addition rebate received in relation to the fuel rebate scheme. As a result of the broadening of plant and fuel categories and classifications the EMRC was able to claim fuel rebates retrospectively from 1 July 2008.

Other Income has been forecast to be \$134,137 greater than the budget provision of \$735,676 as at year end. Major forecast variations relate to the following:

- A \$93,000 forecast increase in the fuel rebate scheme.
- A reduction of \$30,000 for the sale of Laterite from the Red Hill Waste Disposal site.
- An increase of \$80,000 in the end of year forecast relating to the sale of products from the wood waste project located at the Hazelmere site. The wood waste products are currently being actively marketed contributing to the increased sales.

Operating Income variances outside the reporting requirement threshold:

1. Although User Charges show a variation of \$33,567 below the year to date budget of \$9,101,200, and is below the reporting requirement threshold, it should be noted that significant variations exist with Class III tonnages received as at 31 December 2009 which are below the year to date budget expectation by approximately 17,120 tonnes (10.38% or approximately \$700,000). This however, is off-set by additional Class IV tonnages received of approximately \$661,000 (11,096 compared to a year to date budget of 2,010 tonnes). At this stage it is expected that Class IV tonnages will total 16,101 as at year end. This will therefore result in a short fall in User Charges as at year end.
2. The Operating Grants as at year end have been forecast to be \$2,094,747. A reduction of \$173,086 from the budget provision of \$2,267,833. Although this variation is below the reporting requirement threshold, it should be noted that significant variations exist within this "type" of income. Significant variations have been summarised below:
 - Grant income totalling \$39,840 relating to the Fluorescent Light Recycling study and trial has been carried forward into the 2010/11 financial year.
 - Forecast grant income for Engineering/Waste Management has been reduced by \$72,055 to \$23,000. Following the successful receipt of a SWIS grant, \$69,007 of this amount has been reallocated to the Council Turf Recycling account.
 - As outlined earlier in this report, \$158,135 has been reclassified within the Engineering/Waste Management Special Projects account from reimbursement income.



Item 14.3 continued

- Grant funding relating to the Eastern Hills Catchment Management project (EHCMP) has been forecast to be \$80,000 less than the budget provision of \$220,000 as at year end. Appropriate expenditure cuts have been made within the project to allow for this reduction in grant funding.
- Grant funds totalling \$243,345, relating to the Perth Solar City Project, have been carried forward into the 2010/11 financial year.
- Additional Grant funding of \$25,000 for the Dieback Management Framework project has been received.

There were no further significant Operating Income variances as at 31 December 2009.

<u>Operating Expenditure</u>	<i>Year to Date</i>	An unfavourable variance of \$22,798 (0.25%).
	<i>End of Year Forecast</i>	An unfavourable variance of 2,606,756 (11.77%).

Operating Expenditure variances previously reported to Council:

1. Year to date Materials expenses are \$62,504 below the year to date budget provision of \$347,155. Significant variations include Catering/Food/Beverage expenses which are \$29,740 lower than the year to date budget provision of \$113,436 and Material Expenses - General which is \$33,596 lower than the year to date budget provision of \$121,638. These variations are the cumulative values applicable to numerous accounts across all sections of the organisation and are based on the timing of various projects and activities yet to be undertaken as well as a general reduction of expenditure to date.

End of year Material Expenses have been forecast to be \$225,146 lower than the budget provision of \$1,156,845. The principal variation relates to an end of year forecast of \$100,000 compared to a budget provision of \$300,000 for the supply of materials for intermediate/daily cover for the Class III waste disposal cell. This relates specifically to material to be used by an "Alternative Cover" item of plant that is now expected to be delivered in the later part of the financial year.

2. Insurance expenses exceed the year to date budget by \$32,905 (22.73%). This variation relates principally to an additional premium of \$8,281 payable for the new landfill compactor and an additional plant and motor vehicles premium adjustment of \$10,142. The premium adjustment relates to the year end valuation adjustment on plant and vehicles insured in 2008/2009. This was not invoiced until this financial year. This amount is marginally off-set by a good driving rebate of \$5,800 received from the insurance company. The balance of the variation relates to higher than budgeted insurance premiums for 2009/2010 (approximately \$15,000).

Insurance expenses as at year end have been forecast to be \$40,612 above the budget provision of \$149,612. This variation, which has been outlined above, also includes an additional forecast of approximately \$6,600 for insurance claim expenses.

3. Year to date Depreciation Expenses of \$1,247,557 is \$234,816 greater than the year to date budget provision of \$1,012,741. Significant variations include the following:
 - Higher Class IV Cell Usage costs of approximately \$110,000 as a result of higher Class IV tonnages received to date.
 - Lower Class III Cell Usage costs of approximately \$65,500 as a result of lower Class III tonnages received to date.
 - Depreciation for new plant together with additional provisions relating to the Class III and Class IV Leachate ponds, Red Hill roads, Red Hill Green waste processing area, Hazelmere Hardstand and Road and Class IV Cell usage.



Item 14.3 continued

Year end forecasts have been increased by \$570,000 to provide adequate depreciation for new plant together with additional provisions relating to the Class III and Class IV Leachate ponds (approximately \$20,000), Red Hill roads (approximately \$15,000), Red Hill Green waste processing area (approximately \$10,000) and Hazelmere Hardstand and Road (approximately \$18,000).

Year end net cell usage (Class III and Class IV) has increased by approximately \$19,000.

4. Year end Miscellaneous Expenses have been forecast to be \$2,273,638 higher than the budget provision of \$3,729,788. The major variation is an increase in the landfill levy payment of \$2,387,867. This is as a result of the increase in the landfill levy from \$8.00 per tonne to \$28.00 per tonne effective from 1 January 2010.
5. Costs allocated as at year end have been forecast to be \$11,387 greater than the budget provision of \$47,383. This item represents a variety of internal costing allocations undertaken between and within the various divisions of the organisation throughout the financial year. The significant variation related to this is the reclassification of on-costs totalling \$16,387 from Other Expenses to Operating Expenditure.

Operating Expenditure variances not previously reported to Council:

1. Year to date Utility Expenses are \$10,397 higher than the year to date budget provision of \$45,424. \$9,135 of this variation relates to the water usage at the Hazelmere location. During the winter months a water leak was detected in the service. This matter is being managed with the Water Corporation and it has been agreed that no further charges will be raised.
2. Year to date Miscellaneous Expenses are \$211,324 lower than the year to date budget provision of \$1,740,948. The major variation is a reduction in the landfill levy payment of \$153,406 compared to the year to date budget of \$1,323,882. This is as a result of the lower than budgeted tonnages received as at 31 December 2009.

There were no further significant Operating Expenditure variances as at 31 December 2009.

<u>* Other Revenues and Expenses (Net)</u>	<i>Year to Date</i>	A favourable variance of \$268,072 (11.07%).
	<i>End of Year Forecast</i>	An unfavourable variance of \$495,141 (9.99%).

** Note: This sections also includes Unrealised Gain/Loss from change in fair value of Investments*

Other Revenues and Expenses variances previously reported to Council:

1. Year to date Salary expenses are \$44,908 (32.89%) below the year to date budget provision of \$136,533. This variation relates principally to the salary expenses for a Project Development Assistant position which is yet to be filled.

Full year Salary Expenses have been forecast to be \$55,916 lower than the budget provision of \$293,403.

2. Year to date Contract expenses are \$50,322 (13.75%) above the year to date budget provision of \$366,066. This relates specifically to the timing of budgeted and contracted consultancy billings for the Resource Recovery project.

End of year Contract Expenses have been forecast to be \$66,381 higher than the budget provision of \$686,250 following a review of expected contract expenses within the Resource Recovery project.



Item 14.3 continued

3. Year to date Material Expenses of \$24,463 exceed the year to date budget provision by \$14,833. This variation relates principally to the additional expenditure incurred for the printing of Expressions of Interest (EOI) documentation (\$7,776) that was outsourced rather than undertaken in-house.

Full year Material Expenses have been forecast to be \$12,676 higher than the budget provision of \$24,350 due to the outsourcing of work undertaken.

4. Costs allocated at year end have been forecast to be \$16,387 greater than the budget allocation of \$41,883. This item represents internal costing allocations to the Resource Recovery Project from other divisions of the organisation throughout the financial year. As outlined earlier in this report, the significant variation related to this is the reclassification of on-costs totalling \$16,387 from Other Expenses to Operating Expenditure.
5. The Unrealised Gains from the Change in Fair Value of Investments for the period ending 31 December 2009 is an unrealised gain of \$508,330.

Unrealised gains or losses represent a fair market value measurement of the financial instruments during the period in which they are held, i.e. marked to market. It should be noted that actual gains or losses on financial instruments will not be realised until such time as the individual investments are sold.

Other Revenues and Expenses variances not previously reported to Council:

Year to date Proceeds from the Sale of Assets are \$54,155 (37.78%) higher than the year to date budget provision. This relates specifically to the earlier timing on the disposal by auction of fleet vehicles due for change over.

There were no further significant Other Revenues and Expenses variances as 31 December 2009.

Capital Expenditure Statement (refer Attachment 2)

<u>Capital Expenditure</u>	<i>Year to Date</i>	An unfavourable variance of \$489,573 (21.02%)
	<i>End of Year Forecast</i>	A favourable variance of \$349,597 (3.43%).

Capital Expenditure variances:

An unfavourable variance of \$489,573 exists as at 31 December 2009 when comparing to the year to date budget provision of \$2,329,065. The year to date budget provisions are used as a guide only as expenditure of a capital nature is undertaken as and when required. Significant Capital Expenditure items to 31 December 2009 include the purchase of a landfill compactor valued at \$1,034,000 and Ascot Place vehicle purchases totalling \$204,412.

End of year Capital expenditure has been forecast to be below the budget provision by \$349,597 (3.43%). Significant variations include the following:

- An increase of \$826,000 relating to the upgrade of the Administration building. This item has been subject to previous reports to council. In an effort to consolidate all costs relating to the refurbishment of the administration building, this increase also includes a reallocation provision of \$208,449 from the Upgrade of the administration building air conditioning account.
- A forecast cost reduction of \$63,000 for the construction of the Class III Cell - Farm Stage 1.
- A forecast reduction of \$101,120 for the construction of roads/car parks at the Red Hill Waste Disposal Facility.
- A forecast reduction of \$500,000 for the construction of water storage dams at the Red Hill Waste Disposal Facility. This amount has been carried forward into the 2010/2011 financial year.



Item 14.3 continued

- A forecast reduction of \$243,063 for the purchase of plant at the Red Hill Waste Disposal Facility.
- A forecast increase of \$54,982 in the purchase/replacement of vehicles at the Red Hill Waste Disposal Facility. Vehicle replacements are dependent on timing with change over occurring at 40,000km or 3 year whichever occurs first. It has been forecast that these vehicles will have reached the changeover criteria earlier than what has been provided for in the 5 year vehicle replacement programme.

Balance Sheet (refer Attachment 3)

The Balance Sheet shows the overall impact of actual balances compared with budget provisions and end of year forecasts for operating and capital works activities.

It has been forecast that Total Equity as at 30 June 2010 will be below the original budget estimate of \$52,085,545 by \$809,818. This variation reflects the reduction in forecast profits in 2009/2010.

Statement of Cash and Investments (refer Attachment 4)

The level of cash and investments in the Municipal fund as at 31 December 2009 is \$6,982,980 and Restricted Assets amount to \$20,511,921. This figure is net of cumulative unrealised losses of \$6,922,345 which have been provided for in this amount.

The total level of cash and investments as at 31 December 2009 is \$27,494,901, (\$34,417,246 excluding unrealised losses).

The net movement for the month is an increase of \$491,033.

The Forecast for 2009/2010 represents the expected balances for the Municipal and Reserve funds as at the end of the financial year.

The year to date actual Municipal cash and Investments reflects the current balance to date and is dependent on the timing of payments made and income received. It should also be noted that the transfers to and from the Reserve funds are undertaken as at the end of the financial year. This will reduce the Municipal fund Cash and Investments balance to budget expectations.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 4 – Good Governance

- 4.5 To provide responsible and accountable governance and management of the EMRC; and
- 4.6 To continue to improve financial and asset management practices.

FINANCIAL IMPLICATIONS

As outlined in the attached financial reports.

SUSTAINABILITY IMPLICATIONS

Nil

ATTACHMENT(S)

1. Income Statement by Nature and Type (Ref: Committees-10646)
2. Capital Expenditure Statement (Ref: Committees-10647)
3. Balance Sheet (Ref: Committees-10648)
4. Statement of Cash and Investments (Ref: Committees-10649)



Item 14.3 continued

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That the Income Statement, Capital Expenditure Statement, Balance Sheet and the Statement of Cash and Investments for the period ended 31 December 2009 be received.

COUNCIL RESOLUTION(S)

MOVED CR MCKECHNIE

SECONDED CR POWELL

THAT THE INCOME STATEMENT, CAPITAL EXPENDITURE STATEMENT, BALANCE SHEET AND THE STATEMENT OF CASH AND INVESTMENTS FOR THE PERIOD ENDED 31 DECEMBER 2009 BE RECEIVED.

CARRIED UNANIMOUSLY

INCOME STATEMENT Nature and Type

DECEMBER 2009

Year to Date				Full Year			
Actual	Budget	Variance		Current Budget	Forecast Change	End of Year Forecast	
Operating Income							
(\$9,067,633)	(\$9,101,200)	(\$33,567)	(U)	(\$18,290,615)	(\$2,129,032)	(F)	(\$20,419,647)
(\$148,947)	(\$164,910)	(\$15,963)	(U)	(\$329,849)	\$19,622	(U)	(\$310,227)
(\$636,561)	(\$525,590)	\$110,971	(F)	(\$525,590)	(\$137,814)	(F)	(\$663,404)
(\$485,116)	(\$519,401)	(\$34,285)	(U)	(\$2,267,833)	\$173,086	(U)	(\$2,094,747)
(\$201,553)	(\$214,680)	(\$13,127)	(U)	(\$225,500)	(\$171,000)	(F)	(\$396,500)
(\$421,952)	(\$436,062)	(\$14,110)	(U)	(\$861,492)	\$87,196	(U)	(\$774,296)
(\$463,180)	(\$367,818)	\$95,362	(F)	(\$735,676)	(\$134,137)	(F)	(\$869,813)
(\$11,424,942)	(\$11,329,661)	\$95,281	(F)	(\$23,236,556)	(\$2,292,078)	(F)	(\$25,528,634)
Operating Expenditure							
\$3,303,643	\$3,409,232	\$105,589	(F)	\$6,990,481	(\$65,702)	(F)	\$6,924,779
\$2,255,846	\$2,094,386	(\$161,460)	(U)	\$6,706,998	\$40,698	(U)	\$6,747,696
\$284,662	\$347,166	\$62,504	(F)	\$1,156,845	(\$225,146)	(F)	\$931,699
\$55,821	\$45,424	(\$10,397)	(U)	\$90,950	\$7,722	(U)	\$98,672
\$328,631	\$363,064	\$34,433	(F)	\$760,165	(\$24,115)	(F)	\$736,050
\$6,892	\$6,348	(\$544)	(U)	\$12,700	\$200	(U)	\$12,900
\$177,661	\$144,756	(\$32,905)	(U)	\$149,612	\$40,612	(U)	\$190,224
\$1,247,557	\$1,012,741	(\$234,816)	(U)	\$2,469,964	\$570,236	(U)	\$3,040,200
\$1,529,624	\$1,740,948	\$211,324	(F)	\$3,729,788	\$2,273,638	(U)	\$6,003,426
\$0	\$0	\$0	(F)	\$135,184	\$0	(F)	\$135,184
(\$28,104)	(\$24,630)	\$3,474	(F)	(\$47,383)	(\$11,387)	(F)	(\$58,770)
\$9,162,233	\$9,139,435	(\$22,798)	(U)	\$22,155,305	\$2,606,756	(U)	\$24,762,061
(\$2,262,709)	(\$2,190,226)	\$72,483	(F)	(\$1,081,251)	\$314,678	(U)	(\$766,573)
Surplus	Surplus			Surplus			Surplus

Notes:

1. User Charges - include member Councils, WMRC and casual users pertaining to waste, risk management and environmental services fees and charges;
2. Special Charges - Waste Education Levy;
3. Contributions - member Councils' contributions to projects and services;
4. Operating Grants - grant income predominately from government agencies; and
5. Miscellaneous Expenses - includes Landfill Levy as the major component.

Operating Income and Expenditure relates to the ordinary operations of the organisation.

Other Revenues and Expenditures relates to the Resource Recovery Project, interest from cash reserves and disposal of assets.

(F) denotes Favourable variance and (U) denotes Unfavourable variance



INCOME STATEMENT

Nature and Type

DECEMBER 2009

Year to Date			Full Year				
Actual	Budget	Variance		Current Budget	Forecast Change	End of Year Forecast	
Other Revenues							
(\$2,205,881)	(\$2,444,364)	(\$238,483)	(U)	Secondary Waste Charge	(\$4,888,756)	\$476,075	(U) (\$4,412,681)
(\$70,164)	(\$70,272)	(\$108)	(U)	Operating Grants	(\$70,272)	\$108	(U) (\$70,164)
(\$385,387)	(\$418,335)	(\$32,948)	(U)	Interest Restricted Cash Investments	(\$1,100,000)	\$0	(F) (\$1,100,000)
(\$1,653)	(\$24)	\$1,629	(F)	Reimbursements	(\$50)	(\$3,400)	(F) (\$3,450)
(\$197,485)	(\$143,330)	\$54,155	(F)	Proceeds from Sale of Assets	(\$663,002)	(\$8,078)	(F) (\$671,080)
(\$2,860,570)	(\$3,076,325)	(\$215,755)	(U)	Total Other Revenues	(\$6,722,080)	\$464,705	(U) (\$6,257,375)
Other Expenses							
\$91,625	\$136,533	\$44,908	(F)	Salary Expenses	\$293,403	(\$55,916)	(F) \$237,487
\$416,388	\$366,066	(\$50,322)	(U)	Contract Expenses	\$686,250	\$66,381	(U) \$752,631
\$24,463	\$9,630	(\$14,833)	(U)	Material Expenses	\$24,350	\$12,676	(U) \$37,026
\$1,199	\$1,596	\$397	(F)	Utility Expenses	\$3,200	\$0	(F) \$3,200
\$2,281	\$2,400	\$119	(F)	Insurance Expenses	\$2,400	(\$118)	(F) \$2,282
\$672	\$606	(\$66)	(U)	Depreciation Expenses	\$1,820	\$295	(U) \$2,115
\$13,167	\$12,354	(\$813)	(U)	Miscellaneous Expenses	\$94,300	\$791	(U) \$95,091
\$102,034	\$105,000	\$2,966	(F)	Carrying Amount of Assets Disposed Of	\$620,509	(\$10,060)	(F) \$610,449
\$28,104	\$21,245	(\$6,859)	(U)	Costs Allocated	\$41,883	\$16,387	(U) \$58,270
\$679,933	\$655,430	(\$24,503)	(U)	Total Other Expenses	\$1,768,115	\$30,436	(U) \$1,798,551
Unrealised (Gain)/Loss From Change in Fair Value of Investments							
(\$508,330)	\$0	\$508,330	(F)	Unrealised (Gain)/Loss	\$0	\$0	(F) \$0
(\$508,330)	\$0	\$508,330	(F)	Total Unrealised (Gain)/Loss	\$0	\$0	(F) \$0
(\$2,688,967)	(\$2,420,895)	\$268,072	(F)	OPERATING RESULT FROM OTHER ACTIVITIES	(\$4,953,965)	\$495,141	(U) (\$4,458,824)
Surplus	Surplus				Surplus		Surplus
(\$4,951,676)	(\$4,611,121)	\$340,555	(F)	CHANGE IN NET ASSETS FROM OPERATIONS	(\$6,035,216)	\$809,819	(U) (\$5,225,397)
Surplus	Surplus				Surplus		Surplus



CAPITAL EXPENDITURE STATEMENT

DECEMBER 2009

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast	
Actual	Budget	Variance						
Governance and Corporate Services								
\$204,412	\$150,662	\$53,750 (U)	\$126,946	Purchase Vehicles - Ascot Place (24440/00)	\$556,988	(\$11,398) (F)	\$545,590	
\$13,463	\$20,666	(\$7,203) (F)	\$21,106	Purchase Office Equipment - Corporate Services (24510/01)	\$62,000	(\$22,000) (F)	\$40,000	
\$5,379	\$5,500	(\$121) (F)	\$0	Purchase Information Technology PC's and Printers (24550/00)	\$82,500	(\$12,500) (F)	\$70,000	
\$38,386	\$49,500	(\$11,114) (F)	\$0	Purchase Network Communication Equipment (24560/00)	\$148,500	\$0 (F)	\$148,500	
\$15,013	\$44,333	(\$29,320) (F)	\$9,772	Purchase Information Technology Servers (24570/00)	\$133,000	\$0 (F)	\$133,000	
\$764	\$5,333	(\$4,569) (F)	\$710	Purchase PABX/Telephone Equipment (24580/00)	\$16,000	\$0 (F)	\$16,000	
\$1,445	\$666	\$779 (U)	\$0	Purchase/ Replace other Equipment - Ascot Place (24590/01)	\$2,000	\$0 (F)	\$2,000	
\$0	\$3,333	(\$3,333) (F)	\$0	Purchase Office Furniture and Fittings - Corporate Services (24610/01)	\$10,000	\$0 (F)	\$10,000	
\$4,727	\$4,000	\$727 (U)	\$5,727	Purchase Art Works (24620/00)	\$12,000	\$0 (F)	\$12,000	
\$291	\$666	(\$375) (F)	\$0	Purchase/ Replace Miscellaneous Furniture and Equipment-Ascot Place (24690/00)	\$2,000	\$0 (F)	\$2,000	
\$2,508	\$0	\$2,508 (U)	\$0	Upgrade Landscaping - Ascot Place (25140/01)	\$0	\$20,000 (U)	\$20,000	
\$96,769	\$73,000	\$23,769 (U)	\$1,117,291	Upgrade Administration Building - Ascot Place (25240/01)	\$839,000	\$826,000 (U)	\$1,665,000	
\$15,340	\$15,500	(\$160) (F)	\$0	Upgrade Air Conditioning Equipment - Ascot Place (25240/02)	\$227,000	(\$208,449) (F)	\$18,551	
\$0	\$4,998	(\$4,998) (F)	\$0	Upgrade Security Equipment - Ascot Place (25530/01)	\$10,000	\$10,000 (U)	\$20,000	
\$398,497	\$378,157	\$20,340 (U)	\$1,281,553		\$2,100,988	\$601,653 (U)	\$2,702,641	

CAPITAL EXPENDITURE STATEMENT

DECEMBER 2009

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Full Year		End of Year Forecast
Actual	Budget	Variance				Forecast Change		
Environmental Services								
\$0	\$666	(\$666) (F)	\$0	Purchase Office Equipment - Environmental Services (24510/05)	\$2,000	\$0 (F)	\$2,000	
\$0	\$500	(\$500) (F)	\$0	Purchase Office Furniture and Fittings - Environmental Services (24610/05)	\$1,500	\$0 (F)	\$1,500	
\$0	\$1,166	(\$1,166) (F)	\$0		\$3,500	\$0 (F)	\$3,500	
Regional Development								
\$574	\$500	\$74 (U)	\$0	Purchase Office Equipment - Regional Development (24510/04)	\$1,500	\$0 (F)	\$1,500	
\$0	\$500	(\$500) (F)	\$0	Purchase Office Furniture and Fittings - Regional Development (24610/04)	\$1,500	\$0 (F)	\$1,500	
\$574	\$1,000	(\$426) (F)	\$0		\$3,000	\$0 (F)	\$3,000	
Risk Management								
\$0	\$166	(\$166) (F)	\$0	Purchase Office Equipment - Risk Management (24510/06)	\$500	\$0 (F)	\$500	
\$0	\$166	(\$166) (F)	\$0	Purchase Office Furniture and Fittings - Risk Management (24610/06)	\$500	\$0 (F)	\$500	
\$0	\$332	(\$332) (F)	\$0		\$1,000	\$0 (F)	\$1,000	
Resource Recovery								
\$0	\$333	(\$333) (F)	\$0	Purchase Office Equipment - Resource Recovery (24510/07)	\$1,000	\$0 (F)	\$1,000	
\$5,497	\$333	\$5,164 (U)	\$0	Purchase Other Equipment - Resource Recovery (24590/07)	\$1,000	\$5,000 (U)	\$6,000	
\$772	\$500	\$272 (U)	\$0	Purchase Office Furniture and Fittings - Resource Recovery (24610/07)	\$1,500	\$0 (F)	\$1,500	
\$6,269	\$1,166	\$5,103 (U)	\$0		\$3,500	\$5,000 (U)	\$8,500	

CAPITAL EXPENDITURE STATEMENT

DECEMBER 2009

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					
\$0	\$0	\$0 (F)	\$0		\$5,000	(\$5,000) (F)	\$0
\$0	\$24	(\$24) (F)	\$0		\$50,050	\$0 (F)	\$50,050
\$0	\$0	\$0 (F)	\$0		\$60,000	\$0 (F)	\$60,000
\$5,048	\$24,996	(\$19,948) (F)	\$0		\$50,000	\$0 (F)	\$50,000
\$1,180,925	\$644,423	\$536,502 (U)	\$1,070,923		\$3,420,268	(\$63,000) (F)	\$3,357,268
\$0	\$0	\$0 (F)	\$0		\$5,000	(\$5,000) (F)	\$0
\$1,955	\$2,000	(\$45) (F)	\$4,725		\$8,500	\$0 (F)	\$8,500
\$0	\$0	\$0 (F)	\$97,363		\$330,000	\$0 (F)	\$330,000
\$0	\$0	\$0 (F)	\$0		\$46,000	(\$46,000) (F)	\$0
\$6,916	\$7,000	(\$84) (F)	\$0		\$111,120	(\$101,120) (F)	\$10,000
\$0	\$0	\$0 (F)	\$71,850		\$580,000	(\$500,000) (F)	\$80,000
\$0	\$0	\$0 (F)	\$0		\$0	\$979 (U)	\$979
\$0	\$0	\$0 (F)	\$6,323		\$12,600	\$0 (F)	\$12,600

CAPITAL EXPENDITURE STATEMENT

DECEMBER 2009

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Full Year		End of Year Forecast
Actual	Budget	Variance				Forecast Change		
Waste Management								
\$2,210	\$0	\$2,210 (U)	\$0	Construct Hardstand and Road - Hazelmere (24395/01)	\$0	\$3,100 (U)	\$3,100	
\$0	\$9,996	(\$9,996) (F)	\$0	Construct Monitoring Bores - Red Hill Landfill Facility (24396/00)	\$20,000	\$0 (F)	\$20,000	
(\$495)	\$2,496	(\$2,991) (F)	\$5,057	Construct Perimeter Bunds - Red Hill Landfill Facility (24397/00)	\$5,000	\$10,000 (U)	\$15,000	
\$1,051,500	\$1,051,500	\$0 (F)	\$1,018,721	Purchase / Replace Plant - Red Hill Landfill Facility (24410/00)	\$2,567,000	(\$243,063) (F)	\$2,323,937	
\$48,526	\$44,633	\$3,893 (U)	\$0	Purchase / Replace Plant - Hazelmere (24410/01)	\$283,900	\$0 (F)	\$283,900	
\$45,853	\$70,246	(\$24,393) (F)	\$27,439	Purchase / Replace Minor Plant and Equipment-Red Hill Landfill Facility (24420/00)	\$178,400	(\$519) (F)	\$177,881	
\$640	\$8,293	(\$7,653) (F)	\$0	Purchase / Replace Minor Plant and Equipment - Hazelmere (24420/02)	\$24,880	\$0 (F)	\$24,880	
\$36,856	\$36,856	\$0 (U)	\$106,785	Purchase / Replace Vehicles - Red Hill Landfill Facility (24430/00)	\$117,884	\$54,982 (U)	\$172,866	
\$445	\$166	\$279 (U)	\$0	Purchase / Replace Office Equipment - Engineering / Waste Management (24510/02)	\$500	\$0 (F)	\$500	
\$7,649	\$7,650	(\$1) (F)	\$1,000	Purchase / Replace Office Equipment - Red Hill Landfill Facility (24510/08)	\$9,000	\$0 (F)	\$9,000	
\$0	\$200	(\$200) (F)	\$0	Purchase Fire Fighting System/Equipment - Hazelmere (24520/07)	\$600	\$0 (F)	\$600	
\$0	\$0	\$0 (F)	\$0	Purchase / Replace Fire Fighting Equipment - Red Hill Landfill Facility (24520/08)	\$6,000	(\$6,000) (F)	\$0	
\$0	\$0	\$0 (F)	\$0	Purchase / Replace Security System - Red Hill Waste Management Facility (24530/08)	\$7,900	(\$3,000) (F)	\$4,900	
\$6,080	\$6,110	(\$30) (F)	\$8,793	Purchase / Replace Other Equipment - Red Hill Landfill Facility (24590/00)	\$35,650	\$0 (F)	\$35,650	

CAPITAL EXPENDITURE STATEMENT

DECEMBER 2009

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					
Waste Management							
\$5,723	\$8,833	(\$3,110) (F)	\$727	Purchase / Replace Miscellaneous Plant & Equipment - Hazelmere (24590/02)	\$26,500	(\$720) (F)	\$25,780
\$2,307	\$900	\$1,407 (U)	\$0	Purchase/Replace Other Equipment - Engineering and Waste Management (24590/03)	\$2,700	\$0 (F)	\$2,700
\$9,700	\$9,700	\$0 (F)	\$0	Purchase Other Equipment - Waste Education Fluorescent Light Recycling Grant (24590/04)	\$19,509	(\$9,809) (F)	\$9,700
\$1,460	\$800	\$660 (U)	\$0	Purchase Office Furniture and Fittings-Engineering and Waste Management (24610/03)	\$2,400	\$0 (F)	\$2,400
\$0	\$0	\$0 (F)	\$0	Purchase / Replace Office Furniture and Fittings - Red Hill Landfill Facility (24610/08)	\$1,000	\$0 (F)	\$1,000
\$0	\$0	\$0 (F)	\$0	Purchase Office Furniture and Fittings-Hazelmere (24610/10)	\$0	\$720 (U)	\$720
\$0	\$5,664	(\$5,664) (F)	\$0	Purchase Miscellaneous Furniture and Fittings - Red Hill Education Programme (24690/01)	\$12,000	(\$1,500) (F)	\$10,500
\$0	\$4,260	(\$4,260) (F)	\$0	Refurbish Environmental Education Centre - Redhill Landfill Facility (25253/00)	\$32,300	(\$16,300) (F)	\$16,000
\$0	\$498	(\$498) (F)	\$0	Refurbish Waste Transfer Station Building - Red Hill Landfill Facility (25259/01)	\$25,000	(\$25,000) (F)	\$0
\$0	\$0	\$0 (F)	\$0	Refurbish Plant - Red Hill Landfill Facility (25410/00)	\$24,000	\$0 (F)	\$24,000
\$0	\$0	\$0 (F)	\$0	Refurbish Minor Plant - Red Hill Landfill Facility (25420/00)	\$1,200	\$0 (F)	\$1,200
\$2,413,299	\$1,947,244	\$466,055 (U)	\$2,419,708		\$8,081,861	(\$956,250) (F)	\$7,125,611

\$2,818,638	\$2,329,065	\$489,573 (U)	\$ 3,701,261	TOTAL CAPITAL EXPENDITURE	\$10,193,849	(\$349,597) (F)	\$9,844,252
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BALANCE SHEET

DECEMBER 2009

Full Year

Actual 2008/2009	Actual Year to Date		Current Budget 2009/2010	Forecast Change		Forecast 2009/2010
		(F) = Favourable variation (U) = Unfavourable variation				
Current Assets						
\$1,921,192	\$1,881,736	Cash and Cash Equivalents	\$1,388,143	\$2,432,235	(F)	\$3,820,378
\$22,205,947	\$25,613,165	Investments	\$21,840,922	(\$2,331,985)	(U)	\$19,508,937
\$2,255,656	\$2,599,919	Trade and Other Receivables	\$2,255,656	\$0	(F)	\$2,255,656
\$30,680	\$20,941	Inventories	\$30,680	\$0	(F)	\$30,680
\$50,881	\$91,917	Other Assets	\$50,881	\$0	(F)	\$50,881
\$0	\$0	Current Assets Other	\$0	\$0	(F)	\$0
\$26,464,356	\$30,207,678	Total Current Assets	\$25,566,282	\$100,250	(F)	\$25,666,532
Current Liabilities						
\$0	\$0	Bank Overdraft	\$0	\$0	(F)	\$0
\$1,762,406	\$2,022,428	Trade and Other Payables	\$1,762,406	\$0	(F)	\$1,762,406
\$902,420	\$902,420	Provisions	\$935,503	\$0	(F)	\$935,503
\$0	\$0	Borrowings - Current Portion	\$0	\$0	(F)	\$0
\$0	\$0	Liabilities Other	\$0	\$0	(F)	\$0
\$2,664,826	\$2,924,848	Total Current Liabilities	\$2,697,909	\$0	(F)	\$2,697,909
\$23,799,530	\$27,282,830	Net Current Assets	\$22,868,373	\$100,250	(F)	\$22,968,623



BALANCE SHEET

DECEMBER 2009

Full Year

Actual 2008/2009	Actual Year to Date		Current Budget 2009/2010	Forecast Change		Forecast 2009/2010
(F) = Favourable variation (U) = Unfavourable variation						
Non Current Assets						
\$7,639,917	\$7,639,917	Property Plant and Equipment	\$7,639,917	\$20,000 (F)		\$7,659,917
\$2,509,418	\$2,482,931	Buildings	\$3,665,218	\$554,683 (F)		\$4,219,901
\$9,043,150	\$8,347,893	Structures	\$12,249,184	(\$782,642) (U)		\$11,466,542
\$3,995,921	\$4,593,506	Plant	\$6,275,064	(\$651,504) (U)		\$5,623,560
\$249,758	\$286,169	Equipment	\$684,737	(\$50,032) (U)		\$634,705
\$96,629	\$94,002	Furniture and Fittings	\$122,229	(\$573) (U)		\$121,656
\$33,904	\$1,592,653	Work in Progress	\$33,904	\$0 (F)		\$33,904
\$0	\$0	Investments - Non Current	\$0	\$0 (F)		\$0
\$0	\$0	Non Current Assets Other	\$0	\$0 (F)		\$0
\$23,568,696	\$25,037,071	Total Non Current Assets	\$30,670,252	(\$910,068) (U)		\$29,760,184
Non Current Liabilities						
\$1,317,897	\$1,317,897	Provisions	\$1,453,081	\$0 (F)		\$1,453,081
\$0	\$0	Borrowings - Long Term Portion	\$0	\$0 (F)		\$0
\$0	\$0	Non Current Liabilities Other	\$0	\$0 (F)		\$0
\$1,317,897	\$1,317,897	Total Non Current Liabilities	\$1,453,081	\$0 (F)		\$1,453,081
Equity						
\$19,513,931	\$19,513,931	Accumulated Surplus/Deficit	\$25,015,132	\$809,818 (U)		\$24,205,314
\$0	\$0	AAS27 Adjustments	\$0	\$0 (F)		\$0
\$0	\$0	Asset Revaluation Reserve	\$0	\$0 (F)		\$0
\$26,536,398	\$26,536,398	Cash Backed Reserves	\$27,070,412	\$0 (F)		\$27,070,412
\$46,050,330	\$46,050,330	Total Equity	\$52,085,545	\$809,818 (U)		\$51,275,727
\$0	\$4,951,674	Net change in assets from operations	\$0	\$0		\$0

Note : A negative value in the Forecast Change column of the Equity section results in a favourable increase in the equity position of the organisation.

CASH AND INVESTMENTS

DECEMBER 2009

Full Year

Actual 2008/2009	YTD Actual 2009/2010	(F) = Favourable variation (U) = Unfavourable variation	Current Budget 2009/2010	Forecast Change		Forecast 2009/2010
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Municipal Cash and Investments

1,917,892	1,878,436	Cash at Bank - Municipal Fund 01001/00	1,384,843	2,432,235	(F)	3,817,078
1,250	1,250	Cash on Hand - Ascot Place 01019/00	1,250	0	(F)	1,250
600	600	Cash on Hand - Walliston/Mathieson & Coppin Road Transfer Stations 01019/01	600	0	(F)	600
1,450	1,450	Cash on Hand - Red Hill / Hazelmere 01019/02	1,450	0	(F)	1,450
2,587,743	5,101,244	Investments - Municipal Fund 02021/00	1,443,243	171,000	(F)	1,614,243
4,508,935	6,982,980	Total Municipal Cash	2,831,386	2,603,235	(F)	5,434,621

Restricted Cash and Investments

776,748	787,823	Restricted Investments - Plant and Equipment 02022/01	37,738	82,248	(F)	119,986
2,635,734	2,673,038	Restricted Investments - Site Rehabilitation Red Hill 02022/02	2,624,172	69,600	(F)	2,693,772
2,946,239	2,988,247	Restricted Investments - Future Development 02022/03	1,516,139	(1,000,000)	(U)	516,139
281,405	285,418	Restricted Investments - Environmental Monitoring Red Hill 02022/04	292,905	0	(F)	292,905
238,367	241,766	Restricted Investments - Environmental Insurance Red Hill 02022/05	223,411	0	(F)	223,411
10,522	10,672	Restricted Investments - Risk Management 02022/06	10,952	0	(F)	10,952
87,232	88,476	Restricted Investments - Class IV Cells Red Hill 02022/07	137,809	141,177	(F)	278,986
412,501	418,382	Restricted Investments - Regional Development 02022/08	55,706	102,302	(F)	158,008
16,080,560	16,309,836	Restricted Investments - Secondary Waste Processing 02022/09	21,772,232	(2,092,709)	(U)	19,679,523
3,013,965	3,056,938	Restricted Investments - Class III Cells 02022/10	544,024	194,397	(F)	738,421
53,125	53,883	Restricted Investments - Building Refurbishment (Ascot Place) 02022/11	55,325	0	(F)	55,325
(7,430,675)	(6,922,345)	Restricted Investments - Unrealised Loss/Gain on Investments 02022/20	(7,430,675)	0	(F)	(7,430,675)
512,481	519,788	Restricted Investments - Long Service Leave 02022/90	557,941	0	(F)	557,941
19,618,204	20,511,921	Total Restricted Cash	20,397,679	(2,502,985)	(U)	17,894,694
24,127,139	27,494,901	TOTAL CASH AND INVESTMENTS	23,229,065	100,250	(F)	23,329,315

The Cash at Bank - Municipal Fund represents the balance on the last day of the relevant month. Any portion of the balance available for investment is transferred into the Investment - Municipal Fund account in the following period. Funds held in the Cash at Bank - Municipal Fund continue to accrue interest as per the Westpac commercial rates.



14.4 FINANCIAL REPORT FOR PERIOD ENDED 31 JANUARY 2010

REFERENCE: COMMITTEES-10685

PURPOSE OF REPORT

The purpose of this report is to provide Council with an overview of the Eastern Metropolitan Regional Council's (EMRC's) financial performance for the period ended 31 January 2010.

KEY ISSUES AND RECOMMENDATION(S)

Significant year to date budget variances greater than 10% or \$10,000, whichever is the greater, within each nature and type category on the Statement of Financial Activity as at 31 January 2010 have been identified and are reported on in the body of the report.

Recommendation(s)

That the Income Statement, Capital Expenditure Statement, Balance Sheet and the Statement of Cash and Investments for the period ended 31 January 2010 be received.

SOURCE OF REPORT

Director Corporate Services
Manager Financial Services

BACKGROUND

It is a requirement of the Local Government (Financial Management) Regulations 1996 (Clause 34) that a Local Government is to prepare and present to Council financial reports in such a form as the Local Government considers to be appropriate.

The 2009/2010 Budget was presented in a format that separated operating income and expenditure from other revenue and expenses to provide improved disclosure of Council's underlying operating result.

The financial summaries attached to this report provide an overview of year to date budget performance for operating activities and capital works. Also included are end of year forecasts by nature and type for operating activities and end of year forecasts for each capital works project. These forecasts are reviewed periodically in order to provide an accurate forecast end of year result.

The initial forecast review for 2009/2010 was undertaken during November 2009 and was based on the financial performance to the period ended 30 November 2009. As at this time a full wages and salaries forecast review is yet to be undertaken. It is anticipated that this will be undertaken during March 2010 and be reflected in the March 2010 financial reports.

A Balance Sheet is also provided with year to date actual balances compared with budget provisions and end of year forecasts for all balance sheet items.

REPORT

Outlined below are financial summaries for the period ended 31 January 2010. Where possible the year to date monthly budget allocations have been reviewed in order to match the appropriate timing for the various projects budgeted to be undertaken. This will provide a better comparison between the year to date actual and year to date budget figures.



Item 14.4 continued

Income Statement - Nature and Type (refer Attachment 1)

The operating result from normal activities as at 31 January is a favourable variance of \$53,107. The following information is provided on key aspects of Councils financial performance:

<u>Operating Income</u>	<i>Year to Date</i>	A favourable variance of \$120,264 (0.92%).
	<i>End of Year Forecast</i>	A favourable variance of 2,292,078 (9.86%).

Operating Income variances previously reported to Council:

1. Year end User Charges are forecast to be \$2,129,032 above the budget provision of \$18,290,615. This reflects the increase in the Landfill Levy from \$8.00 per tonne to \$28.00 per tonne with effect 1 January 2010. The increased income resulting from the increase in the landfill levy has been forecast to be \$2,980,900.

As advised above, this is partially off-set by variations as listed below in the Class III & Class IV tonnages expected to be received as at year end:

Description	Budget Tonnages	Forecast Tonnages	Tonnages Variation	Forecast Income Variation
Class III tonnages	329,951	292,976	-36,975	-\$1,883,000
Class IV tonnages	4,020	16,101	12,081	\$1,006,168

2. Year to date Contributions of \$636,561 are inclusive of the following unbudgeted funds totalling \$126,844:
 - Perth Solar City project - \$90,000 carried forward from the 2008/2009 financial year.
 - Regional Water Campaign - \$11,844.
 - Regional Tourism Development - \$5,000.
 - Regional Cycling Tourism Opportunities - \$20,000.

Contribution income for other budgeted projects is invoiced throughout the year based on project timings.

End of Year Contribution income has been forecast to be \$137,814 above the budget provision of \$525,590 and includes the projects outlined above.

3. Interest on Municipal Funds as at year end has been forecast to be above the annual budget provision by \$171,000. This represents the expected value of accrued interest to be brought to account as at year end that was not provided for in the 2009/2010 annual budget.
4. Reimbursement Income as at year end has been forecast to be \$87,196 lower than the budget provision of \$861,492. Significant variances are summarised below:
 - An insurance good driver rebate, relating to the 2008/09 year, totalling \$5,800 was received in November 2009.
 - Income of \$6,153, not previously provided for, was received from external participants attending the Continuous Improvement Programme co-ordinated by the EMRC.



Item 14.4 continued

- A rebate of \$9,052 compared to a budget provision of \$3,500 was received from WALGA as a rebate for advertising undertaken during the 2008/09 financial year.
 - Reimbursement income directly relating to the operations at the Kalamunda Transfer Station has been forecast to be \$68,113 as at year end compared to a budget provision of \$31,708.
 - Reimbursement income from the Red Hill green waste operations has been forecast at \$30,000 as at year end compared to a budget provision of \$6,000. This is directly related to the recoup of delivery costs associated with the increase in the sale of mulch.
 - Income associated with the recoup of costs relating to the "Forum of Regional Councils" has been forecast to increase by approximately \$46,000 to \$75,512 as at year end.
 - Reimbursement income relating to the disposal of Household Hazardous Waste at the Red Hill Waste Disposal Site has reduced by \$44,504 to \$5,500 as at year end compared to the budget provision of \$50,004. This is as a result of WALGA reporting insufficient funds being available for the programme.
 - Reimbursement income relating to Engineering/Waste Management Special Projects totalling \$173,135 has been reduced to \$400 as at year end. Of this amount \$158,135 has been reclassified within the same account to income to be received from Grant funding.
5. Year to date Other income is \$81,427 above the year to date budget provision of \$429,121. The significant item associated with this relates to an addition rebate of approximately \$87,000 received in relation to the fuel rebate scheme. As a result of the broadening of plant and fuel categories and classifications the EMRC was able to claim fuel rebates retrospectively from 1 July 2008.

Other Income has been forecast to be \$134,137 greater than the budget provision of \$735,676 as at year end. Major forecast variations relate to the following:

- A \$93,000 forecast increase in the fuel rebate scheme.
- A reduction of \$30,000 for the sale of Laterite from the Red Hill Waste Disposal site.
- An increase of \$80,000 in the end of year forecast relating to the sale of products from the wood waste project located at the Hazelmere site. The wood waste products are currently being actively marketed contributing to the increased sales.

Operating Income variances outside the reporting requirement threshold:

The Operating Grants as at year end have been forecast to be \$2,094,747. A reduction of \$173,086 from the budget provision of \$2,267,833. Although this variation is below the reporting requirement threshold, it should be noted that significant variations exist within this "type" of income. Significant variations have been summarised below:

- Grant income totalling \$39,840 relating to the Fluorescent Light Recycling study and trial has been carried forward into the 2010/11 financial year.
- Forecast grant income for Engineering/Waste Management has been reduced by \$72,055 to \$23,000. Following the successful receipt of a SWIS grant, \$69,007 of this amount has been reallocated to the Council Turf Recycling account.
- As outlined earlier in this report, \$158,135 has been reclassified within the Engineering/Waste Management Special Projects account from reimbursement income.
- Grant funding relating to the Eastern Hills Catchment Management project (EHCMP) has been forecast to be \$80,000 less than the budget provision of \$220,000 as at year end. Appropriate expenditure cuts have been made within the project to allow for this reduction in grant funding.
- Grant funds totalling \$243,345, relating to the Perth Solar City Project, have been carried forward into the 2010/11 financial year.
- Additional Grant funding of \$25,000 for the Dieback Management Framework project has been received.



Item 14.4 continued

There were no further significant Operating Income variances as at 31 January 2010.

<u>Operating Expenditure</u>	<i>Year to Date</i>	An unfavourable variance of \$67,157 (0.63%).
	<i>End of Year Forecast</i>	An unfavourable variance of 2,606,756 (11.77%).

Operating Expenditure variances previously reported to Council:

1. Year to date Materials expenses are \$56,261 below the year to date budget provision of \$392,004. Significant variations include Catering/Food/Beverage expenses which are \$18,513 lower than the year to date budget provision of \$110,046 and Material Expenses - General which is \$26,644 lower than the year to date budget provision of \$152,184. These variations are the cumulative values applicable to numerous accounts across all sections of the organisation and are based on the timing of various projects and activities yet to be undertaken as well as a general reduction of expenditure to date.

End of year Material Expenses have been forecast to be \$225,146 lower than the budget provision of \$1,156,845. The principal variation relates to an end of year forecast of \$100,000 compared to a budget provision of \$300,000 for the supply of materials for intermediate/daily cover for the Class III waste disposal cell. This relates specifically to material to be used by an "Alternative Cover" item of plant that is now expected to be purchased in the later part of the financial year.

2. Year to date Utility Expenses are \$10,397 higher than the year to date budget provision of \$45,424. \$9,135 of this variation relates to the water usage at the Hazelmere location. During the winter months a water leak was detected in the service. This matter is being managed with the Water Corporation and it has been agreed that no further charges will be raised.
3. Insurance expenses exceed the year to date budget by \$34,363 (23.61%). This variation relates principally to an additional premium of \$8,281 payable for the new landfill compactor and an additional plant and motor vehicles premium adjustment of \$10,142. The premium adjustment relates to the year end valuation adjustment on plant and vehicles insured in 2008/2009. This was not invoiced until this financial year. This amount is marginally off-set by a good driving rebate of \$5,800 received from the insurance company. The balance of the variation relates to higher than budgeted insurance premiums for 2009/2010 (approximately \$15,000).

Insurance expenses as at year end have been forecast to be \$40,612 above the budget provision of \$149,612. This variation, which has been outlined above, also includes an additional forecast of approximately \$6,600 for insurance claim expenses.

4. Year to date Depreciation Expenses of \$1,322,088 is \$214,629 greater than the year to date budget provision of \$1,107,459. Significant variations include the following:
 - Higher Class IV Cell Usage costs of approximately \$103,000 as a result of higher Class IV tonnages received to date.
 - Lower Class III Cell Usage costs of approximately \$77,600 as a result of lower Class III tonnages received to date.
 - Depreciation for new plant together with additional provisions relating to the Class III and Class IV Leachate ponds, Red Hill roads, Red Hill Green waste processing area, Hazelmere Hardstand and Road and Class IV Cell usage.



Item 14.4 continued

Year end forecasts have been increased by \$570,000 to provide adequate depreciation for new plant together with additional provisions relating to the Class III and Class IV Leachate ponds (approximately \$20,000), Red Hill roads (approximately \$15,000), Red Hill Green waste processing area (approximately \$10,000) and Hazelmere Hardstand and Road (approximately \$18,000).

Year end net cell usage (Class III and Class IV) has increased by approximately \$19,000.

5. Year end Miscellaneous Expenses have been forecast to be \$2,273,638 higher than the budget provision of 3,729,788. The major variation is an increase in the landfill levy payment of \$2,387,867. This is as a result of the increase in the landfill levy from \$8.00 per tonne to \$28.00 per tonne effective from 1 January 2010.
6. Costs allocated as at year end have been forecast to be \$11,387 greater than the budget provision of \$47,383. This item represents a variety of internal costing allocations undertaken between and within the various divisions of the organisation throughout the financial year. The significant variation related to this is the reclassification of on-costs totalling \$16,387 from Other Expenses to Operating Expenditure.

There were no further significant Operating Expenditure variances as at 31 January 2010.

<u>* Other Revenues and Expenses (Net)</u>	<i>Year to Date</i>	A favourable variance of \$313,107 (11.29%).
	<i>End of Year Forecast</i>	An unfavourable variance of \$495,141 (9.99%).

** Note: This section also includes Unrealised Gain/Loss from change in fair value of Investments*

Other Revenues and Expenses variances previously reported to Council:

1. Year to date Salary expenses are \$46,071 (29.10%) below the year to date budget provision of \$158,315. This variation relates principally to the salary expenses for a Project Development Assistant position which is yet to be filled.

Full year Salary Expenses have been forecast to be \$55,916 lower than the budget provision of \$293,403.

2. Year to date Material Expenses of \$25,732 exceed the year to date budget provision by \$13,664. This variation relates principally to the additional expenditure incurred for the printing of Expressions of Interest (EOI) documentation (\$7,776) that was outsourced rather than undertaken in-house.

Full year Material Expenses have been forecast to be \$12,676 higher than the budget provision of \$24,350 due to the outsourcing of work undertaken.

3. Costs allocated at year end have been forecast to be \$16,387 greater than the budget allocation of \$41,883. This item represents internal costing allocations to the Resource Recovery Project from other divisions of the organisation throughout the financial year. As outlined earlier in this report, the significant variation related to this is the reclassification of on-costs totalling \$16,387 from Other Expenses to Operating Expenditure.

4. The Unrealised Gains from the Change in Fair Value of Investments for the period ending 31 January 2010 is an unrealised gain of \$529,829.

Unrealised gains or losses represent a fair market value measurement of the financial instruments during the period in which they are held, i.e. marked to market. It should be noted that actual gains or losses on financial instruments will not be realised until such time as the individual investments are sold.



There were no further significant Other Revenues and Expenses variances as 31 January 2010.
Item 14.4 continued

Capital Expenditure Statement (refer Attachment 2)

<u>Capital Expenditure</u>	<i>Year to Date</i>	A favourable variance of \$418,897 (12.05%)
	<i>End of Year Forecast</i>	A favourable variance of \$349,597 (3.43%).

Capital Expenditure variances:

A favourable variance of \$418,897 exists as at 31 January 2010 when comparing to the year to date budget provision of \$3,477,176. The year to date budget provisions are used as a guide only as expenditure of a capital nature is undertaken as and when required. Significant Capital Expenditure items to 31 January 2010 include the purchase of a landfill compactor valued at \$1,034,000, costs to date totalling \$1,188,214 for the construction of the Class III landfill cell - Farm Stage 1, Ascot Place vehicle purchases totalling \$227,660 and Ascot Place administration upgrade costs to date of \$217,467.

End of year Capital expenditure has been forecast to be below the budget provision by \$349,597 (3.43%). Significant variations include the following:

- An increase of \$826,000 relating to the upgrade of the Administration building. This item has been subject to previous reports to council. In an effort to consolidate all costs relating to the refurbishment of the administration building, this increase also includes a reallocation provision of \$208,449 from the Upgrade of the administration building air conditioning account.
- A forecast cost reduction of \$63,000 for the construction of the Class III Cell - Farm Stage 1.
- A forecast reduction of \$101,120 for the construction of roads/car parks at the Red Hill Waste Disposal Facility.
- A forecast reduction of \$500,000 for the construction of water storage dams at the Red Hill Waste Disposal Facility. This amount has been carried forward into the 2010/2011 financial year.
- A forecast reduction of \$243,063 for the purchase of plant at the Red Hill Waste Disposal Facility.
- A forecast increase of \$54,982 in the purchase/replacement of vehicles at the Red Hill Waste Disposal Facility. Vehicle replacements are dependent on timing with change over occurring at 40,000km or 3 year whichever occurs first. It has been forecast that these vehicles will have reached the changeover criteria earlier than what has been provided for in the 5 year vehicle replacement programme.

Balance Sheet (refer Attachment 3)

The Balance Sheet shows the overall impact of actual balances compared with budget provisions and end of year forecasts for operating and capital works activities.

It has been forecast that Total Equity as at 30 June 2010 will be below the original budget estimate of \$52,085,545 by \$809,818. This variation reflects the reduction in forecast profits in 2009/2010.

Statement of Cash and Investments (refer Attachment 4)

The level of cash and investments in the Municipal fund as at 31 January 2010 is \$7,173,607 and Restricted Assets amount to \$20,623,173. This figure is net of cumulative unrealised losses of \$6,900,846 which have been provided for in this amount.

The total level of cash and investments as at 31 January 2010 is \$27,796,780, (\$34,697,626 excluding unrealised losses).

The net movement for the month is an increase of \$301,879.



Item 14.4 continued

The Forecast for 2009/2010 represents the expected balances for the Municipal and Reserve funds as at the end of the financial year.

The year to date actual Municipal cash and Investments reflects the current balance to date and is dependent on the timing of payments made and income received. It should also be noted that the transfers to and from the Reserve funds are undertaken as at the end of the financial year. This will reduce the Municipal fund Cash and Investments balance to budget expectations.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 4 - Good Governance

- 4.5 To provide responsible and accountable governance and management of the EMRC; and
- 4.6 To continue to improve financial and asset management practices.

FINANCIAL IMPLICATIONS

As outlined in the attached financial reports.

SUSTAINABILITY IMPLICATIONS

Nil

ATTACHMENT(S)

1. Income Statement by Nature and Type (Ref: Committees-10686)
2. Capital Expenditure Statement (Ref: Committees-10687)
3. Balance Sheet (Ref: Committees-10688)
4. Statement of Cash and Investments (Ref: Committees-10689)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That the Income Statement, Capital Expenditure Statement, Balance Sheet and the Statement of Cash and Investments for the period ended 31 January 2010 be received.

COUNCIL RESOLUTION(S)

MOVED CR MCKECHNIE

SECONDED CR POWELL

THAT THE INCOME STATEMENT, CAPITAL EXPENDITURE STATEMENT, BALANCE SHEET AND THE STATEMENT OF CASH AND INVESTMENTS FOR THE PERIOD ENDED 31 JANUARY 2010 BE RECEIVED.

CARRIED UNANIMOUSLY

INCOME STATEMENT Nature and Type

Year to Date				JANUARY 2010				Full Year		
Actual	Budget	Variance		Current Budget	Forecast Change		End of Year Forecast			
Operating Income										
(\$10,630,871)	(\$10,616,400)	\$14,471	(F)	User Charges	(\$18,290,615)	(\$2,129,032)	(F)	(\$20,419,647)		
(\$172,706)	(\$190,495)	(\$17,789)	(U)	Special Charges	(\$329,849)	\$19,622	(U)	(\$310,227)		
(\$636,561)	(\$525,590)	\$110,971	(F)	Contributions	(\$525,590)	(\$137,814)	(F)	(\$663,404)		
(\$579,864)	(\$614,147)	(\$34,283)	(U)	Operating Grants	(\$2,267,833)	\$173,086	(U)	(\$2,094,747)		
(\$247,745)	(\$249,616)	(\$1,871)	(U)	Interest Municipal Cash Investments	(\$225,500)	(\$171,000)	(F)	(\$396,500)		
(\$456,280)	(\$488,941)	(\$32,661)	(U)	Reimbursements	(\$861,492)	\$87,196	(U)	(\$774,296)		
(\$510,548)	(\$429,121)	\$81,427	(F)	Other	(\$735,676)	(\$134,137)	(F)	(\$869,813)		
(\$13,234,574)	(\$13,114,310)	\$120,264	(U)	Total Operating Income	(\$23,236,556)	(\$2,292,078)	(F)	(\$25,528,634)		
Operating Expenditure										
\$3,797,130	\$3,913,016	\$115,886	(F)	Salary Expenses	\$6,990,481	(\$65,702)	(F)	\$6,924,779		
\$2,543,833	\$2,590,983	\$47,150	(F)	Contract Expenses	\$6,706,998	\$40,698	(U)	\$6,747,696		
\$335,743	\$392,004	\$56,261	(F)	Material Expenses	\$1,156,845	(\$225,146)	(F)	\$931,699		
\$64,795	\$52,378	(\$12,417)	(U)	Utility Expenses	\$90,950	\$7,722	(U)	\$98,672		
\$380,437	\$413,408	\$32,971	(F)	Fuel Expenses	\$760,165	(\$24,115)	(F)	\$736,050		
\$7,997	\$7,406	(\$591)	(U)	Finance Fees and Interest Expenses	\$12,700	\$200	(U)	\$12,900		
\$179,918	\$145,555	(\$34,363)	(U)	Insurance Expenses	\$149,612	\$40,612	(U)	\$190,224		
\$1,322,088	\$1,107,459	(\$214,629)	(U)	Depreciation Expenses	\$2,469,964	\$570,236	(U)	\$3,040,200		
\$2,106,968	\$2,046,264	(\$60,704)	(U)	Miscellaneous Expenses	\$3,729,788	\$2,273,638	(U)	\$6,003,426		
\$0	\$0	\$0	(F)	Provision Expenses	\$135,184	\$0	(F)	\$135,184		
(\$32,069)	(\$28,789)	\$3,280	(F)	Costs Allocated	(\$47,383)	(\$11,387)	(F)	(\$58,770)		
\$10,706,841	\$10,639,684	(\$67,157)	(U)	Total Operating Expenditure	\$22,155,305	\$2,606,756	(U)	\$24,762,061		
(\$2,527,733)	(\$2,474,626)	\$53,107	(F)	OPERATING RESULT FROM NORMAL ACTIVITIES	(\$1,081,251)	\$314,678	(U)	(\$766,573)		
Surplus	Surplus				Surplus			Surplus		

Notes:

1. User Charges - include member Councils, WMRC and casual users pertaining to waste, risk management and environmental services fees and charges;
2. Special Charges - Waste Education Levy;
3. Contributions - member Councils' contributions to projects and services;
4. Operating Grants - grant income predominatly from government agencies; and
5. Miscellaneous Expenses - includes Landfill Levy as the major component.

Operating Income and Expenditure relates to the ordinary operations of the organisation.

Other Revenues and Exepenses relates to the Resource Recovery Project, interest from cash reserves and disposal of assets.

(F) denotes Favourable variance and (U) denotes Unfavourable variance



INCOME STATEMENT

Nature and Type

JANUARY 2010

Year to Date				Full Year			
Actual	Budget	Variance		Current Budget	Forecast Change		End of Year Forecast
Other Revenues							
(\$2,534,433)	(\$2,770,758)	(\$236,325)	(U)	(\$4,888,756)	\$476,075	(U)	(\$4,412,681)
(\$70,164)	(\$70,272)	(\$108)	(U)	(\$70,272)	\$108	(U)	(\$70,164)
(\$475,140)	(\$495,000)	(\$19,860)	(F)	(\$1,100,000)	\$0	(F)	(\$1,100,000)
(\$1,653)	(\$28)	\$1,625	(F)	(\$50)	(\$3,400)	(F)	(\$3,450)
(\$214,076)	(\$208,948)	\$5,128	(F)	(\$663,002)	(\$8,078)	(F)	(\$671,080)
(\$3,295,466)	(\$3,545,006)	(\$249,540)	(U)	(\$6,722,080)	\$464,705	(U)	(\$6,257,375)
Other Expenses							
\$112,244	\$158,315	\$46,071	(F)	\$293,403	(\$55,916)	(F)	\$237,487
\$416,663	\$414,956	(\$1,707)	(U)	\$686,250	\$66,381	(U)	\$752,631
\$25,732	\$12,068	(\$13,664)	(U)	\$24,350	\$12,676	(U)	\$37,026
\$1,635	\$1,862	\$227	(F)	\$3,200	\$0	(F)	\$3,200
\$2,281	\$2,400	\$119	(F)	\$2,400	(\$118)	(F)	\$2,282
\$672	\$606	(\$66)	(U)	\$1,820	\$295	(U)	\$2,115
\$45,009	\$51,113	\$6,104	(F)	\$94,300	\$791	(U)	\$95,091
\$102,034	\$105,000	\$2,966	(F)	\$620,509	(\$10,060)	(F)	\$610,449
\$32,069	\$24,838	(\$7,231)	(U)	\$41,883	\$16,387	(U)	\$58,270
\$738,340	\$771,158	\$32,818	(F)	\$1,768,115	\$30,436	(U)	\$1,798,551
Unrealised (Gain)/Loss From Change in Fair Value of Investments							
(\$529,829)	\$0	\$529,829	(F)	\$0	\$0	(F)	\$0
(\$529,829)	\$0	\$529,829	(F)	\$0	\$0	(F)	\$0
(\$3,086,955)	(\$2,773,848)	\$313,107	(F)	(\$4,953,965)	\$495,141	(U)	(\$4,458,824)
Surplus	Surplus			Surplus			Surplus
(\$5,614,688)	(\$5,248,474)	\$366,214	(F)	(\$6,035,216)	\$809,819	(U)	(\$5,225,397)
Surplus	Surplus			Surplus			Surplus



CAPITAL EXPENDITURE STATEMENT

JANUARY 2010

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast	
Actual	Budget	Variance						
Governance and Corporate Services								
\$227,660	\$185,662	\$41,998 (U)	\$126,946	Purchase Vehicles - Ascot Place (24440/00)	\$556,988	(\$11,398) (F)	\$545,590	
\$13,463	\$20,666	(\$7,203) (F)	\$21,106	Purchase Office Equipment - Corporate Services (24510/01)	\$62,000	(\$22,000) (F)	\$40,000	
\$4,917	\$5,500	(\$583) (F)	\$0	Purchase Information Technology PC's and Printers (24550/00)	\$82,500	(\$12,500) (F)	\$70,000	
\$38,386	\$49,500	(\$11,114) (F)	\$0	Purchase Network Communication Equipment (24560/00)	\$148,500	\$0 (F)	\$148,500	
\$15,013	\$44,333	(\$29,320) (F)	\$9,772	Purchase Information Technology Servers (24570/00)	\$133,000	\$0 (F)	\$133,000	
\$764	\$5,333	(\$4,569) (F)	\$1,145	Purchase PABX/Telephone Equipment (24580/00)	\$16,000	\$0 (F)	\$16,000	
\$1,445	\$666	\$779 (U)	\$0	Purchase/ Replace other Equipment - Ascot Place (24590/01)	\$2,000	\$0 (F)	\$2,000	
\$0	\$3,333	(\$3,333) (F)	\$0	Purchase Office Furniture and Fittings - Corporate Services (24610/01)	\$10,000	\$0 (F)	\$10,000	
\$4,727	\$4,000	\$727 (U)	\$5,727	Purchase Art Works (24620/00)	\$12,000	\$0 (F)	\$12,000	
\$291	\$666	(\$375) (F)	\$0	Purchase/ Replace Miscellaneous Furniture and Equipment-Ascot Place (24690/00)	\$2,000	\$0 (F)	\$2,000	
\$2,508	\$0	\$2,508 (U)	\$0	Upgrade Landscaping - Ascot Place (25140/01)	\$0	\$20,000 (U)	\$20,000	
\$217,467	\$78,500	\$138,967 (U)	\$1,117,291	Upgrade Administration Building - Ascot Place (25240/01)	\$839,000	\$826,000 (U)	\$1,665,000	
\$15,340	\$15,500	(\$160) (F)	\$0	Upgrade Air Conditioning Equipment - Ascot Place (25240/02)	\$227,000	(\$208,449) (F)	\$18,551	
\$0	\$5,831	(\$5,831) (F)	\$0	Upgrade Security Equipment - Ascot Place (25530/01)	\$10,000	\$10,000 (U)	\$20,000	
\$541,981	\$419,490	\$122,491 (U)	\$1,281,987		\$2,100,988	\$601,653 (U)	\$2,702,641	



CAPITAL EXPENDITURE STATEMENT

JANUARY 2010

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					

Environmental Services

\$0	\$666	(\$666) (F)	\$0	Purchase Office Equipment - Environmental Services (24510/05)	\$2,000	\$0 (F)	\$2,000
\$0	\$500	(\$500) (F)	\$0	Purchase Office Furniture and Fittings - Environmental Services (24610/05)	\$1,500	\$0 (F)	\$1,500
\$0	\$1,166	(\$1,166) (F)	\$0		\$3,500	\$0 (F)	\$3,500

Regional Development

\$574	\$500	\$74 (U)	\$0	Purchase Office Equipment - Regional Development (24510/04)	\$1,500	\$0 (F)	\$1,500
\$0	\$500	(\$500) (F)	\$0	Purchase Office Furniture and Fittings - Regional Development (24610/04)	\$1,500	\$0 (F)	\$1,500
\$574	\$1,000	(\$426) (F)	\$0		\$3,000	\$0 (F)	\$3,000

Risk Management

\$0	\$166	(\$166) (F)	\$0	Purchase Office Equipment - Risk Management (24510/06)	\$500	\$0 (F)	\$500
\$0	\$166	(\$166) (F)	\$0	Purchase Office Furniture and Fittings - Risk Management (24610/06)	\$500	\$0 (F)	\$500
\$0	\$332	(\$332) (F)	\$0		\$1,000	\$0 (F)	\$1,000

Resource Recovery

\$0	\$333	(\$333) (F)	\$0	Purchase Office Equipment - Resource Recovery (24510/07)	\$1,000	\$0 (F)	\$1,000
\$5,497	\$333	\$5,164 (U)	\$0	Purchase Other Equipment - Resource Recovery (24590/07)	\$1,000	\$5,000 (U)	\$6,000
\$772	\$500	\$272 (U)	\$0	Purchase Office Furniture and Fittings - Resource Recovery (24610/07)	\$1,500	\$0 (F)	\$1,500
\$6,269	\$1,166	\$5,103 (U)	\$0		\$3,500	\$5,000 (U)	\$8,500

CAPITAL EXPENDITURE STATEMENT

JANUARY 2010

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					
Waste Management							
\$0	\$0	\$0 (F)	\$0	Construct Waste Management Facility Buildings - Red Hill Landfill Facility (24250/01)	\$5,000	(\$5,000) (F)	\$0
(\$2,761)	\$25,028	(\$27,789) (F)	\$0	Construct Waste Management Facility Buildings - Hazelmere (24250/02)	\$50,050	\$0 (F)	\$50,050
\$0	\$0	\$0 (F)	\$0	Investigate and Design Number 3 Workshop - Redhill Landfill Facility (24259/01)	\$60,000	\$0 (F)	\$60,000
\$7,980	\$29,162	(\$21,182) (F)	\$2,020	Construct Waste Management Facility Buildings - Other - Hazelmere (24259/02)	\$50,000	\$0 (F)	\$50,000
\$1,188,214	\$1,394,423	(\$206,209) (F)	\$1,070,923	Construct Class III Cell Farm Stage 1 - Red Hill Landfill Facility (24310/08)	\$3,420,268	(\$63,000) (F)	\$3,357,268
\$0	\$0	\$0 (F)	\$0	Investigate and Design Class III Cell Farm Stage 2 - Redhill Landfill Facility (24310/09)	\$5,000	(\$5,000) (F)	\$0
\$5,595	\$2,000	\$3,595 (U)	\$4,725	Investigate and Design Class III Cell Farm Stage 3 - Redhill Landfill Facility (24310/10)	\$8,500	\$0 (F)	\$8,500
\$0	\$0	\$0 (F)	\$97,363	Construct Class III Leachate Pond - Red Hill Landfill Facility (24320/01)	\$330,000	\$0 (F)	\$330,000
\$0	\$0	\$0 (F)	\$0	Construct Siltation Ponds - Red Hill Landfill Facility (24350/00)	\$46,000	(\$46,000) (F)	\$0
\$6,916	\$7,000	(\$84) (F)	\$0	Construct Roads / Carparks - Red Hill Landfill Facility (24370/00)	\$111,120	(\$101,120) (F)	\$10,000
\$0	\$0	\$0 (F)	\$71,850	Construct Water Storage Dams - Red Hill Landfill Facility (24393/00)	\$580,000	(\$500,000) (F)	\$80,000
\$890	\$0	\$890 (U)	\$0	Construct Water Storage Dams/Tanks - Hazelmere (24393/01)	\$0	\$979 (U)	\$979
\$0	\$0	\$0 (F)	\$6,323	Construct Perimeter Fencing - Red Hill Landfill Facility (24394/00)	\$12,600	\$0 (F)	\$12,600



CAPITAL EXPENDITURE STATEMENT

JANUARY 2010

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					
Waste Management							
\$2,210	\$0	\$2,210 (U)	\$0	Construct Hardstand and Road - Hazelmere (24395/01)	\$0	\$3,100 (U)	\$3,100
\$0	\$11,662	(\$11,662) (F)	\$0	Construct Monitoring Bores - Red Hill Landfill Facility (24396/00)	\$20,000	\$0 (F)	\$20,000
(\$495)	\$2,912	(\$3,407) (F)	\$5,057	Construct Perimeter Bunds - Red Hill Landfill Facility (24397/00)	\$5,000	\$10,000 (U)	\$15,000
\$1,051,500	\$1,306,500	(\$255,000) (F)	\$1,018,721	Purchase / Replace Plant - Red Hill Landfill Facility (24410/00)	\$2,567,000	(\$243,063) (F)	\$2,323,937
\$47,175	\$69,633	(\$22,458) (F)	\$0	Purchase / Replace Plant - Hazelmere (24410/01)	\$283,900	\$0 (F)	\$283,900
\$96,525	\$95,287	\$1,238 (U)	\$27,439	Purchase / Replace Minor Plant and Equipment-Red Hill Landfill Facility (24420/00)	\$178,400	(\$519) (F)	\$177,881
\$23,742	\$8,293	\$15,449 (U)	\$0	Purchase / Replace Minor Plant and Equipment - Hazelmere (24420/02)	\$24,880	\$0 (F)	\$24,880
\$36,856	\$36,856	\$0 (U)	\$106,785	Purchase / Replace Vehicles - Red Hill Landfill Facility (24430/00)	\$117,884	\$54,982 (U)	\$172,866
\$445	\$166	\$279 (U)	\$0	Purchase / Replace Office Equipment - Engineering / Waste Management (24510/02)	\$500	\$0 (F)	\$500
\$7,649	\$8,150	(\$501) (F)	\$1,000	Purchase / Replace Office Equipment - Red Hill Landfill Facility (24510/08)	\$9,000	\$0 (F)	\$9,000
\$0	\$200	(\$200) (F)	\$0	Purchase Fire Fighting System/Equipment - Hazelmere (24520/07)	\$600	\$0 (F)	\$600
\$0	\$1,500	(\$1,500) (F)	\$0	Purchase / Replace Fire Fighting Equipment - Red Hill Landfill Facility (24520/08)	\$6,000	(\$6,000) (F)	\$0
\$0	\$0	\$0 (F)	\$0	Purchase / Replace Security System - Red Hill Waste Management Facility (24530/08)	\$7,900	(\$3,000) (F)	\$4,900
\$6,080	\$9,610	(\$3,530) (F)	\$8,793	Purchase / Replace Other Equipment - Red Hill Landfill Facility (24590/00)	\$35,650	\$0 (F)	\$35,650

CAPITAL EXPENDITURE STATEMENT

JANUARY 2010

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					

Waste Management

\$17,466	\$8,833	\$8,633 (U)	\$727	Purchase / Replace Miscellaneous Plant & Equipment - Hazelmere (24590/02)	\$26,500	(\$720) (F)	\$25,780
\$2,307	\$900	\$1,407 (U)	\$0	Purchase/Replace Other Equipment - Engineering and Waste Management (24590/03)	\$2,700	\$0 (F)	\$2,700
\$9,700	\$19,509	(\$9,809) (F)	\$0	Purchase Other Equipment - Waste Education Fluorescent Light Recycling Grant (24590/04)	\$19,509	(\$9,809) (F)	\$9,700
\$1,460	\$800	\$660 (U)	\$0	Purchase Office Furniture and Fittings-Engineering and Waste Management (24610/03)	\$2,400	\$0 (F)	\$2,400
\$0	\$0	\$0 (F)	\$0	Purchase / Replace Office Furniture and Fittings - Red Hill Landfill Facility (24610/08)	\$1,000	\$0 (F)	\$1,000
\$0	\$0	\$0 (F)	\$0	Purchase Office Furniture and Fittings-Hazelmere (24610/10)	\$0	\$720 (U)	\$720
\$0	\$6,497	(\$6,497) (F)	\$0	Purchase Miscellaneous Furniture and Fittings - Red Hill Education Programme (24690/01)	\$12,000	(\$1,500) (F)	\$10,500
\$0	\$8,520	(\$8,520) (F)	\$0	Refurbish Environmental Education Centre - Redhill Landfill Facility (25253/00)	\$32,300	(\$16,300) (F)	\$16,000
\$0	\$581	(\$581) (F)	\$0	Refurbish Waste Transfer Station Building - Red Hill Landfill Facility (25259/01)	\$25,000	(\$25,000) (F)	\$0
\$0	\$0	\$0 (F)	\$0	Refurbish Plant - Red Hill Landfill Facility (25410/00)	\$24,000	\$0 (F)	\$24,000
\$0	\$0	\$0 (F)	\$0	Refurbish Minor Plant - Red Hill Landfill Facility (25420/00)	\$1,200	\$0 (F)	\$1,200
\$2,509,455	\$3,054,022	(\$544,567) (F)	\$2,421,728		\$8,081,861	(\$956,250) (F)	\$7,125,611

\$3,058,279	\$3,477,176	(\$418,897) (F)	\$3,703,715	TOTAL CAPITAL EXPENDITURE	\$10,193,849	(\$349,597) (F)	\$9,844,252
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BALANCE SHEET

JANUARY 2010

Full Year

Actual 2008/2009	Actual Year to Date	(F) = Favourable variation (U) = Unfavourable variation	Current Budget 2009/2010	Forecast Change		Forecast 2009/2010
Current Assets						
\$1,921,192	\$2,132,739		\$1,388,143	\$2,432,235	(F)	\$3,820,378
\$22,205,947	\$25,664,041		\$21,840,922	(\$2,331,985)	(U)	\$19,508,937
\$2,255,656	\$2,343,590		\$2,255,656	\$0	(F)	\$2,255,656
\$30,680	\$18,990		\$30,680	\$0	(F)	\$30,680
\$50,881	\$94,271		\$50,881	\$0	(F)	\$50,881
\$0	\$0		\$0	\$0	(F)	\$0
\$26,464,356	\$30,253,632		\$25,566,282	\$100,250	(F)	\$25,666,532
Current Liabilities						
\$0	\$0		\$0	\$0	(F)	\$0
\$1,762,406	\$1,570,478		\$1,762,406	\$0	(F)	\$1,762,406
\$902,420	\$902,420		\$935,503	\$0	(F)	\$935,503
\$0	\$0		\$0	\$0	(F)	\$0
\$0	\$0		\$0	\$0	(F)	\$0
\$2,664,826	\$2,472,898		\$2,697,909	\$0	(F)	\$2,697,909
\$23,799,530	\$27,780,734		\$22,868,373	\$100,250	(F)	\$22,968,623



BALANCE SHEET

JANUARY 2010

Actual 2008/2009	Actual Year to Date		Full Year		
			Current Budget 2009/2010	Forecast Change	Forecast 2009/2010
		(F) = Favourable variation (U) = Unfavourable variation			
Non Current Assets					
\$7,639,917	\$7,639,917	Property Plant and Equipment	\$7,639,917	\$20,000 (F)	\$7,659,917
\$2,509,418	\$2,482,931	Buildings	\$3,665,218	\$554,683 (F)	\$4,219,901
\$9,043,150	\$8,273,362	Structures	\$12,249,184	(\$782,642) (U)	\$11,466,542
\$3,995,921	\$4,593,506	Plant	\$6,275,064	(\$651,504) (U)	\$5,623,560
\$249,758	\$286,169	Equipment	\$684,737	(\$50,032) (U)	\$634,705
\$96,629	\$94,002	Furniture and Fittings	\$122,229	(\$573) (U)	\$121,656
\$33,904	\$1,832,294	Work in Progress	\$33,904	\$0 (F)	\$33,904
\$0	\$0	Investments - Non Current	\$0	\$0 (F)	\$0
\$0	\$0	Non Current Assets Other	\$0	\$0 (F)	\$0
\$23,568,696	\$25,202,180	Total Non Current Assets	\$30,670,252	(\$910,068) (U)	\$29,760,184
Non Current Liabilities					
\$1,317,897	\$1,317,897	Provisions	\$1,453,081	\$0 (F)	\$1,453,081
\$0	\$0	Borrowings - Long Term Portion	\$0	\$0 (F)	\$0
\$0	\$0	Non Current Liabilities Other	\$0	\$0 (F)	\$0
\$1,317,897	\$1,317,897	Total Non Current Liabilities	\$1,453,081	\$0 (F)	\$1,453,081
Equity					
\$19,513,931	\$19,513,931	Accumulated Surplus/Deficit	\$25,015,132	\$809,818 (U)	\$24,205,314
\$0	\$0	AAS27 Adjustments	\$0	\$0 (F)	\$0
\$0	\$0	Asset Revaluation Reserve	\$0	\$0 (F)	\$0
\$26,536,398	\$26,536,398	Cash Backed Reserves	\$27,070,412	\$0 (F)	\$27,070,412
\$46,050,330	\$46,050,330	Total Equity	\$52,085,545	\$809,818 (U)	\$51,275,727
\$0	\$5,614,688	Net change in assets from operations	\$0	\$0	\$0

Note : A negative value in the Forecast Change column of the Equity section results in a favourable increase in the equity position of the organisation.



CASH AND INVESTMENTS

JANUARY 2010

Full Year

Actual 2008/2009 YTD Actual 2009/2010 (F) = Favourable variation
(U) = Unfavourable variation Current Budget 2009/2010 Forecast Change Forecast 2009/2010

Municipal Cash and Investments

1,917,892	2,129,439	Cash at Bank - Municipal Fund 01001/00	1,384,843	2,432,235	(F)	3,817,078
1,250	1,250	Cash on Hand - Ascot Place 01019/00	1,250	0	(F)	1,250
600	600	Cash on Hand - Walliston/Mathieson & Coppin Road Transfer Stations 01019/01	600	0	(F)	600
1,450	1,450	Cash on Hand - Red Hill / Hazelmere 01019/02	1,450	0	(F)	1,450
2,587,743	5,040,868	Investments - Municipal Fund 02021/00	1,443,243	171,000	(F)	1,614,243
4,508,935	7,173,607	Total Municipal Cash	2,831,386	2,603,235	(F)	5,434,621

Restricted Cash and Investments

776,748	789,768	Restricted Investments - Plant and Equipment 02022/01	37,738	82,248	(F)	119,986
2,635,734	2,701,650	Restricted Investments - Site Rehabilitation Red Hill 02022/02	2,624,172	69,600	(F)	2,693,772
2,946,239	2,995,625	Restricted Investments - Future Development 02022/03	1,516,139	(1,000,000)	(U)	516,139
281,405	286,122	Restricted Investments - Environmental Monitoring Red Hill 02022/04	292,905	0	(F)	292,905
238,367	242,363	Restricted Investments - Environmental Insurance Red Hill 02022/05	223,411	0	(F)	223,411
10,522	10,698	Restricted Investments - Risk Management 02022/06	10,952	0	(F)	10,952
87,232	88,694	Restricted Investments - Class IV Cells Red Hill 02022/07	137,809	141,177	(F)	278,986
412,501	419,415	Restricted Investments - Regional Development 02022/08	55,706	102,302	(F)	158,008
16,080,560	16,350,109	Restricted Investments - Secondary Waste Processing 02022/09	21,772,232	(2,092,709)	(U)	19,679,523
3,013,965	3,064,486	Restricted Investments - Class III Cells 02022/10	544,024	194,397	(F)	738,421
53,125	54,016	Restricted Investments - Building Refurbishment (Ascot Place) 02022/11	55,325	0	(F)	55,325
(7,430,675)	(6,900,846)	Restricted Investments - Unrealised Loss/Gain on Investments 02022/20	(7,430,675)	0	(F)	(7,430,675)
512,481	521,071	Restricted Investments - Long Service Leave 02022/90	557,941	0	(F)	557,941
19,618,204	20,623,173	Total Restricted Cash	20,397,679	(2,502,985)	(U)	17,894,694
24,127,139	27,796,780	TOTAL CASH AND INVESTMENTS	23,229,065	100,250	(F)	23,329,315

The Cash at Bank - Municipal Fund represents the balance on the last day of the relevant month. Any portion of the balance available for investment is transferred into the Investment - Municipal Fund account in the following period. Funds held in the Cash at Bank - Municipal Fund continue to accrue interest as per the Westpac commercial rates.



14.5 FINANCIAL REPORT FOR PERIOD ENDED 28 FEBRUARY 2010

REFERENCE: COMMITTEES-10762

PURPOSE OF REPORT

The purpose of this report is to provide Council with an overview of the Eastern Metropolitan Regional Council's (EMRC's) financial performance for the period ended 28 February 2010.

KEY ISSUES AND RECOMMENDATION(S)

Significant year to date budget variances greater than 10% or \$10,000, whichever is the greater, within each nature and type category on the Statement of Financial Activity as at 28 February 2010 have been identified and are reported on in the body of the report.

Recommendation(s)

That the Income Statement, Capital Expenditure Statement, Balance Sheet and the Statement of Cash and Investments for the period ended 28 February 2010 be received.

SOURCE OF REPORT

Director Corporate Services
Manager Financial Services

BACKGROUND

It is a requirement of the Local Government (Financial Management) Regulations 1996 (Clause 34) that a Local Government is to prepare and present to Council financial reports in such a form as the Local Government considers to be appropriate.

The 2009/2010 Budget was presented in a format that separated operating income and expenditure from other revenue and expenses to provide improved disclosure of Council's underlying operating result.

The financial summaries attached to this report provide an overview of year to date budget performance for operating activities and capital works. Also included are end of year forecasts by nature and type for operating activities and end of year forecasts for each capital works project. These forecasts are reviewed periodically in order to provide an accurate forecast end of year result.

The initial forecast review for 2009/2010 was undertaken during November 2009 and was based on the financial performance to the period ended 30 November 2009. A subsequent forecast review was undertaken during March 2010 and was based on the financial performance to the period ended 28 February 2010. This later review is the subject of the Half Year Budget Review 2009/2010 report submitted to the Audit Committee meeting held on 8 April 2010 (refer Audit Committee Meeting item 12.2).

A Balance Sheet is also provided with year to date actual balances compared with budget provisions and end of year forecasts for all balance sheet items.

REPORT

Outlined below are financial summaries for the period ended 28 February 2010. Where possible the year to date monthly budget allocations have been reviewed in order to match the appropriate timing for the various projects budgeted to be undertaken. This will provide a better comparison between the year to date actual and year to date budget figures.



Item 14.5 continued

Income Statement - Nature and Type (refer Attachment 1)

The operating result from normal activities as at 28 February is a favourable variance of \$81,012. The following information is provided on key aspects of Council's year to date financial performance. It should be noted that the end of year variances will not be reported as part of this report as these have been addressed as part of the Half Year Budget Review 2009/2010 report submitted to the Audit Committee meeting held on 8 April 2010 (refer Audit Committee Meeting item 12.2):

<u>Operating Income</u>	<i>Year to Date</i>	A favourable variance of \$123,033 (0.82%).
	<i>End of Year Forecast</i>	A favourable variance of 2,272,378 (9.78%).

Operating Income variances previously reported to Council:

1. Year to date Contributions of \$636,561 are inclusive of the following unbudgeted funds totalling \$126,844:
 - Perth Solar City project - \$90,000 carried forward from the 2008/2009 financial year.
 - Regional Water Campaign - \$11,844.
 - Regional Tourism Development - \$5,000.
 - Regional Cycling Tourism Opportunities - \$20,000.

Contribution income for other budgeted projects is invoiced throughout the year based on project timings.
2. Year to date Operating Grants are \$110,774 below the year to date budget provision of \$733,198. This variation relates to the timing of grants for projects at the Hazelmere site yet to be received. It has been forecast that grant funds relating to these projects will be received by the end of the financial year.
3. Year to date Other income is \$87,854 above the year to date budget provision of \$490,424. The significant item associated with this relates to an additional rebate of approximately \$87,000 received in relation to the fuel rebate scheme. As a result of the broadening of plant and fuel categories and classifications the EMRC was able to claim fuel rebates retrospectively from 1 July 2008.

There were no further significant Operating Income variances as at 28 February 2010.

<u>Operating Expenditure</u>	<i>Year to Date</i>	An unfavourable variance of \$42,021 (0.34%).
	<i>End of Year Forecast</i>	An unfavourable variance of \$2,707,762 (12.22%).

Operating Expenditure variances previously reported to Council:

1. Year to date Materials expenses are \$81,073 below the year to date budget provision of \$485,156. Significant variations include Catering/Food/Beverage expenses which are \$19,649 lower than the year to date budget provision of \$146,058 and Material Expenses - General which is \$53,796 lower than the year to date budget provision of \$191,642.
-



Item 14.5 continued

These variations are the cumulative values applicable to numerous accounts across all sections of the organisation and are based on the timing of various projects and activities yet to be undertaken as well as a general reduction of expenditure to date. The relocation to alternative premises during the renovation of the Ascot Place administration office has contributed to this with less meetings, functions and training courses being held during this period.

2. Insurance expenses exceed the year to date budget by \$33,564 (22.93%). This variation relates principally to an additional premium of \$8,281 payable for the new landfill compactor and an additional plant and motor vehicles premium adjustment of \$10,142. The premium adjustment relates to the year end valuation adjustment on plant and vehicles insured in 2008/2009. This was not invoiced until this financial year. This amount is marginally off-set by a good driving rebate of \$5,800 received from the insurance company. The balance of the variation relates to higher than budgeted insurance premiums for 2009/2010 (approximately \$15,000).
3. Year to date Depreciation Expenses of \$1,392,419 is \$190,242 greater than the year to date budget provision of \$1,202,177. Significant variations include the following:
 - Higher Class IV Cell Usage costs of approximately \$99,700 as a result of higher Class IV tonnages received to date.
 - Lower Class III Cell Usage costs of approximately \$98,700 as a result of lower Class III tonnages received to date.
 - Depreciation for new plant together with additional provisions relating to the Class III and Class IV Leachate ponds, Red Hill roads, Red Hill Green waste processing area, Hazelmere Hardstand and Road and Class IV Cell usage.
4. Year to date Miscellaneous Expenses of \$2,691,368 is \$332,638 higher than the year to date budget provision of 2,358,730. The major variation relates to the accrual value of the landfill levy as a result of the increase from \$8.00 per tonne to \$28.00 per tonne effective from 1 January 2010.

There were no further significant Operating Expenditure variances as at 28 February 2010.

<u>* Other Revenues and Expenses (Net)</u>	<i>Year to Date</i>	A favourable variance of \$207,092 (6.29%).
	<i>End of Year Forecast</i>	An unfavourable variance of \$38,281 (0.77%).

** Note: This sections also includes Unrealised Gain/Loss from change in fair value of Investments*

Other Revenues and Expenses variances previously reported to Council:

1. Year to date Salary expenses are \$55,369 (30.74%) below the year to date budget provision of \$180,097. This variation relates principally to the salary expenses for a Project Development Assistant position which is yet to be filled.
 2. Year to date Material Expenses of \$26,059 exceed the year to date budget provision by \$11,553. This variation relates principally to the additional expenditure incurred for the printing of Expressions of Interest (EOI) documentation (\$7,776) that was outsourced rather than undertaken in-house.
 3. The Unrealised Gains from the Change in Fair Value of Investments for the period ending 28 February 2010 is an unrealised gain of \$544,397.
-



Item 14.5 continued

Unrealised gains or losses represent a fair market value measurement of the financial instruments during the period in which they are held, i.e. marked to market. It should be noted that actual gains or losses on financial instruments will not be realised until such time as the individual investments are sold.

Other Revenues and Expenses variances not previously reported to Council:

Year to date Proceeds from Sale of Assets are \$142,535 (35.23%) below the year to date budget provision of \$404,566. This relates specifically to the timing on the disposal by auction of fleet vehicles due for change over.

There were no further significant Other Revenues and Expenses variances as 28 February 2010.

Capital Expenditure Statement (refer Attachment 2)

<u>Capital Expenditure</u>	<i>Year to Date</i>	A favourable variance of \$1,095,644 (19.99%)
	<i>End of Year Forecast</i>	A favourable variance of \$439,435 (4.3%).

Capital Expenditure variances:

A favourable variance of \$1,095,644 exists as at 28 February 2010 when comparing to the year to date budget provision of \$5,480,758. The year to date budget provisions are used as a guide only as expenditure of a capital nature is undertaken as and when required.

Significant Capital Expenditure items to 28 February 2010 include Red Hill Waste Disposal site plant purchases totalling \$1,328,620 including the purchase of a landfill compactor valued at \$1,034,000, costs to date totalling \$1,632,836 for the construction of the Class III landfill cell - Farm Stage 1, Ascot Place vehicle purchases totalling \$286,327 and Ascot Place administration upgrade costs to date of \$495,984.

Balance Sheet (refer Attachment 3)

The Balance Sheet shows the overall impact of actual balances compared with budget provisions and end of year forecasts for operating and capital works activities.

It has been forecast that Total Equity as at 30 June 2010 will be below the original budget estimate of \$52,085,545 by \$473,664. This variation reflects the reduction in forecast profits in 2009/2010.

Statement of Cash and Investments (refer Attachment 4)

The level of cash and investments in the Municipal fund as at 28 February 2010 is \$6,904,206 and Restricted Assets amount to \$20,702,891. This figure is net of cumulative unrealised losses of \$6,886,278 which have been provided for in this amount.

The total level of cash and investments as at 28 February 2010 is \$27,607,097, (\$34,493,375 excluding unrealised losses).

The net movement for the month is a decrease of \$189,683.

The Forecast for 2009/2010 represents the expected balances for the Municipal and Reserve funds as at the end of the financial year.



Item 14.5 continued

The year to date actual Municipal cash and Investments reflects the current balance to date and is dependent on the timing of payments made and income received. It should also be noted that the transfers to and from the Reserve funds are undertaken as at the end of the financial year. This will reduce the Municipal fund Cash and Investments balance to budget expectations.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 4 - Good Governance

- 4.5 To provide responsible and accountable governance and management of the EMRC; and
- 4.6 To continue to improve financial and asset management practices.

FINANCIAL IMPLICATIONS

As outlined in the attached financial reports.

SUSTAINABILITY IMPLICATIONS

Nil

ATTACHMENT(S)

1. Income Statement by Nature and Type (Ref: Committees-10758)
2. Capital Expenditure Statement (Ref: Committees-10759)
3. Balance Sheet (Ref: Committees-10760)
4. Statement of Cash and Investments (Ref: Committees-10761)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That the Income Statement, Capital Expenditure Statement, Balance Sheet and the Statement of Cash and Investments for the period ended 28 February 2010 be received.

COUNCIL RESOLUTION(S)

MOVED CR MCKECHNIE

SECONDED CR POWELL

THAT THE INCOME STATEMENT, CAPITAL EXPENDITURE STATEMENT, BALANCE SHEET AND THE STATEMENT OF CASH AND INVESTMENTS FOR THE PERIOD ENDED 28 FEBRUARY 2010 BE RECEIVED.

CARRIED UNANIMOUSLY



INCOME STATEMENT Nature and Type

FEBRUARY 2010

Year to Date				Full Year			
Actual	Budget	Variance		Current Budget	Forecast Change		End of Year Forecast
Operating Income							
(\$12,205,866)	(\$12,131,600)	\$74,266	(F)	(\$18,290,615)	(\$2,129,032)	(F)	(\$20,419,647)
(\$195,954)	(\$206,880)	(\$10,926)	(U)	(\$329,849)	\$19,622	(U)	(\$310,227)
(\$636,561)	(\$525,590)	\$110,971	(F)	(\$525,590)	(\$137,814)	(F)	(\$663,404)
(\$622,424)	(\$733,198)	(\$110,774)	(U)	(\$2,267,833)	\$173,086	(U)	(\$2,094,747)
(\$310,634)	(\$303,816)	\$6,818	(F)	(\$225,500)	(\$151,300)	(F)	(\$376,800)
(\$502,644)	(\$537,820)	(\$35,176)	(U)	(\$861,492)	\$87,196	(U)	(\$774,296)
(\$578,278)	(\$490,424)	\$87,854	(F)	(\$735,676)	(\$134,137)	(F)	(\$869,813)
(\$15,052,361)	(\$14,929,328)	\$123,033	(U)	(\$23,236,556)	(\$2,272,378)	(F)	(\$25,508,934)
Operating Expenditure							
\$4,292,508	\$4,416,800	\$124,292	(F)	\$6,990,481	(\$77,880)	(F)	\$6,912,601
\$3,044,171	\$3,311,555	\$267,384	(F)	\$6,706,998	\$40,698	(U)	\$6,747,696
\$404,083	\$485,156	\$81,073	(F)	\$1,156,845	(\$225,146)	(F)	\$931,699
\$68,269	\$63,032	(\$5,237)	(U)	\$90,950	\$7,722	(U)	\$98,672
\$430,615	\$474,752	\$44,137	(F)	\$760,165	(\$24,115)	(F)	\$736,050
\$8,955	\$8,464	(\$491)	(U)	\$12,700	\$200	(U)	\$12,900
\$179,918	\$146,354	(\$33,564)	(U)	\$149,612	\$40,612	(U)	\$190,224
\$1,392,419	\$1,202,177	(\$190,242)	(U)	\$2,469,964	\$686,850	(U)	\$3,156,814
\$2,691,368	\$2,358,730	(\$332,638)	(U)	\$3,729,788	\$2,270,208	(U)	\$5,999,996
\$0	\$0	\$0	(F)	\$135,184	\$0	(F)	\$135,184
(\$36,213)	(\$32,948)	\$3,265	(F)	(\$47,383)	(\$11,387)	(F)	(\$58,770)
\$12,476,093	\$12,434,072	(\$42,021)	(U)	\$22,155,305	\$2,707,762	(U)	\$24,863,067
(\$2,576,268)	(\$2,495,256)	\$81,012	(F)	(\$1,081,251)	\$435,384	(U)	(\$645,867)
Surplus	Surplus			Surplus			Surplus

Notes:

1. User Charges - include member Councils, WMRC and casual users pertaining to waste, risk management and environmental services fees and charges;
2. Special Charges - Waste Education Levy;
3. Contributions - member Councils' contributions to projects and services;
4. Operating Grants - grant income predominately from government agencies; and
5. Miscellaneous Expenses - includes Landfill Levy as the major component.

Operating Income and Expenditure relates to the ordinary operations of the organisation.

Other Revenues and Expenses relates to the Resource Recovery Project, interest from cash reserves and disposal of assets.

(F) denotes Favourable variance and (U) denotes Unfavourable variance



INCOME STATEMENT Nature and Type

FEBRUARY 2010

Year to Date				Full Year		
Actual	Budget	Variance		Current Budget	Forecast Change	End of Year Forecast
Other Revenues						
(\$2,860,972)	(\$3,097,152)	(\$236,180)	(U)	Secondary Waste Charge	(\$4,888,756)	\$476,075 (U) (\$4,412,681)
(\$70,164)	(\$70,272)	(\$108)	(U)	Operating Grants	(\$70,272)	\$108 (U) (\$70,164)
(\$540,290)	(\$581,000)	(\$40,710)	(U)	Interest Restricted Cash Investments	(\$1,100,000)	\$120,300 (U) (\$979,700)
(\$1,752)	(\$32)	\$1,720	(F)	Reimbursements	(\$50)	(\$3,400) (F) (\$3,450)
(\$262,031)	(\$404,566)	(\$142,535)	(U)	Proceeds from Sale of Assets	(\$663,002)	(\$8,078) (F) (\$671,080)
(\$3,735,209)	(\$4,153,022)	(\$417,813)	(U)	Total Other Revenues	(\$6,722,080)	\$585,005 (U) (\$6,137,075)
Other Expenses						
\$124,728	\$180,097	\$55,369	(F)	Salary Expenses	\$293,403	(\$89,312) (F) \$204,091
\$421,756	\$463,846	\$42,090	(F)	Contract Expenses	\$686,250	\$66,381 (U) \$752,631
\$26,059	\$14,506	(\$11,553)	(U)	Material Expenses	\$24,350	\$12,676 (U) \$37,026
\$2,002	\$2,128	\$126	(F)	Utility Expenses	\$3,200	\$0 (F) \$3,200
\$2,281	\$2,400	\$119	(F)	Insurance Expenses	\$2,400	(\$118) (F) \$2,282
\$672	\$606	(\$66)	(U)	Depreciation Expenses	\$1,820	\$928 (U) \$2,748
\$66,033	\$65,272	(\$761)	(U)	Miscellaneous Expenses	\$94,300	\$791 (U) \$95,091
\$102,034	\$105,000	\$2,966	(F)	Carrying Amount of Assets Disposed Of	\$620,509	(\$10,060) (F) \$610,449
\$36,213	\$28,431	(\$7,782)	(U)	Costs Allocated	\$41,883	\$16,387 (U) \$58,270
\$781,778	\$862,286	\$80,508	(F)	Total Other Expenses	\$1,768,115	(\$2,327) (F) \$1,765,788
Unrealised (Gain)/Loss From Change in Fair Value of Investments						
(\$544,397)	\$0	\$544,397	(F)	Unrealised (Gain)/Loss	\$0	(\$544,397) (F) (\$544,397)
(\$544,397)	\$0	\$544,397	(F)	Total Unrealised (Gain)/Loss	\$0	(\$544,397) (F) (\$544,397)
(\$3,497,828)	(\$3,290,736)	\$207,092	(F)	OPERATING RESULT FROM OTHER ACTIVITIES	(\$4,953,965)	\$38,281 (U) (\$4,915,684)
Surplus	Surplus				Surplus	Surplus
(\$6,074,096)	(\$5,785,992)	\$288,104	(F)	CHANGE IN NET ASSETS FROM OPERATIONS	(\$6,035,216)	\$473,665 (U) (\$5,561,551)
Surplus	Surplus				Surplus	Surplus



CAPITAL EXPENDITURE STATEMENT

FEBRUARY 2010

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					

Governance and Corporate Services

\$286,327	\$371,324	(\$84,997)	(F)	\$80,091	Purchase Vehicles - Ascot Place (24440/00)	\$556,988	(\$11,398)	(F)	\$545,590
\$15,128	\$41,332	(\$26,204)	(F)	\$21,106	Purchase Office Equipment - Corporate Services (24510/01)	\$62,000	(\$22,000)	(F)	\$40,000
\$4,917	\$33,000	(\$28,083)	(F)	\$0	Purchase Information Technology PC's and Printers (24550/00)	\$82,500	(\$12,500)	(F)	\$70,000
\$38,386	\$99,000	(\$60,614)	(F)	\$0	Purchase Network Communication Equipment (24560/00)	\$148,500	\$0	(F)	\$148,500
\$35,593	\$88,666	(\$53,073)	(F)	\$9,772	Purchase Information Technology Servers (24570/00)	\$133,000	\$0	(F)	\$133,000
\$764	\$10,666	(\$9,902)	(F)	\$1,591	Purchase PABX/Telephone Equipment (24580/00)	\$16,000	\$0	(F)	\$16,000
\$1,445	\$1,332	\$113	(U)	\$0	Purchase/ Replace other Equipment - Ascot Place (24590/01)	\$2,000	\$0	(F)	\$2,000
\$0	\$6,666	(\$6,666)	(F)	\$0	Purchase Office Furniture and Fittings - Corporate Services (24610/01)	\$10,000	\$0	(F)	\$10,000
\$4,727	\$8,000	(\$3,273)	(F)	\$5,727	Purchase Art Works (24620/00)	\$12,000	\$0	(F)	\$12,000
\$291	\$1,332	(\$1,041)	(F)	\$0	Purchase/ Replace Miscellaneous Furniture and Equipment-Ascot Place (24690/00)	\$2,000	\$0	(F)	\$2,000
\$3,220	\$0	\$3,220	(U)	\$0	Upgrade Landscaping - Ascot Place (25140/01)	\$0	\$20,000	(U)	\$20,000
\$495,984	\$332,000	\$163,984	(U)	\$1,121,191	Upgrade Administration Building - Ascot Place (25240/01)	\$839,000	\$826,000	(U)	\$1,665,000
\$15,340	\$86,000	(\$70,660)	(F)	\$0	Upgrade Air Conditioning Equipment - Ascot Place (25240/02)	\$227,000	(\$208,449)	(F)	\$18,551
\$0	\$6,664	(\$6,664)	(F)	\$0	Upgrade Security Equipment - Ascot Place (25530/01)	\$10,000	\$10,000	(U)	\$20,000
\$902,122	\$1,085,982	(\$183,860)	(F)	\$1,239,478		\$2,100,988	\$601,653	(U)	\$2,702,641

CAPITAL EXPENDITURE STATEMENT

FEBRUARY 2010

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast	
Actual	Budget	Variance						
Environmental Services								
\$0	\$1,332	(\$1,332) (F)	\$0	Purchase Office Equipment - Environmental Services (24510/05)	\$2,000	\$0 (F)	\$2,000	
\$0	\$1,000	(\$1,000) (F)	\$0	Purchase Office Furniture and Fittings - Environmental Services (24610/05)	\$1,500	\$0 (F)	\$1,500	
\$0	\$2,332	(\$2,332) (F)	\$0		\$3,500	\$0 (F)	\$3,500	
Regional Development								
\$574	\$1,000	(\$426) (F)	\$0	Purchase Office Equipment - Regional Development (24510/04)	\$1,500	\$0 (F)	\$1,500	
\$0	\$0	\$0 (F)	\$0	Purchase Other Equipment - Regional Development (24590/08)	\$0	\$3,430 (U)	\$3,430	
\$0	\$1,000	(\$1,000) (F)	\$0	Purchase Office Furniture and Fittings - Regional Development (24610/04)	\$1,500	\$0 (F)	\$1,500	
\$574	\$2,000	(\$1,426) (F)	\$0		\$3,000	\$3,430 (U)	\$6,430	
Risk Management								
\$0	\$332	(\$332) (F)	\$0	Purchase Office Equipment - Risk Management (24510/06)	\$500	\$0 (F)	\$500	
\$0	\$332	(\$332) (F)	\$0	Purchase Office Furniture and Fittings - Risk Management (24610/06)	\$500	\$0 (F)	\$500	
\$0	\$664	(\$664) (F)	\$0		\$1,000	\$0 (F)	\$1,000	
Resource Recovery								
\$0	\$666	(\$666) (F)	\$0	Purchase Office Equipment - Resource Recovery (24510/07)	\$1,000	\$0 (F)	\$1,000	
\$5,497	\$666	\$4,831 (U)	\$0	Purchase Other Equipment - Resource Recovery (24590/07)	\$1,000	\$5,000 (U)	\$6,000	
\$772	\$1,000	(\$228) (F)	\$0	Purchase Office Furniture and Fittings - Resource Recovery (24610/07)	\$1,500	\$0 (F)	\$1,500	
\$6,269	\$2,332	\$3,937 (U)	\$0		\$3,500	\$5,000 (U)	\$8,500	



CAPITAL EXPENDITURE STATEMENT

FEBRUARY 2010

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Full Year		
Actual	Budget	Variance			Current Budget	Forecast Change	End of Year Forecast
Waste Management							
\$0	\$0	\$0 (F)		\$0 Construct Waste Management Facility Buildings - Red Hill Landfill Facility (24250/01)	\$5,000	(\$5,000) (F)	\$0
(\$2,761)	\$50,032	(\$52,793) (F)		\$0 Construct Waste Management Facility Buildings - Hazelmere (24250/02)	\$50,050	\$0 (F)	\$50,050
\$0	\$0	\$0 (F)		\$0 Investigate and Design Number 3 Workshop - Redhill Landfill Facility (24259/01)	\$60,000	\$0 (F)	\$60,000
\$7,980	\$33,328	(\$25,348) (F)	\$1,909	Construct Waste Management Facility Buildings - Other - Hazelmere (24259/02)	\$50,000	\$0 (F)	\$50,000
\$1,632,836	\$2,144,423	(\$511,587) (F)	\$440,073	Construct Class III Cell Farm Stage 1 - Red Hill Landfill Facility (24310/08)	\$3,420,268	(\$318,268) (F)	\$3,102,000
\$0	\$0	\$0 (F)		\$0 Investigate and Design Class III Cell Farm Stage 2 - Redhill Landfill Facility (24310/09)	\$5,000	(\$5,000) (F)	\$0
\$5,595	\$2,000	\$3,595 (U)		\$0 Investigate and Design Class III Cell Farm Stage 3 - Redhill Landfill Facility (24310/10)	\$8,500	\$0 (F)	\$8,500
\$187,863	\$110,000	\$77,863 (U)	\$97,363	Construct Class III Leachate Pond - Red Hill Landfill Facility (24320/01)	\$330,000	\$100,000 (U)	\$430,000
\$0	\$0	\$0 (F)		\$0 Construct Siltation Ponds - Red Hill Landfill Facility (24350/00)	\$46,000	(\$46,000) (F)	\$0
\$6,916	\$7,000	(\$84) (F)		\$0 Construct Roads / Carparks - Red Hill Landfill Facility (24370/00)	\$111,120	(\$101,120) (F)	\$10,000
\$0	\$0	\$0 (F)	\$71,850	Construct Water Storage Dams - Red Hill Landfill Facility (24393/00)	\$580,000	(\$500,000) (F)	\$80,000
\$890	\$0	\$890 (U)		\$0 Construct Water Storage Dams/Tanks - Hazelmere (24393/01)	\$0	\$979 (U)	\$979
\$0	\$0	\$0 (F)		\$0 Construct Perimeter Fencing - Red Hill Landfill Facility (24394/00)	\$12,600	\$0 (F)	\$12,600



CAPITAL EXPENDITURE STATEMENT

FEBRUARY 2010

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					
Waste Management							
\$2,210	\$0	\$2,210 (U)	\$0	Construct Hardstand and Road - Hazelmere (24395/01)	\$0	\$3,100 (U)	\$3,100
\$0	\$13,328	(\$13,328) (F)	\$0	Construct Monitoring Bores - Red Hill Landfill Facility (24396/00)	\$20,000	\$0 (F)	\$20,000
(\$495)	\$3,328	(\$3,823) (F)	\$5,166	Construct Perimeter Bunds - Red Hill Landfill Facility (24397/00)	\$5,000	\$10,000 (U)	\$15,000
\$1,328,620	\$1,561,500	(\$232,880) (F)	\$1,057,671	Purchase / Replace Plant - Red Hill Landfill Facility (24410/00)	\$2,567,000	(\$181,063) (F)	\$2,385,937
\$47,175	\$164,266	(\$117,091) (F)	\$0	Purchase / Replace Plant - Hazelmere (24410/01)	\$283,900	\$0 (F)	\$283,900
\$111,135	\$120,328	(\$9,194) (F)	\$26,078	Purchase / Replace Minor Plant and Equipment-Red Hill Landfill Facility (24420/00)	\$178,400	(\$519) (F)	\$177,881
\$23,742	\$16,586	\$7,156 (U)	\$1,727	Purchase / Replace Minor Plant and Equipment - Hazelmere (24420/02)	\$24,880	\$0 (F)	\$24,880
\$75,755	\$60,356	\$15,399 (U)	\$67,217	Purchase / Replace Vehicles - Red Hill Landfill Facility (24430/00)	\$117,884	\$54,982 (U)	\$172,866
\$445	\$332	\$113 (U)	\$0	Purchase / Replace Office Equipment - Engineering / Waste Management (24510/02)	\$500	\$0 (F)	\$500
\$7,649	\$8,650	(\$1,001) (F)	\$0	Purchase / Replace Office Equipment - Red Hill Landfill Facility (24510/08)	\$9,000	\$0 (F)	\$9,000
\$0	\$400	(\$400) (F)	\$0	Purchase Fire Fighting System/Equipment - Hazelmere (24520/07)	\$600	\$0 (F)	\$600
\$0	\$3,000	(\$3,000) (F)	\$0	Purchase / Replace Fire Fighting Equipment - Red Hill Landfill Facility (24520/08)	\$6,000	(\$6,000) (F)	\$0
\$0	\$3,000	(\$3,000) (F)	\$0	Purchase / Replace Security System - Red Hill Waste Management Facility (24530/08)	\$7,900	(\$3,000) (F)	\$4,900
\$9,662	\$13,110	(\$3,448) (F)	\$5,327	Purchase / Replace Other Equipment - Red Hill Landfill Facility (24590/00)	\$35,650	\$0 (F)	\$35,650

CAPITAL EXPENDITURE STATEMENT

FEBRUARY 2010

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					
Waste Management							
\$17,466	\$17,666	(\$200) (F)	\$0	Purchase / Replace Miscellaneous Plant & Equipment - Hazelmere (24590/02)	\$26,500	(\$720) (F)	\$25,780
\$2,307	\$1,800	\$507 (U)	\$0	Purchase/Replace Other Equipment - Engineering and Waste Management (24590/03)	\$2,700	\$0 (F)	\$2,700
\$9,700	\$19,509	(\$9,809) (F)	\$0	Purchase Other Equipment - Waste Education Fluorescent Light Recycling Grant (24590/04)	\$19,509	(\$9,809) (F)	\$9,700
\$1,460	\$1,600	(\$140) (F)	\$0	Purchase Office Furniture and Fittings-Engineering and Waste Management (24610/03)	\$2,400	\$0 (F)	\$2,400
\$0	\$500	(\$500) (F)	\$0	Purchase / Replace Office Furniture and Fittings - Red Hill Landfill Facility (24610/08)	\$1,000	\$0 (F)	\$1,000
\$0	\$0	\$0 (F)	\$0	Purchase Office Furniture and Fittings-Hazelmere (24610/10)	\$0	\$720 (U)	\$720
\$0	\$7,996	(\$7,996) (F)	\$0	Purchase Miscellaneous Furniture and Fittings - Red Hill Education Programme (24690/01)	\$12,000	(\$1,500) (F)	\$10,500
\$0	\$16,446	(\$16,446) (F)	\$9,818	Refurbish Environmental Education Centre - Redhill Landfill Facility (25253/00)	\$32,300	(\$16,300) (F)	\$16,000
\$0	\$664	(\$664) (F)	\$0	Refurbish Waste Transfer Station Building - Red Hill Landfill Facility (25259/01)	\$25,000	(\$25,000) (F)	\$0
\$0	\$6,000	(\$6,000) (F)	\$0	Refurbish Plant - Red Hill Landfill Facility (25410/00)	\$24,000	\$0 (F)	\$24,000
\$0	\$300	(\$300) (F)	\$0	Refurbish Minor Plant - Red Hill Landfill Facility (25420/00)	\$1,200	\$0 (F)	\$1,200
\$3,476,149	\$4,387,448	(\$911,299) (F)	\$1,784,200		\$8,081,861	(\$1,049,518) (F)	\$7,032,343

\$4,385,114	\$5,480,758	(\$1,095,644) (F)	\$3,023,678	TOTAL CAPITAL EXPENDITURE	\$10,193,849	(\$439,435) (F)	\$9,754,414
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BALANCE SHEET

FEBRUARY 2010

Full Year

Actual 2008/2009	Actual Year to Date	(F) = Favourable variation (U) = Unfavourable variation	Current Budget 2009/2010	Forecast Change	Forecast 2009/2010
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Current Assets

\$1,921,192	\$1,884,509	Cash and Cash Equivalents	\$1,388,143	\$2,571,077 (F)	\$3,959,220
\$22,205,947	\$25,722,588	Investments	\$21,840,922	(\$1,927,588) (U)	\$19,913,334
\$2,255,656	\$2,304,684	Trade and Other Receivables	\$2,255,656	\$0 (F)	\$2,255,656
\$30,680	\$14,269	Inventories	\$30,680	\$0 (F)	\$30,680
\$50,881	\$132,716	Other Assets	\$50,881	\$0 (F)	\$50,881
\$0	\$0	Current Assets Other	\$0	\$0 (F)	\$0
\$26,464,356	\$30,058,765	Total Current Assets	\$25,566,282	\$643,489 (F)	\$26,209,771

Current Liabilities

\$0	\$0	Bank Overdraft	\$0	\$0 (F)	\$0
\$1,762,406	\$2,172,709	Trade and Other Payables	\$1,762,406	\$0 (F)	\$1,762,406
\$902,420	\$902,420	Provisions	\$935,503	\$0 (F)	\$935,503
\$0	\$0	Borrowings - Current Portion	\$0	\$0 (F)	\$0
\$0	\$0	Liabilities Other	\$0	\$0 (F)	\$0
\$2,664,826	\$3,075,129	Total Current Liabilities	\$2,697,909	\$0 (F)	\$2,697,909

\$23,799,530	\$26,983,636	Net Current Assets	\$22,868,373	\$643,489 (F)	\$23,511,862
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BALANCE SHEET

FEBRUARY 2010

Actual 2008/2009	Actual Year to Date		Full Year		
			Current Budget 2009/2010	Forecast Change	Forecast 2009/2010
		(F) = Favourable variation (U) = Unfavourable variation			
Non Current Assets					
\$7,639,917	\$7,639,917	Property Plant and Equipment	\$7,639,917	\$20,000 (F)	\$7,659,917
\$2,509,418	\$2,482,931	Buildings	\$3,665,218	\$552,664 (F)	\$4,217,882
\$9,043,150	\$8,203,031	Structures	\$12,249,184	(\$940,659) (U)	\$11,308,525
\$3,995,921	\$4,593,506	Plant	\$6,275,064	(\$693,439) (U)	\$5,581,625
\$249,758	\$286,169	Equipment	\$684,737	(\$56,252) (U)	\$628,485
\$96,629	\$94,002	Furniture and Fittings	\$122,229	\$533 (F)	\$122,762
\$33,904	\$3,159,129	Work in Progress	\$33,904	\$0 (F)	\$33,904
\$0	\$0	Investments - Non Current	\$0	\$0 (F)	\$0
\$0	\$0	Non Current Assets Other	\$0	\$0 (F)	\$0
\$23,568,696	\$26,458,685	Total Non Current Assets	\$30,670,252	(\$1,117,153) (U)	\$29,553,099
Non Current Liabilities					
\$1,317,897	\$1,317,897	Provisions	\$1,453,081	\$0 (F)	\$1,453,081
\$0	\$0	Borrowings - Long Term Portion	\$0	\$0 (F)	\$0
\$0	\$0	Non Current Liabilities Other	\$0	\$0 (F)	\$0
\$1,317,897	\$1,317,897	Total Non Current Liabilities	\$1,453,081	\$0 (F)	\$1,453,081
Equity					
\$19,513,931	\$19,513,931	Accumulated Surplus/Deficit	\$25,015,132	\$473,664 (U)	\$24,541,468
\$0	\$0	AAS27 Adjustments	\$0	\$0 (F)	\$0
\$0	\$0	Asset Revaluation Reserve	\$0	\$0 (F)	\$0
\$26,536,398	\$26,536,398	Cash Backed Reserves	\$27,070,412	\$0 (F)	\$27,070,412
\$46,050,330	\$46,050,330	Total Equity	\$52,085,545	\$473,664 (U)	\$51,611,881
\$0	\$6,074,094	Net change in assets from operations	\$0	\$0	\$0

Note : A negative value in the Forecast Change column of the Equity section results in a favourable increase in the equity position of the organisation.



CASH AND INVESTMENTS

FEBRUARY 2010

Full Year

Actual 2008/2009 YTD Actual 2009/2010 (F) = Favourable variation
(U) = Unfavourable variation Current Budget 2009/2010 Forecast Change Forecast 2009/2010

Municipal Cash and Investments

1,917,892	1,881,209	Cash at Bank - Municipal Fund 01001/00	1,384,843	2,571,077	(F)	3,955,920
1,250	1,250	Cash on Hand - Ascot Place 01019/00	1,250	0	(F)	1,250
600	600	Cash on Hand - Walliston/Mathieson & Coppin Road Transfer Stations 01019/01	600	0	(F)	600
1,450	1,450	Cash on Hand - Red Hill / Hazelmere 01019/02	1,450	0	(F)	1,450
2,587,743	5,019,697	Investments - Municipal Fund 02021/00	1,443,243	151,300	(F)	1,594,543
4,508,935	6,904,206	Total Municipal Cash	2,831,386	2,722,377	(F)	5,553,763

Restricted Cash and Investments

776,748	791,819	Restricted Investments - Plant and Equipment 02022/01	37,738	78,798	(F)	116,536
2,635,734	2,702,361	Restricted Investments - Site Rehabilitation Red Hill 02022/02	2,624,172	57,800	(F)	2,681,972
2,946,239	3,003,402	Restricted Investments - Future Development 02022/03	1,516,139	(1,013,100)	(U)	503,039
281,405	286,865	Restricted Investments - Environmental Monitoring Red Hill 02022/04	292,905	(1,250)	(U)	291,655
238,367	242,992	Restricted Investments - Environmental Insurance Red Hill 02022/05	223,411	(1,050)	(U)	222,361
10,522	10,726	Restricted Investments - Risk Management 02022/06	10,952	(50)	(U)	10,902
87,232	88,925	Restricted Investments - Class IV Cells Red Hill 02022/07	137,809	140,777	(F)	278,586
412,501	420,504	Restricted Investments - Regional Development 02022/08	55,706	100,452	(F)	156,158
16,080,560	16,392,555	Restricted Investments - Secondary Waste Processing 02022/09	21,772,232	(2,164,159)	(U)	19,608,073
3,013,965	3,072,442	Restricted Investments - Class III Cells 02022/10	544,024	180,997	(F)	725,021
53,125	54,156	Restricted Investments - Building Refurbishment (Ascot Place) 02022/11	55,325	(250)	(U)	55,075
(7,430,675)	(6,886,278)	Restricted Investments - Unrealised Loss/Gain on Investments 02022/20	(7,430,675)	544,397	(F)	(6,886,278)
512,481	522,424	Restricted Investments - Long Service Leave 02022/90	557,941	(2,250)	(U)	555,691
19,618,204	20,702,891	Total Restricted Cash	20,397,679	(2,078,888)	(U)	18,318,791
24,127,139	27,607,097	TOTAL CASH AND INVESTMENTS	23,229,065	643,489	(F)	23,872,554

The Cash at Bank - Municipal Fund represents the balance on the last day of the relevant month. Any portion of the balance available for investment is transferred into the Investment - Municipal Fund account in the following period. Funds held in the Cash at Bank - Municipal Fund continue to accrue interest as per the Westpac commercial rates.



14.6 EMRC DELEGATION TO CANBERRA: MAY – JUNE 2010

REFERENCE: COMMITTEES-10779

PURPOSE OF REPORT

To provide Council with a report on the proposed schedule and costs associated with an EMRC delegation to Canberra in May - June 2010 for the purpose of meeting with Federal Government Ministers and agencies regarding support and funding commitments toward priority regional projects proposed or being undertaken in Perth's Eastern Region.

KEY ISSUES AND RECOMMENDATION(S)

- The EMRC sent a delegation to Canberra in September 2008 following the installation of the Rudd Labour Government. Since that time the EMRC's advocacy and government relations role has intensified which was underpinned by the adoption of the Regional Advocacy Strategy in September 2009.
- Discussions with Local Members of Parliament indicate that the period May - June 2010 is the most appropriate period for the delegation as it is likely that an election will be called later in the year and Parliament will be dissolved by the September sitting.
- The proposed delegation includes the EMRC Chairman, Chief Executive Officer and Director Regional Services and is expected to be undertaken at dates to be confirmed depending on availability of Federal Ministers between May – June 2010.
- An advocacy information pack for the various regional projects and activities is being prepared for the delegation.
- The total cost of the delegation is estimated at \$6,000 comprising Airfares (\$2,400), Accommodation (\$2,000), Meals (\$1,100) and Taxis/Transfers (\$500).

Recommendation

That an EMRC delegation to Canberra comprising of the EMRC Chairman, Chief Executive Officer and Director Regional Services be undertaken at dates to be confirmed depending on availability of Federal Ministers between May – June 2010, and at an estimated cost of \$6,000.

SOURCE OF REPORT

Director Regional Services

BACKGROUND

The EMRC sent a delegation to Canberra in September 2008 following the installation of the Rudd Labour Government. Since that time the EMRC's advocacy and government relations role has intensified by the adoption of the Regional Advocacy Strategy in September 2009.

In conjunction with the development of the Regional Advocacy Strategy a concerted effort has been placed on building relations with the Western Australian Liberal Government. During 2009 the EMRC made presentations to most local members of Parliament in order to strengthen its relations with the members across Perth's Eastern Region.

The frequency and quality of the communications to date with Federal and State members of Parliament has paved the way for a sustained effort to be progressed. It very likely a Federal election will be held by September 2010 which further warrants the need for a delegation to Canberra in the near future.



Item 14.6 continued

Council considered future delegations to Canberra at its meeting in April 2009 and resolved inter alia to:

- "3. DEFER THE PROPOSAL TO SEND A DELEGATION TO CANBERRA DURING 2008/09 AND REQUESTS THAT THIS MATTER IS RE-CONSIDERED LATER IN 2009 FOLLOWING THE DEVELOPMENT OF A REGIONAL ADVOCACY STRATEGY AND AFTER AN EVALUATION OCCURS IN RELATION TO THE EFFICACY OF THE NEWLY FORMED AUSTRALIAN COUNCIL OF LOCAL GOVERNMENT (ACLG) STEERING COMMITTEE.*
- 4. REQUESTED THAT DISCUSSIONS BE HELD WITH LOCAL FEDERAL REPRESENTATIVES IN THE EASTERN METROPOLITAN REGION TO GATHER THEIR VIEWS ON THE POSITION CANBERRA IS NOW TAKING ON LOCAL GOVERNMENT DELEGATIONS MAKING DIRECT CONTACT WITH FEDERAL MEMBERS IN CANBERRA AND REPORTS THIS INFORMATION TO COUNCIL AT A FUTURE DATE."*

REPORT

In addressing the above-mentioned recommendations of Council, advice received from local Federal members indicates that the next best opportunity for the Canberra delegation is the period between May and June 2010. This was on the basis that it is likely that Parliament will be in caretaker mode by August 2010 and focused on pre election campaigning if a Federal election is called for September or October 2010.

Furthermore, the EMRC was advised that it should continue to ensure it engages with Federal Members on a regular basis in order to maintain high awareness of the issues and needs across Perth's Eastern Region. It was felt that whilst the Rudd Government has set up the Australian Council of Local Government (ACLG) there was no direct benefit and awareness raising about the EMRC given that regional local government is not included in the ACLG.

Local Federal Members have given advice that due to the unique model and capability that the EMRC offers, as well as the lack of awareness about the EMRC at the Federal level, ongoing awareness raising was critical. It was advised that raising awareness of the EMRC's activities at the Federal level would show how the EMRC is aligned to the Federal government's call for Local Government to act more regionally. This is a key reason for the EMRC to maintain a constant profile in the political arena, particularly in a time of significant reform and change for local government.

Based on the advice received specific dates have been identified during the May – June 2010 period and are outlined as follows:

Option 1 – 17 to 19 May 2010: This week Parliament will be in recess, but it is a short non sitting interval following the budget session and it is likely that most Ministers will be in Canberra preparing for the budget estimates.

Option 2 – 24 May to 3 June 2010 is a sitting fortnight for the House of Representatives where the budget estimates will be debated and voted upon. Members of the House of Representatives will be in Canberra and it is likely that Senators with ministerial portfolios will also be in Canberra for this period.

Option 3 – 15 to 17 June 2010: This is a sitting week, so members should be in Canberra; however this is also the time scheduled for the ACLG to meet so it is likely that members of Parliament will be very busy meeting with the many other local government delegations from across the country.

Given the issue associated with a 15-17 June 2010 visit, it is preferable that the EMRC delegation goes in late May or early June either prior to, or during the budget estimates session. This will avoid the timing conflict with the ACLG meeting and to better ensure that appointments can be secured.

Should Council agree with sending a delegation to Canberra during May – June 2010 final dates will be confirmed depending on the availability of Federal Ministers to hold meetings during the times being proposed above.



Item 14.6 continued

The following table outlines the Ministers and Shadow Ministers who will be approached for meetings and will receive a presentation and information relating to the key funding priorities required for Perth's Eastern Region.

Person to Meet	Title/Position	Key Issues to be Canvassed
Ms Julia Gillard MHR	Deputy Prime Minister Minister for Education, Employment and Youth	<ul style="list-style-type: none"> • Job Funds submissions lodged round 2 relating to: <ol style="list-style-type: none"> a. Employment in Natural Resource Management for Youth; and b. The Recycling, Reuse Centre • National Youth Strategy in relation to scoping for the Regional Youth Strategy
Senator Stephen Conroy	Minister for Broadband, Communications and the Digital Economy	<ul style="list-style-type: none"> • Regional Broadband Business Case Submission
Senator Penny Wong	Minister for Climate Change and Water	<ul style="list-style-type: none"> • Climate Change Adaptation Strategies for Local Government and funding programs • Waste Management in relation to Greenhouse Gas Abatement
Mr Anthony Albanese MHR	Minister for Infrastructure, Transport, Regional Development and Local Government	<ul style="list-style-type: none"> • Regional Strategies: transport, economic development • Access to funding eligibility issues and likely negative consequences of low infrastructure funding for the resource boom • Perth to Darwin Highway – Swan Valley by Pass • Roads around Perth's Airport • Great Eastern Highway • Public transport and railway link to airport and Forrestfield • Transport demand management – TravelSmart funding
Mr Peter Garrett MHR	Minister for the Environment, Heritage and the Arts	<ul style="list-style-type: none"> • Swan and Helena River Management Framework • Swan and Helena River Statement of Significance and Heritage Audit and Interpretation • Natural Resource Management funding • Waste management – National Waste Policy, Disaster recovery management and extended producer responsibility
Mr Martin Ferguson MHR	Minister for Tourism	<ul style="list-style-type: none"> • Tourism Funding, Research and presentation of the Regional Tourism Strategy • TQAL funding submission
Senator Ursula Stephens	Parliamentary Secretary for Social Inclusion	<ul style="list-style-type: none"> • Youth and NRM activities



Item 14.6 continued

Shadow Ministry

Person to Meet	Title/Position	Key Issues to be Canvassed
Mr Joe Hockey MHR	Shadow Treasurer	<ul style="list-style-type: none"> Funding for transport infrastructure to support the resource boom
Mr Tony Smith MHR	Shadow Minister for Broadband, Communications and the Digital Economy	<ul style="list-style-type: none"> Regional Broadband Business Case Submission
Mr Bruce Billson MHR	Shadow Minister for Small Business, regulation, Competition Policy and Sustainable Cities	<ul style="list-style-type: none"> Regional Strategies: transport, economic development and environmental management Tourism Funding, Research and presentation of the Regional Tourism Strategy TQAL funding submission
Senator Eric Abetz	Deputy Leader and Shadow Minister for Education, Employment and Youth	<ul style="list-style-type: none"> Job Funds program and concerns with allocation of funds in Round 1 and 2 Opportunities for funding of EMRC regional youth employment submissions under a Liberal Government National Youth Strategy in relation to scoping for the Regional Youth Strategy
Mr Greg Hunt MHR	Shadow Minister for Climate Action, Environment and Heritage	<ul style="list-style-type: none"> Climate Change Adaptation Strategies for Local Government and funding programs under a liberal Federal government Waste Management in relation to Greenhouse Gas Abatement Swan and Helena River Management Framework Swan and Helena River Statement of Significance and Heritage Audit and Interpretation Natural Resource Management funding Waste management – National Waste Policy, Disaster recovery management and extended producer responsibility
Senator Barnaby Joyce	Shadow Minister for Regional Development, Infrastructure and Water	<ul style="list-style-type: none"> Regional Strategies: transport, economic development EMRC funding eligibility issues - gaining support for recognition of Regional Local Governments be recognised for all funding programs Likely negative consequences of low infrastructure funding for the resource boom
Mr Ian McFarlane MHR	Shadow Minister for Energy and Resources	<ul style="list-style-type: none"> Transport demand management – TravelSmart funding Likely negative consequences of low infrastructure funding for the resource boom



Item 14.6 continued

Person to Meet	Title/Position	Key Issues to be Canvassed
Mr Warren Truss MHR	Shadow Minister for Trade, transport and Local Government	<ul style="list-style-type: none"> • Perth to Darwin Highway – Swan Valley by Pass • Roads around Perth's Airport • Great Eastern Highway • Public transport and railway link to airport and Forrestfield • EMRC funding eligibility issues - gaining support for recognition of Regional Local Governments be recognised for all funding programs • Support for the metropolitan area generated compost to agricultural application

The delegation will ensure customised messages are delivered as well as a consistent message about the overall capability and efficacy that the EMRC's regional model provides to its members Councils. It will be clearly highlighted how the EMRC's unique model presents a legitimate and effective alternative for Local Government reform through amalgamation and this is why regional local government should be recognised by Federal government across all funding portfolios to give a level playing field for regional local government to be even more effective.

Further liaison with Local Members of Parliament will be undertaken to arrange and confirm the availability of Ministers and meeting dates/times and to identify other persons that would be beneficial to contact.

Advocacy materials containing the various regional projects and activities is being prepared for the delegation and will provide summaries of key projects and activities, which are presented in a professional format as part of an advocacy pack.

Formation of Delegation

During discussions held with local members it was highlighted that when forming a delegation to Canberra it is beneficial to keep delegate numbers to a minimum with three being the ideal number. Large delegations tend to struggle to maintain the hectic schedule of meetings required. Furthermore, many meetings are held in small ministerial offices that only cater for up to 5-6 people which further support the need to keep numbers down.

This report recommends that a small delegation of one elected member and two officers be sent to Canberra. The proposed delegation would comprise the EMRC Chairman, Chief Executive Officer and Director Regional Services.

STRATEGIC/POLICY IMPLICATIONS

The advocacy and government relationship building activities support the objectives 4.2 in the Strategic Plan for the Future 2008/09 to 2013/14.

4.2 To provide advice and advocacy on issues affecting Perth's Eastern Region	4.2.1 Implement the Regional Advocacy Strategy
	4.2.2 Participate in consultative groups regarding Federal and State Government policies and regulations



Item 14.6 continued

FINANCIAL IMPLICATIONS

The total cost of the delegation is estimated at \$6,000 comprising Airfares (\$2,400), Accommodation (\$2,000), Meals (\$1,100) and Taxis/Transfers (\$500). This estimate is based on three night's accommodation.

There are sufficient funds included in the regional advocacy program budget to cover the costs associated with the cost of this proposed delegation.

SUSTAINABILITY IMPLICATIONS

Advocacy effort is focused on issues that are of regional significance and will create positive benefits and long term sustainability for Perth's Eastern Region member Councils and their communities.

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Advocacy is aimed at increasing funding and commitment through raising awareness and growing support for regional projects and activities that have been agreed by member Councils as being beneficial for Perth's Eastern Region.
City of Bayswater	
City of Belmont	
Shire of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

Nil

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That an EMRC delegation to Canberra comprising of the EMRC Chairman, Chief Executive Officer and Director Regional Services be undertaken at dates to be confirmed depending on availability of Federal Ministers between May – June 2010, and at an estimated cost of \$6,000.

In response to Cr Gangell's query on whether there would be an opportunity for Council to raise other issues on behalf of individual member Councils, for example the Town of Bassendean's Success Hill foreshore restoration works, the Chief Executive Officer advised that the EMRC would be dealing with regional issues only, however the Success Hill issue was part of a Regional Local Community Infrastructure Programme (RLCIP) grant application and hence would be included in discussions with the Federal Minister in that context. The foreshore stabilisation issue had also been previously raised with Maxine McKew MP and the EMRC is waiting on the outcomes of the RLCIP funding application.

In response to Cr Lindsey's query on whether Council needed to consider the timing of the delegation to Canberra, the Chief Executive Officer advised that the EMRC could not give specific dates until meetings had been agreed to in consultation with Federal Politicians and discussions were currently taking place.



Item 14.6 continued

COUNCIL RESOLUTION(S)

MOVED CR MCKECHNIE

SECONDED CR PULE

THAT AN EMRC DELEGATION TO CANBERRA COMPRISING OF THE EMRC CHAIRMAN, CHIEF EXECUTIVE OFFICER AND DIRECTOR REGIONAL SERVICES BE UNDERTAKEN AT DATES TO BE CONFIRMED DEPENDING ON AVAILABILITY OF FEDERAL MINISTERS BETWEEN MAY – JUNE 2010, AND AT AN ESTIMATED COST OF \$6,000.

CARRIED UNANIMOUSLY



14.7 MEMBERS' AND CHAIRMAN'S ATTENDANCE FEES AND ALLOWANCES

REFERENCE: COMMITTEES-10789

PURPOSE OF REPORT

To review the attendance fees and allowances relating to meeting attendance by the Chairman, Deputy Chairman, Members and Deputies to Members.

KEY ISSUES AND RECOMMENDATION(S)

- Policy 1.3 covers Member's and Chairman's Fees, Expenses and Allowances for attending meetings. The amounts payable are to be reviewed in each second year when the terms of office of members expire.
- The Member's and Chairman's fees were last reviewed on the 31 July 2008 for the 2008/2009 – 2009/2010 periods.
- EMRC Chairman and Members fees are presently at the maximum payable under the Local Government Act.
- The Chairman and Deputy Chairman's annual local government allowances are not at the maximum and Council may wish to review them for the 2010/2011 – 2011/2012 periods.

Recommendation(s)

That Council determines the Chairman and Deputy Chairman's annual local government allowance for the 2010/2011 – 2011/2012 periods.

SOURCE OF REPORT

Director Corporate Services

BACKGROUND

In accordance with Policy 1.3 *Member's and Chairman's Fees, Expenses and Allowances* (Attachment 1), fees and allowances payable to the Chairman and members have been reviewed each second year when the terms of office of members expire, in conjunction with the adoption of the annual budget.

Section 5.63(1)(c) of the Local Government Act 1995 (the Act) states that interests relating to fees, reimbursement of expenses or an allowance to which S 5.98, 5.98A, 5.99, 5.99A, 5.100 or 5.101(2) refers, do not have to be disclosed.

The Member's and Chairman's fees were last reviewed on the 31 July 2008 for the 2008/2010 period and the following fees were adopted at that time:

	EMRC Fees 2009/2010
Annual Fee - Members (other than Chairman)	\$7,000 per annum
Annual Fee - Chairman	\$14,000 per annum
Sitting Fee - Deputies of Members	\$140 per meeting
Annual Local Government Fee - Chairman	\$6,000 per annum
Annual Local Government Fee - Deputy Chairman	25% of amount payable to Chairman



Item 14.7 continued

REPORT

In accordance with Policy 1.3 *Member's and Chairman's Fees, Expenses and Allowances* (Attachment 1), the fees and allowances payable to the Chairman and members are now currently due for review.

Division 8, sections 5.98 - 5.100 of the Act, and Regulations 30-34 of the *Local Government (Administration) Regulations 1996*, stipulate the methods and payments applicable to this policy.

The following table compares the current EMRC payments adopted by Council to the maximum allowable under the Act:

Table 1.1

	Current 2008/2010 EMRC Fees	Maximum Payable under the Local Government Act
Annual Fee - Members (other than Chairman)	\$7,000 per annum	\$ 7,000 per annum
Annual Fee - Chairman	\$14,000 per annum	\$14,000 per annum
Sitting Fee - Deputies of Members	\$140 per meeting	\$140 per meeting
Annual Local Government Fee - Chairman	\$6,000 per annum	\$46,000 per annum
Annual Local Government Fee - Deputy Chairman	25% of amount payable to Chairman	25% of amount payable to Chairman

The EMRC Establishment Agreement provides for each participant to appoint one of its members to deputise for either of its EMRC members in the event that they are unable to attend a meeting of the EMRC. Under the current policy, Deputies of Members are being paid the prescribed maximum fee for a member, of \$140 per council meeting, when the Deputy is deputising for a member at a council meeting.

The Chairman and members fees are presently at the maximum payable under the Local Government Act therefore it is recommended to continue to apply the current fees to the 2010/2011 – 2011/2012 period. Council may give consideration to the review of the Annual Local Government Fee for the Chairman and Deputy Chairman as they are both presently under the maximum threshold. The maximum annual local government fee for the Chairman may be set at \$12,000 or 0.002 of the local government's operating revenue, whichever is the greater amount, but no more than \$60,000.

The following table comprises the proposed EMRC payments to the maximum allowable under the Act:

Table 1.2

	Proposed 2010/2011 – 2011/2012 EMRC Fees	Maximum Payable under the Local Government Act
Annual Fee - Members (other than Chairman)	\$7,000 per annum	\$ 7,000 per annum
Annual Fee - Chairman	\$14,000 per annum	\$14,000 per annum
Sitting Fee - Deputies of Members	\$140 per meeting	\$140 per meeting
Annual Local Government Fee - Chairman	\$_____ per annum	\$46,000 per annum
Annual Local Government Fee - Deputy Chairman	25% of amount payable to Chairman	25% of amount payable to Chairman

It should be noted that Council, in the past, has adopted the annual fee (s5.99) rather than per meeting fee (s5.98) method allowable under the Act, for payment in connection with attending council and committee meetings.



Item 14.7 continued

It is recommended that Council determines the amount to be paid for the Chairman and Deputy Chairman's annual local government allowance for the 2010/2011 and 2011/2012 periods so this can be included in the appropriate future budgets.

STRATEGIC/POLICY IMPLICATIONS

EMRC Policy 1.3 Members' and Chairman's Fees, Expenses and Allowances Policy.

FINANCIAL IMPLICATIONS

The Annual Budget provides for the payment of members' fees, expenses and allowances.

SUSTAINABILITY IMPLICATIONS

Nil

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT(S)

EMRC Policy 1.3 Members' and Chairman's Fees, Expenses and Allowances Policy
(Ref: Committees-10904)

VOTING REQUIREMENT

Absolute majority

RECOMMENDATION

That Council determines the Chairman and Deputy Chairman's Annual local government allowance for the 2010/2011 – 2011/2012 period in relation to attending meetings.

The Chairman advised that he was not required to declare an interest in this item.

Cr McKechnie moved that the EMRC Fees for 2009/2010 remain as stated in the report. This was seconded by Cr Gangell.



Item 14.7 continued

The Chief Executive Officer distributed the following draft resolution to Council:

That Council by an absolute majority in accordance with section 5.99 of the local government act 1995 continues to pay an annual fee to members for attending Council or Committee meetings and that the fees for 2010/2011 be as follows until the next scheduled review date:

	EMRC Payments for 2010/2011
Annual Fee - Members (other than Chairman)	\$7,000 per annum
Annual Fee - Chairman	\$14,000 per annum
Sitting Fee - Deputies of Members	\$140 per meeting
Annual Local Government Fee - Chairman	\$..... per annum
Annual Local Government Fee - Deputy Chairman	25% of amount payable to Chairman

The Chief Executive Officer advised that the Annual Local Government Fee for the Chairman is currently \$6,000pa.

COUNCIL RESOLUTION

MOVED CR MCKECHNIE

SECONDED CR GANGELL

THAT COUNCIL BY AN ABSOLUTE MAJORITY IN ACCORDANCE WITH SECTION 5.99 OF THE LOCAL GOVERNMENT ACT 1995 CONTINUES TO PAY AN ANNUAL FEE TO MEMBERS FOR ATTENDING COUNCIL OR COMMITTEE MEETINGS AND THAT THE FEES FOR 2010/2011 BE AS FOLLOWS UNTIL THE NEXT SCHEDULED REVIEW DATE:

	EMRC Payments for 2010/2011
Annual Fee - Members (other than Chairman)	\$7,000 per annum
Annual Fee - Chairman	\$14,000 per annum
Sitting Fee - Deputies of Members	\$140 per meeting
Annual Local Government Fee - Chairman	\$6,000 per annum
Annual Local Government Fee - Deputy Chairman	25% of amount payable to Chairman

CARRIED UNANIMOUSLY



1.3 Members' and Chairman's Fees and Allowances Policy

STRATEGIC PLAN OBJECTIVE

4.5 To provide responsible and accountable governance and management of the EMRC

PURPOSE

To establish the fees and allowances that will be paid to the Chairman, Deputy Chairman, council members and deputy council members.

LEGISLATION

Local Government Act (1995) s5.98 - 5.99A

Local Government (Administration) Regulations 1996, Reg. 30, 33, 33A and 34.

POLICY STATEMENT

1. That payments be made as follows:
 - To members, other than the Chairman, an annual fee for attending meetings (s5.99);
 - To the Chairman, an annual fee for attending meetings (s5.99);
 - To the Chairman, an annual local government allowance (s5.98(5));
 - To the Deputy Chairman, an annual local government allowance of 25% of the amount payable to the Chairman (s5.98A);
 - To deputies of members when the deputy is deputising for a member at a meeting the prescribed maximum fee payable to a member for attending a meeting (s5.98(1)).
2. That the policy of quarterly payments in arrears be applied so that the above payments are made to the Chairman, Deputy Chairman and members at intervals of approximately 3 months during his or her term of office with the last payment becoming payable on the day prior to the next ordinary local government elections.
3. That the fees and allowances payable to the Chairman, Deputy Chairman and members be reviewed, each second year when the terms of office of members expire, in conjunction with the adoption of the annual budget.



FINANCIAL CONSIDERATIONS

Nil

Adopted/Reviewed by Council

1. 03 July 1997
2. 22 July 1999
3. 28 June 2001
4. 02 May 2002
5. 26 June 2003
6. 20 May 2004
7. 23 February 2006
8. 18 September 2008

Next Review

Following the Ordinary Elections in 2009

Responsible Unit

Governance and Corporate Services



14.8 APPOINTMENT OF MEMBERS TO THE INVESTMENT COMMITTEE (IC)

REFERENCE: COMMITTEES-10788

PURPOSE OF REPORT

The purpose of this report is to seek nominations for additional members of the Investment Committee (IC).

KEY ISSUES AND RECOMMENDATION(S)

- Investment Committee members were appointed on 29 October 2009, however with the passing of Cr Piantadosi, the Committee has slipped below the statutory minimum of three (3) members now requiring this to be addressed.

Recommendation(s)

1. That by absolute majority, in accordance with section 5.10 of the Local Government Act 1995, Crsbe appointed as members to the Investment Committee.
2. That an Investment Committee meeting be tentatively held on Thursday 6 May 2010.

SOURCE OF REPORT

Director Corporate Services
Manager Administration & Compliance

BACKGROUND

Investment Committee:

Established:	21 February 2008
Membership:	The Membership of the Committee is comprised of Council members able to meet at short notice.
Meetings:	The committee meets as required at the discretion of the Chairman of the Committee.
Terms of Reference:	<p>Objectives</p> <p>The primary objective of the Investment Committee is to deal with matters related to EMRC's Management of Investment Policy.</p> <p>The Investment Committee is established to:</p> <ul style="list-style-type: none">• Consider amendment and revision to EMRC Policy 3.5 Management of Investment Policy;• Deal with matters referred to the committee, by the Chief Executive Officer (CEO), under Policy 3.5 Management of Investment Policy; and• Deal with legal and other matters associated with the Grange Securities Ltd/Lehman Brothers Investment Mandate Agreement (3 March 2005) as referred to the committee by the CEO or Council.



Item 14.8 continued

Delegation: The Investment Committee has the delegated powers and duties of Council associated with the EMRC investment portfolio, that have not been delegated to the CEO inclusive of, but not limited to, the acceptance of tenders for the provision of advice and services and to deal with any legal proceedings that may need to be initiated.

REPORT

At a Special Meeting of Council held on 29 October 2009 by absolute majority in accordance with section 5.10 of The Local Government Act 1995, Cr Sam Piantadosi from Town of Bassendean, Cr Don McKechnie from Shire of Kalamunda and Cr Alan Pilgrim Shire of Mundaring were appointed as members of the Investment Committee.

Sadly Cr Sam Piantadosi passed away early this year and issues have been identified with only two remaining members on this committee with regards to achieving a quorum and the statutory requirement to have a minimum number of three (3) members. Please note that the Investment Committee does not have Deputy Members.

The IC currently only has two (2) members due to the passing of Cr Piantadosi. It is envisaged that membership of the IC would be limited to a maximum of six (6) i.e. one member from each member Council, however one of the criteria for this committee is that members be available to attend meetings at short notice and within normal business hours, if required, therefore any number of members between three (3) and six (6) would be acceptable.

STRATEGIC/POLICY IMPLICATIONS

Council Policy 2.1 provides for the establishment of an Investment Committee.

Key Result Area 4: Good Governance:

4.5 To provide responsible and accountable governance and management of the EMRC

FINANCIAL IMPLICATIONS

Nil

SUSTAINABILITY IMPLICATIONS

Nil

MEMBER COUNCIL IMPLICATIONS

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



Item 14.8 continued

ATTACHMENT(S)

Nil

VOTING REQUIREMENT

Absolute Majority

RECOMMENDATION(S)

1. That by absolute majority, in accordance with section 5.10 of the Local Government Act 1995, Crsbe appointed as members to the Investment Committee.
2. That an Investment Committee meeting be tentatively held on Thursday 6 May 2010.

The Chairman invited nominations for additional members of the Investment Committee (IC) and Cr Radford nominated himself.

The Chief Executive Officer advised that the Committee's existing members were Crs McKechnie and Pilgrim, who would continue as members, but the Committee needed a minimum of three members available to meet at short notice and within business hours if necessary but more than three was acceptable.

Cr McKechnie stated that he was hoping that the IC issues would be dealt with by the full Council rather than continuing with the Committee. The Chairman suggested that the IC continue for the moment and it could be reviewed later. Cr Pule agreed with Cr McKechnie but said that he was happy to nominate for the IC until it was disbanded.

COUNCIL RESOLUTION(S)

MOVED CR MCKECHNIE

SECONDED CR GANGELL

1. THAT BY ABSOLUTE MAJORITY, IN ACCORDANCE WITH SECTION 5.10 OF THE LOCAL GOVERNMENT ACT 1995, CRS RADFORD AND PULE BE APPOINTED AS MEMBERS TO THE INVESTMENT COMMITTEE.
2. THAT AN INVESTMENT COMMITTEE MEETING BE TENTATIVELY HELD ON THURSDAY 6 MAY 2010.

CARRIED UNANIMOUSLY



14.9 ITEMS CONTAINED IN THE INFORMATION BULLETIN

REFERENCE: COMMITTEES-10682

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

1. REGIONAL SERVICES

- 1.1 REGIONAL DEVELOPMENT ACTIVITY REPORT – NOVEMBER 2009 TO MARCH 2010
(Ref: Committees-10733)
- 1.2 RISK MANAGEMENT SERVICE REPORT (REF: COMMITTEES-10724)

RECOMMENDATION

That the Information Bulletin be noted.

COUNCIL RESOLUTION

MOVED CR MCKECHNIE SECONDED CR POWELL

THAT THE INFORMATION BULLETIN BE NOTED.

CARRIED UNANIMOUSLY



15 REPORTS OF COMMITTEES

15.1 CHIEF EXECUTIVE OFFICERS ADVISORY COMMITTEE MEETING HELD 7 APRIL 2010 (REFER TO MINUTES OF COMMITTEE - BLUE PAGES)

REFERENCE: COMMITTEES-10720

The minutes of the Chief Executive Officers Advisory Committee meeting held on **7 April 2010** accompany and form part of this agenda – (refer to blue section of 'Minutes of Committees' for Council accompanying this Agenda).

QUESTIONS

The Chairman invited general questions from members on the report of the Chief Executive Officers Advisory Committee.

RECOMMENDATION

That with the exception of items, which are to be withdrawn and dealt with separately, the recommendations in the Chief Executive Officers Advisory Committee report (Section 15.1) be adopted.

Cr McKechnie referred to the current or proposed projects identified on page 24 of the 'Draft Regional Tourism Strategy' and stated that he didn't recognise any EMRC involvement in any of the bulleted items at the top of the page. The Manager Regional Development clarified that the four (4) dot points were those that individual Councils put forward as priorities and didn't reflect any EMRC contribution.

COUNCIL RESOLUTION

MOVED CR POWELL

SECONDED CR PULE

THAT THE RECOMMENDATIONS IN THE CHIEF EXECUTIVE OFFICERS ADVISORY COMMITTEE REPORT (SECTION 15.1) BE ADOPTED.

CARRIED UNANIMOUSLY

CHIEF EXECUTIVE OFFICERS ADVISORY COMMITTEE

MINUTES

7 April 2010

(REF: COMMITTEES-10720)

A meeting of the Chief Executive Officers Advisory Committee was held at the EMRC Administration Office, 226 Great Eastern Highway, Belmont on Wednesday 7 April 2010. The meeting commenced at **12:30 pm**.

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6 PRESENTATIONS

Nil

7 ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

Nil

8 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil



9 REPORTS OF OFFICERS

9.1 REGIONAL BUSINESS CASE FOR BROADBAND INFRASTRUCTURE UPGRADES IN PERTH'S EASTERN REGION

REFERENCE: COMMITTEES-10710

PURPOSE OF REPORT

To advise Council that the Regional Broadband Business Case has been submitted by the EMRC to the National Broadband Network Company and to inform Council of related advocacy activities.

KEY ISSUES AND RECOMMENDATION(S)

- On 7 April 2009, the Federal Government announced an initial investment of \$4.7 billion to establish the National Broadband Network Company Limited to build and operate a new super fast National Broadband Network.
- On 9 June 2009, the CEOAC recommended to Council that broadband infrastructure be included as a priority for regional advocacy with the aim of maximising opportunities that arise with the rollout of the National Broadband Network for Perth's Eastern Region.
- On 2 July 2009, at the invitation of the City of Swan, representatives from the EMRC and the City of Swan briefed Senator Stephen Conroy, Minister for Broadband, Communications and the Digital Economy on the broadband issues experienced by residents and businesses in Perth's Eastern Region, as identified in the blackspot survey undertaken by the EMRC in 2008. Senator Conroy encouraged the EMRC and its member Councils to submit a comprehensive Regional Business Case to support inclusion of Broadband Infrastructure upgrades in Perth's Eastern Region within the rollout of the National Broadband Network.
- The CEOAC at its 11 August 2009 meeting endorsed the EMRC developing a Regional Business Case in collaboration with member Council officers.
- In February 2010, clarification of the State Government's position on broadband infrastructure was sought in a letter sent to Premier Barnett. A response received 30 March 2010 from Premier Barnett stated his support for the submission and provided advice on the Department of Commerce's upcoming telecommunications needs assessment of both the metropolitan area and the regions. The EMRC is in liaison with the Department to ensure the Regional Business Case is given priority status in this assessment.
- It is anticipated that the EMRC will submit the Regional Business Case to the National Broadband Network Company Limited in April 2010.
- As priority locations for rollout of the National Broadband Network are negotiated jointly between the Federal and State governments, the EMRC has undertaken advocacy activities at political and departmental levels to promote the strategic importance of Perth's Eastern Region to the State. All local members across Perth's Eastern Region are aware of the Regional Business Case and have offered their support to this initiative.
- Future advocacy actions in relation to broadband will be guided by the EMRC Regional Advocacy Strategy which will include an ongoing campaign of monitoring progress and informing local members.

Recommendation

That the submission of the Regional Business Case for Broadband Infrastructure Upgrades Across Perth's Eastern Region be noted.

SOURCE OF REPORT

Director Regional Services
Regional Development Coordinator



Item 9.1 continued

BACKGROUND

In March 2007, the Economic Development Officers Group (EDOG) identified that difficulties accessing affordable high speed broadband were a barrier to growth of existing businesses and to the attraction of investment to Perth's Eastern Region.

In early 2008, EMRC coordinated a survey on behalf of member Councils. The survey pointed to black spot locations and identified infrastructure and cost barriers to accessing high speed broadband in these locations.

In September 2008, the EMRC delegation to Canberra discussed the report findings with Senator Stephen Conroy, Minister for Broadband, Communications and the Digital Economy. Further advocacy was deferred pending clarity of the Australian Government's direction for the National Broadband Network.

On 7 April 2009, the Federal Government announced an initial investment of \$4.7 billion into the establishment of a new company; National Broadband Network Company Limited (NBN Co Limited), to build and operate a new super fast National Broadband Network.

On 9 June 2009, CEOAC recommended to Council that broadband infrastructure be included as a priority for regional advocacy with the aim of maximising opportunities that arise with the rollout of the National Broadband Network for Perth's Eastern Region.

On a visit to Perth on 2 July 2009, Senator Stephen Conroy was again briefed on the broadband issues for Perth's Eastern Region by representatives from the EMRC and the City of Swan. Senator Conroy advised Councils to be proactive and invited the EMRC to submit a comprehensive Regional Business Case to the NBN Company to consider inclusion of the region in early roll out of high speed broadband through the NBN.

On 27 August 2009 Council resolved that:

"EMRC COORDINATE THE DEVELOPMENT OF A REGIONAL BUSINESS CASE IN PARTNERSHIP WITH MEMBER COUNCIL OFFICERS, TO MAXIMISE OPPORTUNITIES IN PERTH'S EASTERN REGION THAT ARISE WITH THE ROLLOUT OF THE NEW NATIONAL BROADBAND NETWORK."

REPORT

Regional Broadband Business Case

It is anticipated that the Regional Broadband Business Case for Perth's Eastern Region will be submitted to the National Broadband Network Company Limited in April 2010.

The Regional Business Case presents the following argument:

- Western Australia - the economic importance, employment and population growth;
- Perth's Eastern Region - the economic importance, significant developments, employment, population growth, residential building approvals and level of disadvantage;
- High Speed Broadband to Perth's Eastern Region - the importance for existing and planned infrastructure in the areas of: transport, storage and logistics, education, health, waste management, energy management, telework and home based business, creative industries and as a tool to reduce social disadvantage;
- Existing Access to Broadband - the telecommunications infrastructure, internet speeds and type of internet connection); and
- Opportunities to Upgrade Broadband Services - areas that require access to high speed broadband and also offer significant economic and social benefits.



Item 9.1 continued

In accordance with advice received from Senator Conroy the business case addresses the following key elements:

- Economy - the importance of the Region to employment and economic activity;
- Demand - demonstration of high levels of need and demand for high speed Broadband;
- Equity - detailed information on the socio-economic profile of the region; and
- Infrastructure - an audit of broadband associated infrastructure across the Region.

Analysis of the four factors revealed the following priority areas across Perth's Eastern Region:

City of Swan

- Midland (Industrial, Commercial and Residential);
- Malaga (Industrial);
- Hazelmere, South Guildford (Industrial);
- Bullsbrook (Industrial and Residential); and
- Whiteman (Industrial).

Town of Bassendean

- Bassendean, Ashfield and Eden Hill (Residential, Commercial & Industrial)

City of Bayswater

- Morley (Commercial and Industrial)

City of Belmont

- Kewdale (Industrial);
- Belmont (Industrial, Commercial and Residential);
- Cloverdale (Residential); and
- Rivervale (Residential and Commercial).

Shire of Kalamunda

- Forrestfield (Industrial and Residential); and
- Kalamunda (Residential and Commercial).

Shire of Mundaring

- Mundaring (Residential and Commercial);
- Midvale (Industrial and Residential); and
- Swan View (Residential).

The complete Regional Business case comprises a document of approximately 350 pages. The document contains extensive and detailed information about the region and builds a convincing profile for why the region should be given priority status for rollout. Furthermore, it provides a strategic blueprint to support a detailed technical analysis that will be required to be undertaken by the Australian Broadband Company.



Item 9.1 continued

Given the extensive nature of the full Regional Broadband Case it was not practicable to include it with this report and only the executive summary is attached which outlines the key strategic issues and advantages for broadband rollout across Perth's Eastern region. Detailed technical maps were also developed and purchased under licence and thus cannot be made available publicly because of licensing agreement restriction placed by the service provider.

Broadband Advocacy Activities

As priority locations for rollout of the National Broadband Network are negotiated jointly between the Federal and State governments, the EMRC has undertaken advocacy activities at political and departmental levels to promote the strategic importance of Perth's Eastern Region to the State Government.

In February 2010, clarification of the State Government's position on broadband infrastructure was sought in a letter sent to Premier Barnett and the Treasurer. A response received 30 March 2010 from Premier Barnett stated his support for the submission and provided advice on the Department of Commerce's upcoming telecommunications needs assessment of both the metropolitan area and the regions.

The Department of Commerce has advised that preliminary meetings between State and Federal departmental officers to determine priority locations for broadband rollout occurred in March. Departmental officers have been briefed on the strategic importance of Perth's Eastern Region and have undertaken to assist in advocating the Region's business case in officer level negotiations.

Broadband issues have been included in advocacy briefings to State and Federal Members of Parliament serving Perth's Eastern Region. Strong interest in the subject has been shown and offers made to assist in advocating the regional business case.

Future advocacy actions in relation to broadband will be guided by the EMRC Regional Advocacy Strategy which will include an ongoing campaign of monitoring progress and informing local members.

STRATEGIC/POLICY IMPLICATIONS

Submission of the Regional Broadband Business Case for Perth's Eastern Region will contribute to Key Result Area 3 of the EMRC Strategic Plan for the Future, 2008/9-2013/14, specifically objectives;

- To facilitate increased investment in regional infrastructure;
- To facilitate regional economic development activities; and
- To market Perth's Eastern Region as an attractive investment destination.

FINANCIAL IMPLICATIONS

The Regional Business Case was prepared in-house. Customised maps showing the location of existing IT infrastructure in the region were purchased for use under license from a commercial company. \$9,314 was drawn for this purpose from Budget Item *Develop and Implement Lobbying and Advocacy Plan (73966/02)*.

SUSTAINABILITY IMPLICATIONS

Improvements in broadband infrastructure will provide affordable access and the internet speeds required for Perth's Eastern Region to be considered attractive for existing business to grow and for investment attraction.



Item 9.1 continued

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	The submission of the Regional Business Case for Broadband Infrastructure Upgrades Across Perth's Eastern Region to the National Broadband Network Company is anticipated to be lodged in April 2010 and ongoing advocacy and support from elected members and Chief Executive Officers may be required to ensure the case if progressed.
City of Bayswater	
City of Belmont	
Shire of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

Regional Business Case for Broadband Infrastructure Upgrades Across Perth's Eastern Region – Executive Summary (Ref: Committees-10723)

VOTING REQUIREMENT

Nil

RECOMMENDATION(S)

The submission of the Regional Business Case for Broadband Infrastructure Upgrades Across Perth's Eastern Region to the National Broadband Network Company be noted.

The Regional Development Coordinator, gave a presentation outlining the Regional Business Case for Broadband Infrastructure Upgrades in Perth's Eastern Region highlighting the opportunities to upgrade broadband services and areas which require access to high speed broadband which would offer significant economic and social benefits. The presentation outlined the responses received from the business community survey regarding upload and download speeds.

The Chairman asked if the survey sample size was representative of the whole business population, and whether, the sample size was large enough in some Local Government areas to corroborate the findings that upload and download speeds in Perth Eastern Region were below National and State averages in the Local Government areas other than Bassendean.

The Regional Development Coordinator advised that the results from the survey were dependent on member Council Officers' networks with business community and whilst some of the response levels were low from some Local Government areas, the aggregated sample showed a general trend that broadband speeds were under performing across the region.

The Director Regional Services advised that the recommendation was for noting the broadband case and not for approval as the complete submission comprised of 350 pages with detailed technical mapping that was developed and purchased under license from a private company which limited the Eastern Metropolitan Regional Council's ability to publish or pass this information to third parties without incurring additional licensing fees.



Item 9.1 continued

The Chairman suggested that a deputation on the broadband case be given to Senator Conroy, Minister for Broadband, Communications and the Digital Economy. Mr Foley also requested that a presentation be given to member Councils at their respective strategy or briefing sessions. This request was supported by all Chief Executive Officers and the Chairman further requested that these presentations should be customised to give greater focus on the information relating to each member Council area.

Mr Foley recommended that an amended recommendation be put strengthening support for the Broadband Business Case to be strongly supported by all member Councils and lodged in April 2010.

The Chairman thanked The Regional Development Coordinator for an excellent presentation and the Eastern Metropolitan Regional Council for developing the Regional Broadband Business Case.

CEOAC RECOMMENDATION(S)

MOVED MR FOLEY

SECONDED MR JARVIS

That the submission of the Regional Business Case for Broadband Infrastructure Upgrades Across Perth's Eastern Region to the National Broadband Network Company be noted and strongly supported.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR POWELL

SECONDED CR PULE

THAT THE SUBMISSION OF THE REGIONAL BUSINESS CASE FOR BROADBAND INFRASTRUCTURE UPGRADES ACROSS PERTH'S EASTERN REGION TO THE NATIONAL BROADBAND NETWORK COMPANY BE NOTED AND STRONGLY SUPPORTED.

CARRIED UNANIMOUSLY

Regional Business Case for Broadband Infrastructure Upgrades Across Perth's Eastern Region

Executive Summary

The Eastern Metropolitan Regional Council (EMRC) is a regional local government constituted by the Western Australian Government to work on behalf of Bassendean, Bayswater, Belmont, Kalamunda, Mundaring and Swan local governments. The EMRC and its member Councils together service approximately 300,000 residents and administer one third of the Perth Metropolitan area.

The EMRC is the only constituted Regional Council of its type capable of regional service delivery. Functional portfolios delivered by the EMRC include not only waste management but regional development, environmental services and risk management.

Perth's Eastern Region covers 2,100 square kilometres. The Region extends from the edge of the Perth CBD, along the Swan River through urban residential, commercial and industrial areas, into the scenic Swan Valley and up to the forest and prime agricultural land of the Darling Range.

The role of the EMRC is to partner with member Councils and other stakeholders to facilitate strategies and projects that achieve sustainable outcomes such as economic and employment growth for the Region. Difficulties accessing affordable high speed broadband has been identified as a significant barrier to expansion of existing businesses; attraction of new investment to the Region and social inclusion of residents.

Preliminary scoping of the extent of the problem was undertaken by the EMRC through a survey of residents and businesses in the Region, administered in early 2008. The survey pointed to black spot locations and identified infrastructure and cost barriers to access in these locations.

In order to demonstrate the suitability of the Region for early rollout under the National Broadband Network the EMRC has developed a regional business case that identifies opportunities and benefits would accrue to the Region with the introduction of affordable high speed broadband.

In particular, this business case identifies four key elements:

- *Economy* - the importance of the Region for employment and economic activity;
- *Demand* - demonstration of high levels of demand for high speed broadband;
- *Equity* - detailed information on the socio-economic profile of the Region; and
- *Infrastructure* - an audit of broadband associated infrastructure across the Region.

Economy

The nationally significant infrastructure and associated industries in Perth's Eastern Region positions it as a major contributor to the State and national economies. Perth's Eastern Region generates an estimated \$16,764 million¹ or 10.7% of Gross State Product². Perth's Eastern Region is the major air, rail and road transport hub servicing

the passenger and freight demands of the State of Western Australia. Transport infrastructure includes the Perth Airport, Kewdale Intermodal Freight Terminal, Metropolitan Grain Centre and national railway and highways. Interstate highways connecting to this infrastructure include the Great Eastern (Perth-Adelaide) and Great Northern (Perth-Darwin) Highways and the Region is at the intersection for all major metropolitan road freight routes include Roe, Leach, Tonkin and Reid Highways.

The strategic significance of Perth's Eastern Region as a transport and industry hub for the State is recognised in the State's recently released *Directions 2031; Draft Spatial Framework for Perth and Peel Region*.³ This guiding document for the future of Perth capital city and surrounds identifies three strategic centres in Perth's Eastern Region – Perth Airport, Midland and Morley. The Perth Airport centre is differentiated from the strategic city centres of Midland and Morley because of its primary focus on a specialised economic activity.

Perth Airport is the only strategic specialised centre of its kind in the entire Perth and Peel Region and provides a critical link in the Perth metropolitan Centres Network as it is a key driver of innovation and information exchange and generator of employment. The Perth Airport provides significant opportunities for the development of business synergies and agglomeration of like activities as outlined in the *Perth Airport Master Plan, 2009*⁴. Due to its specialised nature, the Perth Airport has a wider catchment than strategic city centres and will rely on a high level of access, particularly to public transport and communications, for effective operation.

Access to high speed broadband is essential for Perth's Eastern Region to maximise the economic and social benefits of the substantial investment by governments and private sector. Financial investment has been committed to the following new infrastructure developments.

Significant Developments

The State of Western Australia is predicted to enter another economic boom underpinned by major resource sector projects such as the Gorgon Gas project and Oakajee mid west port and rail development. The resource sector of Western Australia also produces royalties that the Federal Government relies on to support the social needs of all Australians. In the macro context it should be noted that Perth's Eastern region is the industrial hub that provides the logistical support and the supply chain required by the resource sector to effectively function. Large multinational companies such as Westrac and Schenker Australia have their headquarters located in this region. Other notable developments occurring in this region are outlined as follows:

Transport & Logistics

- *Perth Airport* - \$2.4 billion is being invested in the airport site by Westralia Airports Corporation to consolidate domestic and international terminals and associated roads and facilities. The intrastate terminal will be operational by 2011.
- *Kewdale Intermodal Freight Terminal* - \$17.9 million is being invested by the State government and private sector to redevelop the site including power, water, sewerage, drainage and roads.

- *Forrestfield Container Depot* - \$14 million is being invested by Australia Western Railway Pty Ltd (AWR) to developing a container depot in Forrestfield for the transfer of freight containers between rail and road transport. It will include rail connections to the adjoining main rail lines for access for trains to and from the Eastern States.

Education

- *Tertiary Education Campus* - Approximately \$200 million will be invested by Raffles Education Corporation to establish the Region's first university campus which will commence operation in 2011 servicing an estimated 5,000 students by 2021 through learning programmes linked to industry opportunities in design, commerce, nursing and education.
- *Governor Stirling Senior High School* - \$63 million is being invested by the State government to redevelop Governor Stirling Senior High School in Guildford, creating specialist centres in engineering and arts/media programmes.

Health

- *Midland Health Campus* - \$360.2 million has been committed by the Federal and State governments to establish a state-of-the-art facility in Midland replacing the Swan Districts Hospital Campus.
- *Midland GP Super Clinic* - \$10 million has been committed by the Federal and State governments to establish a clinic for practicing GPs, practice nurses, nurse practitioners and a range of allied health professionals.
- *Private Health Precinct* - Planning is underway to develop a seven centre health research precinct located near the future Midland Health Campus.

Creative Industries

- *Midland Atelier* - \$10.5 million is currently being sought to extend the existing Midland Atelier creative design facility.

Energy Management

- *Perth Solar Cities* - \$73.5 million has been committed by industry, State and Federal governments to develop and monitor solar generation, energy efficiency and energy demand management initiatives delivered to approximately 106,000 residential households in Perth's Eastern Region from 2009 to 2013.

Waste Management

- *Resource Recovery Facility* - between \$50 and \$100 million will be invested by the EMRC on behalf of its member Councils to develop a state-of-the-art Resource Recovery Facility and a Resource Recovery Park in Perth's Eastern Region.

Defence

- *RAAF Base Pearce Redevelopment Stage One* - \$154 million will be invested by the Department of Defence to increase training output functions by replacing aging infrastructure and facilities to ensure the Base can support pilot training, as well as operational deployments and exercises.

Importance of High Speed Broadband

Transport & Logistics

- Support the use of transport related smart infrastructure such as Intelligent Traffic Systems (ITS).
- Allow Real-time Freight Management Systems that the transport industry requires to enable freight brokers to identify loads, vehicle locations, destination and load status through the use of mobile data networks.

Education

- The new Raffles University will need high speed internet to deliver on site courses in disciplines requiring high speed access including; design, visual communications and commerce. Provision of online programs will require students in the Region to have access to high speed broadband in their homes.
- Enable innovative and flexible learning programs such as the Transforming Trade Training and Adaptive Learning Framework currently being utilised at Polytechnic West. To participate in these initiatives students need to be able to access high-speed broadband in the workplace and at home.

Health

- Development of the Midland Health Campus, the Midland Super GP Clinic and the Raffles University in a geographic cluster provides Perth's Eastern Region with the opportunity to develop a Centre of Excellence in E-health servicing the Region and the Eastern Wheatbelt.

Creative Industries

- Support current and future artisan enterprises to commercialise at the Midland Atelier creative design facility through a mix of optical fibre and an on-site wireless network

Energy Management

- Facilitate data capture of solar and wind energy production at Demonstration Project sites for subsequent tracking and publication of solar effectiveness through the Perth Solar City project.

Waste Management

- Facilitate information collection and sharing including waste collection and environmental monitoring data, waste volumes, recovery volumes, truck movements and transportation issues.
- Enable networked infrastructure to assist the EMRC to best manage the flow of waste to recovery.

Teleworking

- Access to high speed broadband will enable a greater number of business services to be performed remotely with improved productivity of teleworkers.

Opportunity to upgrade Broadband Services

Perth's Eastern Region offers a multitude of opportunities to upgrade broadband services by maximising existing infrastructure; leveraging significant developments that

are underway and; servicing proposed residential and industrial growth – the combined effect of which will contribute to a narrowing of the equity divide experienced by Perth's Eastern Region and increasing the productivity of its many large, medium and small enterprises servicing the Western Australian community.

The four elements of economy, demand, equity and infrastructure have been used to determine priority areas in Perth's Eastern Region that require access to high speed broadband and also offer significant economic and social benefits to communities of the Region. The priority areas are identified in Table 1.

Demand

Areas of high population growth, high levels of industrial and residential development and a lack of existing affordable broadband services provide high demand for the roll out of affordable high speed broadband services. The increasing trend of teleworking and home based businesses together with the increase in residents of student age in the Region also creates high demand.

The population of Perth's Eastern Region grew by 2.4% during the twelve months ended 30 June 2008⁵. This exceeded population growth for the State (2.1%) and nation (1.5%) in the same period.⁶ The Region is experiencing a steady growth in residential building approvals, a leading indicator of the general level of economic activity, employment and investment.

Overall 54.6% of households had no internet connection or relied on a dial up connection, and only 37.7% had broadband connectivity, compared with 50.8% and 41.1% respectively in the Perth Statistical Division.

Lack of detailed local internet download and upload speed data prompted the EMRC to conduct a speedtest survey of business and residents between December 2009 and January 2010. The survey found that, despite its close proximity to the Perth CBD, the Region (excluding the Town of Bassendean):

- experiences *both* download and upload speeds well below national and international levels; and
- Home-based business, businesses and households are unable to access high speed broadband.¹

Equity

Four of the six Councils in Perth's Eastern Region are amongst the State's ten most disadvantaged areas as identified by the 2006 Index of Relative Socio-Economic Disadvantage (SEIFA).⁷ In addition, the Employment Vulnerability Index⁸ rated 60.3% of Perth Eastern Region as Red Alert (high risk) or Amber Alert (medium risk); compared to the national study area which had only 42.5% of suburbs rated high or medium risk.

Demographic analysis shows that compared to the Perth Statistical Division, Perth's Eastern Region has:

¹ Please note that the amount of publicity and overall awareness of the Survey in specific member Council areas will have influenced this result.

- A larger proportion of people who leave school at an early level (Year 10 or less) (36.9% compared to 32.5%) and a smaller proportion of people who complete Year 12 or equivalent (41.1% compared to 46.3%);
- A smaller proportion of high income households (those earning \$1,700 per week or more) (21.1% compared to 24.8%) but a similar proportion of low income households (those earning less than \$500 per week) (17.4% compared to 17.0%);
- A larger proportion of workers employed as Technicians and Trades Workers (17.0% compared to 15.8%), Clerical and Administrative Workers (16.5% compared to 15.8%), Labourers (10.8% compared to 9.7%), Machinery Operators and Drivers (8.1% compared to 6.2%) and less employed as Professionals (16.2% compared to 20.6%) or Managers (10.4% compared to 11.3%); and
- A significantly larger proportion of Indigenous Australians (2.3% compared to 1.5%).

Overall, Perth's Eastern Region experiences high levels of disadvantage; evidenced by relatively unskilled and vulnerable occupations, low educational attainment, low income levels, a high Indigenous population and high transport vulnerability.

Most of the enhanced existing services and new services enabled by affordable high speed broadband will result in lifestyle benefits for residents and the delivery of community services.⁹ Therefore, it is essential that Perth's Eastern Region has access to high speed broadband to assist its communities to overcome high levels of disadvantage.

Infrastructure

Given the high level of development in industrial and residential areas; and investment by the private sector and Federal and State governments, there are multiple opportunities for upgrading existing telecommunications to achieve significant economic and social benefits in Perth's Eastern Region which will provide significant flow on benefits for the State.

Access to existing broadband infrastructure and developments, both planned and underway, along with supporting infrastructure upgrades such as road and underground power; provide an opportunity to simultaneously roll out high speed broadband infrastructure.

A significant opportunity exists to leverage the Geraldton Regional Backbone Blackspots Program. Geraldton in Western Australia is one of six national priority regional blackspot locations in which the Australian Government is investing \$250 million through the National Broadband Network. The Geraldton Regional Backbone Blackspots Program offers an opportunity to upgrade High Speed Broadband Services to Perth's Eastern Region as the infrastructure will be routed through the Region.

The four elements of economy, demand, equity and infrastructure have been used to determine priority areas in Perth's Eastern Region that require access to high speed broadband and also offer significant economic and social benefits.

Based on this, the Broadband Blackspots that require significant broadband upgrades were identified, as outlined in Table 1.

Table 1: Priority locations in Perth's Eastern Region for roll out of High Speed Broadband ¹⁰

Location	Economic	Demand	Equity	Infrastructure
City of Swan				
Midland (Industrial, Commercial & Residential)	<ul style="list-style-type: none"> - Recognised by State as Strategic City Centre. - Strategic Location (Proximity to transport networks & key industrial areas). - Existing Features (Midland Freight Line, Polytechnic West, Swan Health Service, Midland Atelier). - Future Developments (Freight Line Realignment, Health Campus, Super GP Clinic, University, Governor Stirling Senior High School). 	<ul style="list-style-type: none"> - 7.33 people per hectare (2006). - High residential growth from 2001 to 2006 (3.23%). - Growth in 18-24 & 50-69 year olds. - High percentage of households with no internet or a dial up connection (62.9%). - Low percentage of households with Broadband connection (25.05%). - High level of Business Growth & Developments. - Existing services provide insufficient download & upload speeds. 	<ul style="list-style-type: none"> - Access to existing backhaul fibre is cost prohibitive. - Low percentage of residents working from home (4.1%). - High level of Disadvantage (SEIFA). - Medium/High Employment Vulnerability. - Low percentage residents attending University (2.2%). - High percentage of residents with no qualifications (54.0%). - Low percentage of residents with educational qualifications (27.9%) - High percentage of households with low income (27.3%) - Low percentage of households with high income (9.9%). 	<ul style="list-style-type: none"> - Existing major backhaul fibre in Midland. - Major road upgrades planned or underway. - Major Land Use Developments underway.
Malaga (Industrial)	<ul style="list-style-type: none"> - Strategic Location (Proximity to transport networks & key industrial areas). - Large employment centre (10,000 employees in 660 hectares). - Development potential. 	<ul style="list-style-type: none"> - High Business Growth (Since establishment in mid 1980's business development has increased by an average of 58% a year). - Existing services provide insufficient download & upload speeds. 	<ul style="list-style-type: none"> - High Transport Vulnerability. - High level of disadvantage (SEIFA). 	<ul style="list-style-type: none"> - Close proximity to existing major backhaul fibre. - Major road upgrades planned or underway.

Hazelmere/ South Guildford (Industrial)	<ul style="list-style-type: none"> - Identified as State priority for extension as existing Industrial Estate. - Strategic Location (Proximity to Transport networks, Airport, Midland. Kewdale & Forrestfield). 	<ul style="list-style-type: none"> - Existing services provide insufficient download & upload speeds. - Limited access to ADSL & Wireless. - High development potential. 	<ul style="list-style-type: none"> - High level of disadvantage (SEIFA) - Medium/High Employment Vulnerability. 	<ul style="list-style-type: none"> - Close proximity to existing major backhaul fibre in Midland & Airport. - Access is cost prohibitive to small business.
Bullsbrook (Industrial, Residential)	<ul style="list-style-type: none"> - Identified as State priority for extension as existing Industrial Estate. - Strategic Location (Proximity to transport networks, RAAF Base). 	<ul style="list-style-type: none"> - High residential growth from 2001 to 2006 (9.07%). - Growth in 5-11, 35-49 & 60-69 Year olds. - High percentage of households with no internet or a dial up connection (73.2%). - Low percentage of households with Broadband connection (19.3%) - High percentage of residents working from home (6.6%). 	<ul style="list-style-type: none"> - Low percentage of persons attending University (1.4%). - Medium/High Employment Vulnerability. - High Percentage with no qualifications (52.5%). - Low percentage of residents with educational qualifications (36.4%) 	<ul style="list-style-type: none"> - Existing major backhaul through Bullsbrook. - Close proximity to proposed Fibre Backhaul to Geraldton.
Whiteman (Industrial, Residential)	<ul style="list-style-type: none"> - Identified as State priority Industrial Estate. 	<ul style="list-style-type: none"> - High development potential. - Close Proximity to high growth residential areas. 	<ul style="list-style-type: none"> - Close proximity to residential areas with High & Medium/High Employment Vulnerability 	<ul style="list-style-type: none"> - Close proximity to proposed Fibre Backhaul to Geraldton.

Town of Bassendean				
<p>Bassendean/Ashfield & Eden Hill (Residential, Commercial & Industrial)</p>	<ul style="list-style-type: none"> - Recognised by State as a Regional Industrial Area (Bayswater/Bassendean) and a Regional Town Centre (Ashfield) - Strategic Location (Proximity to transport networks, Perth CBD & Midland). 	<ul style="list-style-type: none"> - 12.20 people per hectare (2006) - Growth in 50-59 & 70-84 year olds. - High percentage of households with no internet or a dial up connection (57.1%). - Low percentage of households with Broadband connection (36.5%) 	<ul style="list-style-type: none"> - Low percentage of persons attending University (3.1%). - Low percentage of residents working from home (3.1%). - Medium/High Employment Vulnerability. (Eden Hill) - Access to existing backhaul fibre is cost prohibitive. - High percentage of households with low income (21.4%) - Low percentage of households with high income (18.2%). 	<ul style="list-style-type: none"> - Close proximity to existing major backhaul fibre. - Land Use Development planning underway. (Ashfield)
City of Bayswater				
<p>Bayswater/Morley (Industrial, Commercial, Residential)</p>	<ul style="list-style-type: none"> - Recognised by State as Strategic City Centre (Morley), and Regional Industrial Areas (Bayswater/Bassendean). - Existing Features (Mercy Hospital, Centro Galleria). - Strategic Location (Proximity to transport networks, Perth CBD & Midland). - Future Developments (Maylands Community Cultural Centre, Coventry Square Development). 	<ul style="list-style-type: none"> - High development potential (Tonkin Park & Former Cresco site). - 16.05 people per hectare (2006) - Growth in 50-59 & 60-69 year olds. - High percentage of households with no internet or a dial up connection (56.1%). - Low percentage of households with Broadband connection (35.2%) - Limited access to ADSL & Wireless in Industrial Areas. - Existing services provide insufficient download & upload speeds. 	<ul style="list-style-type: none"> - Low percentage of residents working from home (2.9%). - Medium/High Employment Vulnerability. - Access to existing backhaul fibre is cost prohibitive. 	<ul style="list-style-type: none"> - Close proximity to existing major backhaul fibre. - Road upgrades planned or underway. - Underground Power roll out planned or underway. - Major Land Use developments underway.

City of Belmont				
<p>Kewdale/ Welshpool (Industrial, Residential)</p>	<ul style="list-style-type: none"> - Existing Features (Kewdale Intermodal Freight Terminal). - Future Developments (Freight Line Realignment, Perth Airport redevelopment). - Strategic Location (Transport networks, proximity to Perth Airport, Perth CBD). 	<ul style="list-style-type: none"> - 6.67 people per hectare (2006). - Growth in 35-49 & 70-84 year olds. - High percentage of households with no internet or a dial up connection (69.5%). - Low percentage of households with Broadband connection (23.2%) - Existing services provide insufficient download & upload speeds. 	<ul style="list-style-type: none"> - Low percentage of persons attending University (2.9%). - Medium/High Employment Vulnerability. - High percentage residents with no qualifications (53.1%). - Low percentage of residents working from home (2.9%). - High percentage of households with low income (22.2%). - Low percentage of households with high income (15.7%). - Access to existing backhaul fibre is cost prohibitive. - Medium/High Employment Vulnerability. - High Percentage residents with no qualifications (53.1%). - Low percentage of residents with educational qualifications (34.6%) 	<ul style="list-style-type: none"> - Close proximity to existing major backhaul fibre. - Major land use developments underway.

<p>Belmont (Industrial, Commercial & Residential)</p>	<ul style="list-style-type: none"> - Strategic Location (Close proximity to Perth Airport, Kewdale Intermodal Freight Terminal & Perth CBD). 	<ul style="list-style-type: none"> - 11.26 people per hectare. - Residential growth from 2001 to 2006 (2.9%). - Growth in 18-24 & 50-59 year olds. - High percentage of households with no internet or a dial up connection (63.3%) - Low percentage of households with Broadband connection (27.5%) 	<ul style="list-style-type: none"> - Low percentage of persons attending University (3.6%) - Low percentage of residents working from home (2.1%). - Medium/High Employment Vulnerability. - High percentage of residents with no qualifications (50.7%). - Low percentage of residents with educational qualifications (33.9%) - High percentage of households with low income (24.9%). - Low percentage of households with high income (13.2%). - Access to existing backhaul fibre is cost prohibitive. 	<ul style="list-style-type: none"> - Major road upgrades planned or underway. - Close proximity to existing major backhaul fibre.
<p>Cloverdale (Residential)</p>	<ul style="list-style-type: none"> - Strategic Location (Close proximity to Perth Airport, Kewdale Intermodal Freight Terminal & Perth CBD). 	<ul style="list-style-type: none"> - 15.40 people per hectare (2006). - High residential growth from 2001 to 2006 (7.72%). - Growth in 35-49 year olds. - High percentage of households with no internet or a dial up connection (69.5%). - Low percentage of households with Broadband connection. (27.5%) 	<ul style="list-style-type: none"> - Low percentage of persons attending University (2.6%). - Low percentage of residents working from home (1.7%). - Medium/High Employment Vulnerability. - High percentage of residents with no qualifications (52.0%). - Low percentage of residents with educational qualifications (32.3%) - High percentage of households with low income (24.7%). - Low percentage of households with high income (13.3%). 	<ul style="list-style-type: none"> - Close proximity to existing major backhaul fibre. - Road upgrades planned or underway.

<p>Rivervale (Residential, Commercial)</p>	<ul style="list-style-type: none"> - Strategic Location (Close proximity to Perth Airport, Kewdale Intermodal Freight Terminal & Perth CBD). 	<ul style="list-style-type: none"> - 20.48 people per hectare (2006). - High residential growth from 2001 to 2006 (5.56%). - Growth in 18-24, 35-49 & 50-59 year olds. - High percentage of households with no internet or a dial up connection (59.0%). - Low percentage of households with Broadband connection (29.1%). 	<ul style="list-style-type: none"> - Low percentage of residents working from home (2.7%). - Medium/High Employment Vulnerability. - High percentage of residents with no qualifications (47.0%). - Low percentage of residents with educational qualifications (36.0%) - High percentage of households with low income (26.3%). - Low percentage of households with high income (16.8%). 	<ul style="list-style-type: none"> - Close proximity to existing major backhaul fibre. - Road upgrades planned or underway.
Shire of Kalamunda				
<p>Forrestfield (Industrial, Residential)</p>	<ul style="list-style-type: none"> - Existing Features (Forrestfield Metropolitan Grain Centre) - Future Developments (Forrestfield Container Depot). - Strategic Location (Close proximity to Perth Airport, Kewdale Intermodal Freight Terminal & Hazelmere). 	<ul style="list-style-type: none"> - 6.55 people per hectare (2006). - Residential growth from 2001 to 2006 (2.22%). - Growth in 50-59 & 60-69 year olds. - High percentage of households with no internet or a dial up connection (54.0%). - High development potential. 	<ul style="list-style-type: none"> - Low percentage of persons attending University (2.6%). - Low percentage of residents working from home (2.9%). - Medium/High Employment Vulnerability. - High percentage of residents with no qualifications (53.6%). - Low percentage of residents with educational qualifications (33.6%) - Low percentage of households with high income (19.0%). - Access to existing backhaul fibre is cost prohibitive. 	<ul style="list-style-type: none"> - Close proximity to existing major backhaul fibre. - Major Land Use Developments underway.

Kalamunda (Residential, Commercial)		<ul style="list-style-type: none"> - 6.11 people per hectare (2006). - Growth in 60-69 year olds. - High percentage of residents working from home (5.9%). - High percentage of residents with educational qualifications (47.6%). 	<ul style="list-style-type: none"> - Low percentage of persons attending University (3.5%) - Low/ Medium Employment Vulnerability. - Existing services provide insufficient download & upload speeds. 	
Shire of Mundaring				
Mundaring (Residential, Commercial)	<ul style="list-style-type: none"> - Strategic Location (Transport networks). 	<ul style="list-style-type: none"> - Residential growth from 2001 to 2006 (1.84%). - Growth in 18-24& 60-69 year olds. - High percentage of residents working from home (6.8%). - High percentage of residents with educational qualifications (43.3%). 	<ul style="list-style-type: none"> - Low percentage of persons attending University (2.0%). - Low/ Medium Employment Vulnerability. - Access to existing backhaul fibre is cost prohibitive. 	<ul style="list-style-type: none"> - Close proximity to existing major backhaul fibre.
Midvale –Bellevue (Industrial, Residential)	<ul style="list-style-type: none"> - Strategic Location (Close proximity to Perth Airport, Kewdale Intermodal Freight Terminal & Hazelmere). 	<ul style="list-style-type: none"> - 5.64 people per hectare (2006). - Low percentage of households with Broadband connection (23.9%). - Existing services provide insufficient download & upload speeds. 	<ul style="list-style-type: none"> - Low percentage of persons attending University (1.5%). - Low percentage of residents working from home (1.0%). - High Employment Vulnerability. - High percentage of residents with no qualifications (59.0%). - Low percentage of residents with educational qualifications (24.6%) - Low percentage of households with high income (9.5.0%). - High percentage of households with low income (29.3%). 	<ul style="list-style-type: none"> - Close proximity to existing major backhaul fibre.

<p>Swanview (Residential)</p>	<ul style="list-style-type: none"> - Strategic Location (Close proximity to Perth Airport, Midland, Forrestfield & Hazelmere). 	<ul style="list-style-type: none"> - 8.86 people per hectare (2006). - Growth in 60-69 year olds. - High percentage of households with no internet or a dial up connection (56.7.0%). - Low percentage of households with Broadband connection (36.6%). 	<ul style="list-style-type: none"> - Low percentage of persons attending University (2.2%). - Low percentage of residents working from home (2.9%). - Medium/High Employment Vulnerability. - High percentage of residents with no qualifications (52.0%). - Low percentage of residents with educational qualifications (36.9%) 	<ul style="list-style-type: none"> - Close proximity to existing major backhaul fibre.

¹ REMPLAN January 2010, Compelling Economics, Bendigo, Victoria

² Australian Bureau of Statistics, *Cat. No. 5220.0 - Australian National Accounts State Accounts 2008-09* (Reissue)

³ Western Australian Planning Commission 2009, *Directions 2031: Draft Spatial Framework for Perth and Peel*, Western Australian Planning Commission, Perth

⁴ Westralia Airports Corporation 2009, *Perth Airport Preliminary Draft Master Plan 2009*, Westralia Airports Corporation, Cloverdale, Western Australia

⁵ Australian Bureau of Statistics, *Cat. No. 3235.0 - Population by Age and Sex, Regions of Australia*, 2007

⁶ Australian Bureau of Statistics, *Cat. No. 3235.0 – Population by Age and Sex, Regions of Australia*, 2008

⁷ Australian Bureau of Statistics, *Socio-Economic Indexes for Areas (SEIFA)*, 2006.

⁸ Centre of Full Employment and Equity 2010, The University of Newcastle Australia, Callaghan, Melbourne, viewed 16 February 2010,

⁹ Mal Bryce AO, *High Capacity Broadband: an Economic, Environmental and Social Imperative for 2009 A Discussion Paper February 2009*, Pg 20

¹⁰ Australian Bureau of Statistics, *Socio-Economic Indexes for Areas (SEIFA)*, 2006.

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profile.id 2010, .id consulting pty ltd, Collingwood, viewed 16 February 2010, <<http://www.id.com.au/profile/emrc>>.

Western Australian Planning Commission 2009, *Directions 2031: Draft Spatial Framework for Perth and Peel*, Western Australian Planning Commission, Perth

Western Australian Planning Commission 2009, *Industrial Land Strategy: Perth and Peel (Draft - out for comment)*, Western Australian Planning Commission, Perth



9.2 DRAFT ENVIRONMENTAL SERVICES CONSULTING RATES 2010/2011

REFERENCE: COMMITTEES-10676

PURPOSE OF REPORT

To provide Council Environmental Services consulting rates proposed for 2010/2011.

KEY ISSUES AND RECOMMENDATION(S)

- The environmental consulting rates have evolved over time to meet the needs of the member Councils by providing a mix of rates based on the diversity of tasks and experience required to fulfil consulting activities.
- The rates have consistently been well below private sector consultancy rates (at least 50.00% less) and have only increased each year in accordance with CPI or marginally above CPI.
- In 2007, the proposed rates for 2007-2008 were assessed against actual costs for staff and a set percentage for overhead recovery (30.00%).
- The rates for 2009/2010 were reassessed against current costs in late 2008. This showed that costs could be maintained within a CPI-based increase of 4.35% - 5.52%, rounded to whole dollars for convenience.
- In 2010/2011 a less than 5% increase has been proposed with average increase of 4.48%.
- The proposed consulting rates will be used to develop the draft 2010/2011 budget.

Recommendation(s)

That the Draft Environmental Services Consulting Rates forming the attachment to this report be used for the development of the 2010/2011 draft budget and be referred to member Councils for consideration during the development of their 2010/2011 budgets.

SOURCE OF REPORT

Director Regional Services
Manager Environmental Services

BACKGROUND

Environmental Services consulting rates are reviewed on an annual basis as part of the preparation of the annual budget.

The environmental consulting rates have evolved over time to meet the needs of the member Councils by providing a mix of rates based on the diversity of tasks and experience required to fulfil consulting activities. The rates have consistently been well below private sector consultancy rates (around 50.00% less) and have only increased each year in accordance with CPI or marginally above CPI (average 4.00% - 7.00% per year).

REPORT

EMRC recognises the importance of maintaining reasonable charge out rates for member Councils to maintain the current levels of utilisation and to be in line with member Council budget expectations, as well as to provide a service that is competitive in the marketplace to benefit member Council

The proposed consulting rates for 2010/2011 are based around three levels of consultants in addition to Manager and Director. It is expected that most consulting activities would be undertaken by the Coordinators, Environmental Consultants and Project Officers in order to provide the best value for money proposition for member Councils.



Item 9.2 continued

Rates were reviewed in detail for 2007/2008, being measured against actual current staff and overhead costs to ensure that the rates proposed covered these costs whilst also meeting member Council expectations. This included the full cost to the EMRC of each staff member in each level of consultancy and included a standard allocation of 30.00% for overhead recovery. This resulted in increases of between 0.00% and 7.10% for member Council. External rates were raised by at least 30.00% to reflect higher commercial consulting rates.

A further detailed review took place in October 2008 to reassess current staff employment costs.

For 2009/2010, all Environmental Services charge out rates were increased by approximately the CPI (4.35% - 5.52%), rounded to the nearest whole dollar. Compared to rates for external clients, the member Council consulting rates represented a 55.00% - 60.00% discount, and the proposed EMRC rates a 41.00% - 55.00% discount.

Over the period 2009/2010 the EMRC Environmental Services team has provided external consulting services to the Town of Victoria Park, City of South Perth, the Shire of Broome and the Dieback Working Group amounting to approximately \$65,000 of revenue.

The proposed consulting rates will be used to develop the draft 2010/2011 budget project proposal which will then be presented to member Councils for consideration and approval. The EMRC Environmental Service is committed to aligning its consulting service and regional project delivery to meet member Council needs as the highest priority.

STRATEGIC/POLICY IMPLICATIONS

Adoption of the consulting rates for the preparation of the draft 2010/2011 budget will contribute towards the EMRC Strategic Plan for the Future 2008/2009 to 2013/2014 objective 3.4 "To improve member Council and EMRC financial viability" and strategy 3.4.4 "Review consulting rates and training course fees".

FINANCIAL IMPLICATIONS

The proposed rates will be used to develop detailed budgets and project plans for Environmental Service consulting activities.

SUSTAINABILITY IMPLICATIONS

The rates being proposed for the EMRC and member Councils recognise the competing demands on budgets from other sources and have been designed to facilitate the achievement of a sustainable service delivery arrangement.

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean City of Bayswater City of Belmont Shire of Kalamunda Shire of Mundaring City of Swan	The Draft Environmental Services Consulting Rates are used annually to assist with the formulation of budgets and for member Councils to be able to utilise EMRC Consultancy services as and when required.



Item 9.2 continued

ATTACHMENT(S)

Draft Environmental Services Consulting Rates 2010/2011 (Ref: Committees-10721)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That the Draft Environmental Services Consulting Rates forming the attachment to this report be used for the development of the 2010/2011 draft budget and be referred to member Councils for consideration during the development of their 2010/2011 budgets.

CEOAC RECOMMENDATION(S)

MOVED MR FOLEY

SECONDED MR COLE

That the Draft Environmental Services Consulting Rates forming the attachment to this report be used for the development of the 2010/2011 draft budget and be referred to member Councils for consideration during the development of their 2010/2011 budgets.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR POWELL

SECONDED CR PULE

THAT THE DRAFT ENVIRONMENTAL SERVICES CONSULTING RATES FORMING THE ATTACHMENT TO THIS REPORT BE USED FOR THE DEVELOPMENT OF THE 2010/2011 DRAFT BUDGET AND BE REFERRED TO MEMBER COUNCILS FOR CONSIDERATION DURING THE DEVELOPMENT OF THEIR 2010/2011 BUDGETS.

CARRIED UNANIMOUSLY

Draft Environmental Consulting Rates 2010/2011

	Prior Year Actuals					Proposed	
	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	% Change
<i>Member Council Consulting Fees</i>							
Consultant Director	\$78.00	\$80.00	\$85.00	\$88.00	\$92.00	\$96.00	4.35%
Consultant Manager	N/A	\$70.00	\$75.00	\$78.00	\$82.00	\$86.00	4.88%
Consultant Coordinator	\$58.00	N/A	\$65.00	\$68.00	\$71.00	\$74.00	4.23%
Consultant	\$56.00	\$58.00	\$58.00	\$60.00	\$63.00	\$66.00	4.76%
Project Officer	\$40.00	\$42.00	\$44.00	\$46.00	\$48.00	\$50.00	4.17%
<i>Other Organisations Consulting Fees</i>							
Consultant Director	\$110.00	\$115.00	\$150.00	\$165.00	\$174.00	\$182.00	4.60%
Consultant Manager	\$95.00	\$100.00	\$130.00	\$145.00	\$153.00	\$160.00	4.58%
Consultant Coordinator	\$95.00	N/A	\$130.00	\$145.00	\$153.00	\$160.00	4.58%
Consultant	\$85.00	\$90.00	\$120.00	\$132.00	\$139.00	\$145.00	4.32%
Project Officer	\$75.00	\$80.00	\$105.00	\$115.00	\$121.00	\$127.00	4.96%

* Note : All Rates are exclusive of GST



9.3 EMRC REGIONAL TOURISM STRATEGY, 2010-2015

REFERENCE: COMMITTEES-10699

PURPOSE OF REPORT

To seek Council approval of the EMRC Regional Tourism Strategy that will guide regional tourism development activities delivered by the EMRC for the period 2010 to 2015.

KEY ISSUES AND RECOMMENDATION(S)

- Council approved a programme for EMRC officers to develop a Regional Tourism Strategy 2010 to 2015 (RTS) for Perth's Eastern Region at its meeting 11 August 2009.
- The RTS has been developed using the Destination Management Framework developed by the Sustainable Tourism Cooperative Research Centre. This Framework is recognised as best practice in achieving a sustainable tourism destination and recommends activities be balanced across the three components of destination marketing, destination development and destination management.
- The RTS was developed in partnership with Experience Perth, Tourism WA and a project steering group consisting of member Council tourism and economic development officers.
- The RTS reflects a rebalancing of effort by the EMRC to a broader focus beyond destination marketing, addressing destination development and management issues including advocacy, infrastructure investment and product development.
- The RTS is structured around seven key focus areas, each with associated objectives and prioritised actions. Implementation of the RTS will be facilitated by the EMRC with support of member Council officers through the Economic Development Officers Group. Membership of this Group will be broadened to include officers with tourism responsibilities.
- In 2010/11 financial year contributions from member Councils will remain at the current level. EMRC officers will develop costed action plans to present to member Councils for consideration in the 2011/12 budget development process.
- The EMRC Marketing and Tourism Working Advisory Party reviewed the RTS at its meeting held 18 March 2010.

Recommendation

That Council:

1. Approves the EMRC Regional Tourism Strategy 2010–2015.
2. Invites all member Councils to receive a presentation on the Regional Tourism Strategy.
3. Request a tour of the region be conducted to familiarise EMRC Councillors with the range of tourism product and to share ideas to address challenges member Councils have in product development.

SOURCE OF REPORT

Director Regional Services
Tourism Project Coordinator

BACKGROUND

The EMRC has facilitated regional tourism development activities on behalf of member Councils since 1998. The EMRC approach to delivery of this role has been collaborative, partnering with member Councils; local, regional and state industry partners; and government to leverage funding and, more recently, sponsorship. The projects and initiatives delivered by the EMRC are those that deliver greatest benefit to the majority of member Councils. Activities have ranged from research and advocacy to promotion of events and trails. Some major achievements in recent years have included:



Item 9.3 continued

- Development, ongoing upgrade and maintenance of the destination promotion online tool www.perthtourism.com.au. The regional tourism portal ranks on the first page of Google when "Perth Events" is searched, and averages 1000 visitors a month.
- Investigation into the potential of Cycle Tourism and progressive implementation of five priority regional projects – Mountain biking infrastructure, Tour de Perth, Regional Cycling Festival feasibility study, Regional Perth Bike Network (PBN) plan, and the cycle tourism marketing publication.
- Development of the Swan Helena Rivers Foreshore Recreation Path Development Plan; and
- Development and promotion of umbrella regional events including Avon Descent Family Fun Days and Perth's Autumn Festival. These regional event programmes bring significant funding to the region, including over \$270,000 of direct grant and sponsorship funding (based on 2009/10 financial year), and attract up to 23,000 attendees (2008 Brookfield Multiplex Avon Descent Event Research Report).

The EMRC Council approved the development of a Regional Tourism Strategy at its 11 August 2009 meeting. (Ref: Committees-9564)

REPORT

This report outlines the process utilised in development of the Regional Tourism Strategy 2010-2015 and provides an overview of the key focus areas and associated objectives. The complete RTS document is shown at the attachment.

Development process

The RTS was developed in accordance with the approved work programme and timeline. Following were the main stages in the process:

- Project Steering Group (PSG) formed, comprised of member Council tourism and economic development officers plus external partners Experience Perth and Tourism Western Australia.
- PSG members conducted Tourism Health Checks to identify the current level of tourism activity being undertaken by each Council. Areas of low activity contributed to the focus of workshops.
- The EMRC reviewed strategic and statistical reports of government and industry partners to ensure the Region's priorities aligned.
- Two externally facilitated full day workshops were held with the PSG in November 2009. Gap analysis identified opportunities that were then assessed in terms of attractiveness and likelihood of success.
- Further investigation was undertaken on the issues and opportunities prioritised through the workshops to develop key focus areas with associated objectives and actions.
- The draft RTS then underwent review and prioritisation by the PSG, to arrive at the final draft RTS; and
- Review of the RTS by the EMRC Marketing and Tourism Working Advisory Party.

The RTS has been developed using the Destination Management Framework developed by the Sustainable Tourism Cooperative Research Centre. This Framework is recognised as best practice in achieving a sustainable tourism destination and recommends activities be balanced across the three components of destination marketing, destination development and destination management.



Item 9.3 continued

The RTS reflects a rebalancing of effort by the EMRC to a broader focus beyond destination marketing to address destination development and management issues including advocacy, infrastructure investment and product development. The need for a similar rebalancing of effort has been recognised as a national issue in the National Long Term Tourism Strategy released in December (2009) and at a state level in the Tourism WA Tourism Development Priorities (2010).

The RTS has seven key focus areas and associated objectives, which align with the three components necessary for sustainable management of Perth's Eastern Region.

KEY FOCUS AREA (KFA)	OBJECTIVE	
Destination Management		
KFA 1 Advocacy and Governance	Obj 1a	To increase the level of investment in regional tourism priorities.
	Obj 1b	To effectively guide the implementation of the RTS.
KFA 2 Research	Obj 2	To inform the management, development and marketing of Perth's Eastern Region through reliable research.
Destination Development		
KFA 3 Land Use Planning	Obj 3	To improve local land use planning processes to enable sustainable tourism development.
KFA 4 Infrastructure	Obj 4a	To improve visitor access to and movement within the Region.
	Obj 4b	To secure increased investment in infrastructure that will facilitate development of tourism.
KFA 5 Product development	Obj 5	To develop product that will attract visitors to Perth's Eastern Region.
Destination Marketing		
KFA 6 Regional Event Programmes	Obj 6a	To consolidate and strengthen the promotion of Perth's Autumn Festival.
	Obj 6b	To strengthen partnerships and collaboration in the promotion of the Avon Descent and Family Fun Days.
KFA 7 Collaborative Marketing	Obj 7	To attract visitors to Perth's Eastern Region through collaborative regional marketing activities.

Implementation of the RTS will be facilitated by the EMRC with support of member Council officers through the Economic Development Officers Group. Membership of this Group will be broadened to include officers with tourism responsibilities.

Key performance indicators and review processes have been identified to ensure implementation is effective and the RTS is achieving its vision:

"To create a vibrant, sustainable and quality tourism destination, which generates economic, environmental and social benefits for local communities, member Councils and visitors to Perth's Eastern Region".



Item 9.3 continued

Marketing and Tourism Working Advisory Party (MaTWAP)

The EMRC Marketing and Tourism Working Advisory Party at the 18 March 2010 meeting reviewed the draft RTS and made the following suggestions in relation to member Council adoption and engagement in its implementation.

- An informal briefing on the RTS is offered to all member Councils.
- Consideration is given to formalising the Marketing and Tourism Working Advisory Party as a Committee of Council.
- A tour of the region be conducted to familiarise EMRC Councillors with the range of tourism product and to share ideas to address challenges member Councils have in product development.

STRATEGIC/POLICY IMPLICATIONS

The RTS will contribute to achievement of strategies under Key Result Areas 2 and 3 of the EMRC Strategic Plan for the Future 2009-13, specifically objectives;

- 2.1 To facilitate regional tourism activities and research;
- 2.2 To facilitate regional cultural and recreational activities;
- 3.1 To facilitate increased investment in regional infrastructure; and
- 3.3 To facilitate regional economic development activities.

FINANCIAL IMPLICATIONS

The RTS has been undertaken in house by EMRC officers. Tourism WA provided \$5,000 matching funding to engage a consultant to facilitate workshops with the Project steering Group.

In 2010/11 the current tourism budget will be restructured to reflect the RTS. No additional contribution will be required from member Councils, beyond the existing financial contribution.

Detailed project plans and budgets to progress the RTS will be produced in 2010/11 and member Council contributions will be addressed through the existing annual budget development process commenced annually in October.

SUSTAINABILITY IMPLICATIONS

The RTS has been developed using a sustainable framework which is underpinned by triple bottom line considerations.

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} The Regional Tourism Strategy provides a strategic regional framework for member Councils to develop local tourism activities that align and leverage regional opportunities.
City of Bayswater	
City of Belmont	
Shire of Kalamunda	
Shire of Mundaring	
City of Swan	



Item 9.3 continued

ATTACHMENT(S)

Draft Regional Tourism Strategy 2010 – 2015 (Ref: Committees-10722)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That Council:

1. Approves the EMRC Regional Tourism Strategy 2010–2015.
2. Invites all member Councils to receive a presentation on the Regional Tourism Strategy.
3. Request a tour of the region be conducted to familiarise EMRC Councillors with the range of tourism product and to share ideas to address challenges member Councils have in product development.

The Chairman stated that the EMRC should be congratulated as the Regional Tourism Strategy is another example of the high quality of work that is generated by the organisation.

The Chief Executive Officer of the EMRC stated that the Regional Tourism Strategy was developed within a budget of \$10,000 of which \$5,000 was a funding grant from Tourism WA.

The Chairman requested that a presentation on the Regional Tourism Strategy as suggested by the Marketing and Tourism Working Advisory Party was an excellent idea and a very good approach to keep member Councils engaged and informed about the work being undertaken by the EMRC.

CEOAC RECOMMENDATION(S)

MOVED MR FOLEY

SECONDED MS LEFANTE

That Council:

1. Approves the EMRC Regional Tourism Strategy 2010–2015.
2. Invites all member Councils to receive a presentation on the Regional Tourism Strategy.
3. Request a tour of the region be conducted to familiarise EMRC Councillors with the range of tourism product and to share ideas to address challenges member Councils have in product development.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR POWELL


SECONDED CR PULE

THAT COUNCIL:

1. APPROVES THE EMRC REGIONAL TOURISM STRATEGY 2010–2015.
2. INVITES ALL MEMBER COUNCILS TO RECEIVE A PRESENTATION ON THE REGIONAL TOURISM STRATEGY.
3. REQUEST A TOUR OF THE REGION BE CONDUCTED TO FAMILIARISE EMRC COUNCILLORS WITH THE RANGE OF TOURISM PRODUCT AND TO SHARE IDEAS TO ADDRESS CHALLENGES MEMBER COUNCILS HAVE IN PRODUCT DEVELOPMENT.

CARRIED UNANIMOUSLY



Advancing Perth's Eastern Region 



Draft REGIONAL TOURISM STRATEGY 2010 – 2015

REF: Committees- 10717



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EXECUTIVE SUMMARY

The tourism industry is of vital importance to Perth's Eastern Region. It creates significant economic, environmental and social benefits for the Region, member Councils and their communities.

The EMRC on behalf of its six member Councils, the Town of Bassendean, City of Bayswater, City of Belmont, Shire of Kalamunda, Shire of Mundaring and City of Swan, has been undertaking action to develop and promote the Region's tourism industry for over ten years, with a particular focus on destination marketing and regional event promotion. Key achievements have included:

- Development and distribution of trails and event marketing collateral,
- Investigation and implementation of Cycle Tourism initiatives,
- Establishment of a regional tourism online portal,
- PerthTourism.com.au. Perth's Autumn Festival, and
- Avon Descent Family Fun Days,

This Regional Tourism Strategy (RTS) seeks to provide a strategic framework that enables the EMRC and its member Councils to broaden focus and deliver achievements beyond destination marketing and regional events by addressing issues such as land use planning, infrastructure and product development.

The structure and approach to development of the RTS is based on the Local Destination Management Framework, developed by the Sustainable Tourism Cooperative Research Centre¹. The Framework defines three interrelated components that must be progressed to achieve a sustainable tourism destination:

1. Destination Management:
2. Destination Development: and
3. Destination Marketing:

Using these three components of local destination management as an overarching guide, the following steps were taken in development of the Regional Tourism Strategy:

- Member Council officers conducted Tourism Health Checks² to identify the current level

¹ Sustainable Tourism Cooperative Research Centre, (2006). *Achieving Sustainable Local Tourism Management*.

² Sustainable Tourism Cooperative Research Centre, (2009) *Local Government Pathways to Sustainable Tourism*.

of tourism activity being undertaken by each Council,

- Two externally facilitated workshops were held with member Council and industry stakeholders, and
- The EMRC reviewed current tourism strategies, case studies, benchmarks and statistical reports relevant to the Region.

The main direction from the RTS development process was to redress the imbalance that had developed, whereby 90% of EMRC tourism activities focused on destination marketing. This imbalance has also been recognised as a national issue in the National Long Term Tourism Strategy released in December 2009.

The RTS has seven key focus areas, and associated objectives, which align with the three components necessary for sustainable management of Perth's Eastern Region.

KEY FOCUS AREA (KFA)	OBJECTIVE	
Destination Management		
KFA 1 Advocacy and Governance	Obj 1a	To increase the level of investment in regional tourism priorities.
	Obj 1b	To effectively guide the implementation of the RTS.
KFA 2 Research	Obj 2	To inform the management, development and marketing of Perth's Eastern Region through reliable research.
Destination Development		
KFA 3 Land Use Planning	Obj 3	To improve local land use planning processes to enable sustainable tourism development.
KFA 4 Infrastructure	Obj 4a	To improve visitor access to and movement within the Region.
	Obj 4b	To secure increased investment in infrastructure that will facilitate development of tourism.
KFA 5 Product development	Obj 5	To develop product that will attract visitors to Perth's Eastern Region
Destination Marketing		
KFA 6 Regional Event Programmes	Obj 6a	To consolidate and strengthen the promotion of Perth's Autumn Festival
	Obj 6b	To strengthen partnerships and collaboration in the promotion of the Avon Descent and Family Fun Days.
KFA 7 Collaborative Marketing	Obj 7	To attract visitors to Perth's Eastern Region through collaborative regional marketing activities

Implementation of the RTS will be facilitated by the EMRC with the support of its member Councils and in collaboration with external stakeholders. Key performance indicators and review processes have been identified to ensure implementation is effective and the RTS is achieving its vision

“To create a vibrant, sustainable and quality tourism destination, which generates economic, environmental and social benefits for local communities, member Councils and visitors to Perth’s Eastern Region”.

1.0 INTRODUCTION

The tourism industry is vital to Perth's Eastern Region, creating employment and economic benefits, supporting regional development, providing recreational opportunities for local residents and communities, and is an essential element of the Region's identity.

Perth's Eastern Region is comprised of three tourism precincts:

- *Swan River*
- *Swan Valley*
- *Perth Hills*

The Region is strategically placed within the Perth Metropolitan area, with Perth's international and domestic airports, as well as major roads and rail infrastructure linking Perth to the rest of Western Australia and Australia.

1.1 Tourism Value

Unlike other industries, tourism is not defined by its outputs, but by the market it serves. A bus trip purchased in any other circumstance is part of the transport industry; however a bus trip purchased by a tourist is a component of the tourist's experience, and therefore the tourism industry. Given the atypical nature of the industry, its economic value is often overlooked for more tangible industries.

In 2007/08 the Western Australian tourism industry:

- *Contributed **\$7.31 billion** (by Gross State Product) to the WA economy.*
- *Directly employed 47,100 people, and contributed indirectly to a further 35,430: making a total of **82,530 people** in WA employed in the tourism industry.*
- *Contributed 2.1% to the total WA economy by Gross Value Added, and indirectly a further 2.2%: making **4.3% in GVA contribution**.³*

To give the impact of these numbers some perspective, the Australian tourism industry employs 1 in 12 Australians⁴, and contributes more to the Gross Value Added (GVA) than the sectors of *Electricity, gas and water supply or Agriculture, forestry and fishing*⁵.

³ Sustainable Tourism Cooperative Research Centre, (2009). *The Economic Contribution of Tourism to Western Australia 2007-2008*.

⁴ Australian Government Department of Resources, Energy and Tourism, (2009). *National Long-Term Tourism Strategy*.

⁵ Tourism Research Australia, (2009). *Tourism's Contribution to the Australian Economy 2007-2008*.

2.1 Tourism and Perth's Eastern Region

The Eastern Metropolitan Regional Council (EMRC) has supported its member Councils and industry stakeholders to achieve tourism outcomes since 1998. The EMRC's mission is to partner with member Councils and other stakeholders to facilitate strategies and actions for the benefit and sustainability of Perth's Eastern Region. Tourism is identified as a priority industry in EMRC's Strategic Plan for the Future 2008/09 to 2013/14, which includes the strategy "to facilitate regional tourism activities and research"⁶. Tourism is also progressed through related EMRC strategies including the Regional Advocacy Strategy (RAS), the Regional Integrated Transport Strategy (RITS) and the Regional Economic Development Strategy (REDS).

The EMRC's regional tourism activities have ranged from investigating the feasibility of developing a sector (e.g. Cycle Tourism); coordinating implementation of a regional event promotion campaign (e.g. Avon Descent Family Fun Days) through to production of marketing collateral (e.g. PerthTourism portal).

The three tourism precincts within Perth's Eastern Region are at different stages in the tourism product development lifecycle. Therefore, progressing regional priorities identified in the RTS, such as infrastructure and product development, will require tailoring to the circumstances of each precinct.

2.0 AIM

The aim of the Regional Tourism Strategy 2010-2015 is to guide the Eastern Metropolitan Regional Council in its facilitation of regional tourism activities as agreed by member Councils for the period 2010 to 2015.

3.0 VISION

To create a vibrant, sustainable and quality tourism destination, which generates economic, environmental and social benefits for local communities, member Councils and visitors to Perth's Eastern Region.

4.0 LOCAL DESTINATION MANAGEMENT FRAMEWORK

The development of the Regional Tourism Strategy draws upon the Sustainable Tourism Cooperative Research Centre's Local Government Pathways to Sustainable Tourism program⁷. In particular, the structure and approach of the RTS has been based on the Local Destination

⁶ Eastern Metropolitan Regional Council, (2008). *Strategic Plan for the Future 2008/09 – 2013/14*.

⁷ Sustainable Tourism Cooperative Research Centre, (2009) *Local Government Pathways to Sustainable Tourism*.

Management Framework⁸ (the Framework). Please refer to Appendix one for the complete Framework. The Framework defines three components of destination management:

1. Destination Development: The pursuit of a type, style and level of tourism that contributes to the social, cultural, political and environmental sustainability of a place to live, to work and to visit,
2. Destination Marketing: The promotion of tourism both within and outside a destination to attract and influence visitors, and
3. Destination Management: The pursuit of strategies and practices that promote balanced, sustainable administration and management of the destination.

The RTS has seven key focus areas which align with the above components.

Destination Management

- | | |
|-------|-------------------------|
| KFA 1 | Advocacy and Governance |
| KFA 2 | Research |

Destination Development

- | | |
|-------|---------------------|
| KFA 3 | Land Use Planning |
| KFA 4 | Infrastructure |
| KFA 5 | Product development |

Destination Marketing

- | | |
|-------|---------------------------|
| KFA 6 | Regional Event Programmes |
| KFA 7 | Collaborative Marketing |

5.0 METHODOLOGY

The RTS Project Steering Group was formed to guide development of the RTS and ensure priorities complemented those of member Councils and partners. One officer from each member Council participated on the RTS Project Steering Group and contributed a broad range of knowledge and experience. The CEO of Experience Perth and the Tourism WA Regional Manager also provided valuable input.

The Project Steering Group undertook the following activities under the guidance of a tourism consultant appointed by the EMRC with financial support from Tourism WA:

- In preparation for the workshops member Council officers conducted Tourism Health Checks⁹ to identify the current level of tourism activity being undertaken by each Council. The areas of low activity that surfaced through this process provided valuable input and focus for the workshops.

⁸ Sustainable Tourism Cooperative Research Centre, (2006). *Achieving Sustainable Local Tourism Management*.

⁹ Sustainable Tourism Cooperative Research Centre, (2009) *Local Government Pathways to Sustainable Tourism*.

- The EMRC reviewed current tourism strategies and statistical reports relevant to the Region to inform discussion in the workshops.
- Two externally facilitated workshops were held in November 2009. Workshop participants undertook a gap analysis and visioning process. (refer to Appendix three for the PESTLE and SWOT analysis outcomes).
- Opportunities and enablers were then identified to bridge the gap and actions were noted that would help achieve the desired future situation. Opportunities were assessed in terms of the level of attractiveness and the chances of success.
- The actions were summarised from the Gap analysis, discussed by the group and assessed for relative priority.

During the course of developing the RTS two new strategies were released – the draft Tourism WA Experience Perth Tourism Development Priorities¹⁰ and the National Long Term Tourism Strategy¹¹. These two reports outline strategic priorities for attention and resourcing at a State and Federal level. These strategies were reviewed to ensure alignment of the Region's priorities with those at State and Federal levels.

Following the workshops, further investigation was undertaken on the key focus areas. This investigation specified the issue, identified past activities, and sourced relevant reports, case studies and benchmarks. This investigation assisted in the drafting of objectives and actions for the key focus areas. The report then underwent review and prioritisation by the project steering group, to arrive at the final RTS. The valuable outputs of the workshops and have been provided to member Council to inform local actions and strategy development.

6.0 TIMEFRAMES

A timeframe and level of priority is identified for each action. These identified timeframes and priority levels should be considered indicative only and should not hinder an action of low priority or long-term timeframe being undertaken if an opportunity should arise.

Timeframe	Actions to be completed	Priority	
Short term	2010 - 2011	High	Of high importance, needs a strong proactive approach, opportunities should be created
Medium term	2011 - 2013	Medium	Of medium importance, opportunities should be sought out.
Long term	2013 - 2015		
Ongoing	Throughout the implementation of the RTS.	Low	Of low importance, opportunities should be undertaken as they arise.

¹⁰ Tourism Western Australia, (2009). *Tourism Development Priorities Experience Perth*.

¹¹ Australian Government Department of Resources, Energy and Tourism, (2009). *National Long-Term Tourism Strategy*.

7.0 KEY FOCUS AREAS

7.1 DESTINATION MANAGEMENT

7.1.1 Key Focus Area One: Advocacy and Governance

Implementation of the RTS requires a continued collaborative approach by the Precincts and the Region and strengthened partnerships with government and industry stakeholders to progress shared priorities. Some examples are identified below.

- When actions need to occur at State or Federal government levels, persistent advocacy is required to keep these actions in the foreground. For example, issues of land use planning cannot be addressed without policy changes by the WA Planning Commission.
- When projects extend beyond the Region's boundaries, collaboration is required. For example, as river foreshore trails do not end at Council boundaries, connectivity needs to be addressed in partnership with the other 17 River Councils with foreshore responsibilities.
- When representing the Region, open communication with member Council officers is required to ensure comment is informed. For the EMRC to effectively seek opportunities for the Region, member Councils must keep the EMRC informed of the status of local projects and priorities.

Advocacy is a tool to influence the political, social and economic environment with the aim of maximising benefits for member Councils and their communities. Prior to development of the EMRC Regional Advocacy Strategy¹², tourism advocacy was undertaken by making regional submissions in response to external stakeholder policy and programme changes. For example, the Tourism WA review of Tourism Development Priorities. To give impetus to the Region's advocacy activities, the EMRC developed the Regional Advocacy Strategy, which outlines the regional issues faced by member Councils, the desired outcomes, target audiences and key messages to address these issues. Within the tourism context, the overarching aim of advocacy is to attract an increased share of investment or influence a policy change to benefit regional tourism priorities, through direct funding or by creating an environment for growth.

Communication between the EMRC and its member Council officers has historically occurred on a project-by-project basis. Whilst this approach is effective for the planning and review of annual marketing and event activities, the RTS key focus areas will require increased and ongoing

¹² Eastern Metropolitan Regional Council, (2009). *Regional Advocacy Strategy*.

communication at a strategic rather than operational level. The current Visitor Servicing Regional Advisory Group (VSRAG) does not have the breadth of scope and representation to perform this function. At the elected level, the Marketing and Tourism Working Advisory Party (MaTWAP) was established in 2008 to bring issues of strategic importance to the attention of the Council.

Expansion of the member Council representation on the existing Economic Development Officers Group has been identified as the most efficient and effective means of gathering member Council officer input to strategic tourism development issues.

Officers responsible for tourism within member Councils are subject experts in one or more sectors including economic development, marketing, recreation services and events. Invariably when projects are spread across diverse industries, keeping up with the influx of communication can be impractical and the need for communication sharing arises. To assist member Council officers in keeping abreast of tourism developments, the EMRC acts as a communication conduit, monitoring the external tourism communications, and advising officers of significant tourism developments.

Member Councils, not the EMRC, are the direct point of contact with tourism operators and local tourism organisations. The role of the EMRC is to support member Councils to progress issues effecting industry that are of a regional scale. This delineation of roles avoids duplication and reduces confusion for operators by maintaining a single line of communication and single point of contact with Local Government. In practice, it requires Council officers to actively communicate with and participate in activities that interface with the industry such as research and product development.

Objective 1a	To increase the level of investment in regional tourism priorities.	
	Defined:	Advocacy activities that progress the implementation of RTS actions.
	Actions:	1.1, 1.2, 1.3, 1.4, 1.5
	Process KPI	Progress of relevant advocacy activities including letters, media, submissions, briefings and responses.
	Result KPI	Increased funding to the Region
Objective 1b	To effectively guide the implementation of the RTS.	
	Defined:	An effectively operating advisory group with strong communication.
	Actions:	1.6, 1.7, 1.8
	Process KPI	Regularity and attendance at meetings.
	Result KPI	Number of actions progressed from meetings

	Action	Timeframe	Priority
1.1	Integrate regional tourism priorities into the EMRC Regional Advocacy Strategy.	Short	High
1.2	Implement and monitor progress of advocacy on regional tourism priorities.	Ongoing	Medium
1.3	Develop submissions to influence State and Federal government policy and program directions.	Ongoing	High
1.4	Collaborate with relevant regional networks and peak bodies to influence outcomes beneficial to Perth's Eastern Region.	Ongoing	High
1.5	Represent and promote the interests of Perth's Eastern Region at key conferences, meetings and other forums.	Ongoing	Medium
1.6	Monitor government and industry directions and developments and communicate significant opportunities to member Councils..	Ongoing	High
1.7	Facilitate a regular meeting of relevant member Council officers.	Ongoing	Medium

7.1.2 Key Focus Area Two: Research

The tourism sector is susceptible to over reliance on unsubstantiated personal perspectives and anecdotal experiences of visitor expectations and product requirements. Information can be fragmented or contradictory across different sources and is difficult to compile into a meaningful business case. Research provides valuable information for planning and decision making. However the current research can be difficult to apply due to issues such as:

- Ongoing research is conducted at a national and state level, specifically the International and National Visitors Surveys (IVS and NVS). The ability at a sub-regional level to make reliable decisions is low due to the small sample size of the IVS and NVS. Tourism Research Australia has acknowledged there are issues with the NVS, particularly with estimates of interstate visitation.
- At a local level, research is infrequent with methodology issues such as a small sample size – a reflection of budget constraints.
- The day trip market can be overlooked compared to research on tourists (visitors who stay for 1 night or more), due to the national measurement of day tripper requiring that a person undertake a journey of 50km or more for a period of greater than four hours. The proximity of Perth's Eastern Region underestimates day tripper visitation for this reason.

Research undertaken by Councils in Perth's Eastern Region has focused on understanding consumer demographics, expectations, motivations, satisfaction, expenditure and marketing effectiveness. In 2008, the EMRC conducted economic impact research at regional event programmes^{13,14} using the ENCORE¹⁵ research tool developed by the Sustainable Tourism Cooperative Research Centre (STCRC). Member Councils have partnered with TourismWA to undertake consumer research in tourism precincts, including the 2007 Perth Hills Visitation Study¹⁶ and the 2006 and 2009 Swan Valley Better Business Blitz Visitor Research^{17,18} on the day trip market.

¹³ Eastern Metropolitan Regional Council, (2008). *Brookfield Multiplex Avon Descent Event Research Report*.

¹⁴ Edith Cowan University, (2008). *Perth's Autumn Festival 2008*.

¹⁵ Sustainable Tourism Cooperative Research Centre, (2005). *ENCORE Festival and Event Evaluation Kit*.

¹⁶ Patterson Market Research, (2007). *Visitors to the Perth Hills*.

¹⁷ Tourism Western Australia, (2006). *Swan Valley Better Business Blitz Research*.

¹⁸ Tourism Western Australia, (2009). *Swan Valley Better Business Blitz Research*.

Research is principally the role of industry and other spheres of government. The role of Local government is to advocate for collaboration required to deliver research at a precinct and regional level. Member Councils are seeking to collaborate in the scoping and conduct of regional research by pooling limited funds and sharing administrative costs. Through collaboration a reliable sample size can be achieved, with the additional benefit of identifying synergies for implementing research findings.

Consumer research conducted at the precinct level has proven valuable for informing marketing activities. Going forward, the focus for regional research is to inform destination development, including obtaining information for making strategic decisions on issues and opportunities, informing business cases, and supporting advocacy and funding bids. An example of research required under the key focus area of Infrastructure could include researching possible solutions for transport to and between trails in the Perth Hills.

The National Long Term Tourism Strategy identifies a requirement to “evaluate the extent to which existing regional/destination data meet the needs of tourism operators, investors and policy makers”¹⁹ by April 2010. Opportunities will be sought to provide input on the data needs of the Region to this national evaluation and to apply relevant research approaches.

Objective 2	To inform the management, development and marketing of Perth’s Eastern Region through reliable research.	
	Defined:	Providing research to support evidence based decisions
	Actions:	2.1, 2.2, 2.3, 2.4, 2.5, 2.6
	Process KPI	Progress of relevant advocacy activities including letters, media, submissions, briefings and responses.
	Result KPI	Number of instances of research being applied including Council items, business cases and submissions.

	Action	Timeframe	Priority
2.1	Advocate for inclusion of Perth’s Eastern Region in the evaluation of regional/destination data needs to be undertaken through the National Long Term Tourism Strategy.	Short	High
2.2	Conduct an audit of current research activities impacting	Short	Medium

¹⁹ Australian Government Department of Resources, Energy and Tourism, (2009). *National Long-Term Tourism Strategy Work Plan*, p5.

	Perth's Eastern Region.		
2.3	Identify information needed to inform decision making by member Councils.	Medium	High
2.4	Create a regional research agenda.	Medium	High
2.5	Facilitate the implementation of the regional research agenda in partnership with government and industry.	Medium	Medium
2.6	Monitor the usage of EMRC research by member Councils to determine focus and cost benefit of research going forward.	Long	Medium

7.2 DESTINATION DEVELOPMENT

7.2.1 Key Focus Area Three: Land Use Planning

Planning, specifically the allocation of land to enable future tourism developments, is required for the continued development of Perth's Eastern Region as a sustainable tourism destination. A planning and regulatory environment that encourages investment in tourism development is essential. For example, land zoned for tourism can leverage the investment attraction activities proposed in the National Long Term Tourism Strategy and undertaken by Tourism WA and other state government agencies.

Examples of land use planning challenges faced by Perth's Eastern Region that will need to be taken into consideration:

- Encroachment of residential development can reduce the perception of a distinct holiday destination. Perth's Eastern Region is susceptible to residential encroachment due to its close proximity to Perth, attractive natural features and land affordability.
- Increasing population growth is placing pressure on land allocation, with Perth estimated to experience the highest population growth of all capital cities (116% by 2056)²⁰ Perth's Eastern Region 2008 population estimate is 303,894 with an estimated growth rate of 2.4% per annum²¹.
- Environmental pressures including fire risk, Swan River effluent risks, and drinking water catchment issues.
- To achieve commercial viability, developers of tourism accommodation are mixing residential and commercial use dwellings. This trend can be detrimental to the visitor experience, as identified in the Tourism Planning Taskforce Report²² and the 2009 Review of Accommodation Development Report²³.

The EMRC has facilitated activities to increase the knowledge of member Council officers on land use planning issues and accommodation investment attraction barriers. In 2009, Tourism WA commenced discussions with individual member Councils on the selection of strategic tourism sites, which identified issues including:

- Lack of Local Tourism Planning Strategies

²⁰ Australian Bureau of Statistics, (2005). *3222.0 – Population Projections, Australia, 2004-2101*.

²¹ Australian Bureau of Statistics, (2007), *3235.0 – Populations by Age and Sex, Australia, 2006*.

²² Tourism Western Australia, (2006). *Tourism Planning Taskforce Report*.

²³ Jones Land LaSalle Hotels. (2009). *Review of Accommodation Development*.

- Limited sites currently ready for development
- Constraints imposed by other agencies including the Department of Environment and Conservation (DEC), Swan Valley Planning Committee, Department of Water and Swan River Trust,
- Difficulty achieving financial viability of tourism-only accommodation, and
- Conflict with resident aspirations,
- Limited available research.

Addressing these barriers to planning and development will require both advocacy and research in collaboration with Tourism WA and other State agencies. Education and capacity building is required within Local Government, both for town planners to understand the requirements of tourism and for tourism officers to improve understanding of the importance and process of land use planning to secure land for future tourism growth.

The allocation of land for tourism is facilitated by the establishment of a Local Tourism Planning Strategy (LTPS), the precursor to the inclusion of tourism zones in Town Planning Schemes. According to the Western Australian Planning Commission (WAPC) a LTPS “*will need to address current and future demand, identify tourism sites and provide guidance on tourism development zones and infrastructure needs*”²⁴.

An LTPS is a complex strategy and requires collaboration with many stakeholders including local government tourism officers, town planners, planning committees, the Western Australian Planning Commission and Tourism WA. Only one Council in the Experience Perth region has undertaken a LTPS, with the benchmark set by the City of Mandurah’s LTPS in June 2009²⁵. Prior to developing a LTPS, member Councils must have completed destination planning and visioning with stakeholders to inform the direction of a LTPS. Once completed, the LTPS will identify sites for targeted investment attraction, to be actioned in Key Focus Area 5.

Objective 3	To improve local land use planning processes to enable sustainable tourism development.	
	Defined:	Increase tourism and land use planning knowledge and skills of member Council officers.
	Actions:	3.1, 3.2, 3.3, 3.4
	Process KPI	Progress of relevant advocacy activities including letters, media,

²⁴ Western Australian Planning Commission, (2009). *Planning Bulletin 83/2009 Planning for Tourism*.

²⁵ City of Mandurah, (2009). *Local Tourism Planning Strategy*.

		submissions, briefings and responses.
	Result KPI	Number of member Council officers participating in education opportunities.

	Action	Timeframe	Priority
3.1	Advocate to State agencies and industry bodies for inclusion of tourism planning in professional activities and education resources.	Medium	Medium
3.2	Advocate to State agencies to address policy barriers and planning procedures.	Medium	Medium
3.3	Facilitate regional information exchange on tourism land use planning and the purpose of Local Tourism Planning Strategies.	Medium	Medium
3.4	Advocate for Tourism WA and State agencies to support member Councils in development of LTPS (examples of resources include guides, templates or professional development activities).	Long	Medium

7.2.2 Key Focus Area Four: Infrastructure

To date there has been a significant underinvestment by successive state and federal governments in the infrastructure required to underpin and attract tourism investment to Perth's Eastern Region. The EMRC currently advocates to attract infrastructure investment for regional priorities, many of which relate to tourism including; affordable high speed broadband access; integrated transport and the Swan and Helena Rivers foreshore stabilisation and trail development.

A finding of the study into accommodation development in WA was that "Overwhelmingly stakeholders believed the role of government should focus on the development of supporting tourism infrastructure"²⁶. Member Councils rely heavily on attracting Federal and State government funding through grant programs to establish infrastructure. Government funding programs are grossly under allocated and favour rural and remote regions, evidenced in the following examples:

- Swan River Trust Riverbank grants scheme - \$900,000 annually to support Councils undertake foreshore restoration works along the entire length of the Swan and Canning rivers system²⁷. Restoration to just one site can absorb all of this funding.
- Department of Sport and Recreation (DSR) Lotterywest Trails Grant Program - \$1 million annually across the whole state to plan, design, construct and promote trail experiences²⁸.
- Department of Transport Perth Bicycle Network Local Government funding programme - \$1 million annually across the whole metropolitan area to support Councils to plan, design, construct and promote cycle paths.²⁹, and
- The inaugural TQual (Tourism Quality) Federal grant program provided no funding for projects in the Perth metropolitan area³⁰.

Activation of the Swan River foreshore is a priority for Perth's Eastern Region and is being facilitated by supporting member Councils in the implementation of the Swan and Helena River

²⁶ Jones Land LaSalle Hotels. (2009). *Review of Accommodation Development*, p30.

²⁷ Swan River Trust, (2009). *Riverbank Grants Scheme*.

²⁸ Department of Sport and Recreation, (2010). *2010 DSR Trails Grant Application Form*.

²⁹ Department of Transport, (2010). *2010 -2011 Perth Bike Network Local Government Grants*, sited at <http://www.dpi.wa.gov.au/cycling/1535.asp> on 11 February 2010.

³⁰ Australian Government Department of Resources, Energy and Tourism, (2009). *TQUAL Grants Successful Projects*.

Management Framework³¹. The EMRC's role is to develop, facilitate and implement regional strategies to guide member Councils in a coordinated and efficient approach to addressing regional scale issues including riverbank restoration, access via foreshore trails and conservation and interpretation of heritage values. For example, the Swan and Helena River Regional Recreational Path Development Plan³² outlines the required planning to upgrade existing or complete the missing links and directional signage required to activate the Swan River foreshore, requiring an estimated investment of \$7.2 million. In 2009, the production of a Heritage Audit and Statement of Significance³³ provided foundation research to progress development of interpretation along the river foreshore. Completion and interpretation of the river foreshore trail will provide a soft adventure walk and cycle experience, increase environmental and cultural appreciation, improve visitor access to attractions and enable river trail product development.

Trails are important tourism infrastructure in Perth's Eastern Region. The Region boasts 10 of the State's 54 Top Trails³⁴, including the iconic long distance Bibbulmun Track and Munda Biddi Bike Trail, the historical Kep Track and Railway Reserves Heritage Trail, and the Swan Valley Food and Wine Trail. The internationally recognised Bibbulmun Track and Munda Biddi Bike Trail combined draw an estimated 190,000 people per year^{35,36}. These trails provide infrastructure on which quality commercial visitor experiences can be developed, trail service hubs established, and related product experienced developed. Trails of this significance present ongoing maintenance, trail expansion, interpretation and promotional challenges for trail managers who require the support of State and Federal governments to meet the significant costs of these activities. A new role has been identified for the EMRC to advocate for increased government allocation to relevant grant programmes.

Of growing importance is the EMRC's role in advocating for regional infrastructure priorities through the preparation of regional submissions and funding applications. A recent example was the regional submission to the Tourism WA Tourism Development Priorities³⁷ which resulted in the inclusion of five key priorities for the Region. Advocating for inclusion of tourism priorities in the development of related regional strategies is also imperative, such as the proposed Regional

³¹ Hassell Ltd, (2007). *Swan and Helena River Management Framework Report*.

³² Transplan Pty Ltd, (2009). *Swan and Helena Rivers Regional Recreation Path Development Plan*.

³³ Latitude Creative Services, Heritage and Conservation Professionals, and National Trust (WA), (2009). *Swan and Helena Rivers Management Framework Heritage Audit and Statement of Significance*.

³⁴ Top Trails, (2009). *Top Trails Browser*, sited at <http://www.toptrails.com.au/index.php/trails/> on 11 February 2010.

³⁵ Colmar Brunton Social Research, (2009). *2008 Bibbulmun Track User Research Report*, p2.

³⁶ Munda Biddi Trail Foundation (2009). *History of the Trail*, sited at <http://mundabiddi.org.au/trail-info/explore-the-trail/history-of-the-trail.html> on 11 February 2010.

³⁷ Tourism Western Australia, (2009). *Tourism Development Priorities Experience Perth*.

Cycle Masterplan for Perth's Eastern Region.

Objective 4a	To improve visitor access to and movement within the Region.	
	Defined:	Improving transport options for visitors to the Region.
	Actions:	4.1, 4.2, 4.3
	Process KPI	Progress of relevant advocacy activities including letters, media, submissions, briefings and responses.
	Result KPI	Increase in transport options to or within Perth's Eastern Region.
Objective 4b	To secure increased investment in infrastructure that will facilitate development of tourism.	
	Defined:	Increasing funding for the development of tourism related infrastructure.
	Actions:	4.1, 4.2, 4.3, 4.4
	Process KPI	Progress of relevant advocacy activities including letters, media, submissions, briefings and responses.
	Result KPI	Number of tourism infrastructure projects (new or expansion of existing) under planning, construction or completion.

	Action	Timeframe	Priority
4.1	Identify tourism transport priorities for the Region to be included in the EMRC Regional Integrated Transport Strategy.	Short	High
4.2	Advocate for implementation of transport priorities within Tourism WA Tourism Development Priorities including: - Improved transport links around Perth Airport - Development of the proposed Perth to Darwin highway to reduce freight traffic on the Swan Valley Food and Wine Trail.	Ongoing	High
4.3	Advocate for increased allocation to government programs that support tourism infrastructure development e.g. signage, trails, interpretation.	Ongoing	High
4.4	Develop grant applications to support regional infrastructure priorities. e.g. River foreshore trail interpretation	Ongoing	Medium
4.5	Facilitate implementation of the Swan and Helena Rivers Regional Trail Development Plan.	Short	Medium
4.6	Advocate for implementation of infrastructure priorities within Tourism WA Tourism Development Priorities	Ongoing	Medium

7.2.3 Key Focus Area Five: Product Development

There is growing recognition at all levels that action must be taken on the destination supply side to develop and improve the standard of product to reach visitor expectations set by destination marketing. This recognition is reflected at a national level in the National Long Term Tourism Strategy³⁸ and at a State level within the Tourism WA Strategic Plan (2008-2013)³⁹. Product development is dependant upon land use planning and infrastructure provision. Land use planning identifies sites at which new products can develop, while infrastructure enables the environment that fosters confidence of existing business and that attracts new investors.

Perth's Eastern Region needs to stimulate new product development to refresh the destination's range of tourism offerings. Product development is often discussed in terms of commercial accommodation development, however this RTS encompasses all forms of products, private and public, delivered to tourists including attractions, activities and packaged tour experiences.

The current status of new tourism product is low, indicated by:

- In 2009 four tourism accommodation projects were registered as under planning or construction in the Region⁴⁰. However, progress on three of the four projects has been deferred since 2007⁴¹,
- Anecdotal feedback from stakeholders in the Region is that a product gap exists for built attractions. This view needs to be validated through research to clarify if, and what type of built attractions are desired and for which markets.

Perth's Eastern Region is a diverse Region, with three precincts at different stages of the Tourism Area Lifecycle⁴². The lifecycle is shown in the following graph. The positioning of precincts reflects the assessment by Tourism WA. Progressing regional priorities identified in the RTS, such as infrastructure and product development, will require tailoring to the circumstances of each precinct.

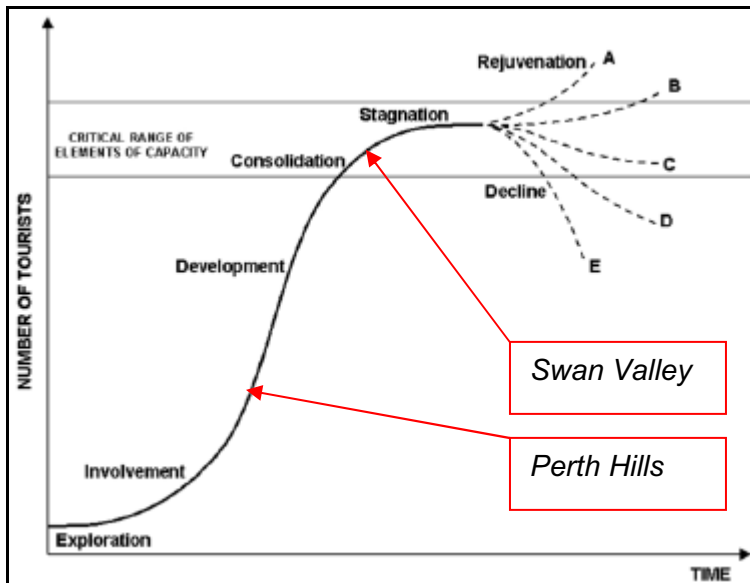
³⁸ Australian Government Department of Resources, Energy and Tourism, (2009). *National Long-Term Tourism Strategy*.

³⁹ Tourism Western Australia, (2007). *Tourism Western Australia Strategic Plan 2008 to 2013: Building for the Future*.

⁴⁰ Tourism Western Australia, (2009). *Tourism Accommodation Development Register*.

⁴¹ Tourism Western Australia, (2007). *Tourism Accommodation Development Register*.

⁴² Butler, R, (1980). The Concept of a Tourist Area Cycle of Evolution. First published in *The Canadian Geographer* 24(1), 5-12.



Graph 1.0 The Tourism Area Lifecycle⁴³

The Region is host to well developed food, wine, art and heritage tourism product, and has significant natural assets, albeit with access and amenity issues to address before experiences can be fully developed. Opportunities for new product development are emerging as trail infrastructure and interpretation improves, such as guided walks and cycle tours.

The role of government is to create policy and provide infrastructure that facilitates commercial investment in product development. At a local government level this is achieved by ensuring that;

- tourism is provided for in strategic and town planning schemes;
- development approval processes are straightforward and timely;
- informing other spheres of government where policies are impeding investment; and
- educating the community on the value of tourism.

The expectation is that the State government role is to partner with and attract investment from across government portfolios, the federal government and the private sector to provide infrastructure, and ensure a sustainable approach is pursued. At a regional level, the EMRC needs to work with all spheres of government to achieve regional tourism priorities.

The RTS identifies the EMRC's role in product development as to support implementation of

⁴³ Butler, R, (1980). The Concept of a Tourist Area Cycle of Evolution. First published in The Canadian Geographer 24(1), 5-12.

regional scale projects prioritised by member Councils in the Tourism WA Tourism Development Priorities⁴⁴. These current or proposed projects include:

- Swan Indigenous Tourism projects including Yagan memorial and proposed Indigenous Cultural Centre,
- Kalamunda Community and Cultural Centre,
- Mundaring Weir precinct redevelopment, and
- Swan River commercial developments.

A product gap analysis will be undertaken to identify product development opportunities that can be further investigated through pre-feasibility or market preference studies. Tourism investment attraction opportunities can then be progressed through the EMRC's Regional Economic Development Strategy in partnership with Tourism WA and other partners. State government can also support the development of tourism product by ensuring approvals processes of its agencies, such as the Swan River Trust, are straightforward and timely.

Increasingly, product and infrastructure developments are being undertaken through public/private partnerships. A local example is the proposed Kalamunda Community and Cultural Centre, which will demonstrate how the support of government developed infrastructure can bring private tourism offerings to fruition. Through the provision of a government funded building, opportunities have arisen to foster commercial tourism developments, such as providing a centralised meeting place for tour departures.

Member Council officers recognise that product quality is an issue of increasing importance in differentiating tourism destinations. It was determined that member Councils, through their business development activities are best positioned to facilitate product improvements by service providers. For example, the City of Swan business development program launched in 2009, 'The Swan Experience', offers training in customer service excellence in partnership with the Small Business Centre East Metro.

Objective 5	To develop product that will attract visitors to Perth's Eastern Region.	
	Defined:	Identifying and promoting tourism product investment opportunities
	Actions:	5.1, 5.2, 5.3
	Process KPI	Number of products investigated or promoted for investment.
	Result KPI	Number of products (new or expansion of existing) under planning, construction or completion.

⁴⁴ Tourism Western Australia, (2010). *Tourism Development Priorities Experience Perth*.

	Action	Timeframe	Priority
5.1	Conduct a product gap audit to determine what new and refreshed products are required.	Medium	High
5.2	Conduct market preference studies or pre-feasibility studies on product gap audit recommendations.	Long	Low
5.3	Promote product development opportunities to potential investors.	Long	Medium

7.3 DESTINATION MARKETING

7.3.1 Key Focus Area Six: Regional Event Programmes

Events are an important vehicle for Local Governments to engage with residents, businesses and key stakeholders. Events provide an opportunity for interaction with the community and, if well targeted, can foster a sense of place by communicating values of the destination, and build civic pride. Events can also improve a destination's profile which may become a catalyst for attracting new audiences and investment to the region. Member Councils in Perth's Eastern Region host and support a vibrant event programme with events suited to both residents and visitors.

The EMRC supports the development and promotion of two key regional festival programmes; Perth's Autumn Festival and the Avon Descent Family Fun Days. The EMRC facilitates regional collaboration amongst member Council and stakeholders with the aim of leveraging partner funding, increasing efficiency, expanding market reach and cross-promotion.

Perth's Autumn Festival is a six week programme of events selected by member Councils including one tourism event and one cycling event per Council.

The EMRC contracts an event management company to perform the following functions;

- Support event managers in the development of event business plans,
- Coordinate public relations, and
- Produce a collaborative multi-media marketing campaign, including radio, brochure and online elements.

The study into the feasibility of establishing a Festival of Cycling in Perth's Eastern Region⁴⁵ recommended cycling events be included in the Perth's Autumn Festival programme. 2010 will see the introduction of four cycling events in the Perth's Autumn Festival programme.

Avon Descent Family Fun Days are a series of five family-orientated events held annually along the banks of the Avon and Swan Rivers on the first weekend of August with the aim of engaging local communities and visitors with the Avon Descent white water race. Since 2004 the EMRC has applied and acquitted funding from Lotterywest on behalf of the member Councils and the Shires of Toodyay and Northam. Lotterywest funding supports member Councils to meet costs of staging Family Fun Days including; event infrastructure, entertainment, community engagement activities and promotion. This funding also supports a significant collaborative regional marketing

⁴⁵ Team Works Australiasia, (2009). *Feasibility Assessment Festival of Cycling in Perth's Eastern Region*.

campaign coordinated by the EMRC. In 2008, the EMRC undertook in-house economic impact research⁴⁶ of the event using the ENCORE⁴⁷ program to better understand the audience, assess the financial impact of the event and evaluate the effectiveness of marketing activities.

In 2009, an external review⁴⁸ of the Avon Descent Family Fun Days was commissioned by the EMRC with financial support from Lotterywest. The review recommended how the event concepts could be refreshed, event management practices improved, and collaboration increased with the Northam Avon Descent Association.

The EMRC maintains a regional tourism portal, PerthTourism.com.au, which promotes events to residents and visitors. Member Councils and event organisers in Perth's Eastern Region can list and update events at no cost. The redeveloped website is being launched in early 2010 and will provide increased event promotion opportunities and include features on the Avon Descent and Perth's Autumn Festival regional event programmes, and significant local events of appeal to visitors including Spring in the Valley, Mundaring Truffle Festival, TargaWest, Trek the Trail.

Objective 6a	To consolidate and strengthen the promotion of Perth's Autumn Festival.	
	Defined:	Effective development and promotion of Perth's Autumn Festival
	Actions:	6.1, 6.2
	Process KPI	Marketing coverage (number of ads/articles per medium). Successful integration of cycling events in the Festival programme.
	Result KPI	Increase in number of attendees at participating events
Objective 6b	To strengthen partnerships and collaboration in the promotion of the Avon Descent and Family Fun Days	
	Defined:	Effective promotion of the Avon Descent and Family Fun Days
	Actions:	6.3, 6.4
	Process KPI	Marketing coverage (number of ads/articles per medium)
	Result KPI	Retain Lotterywest funding of Family Fun Days

	Action	Timeframe	Priority
6.1	Coordinate Perth's Autumn Festival regional marketing campaign.	Ongoing	High

⁴⁶ Eastern Metropolitan Regional Council, (2008). *Brookfield Multiplex Avon Descent Event Research Report*.

⁴⁷ Sustainable Tourism Cooperative Research Centre, (2005). *ENCORE Festival and Event Evaluation Kit*.

⁴⁸ Mellen Events, (2009). *Review of Avon Descent Family Fun Days*.

6.2	Support member Councils to implement sustainability initiatives at Perth's Autumn Festival.	Ongoing	Low
6.3	Apply and acquit Lotterywest funding for the Avon Descent Family Fun Days to support member Councils stage community events.	Ongoing	High
6.4	Coordinate Avon Descent Family Fun Days regional marketing campaign in collaboration with the Northam Avon Descent Association.	Ongoing	High

7.3.2 Key Focus Area Seven: Collaborative Marketing

The EMRC facilitates a range of regional marketing activities to promote Perth's Eastern Region as a tourism destination. Activities involve collaboration with regional and external partners to leverage funding opportunities. Examples include; Cycle Perth's Eastern Region, Sunday Times Magazine feature, and Top Trails marketing initiatives. The promotion of Perth's Eastern Region includes buying into relevant government subsidised destination marketing activities delivered by the Regional Tourism Organisation Experience Perth, such as the annual Experience Perth Holiday Planner.

Visitor information, referrals and booking services are provided by three Visitor Centres in Perth's Eastern Region. The increasing shift to online holiday planning and product booking makes the secure online booking capacity offered by the Swan Valley Visitor Centre a beneficial service to the Region's operators.

The regional tourism portal, PerthTourism.com.au, maintained by the EMRC drives potential visitors to the Region's Visitor Centres for information and bookings. The portal does not contain commercial operators as this function is held with the Visitor Centres which have the direct and ongoing relationship with operators.

PerthTourism.com.au is used as the single 'call to action' in the promotion of the Region's experiences, trails and events. The online regional event calendar provides a convenient single point of contact for the promotion of events (including the two major regional festivals), and free promotion for events within Perth's Eastern Region. In 2009, PerthTourism.com.au underwent a significant redevelopment, providing a modern and vibrant new portal for the Region. 2009 also saw the merger of the previous trails site, www.perthtrails.com.au, into PerthTourism.com.au. The redeveloped website will be launched in early 2010 and give increased control of event listings and promotion opportunities for event managers.

Objective 7	To attract visitors to Perth's Eastern Region through collaborative regional marketing activities.	
	Defined:	Participating in collaborative marketing activities for the promotion of the Region.
	Actions:	7.1, 7.2, 7.3
	Process KPI	Estimated exposure of Region by marketing activities.
	Result KPI	Improved level of visitation to PerthTourism.com.au measured by number of visitors, events and search engine ranking.

	Action	Timeframe	Priority
7.1	Purchase regional advertorial in the annual Experience Perth Holiday Planner.	Ongoing	Medium
7.2	Produce and distribute regional collateral through regional outlets and Experience Perth distribution channels (including domestic and international consumer shows).	Ongoing	Medium
7.3	Maintain a regional tourism portal for the promotion of events, trails, experiences and referral of potential visitors to the Region's Visitor Centres.	Ongoing	Medium

8.0 IMPLEMENTATION, REVIEW AND EVALUATION

For the Regional Tourism Strategy to achieve its objectives, emphasis needs to be placed on implementation and effective and ongoing evaluation and monitoring.

8.1 Roles

The main role of the EMRC is to;

- advocate to the State and Federal governments on regional priorities,
- coordinate collaboration amongst member Councils to implement regional scale activities,
- monitor and communicate external developments and opportunities to member Councils.

Implementation of the RTS also requires the ongoing participation of member Councils. The role of member Council officers over the next five years is to actively engage in implementation of regional actions that have relevance at the local level. This will involve

- participating oin the EMRC advisory and project groups,
- leveraging regional advocacy activities,
- consulting and engaging with local industry,
- delivering local events,
- promoting the value of tourism to their local communities,
- liaising with other business units within their Council,
- keeping the EMRC informed of local activities and other project delivery responsibilities.

As discussed in key focus area one, a revised governance group is required for the effective implementation of the Regional Tourism Strategy. Expansion of the existing Economic Development Officers Group (EDOG) has been identified as the most efficient and effective means of gathering member Council officer input to strategic tourism development issues. To accommodate the increased workload of the group, it is recommended that the EDOG meetings increase from bimonthly to monthly. It is also recommended that the content of meetings alternate between tourism and wider economic development matters.

For a broader understanding of the role of stakeholders in the tourism industry structure, please refer to appendix two.

8.2 Resources

Implementation of the Regional Tourism Strategy will continue to be resourced from member Council and EMRC contributions, supplemented by grants for projects. Member Council contributions are calculated using the agreed formula that considers rate base ($\frac{1}{3}$), population ($\frac{1}{3}$) and equal share ($\frac{1}{3}$). The annual contributions from member Councils factor in a 5% increase each year to take into account CPI increases.

Historically, member Council contributions have been negotiated on an annual basis. As recommended in the RTS development process, member Council contributions will now be negotiated biennially, following the biennial RTS review.

To facilitate regional tourism development the EMRC employs a dedicated Tourism Projects Coordinator. Supporting this role are the Regional Development Manager, Administration Officer, and specialist consultants (as required). Other officers of the EMRC contribute technical assistance in economic development, advocacy, transport and marketing.

8.3 Review

A primary role of the governance group of member Council officers will be to conduct a biennial review of the Regional Tourism Strategy. The review aims to keep the RTS relevant to the priorities of member Councils. The review will assess the progress of the RTS against the completion of individual actions and as measured against the key performance indicators (KPIs).

The review is just one of the methods undertaken to communicate progress with member Councils. The Regional Development Activities Report to EMRC Council informs elected members quarterly of progress updates. Input of elected members into the review process will be facilitated through the EMRC Marketing and Tourism Working Advisory Party.

8.4 Key Performance Indicators

The key performance indicators (KPIs) listed below are indicative measures, recognising that EMRC's activities are just one contributor to achievement of an objective. The division of KPIs into "Process" and "Result" KPIs reflects that, despite the amount of action undertaken by the EMRC and member Councils, achievement of the final result is influenced by a range of external factors.

OBJECTIVE	KEY PERFORMANCE INDICATOR
Destination Management	
Objective 1a	Process KPI Progress of relevant advocacy activities including letters, media, submissions, briefings and responses.
	Result KPI Increased funding to the Region.
Objective 1b	Process KPI Regularity and attendance at meetings.
	Result KPI Number of actions progressed from meetings
Objective 2	Process KPI Progress of relevant advocacy activities including letters, media, submissions, briefings and responses.
	Result KPI Number of instances of research being applied including Council items, business cases and submissions.
Destination Development	
Objective 3	Process KPI Progress of relevant advocacy activities including letters, media, submissions, briefings and responses.
	Result KPI Number of member Council officers participating in education opportunities.
Objective 4a	Process KPI Progress of relevant advocacy activities including letters, media, submissions, briefings and responses.
	Result KPI Increase in transport options to or within Perth's Eastern Region.
Objective 4b	Process KPI Progress of relevant advocacy activities including letters, media, submissions, briefings and responses.
	Result KPI Number of tourism infrastructure projects (new or expansion of existing) under planning, construction or completion.
Objective 5	Process KPI Number of products investigated or promoted for investment.
	Result KPI

	Number of products (new or expansion of existing) under planning, construction or completion.
Destination Marketing	
Objective 6a	Process KPI Marketing coverage (number of ads/articles per medium) Successful integration of cycling events in the Festival programme.
	Result KPI Number of attendees at participating events.
Objective 6b	Process KPI Marketing coverage (number of ads/articles per medium)
	Result KPI Retain Lotterywest funding of Family Fun Days.
Objective 7	Process KPI Estimated exposure of the Region by marketing activities.
	Result KPI Improved level of visitation to PerthTourism.com.au measured by number of visitors, events and search engine ranking.

9.0 ACKNOWLEDGEMENTS

The EMRC would like to acknowledge the valuable contributions of the following people:

Regional Tourism Strategy Project Steering Group

William Barry, Economic Development Officer, Town of Bassendean

Ling Gaspar, Property and Economic Development Officer, City of Belmont

Piero Fazio, Economic Development Officer, City of Bayswater

Marion McFadden, Tourism Industry Adviser, Shire of Kalamunda

Damien Martin, Economic Development Adviser, Shire of Mundaring

Peta McAuliffe, (former) Business Development – Strategic Partnerships Officer, City of Swan

Sascha Stone, Tourism Development Officer, City of Swan

Noeleen Pearson, Chief Executive Officer, Experience Perth Regional Tourism Organisation

Rachel Telford, Experience Perth Regional Manager, Tourism WA

The EMRC also acknowledges the financial contribution of Tourism WA to the development of the Regional Tourism Strategy.

The Sustainable Tourism Cooperative Research Centre Pathways to Sustainable Tourism program provided a framework for the development of the EMRC Regional Tourism Strategy. The EMRC acknowledges the previous work conducted by the Sustainable Tourism Cooperative Research Centre.

10.0 CONTACT INFORMATION

Correspondence on the Regional Tourism Strategy 2010-2015 should be directed to the EMRC Tourism Project Coordinator on (08) 9424 2226 or tourism@emrc.org.au

11.0 GLOSSARY

EDOG – Economic Development Officers Group

EMRC – Eastern Metropolitan Regional Council

LTPS – Local Tourism Planning Strategy

Member Councils – The six member Councils of the Eastern Metropolitan Regional Council- Town of Kalamunda, City of Bayswater, City of Belmont, Shire of Kalamunda, Shire of Mundaring and City of Swan.

RTS – Regional Tourism Strategy

SRT – Swan River Trust

STCRC – Sustainable Tourism Cooperative Research Centre

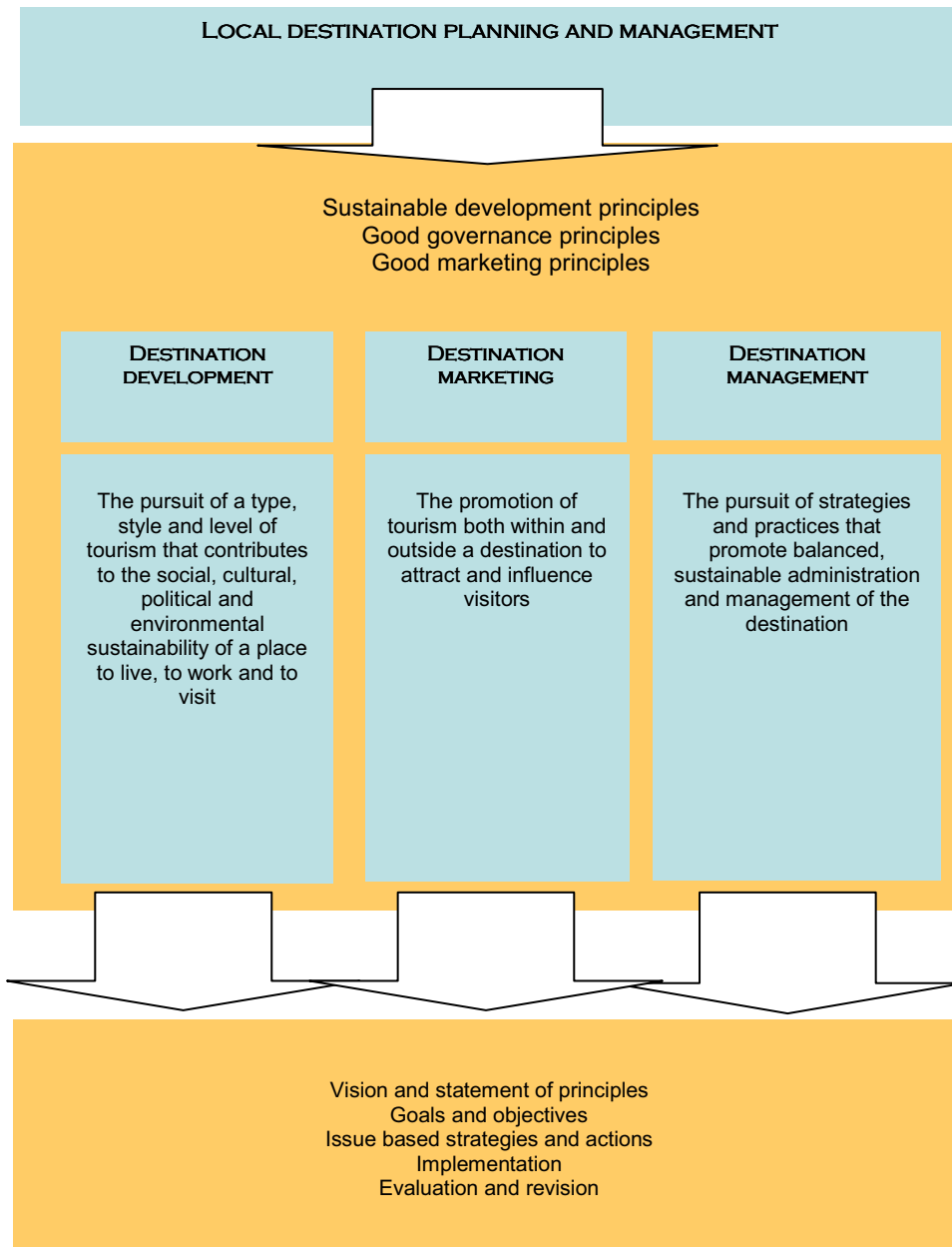
TWA – Tourism Western Australia

WAPC – Western Australian Planning Commission

APPENDICES

Appendix One

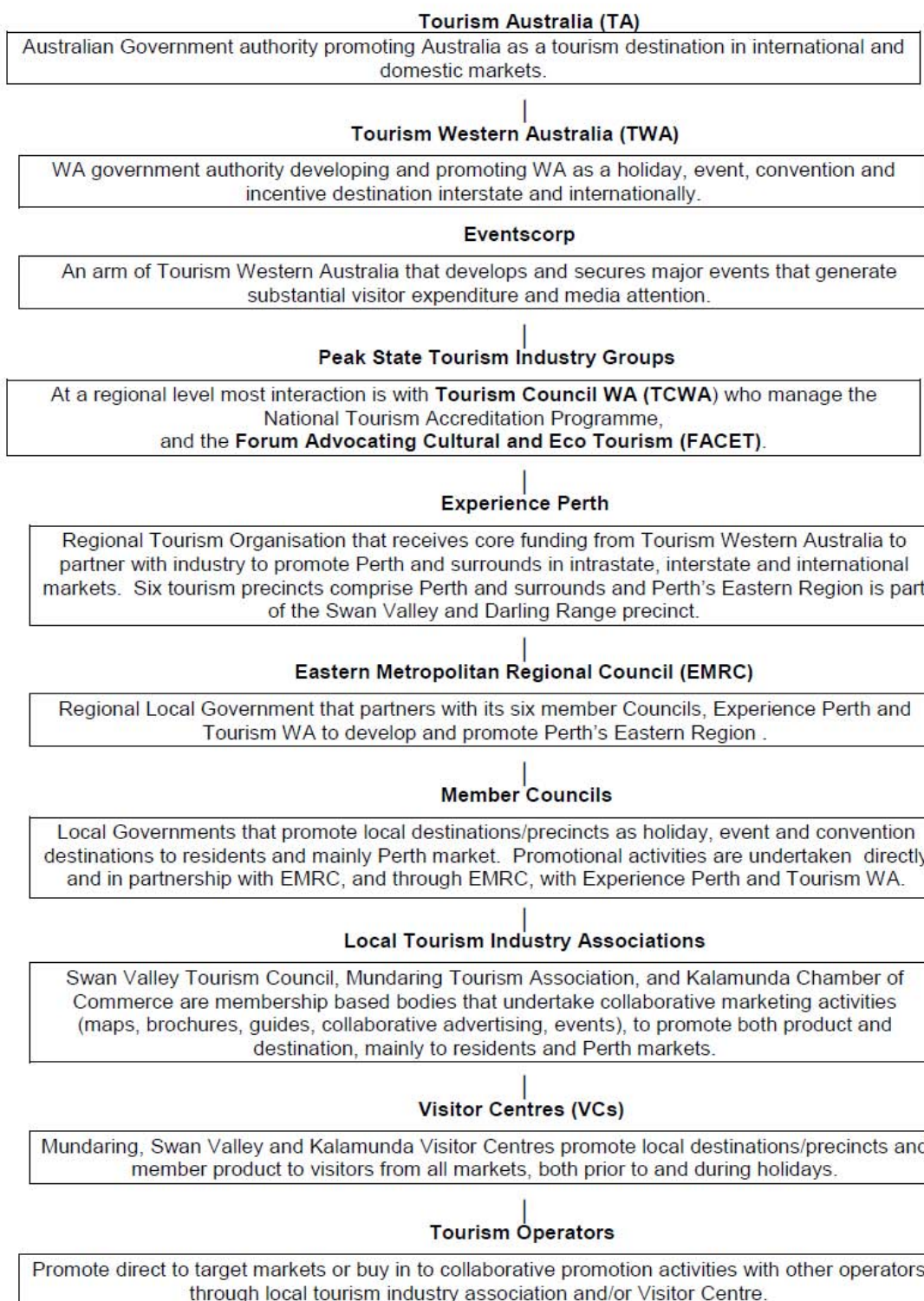
Local Destination Management Framework⁴⁹



⁴⁹ Sustainable Tourism Cooperative Research Centre, (2006). *Achieving Sustainable Local Tourism Management*.

Appendix Two

Industry Structure Chart



Appendix Three

Regional Tourism Strategy Workshop One Outcomes

PESTLE Outcome

	Notes from Research
Political	<p>Tourism is not well defined at the national level.</p> <p>Conflicting political ideology.</p> <p>Tourism is not recognised by the WA government as important as the resources sector.</p> <p>All levels of government limit funding to tourism.</p> <p>Data is difficult to comprehend, fragmented and out of date.</p> <p>Engagement between spheres of government is lacking.</p> <p>Advocacy and lobbying needed.</p> <p>Lack of strategic vision – hard to maintain given elections and changes in elected members in some councils.</p> <p>Difficult to measure value and impact of tourism.</p> <p>Council amalgamations and services sharing.</p> <p>Coming into elections – priority and direction shifts.</p> <p>New councils – less knowledge or lack of priorities.</p>
Economic	<p>Data in 2007/08 indicates growth in value but may not be the current situation.</p> <p>Tourism is difficult to quantify in economic terms.</p> <p>Need to align more with traditional industries to increase impact.</p> <p>High costs of construction.</p> <p>Lack of investment in tourism infrastructure.</p> <p>Manufacturing down.</p> <p>Boom – economy focus, infrastructure focus and staffing demands.</p> <p>Bust – confidence in new product development and investment.</p>
Social (and Cultural)	<p>Research tools not well developed or used (databases, online)</p>
Technological	<p>Society is getting more technologically savvy.</p>
Legal	<p>Impacts of legislation – daylight saving, retail trading hours.</p> <p>Too concerned with enforcing regulations and stopping any development.</p> <p>Emissions trading.</p> <p>Aviation policy.</p> <p>River regulations.</p> <p>Water policy impacting on tourism and recreation.</p> <p>Liability (walk trails etc).</p>

	Notes from Research
	Small players not engaged with legal requirements.
Environment	<p>Need to bring extremes (pro development vs completely cutting off eco areas) together to a more balanced approach to tourism.</p> <p>Perth river precinct very under developed.</p> <p>Industry not interested or engaged.</p> <p>Sustainability.</p> <p>The river's health and survival.</p>

Regional Tourism Strategy Workshop One: SWOT Opportunities and Threats

Aspect	Threats	Opportunities
Infrastructure	<p>Lack of key infrastructure and facilities in the Region.</p> <p>Less funding available from the Federal government.</p> <p>A lack of real balance between environmental sustainability and the demand for nature based tourism.</p> <p>State government appears to be risk adverse.</p>	<p>Lobbying and advocacy – one voice for the Region.</p> <p>Funding – may be easier to access if done on a regional basis.</p> <p>Activating the river precinct.</p>
Product & Industry	<p>Lack of political emphasis on tourism as an important industry.</p> <p>Tourism development being limited by zoning and regulatory issues.</p> <p>Urbanisation encroaching on semi rural/tourism areas.</p>	<p>Lobbying and advocacy – one voice for the Region.</p>
Research	<p>Lack of reliable data for decision-making.</p> <p>Not using research to inform strategy development.</p>	<p>Better planned research that is adequately funded.</p>



12 FUTURE MEETINGS OF THE CHIEF EXECUTIVE OFFICERS ADVISORY COMMITTEE

The next meeting of the Chief Executive Officers Advisory Committee will be held on **4 May 2010** (informal) at the **City of Bayswater** commencing at 12.30pm with lunch at 12noon.

Chief Executive Officers' Advisory Committee (CEOAC) meetings commence at 12noon:

Tuesday	4	May (informal)	at	City of Bayswater
Tuesday	1	June	at	EMRC Administration Office
Tuesday	6	July (informal)	at	TBA
Tuesday	3	August	at	EMRC Administration Office
Tuesday	7	September (informal)	at	TBA
Tuesday	5	October	at	EMRC Administration Office
Tuesday	16	November (informal)	at	TBA

13 DECLARATION OF CLOSURE OF MEETING

There being no further business the meeting was closed at 1:37pm.



**15.2 TECHNICAL ADVISORY COMMITTEE MEETING HELD 8 APRIL 2010
(REFER TO MINUTES OF COMMITTEE - YELLOW PAGES)
REFERENCE: COMMITTEES-10577**

The minutes of the Technical Advisory Committee meeting held on **8 April 2010** accompany and form part of this agenda – (refer to yellow section of 'Minutes of Committees' for Council accompanying this Agenda).

QUESTIONS

The Chairman invited general questions from members on the report of the Technical Advisory Committee.

RECOMMENDATION

That with the exception of items, which are to be withdrawn and dealt with separately, the recommendations in the Technical Advisory Committee report (Section 15.2) be adopted.

Cr McKechnie referred to report item 9.3 – Proposed Household Hazardous Waste Collection Program 2010-2011 and asked for more information regarding the uncertainty related to the Household Hazardous Waste (HHW) programme being fully funded by the Waste Authority. The Director Waste Services advised that the Waste Authority had not yet made a recommendation but they would need to submit it to the Minister first. Cr McKechnie stated that the two (2) HHW days may not be fully funded by the Waste Authority. The Director Waste Services confirmed that it was a possibility but felt it was unlikely.

Cr Radford referred to report item 9.5 – Draft Risk Management Consulting and Training Course Fees 2010/2011 and stated that he would like to see another table in the report showing how much it cost to run the Risk Management group overall. The Chief Executive Officer advised that full costs would be given when the full budget was completed but some of the costs were applicable from 1 July and there was a local government requirement to advertise. The EMRC will present proposals to each of the member Councils and then compile the budget based on member Council discussions.

Cr Lindsey referred to page 2 of the TAC Minutes and asked if there was a way to reduce the pricing gap between landfill and the Resource Recovery Facility (RRF) to make it more attractive to commercial customers. The Chief Executive Officer advised that there were a number of factors driving the cost such as the landfill levy, the Carbon Pollution Reduction Scheme (CPRS) and potential legislation in relation to the Draft Waste Management Strategy which were beyond the EMRC's control.

Cr Pule referred to report item 9.2 – Proposed 2010-2011 Schedule of Fees and Charges for Waste Management and stated that there were two (2) issues affecting charges – the landfill levy charges and potential future legislation pertaining to the Western Australian Asset Management Improvement Programme. These matters may impact on charges for member Councils in future budgets.

COUNCIL RESOLUTION

MOVED CR MCKECHNIE SECONDED CR PULE

THAT THE RECOMMENDATIONS IN THE TECHNICAL ADVISORY COMMITTEE REPORT (SECTION 15.2) BE ADOPTED.

CARRIED UNANIMOUSLY

TECHNICAL ADVISORY COMMITTEE

MINUTES

8 April 2010

(REF: COMMITTEES-10577)

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, 8 April 2010**. The meeting commenced at **3.05pm**.

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6 PRESENTATIONS

6.1 WASTE MANAGEMENT PROJECTIONS, CHALLENGES AND OPPORTUNITIES

The Director Waste Services outlined some of the projections, challenges and opportunities for Red Hill.

Mr Pearson asked if the EMRC would reconsider making the Resource Recovery Facility available to commercial customers in order to improve the life of Red Hill, as accepting member Council waste only has little impact on landfill life. The Chief Executive Officer explained that the problem is that commercial customers won't go to Resource Recovery Facilities when landfill is the cheaper option.

The Chief Executive Officer explained that a primary benefit of a member Council Resource Recovery Facility is that it ensures member Council waste is provided for, irrespective of developments with landfill. This benefit will not necessarily apply to commercial customers.

7 ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

Nil

8 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil



9 REPORTS OF OFFICERS

9.1 REVISED GREENWASTE DISPOSAL AND WOODCHIP PURCHASE FEES

REFERENCE: COMMITTEES-10678

PURPOSE OF REPORT

To propose amended fees for the disposal of small amounts of greenwaste at the Red Hill Waste Management Facility and the purchase of woodchip by the cubic metre.

KEY ISSUES AND RECOMMENDATION(S)

- Recent amendments to EcoChip pricing applied the amendments to tonnage rates, but the intended amendment to volumetric rates was overlooked. This oversight is intended to be corrected by amending the volumetric rates for EcoChip.
- Increased landfill levies have led to a greater proportion of residents separating green waste from general waste at Red Hill. As a minimum charge does not currently exist in the EMRC fees and charges, each trailer load of green waste is required to be charged on a weight basis. This is inefficient, and proposed to be addressed by reintroducing a minimum charge for greenwaste.

Recommendation(s)

That Council:

1. By an absolute majority in accordance with section 6.16 of the Local Government Act 1995 sets the fees for EcoChip sales at \$10.91/m³ (ex GST) and the minimum charge for greenwaste – uncontaminated (commercial) at the Red Hill Waste Management Facility at \$15.00 (ex GST).
2. Gives local public notice of the above fees, with the fees to take effect 10 days from the date of local public notice.

SOURCE OF REPORT

Director Waste Services
 Market Development Officer, Recovered Resources

BACKGROUND

The Red Hill Waste Management Facility has a series of fees per tonne for the acceptance of greenwaste. There are no fees to provide for small quantities (trailer or ute load), and so these loads are required to be weighed. Past practice has been to apply a minimum charge equivalent to 0.5 tonnes of greenwaste, though explicit mention of this minimum charge was omitted from the fees and charges after 2007/2008. The minimum charge has continued to be applied.

At its meeting on 18 February 2010 Council resolved *inter alia* that Council:

“BY AN ABSOLUTE MAJORITY IN ACCORDANCE WITH SECTION 6.16 OF THE LOCAL GOVERNMENT ACT 1995 SETS THE FEES FOR ECOCHIP SALES AT THE HAZELMERE TIMBER AND MATTRESS RECYCLING CENTRE AT \$54.55/TONNE (EX GST).”

Whilst the report made clear that the intent of the fee adjustment was to modify both the weight and volumetric based fees, the volumetric fee was not included in the resolution by an oversight.



Item 9.1 continued

REPORT

The increased landfill levy has increased the price for small loads of waste, and thus increased the incentive for customers to separate waste from greenwaste, and bring the loads to site separately. This has led to a significant increase in the number of cars, trailers and utes bringing greenwaste to Red Hill. To ease pressure on the weighbridge staff, it is proposed that a minimum fee of \$15.00 (ex GST) be adopted for commercial greenwaste. This fee applies to loads of less than 0.5 tonnes, and weighbridge staff will use their experience to evaluate when a vehicle is likely to exceed 0.5 tonnes and thus require weighing.

As detailed in the Council report from 18 February 2010, the sale of Wood Chip (secondary ground) is marketed as "EcoChip". The price was increased at the 18 February 2010 meeting from \$45.45/tonne (ex GST) to \$54.55/tonne (ex GST) to bring the corresponding volumetric rate from \$9.09/m³ to \$10.91/m³. This brings the volumetric rate closer to the rate for Mulch Compost of \$13.50/m³, as the two are substitute products. The Council resolution from 18 February 2010 inadvertently omitted the amended volumetric rate.

STRATEGIC/POLICY IMPLICATIONS

The revised fees assist the EMRC in achieving Key Result Area 3 "Economic Development" of the Strategic Plan for the Future, and specifically objective 3.4 "To improve member Council and EMRC financial viability".

FINANCIAL IMPLICATIONS

A small increase in income from woodchip sales is expected.

SUSTAINABILITY IMPLICATIONS

Nil

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT(S)

Nil

VOTING REQUIREMENT

Absolute Majority



Item 9.1 continued

RECOMMENDATION(S)

That Council:

1. By an absolute majority in accordance with section 6.16 of the Local Government Act 1995 sets the fees for EcoChip sales at \$10.91/m³ (ex GST) and the minimum charge for greenwaste – uncontaminated (commercial) at the Red Hill Waste Management Facility at \$15.00 (ex GST).
2. Gives local public notice of the above fees, with the fees to take effect 10 days from the date of local public notice.

The Director Waste Services provided a summary of the report.

TAC RECOMMENDATION(S)

MOVED MR LUTEY

SECONDED MR STEWERT-DAWKINS

That Council:

1. By an absolute majority in accordance with section 6.16 of the Local Government Act 1995 sets the fees for EcoChip sales at \$10.91/m³ (ex GST) and the minimum charge for greenwaste – uncontaminated (commercial) at the Red Hill Waste Management Facility at \$15.00 (ex GST).
2. Gives local public notice of the above fees, with the fees to take effect 10 days from the date of local public notice.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR MCKECHNIE

SECONDED CR PULE

THAT COUNCIL:

1. BY AN ABSOLUTE MAJORITY IN ACCORDANCE WITH SECTION 6.16 OF THE LOCAL GOVERNMENT ACT 1995 SETS THE FEES FOR ECOCHIP SALES AT \$10.91/M³ (EX GST) AND THE MINIMUM CHARGE FOR GREENWASTE – UNCONTAMINATED (COMMERCIAL) AT THE RED HILL WASTE MANAGEMENT FACILITY AT \$15.00 (EX GST).
2. GIVES LOCAL PUBLIC NOTICE OF THE ABOVE FEES, WITH THE FEES TO TAKE EFFECT 10 DAYS FROM THE DATE OF LOCAL PUBLIC NOTICE.

CARRIED UNANIMOUSLY



9.2 PROPOSED 2010-2011 SCHEDULE OF FEES AND CHARGES FOR WASTE MANAGEMENT

REFERENCE: COMMITTEES-10680

PURPOSE OF REPORT

The purpose of the report is to propose preliminary fees and charges for the disposal of waste at the Red Hill Waste Management Facility and Hazelmere site for 2010/2011 so that the 2010/2011 Draft Budget can be developed.

KEY ISSUES AND RECOMMENDATION(S)

- It is proposed that the 2010/2011 base waste disposal fee be set at \$38.00/tonne (ex GST).
- It is proposed that the member Council contribution to the Secondary Waste Reserve be increased to \$22.00 per tonne (ex GST), a \$2.00/tonne (ex GST) increase over the 2009/2010 contribution.
- It is proposed to leave the Waste Education levy unchanged at \$2.00/tonne (ex GST).
- Based on discussions with the Department of Environment and Conservation, no increase to landfill levy is anticipated, and any increase announced prior to the adoption of the final budget is proposed to be addressed in the final budget.
- The cost of member Council tip passes and prices for small vehicles are proposed to increase by approximately 3%.
- The Commercial/General Waste fee is proposed to be increased from the current rate of \$90/45/tonne to \$93.18/tonne (ex GST), an increase of 3.02%.
- Fees for the disposal of green waste are proposed to be increased, and the increase is proposed to be countered by a similar or greater reduction in the price for the purchase of compost.
- Fees for the disposal of waste timber at the Hazelmere Timber Recycling Centre are proposed to remain largely unchanged except for an adjustment to the gradings for contaminated timber.
- A detailed presentation of all other changes to waste fees and charges is contained in the report.

Recommendation(s)

That the proposed Fees and Charges for Waste Management, forming the attachment of this report, be referred to member councils for consideration during the development of their budgets and be used to develop the 2010/2011 EMRC Draft Budget.

SOURCE OF REPORT

Director Waste Services

BACKGROUND

Each year a Schedule of Fees and Charges is prepared as a basis for the development of EMRC's Budget.

At its meeting held 2 June 1999 Council adopted a methodology for financing the proposed secondary waste processing facility which included a Secondary Waste Disposal Charge of \$2.00/tonne to be increased each year by \$2.00/tonne.

A system of discounted fees for large volumes of commercial waste was adopted as a Confidential Item by Council in its meeting held 2 December 2004. That discount structure has continued largely unchanged since that resolution.



Item 9.2 continued

REPORT

The proposed Fees and Charges have been set out in tabular form (refer attachment) and are discussed in detail below. In the discussion below, all fees are exclusive of GST.

Member Councils

Considerable uncertainty remains in relation to the landfill levy. In discussion with the Department of Environment and Conservation (DEC) it is assumed that, with the increase of landfill levy from \$8.00/tonne to \$28.00/tonne on 1 January 2010, a further increase will be deferred for 2010/2011. It is also expected that an announcement will be made during 2010 in relation to the trajectory of future landfill levy increases. As a result, the landfill levy is budgeted to remain at \$28.00/tonne for the purposes of compiling the preliminary 2010/2011 Draft Budget.

The annual \$2.00/tonne increase in contributions to the Secondary Waste Reserve by Member Councils adopted at the June 1999 meeting has been added to the 2009/2010 rate of \$20.00/tonne, bringing the Secondary Waste Reserve contribution to \$22.00/tonne.

The Waste Education levy is proposed to remain unchanged at \$2.00/tonne.

The Base Tipping Fee is proposed to be increased from \$33.00/tonne to \$38.00/tonne. This increase seeks to compensate for declining income from commercial waste. Income from commercial waste has previously subsidised the member Council Base Tipping Fee.

Councils – Other

Fee increases of about 3% are proposed for tip pass fees to provide for inflation. The fees for WMRC Domestic and WMRC Commercial are contractually identical to the Member Council and Commercial waste fees, and so are increased in line with increases to each of those fees.

General Waste

The commercial/general waste disposal rates are proposed to be increased from \$90.45/tonne to \$93.18/tonne. This represents an increase of 3%, and combined with the proposed discount structure, is anticipated to be sufficient to secure the budgeted commercial waste tonnages. Pricing for commercial waste in the Perth region has become highly competitive with the increased landfill levy and re-establishment of the West Australian Landfill Services (WALS) landfill at South Cardup. The current prices for the five landfills competing for commercial waste are:

Site	Operator	Price (per tonne)	Discounts
Tamala Park	Mindarie Regional Council	\$109.09	Nil
Millar Road	City of Rockingham	\$90.55	10,000-20,000 tpa, 10% 20,000-30,000 tpa, 12.5% >30,000 tpa, 15%
South Cardup	WALS	\$100.95	Not published
Armadale	City of Armadale	\$80.00	Nil
Henderson Road	City of Cockburn	\$90.91	Nil

The discount structure was altered for 2009/2010, changing former discount thresholds of 15,000 and 25,000 tonnes per annum to 25,000 and 50,000 tonnes per annum. The discount amounts at each threshold remained the same as former years, with a \$4.55/tonne discount at the first threshold and a further \$4.55/tonne at the second threshold.



Item 9.2 continued

The combination of the large price increase between 2008/2009 and 2009/2010 (\$4.00/tonne increase) and the increase in discount thresholds was flagged in a report to Council at its 26 February 2009 meeting as potentially leading to substantial declines in commercial tonnages. That report also indicated:

"In the event that tonnages decline dramatically, the EMRC may need to increase member Council waste disposal fees, or reconsider support for programmes that are undertaken on behalf of member Councils."

Tonnages did decline significantly over the financial year, with commercial waste tonnages dropping 28% from 155,706 tonnes in 2008/2009 to an anticipated 112,000 for 2009/2010. Fortunately, the impact on revenue was softened by higher than budgeted Class IV income. Since Class IV income is project specific it cannot be relied upon for base income, and thus commercial waste tonnages must be reinstated if income levels are to be retained. The budget has been developed based on commercial tonnes received of 112,000 tonnes per year.

In setting the fees and bulk discounts for commercial waste, EMRC officers have had discussions with key commercial waste customers to gain an understanding of likely tonnages received at certain price points. These discussions will be considered in the preparation of a discounting strategy to be incorporated in the final fees and charges.

The charges for trailers, tip passes etc. are proposed to all increase by about 3% to reflect inflation.

Greenwaste

In 2009/2010, the fees for greenwaste were adjusted to reduce the supply of greenwaste to Red Hill and increase the purchase of compost and mulch. This was done to help with current concerns of an oversupply of mulch and compost. The approach had some success in encouraging the purchase of compost and mulch from Red Hill, but did not reduce the supply of greenwaste. The increased landfill levy is anticipated to further encourage supply of greenwaste. As a result, a further price increase of \$3.00/tonne for uncontaminated member Council greenwaste and \$2.00/tonne for commercial greenwaste is proposed, bringing both to the same price of \$32.00/tonne. This increase will be balanced by a new sale price for member Councils purchasing Mulch Compost and Soil Compost, with the prices reducing by \$3.50/tonne and \$7.50/tonne respectively.

The fee for Mobile Garbage Bin (MGB) greenwaste will continue to be indexed to the waste disposal fee less landfill levy, and the sale price for Soil Compost (produced from MGB greenwaste) will be reduced by \$4.32/tonne for commercial customers.

The option of green waste disposal at Hazelmere is proposed to be continued, with the price unchanged. Green waste disposal at Hazelmere has not yet commenced.

Special wastes

It is proposed to increase the fee for asbestos disposal from \$94.55/tonne to \$100.00/tonne to ensure that Red Hill does not receive excessive quantities of commercial asbestos that can be better handled at inert waste landfills. The fee for the disposal of asbestos from member Council residents is proposed to increase from \$80.91/tonne to \$82.73/tonne.

Disposal fees for tyres are increased by between 10% and 15% (equivalent to \$0.50 per tyre inclusive of GST). All tyres received at Red Hill are required to be sent off-site, and the cost of appropriate tyre disposal has not changed for several years. A price increase is anticipated from tyre disposers for 2010/2011.



Item 9.2 continued

The disposal fees for Class III and Class IV waste are proposed to be increased by about 3% to cover inflation. The disposal fee for Class V waste to be concrete encapsulated is proposed to be increased from \$550.00/tonne to \$600.00/tonne to reflect anticipated increases in concrete prices through 2010/2011. The EMRC does not currently receive any Class V waste for encapsulation.

Hazelmere

The volumetric and tonnage fees for the acceptance of timber waste are proposed to remain largely unchanged. The only change is to remove the Grade 3 classification, and rename Grade 4 as "contaminated", and reduce the price for contaminated timber waste to the anticipated costs for managing the contamination. This change is proposed to simplify pricing for the EMRC and its customers.

Sale of materials

It is proposed to retain current pricing for Mulch Compost, but reduce the price for Soil Compost. Volumetric prices are also introduced for Mulch Compost and Soil Compost. These changes are made to continue to encourage compost sales.

The Coloured Mulch with Fire Retardant product is proposed to be discontinued due to difficulties in obtaining a reliable source of fire retardant colourant, and the price for Wood Chip (fines) is proposed to be increased to match the price for EcoChip given both now have strong markets. These price adjustments do not impact on contracts with Laminex and Broiler Growers WA, as both contracts specify prices with price escalation clauses.

With the reduction in pricing for compost products, the former discounts of 25% and 30% on the sale price for single orders of a particular product in excess of 200 and 1,000 tonnes respectively are proposed to be reduced to discounts of 15% and 20% respectively.

It should be noted that the fees proposed in this report are subject to review upon preparation of the final budgets for 2010/2011.

STRATEGIC/POLICY IMPLICATIONS

The Fees and Charges have been developed to minimise the environmental impact of waste disposal and improve member Council and EMRC financial viability.

Income from commercial waste over and above the variable costs of landfill operation reduces the waste disposal costs for the member Councils and contributes to EMRC surpluses that fund other programmes.

FINANCIAL IMPLICATIONS

The Fees and Charges have been developed to ensure that the Red Hill and Hazelmere operations are undertaken in a fiscally responsible manner.

SUSTAINABILITY IMPLICATIONS

The Fees and Charges will ensure the Red Hill Waste Management Facility and Hazelmere Recycling Centre are operated in a socially, environmentally and financially responsible manner.



Item 9.2 continued

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT(S)

2010/2011 Proposed schedule of fees and charges (Ref: Committees-10701)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That the proposed Fees and Charges for Waste Management, forming Attachment 1 of this report, be referred to member councils for consideration during the development of their budgets and be used to develop the 2010/2011 EMRC Draft Budget.

TAC RECOMMENDATION(S)

MOVED MR PEARSON SECONDED MR LUTEY

That the proposed Fees and Charges for Waste Management, forming Attachment 1 of this report, be referred to member councils for consideration during the development of their budgets and be used to develop the 2010/2011 EMRC Draft Budget.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR MCKECHNIE SECONDED CR PULE

THAT THE PROPOSED FEES AND CHARGES FOR WASTE MANAGEMENT, FORMING ATTACHMENT 1 OF THIS REPORT, BE REFERRED TO MEMBER COUNCILS FOR CONSIDERATION DURING THE DEVELOPMENT OF THEIR BUDGETS AND BE USED TO DEVELOP THE 2010/2011 EMRC DRAFT BUDGET.

CARRIED UNANIMOUSLY

EASTERN METROPOLITAN REGIONAL COUNCIL
2009/2010 WASTE MANAGEMENT PROPOSED SCHEDULE OF FEES AND CHARGES

Description	Weight/Unit	2009/2010		2009/2010 Charges inc GST \$	2010/2011		2010/2011 Charges inc GST \$	% Inc. 2009/2010 to 2010/2011 Exc. GST
		Charges with no GST \$	Value of GST \$		Charges with no GST \$	Value of GST \$		
Waste Management Charges								
Disposal Rates								
Member Councils								
	1 tonne							
Base Tipping Fee		33.00	3.30	36.30	38.00	3.80	41.80	15.15%
CWES Levy		2.00	0.20	2.20	2.00	0.20	2.20	0.00%
Secondary Waste Reserve		20.00	2.00	22.00	22.00	2.20	24.20	10.00%
Landfill Levy		28.00	2.80	30.80	28.00	2.80	30.80	0.00%
Total Member Council disposal rate - (*)		83.00	8.30	91.30	90.00	9.00	99.00	8.43%
Councils - Other								
WMRC - Domestic - (*)	1 tonne	83.00	8.30	91.30	90.00	9.00	99.00	8.43%
WMRC - Commercial	1 tonne	90.45	9.05	99.50	93.18	9.32	102.50	3.02%
Domestic Refuse Tip Pass (Gidgegannup @ 3bags/wk)	n/a	3.50	0.35	3.85	3.64	0.36	4.00	3.90%
Council Refuse Tip Passes - Cars (up to 200kg)	n/a	16.36	1.64	18.00	16.36	1.64	18.00	0.02%
Council Refuse Tip Passes - Trailers (up to 500kg)	n/a	30.00	3.00	33.00	30.91	3.09	34.00	3.03%
General Waste								
Cars / Station Wagons	n/a	14.55	1.45	16.00	15.00	1.50	16.50	3.13%
Trailers (6 x 4)	n/a	30.00	3.00	33.00	30.91	3.09	34.00	3.03%
Trailers (6 x 4) High Sides	n/a	34.55	3.45	38.00	35.45	3.55	39.00	2.63%
Tandem/ Horse Floats (< 1 tonne)	n/a	63.64	6.36	70.00	65.45	6.55	72.00	2.86%
Vans / Utes	n/a	27.27	2.73	30.00	28.18	2.82	31.00	3.34%
Commercial (General)	1 tonne	90.45	9.05	99.50	93.18	9.32	102.50	3.02%
Minimum Commercial Charges		45.45	4.55	50.00	45.45	4.55	50.00	0.00%
Greenwaste								
Greenwaste - uncontaminated (Member Councils)	1 tonne	29.00	2.90	31.90	32.00	3.20	35.20	10.34%
Greenwaste - MGB (Member Councils)	1 tonne	55.00	5.50	60.50	62.00	6.20	68.20	12.73%
Greenwaste - uncontaminated (Commercial)	1 tonne	30.00	3.00	33.00	32.00	3.20	35.20	6.67%
Minimum uncontaminated greenwaste charge		15.00	1.50	16.50	15.00	1.50	16.50	0.00%
Greenwaste - uncontaminated (to Hazelmere)	1 tonne	43.55	4.35	47.90	46.55	4.65	51.20	6.89%
Greenwaste - shredded to EMRC specification (to Red Hill)	1 tonne	0.00	0.00	0.00	0.00	0.00	0.00	0.00%
(Cumulative Commercial & Contaminated Soils tonnages disposed in excess of 15,000 tonnes and 25,000 tonnes over financial year are subject to a reduction of \$5.00/tonne and \$10.00/tonne respectively.)								
(*) 2010/2011 - Inclusive of \$22.00 Secondary Waste Reserve and \$2.00 CWES Levy.								

EASTERN METROPOLITAN REGIONAL COUNCIL
2009/2010 WASTE MANAGEMENT PROPOSED SCHEDULE OF FEES AND CHARGES

Description	Weight/Unit	2009/2010 Charges with no		2009/2010 Charges inc GST	2010/2011 Charges with no		2010/2011 Charges inc GST	% Inc. 2009/2010 to 2010/2011 Exc. GST
		GST	Value of GST		GST	Value of GST		
		\$	\$	\$	\$	\$	\$	
Waste Management Charges continued..								
Disposal Rates continued..								
Special Wastes								
Asbestos	1 tonne	94.55	9.45	104.00	100.00	10.00	110.00	5.77%
Asbestos - Member Council residents only	1 tonne	80.91	8.09	89.00	82.73	8.27	91.00	2.25%
Asbestos - Minimum Charge		13.64	1.36	15.00	15.00	1.50	16.50	9.97%
Car Bodies - Commercial	each	18.18	1.82	20.00	18.18	1.82	20.00	0.00%
Car Bodies - Member Council residents only	each	9.09	0.91	10.00	9.09	0.91	10.00	0.00%
Quarantine Waste	1 tonne	105.00	10.50	115.50	110.00	11.00	121.00	4.76%
Burial Fee (for immediate burial requirements)	n/a	122.73	12.27	135.00	122.73	12.27	135.00	0.00%
Handling Fee (for special handling requirements)	n/a	122.73	12.27	135.00	122.73	12.27	135.00	0.00%
Tyre Disposal (off rim)	each	2.73	0.27	3.00	3.18	0.32	3.50	16.48%
Tyre Disposal (with rim)	each	5.45	0.55	6.00	5.91	0.59	6.50	8.44%
Tyre Recovery Charges (for tyres at the landfill face)	each	20.00	2.00	22.00	22.00	2.20	24.20	10.00%
Mattress disposal fee (to Red Hill)	each	5.00	0.50	5.50	5.00	0.50	5.50	0.00%
Computers, Computer Monitors or Televisions	each	4.55	0.45	5.00	4.55	0.45	5.00	0.00%
Wash Facility Fee		31.82	3.18	35.00	31.82	3.18	35.00	0.00%
Class III Waste	1 tonne	90.45	9.05	99.50	93.18	9.32	102.50	3.02%
Class III Contaminated Soil	1 tonne	75.82	7.58	83.40	78.09	7.81	85.90	3.00%
Class IV Waste	1 tonne	113.18	11.32	124.50	116.58	11.66	128.24	3.00%
Class IV Contaminated Soil	1 tonne	99.45	9.95	109.40	102.44	10.24	112.68	3.00%
Class V Waste	1 tonne	550.00	55.00	605.00	600.00	60.00	660.00	9.09%
Administration Charge (for waste acceptance approvals)	consignment	50.00	5.00	55.00	50.00	5.00	55.00	0.00%
Hazelmere								
Mattress disposal fee	each	10.00	1.00	11.00	10.00	1.00	11.00	0.00%
Mattress disposal fee (member Council)	each	5.00	0.50	5.50	5.00	0.50	5.50	0.00%
Wood Waste (per cubic metre)								
- Grade 1	1 m3	5.00	0.50	5.50	5.00	0.50	5.50	0.00%
- Grade 2	1 m3	6.36	0.64	7.00	6.36	0.64	7.00	0.00%
- Grade 3	1 m3	9.09	0.91	10.00	NOT APPLICABLE			N/A
- Contaminated	1 m3	18.18	1.82	20.00	13.64	1.36	15.00	-24.99%
Wood Waste (per tonne)								
- Grade 1	1 tonne	50.00	5.00	55.00	50.00	5.00	55.00	0.00%
- Grade 2	1 tonne	63.64	6.36	70.00	63.64	6.36	70.00	0.00%
- Grade 3	1 tonne	90.91	9.09	100.00	NOT APPLICABLE			N/A
- Contaminated	1 tonne	181.82	18.18	200.00	136.36	13.64	150.00	-25.00%
(Cumulative Commercial & Contaminated Soils tonnages disposed in excess of 15,000 tonnes and 25,000 tonnes over financial year are subject to a reduction of \$5.00/tonne and \$10.00/tonne respectively.)								

EASTERN METROPOLITAN REGIONAL COUNCIL
2009/2010 WASTE MANAGEMENT PROPOSED SCHEDULE OF FEES AND CHARGES

Description	Weight/Unit	2009/2010 Charges with no GST		2009/2010 Charges inc GST	2010/2011 Charges with no GST		2010/2011 Charges inc GST		% Inc. 2009/2010 to 2010/2011 Exc. GST
		\$	\$		\$	\$	\$	\$	
Waste Management Charges continued ..									
Sale of Excavated Materials (all ex stockpile, minimum 10 tonnes)									
Mixed clay/fill (purchaser to load)	1 tonne	0.50	0.05	0.55	0.50	0.05	0.55		0.00%
Ferricrete	1 tonne	11.00	1.10	12.10	11.00	1.10	12.10		0.00%
Manufactured Products (per cubic metre)									
Mulch Compost	1 m3	NOT APPLICABLE			13.50	1.35	14.85		N/A
Soil Compost	1 m3	NOT APPLICABLE			16.36	1.64	18.00		N/A
Colour Chip	1 m3	30.00	3.00	33.00	30.00	3.00	33.00		0.00%
Coloured Mulch with Fire Retardant	1 m3	40.00	4.00	44.00	NOT APPLICABLE				N/A
Wood Chip (unscreened secondary ground) - Hazelmere	1 m3	5.50	0.55	6.05	5.50	0.55	6.05		0.00%
EcoChip Mulch - Hazelmere	1 m3	10.91	1.09	12.00	10.91	1.09	12.00		0.00%
Wood Chip (fines) - Hazelmere	1 m3	8.18	0.82	9.00	10.91	1.09	12.00		33.33%
Manufactured Products (per tonne)									
Mulch Compost	1 tonne	22.50	2.25	24.75	22.50	2.25	24.75		0.00%
Mulch Compost (member Council)	1 tonne	22.50	2.25	24.75	19.00	1.90	20.90		-15.56%
Soil Compost	1 tonne	22.50	2.25	24.75	18.18	1.82	20.00		-19.19%
Soil Compost (member Council)	1 tonne	22.50	2.25	24.75	15.00	1.50	16.50		-33.33%
Colour Chip	1 tonne	150.00	15.00	165.00	150.00	15.00	165.00		0.00%
Coloured Mulch with Fire Retardant	1 tonne	200.00	20.00	220.00	NOT APPLICABLE				N/A
Wood Chip (unscreened secondary ground) - Hazelmere	1 tonne	27.27	2.73	30.00	27.27	2.73	30.00		0.00%
EcoChip Mulch - Hazelmere	1 tonne	54.55	5.45	60.00	54.55	5.45	60.00		0.00%
Wood Chip (fines) - Hazelmere	1 tonne	40.91	4.09	45.00	54.55	5.45	60.00		33.33%
Trailer Loaded Products (per scoop)									
Soil Compost	1 scoop	9.09	0.91	10.00	9.09	0.91	10.00		0.00%
Mulch Compost	1 scoop	9.09	0.91	10.00	9.09	0.91	10.00		0.00%
EcoChip Mulch	1 scoop	9.09	0.91	10.00	9.09	0.91	10.00		0.00%
Colour Chip	1 scoop	13.64	1.36	15.00	13.64	1.36	15.00		0.00%
Ferricrete	1 scoop	NOT APPLICABLE			9.09	0.91	10.00		N/A
(Material purchases in excess of 200 tonnes and 1,000 tonnes over financial year are subject to a reduction of 15% and 20% respectively.)									



9.3 PROPOSED HOUSEHOLD HAZARDOUS WASTE COLLECTION PROGRAM 2010-2011

REFERENCE: COMMITTEES-10681

PURPOSE OF REPORT

To seek Council endorsement of the Household Hazardous Waste Collection Programme proposed for Perth's Eastern Region during 2010/2011.

KEY ISSUES AND RECOMMENDATION(S)

- The EMRC Household Hazardous Waste (HHW) programme has been operating since 2003.
- In late 2007, the Waste Authority and WALGA formed an agreement to establish a metropolitan-wide programme of HHW collections. This initially provided for four collections per Regional Council. The EMRC decided to fund a further two collections to provide for one collection per member Council.
- Due to cost increases, the cost of running the collection days ended up being transferred from the Waste Authority to Regional Councils during 2009/2010, leading to unbudgeted costs for the EMRC of \$100,000 in the year.
- The Waste Authority is currently reviewing the HHW programme, looking to ensure coverage across population centres within the Perth Metropolitan Area through permanent HHW collection facilities (such as Red Hill) and temporary HHW collection days.
- The revised HHW collection model would probably lead to two temporary HHW collection days and the Red Hill permanent HHW collection facility being fully funded by the Waste Authority. The temporary HHW collection days would be at Bassendean or Bayswater and at Kalamunda.
- The medium to long term future of the HHW program is likely to involve a replacement of temporary HHW collection days with permanent HHW collection facilities, and thus the EMRC should look to plan and advocate for these facilities to be located at existing Bayswater, Kalamunda and Chidlow transfer stations.

Recommendation(s)

That:

1. In consultation with the respective member Councils, temporary HHW collection days for 2010/2011 be hosted at the Bayswater Transfer Station or Bassendean Depot, and at the Walliston Transfer Station in Kalamunda, with collection days able to be attended by residents from anywhere in Perth at no cost.
2. The dates for temporary HHW collection days in 2010/2011 be determined by the Regional Waste Education Steering Group in consultation with WALGA, and the dates incorporated into the Waste & Recycling Guides.
3. The EMRC liaise with the City of Bayswater, Shire of Kalamunda and Shire of Mundaring in relation to the establishment of permanent HHW collection facilities at their transfer stations at Bayswater, Walliston and Chidlow.
4. The EMRC advocate for State Government funding to assist in the establishment of permanent Household Hazardous Waste collection facilities.

SOURCE OF REPORT

Director Waste Services



Item 9.3 continued

BACKGROUND

The EMRC Household Hazardous Waste (HHW) programme has been operating since 2003, providing two collections per member Council each financial year since 2004 as well as a permanent drop off facility at the Red Hill Waste Management Facility (Red Hill). The objective of the programme is to remove problematic waste from the household waste stream, reducing potential contamination issues in the landfill and a future resource recovery facility.

In late 2007, the Waste Authority and WALGA formed an agreement to establish a metropolitan-wide programme of HHW collections to be funded initially for three years. Funding is from the Waste Management and Recycling Account (landfill levy funds), and covers four collections per regional council per year. The programme also funds the costs of disposing HHW collected at permanent drop-off sites such as Red Hill.

In order to reflect the metropolitan HHW collection programme, Council resolved, *inter alia*, the following at its 21 May 2009 meeting:

“THAT HOUSEHOLD HAZARDOUS WASTE COLLECTIONS BE CHANGED FROM TWO (2) COLLECTIONS PER FINANCIAL YEAR PER MEMBER COUNCIL TO ONE (1) COLLECTION PER FINANCIAL YEAR PER MEMBER COUNCIL.”

This resolution meant that two collections were funded by the EMRC.

Due to costs being substantially higher than anticipated during 2009/2010, the cost of running the collection days ended up being transferred from the Waste Authority to regional Councils, leading to unbudgeted costs for the EMRC of \$100,000 for 2009/2010. The cost of disposing of the HHW collected is borne by the Waste Authority.

The costs of the HHW programme have led to the Waste Authority forming its first committee under section 18 of the *Waste Avoidance and Resource Recovery Act 2007*. The EMRC Director Waste Services is a member of that committee. Whilst the Waste Authority has not yet made a decision in relation to the future of the HHW programme, minutes from the HHW Committee have been used to enable the EMRC to form a position in relation to the future of HHW collections in the Region.

REPORT

The Waste Authority is seeking to ensure coverage across population centres within the Perth Metropolitan Area through permanent HHW collection facilities (such as Red Hill) and temporary HHW collection days. This is a shift from the previous approach where each Regional Council was provided a defined number of temporary HHW collection days (four per Regional Council).

WALGA has done some analysis on the current coverage from permanent HHW collection facilities assuming a travel distance of 10 km to a HHW collection point, and identified three gaps in the Perth Metropolitan Area to be filled by four collection locations. These are:

- Between Rockingham and Mandurah, suggesting a temporary collection location in the south of the City of Rockingham.
- The western suburbs, suggesting the Brockway Transfer Station.
- The south-western portion of the Eastern Region, suggesting a collection at Bassendean or Bayswater, and a second collection at Kalamunda.

All collections would need to be accessible by residents from anywhere in Perth at no cost.

The analysis leads to some population centres on the fringes of Perth not having a HHW service within 10 km. This includes parts of Armadale and Ellenbrook.



Item 9.3 continued

Current thinking of the Waste Authority is that fully funded temporary HHW collection days be provided at the four above locations. This means that the EMRC would have two fully funded collections. In addition, the Waste Authority would fund the disposal of all HHW collected at permanent HHW facilities.

Regional Councils are able to provide any additional temporary HHW collection days at their discretion, however these collection days would be part funded by the relevant Regional Council. The cost to a Regional Council hosting an additional temporary HHW collection day is in the order of \$25,000 per collection day. It is not recommended that additional HHW collection days be provided in Perth's Eastern Region.

In the event that Council seeks to provide one collection day per member Council, the cost of this service would be about \$100,000 per year. This cost would need to be recouped from member Councils, preferably on the basis of tonnes of general waste to Red Hill. The financial impacts on each member Council under this model are estimated below based on forecast tonnages for 2010/2011:

Member Council	Tonnes	Income
Bassendean	6,449	\$3,869
Bayswater	28,715	\$17,229
Belmont	22,019	\$13,211
Kalamunda	24,553	\$14,732
Mundaring	18,270	\$10,962
Swan	49,028	\$29,417
Total	149,034	\$89,420

Under this scheme a further \$12,000 would be provided from WMRC member Council waste (set at the same fee as EMRC member Councils).

The medium to long term plans for the HHW programme are understood to involve a replacement of temporary HHW collection days with permanent HHW facilities, as the cost of collecting HHW from permanent facilities is substantially less than from temporary collection days. The permanent HHW facilities would collect HHW at all times, but also contain the infrastructure to enable a heavily promoted Perth-wide HHW collection day. This provides the EMRC with sufficient certainty on HHW collection to plan stronger communication and education strategies for HHW, thus further increasing the effectiveness of HHW collection.

As such, the EMRC should, over the next few years, seek to establish a network of permanent HHW collection facilities at transfer stations at Bayswater, Kalamunda and Chidlow (the Mundaring transfer station being unsuited as it is within a water catchment). All facilities would need to be open for residents from anywhere in Perth for the disposal of HHW at no cost. The EMRC should also advocate that the establishment costs for these permanent HHW collection facilities are at least part funded by the Waste Authority.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 1 – Environmental Sustainability

- 1.1 To provide sustainable waste disposal operations; and
- 1.2 To improve regional waste management.

FINANCIAL IMPLICATIONS

The proposed course of action of two temporary HHW collection days in the Region only (one at Bayswater or Bassendean and one at Kalamunda) would, based on the current understanding of the Waste Authority's intent, lead to the HHW programme being fully funded by the Waste Authority. This cannot be known with certainty until the Waste Authority makes a resolution to this effect.



Item 9.3 continued

SUSTAINABILITY IMPLICATIONS

The collection and removal of HHW from the community has important social and environmental benefits. It also has financial benefits should it lead to a well educated community ahead of the introduction of a future Resource Recovery Facility, and thus reduced requirements for mechanisms to screen HHW from the process.

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean City of Bayswater City of Belmont Shire of Kalamunda Shire of Mundaring City of Swan	} The amendments to the Household Hazardous Waste collection programme proposed by the Waste Authority would lead to the current arrangements of a temporary collection day in each member Council being replaced by two temporary collection days across the Region.

ATTACHMENT(S)

Nil

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That:

1. In consultation with the respective member Councils, temporary HHW collection days for 2010/2011 be hosted at the Bayswater Transfer Station or Bassendean Depot, and at the Walliston Transfer Station in Kalamunda, with collection days able to be attended by residents from anywhere in Perth at no cost.
2. The dates for temporary HHW collection days in 2010/2011 be determined by the Regional Waste Education Steering Group in consultation with WALGA, and the dates incorporated into the Waste & Recycling Guides.
3. The EMRC liaise with the City of Bayswater, Shire of Kalamunda and Shire of Mundaring in relation to the establishment of permanent HHW collection facilities at their transfer stations at Bayswater, Walliston and Chidlow.
4. The EMRC advocate for State Government funding to assist in the establishment of permanent Household Hazardous Waste collection facilities.

The Director Waste Services provided a summary of the report.

Mr Stewert-Dawkins advised that the Town of Bassendean would be very happy to participate but asked if the minor costs that are normally covered by the Town of Bassendean would be borne by the proposed program. The Director Waste Services advised that he is happy to take this request to the next HHW sub-committee meeting of the Waste Authority.

Mr Pearson commented that a decision on recommendation 1 will need to be made quickly given that the Waste & Recycling Guides go to print in May.



Item 9.3 continued

TAC RECOMMENDATION(S)

MOVED STEWERT-DAWKINS SECONDED MR LUTEY

That:

1. In consultation with the respective member Councils, temporary HHW collection days for 2010/2011 be hosted at the Bayswater Transfer Station or Bassendean Depot, and at the Walliston Transfer Station in Kalamunda, with collection days able to be attended by residents from anywhere in Perth at no cost.
2. The dates for temporary HHW collection days in 2010/2011 be determined by the Regional Waste Education Steering Group in consultation with WALGA, and the dates incorporated into the Waste & Recycling Guides.
3. The EMRC liaise with the City of Bayswater, Shire of Kalamunda and Shire of Mundaring in relation to the establishment of permanent HHW collection facilities at their transfer stations at Bayswater, Walliston and Chidlow.
4. The EMRC advocate for State Government funding to assist in the establishment of permanent Household Hazardous Waste collection facilities.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR MCKECHNIE SECONDED CR PULE

THAT:

1. IN CONSULTATION WITH THE RESPECTIVE MEMBER COUNCILS, TEMPORARY HHW COLLECTION DAYS FOR 2010/2011 BE HOSTED AT THE BAYSWATER TRANSFER STATION OR BASSENDEAN DEPOT, AND AT THE WALLISTON TRANSFER STATION IN KALAMUNDA, WITH COLLECTION DAYS ABLE TO BE ATTENDED BY RESIDENTS FROM ANYWHERE IN PERTH AT NO COST.
2. THE DATES FOR TEMPORARY HHW COLLECTION DAYS IN 2010/2011 BE DETERMINED BY THE REGIONAL WASTE EDUCATION STEERING GROUP IN CONSULTATION WITH WALGA, AND THE DATES INCORPORATED INTO THE WASTE & RECYCLING GUIDES.
3. THE EMRC LIAISE WITH THE CITY OF BAYSWATER, SHIRE OF KALAMUNDA AND SHIRE OF MUNDARING IN RELATION TO THE ESTABLISHMENT OF PERMANENT HHW COLLECTION FACILITIES AT THEIR TRANSFER STATIONS AT BAYSWATER, WALLISTON AND CHIDLOW.
4. THE EMRC ADVOCATE FOR STATE GOVERNMENT FUNDING TO ASSIST IN THE ESTABLISHMENT OF PERMANENT HOUSEHOLD HAZARDOUS WASTE COLLECTION FACILITIES.

CARRIED UNANIMOUSLY



9.4 REQUEST FOR TENDER 2010-01 HIRE OF VARIOUS PLANT

REFERENCE: COMMITTEES-10700

PURPOSE OF REPORT

To advise Council of the results of the tender for the Hire of Various Plant, and recommend a panel of contractors.

KEY ISSUES AND RECOMMENDATION(S)

- A tender for the Hire of Various Plant was advertised in the West Australian newspaper on 10 February 2010.
- Tenders closed on 26 February 2010. 15 submissions were received.
- The tender called for the supply, for wet or dry hire, of various items of plant to supplement the Principal's own plant operations and to replace machines that are unavailable due to either breakdown or general servicing.

Recommendation(s)

That:

1. Council award tender number 2010-01 to the listed tenderers and for the specific plant items at the rates in Attachment 1 to this report for the period 23 May 2010 to 22 May 2013 with an option of two single year extensions.
2. The contract rates for the tender number 2010/01 are to be adjusted annually using the Consumer Price Index for Perth at the anniversary of the contract.

SOURCE OF REPORT

Director Waste Services
 Engineer Waste Management Services

BACKGROUND

This tender replaces an existing tender, due to expire on 23 May 2010. The EMRC often has the need for various plant to supplement its operations or to replace machines that are unavailable due to breakdown or general servicing. Plant hire may be with or without operator ("wet" or "dry") and may be required at any of the five sites where the EMRC has operations. To provide for maximum flexibility, a panel of contractors is proposed.

REPORT

Tender 2010-01 was advertised on 10 February 2010, and 15 submissions were received by the closing date of 26 February 2010. The tender was prepared as a panel tender.



Item 9.4 continued

Tenders were received from:

- a) Joyce Earthmoving Pty Ltd
- b) Brooks Hire Service Pty Ltd
- c) KB Trucks & Trailers Pty Ltd
- d) Jaycourt Nominees Pty Ltd
- e) Coates Hire Operations Pty Limited
- f) Budget Mini Excavators Pty Ltd t/a MiniQuip
- g) Carlton Contracting Kwinana Pty Ltd
- h) Break West Pty Ltd
- i) Harrowfield Pty Ltd t/a Nell Cartage
- j) Parkerville Cartage Pty Ltd
- k) Chivas Enterprises Pty Ltd t/a Mayday Earthmoving
- l) Allwest Plant Hire
- m) All Earth Group
- n) Zurich Bay Holdings Pty Ltd t/a Mine Site Construction Services
- o) Unique Waste Management Services

Tenders were assessed based on the following assessment criteria:

Criterion	Weighting
Demonstrated experience in providing similar services	15%
Skills and experience of personnel to be used on this project	15%
Price	70%

Tenders were categorised and shortlisted per item of plant. The number of recommended tenderers is limited with each item of plant taking into account the function, location and anticipated need. The attached schedule (Attachment 1) of plant items, tenderers and prices therefore represents the panel for which Waste Management seeks approval.

STRATEGIC/POLICY IMPLICATIONS

The contract will contribute to Key Result Area 4 of the EMRC Strategic Plan for the Future, specifically Strategy 4.5: To provide responsible and accountable governance and management of the EMRC.

FINANCIAL IMPLICATIONS

Nil

SUSTAINABILITY IMPLICATIONS

Nil

MEMBER COUNCIL IMPLICATIONS

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



Item 9.4 continued

ATTACHMENT(S)

Pricing schedule – Hire of various plant (Ref: Committees-10746)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That:

1. Council award tender number 2010-01 to the listed tenderers and for the specific plant items at the rates in Attachment 1 to this report for the period 23 May 2010 to 22 May 2013 with an option of two single year extensions.
2. The contract rates for the tender number 2010/01 are to be adjusted annually using the Consumer Price Index for Perth at the anniversary of the contract.

TAC RECOMMENDATION(S)

MOVED MR PEARSON SECONDED MR SINGH

That:

1. Council award tender number 2010-01 to the listed tenderers and for the specific plant items at the rates in Attachment 1 to this report for the period 23 May 2010 to 22 May 2013 with an option of two single year extensions.
2. The contract rates for the tender number 2010/01 are to be adjusted annually using the Consumer Price Index for Perth at the anniversary of the contract.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR MCKECHNIE SECONDED CR PULE

THAT:

1. COUNCIL AWARD TENDER NUMBER 2010-01 TO THE LISTED TENDERERS AND FOR THE SPECIFIC PLANT ITEMS AT THE RATES IN ATTACHMENT 1 TO THIS REPORT FOR THE PERIOD 23 MAY 2010 TO 22 MAY 2013 WITH AN OPTION OF TWO SINGLE YEAR EXTENSIONS.
2. THE CONTRACT RATES FOR THE TENDER NUMBER 2010/01 ARE TO BE ADJUSTED ANNUALLY USING THE CONSUMER PRICE INDEX FOR PERTH AT THE ANNIVERSARY OF THE CONTRACT.

CARRIED UNANIMOUSLY

Hire of Various Plant

Tender 2010 – 01

2.2.1 Articulated Dump Truck

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	All West Plant Hire	2006 CAT 730	\$792.00	\$159.50	Wet	
2	Jaycourt Nominees	Volvo BMA35 Articulated Dump Truck	\$550.00	\$210.00	Wet	
2	Jaycourt Nominees	CAT 350 Articulated Dump Truck	\$550.00	\$210.00	Wet	
2	Jaycourt Nominees	CAT 400 Articulated Dump Truck	\$550.00	\$220.00	Wet	
2	Jaycourt Nominees	CAT D550 Articulated Dump Truck	\$660.00	\$270.00	Wet	
3	KB Trucks & Trailer	Komatsu HM 300 Artic Dump Truck *10% insurance waiver	\$880 Min 5 days	\$176.00	Wet	Min 8 hours/day
4	Mayday Earthmoving	40T Articulated Dump Truck	\$660 (each way)	\$253.00	Wet	
1	All West Plant Hire	2006 CAT 730	\$792.00	\$64.35	Dry	
2	Brooks Hire Service	Komatsu HM 300-2 (30T) Artic Dump truck	\$687.50	\$88.00	Dry	To Red Hill
2	Brooks Hire Service	Komatsu HM 300-2 (30T) Artic Dump truck	\$555.50	\$88.00	Dry	To Hazelmere
2	Brooks Hire Service	Komatsu HM 300-2 (30T) Artic Dump truck	\$555.50	\$88.00	Dry	To Lawnbrook Rd
2	Brooks Hire Service	Komatsu HM 300-2 (30T) Artic Dump truck	\$951.50	\$88.00	Dry	To Mathieson
2	Brooks Hire Service	Komatsu HM 300-2 (30T) Artic Dump truck	\$819.50	\$88.00	Dry	To Coppin Rd
2	Brooks Hire Service	Komatsu HM 400-2 (40T) Artic Dump truck	\$1,017.50	\$104.50	Dry	To Red Hill
2	Brooks Hire Service	Komatsu HM 400-2 (40T) Artic Dump truck	\$852.50	\$104.50	Dry	To Hazelmere
2	Brooks Hire Service	Komatsu HM 400-2 (40T) Artic Dump truck	\$1,017.50	\$104.50	Dry	To Lawnbrook Rd
2	Brooks Hire Service	Komatsu HM 400-2 (40T) Artic Dump truck	\$1,182.50	\$104.50	Dry	To Mathieson
2	Brooks Hire Service	Komatsu HM 400-2 (40T) Artic Dump truck	\$1,017.50	\$104.50	Dry	To Coppin Rd
2	Brooks Hire Service	Hitachi AH400D (40T) Artic Dump Truck	\$1,017.50	\$104.50	Dry	To Red Hill
2	Brooks Hire Service	Hitachi AH400D (40T) Artic Dump Truck	\$852.50	\$104.50	Dry	To Hazelmere
2	Brooks Hire Service	Hitachi AH400D (40T) Artic Dump Truck	\$1,017.50	\$104.50	Dry	To Lawnbrook Rd
2	Brooks Hire Service	Hitachi AH400D (40T) Artic Dump Truck	\$1,182.50	\$104.50	Dry	To Mathieson

2	Brooks Hire Service	Hitachi AH400D (40T) Artic Dump Truck	\$1,017.50	\$104.50	Dry	To Coppin Rd
3	KB Trucks & Trailer	Komatsu HM 300 Artic Dump Truck *10% insurance waiver	\$880 Min 5 days	\$132.00	Dry	Min 8 hours/day
4	Mayday Earthmoving	40T Articulated Dump Truck	\$660 (each way)	\$126.50	Dry	Min 8 hours/day

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.2 Dump Truck

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	KB Trucks & Trailer	CAT Rigid Dump Truck	\$1,100.00	\$250.00	Wet	
2	Mine Site Construction	Caterpillar 777C Dump Truck	\$2200 Each way	\$330.00	Wet	
1	KB Trucks & Trailer	CAT Rigid Dump Truck	\$1,100.00	\$200.00	Dry	
2	Mine Site Construction	Caterpillar 777C Dump Truck	\$2200 Each way	\$165.00	Dry	

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.3 Excavator

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	Joyce Earthmoving	Zx 130H Hitachi Excavator 13 Tonnes	\$200 (each way)	\$120.00	Wet	
1	Joyce Earthmoving	Zx 230 Hitachi Excavator 24 Tonnes	\$250 (each way)	\$135.00	Wet	
2	Jaycourt Nominees	Kobota 3.5 Excavator	\$120.00	\$85.00	Wet	
2	Jaycourt Nominees	Kobota 8.5 Excavator	\$185.00	\$95.00	Wet	
2	Jaycourt Nominees	CAT 313 Excavator	\$220.00	\$100.00	Wet	
3	Mayday Earthmoving	1.5T rubber tracked Excavator	\$143 Each Way	\$79.20	Wet	
3	Mayday Earthmoving	3T rubber tracked Excavator	\$143 Each Way	\$89.10	Wet	
3	Mayday Earthmoving	5T rubber tracked Excavator	\$165 Each Way	\$101.20	Wet	
3	Mayday Earthmoving	7-8T rubber tracked Excavator	\$198 Each Way	\$110.50	Wet	
3	Mayday Earthmoving	12T Excavator	\$330 Each Way	\$121.00	Wet	

4	Breakwest Hire	7T Hydraulic Excavator	\$233.75 Each Way	\$104.5 Inc Fuel	Wet	
4	Breakwest Hire	8T Hydraulic Excavator	\$233.75 Each Way	\$104.5 Inc Fuel	Wet	
4	Breakwest Hire	13.5T Hydraulic Excavator	\$302.50 Each Way	\$115.50 Inc Fuel	Wet	

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.4 Excavator

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	Jaycourt Nominees	CAT 220C Excavator	\$400.00	\$120.00	Wet	
1	Jaycourt Nominees	CAT 330 Excavator	\$500.00	\$170.00	Wet	
1	Jaycourt Nominees	Komatsu 350 Excavator	\$500.00	\$170.00	Wet	
2	Mayday Earthmoving	20 T Excavator with Grab	\$350 each way	\$165.00	Wet	
3	Breakwest Hire	20T Hydraulic Excavator Mechanical Grab	\$330 Each Way	\$147.50 In Fuel	Wet	
4	All Earth Group	Komatsu PC 220	\$990.00	\$155.00	Wet	
4	All Earth Group	Hitachi Zx 270	\$1,200.00	\$170.00	Wet	
4	All Earth Group	Komatsu PC 300	\$1,200.00	\$180.00	Wet	
6	Carlton Contract	Volvo Excavator 21 Tonne	\$700.00	\$125.00	Wet	
6	Nell Cartage	CASE CX210B	\$880.00	\$165.00	Wet	

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.5 Excavator - Rock Breaker

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	Joyce Earthmoving	Zx 130H Hitachi Excavator with rockbreaker	\$200 (each way)	\$145.00	Wet	
1	Joyce Earthmoving	Zx 230 Hitachi Excavator with rockbreaker	\$250 (each way)	\$170.00	Wet	
2	Jaycourt Nominees	CAT 220C Excavator - Rock Breaker	\$400.00	\$150.00	Wet	
2	Jaycourt Nominees	CAT 330 Excavator - Rock Breaker	\$500.00	\$195.00	Wet	
2	Jaycourt Nominees	Komatsu 350 Excavator - Rock Breaker	\$500.00	\$195.00	Wet	
3	Mayday Earthmoving	20 T Excavator with Rock Breaker	\$418 each way	\$175.00	Wet	
3	Mayday Earthmoving	30 T Excavator with Rock Breaker	\$550 each way	\$203.50	Wet	
4	Breakwest Hire	20T hydraulic Excavator C/W Rock Breaker	\$330.00 Each Way	\$187.50 Inc Fuel + Excessive Wear & Tear	Wet	
4	Breakwest Hire	30T hydraulic Excavator C/W Rock Breaker	\$453.75 Each Way	\$209 Inc Fuel + Excessive Wear & Tear	Wet	
5	Mini Quip	1.6 Excavator Rock Breaker	\$161.00	\$110.00	Wet	
5	Mini Quip	3.5-4.0 Tonne Excavator Rock Breaker	\$182.60	\$132.00	Wet	
5	Mini Quip	4.5-5.5 Tonne Excavator Rock Breaker	\$198.00	\$143.00	Wet	
5	Mini Quip	14 Tonne Excavator Rock Breaker	as per carrier	\$171.00	Wet	

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.6 Wheel Loader

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	Joyce Earthmoving	65ZV Kawasaki Loader	\$100.00	\$120.00	Wet	
2	Jaycourt Nominees	CAT 936 Wheel Loader	\$400.00	\$145.00	Wet	
2	Jaycourt Nominees	Volvo 120 Wheel Loader	\$400.00	\$170.00	Wet	

2	Jaycourt Nominees	CAT 966 Wheel Loader	\$400.00	\$176.00	Wet	
3	All West Plant Hire	PT 250 Komatsu 16 T	\$396.00	\$121.00	Wet	
3	All West Plant Hire	L90 Volvo 20T	\$396.00	\$132.00	Wet	
3	All West Plant Hire	902 Kawasaki 24T	\$396.00	\$143.00	Wet	
4	Mayday Earthmoving	Komatsu WA 200 / CAT 926	\$330 each way	\$121.00	Wet	
4	Mayday Earthmoving	Komatsu WA 250 / CAT 936	\$385 each way	\$143.00	Wet	
4	Mayday Earthmoving	Komatsu WA 380 / CAT 950	\$385 each way	\$165.00	Wet	
4	Mayday Earthmoving	Komatsu WA 480 / CAT 980	\$440 each way	\$203.50	Wet	
5	Unique Waste Management	Komatsu WA 180 2002 A/C	\$330 Each way	\$132.00	Wet	
5	Unique Waste Management	Komatsu WA 200-3 A/C	\$330 Each way	\$137.50	Wet	

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.7 Rigid Tip Truck

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	Unique Waste Management	Mitsubishi 6X4 Tipper MDG 047A 11m3 Air Con	\$0.00	\$88.00	Wet	
1	Unique Waste Management	Mitsubishi 6X4 Tipper MDG 209A 13m3 Air Con	\$0.00	\$88.00	Wet	
1	Unique Waste Management	Mitsubishi 4x2 Tipper 5m2	\$0.00	\$88.00	Wet	
2	Parkerville Cartage	Rigid Tip Truck	\$0.00	\$93.50	Wet	
3	Joyce Earthmoving	Mack CH Tipper 12m3	\$0.00	\$99.00	Wet	
4	Jaycourt Nominees	Volvo F10 Rigid Tip Truck	\$88.00	\$88.00	Wet	
4	Jaycourt Nominees	Volvo F12 Rigid Tip Truck	\$88.00	\$88.00	Wet	
5	Carlton Contract	Hino 6-Wheel Tipper Truck	\$180.00	\$80.00	Wet	
5	All Earth Group	Various 8 Wheel 13m3	\$110.00	\$105.00	Wet	
6	Mayday Earthmoving	11m3 Road Registered Tip Truck (6X4)	\$90.20 each way	\$90.20	Wet	

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.8 Articulated Tip Truck

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	Unique Waste Management	Volvo FM12 SEMI 20m3	\$0.00	\$121.00	Wet	
1	Unique Waste Management	Volvo FM16 SEMI 25m3	\$0.00	\$121.00	Wet	
2	Joyce Earthmoving	K100 Semi Tipper Kenworth 425hp	\$0.00	\$125.00	Wet	
3	Parkerville Cartage	Articulated Tip Truck	\$0.00	\$132.00	Wet	
4	Jaycourt Nominees	Volvo Articulated Tip Truck	\$100.00	\$110.00	Wet	
4	Jaycourt Nominees	Mack Articulated Tip Truck	\$100.00	\$110.00	Wet	
4	Jaycourt Nominees	Kenworth Articulated Tip Truck	\$100.00	\$110.00	Wet	
2	Joyce Earthmoving	K100 Semi Tipper Kenworth 425hp	\$0.00	\$60.00	Dry	
3	Parkerville Cartage	Articulated Tip Truck	\$0.00	\$110.00	Dry	
7	KB Trucks & Trailer	Volvo Articulated Tip Truck	\$600 weekly	\$120.00	Dry	

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.9 Articulated Tip Truck

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	Jaycourt Nominees	Volvo Articulated Tip Truck	\$100.00	\$115.00	Wet	
1	Jaycourt Nominees	Mack Articulated Tip Truck	\$100.00	\$115.00	Wet	
1	Jaycourt Nominees	Kenworth Articulated Tip truck	\$100.00	\$115.00	Wet	
2	Unique Waste Management	Volvo 8X4 FH460 Quad Super Dog A/C 20,30 50 m3	\$0.00	\$165.00	Wet	
3	KB Trucks & Trailer	Volvo - Mack Articulated Tip Truck	\$700 weekly	\$155.00	Wet	
3	KB Trucks & Trailer	Volvo - Mack Articulated Tip Truck	\$700 weekly	\$135.00	Dry	

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.10 Hooklift Truck

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	Unique Waste Management	Volvo FH 380 8X4 with A/C 15m3 and 30m3	\$0.00	\$110.00	Wet	
2	Parkerville Cartage	Hook Lift Truck	\$0.00	\$121.00	Wet	
3	KB Trucks & Trailer	Volvo Hook Lift Truck	\$400 weekly	\$120.00	Wet	
2	Parkerville Cartage	Hook Lift Truck	\$0.00	\$90.00	Dry	
3	KB Trucks & Trailer	Volvo Hook Lift Truck	\$400 weekly	\$100.00	Dry	

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.11 Highway Water Truck

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	Parkerville Cartage	Highway Water Truck	\$0.00	\$88.00	Wet	
2	Unique Waste Management	ACCO 6X4 15,000L with AC	\$0.00	\$93.50	Wet	
2	Unique Waste Management	Volvo F7 8X4 18,000L with A/C	\$0.00	\$99.00	Wet	
4	Jaycourt Nominees	Volvo Highway Water truck	\$95.00	\$95.00	Wet	
5	All Earth Group	Various 15,000ltr	\$120.00	\$120.00	Wet	
1	Parkerville Cartage	Highway Water Truck	\$0.00	\$55.00	Dry	
3	Coates Hire	7000LT Highway Water Truck	\$0.00	\$43.31	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
3	Coates Hire	11200 - 12000LT Highway Water Truck	\$0.00	\$64.97	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
3	Coates Hire	15000LT Highway Water Truck	\$0.00	\$74.25	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
3	Coates Hire	18000LT Highway Water Truck	\$0.00	\$78.92	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
4	All West Plant Hire	13,000L Hino Water Truck	\$200.00	\$64.35	Dry	
5	All Earth Group	Various 15,000ltr	\$120.00	\$70.00	Dry	

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.12 Off Road Water Truck

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	All Earth Group	HM 400-2 30,000 Ltr	\$1,400.00	\$180.00	Wet	
2	KB Trucks & Trailer	CAT - Hitachi Off-Road Water Truck	\$1,300.00	\$270.00	Wet	
3	Mine Site Construction	Caterpillar D400E Water Truck 35,000 Ltr	\$1650 Each Way	\$231.00	Wet	
3	Mine Site Construction	Caterpillar 631Scraper Water Cart 35,000 Ltr	\$1650 Each Way	\$242.00	Wet	
3	Mine Site Construction	Caterpillar 773B Water Truck 40,000 Ltr	\$1650 Each Way	\$242.00	Wet	
1	All Earth Group	HM 400-2 30,000 Ltr	\$1,400.00	\$130.00	Dry	
2	KB Trucks & Trailer	CAT - Hitachi Off-Road Water Truck	\$1,300.00	\$230.00	Dry	
3	Mine Site Construction	Caterpillar D400E Water Truck 35,000 Ltr	\$1650 Each Way	\$120.00	Dry	
3	Mine Site Construction	Caterpillar 631Scraper Water Cart 35,000 Ltr	\$1650 Each Way	\$130.00	Dry	
3	Mine Site Construction	Caterpillar 773B Water Truck 40,000 Ltr	\$1650 Each Way	\$130.00	Dry	

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.13 Track Loader

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	Jaycourt Nominees	CAT 973 Track Loader	\$600.00	\$240.00	Wet	
2	KB Trucks & Trailer	CAT 953 Track Loader	\$1,300.00	\$245.00	Wet	
2	KB Trucks & Trailer	CAT 963 Track Loader	\$1,400.00	\$265.00	Wet	
2	KB Trucks & Trailer	CAT 973 Track Loader	\$1,500.00	\$290.00	Wet	
2	KB Trucks & Trailer	CAT 953 Track Loader	\$1,300.00	\$205.00	Dry	
2	KB Trucks & Trailer	CAT 963 Track Loader	\$1,400.00	\$225.00	Dry	
2	KB Trucks & Trailer	CAT 973 Track Loader	\$1,500.00	\$250.00	Dry	

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.14 Dozer - D8

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	Jaycourt Nominees	CAT D8R Dozer	\$650.00	\$340.00	Wet	
2	Mayday Earthmoving	CAT D8R	\$935 Each Way	\$275.00	Wet	
3	Mine Site Construction	Caterpillar D8N Dozer	\$2200 Each Way	\$242.00	Wet	
4	All Earth Group	Cat D8R	\$2,700.00	\$210.00	Wet	
5	KB Trucks & Trailer	CAT Dozer D8	\$5,000.00	\$400.00	Wet	
2	Mayday Earthmoving	CAT D8R	\$935 Each Way	\$154.00	Dry	Min 8 hrs/day
3	Mine Site Construction	Caterpillar D8N Dozer	\$2200 Each Way	\$132.00	Dry	
4	All Earth Group	Cat D8R	\$2,700.00	\$160.00	Dry	
5	KB Trucks & Trailer	CAT Dozer D8	\$5,000.00	\$360.00	Dry	

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.15 Dozer - D9

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	Mayday Earthmoving	CAT D9R	\$990 Each Way	\$363.00	Wet	
2	Mine Site Construction	Caterpillar D9N Dozer	\$2200 Each Way	\$253.00	Wet	
2	Mine Site Construction	Caterpillar D9L Dozer	\$2750 Each Way	\$275.00	Wet	
3	KB Trucks & Trailer	CAT Dozer D9	\$5,000.00	\$420.00	Wet	
1	Mayday Earthmoving	CAT D9R	\$990 Each Way	\$198.00	Dry	Min 8 hrs/ day
2	Mine Site Construction	Caterpillar D9N Dozer	\$2200 Each Way	\$143.00	Dry	
2	Mine Site Construction	Caterpillar D9L Dozer	\$2750 Each Way	\$165.00	Dry	
3	KB Trucks & Trailer	CAT Dozer D9	\$5,000.00	\$380.00	Dry	

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.16 Dozer - D10

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	Mayday Earthmoving	CAT D10R	\$990 Each Way	\$451.00	Wet	
2	Mine Site Construction	Caterpillar D10N Dozer	\$2750 Each Way	\$302.50	Wet	
3	KB Trucks & Trailer	CAT Dozer D10	\$6,000.00	\$450.00	Wet	
1	Mayday Earthmoving	CAT D10R	\$990 Each Way	\$258.50	Dry	Min 8 hours/day
2	Mine Site Construction	Caterpillar D10N Dozer	\$2750 Each Way	\$192.50	Dry	
3	KB Trucks & Trailer	CAT Dozer D10	\$6,000.00	\$400.00	Dry	

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.17 Motor Grader

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	Joyce Earthmoving	Caterpillar 12G	\$120 (each way)	\$135.00	Wet	
2	Jaycourt Nominees	CAT 130 Motor Grader	\$300.00	\$145.00	Wet	
2	Jaycourt Nominees	CAT 140 Motor Grader	\$300.00	\$160.00	Wet	
3	All West Plant Hire	770 John Deer 7 100 KW	\$396.00	\$148.50	Wet	
4	Mayday Earthmoving	CAT 12H Grader	\$385 each way	\$121.00	Wet	
4	Mayday Earthmoving	CAT 140H Grader	\$385 each way	\$132.00	Wet	
1	Joyce Earthmoving	Caterpillar 12G	\$120 (each way)	\$70.00	Dry	
3	Coates Hire	CAT 12H Motor Grader	\$319.00	\$72.73	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
3	All West Plant Hire	770 John Deer 7 100 KW	\$396.00	\$77.00	Dry	
3	Coates Hire	CAT 140H Motor Grader	\$319.00	\$78.92	Dry	Min 8 hrs per day. Includes 12.5% damage waiver

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.18 Telescopic Handler

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	KB Trucks & Trailer	CAT Telescopic Handler	\$1,200.00	\$110.00	Wet	
1	KB Trucks & Trailer	CAT Telescopic Handler	\$1,200.00	\$90.00	Dry	
2	Coates Hire	3.0 Tonne (7m reach) Telescopic Handler	\$209.00	\$27.84	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
2	Coates Hire	3.5 Tonne (9m reach) Telescopic Handler	\$319.00	\$29.42	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
2	Coates Hire	4 Tonne (9m reach) telescopic Handler	\$319.00	\$32.51	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
2	Coates Hire	4 Tonne (13m reach) telescopic Handler	\$319.00	\$34.03	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
2	Coates Hire	4 Tonne (17m reach) telescopic Handler	\$319.00	\$37.13	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
3	Breakwest Hire	JCB 541-70E	\$233.75 Each Way	\$30.93	Dry	

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.19 Landfill Compactor

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	Mine Stie Construction	Caterpillar 825 G Compactor 31.7 T SOIL COMPACTOR	\$2200 Each Way	\$242.00	Wet	
1	Mine Stie Construction	Caterpillar 825 G Compactor 31.7 T SOIL COMPACTOR	\$2200 Each Way	\$120.00	Dry	

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.20 Skid Steer Loader

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
2	Parkerville Cartage	Skid Steer Loader	\$0.00	\$88.00	Wet	
3	Unique Waste Management	CIASE 60 XT 2004	\$88.00	\$88.00	Wet	
3	Unique Waste Management	Posi Trac RC60 Track Machine	\$88.00	\$110.00	Wet	Attachments include Post Hole Digger, Hydraulic Grab, Rake Buckets, GP Bucket, Concrete Kibble

5	Carlton Contract	2054 Mustang Bobcat	\$250.00	\$80.00	Wet	
1	Coates Hire	CAT 226B Skid Steer Loader	\$209.00	\$26.33	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
1	Coates Hire	Bobcat S130 Skid Steer Loader	\$209.00	\$26.33	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
1	Coates Hire	Bobcat 753 Skid Steer Loader	\$209.00	\$26.33	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
1	Coates Hire	CAT 742 Skid Steer Loader	\$209.00	\$30.21	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
2	Parkerville Cartage	Skid Steer Loader	\$0.00	\$55.00	Dry	
4	Brooks Hire Services	Komatsu 714K	\$357.50	\$24.75	Dry	To Red Hill
4	Brooks Hire Services	CAT 226B	\$357.50	\$24.75	Dry	To Red Hill
4	Brooks Hire Services	Komatsu 714K	\$286.00	\$24.75	Dry	To Hazelmere
4	Brooks Hire Services	CAT 226B	\$286.00	\$24.75	Dry	To Hazelmere
4	Brooks Hire Services	Komatsu 714K	\$286.00	\$24.75	Dry	To Lawnbrook Rd
4	Brooks Hire Services	CAT 226B	\$286.00	\$24.75	Dry	To Lawnbrook Rd
4	Brooks Hire Services	Komatsu 714K	\$489.50	\$24.75	Dry	To Mathieson
4	Brooks Hire Services	CAT 226B	\$489.50	\$24.75	Dry	To Mathieson
4	Brooks Hire Services	Komatsu 714K	\$357.50	\$24.75	Dry	To Coppin Rd
4	Brooks Hire Services	CAT 226B	\$357.50	\$24.75	Dry	To Coppin Rd

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.21 Backhoe Loader

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Standby Rate	Wet or Dry?	Comments
1	Jaycourt Nominees	Volvo 6300 Backhoe Loader	\$100.00	\$110.00		Wet	
2	All West Plant Hire	Case 580 09, JCB 3CX 07, Volvo BL 71 08	\$250.00	\$99.00		Wet	
3	Parkerville Cartage	Backhoe JCB 3CX	\$220.00	\$302.50		Wet	
4	Mayday Earthmoving	JCB 3CX / Case 590	\$187 Each way	\$104.50		Wet	
5	Unique Waste Management	JCB 3CX 4X4 Backhoe 98' Extender Hoe with A/C	\$220 Each way	\$99.00		Wet	Fuel and Servicing done by UWM, fuel billed at cost to EMRC

8	KB Trucks & Trailer	JCB Backhoe Loader	\$600 weekly	\$125.00		Wet	
2	All West Plant Hire	Case 580 09, JCB 3CX 07, Volvo BL 71 09	\$250.00	\$38.50	\$22.00	Dry	
3	Parkerville Cartage	Backhoe JCB 3CX	\$220.00	\$71.50		Dry	
4	Mayday Earthmoving	JCB 3CX / Case 590	\$187 Each way	\$55.00		Dry	Min 8 hrs/day
5	Unique Waste Management	JCB 3CX 4X4 Backhoe 98' Extender Hoe with A/C	\$220 Each way	\$55.00		Dry	By Hour Meter
5	Unique Waste Management	JCB 3CX 4X4 Backhoe 98' Extender Hoe with A/C	\$220 Each way	\$275.00		Dry	Per day

2.2.22 Sheepsfoot Roller

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	All West Plant Hire	Bomag 14T 09	\$396.00	\$99.00	Wet	
2	Jaycourt Nominees	Parnell Sheepsfoot Roller	\$300.00	\$160.00	Wet	
2	Jaycourt Nominees	Bomag Sheepsfoot Roller	\$300.00	\$160.00	Wet	
4	Breakwest Hire	7T Self Propelled Vibrating Padfoot Roller	\$302.50 Each Way	\$100.35 Inc Fuel	Wet	
4	Breakwest Hire	12T Self Propelled Vibrating Padfoot Roller	\$302.50 Each Way	\$102.80 Inc Fuel	Wet	
4	Breakwest Hire	16T Self Propelled Vibrating Padfoot Roller	\$302.50 Each Way	\$106.70 Inc Fuel	Wet	
4	Breakwest Hire	22T Self Propelled Vibrating Padfoot Roller	\$302.50 Each Way	\$121.80 Inc Fuel	Wet	
1	All West Plant Hire	Bomag 14T 09	\$396.00	\$44.00	Dry	
3	Coates Hire	12-13 Tonne Dynapac or CAT Sheepsfoot Roller	\$319.00	\$38.70	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
3	Coates Hire	14-15 Tonne Dynapac or CAT Sheepsfoot Roller	\$319.00	\$44.89	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
3	Coates Hire	16-17 Tonne Dynapac or CAT Sheepsfoot Roller	\$319.00	\$49.50	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
3	Coates Hire	18-20 Tonne Dynapac or CAT Sheepsfoot Roller	\$319.00	\$52.59	Dry	Min 8 hrs per day. Includes 12.5% damage waiver

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.23 Flat Bed Roller

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
1	All West Plant Hire	Bomag 14T 09	\$396.00	\$99.00	Wet	
2	Jaycourt Nominees	Parnell Flat Bed Roller	\$300.00	\$160.00	Wet	
2	Jaycourt Nominees	Bomag Flat Bed Roller	\$300.00	\$160.00	Wet	
4	Breakwest Hire	12T Self Propelled Vibrating Smoothdrum Roller	\$302.50 Each Way	\$100.05 Inc Fuel	Wet	
4	Breakwest Hire	14T Self Propelled Vibrating Smoothdrum Roller	\$302.50 Each Way	\$102.85 Inc Fuel	Wet	
4	Breakwest Hire	16T Self Propelled Vibrating Smoothdrum Roller	\$302.50 Each Way	\$105.30 Inc Fuel	Wet	
4	Breakwest Hire	22T Self Propelled Vibrating Smoothdrum Roller	\$302.50 Each Way	\$116.85 Inc Fuel	Wet	
4	Breakwest Hire	7T Self Propelled Vibrating Smoothdrum Roller	\$302.50 Each Way	\$98.45 Inc Fuel	Wet	
1	All West Plant Hire	Bomag 14T 09	\$396.00	\$38.50	Dry	
3	Coates Hire	7.0 Tonne Dynapac or CAT Flat Bed Roller	\$209.00	\$30.94	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
3	Coates Hire	12-13 Tonne Dynapac or CAT Flat Bed Roller	\$319.00	\$37.13	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
3	Coates Hire	14-15 Tonne Dynapac or CAT Flat Bed Roller	\$319.00	\$43.31	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
3	Coates Hire	16-17 Tonne Dynapac or CAT Flat Bed Roller	\$319.00	\$47.98	Dry	Min 8 hrs per day. Includes 12.5% damage waiver
3	Coates Hire	18-20 Tonne Dynapac or CAT Flat Bed Roller	\$319.00	\$51.08	Dry	Min 8 hrs per day. Includes 12.5% damage waiver

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.

2.2.24 Other Plant

Rank	Company	Machine Description	Mob/Demob (GST inc)	Hire /hr (GST inc)	Wet or Dry?	Comments
	Jaycourt Nominees	Quad Float - Other Plant	\$120.00	\$120.00	Wet	
	Jaycourt Nominees	Tri Float - Other Plant	\$110.00	\$110.00	Wet	
	Jaycourt Nominees	Komatsu WA 600 - Other Plant	\$800.00	\$400.00	Wet	
	All Earth Group	SBM- Impact Crusher	\$2,700.00	\$350.00	Wet	
	All Earth Group	Terex Pegson Premier Track Crusher	\$2,700.00	\$350.00	Wet	
	All Earth Group	Warrior 1400t Power Screen	\$990.00	\$190.00	Wet	
	All Earth Group	Warrior 1400T Apron Feed	\$990.00	\$170.00	Wet	
	All Earth Group	Finlay 685 Crawler Screen	\$990.00	\$190.00	Wet	
	Mine Site Construction	Caterpillar D3C Dozer	\$1100 Each way	\$159.50	Wet	
	Mine Site Construction	Caterpillar D3G Dozer	\$1100 Each way	\$170.50	Wet	
	Mine Site Construction	Caterpillar D6H Dozer	\$1650 Each Way	\$187.00	Wet	
	Mine Site Construction	Caterpillar D6R Dozer	\$1650 Each Way	\$192.50	Wet	
	Mine Site Construction	Caterpillar D7H Dozer	\$1650 Each Way	\$220.00	Wet	
	Unique Waste Management	Fire Fighter, Dust Suppression Toyota Landcruiser 1000L Water Cart	\$0.00	\$55.00	Wet	
	Unique Waste Management	Plate Compactor LG 700 and LG 500	\$0.00	\$88.00	Wet	
	Brooks Hire Services	20T M/W Rollers	\$605.00	\$34.37	Dry	To Red Hill
	Brooks Hire Services	20T M/W Rollers	\$484.00	\$34.37	Dry	To Hazelmere
	Brooks Hire Services	20T M/W Rollers	\$484.00	\$34.37	Dry	To Lawnbrook Rd
	Brooks Hire Services	20T M/W Rollers	\$847.00	\$34.37	Dry	To Mathieson
	Brooks Hire Services	20T M/W Rollers	\$605.00	\$34.37	Dry	To Coppin Rd
	Breakwest Hire	1.5T Self Propelled Tandem Roller	\$175.00 Each Way	\$15.15	Dry	
	Breakwest Hire	2.8T Self Propelled Tandem Roller	\$175.00 Each Way	\$16.50	Dry	

	Breakwest Hire	10Ft Mould Board Motor Grader	\$233.75 Each Way	\$57.75	Dry	
	Breakwest Hire	Vacuum Excavation Trailer Mounted	\$110 Each Way	\$30.25	Dry	
	All Earth Group	SBM- Impact Crusher	\$2,700.00	\$285.00	Dry	
	All Earth Group	Terex Pegson Premier Track Crusher	\$2,700.00	\$285.00	Dry	
	All Earth Group	Warrior 1400t Power Screen	\$990.00	\$130.00	Dry	
	All Earth Group	Warrior 1400T Apron Feed	\$990.00	\$90.00	Dry	
	All Earth Group	Finlay 685 Crawler Screen	\$990.00	\$130.00	Dry	
	Mine Site Construction	Caterpillar D3C Dozer	\$1100 Each way	\$82.50	Dry	
	Mine Site Construction	Caterpillar D3G Dozer	\$1100 Each way	\$93.50	Dry	
	Mine Site Construction	Caterpillar D6H Dozer	\$1650 Each Way	\$110.00	Dry	
	Mine Site Construction	Caterpillar D6R Dozer	\$1650 Each Way	\$115.50	Dry	
	Mine Site Construction	Caterpillar D7H Dozer	\$1650 Each Way	\$121.00	Dry	
	Unique Waste Management	Fire Fighter, Dust Suppression Toyota Landcruiser 1000L Water Cart	\$0.00	\$110.00	Dry	Per day

* Unless otherwise stipulated, prices are applicable to Red Hill, Hazelmere Timber Recycling Facility, Lawnbrook Road Transfer Station, Mathieson Road Transfer Station and Coppin Road Transfer Station.



9.5 DRAFT RISK MANAGEMENT CONSULTING RATES AND TRAINING COURSE FEES 2010/2011

REFERENCE: COMMITTEES-10727

PURPOSE OF REPORT

To provide member Councils with indicative risk management consulting rates and training course fees for 2010/2011 to aid budgeting processes.

KEY ISSUES AND RECOMMENDATION(S)

- An increase in Risk Management consulting rates for Member Councils that reflects CPI movement i.e. for the September and December quarters for 2009 compared to last year averaged about 4.0%.
- For non-Member clients, consulting rates to increase by 5.1 - 5.4%
- Training Fees for 2011: Fees for OH&S training to increase by 3.9%. These fees are strongly influenced by market forces. Fees for traffic management training to increase by 4.1 - 4.4%.
- The fee for WorkSafe Safety Awareness training, though increased by 8.0%, is still significantly less than for a standard half day course, largely due to competition in the marketplace.

Recommendation(s)

That the Draft Risk Management Consulting Rates and Training Course Fees forming attachment 1 of this report be used for the development of the 2010/2011 draft budget and be referred to member Councils for consideration during the development of their 2010/2011 budgets.

SOURCE OF REPORT

Director Regional Services
Manager Risk Management Service

BACKGROUND

Risk Management consulting rates and training course fees are reviewed on an annual basis as part of the preparation of the annual budget. Proposed rates are distributed to member Councils to assist in the preparation of member Council budgets.

REPORT

The Risk Management Service consulting rates have been adjusted to take into account, the impact of inflation, market pressures and to ensure there is an adequate contribution to EMRC costs.

The consulting rate for Member councils and Regular Clients has been increased by 4.3% and 5.1% respectively. The rate for Occasional Clients has been increased by 5.4% to \$124.54 (ex GST) to bring it more in line with the general rates of comparable consulting organisations.

Overall, the consulting rates outlined in attachment 1 are similar or lower than the rates of comparable consulting operations.

The new fee for WorkSafe Construction Industry Safety Awareness training of \$85.45 (ex GST) per person, representing an increase of 8.0%, is still well below that for a standard half day training session. This fee is designed to be competitive within the prevailing marketplace and reflects the expectation of high numbers per session than for other training options.



Item 9.5 continued

It is proposed that the fees for Traffic Management courses, Basic Worksite Traffic Management and Traffic Controller be increased by 4.4% again to cover inflation. The fee for the Events Traffic Controller course has been increased by 4.1%.

The proposed consulting rates and training course fees will be used to develop the draft 2010/2011 budget and to assist member Councils to develop their budgets. There may be a need to revise these rates prior to adoption by the EMRC, as they need to respond to the pricing strategies of other Registered Training Organisations as well as changes to assessment requirements.

It should be noted that consulting fees are applicable for a financial year, whereas training course fees are applicable for a calendar year.

The rates and fees as presented relate to the main income areas presented in Table 1 below.

INCOME AREA	2008/2009 (Actuals)	2009/2010 (Forecast Budget)
Training - Members	\$24,000	\$13,000
Training – Non-Members	\$50,000	\$39,000
Consulting - Members	\$68,300	\$58,300
Consulting – Non-Members **	\$111,000	\$117,000

Notes

1. ** Includes the EMRC itself, which is the dominant purchaser of services.
2. The drop in training revenue is mainly explained by the fact that in 2008/2009 more mandatory training (ie WorkSafe & Main Roads) was delivered. Once this is done for the workforce the demand reduces; ie staff only have to do this training once (WorkSafe) or every three years (Main Roads).

STRATEGIC/POLICY IMPLICATIONS

Adoption of the draft consulting rates for the preparation of the draft 2010/2011 budget will contribute toward the Key Result Area 4 Good Governance and specifically to 4.6 to continue to improve financial and asset management practices.

FINANCIAL IMPLICATIONS

The proposed rates will be used to develop detailed budgets for the Risk Management Service consulting and training activities and a review of the Five Year Financial Plan.

SUSTAINABILITY IMPLICATIONS

Nil



Item 9.5 continued

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT(S)

Draft Risk Management Consulting Rates and Training Course Fees for 2009/2010
(Ref: Committees-10731)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That the Draft Risk Management Consulting Rates and Training Course Fees forming attachment 1 of this report be used for the development of the 2010/2011 draft budget and be referred to member Councils for consideration during the development of their 2010/2011 budgets.

TAC RECOMMENDATION(S)

MOVED MR COTEN

SECONDED MR PEARSON

That the Draft Risk Management Consulting Rates and Training Course Fees forming attachment 1 of this report be used for the development of the 2009/2010 draft budget and be referred to member Councils for consideration during the development of their 2009/2010 budgets.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR MCKECHNIE

SECONDED CR PULE

THAT THE DRAFT RISK MANAGEMENT CONSULTING RATES AND TRAINING COURSE FEES FORMING ATTACHMENT 1 OF THIS REPORT BE USED FOR THE DEVELOPMENT OF THE 2009/2010 DRAFT BUDGET AND BE REFERRED TO MEMBER COUNCILS FOR CONSIDERATION DURING THE DEVELOPMENT OF THEIR 2009/2010 BUDGETS.

CARRIED UNANIMOUSLY

Draft Risk Management Consulting Rates and Training Course Fees 2010/2011

	Prior Years Actuals						Proposed	
	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010	2010/2011	% Change
Consulting Fees								
Member Councils (Per Hour)	\$56.00	\$56.00	\$75.00	\$78.00	\$80.91	\$84.55	\$88.18	4.3%
WMRC (Per Hour)	\$88.00	\$88.00	\$90.00	\$92.00	\$95.45	\$107.27	\$112.73	5.1%
Other Organisations – Regular (Per Hour)	\$93.00	\$93.00	\$95.00	\$97.00	\$100.91	\$107.27	\$112.73	5.1%
Other Organisations – Occasional (Per Hour)	\$98.00	\$98.00	\$98.00	\$101.00	\$109.09	\$118.18	\$124.54	5.4%
Internal – EMRC (Per Hour)	\$88.00	\$88.00	\$88.00	\$90.00	\$94.00	\$97.76	\$101.81	4.1%
InterCouncil Comparison Scheme (Benchmarking process)			\$36.00 per mth	\$36.00 per mth	\$37.50 per mth	\$39.00 per mth	\$40.45	4.0%
	2005	2006	2007	2008	2009	2010	2011	% Change
General Safety Training Course Fees								
Half Day (Per Participant)	\$121.82	\$123.64	\$125.45	\$129.21	\$134.55	\$140.00	\$145.45	3.9%
One Day (Per Participant)	\$203.64	\$207.27	\$213.64	\$217.91	\$227.27	\$236.36	\$245.45	3.8%
Two Day (Per Participant)	\$340.91	\$345.45	\$354.55	\$365.19	\$380.00	\$395.45	\$410.91	3.9%
WorkSafe Safety Awareness Training - Construction Industry (Half day)				\$68.18	\$73.64	\$79.09	\$85.45	8.0%
Traffic Management Training Course Fees								
Basic Worksite Traffic Management	\$118.18	\$118.18	\$124.54	\$188.00	\$196.36	\$205.45	\$214.54	4.4%
Advanced Worksite Traffic Management	\$159.09	\$390.90	\$410.91	TBA	TBA	TBA	N/A	N/A
Traffic Controller	\$118.18	\$118.18	\$124.54	\$188.00	\$196.36	\$205.45	\$214.54	4.4%
Events Traffic Controller course				\$127.27	\$130.91	\$131.82	\$137.27	4.1%

* Notes: All Rates are exclusive of GST

CPI increase based on the average of the September & December quarter rate change from previous year of approximately 4%



9.6 ITEMS CONTAINED IN THE INFORMATION BULLETIN

REFERENCE: COMMITTEES-10682

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

1 REGIONAL SERVICES

1.1 RISK MANAGEMENT SERVICES REPORT (Ref: Committees-10497)

The Manager Risk Management provided a summary of the report.

RECOMMENDATION

That the Information Bulletin be noted.

TAC RESOLUTION(S)

MOVED MR STEWERT-DAWKINS SECONDED MR LUTEY

THAT THE INFORMATION BULLETIN BE NOTED.

CARRIED UNANIMOUSLY

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

Nil

11 GENERAL BUSINESS

Mr Pearson advised that he received a registration of interest from WALGA for the disposal of waste at a proposed Thiess Services facility. Mr Pearson sent an email to WALGA expressing his concern that it was inappropriate for them to send out the registration of interest. The Chief Executive Officer advised that he will add this matter to the agenda of the Forum of Regional Councils (FORC) meeting he is attending tomorrow. Mr Lutey reported that he made some enquiries into the request from WALGA and was advised that they were asked by Thiess Services to do some market research. The Manager Project Development advised that he was told more information could be obtained via the WALGA electronic tender portal, however the information could not be found.

Mr Stewart-Dawkins enquired about a presentation the EMRC is hosting on 23 April in relation to energy from waste. The Manager Project Development explained that the 2 guest speakers will be giving a short presentation to Council on 22 April and the EMRC is making use of their availability to organise a public presentation. The Chief Executive Officer advised that the presentation has been opened up to the public.

The Director Regional Services made mention of an article from the West Australian newspaper in regards to the Swan River. The Director Regional Services advised that the EMRC has been working closely with Professor Fiona Haslam McKenzie from the Curtin University of Technology featured in the article to give her detail of the EMRC Swan Helena River Management Framework (SHRMF) and will provide copies of her report once it is released.

The Director Waste Services advised that he will send out copies of the Draft State Waste Strategy and asked that members have a look through the document and point out any areas they would like highlighted again. The Director Waste Services advised that he will also send out some information prepared by the Municipal Waste Advisory Council (MWAC) to summarise the amendments to the initial Draft Waste Strategy.



12 FUTURE MEETINGS OF THE TECHNICAL ADVISORY COMMITTEE

The next meeting of the Technical Advisory Committee will be held on **Thursday 6 May 2010 (if required)** at the EMRC Administration Office, 1st Floor, Ascot Place, 226 Great Eastern Highway, Belmont WA 6104 commencing at 4.00 pm.

The Chief Executive Officer advised that future meetings of the TAC will commence at 4.00pm.

Future Meetings 2010

Thursday	6 May (if required)	at	EMRC Administration Office
Thursday	3 June	at	EMRC Administration Office
Thursday	8 July (if required)	at	EMRC Administration Office
Thursday	5 August	at	EMRC Administration Office
Thursday	9 September (if required)	at	EMRC Administration Office
Thursday	7 October	at	EMRC Administration Office
Thursday	18 November (if required)	at	EMRC Administration Office

13 DECLARATION OF CLOSURE OF MEETING

There being no further business, the Chairman declared the meeting closed at 4.05pm.



**15.3 RESOURCE RECOVERY COMMITTEE MEETING HELD 8 APRIL 2010
(REFER TO MINUTES OF COMMITTEE - ORANGE PAGES)
REFERENCE: COMMITTEES-10542**

The minutes of the Resource Recovery Committee meeting held on **8 April 2010** accompany and form part of this agenda – (refer to orange section of ‘Minutes of Committees’ for Council accompanying this Agenda).

QUESTIONS

The Chairman invited general questions from members on the report of the Resource Recovery Committee. Any questions relating to the confidential report attachment will be dealt with under section 19.1 of the agenda “Confidential Items.”

RECOMMENDATION

That with the exception of items, which are to be withdrawn and dealt with separately, the recommendations in the Resource Recovery Committee report (Section 15.3) be adopted.

COUNCIL RESOLUTION

MOVED CR LINDSEY

SECONDED CR POWELL

THAT THE RECOMMENDATIONS IN THE RESOURCE RECOVERY COMMITTEE REPORT (SECTION 15.3) BE ADOPTED.

CARRIED UNANIMOUSLY

RESOURCE RECOVERY COMMITTEE

MINUTES

8 April 2010

(REF: COMMITTEES-10542)

A meeting of the Resource Recovery Committee was held at the EMRC Administration Office, 1st Floor, 226 Great Eastern Highway, BELMONT WA 6104 on **Thursday, 8 April 2010**. The meeting commenced at **5.00pm**.

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1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Chairman opened the meeting at 5.00pm.

2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

Committee Members

Cr Tony Cuccaro (Chairman)	EMRC Member	Shire of Mundaring
Cr Gerry Pule	EMRC Member	Town of Bassendean
Cr Glenys Godfrey	EMRC Member	City of Belmont
Cr David Färdig	EMRC Member	City of Swan
Mr Simon Stewert-Dawkins	Director Operational Services	Town of Bassendean
Mr Doug Pearson	Director Technical Services	City of Bayswater
Mr Ric Lutey	Director Technical Services	City of Belmont
Mr Mahesh Singh	Director Engineering Services	Shire of Kalamunda
Mr Shane Purdy	Director Infrastructure Services	Shire of Mundaring
Mr Jim Coten	Executive Manager Operations	City of Swan
Mr Peter Schneider	Chief Executive Officer	EMRC

Leave of Absence Previously Approved

Cr Alan Radford	EMRC Member	City of Bayswater
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Deputy Committee Members - Observers

Cr Graham Pittaway	EMRC Chairman	City of Bayswater
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EMRC Officers

Mr Stephen Fitzpatrick	Manager, Project Development
Ms Mary-Ann Winnett	Personal Assistant to the Director Corporate Services
Ms Annie Hughes-d'Aeth	Administration Support Officer (Minutes)

Visitors

Mr John King	Cardno
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3 DISCLOSURE OF INTERESTS

Nil

4 ANNOUNCEMENT BY THE CHAIRMAN OR PERSON PRESIDING WITHOUT DISCUSSION

Nil



5 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

5.1 MINUTES OF THE RESOURCE RECOVERY COMMITTEE MEETING HELD ON 4 February 2010

That the Minutes of the Resource Recovery Committee meeting held on 4 February 2010, which have been distributed, be confirmed.

RRC RESOLUTION(S)

MOVED CR GODFREY SECONDED CR PULE

THAT THE MINUTES OF THE RESOURCE RECOVERY COMMITTEE MEETING HELD ON 4 FEBRUARY 2010, WHICH HAVE BEEN DISTRIBUTED, BE CONFIRMED.

CARRIED UNANIMOUSLY

6 PRESENTATIONS

Nil

7 ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

Refer to **Item 10 Confidential Matters For Which The Meeting May Be Closed To The Public.**

8 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil



9 REPORTS OF OFFICERS

9.1 PROGRESS REPORT ON RESOURCE RECOVERY INITIATIVES

REFERENCE: COMMITTEES-10696

PURPOSE OF REPORT

The purpose of this report is to keep Council informed of continuing progress on Resource Recovery Processing Initiatives.

KEY ISSUES AND RECOMMENDATION(S)

- SMRC continue to have some issues with the DEC over odour emissions management.
- Rivers Regional Council have commenced the environmental approvals process for their AWT facility
- AnaeCo have completed the stage 1 trial at their facility in Shenton Park.
- SITA have experienced equipment failure at the Biovision facility at Neerabup.
- Manager Project Development visited the Ansec Pty Ltd pilot scale pyrolysis plant at Bunbury.

Recommendation(s)

That the report be received.

SOURCE OF REPORT

Manager Project Development

BACKGROUND

At the Council meeting of 24 August 2000, Council adopted the following resolutions:

- “1. THAT THE EMRC UNDERTAKE A STUDY TO DETERMINE THE RANGE OF COMMERCIAL AND FINANCING OPTIONS AVAILABLE TO THE EMRC FOR ITS INVOLVEMENT IN THE SECONDARY WASTE TREATMENT FACILITY.
2. THAT THE EMRC REQUEST THE OPPORTUNITY FOR EACH MEMBER COUNCIL TO RECEIVE A PRESENTATION REGARDING THE TECHNOLOGIES, COSTS, NEED FOR STAGED COMMITMENTS ETC FOR THE INTRODUCTION OF A SECONDARY WASTE TREATMENT FACILITY.
3. THAT AN OVERSEAS STUDY TOUR OF OPERATING SECONDARY WASTE TREATMENT FACILITIES BY OFFICERS AND COUNCILLORS OF THE EMRC, TO BE DETERMINED AT A LATER DATE, FOLLOWING A DESKTOP STUDY OF SUITABLE LOCATIONS AND PREFERABLY IN CONJUNCTION WITH AN INTERNATIONAL WASTE MANAGEMENT CONFERENCE.
4. THAT SUBJECT TO THE PROVISION OF A COPY OF THE REPORT SECONDARY TREATMENT FEASIBILITY STUDY, AS COMMISSIONED BY MINDARIE REGIONAL COUNCIL, A REPORT ON ITS CONTENT AND APPLICATION TO THE EMRC'S PROPOSED ACTIVITIES BE PROVIDED.
5. THAT A CONSULTANT BE ENGAGED TO PROCEED WITH THE RED HILL DEVELOPMENT 'MASTER PLAN' INCLUDING A REVIEW AND RECOMMENDATION FOR AN APPROPRIATE SITE FOR A SECONDARY WASTE PROCESSING FACILITY AND THE PROVISION OF A PROGRAM TO INTRODUCE SECONDARY WASTE TREATMENT.



Item 9.1 continued

6. *THAT A PROGRAMME BE DEVELOPED FOR THE COMMUNITY CONSULTATION NECESSARY FOR THE INTRODUCTION OF A SECONDARY WASTE TREATMENT FACILITY FOR THE EMRC.*
7. *THAT A DETAILED REPORT BE PREPARED ON THE CONTENT AND SIGNIFICANCE TO THE EMRC OF THE "REPORT OF THE ALTERNATIVE WASTE MANAGEMENT TECHNOLOGIES AND PRACTICES INQUIRY" FROM NEW SOUTH WALES.*
8. *THAT A DETAILED REPORT BE PREPARED ON THE CONTENT AND SIGNIFICANCE TO THE EMRC OF THE "REPORT OF THE ALTERNATIVE WASTE MANAGEMENT TECHNOLOGIES AND PRACTICES INQUIRY" FROM NEW SOUTH WALES.*
9. *THAT A SECONDARY WASTE PROCESSING RESERVE BE ESTABLISHED AND STAFF PROVIDE A RECOMMENDATION OF THE INITIAL AMOUNT TO BE TRANSFERRED TO THAT RESERVE TAKING INTO ACCOUNT THE ADDITIONAL TIPPING FEES IMPOSED EFFECTIVE FROM 1 JULY 1999.*
10. *THAT THE EMRC START PUBLIC EDUCATION AND CONSULTATION FOR ALL MEMBER COUNCIL RESIDENTS ON PLANS FOR SECONDARY WASTE TREATMENT AS SOON AS PRACTICABLE."*

The nine resolutions from the 24 August 2000 Council meeting have been reported on in all subsequent meetings of the SSWTC/RRC and are complete with the exception of resolution 3, which has been incorporated into the project schedule for the resource recovery technology selection.

At the Council meeting of 26 April 2001, Council resolved the following:

"THAT THE REPORT BE RECEIVED AND THE ATTACHMENT BE UPDATED FOR EACH MEETING OF THE STRATEGIC AND SECONDARY WASTE TREATMENT COMMITTEE."

At the Council meeting of 20 May 2004, Council resolved the following:

"THAT A NUMBER OF INTERESTED EMRC COUNCILLORS WITH EMRC OFFICERS ATTEND GLOBAL RENEWABLES LIMITED, EASTERN CREEK, NSW FACILITY WITHIN SIX (6) MONTHS OF THE FACILITY OPENING."

Report item 9.3 of the SSWTC agenda for 8 June 2006 reported on the EMRC visit to GRL Eastern Creek and other resource recovery facilities in the eastern states, satisfying this resolution.

Council resolved at its meeting of 31 July 2008 to attend the second international conference on Energy from Biomass and Waste in Italy and to visit waste treatment plants in preparation for the EOI process. This visit was reported to RRC at its 12 February 2009 meeting.

REPORT

The resource recovery initiatives being undertaken elsewhere in Australia currently include:

- Southern Metropolitan Regional Council, RRRC Project, Canning Vale;
- Rivers Regional Council, Resource Recovery Project
(formerly South Eastern Metropolitan Regional Council, Resource Recovery Project);
- Atlas Waste Treatment Facility, Mirrabooka;
- Mindarie Regional Council (MRC), Resource Recovery Project;
- Ti Tree Bioenergy Project, Queensland;
- Veolia Woodlawn Bioreactor Project, NSW;



Item 9.1 continued

- Global Renewables Limited (GRL), Eastern Creek, NSW;
- AnaeCo (formerly ORT), Shenton Park;
- Coffs Harbour City Council Alternative Waste Treatment (AWT) plant; and
- WSN Environmental Solutions, South Sydney, AWT facility.

Progress reports on these initiatives are attached.

Other Resource Recovery Facilities operating in Australia include:

- EarthPower, Camelia facility which converts food waste to methane and fertiliser and was visited by the Manager Project Development in July 2007;
- Rethmann Integrated Waste Management Facility, Port Macquarie which converts green waste and biosolids to compost; and
- Cairns Bedminster facility now owned and operated by SITA CEC Environmental Solutions.

These facilities were reported in agenda item 10.1 of the RRC 14 June 2007 meeting.

A pilot scale pyrolysis technology plant has been developed by Best Energies in Gosford, NSW and was reported in the RRC July 2007 agenda (report item 9.3).

Opportunities for a future visit to this facility and other AWT facilities including the Rethmann facility at Port Macquarie, SITA operated anaerobic digestion facility at Camelia, Biomass Solutions at Coffs Harbour and the Best Energy pilot plant at Gosford will be explored.

The Manager Project Development inspected a pilot scale pyrolysis plant in Bunbury during March 2010. The facility is owned and operated by Ansec Pty Ltd and is available for trial work. Consideration is being given to trials involving mixed MSW, green waste and residual waste from the SMRC composting plant with possible funding from a SWIS grant. This would be done in conjunction with the SMRC and WMRC.

STRATEGIC/POLICY IMPLICATIONS

The Resource Recovery Facility is part of the strategic plan for sustainable waste management for the region.

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil direct implication for member Councils
City of Bayswater	
City of Belmont	
Shire of Kalamunda	
Shire of Mundaring	
City of Swan	

FINANCIAL IMPLICATIONS

All Resource Recovery Project activities are accounted for in the annual budget approved by Council.



Item 9.1 continued

SUSTAINABILITY IMPLICATIONS

The Resource Recovery Project is aimed at reducing greenhouse gas emissions from the EMRC's waste disposal operations and State programmes for reduction of waste to landfill.

ATTACHMENTS

1. Progress on Resource Recovery Initiatives in Australia as at 22 March 2010 (Ref: Committees-10696)
2. Copy Press Release regarding the trials of WMRC's Anaeco stage 1 facility (Ref: Committees-10732)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That the report be received.

Discussion ensued

Cr Godfrey referred to the equipment failure at Mindarie Regional Council's (MRC), SITA Biovision facility at Neerabup and asked what the key issues were.

The Manager Project Development advised that there were cracking failures in the rotary drums or digesters and temporary repairs have been made to enable the plant to run while SITA negotiates with the technology owners, equipment fabricators and project insurers for permanent repairs.

The Manager Project Development suggested that the RRC visit the Neerabup site in either April or May 2010 on a Thursday between 3-5pm because, although this is an aerobic composting facility, the committee had not yet visited the site. Discussion ensued in regards to visiting other resource recovery sites, such as Anaeco on the same day.

The Manager Project Development advised that the RRC visited Anaeco two years ago (late 2008) and felt it was not appropriate to visit again as Anaeco was not selected as a preferred tenderer. Furthermore, the Waste and Recycle Conference usually provides opportunities to visit facilities such as Anaeco's.

Cr Pule asked if a study could be done comparing large scale facilities as opposed to small scale facilities, for example flexibility and costing of facilities. The Manager Project Development noted that these types of considerations were being looked at and will be re-examined in the future.

RRC RECOMMENDATION(S)

MOVED CR PULE

SECONDED CR FÄRDIG

That the report be received.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR LINDSEY

SECONDED CR POWELL

THAT THE REPORT BE RECEIVED.

CARRIED UNANIMOUSLY



Item 9.1 continued

Attachment 1 to RRC 8 April 2010 Item 9.1

PROGRESS REPORTS ON RESOURCE RECOVERY INITIATIVES IN AUSTRALIA AS AT 22 March 2010

Southern Metropolitan Regional Council (SMRC), Regional Resource Recovery Centre (RRRC) Project, Canning Vale

The SMRC have been issued with a notice by the DEC to amend their licence which they are examining

SMRC are continuing to investigate converting greenwaste and/or residual waste from the composting facility into bio-char and energy to offset some of the power consumption at Canning Vale.

Rivers Regional Council, Resource Recovery Project

The Manager Project Development attended a workshop at Rivers Regional Council on 18 March to give a presentation on the recent Resource Recovery Tour by the EMRC project team.

Rivers have already commenced the environmental approvals process via an Assessment by Referral Information (ARI). They have completed studies such on flora, fauna, traffic, noise and odours and are about to commence 'detailed' Community Consultation for their preferred site - McLaughlin Road, Postans in the Town of Kwinana. This will involve a manned booth set up in the local shopping centre, a manned display in a hall, adverts in the local papers with handouts to residents within about 1.5km radius of the site (allowing for the fact as there is already about a 1 km buffer zone in place). Before they commence this program they are awaiting advice from the City of Rockingham if they are to be involved in the project or stay with the SMRC. This will influence the site selection.

Rivers have decided not to pursue the EOI process as they have limited the technology choice to either aerobic or anaerobic and not the full range of technologies. They anticipate going to tender early 2011.

Atlas Waste Treatment Facility, Mirrabooka

No further progress to report.

Mindarie Regional Council (MRC), Resource Recovery Project

The SITA facility at Neerabup has recommenced production after being shutdown for maintenance in January 2010 after cracks were found in the digesters. A visit to this facility for RRC members is being considered for April 2010.

Ti Tree Bioenergy Project, Queensland

No further progress to report.

Veolia Woodlawn Bioreactor Project, NSW

No further progress to report.

Global Renewables Limited (GRL), Eastern Creek, NSW

Now owned and operated by Emergent Capital. No further progress to report.

GRD Minproc is developing the Lancashire project in the UK building on the lessons of the Eastern Creek facility.



Item 9.1 continued

AnaeCo, Shenton Park

The trials of stage 1 of the WMRC Project have been reported as complete and this is being assessed by the WMRC. This involved an independent certification by consulting engineers Sinclair Knight Merz. AnaeCo have announced plans to expand the facility from 15,000 tpa to 55,000 tpa with the addition of two additional digesters (copy of press release attached) and there has been some community consultation for this proposed expansion.

Coffs Harbour City Council, Alternative Waste Treatment (AWT) Plant

No further progress to report.

WSN Environmental Solutions, South Sydney, AWT Facility

EMRC representatives visited the WSN Macarthur Resource Recovery Park facility in January 2010 as part of the RRF visits and as reported to the 5 February RRC meeting. A visit of the facility for RRC members will be considered. WSN are planning a second ArrowBio facility at Lucas heights, NSW.



26 February 2010

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Company Announcements Office
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DiCOM System wins independent certification

AnaeCo is pleased to announce that Sinclair Knight Merz (SKM) the independent engineer appointed to the Western Metropolitan Regional Council (WMRC) Stage 1 project has issued the Final Certificate of Satisfaction. This certificate is independent verification that the DiCOM process has satisfactorily met the contractual performance trials enabling the WMRC project to proceed to Stage 2. Stage 2 will expand the existing facility's capacity threefold.

This independent certification validates key technical claims made by AnaeCo about the DiCOM process including its production of renewable energy in excess of the plant's internal requirements as well as the ability to produce high quality compost from organic material sourced from mixed household waste.

Tom Rudas, the Managing Director of AnaeCo said "The most satisfying aspect of the certification process has been the ability of the AnaeCo team to take a new technology, previously unproven at commercial scale, construct a facility and then demonstrate its successful performance in such a short time frame."

Prof. Michael Dureau, Chairman of AnaeCo said "AnaeCo is now well on its way to becoming a world recognized innovator in the conversion of municipal and industrial solid waste to high value resources."

The DiCOM System is proven at full scale to deliver significant commercial advantages to the Alternative Waste Technology sector.

The key technology based competitive advantages proven in the WMRC performance trials are;

- Small plant footprint
 - The DiCOM System installation at the WMRC waste transfer station occupies less than 2,000m³



- Plant processing capacity confirmed
 - The DiCOM System installation at the WMRC waste transfer station is designed to receive 55,000 tpa of municipal solid waste (MSW). The trials have confirmed this operating capability and indicated potential to operate at up to a 20% higher rating.
- Effectiveness of 21 day batch processing cycle
 - The hybrid aerobic/anaerobic/aerobic bioconversion process efficiently processed the organic fraction of MSW producing biogas and stabilised compost in a 21 day cycle.
 - The process control system efficiently controlled all aspects of the automated processes, including the unique transition phases in the sealed bioconversion vessel from aerobic to anaerobic and back to aerobic. The bioconversion transition phases are a core element of DiCOM IP and this was proven in all 6 trials without any issue.
 - The consistent high temperature during the anaerobic phase was effective in destruction of pathogens.
 - Compost end product is high in nutrients and likely to find use as feedstock for organic fertiliser.
 - Low operator manning levels confirmed.
- Quality production of biogas
 - Biogas production during anaerobic digestion was of sufficient volumes and consistency to confirm it is a reliable source of renewable energy.
- Low water use
 - Low water use in material recovery facility.
 - Water recirculated during the bioconversion phase.
- Odour free
 - The operating process did not cause any odour issues at the WMRC transfer station. This was confirmed by independent odour monitoring throughout the performance trials.
 - Bioconversion inside the sealed vessel is the major reason for such effective odour control.
- Greenhouse gas abatement
 - Combustion of methane in biogas (renewable energy).
 - Reduction in transport going to landfill (waste diversion % translates directly to transport reduction).



- Installation close to source of waste
 - Attributes such as small plant footprint, absence of odour and the efficient industrialised process means a DiCOM installation may be located closer to the source of waste in light industrial areas rather than on the extremities of metropolitan sprawl.

Focus on commercialisation

Following the completion of technology demonstration at the WMRC project, AnaeCo is now focusing on successful commercialisation of the technology within the dynamic, global AWT market. Product development and market positioning are now the company's key focus.

On product development the Company is applying resources to refining product specifications, product pricing, a construction and delivery model, and development of off-taker relationships. An underlying objective is to create a platform for delivery of reliable, replicable products.

The objectives in market positioning are to place the Company at the forefront of the waste management services industry through the application of DiCOM technology, focusing on delivering strong shareholder value while meeting high sustainability standards.

ENDS

For further information, please contact:

Tom Rudas, Managing Director	(08) 9361 4777
David Michie, Mosaic Reputation Management (Media)	0411 453 404
David Waterhouse, Waterhouse Investor Relations (Investors)	0407 880 937

About AnaeCo

AnaeCo delivers Alternative Waste Technology (AWT) facilities based on the patented DiCOM® bioconversion process. The system incorporates advanced sorting, recycling, anaerobic digestion and aerobic composting to recycle municipal solid waste (MSW) into renewable energy from biogas, agricultural grade compost and recyclables such as steel, aluminium, glass and plastics, thus ensuring maximum diversion from landfill and ensuring social, economic and environmentally sustainable management of MSW.

The DiCOM® process enables resource recovery intervention closer to source, with enhancement of existing waste transfer stations now a viable waste management



option. AnaeCo's experienced team provides design, construction, commissioning, operation and maintenance services for DiCOM® AWT facilities, as well as management of all outputs including renewable energy, compost, recyclable materials and non-recyclable residuals.

For further information go to www.anaeco.com



9.2 RESOURCE RECOVERY FACILITY VISITS, JANUARY 2010

REFERENCE: COMMITTEES-10694

PURPOSE OF REPORT

To provide Council with a report on the visit undertaken in January 2010 to overseas and eastern states Resource Recovery Facilities.

KEY ISSUES AND RECOMMENDATION(S)

- Resource Recovery reference facility visits were completed in January 2010 by the EMRC delegation.
- Preliminary results from the visits have been presented to the 4 February 2010 RRC meeting and to five of the six member Councils as part of the second round of project briefings.
- Eight reference facilities were visited but unfortunately access could not be obtained to a plasma reference facility in Japan.
- Good information was obtained on the process and environmental performance of the facilities visited.
- The delegation met with senior management and operational personnel, several local community representatives and some regulatory representatives.
- The thermal processes can operate successfully in residential areas.

Recommendation(s)

That:

1. The report be received.
2. Information gained from the Resource Recovery Facility visits be applied to the analysis of the project options on technology, contract model and bin collection system.
3. That the attachment to this report remain confidential and be certified by the Chief Executive Officer and Chairman.

SOURCE OF REPORT

Manager Project Development

BACKGROUND

The 4 December 2009 meeting of Council resolved that:

- "1. COUNCIL APPROVE A VISIT TO EASTERN STATES AND OVERSEAS RESOURCE RECOVERY REFERENCE FACILITIES TO BE UNDERTAKEN BY THE CHAIRMAN, RESOURCE RECOVERY COMMITTEE, MR JOHN KING, PROJECT DIRECTOR FOR CARDNO LIMITED AND THE MANAGER PROJECT DEVELOPMENT.
2. INFORMATION GAINED FROM THE VISIT BE REPORTED TO THE RRC AND COUNCIL IN EARLY 2010 AS PART OF THE FINAL RECOMMENDATION ON THE PREFERRED RESOURCE RECOVERY FACILITY OPTIONS."



Item 9.2 continued

At the 4 February 2010 meeting of the Resource Recovery Committee, the Manager Project Development presented an overview of the reference facility visits which were undertaken in the second half of January 2010.

Information gained from the visits has been used in updating the financial model and in the information presented to member Councils in the second round of project briefings in February/March 2010.

REPORT

A detailed report on the reference facility visits are attached (Attachment 1).

The project team undertook the facility visits between 15 and 29 January 2010 and inspected a total of eight reference facilities in this period. Unfortunately, approval to visit the Hitachi plasma facility in Japan was not granted, the official reason for which was that Hitachi needed a group of 15 visitors to the plant to justify a tour and those visitors had to be in advanced stage of procurement. The facilities visited were as follows:

Date of Visit	Reference Facility, technology provider and EMRC tenderer
18 January 2010	Forus Gasification facility, Stavanger, Norway (Energos AS technology, Energos AS)
19 January 2010	Averøy Gasification facility, Kristiansund, Norway (Energos AS technology, Energos AS)
20 January 2010	Amétyst Montpellier Agglomération Anaerobic Digestion facility, Montpellier, France (Axpo Kompogas technology, Evergreen Energy Corporation)
21 January 2010	SITA, Villers St Paul, Esiane Energy from Waste facility (combustion), France (Novergie (SITA) technology, SITA Environmental Solutions)
22 January 2010	GVoA anaerobic digestion facility, Pohlshe Heide, Germany (Bekon technology, TPI Cleanaway Limited)
25 January 2010	Edogawa Combustion facility, Tokyo, Japan (JFE technology, Moltoni Energy Corporation)
26 January 2010	Ariake Combustion facility, Tokyo, Japan (Martin grate technology – Mitsubishi Heavy Industries, Moltoni Energy Corporation)
29 January 2010	Jack's Gully Anaerobic Digestion facility, Sydney, NSW (ArrowBio technology, WSN Environmental Solutions)

The other acceptable tenderer, GRD Minproc Limited did not advise the details of reference facilities (located in Lancashire and Germany) relevant to their expression of interest in time for the January visit.

The EMRC requested discussions at each reference site with local community representatives and regulatory officials where possible. This was organised for the Energos Averøy site where a meeting was held with the local Mayor, Mr Jarle Haga. In Montpellier we met the deputy Mayor and in Esiane we met with Robert Lahaye, Vice President SMVO and Arielle Francois, Deputy Mayor Compiègne (department of Oise region). At Pohlshe Heide the EMRC met with the deputy Mayor of Hille, Mr Grannemann and three representatives of the regulatory authority, the Bezirksregierung Detmold. In Sydney the EMRC met with Mr Daryl Atkins, A/Director City Planning and Environment, Bankstown City Council, a customer of WSN Environmental.

The objectives of the reference facility visits were as follows:

1. To get a better understanding of the operational characteristics of all the technologies being considered, discuss their performance with plant operators, clients and compliance agencies;
2. Examine the contract models used in the operation of these facilities to assist the EMRC choice of D&C or BOO;
3. To evaluate the WSN Environmental facility which uses a three bin system (recyclables, greenwaste and residuals bins) whereby the residuals bin is processed by the ArrowBio technology and the greenwaste is aerobically composted in tunnels;



Item 9.2 continued

4. To consider the preferability of technology options for the EMRC project;
5. To review the ability of the technology options to process waste similar to the EMRC waste stream and what waste pre-treatment is required;
6. To understand the commitment of the technology providers to give long term support;
7. To obtain more cost information if possible; and
8. To investigate the visual impact of the facilities, odours, visible emissions, proximity to housing and community acceptance.

The outcomes of the reference facility visits are as follows:

1. An improved appreciation of the operational aspects of thermal technologies;
2. The provenness of reference facility technologies was demonstrated;
3. An understanding that there is limited market differentiation between combustion (widely used) and gasification (emerging);
4. Understand that the thermal processes can operate successfully in residential areas;
5. That the environmental performance of all the reference facilities, especially the thermal technologies, was very good and this was reassuring;
6. The facilities perform successfully within the capacity range being considered by the EMRC;
7. That both BOO and D&C ownership/operation models were observed, although D&C contract models were more prevalent;
8. Good contacts were established for future cooperation and information exchange;
9. That there is some difficulty in translating some construction costs to the Perth situation because of the different standards of building construction used, especially in relation to the architectural design of the combustion facilities observed (for example the Edogawa and Ariake combustion facilities in Tokyo cost \$500 million and \$520 million respectively at the time of construction);
10. Important information obtained on staffing levels in the different facilities and this has been applied to the financial modelling; and
11. The EMRC representatives met with operators, technology providers and some community representatives and regulatory agents.

The project team has concluded the following from these visits:

1. Preliminary recommendations on the preferred site, contract model and bin collection system would remain unchanged.
2. Pyrolysis and plasma technologies processing Municipal Solid Waste (MSW) have not yet been observed by the EMRC but there are commercial scale examples of these technologies. There are two Hitachi owned Westinghouse plasma technology plants in Japan, one of which (Utashi) visiting permission has been requested. There is also pyrolysis technology available from TechTrade GmbH in Germany who have two reference plants in that country, one of which has been inspected by an officer from the SMRC. Techtrade registered in the EMRC's request for information inquiry in October 2008 but did not submit an EOI.
3. Anaerobic digestion, gasification and combustion are technically suitable for the EMRC project.
4. The gasification technology seen at Energos uses the steam cycle for energy recovery as power and heat (where applicable). One of the potential advantages of gasification technology over combustion technology is the ability to use synthesis gas (syngas) directly in spark engines or gas turbines for power generation (Techtrade reference plants use this system). This has an efficiency advantage, a potential capital cost saving but is dependent on the quality of the syngas clean up prior to power generation. Energos see this as a future development with their technology but the EMRC is aware of other technology providers utilising this methodology.



Item 9.2 continued

STRATEGIC/POLICY IMPLICATIONS

The Resource Recovery project contributes to Key Result Area 1 – Environmental Sustainability of EMRC's Strategic Plan for the Future, specifically Objective 1.3:

- 1.3 To provide resource recovery and recycling solutions in partnership with member Councils

FINANCIAL IMPLICATIONS

Funds are budgeted in the 2009/2010 budget in account 72884/01 Undertake Resource recovery Project Study Tour (\$54,000) for the purpose of visits to RRF's as a follow up to the Expression of Interest (EOI) process. The contract with Cardno also allows for consultant time to undertake such visits as part of the EOI process. The cost of the visit was \$57,752, made up of airfares (\$27,805); accommodation (\$10,151); meals and sundries (\$3,696) and consulting fees (\$16,100).

SUSTAINABILITY IMPLICATIONS

The Resource Recovery Facility and/or Resource Recovery Park will contribute towards minimising the environmental impact of waste by facilitating the sustainable use and development of resources.

MEMBER COUNCIL IMPLICATIONS

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

CONFIDENTIAL ATTACHMENT(S)

Report on visit to Resource Recovery Reference Facilities January 2010 ([Ref: Committees-10745](#))

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That:

1. The report be received.
2. Information gained from the Resource Recovery Facility visits be applied to the analysis of the project options on technology, contract model and bin collection system.
3. That the attachment to this report remain confidential and be certified by the Chief Executive Officer and Chairman.



Item 9.2 continued

Discussion ensued

The Manager Project Development commented that report 9.2 summarised the information obtained during the Resource Recovery Facility Visits, January 2010 and explained why the attachment to the report should remain confidential.

The Committee advised that the confidential attachment needed no further discussion.

Cr Pule noted that waste processing in Europe seemed to be 30% more waste with 60% less plant facilities in comparison to Japan. The technology in the Japanese facilities appeared to be more advanced than in the European facilities and the European facilities were more dated.

The Manager Project Development replied that there were similar age and technology combustion plants in Europe as in Japan.

John King advised that it could also be to do with land availability and transport cost and that Japan's architectural designs are very costly and could not be replicated in Australia.

The Chairman commented that plants built 15-16 years ago are still more advanced than Australian facilities.

Cr Färdig commented he was glad the visit took place and that the committee needs to look at what technology we can get to benefit our region, how do we dispose of waste and are there future opportunities from other waste income. We need to look forward 25 years with these technologies.

Cr Färdig commended the EMRC officers on the quality of the confidential report.

RRC RECOMMENDATION(S)

MOVED CR FÄRDIG

SECONDED CR GODFREY

That:

1. The report be received.
2. Information gained from the Resource Recovery Facility visits be applied to the analysis of the project options on technology, contract model and bin collection system.
3. That the attachment to this report remain confidential and be certified by the Chief Executive Officer and Chairman.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR LINDSEY

SECONDED CR POWELL

THAT:

1. THE REPORT BE RECEIVED.
2. INFORMATION GAINED FROM THE RESOURCE RECOVERY FACILITY VISITS BE APPLIED TO THE ANALYSIS OF THE PROJECT OPTIONS ON TECHNOLOGY, CONTRACT MODEL AND BIN COLLECTION SYSTEM.
3. THAT THE ATTACHMENT TO THIS REPORT REMAIN CONFIDENTIAL AND BE CERTIFIED BY THE CHIEF EXECUTIVE OFFICER AND CHAIRMAN.

CARRIED UNANIMOUSLY



9.3 PROGRESS REPORT ON WASTE EDUCATION

REFERENCE: COMMITTEES-10697

PURPOSE OF REPORT

To provide an update on the progress of the EMRC regional waste education initiatives.

KEY ISSUES AND RECOMMENDATION(S)

- The Waste & Recycling Guide for 2010/2011 is in the final design and review stages.
- The dry cell battery collection programme continues to expand and another shipment of dry cell batteries to the eastern states recyclers is being organised.
- Earth Carers training events have continued with a joint session with the Mindarie Regional Council EarthCarers in February.
- Fluorescent light recycling bins have been installed in 12 locations across the region.
- EMRC hosted a professional development day for waste wise schools at Red Hill Education Centre.

Recommendation(s)

That the report be received.

SOURCE OF REPORT

Manager Project Development
 Waste Education Coordinator

BACKGROUND

The Regional Waste Education Steering Group (RWESG) was formally endorsed by member Councils and the EMRC in 2004 to guide the development and delivery of a waste education program on a regional basis.

During April and May 2005, each member Council adopted in principle support for:

- "1. A REGIONAL STRUCTURE FOR WASTE EDUCATION IN THE EMRC REGION WITH THE EMRC AS COORDINATOR AND THE MEMBER COUNCILS, THROUGH THE MEMBER COUNCIL STEERING GROUP, PROVIDING DIRECTION AND INPUT;
 AND
2. THE DEVELOPMENT OF A 3-YEAR, COSTED, REGIONAL WASTE EDUCATION STRATEGY TO BE REVIEWED BY THE MEMBER COUNCILS STEERING GROUP, TECHNICAL ADVISORY COMMITTEE (TAC), EMRC AND MEMBER COUNCILS."

REPORT

Waste and Recycling Guide 2010/2011

The new Waste & Recycling Guides are in the final stages of the design process. Local council operational and customer service staff have been consulted for changes and concept designs of the draft guides have been distributed for review by the Regional Waste Education Strategy Group. WMCRG members have also been asked for input.

The Waste & Recycling Guide is the major waste communications tool provided to residents and when issued in June/July an awareness campaign will commence including a series of advertisements in community newspapers reminding residents to look for and use the Guide and its features.



Item 9.3 continued

Dry-Cell (Household) Battery Collection Program

The dry-cell battery collection program continues to expand. A further two new schools have registered for the program - Wooroloo Primary School and Clayton View Primary School, both in the City of Swan. This brings the number of primary schools participating in the program to nearly 50, plus Swan Midland TAFE, 25 public libraries and council offices, and five major shopping centres now have battery bins in Perth's Eastern Region.

The next shipment of dry cell batteries to the Eastern States is being organised by the Waste Education Officer. This will be the largest shipment to date and is funded through the HHW program.

Earth Carers Training Program

Around 25 Earth Carers from EMRC and Mindarie Regional Council attended the 'DIY Skincare and Green Cleaning Event'.

Earth Carers will be invited to attend the Garden Week display being hosted jointly by EMRC, MRC and WMRC. Information on EMRC's waste education activities, recycled products and relevant brochures from Regional Services will form the display.

The next Earth Carers training program will commence in May 2010.

Fluorescent Light Collection and Recycling

Fluorescent light recycling bins have been manufactured and installed in 12 locations across Perth's Eastern Region. Several stores including Bunnings, Belmont Forum, The Shops at Ellenbrook and Midland Gate Shopping Centre have committed to assisting in promoting the program. A promotions campaign is being finalised.

Household Hazardous Waste

The Bayswater Household Hazardous Waste collection day took place on Saturday 13 Feb 2010. The Waste Education Officer recorded around 100 people attending. A majority of residents reported learning about the days from their Waste & Recycling Guide. Approximately 4 tonnes of HHW was collected including 1.5 tonnes of paint, 780 kg of lead acid batteries, 905 kg of gas cylinders and 540 kg of flammable liquids. The cost of the collection and disposal was \$68,167.00 of which the EMRC will have to fund \$21,672.50.

Tours of Red Hill, Community Talks and Events

The Waste Education Coordinator spoke at the launch of Polytechnic West's Co-mingled Recycling Project.

There were three tours of Red Hill conducted in February 2010 including the Swan View Home School group and the Association of Australian Environmental Educators.

EMRC hosted a professional development day for waste wise schools at Red Hill Education Centre in March which was attended by 20 teachers.

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

FINANCIAL IMPLICATIONS

Nil



Item 9.3 continued

SUSTAINABILITY IMPLICATIONS

A well coordinated waste education program with the EMRC, the member Councils and the WMCRG working together to achieve similar outcomes will be more sustainable over the long term.

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT(S)

Nil

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That the report be received.

Discussion ensued

Cr Godfrey commented that waste education is a complex issue and although we need to keep within the budget, public awareness is important.

Cr Pule asked if only fluorescent light tubes were being collected or were globes included and were they intact.

The Manager Project Development advised that it was both and the majority were intact.

The Chairman commented on the success of dry cell battery collection at schools and noted that recycling is strongly supported by teachers.

RRC RECOMMENDATION(S)

MOVED CR GODFREY SECONDED CR FÄRDIG

That the report be received.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR LINDSEY SECONDED CR POWELL

THAT THE REPORT BE RECEIVED.

CARRIED UNANIMOUSLY



Item 9.3 continued

SUSTAINABILITY IMPLICATIONS

A well coordinated waste education program with the EMRC, the member Councils and the WMCRG working together to achieve similar outcomes will be more sustainable over the long term.

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT(S)

Nil

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That the report be received.

Discussion ensued

Cr Godfrey commented that waste education is a complex issue and although we need to keep within the budget, public awareness is important.

Cr Pule asked if only fluorescent light tubes were being collected or were globes included and were they intact.

The Manager Project Development advised that it was both and the majority were intact.

The Chairman commented on the success of dry cell battery collection at schools and noted that recycling is strongly supported by teachers.

RRC RECOMMENDATION(S)

MOVED CR GODFREY SECONDED CR FÄRDIG

That the report be received.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR LINDSEY SECONDED CR POWELL

THAT THE REPORT BE RECEIVED.

CARRIED UNANIMOUSLY



9.4 PROGRESS REPORT, WASTE MANAGEMENT COMMUNITY REFERENCE GROUP

REFERENCE: COMMITTEES-10698

PURPOSE OF REPORT

To advise Council with an update on the activities of the Waste Management Community Reference Group (WMCRG).

KEY ISSUES AND RECOMMENDATION(S)

- Since the last progress report on the WMCRG, the group met on 17 August 2009, 14 September 2009, 26 October 2009, 24 November 2009 and 8 March 2010.
- Expressions of interest were called for new members to increase the representation from Bayswater and Belmont and two nominations were received.
- One member has resigned and another member has moved from Bassendean to Mundaring.
- Four representatives of the Red Hill Community Liaison Group attended the 14 September meeting to meet with the WMCRG and make statements regarding the Resource Recovery Project.
- The future role of the WMCRG has been discussed together with a possible process for the formation of a Community Partnership Agreement.

Recommendation(s)

That:

1. Council notes the minutes of the Waste Management Community Reference Group.
2. The nominations for WMCRG membership from Mrs Tina Klein of Bassendean and Mr Trevor Brown of Belmont be accepted with a membership term to 31 December 2010 to coincide with existing members term of appointment.

SOURCE OF REPORT

Manager Project Development

BACKGROUND

The Waste Management Community Reference Group first met on 29 July 2002. The Group was established to:

- a. Provide ongoing input and feedback to Council through the Resource Recovery Committee (RRC) on the Community Waste Education Program;
- b. Assist the EMRC with the development of further educational (ie. communicative, participatory, consultative) requirements for the Community Waste Education Program, by identifying the information needs of different groups in the community;
- c. Provide feedback on the development of key performance indicators for the ongoing monitoring of the Community Waste Education Program;
- d. Assess the social, environmental, economic and technical issues associated with proposed resource recovery technologies and report to the RRC;
- e. Provide advice and recommendations to Council, through the RRC, on issues associated with resource recovery technologies including site selection and technology selection; and
- f. Work with the environmental, social and economic sectors in an inclusive manner to achieve balanced outcomes for future waste management in the region.

Under the Terms of Reference, members are appointed for a period of 18 months, at which point the EMRC calls for re-nominations of members.



Item 9.4 continued

REPORT

WMCRG Membership

EMRC received notice of resignation from the WMCRG by Ms Janet Gee in October 2009, following her election to the City of Belmont. Another change is that Ms Dot Kingston has moved from Bassendean to Mundaring but continues to attend the WMCRG.

The regional representation of the group is as follows:

Member Council	WMCRG Members
Bassendean	Peter Pearson,
Bayswater	No representation
Belmont	No representation
Kalamunda	Tony Fowler, Mark Simpson
Mundaring	Ruth Balding, Edwin Dell, Dianne Katscherian, Dot Kingston
Swan	Berry Ambrose, Malcolm Barker, David Strain, Ray Lewis
Co-opted Member	Sally Paulin

The table above shows that the Town of Bassendean, the City of Bayswater and the City of Belmont are under represented.

Clause 5(a) of the Terms of Reference refers to the WMCRG comprising at least fifteen members, not including relevant EMRC staff. With the recommended reappointment of the current members and Ms Paulin as a co-opted member, membership of member Council area representatives stands at twelve, three short of the requirement under the Terms of Reference.

In accordance with the advice from the WMCRG and the Resource Recovery Committee, EMRC called for expressions of interest for membership of the WMCRG on 6 October 2009 via community newspapers. Only two applications were received as follows:

Town of Bassendean	Mrs Tina Klein
City of Belmont	Mr Trevor Brown

Both applicants appear to be suitable members for the WMCRG and are recommended for acceptance. This will bring the group membership to fourteen, which, although below the fifteen required under the Terms of reference, is adequate for constructive meetings of the group and given the likely future developments in community engagement, no additional membership is recommended.

Meetings of the WMCRG

The WMCRG held meetings in August, September, October and November 2009 and 8 March 2010.

At their 17 August 2009 meeting (refer Attachment 1) the WMCRG received a briefing from Patterson Market Research on the results of the community attitudes survey and resolved to invite two members of the Red Hill Community Liaison Group to the next WMCRG meeting. They were also advised of the preliminary results of the organics bin trial.

At the 14 September 2009 meeting (refer Attachment 2) the WMCRG received an update on the project EOI process and the communications plan and the four representatives of the Red Hill Community Liaison Group were invited to address the meeting and provide their comments on the Resource Recovery Project. The group resolved to send Mr Malcolm Barker to the next meeting of the Red Hill Community Liaison Group as the WMCRG representative.



Item 9.4 continued

At the October and November 2009 meetings of the WMCRG (refer Attachments 3 and 4), members were briefed on the preferred options for the Resource Recovery Project and results of the organics bin trial. They discussed outcomes from the Waste & Recycle conference attendance and had a facilitated discussion about future involvement with the Red Hill Community Liaison Group and the WMCRG role into the future and the WMCRG Terms of Reference.

At their March 2010 meeting (refer Attachment 5) the members received a presentation on the RRF Visits-January 2010 and had further discussion on the WMCRG Terms of Reference and a possible process for development of a Community Partnership Agreement.

STRATEGIC/POLICY IMPLICATIONS

Consistent with strategy for implementation of the Resource Recovery Project.

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

Key Result Area 4

- 4.3 To manage partnerships and relationships with stakeholders.

FINANCIAL IMPLICATIONS

Funds of \$14,600 are budgeted for the WMCRG for the 2009/2010 financial year within the Resource Recovery budget.

This budget covers expected meeting expenses, venue costs, the research scholarship, any facilitation and administrative expenses of the WMCRG.

SUSTAINABILITY IMPLICATIONS

Effective community consultation and participation will enhance the community's understanding of the role of the EMRC, waste management issues, and Resource Recovery and what it means to the community in the eastern metropolitan region. Involving the public through an education program at an early stage will greatly assist in the effective implementation of this project by directly and proactively addressing its potential social impacts.

WASTE MANAGEMENT COMMUNITY REFERENCE GROUP

MINUTES

17 August 2009

(REF: COMMITTEES-9863)

A meeting of the Waste Management Community Reference Group was held at the EMRC Administration Office, 1st Floor, 226 Great Eastern Highway, BELMONT WA 6104 on **Monday, 17 August 2009**. The meeting commenced at **6.05pm**.

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1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Acting Chairman opened the meeting at 6.05pm and welcomed Mr Keith Patterson from Patterson Market Research and Ms Gae Synnott from Synnott Mulholland.

2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

WMCRG Members

Mrs Sally Paulin (Acting Chairman)	Deputy Chairman
Mr Peter Pearson	Chairman
Mr Berry Ambrose	Member
Mr Ray Lewis	Member
Mr Edwin Dell	Member
Ms Dianne Katscherian	Member
Ms Dot Kingston	Member
Mr Anthony Fowler	Member
Mr Mark Simpson	Member

WMCRG Apologies

Ms Ruth Balding	Member
Mr Malcolm Barker	Member

EMRC Officers

Mr Stephen Fitzpatrick	Manager, Project Development
Ms Gabrielle Grime	Waste Education Coordinator
Ms Tania Wells	Waste Education Officer
Ms Angelique Doust	Community & Engagement Officer
Ms Pina Martino	Administration Support Officer (Minutes)

EMRC Apologies

Mr Peter Schneider	Acting Chief Executive Officer
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Consultant(s)

Ms Gae Synnott	Consultant, Synnott Mulholland
Mr Keith Patterson	Patterson Market Research

3 DISCLOSURE OF INTERESTS

3.1 MR ANTHONY FOWLER – FINANCIAL INTEREST

Item:	11.2
Subject:	Resource Recovery Project – EOI includes the company Anaeco
Nature of Interest:	Disclosure of Financial Interest, Local Government Act 1995 Sections 5.60B, 5.65, 5.70 and 5.71. Mr Fowler's wife has shares in Anaeco.



4 ANNOUNCEMENT BY THE CHAIRMAN OR PERSON PRESIDING WITHOUT DISCUSSION

Nil

5 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

5.1 MINUTES OF WMCRG MEETING HELD ON 13 JULY 2009

That the Minutes of the Waste Management Community Reference Group meeting held on 13 July 2009, which have been distributed, be confirmed.

WMCRG RESOLUTION(S)

MOVED MR PEARSON SECONDED MR LEWIS

THAT THE MINUTES OF THE WASTE MANAGEMENT COMMUNITY REFERENCE GROUP MEETING HELD ON 13 JULY 2009, WHICH HAVE BEEN DISTRIBUTED, BE CONFIRMED.

CARRIED UNANIMOUSLY

6 PRESENTATIONS

6.1 OUTCOME OF COMMUNITY ENGAGEMENT PLAN – RESOURCE RECOVERY PROJECT

Mr Keith Patterson from Patterson Market Research (PMR) presented an overview of the research on community attitudes towards Resource Recovery Technologies. The purpose of this research was to understand community sentiment and reactions to the technology options.

Discussion ensued

A member asked if interviewees' concerns had been addressed. Mr Patterson advised that the purpose of the recent community engagement exercise was to collect community opinions. It was not used to address any concerns.

A member asked how the selection for the Focus Group in Red Hill was made. Mr Patterson advised that members were selected from people who had been engaged in the telephone survey and also from the PMR database.

A member asked if people had been informed about the technology options before they were given the information packs, and if so how was it explained. Mr Patterson explained during Stage 1, that a random telephone survey had been conducted and brief descriptions of all options had been provided as well.

In response to a member's request that copies of the presentation be distributed to members, the Manager Project Development stated that would be made available.

The Acting Chairman thanked Mr Patterson for his presentation.

Discussion ensued regarding the Red Hill Community Liaison Group's (RHCLG) perception that the EMRC had made decisions without informing and consulting with the community.

The Manager Project Development advised that the EMRC was aware of RHCLG's need for more information on the Resource Recovery Facility and suggested that inviting two RHCLG representatives to the next WMCRG meeting may assist in addressing their concerns



Item 6.1 continued

WMCRG RESOLUTION

MOVED MR PEARSON SECONDED MR AMBROSE

THAT TWO REPRESENTATIVES OF THE RED HILL COMMUNITY LIAISON GROUP BE INVITED TO THE NEXT WMCRG MEETING IN ORDER TO ADDRESS THEIR CONCERNS

CARRIED UNANIMOUSLY

7 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil

8 REPORTS OF OFFICERS

The Community Engagement Officer gave an overview of **Item 9.2 Outcome of Community Engagement Plan – Resource Recovery Facility Project**, which was considered at the RRC meeting held on 13 August 2009.

9 REPORTS OF RELEVANT RESOURCE RECOVERY COMMITTEE RESOLUTIONS

The Manager Project Development informed members that on 27 August 2009, Council would consider an item regarding WMCRG membership renewals and WMCRG's resolution that its Terms of Reference be changed to allow a non-resident to be co-opted as a member.

10 REPORTS OF MEMBERS

Nil

11 GENERAL BUSINESS

A member advised that due to work commitments she had been unable to submit WMCRG members' comments for the Draft National Waste Policy Framework by the deadline.

11.1 RESOURCE RECOVERY PROJECT UPDATE

The Manager Project Development advised that the Resource Recovery Project Tender Evaluation Committee (TEC) had completed assessment of the EOI submissions against the selection criteria and this would be presented to Council at its meeting being held on 27 August 2009.

The Manager Project Development gave a brief presentation on the results of the Organics Bin Trial and concluded that the EMRC would need to undertake further research on how organic bin systems had performed elsewhere in Australia, and will report to Council on this in September 2009.

11.2 WASTE & RECYCLE CONFERENCE ATTENDANCE

The Waste Education Coordinator advised that to date four members had expressed an interest in attending the Waste & Recycle Conference being held from 15-18 September 2009.



11.3 WASTE EDUCATION UPDATE

The Waste Education Coordinator and the Waste Education Officer provided updates on waste education initiatives.

- A SWIS grant of \$80,000 had been received to establish a metropolitan wide battery collection and recycling model based on the EMRC's programme;
- Battery recycling launch is scheduled for 1 September 2009 at City Farm Place, East Perth. The Minister for Youth, Environment will be attending;
- EMRC has commenced promoting battery recycling bins using the Zero Waste WA website, advertising in 17 community newspapers, Have a Go News (paper for seniors) and Kids in Perth – (The Parents' Paper);
- The High School community service program with Helena College has been very successful, and the project is in its second phase;
- Encycle has been appointed as the consultants for the Fluorescent Light Recycling Collection Study and Trial;
- The Waste Educators Networking Group is being formalised as a working group in the Waste Management Association. One of its first projects is to develop event recycling guidelines and a practical toolkit for Western Australia; and
- All Regional Councils will share a stand at the 2009 Royal Show to promote the work of the Regional Councils collectively.

The Acting Chairman thanked the Waste Education Coordinator and the Waste Education Officer for their update.

12 FUTURE MEETINGS OF THE WMCRG

The next meeting of the Waste Management Community Reference Group will be held on **Monday, 14 September 2009 (if required)** at the EMRC Administration Office, 1st Floor, Ascot Place, 226 Great Eastern Highway, Belmont WA 6104 commencing at 6.00pm.

Future Meetings 2009

Monday	14 September (if required)	at	EMRC Administration Office
Monday	19 October	at	EMRC Administration Office
Monday	23 November (if required)	at	EMRC Administration Office

13 DECLARATION OF CLOSURE OF MEETING

There being no further business, the Acting Chairman declared the meeting closed at 8.04pm.

WASTE MANAGEMENT COMMUNITY REFERENCE GROUP

MINUTES

14 September 2009

(REF: COMMITTEES-10000)

A meeting of the Waste Management Community Reference Group was held at the EMRC Administration Office, 1st Floor, 226 Great Eastern Highway, BELMONT WA 6104 on **Monday, 14 September 2009**. The meeting commenced at **6.02pm**.

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1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Chairman opened the meeting at 6.02pm and welcomed invited representatives of the Red Hill Community Liaison Group (RHCLG) Ms Michelle Zimmel, Mr Greg Jones, Ms Toni Warden, Mr Peter Jensen and Mr Jon Kaub. The Chairman requested written copies of any questions be handed in at the end of the meeting. The Chairman also introduced Ms Gae Synnott from Synnott Mulholland.

2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

WMCRG Members

Mr Peter Pearson	Chairman
Mrs Sally Paulin	Deputy Chairman
Mr Berry Ambrose	Member
Mr Malcolm Barker	Member
Ms Janet Gee	Member
Mr David Strain	Member
Mr Ray Lewis	Member
Mr Edwin Dell	Member
Ms Dot Kingston	Member
Mr Anthony Fowler	Member
Mr Mark Simpson	Member

WMCRG Apologies

Ms Dianne Katscherian	Member
Ms Ruth Balding	Member

EMRC Officers

Mr Peter Schneider	Chief Executive Officer
Mr Stephen Fitzpatrick	Manager, Project Development
Ms Gabrielle Grime	Waste Education Coordinator
Ms Pina Martino	Administration Support Officer

Consultant(s)

Ms Gae Synnott	Consultant, Synnott Mulholland
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Consultant Apologies

Mr John King	Cardno BSD Joint Venture
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Guests

Ms Michelle Zimmel	}	Representatives of Red Hill Community Liaison Group
Mr Greg Jones		
Ms Toni Warden		
Mr Peter Jensen		
Mr Jon Kaub		

3 DISCLOSURE OF INTERESTS

Nil



9.2 RESULTS OF EOI PROCESS

Council resolved to accept seven of the respondents to the EOI as listed as acceptable tenderers as outlined within the unconfirmed minutes of the Ordinary Meeting of Council 27 August 2009, relating to report Item 9.5 Resource Recovery Committee, 13 August 2009 (attached).

In response to a member's concern about confidentiality the Manager Project Development advised that the attachment to the report was confidential but the report item was not.



9.5 PROGRESS REPORT ON EXPRESSION OF INTEREST PROCESS

REFERENCE: COMMITTEES-9571

PURPOSE OF REPORT

To advise Council on the outcomes of the Expression of Interest Process for the Resource Recovery Facility.

KEY ISSUES AND RECOMMENDATION(S)

- The call for Expressions of Interest was advertised on 9 May and closed on 3 July 2009.
- Nine submissions were received by the closing time.
- Two of the submissions contained multiple options.
- The submissions mostly proposed anaerobic digestion technology with one gasification proposal, two combustion proposals and one combustion/plasma proposal.
- The Tender Evaluation Committee (TEC) has completed the assessment of the submissions against the selection criteria.
- The EMRC's probity advisor has been involved in all meetings and observed the EOI process from the start.

Recommendation(s)

That:

1. The following respondents to the Expression of Interest are listed as Acceptable Tenderers:
 - a. Energos AS;
 - b. Evergreen Energy Corporation Pty Ltd;
 - c. GRD Minproc Limited;
 - d. Moltoni Energy Pty Ltd;
 - e. SITA Environmental Solutions;
 - f. Transpacific Cleanaway Limited; and
 - g. WSN Environmental Solutions
2. The following respondents to the Expression of Interest are not listed as Acceptable Tenderers:
 - a. AnaeCo Limited and
 - b. Thiess Services Pty Ltd
3. The respondents to Expression of Interest 2009-10 be advised of the outcome of the assessment.
4. The attachment remains confidential and be certified by the Acting Chief Executive Officer and the EMRC Chairman.

SOURCE OF REPORT

Manager Project Development



Item 9.5 continued

BACKGROUND

At the 30 April 2009 meeting of Council it was resolved that:

- "1. THE EMRC PROCEED WITH THE EXPRESSIONS OF INTEREST PROCESS FOR THE RESOURCE RECOVERY FACILITY WITH THE AIM OF REPORTING RESULTS TO COUNCIL IN AUGUST 2009."*
- 2. THE EMRC WRITE TO MEMBER COUNCILS REQUESTING THAT THE OFFICER REPRESENTATIVES TO THE RESOURCE RECOVERY PROJECT, TENDER EVALUATION COMMITTEE BE THE CURRENT TECHNICAL ADVISORY COMMITTEE MEMBERS."*
- 3. COUNCILLOR DAVID LAVELL CHAIRMAN OF THE RESOURCE RECOVERY COMMITTEE BE APPOINTED TO ACT AS CHAIRMAN OF THE RESOURCE RECOVERY PROJECT, TENDER EVALUATION COMMITTEE."*

The call for Expressions of Interest (EOI) to establish a Resource Recovery Facility was advertised in the West Australian and Australian newspapers on 9 May 2009 and closed on Friday 3 July 2009.

After consideration of input from the Chief Executive Officer Advisory Committee Chair on the timeline for the project, the 25 June 2009 meeting of Council resolved:

"THAT THE TIMETABLE CONTAINED WITHIN THE REPORT BE ADJUSTED TO TAKE INTO ACCOUNT FEEDBACK FROM THE CHIEF EXECUTIVE OFFICERS ADVISORY COMMITTEE MEETING (CEOAC) OF 9 JUNE 2009 AND THE EOI EVALUATION PROCESS FOLLOW THE REVISED TIMETABLE AS TABLED AT THE MEETING."

REPORT

The call for Expressions of Interest 2009-10 closed on 3 July 2009 with nine submissions received at the close of submissions. Submissions were received from the following respondents:

- AnaeCo Limited;
- Energos AS;
- Evergreen Energy Corporation Pty Ltd;
- GRD Minproc Limited;
- Moltoni Energy Pty Ltd;
- SITA Environmental Solutions;
- Thiess Services Pty Ltd;
- Transpacific Cleanaway Limited; and
- WSN Environmental Solutions.

Both GRD Minproc Limited and SITA Environmental Solutions submitted three (3) individual options for different project options, making a total of 13 alternatives received. The detail of the submissions is as follows:



Item 9.5 continued

Respondent	Technology
AnaeCo Limited	MBT – Aerobic and Anaerobic Digestion
Energos AS	Gasification
Evergreen Energy Corporation Pty Ltd	MBT – Anaerobic Digestion
GRD Minproc Limited	MBT – Anaerobic Digestion
GRD Minproc Limited	MBT – Anaerobic Digestion
GRD Minproc Limited	Combustion
Moltoni Energy Pty Ltd	Combustion/Plasma
SITA Environmental Solutions	MBT and Partial Anaerobic Digestion plus tunnel composting
SITA Environmental Solutions	MBT and Partial Anaerobic Digestion plus tunnel composting
SITA Environmental Solutions	Combustion
Thiess Services Pty Ltd	MBT – Anaerobic Digestion
Transpacific Cleanaway Limited	MBT - Anaerobic Digestion plus tunnel composting
WSN Environmental Solutions.	MBT – Anaerobic Digestion plus tunnel composting for the green waste

At the close of submissions, 67 companies/individuals/consultants had registered their details on the EMRC Tenderlink portal and downloaded a copy of the EOI documents. Of the 67 downloads 25 were by recognisable technology providers or waste management companies. There were 3 addenda issued and several questions and responses posted on the on-line forum including the PowerPoint presentation and minutes from the non-mandatory briefing.

There were no proposals for pyrolysis technology and only one submission covered plasma technology but in combination with a combustion process. More submissions had been expected from the other thermal technology providers from feedback received before and during the call for EOIs but for various reasons this did not eventuate. Reasons cited for non-submissions were that companies were too busy in other markets, they were key equipment suppliers but did not have Australian connections for the turnkey delivery of the project and in some cases they felt there was insufficient time to put a project offer together.

The Tender Evaluation Committee (TEC) met as scheduled and as additionally required throughout July to complete the evaluation of the submissions.

This involved:

- individual assessments of the submissions;
- group assessments of the submissions,
- consideration of additional information sought from respondents and referees;
- independent advice from legal and financial advisors;
- adherence to the confidentiality requirements of the probity plan; and
- management of any potential conflicts of interest.

The final report of the TEC is attached under separate cover as Confidential Attachment 1.

The TEC have recommended, based on the submissions received and the evaluation criteria specified in the EOI, that AnaeCo Limited and Thiess Services Pty Ltd not be listed as acceptable tenderers.



Item 9.5 continued

The evaluation criteria used to evaluate the EOI submissions were as follows:

EOI Assessment Criteria	
Mandatory Criteria	
1	Performance of process
2	Respondent's track record
Technical Criteria	
3	Energy production
4	Flexibility of system regarding processible waste composition
5	Flexibility of system regarding processible waste quantity
6	Diversion of Waste from Landfill
7	Production of Marketable Products
8	RRF Footprint
9	Future Opportunities / Innovation
10	Complexity and Operability
11	Service Requirements (power, water, gas)
12	Technical Capability of Respondents
13	Reliability of Technology
Corporate Criteria	
14	Corporate Culture
15	Occupational Health and Safety
16	Quality Assurance and Quality Control
Environmental Criteria	
17	Compatibility with Guidelines and Policies
18	Likelihood of Obtaining Government Approvals
19	Greenhouse Gas Emissions
20	Risk of Environmental Breach
Social Criteria	
21	Risk of Health Consequences
22	Community Involvement in Resource Conservation
23	Employment Impact and Opportunities
Financial Criteria	
24	Financial capacity of the Respondent
25	Cost per Tonne (Gate Fee)
26	Capital Cost

STRATEGIC/POLICY IMPLICATIONS

The Resource Recovery Project contributes to Key Result Area 1 - Environmental Sustainability of EMRC's Strategic Plan for the Future, specifically Objective 1.3:

To provide resource recovery and recycling solutions in partnership with member Councils.



Item 9.5 continued

FINANCIAL IMPLICATIONS

The cost of using consultants Cardno BSD/Meinhardt JV arising from the Request for Tender 2004/1 is budgeted at approximately \$520,450 in the 2009/2010 Budget under – Resource Recovery – Implement Resource Recovery Project Plan. This includes budget provisions for the tasks related to the call for Expressions of Interest and commencement of the environmental and planning approval process.

SUSTAINABILITY IMPLICATIONS

The Resource Recovery Facility and/or Resource Recovery Park will contribute toward minimising the environmental impact of waste by facilitating the sustainable use and development of resources.

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT

Confidential Attachment - Tender Evaluation Committee, EMRC Resource Recovery Facility Expression of Interest (Ref: Committees-9798)

Note: Please refer to Confidential Attachment under separate cover, Item 19.3 – Item 10.1 from the Resource Recovery Committee – Discussion on Tender Evaluation Process.

VOTING REQUIREMENT

Simple Majority.

RECOMMENDATION(S)

That:

1. The following respondents to the Expression of Interest are listed as Acceptable Tenderers:
 - a. Energos AS;
 - b. Evergreen Energy Corporation Pty Ltd;
 - c. GRD Minproc Limited;
 - d. Moltoni Energy Pty Ltd;
 - e. SITA Environmental Solutions; and
 - f. Transpacific Cleanaway Limited.
 - g. WSN Environmental Solutions



Item 9.5 continued

2. The following respondents to the Expression of Interest are not listed as Acceptable Tenderers:
 - a. AnaeCo Limited and
 - b. Thiess Services Pty Ltd
3. The respondents to Expression of Interest 2009-10 be advised of the outcome of the assessment.
4. The attachment remains confidential and be certified by the Acting Chief Executive Officer and the EMRC Chairman.

AMENDMENT

Moved Cr Klein seconded Cr Godfrey that a point 5 be added to the recommendation as follows:

That the Tender Evaluation Committee be acknowledged for the significant effort put into evaluating the EOI submissions.

The substantive motion included the addition of a point 5 to the recommendation.

RRC RECOMMENDATION(S)

MOVED CR GODFREY

SECONDED CR KLEIN

That:

1. The following respondents to the Expression of Interest are listed as Acceptable Tenderers:
 - a. Energos AS;
 - b. Evergreen Energy Corporation Pty Ltd;
 - c. GRD Minproc Limited;
 - d. Moltoni Energy Pty Ltd;
 - e. SITA Environmental Solutions; and
 - f. Transpacific Cleanaway Limited.
 - g. WSN Environmental Solutions
2. The following respondents to the Expression of Interest are not listed as Acceptable Tenderers:
 - a. AnaeCo Limited and
 - b. Thiess Services Pty Ltd
3. The respondents to Expression of Interest 2009-10 be advised of the outcome of the assessment.
4. The attachment remains confidential and be certified by the Acting Chief Executive Officer and the EMRC Chairman.
5. The Tender Evaluation Committee be acknowledged for the significant effort put into evaluating the EOI submissions.

CARRIED UNANIMOUSLY



Item 9.5 continued

COUNCIL RESOLUTION

MOVED CR LAVELL

SECONDED CR GODFREY

THAT:

1. THE FOLLOWING RESPONDENTS TO THE EXPRESSION OF INTEREST ARE LISTED AS ACCEPTABLE TENDERERS:
 - A. ENERGOS AS;
 - B. EVERGREEN ENERGY CORPORATION PTY LTD;
 - C. GRD MINPROC LIMITED;
 - D. MOLTONI ENERGY PTY LTD;
 - E. SITA ENVIRONMENTAL SOLUTIONS; AND
 - F. TRANSPACIFIC CLEANAWAY LIMITED.
 - G. WSN ENVIRONMENTAL SOLUTIONS
2. THE FOLLOWING RESPONDENTS TO THE EXPRESSION OF INTEREST ARE NOT LISTED AS ACCEPTABLE TENDERERS:
 - A. ANAECO LIMITED AND
 - B. THIESS SERVICES PTY LTD
3. THE RESPONDENTS TO EXPRESSION OF INTEREST 2009-10 BE ADVISED OF THE OUTCOME OF THE ASSESSMENT.
4. THE ATTACHMENT REMAINS CONFIDENTIAL AND BE CERTIFIED BY THE ACTING CHIEF EXECUTIVE OFFICER AND THE EMRC CHAIRMAN.
5. THE TENDER EVALUATION COMMITTEE BE ACKNOWLEDGED FOR THE SIGNIFICANT EFFORT PUT INTO EVALUATION THE EOI SUBMISSIONS.

CARRIED UNANIMOUSLY



9.3 COMMUNITY ENGAGEMENT PLAN

Council has endorsed the proposal to undertake a series of communication activities related to the Resource Recovery Facility Project. The unconfirmed minutes of the Ordinary Meeting of Council 27 August 2009, relating to this are attached (Report Item 9.4 Resource Recovery Committee, 13 August 2009).

The Manager Project Development informed members that the attachment was the report item submitted to Council on 27 August 2009. The Manager Project Development advised that project briefings had been organised for residents of Stoneville and Gidgegannup. The EMRC was also planning other communication methods.

The Waste Education coordinator gave a brief summary of what the EMRC is currently working on.

- The Earth Carers' information sessions commenced this week with a lot of interest and 60 registrations; and
- The EMRC is currently working on a number of projects and an update will be provided at the next WMCRG meeting.

The Chairman thanked the Manager Project Development and the Waste Education coordinator for the update and invited general questions and comments from WMCRG members.

The following issues were raised:

- What is the correct procedure for disposing of cardboard boxes at Red Hill Transfer Station;
- Structure planning process for Hazelmere – no provision for deep sewerage of the area, dry disposal only or on-site treatment;
- How many Battery Bins were in the Eastern Metropolitan Region? The Waste Education Coordinator advised there would be funding for 5 bins in each member Council; and
- EMRC's advertisement for recycling in the local newspaper was too small and hard to read. Would EMRC consider larger print in the future?

The Manager Project Development will provide a response to the issues raised above at the next WMCRG meeting.

Mr Schneider was congratulated on his appointment as the new Chief Executive Officer.



9.4 COMMUNICATION PLAN – RESOURCE RECOVERY PROJECT

REFERENCE: COMMITTEES-9786

PURPOSE OF REPORT

To seek endorsement to commence public communication activities related to the Resource Recovery Project, during August 2009 to March 2010.

KEY ISSUES AND RECOMMENDATION(S)

- Community engagement has played an important role in the Resource Recovery Project (RRF Project) since its commencement.
- As part of the 2009 RRF Project's community engagement activities, Patterson Market Research completed a series of surveys and focus groups, in June 2009, to gather community views about the site and technology options being considered.
- The research results have highlighted the importance of ongoing communication and engagement with the community on the RRF Project.
- The RRF Project is now at a point when key decisions will be made in relation to acceptable tenderers, ownership models and site and technology options.
- It is proposed to undertake a series of communication activities to ensure that the community and other stakeholders have a good understanding of the RRF project, its objectives, its progress and the next steps.

Recommendation(s)

That Council endorse the proposal to undertake a series of communication activities related to the Resource Recovery Facility Project, as outlined within this report.

SOURCE OF REPORT

Manager, Project Development
Acting Executive Manager, Corporate Services

BACKGROUND

Community engagement has played an important role in the Resource Recovery Project (RRF Project) since its commencement. Its objectives have been to:

- Build increased awareness about resource recovery;
- Provide information about the project, and site and technology options; and
- Gather community views about issues to be considered in planning resource recovery in the region.

Activities related to this include the following:

- Local community workshops during mid-2005, one in each participating council area, where the community was introduced to the issues of resource recovery, and comments were gathered about their concerns and issues relating to waste management solutions in the region.
- First regional workshop held in October 2005. Participants from across the region were invited to discuss resource recovery in the region and to suggest selection criteria for decisions about sites and technologies.



Item 9.4 continued

- Second regional workshop in February 2006. Participants were asked to weight the selection criteria which allowed the project team to determine a score and a ranking for each of the options for participant response.
- Validation market research was conducted in May 2006 to validate the workshop results with the wider community.

Since 2006 the RRF Project has required little in the way of community input. Information about the project has been made available on EMRC's public website and through the R-Gang website and newsletters, but without the intensity detailed above.

With the RRF Project moving towards the next stage when potential tenderers were requested to submit Expressions of Interest for the RRF Project, EMRC initiated the next phase of community engagement in 2009. The objective was to gather community views about the site and technology options being considered, which would be used towards informing the planning decisions to be made by Council.

At its meeting held on 26 February 2009, Council considered a proposal that the EMRC undertake both qualitative and quantitative research with the view to understand community sentiment about possible sites and technology options. Council resolved, inter alia that:

THE PROPOSED COMMUNITY ENGAGEMENT PLAN BE COMMENCED TO FACILITATE FEEDBACK TO COUNCIL ON KEY PLANNING DECISIONS BY JULY 2009.

In accordance with this Council decision, the EMRC appointed Patterson Market Research to assist in undertaking relevant research activities.

REPORT

Importance of ongoing communication and engagement activities

As part of the 2009 RRF Project community engagement activities, Patterson Market Research completed a series of surveys and focus groups in June 2009.

The outcomes of the research is the subject of Report Item 9.2 – *Outcomes of Community Engagement Plan – Resource Recovery Facility Project* (Committees-9572) forming part of the RRC Agenda for the 13 August 2009 meeting.

This report relates to the need to ensure that the EMRC develops a plan for ongoing communication and engagement with the community on the RRF Project.

The recent 2009 research indicates that many community members had no knowledge of the project prior to being contacted about the survey and focus groups. Furthermore, in spite of the community consultative work conducted through 2005 – 2006, many had no knowledge of the consultative process, or the way in which the various technologies would be evaluated. The participants in the 2009 research also expressed great interest in being kept fully informed of the process.

Simple, clear communication will be a vital aspect of the RRF Project from now to the commissioning of the facility.

Ongoing communication will assist with:

- Building awareness and support for the project;
- Providing the community with a good understanding of the project;
- Building trust with the community; and
- Minimising the risk of misinformation circulating about the project.



Item 9.4 continued

Communication and Engagement Activities – August 2009 to March 2010

The RRF Project is at a point when key decisions will be made in relation to acceptable tenderers, ownership models and site and technology options.

It is proposed to undertake a series of communication activities to ensure that the community and other stakeholders have a good understanding of the project, its objectives, its progress and the next steps.

The focus would be to engage and communicate with key stakeholders including:

- EMRC Councillors;
- EMRC Staff;
- Member Council Councillors;
- Member Council Staff;
- Residents and Community Groups within Perth’s Eastern Region;
- Residents in the immediate vicinity of Red Hill and /or Hazelmere;
- Waste Management Community Reference Group;and
- Politicians and Government Agencies.

The types of activities being proposed during August 2009 to March 2010 include:

- Formal reports to Committees and Council;
- Briefing sessions and presentations (Council, Committees, member Councils, politicians);
- Periodic column(s) in local newspapers, as required (to provide information on the progress of the project to date);
- Resource Recovery project updates via the EMRC newsletter and R-Gang website; and
- Ongoing regional waste education initiatives (eg community talks, school programs).

It is intended that any information to be published in the local newspaper column will be sent in advance to relevant member Council staff to ensure that they are able to respond to queries, or redirect them to the EMRC.

Future communication activities

It is also proposed that future communication and community engagement activities will be planned and executed to support the RRF Project. The table below provides a brief description of the activities proposed during five key phases.

PHASE	EXPECTED TIMEFRAME	PROPOSED ACTIVITIES
<p>Phase One (the subject of this report)</p> <p>EOI process and evaluation</p>	<p>Aug 2009 to Mar 2010</p>	<ul style="list-style-type: none"> ▪ Formal reports to Committees and Council ▪ Briefing sessions and presentations to Council, Committees, member Councils and politicians ▪ Periodic local newspaper columns, as required ▪ Project updates on the EMRC and R-Gang websites and EMRC newsletter ▪ Ongoing waste education initiatives



Item 9.4 continued

<p>Phase Two</p> <p>Environmental Planning Approvals</p>	<p>Mar 2010 to Aug 2011</p>	<p>Phase One activities plus:</p> <ul style="list-style-type: none"> ▪ Public information sessions and displays ▪ Formation of a Community Engagement Advisory Group comprising of community members in the vicinity of the site selected for the RRF. This group will partner with the EMRC in development of a Community Partnership Agreement. (this will be the subject of a separate report to Council) ▪ Annual project update via letterbox drops to: <ul style="list-style-type: none"> ○ Participants of the 2009 and previous community engagement activities; and ○ Community members within the vicinity of the preferred site selected for the RRF.
<p>Phase Three</p> <p>Tender process and evaluation</p>	<p>Sept 2011 to Oct 2012</p>	<p>Phase One activities plus:</p> <ul style="list-style-type: none"> ▪ Annual project update via letterbox as detailed within Phase Two above
<p>Phase Four</p> <p>Construction and wet commissioning</p>	<p>Oct 2012 to Aug 2014</p>	<p>Phase One activities plus:</p> <ul style="list-style-type: none"> ▪ Annual project update via letterbox as detailed within Phase Two above ▪ Increased Waste Education activities if new waste management behaviour is required (separate project plan required).
<p>Phase Five</p> <p>Full operation and launch</p>	<p>Sept to Nov 2014</p>	<p>Phase One activities plus:</p> <ul style="list-style-type: none"> ▪ Public launch event/Open Day ▪ Media relations

It is proposed that a detailed Communication Plan will be developed at each Phase and will be presented to the Council for endorsement prior to any activities being undertaken.

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



Item 9.4 continued

Key Result Area 4 – Good Governance

- 4.3 To manage partnerships and relationships with stakeholders
- 4.4 To improve marketing and communications

FINANCIAL IMPLICATIONS

The draft 2009/2010 Budget under - Resource Recovery – Conduct Resource Recovery Community Consultation and Undertake Community Consultation (Task 3) provides an allowance of \$37,000 for community engagement and communication activities.

SUSTAINABILITY IMPLICATIONS

The Resource Recovery Facility and/or Resource Recovery Park will contribute toward minimising the environmental impact of waste by facilitating the sustainable use and development of resources.

Effective community engagement and communication will enhance the community's understanding of the role of the EMRC, waste management issues, and Resource Recovery. Involving the public through relevant education programmes and ongoing communication at all stages of the Resource Recovery Project will assist in the effective implementation of this project.

MEMBER COUNCIL IMPLICATIONS

Member Council

Implication Details

Town of Bassendean
City of Bayswater
City of Belmont
Shire of Kalamunda
Shire of Mundaring
City of Swan



Ongoing communication will be provided to stakeholders within Perth's Eastern Region

ATTACHMENT(S)

Nil

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That Council endorse the proposal to undertake a series of communication activities related to the Resource Recovery Facility Project, as outlined within this report.

Discussion Ensued

The Manager Project Development summarised the report and explained this report was to seek endorsement for the community engagement activities between August 2009 and March 2010. Prior to any advertising of project updates or newspaper placements, member Councils would be advised to ensure they all had the same information.



Item 9.4 continued

The Acting Chief Executive advised that EMRC proposed to develop a detailed communication plan for each stage and would submit this to Council for endorsement.

Mr Lutey stated that the Red Hill community needed to be factored into the briefings from the first phase. The Acting Chief Executive Officer advised the EMRC regularly engaged with the Red Hill community on issues affecting the area and that an item in regards to this topic could be included on their agenda in the future.

Cr Godfrey also enquired if EMRC were still using the R-Gang website.

The Acting Chief Executive Officer advised that EMRC were reviewing the effectiveness of the program but considered the current format was appropriate for children. Cr Albert asked how the R-gang website was communicated through to children. The Acting CEO replied that the promotion of the website was through the education centre at Red Hill, shopping centre displays and through school education.

RRC RECOMMENDATION(S)

MOVED CR GODFREY SECONDED CR KLEIN

That Council endorse the proposal to undertake a series of communication activities related to the Resource Recovery Facility Project, as outlined within this report.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR LAVELL SECONDED CR GODFREY

THAT COUNCIL ENDORSE THE PROPOSAL TO UNDERTAKE A SERIES OF COMMUNICATION ACTIVITIES RELATED TO THE RESOURCE RECOVERY FACILITY PROJECT, AS OUTLINED WITHIN THIS REPORT.

CARRIED UNANIMOUSLY



10 REPORTS OF MEMBERS

A member tabled a report entitled Specialised Recycling: A Further Need – Secure Document Recycling (attached) and advised he was concerned that residential waste was being reduced and recycled but nothing was being done to recycle secured documents.

Specialised Recycling: A Further Need—Secure Document Recycling

Recently, libraries have increased their specialised recycling from batteries to mobile phones.

I see a further need for specialised recycling: *secure document recycling and/or disposal*.

For the last ten years, secure document recycling has been available within schools and District Education Offices. Items such as:

- student results
- exam papers
- school accounts
- other confidential documents
- etc.

have been put into locked blue bins which are collected regularly for secure disposal.

Having recently retired from teaching, I can no longer find public access areas which have secure recycling. As members of the public, we are not entitled to walk into schools to dispose of our confidential documents.

Normal households have the following types of documents which would benefit from secure disposal:

- anything with your name and address and any *other confidential details* on it
- bank statements
- ATM/supermarket transaction slips which contain credit/debit card info
- old phone bills, electricity accounts, water bills
- Shire rates
- anything that a person can use to some of a 100 point identity check at a bank
- share information: holdings, dividends, notices of meeting
- old taxation returns and all supporting documentation
- etc.

I *do not wish* to put them into the normal recycling bins which are left overnight on the kerbside for eventual collection.

I've read through the EMRC recycling program and cannot find mention of secure document disposal. Nor can I find reference to it on the EMRC web-site, via the Mundaring Shire web-site.

I've looked/asked in the local Post Office without success.

I've enquired at BankWest Midland, where they explain that they have such recycling available in the office area, but not in the public area. *They helpfully suggested that I buy a shredder!*

I asked at the KSP Greenmount Public Library, and they suggested that I contact the Shire Office.

If the same company that carries out secure document disposal/recycling for the government schools was employed by the shire, it would be a simple matter for them to stop at libraries along the way, as schools are many and libraries are few. Every library would undoubtedly already be "on the way" between schools.



11 GENERAL BUSINESS

Nil

11.1 UPDATE ON RESOURCE RECOVERY FACILITY PROJECT

The Manager Project Development provided an update on the Resource Recovery Project.

Item 11.2 Discussion with Representatives of the Red Hill Community Liaison Group was considered earlier in the meeting following Item 8 Reports of Officers.

11.2 DISCUSSION WITH REPRESENTATIVES OF THE RED HILL COMMUNITY LIAISON GROUP

The Chairman requested all questions be directed through the chair to keep the meeting flowing along, and outlined the WMCRG Terms of Reference and explained the items in the Agenda.

The Chairman invited WMCRG members to introduce themselves and, following this, outlined the activities the WMCRG had been involved in over the past 6 years:

- WMCRG was formed in 2002, with 15 members drawn from across the region, selected through an EOI process;
- Over the 7 years WMCRG has had 6 retirements and have recruited 4 new members. Membership currently stands at 13 members;
- The WMCRG have helped guide EMRC's Waste Education Strategy, the annual Waste & Recycle Guide and have been involved in the brand development of the R-Gang for resource recovery;
- Members have attended member Council public briefings on the Resource Recovery Project, have attended the regional workshops in 2005 and 2006, and have provided input into community engagement programmes, including observing the recent focus groups organised to gain an understanding of community attitudes to the Resource Recovery Project;
- Members have received briefings on the progress of the Resource Recovery Project, waste audits and Organic Bin Trial by EMRC and their consultants;
- Members have attended the annual Waste & Recycle conference and have provided reports back to EMRC on this; and
- WMCRG members regularly feed community information back to the EMRC.

The Chairman introduced Ms Synnott of Synnott Mulholland who gave a presentation and briefly described the Mindarie Regional Council's Community Engagement Advisory Group (CEAG) achievements and the Community Partnership Agreement.

The Chairman thanked Ms Synnott for her presentation, and invited the representatives of Red Hill Community Liaison Group (RHCLIG) to ask questions.

Ms Michelle Zimmel, Mr Greg Jones, Ms Toni Warden, Mr Peter Jensen and Mr Jon Kaub made a number of statements in relation to the Resource Recovery Facility Project.

The Chief Executive Officer advised that there appeared to be a misconception that the EMRC is going out for tender but this will not happen for another 18 months and the EMRC will engage with the community and explain the process prior to that. The intention is that the current Council will make preliminary recommendations on various decisions and the community will be advised of this but the final decision on the preferred options is not anticipated to be made until March 2010.



Item 11.2 continued

Mr Jensen asked if WMCRG members had any concerns related to the Resource Recovery Project. The Chairman advised that WMCRG members had no concerns regarding the Resource Recovery Project but were concerned at the community's lack of awareness of the Resource Recovery Project. The WMCRG and the EMRC are working towards providing the community with a good understanding of the project, minimising the risk of misinformation, building awareness and support for the project and to build trust with the community. The Chairman advised the invited guests that the EMRC would provide written responses to all their concerns.

Mr Jones thanked WMCRG members for the invitation to attend the meeting to outline RHCLG's key points and advised that some of the concerns had been addressed and this was a good step forward.

The Chairman thanked the invited guests for attending the WMCRG meeting.

MEETING ADJOURNED

The meeting was adjourned at 7.46pm.

MEETING RESUMED

The meeting resumed at 7.56pm.

The Chairman said that some WMCRG members had queried the process for inviting outsiders to the WMCRG meetings. The chairman has requested that this be dealt with at the next WMCRG meeting. The Chairman requested the WMCRG members to consider a change to the terms of reference regarding invited guests for further discussion at the next WMCRG meeting.

There was discussion about the possibility of two representatives of the Red Hill Community Liaison Group attending the WMCRG meetings and for two WMCRG representatives attending the Red Hill Community Liaison Group meetings. As an interim measure it was suggested that Mr Barker attend the next Red Hill Community Liaison Group meeting.

WMCRG RESOLUTION

MOVED MR AMBROSE

SECONDED MR SIMPSON

THAT MR BARKER BE WMCRG'S REPRESENTATIVE AT THE NEXT MEETING OF THE RED HILL COMMUNITY LIAISON GROUP AS AN INTERIM MEASURE.

CARRIED UNANIMOUSLY

Item 9.1 WMCRG Membership Renewals was considered at this point in the meeting.



12 FUTURE MEETINGS OF THE WMCRG

The next meeting of the Waste Management Community Reference Group will be held on **Monday, 26 October 2009** at the EMRC Administration Office, 1st Floor, Ascot Place, 226 Great Eastern Highway, Belmont WA 6104 commencing at 6.00pm.

Future Meetings 2009

Monday	26 October	at	EMRC Administration Office
Monday	23 November (if required)	at	EMRC Administration Office

13 DECLARATION OF CLOSURE OF MEETING

There being no further business, the Chairman declared the meeting closed at 8.22pm.

WASTE MANAGEMENT COMMUNITY REFERENCE GROUP

MINUTES

26 October 2009

(REF: COMMITTEES - 10191)

A meeting of the Waste Management Community Reference Group was held at the EMRC Administration Office, 1st Floor, 226 Great Eastern Highway, BELMONT WA 6104 on **Monday, 26 October 2009**. The meeting commenced at **6.04pm**.

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1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Acting Chairman opened the meeting at 6.04pm and welcomed Ms Delia Richardson; EMRC's new Community Engagement Officer and congratulated Ms Janet Gee on being elected as a Councillor for the City of Belmont.

2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

WMCRG Members

Mrs Sally Paulin (Acting Chairman)	Deputy Chairman
Mr Peter Pearson	Chairman
Mr Berry Ambrose	Member
Mr Malcolm Barker	Member
Ms Janet Gee	Member
Mr David Strain	Member
Mr Ray Lewis	Member
Mr Edwin Dell	Member
Ms Dianne Katscherian	Member
Ms Dot Kingston	Member
Mr Anthony Fowler	Member

WMCRG Apologies

Ms Ruth Balding	Member
Mr Mark Simpson	Member

EMRC Officers

Mr Peter Schneider	Chief Executive Officer
Mr Stephen Fitzpatrick	Manager, Project Development
Ms Gabrielle Grime	Waste Education Coordinator
Ms Delia Richardson	Community Engagement Officer
Ms Pina Martino	Administration Support Officer

Consultant(s)

Ms Gae Synnott	Consultant, Synnott Mulholland
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3 DISCLOSURE OF INTERESTS

Nil

4 ANNOUNCEMENT BY THE CHAIRMAN OR PERSON PRESIDING WITHOUT DISCUSSION

In accordance with section 3.3 of the EMRC Standing Orders the Acting Chairman announced a proposed change in Order of Business to deal with **Item 11.2 Future Involvement of Red Hill Community Liaison Group with WMCRG** and **Item 11.6 Discussion on WMCRG Terms of Reference** as the next item of business following **Item 11.5. Waste Education Update**.



5 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

5.1 MINUTES OF WMCRG MEETING HELD ON 14 SEPTEMBER 2009

That the Minutes of the Waste Management Community Reference Group meeting held on 14 September 2009, which have been distributed, be confirmed.

WMCRG RESOLUTION(S)

MOVED MR PEARSON SECONDED MR LEWIS

THAT THE MINUTES OF THE WASTE MANAGEMENT COMMUNITY REFERENCE GROUP MEETING HELD ON 14 SEPTEMBER 2009, WHICH HAVE BEEN DISTRIBUTED, BE CONFIRMED.

CARRIED UNANIMOUSLY

6 PRESENTATIONS

Nil

7 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil

8 REPORTS OF OFFICERS

The Manager Project Development gave an overview of **Item 9 Reports of Relevant Resource Recovery Committee Resolutions and Item 9.1 Preferred Resource Recovery Facility Options**. The purpose of the report was to advise Council of the progress of the assessment of the various options for the Resource Recovery Facility, including the technologies, sites, ownership models and bin collection system. The Manager Project Development advised that the Red Hill Waste Management Facility was the preferred site for the Resource Recovery Facility and the technology options anaerobic digestion, gasification and pyrolysis technology options were ranked higher than combustion and plasma at this stage but more information is required before a final preference can be determined. A third bin for household organic waste collection is recommended in conjunction with anaerobic digestion technology.



9 REPORTS OF RELEVANT RESOURCE RECOVERY COMMITTEE RESOLUTIONS

9.1 PREFERRED RESOURCE RECOVERY FACILITY OPTIONS

Council has resolved to recommend a preliminary set of preferred RRF options as a basis for discussion between the EMRC and the member Councils and the community. The unconfirmed minutes of the Ordinary Meeting of Council 24 September 2009 relating to this report item (Report item 9.1 Resource Recovery Committee, 17 September 2009) are attached.

RECOMMENDATION(S)

That report item 9.1 of the Resource Recovery Committee minutes of 17 September 2009 be noted.

WMCRG RECOMMENDATION

MOVED MR STRAIN

SECONDED MS KATSCHERIAN

That report item 9.1 of the Resource Recovery Committee minutes of 17 September 2009 be noted.

CARRIED UNANIMOUSLY



9 REPORT OF OFFICERS

9.1 PREFERRED RESOURCE RECOVERY FACILITY OPTIONS REPORT

REFERENCE: COMMITTEES-9922

PURPOSE OF REPORT

To advise Council of the progress of the assessment of the various options for the Resource Recovery Facility, including the technologies, sites, ownership models and bin collection systems.

KEY ISSUES AND RECOMMENDATION(S)

- The Tender Evaluation Committee (TEC) in conjunction with consultants Cardno have completed an evaluation of the options for the Resource Recovery Facility (RRF) – namely the technology options, site options, ownership model options and bin collection system options.
- The Western Australian Treasury Corporation (WATC) have reviewed the financial modelling of the various options and made suggestions for improvement.
- Information used in the preferred options analysis included data gained from the Expression of Interest (EOI) process, the request for information report from October 2008, information obtained from the international conference on energy from biomass and waste (2008) and the associated site visits, input from representatives of consultants Fichtner GmbH & Co and Juniper Consultancy Services and other research.

Recommendation(s)

1. That the following preliminary recommendations of the Resource Recovery Committee form the basis of consultation between the EMRC and the member Councils and the community with the intention of reporting back to Council in approximately March 2010 with a final recommendation:
 - a) Red Hill Waste Management Facility is the preferred site for the RRF.
 - b) The Design & Construct contract ownership model is preferred to a Build Own Operate contract model.
 - c) The RRF technology options including anaerobic digestion, gasification and pyrolysis are ranked higher than combustion and plasma at this stage but more information is required before a final preference can be determined.
 - d) A third bin for household organic waste collection be considered in conjunction with anaerobic digestion technology.

SOURCE OF REPORT

Manager Project Development

BACKGROUND

On 30 April 2009, Council resolved to proceed with the Expression of Interest process.

At the 27 August 2009 meeting of Council it was resolved:

1. THE FOLLOWING RESPONDENTS TO THE EXPRESSION OF INTEREST ARE LISTED AS ACCEPTABLE TENDERERS:
 - A. ENERGOS AS;
 - B. EVERGREEN ENERGY CORPORATION PTY LTD;
 - C. GRD MINPROC LIMITED;



Item 9.1 continued

- D. MOLTONI ENERGY PTY LTD;
 - E. SITA ENVIRONMENTAL SOLUTIONS;
 - F. TRANSPACIFIC CLEANAWAY LIMITED; AND
 - G. WSN ENVIRONMENTAL SOLUTIONS.
2. THE FOLLOWING RESPONDENTS TO THE EXPRESSION OF INTEREST ARE NOT LISTED AS ACCEPTABLE TENDERERS:
 - A. ANAECO LIMITED; AND
 - B. THIESS SERVICES PTY LTD.
 3. THE RESPONDENTS TO EXPRESSION OF INTEREST 2009-10 BE ADVISED OF THE OUTCOME OF THE ASSESSMENT.
 4. THE ATTACHMENT REMAINS CONFIDENTIAL AND BE CERTIFIED BY THE ACTING CHIEF EXECUTIVE OFFICER AND THE EMRC CHAIRMAN.
 5. THE TENDER EVALUATION COMMITTEE BE ACKNOWLEDGED FOR THE SIGNIFICANT EFFORT PUT INTO EVALUATING THE EOI SUBMISSIONS.

REPORT

The Tender Evaluation Committee (TEC) has reviewed the Cardno project team's progressive assessment of the technology, site, ownership model and bin collection system options at its meetings of 21 August and 3 September 2009. Information used in the financial modelling of the various options included:

1. Information gained from the respondents to the EOI – Establishment of a Resource Recovery Facility for the Eastern Metropolitan Regional Council, May 2009;
2. Information gained for the EMRC Request for Information, October 2008;
3. Information obtained by the EMRC delegation that attended the Second International Symposium on Energy from Biomass and Waste and the associated visits to facilities in October-November 2008;
4. Feedback from the Western Australian Treasury Corporation (WATC) on the financial modelling and financing costs;
5. Research reports prepared for the Los Angeles County Department of Public Works including a report prepared by URS entitled "Conversion Technology Evaluation Report, August 2005";
6. A research report prepared by Advanced Energy Strategies for the Alameda Public Utilities Board in the US entitled "Investigation into Municipal Solid Waste Gasification for Power Generation, May 2004"; and
7. Discussions with consultants Fichtner GmbH & Co in Germany and Juniper Consultancy Services in the UK on their experience with the commercialisation of gasification, pyrolysis and plasma facilities, the operational complexity of these technology options compared compared to anaerobic digestion technology, major operational risk issues and mitigation, the competitiveness of gasification, pyrolysis, combustion and plasma compared to anaerobic digestion and feedback on the assessment methodology used in the EMRC project.

The Executive Summary of the draft Cardno report on the RRF Preferred Options is attached (Attachment 1).

Within the decision model for the acceptable technologies, a multi-criteria assessment model is used as was used in the Task 5 report "Assessment of Sites and Technologies, February 2006". The criteria have been amended to include carbon implications under the environmental criteria and public perception under the social criteria. The carbon implications criterion was assessed against EOI responses to net greenhouse



gas emissions, whereas the public perception criterion used the results from the recent Patterson Market Research study on community attitudes towards Resource recovery Technologies.

Contract Model and Facility Ownership

A value for money assessment has been undertaken to assess if the benefits to the EMRC of transferring risks to a contractor under a Build Own Operate contract would offset the increased costs charged by the contractor due to private financing and for assuming the project risks.

In analysing the risk aspects of the contract ownership models, the Manager Project Development and Cardno's Project Director have met with the CEO of the SMRC to discuss the lessons learned from their experience with a Design & Construct model. Use has also been made of the Federal Government's Infrastructure Australia methodology for assessing the suitability of Public Private Partnerships for undertaking social infrastructure projects such as waste treatment facilities.

Changes in the international financial markets since the Global Financial Crisis have had a material effect on the financing costs of Public Private Projects. While some of these costs may be temporary, it is anticipated that a more conservative approach to private financing of major infrastructure projects will be taken for the foreseeable future.

The assessment has found that, providing a comprehensive, but achievable, risk mitigation strategy is adopted by the EMRC, a Design and Construct contract, with the EMRC retaining ownership of the RRF, would provide best value to the EMRC and the member Councils.

WATC have provided valuable feedback on the financial model, financing costs for a WATC loan and the implications on the Member Councils. This information has been used to adjust some of the assumptions in the Financial Model used for the assessment process. WATC is of the view that guarantees from Member Councils would be required for either an EMRC loan (under a D&C contract) or of the EMRC's financial obligations under a BOO contract. Also, such guarantees would have similar effects on borrowing capacities of the Member Councils, as they would be seen by lenders in the current market as liabilities of the Member Councils.

Preferred Site for the RRF

Consideration has been given to locating the RRF at either of the EMRC facilities at Red Hill and Lakes Road, Hazelmere. Particular attention has been given to the possibility of being able to sell the surplus heat from the RRF (in addition to electricity that may be produced), as well as the views of the public obtained from the recent Patterson Market Research study. It has been concluded that the opportunities for selling heat from the RRF may be limited and so should not be a determining factor in deciding on the preferred site. There is a strong community preference for siting the RRF at Red Hill. From a technical perspective, both sites are suitable, however, Hazelmere, being located closer to the population centre, offers better opportunities to be used for a Resource Recovery Park.

The TEC has recommended, on balance, that the RRF should be located at Red Hill. Detailed consultation should be undertaken with the local communities to obtain their input to the development through a Community Partnership Agreement.

Technologies

The TEC has found that there is limited publicly available information about some of the technologies, particularly relating to costs and due to the limited use of some of the technologies. On the basis of the available information a Multi Criteria Analysis has been used to assess the technologies and a provisional ranking has been established. However, the TEC is of the view that further research is required on the costs and the operational risks of the technologies before a final decision is made. These matters are particularly important if a D&C model is adopted, as recommended.

This research will be conducted over the next few months using expert advices from waste consultants Juniper Consultancy Services and Fichtner GmbH & Co and then the Multi Criteria analysis will be updated which may result in a change to the ranking of the technology options.



Consideration also needs to be given to the capacity of the RRF for particular technologies, and the potential need for additional future stages, given the differences in the type of waste processed by the differences technologies.

Bin Collection System

The results of the recent three bin collection trial have been reviewed and found to be encouraging. The quality of products, particularly the compost from the anaerobic digestion process, will benefit from the improved quality of feedstock from a source separated collection system. The additional costs of collection have been found to be offset by the reduced cost of processing. If a two bin collection system is used, then considerable effort and cost is expended in removing the inorganic waste from the waste stream – a task that is largely undertaken by householders with a three bin collection system.

It is therefore recommended that consideration be given to implementing a three bin collection system if anaerobic digestion technology is used for the RRF.

In summary, the analysis by Cardno has provided the following preliminary recommendations on the site, technologies, contract ownership model and bin collection systems.

Options	Preferred Option
RRF Site	Red Hill Waste Management Facility
RRF Technology	Ranking of technology options: 1. Anaerobic Digestion 2. Gasification 3. Pyrolysis 4. Combustion 5. Plasma
RRF Contract Ownership Model	Design & Construct
Bin Collection System	Three bin system for Anaerobic Digestion, otherwise a two bin system.

Following the meeting of the TEC on 3 September, the project team has spoken with a representative of waste consultants Fichtner GmbH regarding their experience with the various technology options. They advised as follows:

- There is not a lot of difference between gasification and pyrolysis;
- Pyrolysis is technology applied in Germany but is not successfully implemented (based on economic comparison with other alternatives) over a long period for MSW. Pyrolysis is in successful operation for special waste types like cables and tyres;
- None of the gasification/pyrolysis technologies for MSW has been in operation for a long period;
- The Thermoselect plant at Karlsruhe in Germany stopped operation 2 to 3 years ago because it could not reach its throughput capacity;
- There is a lot of investment in incinerator technology in Germany all with highly sophisticated flue gas treatment;
- Plasma technology is not competitive for MSW although it has been used for small quantities of MSW;
- The thermal technologies usually need 3 - 6 weeks per year for regular maintenance per line so this means spare capacity is needed or alternative disposal means;
- Thermal technologies are complex but not such that the EMRC could not operate such a facility with appropriate training and management systems;



- With anaerobic digestion facilities, difficulties include the time to start the process, usually 2 weeks; problems with substances in the waste which are not suitable and separate organic collections work better;
- With the incineration facilities, there can be corrosion issues with boilers due to chlorides in the flue gas;
- 80,000 – 100,000 tonnes per annum per line is common for incineration facilities;
- Optimising the energy output from incineration facilities has to be balanced with maintenance requirements;
- Where pyrolysis was in competition with incineration in Germany in recent samples of projects, pyrolysis, was not competitive with incineration, as it was unable to meet design throughputs and incineration facilities have become cheaper;
- Anaerobic digestion is competitive with incineration, it's then a question of what to do with the residual compost and liquid from an anaerobic digestion plant;
- The ratio of flue gas residuals to bottom ash residuals is usually 1:3 to 1:4 (for grate incineration); and
- The EMRC selection criteria used in the multi criteria model appear to be appropriate.

The project team also spoke with Juniper Consultants in the UK, who advised as follows:

- All of the reliable technologies need careful management and operation to comply with appropriate standards;
- Using reliable and proven technology is critical as there are a number of emerging, but unproven technologies trying to enter the market;
- Operational challenges are often underestimated by promoters of new technologies. A good indication of the maturity of a technology is the quality of the protocols and systems that have been developed for managing and operating the facility;
- Pre-processing of waste for most of the technologies is critical, and a major potential risk area if the pre-processing is not undertaken properly;
- Attention needs to be given to the quality and maintenance costs of the refractory lining of the combustion chamber and of the boilers in waste to energy facilities;
- Proven gasification technologies (particularly from Japan) are most costly, while simple anaerobic digestion technologies and unproven gasification technologies are the least costly;
- There are many new technologies that are seeking to establish reference sites and are pricing their bid accordingly; and
- Generally conversion technologies (gasification, pyrolysis and plasma) and anaerobic digestion technologies are more competitive with capacities less than 150,000 tonnes per annum, while combustion technologies are generally more economic treating more than 150,000 tonnes per annum.



Member Council and Community Engagement

The project timeline for the completion of the preferred RRF options analysis was amended at the RRC meeting of 25 June 2009, taking into account feedback from the Chief Executive Officer Advisory Committee (CEOAC). The revised timeline provides for extended consultation with the member Councils between November 2009 and February 2010 (refer Attachment 2). It also provides for community engagement according to the programme identified in report item 9.4 of the 13 August 2009 RRC agenda.

Because of local government elections and councillor inductions, the next round of member Council consultation on the project is likely to occur in early December 2009 through to February 2010.

STRATEGIC/POLICY IMPLICATIONS

The Resource Recovery Project contributes to Key Result Area 1 - Environmental Sustainability of EMRC's Strategic Plan for the Future, specifically Objective 1.3:

To provide resource recovery and recycling solutions in partnership with member Councils
 Key Result Area 1 – Environmental Sustainability

- 1.3 To provide resource recovery and recycling solutions in partnership with member Councils

FINANCIAL IMPLICATIONS

The cost of using consultants Cardno BSD/Meinhardt JV arising from the Request for Tender 2004/1 is budgeted at approximately \$491,150 in the 2009/2010 Budget under – Resource Recovery – Implement Resource Recovery Project Plan. This includes budget provisions for the tasks related to the Expressions of Interest process and Tender. Provision is likely to be needed to fund additional technical advice to assist in the assessment of technologies and the establishment of the technical requirements of the RRF under a D&C model.

SUSTAINABILITY IMPLICATIONS

The Resource Recovery Facility and/or Resource Recovery Park will contribute toward minimising the environmental impact of waste by facilitating the sustainable use and development of resources.

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

ATTACHMENT(S)

1. Executive Summary of the Report – Cardno, Preferred RRF Options (Ref: Committees-9997)
2. Project Timeline ([Ref: Committees-9996](#))

VOTING REQUIREMENT

Simple Majority



RECOMMENDATION(S)

1. That the following preliminary recommendations of the Resource Recovery Committee form the basis of consultation between the EMRC and the member Councils and the community with the intention of reporting back to Council in approximately March 2010 with a final recommendation:
 - a) Red Hill Waste Management Facility is the preferred site for the RRF.
 - b) The Design & Construct contract ownership model is preferred to a Build Own Operate contract model.
 - c) The RRF technology options including anaerobic digestion, gasification and pyrolysis are ranked higher than combustion and plasma at this stage but more information is required before a final preference can be determined.
 - d) A third bin for household organic waste collection be considered in conjunction with anaerobic digestion technology.

Discussion ensued

Cr Klein expressed concerns about introducing the third bin system and the cost implications on member Councils. She also stated that the current Councillors on the Committee may not be re-elected and therefore incoming Councillors would be unaware of the technologies and processes to date.

Manager Project Development stated the review of a three bin system had been carried out previously in the Cardno BSD Meinhardt Task 10 report on Waste Collection Systems. The Cardno analysis showed that the overall cost per annum to households for a three bin system was comparable to a two bin system. The separation of the organic waste by householders reduced capital costs for an anaerobic digestion facility because less pre-treatment of the waste would be required. The Manager Project Development also stated that the preferred options recommended here were not final and more information would be required on the technologies as a basis for discussion with member Councils and the community in the coming months.

AMENDMENT

Moved Cr Godfrey seconded Cr Klein that recommendation 1 be amended and to include an explanation of why Red Hill Waste Management Facility is the preferred site for the RRF.

The substantive motion included the amended recommendation 1.

CARRIED

RRC RECOMMENDATION(S)

MOVED CR GODFREY SECONDED CR KLEIN

1. That the following preliminary recommendations of the Resource Recovery Committee form the basis of consultation between the EMRC and the member Councils and the community with the intention of reporting back to Council in approximately March 2010 with a final recommendation.
 - a) Red Hill Waste Management Facility is the preferred site for the RRF based on environmental, economic and planning considerations, community research and the potential value of the EMRC Hazelmere site as a Resource Recovery Park.
 - b) The Design & Construct contract ownership model is preferred to a Build Own Operate contract model.
 - c) The RRF technology options including anaerobic digestion, gasification and pyrolysis are ranked higher than combustion and plasma at this stage but more information is required before a final preference can be determined.
 - d) A third bin for household organic waste collection is considered in conjunction with anaerobic digestion technology.

CARRIED UNANIMOUSLY



Item 9.1 continued

Cr McKenna asked if the EMRC could commence the environmental approval process. The Manager Project Development advised that the intended process was that by around March 2010, after the EMRC had completed consultation with the member Councils, the EMRC would report back to Council on the recommended technologies, ownership model and bin collection system. The EMRC, would after this, commence the environmental approval process which needs to be site and technology(s) specific.

COUNCIL RESOLUTION(S)

MOVED CR GODFREY

SECONDED CR PULE

1. THAT THE FOLLOWING PRELIMINARY RECOMMENDATIONS OF THE RESOURCE RECOVERY COMMITTEE FORM THE BASIS OF CONSULTATION BETWEEN THE EMRC AND THE MEMBER COUNCILS AND THE COMMUNITY WITH THE INTENTION OF REPORTING BACK TO COUNCIL IN APPROXIMATELY MARCH 2010 WITH A FINAL RECOMMENDATION.
 - A) RED HILL WASTE MANAGEMENT FACILITY IS THE PREFERRED SITE FOR THE RRF BASED ON ENVIRONMENTAL, ECONOMIC AND PLANNING CONSIDERATIONS, COMMUNITY RESEARCH AND THE POTENTIAL VALUE OF THE EMRC HAZELMERE SITE AS A RESOURCE RECOVERY PARK.
 - B) THE DESIGN & CONSTRUCT CONTRACT OWNERSHIP MODEL IS PREFERRED TO A BUILD OWN OPERATE CONTRACT MODEL.
 - C) THE RRF TECHNOLOGY OPTIONS INCLUDING ANAEROBIC DIGESTION, GASIFICATION AND PYROLYSIS ARE RANKED HIGHER THAN COMBUSTION AND PLASMA AT THIS STAGE BUT MORE INFORMATION IS REQUIRED BEFORE A FINAL PREFERENCE CAN BE DETERMINED.
 - D) A THIRD BIN FOR HOUSEHOLD ORGANIC WASTE COLLECTION IS CONSIDERED IN CONJUNCTION WITH ANAEROBIC DIGESTION TECHNOLOGY.

CARRIED UNANIMOUSLY



9.2 RESULTS OF ORGANIC BIN TRIAL

Council has resolved to use the results of the organic bin trial in the preferred Resource Recovery Facility options analysis. The Manager Project Development gave an overview on the attachment to (Report item 9.2 Resource Recovery Committee, 17 September 2009) and read out the outcomes of the trial and the key issues and recommendations (are attached).

RECOMMENDATION(S)

That report item 9.2 of the Resource Recovery Committee minutes of 17 September 2009 be noted.

WMCRG RECOMMENDATION

MOVED MR STRAIN

SECONDED MS KATSCHERIAN

That report item 9.2 of the Resource Recovery Committee minutes of 17 September 2009 be noted.

CARRIED UNANIMOUSLY



9.2 ORGANICS BIN TRIAL REPORT

REFERENCE: COMMITTEES-9682

PURPOSE OF REPORT

To advise Council on the outcomes of a trial involving the use of a household organics bin by member Council residents.

KEY ISSUES AND RECOMMENDATION(S)

- A household organics bin was trialled in approximately 300 homes across the region (50 per member Council) between 21 April and 23 June 2009.
- Prior to the roll out of the organics bin, residents in the streets selected by the consultants were advised of the trial and given the opportunity not to participate.
- Consultants APC Environmental conducted a pre-trial audit of rubbish bins for the selected households and in the case of Bayswater residents, an audit of the rubbish and green waste bins.
- The 300 households were provided with a 240 litre organics bin, a 6.6 litre bio-basket and supply of compostable liner bags, an information pack and other information via the R-Gang website.
- The 240 litre organics bin was collected weekly and the organics have been composted at Red Hill.
- The organics bins were audited at the end of the 8 week trial, together with the contents of the rubbish bin.
- Results showed a significant diversion of organics from the rubbish bin and low contamination of the collected organics, however there was still an average of 32% organics in the rubbish bin at the end of the trial.

Recommendation(s)

That:

1. Results from the trial be used in the preferred Resource Recovery Facility options analysis and made available to the community via the R-Gang website.
2. Further research be conducted into the use of source separated organics bins around Australia to compare with the EMRC trial and identify critical success factors.

SOURCE OF REPORT

Manager Project Development

BACKGROUND

In April 2008, the EMRC applied for and was successful in receiving \$95,000 (plus GST) grant funding from the Strategic Waste Initiative Scheme to trial a household organic waste collection in the eastern region. The purpose of the trial was to assess the potential for an organics bin in the region in conjunction with anaerobic digestion Resource Recovery Facility.

The trial design was developed by APC Environmental and they recommended a selection of streets in each member Council based on similar socio-economic data. From this selection and after some input from member Council officers, the final streets and houses were nominated.



Item 9.2 continued

Quotations were received from two consultancies able to conduct the audits of the waste streams before and after the issue of the organics bins. Due to the availability of EMRC personnel and the preferred consultant, the trial was not commenced until after Easter 2009. Care was taken to avoid school holiday periods which could distort the waste stream and affect the ability of households to participate.

APC Environmental recommended a minimum of six weeks for the trial if weekly collections were undertaken as behaviour tends to modify over time. It was decided to conduct the trial for 8 weeks and this was done between 21 April and 23 June 2009. Audits of the rubbish bins, greenwaste bins and the organics bins were completed by APC Environmental at the EMRC's Hazelmere site. EMRC staff developed the information packs, advertising and website information to support the trial, much of which was drawn from the experience of the City of Burnside in Adelaide. Gidge Waste and the City of Swan assisted with the collection of the waste, distribution of the organics bins

REPORT

The participating streets for the trial were as follows:

Council	Street (s)	Suburb
Bassendean	Margaret Street	Ashfield
Bayswater	Rosebery Street	Bayswater
Belmont	Armadale Road (between Wright St & Oates St)	Kewdale
Kalamunda	David St, Emerald Court, Opal Court, Gem Court	Maida Vale
Mundaring	Laslett Circle, Luhrs Court	Mundaring
Swan	Albatross Loop, Shelduck Crescent	Beechboro

Approximately 50 households were selected in each member Council street(s), a total of approximately 300 households. For the pre-trial audit, APC staff visited 323 addresses to collect 287 samples, which represents a presentation rate of 89%. The pre trial audit was conducted from 21 – 28 April 2009. In total, 4,714kgs of general waste from the rubbish stream and a further 340kgs of garden waste from Bayswater Council were sorted into 16 agreed categories. There was a diverse range of bin weights, composition and fullness between the samples within each of the six member councils.

The audit report of consultants APC Environmental is attached for information (Attachment 1).

For the post-trial audit, conducted from 16 – 23 June 2009, APC staff collected samples from 171 households' rubbish bins and 198 organics bins, which comprised the regional sample. A number of operational issues occurred during the week of the post audit collection and, in some cases, corresponding rubbish bins were collected up to two hours earlier than we were advised would be the normal collection time. This unfortunately happened on more than one occasion due to poor communication between Cleanaway operational staff and collection drivers. In total, 2,093kgs of waste from the rubbish stream was sorted and a further 2,145kg of garden waste was audited from the trial organic bins. In total, 4,238kgs of household waste and organics was sorted into the agreed categories. As with the pre trial, there was a diverse range of bin weights, composition and fullness between the samples within each of the six member and participating councils.

Overall yields per household by the participating streets referred to above are summarised in the following table:



Item 9.2 continued

Council	Pre Trial		Post Trial		Total Waste Stream
	Rubbish	Greenwaste	Rubbish	Organics bin	
	Weight Kgs Per Household Per Week				
Bassendean	15.8	N/A	11.4	6.6	18
Bayswater	11.6	5.9	15.3	11.2	26.5
Belmont	20.2	N/A	16.5	13.0	29.5
Kalamunda	18.6	N/A	13.0	11.6	24.6
Mundaring	11.4	N/A	9.2	14.2	23.4
Swan	20.1	N/A	12.1	7.3	19.4
Average Household	16.3	5.9	12.9	10.65	23.55

The results showed that at the end of the 8 week organics bin trial:

- Average rubbish/household/week = 12.9 kg;
- Average organics/household/week = 10.65 kg;
- Total waste/household/week = 23.55 kg, an increase in total waste of 7.25 kg/week; and
- Rubbish bin contents reduced by 4.4 kg/week.

The aggregated composition of the rubbish bin, pre-trial was as follows:

Rubbish Bin Material	Weight (kg)	Per cent
Recyclable material (1)	1366.4	29.0%
Textiles – natural and synthetic	99.7	2.1%
Organic material (2)	2614.7	55.5%
Hazardous/medical	7.7	0.2%
Other/miscellaneous	625.8	13.3%
Total	4,714.3	100.0%

- 1: Paper, cardboard, plastics, glass, ferrous and non-ferrous metal.
 2: Wood and straw, green waste, food waste.

The post trial compositions of the rubbish bin and the organics bin were as follows:

Rubbish Bin Material	Weight (kg)	Per cent
Recyclable material (1)	740.6	35.4%
Textiles – natural and synthetic	73.4	3.5%
Organic material (2)	789.6	37.7%
Hazardous/medical	11.3	0.5%
Other/miscellaneous	478.1	22.8%
Total	2,093.0	100.0%

- 1: Paper, cardboard, plastics, glass, ferrous and non-ferrous metal.
 2: Wood and straw, green waste, food waste.



Item 9.2 continued

Organics Bin Material	Weight (kg)	Per cent
Recyclable material (1)	43.6	2.0%
Textiles – natural and synthetic	1.4	0.1%
Organic material (2)	2,091.4	97.5%
Hazardous/medical	0.0	0.0%
Other/miscellaneous	9.1	0.4%
Total	2,145.5	100.0%

- 1: Paper, cardboard, plastics, glass, ferrous and non-ferrous metal.
 2: Wood and straw, green waste, food waste.

Pre-trial organics in rubbish bin = 55.5% (wood and straw, food waste and green waste) or 54% (food and green waste only).

Post trial organics in rubbish bin = 37.7% (wood and straw, food waste and green waste) or 32% (food waste and green waste only).

Therefore residents diverted 22% of organic waste from the rubbish bin to the organics bin.

The organics bin analysis was 97.5% (wood and straw, food waste and green waste) or 94.8% food waste and green waste. Contamination in the organics was low at 2.5% comprising plastics, metal, glass and nappies of which 1.6% is recyclable, so true contamination was 0.9%

The proportion of green and food waste in the organics bin varied between the Council areas as shown in the following table.

Council	Green waste	Food waste	Other material
Bassendean	58.6%	30.1%	11.4%
Bayswater	70.9%	28.1%	1.0%
Belmont	61.0%	35.3%	3.7%
Kalamunda	58.5%	28.3%	13.2%
Mundaring	68.6%	30.1%	1.3%
Swan	79.4%	20.5%	0.1%
All councils	65.4%	29.4%	5.3%

Moisture analysis was completed on the pre and post trial rubbish and organics bins to provide data for the Resource Recovery Facility.

All collected organics were windrow composted at Red Hill.

Implications for Resource Recovery Facility

The organics trial has shown that the introduction of a dedicated bin for the collection of food and garden waste has the capacity to divert significant proportions of these streams from the rubbish bin and hence to a future Resource Recovery Facility.

An average yield of 10.65 kg/household /week would provide 66,000 tonnes per annum of household organic waste across the region, assuming 120,000 households and 100% participation rate.



With ongoing education and awareness campaigns, the use of a contrasting bin lid colour for the organics bin rather than the nature green lid used in the trial to avoid possible confusion, greater diversion of organic waste especially food waste could be achieved.

The trial showed very low levels of contamination in the organics bin at less than 1%, suggesting a good understanding by participating householders of the materials that were accepted in the organics stream.

Further research into the use of household organic bins should be conducted around Australia to assess the performance and success factors in their deployment and to compare the results to the EMRC trial.

Acknowledgements

The EMRC acknowledge the services supplied by the City of Swan in assisting with the organics bin trial including the sourcing and distribution of the new organics bins, the daily collection of the organic waste and transport of audited waste to Red Hill and the final collection of the organics bins. The support from City of Swan staff Colin Pumphrey and Lance Clerke is especially acknowledged.

STRATEGIC/POLICY IMPLICATIONS

The Resource Recovery Project contributes to Key Result Area 1 - Environmental Sustainability of EMRC's Strategic Plan for the Future, specifically Objective 1.3:

To provide resource recovery and recycling solutions in partnership with member Councils
Key Result Area 1 – Environmental Sustainability

- 1.3 To provide resource recovery and recycling solutions in partnership with member Councils

FINANCIAL IMPLICATIONS

The project was partly funded by a \$95,000 (plus GST) grant from the Waste Authority. Funding was also budgeted for under Undertake Waste Stream Audits (72884/01 - \$92,000).

SUSTAINABILITY IMPLICATIONS

The Resource Recovery Facility and/or Resource Recovery Park will contribute toward minimising the environmental impact of waste by facilitating the sustainable use and development of resources.

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT(S)

Report by APC Environmental, "Organic Bin Trial Waste Audit", August 2009 (Ref: Committees-9970)



VOTING REQUIREMENT

Simple Majority.

RECOMMENDATION(S)

That:

1. Results from the trial be used in the preferred Resource Recovery Facility options analysis and made available to the community via the R-Gang website.
2. Further research be conducted into the use of source separated organics bins around Australia to compare with the EMRC trial and identify critical success factors.

Discussion ensued

Manager Project Development stated the results of the trial showed that participating householders had a good understanding of materials that were accepted in the organics stream. Furthermore research by Cardno shows that the three bin system rated highly, and householders were separating green waste organic waste and putresible waste.

Cr Albert stated that with a comprehensive community education program, the acceptance of the three-bin system would increase, as had been evident from the trails already introduced.

RRC RECOMMENDATION(S)

MOVED CR ZANNINO

SECONDED CR ALBERT

That:

1. Results from the trial be used in the preferred Resource Recovery Facility options analysis and made available to the community via the R-Gang website.
2. Further research be conducted into the use of source separated organics bins around Australia to compare with the EMRC trial and identify critical success factors.

CARRIED UNANIMOUSLY



Item 9.2 continued

COUNCIL RESOLUTION(S)

MOVED CR ZANNINO

SECONDED CR PULE

THAT:

1. RESULTS FROM THE TRIAL BE USED IN THE PREFERRED RESOURCE RECOVERY FACILITY OPTIONS ANALYSIS AND MADE AVAILABLE TO THE COMMUNITY VIA THE R-GANG WEBSITE.
2. FURTHER RESEARCH BE CONDUCTED INTO THE USE OF SOURCE SEPARATED ORGANICS BINS AROUND AUSTRALIA TO COMPARE WITH THE EMRC TRIAL AND IDENTIFY CRITICAL SUCCESS FACTORS.

CARRIED UNANIMOUSLY



10 REPORTS OF MEMBERS

10.1 REPORT FROM MEMBERS ON THE 2009 WASTE AND RECYCLE CONFERENCE

Reports from Mr Dell and Mr Lewis on the Waste and Recycle Conference 2009 (are attached).

WASTE & RECYCLE 2009 CONFERENCE

I thank the Eastern Metropolitan Regional Council for affording me the opportunity, as a member of the Waste Management Community Reference Group, to attend the Waste and Recycle 2009 Conference over the four days of September 15 to 18, inclusive of the Pre-Conference Tours and Workshops. I found the full day Waste Experience Tour very useful and informative that encompassed visits to:

- Brockway DiCom AWT Facility;
- Tamala Park landfill site;
- MRC/Biovision's newly commissioned Resource Recovery Facility in Neerabup; and
- The recently expanded Wangara MRF.

ANAEROBIC DIGESTION

Seeing the first train of the Brockway DiCom AWT Facility in operation was most informative. Although it was not possible to see any of the resulting product, it was edifying to hear that the compost was of sufficiently high quality for a major garden products company to contemplate entering into a commercial contract to use the material in a range of garden soil conditioners, including potting mixes. Perhaps, when the second train is operational and the plant fully commercial, a follow-up visit could be made. At such visit, product should be available for examination plus data on residues going to landfill and the composition of those residues. Such data would be of interest to the EMRC should the residues continue to be disposed of in the Red Hill facility.

NB

It is evident that in order to produce high quality compost that is acceptable for commercial garden product manufacture it is critical that there be no contamination of the feedstock. Therefore it would be most desirable that source separation of MSW occurs.

INCINERATION

A highlight of the Waste to Energy Workshop was hearing about thermal treatment of waste, especially its wide acceptance globally. It was good to learn that, although incineration has been environmentally polluting, modern technology had generally overcome earlier problems. However, emissions into the atmosphere had been reduced but not entirely eliminated. Therefore in contemplating disposal technologies all options should detail the pluses and negatives of each technology before any final decision is reached.

Advantages of incineration include:

1. Safe and effective disposal of MSW;
2. Reduction of dependence on fossil fuel where the process includes electricity generation; and
3. Disadvantage is that it undermines recycling, recovery and reuse.

WASTE & RECYCLE 2009 CONFERENCE

GLASS RECYCLING

I was impressed by the initiative of the Alice Springs local government in implementing a recovery scheme for cans and bottles as a means to improve the environment by providing a financial incentive for the community to become active in gathering bottles and cans from public places including parks, gardens and road verges. Unlike the container deposit system that exists in South Australia; payment, for bottles and cans delivered to the recovery depot, comes from the landfill levy.

At present the Alice Springs Town Council is stockpiling glass with a view to future crushing. The product will be used as a partial material substitute in non-structural concrete such as footpaths and street kerbing. The Alice Springs Council is contemplating using glass fines in road marking paint. Such usage of crushed glass has the flexibility to include sheet glass in the process. It was also good to hear that the Augusta Margaret River Shire Council has diverted glass bottles from landfill to a stockpile for future crushing once the necessary crushing equipment has been procured. Glass bottles had been going to landfill, as it was not economic to ship to the bottle reprocessing plant in South Australia. Being a wine producing region and tourist destination Margaret River has a very large volume of wine bottles for disposal compared with other local government areas. Brendan Mohr of the Mindarie Regional Council advised that glass recycling transport costs to South Australia were in the order of \$115 to \$130 per tonne.

Points of Interest from Keynote Address by Professor Dexter Dunphy:

- Products need to be designed to facilitate reuse and recycling;
- See all waste as poor management;
- Danish Government has a plan to eventually be free from fossil fuel dependence for its energy needs;
- Think systemically; use biological not mechanical models; and
- Reduce consumption as we are living beyond replacement levels.

I liked the pertinent comment: "survival is not compulsory".

Use of Recycled Materials in Road Construction and Maintenance by Local Governments:

Case studies presented by Erin Fuery of WALGA revealed that although there had been some limited usage of recycled materials such as C and D, waste including glass, plus reclaimed asphalt and crushed brick some research had found that there was a reluctance to use such materials due to:

- Lack of confidence in the product;
- Unprofitable in use due to cheapness of raw material;
- Tender documentation does not include requirements; and
- MRD does not use.

However, some limited usage has proved positive. For example, a co-mingled recycled concrete trial on Welshpool Road gave cost savings and stood up better than quarried material alone. Canning, Gosnells and Augusta Margaret River councils have recently updated tender documents to include recycled materials. MRD has trialed recycled materials on a small section of the new Perth Bunbury Highway.

WASTE & RECYCLE 2009 CONFERENCE

The Social Cost of Landfill:

Particularly pertinent to the EMRC position was the address by Professor Paul Hardisty of Worley Parsons especially:

- Social cost e.g. environmental damage that is not factored into the cost of making product; and
- A London survey found that living within 500 metres of a landfill site, whether active or closed, gives 10% devaluation in property values.

E-Waste:

The Greensense presentation on e-waste gave some interesting data:

- Economic gold recovery is one gram of gold per tonne of ore;
- One tonne of recycled mobile phones yields 3 grams of gold; and
- Currently there are >3,000 tonne of obsolete mobile phones unaccounted for. These are either in homes or have been disposed of inappropriately. This equates to 9,000 grams of gold.

Risk Assessment:

Concluding comments by some of the presenters are of relevance to our situation, particularly:

1. **Bruce Bowman:** Focus on opportunities and turn every event into one.
2. **Kevin Poynton:** Community is our customer and should be treated as such in any risk assessment plan. Recognise waste as an essential service just as we regard water, electricity et al.
3. **Sandra Cointreau:** To minimize risk we have to work across boundaries.
4. **Professor Dunphy:** Over next few years we must redesign our industrial system. For example the Fuji Xerox system of leasing equipment so it can readily take back and make improvement modifications. We need to ensure that lobby groups are not successful in obstruction of good projects.
5. **Peter Leahy:** The public needs to be fully informed what is going on. So get the message out.
6. **David Färdig:** Need partnerships. Classify waste as an essential service. Support research into options including combustion.

I trust that the above comments on the Conference are useful.

Edwin Dell
Member
Waste Management Community Reference Group
16 October 2009

WASTE & RECYCLE 2009 CONFERENCE

Once again let me thank the EMRC for giving me the opportunity to attend the Waste and Recycle Conference at the Esplanade Hotel, Fremantle.

On the Wednesday I attended the two workshops. The first which examined the Draft Waste Strategy for Western Australia was interesting in that it gave those present a chance to examine the draft document. My opinion, and that of others who sat around me, was that the document has been a long time coming and like many things that take a long time the end result was a little disappointing.

My major concern was that for a document that is a **"STRATEGY"** there were no outcomes; for example, the Waste Authority will issue standards (similar to those in other States, Territories see <http://www.ene.gov.on.ca/programs/3653e.pdf>) to ensure that landfill operations throughout the state are properly controlled. Similarly, I would have hoped that it would introduce model legislation for product stewardship such as container deposit, packaging, for promulgation in State Parliament, that is, provide leadership to local government and private industry.

I had always thought that strategies should tell what is intended (outcomes), describe possible ways of achieving those outcomes, indicate how those outcomes would be measured (performance indicators), and then evaluate the process to see how it could be improved. Only the Resource Recovery Targets seemed to have any indication of what was intended but again no means by which these would be achieved. What was done was to provide a series of 'motherhood statements' for the Product Stewardship, Disposal, and Data headings when what is wanted is a leadership strategy which states what it is intended to achieve, how that achievement will be implemented and how it will be monitored and evaluated. A copy of the Waste Authority's Waste Strategy for Western Australia [DRAFT] (with my scribbling) is included with this report.

It seems that the Waste Authority wants feedback from the public and from those who attended the workshop. Perhaps the WMCRG should provide feedback, either as a group or under our members' individual names.

The Waste to Energy workshop in the afternoon outlined the various options available in producing energy from waste. However, I am concerned that those outlining the options seem to think that waste is, and will continue to be, an inexhaustible resource. I have always considered that the major objective of any waste management system is to reduce the amount of waste at source, that is, make it diminish to what might be considered a vanishing point. The presenters, well versed in their various options, seemed to miss this point. I had to leave before the feedback session at the end of the workshop so I was not able to put this point. I would have liked to hear the responses.

The keynote speakers preceding Thursday's sessions were thought provoking with Professor Dunphy's address having some echoes of my belief that we should eliminate waste in manufacturing by 'thinking outside the square'. His example of Fuji Xerox epitomised the ideal for which all manufacturers should strive. Accept responsibility for what you produce and when it has reached the end of its useful life, take it back and re-use it to make more products, if not the company's own, then some other company with the same outlook as Fuji Xerox.

Dr Lisa Skumatz emphasised the idea of thinking "outside the box" and asked some relevant questions. She pointed out the strengths of the various programs such as "Pay as you throw" and "Garbage by the pound" with which she had been involved. Her economics background was very evident from her speech and her ideas were based on, what seemed to me, valid research. She didn't impress me as much as Professor Dunphy, but the points that she made in her address were thought-provoking.

I attended the following presentation by Peg Davies, having some idea of what she was about to say. Her presentation confirmed my belief that Earth Carers is a worthwhile contribution to waste management but that it is a path for the committed to follow. My opinion is that what she describes is extremely worthwhile. For me the major stumbling block is that it is a program for the enthusiast and that most of the populace may see it as a good idea but 'not for them'.

WASTE & RECYCLE 2009 CONFERENCE

Unfortunately for the conference participants, the next two sessions which were intended to be addressed by Professor Richard Weller were cancelled because the professor did not attend. For me, he was the one person whose presentation I was most interested in. Subsequent to the conference, I searched the proceedings for Prof. Weller's paper only to find that it was not available. Later, after asking him about the possibility of obtaining a copy of Prof. Weller's paper, Steve Fitzpatrick sent me the response that he had received. Effectively, it stated that if I wanted to find out what Professor Weller was going to say, it would cost me \$99.00 for a copy of his new book Boomtown 2050. Will the book be perused by the members of our various legislatures in the hope that they will take note of the shortcomings of current planning legislation?

A stand-in presenter for the second session that Prof. Weller was to undertake gave me pause for thought subsequent to the session which I did not attend. Living as I do in Hazelmere, I was astonished to find out that it was hoped that it would become the home of a Resource Recovery Facility and incinerator which would provide feedstock to a brick making plant. The facility would handle up to, I believe, 140,000 tonnes of MSW. It also seems that the City of Swan and the EMRC were unaware of the development. The site would be that of a previous operation on land which abuts the airport and which had been abandoned. Further enquiries revealed that the company, SITA, was reasonably confident of obtaining permission to operate. I am still appalled that this could be envisaged. Will the State Government require an Environmental Impact Statement? Will the State Government have any power as I believe the property is owned by the Federal Government having been excised from the original airport reserve? As a Hazelmere resident I wait developments with interest.

The afternoon sessions involved Dr Skumatz again who expanded on her keynote address that she had given earlier. The following three sessions were all involved with risk and risk assessment. The three were enlightening and allowed the participants to understand that no matter how you handle risk that no organisation or individual can wholly divest itself of the responsibility for actions undertaken even if carried out in good faith and best practice. Isn't there a message here for all of us about waste management?

The conference, while enlightening in some ways, filled me with a sense of foreboding. There seemed to be little evidence of "thinking outside the box". Perhaps it is my innate cynicism but to me the exhibitors all seem to have a vested interest in ensuring that the waste stream does not dry up.

Let me thank the EMRC once more for giving me the opportunity to attend two days of the conference. It was, as always, sometimes illuminating, sometimes dispiriting. In short, like the curate's egg, good in parts.

Ray Lewis
Hazelmere
WMCRG Member

23 October 2009



11 GENERAL BUSINESS

Nil

11.1 2009 WASTE & RECYCLE CONFERENCE

The Manager Project Development along with the Acting Chairman invited discussion on issues raised at the 2009 Waste & Recycle Conference.

Discussion ensued

WMCRG members voiced their concerns on the workshop on the draft State Waste Strategy and non attendance of some of the keynote speakers. The Manager Project Development advised the Waste Management Association will develop a submission based on feed back at the workshop. A public workshop is being held on the draft Waste Strategy for WA at the EMRC on the 6 November 2009 and registrations could be completed on line.

11.2 FUTURE INVOLVEMENT OF RED HILL COMMUNITY LIAISON GROUP WITH WMCRG

Item 11.2 Future Involvement of Red Hill Community Liaison Group with WMCRG was considered by the Committee earlier in the meeting following item 4 Announcement by the Chairman or Person Presiding Without Discussion.

The Manager Project Development invited discussion in relation to future involvement of the Red Hill Community Liaison Group representatives at WMCRG meetings.

Ms Synnott facilitated the discussion session with the WMCRG members. Comments provided by WMCRG members are outlined in the attachment for this item.

Ms Synnott thanked the WMCRG members for their input and advised that there would be further discussion at the next WMCRG meeting to be held on 24 November 2009 at EMRC.

WMCRG DISCUSSION ABOUT ITS ROLE INTO THE FUTURE

Aim of the discussion:

- To hear what group members think about their role and how they want to be involved in the project as it progresses.
- To hear what group members think about the potential involvement of a Red Hill site-specific group and how that would or should work.
- To understand what group members believe it is important to maintain.
- To understand their views about what is open for change.

Broad conclusions from the discussion:

- Group members envisage two separate groups into the future – the existing WMCRG and a formalised Red Hill site-specific group.
- The role of the WMCRG is to provide broad input to the EMRC on waste management issues across the board and to support the waste education program.
- The role of the Red Hill group is to work with the EMRC during development of the RRF, with a specific role to help develop the CPA.
- Each group would operate independently, and would report directly to the EMRC on matters appropriate to its terms of reference. There would be an informal link between the two groups for the purpose of communication.

Matters to be resolved include:

- The mechanism for contact between the WMCRG and the Red Hill group.
- Process for selection of members, possibly using a similar EOI process to the original process used to select WMCRG members; and involvement of local councilors to prod nominations. Important to make the process of selection fair and accessible.
- If the new Red Hill group aims for a balance between local and regional members, what is local? Where to define the boundary?
- Size of group – possibly 12.
- Terms of reference to be developed for the Red Hill group.
- Duration of appointment – perhaps a maximum of 2 years to ensure regular input of new ideas.

Discussion points about the Red Hill Group:

- The current Red Hill Community Liaison Group (RHCLG) is unstructured.
- The group acknowledged Adam Johnson's wish for an informal forum to continue to exist but felt that a formalised and representative group needed to be established.
- Important to check the DEC/EPA requirements for a site-based community advisory group as part of the site's EMS.

Both groups (the formal and the informal) could operate side by side. The current RHCLG should be consulted in the formulation of the proposed new group to determine:

- What do they want in terms of input?
- Do they want to operate as a separate group or interact?

It should be made clear to the existing group that the opportunity to have significant input requires them to be formalised.

WMCRG DISCUSSION ABOUT ITS ROLE INTO THE FUTURE

The formal group's role would be:

- Hands-on with the RRF project.
- Involvement in development of the CPA.
- Advisory group which can make recommendations to the EMRC about community issues relevant to the project.

Discussion points about the WMCRG:

The group sees its role as follows:

- To provide broad input on waste management issues.
- To provide input into the CPA as advisers on RRF issues.
- To support the waste education program.
- To provide strong educational support across all areas of waste management not just the RRF.

It was agreed that the following description from the Potential Models discussion paper (Option 2) was a reasonable summary of the group's views:

	Model	Advantages	Disadvantages	Other comments
2.	<p>WMCRG continues as main group:</p> <ul style="list-style-type: none"> • Terms of reference are reviewed. • Membership structure remains the same. <p>Separate site-specific groups are established to deal with the RRF and RR Park:</p> <ul style="list-style-type: none"> • Membership determined through transparent and rigorous process. • RR Park group would be created when needed. <p>Mechanism created to share members to ensure alignment between groups.</p>	<ul style="list-style-type: none"> • Project & organisational knowledge retained. • Broad perspective taken by WMCRG. • Very localised focus possible through the site-specific groups. 	<ul style="list-style-type: none"> • As the RRF group would be in addition to the existing RHCLG, significant resources required to run 3 or 4 separate groups. • Time commitment of community members who are part of RRF group & also regularly attend WMCRG meetings. • Some duplication in the topics covered by each. • Reduced business to be dealt with in WMCRG meetings. 	<ul style="list-style-type: none"> • RHCLG continues to meet informally. • Member sharing between groups could be done by two co-opted members from each group attending the other group to report on activities.



11.3 RESOURCE RECOVERY PROJECT UPDATE

The Manager Project Development provided a brief update on the Resource Recovery Project.

11.4 COMMUNITY ENGAGEMENT UPDATE

The Manager Project Development advised that the EMRC had given a briefing on the Resource Recovery Project to Stoneville residents on 30 September 2009. The EMRC will also brief Hazelmere residents at a meeting being held on 3 November 2009 and would also be attending a meeting convened by the Hills Climate Change Action Group on the 26 November 2009. The Community Engagement Officer suggested that the EMRC hold displays at shopping centres to encourage further interaction with the community. A Community Forum proposed for December 2009 will not be undertaken this year but may be rescheduled to February 2010. The Community Engagement Officer also suggested holding static displays in public libraries as another form of raising awareness of the Resource Recovery Project.

11.5 WASTE EDUCATION UPDATE

The Waste Education Coordinator provided an update on waste education initiatives, including the Earth Carers training programme Wednesday 21 October 2009.

11.6 DISCUSSION ON WMCRG TERMS OF REFERENCE

Item 11.6 Discussion on WMCRG Terms of Reference was considered by the Committee earlier in the meeting following item 4 Announcement by the Chairman or Person Presiding Without Discussion.

The Acting Chairman advised that due to time constraints the Terms of Reference would be discussed at the next WMCRG meeting.

At the Chairman's invitation Ms Gee addressed the Committee advising that this was her last meeting as she had been elected as a councillor at the City of Belmont.



12 FUTURE MEETINGS OF THE WMCRG

The next meeting of the Waste Management Community Reference Group will be held on **Tuesday 24 November 2009** at the EMRC Administration Office, 1st Floor, Ascot Place, 226 Great Eastern Highway, Belmont WA 6104 commencing at 6.00pm.

Future Meetings 2009/2010

Tuesday	24 November 2009	at	EMRC Administration Office
Monday	08 February	at	TBA
Monday	08 March (if required)	at	TBA
Monday	12 April	at	EMRC Administration Office
Monday	10 May (if required)	at	EMRC Administration Office
Tuesday	08 June	at	EMRC Administration Office
Monday	12 July (if required)	at	EMRC Administration Office
Monday	09 August	at	EMRC Administration Office
Monday	13 September (if required)	at	EMRC Administration Office
Monday	11 October	at	EMRC Administration Office
Monday	08 November (if required)	at	EMRC Administration Office

13 DECLARATION OF CLOSURE OF MEETING

There being no further business, the Acting Chairman declared the meeting closed at 8.19pm.

WASTE MANAGEMENT COMMUNITY REFERENCE GROUP

MINUTES

24 November 2009

(REF: COMMITTEES-10341)

A meeting of the Waste Management Community Reference Group was held at the EMRC Administration Office, 1st Floor, 226 Great Eastern Highway, BELMONT WA 6104 on **Tuesday, 24 November 2009**. The meeting commenced at 6.03pm.

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1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Chairman opened the meeting at 6.03pm.

2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

WMCRG Members

Mr Peter Pearson	Chairman
Mr Berry Ambrose	Member
Ms Ruth Balding	Member
Mr Malcolm Barker	Member
Mr David Strain	Member
Mr Ray Lewis	Member
Mr Edwin Dell	Member
Mr Mark Simpson	Member

WMCRG Apologies

Ms Dianne Katscherian	Member
Mrs Sally Paulin	Deputy Chairman
Ms Dot Kingston	Member
Mr Anthony Fowler	Member

EMRC Officers

Mr Stephen Fitzpatrick	Manager, Project Development
Ms Gabrielle Grime	Waste Education Coordinator
Ms Delia Richardson	Community Engagement Officer
Ms Pina Martino	Administration Support Officer (Minute Taker)

EMRC Apologies

Mr Peter Schneider	Chief Executive Officer
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Consultant(s)

Ms Gae Synnott	Consultant, Synnott Mulholland
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3 DISCLOSURE OF INTERESTS

Nil

4 ANNOUNCEMENT BY THE CHAIRMAN OR PERSON PRESIDING WITHOUT DISCUSSION

Nil



5 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

5.1 MINUTES OF WMCRG MEETING HELD ON 26 OCTOBER 2009

That the Minutes of the Waste Management Community Reference Group meeting held on 26 October 2009, which have been distributed, be confirmed.

WMCRG RESOLUTION(S)

MOVED MR DELL

SECONDED MR AMBROSE

THAT THE MINUTES OF THE WASTE MANAGEMENT COMMUNITY REFERENCE GROUP MEETING HELD ON 26 OCTOBER 2009, WHICH HAVE BEEN DISTRIBUTED, BE CONFIRMED.

CARRIED UNANIMOUSLY

6 PRESENTATIONS

Nil

7 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil

8 REPORTS OF OFFICERS

Nil

9 REPORTS OF RELEVANT RESOURCE RECOVERY COMMITTEE RESOLUTIONS

Nil

10 REPORTS OF MEMBERS

Nil

11 GENERAL BUSINESS

The Committee considered **Item 11 General Business** later in the meeting following **Item 11.5 Discussion on WMCRG Terms of Reference**.

In Response to a member's question regarding recycling old lounge suites the Manager Project Development advised he would discuss this with EMRC's Manager of Engineering. The Manager Project Development informed members that the development of the new cell at Red Hill is underway and would be completed in early 2010 but would not be operational for a year after that.

The Manager Project Development advised that EMRC would be giving a presentation to the Hills Climate Action Group on 26 November 2009 and invited WMCRG members to attend. The Manager Project Development will email the details to WMCRG members.

The Manager Project Development announced that the Administration Support Officer was leaving the EMRC and thanked her for all the hard work and dedication throughout the year.



11.1 FUTURE INVOLVEMENT OF RED HILL COMMUNITY LIAISON GROUP WITH WMCRG

The Committee considered **Item 11.1 Future Involvement of Red Hill Community Liaison Group with WMCRG** in conjunction with **11.5 Discussion on WMCRG Terms of Reference** later in the meeting following **Item 11.4 Waste Education Update**.

Ms Synnott invited discussion on the future involvement of Red Hill Community Liaison Group with WMCRG and the Terms of Reference and issues discussed at this meeting and the previous WMCRG meeting held on the 26 October 2009 have been summarised and included as the attachment to **Item 11.5 Discussion on WMCRG Terms of Reference**. Ms Synnott thanked members for their input and advised that due to time constraints further discussion on the WMCRG Terms of Reference would be addressed at the next WMCRG meeting. The Manager Project Development will draft a new version of the Terms of Reference to be considered at the next meeting.

11.2 RESOURCE RECOVERY PROJECT UPDATE

The Manager Project Development provided an update on the Resource Recovery Project and advised members that the EMRC was in the process of attaining more information on the various technology options for the Resource Recovery Facility, so that a final recommendation could be reported to Council in 2010.

The Manager Project Development has noted the concerns raised at various community briefings and has compiled a document addressing those concerns which he will e-mail to WMCRG members when completed.

11.3 COMMUNITY ENGAGEMENT UPDATE

The Community Engagement Officer provided a brief update on upcoming events, activities and briefings.

The Chairman thanked the Community Engagement officer for her presentation.

11.4 WASTE EDUCATION UPDATE

The Waste Education Coordinator provided a brief update on waste education initiatives, including the Earth Carers training program.

11.5 DISCUSSION ON WMCRG TERMS OF REFERENCE

Item 11.5 Discussion on WMCRG Terms of Reference was discussed in conjunction with **Item 11.1 Future Involvement of Red Hill Community Liaison Group with WMCRG** earlier in the meeting.

The Chairman formally thanked the Administration Support Officer for her work throughout the year.

Mr Ambrose requested it be minuted that the Committee expressed its thanks to the Administration Officer and the Waste Education Coordinator for their work throughout the year.

Item 11 General Business was considered at this point in the meeting.

WMCRG DISCUSSION ABOUT ITS ROLE INTO THE FUTURE

2nd session, November 24 2009

Aim of the discussion:

- To confirm the framework that we developed at the last meeting
- To clarify which group does what
- To review the WMCRG's Terms of Reference based on the intended role
- To identify what should be in the draft Terms of Reference for the RRF Group.

Broad conclusions from the discussion:

- Group members confirmed the need for two separate groups in the short term – the existing WMCRG and a formalised RRF site-specific group (likely to be at Red Hill).
- In the medium to longer term, group members anticipate that the WMCRG role may be taken up by the RRF Group, reverting to one group again. The WMCRG is therefore moving into a transition phase.
- Each group would operate independently, and would report directly to the EMRC on matters appropriate to its terms of reference. There would be an informal link between the two groups for the purpose of communication.
- There was recognition also that a separate group may be needed when the Resource Recovery Park starts to take shape.

The WMCRG sees itself as a high-level strategic advisory group which will have less need to meet frequently, with the following roles:

- To provide broad input to the EMRC on waste management issues across the board and to support the waste education program;
- To have an advisory role with the RRF Group and input to the CPA because of the WMCRG members' background with the project and their regional perspective;
- To bring a triple bottom line perspective (economic, social and environmental) to discussions on strategic waste management and waste education issues;
- To be the community voice on other recycling and waste minimisation projects such as the proposed Resource Recovery Park;
- To be a sounding board for the EMRC on future waste management and waste education initiatives.

The existing Terms of Reference identify six roles for the group (section 3). The WMCRG sees that roles a), b), c), and f) continue to be relevant.

In contrast, the WMCRG sees the RRF Group as being a hands-on group which will need to meet more frequently, perhaps monthly initially, with the following roles:

- To work with the EMRC during development of the RRF;

- To be heavily involved in the development of the Community Partnership Agreement;
- To be concerned about (*alternative words: to be a conduit for community views on*) operational aspects of the facility both during construction and operation of the facility;
- To represent the community in the review of the monitoring results of the facility;
- To be informed about all aspects of operation including the economics of operation;
- To perform an advocacy role for the facility within the community;
- To provide advice about how to promote and build community knowledge about the facility;
- To perform these roles for total site operations, not just the RRF; and
- (*from October meeting*) To make recommendations to the EMRC about community issues relevant to the project.

Issues to be resolved:

- Is it possible for someone to be a member of both groups?
- Matters for resolution brought forward from the October meeting:
 - The mechanism for contact between both groups.
 - Process for selection of members, possibly using a similar EOI process to the original process used to select WMCRG members; and involvement of local councilors to prod nominations. Important to make the process of selection fair and accessible.
 - If the new RRF Group aims for a balance between local and regional members, what is local? Where to define the boundary?
 - Size of group – possibly 12.
 - Duration of appointment – a maximum of 2 years to ensure regular input of new ideas.

Discussion points about the Red Hill Group (brought forward from the October meeting):

- The current Red Hill Community Liaison Group (RHCLG) is unstructured.
- The group acknowledged Adam Johnson's wish for an informal forum to continue but felt that a formalised and representative group needed to be established.
 - Important to check the DEC/EPA requirements for a site-based community advisory group as part of the site's EMS.
- Both groups (the formal and the informal) could operate side by side.
- The current RHCLG should be consulted in the formulation of the proposed new group to determine:
 - What do they want in terms of input?
 - Do they want to operate as a separate group or interact?
- It should be made clear to the existing group that the opportunity to have significant input requires them to be formalised.



12 FUTURE MEETINGS OF THE WMCRG

The next meeting of the Waste Management Community Reference Group will be held on **Monday, 8 February 2010 venue TBA** commencing at 6.00pm.

Future Meetings 2010

Monday	08 February	at	TBA
Monday	08 March (if required)	at	TBA
Monday	12 April	at	EMRC Administration Office
Monday	10 May (if required)	at	EMRC Administration Office
Tuesday	08 June	at	EMRC Administration Office
Monday	12 July (if required)	at	EMRC Administration Office
Monday	09 August	at	EMRC Administration Office
Monday	13 September (if required)	at	EMRC Administration Office
Monday	11 October	at	EMRC Administration Office

13 DECLARATION OF CLOSURE OF MEETING

There being no further business, the Chairman declared the meeting closed at 8.09pm.

WASTE MANAGEMENT COMMUNITY REFERENCE GROUP**MINUTES****8 March 2010****(REF: COMMITTEES-10464)**

A meeting of the Waste Management Community Reference Group was held at the **City of Belmont, 215 Wright Street, Cloverdale WA 6104** on **Monday, 8 March 2010**. The meeting commenced at **6.08pm**.

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1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The CEO opened the meeting at 6.08pm and advised that as the Chairman was running late he would Chair the meeting until he arrived.

2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

WMCRG Members

Mr Peter Pearson	Chairman
Mr Berry Ambrose	Member
Ms Ruth Balding	Member
Mr Malcolm Barker	Member
Mr Ray Lewis	Member
Mr Edwin Dell	Member
Ms Dianne Katscherian	Member
Mr Anthony Fowler	Member
Mr Mark Simpson	Member

WMCRG Apologies

Mrs Sally Paulin	Deputy Chairman
Ms Dot Kingston	Member

EMRC Officers

Mr Peter Schneider	Chief Executive Officer
Mr Stephen Fitzpatrick	Manager, Project Development
Ms Gabrielle Grime	Waste Education Coordinator
Ms Delia Richardson	Community Engagement Officer
Ms Teresa Foley	Manager Marketing and Communications (Observer)
Ms Mary-Ann Winnett	PA to Director Corporate Services (Observer)
Ms Bridgette Sara	Reception (Observer)
Mrs Annie Hughes-d'Aeth	Administration Support Officer (Minutes)

Consultant(s)

Ms Gae Synnott	Consultant, Synnott Mulholland
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3 DISCLOSURE OF INTERESTS

Nil

4 ANNOUNCEMENT BY THE CHAIRMAN OR PERSON PRESIDING WITHOUT DISCUSSION

Nil



10 REPORTS OF MEMBERS

A member attended a Red Hill Community Liaison group meeting at Red Hill on 3 March 2010 which briefed the community on the remediation methods being undertaken at the Red Hill Waste Management Facility. The community appeared to be satisfied with the time frame required to remediate the site.

A member advised that the Health Department has implemented its waste policy for the health sector and made a submission in relation to the draft State Waste Strategy suggesting the State Government should accept some of the responsibility.

The Chairman noted the passing of Mr Gavin Watters, EMRC's previous CEO, and expressed his appreciation for all his efforts.

WMCRG RESOLUTION

MOVED MR DELL

SECONDED MS BALDING

THAT IT BE NOTED THAT MR GAVIN WATTERS, EMRC'S PREVIOUS CEO, HAD PASSED AWAY AND THE WMCRG EXPRESSED APPRECIATION FOR HIS EFFORTS.

CARRIED UNANIMOUSLY

11 GENERAL BUSINESS

11.1 DISCUSSION ON WMCRG TERMS OF REFERENCE AND FUTURE COMMUNITY PARTNERSHIP AGREEMENT

Ms Synnott distributed a draft document to be treated as confidential related to the proposed Community Partnership Agreement (CPA) and a revised WMCRG Terms of Reference (ToR) document. Ms Synnott provided a summary of the preparation required for a CPA and outlined WMCRG member's future involvement. Ms Synnott suggested changes that may need to be considered to the WMCRG ToR and asked if members would prefer to consider these at this meeting or defer to the next. WMCRG members advised they would review the ToR and deal with it at the next WMCRG meeting.

The Chairman thanked Ms Synnott.

11.2 WASTE EDUCATION INITIATIVES

The Waste Education Coordinator provided an update on the following EMRC Waste education initiatives:-

- Fluorescent light recycling project – desktop study completed;
- New recycling bins specifically designed for fluorescents have been produced and distributed to 17 locations;
- 60 Belmont residents were surveyed; only 4 knew that globes were recyclable. Further advertising will be undertaken over the next 12 months, then a final survey will be conducted;
- Draft Waste and Recycling Guide 2010/11 will be distributed to WMCRG members for comment once finalised;
- Red Hill Education Centre – workshops are expected to commence in April 2010 introducing an edible and reusable garden;
- Battery recycling – 5 new schools are taking part in the program;
- Earthcarers – additional training programmes will commence in May 2010; and
- Household Hazardous Waste (HHW) program – EMRC funding will allow for two more collection dates in the Eastern Metropolitan Region, one in Shire of Kalamunda in April 2010, and one in City of Swan in June 2010. At the last Bayswater HHW collection, of the 100 people most obtained information from the Waste and Recycling guide.



Item 11.2 continued

The Waste Educators Working group received a grant to establish a database of waste educators throughout the State which will enable the group to push for a more state-based approach to waste education.

The Waste Education Coordinator will send a reminder to WMCRG members to submit their suggestions regarding the Waste and Recycling Guide.

In response to a member's question from a previous meeting regarding recycling old lounge suites the Manager Project Development said there were no plans to provide this service at Hazelmere with the mattress and timber recycling but it could be a feature of another initiative the EMRC is considering in conjunction with a group in Midland to develop a tip shop. The EMRC will keep members informed.

Waste Management Association of Australia have invited Professor Themelis, Director Earth Engineering Centre and founder/chairman of the Waste to Energy Research and Technology (WERT) Council and Ms Robin Davidov, Executive Director Northeast Maryland Waste Disposal Authority who are leading experts on Waste Management Technologies and placement of these facilities. A breakfast meeting will be held on 23 April 2010 by WMAA. EMRC is considering running a workshop for WMCRG and possibly some community members on Thursday 22 April 2010 from 11-1pm.

Manager Project Development advised that Cr Piantadosi passed away 4 March 2010. Councillor Piantadosi was a member of both the Town of Bassendean and EMRC Councils.

Mr Dell advised that he would be away for April and May 2010 WMCRG meetings and requested a Leave of Absence.

12 FUTURE MEETINGS OF THE WMCRG

The next meeting of the Waste Management Community Reference Group will be held on **Monday, 12 April 2010** at the EMRC Administration Office, 1st Floor, Ascot Place, 226 Great Eastern Highway, Belmont WA 6104 commencing at 6.00pm.

Future Meetings 2010

Monday	12	April	at	EMRC Administration Office
Monday	10	May (if required)	at	EMRC Administration Office
Tuesday	08	June	at	EMRC Administration Office
Monday	12	July (if required)	at	EMRC Administration Office
Monday	09	August	at	EMRC Administration Office
Monday	13	September (if required)	at	EMRC Administration Office
Monday	11	October	at	EMRC Administration Office
Monday	08	November	at	EMRC Administration Office

13 DECLARATION OF CLOSURE OF MEETING

There being no further business, the Chairman declared the meeting closed at 8.06pm.



**15.4 AUDIT COMMITTEE MEETING HELD 8 APRIL 2010
(REFER TO MINUTES OF COMMITTEE - PINK PAGES)
REFERENCE: COMMITTEES-10730**

The minutes of the Audit Committee meeting held on **8 April 2010** accompany and form part of this agenda – (refer to pink section of 'Minutes of Committees' for Council accompanying this Agenda).

QUESTIONS

The Chairman invited general questions from members on the report of the report of the Audit Committee.

RECOMMENDATION(S)

That with the exception of items, which are to be withdrawn and dealt with separately, the recommendations in the Audit Committee report (Section 15.4) be adopted.

COUNCIL RESOLUTION(S)

MOVED CR POWELL

SECONDED CR PULE

THAT THE RECOMMENDATIONS IN THE AUDIT COMMITTEE REPORT (SECTION 15.4) BE ADOPTED.

CARRIED UNANIMOUSLY

AUDIT COMMITTEE**MINUTES****8 April 2010****(REF: COMMITTEES-10730)**

A meeting of the Audit Committee was held at the EMRC Administration Office, 1st Floor, 226 Great Eastern Highway, BELMONT WA 6104 on **Thursday, 8 April 2009**. The meeting commenced at **6.30pm**.

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1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The CEO opened the meeting at 6.30pm and welcomed Mr Troy Jackson from Stantons International.

2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

Councillor Attendance

Cr Gerry Pule	EMRC Member	Town of Bassendean
Cr Graham Pittaway	EMRC Member	City of Bayswater
Cr Janet Powell	EMRC Member	City of Belmont
Cr Don McKechnie	EMRC Member	Shire of Kalamunda
Cr Alan Pilgrim	EMRC Member	Shire of Mundaring
Cr David Färdig	EMRC Member	City of Swan

Leave of Absence Previously Approved

Cr Alan Radford	EMRC Member	City of Bayswater
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EMRC Officers

Mr Peter Schneider	Chief Executive Officer
Ms Robyn O'Callaghan	Director Corporate Services
Mr Adam Johnson	Director Waste Services
Ms Rhonda Hardy	Director Regional Servicesw
Mr David Ameduri	Manager, Financial Services
Ms Terri-Ann Ashton	Manager Compliance & Audit
Ms Mary-Ann Winnett	Personal Assistant to Executive Manager, Corporate Services (Minutes)

Visitors

Mr Troy Jackson (<i>departed 7.07pm</i>)	Stantons International
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3 DISCLOSURE OF INTERESTS

Nil



4 ANNOUNCEMENT BY THE CHAIRMAN OR PERSON PRESIDING WITHOUT DISCUSSION ELECTION OF A CHAIRMAN AND DEPUTY CHAIRMAN OF THE AUDIT COMMITTEE (AC)

4.1 ELECTION OF A CHAIRMAN OF THE AUDIT COMMITTEES (AC)

REFERENCE: COMMITTEES-10673

PURPOSE OF REPORT

To provide for an election to be conducted for the office of Chairman of the Audit Committee (AC).

KEY ISSUES AND RECOMMENDATION(S)

- It is a statutory requirement that a Committee elects a Chairman at the first meeting of the AC.

Recommendation(s)

That the members of the Audit Committee elect a Chairman by secret ballot.

SOURCE OF REPORT

Director Corporate Services
 Manager Administration & Compliance

BACKGROUND

A Special Meeting of Council was held on Thursday 29 October 2009. The purpose of the meeting was to elect the EMRC Chairman and Deputy Chairman and appoint members to the EMRC Committees.

AC MEMBERS 2009-2011

The following AC members were appointed to the AC at the Ordinary Meeting of Council held on 29 October 2010.

Cr Sam Piantadosi	Town of Bassendean
Cr Alan Radford	City of Bayswater
Cr Janet Powell	City of Belmont
Cr Don McKechnie	Shire of Kalamunda
Cr Alan Pilgrim	Shire of Mundaring
Cr David Färdig	City of Swan

In accordance with section 5.12(1) of the Local Government Act 1995, the members of a committee are to elect a presiding member from amongst themselves in accordance with Schedule 2.3, Division 1.

It is a requirement of Schedule 2.3 of the Local Government Act 1995 (the Act) that the election is conducted by the Chief Executive Officer and the nominations for the Office are to be given to the Chief Executive Officer in writing before the meeting or during the meeting before the close of nominations. Furthermore, if a member is nominated by another member the Chief Executive Officer is not to accept the nomination unless the nominee has advised the Chief Executive Officer, orally or in writing, that he or she is willing to be nominated for the Office. Members are to vote on the matter by secret ballot.

The procedure outlined in Schedule 2.3 of the Act will be followed if there is an equality of votes.



Item 4.1 continued

REPORT

The Chief Executive Officer will preside at the meeting until the office of Chairman is filled.

The following material accompanies the agenda for this meeting as a means of assisting members of the Committee to nominate themselves or another member for the Office of Chairman of the AC.

1. A blank nomination form for the Office of Chairman of the AC, nominate oneself
2. A blank nomination form for the Office of Chairman of the AC, nominate another
3. A blank ballot paper for Election of Chairman of the AC

Ballot papers will be made available prior to voting.

The completed nomination forms are to be given to the Chief Executive Officer before the meeting or when the Chief Executive Officer calls for them when dealing with this item at the meeting.

STRATEGIC/POLICY IMPLICATIONS

Election of a chairman is a statutory requirement.

FINANCIAL IMPLICATIONS

Nil

SUSTAINABILITY IMPLICATIONS

Nil

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT(S)

1. A blank nomination form for the Office of Chairman of the AC, nominate oneself ([Ref: Committees-10707](#))
2. A blank nomination form for the Office of Chairman of the AC, nominate another ([Ref: Committees-10707](#))
3. Ballot Paper – Election of AC Chairman ([Ref: Committees-10706](#))



Item 4.1 continued

VOTING REQUIREMENT

Secret Ballot by AC Members.

RECOMMENDATION(S)

That the members of the Audit Committee elect a Chairman.

The Chief Executive Officer advised that he had received no nominations for the Office of Chairman of the AC prior to the meeting and called for nominations. Cr McKechnie nominated Cr Powell who accepted the nomination.

No further nominations were received.

ANNOUNCEMENT: OF THE OFFICE OF CHAIRMAN

There being no further nominations Cr Powell was declared Chairman of the Audit Committee unopposed for the term commencing 8 April 2010 until 2011.

The Chief Executive Officer vacated the Chair at 6.31pm.

At 6.31pm, Councillor Powell took the Chair.



Nomination for Chairman

To the Chief Executive Officer

I hereby nominate myself, _____ for the position of Chairman of the Eastern Metropolitan Regional Council Audit Committee for the term of Office commencing on the date of the election and continuing until the next ordinary elections day and/or other circumstances occur in accordance with section 5.11 of the Local Government Act 1995.

Signed: _____

Date: _____



Nomination for Chairman

To the Chief Executive Officer

I hereby nominate _____ for the position of Chairman of the Eastern Metropolitan Regional Council Audit Committee for the term of Office commencing on the date of the election and continuing until the next ordinary elections day and/or other circumstances occur in accordance with section 5.11 of the Local Government Act 1995.

Signed: _____

Date: _____

*I _____ hereby certify that I accept the above nomination to the position of Chairman of the Eastern Metropolitan Regional Council Audit Committee.

Signed: _____

Date: _____

*This certificate is to be completed when a Representative is nominated by another Representative.



**Eastern Metropolitan Regional Council
AC Thursday 8 April 2010**

**BALLOT PAPER FOR THE
ELECTION OF THE AC CHAIRMAN**

HOW TO VOTE

Place a tick in the box next to the candidate you want to elect.

Do not make any other marks on the ballot paper.

[First Name, Last Name]

[First Name, Last Name]



4.2 ELECTION OF A DEPUTY CHAIRMAN OF THE AUDIT COMMITTEES (AC)

REFERENCE: COMMITTEES-10703

PURPOSE OF REPORT

To provide for an election to be conducted for the office of Deputy Chairman of the Audit Committee (AC).

KEY ISSUES AND RECOMMENDATION(S)

- In accordance with section 5.12 (2) of the Local Government Act 1995, the members of a committee may elect a deputy presiding member from amongst themselves.

Recommendation(s)

That the members of the Audit Committee elect a Deputy Chairman by secret ballot.

SOURCE OF REPORT

Director Corporate Services
 Manager Administration & Compliance

BACKGROUND

A Special Meeting of Council was held on Thursday 29 October 2009. The purpose of the meeting was to elect the EMRC Chairman and Deputy Chairman and appoint members to the EMRC Committees.

AC MEMBERS 2009-2011

The following AC members were appointed to the AC at the Ordinary Meeting of Council held on 29 October 2010.

Cr Sam Piantadosi	Town of Bassendean
Cr Alan Radford	City of Bayswater
Cr Janet Powell	City of Belmont
Cr Don McKechnie	Shire of Kalamunda
Cr Alan Pilgrim	Shire of Mundaring
Cr David Färdig	City of Swan

In accordance with section 5.12 (2) of the Local Government Act 1995, the members of a committee may elect a deputy presiding member from amongst themselves.

It is a requirement of Schedule 2.3 of the Local Government Act 1995 (the Act) that the election is conducted by the Chairman and the nominations for the Office are to be given to the Chairman in writing before the meeting or during the meeting before the close of nominations. Furthermore, if a member is nominated by another member, the Chairman is not to accept the nomination unless the nominee has advised the Chairman, orally or in writing, that he or she is willing to be nominated for the Office. Members are to vote on the matter by secret ballot.

The procedure outlined in Schedule 2.3 of the Act will be followed if there is an equality of votes.



Item 4.2 continued

REPORT

The following material accompanies the agenda for this meeting as a means of assisting members of the Committee to nominate themselves or another member for the Office of Deputy Chairman of the AC.

1. A blank nomination form for the Office of Deputy Chairman of the AC, nominate oneself
2. A blank nomination form for the Office of Deputy Chairman of the AC, nominate another
3. A blank ballot paper for Election of Deputy Chairman of the AC

Ballot papers will be made available prior to voting.

The completed nomination forms are to be given to the Chairman before the meeting or when the Chairman calls for them when dealing with this item at the meeting.

STRATEGIC/POLICY IMPLICATIONS

Election of a Deputy Chairman is permissible in accordance with section 5.12 (2) of the Local Government Act 1995.

FINANCIAL IMPLICATIONS

Nil

SUSTAINABILITY IMPLICATIONS

Nil

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT(S)

1. A blank nomination form for the Office of Deputy Chairman of the AC, nominate oneself (Ref: Committees-10708)
2. A blank nomination form for the Office of Deputy Chairman of the AC, nominate another (Ref: Committees-10708)
3. Ballot Paper – Election of AC Deputy Chairman ([Ref: Committees-10709](#))

VOTING REQUIREMENT

Secret Ballot by AC Members.



Item 4.2 continued

RECOMMENDATION(S)

That the members of the Audit Committee elect a Deputy Chairman by secret ballot.

The Chairman advised that no nominations for the Office of Deputy Chairman of the AC had been received. Cr McKechnie nominated Cr Alan Pilgrim and he accepted the nomination.

No further nominations were received.

ANNOUNCEMENT: OF THE OFFICE OF DEPUTY CHAIRMAN

There being no other nominations Cr Alan Pilgrim was declared Deputy Chairman of the Audit Committee for the term commencing 8 April 2010 until 2011.



Nomination for Deputy Chairman

To the Chief Executive Officer

I hereby nominate myself, _____ for the position of Deputy Chairman of the Eastern Metropolitan Regional Council Audit Committee for the term of Office commencing on the date of the election and continuing until the next ordinary elections day and/or other circumstances occur in accordance with section 5.11 of the Local Government Act 1995.

Signed: _____

Date: _____



Nomination for Deputy Chairman

To the Chief Executive Officer

I hereby nominate _____ for the position of Deputy Chairman of the Eastern Metropolitan Regional Council Audit Committee for the term of Office commencing on the date of the election and continuing until the next ordinary elections day and/or other circumstances occur in accordance with section 5.11 of the Local Government Act 1995.

Signed: _____

Date: _____

*I _____ hereby certify that I accept the above nomination to the position of Deputy Chairman of the Eastern Metropolitan Regional Council Audit Committee.

Signed: _____

Date: _____

*This certificate is to be completed when a Representative is nominated by another Representative.



**Eastern Metropolitan Regional Council
AC Thursday 8 April 2010**

**BALLOT PAPER FOR THE
ELECTION OF THE AC DEPUTY CHAIRMAN**

HOW TO VOTE

Place a tick in the box next to the candidate you want to elect.

Do not make any other marks on the ballot paper.

[First Name, Last Name]

[First Name, Last Name]



5 APPLICATION FOR LEAVE OF ABSENCE

Nil

6 PRESENTATIONS

Nil

7 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

7.1 MINUTES OF AUDIT COMMITTEE MEETING HELD ON 10 SEPTEMBER 2009

That the Minutes of the Audit Committee meeting held 10 September 2009, which have been distributed, be confirmed.

AC RESOLUTION(S)

MOVED CR MCKECHNIE SECONDED CR FÄRDIG

THAT THE MINUTES OF THE AUDIT COMMITTEE HELD ON 10 SEPTEMBER 2009, WHICH HAVE BEEN DISTRIBUTED, BE CONFIRMED.

CARRIED UNANIMOUSLY

8 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

9 QUESTIONS WITHOUT NOTICE

Cr Pule asked if a report would be submitted to the next Ordinary Meeting of Council to replace Cr Piantadosi at EMRC. The CEO confirmed that a report would be submitted on 22 April 2010.

10 ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

Nil

11 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil



12 REPORTS OF OFFICERS/AUDITORS

12.1 INTERNAL AUDIT PROGRAMME 2009/2010

REFERENCE: COMMITTEES-10734

PURPOSE OF REPORT

The purpose of this report is to present the Audit Committee (AC) with the internal audit reports following completion of further 2009/2010 internal audit programmes.

KEY ISSUES AND RECOMMENDATION(S)

- At the April 2007 round of meetings, Council endorsed a four year internal audit programme consisting of 16 auditable areas.
- The third year of the internal audit programme commenced between November and December 2009 for the following audit areas: 1) accounts receivable and 2) waste management.
- The internal audit reports for each of the above areas are attached and both have been assessed with satisfactory ratings and no major issues identified.

Recommendation(s)

That the internal audit reports forming attachments one to two of this report be noted.

SOURCE OF REPORT

Director Corporate Services

BACKGROUND

At the Audit Committee (AC) meeting held on 12 April 2007, the committee endorsed a four year audit programme, which was subsequently adopted by Council at its meeting of 26 April 2007.

The four year programme consists of:-

Auditable Area	Year			
	1	2	3	4
Accounts Payable		✓		
Accounts Receivable			✓	
Budgeting – Capital			✓	
Contract Management	✓			
Grant Management (Grants Received)		✓		
Governance		✓		
Human Resource Management		✓		
Information Systems – General Controls	✓			
Investment Policies				✓



Item 12.1 continued

Auditable Area	Year			
	1	2	3	4
Payroll	✓			
Policy Development				✓
Procurement	✓			
Records Management/FOI				✓
Risk Management			✓	
Taxation – GST, FBT, PAYG				✓
Waste Management			✓	

At the Audit Committee (AC) meeting held on 16 April 2009, the committee recommended that the audit of the investment policies be brought forward from year four to year three of the audit programme and the Budgeting – Capital audit in year three be moved back to year four. This was subsequently adopted by Council at its meeting of 30 April 2009. The audit of the Investment Committees is expected to commence before the end of the 2010 financial year.

REPORT

The third year of the internal audit programme commenced between November and December 2009 for the following audit areas:

1. Accounts Receivable; and
2. Waste Management.

The overall assessments of the quality of management controls were satisfactory, with no major issues identified. Each of the internal audits has been beneficial in assisting management to continuously improve its systems of internal control.

The report for the two auditable areas assessed as part of the 2009/2010 internal audit programme are attached for reference (attachments 1 & 2).

The areas to be covered in the next stage of the internal audit programme are Investment Policies and Risk Management.

Arrangements have been made for a representative of the EMRC's internal auditors, Stantons International, to be in attendance at the meeting to give an overview of their findings and address any queries the AC may have.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 4 – Good Governance

- 2.5 To provide responsible and accountable governance and management of the EMRC
- 2.6 To continue to improve financial and asset management practices.

FINANCIAL IMPLICATIONS

The annual budget provides for the internal audit function.



Item 12.1 continued

SUSTAINABILITY IMPLICATIONS

The internal audit function assists in ensuring the EMRC remains economically sustainable.

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT(S)

1. Internal Audit Report – Accounts Receivable (Ref: Committees-10735)
2. Internal Audit Report – Waste Management (Ref: Committees-10736)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That the internal audit reports forming attachments one to two of this report be noted.

Discussion ensued

The CEO summarised the report and invited Mr Jackson from Stantons International to comment on the Internal Audit Reports for Accounts Receivable and Waste Management.

Mr Jackson advised that the audits for both areas were satisfactory and that some components for Accounts Receivable had been reviewed in 2009 and had been reviewed again, specifically in relation to Council's exposure to risk. There had been some improvements by the finance team and they were to be commended as they had reduced Council's exposure to risk.

Mr Jackson advised that a number of recommendations had been made for improvement in relation to Red Hill and these had all been accepted and implemented. Mr Jackson also advised that EMRC Staff at Red Hill and the Belmont office had been interviewed to assess whether Waste Services was meeting objectives and complying with audit requirements. There had been significant improvement in relation to compliance and access to financial information had improved dramatically. He further advised that only minor issues related to Hazelmere had been identified in relation to revenue creation for the future.

In relation to Cr McKechnie's query on whether Stantons followed up on their recommendations in subsequent audits, Mr Jackson confirmed that follow ups were conducted. In relation to Cr McKechnie's query on whether the follow ups were conducted on particular dates, or as required, Mr Jackson advised that they were conducted as required.



Item 12.1 continued

Cr Pule asked if an audit assessment had been completed on the leakage of cells at the Red Hill Waste Management Facility and whether the EMRC had been compliant. The CEO advised that that type of audit was not covered by Stantons' work, the EMRC has had an independent expert at Red Hill, the Department of Environment and Conservation (DEC) was aware of the issue and EMRC had gone through the appropriate channels. The Director Waste Services advised that the DEC had an accredited auditor which was separate to Stantons' programme.

The Chairman referred to page 31 of the Agenda – the issues raised by EMRC staff in relation to developing safety policies, procedures and guidelines and asked if processes had been put in place to provide assistance. The CEO advised that he had undertaken to attend the safety meetings at Red Hill to ensure co-operation across the organisation.

In relation to the Chairman's query on whether the Manager Risk Management Services also attended the safety meetings at Red Hill the CEO advised that he and the Manager of Risk Management attended all safety meetings to ensure any issues were progressed and the EMRC also has a safety committee at Belmont that includes the executive management team.

AUDIT COMMITTEE RECOMMENDATION(S)

MOVED CR PITTAWAY SECONDED CR MCKECHNIE

That the internal audit reports forming attachments one to two of this report be noted.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR POWELL SECONDED CR PULE

THAT THE INTERNAL AUDIT REPORTS FORMING ATTACHMENTS ONE TO TWO OF THIS REPORT BE NOTED.

CARRIED UNANIMOUSLY

Stantons International

ABN 41 103 088 697

**EASTERN METROPOLITAN
REGIONAL COUNCIL**

Accounts Receivable

November 2009

James Cottrill
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Member of Russell Bedford International

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Inherent Limitations

Because of the inherent limitations of any internal control structure it is possible that fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An Audit is not designed to detect all weaknesses in control procedures as it is not performed continuously throughout the period and the tests performed are on a sample basis.

Any projection of the evaluation of control procedures to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate

1.0 MANAGEMENT SUMMARY

1.1 OVERVIEW

<u>Audit Scope:</u>	The scope of this review focused on the reliability and integrity of information, compliance and safeguarding of assets in relation to the accounts receivable processes
----------------------------	--

<u>Audit Objectives</u>	<p><i>Reliability and Integrity of Information</i></p> <ul style="list-style-type: none"> ▪ Determine whether accounts receivable are calculated accurately, completely and in a timely manner <p><i>Compliance</i></p> <ul style="list-style-type: none"> ▪ Determine whether policies and procedures are documented, understood by staff and followed <p><i>Safeguarding of Assets</i></p> <ul style="list-style-type: none"> ▪ Identify whether the Council has procedures in place for the timely identification of potential debtors' financial capacity
--------------------------------	---

<u>Quality of Management Control:</u>	<input type="checkbox"/> Excellent <input type="checkbox"/> Very Good <input checked="" type="checkbox"/> Satisfactory <input type="checkbox"/> Needs Improvement <input type="checkbox"/> Unsatisfactory	<u>Overall Risk Exposure</u> (considering controls in place)	Low <input checked="" type="checkbox"/> Medium <input type="checkbox"/> High <input type="checkbox"/>
--	---	--	---

<u>Key Comments:</u>	Refer to Summary of Observations
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<u>Trends in Quality of Management Controls</u>	<input type="checkbox"/> N/A <input checked="" type="checkbox"/> Better <input type="checkbox"/> Unchanged <input type="checkbox"/> Worse
Key Factors	<ul style="list-style-type: none"> ▪ Processes for debtor management have been improved since the last review of this area (March 2009)

1.2 SUMMARY OF OBSERVATIONS

This review involved discussions with staff, reviewing applicable policies and procedures and examining documentary evidence, such as invoices, reports, letters and other financial records. Our observations for each of the audit objectives are summarised below.

At the commencement of the audit (20 October 2009) there was \$220,861.93 outstanding from debtors of more than 60 days (total of 14 debtors). Only one of the debts has been referred to the Council's debt collectors, Dun and Bradstreet, for recovery action of \$50,269.53.

Determine whether accounts receivable are calculated accurately, completely and in a timely manner

Our review included testing of the accounts receivable processes at the Council's Head Office (Belmont) as well as the Red Hill and Hazelmere facilities. We were advised that the Council raises approximately 5,200 invoices per year (1,800 from Head Office and 3,400 from Red Hill).

Improvements have been made to the accounts receivable processes since our last review in March 2009 with the introduction of a Statement of Account, issued to debtors each month, as well as a standard Terms of Payment letter being issued to debtors to reinforce the Council's payment terms (14 days). It was advised by the Payroll/Finance Officer that the introduction of these two measures has seen an improvement in the timely payment of accounts with the number of outstanding debtors reducing since July 2009.

The processes and controls for the generation of invoices were documented and reviewed. In summary, invoices for Head Office and Hazelmere are processed and managed by the Finance staff located at Head Office, while Red Hill issue and manage their own invoices. An Invoice Summary and copies of all invoices are provided to Finance staff (on a weekly basis and at the end of month) who then manually enter the invoice details into SynergySoft (the Council's Finance system). This presents a possible efficiency issue with regards to the additional manual processing required entering the Red Hill invoice details into SynergySoft. Red Hill uses their weighbridge system (Arch) to generate the invoices as opposed to using SynergySoft directly. This matter will be examined in more detail during the upcoming Waste Management audit (scheduled for November 2009).

Our testing for this area included a sample of 20 randomly selected invoices from across all three facilities to determine whether invoices are calculated accurately, completely and in a timely manner. Out of the 20 invoices tested only three were raised for incorrect amounts. There were no issues noted in regards to completeness or timeliness. We were advised that approximately 100 Credit Notes are issued each year for varying reasons including wrong amounts being billed, incorrect debtor name or duplicated invoices (approximately 3.6%). This number is considered acceptable given the total amount of invoices raised each year.

Determine whether policies and procedures are documented, understood by staff and followed

There are no formally documented policies or procedures related to accounts receivable other than the standard system procedures for SynergySoft which are specific to processes within the system, e.g. Debtor Invoices, Write-Offs, etc.

While there are no formally documented policies or procedures, interviews with staff demonstrated that there was a thorough understanding of the operational processes required for effective accounts receivable operations, particularly related to debtor management. It is thought that this is due to the length of service by most of the key staff involved with the accounts receivable function.

Despite there being a thorough understanding of key processes associated with the accounts receivable function it is recommended that a formal Debtor Management Policy or Management Guideline be developed to ensure procedures are formally documented and known by all staff (refer Observation 2.1).

As there are no formally documented policies, procedures or management guidelines key controls for accounts receivable were identified through discussions with staff. The key controls are considered to be:

- Standard procedures and system for generating invoices,
- Fees and account codes linked into SynergySoft system to ensure accurate billing,
- Weekly debtors reports from the Payroll/Finance Officer,
- Monthly reconciliations between outstanding debtors and debtors trial balance,
- Monthly Statements of Account issued to debtors,
- Use of debt collection agency (Dunn and Bradstreet), and
- Write-offs are required to be approved by Council members.

Our testing to determine whether policies and procedures were being followed was limited due to the lack of any formal documentation; however, our testing did consider the above key controls when reviewing invoices, reports and associated documentation which is covered in the other sections of this report.

Identify whether the Council has procedures in place for the timely identification of potential debtors' financial capacity

As at 23 October 2009 the debtors totalled \$2,086,806.50 as per the breakdown shown in the table below:

>90 days	>60 days	>30 days	Current	Total
209,312.89	11,549.04	763,592.18	1,102,352.39	2,086,806.50

As advised by the Payroll/Finance Officer the following steps are the general processes involved in managing debtors:

- Weekly reconciliations completed to determine outstanding debtors,
- Debtors more than 30 days are followed up via phone or email,
- Statement of Account issued at the end of month if debt has not been paid along with a copy of the EMRC Terms of Payment letter,

- If payment not received by next reconciliation further follow up via phone or email,
- Follow up via phone or email undertaken three times before matter is referred to Manager Financial Services for further follow up,
- For Red Hill debtors they are placed on "Stop Credit" until their account is settled or some assurances are provided that the account will be settled in the near future (only for regular debtors who generally have a good history of payment),
- If no payment is received after follow up action (usually after 90-100 days) then the matter is referred to the debt collectors for action (currently Dun and Bradstreet).

Four debtors, totalling \$26,558.05, were written off during the 2008/09 financial year due to liquidation/receivership, with an amount of \$26,156.11 relating to just one organisation. Prior to this only six write offs had been made since 2000 totalling \$3,122.15. The higher number in 2008/09 is generally seen as a reflection of the current economic climate faced by small businesses.

A review of the main account that was written off for the 2008/09 financial year (for \$26,165.11) demonstrated that the debt was incurred over a relatively short period of time which did not provide the Council with sufficient time to enact its debt collection processes, i.e. referring it to Dun and Bradstreet. Our review did note that there was a control weakness with respect to the debtor being able to exceed their monthly credit limit without any "Stop Credit" action being taken to limit the Council's exposure. Additionally, our review of a current debt collection action (for \$50,269.53) also confirmed that this control weakness still exists. In consultation with the Manager Financial Services several recommendations were discussed to improve this situation including better communication between Finance and the Red Hill and Hazelmere facilities and a stronger enforcement of the "Stop Credit" process (refer Observation 2.1).

In respect to determining debtors financial capacity credit and reference checks are undertaken at the time of an application for credit. A review of these processes demonstrated that adequate measures are being taken to mitigate the risk of allowing potentially 'questionable' debtors to access the Council's credit facilities. It was identified through discussions that there are no formal ongoing financial checks undertaken for existing debtors; however given the other mitigating controls in place this is not considered an issue.

It was advised by the Manager Financial Services that changes to the credit/reference check procedures have been proposed by Waste Management staff to enhance administrative efficiency. These proposed changes are being considered by the Council at present and our review of the changes did not identify any increased risk or exposure for the Council.

Conclusion

With the exception of the minor opportunities identified for improvement in regards to debtor management, we consider that internal controls for accounts receivable are adequate to ensure accuracy, completeness and timeliness.

2.0 DETAILED AUDIT OBSERVATIONS AND RECOMMENDATIONS

Key to Risk Ranking - relates to strategic importance or opportunity to improve operations.

- Critical** : Critical strategic importance
- Major** : Significant strategic importance or opportunity to improve business
- Moderate** : Minimal strategic importance or opportunity to improve business
- Minor** : No strategic importance, minor opportunity to improve business

The risk ranking will be depicted at the top left hand corner of each action plan as follows (in this example for a moderate ranking):

<i>Critical</i>	<i>Major</i>	MODERATE	<i>Minor</i>
-----------------	--------------	-----------------	--------------

<i>Critical</i>	<i>Major</i>	MODERATE	<i>Minor</i>
Audit Observation		Recommendation	Action plan
<p>2.1 Debtor Management</p> <p>Debtor management policies, procedures or management guidelines are essential to assist staff in the effective management of debtors and to assist in the mitigation of financial risks to the Council.</p> <p>Although Finance and Red Hill staff have a thorough knowledge and application of the necessary procedures and processes for effective debtor management, at present this is largely informal and undocumented.</p> <p>Due to no formally documented debtor management policies, procedure or management guidelines being in place there is the possibility that staff may inconsistently apply debtor management practices.</p> <p>Risk</p> <p>There is an increased risk that the Council will be exposed to greater financial risks associated with the application of inconsistent practices.</p>		<ol style="list-style-type: none"> 1. A Debtor Management Policy/Procedure or Management Guideline should be developed 2. The weekly Outstanding Debtor spreadsheet managed by Finance should be modified to include each debtors monthly credit limit 3. Red Hill and Hazelmere staff should be provided with a listing of all outstanding debtors every week 4. Enforcement of the "Stop Credit" process needs to be strengthened to ensure it is applied consistently and continually in the event of a debtor reaching or exceeding their monthly credit limit 	<p>Proposed Action</p> <ol style="list-style-type: none"> 1. A Debtor Management Policy/ Procedure will be developed 2. This has already commenced and credit limits for older accounts are being established. 3. This is already occurring for Red Hill and there is no need for this at Hazelmere. 4. This is linked to Action 2 and will be implemented once the Outstanding Debtor spreadsheet has been modified. <p>Responsible Officer</p> <ol style="list-style-type: none"> 1. Finance Manager 2. Payroll/Accounts Officer 3. Completed 4. Red Hill Site Manager <p>Target Date</p> <ol style="list-style-type: none"> 1. 31 March 2010 2. 31 January 2010 3. Completed 4. 31 January 2010

Stantons International

ABN 41 103 088 697

**EASTERN METROPOLITAN
REGIONAL COUNCIL**

Waste Management

December 2009



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Inherent Limitations

Because of the inherent limitations of any internal control structure it is possible that fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An Audit is not designed to detect all weaknesses in control procedures as it is not performed continuously throughout the period and the tests performed are on a sample basis.

Any projection of the evaluation of control procedures to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate

1.0 MANAGEMENT SUMMARY

1.1 OVERVIEW

Audit Scope: The scope of this review focused on the reliability and integrity of information, compliance and safeguarding of assets in relation to the waste management operations.

Audit Objectives

Undertake a high level review of:

Compliance

- Determine compliance with legislative requirements and Council policy

Efficiency / Effectiveness

- Assess whether processes are undertaken in an efficient manner

Achievement of Objectives

- Determine whether processes facilitate the achievement of waste management objectives

Quality of Management Control:	<input type="checkbox"/>	Excellent	Overall Risk Exposure (considering controls in place)	Low	<input type="checkbox"/>
	<input type="checkbox"/>	Very Good		Medium	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>	Satisfactory		High	<input type="checkbox"/>
	<input type="checkbox"/>	Needs Improvement			
	<input type="checkbox"/>	Unsatisfactory			

Key Comments: Refer to Summary of Observations

Trends in Quality of Management Controls N/A Better Unchanged Worse

Key Factors ▪ This is the first audit of this area undertaken by Stantons International

1.2 SUMMARY OF OBSERVATIONS

This review involved discussions with staff, observing processes and practices, reviewing applicable legislation, policies and procedures as well as examining documentary evidence, such as reports, letters and registers. The operations at both the Red Hill Waste Management Facility and Hazelmere Recycling Facility were examined.

Our observations for each of the audit objectives are summarised below.

Determine compliance with legislative requirements and Council policy

The main legislative requirement applicable to the Council's waste management operations is the Department of Environment and Conservation ("DEC") Licence (Licence Number 6883/10). This license sets out the regulatory framework under the *Environmental Protection Act 1986* for Red Hill's operations and details all other relevant Acts, Regulations and Guidelines applicable to the treatment of various types of waste, e.g. asbestos, tyres, etc.

The operations at Red Hill are also governed by a Ministerial Statement relating to Class IV waste (Ministerial Statement 462) which outlines the requirements for the management of this class of waste, including surface water, flora, etc.

In attention to the DEC Licence and Ministerial Statement there are a number of other key Acts, Regulations and Guidelines that need to be complied with, including, but not limited to:

- AS/NZS 3816:1998 – Management of Clinical and Related Waste,
- Industry Code of Practice for the Management of Clinical and Related Waste (3rd Edition March 2002),
- Limits and Procedures for the Disposal of Medical and Research Wastes at Landfill Sites Licensed by the Department of Environmental Protection,
- Landfill Levy Regulation Administrative Policy (Version 1 1998),
- Landfill Waste Classification and Waste Definitions (January 2001),
- Health (Asbestos) Regulations 1992, and
- Guidelines for Acceptance of Solid Waste to Landfill (January 2001).

In addition to the legislative requirements, there are a number of policies, procedures and guidelines from within the Council that also need to be followed, including Management Guideline – Red Hill Environmental Guideline, Safety Management Plan (January 2004), OH&S Policy, Dealing with Asbestos (June 2005) and Safe Work Procedures/Guidelines, e.g. Caterpillar 815OR 816 Landfill Compactor, Getting Into and Out of Trucks, etc.

It was noted that some policy documents are out of date, particularly the Risk Management Manual documents, e.g. GP8 – Danger and Out of Service Tagging/Isolation Procedure (July 1998) and it is recommended that the entire Risk Management Manual be reviewed to ensure all policies are up to date and current (refer Observation 2.1).

One issue was raised by staff at Red Hill in regards to the lack of assistance from Risk Management Services with developing safety policies, procedures and guidelines. It was advised that the responsibility for developing such documents falls back to staff at Red Hill as opposed to these matters being developed from an organisational wide perspective to ensure consistency and compliance with relevant legislative requirements. It was felt this was due to the Risk Management Services area being understaffed and focused on servicing Member Councils instead of internally. It is suggested that further discussions

regarding this issue be undertaken with staff at Red Hill (and Risk Management Services) to ensure concerns for safety and legislative compliance are addressed.

In regards to monitoring compliance with legislative requirements and Council policy, the Council maintains a number of systems and practices to ensure compliance. The key system for this is the Environmental Management System (“EMS”), which is a system of policies and procedures documented in the Environmental Management Manual and is a requirement of the Ministerial Statement 462 (section 4). This Manual includes the systems, policies and procedures associated with the effective environmental management of Red Hill’s operations such as Incident Reporting, legislative requirements, monitoring, records management, etc. It was advised that this system has been in the planning stages for many years and has only recently been formally implemented despite the Ministerial Statement stipulating that the EMS documentation should be prepared prior to construction of the Class IV facility. Furthermore the Ministerial Statement affirms that a performance review should be completed every six years from the commencement of construction (approximately late 1997/early 1998), however, we were advised that this was not completed in 2003/2004. The requirement for this report in 2009/2010 has been noted by Waste Management staff and audit is satisfied that the processes being put in place, i.e. EMS and Environmental Management Manual will ensure that the requirements of the Ministerial Statement will be met.

In addition to the EMS, the Council is required to submit an Annual Compliance Report to DEC which is essentially a self assessment of compliance with the DEC License. A copy of the 2008/2009 Annual Compliance Report was reviewed and no issues were identified with regards to compliance.

It was advised that Red Hill’s operations are also subjected to annual inspections by DEC officers, six monthly inspections by AQIS officers and the Council also undertakes independent legislative compliance reviews on a periodic basis (last undertaken by Dames and Moore).

In regards to Hazelmere, it was advised that the DEC Licence is not applicable to the operations at Hazelmere; however, monitoring is actively undertaken for dust and noise. It was advised that there were only two to three complaints per year from surrounding businesses which are handled on a case by case basis. Additionally, it was advised that the EMS is not really applicable to the Hazelmere facility due to the type of operations at the facility, i.e. no waste, bio solids, etc. However, testing is undertaken by an internal resource to test the quality of products to ensure no contaminants are present in timber products sold (e.g. arsenic, mould, etc) and the bore water is also tested on an annual basis.

Assess whether processes are undertaken in an efficient manner

The processes related to the waste management operations were observed at both Red Hill and Hazelmere and covered areas such as cash management, weighbridge operations, OH&S and security/safety.

The operations at Red Hill are well documented with the Weighbridge operators who maintain a comprehensive Procedures Manual that covers all key areas of the cash handling/management processes, such as Float Preparation, End of Day Cash Sales Reconciliation and Docket Reconciliation and Checking Off Summary (these are all Management Guidelines). The processes for cash handling/management at Red Hill were observed and documented as part of the audit with a specific focus on the End of Day Cash Sales Reconciliation and Docket Reconciliation and Checking Off Summary processes. All

processes were conducted in accordance with the relevant policies, procedures and Management Guidelines with no issues noted.

Our observations also included the general weighbridge operations at Red Hill with regards to Weighbridge Start-up/Shut-down, Weighbridge Inspections/Measuring and Weighbridge Traffic (again these are all Management Guidelines). No issues were identified and processes are being performed in an efficient manner.

The processes for calibration of the weighbridge and inspections were also reviewed with no issues being identified. Calibration of the weighbridge is completed every 12 months (in February each year) and certificates are displayed in the weighbridge office. The measurements and integrity of the weighbridge is inspected every month by a senior weighbridge operator with the Weighbridge Platform Inspection Form completed each time and kept on file (copies of these were sighted).

In regards to OH&S and security/safety at Red Hill, there are good processes in place to ensure safety for weighbridge operators as well as users of the facility. This includes spill kits, inspections of the weighbridge and waste being delivered, safety vests and appropriate clothing as well as physical security for the weighbridge operators (alarm, security grilles, window locks, locked doors with key pad, etc). The weighbridge operators interviewed did not believe safety was an issue nor had they felt threatened during the course of their work. It was advised that training had also been provided for armed hold up, conflict resolution, fire extinguisher, first aid, etc and the OH&S Representative undertook regular inspections. One issue was raised after the completion of the audit fieldwork regarding a potential issue with the placement of the emergency exit at the gatehouse. It was advised that if a vehicle was on fire at the gatehouse window it would be hazardous for staff to exit the gatehouse as the emergency exit is towards such a fire. While audit could not substantiate this matter, it would be prudent for the Council to investigate this issue further with staff to determine whether further action needs to be taken to address the matter.

The operations and processes at the Hazelmere facility were also reviewed with an onsite inspection of the facility undertaken on 25 November 2009. The operations at Hazelmere are relatively small and primarily relate to the receipt and sale of waste timber products. The Administration Officer maintains a set of operational procedures relating to the administrative processes related to cash handling, invoicing and timesheets. Other applicable policies and procedures relate to risk management and safety which is the same as for Red Hill. It was noted that there is no weighbridge at Hazelmere and discussions with staff raised this as a requirement for the future operations. It was advised that some drivers who used the Hazelmere facility use the public weighbridge on Talbot Road to ensure they are charged the correct price (based on tonnes or cubic metres). The lack of a weighbridge could be an impact on the facilities future revenue capacity as loads may not currently be calculated correctly thus companies are not invoiced correctly for the receipt or sale of timber and products (refer Observation 2.2). There is also a potential revenue opportunity for a weighbridge at Hazelmere to be used as an alternative public weighbridge to the one currently located on Talbot Road.

Only minor issues relating to processes were noted, such as updating registers, files, etc. that were discussed with staff at the time of the audit and as such there are no recommendations for improvement at this time other than the potential opportunity for a weighbridge at the Hazelmere facility.

Determine whether processes facilitate the achievement of waste management objectives

Our review of this area involved examining a number of key documents to ascertain the waste management objectives, including:

- **Strategic Plan 2009/10 – 2013/14** – outlines the four Key Result Areas related to Waste Management (Environmental Sustainability),
- **Strategic Waste Management Plan** - links to the Strategic Plan 2009/10 – 2013/14 and lists the key projects to meet the Key Result Areas,
- **Red Hill Development Plan** – a five year plan which is reviewed annually and covers the creation of new disposal areas (looks at trends, growth, etc) and capital work items, and
- **Regional Investment Plan** – links to Strategic Waste Management Plan and lists key projects for the region (Project Briefs) including a pilot phase and a five year outlook. Also links to Waste Authority Investment Criteria.

Discussions were held with staff to determine how processes facilitate the achievement of waste management objectives. We were advised that the Waste Management team holds an annual planning day to discuss current and future operations as well as business plans and budgets. The planning process includes a SWOT analysis, a review of the previous year, review of capital expenditure and development of a project 'wish list'.

It was advised that the last year has been focused on improving budgeting processes, with the Executive Manager delegating more responsibility to the respective Managers for developing and managing their budgets. This change was positively highlighted during interviews with the Managers and it was also commented that since the beginning of this financial year the controls and access to financial information has improved dramatically and Monthly Expenditure Reports are now produced to show expenditure on a detailed level which enables greater control over the management of budgets.

In addition to the annual planning meeting, fortnightly meetings are held with most of the Waste Management team to discuss issues, projects and operational matters and this forum is used as a way to improve communications and keep track of progress on projects and budgets. Weekly Activities meetings are also held with the entire Waste Management team.

It was advised that Interplan, the Council's management and monitoring tool, is used to formally track progress of projects and business plans and it was noted by Waste Management staff that this is not used as effectively as it could be and improvements are being made to correct this.

Most of the reporting from the Waste Management team revolves around the DEC Licence compliance, environmental monitoring and tender evaluations. Reports are provided to Council as requested.

From evidence sighted during the audit and through discussions with management and staff it can be stated that the current planning and reporting processes within the Waste Management area facilitate the achievement of waste management objectives as stated in the Plans listed above.

Conclusion

With the exception of the matters noted above regarding the updating of policies, legislative reporting and the consideration for a weighbridge at Hazelmere, we consider that the plans, processes and controls in place within the Waste Management area ensure compliance with legislation and Council policies. Additionally, processes are undertaken in an efficient manner and facilitate the achievement of waste management objectives.

It is noted that there has been considerable improvement in the management and operations of the Waste Management area over the past 12 months which was validated through staff and management feedback. The improvements have led to a greater level of efficiency and effectiveness in delivering services and allows for greater accountability and transparency in key processes such as budgeting, planning and reporting.

2.0 DETAILED AUDIT OBSERVATIONS AND RECOMMENDATIONS

Key to Risk Ranking - relates to strategic importance or opportunity to improve operations.

- Critical** : Critical strategic importance
- Major** : Significant strategic importance or opportunity to improve business
- Moderate** : Minimal strategic importance or opportunity to improve business
- Minor** : No strategic importance, minor opportunity to improve business

The risk ranking will be depicted at the top left hand corner of each action plan as follows (in this example for a moderate ranking):

<i>Critical</i>	<i>Major</i>	MODERATE	<i>Minor</i>
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<i>Critical</i>	<i>Major</i>	MODERATE	<i>Minor</i>
Audit Observation		Recommendation	Action plan
<p>2.1 Risk Management Manual</p> <p>Policies and procedures should be reviewed periodically, i.e. at least every 2 years, to ensure they remain up to date and current. It is critical for policies and procedures to be current to ensure staff are operating within current regulatory and OH&S guidelines to avoid any work place accidents.</p> <p>It was noted as part of our review that some documents from the Risk Management Manual are out of date, such as:</p> <ul style="list-style-type: none"> • CP32 – Alcohol and Drugs Policy (September 2001) • GP8 – Danger and Out of Service Tagging/Isolation Procedure (July 1998) • GP22 – Safe Work Procedures for Construction Work Near Overhead Powerlines (August 2000) <p>Risk</p> <p>There is an increased risk that Council staff will be working outside of current regulations or guidelines for some aspects of their work and be exposed to unsafe work practices.</p>		<p>1. The Risk Management Manual should be reviewed and updated where necessary.</p>	<p>Proposed Action</p> <p>1. Review Risk Management Manual</p> <p>Responsible Officer</p> <p>Rob Medbury</p> <p>Target Date</p> <p>30 June 2010</p>

<i>Critical</i>	<i>Major</i>	MODERATE	<i>Minor</i>
Audit Observation		Recommendation	Action plan
<p>2.2 Hazelmere Weighbridge</p> <p>The use of a weighbridge is beneficial in ensuring goods are weighed accurately ensuring customers are charged the correct amount.</p> <p>The lack of a weighbridge could be impacting on the facility's revenue generation capacity with customers being charged less for goods delivered/purchased.</p> <p>It was noted as part of our review that there is currently no weighbridge at the Hazelmere facility.</p> <p>Risk There is a risk that customers are being undercharged leading to a loss of revenue.</p>		<p>1. Consideration for a weighbridge at the Hazelmere facility should be given</p>	<p>Proposed Action</p> <ol style="list-style-type: none"> 1. Investigate costs to establish weighbridge at Hazelmere and relocate in future 2. If approved, develop weighbridge <p>Responsible Officer</p> <ol style="list-style-type: none"> 1. Adam Johnson 2. Adam Johnson <p>Target Date</p> <ol style="list-style-type: none"> 1. 31 March 2010 2. 31 December 2010



12.2 OMBUDSMAN VICTORIA INVESTIGATION INTO METHANE GAS LEAKS AT BROOKLAND GREENS ESTATE

REFERENCE: COMMITTEES-10188

PURPOSE OF REPORT

The purpose of the report is to provide Council with information from the Ombudsman Victoria report *Brookland Greens Estate – Investigation into methane gas leaks*.

KEY ISSUE(S)

- In September 2008, the detection of methane gas within houses in a Victorian housing estate resulted in an emergency being declared and residents being advised to vacate their homes.
- The methane gas was from a former local government owned landfill.
- The landfill had been constructed with sub-standard, but legal, engineering measures to save an estimated \$500,000 in 1992. The long term rehabilitation costs will likely exceed \$100 million.
- The circumstances around the Victoria situation could be easily replicated at former landfills once operated by member Councils and their predecessors.

Recommendation(s)

That:

1. Council note the findings of the Ombudsman Victoria report *Brookland Greens Estate – Investigation into methane gas leaks*.
2. Member Councils with former landfills in their local government area be advised of the findings of the Ombudsman Victoria report *Brookland Greens Estate – Investigation into methane gas leaks*.

SOURCE OF REPORT

Director Waste Services

BACKGROUND

In September 2008, the detection of methane gas within houses in a housing estate in Cranbourne, Victoria, resulted in an emergency being declared and residents being advised to vacate their homes. The methane was from a former landfill that was owned by the local government, the City of Casey.

The Victorian Ombudsman conducted an investigation into the circumstances surrounding the presence of methane gas within the housing estate, and attributed it in part to a decision by the City of Casey to not line the landfill in 1992. Not lining the landfill saved about \$500,000 in construction costs. The City of Casey is expected to incur long term rehabilitation costs in excess of \$100 million.

REPORT

The Ombudsman Victoria report *Brookland Greens Estate – Investigation into methane gas leaks* is a comprehensive study into the causes of the methane gas leaks in a Cranbourne housing estate that culminated in an emergency being declared in 2008. The report runs to almost 300 pages. The Executive Summary is attached, and the full report can be provided on request. Alternatively, the report can be found on www.ombudsman.vic.gov.au.



Item 12.2 continued

The causes of the leaks have been attributed to a range of agencies:

"I consider that the methane leak into the Brookland Greens housing estate was brought about by a series of missed opportunities by the responsible agencies. Sub-standard conditions were put in place at the landfill from the outset and allowed to continue without remedy throughout the life of the landfill. These conditions directly contributed to problems with leachate and gas control which created the risk of methane explosion in the estate. Activities such as monitoring and enforcement, contract management and management of conflicts of interest, had they been conducted more thoroughly, may have helped to halt the process that led to the emergency situation at Brookland Greens."

Point 132

Several key points for the EMRC are:

- The impacts of sub-standard, but legal, engineering protection measures at the site;
- The magnitude of the costs incurred from this decision;
- The attribution of part responsibility for the problem to another local government as joint user and manager; and
- The large number of former landfills within Perth's Eastern Region that are located within sand.

It is important to note that the engineering (unlined landfill) was standard practice at the time of approval. There was an extensive body of knowledge that clay lining was good practice, however this was not required by regulators. The finding reinforces the importance for the EMRC to maintain the highest level of design and operation at the site. This includes going beyond the requirements of the Department of Environment and Conservation where current developments in landfill engineering suggest this is necessary. By way of example, the current standard for landfill lining is a clay liner only, but the EMRC goes beyond that standard to line new cells with a composite liner of High Density Polyethylene and clay.

The \$100 million in costs incurred by the sub-standard engineering are significant, and should be taken into account when planning for future landfill. Landfill is relatively unique in that impacts may emerge many decades after the site has ceased operations. These impacts may also be unexpected, and thus the costs are easy to overlook when deciding between landfill and resource recovery. The significant upfront costs from resource recovery should be weighed up against the potential substantial long term costs from landfill.

The attribution of part responsibility suggests that EMRC member Councils may be held equally liable for problems that occur at Red Hill, notwithstanding the licence being held by the EMRC. This is because the EMRC Establishment Agreement is explicit in stating that the services are conducted for the member Councils. A legal opinion could further clarify this point.

The final point of note is that member Councils may already be exposed to risks from methane gas leaks through their own former landfills. Many former landfills were constructed in sand, and development often encroaches upon the former landfill. The EMRC is not aware of any methane testing that has been done around former landfills, but a programme of investigating former landfills is proposed as part of the Strategic Waste Management Plan.

STRATEGIC/POLICY IMPLICATIONS

Understanding the implications of the Ombudsman Victoria report will help achieve Key Result Area 1 and 4 of the EMRC Strategic Plan for the Future, specifically Objective 1.1: *To provide sustainable waste disposal operations* and Objective 4.5: *To address climate change issues within the region*

FINANCIAL IMPLICATIONS

Nil



Item 12.2 continued

SUSTAINABILITY IMPLICATIONS

Environmental, social and financial implications of landfill management need to be considered in the long term, as short term savings might have very serious long term consequences.

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Member Councils should consider the findings of the Ombudsman Victoria report <i>Brookland Greens Estate – Investigation into methane gas leaks</i> in relation to former landfills within the local government area.
City of Bayswater	
City of Belmont	
Shire of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

Executive Summary, Ombudsman Victoria report *Brookland Greens Estate – Investigation into methane gas leaks* (Ref: Committees-10666)

RECOMMENDATION(S)

That:

1. Council note the findings of the Ombudsman Victoria report *Brookland Greens Estate – Investigation into methane gas leaks*.
2. Member Councils with former landfills in their local government area be advised of the findings of the Ombudsman Victoria report *Brookland Greens Estate – Investigation into methane gas leaks*.

Discussion ensued

The Director Waste Services summarised the report and advised that the EMRC had been lining landfill cells beyond Statutory requirements as the long term potential risks could be substantial and any costs incurred for sub-standard engineering could be outweighed by any short term savings made.

Cr McKechnie referred to page 40 of the Agenda where it stated that EMRC member Councils may be held equally liable for problems that occur at Red Hill due to the EMRC Establishment Agreement and suggested that an additional point be added to the recommendation that legal opinion be sought on the potential liabilities to each of the member Councils for any problems at Red Hill. The CEO advised that legal opinion could be sought. The Chairman suggested that if EMRC sought a legal opinion the information gained would be of benefit to all member Councils.

Crs Färdig and Pilgrim moved and seconded the original recommendation respectively.



Item 12.2 continued

Cr Pilgrim moved an amendment to the recommendation as follows:

AMENDMENT

That an additional point be inserted between points 1 and 2 as follows:

- *“Council note that the finding reinforces the importance for the EMRC to maintain the highest level of design and operation at the site. This includes going beyond the requirements of the Department of Environment and Conservation where current developments in landfill engineering suggest this is necessary.”*

That the following words and additional six (6) bullet points be added at the end of the original recommendation's point 2:

- *“noting the following key points for the EMRC and member Councils:*
 - *The impacts of sub-standard, but legal, engineering protection measures at the site;*
 - *The magnitude of the costs incurred from this decision;*
 - *The attribution of part responsibility for the problem to another local government as joint user and manager;*
 - *The large number of former landfills within Perth's Eastern Region that are located within sand;*
 - *The importance of employing people with the appropriate technical expertise; and*
 - *The importance of proper records management systems.”*

Cr Färdig the mover of the recommendation agreed to the amendment.

AMENDMENT TO AMENDMENT

Cr McKechnie moved an amendment to the amendment as follows:

- "4. That a legal opinion be sought on the potential liabilities to each of the member Councils for problems that may arise at Red Hill."

Crs Färdig and Pilgrim, the mover and seconder respectively agreed to the additional amendment.

Cr Färdig stated that he was happy to support the additional amendment to the recommendation as EMRC had exceeded the requirements.

Cr Pilgrim explained that the reason he had included the additional words and bullet points to the recommendation was because it was important to have the key words from the report on such fundamentally important issues, which are also of importance to Council and the community, included in the recommendation and that the recommendation should also reinforce that EMRC was exceeding the required standard.

The CEO thanked Mr Jackson for attending the meeting.

Mr Jackson departed the meeting at 7.07pm.



Item 12.2 continued

The substantive motion included the amendments.

AC RECOMMENDATION(S)

MOVED CR FÄRDIG

SECONDED CR PILGRIM

That:

1. Council note the findings of the Ombudsman Victoria report *Brookland Greens Estate – Investigation into methane gas leaks*.
2. Council note that the finding reinforces the importance for the EMRC to maintain the highest level of design and operation at the site. This includes going beyond the requirements of the Department of Environment and Conservation where current developments in landfill engineering suggest this is necessary.
3. Member Councils with former landfills in their local government area be advised of the findings of the Ombudsman Victoria report *Brookland Greens Estate – Investigation into methane gas leaks* noting the following key points for the EMRC and member Councils:
 - The impacts of sub-standard, but legal, engineering protection measures at the site;
 - The magnitude of the costs incurred from this decision;
 - The attribution of part responsibility for the problem to another local government as joint user and manager;
 - The importance of employing people with the appropriate technical expertise; and
 - The importance of proper records management systems.”
4. That a legal opinion be sought on the potential liabilities to each of the member Councils for problems that may arise at Red Hill.

CARRIED UNANIMOUSLY

COUNCIL RESOLUTION(S)

MOVED CR POWELL

SECONDED CR PULE

THAT:

1. COUNCIL NOTE THE FINDINGS OF THE OMBUDSMAN VICTORIA REPORT *BROOKLAND GREENS ESTATE – INVESTIGATION INTO METHANE GAS LEAKS*.
2. COUNCIL NOTE THAT THE FINDING REINFORCES THE IMPORTANCE FOR THE EMRC TO MAINTAIN THE HIGHEST LEVEL OF DESIGN AND OPERATION AT THE SITE. THIS INCLUDES GOING BEYOND THE REQUIREMENTS OF THE DEPARTMENT OF ENVIRONMENT AND CONSERVATION WHERE CURRENT DEVELOPMENTS IN LANDFILL ENGINEERING SUGGEST THIS IS NECESSARY.
3. MEMBER COUNCILS WITH FORMER LANDFILLS IN THEIR LOCAL GOVERNMENT AREA BE ADVISED OF THE FINDINGS OF THE OMBUDSMAN VICTORIA REPORT *BROOKLAND GREENS ESTATE – INVESTIGATION INTO METHANE GAS LEAKS* NOTING THE FOLLOWING KEY POINTS FOR THE EMRC AND MEMBER COUNCILS:
 - THE IMPACTS OF SUB-STANDARD, BUT LEGAL, ENGINEERING PROTECTION MEASURES AT THE SITE;
 - THE MAGNITUDE OF THE COSTS INCURRED FROM THIS DECISION;
 - THE ATTRIBUTION OF PART RESPONSIBILITY FOR THE PROBLEM TO ANOTHER LOCAL GOVERNMENT AS JOINT USER AND MANAGER;



Item 12.2 continued

- THE LARGE NUMBER OF FORMER LANDFILLS WITHIN PERTH'S EASTERN REGION THAT ARE LOCATED WITHIN SAND; AND
 - THE IMPORTANCE OF EMPLOYING PEOPLE WITH THE APPROPRIATE TECHNICAL EXPERTISE AND PROPER RECORDS MANAGEMENT SYSTEMS.
4. THAT A LEGAL OPINION BE SOUGHT ON THE POTENTIAL LIABILITIES TO EACH OF THE MEMBER COUNCILS FOR PROBLEMS THAT MAY ARISE AT RED HILL.

CARRIED UNANIMOUSLY

Failure of the EPA to properly process and assess applications for works approval

8. I identified that the EPA failed to efficiently process the Shire's works approvals by providing conflicting advice and causing unreasonable delay. As a result, the EPA failed to assess the applications for works approval within the legislated timeframe. While these initial failures on the part of the EPA are minor in themselves, they contributed to a poor outcome at the landfill and provided the Shire with the opportunity to resist conditions proposed by the EPA.
9. My investigation identified that the EPA's assessments of the Shire's works approval applications were inadequate. The applications contained errors and the EPA failed to properly explore all assertions. The EPA also failed to properly assess the Shire's applications for works approval partly through lack of expertise and partly through allowing the outcome to be the subject of negotiation.
10. One significant error of the EPA was to ignore the condition of the *State Environment Protection Policy (Siting and Management of Landfills Receiving Municipal Waste) 1991* that prohibited landfilling below the level of the water table 'unless written permission from the Authority has been obtained'. Without addressing this condition explicitly in the assessment of the works approvals, the EPA should not have granted permission for the landfill which was not only below the level of the water table, but interrupted a substantial nearby aquifer.
11. Of further concern is that the EPA's position was influenced by pressure from the Shire and reluctance on the part of the EPA to appear before the Victorian Civil and Administrative Tribunal's (VCAT's) predecessor, the Administrative Appeals Tribunal (AAT), as a result of having lost an appeal in 1991 (the Camberwell case)¹ in respect of a works approval for a landfill. It is evident that the conditions set by the EPA in the Stevensons Road landfill works approvals in 1992 were affected by a perception of vulnerability and concern of being overruled by the AAT.
12. I identified evidence that the EPA favoured the use of landfill liners by 1992 and had required some landfills as early as 1987 to be clay lined. Landfill liners were included in the State Environment Protection Policy (Siting and Management of Landfills Receiving Municipal Waste), although not as a compulsory condition. Importantly, the EPA's initial intention to require lining or limit the waste type to solid inert only at the Stevensons Road landfill would appear to demonstrate a belief in the EPA that at that time (1992) lining was a necessary feature of putrescible landfills. Despite this, the EPA agreed, following a series of meetings with the Shire, to allow an unlined putrescible landfill at Stevensons Road.

The EPA's assessments of the Shire's works approval applications were inadequate.

¹ City of Camberwell v Environment Protection Authority 1991, AAT.

Environmental standards should not be compromised for the sake of an agency saving money.

City of Casey through its agent, the South Eastern Regional Waste Management Group, failed to comply with the works approval conditions relating to the provision of a leachate collection system.

The appointment of the South Eastern Regional Waste Management Group as manager of the landfill does not absolve the City of Casey of overall responsibility.

13. The Shire's contention in 1992 that a landfill liner would be expensive (\$500,000) to install should not have been taken into account by the EPA. Clearly, environmental standards should not be compromised for the sake of an agency saving money. By allowing economic considerations to override environmental imperatives, the EPA failed to set conditions for the discharge of waste into the environment. Whether it was pressure to provide good service following a series of inefficiencies; a reluctance to spend money; or the threat of a potential AAT hearing; the EPA should not have allowed external factors to influence its standards on environment protection.
14. Advances in knowledge and practice in the waste industry have made it easier to criticise the now outdated practices of past decades. However, this investigation revealed issues of poor administration. It is the role of the regulator to ensure assertions made in an application for works approval are in fact correct. I conclude a more thorough assessment of the Shire's applications for works approval was required.
15. The EPA maintains 'that it did not compromise environmental standards' to save the Shire money and that landfill liners 'were one of many possible design options available' in 1992.
16. While acknowledging errors and delays in the works approval process, the EPA did not consider 'such issues contributed to poor outcomes at the landfill'.

Failure of the City of Casey and the South Eastern Regional Waste Management Group to comply with works approval conditions

17. My investigation revealed that the City of Casey through its agent, the South Eastern Regional Waste Management Group, failed to comply with the works approval conditions relating to the provision of a leachate collection system. The decision that a condition is unnecessary, inappropriate or even outdated should not be for the holder of a works approval to make. That decision remains with the EPA as regulator.
18. The appointment of the South Eastern Regional Waste Management Group as manager of the landfill does not absolve the City of Casey of overall responsibility. The works approvals were issued to the City of Casey direct and the landfill was owned by the City of Casey. I conclude that the City of Casey and the South Eastern Regional Waste Management Group failed to comply with works approval conditions.
19. The City of Casey has stated that 'if there were any compliance issues ... it was only because of the actions of the South Eastern Regional Waste Management Group'.

Failure of the Shire of Cranbourne and the City of Casey to have regard to environment protection

20. I am of the opinion that the Shire failed to have regard to environment protection in two ways:
- It did not recognise its own role in protecting the environment.
 - It sought to affect the role of the EPA in protecting the environment.
21. The South Eastern Regional Waste Management Group also failed to have regard to environment protection, specifically, its own legislated role in that area.
22. The Shire had a duty under the *Environment Protection Act 1970* not to pollute the environment and to act in accordance with the goal of the State Environment Protection Policy (Siting and Management of Landfills Receiving Municipal Waste) to protect the environment. Yet the Shire's actions in gaining approval for the landfill were consistently motivated by financial considerations, at the expense of the environment. Throughout the works approval application process and during preparation of the site, the Shire's motivation was clear: to maintain the momentum of the project while minimising costs to the Shire. In its narrow focus on the economics of landfilling, the Shire failed to take account of other factors, namely environmental standards.
23. The City of Casey maintains that the Shire was entitled to 'make a submission' to the EPA and 'cite expert reports which indicated that clay lining was unnecessary'. In the City of Casey's view, it was the EPA's decision 'whether a clay liner was needed'.
24. The City of Casey, through the South Eastern Regional Waste Management Group, was similarly motivated by commercial imperatives in its rejection in 1995 of an environmental consultant's recommendation for the use of a landfill liner as 'unnecessary and expensive'.
25. When groundwater inflows were encountered in the preparation of the landfill site, the South Eastern Regional Waste Management Group and the City of Casey considered the financial implications should the landfill not proceed, but gave no consideration to the impact on the environment of an exposed aquifer on the side of the landfill.

Inadequate review and enforcement by the EPA

26. My investigation found that the EPA missed numerous opportunities to improve the standard of the landfill, especially given that works did not begin for several years after approval was granted.

The Shire's actions in gaining approval for the landfill were consistently motivated by financial considerations, at the expense of the environment.

The EPA missed numerous opportunities to improve the standard of the landfill, especially given that works did not begin for several years after approval was granted.

The EPA's compliance assessment, required by legislation to be conducted upon the completion of works, was poorly done, based as it was on inspection of works that were clearly not complete nor compliant.

27. Despite an intended lifespan of twelve months, the works approvals for the Stevensons Road landfill were allowed to remain valid for more than three years before works commenced. In that time, the EPA did not invalidate, extend or review the works approvals or their conditions. In an industry described by several experts as rapidly developing, this was a case of poor administration by the EPA.
28. When a contractor approached the EPA with concerns about the landfill's standards, the EPA failed to act other than by writing to the City of Casey to inform it of the contractor's concerns. I consider that conditions attaching to works approvals for landfills ought to be strengthened and improved over time. The EPA failed to grasp this opportunity.
29. When groundwater inflows were encountered during preparation of the Stevensons Road landfill site, the EPA appeared to be unaware of this issue. This highlights the fact that the works approvals granted in 1992 contained no requirements for monitoring or reporting. The EPA, despite its statutory obligation to undertake inspections to ensure compliance with the Environment Protection Act, does not appear to have visited the Stevensons Road site between the granting of the works approvals in 1992 and its compliance check of finished works in 1996. Had the EPA visited the site or required the holder of the works approval to report any incidents to the EPA, it may have identified the difficulties the operator was having with groundwater inflows and perhaps even the dispute over the lining of the site. This was another missed opportunity.
30. Evidence also revealed the EPA's compliance assessment, required by legislation to be conducted upon the completion of works, was poorly done, based as it was on inspection of works that were clearly not complete nor compliant. After deciding to issue a works approval for both Lots 10 and 7, in my view the EPA was wrong to sign off on completion of works when only Lot 10 had been prepared for the acceptance of waste. Lot 7 was still being mined for sand. Furthermore, the leachate control system on Lot 10 differed significantly from the specifications of the works approval. The change was made by the South Eastern Regional Waste Management Group without any apparent consultation with the EPA. Yet the EPA found it appropriate to sign off on the works as complete and compliant. I consider this a further example of poor administration by the EPA.
31. When the licence was negotiated and granted, the EPA not only missed an opportunity to require higher standards than those agreed in 1992, but it actually allowed standards to drop. Specifically, the condition relating to leachate pump-out which was heavily debated before the granting of the works approval was changed on the basis of advice from an environmental consultant followed by the uncritical endorsement of an EPA officer.

When the licence was negotiated and granted, the EPA not only missed an opportunity to require higher standards than those agreed in 1992, but it actually allowed standards to drop.

32. I concluded that while there have been significant technological developments in landfill design since the works approval was issued by the EPA in 1992, design standards at the Stevensons Road landfill effectively stood still. Essentially, a landfill conceived in the late 1980s, approved in 1992 and licensed in 1996 continued to operate with no landfill liner up until 2005 when it was closed. In the granting of the works approval for an unlined landfill and the subsequent lost opportunities to require a landfill liner, the EPA failed to set conditions for the protection of the environment.
33. The EPA asserts that the works approvals and licence for the landfill were 'issued consistent with all then current and relevant statutory policy'. Also, the EPA maintains that it had no reason to suspect that 'the means proposed to manage the leachate and/or landfill gas in the absence of any liner would not be adequate to protect the environment'.

Conflicts of interest

34. My investigation identified three perceived conflicts of interest in the approval process for the landfill:
1. EPA officers occupying the dual role of advisor and assessor
 2. the Shire being both applicant and responsible authority for the landfill planning permit
 3. the assessing officer for the EPA transitioning to project officer for the landfill manager.
35. My investigation identified conflict in the role of EPA officers as both advisor and assessor in the works approval process. Providing guidance to applicants regarding the requirements of the EPA in the works approval process is an important function of the EPA. However, this role can conflict with the role of EPA officers in assessing a works approval. The EPA should ensure the assessment of an application for works approval is reviewed by an EPA officer who has not been involved in the assessment process. Otherwise the assessment process may be perceived to be influenced by the type of pressure exerted by the Shire in this case.
36. Also concerning is the conflict of interest involved in the Shire of Cranbourne and later the City of Casey serving as both responsible authority and applicant for the landfill planning permit. As both the agency wishing to retain a valid permit and the agency required to enforce that permit, the Shire of Cranbourne and later the City of Casey had a perceived conflict of interest which may be seen to explain its lack of enforcement of the permit conditions.
37. A perceived conflict of interest also arose when, less than two months after conducting the Stevensons Road site compliance checklist and recommending a licence be granted, the assessing officer for the EPA commenced working for the South Eastern Regional Waste Management Group. I consider the EPA officer's assessment was very poorly done.

My investigation identified conflict in the role of EPA officers as both advisor and assessor in the works approval process.

Also concerning is the conflict of interest involved in the Shire of Cranbourne and later the City of Casey serving as both responsible authority and applicant for the landfill planning permit.

38. The EPA maintains that ‘the officer undertook a comprehensive investigation’ of the landfill and there is no evidence of the perceived conflict of interest impacting on the officer’s assessment.

The impact of consultants and administrative appeals

39. The capitulation of the EPA in the issuing of a works approval for the Stevensons Road landfill was in large part due to: the influence of the Shire of Cranbourne’s environmental consultant who advocated a low level of environmental protection; the EPA’s loss of confidence caused by the Camberwell case; and the potential for another AAT hearing should the EPA issue a works approval not to the liking of the Shire.
40. It was inappropriate for the EPA to act in this manner. Given its position as the statutory authority responsible for protecting the environment, the EPA should have demonstrated courage in its role.
41. The EPA denies ‘lacking confidence’ and asserts that ‘it is incorrect to say that EPA capitulated’.

Management of the landfill

42. My investigation found that the landfill during its operational and post-closure life was characterised by significant environmental issues including largely uncontrolled and overabundant leachate and poorly controlled gas. Contributing to these outcomes were the following general administrative problems:
- poor contract management
 - lack of accountability
 - poor knowledge management
 - poor performance of statutory duty.

Poor contract management

43. I established that the cities of Casey and Frankston failed to monitor the performance of the many contractors and consultants involved with the landfill. Performance measures were generally lacking in the contracts examined, and where contracts did specify some level of oversight, that oversight was usually not provided. Despite evidence such as environmental audits and correspondence from the EPA showing that leachate and landfill gas were not adequately managed, the cities of Casey and Frankston allowed contractors free reign to manage and operate as they saw fit with no checks or balances placed on them other than financial audits. I consider this an abrogation of their responsibility as well as poor contract management.
44. In addition to poorly monitored contracts, the Stevensons Road landfill suffered from several badly written contracts. These contracts failed to clearly delineate the roles of the parties; did not hold relevant parties accountable; and did not match the regulatory requirements of the EPA. I consider the case of the City of Casey’s

My investigation found that the landfill during its operational and post-closure life was characterised by significant environmental issues including largely uncontrolled and overabundant leachate and poorly controlled gas.

The cities of Casey and Frankston failed to monitor the performance of the many contractors and consultants involved with the landfill.

gas extraction contract with Energex highly significant in this regard. Despite the City of Casey's desire to hold Energex accountable for the environmental impacts of landfill gas through the gas extraction contract, the City of Casey ended up with a contract that was ambiguous on the subject of responsibility for gas migration.

45. Energex acknowledges that although the gas extraction contract 'may have been ambiguous in places', there was sufficient clarity to demonstrate that the City of Casey was responsible 'for ensuring that there was no dangerous migration of gas from the Site'.
46. Also, the contract between the cities of Casey and Frankston did not clearly delineate the role of each municipality in the event of a leachate spill or gas leakage after the site had closed. I consider the lack of well-defined responsibilities under the contract is a significant oversight.
47. I have concluded that poorly written contract documents and failure to effectively manage contracts contributed to very poor results at the landfill.
48. While acknowledging 'an issue with the adequacy of some contracts', the City of Casey insists that this did not have a 'bearing on ... gas migration from the landfill'.

Lack of accountability

49. In overseeing the management and operation of the landfill, the cities of Casey and Frankston, like the EPA, suffered from a lack of technical expertise. While the City of Casey and the Frankston City Council had an agreement to jointly oversee the management and operation of the landfill, I identified that neither council had the expertise to properly oversee the work of contractors engaged to operate and manage the landfill. More concerning than the actual lack of technical expertise on the part of the councils, however, was their lack of adequate management.
50. The contractual arrangements for the landfill fostered the displacement of responsibility through over-reliance on the expertise of contractors. What is concerning, however, is that the cities of Casey and Frankston failed to provide even basic oversight of contracts. In my view, when a statutory body engages a contractor to perform its services, the statutory body still retains ultimate responsibility for those services.
51. The environmental audits and statements from witnesses about the general amenity of the landfill, in particular the overabundance of leachate and poorly captured gas, demonstrate that the landfill was not managed and operated effectively. Some issues, such as insufficient leachate disposal capacity, appeared to continue unaddressed for years. Many of the environmental audits identified the same issues in succession demonstrating a lack of action in response to audit reports. However, the City of Casey and the Frankston City Council failed to take action to address the issue.

In addition to poorly monitored contracts, the Stevensons Road landfill suffered from several badly written contracts. These contracts failed to clearly delineate the roles of the parties; did not hold relevant parties accountable; and did not match the regulatory requirements of the EPA.

The contractual arrangements for the landfill fostered the displacement of responsibility through over-reliance on the expertise of contractors.

When a statutory body engages a contractor to perform its services, the statutory body still retains ultimate responsibility for those services.

Some issues, such as insufficient leachate disposal capacity, appeared to continue unaddressed for years.

Numerous contractors and consultants have come and gone during the life of the landfill and the post-closure period. By allowing knowledge and records to disappear when contractors or consultants left, the cities of Casey and Frankston rendered effective management of the landfill that much more difficult.

52. While the City of Casey is the owner of the landfill site, the Frankston City Council had a stake in the management and operation of the landfill. The Frankston City Council, though a minor partner, accepted contractual responsibility for the management of the landfill and was therefore obliged to contribute to the management, not only financially but also through active participation in contract management. The Frankston City Council must share the responsibility with the City of Casey for the lack of action to rectify problems at the landfill.
53. While the Frankston City Council has accepted my conclusions, the City of Casey has denied any accountability on its part.

Poor knowledge management

54. The landfill industry is one of rapidly changing technology and sometimes very divergent technical opinions. It is therefore all the more crucial that knowledge relating to the landfill is managed effectively so all decisions are based on the fullest information possible. In the case of the landfill, poor knowledge management contributed to some serious problems.
55. The poor record-keeping of the City of Casey and the Frankston City Council hindered my investigation. I was able to obtain records from contractors involved at the site with varying degrees of success. For example, the City of Casey and the Frankston City Council had little or no records from the initial contractor operating the landfill.
56. Numerous contractors and consultants have come and gone during the life of the landfill and the post-closure period. By allowing knowledge and records to disappear when contractors or consultants left, the cities of Casey and Frankston rendered effective management of the landfill that much more difficult.
57. Lack of records of waste tipped and loads refused was not only a breach of the waste discharge licence which required such information to be recorded, but it also made predicting the volume and composition of landfill gas and possibly leachate more difficult. Similarly, whether the base of the northern cells of the landfill was properly prepared cannot be conclusively established due to a lack of records.
58. The lack of records detailing the basic features of the landfill is an important issue. While each entity involved in the landfill may have had its own records of work done, what was lacking was a central repository for information about the landfill enabling information to be shared between entities and stored for future reference. Ultimately, this omission must be attributed to the owner of the landfill. That is, the City of Casey.
59. The City of Casey has acknowledged that 'its record-keeping could have been better'. However, the City of Casey did not accept that 'this contributed to 'serious problems' at the landfill.

Poor performance of statutory duty

60. I conclude that through inadequate regulatory activity during the operational phase of the landfill, the EPA failed to protect the environment. The fact that the EPA did not inspect the prepared Cells 3 and 4 prior to their receipt of waste is a serious omission. Since works approval was granted for both Lots 7 and 10, the works on both lots should have been inspected prior to the issue of a waste discharge licence. By not inspecting the preparation of each cell or at least each half of the landfill, the EPA not only failed to ensure the minimum standards of the 1992 works approval were met, it also missed an opportunity to require a better standard of design for Cell 3 in 1999, and Cell 4 in 2001, than the one approved in 1992.
61. The EPA also missed an opportunity to require improved standards via licence amendment. The EPA could have ensured new cells were lined simply by amending the licence to require it. The EPA was aware of the poor quality of the landfill. This is demonstrated by its own internal review in early 2001 which questioned the very suitability of the site for a landfill. However, as the review also noted, the EPA could have halted landfilling prior to the beginning of tipping in Cell 4 until it was satisfied best practice standards were in place. That it did not do so is in my view a crucial opportunity missed.

Through inadequate regulatory activity during the operational phase of the landfill, the EPA failed to protect the environment.

The EPA also missed an opportunity to require improved standards via licence amendment.

EPA enforcement in relation to the landfill

62. My investigation identified that the EPA failed to take adequate enforcement action in relation to the landfill over a number of years. This was not as a result of a shortage of powers as the Environment Protection Act affords the EPA extensive statutory powers and an array of enforcement tools. In my view, the EPA ineffectively utilised the enforcement tools at its disposal. This failure resulted from several factors, including:
- delays associated with the EPA's enforcement process
 - passive management
 - lack of strategic direction at the EPA South Metropolitan Region.

The level of enforcement action taken in relation to the landfill was inadequate compared to the volume of complaints the landfill generated while in operation and given the history of non-compliance of the landfill operators.

Failure to take adequate enforcement action

63. I consider that the level of enforcement action taken in relation to the landfill was inadequate compared to the volume of complaints the landfill generated while in operation and given the history of non-compliance of the landfill operators. In my view, there were many occasions where the EPA had sufficient grounds to take enforcement action at the landfill but it failed to do so or it utilised inappropriate enforcement measures. It is also clear that the EPA did not seriously consider taking prosecution action against the City of Casey until August 2008.

Continual breaches of the Pollution Abatement Notice rarely resulted in enforcement action.

64. The EPA issued two Notices of Contravention in relation to the landfill. The first was issued to the South Eastern Regional Waste Management Group on 30 May 2001 and the second to the City of Casey on 8 June 2007. The EPA failed to prosecute the South Eastern Regional Waste Management Group for ongoing breaches of the licence conditions identified in the first Notice of Contravention or the City of Casey for ongoing breaches of the Pollution Abatement Notice conditions identified in the second Notice of Contravention. This lack of decisive follow-up action by the EPA is contrary to its stated policy that it takes the continuation of breaches seriously.
65. Similarly, continual breaches of the Pollution Abatement Notice rarely resulted in enforcement action. It follows that the EPA has been unsuccessful in preventing or rectifying breaches of the Environment Protection Act, which according to the EPA's Enforcement Policy is the purpose of Pollution Abatement Notices. The minimal enforcement action taken by the EPA clearly had little effect on improving the management of the landfill.
66. Stronger enforcement action by the EPA in relation to the landfill would have created certainty for the City of Casey that there were serious consequences for non-compliance and raised the City of Casey's awareness of the environmental risks.
67. The EPA insists that its 'actions and enforcement responses for the Stevensons Road landfill were proportionate to the circumstances at the relevant time'.

Delays in the EPA's enforcement process

The EPA's enforcement process is overly complex, lengthy and time consuming.

68. In my view, the EPA's enforcement process is overly complex, lengthy and time consuming. I found that the EPA aims to issue 90 percent of Penalty Infringement Notices within 90 days. I consider the current timeframes excessive. Penalty Infringement Notices should deter offenders from further non-compliance. The lengthy timeframes for the issue of Penalty Infringement Notices substantially dilutes their deterrent effect.
69. As the regulator for the environment with a key role in ensuring compliance with the Environment Protection Act, it is important that the EPA consider enforcement to be a high priority and retain a continual focus on enforcement issues. I identified that the EPA does not consistently place a high priority on enforcement and enforcement matters can be overlooked or delayed due to workload issues. In my view, sufficient resources should be available to EPA officers to follow matters through from non-compliance to enforcement.
70. The EPA should also have a mechanism for monitoring the progress of Pollution Abatement Notices. I am concerned that standard post-closure Pollution Abatement Notices for landfills do not refer to the lateral migration of landfill gas as this phenomenon appears to be well known.

I am concerned that standard post-closure Pollution Abatement Notices for landfills do not refer to the lateral migration of landfill gas as this phenomenon appears to be well known.

71. The EPA has accepted that its enforcement timeframes 'could be shortened and is taking steps to improve its enforcement procedures'.

Poor management at the EPA South Metropolitan Region

72. I identified that the lack of enforcement action taken in relation to the landfill was largely due to the inaction of the former Regional Manager of the EPA South Metropolitan Region during the period November 2003 to 5 November 2007.
73. The evidence supports the view that the former Regional Manager ignored serious compliance issues at the landfill. My investigation revealed that EPA officers, including a junior officer at the South Metropolitan Region, understood the environmental impacts of the site and the necessity for the EPA to take enforcement action. However, the Regional Manager was unwilling to support his staff in taking action.
74. I found evidence that in September 2006 the same junior officer prepared a briefing note for the EPA Chairman reporting that significant levels of landfill gas had been found migrating from the landfill into the estate, resulting in environmental and possible public health issues. However, this briefing note was stopped by the junior officer's Regional Manager and never reached the EPA Chairman. I also found similar evidence that the same manager had stopped another briefing note on a serious matter from progressing to the EPA Chairman. The Regional Manager has since resigned from the EPA.
75. The EPA has agreed to undertake 'a number of organisational reforms to ensure that decisions are made at the appropriate levels ... and that staff are comfortable to raise issues with senior management. The reforms include the introduction of a quality assurance function, cultural change, business systems reform and the [EPA] restructure'.
76. A further concern is the delay in issuing the Pollution Abatement Notice. EPA officers advised that the delay was caused by workload issues at the South Metropolitan Region, the extensive internal review of the Pollution Abatement Notice and the fact that it was not a standard post-closure notice. I do not consider these to be acceptable reasons for the 19-month delay.

Inadequate knowledge management system

77. My investigation revealed the EPA does not have a comprehensive knowledge management system. The EPA's filing system only records some site-based information and the quality of record-keeping is generally poor. I consider that the EPA is unable to properly execute its statutory duties without an effective mechanism for recording all site-based information. All relevant information should be appropriately recorded and accessible in order for the EPA to develop and retain a complete understanding of sites it is responsible for regulating.

I identified that the lack of enforcement action taken in relation to the landfill was largely due to the inaction of the former Regional Manager of the EPA South Metropolitan Region during the period November 2003 to 5 November 2007.

My investigation revealed the EPA does not have a comprehensive knowledge management system.

My investigation established that the City of Casey and the EPA failed to combine effectively to present the best possible case before the Victorian Civil and Administrative Tribunal.

I was concerned to find that VCAT was not adequately informed about the explosive risk of methane. This was despite officers from the EPA, the City of Casey and its legal representative, being made aware of this issue prior to the VCAT hearing.

78. The EPA has agreed to 'implement significant reform to its internal business systems' to improve knowledge management.

Planning decisions affecting the estate

79. My investigation established that the City of Casey and the EPA failed to combine effectively to present the best possible case before the Victorian Civil and Administrative Tribunal (VCAT) to oppose the private developer, Peet & Co Casey Land Syndicate Limited's (Peet's) planning application to allow houses to be built along the western boundary of the landfill.
80. I identified a series of missed opportunities; poor performance of statutory duty; administrative oversights by various parties including the City of Casey, its legal representative, and the EPA. These factors contributed to residential houses being built within a few metres of where putrescible waste had been deposited in the landfill and the consequential problems which have led to my enquiry.

Failure to highlight explosive risk

81. My investigation revealed evidence of several incidents occurring overseas dating back to the 1960s involving explosions caused by methane gas migrating from landfills into nearby dwellings and resulting in serious injury and/or death.
82. I was concerned to find that VCAT was not adequately informed about the explosive risk of methane. This was despite officers from the EPA, the City of Casey and its legal representative, being made aware of this issue prior to the VCAT hearing. I consider this was key information that should have been presented to VCAT.
83. The City of Casey maintains that it did not have 'the knowledge or technical expertise' to determine whether there was a risk of methane gas causing an explosion.
84. In investigating the circumstances surrounding the VCAT decision, I concluded that the performance of a number of witnesses at the VCAT hearing was deficient. For example, I found evidence that one environmental expert, who was aware of the potential explosive risk of migrating landfill gas, failed to raise this concern with the VCAT Members. As such, I consider the environmental expert failed in his duty to VCAT as an expert witness.
85. The expert witness has stated that he did not fail in his duty to VCAT, as he was not qualified to give evidence about methane gas.

The EPA's reluctance to join legal proceedings

86. Also of concern was the minimal involvement of the EPA in the VCAT hearing. In my view, the EPA was neglectful in not seeking to be joined as a party to the VCAT hearing when it knew of the environmental problems at the landfill and it understood that its recommended landfill buffer of 200 metres was under challenge. I established that the EPA did not have a strategic approach to

monitoring and becoming involved in VCAT hearings related to EPA activities. Since the EPA is the statutory regulator of landfills I would have expected it to take a strategic interest in a legal matter that brought into question policies relating to landfills and the environment.

87. It is clear that the EPA's decision not to join the VCAT proceedings had a detrimental effect on the City of Casey's ability to defend its position at VCAT.
88. The EPA has agreed to review 'its role in relation to planning decisions'.

Section 173 Agreement

89. In August 2000, private developer, Peet, voluntarily entered into an agreement with the City of Casey under section 173 of the *Planning and Environment Act 1987* when it applied to have the Brookland Greens estate land zoned Residential 1. The purpose of the agreement was to restrict the development of dwellings within buffer areas from surrounding industries. The agreement stipulated that no homes were to be built within a 200 metre buffer of an 'adjoining sand extraction site' (the landfill).
90. Also, I identified that the Section 173 Agreement, including the schedule / plan, prepared by Peet's solicitor, refers to a 'sand extraction facility' rather than a landfill. At the time that the Section 173 Agreement was signed in August 2000, sand was still being extracted from Lot 7 of the Stevensons Road site in preparation for the acceptance of putrescible waste. However, the landfill at Lot 10 Stevensons Road had been in operation for over four years and sand extraction was finished in Lot 7 by December 2000.
91. The Section 173 Agreement was included with Peet's contract to prospective purchasers of residential lots in the estate, and failed to make any mention of the landfill or the actual use of this land. While I have been unable to establish whether this was done intentionally, I identified that reference to the landfill on the schedule / plan had been removed from an earlier draft. This is concerning as during my investigation several residents complained that they had not been provided with information from Peet about the nearby landfill at Stevensons Road at the time of purchasing their property.
92. Peet maintains that it is unaware who made an amendment to the schedule / plan omitting the landfill site. Also, Peet has stated that 'purchasers were not misled'.
93. Also, the Section 173 Agreement and the Development Plan are both unclear about how to measure the buffer; when a reduction in the buffer can be considered; and the manner in which the reduction can take place. I consider that the City of Casey and Peet failed to ensure that these documents were unambiguous.

Also of concern was the minimal involvement of the EPA in the VCAT hearing. In my view, the EPA was neglectful in not seeking to be joined as a party to the VCAT hearing.

The City of Casey failed to adequately address its conflict of interest as the owner of the landfill and the responsible authority for making planning decisions about residential developments adjacent to the landfill.

The EPA's policies and guidelines make reference to buffer distances being required for landfill operating conditions including odours, noise, litter and dust, to ensure the amenity of nearby land users.

94. Peet has acknowledged that 'the Section 173 Agreement and the Development Plan reflected the lack of certainty on behalf of government authorities at the time about how the buffer should be measured'.

Failure to resolve conflicts of interest

95. I consider that the City of Casey failed to adequately address its conflict of interest as the owner of the landfill and the responsible authority for making planning decisions about residential developments adjacent to the landfill. In order to maintain the 200 metre buffer, it was necessary for City of Casey officers not only to be critical of the City of Casey's management of the landfill, but also their own involvement with the site. This conflict of interest was not appropriately managed by the City of Casey. I consider that the City of Casey did not present VCAT with all relevant facts regarding the management of the landfill.
96. The City of Casey maintains that the legislative scheme 'makes such a conflict of interest inevitable'.

VCAT policy interpretation

97. VCAT determined that the required buffer distance from the landfill was 200 metres, as outlined in the State Environment Protection Policy (Siting and Management of Landfills Receiving Municipal Waste). VCAT ruled that the 200 metre buffer distance was to be measured from the 'active tipping area', being the 'active tipping face' of the landfill.
98. However, the State Environment Protection Policy (Siting and Management of Landfills Receiving Municipal Waste) defines 'tipping area' as 'a place within a landfill site in which municipal wastes are, have been or will be deposited'. The terms 'active tipping area' and 'active tipping face' as applied by VCAT are not phrases used in or relevant to the definition of 'tipping area' in the policy.
99. During the course of my investigation, I identified that the EPA's policies and guidelines make reference to buffer distances being required for landfill operating conditions including odours, noise, litter and dust, to ensure the amenity of nearby land users. There is also recognition of the need for buffers to guard against the contamination of water. However, there is no specific reference to a buffer being required to protect nearby land users against the risk of explosion or health issues arising from exposure to landfill gas containing methane. I consider this a major shortcoming which needs to be addressed.
100. The EPA has agreed to amend its *Best Practice Environmental Management – Siting, Design, Operation and Rehabilitation of Landfills* publication to address this issue.

Incorrect advice regarding appeal

101. My investigation identified that the City of Casey's legal representative was incorrect in its advice that VCAT's decision could not be appealed because it was not an error of law. As a consequence, the City of Casey failed to challenge any further planning applications from Peet relating to the development of later stages of the Brookland Greens estate, along the boundary of the landfill.
102. The City of Casey denies 'that VCAT's decision could have been the subject of successful appeal to the Victorian Supreme Court'. In the City of Casey's view, 'any suggestion that a successful appeal to the Victorian Supreme Court was tenable is without foundation'.

However, there is no specific reference to a buffer being required to protect nearby land users against the risk of explosion or health issues arising from exposure to landfill gas containing methane.

VCAT administrative procedures

103. As evidenced by the poor quality of the transcript and audio recording in the VCAT hearing relating to the Brookland Greens estate, my investigation identified shortcomings in VCAT's current administrative procedures.
104. I note that the publication of VCAT's reasons for its decision did not occur until some five years after the hearing and in response to the emergency situation being declared at the estate in September 2008.
105. VCAT has since acknowledged that its 'recording facilities ... are not satisfactory, resulting in poor quality recordings and transcript[s]'. VCAT also regrets the delay in the publication of reasons for the decision, which it describes as 'an oversight'.

The safety of residents in the estate

106. In my view, residents of the estate were placed at unnecessary risk by both the City of Casey and the EPA in failing to ensure that appropriate actions were taken in a timely manner to mitigate the risk of landfill gas escaping from the landfill into the estate.
107. The City of Casey and the EPA both maintain that the safety of residents of the estate was and remains their paramount consideration, and that they took appropriate actions to mitigate the risks.
108. I consider that if there is a risk that the public health and safety of individuals may be jeopardised by exposure to methane gas leaking from a landfill, government agencies have a responsibility to err on the side of caution and take appropriate action to ensure the safety of those persons affected.

My investigation revealed that both the City of Casey and the EPA were made aware of the presence of methane in the estate from as early as March 2006 when 'bubbling puddles' were detected by workers constructing the drainage system.

Failure to take action to ensure the safety of residents

109. My investigation revealed that both the City of Casey and the EPA were made aware of the presence of methane in the estate from as early as March 2006 when 'bubbling puddles' were detected by workers constructing the drainage system. Despite a junior EPA officer raising concerns with EPA senior management about the risk to residents in the estate caused by the leaking methane, this information was effectively ignored by the Regional Manager.

Despite warnings that migrating methane posed a threat to the residents of the Brookland Greens estate, the City of Casey proceeded to approve further building work on the estate in May 2006.

110. By July 2007, the reports of an environmental auditor warning of an 'imminent environmental hazard' and an 'unacceptable risk' to residents, due to the presence of methane in the estate, were brought to the attention of EPA senior management. However, it was not until June 2008 and the discovery of methane within homes in the estate that EPA senior management began to fully appreciate the gravity of the situation.
111. I am concerned that it took over 10 months after it was informed of the environmental auditor's report of 25 July 2007 warning of an 'imminent environmental hazard' for EPA senior management to recognise the seriousness of the situation and to take action to ensure the safety of the residents.
112. The EPA denies that it was 'slow to respond' and says it did 'recognise the seriousness of the situation'.
113. Despite these and other warnings that migrating methane posed a threat to the residents of the Brookland Greens estate, the City of Casey proceeded to approve further building work on the estate in May 2006.
114. The City of Casey maintains that it did not have the power to refuse endorsement of further planning and building works in the estate when methane gas was detected in March 2006. The City of Casey has stated that the EPA had the power to stop the building works from proceeding.

Failure to appreciate the risk to residents

It appears that of the many agencies involved in the emergency, the City of Casey's perception of the risk to residents was significantly less than that of the EPA, the CFA and the independent experts, despite the weight of expert advice.

115. Throughout my investigation I observed the contrasting views concerning the level of risk to residents in the estate caused by the leaking methane. I appreciate that given the unusual nature of the emergency and the lack of past experience in Australia in dealing with leaking methane gas from a landfill, there would be differing views regarding the level of risk posed to residents in the estate. However it appears that, of the many agencies involved in the emergency, the City of Casey's perception of the risk to residents was significantly less than that of the EPA, the CFA and the independent experts, despite the weight of expert advice.
116. When one of the technical consultants engaged by the City of Casey informed the EPA about his concerns in relation to the risk to residents posed by the methane, the Acting Chief Executive Officer for the City of Casey responded by downplaying the advice and sought to discredit the consultant for 'breaking ranks'.
117. Also, it appears that City of Casey officers downplayed the advice of the international advisory group assembled by the EPA, including one landfill gas expert who described the landfill as one of the worst sites he had ever seen with the potential for explosion and/or asphyxiation.

118. The City of Casey maintains that 'any risk of physical harm or injury [to residents of the estate] has always been remote'.

Failure to consider risk assessment

119. There has been a great deal of discussion in the local community and in the media in relation to the EPA's failure to conduct a risk assessment prior to informing the CFA of the need to implement the emergency management arrangements, which included recommending the evacuation of some residents.
120. Although the EPA was initially slow to respond to the detection of methane in the estate, from June 2008 onwards the EPA took appropriate action in undertaking research; seeking international advice on the problem; verifying the methane findings with independent consultants; and devoting adequate resources to the issue.
121. While there is little doubt that conducting a quantitative risk assessment prior to declaring the emergency, the likes of which was conducted in October 2008, would have assisted in evaluating the level of risk to residents, I consider that if there was the risk of an explosion and/or asphyxiation caused by methane in the estate, then the EPA needed to err on the side of caution and inform the CFA of the need for residents to consider relocation.
122. While the results of the quantitative risk assessment conducted in October 2008 revealed that the risk to residents in the estate was 'acceptable', in my view caution needs to be exercised in relying solely on this instrument in assessing the level of risk to residents in these situations. A quantitative risk assessment should form part of a suite of measures used to evaluate the level of risk, including expert advice and analysis.
123. Clearly, the physical risk to public health and safety, that is, explosion and/or asphyxiation, should be the overriding consideration when determining whether or not to evacuate or recommend evacuation to residents from their homes in this type of situation. In my view, consideration also needs to be given to the social and financial consequences to residents of declaring an emergency situation on the community. Regrettably, it appears that some of the social consequences associated with declaring the emergency were not fully appreciated in this case.

Management of the emergency response

124. Overall I consider that the CFA, as the lead agency responsible for handling the emergency situation, performed commendably in the circumstances.
125. In my view, it is inexcusable that at a time when the EPA and the City of Casey should have been working together for the greater good of the community and the co-ordination of the emergency response, they were unable to put aside their differences.

Although the EPA was initially slow to respond to the detection of methane in the estate, from June 2008 onwards the EPA took appropriate action.

Overall I consider that the CFA, as the lead agency responsible for handling the emergency situation, performed commendably in the circumstances.

It is inexcusable that at a time when the EPA and the City of Casey should have been working together for the greater good of the community and the co-ordination of the emergency response, they were unable to put aside their differences.

Since commencing my investigation, the EPA has undertaken a review of other landfills throughout Victoria.

In light of the unpredictable nature of landfills, I consider that the EPA will need to repeat this review at regular intervals to ensure that the landfills do not pose a risk to the health and safety of nearby communities.

Failure to conduct a review of the emergency response

126. In light of the unique nature of this emergency, it is noted that a detailed review and report on the emergency response has not been undertaken by the Office of the Emergency Services Commissioner. This review would be of considerable assistance to emergency service agencies in Australia and internationally in responding to any future events of this nature.
127. There are considerable opportunities to learn from the methane gas emergency at Cranbourne. In my view, the Office of the Emergency Services Commissioner should conduct a detailed review focusing on:
- improving the suitability of the Emergency Management Manual Victoria in dealing with an emergency situation of this nature
 - improving the use of risk assessment tools to evaluate the level of risk
 - improving inter-agency communication
 - clarifying the roles of municipal councils and the EPA under the Emergency Management Manual and detailing the process to be followed when these roles clash with other statutory roles performed by these bodies
 - communicating with affected individuals
 - developing the roles of the State Emergency Strategy Team and the Emergency Management Team and detailing the information flow between each group
 - collecting and analysing data.
128. The Office of the Emergency Services Commissioner has indicated that it would 'welcome the opportunity to discuss how the Emergency Management Manual can be improved to assist in the management of similar events in the future'.

Review of other landfills in Victoria

129. I note that since commencing my investigation, the EPA has undertaken a review of other landfills throughout Victoria to determine whether methane gas is leaking from any of these sites. I understand that no other homes or residential developments have been affected in the same manner as the Brookland Greens estate.
130. In light of the unpredictable nature of landfills, I consider that the EPA will need to repeat this review at regular intervals to ensure that the landfills do not pose a risk to the health and safety of nearby communities.

Compensation

131. Ultimately, the issue of compensation will be considered by the courts through the class action on behalf of affected residents. Nonetheless it is clear to me that the local community has endured considerable anxiety, distress and inconvenience as a result of methane gas leaking

from the landfill into the estate and the way that some government agencies handled this issue. On this basis, affected residents should be compensated accordingly.

Summary

132. I consider that the methane leak into the Brookland Greens housing estate was brought about by a series of missed opportunities by the responsible agencies. Sub-standard conditions were put in place at the landfill from the outset and allowed to continue without remedy throughout the life of the landfill. These conditions directly contributed to problems with leachate and gas control which created the risk of methane explosion in the estate. Activities such as monitoring and enforcement, contract management and management of conflicts of interest, had they been conducted more thoroughly, may have helped to halt the process that led to the emergency situation at Brookland Greens.
133. I understand that the City of Casey in the 2008-09 financial year alone committed approximately \$21 million to a range of measures aimed at mitigating the risk of landfill gas leaking into the estate. In the long term, the total cost of rehabilitating the landfill is expected to exceed \$100 million. This stands in stark contrast to the 1992 estimated cost of \$500,000 to line the landfill as a preventative measure to protect people and the environment, which the Shire of Cranbourne rejected on the basis of expense.
134. I have made a number of recommendations to the various agencies involved, including that the:
- EPA review its policy for assessing works approvals to ensure assessments are made by suitably qualified officers and all assertions made by applicants are verified fully before works approval is granted
 - City of Casey develop specific procedures to manage conflict of interests where it is both the applicant or permit holder and responsible authority
 - City of Casey and the Frankston City Council each centrally manage all future contracts through an officer or team with contract management expertise
 - EPA ensure that all licences are reviewed annually and amendments made where existing standards are below best practice
 - EPA revise its compliance and enforcement procedures to ensure the EPA takes strong and decisive enforcement action in response to non-compliance
 - EPA develop and make available comprehensive policies and procedures to guide its decision-making in relation to becoming a party to legal proceedings
 - Office of the Emergency Services Commissioner conduct a detailed review of the emergency response to the methane gas risk at the estate and publicly report its findings.

I consider that the methane leak into the Brookland Greens housing estate was brought about by a series of missed opportunities by the responsible agencies. Sub-standard conditions were put in place at the landfill from the outset and allowed to continue without remedy throughout the life of the landfill.



12.3 HALF YEAR BUDGET REVIEW 2009/2010

REFERENCE: COMMITTEES-10712

PURPOSE OF REPORT

The purpose of this report is to provide Council, via the Audit Committee, with an overview of the Eastern Metropolitan Regional Council's (EMRC's) 2009/2010 budget review for adoption and subsequent submission to the Department of Local Government and Regional Development.

KEY ISSUES AND RECOMMENDATION(S)

- It is a requirement of the Local Government (Financial Management) Regulations 1996 (Clause 33A) that a Local Government, between 1 January and 31 March in each year, is to carry out a review of its annual budget for that year.
- Council receives monthly financial reports inclusive of end of year forecasts. Forecasts have been constantly monitored and reviewed based on current information and circumstances available to provide a more accurate forecast of the year end result.

Recommendation(s)

That the review of the 2009/2010 budget be adopted by an absolute majority and be submitted to the Department of Local Government and Regional Development within 30 days in accordance with the provisions of Local Government (Financial Management) Regulation 33A.

SOURCE OF REPORT

Director Corporate Services
 Manager Financial Services

BACKGROUND

It is a requirement of the Local Government (Financial Management) Regulations 1996 (Clause 33A) that a Local Government, between 1 January and 31 March in each year, is to carry out a review of its annual budget for that year.

Clause 33A also states that within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the Council who is to consider the review submitted to it and is to determine, by absolute majority, whether or not to adopt the review, any parts of the review or any recommendation made to the review.

The EMRC's budget is presented in a format that separates operating income and expenditure from other revenue and expenses to provide improved disclosure of Council's underlying operating result.

Submitted to each meeting of Council is a financial report and summaries which provide an overview of year to date budget performance for operating activities and capital works. Variances greater than 10% or a dollar value of \$10,000, whichever is the greater, within each nature and type category on the Income Statement are reported on in the body of the report. Also included are end of year forecasts by nature and type for operating activities and end of year forecasts for each capital works project. These forecasts are reviewed regularly in order to provide an accurate forecast end of year result.



Item 12.3 continued

REPORT

As outlined within the background of this report it is a requirement of the Local Government (Financial Management) Regulations 1996 (Clause 33A) that a Local Government, between 1 January and 31 March in each year, is to carry out a review of its annual budget for that year.

The EMRC currently undertakes forecast reviews on a quarterly basis and this is incorporated within the financial report submitted to Council at its next ordinary meeting.

Format of Budget Review

The format of the review undertaken is based on a review by officers of all EMRC accounts (operating income, operating expenditure and capital expenditure accounts) within their area of responsibility.

Also undertaken is a review of the tonnages budgeted to be received at the Red Hill Waste Management Facility. Tonnage budgets are reviewed to provide a forecast of volumes expected to be received by 30 June 2010. These forecasts when calculated against the appropriate disposal rates provide financial forecasts relating to the following:

- Base Income (including landfill levy) from Tonnages Analysis;
- Secondary Waste Income;
- Landfill Levy Expenditure;
- Waste Education Charge Income; and
- Cell Depreciation/Usage.

All forecasts, which are an actual review of the budgets set against each account, are then loaded into the financial management system in order to provide a more accurate forecast of the end of year result.

The year to date monthly budget allocations are also reviewed in order to match the appropriate timing for the various projects budgeted to be undertaken. Significant effort is undertaken to ensure that the year to date budget allocations best reflect the timing applicable either to expenditure expected to be incurred or income to be received. This process commences immediately following adoption of the budget and is constantly being monitored and reviewed based on current information and circumstances available. This process provides a better comparison between the year to date actual and year to date budget figures.

Adjustments resulting from Budget Review

EMRC Officers undertook the latest review based on the actual financial data provided for the period ended 28 February 2010. The financial report relating to the period ended 28 February 2010 will be submitted to Council at its meeting to be held on 22 April 2010. Variances reported in that report will be based on the budget review as specified within the body of this report. This is undertaken as part of the EMRC's ongoing budget and forecast review process and in accordance with Council's adopted criteria.

In accordance with the process followed in previous years, the original budget is not updated with the revised forecasts. Relevant regulations require the end of year results to be compared to the original adopted annual budget, rather than the reviewed budget. The original budget is not updated due to the current inability of the financial system to retain the "budget spreads" that have been manually adjusted since adoption of the budget.

Each nature and type code within the financial system is allocated a default spread depending on the general nature of the expenditure or income. For example, salaries budgets are spread in accordance with the timing of the actual fortnightly payroll, telephone expenses are spread evenly throughout the year to reflect the nature of the billing, insurance premiums are usually allocated to the months of August and October reflecting the periods for when premiums are payable, whilst vehicle registration costs are spread to July and December.



Item 12.3 continued

Whilst it is accepted that many costs are incurred generally within a specific pattern as outlined in the above examples, many are not. These may include costs incurred relating to operating and capital projects, for which the EMRC have many, and depend solely on the timing of when the project is undertaken.

As outlined earlier in the report significant time and effort is allocated throughout the year following adoption of the annual budget to ensure that the year to date monthly budget allocations reflect the actual timing of expenditure to be incurred and income to be received. Should the total original budget be updated to reflect the end of year forecasts as outlined in the financial reports, much of the time and effort allocated to ensuring the correct monthly spread of the budget allocation will be lost, as each nature and type budget allocation will be spread in accordance with the default allocated to it.

This will result in highlighting unnecessary variances, due to the incorrect monthly budget spread, and an inaccurate comparison between the year to date actual and year to date budget figures.

Outlined below is a summary of the forecast changes resulting from the half year budget review:

• Operating Income/Other Revenues (net increase to budget provisions):	(\$1,687,373)
• Less Operating Expenditure/Other Expenses (net increase to budget provisions):	\$2,705,435
• Unrealised gain from change in fair value of investments:	(\$544,397)
• Change in net assets from operations (net reduction to operating surplus):	\$473,665
• Less Capital Expenditure (net reduction to budget provisions):	(\$439,435)
Overall net increase in expenditure:	\$34,230

Provided below is a summary of changes to original budget provisions to reflect the forecast budget as at 30 June 2010. Comments are provided for significant variances using Council's adopted criteria of 10% or \$10,000, which ever is the greater, as a guide:

Operating Income/Other Revenues

User Charges

- Current Budget: \$18,290,615 Forecast Budget: \$20,419,647 Variation: \$2,129,032

This variation predominantly reflects the increase in the Landfill Levy from \$8.00 per tonne to \$28.00 per tonne with effect 1 January 2010. The increased income resulting from the increase in the landfill levy has been forecast to be \$2,980,900.

This is partially off-set by variations as listed below in the Class III & Class IV tonnages expected to be received as at year end:

Description	Budget Tonnages	Forecast Tonnages	Tonnages Variation	Forecast Income Variation
Class III tonnages	329,951	292,976	-36,975	-\$1,883,000
Class IV tonnages	4,020	16,101	12,081	\$1,006,168

Special Charges

- Current Budget: \$329,849 Forecast Budget: \$310,227 Variation: (\$19,622)



Item 12.3 continued

Contributions

- Current Budget: \$525,590 Forecast Budget: \$663,404 Variation: \$137,814

End of Year Contribution income has been forecast to be \$137,814 above the budget provision of \$525,590 and includes the projects outlined below:

- Perth Solar City project - \$90,000 carried forward from the 2008/2009 financial year.
- Regional Water Campaign - \$11,844.
- Regional Tourism Development - \$5,000.
- Regional Cycling Tourism Opportunities - \$20,000.

Operating Grants

- Current Budget: \$2,267,833 Forecast Budget: \$2,094,747 Variation: (\$173,086)

Although this variation is below the reporting requirement threshold, it should be noted that significant variations exist within this "type" of income. Significant variations have been summarised below:

- Grant income totalling \$39,840 relating to the Fluorescent Light Recycling study and trial has been carried forward into the 2010/11 financial year.
- Forecast grant income for Engineering/Waste Management has been reduced by \$72,055 to \$23,000. Following the successful receipt of a SWIS grant, \$69,007 of this amount has been reallocated to the Council Turf Recycling account.
- \$158,135 has been reclassified within the Engineering/Waste Management Special Projects account from reimbursement income. (Refer also Reimbursement Income).
- Grant funding relating to the Eastern Hills Catchment Management project (EHCMP) has been forecast to be \$80,000 less than the budget provision of \$220,000 as at year end. Appropriate expenditure cuts have been made within the project to allow for this reduction in grant funding.
- Grant funds totalling \$243,345, relating to the Perth Solar City Project, have been carried forward into the 2010/11 financial year. This matches the timing of project expenditure and is off-set by a reduction in project expenditure that is also carried forward into the 2010/11 financial year.
- Additional Grant funding of \$25,000 for the Dieback Management Framework project has been received.

Interest Municipal Cash & Investments

- Current Budget: \$225,500 Forecast Budget: \$376,800 Variation: \$151,300

Interest on Municipal Funds as at year end has been forecast to be above the annual budget provision by \$151,300. This predominantly represents the expected value of accrued interest (approximately \$171,000) to be brought to account as at year end that was not provided for in the 2009/2010 annual budget. (Refer also Interest Restricted Cash Investments).

Reimbursements

- Current Budget: \$861,492 Forecast Budget: \$774,296 Variation: (\$87,196)

Significant variances are summarised below:

- An insurance good driver rebate, relating to the 2008/09 year, totalling \$5,800 was received in November 2009.
- Income of \$6,153, not previously provided for, was received from external participants attending the Continuous Improvement Programme co-ordinated by the EMRC.



Item 12.3 continued

- A rebate of \$9,052 compared to a budget provision of \$3,500 was received from WALGA as a rebate for advertising undertaken during the 2008/09 financial year.
- Reimbursement income directly relating to the operations at the Kalamunda Transfer Station has been forecast to be \$68,113 as at year end compared to a budget provision of \$31,708. This relates primarily to the requirement to hire a backhoe from external sources together with associated additional wages costs. This arrangement was not anticipated as being required at budget deliberation and has subsequently been undertaken with the knowledge of the Shire of Kalamunda.
- Reimbursement income from the Red Hill green waste operations has been forecast at \$30,000 compared to a budget provision of \$6,000. This is directly related to the recoup of delivery costs associated with the increase in the sale of mulch.
- Income associated with the recoup of costs relating to the "Forum of Regional Councils" has been forecast to increase by approximately \$46,000 to \$75,512. This is matched by additional contract expenses incurred within this activity.
- Reimbursement income relating to the disposal of Household Hazardous Waste at the Red Hill Waste Disposal Site has reduced by \$44,504 to \$5,500 compared to the budget provision of \$50,004. This is as a result of WALGA reporting insufficient funds being available for the programme.
- Reimbursement income relating to Engineering/Waste Management Special Projects totalling \$173,135 has been reduced to \$400. Of this amount \$158,135 has been reclassified within the same account to income to be received from Grant funding. (Refer also Operating Grants).

Other Income

- Current Budget: \$735,676 Forecast Budget: \$869,813 Variation: \$134,137

Significant items associated with this variation are outlined below:

- A \$93,000 forecast increase in the fuel rebate scheme. As a result of the broadening of plant and fuel categories and classifications the EMRC was able to claim fuel rebates retrospectively from 1 July 2008.
- A reduction of \$30,000 for the sale of Laterite from the Red Hill Waste Disposal site.
- An increase of \$80,000 in the end of year forecast relating to the sale of products from the wood waste project located at the Hazelmere site. The wood waste products are currently being actively marketed contributing to the increased sales.

Secondary Waste Charge (Other Revenues)

- Current Budget: \$4,888,756 Forecast Budget: \$4,412,681 Variation: (\$476,075)

Attributable to the reviewed decrease in Class III tonnages expected to be received by year end.

Operating Grants (Other Revenues)

- Current Budget: \$70,272 Forecast Budget: \$70,164 Variation: (\$108)

Interest Restricted Cash Investments (Other Revenues)

- Current Budget: \$1,100,000 Forecast Budget: \$979,700 Variation: (\$120,300)

This decrease in budget provision has been made in order to bring the estimate in line with actual interest receipts achieved since the original budget was prepared. This reduction is off-set by an increase in accrued interest as at 30 June 2010. (Refer also Interest Municipal Cash & Investments).

Reimbursements (Other Revenues)

- Current Budget: \$50 Forecast Budget: \$3,450 Variation: \$3,400



Item 12.3 continued

Proceeds from Sale of Assets (Other Revenues)

- Current Budget: \$663,002 Forecast Budget: \$671,080 Variation: \$8,078

Operating Expenditure

Salary Expenses

- Current Budget: \$6,990,481 Forecast Budget: \$6,912,601 Variation: (\$77,880)

Overall salary and associated labour costs to year end have been forecast to be lower than budget provisions by approximately 1.11%.

Contract Expenses

- Current Budget: \$6,706,998 Forecast Budget: \$6,747,696 Variation: \$40,698

Material Expenses

- Current Budget: \$1,156,845 Forecast Budget: \$931,699 Variation: (\$225,146)

The principal variation relates to an end of year forecast of \$100,000 compared to a budget provision of \$300,000 for the supply of materials for intermediate/daily cover for the Class III waste disposal cell. This relates specifically to material to be used by an "Alternative Cover" item of plant that is now expected to be purchased in the later part of the financial year.

Utility Expenses

- Current Budget: \$90,950 Forecast Budget: \$98,672 Variation: \$7,722

Fuel Expenses

- Current Budget: \$760,165 Forecast Budget: \$736,050 Variation: (\$24,115)

Finance Fees and Interest Expenses

- Current Budget: \$12,700 Forecast Budget: \$12,900 Variation: \$200

Insurance Expenses

- Current Budget: \$149,612 Forecast Budget: \$190,224 Variation: \$40,612

This variation relates principally to an additional premium of \$8,281 payable for the new landfill compactor and an additional plant and motor vehicles premium adjustment of \$10,142. The premium adjustment relates to the year end valuation adjustment on plant and vehicles insured in 2008/2009. This was not invoiced until this financial year. This amount is marginally off-set by a good driving rebate of \$5,800 received from the insurance company. The balance of the variation relates to higher than budgeted insurance premiums for 2009/2010 (approximately \$15,000) together with an additional forecast of approximately \$6,600 for insurance claim expenses.

Depreciation Expenses

- Current Budget: \$2,469,964 Forecast Budget: \$3,156,814 Variation: \$686,850

Forecasts have been increased by \$686,850 to match depreciation for new plant together with additional provisions relating to the Class III and Class IV Leachate ponds, Red Hill roads, Red Hill Green waste processing area, Hazelmere Hardstand and Road and Class IV Cell usage.

Miscellaneous Expenses

- Current Budget: \$3,729,788 Forecast Budget: \$5,999,996 Variation: \$2,270,208

The major variation is an increase in the landfill levy payment of \$2,387,867. This is as a result of the increase in the landfill levy from \$8.00 per tonne to \$28.00 per tonne effective from 1 January 2010.



Item 12.3 continued

Provision Expenses

- Current Budget: \$135,184 Forecast Budget: \$135,184 Variation: \$0

Costs Allocated

- Current Budget: (\$47,383) Forecast Budget: (\$58,770) Variation: (\$11,387)

This item represents a variety of internal costing allocations undertaken between and within the various divisions of the organisation throughout the financial year. The significant variation related to this is the reclassification of on-costs totalling \$16,387 from Other Expenses to Operating Expenditure.

Salary Expenses (Other Expenses)

- Current Budget: \$293,403 Forecast Budget: \$204,091 Variation: (\$89,312)

This variation relates principally to the salary expenses for a Project Development Assistant Engineer that was budgeted to be appointed during the 2009/2010 financial year and is yet to be filled.

Contract Expenses (Other Expenses)

- Current Budget: \$686,250 Forecast Budget: \$752,631 Variation: \$66,381

This variation relates specifically to the Resource Recovery project consultancy contractual timings, with expenditure funded from the Secondary Waste Reserve.

Material Expenses (Other Expenses)

- Current Budget: \$24,350 Forecast Budget: \$37,026 Variation: \$12,676

This variation relates principally to additional expenditure incurred for the outsourcing of work undertaken, including the printing of Expressions of Interest (EOI) documentation (\$7,776), rather than undertaken in-house.

Utility Expenses (Other Expenses)

- Current Budget: \$3,200 Forecast Budget: \$3,200 Variation: \$0

Insurance Expenses (Other Expenses)

- Current Budget: \$2,400 Forecast Budget: \$2,282 Variation: (\$118)

Depreciation Expenses (Other Expenses)

- Current Budget: \$1,820 Forecast Budget: \$2,748 Variation: \$928

Miscellaneous Expenses (Other Expenses)

- Current Budget: \$94,300 Forecast Budget: \$95,091 Variation: \$791

Carrying Amount of Assets Disposed Of (Other Expenses)

- Current Budget: \$620,509 Forecast Budget: \$610,449 Variation: (\$10,060)

Costs Allocated (Other Expenses)

- Current Budget: \$41,883 Forecast Budget: \$58,270 Variation: \$16,387

This item represents internal costing allocations to the Resource Recovery Project from other divisions of the organisation throughout the financial year. As outlined earlier in this report, the significant variation related to this is the reclassification of on-costs totalling \$16,387 from Other Expenses to Operating Expenditure.



Item 12.3 continued

Unrealised (Gain)/Loss from Change in Fair Value of Investments

Unrealised (Gain)/Loss

- Current Budget: \$0 Forecast Budget: (\$544,397) Variation: (\$544,397)

Unrealised gains or losses represent a fair market value measurement of the financial instruments during the period in which they are held, i.e. marked to market. It should be noted that actual gains or losses on financial instruments will not be realised until such time as the individual investments are sold.

No budget provision was included in the original budget as it is not possible to budget for an unrealised gain or loss from the change in fair value of investments. These valuations are dictated by market factors and as such a budget provision can not be ascertained.

This variation represents the unrealised gain from the change in fair value of ADI investments as at 28 February 2010. As future market values are as yet unknown this amount represents the current best known valuation and as a result has been used as the revised budget forecast as at year end.

Capital Expenditure

- Current Budget: \$10,193,849 Forecast Budget: \$9,754,414 Variation: (\$439,435)

Significant variations to current capital budgets are provided below:

- An increase of \$826,000 relating to the upgrade of the Administration building. This item has been subject to previous reports to council. In an effort to consolidate all costs relating to the refurbishment of the administration building, this increase also includes a reallocation provision of \$208,449 from the Upgrade of the administration building air conditioning account.
- A cost reduction of \$318,268 for the construction of the Class III Cell - Farm Stage 1 at the Red Hill Waste Management Facility.
- An increase of \$100,000 for the construction of the Class III Leachate Pond at the Red Hill Waste Management Facility.
- A cost reduction of \$101,120 for the construction of roads/car parks at the Red Hill Waste Disposal Facility.
- A cost reduction of \$500,000 for the construction of water storage dams at the Red Hill Waste Disposal Facility. This amount has been carried forward into the 2010/2011 financial year.
- A forecast reduction of \$181,063 for the purchase of plant at the Red Hill Waste Disposal Facility.
- A cost increase of \$54,982 in the purchase/replacement of vehicles at the Red Hill Waste Disposal Facility. Vehicle replacements are dependent on timing with change over occurring at 40,000km or 3 year whichever occurs first. It has been forecast that these vehicles will have reached the changeover criteria earlier than what has been provided for in the 5 year vehicle replacement programme.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 4 - Good Governance

- 4.5 To provide responsible and accountable governance and management of the EMRC; and
- 4.6 To continue to improve financial and asset management practices.

FINANCIAL IMPLICATIONS

Nil



Item 12.3 continued

SUSTAINABILITY IMPLICATIONS

Nil

ATTACHMENT(S)

1. Income Statement by Nature and Type (Ref: Committees-10713)
2. Capital Expenditure Statement (Ref: Committees-10714)
3. Balance Sheet (Ref: Committees-10715)
4. Statement of Cash and Investments (Ref: Committees-10716)

VOTING REQUIREMENT

Absolute Majority

RECOMMENDATION(S)

That the review of the 2009/2010 budget be adopted by an absolute majority and be submitted to the Department of Local Government and Regional Development within 30 days in accordance with the provisions of Local Government (Financial Management) Regulation 33A.

Discussion ensued

The CEO summarised the report.

Cr McKechnie referred to page 68 of the Agenda – unrealised (Gain)/Loss from Change in Fair Value of Investments and the forecast variation of approximately \$500,000 extra and asked what the fair market value of EMRC's investments were at the moment. The CEO advised that the variation represented EMRC's current position relating to ADI's only.

In relation to Cr McKechnie's more detailed queries relating to EMRC's Investments, the CEO responded that the questions referred to information of a confidential nature that would be dealt with by the Investment Committee (IC).

Cr McKechnie asked if the IC would be disbanded and the issues dealt with by the full Council.

Cr Pilgrim raised a point of order, stating that the query was a matter for the IC to consider so irrelevant to the Audit Committee.

The Chairman agreed with the point of order, stating that it should be dealt with confidentially by the IC.

Cr Pule referred to page 68 of the Agenda – cost increase of \$54,982 in the purchase/replacement of vehicles at the Red Hill Disposal Facility and asked how many actual road vehicles such as cars and utilities the EMRC had in ownership and whether any consideration had been given to changing to a rental system for cost effectiveness. The CEO explained that the EMRC had looked into novated leases over the years but because local governments buy their vehicles under common use contracts purchasing was considered beneficial to the EMRC. The CEO further advised that it was also to attract staff and one of EMRC's officers had undertaken a lot of work in the last 12 months in relation to the replacement of vehicles plan.



Item 12.3 continued

AUDIT COMMITTEE RECOMMENDATION(S)

MOVED CR FARIG

SECONDED CR PITTAWAY

That the review of the 2009/2010 budget be adopted by an absolute majority and be submitted to the Department of Local Government and Regional Development within 30 days in accordance with the provisions of Local Government (Financial Management) Regulation 33A.

CARRIED 5/1

COUNCIL RESOLUTION(S)

MOVED CR POWELL

SECONDED CR PULE

THAT THE REVIEW OF THE 2009/2010 BUDGET BE ADOPTED BY AN ABSOLUTE MAJORITY AND BE SUBMITTED TO THE DEPARTMENT OF LOCAL GOVERNMENT AND REGIONAL DEVELOPMENT WITHIN 30 DAYS IN ACCORDANCE WITH THE PROVISIONS OF LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATION 33A.

CARRIED UNANIMOUSLY



INCOME STATEMENT Nature and Type

FEBRUARY 2010

Year to Date				Full Year			
Actual	Budget	Variance		Current Budget	Forecast Change		End of Year Forecast
Operating Income							
(\$12,205,866)	(\$12,131,600)	\$74,266	(F)	(\$18,290,615)	(\$2,129,032)	(F)	(\$20,419,647)
(\$195,954)	(\$206,880)	(\$10,926)	(U)	(\$329,849)	\$19,622	(U)	(\$310,227)
(\$636,561)	(\$525,590)	\$110,971	(F)	(\$525,590)	(\$137,814)	(F)	(\$663,404)
(\$622,424)	(\$733,198)	(\$110,774)	(U)	(\$2,267,833)	\$173,086	(U)	(\$2,094,747)
(\$310,634)	(\$303,816)	\$6,818	(F)	(\$225,500)	(\$151,300)	(F)	(\$376,800)
(\$502,644)	(\$537,820)	(\$35,176)	(U)	(\$861,492)	\$87,196	(U)	(\$774,296)
(\$578,278)	(\$490,424)	\$87,854	(F)	(\$735,676)	(\$134,137)	(F)	(\$869,813)
(\$15,052,361)	(\$14,929,328)	\$123,033	(U)	(\$23,236,556)	(\$2,272,378)	(F)	(\$25,508,934)
Operating Expenditure							
\$4,292,508	\$4,416,800	\$124,292	(F)	\$6,990,481	(\$77,880)	(F)	\$6,912,601
\$3,044,171	\$3,311,555	\$267,384	(F)	\$6,706,998	\$40,698	(U)	\$6,747,696
\$404,083	\$485,156	\$81,073	(F)	\$1,156,845	(\$225,146)	(F)	\$931,699
\$68,269	\$63,032	(\$5,237)	(U)	\$90,950	\$7,722	(U)	\$98,672
\$430,615	\$474,752	\$44,137	(F)	\$760,165	(\$24,115)	(F)	\$736,050
\$8,955	\$8,464	(\$491)	(U)	\$12,700	\$200	(U)	\$12,900
\$179,918	\$146,354	(\$33,564)	(U)	\$149,612	\$40,612	(U)	\$190,224
\$1,392,419	\$1,202,177	(\$190,242)	(U)	\$2,469,964	\$686,850	(U)	\$3,156,814
\$2,691,368	\$2,358,730	(\$332,638)	(U)	\$3,729,788	\$2,270,208	(U)	\$5,999,996
\$0	\$0	\$0	(F)	\$135,184	\$0	(F)	\$135,184
(\$36,213)	(\$32,948)	\$3,265	(F)	(\$47,383)	(\$11,387)	(F)	(\$58,770)
\$12,476,093	\$12,434,072	(\$42,021)	(U)	\$22,155,305	\$2,707,762	(U)	\$24,863,067
(\$2,576,268)	(\$2,495,256)	\$81,012	(F)	(\$1,081,251)	\$435,384	(U)	(\$645,867)
Surplus	Surplus			Surplus			Surplus

Notes:

1. User Charges - include member Councils, WMRC and casual users pertaining to waste, risk management and environmental services fees and charges;
2. Special Charges - Waste Education Levy;
3. Contributions - member Councils' contributions to projects and services;
4. Operating Grants - grant income predominately from government agencies; and
5. Miscellaneous Expenses - includes Landfill Levy as the major component.

Operating Income and Expenditure relates to the ordinary operations of the organisation.

Other Revenues and Exepenses relates to the Resource Recovery Project, interest from cash reserves and disposal of assets.

(F) denotes Favourable variance and (U) denotes Unfavourable variance



INCOME STATEMENT Nature and Type

FEBRUARY 2010

Year to Date				Full Year		
Actual	Budget	Variance		Current Budget	Forecast Change	End of Year Forecast
Other Revenues						
(\$2,860,972)	(\$3,097,152)	(\$236,180)	(U)	Secondary Waste Charge	(\$4,888,756)	\$476,075 (U) (\$4,412,681)
(\$70,164)	(\$70,272)	(\$108)	(U)	Operating Grants	(\$70,272)	\$108 (U) (\$70,164)
(\$540,290)	(\$581,000)	(\$40,710)	(U)	Interest Restricted Cash Investments	(\$1,100,000)	\$120,300 (U) (\$979,700)
(\$1,752)	(\$32)	\$1,720	(F)	Reimbursements	(\$50)	(\$3,400) (F) (\$3,450)
(\$262,031)	(\$404,566)	(\$142,535)	(U)	Proceeds from Sale of Assets	(\$663,002)	(\$8,078) (F) (\$671,080)
(\$3,735,209)	(\$4,153,022)	(\$417,813)	(U)	Total Other Revenues	(\$6,722,080)	\$585,005 (U) (\$6,137,075)
Other Expenses						
\$124,728	\$180,097	\$55,369	(F)	Salary Expenses	\$293,403	(\$89,312) (F) \$204,091
\$421,756	\$463,846	\$42,090	(F)	Contract Expenses	\$686,250	\$66,381 (U) \$752,631
\$26,059	\$14,506	(\$11,553)	(U)	Material Expenses	\$24,350	\$12,676 (U) \$37,026
\$2,002	\$2,128	\$126	(F)	Utility Expenses	\$3,200	\$0 (F) \$3,200
\$2,281	\$2,400	\$119	(F)	Insurance Expenses	\$2,400	(\$118) (F) \$2,282
\$672	\$606	(\$66)	(U)	Depreciation Expenses	\$1,820	\$928 (U) \$2,748
\$66,033	\$65,272	(\$761)	(U)	Miscellaneous Expenses	\$94,300	\$791 (U) \$95,091
\$102,034	\$105,000	\$2,966	(F)	Carrying Amount of Assets Disposed Of	\$620,509	(\$10,060) (F) \$610,449
\$36,213	\$28,431	(\$7,782)	(U)	Costs Allocated	\$41,883	\$16,387 (U) \$58,270
\$781,778	\$862,286	\$80,508	(F)	Total Other Expenses	\$1,768,115	(\$2,327) (F) \$1,765,788
Unrealised (Gain)/Loss From Change in Fair Value of Investments						
(\$544,397)	\$0	\$544,397	(F)	Unrealised (Gain)/Loss	\$0	(\$544,397) (F) (\$544,397)
(\$544,397)	\$0	\$544,397	(F)	Total Unrealised (Gain)/Loss	\$0	(\$544,397) (F) (\$544,397)
(\$3,497,828)	(\$3,290,736)	\$207,092	(F)	OPERATING RESULT FROM OTHER ACTIVITIES	(\$4,953,965)	\$38,281 (U) (\$4,915,684)
Surplus	Surplus				Surplus	Surplus
(\$6,074,096)	(\$5,785,992)	\$288,104	(F)	CHANGE IN NET ASSETS FROM OPERATIONS	(\$6,035,216)	\$473,665 (U) (\$5,561,551)
Surplus	Surplus				Surplus	Surplus



CAPITAL EXPENDITURE STATEMENT

FEBRUARY 2010

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					

Governance and Corporate Services

\$286,327	\$371,324	(\$84,997)	(F)	\$80,091	Purchase Vehicles - Ascot Place (24440/00)	\$556,988	(\$11,398)	(F)	\$545,590
\$15,128	\$41,332	(\$26,204)	(F)	\$21,106	Purchase Office Equipment - Corporate Services (24510/01)	\$62,000	(\$22,000)	(F)	\$40,000
\$4,917	\$33,000	(\$28,083)	(F)	\$0	Purchase Information Technology PC's and Printers (24550/00)	\$82,500	(\$12,500)	(F)	\$70,000
\$38,386	\$99,000	(\$60,614)	(F)	\$0	Purchase Network Communication Equipment (24560/00)	\$148,500	\$0	(F)	\$148,500
\$35,593	\$88,666	(\$53,073)	(F)	\$9,772	Purchase Information Technology Servers (24570/00)	\$133,000	\$0	(F)	\$133,000
\$764	\$10,666	(\$9,902)	(F)	\$1,591	Purchase PABX/Telephone Equipment (24580/00)	\$16,000	\$0	(F)	\$16,000
\$1,445	\$1,332	\$113	(U)	\$0	Purchase/ Replace other Equipment - Ascot Place (24590/01)	\$2,000	\$0	(F)	\$2,000
\$0	\$6,666	(\$6,666)	(F)	\$0	Purchase Office Furniture and Fittings - Corporate Services (24610/01)	\$10,000	\$0	(F)	\$10,000
\$4,727	\$8,000	(\$3,273)	(F)	\$5,727	Purchase Art Works (24620/00)	\$12,000	\$0	(F)	\$12,000
\$291	\$1,332	(\$1,041)	(F)	\$0	Purchase/ Replace Miscellaneous Furniture and Equipment-Ascot Place (24690/00)	\$2,000	\$0	(F)	\$2,000
\$3,220	\$0	\$3,220	(U)	\$0	Upgrade Landscaping - Ascot Place (25140/01)	\$0	\$20,000	(U)	\$20,000
\$495,984	\$332,000	\$163,984	(U)	\$1,121,191	Upgrade Administration Building - Ascot Place (25240/01)	\$839,000	\$826,000	(U)	\$1,665,000
\$15,340	\$86,000	(\$70,660)	(F)	\$0	Upgrade Air Conditioning Equipment - Ascot Place (25240/02)	\$227,000	(\$208,449)	(F)	\$18,551
\$0	\$6,664	(\$6,664)	(F)	\$0	Upgrade Security Equipment - Ascot Place (25530/01)	\$10,000	\$10,000	(U)	\$20,000
\$902,122	\$1,085,982	(\$183,860)	(F)	\$1,239,478		\$2,100,988	\$601,653	(U)	\$2,702,641



CAPITAL EXPENDITURE STATEMENT

FEBRUARY 2010

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Full Year		
Actual	Budget	Variance			Current Budget	Forecast Change	End of Year Forecast

Environmental Services

\$0	\$1,332	(\$1,332)	(F)	\$0 Purchase Office Equipment - Environmental Services (24510/05)	\$2,000	\$0	(F)	\$2,000
\$0	\$1,000	(\$1,000)	(F)	\$0 Purchase Office Furniture and Fittings - Environmental Services (24610/05)	\$1,500	\$0	(F)	\$1,500
\$0	\$2,332	(\$2,332)	(F)	\$0	\$3,500	\$0	(F)	\$3,500

Regional Development

\$574	\$1,000	(\$426)	(F)	\$0 Purchase Office Equipment - Regional Development (24510/04)	\$1,500	\$0	(F)	\$1,500
\$0	\$0	\$0	(F)	\$0 Purchase Other Equipment - Regional Development (24590/08)	\$0	\$3,430	(U)	\$3,430
\$0	\$1,000	(\$1,000)	(F)	\$0 Purchase Office Furniture and Fittings - Regional Development (24610/04)	\$1,500	\$0	(F)	\$1,500
\$574	\$2,000	(\$1,426)	(F)	\$0	\$3,000	\$3,430	(U)	\$6,430

Risk Management

\$0	\$332	(\$332)	(F)	\$0 Purchase Office Equipment - Risk Management (24510/06)	\$500	\$0	(F)	\$500
\$0	\$332	(\$332)	(F)	\$0 Purchase Office Furniture and Fittings - Risk Management (24610/06)	\$500	\$0	(F)	\$500
\$0	\$664	(\$664)	(F)	\$0	\$1,000	\$0	(F)	\$1,000

Resource Recovery

\$0	\$666	(\$666)	(F)	\$0 Purchase Office Equipment - Resource Recovery (24510/07)	\$1,000	\$0	(F)	\$1,000
\$5,497	\$666	\$4,831	(U)	\$0 Purchase Other Equipment - Resource Recovery (24590/07)	\$1,000	\$5,000	(U)	\$6,000
\$772	\$1,000	(\$228)	(F)	\$0 Purchase Office Furniture and Fittings - Resource Recovery (24610/07)	\$1,500	\$0	(F)	\$1,500
\$6,269	\$2,332	\$3,937	(U)	\$0	\$3,500	\$5,000	(U)	\$8,500



CAPITAL EXPENDITURE STATEMENT

FEBRUARY 2010

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					
Waste Management							
\$0	\$0	\$0 (F)		\$0 Construct Waste Management Facility Buildings - Red Hill Landfill Facility (24250/01)	\$5,000	(\$5,000) (F)	\$0
(\$2,761)	\$50,032	(\$52,793) (F)		\$0 Construct Waste Management Facility Buildings - Hazelmere (24250/02)	\$50,050	\$0 (F)	\$50,050
\$0	\$0	\$0 (F)		\$0 Investigate and Design Number 3 Workshop - Redhill Landfill Facility (24259/01)	\$60,000	\$0 (F)	\$60,000
\$7,980	\$33,328	(\$25,348) (F)	\$1,909	Construct Waste Management Facility Buildings - Other - Hazelmere (24259/02)	\$50,000	\$0 (F)	\$50,000
\$1,632,836	\$2,144,423	(\$511,587) (F)	\$440,073	Construct Class III Cell Farm Stage 1 - Red Hill Landfill Facility (24310/08)	\$3,420,268	(\$318,268) (F)	\$3,102,000
\$0	\$0	\$0 (F)		\$0 Investigate and Design Class III Cell Farm Stage 2 - Redhill Landfill Facility (24310/09)	\$5,000	(\$5,000) (F)	\$0
\$5,595	\$2,000	\$3,595 (U)		\$0 Investigate and Design Class III Cell Farm Stage 3 - Redhill Landfill Facility (24310/10)	\$8,500	\$0 (F)	\$8,500
\$187,863	\$110,000	\$77,863 (U)	\$97,363	Construct Class III Leachate Pond - Red Hill Landfill Facility (24320/01)	\$330,000	\$100,000 (U)	\$430,000
\$0	\$0	\$0 (F)		\$0 Construct Siltation Ponds - Red Hill Landfill Facility (24350/00)	\$46,000	(\$46,000) (F)	\$0
\$6,916	\$7,000	(\$84) (F)		\$0 Construct Roads / Carparks - Red Hill Landfill Facility (24370/00)	\$111,120	(\$101,120) (F)	\$10,000
\$0	\$0	\$0 (F)	\$71,850	Construct Water Storage Dams - Red Hill Landfill Facility (24393/00)	\$580,000	(\$500,000) (F)	\$80,000
\$890	\$0	\$890 (U)		\$0 Construct Water Storage Dams/Tanks - Hazelmere (24393/01)	\$0	\$979 (U)	\$979
\$0	\$0	\$0 (F)		\$0 Construct Perimeter Fencing - Red Hill Landfill Facility (24394/00)	\$12,600	\$0 (F)	\$12,600



CAPITAL EXPENDITURE STATEMENT

FEBRUARY 2010

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					
Waste Management							
\$2,210	\$0	\$2,210 (U)	\$0	Construct Hardstand and Road - Hazelmere (24395/01)	\$0	\$3,100 (U)	\$3,100
\$0	\$13,328	(\$13,328) (F)	\$0	Construct Monitoring Bores - Red Hill Landfill Facility (24396/00)	\$20,000	\$0 (F)	\$20,000
(\$495)	\$3,328	(\$3,823) (F)	\$5,166	Construct Perimeter Bunds - Red Hill Landfill Facility (24397/00)	\$5,000	\$10,000 (U)	\$15,000
\$1,328,620	\$1,561,500	(\$232,880) (F)	\$1,057,671	Purchase / Replace Plant - Red Hill Landfill Facility (24410/00)	\$2,567,000	(\$181,063) (F)	\$2,385,937
\$47,175	\$164,266	(\$117,091) (F)	\$0	Purchase / Replace Plant - Hazelmere (24410/01)	\$283,900	\$0 (F)	\$283,900
\$111,135	\$120,328	(\$9,194) (F)	\$26,078	Purchase / Replace Minor Plant and Equipment-Red Hill Landfill Facility (24420/00)	\$178,400	(\$519) (F)	\$177,881
\$23,742	\$16,586	\$7,156 (U)	\$1,727	Purchase / Replace Minor Plant and Equipment - Hazelmere (24420/02)	\$24,880	\$0 (F)	\$24,880
\$75,755	\$60,356	\$15,399 (U)	\$67,217	Purchase / Replace Vehicles - Red Hill Landfill Facility (24430/00)	\$117,884	\$54,982 (U)	\$172,866
\$445	\$332	\$113 (U)	\$0	Purchase / Replace Office Equipment - Engineering / Waste Management (24510/02)	\$500	\$0 (F)	\$500
\$7,649	\$8,650	(\$1,001) (F)	\$0	Purchase / Replace Office Equipment - Red Hill Landfill Facility (24510/08)	\$9,000	\$0 (F)	\$9,000
\$0	\$400	(\$400) (F)	\$0	Purchase Fire Fighting System/Equipment - Hazelmere (24520/07)	\$600	\$0 (F)	\$600
\$0	\$3,000	(\$3,000) (F)	\$0	Purchase / Replace Fire Fighting Equipment - Red Hill Landfill Facility (24520/08)	\$6,000	(\$6,000) (F)	\$0
\$0	\$3,000	(\$3,000) (F)	\$0	Purchase / Replace Security System - Red Hill Waste Management Facility (24530/08)	\$7,900	(\$3,000) (F)	\$4,900
\$9,662	\$13,110	(\$3,448) (F)	\$5,327	Purchase / Replace Other Equipment - Red Hill Landfill Facility (24590/00)	\$35,650	\$0 (F)	\$35,650

CAPITAL EXPENDITURE STATEMENT

FEBRUARY 2010

Full Year

Year to Date			On Order	(F) = Favourable variation (U) = Unfavourable variation	Current Budget	Forecast Change	End of Year Forecast
Actual	Budget	Variance					
Waste Management							
\$17,466	\$17,666	(\$200) (F)	\$0	Purchase / Replace Miscellaneous Plant & Equipment - Hazelmere (24590/02)	\$26,500	(\$720) (F)	\$25,780
\$2,307	\$1,800	\$507 (U)	\$0	Purchase/Replace Other Equipment - Engineering and Waste Management (24590/03)	\$2,700	\$0 (F)	\$2,700
\$9,700	\$19,509	(\$9,809) (F)	\$0	Purchase Other Equipment - Waste Education Fluorescent Light Recycling Grant (24590/04)	\$19,509	(\$9,809) (F)	\$9,700
\$1,460	\$1,600	(\$140) (F)	\$0	Purchase Office Furniture and Fittings-Engineering and Waste Management (24610/03)	\$2,400	\$0 (F)	\$2,400
\$0	\$500	(\$500) (F)	\$0	Purchase / Replace Office Furniture and Fittings - Red Hill Landfill Facility (24610/08)	\$1,000	\$0 (F)	\$1,000
\$0	\$0	\$0 (F)	\$0	Purchase Office Furniture and Fittings-Hazelmere (24610/10)	\$0	\$720 (U)	\$720
\$0	\$7,996	(\$7,996) (F)	\$0	Purchase Miscellaneous Furniture and Fittings - Red Hill Education Programme (24690/01)	\$12,000	(\$1,500) (F)	\$10,500
\$0	\$16,446	(\$16,446) (F)	\$9,818	Refurbish Environmental Education Centre - Redhill Landfill Facility (25253/00)	\$32,300	(\$16,300) (F)	\$16,000
\$0	\$664	(\$664) (F)	\$0	Refurbish Waste Transfer Station Building - Red Hill Landfill Facility (25259/01)	\$25,000	(\$25,000) (F)	\$0
\$0	\$6,000	(\$6,000) (F)	\$0	Refurbish Plant - Red Hill Landfill Facility (25410/00)	\$24,000	\$0 (F)	\$24,000
\$0	\$300	(\$300) (F)	\$0	Refurbish Minor Plant - Red Hill Landfill Facility (25420/00)	\$1,200	\$0 (F)	\$1,200
\$3,476,149	\$4,387,448	(\$911,299) (F)	\$1,784,200		\$8,081,861	(\$1,049,518) (F)	\$7,032,343

\$4,385,114	\$5,480,758	(\$1,095,644) (F)	\$3,023,678	TOTAL CAPITAL EXPENDITURE	\$10,193,849	(\$439,435) (F)	\$9,754,414
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BALANCE SHEET

FEBRUARY 2010

Full Year

Actual 2008/2009	Actual Year to Date	(F) = Favourable variation (U) = Unfavourable variation	Current Budget 2009/2010	Forecast Change	Forecast 2009/2010
Current Assets					
\$1,921,192	\$1,884,509		\$1,388,143	\$2,571,077 (F)	\$3,959,220
\$22,205,947	\$25,722,588		\$21,840,922	(\$1,927,588) (U)	\$19,913,334
\$2,255,656	\$2,304,684		\$2,255,656	\$0 (F)	\$2,255,656
\$30,680	\$14,269		\$30,680	\$0 (F)	\$30,680
\$50,881	\$132,716		\$50,881	\$0 (F)	\$50,881
\$0	\$0		\$0	\$0 (F)	\$0
\$26,464,356	\$30,058,765		\$25,566,282	\$643,489 (F)	\$26,209,771
Current Liabilities					
\$0	\$0		\$0	\$0 (F)	\$0
\$1,762,406	\$2,172,709		\$1,762,406	\$0 (F)	\$1,762,406
\$902,420	\$902,420		\$935,503	\$0 (F)	\$935,503
\$0	\$0		\$0	\$0 (F)	\$0
\$0	\$0		\$0	\$0 (F)	\$0
\$2,664,826	\$3,075,129		\$2,697,909	\$0 (F)	\$2,697,909
\$23,799,530	\$26,983,636		\$22,868,373	\$643,489 (F)	\$23,511,862



BALANCE SHEET

FEBRUARY 2010

Actual 2008/2009	Actual Year to Date		Full Year		
			Current Budget 2009/2010	Forecast Change	Forecast 2009/2010
		(F) = Favourable variation (U) = Unfavourable variation			
Non Current Assets					
\$7,639,917	\$7,639,917	Property Plant and Equipment	\$7,639,917	\$20,000 (F)	\$7,659,917
\$2,509,418	\$2,482,931	Buildings	\$3,665,218	\$552,664 (F)	\$4,217,882
\$9,043,150	\$8,203,031	Structures	\$12,249,184	(\$940,659) (U)	\$11,308,525
\$3,995,921	\$4,593,506	Plant	\$6,275,064	(\$693,439) (U)	\$5,581,625
\$249,758	\$286,169	Equipment	\$684,737	(\$56,252) (U)	\$628,485
\$96,629	\$94,002	Furniture and Fittings	\$122,229	\$533 (F)	\$122,762
\$33,904	\$3,159,129	Work in Progress	\$33,904	\$0 (F)	\$33,904
\$0	\$0	Investments - Non Current	\$0	\$0 (F)	\$0
\$0	\$0	Non Current Assets Other	\$0	\$0 (F)	\$0
\$23,568,696	\$26,458,685	Total Non Current Assets	\$30,670,252	(\$1,117,153) (U)	\$29,553,099
Non Current Liabilities					
\$1,317,897	\$1,317,897	Provisions	\$1,453,081	\$0 (F)	\$1,453,081
\$0	\$0	Borrowings - Long Term Portion	\$0	\$0 (F)	\$0
\$0	\$0	Non Current Liabilities Other	\$0	\$0 (F)	\$0
\$1,317,897	\$1,317,897	Total Non Current Liabilities	\$1,453,081	\$0 (F)	\$1,453,081
Equity					
\$19,513,931	\$19,513,931	Accumulated Surplus/Deficit	\$25,015,132	\$473,664 (U)	\$24,541,468
\$0	\$0	AAS27 Adjustments	\$0	\$0 (F)	\$0
\$0	\$0	Asset Revaluation Reserve	\$0	\$0 (F)	\$0
\$26,536,398	\$26,536,398	Cash Backed Reserves	\$27,070,412	\$0 (F)	\$27,070,412
\$46,050,330	\$46,050,330	Total Equity	\$52,085,545	\$473,664 (U)	\$51,611,881
\$0	\$6,074,094	Net change in assets from operations	\$0	\$0	\$0

Note : A negative value in the Forecast Change column of the Equity section results in a favourable increase in the equity position of the organisation.



CASH AND INVESTMENTS

FEBRUARY 2010

Full Year

Actual
2008/2009

YTD Actual
2009/2010

(F) = Favourable variation
(U) = Unfavourable variation

Current
Budget
2009/2010

Forecast
Change

Forecast
2009/2010

Municipal Cash and Investments

1,917,892	1,881,209	Cash at Bank - Municipal Fund 01001/00	1,384,843	2,571,077	(F)	3,955,920
1,250	1,250	Cash on Hand - Ascot Place 01019/00	1,250	0	(F)	1,250
600	600	Cash on Hand - Walliston/Mathieson & Coppin Road Transfer Stations 01019/01	600	0	(F)	600
1,450	1,450	Cash on Hand - Red Hill / Hazelmere 01019/02	1,450	0	(F)	1,450
2,587,743	5,019,697	Investments - Municipal Fund 02021/00	1,443,243	151,300	(F)	1,594,543
4,508,935	6,904,206	Total Municipal Cash	2,831,386	2,722,377	(F)	5,553,763

Restricted Cash and Investments

776,748	791,819	Restricted Investments - Plant and Equipment 02022/01	37,738	78,798	(F)	116,536
2,635,734	2,702,361	Restricted Investments - Site Rehabilitation Red Hill 02022/02	2,624,172	57,800	(F)	2,681,972
2,946,239	3,003,402	Restricted Investments - Future Development 02022/03	1,516,139	(1,013,100)	(U)	503,039
281,405	286,865	Restricted Investments - Environmental Monitoring Red Hill 02022/04	292,905	(1,250)	(U)	291,655
238,367	242,992	Restricted Investments - Environmental Insurance Red Hill 02022/05	223,411	(1,050)	(U)	222,361
10,522	10,726	Restricted Investments - Risk Management 02022/06	10,952	(50)	(U)	10,902
87,232	88,925	Restricted Investments - Class IV Cells Red Hill 02022/07	137,809	140,777	(F)	278,586
412,501	420,504	Restricted Investments - Regional Development 02022/08	55,706	100,452	(F)	156,158
16,080,560	16,392,555	Restricted Investments - Secondary Waste Processing 02022/09	21,772,232	(2,164,159)	(U)	19,608,073
3,013,965	3,072,442	Restricted Investments - Class III Cells 02022/10	544,024	180,997	(F)	725,021
53,125	54,156	Restricted Investments - Building Refurbishment (Ascot Place) 02022/11	55,325	(250)	(U)	55,075
(7,430,675)	(6,886,278)	Restricted Investments - Unrealised Loss/Gain on Investments 02022/20	(7,430,675)	544,397	(F)	(6,886,278)
512,481	522,424	Restricted Investments - Long Service Leave 02022/90	557,941	(2,250)	(U)	555,691
19,618,204	20,702,891	Total Restricted Cash	20,397,679	(2,078,888)	(U)	18,318,791
24,127,139	27,607,097	TOTAL CASH AND INVESTMENTS	23,229,065	643,489	(F)	23,872,554

The Cash at Bank - Municipal Fund represents the balance on the last day of the relevant month. Any portion of the balance available for investment is transferred into the Investment - Municipal Fund account in the following period. Funds held in the Cash at Bank - Municipal Fund continue to accrue interest as per the Westpac commercial rates.



13 REPORTS OF DELEGATES

Nil

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

Nil

15 GENERAL BUSINESS

Nil

16 FUTURE MEETINGS OF THE AUDIT COMMITTEE

Meetings of the Audit Committee are covered under the Audit Committee Terms of Reference as follows.

“2.3 Meetings

The committee meet as required at the discretion of the chairman of the committee at least three (3) times per year to coincide with approval of strategic and annual plans, the annual budget and the auditor’s report on the annual financial report.

Additional meetings shall be convened at the discretion of the Chairman or at the written request of any member of the Committee or external auditor.”

Future Meetings 2010

Thursday	3	June (if required)	at	EMRC Administration Office
Thursday	8	July (if required)	at	EMRC Administration Office
Thursday	5	August	at	EMRC Administration Office
Thursday	9	September (if required)	at	EMRC Administration Office
Thursday	14	October (if required)	at	EMRC Administration Office

17 DECLARATION OF CLOSURE OF MEETING

There being no further business the meeting was closed at 7.20pm.



**15.5 CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE MEETING HELD
15 APRIL 2010
(REFER TO MINUTES OF COMMITTEE - MAUVE PAGES)
REFERENCE: COMMITTEES-10638**

The minutes of the Chief Executive Officer Performance Review Committee meeting held on **15 April 2010** accompany and form part of this agenda – (refer to mauve section of 'Minutes of Committees' for Council accompanying this Agenda).

QUESTIONS

The Chairman invited general questions from members on the report of the Chief Executive Officer Performance Review Committee. Any questions relating to the confidential report will be dealt with under section 19.2 of the agenda "Confidential Items."

RECOMMENDATION(S)

That with the exception of items, which are to be withdrawn and dealt with separately, the recommendations in the Chief Executive Officer Performance Review Committee report (Section 15.6) be adopted.

RECOMMENDATION(S)

That the minutes of the Chief Executive Officer Performance Review Committee meeting held 15 April 2010 be noted.

COUNCIL RESOLUTION(S)

MOVED CR PULE

SECONDED CR POWELL

THAT THE MINUTES OF THE CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE MEETING HELD 15 APRIL 2010 BE NOTED.

CARRIED UNANIMOUSLY

CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE (CEOPRC)**MINUTES****15 April 2010****(Ref: COMMITTEES-10638)**

A meeting of the Chief Executive Officer Performance Review Committee was held at the EMRC Administration Office, 1st Floor, 226 Great Eastern Highway, BELMONT WA 6104 on **Thursday, 15 April 2010**. The meeting commenced at **5:30pm**.

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1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Chief Executive Officer opened the meeting at 5:30pm.

2 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

Councillor Attendance

Cr Gerry Pule (Chairman)	EMRC Member	Town of Bassendean
Cr Graham Pittaway	EMRC Member	City of Bayswater
Cr Janet Powell (Deputy Chairman)	EMRC Member	City of Belmont
Cr Don McKechnie	EMRC Member	Shire of Kalamunda
Cr David Färdig	EMRC Member	City of Swan

Apologies

Cr Tony Cuccaro	EMRC Member	Shire of Mundaring
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EMRC Officers

Mr Peter Schneider	Chief Executive Officer
Ms Prapti Mehta	Manager Organisational Development
Ms Theresa Eckstein	Executive Assistant to CEO (Minutes)

3 DISCLOSURE OF INTERESTS

At the invitation of the Chairman, the Executive Manager Corporate Services advised the following disclosures of interest.

3.1 PRAPTI MEHTA – MANAGER ORGANISATIONAL DEVELOPMENT – INTERESTS AFFECTING IMPARTIALITY:

Item:	13.1
Subject:	Confidential Item 13.1 - Chief Executive Officer Performance Review 2009/2010
Nature of Interest:	Disclosure of Interests Affecting Impartiality, EMRC Code of Conduct 1.3(a). Due to reporting relationship to the CEO

3.2 PETER SCHNEIDER – CHIEF EXECUTIVE OFFICER – INTERESTS AFFECTING IMPARTIALITY:

Item:	13.1
Subject:	Confidential Item 13.1 - Chief Executive Officer Performance Review 2009/2010
Nature of Interest:	Subject matter of the Report relates to the Chief Executive Officer



4 ANNOUNCEMENT BY THE CHAIRMAN OR PERSON PRESIDING WITHOUT DISCUSSION

4.1 ELECTION OF A CHAIRMAN OF THE CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE (CEOPRC)

REFERENCE: COMMITTEES-10768

PURPOSE OF REPORT

To provide for an election to be conducted for the office of Chairman of the Chief Executive Officer Performance Review Committee (CEOPRC)

KEY ISSUES AND RECOMMENDATION(S)

- It is a statutory requirement that a Committee elects a Chairman at the first meeting of the CEOPRC.

Recommendation(s)

That the members of the Chief Executive Officer Performance Review Committee elect a Chairman by secret ballot.

SOURCE OF REPORT

Manager Administration & Compliance

BACKGROUND

A Special Meeting of Council was held on Thursday 29 October 2009. The purpose of the meeting was to elect the EMRC Chairman and Deputy Chairman and appoint members to the EMRC Committees.

CEOPRC MEMBERS 2009-2011

The following CEOPRC members were appointed to the CEOPRC at the Ordinary Meeting of Council held on 29 October 2010.

Cr Gerry Pule	Town of Bassendean
Cr Graham Pittaway	City of Bayswater
Cr Janet Powell	City of Belmont
Cr Don McKechnie	Shire of Kalamunda
Cr Tony Cuccaro	Shire of Mundaring
Cr David Färdig	City of Swan

In accordance with section 5.12(1) of the Local Government Act 1995, the members of a committee are to elect a presiding member from amongst themselves in accordance with Schedule 2.3, Division 1.

It is a requirement of Schedule 2.3 of the Local Government Act 1995 (the Act) that the election is conducted by the Chief Executive Officer and the nominations for the Office are to be given to the Chief Executive Officer in writing before the meeting or during the meeting before the close of nominations. Furthermore, if a member is nominated by another member the Chief Executive Officer is not to accept the nomination unless the nominee has advised the Chief Executive Officer, orally or in writing, that he or she is willing to be nominated for the Office. Members are to vote on the matter by secret ballot.

The procedure outlined in Schedule 2.3 of the Act will be followed if there is an equality of votes.



Item 4.1 continued

REPORT

The Chief Executive Officer will preside at the meeting until the office of Chairman is filled.

The following material accompanies the agenda for this meeting as a means of assisting members of the Committee to nominate themselves or another member for the Office of Chairman of the CEOPRC.

1. A blank nomination form for the Office of Chairman of the CEOPRC, nominate oneself
2. A blank nomination form for the Office of Chairman of the CEOPRC, nominate another
3. A blank ballot paper for Election of Chairman of the CEOPRC

Ballot papers will be made available prior to voting.

The completed nomination forms are to be given to the Chief Executive Officer before the meeting or when the Chief Executive Officer calls for them when dealing with this item at the meeting.

STRATEGIC/POLICY IMPLICATIONS

Election of a chairman is a statutory requirement.

FINANCIAL IMPLICATIONS

Nil

SUSTAINABILITY IMPLICATIONS

Nil

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT(S)

1. A blank nomination form for the Office of Chairman of the CEOPRC, nominate oneself ([Ref: Committees-10770](#))
2. A blank nomination form for the Office of Chairman of the CEOPRC, nominate another ([Ref: Committees-10770](#))
3. Ballot Paper – Election of CEOPRC Chairman ([Ref: Committees-10772](#))



Item 4.1 continued

VOTING REQUIREMENT

Secret Ballot by CEOPRC Members.

RECOMMENDATION(S)

That the members of the Chief Executive Officer Performance Review Committee elect a Chairman.

The Chief Executive Officer advised that he had received no nominations for the Office of Chairman of the Chief Executive Officers Performance Review Committee prior to the meeting and called for nominations.

Cr McKechnie nominated Cr Pule who accepted the nomination.

No further nominations were received.

ANNOUNCEMENT: OF THE OFFICE OF CHAIRMAN

There being no further nominations Cr Pule was declared Chairman of the Chief Executive Officers Performance Review Committee unopposed for the term commencing 15 April 2010 until 2011.

The Chief Executive Officer vacated the Chair.

Councillor Pule took the Chair.



Nomination for Chairman

To the Chief Executive Officer

I hereby nominate myself, _____ for the position of Chairman of the Eastern Metropolitan Regional Council Chief Executive Officer Performance Review Committee for the term of Office commencing on the date of the election and continuing until a new Chairman is elected in accordance with Clause 7.4 of the EMRC Establishment Agreement.

Signed: _____

Date: _____



Nomination for Chairman

To the Chief Executive Officer

I hereby nominate _____ for the position of Chairman of the Eastern Metropolitan Regional Council Chief Executive Officer Performance Review Committee for the term of Office commencing on the date of the election and continuing until a new Chairman is elected in accordance with Clause 7.4 of the EMRC Establishment Agreement.

Signed: _____

Date: _____ 2007

*I _____ hereby certify that I accept the above nomination to the position of Chairman of the Eastern Metropolitan Regional Council Chief Executive Officer Performance Review Committee.

Signed: _____

Date: _____ 2007

*This certificate is to be completed when a Representative is nominated by another Representative.



**Eastern Metropolitan Regional Council
Chief Executive Officer Performance Review Committee
(CEOPRC)
Thursday 15 April 2010**

**BALLOT PAPER FOR THE
ELECTION OF THE CEOPRC CHAIRMAN**

HOW TO VOTE

Please number all the boxes opposite the candidates' name in the order of your choice, using number 1 for your first choice, number 2 for your second choice, and so on. Remember to number every box to make your vote count.

Do not make any other marks on the ballot paper.

Last name, First Name

Last Name, First Name

Last Name, First Name



4.2 ELECTION OF A DEPUTY CHAIRMAN OF THE CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE

REFERENCE: COMMITTEES-10769

PURPOSE OF REPORT

To provide for an election to be conducted for the office of Deputy Chairman of the Chief Executive Officer Performance Review Committee (CEOPRC).

KEY ISSUES AND RECOMMENDATION(S)

- In accordance with section 5.12 (2) of the Local Government Act 1995, the members of a committee may elect a deputy presiding member from amongst themselves.

Recommendation(s)

That the members of the Chief Executive Officer Performance Review Committee elect a Deputy Chairman by secret ballot.

SOURCE OF REPORT

Manager Administration & Compliance

BACKGROUND

A Special Meeting of Council was held on Thursday 29 October 2009. The purpose of the meeting was to elect the EMRC Chairman and Deputy Chairman and appoint members to the EMRC Committees.

CEOPRC MEMBERS 2009-2011

The following CEOPRC members were appointed to the CEOPRC at the Ordinary Meeting of Council held on 29 October 2010.

Cr Gerry Pule	Town of Bassendean
Cr Graham Pittaway	City of Bayswater
Cr Janet Powell	City of Belmont
Cr Don McKechnie	Shire of Kalamunda
Cr Tony Cuccaro	Shire of Mundaring
Cr David Färdig	City of Swan

In accordance with section 5.12 (2) of the Local Government Act 1995, the members of a committee may elect a deputy presiding member from amongst themselves.

It is a requirement of Schedule 2.3 of the Local Government Act 1995 (the Act) that the election is conducted by the Chairman and the nominations for the Office are to be given to the Chairman in writing before the meeting or during the meeting before the close of nominations. Furthermore, if a member is nominated by another member, the Chairman is not to accept the nomination unless the nominee has advised the Chairman, orally or in writing, that he or she is willing to be nominated for the Office. Members are to vote on the matter by secret ballot.

The procedure outlined in Schedule 2.3 of the Act will be followed if there is an equality of votes.



Item 4.2 continued

REPORT

The following material accompanies the agenda for this meeting as a means of assisting members of the Committee to nominate themselves or another member for the Office of Deputy Chairman of the CEOPRC.

1. A blank nomination form for the Office of Deputy Chairman of the CEOPRC, nominate oneself
2. A blank nomination form for the Office of Deputy Chairman of the CEOPRC, nominate another
3. A blank ballot paper for Election of Deputy Chairman of the CEOPRC

Ballot papers will be made available prior to voting.

The completed nomination forms are to be given to the Chairman before the meeting or when the Chairman calls for them when dealing with this item at the meeting.

STRATEGIC/POLICY IMPLICATIONS

Election of a Deputy Chairman is permissible in accordance with section 5.12 (2) of the Local Government Act 1995.

FINANCIAL IMPLICATIONS

Nil

SUSTAINABILITY IMPLICATIONS

Nil

MEMBER COUNCIL IMPLICATIONS

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

ATTACHMENT(S)

1. A blank nomination form for the Office of Deputy Chairman of the CEOPRC, nominate oneself (Ref: Committees-10771)
2. A blank nomination form for the Office of Deputy Chairman of the CEOPRC, nominate another (Ref: Committees-10771)
3. Ballot Paper – Election of CEOPRC Deputy Chairman ([Ref: Committees-10773](#))



Item 4.2 continued

VOTING REQUIREMENT

Secret Ballot by CEOPRC Members.

RECOMMENDATION(S)

That the members of the Chief Executive Officer Performance Review Committee elect a Deputy Chairman by secret ballot.

The Chief Executive Officer advised that he had received no nominations for the Office of Deputy Chairman of the Chief Executive Officers Performance Review Committee prior to the meeting and called for nominations.

Cr McKechnie nominated Cr Powell who accepted the nomination.

No further nominations were received.

ANNOUNCEMENT: OF THE OFFICE OF DEPUTY CHAIRMAN

There being no further nominations Cr Powell was declared Deputy Chairman of the Chief Executive Officers Performance Review Committee unopposed for the term commencing 15 April 2010 until 2011.



Nomination for Deputy Chairman

To the Chief Executive Officer

I hereby nominate myself, _____ for the position of Deputy Chairman of the Eastern Metropolitan Regional Council Chief Executive Officer Performance Review Committee for the term of Office commencing on the date of the election and continuing until a new Deputy Chairman is elected in accordance with Clause 7.4 of the EMRC Establishment Agreement.

Signed: _____

Date: _____



Nomination for Deputy Chairman

To the Chief Executive Officer

I hereby nominate _____ for the position of Deputy Chairman of the Eastern Metropolitan Regional Council Chief Executive Officer Performance Review Committee for the term of Office commencing on the date of the election and continuing until a new Deputy Chairman is elected in accordance with Clause 7.4 of the EMRC Establishment Agreement.

Signed: _____

Date: _____

*I _____ hereby certify that I accept the above nomination to the position of Deputy Chairman of the Eastern Metropolitan Regional Council Chief Executive Officer Performance Review Committee.

Signed: _____

Date: _____

*This certificate is to be completed when a Representative is nominated by another Representative.



**Eastern Metropolitan Regional Council
 Chief Executive Officer Performance Review Committee
 (CEOPRC)
 Thursday 15 April 2010**

**BALLOT PAPER FOR THE
 ELECTION OF THE CEOPRC DEPUTY CHAIRMAN**

HOW TO VOTE

Please number all the boxes opposite the candidates' name in the order of your choice, using number 1 for your first choice, number 2 for your second choice, and so on. Remember to number every box to make your vote count.

Do not make any other marks on the ballot paper.

Last name, First Name

Last Name, First Name

Last Name, First Name



5 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

5.1 MINUTES OF THE CEOPRC MEETING HELD 12 MARCH 2009

REFERENCE: COMMITTEES-9049

That the minutes of the Chief Executive Officer Performance Review Committee meeting held on 12 March 2009 which have been distributed, be confirmed.

CEOPRC RESOLUTION(S)

MOVED CR MCKECHNIE

SECONDED CR FÄRDIG

THAT THE MINUTES OF THE CHIEF EXECUTIVE OFFICERS PERFORMANCE REVIEW COMMITTEE MEETING HELD ON 12 MARCH 2009 WHICH HAVE BEEN DISTRIBUTED, BE CONFIRMED.

CARRIED UNANIMOUSLY

6 PRESENTATIONS

Nil

7 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

8 QUESTIONS WITHOUT NOTICE

Nil

9 ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH THE MEETING 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 13.1 of this agenda.

- 9.1 PROPOSED PROCESS FOR ESTABLISHING THE CHIEF EXECUTIVE OFFICER'S PERFORMANCE OBJECTIVES FOR 2010



10 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil

11 REPORTS OF OFFICERS

Nil

12 REPORTS OF DELEGATES

Nil

13 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) (a), (b) & (c) of the Local Government Act 1995 for the purpose of dealing with matters of a confidential nature.

CEOPRC RESOLUTION(S)

MOVED CR POWELL

SECONDED CR PITTAWAY

THAT THE MEETING BE CLOSED TO MEMBERS OF THE PUBLIC IN ACCORDANCE WITH SECTION 5.23 (2) (A) & (C) OF THE LOCAL GOVERNMENT ACT FOR THE PURPOSE OF DEALING WITH MATTERS OF A CONFIDENTIAL NATURE.

CARRIED UNANIMOUSLY

The meeting was closed to the public.

13.1 PROPOSED PROCESS FOR ESTABLISHING THE CHIEF EXECUTIVE OFFICER'S PERFORMANCE OBJECTIVES FOR 2010/2011

REFERENCE: COMMITTEES-10629

See Confidential Item circulated with the Agenda under Separate Cover.

Item 13.1 was discussed by the committee.

RECOMMENDATION [Meeting re-opened to the public]

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

CEOPRC RESOLUTION(S)

MOVED CR FÄRDIG

SECONDED CR POWELL

THAT THE MEETING BE RE-OPENED, THE PUBLIC BE INVITED TO RETURN TO THE MEETING AND THE RECOMMENDATIONS PASSED BEHIND CLOSED DOORS BE RECORDED.

CARRIED UNANIMOUSLY

The meeting was reopened to the public.



Recording of the recommendations passed behind closed doors, namely:

13.1 PROPOSED PROCESS FOR ESTABLISHING THE CHIEF EXECUTIVE OFFICER'S PERFORMANCE OBJECTIVES FOR 2010/2011

REFERENCE: COMMITTEES-10629

CEOPRC RECOMMENDATION(S)

MOVED CR FÄRDIG

SECONDED CR POWELL

That:

1. Endorses the process and timetable for establishing the Chief Executive Officer's performance objectives.
2. Endorses the "Request for Proposal" brief shown at Attachment 2 to this report and incorporates an additional clause under Scope of Work, requesting the consultant to facilitate the Chief Executive Officer's performance review for the period 7 September 2009 to 30 June 2010.
3. Endorses the proposal to send the "Request for Proposal" brief to the four consultants identified within this report.
4. The report and attachments remain confidential and be certified by the Chairman and Chief Executive Officer.

CARRIED UNANIMOUSLY

14 GENERAL BUSINESS

Nil

15 FUTURE MEETINGS OF THE CEOPRC

The next meeting of the Chief Executive Officer Performance Review Committee will be held on **13 May 2010** at the EMRC Administration Office, 1st Floor, Ascot Place, 226 Great Eastern Highway, Belmont WA 6104 commencing at 5:30pm.

16 DECLARATION OF CLOSURE OF MEETING

There being no further business the meeting was closed at 6:10pm.



16 REPORTS OF DELEGATES

Nil

17 MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

18 NEW BUSINESS OF AN URGENT NATURE APPROVED BY THE CHAIRMAN OR PERSON PRESIDING OR BY DECISION OF MEETING

Nil

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

RECOMMENDATION (Closing meeting to the public)

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

COUNCIL RESOLUTION

MOVED CR MCKECHNIE

SECONDED CR POWELL

THAT WITH THE EXCEPTION OF THE CHIEF EXECUTIVE OFFICER, MANAGER ORGANISATIONAL DEVELOPMENT AND PERSONAL ASSISTANT TO THE DIRECTOR CORPORATE SERVICES, THE MEETING BE CLOSED TO MEMBERS OF THE PUBLIC IN ACCORDANCE WITH SECTION 5.23 (2) (C) OF THE LOCAL GOVERNMENT ACT FOR THE PURPOSE OF DEALING WITH MATTERS OF A CONFIDENTIAL NATURE.

CARRIED UNANIMOUSLY

The doors of the meeting were closed at 7.57pm and members of the public departed the Council Chambers.

The Chief Executive Officer, Manager Organisational Development and Personal Assistant to the Director Corporate Services, remained in the Council Chambers.

19.1 CONFIDENTIAL ATTACHMENT TO REPORT ITEM 9.2 OF THE RESOURCE RECOVERY COMMITTEE – VISIT TO RESOURCE RECOVERY FACILITIES, JANUARY 2010

REFERENCE: COMMITTEES-10780

POST MEETING NOTE

There was no discussion item 19.1 Confidential Attachment to Report Item 9.2 of the Resource Recovery Committee – Visit to Resource Recovery Facilities, January 2010.

19.2 ITEM 13.1 OF THE CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE - PROPOSED PROCESS FOR ESTABLISHING THE CHIEF EXECUTIVE OFFICER'S PERFORMANCE OBJECTIVES FOR 2010/2011

REFERENCE: COMMITTEES-10798

The Council considered the Confidential Item circulated with the Agenda under Separate Cover.



Item 19 continued

RECOMMENDATION [Meeting re-opened to the public]

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

COUNCIL RESOLUTION

MOVED CR POWELL

SECONDED CR GANGELL

THAT THE MEETING BE RE-OPENED, THE PUBLIC BE INVITED TO RETURN TO THE MEETING AND THE RESOLUTIONS PASSED BEHIND CLOSED DOORS BE RECORDED.

CARRIED UNANIMOUSLY

The Director Corporate Services, Executive Assistant to the Chief Executive Officer and members of the public returned to Council Chambers at 8.15pm.

Recording of the resolutions passed behind closed doors, namely:

19.1 CONFIDENTIAL ATTACHMENT TO REPORT ITEM 9.2 OF THE RESOURCE RECOVERY COMMITTEE – VISIT TO RESOURCE RECOVERY FACILITIES, JANUARY 2010

REFERENCE: COMMITTEES-10780

POST MEETING NOTE

There were no resolutions passed behind closed doors on this item.

19.2 ITEM 13.1 OF THE CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW COMMITTEE - PROPOSED PROCESS FOR ESTABLISHING THE CHIEF EXECUTIVE OFFICER'S PERFORMANCE OBJECTIVES FOR 2010/2011

REFERENCE: COMMITTEES-10798

COUNCIL RESOLUTION(S)

MOVED PULE

SECONDED CR POWELL

1. COUNCIL ENDORSES THE PROCESS AND TIMETABLE FOR ESTABLISHING THE CHIEF EXECUTIVE OFFICER'S PERFORMANCE OBJECTIVES NOTING THE DATES WILL CHANGE DUE TO A CLASH WITH THE EAST METROPOLITAN ZONE MEETING.
2. COUNCIL ENDORSES THE "REQUEST FOR PROPOSAL" BRIEF SHOWN AT ATTACHMENT 2 TO THIS REPORT AND INCORPORATES AN ADDITIONAL CLAUSE UNDER SCOPE OF WORK, REQUESTING THE CONSULTANT TO FACILITATE THE CHIEF EXECUTIVE OFFICER'S PERFORMANCE REVIEW FOR THE PERIOD 7 SEPTEMBER 2009 TO 30 JUNE 2010.
3. COUNCIL ENDORSES THE PROPOSAL TO SEND THE "REQUEST FOR PROPOSAL" BRIEF TO THE FOUR CONSULTANTS IDENTIFIED WITHIN THIS REPORT.
4. THE REPORT AND ATTACHMENTS REMAIN CONFIDENTIAL AND BE CERTIFIED BY THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER.

CARRIED UNANIMOUSLY



20 FUTURE MEETINGS OF COUNCIL

The next meeting of Council will be held on **Thursday 20 May 2010 (if required)** at the EMRC Administration Office, 1st Floor, Ascot Place, 226 Great Eastern Highway, Belmont WA 6104 commencing at 6.00pm.

Future Meetings 2010

Thursday	20	May (if required)	at	EMRC Administration Office
Thursday	17	June	at	EMRC Administration Office
Thursday	22	July (if required)	at	EMRC Administration Office
Thursday	19	August	at	EMRC Administration Office
Thursday	23	September (if required)	at	EMRC Administration Office
Thursday	21	October	at	EMRC Administration Office
Thursday	2	December	at	EMRC Administration Office
January 2011 (recess)				

21 DECLARATION OF CLOSURE OF MEETING

There being no further business, the meeting was closed at 8.16pm.