



**Confirmed Minutes of the Ordinary Meeting of the
Southern Metropolitan Regional Council
held at the Town of Kwinana Council Chambers
Cnr Gilmore Ave and Sulphur Rd Kwinana
Thursday 29 May 2008
Commencing at 5.00pm**

1. Declaration of Opening / Announcement of Visitors

The Chairman welcomed members and Mr John Woodhouse from Woodhouse Legal and declared the meeting open at 5.00pm.

2. Record of Attendance / Apologies / Leave of Absence (previously approved)

Cr Doug Thompson (<i>Chairman</i>)	City of Fremantle
Mayor Stephen Lee (<i>from 5.08pm</i>)	City of Cockburn
Mayor Alan Ferris	Town of East Fremantle
Cr Sandra Lee	Town of Kwinana
Cr Clive Robartson OAM (<i>Deputy Chairman</i>)	City of Melville
Cr Richard Smith	City of Rockingham
Mr Stephen Cain	City of Cockburn
Mr Jim Duff	City of Fremantle
<u>Mr Mauarice Ferialdi</u>	<u>Town of Kwinana</u>
Mr Kumar Vadivale	City of Melville
Mr Stewart Marshall	City of Rockingham
Mr Stuart McAll	SMRC – Chief Executive Officer
Mr Chris Wiggins	SMRC–Manager Administration & Finance
Mr Brendan Doherty	SMRC – Manager Engineering Services
Mr Chuck Ellis	SMRC – Manager Communications
Mr Tim Youe	SMRC - Manager Business Development
Ms Debbie Winfield	SMRC-Executive Assistant to CEO- Minutes

Visitors:

Mr John Woodhouse (*5.05pm to 5.50pm*) Woodhouse Legal

Apologies:

Cr Bruce Mason	City of Canning
Mr Silvio Trinca	City of Canning
Mr Stuart Wearne	Town of East Fremantle
Mr Peter McKenzie	Town of Kwinana
Mr Marten Tieleman	City of Melville

3. Disclosure of Interests

Nil

4. Response to Previous Public Questions Taken on Notice

Nil

5. Public Question Time

Nil

6. Applications for Leave of Absence

Nil

7. Petitions / Deputations / Presentations

7.1 Presentation on Zero Waste Summit - China

The Chief Executive Officer provided a presentation to Council on the 'Towards Zero Waste Summit' that he and the Chairman attended in China last month, and responded to questions from the members.

7.2 Presentation on Odour Surveys

The Chief Executive Officer provided a presentation to Council on the recent 'Odour Surveys' conducted by 'The Odour Unit' and responded to questions from the members.

8. Confirmation of Minutes of Previous Meetings

8.1 SMRC Council Minutes – 24 April 2008

COUNCIL RESOLUTION

01.05.08 MOVED Mayor Stephen Lee SECONDED Mayor Ferris

That the Minutes of the previous Meeting of the Southern Metropolitan Regional Council, held on Thursday 24 April 2008 at the City of Fremantle Council Chambers, 8 William St, Fremantle be received as a true and accurate record.

CARRIED 6/0

9. Questions by Members of which Due Notice has been Given

Nil

10. Questions Without Notice

Nil

11. Announcement of Confidential Matters for which Meetings may be Closed to the Public

The Chairman advised that Confidential Reports Item 19.1 – 'Design and Construct MRF Contract', would be brought forward in the agenda and dealt with at this point in the meeting.

19. Confidential Matters for which the Meeting may be Closed to the Public

COUNCIL RESOLUTION/S

02.05.08 MOVED Mayor Ferris SECONDED Cr Robartson

That Item 19.1 **Design & Construct MRF Contract** and Item 19.2 Sale of Greenhouse Friendly™ Abatement be held behind closed doors in accordance with section 5.23 (2) (c) and (2) (e) (ii) of the LGA 1995.

CARRIED 6/0

At 5.25pm the meeting was closed to the public.

19.1 Design and Construct MRF Contract

The Chief Executive Officer provided a detailed account of the current status of the contract.

At the invitation of the Chairman, Mr John Woodhouse responded to questions from the Council.

COUNCIL RESOLUTION/S

03.05.08 MOVED Mayor Ferris SECONDED Cr Robartson

That the information be received.

CARRIED 6/0

Mr Woodhouse departed the meeting at 5.50pm.

19.2 Sale of Greenhouse Friendly™ Abatement

COUNCIL RESOLUTION/S

04.05.08 MOVED Cr Sandra Lee SECONDED Cr Robartson

That Council approves:

1. The sale of 30,000 Greenhouse Friendly Abatement Units to Emit Environmental Brokers in accordance with the terms and conditions of tendering.
2. The sale of 10,000 Greenhouse Friendly Abatement Units to BP Australia in accordance with the terms and conditions of tendering.
3. Consideration in the 2008/09 annual budget to employing a resource to assist in the development and administration of the necessary infrastructure to deliver on-line retail sales to market.

CARRIED 6/0

COUNCIL RESOLUTION/S

05.05.08 MOVED Mayor Ferris SECONDED Cr Robartson

That the meeting no longer be held behind closed doors.

CARRIED 6/0

At 6.00pm, the meeting was reopened to the public.

The Chairman advised that item 13 would be considered at this point in the meeting, and the agenda then considered in its normal sequence.

13. Report of Officers

13.1 Schedule of Accounts

COUNCIL RESOLUTION/S

06.05.08 MOVED Cr Sandra Lee SECONDED Mayor Ferris

That:

1. That the schedule of payments as listed in the attachment, amounting to \$1,900,256.06 for the municipal fund, be received.
2. The schedule of payments, as presented, be incorporated in the minutes of the meeting.

CARRIED 6/0

13.2 Financial Statements for the Period Ended 30 April 2008

COUNCIL RESOLUTION/S

07.05.08 MOVED Cr Sandra Lee SECONDED Cr Robartson

That the Statement of Financial Activity by Business Plan of the Southern Metropolitan Regional Council for the month ended 30 April 2008 be received.

CARRIED 6/0

13.3 Amended Draft 2008/09 Budget Parameters

Officer Recommendation/s

1. That the Draft 2008/09 Budget Parameters report dated 8 May 2008 be received.
2. The draft 2008/09 Waste Composting Facility Gate Fee for RRRC Participants be increased to \$114.60 per tonne (ex GST) with the introduction of a end of year dividend payment as determined in the proposed SMRC Financial Funding Strategy Report
3. A draft SMRC Financial Funding Strategy Report be prepared with assistance from the Regional Finance Manager's Group and presented to the Regional Council for consideration, taking into account the following:
 - Review of the RRRC Business Model and Plans;
 - Review of the SMRC Asset Replacement Plan;
 - Review of the SMRC Borrowing Strategy and Reserve Accounts;
 - Review of the SMRC Pricing Policy; and
 - Review of a Project Participant Dividend Payment Scheme.

Mayor Stephen Lee moved and Cr Smith seconded an alternative recommendation/s as follows:

1. That the draft 2008/09 budget parameters report dated 8 May be noted.
2. The proposed waste composting facility (WCF) gate fee for the 2008/09 financial year be set at \$106.50 per tonne (the 5% increase as initially proposed in the draft budget papers and briefed to Council on the 24th April 2008) with the budget papers being amended to reflect the projected deficit from the WCF to be subsidized from the projected surplus generated from the materials recovery facility (MRF).

Item 13.3 continued

3. A draft SMRC Financial Funding Strategy Report be prepared with assistance from the Regional Finance Manager's Group and presented to the Regional Council for consideration, taking into account the following:
 - Review of the RRRC Business Model and Plans;
 - Review of the SMRC Asset Replacement Plan;
 - Review of the SMRC Borrowing Strategy and Reserve Accounts;
 - Review of the SMRC Pricing Policy; and
 - Review of a Project Participant Dividend Payment Scheme.

Mayor Lee advised that his council had already prepared budgets based on the 5% increase and was concerned any new increase would have on his council budget.

At the request of the seconder Cr Smith, the mover Mayor Lee, agreed to change point 2 of the Alternative Recommendation by adding the words *"and that the member Councils be requested to set aside the difference in the event that the SMRC needs to call on those funds"*, as follows:

2. **The proposed waste composting facility (WCF) gate fee for the 2008/09 financial year be set at \$106.50 per tonne (the 5% increase as initially proposed in the draft budget papers and briefed to Council on the 24th April 2008) with the budget papers being amended to reflect the projected deficit from the WCF to be subsidized from the projected surplus generated from the materials recovery facility (MRF) and that the member Councils be requested to set aside the difference in the event that the SMRC needs to call on those funds.**

At the request of the Chairman, Cr Doug Thompson, the mover and seconder, Mayor Lee and Cr Smith respectively, agreed to add an additional dot point to point 3 of the alternative recommendation as follows:

- **That the SMRC Chief Executive Officer send a letter to the Chief Executive Officers and Mayors of the member Councils explaining the implications of the WCF gate fee for RRRC participants increasing 5% as compared to 13% in the 2008/09 financial year.**

COUNCIL RESOLUTION/S

08.05.08 MOVED Mayor Stephen Lee SECONDED Cr Smith

1. **That the draft 2008/09 budget parameters report dated 8 May be noted.**
2. **The proposed waste composting facility (WCF) gate fee for the 2008/09 financial year be set at \$106.50 per tonne (the 5% increase as initially proposed in the draft budget papers and briefed to Council on the 24th April 2008) with the budget papers being amended to reflect the projected deficit from the WCF to be subsidized from the projected surplus generated from the materials recovery facility (MRF) and that the member Councils be requested to set aside the difference in the event that the SMRC needs to call on those funds.**

Item 13.3 continued

3. A draft SMRC Financial Funding Strategy Report be prepared with assistance from the Regional Finance Manager's Group and presented to the Regional Council for consideration, taking into account the following:
 - Review of the RRRRC Business Model and Plans;
 - Review of the SMRC Asset Replacement Plan;
 - Review of the SMRC Borrowing Strategy and Reserve Accounts;
 - Review of the SMRC Pricing Policy; and
 - Review of a Project Participant Dividend Payment Scheme.
 - That the SMRC Chief Executive Officer send a letter to the Chief Executive Officers and Mayors of the member Councils explaining the implications of the WCF gate fee for RRRRC participants increasing 5% as compared to 13% in the 2008/09 financial year.

CARRIED 4/2

13.4 Information Bulletin

COUNCIL RESOLUTION/S

09.05.08 MOVED Cr Sandra Lee SECONDED Mayor Ferris

1. That the May 2008 Information Bulletin be received and noted.
2. That the SMRC Cash Investments report in the May 2008 Information Bulletin as Information Item 2.1 be received.

CARRIED 6/0

14. Reports of Committees

Nil

15. Reports of Delegates and Representatives Meetings

Nil

16. Announcements by the Chairman or Person Presiding without Discussion

16.1 Ten Years Service – Mr Brendan Doherty

The Chairman reported that Mr Brendan Doherty, Manager Engineering Services, had last month achieved a milestone – ten years of service to SMRC. He gave a brief overview of Mr Doherty's contribution to SMRC over this time and congratulated him on behalf of the SMRC Council.

17. Elected 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

tems 19.1 - 'Design and Construct MRF Contract' and 19.2 - 'Sale of Greenhouse Friendly™ Abatement' were considered by Council earlier in the agenda, following item 11 -'Announcement of Confidential Matters for which Meetings may be Closed to the Public'.

20. Future Meetings of Council

DATE 2008	VENUE
26 June	City of Melville
31 July	City of Rockingham
25 September	City of Canning
27 November	City of Cockburn

21. Declaration of Closure of Meeting

There being no further business, the Chairman declared the meeting closed at 6.32pm.