



SOUTHERN METROPOLITAN
REGIONAL COUNCIL

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MINUTES

SPECIAL MEETING OF COUNCIL

THURSDAY 8 JULY 2021

SOUTHERN METROPOLITAN REGIONAL COUNCIL
RRRC MEETING ROOM 350 BANNISTER ROAD CANNINGVALE

Our Purpose: *We deliver innovative and sustainable waste management solutions*

On behalf of our Participant Local Government



**SPECIAL MEETING OF COUNCIL
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1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Chairman welcomed everyone in attendance and declared the meeting open at 5.10pm.

“I respectfully acknowledge the traditional owners of the land on which this meeting is taking place today – the Nyungar people of Western Australia and pay our respects to their elders’ past and present”.

2. RECORD OF ATTENDANCE / APOLOGIES

PRESENT

Cr Doug Thompson (Chairman)	City of Fremantle
Cr Steve Kepert (Deputy Chairman)	City of Melville
Cr Cliff Collinson	Town of East Fremantle

Mr Graham Tattersall (REG Member)	City of Fremantle
Mr Nick King	Town of East Fremantle
Mr Paul Molony	City of Melville
Mr Tim Youé	SMRC, Chief Executive Officer
Mr Chris Wiggins	SMRC, Executive Manager Corporate Services
Mr Keith Swift	SMRC, Executive Manager RRR Operations

APOLOGIES

Mr Glen Dougall (Deputy REG Member)	City of Fremantle
Mr Gary Tuffin (REG Member)	Town of East Fremantle
Mr Mick McCarthy (REG Member)	City of Melville

3. DISCLOSURE OF INTERESTS:

Nil

4. PUBLIC QUESTION TIME

Nil

5. DEPUTATIONS / PRESENTATIONS:

Nil

6. ANNOUNCEMENTS BY THE CHAIRMAN OR PRESIDING PERSON

Nil

7. ELECTED MEMBER MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

8. ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH MEETING MAY BE CLOSED TO PUBLIC

Nil

9. REPORTS OF THE CEO

REPORT NO	9.1
SUBJECT	AMENDMENT OF 2021-22 GREEN WASTE FEES AND CHARGES
AUTHOR	C Wiggins, Executive Manager Corporate Services
AUTHOR'S INTEREST	Nil
DATE OF REPORT	6 July 2021
ATTACHMENTS	Nil

COUNCIL RESOLUTION

21.07-01 MOVED: CR C COLLINSON SECONDED: CR S KEPERT

CEO RECOMMENDATION:

1. THE SMRC 2021-22 FEES AND CHARGES BE AMENDED AS FOLLOWS:
 - a. GREEN WASTE COMMERCIAL CONTRACTS OVER 200 TONNES PA GATE FEE RANGE BETWEEN \$30.00 - \$75.00 P/T EX GST.
2. GIVE LOCAL PUBLIC NOTICE FOR THE AMENDED ADOPTED RANGE OF FEES AND CHARGES FOR GREEN WASTE RECEIVED AT THE RRRC FROM 12 JULY 2021.

CARRIED BY ABSOLUTE MAJORITY OF COUNCIL 3/-

VOTING REQUIREMENT

Absolute Majority of Council - S6.19 LGA

PURPOSE OF REPORT

To consider and adopt an amendment to the 2021-22 Green Waste Fees and Charges to attract new commercial business delivering green waste to the RRRC.

NATURE OF COUNCIL'S ROLE IN THE MATTER:

Advocative

Not applicable

Executive

The Council adopts Fees and Charges in accordance with section 6.16 of the Local Government Act.

Legislative

Local Government Act 1995 sections 6.16 and 6.19.

IMPLICATIONS TO CONSIDER:

Consultative:

It is a requirement under the Local Government to advertise all new and amended fees and charges after adopting the budget.

s1.7 LGA . Local public notice

Where under this Act local public notice of a matter is required to be given, notice of the matter must be –

- (a) *published on the official website of the local government; and*
- (b) *given in at least 3 of the ways prescribed for a period of not less than 7 days.*
 - i. *publication in a newspaper circulating generally in the State;*
 - ii. *exhibition on a notice board at the local government offices*
 - iii. *posting on a social media account administered by the local government.*

Strategic relevance:

Key Focus: Resource Recovery

Objective 1.1 We co-ordinate and facilitate solutions that divert waste from landfill.

Strategies	Actions	Timeframe			
		2021/22	2022/23	2023/24	2024/25
1.1.1 Optimise operations in recovery and re-use to add value	a. Pursue opportunities to partner with other organisations to achieve regional solutions for resource recovery	✓	✓	✓	✓

Objective 1.2 We will lead the change to new waste solutions.

Strategies	Actions	Timeframe				Informing Document
		2021/22	2022/23	2023/24	2024/25	
1.2.1 Investigate the viability of new technologies for waste recovery	a. Consider options for on site processing and resource recovery	✓	✓	✓	✓	SWMP No9
1.2.2 Investigate best use scenarios for current technology and site set up for FOGO	b. Optimise the use and revenue obtained from the RRRC	✓	✓	✓	✓	SWMP No7

Policy related:

1. Pricing Policy No 2.6 (Adopted Aug 2020)
2. SMRC Marketing Plan 2020-2024 (Adopted Feb 2021)
3. Adopted Annual Budget Fees and Charges 2021-22 (Adopted June 2021)
4. CEO Delegations 2021-22 (Adopted Feb 2021)

CEO DELEGATIONS 2021-22

DA 6)

AUTHORITY TO NEGOTIATE AND ENTER INTO SERVICE AGREEMENTS FOR SMRC SERVICES AND CONSULTANCIES WITHIN THE RANGE OF ADOPTED FEES AND CHARGES WITH A TOTAL VALUE NOT EXCEEDING \$20,000,000 EX GST AND TEN YEARS AND IN CONSULTATION WITH THE CHAIR.

Financial:

All proposed gate fees must achieve our pricing policy parameters with estimated additional profit margins funding offset fixed costs and overheads, future replacements or lowering current member gate fees.

Legal and statutory:

Local Government Act 1995

Section 6.16 . Imposition of fees and charges

(1) *A local government may impose and recover a fee or charge for any goods or service it provides or proposes to provide, other than a service for which a service charge is imposed.*

- (3) *Fees and charges are to be imposed when adopting the annual budget but may be —*
- (a) *imposed* during a financial year; and*
 - (b) *amended* from time to time during a financial year.*

** Absolute majority required.*

Section 6.19 . Local government to give notice of fees and charges

If a local government wishes to impose any fees or charges under this Subdivision after the annual budget has been adopted it must, before introducing the fees or charges, give local public notice of —

- (a) *its intention to do so; and*
- (b) *the date from which it is proposed the fees or charges will be imposed.*

REPORT:

SMRC has an opportunity to provide a competitive quotation for receipt and processing approx. 10,000 tonnes per annum of green waste.

To attract new business a competitive gate fee offering will need to be below our current range of scheduled fees and charges and requires council approval. The CEO has delegated authority to offer fees within the adopted range and delegated limits (DA6).

All proposed gate fees must meet our pricing policy parameters with estimated additional profit margins either funding fixed costs and overheads, or future replacements, or lowering current member gate fees.

It is proposed to amend the Green Waste Fees and Charges 2021-22 as follows:

Replace the minimum fee of \$50 with \$30.

Green Waste Commercial contracts over 200 tonnes pa - Range between \$30.00 - ~~\$50.00~~ - \$75.00 p/t EX GST.

SMRC MARKETING PLAN 2020-2024

5.3 GREEN WASTE FACILITY

1. Green Waste site is licenced to process 52,000tpa under the RRRC Operating Licence issued by DWER. (currently processing 9,000tpa)
2. Revenue from gate fees and sale of bulk processed mulch to licenced organics processors achieves gross profits to fund RRRC fixed overheads.
3. SMRC achieves a 100% recovery of clean uncontaminated green waste by its processing methods through a grinder to produce a shredded mulch. The shredded mulch is sent in bulk to licensed organics processors and used as an ingredient in the production of a range of AS4454 compliant soil conditioners, potting mixes and mulches.
4. Re-purpose or divide site to provided additional community services such as community drop off for problematic materials such as mattresses, e-waste, polystyrene etc.

PRICING POLICY No 2.6

SMRC's Pricing Policy (Policy no 2.6) provides a set of principles to assist in the preparation of a pricing model for its various stakeholders and customers. The following principles have been identified as relevant for SMRC's business activities and the revenue they generate:

2. Commercial Customer Pricing. These charges include an economic profit return and are based on industry market prices in both the public and private sector. The principles that influence this pricing model are:

- Account for operating variable costs and semi-variable costs
- Break-even analysis
- Profit margins
- Current market pricing - the price that could be charged by an alternative provider
- Demand

10. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

11. DECLARATION OF CLOSURE OF MEETING

There being no further business, the Chairman thanked those present for their attendance and the meeting was declared closed at 5:22 pm.

I hereby certify that the Minutes of the Special Council Meeting held on 8 July 2021 were confirmed on 26 August 2021.

Cr Doug Thompson
Presiding Member



Signature