

CITY OF ARMADALE

MINUTES

OF THE TECHNICAL SERVICES COMMITTEE HELD IN THE COMMITTEE ROOM, ADMINISTRATION CENTRE, 7 ORCHARD AVENUE, ARMADALE ON TUESDAY, 3 MARCH 2020 AT 7.00PM.

PRESENT:

Cr G Nixon (Chair)
Cr R Butterfield
Cr M S Northcott
Cr S Peter JP
Cr D M Shaw (Deputy for Cr E J Flynn)
Cr G J Smith

APOLOGIES:

Cr E J Flynn
Cr M Silver (Deputy Chair)
Cr C Frost (Deputy to Cr M Silver)
Ms J Abbiss Chief Executive Officer

OBSERVERS:

Cr J Munn

IN ATTENDANCE:

Mr K Ketterer	Executive Director Technical Services
Mr T Naude	Executive Manager Technical Services
Mr P Lanternier	Manager Parks
Mr M Tapscott	Manager Engineering Design
Mr N Burbridge	Manager Environmental Services
Ms K Bradshaw Chen	Coordinator Environmental Services
Mrs A Owen-Brown	Senior Administration Officer

PUBLIC:

2 (7.00 to 7.06pm)

“For details of Councillor Membership on this Committee, please refer to the City’s website – www.armadale.wa.gov.au/your_council/councillors.”

DISCLAIMER

The Disclaimer for protecting Councillors and staff from liability of information and advice given at Committee meetings was read as there were members of the public present.

DECLARATION OF MEMBERS' INTERESTS

Nil.

QUESTION TIME

Mr Jim Martin – 5 Derry Avenue, Mount Nasura

Q1: What financial year will the pathway on Derry Avenue be put in?

Response: The Executive Director Technical Services advised that this item was raised at the last council meeting and that a report regarding this matter is presented in this Agenda. The EDTS further advised that if the item is adopted at the next Council meeting (9 March 2020), the footpath would be installed in the next financial year (between 1 July 2020 to 30 June 2021).

DEPUTATION

Nil.

CONFIRMATION OF MINUTES

RECOMMEND

Minutes of the Technical Services Committee Meeting held on 3 February 2020 be confirmed.

Moved Cr S Peter

MOTION CARRIED

(6/0)

ITEMS REFERRED FROM INFORMATION BULLETIN

If any of the items from the Information Bulletin require clarification or a report for a decision of Council, this item to be raised for discussion at this juncture.

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1.1 - PETITION: FOOTPATH REQUEST - DERRY AVENUE, MOUNT NASURA

WARD : RIVER
FILE No. : M/59/20
DATE : 5 February 2020
REF : AO/YA/MT
RESPONSIBLE : Executive Director
MANAGER : Technical Services

In Brief:

- A petition was presented at the Ordinary Council Meeting of 28 January 2020 which requests assistance from the City with regard to the installation of a footpath on Derry Avenue from Brian Street to Albany Highway, Mount Nasura.
- Construction of a footpath on Derry Avenue was identified for inclusion in the 2020/21 works program and will be presented to Council for consideration during the 2020/21 budget deliberations.
- This report recommends that Council note the inclusion of the Derry Avenue footpath in the draft 2020/21 works program and inform the petition convener accordingly.

Tabled Items

Nil.

Decision Type

- Legislative** The decision relates to general local government legislative functions such as adopting/changing local laws, town planning schemes, rates exemptions, City policies and delegations etc.
- Executive** The decision relates to the direction setting and oversight role of Council.
- Quasi-judicial** The decision directly affects a person's rights or interests and requires Councillors at the time of making the decision to adhere to the principles of natural justice.

Officer Interest Declaration

Nil.

Strategic Implications

2.3 Well Managed Infrastructure

- 2.3.1 Apply best practice design and construction methodologies for the provision of infrastructure

Legal Implications

General assessment of relevant legislation (e.g. *Local Government Act 1995*) has not revealed any restrictions.

Council Policy/Local Law Implications

General assessment has not revealed any applicable Policies/Local Laws.

Budget/Financial Implications

The adoption of the recommendation contained in this report has no immediate financial implication, but it is to be noted that the inclusion of the proposed footpath works is to be included in the 2020/21 budget deliberations.

Consultation

- Intra Directorate.

BACKGROUND

A petition was presented at the Ordinary Council Meeting of 28 January 2020, signed by 23 residents requesting installation of a footpath along Derry Avenue in Mount Nasura.

The prayer of the petition reads:

“We are residents of Derry Ave, Mt Nasura. On behalf of the residents we are writing once again to request a pathway for the safety of the residents of Derry Avenue and surrounding streets.

We have been residents of 17 Derry Ave since 1977 (42 years). Over the past 10 years we have made this request in writing and in person at the local council office. We have been told that this request would be considered in the long term planning.

We believe now that we have enabled more than enough time for planning to be considered. We would like to remind you of the safety concerns the residence (sic) have with the lack of safe walking areas for residence (sic), especially school children on this street. Safety concerns include:

- *The largest incline section of the road has limited council verge space for residents to walk on.*
- *The council verge edge is uneven and has soft sand causing risk of trip.*
- *The incline and tight corner of the road makes it dangerous to walk on any part of the road.*

Currently the footpath stops at Brian St, the area of concern is following Brian St to end of Derry Ave heading south.”

One of the local residents attended the 28 January Ordinary Council Meeting and spoke in support of the request at public question time, with the comments being in line with the prayer of the petition.

The City has reviewed the request contained in the petition and provides the following information for consideration.

COMMENT

Derry Avenue was originally constructed in the 1960s, prior to the requirement for subdivisional development to include footpath infrastructure. This is also true of a large portion of the older residential areas within the City. The City's *Skeletal Path Network Plan* identifies footpath sections for construction each year based on a needs and safety assessment. Since the 2015/16 financial year, the City has delivered 47 footpath projects; constructing 12.9km of footpaths under the *Skeletal Path Network* program. This is in addition to footpaths constructed as part of sub-divisional development or Public Open Space upgrades.

The City has prepared a draft footpath capital works program for 2020/21 which includes a proposal to construct a footpath to service Derry Avenue from Brian Street to Albany Highway.

CONCLUSION

A petition was presented at the Ordinary Council Meeting of 28 January 2020 which requests that the City construct a footpath on Derry Avenue from Brian Street to Albany Highway, to allow safe pedestrian movement.

The City has prepared a draft works program for proposed implementation in 2020/21 which includes the construction of a footpath on Derry Avenue from Brian Street to Albany Highway.

It is therefore recommended that Council note the inclusion of construction of the abovementioned footpath in the draft 2020/21 works program, which will be considered by Council as part of its 2020/21 budget deliberations and inform the petition convener accordingly, with a further update to be provided to the convener as to the project's inclusion or otherwise once the 2020/21 Annual Budget has been adopted.

ATTACHMENTS

There are no attachments for this report.

RECOMMEND

T9/3/20

That Council:

- 1. Note the inclusion of construction of a footpath on Derry Avenue from Brian Street to Albany Highway in the City's draft works program, which will be presented for consideration by Council during the 2020/21 budget deliberations.**
- 2. Inform the petition convener accordingly, with a further update to be provided to the convener as to the project's inclusion or otherwise once the 2020/21 Annual Budget has been adopted.**

Moved Cr R Butterfield
MOTION CARRIED

(6/0)

2.1 - ENVIRONMENTAL SERVICES ANNUAL REPORT

WARD : ALL
FILE No. : M/621/19
DATE : 7 February 2019
REF : NB
RESPONSIBLE : Executive Director
MANAGER : Technical Services

In Brief:

- The production of an Environmental Services Annual Report is a requirement of the City of Armadale's *Environmental Management Framework*. The first of these reports has been produced for 2018/19.
- A draft five year Environmental Services Works Program has been produced for review and comment by Council.
- This report recommends that Council:
 - Note the content of the *Environmental Services Annual Report 2018/19*.
 - Include allocations of \$35,000 and \$40,000 in the City's 2020/21 budget deliberations for the completion of a Corporate Greenhouse Action Plan and Local Biodiversity Strategy respectively.

Tabled Items

Nil.

Decision Type

- Legislative** The decision relates to general local government legislative functions such as adopting/changing local laws, town planning schemes, rates exemptions, City policies and delegations etc.
- Executive** The decision relates to the direction setting and oversight role of Council.
- Quasi-judicial** The decision directly affects a person's rights or interests and requires Councillors at the time of making the decision to adhere to the principles of natural justice.

Officer Interest Declaration

Nil.

Strategic Implications

- 2.1 The natural environment is valued and conserved
 - 2.1.1 Preserve and improve natural areas
 - 2.1.1.1 Implement the Wungong River Project Management Plan
 - 2.1.1.2 Deliver habitat/fauna sanctuary projects in natural areas
 - 2.1.1.3 Deliver actions of the Local Biodiversity Strategy
 - 2.1.2 Manage the interface between natural areas and the built environment
 - 2.1.2.1 Promote the role the City's natural environment plays in quality of life
 - 2.1.2.2 Implement periodic reviews of the City's Natural Areas Program, including vegetation mapping
 - 2.1.2.3 Manage the preservation of the water quality of local streams, creeks and rivers potentially affected by development
 - 2.1.3 Ensure that developments are sensitive to pre-existing environmental values
 - 2.1.3.1 Implement the Groundwater Resource Position Paper
 - 2.1.4 Minimise the City's carbon footprint
 - 2.1.4.1 Deliver a business case for expansion of flaring infrastructure at the Hopkinson Road Landfill and Recycling facility
 - 2.1.4.2 Implement the actions of the City's Corporate Greenhouse Action Plan 2014/15 to 2019/20

Legal Implications

Assessment of legislation indicates that the following apply:

- *Planning and Development Act 2005*
- Planning Scheme No.4
- *Environmental Protection and Biodiversity Conservation Act 1999 (EPBC Act)*
- *Biodiversity Conservation Act 2016 (BC Act 2016)*
- *Environmental Protection Act 1986 (EP Act)*
- *Environment (Clearing of Native Vegetation) Regulations 2004*
- *Environmental Protection (Unauthorised Discharges) Regulations 2004*
- *Rights in Water and Irrigation Act 1914*
- *Aboriginal Heritage Act 1972 (AH Act)*
- *Aboriginal and Torres Strait Islander Heritage Protection Act 1984 (ATSIHP Act)*

Council Policy/Local Law Implications

Assessment of Policy/Local Law indicates that the following is relevant to the program of works for Environmental Services:

- City of Armadale Local Law - Environment, Animals and Nuisance

Budget/Financial Implications

This report recommends that allocations of \$35,000 and \$40,000 for the respective completion of a Corporate Greenhouse Action Plan and Local Biodiversity Strategy be included in the City's 2020/21 budget deliberations.

Consultation

- Intra Directorate.

BACKGROUND

Environmental Services Annual Report

In August 2019, Council approved the City of Armadale Environmental Management Framework (EMF) and associated Strategic Environmental Commitment (SEC). The EMF incorporates the key principles of International Standard *ISO14001 Environmental Management Systems* (the Standard):

- Continuous improvement in environmental performance
- Fulfilment of compliance obligations
- The protection of the environment, including the prevention of pollution
- Achievement of organisational environmental objectives.

The intent of the EMF is to effectively address environmental risks and opportunities through the integration of environmental management into organisational processes and decision making. This assists the City in achieving Future Direction 2.1 *The natural environment is valued and conserved*. The hierarchy of documents within the EMF are structured around the 'natural assets' of the City, Biodiversity, Water, Aboriginal Heritage, Soil and Land, and Air.

ISO14001 stipulates that one of the founding pillars of an Environmental Management System (EMS) is an environmental policy or commitment. This sets the intention and direction of an organisation by executive management. The SEC mirrors the overarching objectives of *ISO14001* and includes strategic outcomes for each of the City's environmental assets. These outcomes provide direction in the creation of asset specific strategic documents. In turn, these generate detailed environmental initiatives/projects, in a rolling five year environmental services works program.

In accordance with the Standard/EMF, the purpose of this annual report is to allow Council to:

1. Review the currency of the SEC, in the context of the City's strategic organisational objectives (the *Strategic Community Plan*)
2. Identify the extent to which the objectives of the SEC have been achieved
3. Understand whether compliance objectives have been fulfilled
4. Review changes in environmental risks and opportunities
5. Identify opportunities for continuous improvement in environmental performance
6. Understand potential changes to the rolling five year environmental services work program
7. Review the adequacy of the City's financial and non-financial resources attached to environmental management
8. Form a view on the effectiveness of the Environmental Management Framework.

The Annual report is a key process in ensuring that Council and the Community are kept abreast of environmental activities within the City of Armadale and the extent to which these are managed effectively. Accordingly, the Environmental Services Annual Report for the period 2018/19 has been produced.

Draft Five Year Plan

In accordance with the EMF and commitments made to Council in August 2019, a draft five year environmental services work program (the Plan), commencing in 2020/21, has been developed and is appended to the Annual Report (refer Appendix 5).

The process undertaken during preparation is summarised as follows:

- Projection of resourcing levels within the Environmental Services department over the five year period
- Identification of known stakeholder expectations, including Council, ratepayers, regulators, state government agencies, environmental volunteers, etc. (this includes compliance obligations)
- Risk assessments associated with the City's assets (for example, environmental degradation and non-compliance failing to achieve the expectations of stakeholders)
- Identification of environmental initiatives to address the preceding two items, or achieve the City's strategic objectives as defined in the *Strategic Environmental Commitment*
- Calculation of resource requirements associated with environmental initiatives
- Project prioritisation process, enabling top scoring initiatives to be delivered within available resources.

The Plan is based on available information at the present time. The five year plan highlights the rationale for the inclusion of individual tasks (seven types of rationale are included). These include:

- Statutory requirement
- Mitigating control in risk matrix
- Requirement of Council approved EMF
- Community and Council expectation
- Existing document due for renewal
- Implementation of Council approved plan/initiative
- Required under a developer contribution scheme.

The Plan is presented for review and comment.

The Plan proposes additional budget items for Council deliberation in the 2020/21 approval process.

Considered to be of high priority in terms of the development of the EMF is the preparation of a Biodiversity Strategy. The purpose of the Biodiversity Strategy is to inform the overarching management of the City's natural assets.

A strategy to inform the preparation of historical standalone management plans will ensure a consistent approach to the management of the City's natural assets and risk associated with their degradation. A multidisciplinary Biodiversity Strategy of this complexity will require a high degree of technical input and stakeholder engagement, it is for this reason that an additional financial commitment of \$45,000 is recommended.

Similarly additional funds (\$35000) are sought for the review and update of the Corporate Greenhouse Action Plan in lieu of the current plans pending expiration. The funding sought will be used to provide for supporting technical studies.

Review and update of the Corporate Greenhouse Action Plan	\$35,000
Review and update of the City's Local Biodiversity Strategy	\$40,000

CONCLUSION

The attached Environmental Services Annual Report is a key component of the *City of Armadale Environmental Management Framework*. It achieves a number of key objectives, aligned to the requirements of *ISO14001 Environmental Management Systems*.

A draft five year environmental services work program is appended to the Annual Report for the review and comment of Council.

ATTACHMENTS

1. [Environment Services Annual Report - 2018/19](#)
2. 2019 Risk Register - Environmental Services - *This matter is considered to be confidential under Section 5.23(2) (d) of the Local Government Act, as it deals with the matter involves legal advice obtained or which may be obtained by the City of Armadale*

RECOMMEND

T9/3/20

That Council:

1. **Note the content of the Environmental Services Annual Report 2018/19.**
2. **Include allocations of \$35,000 and \$40,000 in the City's 2020/21 budget deliberations for the completion of a Corporate Greenhouse Action Plan and Local Biodiversity Strategy respectively.**
3. **Note that the Draft Environmental Services Work Program (5 Year Plan) will be revised as necessary after the Strategic Community Plan has been finalised, approved and adopted by Council.**

Moved Cr D M Shaw
MOTION CARRIED

(6/0)

**2.2 - IMPLEMENTATION STATUS OF THE 2014/15 TO 2019/20 CORPORATE
GREENHOUSE ACTION PLAN AND FLARING PROJECT**

WARD : ALL
FILE No. : M/811/19
DATE : 2 December 2019
REF : NB/DH
RESPONSIBLE : Executive Director
MANAGER : Technical Services

In Brief:

- This report provides an update status on the Corporate Greenhouse Action Plan 2014/15 to 2019/20.
- Offsets from overseas sources are required to enable the City to meet carbon mitigation commitments.
- This report recommends that Council:
 - Note the update provided on the actions of the Corporate Greenhouse Action Plan.
 - Include an allocation of \$70,000 for the purchase of offsets from overseas sources for consideration in the 2020/21 budget deliberations.
 - Allocate future funds from the sale of carbon credits to the Revolving Energy Fund-

Tabled Items

Nil.

Decision Type

- Legislative** The decision relates to general local government legislative functions such as adopting/changing local laws, town planning schemes, rates exemptions, City policies and delegations etc.
- Executive** The decision relates to the direction setting and oversight role of Council.
- Quasi-judicial** The decision directly affects a person's rights or interests and requires Councillors at the time of making the decision to adhere to the principles of natural justice.

Officer Interest Declaration

Nil.

Strategic Implications

2.1 The natural environment is valued and conserved

2.1.4 Minimise the City's carbon footprint

2.1.4.2 Implement the actions of the City's Corporate Greenhouse Action Plan 2014/15 to 2019/20

Legal Implications

Assessment of legislation indicates that the following apply:

- *National Greenhouse and Energy Reporting Act 2007*
- *Carbon Credits (Carbon Farming Initiative) Act 2011*

Council Policy/Local Law Implications

General assessment has not revealed any applicable Policies/Local Laws.

Budget/Financial Implications

The purchase of carbon offsets is discussed below under *Details of Proposal*. A budget allocation of \$70,000 is proposed for the 2020/21 financial year.

Consultation

- Intra Directorate.

BACKGROUND

In May 2014, Council endorsed the City of Armadale Corporate Greenhouse Action Plan 2014/15 to 2019/20 (the Plan) (CS60/7/14).

Goals of the Plan

The primary objective of the Plan is to achieve a reduction in greenhouse gas emissions, relative to the City’s population and a year 2000 baseline. The target is as follows:

“19% per capita reduction in 2000 levels (of greenhouse gas emissions) by 2020”

At the time of production, this was linked to National criteria for greenhouse gas mitigation (reduction of emissions to 95% of 2000 levels by 2020). The City’s approach differs, in that the target is linked to population, rather than specifying absolute values. This is consistent with the approach adopted in previous Corporate Greenhouse Action Plans.

City emissions in 1999/2000 (in tCO₂-e – tonnes of carbon equivalent):

Buildings	Vehicle Fleet	Water/ Sewage	Waste	Total	Population
1,884	942	100	16,052	18,978	51,334
10%	5%	0%	85%		

In 1999/00, emissions per capita were $18,978\text{tCO}_2\text{-e}/51,334 = 0.37\text{tCO}_2\text{-e}$.

A 19% per capita reduction constitutes a target of $0.30\text{tCO}_2\text{-e}$ for 2014/15 to 2019/20.

The Plan recommended the continuation of methane flaring at the Hopkinson Road Landfill and Recycling facility. It was anticipated that this had the capacity to significantly reduce the carbon footprint by converting methane to carbon (a far less powerful greenhouse gas).

The flaring project is endorsed under the Climate Solutions Fund, generating unbudgeted revenue through the sale of carbon credits to the Federal government. This income is generated over a seven and a half year project life and credits are provided through a contract between the City and the Federal government.

Requirement for Offsets

The Plan also included strategies to:

‘Continue to offset carbon emissions associated with the City’s contestable sites and also offset non-contestable sites, depending on the cost of carbon credits’ (note; contestable and non-contestable sites are those using greater or less than 50MWh per annum respectively).

‘Complete an exercise to formalise when and how offsets are to be used/purchased by the City of Armadale, including an indication of where they are to be sourced from’.

The intent of offsetting is to eliminate the risk of failing to achieve the City’s target (i.e. it will assist in addressing any residual footprint after abatement from the flare has been taken into account). However, a precise calculation will be provided below on the extent to which the target has been achieved.

This will give an indication of whether, if any, additional offsets are required and is covered under ‘Details of Proposal’ (Section 1).

Purpose of Report

The Plan is approaching the end of its timescale. Hence, it is appropriate to:

1. Provide an update on the actions of the Corporate Greenhouse Action Plan, in advance of a new Plan being produced in 2020/21
2. Identify the extent to which the Landfill flaring project has mitigated the City's carbon footprint
3. Evaluate any residual carbon footprint after flaring abatement and any shortfall in relation to the target
4. Identify the type and quantity of offsets required to achieve the target
5. Detail the budget required for the purchase of these offsets in 2020/21

As highlighted above, the flaring project is accredited under the Climate Solutions Fund. Flare performance has surpassed expectations, providing the ability to:

- Discharge the contract early
- Sell carbon credits generated between contract completion (December 2019) and the project end date (currently scheduled as December 2021, but may be extended for a further five years; see below)

In March 2019, Council resolved to discharge the contract early and '*Receive a further report after contract completion with the Federal government, advising on next steps in relation to the sale of carbon credits*' (T17/3/19 refers).

Contractual completion is currently in progress, via the development and submission of an offsets report. This will leave just over two years of the project remaining. It is now appropriate for Council to consider the sale of future carbon credits. Council has also requested that the capacity to generate electricity for transfer to the grid be investigated.

Given that the targets of the Plan, flare performance and the requirement for offsets are intrinsically linked, they will all be considered in this report. The ability to generate electricity will also be investigated.

DETAILS OF PROPOSAL

1. Corporate Greenhouse Action Plan

Actions of the Plan

Detailed analysis of the achievement of recommendations is included in Attachment 1. Most have been actioned, or are no longer applicable (for example, due to the repeal of carbon price legislation).

Solar systems have been installed at the main admin building, Armadale Arena, AFAC and the Depot. The City has also now installed the Azility system, enabling the tracking of energy and water use in each facility. The results are analysed on a quarterly basis, providing opportunities to identify energy and/or water efficiency projects.

The main outstanding action is the development of a policy, addressing building maintenance and retrofits, in conjunction with energy efficiency requirements in new Council building tenders.

A City of Armadale Corporate Greenhouse policy is currently scheduled for completion in 2020/21 within the draft Environmental Services Work Programme. A new Corporate Greenhouse Action Plan will be produced at the same time.

Achievement of Targets

City emissions for the 2014/15 to 2019/20 period:

Emission Source	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20 ¹	Total
Waste	45,732	47,634	49,951	51,476	53,151	52,260	300,204
Flared	(16,599)	(21,154)	(21,403)	(15,751)	(15,408)	(10,925)	(101,240)
Net Waste	29,133	26,480	28,548	35,725	37,743	41,335	198,964
Buildings	3,332	3,334	3,054	2,790	2,838	3,082	18,430
Vehicle Fleet	202	199	185	213	202	200	1,201
Total	32,667	30,013	31,787	38,728	40,783	44,617	218,595
Population³	79,093	82,021	84,669	87,634	90,991⁴	94,348⁴	518,756

¹ – Includes six months of forecast emissions

² – Estimated Resident Population extracted for Forecast ID

³ – Figures required extrapolation (an estimate is only calculated for 2020/21)

The flare has reduced the City's carbon footprint by 101,240tCO₂-e over the six year period.

As described above, the per capita target is 0.30tCO₂-e, equating to an accumulated emissions total for the six year period of 518,756/6 x 0.30tCO₂-e = 155,627tCO₂-e.

Actual emissions amount to 218,595tCO₂-e, resulting in a shortfall of 62,968tCO₂-e. If the City wishes to achieve the target of the Plan, this is the number of offsets required. This is a more accurate approach than seeking to offset the footprint of contestable and non-contestable sites.

2. Offsets Strategy

Purchase of Offsets

Ordinarily, the abatement achieved by the flare can be deducted from the City's carbon footprint. However, the sale of associated carbon credits to the Federal government precludes this.

The City has adopted the approach of replacing these credits with lower cost offsets from overseas ('Replacement Credits'). The price differential between those sold and purchased (the 'profit') is significant. In June 2015, Council elected to invest this as seed funding into the Wungong River Project.

The offsets required to achieve the targets of the Plan may be secured from Australian or overseas sources. The Clean Energy Regulator monitors the price of carbon credits in Australia. Towards the end of 2019, these were traded at \$16 per tonne. 'Replacement' credits, purchased in May 2019, cost the City \$0.85 per unit (sourced from a renewable energy wind farm project in India).

At these prices, Australian and overseas sourced offsets will cost \$1,007,488 and \$62,968 respectively, assuming the latter cost a maximum of \$1 per tCO₂-e. Hence, there is a strong financial argument for purchasing from overseas. This also follows the existing approach, where ‘profit’ has been maximised for the benefit of the local environment.

To cover the shortfall against the target, budget deliberations for 2020/21 should consider an allocation of \$70,000 for offsets, enabling the City to achieve the target. This includes a 10% contingency, to cover any potential unforeseen ‘spikes’ in carbon emissions up to 30 June 2020 (the last six months of the carbon footprint have been estimated).

3. Future Income from Carbon Credits

Flare Production and Income Sources

The life of the project still has at least two years to run from the date of contract completion. At average annual production rates and a trading price of \$16/tCO₂-e, it has the ability to generate \$270,000 of income on the ‘secondary’ or ‘voluntary’ market.

The federal government are investigating the extension of the project life of flaring projects, with the potential for an additional five years. This will provide the option of selling on the voluntary market or entering into a new seven year contract with the federal government.

In accordance with existing City protocols, any credits sold will need to be replaced, enabling the achievement of new and revised carbon targets. Compliance costs will also need to be funded through the income.

Voluntary Market or New Contract?

The standard federal government contract for flaring projects is seven years. Should the project life be extended to 12 years, the City could again participate in the Climate Reduction Fund. As it stands, there is no defined date on which clarity will be provided on project durations.

The City therefore has two options:

Strategy	Opportunities	Risk
Sell credits on the voluntary market	The City may be able to maximise revenue (current spot rate is higher than the average auction price). No risk of contract default. The City will determine how many carbon credits are sold and when.	Price of carbon is dependent on market forces and may drop.
Enter into a new contract	Pricing is fixed over the duration of the contract, providing guaranteed income over a set period.	Income may not be maximised, when compared to the voluntary market (if the spot price is higher than contract value). Risk of contract default if the flare does not perform to expectations.

A decision is not imperative at this stage. The next reporting period ends in December 2021 and could trigger a review of the strategy.

This could enable:

- Accumulation of credits to sell (the surplus generated to date has been used to extinguish the contract)
- Minimisation of compliance costs (an audit will be required before the sale of credits, in addition to a scheduled review in December 2021)
- Clarity on landfill flaring project lives
- Tracking of voluntary market carbon pricing
- Continued monitoring of average prices achieved in the auction process.

In December 2021, an informed cost benefit analysis will provide clarity, at a point when sufficient additional credits have been generated.

Expansion of Flaring Infrastructure

The expansion of the area capturing methane at the Hopkinson Road Landfill and Recycling Facility provides an opportunity to further increase income levels, whilst abating the City's carbon footprint.

The initial area of the site covered by flaring infrastructure equates to 22,000 square meters. This has yielded 70,000tCO₂-e of Australian Carbon Credit Units over five and a half years. Using a spot rate of \$16 from October 2019, this equates to \$1,120,000 (or \$204,000 per annum).

Waste Services are currently in the process of obtaining quotes for the further expansion of flaring infrastructure. The new area equates to 25,000 square meters, broadly similar to the initial area.

Should this perform as effectively, this will generate roughly the same amount of revenue over a five to six year period. However, the receipt of the entirety of this revenue is dependent on an extension to the project life of the flare. At the very least, the flare has two years of accreditation to run, generating at least \$400,000.

The capital installation cost of the expansion is approximately \$80,000. Hence, there is a strong business case for expansion of the infrastructure, in addition to compelling environmental arguments.

Allocation of Income

There are a number of possibilities in relation to the use of funds from the sale of carbon credits. For example, they may be allocated to the Waste Reserve, to contribute to site decommissioning costs. However, budget projections indicate that closure costs will be fully funded through tip fees, in accordance with the 'user pays' principle.

Alternatively, the funds could be allocated to the Revolving Energy Fund, to finance future renewable energy initiatives. Future carbon credit income could contribute towards the capital cost requirements, generating further carbon footprint reductions and cost savings. Hence, there is a return on investment and ongoing benefits provided to the City.

4. Electricity Generation and Connection to the Grid

This has been discussed with a specialist consultant that manages a number of landfill sites, including the City's. The advice received is that flare gas needs to flow at 650 to 700m³/hr at 40% methane to build a robust business case for connection to the grid. The City is currently producing 40% methane, but with a flow rate of only 200m³/hour.

Even with the proposed expansion of flaring infrastructure, this will not be sufficient to justify the capital investment requirements for grid connection. However, should the City decide to significantly increase tonnages to the site at some point in the future, this matter should be revisited.

OPTIONS

Option 1

Note the status update provided and endorse the additional implementation of the following proposed actions:

1. Note the update on the actions of the Corporate Greenhouse Action Plan, in advance of a new Plan being produced in 2020/21
2. Accept the report on the achievement of the targets of the 2014/15 to 2019/20 Corporate Greenhouse Action Plan
3. Include \$70,000 in the 2020/21 budget deliberations for the purchase of offsets from overseas sources
4. Receive a further report on the proposed sales options of carbon credits after the next Offsets report and accompanying audit, due for completion in December 2021
5. Allocate future funds from the sale of carbon credits to the Revolving Energy Fund
6. Note the conclusion on the potential for electricity generation from the flare at the Hopkinson Road Landfill and Recycling facility.

Option 2

Decide against pursuing any of the proposed actions as detailed in this report.

Option 1 is recommended.

CONCLUSION

The City is approaching the end of the period covered by the Corporate Greenhouse Action Plan 2014/15 to 2019/20. The majority of actions in the plan have been completed or are no longer applicable.

The cornerstone of the Plan is the continuation of the Hopkinson Road Landfill and Recycling Facility Flaring project. The performance of the flare has surpassed expectations, meaning the contract with the Federal government has been satisfied early.

The flare has enabled the City to partially meet the carbon related targets of the Plan. However, 70,000 offsets are required to meet the commitments in full. Accordingly, an allocation of \$70,000 requires consideration in the 2020/21 budget deliberations.

The City is now 'out of contract' in relation to the flare, but there is uncertainty over the remaining life of the project. Hence, at the moment, there is no clarity on whether the City should sell carbon credits on the 'secondary' or 'voluntary' market, or enter into a new seven year contract with the Federal government.

It is likely that the situation will be a lot clearer at the point of the City's next Offset and Audit report at the end of 2021. This matter will be the subject of a further audit report in 2022.

Any future income from the City's sale of carbon credits could be allocated in a number of ways. However, assigning the funds to the Revolving Energy Fund provides the benefit of a return on investment on the amount allocated.

ATTACHMENTS

1. [Corporate Greenhouse Action Plan - Detailed Analysis](#)

RECOMMEND

Amended at the Ordinary Council
Meeting of 9 March 2020

T10/3/20

That Council:

1. Note the update **provided** on the actions of the Corporate Greenhouse Action Plan detailed in Agenda item 2.2 *Implementation Status of the 2014/15 to 2019/20 Corporate Greenhouse Action Plan and Flaring Project in conjunction with the further information provided at the Ordinary Council Meeting of 9 March 2020.*
2. Include ~~\$70,000~~ **\$80,000** in the 2020/21 budget deliberations for the purchase of offsets from overseas sources.
3. Receive a further report on the proposed sale options of carbon credits after the next Offsets and Audit report.
4. Allocate future funds from the sale of carbon credits to the Revolving Energy Fund.
5. Note that the City has exceeded the reporting thresholds for emissions and that

these are to be reported accordingly in terms of the National Greenhouse and Energy Reporting Act 2007.

**Moved Cr R Butterfield
MOTION CARRIED**

(6/0)

3.1 - STRATEGIC WASTE MANAGEMENT PLAN (SWMP)

WARD : ALL
AFILE No. : M/727/19
DATE : 30 October 2019
REF : JL/AO
RESPONSIBLE : Executive Director
MANAGER : Technical Services

In Brief:

- The City has developed a Strategic Waste Management Plan (SWMP) to guide its future waste management operations.
- This report recommends that Council adopt the Strategic Waste Management Plan (and recommendations) and seek legal advice regarding the increase of tonnages accepted at the City's landfill site.

Tabled Items

Nil.

Decision Type

- Legislative** The decision relates to general local government legislative functions such as adopting/changing local laws, town planning schemes, rates exemptions, City policies and delegations etc.
- Executive** The decision relates to the direction setting and oversight role of Council.
- Quasi-judicial** The decision directly affects a person's rights or interests and requires Councillors at the time of making the decision to adhere to the principles of natural justice.

Officer Interest Declaration

Nil.

Strategic Implications

2.4 Best Practice Waste Management

2.4.1 Apply effective waste collection methodologies

2.4.2 Maximise recycling opportunities

2.4.3 Improve waste disposal practices

2.4.4 Apply efficient waste administration

Legal Implications

There are numerous waste management related Acts in Western Australia that have the potential to impact on the City's waste management activities. These include:

- *Health Act 1911*
- *Environmental Protection Act 1986 (EP Act)*
- *Waste Avoidance and Resource Recovery Act 2007 (WARR Act)*
- *Waste Avoidance and Resource Recovery Levy Act 2007 (WARR Levy Act)*
- *Local Government Act 1995*

There are a wide range of waste management activities that local government undertake; however, the only essential service is the collection and appropriate disposal of general waste. All other services undertaken by local government are discretionary and in some cases, may be subject to legislative requirements to which the local government must comply.

Council Policy/Local Law Implications

General assessment has not revealed any applicable Policies/Local Laws.

Budget/Financial Implications

The acceptance of this report has implications on the Long Term Financial Plan, Waste Reserve provisions and ultimately the Waste Charge as highlighted in the contents of this report and Strategic Waste Management Plan.

Consultation

- Intra Directorate.
- MANEX (21 October 2019).
- Councilor Workshops (6 November 2019 and 6 February 2020).

BACKGROUND

The City's waste vision is to provide the community with a high level waste management service, while encouraging less waste generation and increased waste minimisation. All waste related activities are to be performed in an efficient and effective manner to minimise environmental harm and maximise community benefit, while minimising the cost to the community.

In order to structure and provide strategic direction in this regard, the City has drafted a Strategic Waste Management Plan (SWMP). The SWMP has been included in this report as a confidential attachment (Attachment 1) and was workshopped with Councillors on 6 November 2019 and 6 February 2020. This SWMP provides direction to the City and its community on how to best manage waste over the period 2020 to 2025 and beyond.

The two factors that will have the most significant impact on the provision of waste services in the City are the City's commitment to supply waste to the Kwinana Waste to Energy (WtE) facility and the launch of the latest WA Waste Strategy: *Waste Avoidance and Resource Recovery 2030*.

In 2013 the City, together with the other members of the Rivers Regional Council (RRC), signed a Waste Services Agreement with Kwinana WtE Project Co for the supply of waste to the Kwinana WtE facility. This agreement, which anticipates commencement of WtE operations in July 2021, will substantially impact on how the City manages its waste and therefore its waste management strategic planning for the foreseeable future.

The State's Waste Strategy Action Plan states "*The Waste Avoidance and Resource Recovery Strategy: 2030 (the waste strategy) is Western Australia's strategy to move our State towards becoming a sustainable, low-waste, circular economy in which human health and the environment are protected from the impacts of waste.*

It encourages Western Australians to work towards three objectives - avoid, recover and protect - and sets targets that underpin these objectives."

The waste strategy includes key strategy elements, objectives, targets and strategies.

DETAILS OF PROPOSAL

The purpose of this report is for Council to consider the *Strategic Waste Management Plan 2020 to 2025* (the Plan).

The strategic objectives of the Plan are to improve the City's waste management services and systems by providing the context within which waste management services are to be planned and executed in order to meet community expectation and state waste strategy targets. This is achieved by reflecting on the City's current waste services, what challenges and changes lie ahead in the delivery of future waste management services and what should be done to achieve the City's waste objectives.

COMMENT

The City has always been strategically aligned to best practice waste management systems and services carried out by most local governments in the Perth metropolitan area. In addition, through its involvement in the Rivers Regional Council, the City has also been afforded the opportunity to become involved in regional activities such as its commitment to waste to energy.

The following is a brief comment on the main aspects of the SWMP and greater detail is contained in the full document (Attachment 1).

Waste to Energy

Waste to Energy (WtE) is a technology that the West Australian waste industry has been considering for many years. Large scale WtE solutions have been an important component of the worldwide waste and recycling industry for many generations and are in the process of being developed in Western Australia. The Kwinana WtE facility is currently in the construction phase, with operation anticipated to commence in July 2021. WtE has the potential to be a significant 'game changer' within the waste industry, as it provides a diversion from landfill option for a wide range of materials; as opposed to the more traditional recycling options which target a specific material type or range of materials. This 'catch-all' type of 'recycling' (diversion) solution is however, only one level above landfilling in the waste hierarchy.

The ability of WtE facilities to receive a wide range of waste materials means that a large portion of the City's general waste stream can be diverted to the WtE facility and consequently, the City will see a dramatic improvement in its diversion from landfill rate; potentially above the Waste Authority 2020 waste diversion target of 65%.

The details of the WtE impact have been provided as a confidential attachment (Attachment 2) as this contains information which would be beneficial to potential tenderers were the sale of airspace to be approved by Council.

State Waste Strategy

Strategic direction in waste management at a state level is primarily determined by Waste Authority WA, through the Minister for Environment. The Waste Authority, established under the *Waste Avoidance and Resource Recovery Act 2007* (WARR Act) is an agent of the state and its role is to provide advice and recommendations in relation to waste matters in accordance with the WARR Act.

In February 2019, the Minister for Environment launched the latest WA Waste Strategy: *Waste Avoidance and Resource Recovery 2030*. This waste strategy sets targets through to 2030 and is a follow on from the previous WA Waste Strategy: *Creating the Right Environment* and builds on a similar theme and focus, with increased waste diversion targets. The waste strategy, amongst other things, includes key strategic elements, objectives, targets and strategies.

The foundation strategies will require the City to improve targeted waste data collection, increase community education and develop local laws and planning policies that provide guidance and enforcement capability to achieve improved waste management solutions. Based on the direction set with the Priority Actions, the City will be strongly encouraged to implement a third bin Food Organics, Garden Organics (FOGO) system, however, with the City's commitment to the WtE facility and the associated committed tonnes, a FOGO system will reduce available tonnage to meet the WtE commitment. The priority areas also indicate a need for improved data collection and reporting, primarily in the form of waste plans.

Overall, the State's Waste Strategy is likely to have the following impact on the City:

- Put pressure on the City and the Rivers Regional Council to achieve the stated targets by improving waste management activities
- Require the City to work closely with its community, being the residential and commercial community, to obtain trust into improved and new waste management activities
- Require the City and the Rivers Regional Council to have consistent and transparent data collection systems in order to measure success against the targets
- Require continuous improvement in current recycling solutions to comply with best practice waste management
- Require continuous improvement in developing future recycling solutions to achieve best practice reuse and recycling of resources
- Opportunities to obtain funding to achieve the objectives and targets of the Waste Strategy.

Landfill Facility Closure

Based on current landfill tonnages, the landfill is likely to close in 2030. WtE will however substantially reduce the quantity and rate of waste going to landfill and therefore push out the landfill life to well beyond 2050. As tonnages reduce, the landfill fixed costs per tonne increases proportionately. Ultimately there is a tipping point at which the cost per tonne of landfilling becomes far too costly in comparison to alternative landfill disposal facilities. It is therefore appropriate for the City to encourage the increase in annual tonnes of waste from other sources to the landfill to dilute the fixed cost and ensure the economic viability of the site.

A *Landfill Post-Closure Financial Model* has been developed to cover the anticipated landfill closure and post closure costs. This model has many inputs in order to arrive at an accrual rate per tonne of waste landfilled that is required to be allocated to a reserve for the remaining life of the landfill facility in order to have sufficient funds available to cover all the anticipated landfill closure and post closure costs. With the accrual rate being tonnage based, the total tonnes of waste to landfill has a significant impact on the future accrual rate, as can be seen in Attachment 1.

An effective way to achieve the above is to sell airspace which will provide the City with some assurance of waste that will be delivered to the landfill site and the payment of fees (income). This will enable the City to build financial reserves that will be required for the site closure and post closure maintenance.

The details of the airspace discussion have been provided as a confidential attachment (Attachment 2) as this contains information which would be beneficial to potential tenderers were the sale of airspace to be approved by Council.

Subsequent to the Councillor Workshop in November, officers from the Department of Water and Environmental Regulation (DWER) have visited the landfill site as part of their routine licence compliance visits and have indicated that as the City has one of the earliest licences and that the license and its conditions is to be revised and would most likely lead to more stringent conditions imposed on the City that will be in line with more recent licence approvals. This is likely to include implications for the landfill methodologies being applied with subsequent cost implications to the City. This likelihood would provide some impetus for the acceleration of the closure of the landfill.

Carbon Tax

At the November Councillor Workshop there was discussion of a carbon tax being applied to landfills. This concept was after initial discussion however withdrawn at federal level a few years ago. If a similar tax were to be implemented, then the landfill liability will be proportional to the fugitive gas emissions from the landfill, which are proportional to the type and quantity of waste disposed of into the landfill. The more waste, the greater the liability. Selling the 'spare' landfill airspace to the waste industry will fill the landfill with commercial and industrial waste (C&I), which has a far lower greenhouse gas emission rate than municipal solid waste (MSW); hence a lower liability than if the City filled the spare landfill airspace with MSW from the City or other local government authorities.

The application of a carbon tax, although possible, is highly theoretical at this stage and if implemented, is likely to be some years into the future. Proper capping of the landfill and active gas extraction is the best way to decrease the fugitive landfill gas emissions from the facility and reducing a potential future liability. The proposed landfill capping system is a comprehensive cap to achieve this outcome. The cost is built into the landfill closure model. Selling the airspace would enable the City to construct a quality capping system to protect the environment and incidentally could substantially reduce the City's potential future liability associated with any carbon tax; should it be implemented. This substantial capping system will enable the City to maximise its future landfill gas extraction volumes and maximise any future carbon credits that the City is able to achieve.

Advocacy

There are some aspects of state waste management policy that have the potential to significantly impact the future waste management activities within the City and more importantly the associated costs. Currently, these include the implementation of a FOGO system, which will significantly limit the City's ability to meet its WtE tonnage commitments and also with the potential implementation of a waste levy on WtE facilities. With the City having contracted to a WtE facility, it has minimal flexibility with regard to these long term commitments and is likely to face significant future financial penalties; either due to failure to meet WtE facility contractual commitments or having to pay a waste levy for material delivered to the WtE facility because the material is not deemed pure residual waste.

The City should therefore be active in advocating that the state government be cognisant of existing local government long term contractual commitments and the negative impact of state policy changes on those local governments that have been proactive and entered into long term waste management contracts. When considering new policies, the desired approach from the state government should be to develop transition arrangements for those local governments that are committed to contracts that will be negatively impacted by policy change.

In most situations, state policy is a positive step towards improved waste management within the state. However, there needs to be consideration of those local governments with contractual commitments. Without this high level state consideration and the associated extreme financial risks, local governments will in future be less willing to take on long term waste management commitments which could seriously impact the private and public waste management industry's willingness to invest in large scale waste management solutions.

The City should engage individually and inclusively with other affected stakeholders and influence decision makers to be aware of the full extent of state policy decisions on individual local governments and ultimately the ratepayers. There are a number of existing forums that are available to the City for use as advocacy pathways, some of these being the RRC, other regional councils, Regional Council Working Group, the West Australian Local Government Association and the Municipal Waste Advisory Council. It is acknowledged that it is difficult for larger groups to have a unified position, as there are often numerous opposing positions within the group membership however, the more critical the mass, the greater the effect of the advocacy effort.

Typically, when trying to influence state level decision makers, advocacy is more successful if undertaken at Chief Executive Officer and Elected Member level. Active and generally long term involvement in lobbying groups is required to achieve the required outcomes. This is not a process that is achieved by a single effort output.

Waste Management of the City of Armadale

The guiding principles in establishing an efficient and effective waste management system for the City revolve around the following aspects:

- Community service satisfaction
- Affordable level of service
- Progressive waste management systems in line with industry best practise
- Attainment of set targets
- Avoiding waste generation
- Optimising waste material recovery in accordance with the accepted waste hierarchy
- Protection of the environment by responsible and sustainable waste management.

Of all of the above drivers, only the provision of a general waste disposal service to the residential properties is a mandatory activity that the City is required to provide. All other waste management activities are discretionary. Consequently, it is for the City to determine which drivers influence the direction taken in future strategic waste management.

Next Steps

Once the SWMP has been finalised and adopted by Council, the financial implications will be modelled and result in the producing of the following financial documentation:

- a) Landfill closure – capital
- b) Landfill closure – monitoring and maintenance
- c) Landfill – capital for site development
- d) Waste operations – all and individual
- e) Waste charge projections.

The documents will then provide a clear path as to the financial requirements for the provision of the waste service, including the long term expenditure patterns, reserve requirements and ultimately the impact on the ratepayers in the form of the waste charge, which can be modelled well into the future.

OPTIONS

Option 1

Not adopt the SWMP.

This option is not recommended as the compilation of the SWMP and the financial implications determination will provide firm direction for Council to consider options and their cost implications to the ratepayer.

Option 2

Adopt the SWMP and proceed with the following steps in the process, ie. to detail all the financial implications as listed in the recommendation and to initiate the sale of the landfill airspace as soon as practicable to maximise the income from the site for the purposes of site closure and post closure operations.

Option 2 is the recommended option as it provides the best opportunity to minimise the ultimate cost to the City's ratepayers and reduces the risks associated with the operations at the landfill facility to a shortened timeframe.

CONCLUSION

In determining the waste management strategy for the City, there is a need to consider the drivers that influence the decision making process; these include:

- Federal and state government direction
- Essential services
- Community needs and aspirations
- Environmental considerations
- Financial implications.

The City's strategic vision with regard to waste management is to create a community that is ultimately responsible and engaged in waste avoidance and minimisation practices. Within this vision, the City needs to provide efficient and effective waste management services in a manner that is environmentally sensitive, satisfies community needs and is achieved at a reasonable and sustainable cost; whilst striving to achieve State Waste Strategy targets.

This SWMP outlines the City's approach in achieving this vision by setting out the City's objectives and putting in place the actions needed to accomplish the goals. It covers the current approach, the legislative environment the City operates within, key projects to be implemented and the challenges and opportunities faced now and in the future.

ATTACHMENTS

1. Strategic Waste Management Plan Final Rev 2(2) - *This matter is considered to be confidential under Section 5.23(2) (e ii) of the Local Government Act, as it deals with the matter, if disclosed, would reveal information that has a commercial value to a person*
2. Letter to CoA Dated 20 Jan 20 re Commentary on Waste Financials, WtE Impact and Landfill Gate Fee Options - *This matter is considered to be confidential under Section 5.23(2) (e ii) of the Local Government Act, as it deals with the matter, if disclosed, would reveal information that has a commercial value to a person*

Officer recommendation

“That Council:

1. *Adopt the Strategic Waste Management Plan and recommendations as set out in the consultant’s report (Attachment 1).*
2. *Seek legal advice of the appropriate legal framework to confirm and enable the strategy to increase tonnages accepted annually at the City’s landfill site.”*

Committee Discussion

Committee considered the officer recommendation, and moved that part 2 be amended with the revised proposed recommendation detailed as follows:

1. *Adopt the Strategic Waste Management Plan and recommendations as set out in the consultant’s report (Attachment 1).*
2. *Adopt the Landfill Operations Future Options recommendations as detailed in Confidential Attachment 2.*

Moved: Cr G Nixon

Seconded: Cr R Butterfield

CARRIED 6/0

RECOMMEND

**Amended at the Ordinary Council
Meeting of 9 March 2020**

T11/3/20

That Council:

1. **Adopt the Strategic Waste Management Plan and recommendations as set out in the consultant’s report (Attachment 1).**
2. **Adopt the Landfill Operations Future Options recommendations as **per the consultant’s recommendation** detailed in Confidential Attachment 2 **and in the preferred order of options 1 to 4.****

Moved Cr G Nixon

MOTION CARRIED

(6/0)

**3.2 - RIVERS REGIONAL COUNCIL - TRANSITION TO RIVERS REGIONAL
SUBSIDIARY**

WARD : ALL
FILE No. : M/45/20
DATE : 24 January 2020
REF : JL/AO
RESPONSIBLE : Executive Director
MANAGER : Technical Services

In Brief:

- In July 2019 Council approved the windup of the Rivers Regional Council and the transition to a Regional Subsidiary (T46/7/19 refers).
- This report provides Council with details regarding the business plan, charter and documents associated with the transition arrangements to the proposed Rivers Regional Subsidiary.
- This report recommends that Council endorse the advertising of the proposal, business plan and charter for public comment and authorise the Chief Executive Officer and Mayor to execute deeds to facilitate the transition of the Rivers Regional Council to the Rivers Regional Subsidiary.

Tabled Items

Nil.

Decision Type

- Legislative** The decision relates to general local government legislative functions such as adopting/changing local laws, town planning schemes, rates exemptions, City policies and delegations etc.
- Executive** The decision relates to the direction setting and oversight role of Council.
- Quasi-judicial** The decision directly affects a person's rights or interests and requires Councillors at the time of making the decision to adhere to the principles of natural justice.

Officer Interest Declaration

Nil.

Strategic Implications

2.4 Best Practice Waste Management

2.4.4 Apply efficient waste administration

Legal Implications

Various state acts now provide for Regional Subsidiaries, with regard to this report, assessment of legislation indicates that the following is applicable:

- *Local Government Act 1995:*
3.69 Regional Subsidiaries
3.70 Regional Subsidiaries to have charter
3.71 Regulations about Regional Subsidiaries
- *Local Government Act 1995 (Regional Subsidiaries) Regulations 2017*
- *Local Government Act 1995*
9.49A Execution of Documents

Council Policy/Local Law Implications

Assessment of Policy/Local Law indicates that the following are applicable:

- Council Policy ADM 18 – Common Seal
- Council Policy ADM 21 – Authority to Sign Documents

Budget/Financial Implications

Should the recommendations contained in this report be adopted, there are no financial implications other than the potential savings relating to the transition from a regional council to a regional subsidiary as detailed in the report considered by Council in July 2019.

Consultation

- Technical Advisory Committee (Rivers Regional Council).
- Inter Directorate.

BACKGROUND

Council considered a report on the transition of the Rivers Regional Council (RRC), of which the City is a member council, to a regional subsidiary structure (the *Rivers Regional Subsidiary*) at its meeting of 8 July 2019 and resolved as follows (T46/7/19):

“That Council, in regard to the future structure and operations of the Rivers Regional Council:

1. *Note the:*
 - *contents of the report and Discussion Paper*
 - *future options for RRC.*
2. *Approve the windup of the Rivers Regional Council and the transition to a Regional Subsidiary as soon as all approvals can be obtained.”*

Since Council’s consideration of the July 2019 report, the Rivers Regional Council has been liaising with the relevant state government agencies in an effort to progress the arrangements to transition the RRC to the regional subsidiary model.

DETAILS OF PROPOSAL

A copy of the business plan and the charter of the proposed regional subsidiary are attached to this report for Council’s consideration (Attachments 1 and 2 respectively). Sections 3.69, 3.70 and 3.71 of the *Local Government Act 1995* set out the requirements for two or more local governments entering into arrangements to form a regional subsidiary, with specific requirements related to the process governed by the *Regional Subsidiaries Regulations 2017*. The business plan, charter, and the recommendation in this report to advertise the proposal, business plan and charter for public comment, is in compliance with the legislation and regulations referenced.

Also attached are three deeds which will be required to be executed as part of the transition arrangements, detailed as follows:

- *Deed of Dissolution of the Rivers Regional Council (Attachment 3)*

This deed sets out the dissolution of the Rivers Regional Council, which will no longer exist as an entity once the transition to the Rivers Regional Subsidiary is given effect.

- *Deed of Asset Transfer (Attachment 4)*

This deed gives effect to the transfer the assets of the Rivers Regional Council to the Rivers Regional Subsidiary, with all assets to be transferred to the subsidiary once this is established upon the windup of the Rivers Regional Council.

▪ *Deed of Novation* (Attachment 5)

This deed assigns responsibility for the series of Waste Agreements the Rivers Regional Council is party to, to the Rivers Regional Subsidiary once this is established.

All five documents have been the subject of scrutiny by legal teams representing RRC on behalf of member councils and the contractor for the Waste to Energy Plant (Avertas).

In accordance with Part 2 of the *Local Government (Regional Subsidiaries) Regulations 2017*, each participant must give local public notice of the proposal to form a regional subsidiary, with the proposal and business plan being advertised for comment for a period of not less than six (6) weeks. In compliance with regulation 4(4) the business plan must be made available on the City's website and at the City's Offices.

Accordingly, in order to progress the transition of the Rivers Regional Council to a regional subsidiary in line with Council's resolution of 8 July 2019, Council approval to advertise the proposal, business plan and charter for public comment is sought. Pending Council's approval, it is intended that a copy of the documentation will be made available on the City's website and at the City's offices in compliance with the *Local Government (Regional Subsidiaries) Regulations 2017*. At the conclusion of the comment period, should any submissions be received, a further report detailing these will be presented to Council for consideration. In the event that no submissions are received, notice will be provided to the Rivers Regional Council that both documents have been endorsed without amendment.

Once all Member Councils have notified the Rivers Regional Council of their approval of the proposal to transition to the Rivers Regional Subsidiary, the Rivers Regional Council will lodge the relevant documentation (business plan and charter), together with an application requesting Ministerial Approval by the Minister for Local Government, in accordance with the relevant legislation and regulations detailed earlier in this report.

CONCLUSION

The charter and business plan of the Rivers Regional Subsidiary have been fully developed with input by all interested and affected parties; with the documents now to be included in the set of establishment documents for the creation of the Rivers Regional Subsidiary. It is recommended that Council endorse the business plan and charter as attached to this report and approve the advertising of the proposal for the regional subsidiary to be formed in accordance with the *Rivers Regional Subsidiary Business Plan 2020-2025*; with the proposal and associated documents to be advertised for public comment.

Assuming that no submissions are received, it is also recommended that Council authorise the CEO and Mayor to execute the following deeds to facilitate the transition of the Rivers Regional Council to the Rivers Regional Subsidiary, once all arrangements are in place for the Rivers Regional Subsidiary to be established.

- *Deed of Dissolution of the Rivers Regional Council* (Attachment 3)
- *Deed of Asset Transfer* (Attachment 4)
- *Deed of Novation* (Attachment 5).

ATTACHMENTS

1. ↓ Rivers Regional Subsidiary Business Plan 2020-2025
2. ↓ Charter of the Rivers Regional Subsidiary
3. ↓ Deed of Dissolution of the Rivers Regional Council
4. ↓ Deed of Asset Transfer
5. ↓ Deed of Novation

RECOMMEND

T12/3/20

That Council:

1. **Endorse the *Rivers Regional Subsidiary Business Plan 2020-2025* and the *Charter of the Rivers Regional Subsidiary* as attached to this report.**
2. **Authorise the advertising of the proposal, the *Rivers Regional Subsidiary Business Plan 2020-2025* and the *Charter of the Rivers Regional Subsidiary* for public comment in terms of the requirements of the *Local Government Act 1995* and the *Regional Subsidiaries Regulations 2017*.**
3. **Receive a further report after the closure of the public comment period should any submissions be received.**

OR

Proceed with the proposal to form a Regional Subsidiary should no submissions be received after the close of the public comment period, and notify the Rivers Regional Council of Council's endorsement of the *Rivers Regional Subsidiary Business Plan 2020-2025* and the *Charter of the Rivers Regional Subsidiary*.

4. **On approval of the Minister to form a Regional Subsidiary, authorise the Chief Executive Officer and Mayor to execute the following deeds once all arrangements are in place for the Rivers Regional Subsidiary to be established.**
 - **Deed of Dissolution of the Rivers Regional Council**
 - **Deed of Asset Transfer**
 - **Deed of Novation.**

Moved Cr M S Northcott
MOTION CARRIED

(6/0)

4.1 - TENDER 22/19 - PROVISION OF SECURITY SERVICES

WARD : ALL
FILE No. :
DATE : 11 October 2017
REF : AS
RESPONSIBLE Executive Director
MANAGER Technical Services

In Brief:

- Tender 22/19 was recently advertised for Provision of Security Services to the City's buildings, car parks, parks and reserves.
- Five (5) tenders were received by the specified closing time and were evaluated against compliance criteria. The conforming tenders proceeded to the next stage of the assessment and were evaluated against the qualitative criteria.
- This report recommends that Council not accept any of the tenders submitted for Tender 22/19.

Tabled Items

Nil.

Decision Type

- Legislative** The decision relates to general local government legislative functions such as adopting/changing local laws, town planning schemes, rates exemptions, City policies and delegations etc.
- Executive** The decision relates to the direction setting and oversight role of Council.
- Quasi-judicial** The decision directly affects a person's rights or interests and requires Councillors at the time of making the decision to adhere to the principles of natural justice.

Officer Interest Declaration

Nil.

Strategic Implications

2.2 Attractive and Functional Public Places

- 2.2.1 Deliver attractive and functional streetscapes, open spaces, City buildings and facilities

Legal Implications

Assessment of legislation indicates that the following is applicable:

- Section 3.57 *Local Government Act 1995* – Tenders for providing goods or services
- Part 4, Division 2 *Local Government (Functions and General) Regulations 1996* – Tenders for providing goods or services

Section 3.57 *Local Government Act 1995* details a requirement for local governments to invite tenders and the circumstances as to when this is to occur and how are detailed in Part 4, Division 2 of the *Local Government (Functions and General) Regulations 1996*. In the case of the recommendation in this report, the regulations specify that a local government may decline to accept any tender submitted. The regulations also require that all tenderers are to be provided notice in writing detailing the outcome of their tender submission.

Council Policy/Local Law Implications

Assessment of Policy/Local Law indicates that the following is applicable:

- Council Policy ADM 19 – Procurement of Goods and Services.

Budget/Financial Implications

The adoption of the recommendation contained in this report has no direct financial implication, as it is recommended that the tender not be awarded. Provision has been made within the 2019/20 Budget and Long Term Financial Plan estimates for this service.

Consultation

- Inter Directorate.

BACKGROUND

The City has an ongoing requirement for various security services and requires a suitably qualified and licensed security contractor to undertake the provision of security services pertaining to the City's buildings, carparks, parks and reserves. In this regard, Tender 22/19 for the Provision of Security Services was advertised in the 9 November 2019 edition of the West Australian newspaper, on the City's website and in a notice which was displayed on the Administration Centre, Armadale, Kelmscott and Seville Grove Libraries' public notice boards.

The scope of the tender included provision of a locally based mobile patrol capable of responding to after hours alarm calls and the provision of static guards and mobile patrols in support of City activities, as well as alarm monitoring, installation and maintenance.

COMMENT

Analysis

The advertising period closed at 2.00pm on 3 December 2019.

Tenders were received from:

	Tenderer's Name
1.	Wilson Security Pty Ltd
2.	Hi-Tech Security (WA) Pty Ltd
3.	Satellite Security Services Pty Ltd
4.	Certis Security Australia Pty Ltd
5.	MA Services Group Pty Ltd T/A MA Security Group

No tenders were received after the close of deadline.

All of the tenders were assessed against compliance criteria and two were found to be conforming. The tenders from Satellite Security Services Pty Ltd, Certis Security Australia Pty Ltd and MA Services Group Pty Ltd T/A MA Security Group were found to be non-conforming and were not further assessed on the basis that they did not satisfactorily meet the compliance criteria as they did not complete the required pricing schedule in full.

An evaluation of the two compliant tenders was undertaken having specific regard to the following Qualitative Criteria:

Criterion	Weighting
Relevant Experience	20%
Key Personnel Skills and Experience	20%
Methodology	25%
Sustainable Impacts	15%
Price	20%

Upon completion of the two stage evaluation, final scores and pricing were entered into the evaluation matrix, where a final analysis took place to determine the most suitable tenderer. The panel's assessment in this regard is detailed in Confidential Attachment 2. The pricing schedule for the tenderer who scored highest is provided in Confidential Attachment 1.

However, during the tender evaluation process, a review of the City's requirements highlighted the need to further enhance the scope and specifications of this tender to ensure that the City's requirements are effectively met and a value for money outcome is achieved. It is therefore intended (pending Council's approval of the recommendation contained within this report to not award the tender) to re-tender for this service once the revised scope and specifications have been finalised.

CONCLUSION

Tenders for Provision of Security Services were recently invited with five (5) tenders received and assessed against compliance criteria. Of these, two (2) tenders were found to be conforming and proceeded to be assessed by an evaluation panel against qualitative criteria.

During the evaluation process it became apparent that adjustments to the tender scope and specifications are required to satisfactorily meet the City's requirements while ensuring the best value for money outcome.

It is therefore recommended that Tender 22/19 not be awarded.

ATTACHMENTS

1. Confidential Attachment - Tender 22/19 - *This matter is considered to be confidential under Section 5.23(2) (c) of the Local Government Act, as it deals with the matter relates to a contract entered into or which may be entered into by the City of Armadale*
2. Confidential Attachment - Summary Evaluation Report - Security Services - *This matter is considered to be confidential under Section 5.23(2) (c) of the Local Government Act, as it deals with the matter relates to a contract entered into or which may be entered into by the City of Armadale*

RECOMMEND

T13/3/20

That Council, in regard to Tender 22/19 for Provision of Security Services not accept any submissions and advise tenderers accordingly.

**Moved Cr G Nixon
MOTION CARRIED**

(6/0)

COUNCILLORS' ITEMS

Nil.

EXECUTIVE DIRECTOR TECHNICAL SERVICES REPORT

1.Denny Avenue Level Crossing Removal Project – Project Update

Since the memo regarding this project was provided to Council (12 December 2019), the following has occurred in regard to clearing for the Denny Avenue crossing works:

Commencement of Clearing Works:

- A section of clearing along Railway Avenue that was permitted under the initial clearing permit (issued in January 2019) was undertaken by the Public Transport Authority (PTA) between 10 and 18 December 2019. This clearing was undertaken along the east side of Railway Avenue (adjacent to the rail line) roughly between the Third Avenue intersection to just north of the Camillo Road intersection.
- The City was given an opportunity to walk the alignment of the clearing with PTA prior to works commencing. Luke Rogers (Senior Environment Officer) and Gwyn Hitchin (Streetscapes Supervisor) attended this site visit and discussed the City's expectations around avoiding adjacent areas of vegetation outside the clearing area, fauna relocation, and tree and log salvage. As a result, the City was able to salvage a total of 17 tree logs following clearing which will be used in our bushland reserves as required.

Approvals:

- The City was asked to comment on the second clearing permit application by the Department of Water and Environmental Regulation (DWER) in late January 2020. Given that the City had already provided a *Letter of Authority* directly to the PTA (which was provided to Councillors in the memo sent on 12 December 2019) that included the City's expectations for minimising clearing moving forward, the City responded to this request back to DWER by attaching the original *Letter of Authority*.
 - In addition, the City has recently received a development application for the Denny Avenue crossing – please refer to the City's Statutory Planning department for further details on this application.
-

MEETING DECLARED CLOSED AT 9.02PM

TECHNICAL SERVICES COMMITTEE		
SUMMARY OF ATTACHMENTS		
3 MARCH 2020		
ATT NO.	SUBJECT	PAGE
2.1 ENVIRONMENTAL SERVICES ANNUAL REPORT		
2.1.1	Environment Services Annual Report - 2018/19	45
2.2 IMPLEMENTATION STATUS OF THE 2014/15 TO 2019/20 CORPORATE GREENHOUSE ACTION PLAN AND FLARING PROJECT		
2.2.1	Corporate Greenhouse Action Plan - Detailed Analysis	91
3.2 RIVERS REGIONAL COUNCIL - TRANSITION TO RIVERS REGIONAL SUBSIDIARY		
3.2.1	Rivers Regional Subsidiary Business Plan 2020-2025	93
3.2.2	Charter of the Rivers Regional Subsidiary	99
3.2.3	Deed of Dissolution of the Rivers Regional Council	125
3.2.4	Deed of Asset Transfer	135
3.2.5	Deed of Novation	142

Environmental Services Annual Report 2018/19



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Executive Summary

In August 2019, Council approved the City of Armadale Environmental Framework (EMF) and associated Strategic Environmental Commitment (SEC) (refer Appendices 1 and 2). The EMF incorporates the key principles of International Standard *ISO14001 Environmental Management Systems* (the Standard):

- Continuous improvement in environmental performance
- Fulfilment of compliance obligations
- The protection of the environment, including the prevention of pollution
- Achievement of organisational environmental objectives

The intent of the EMF is to effectively address environmental risks and opportunities through the integration of environmental management into organisational processes and decision making. This assists the City in achieving Future Direction 2.1 *The natural environment is valued and conserved*.

A key component of the EMF is the Strategic Environmental Commitment. This includes aspirational strategic outcomes for each of the City's environmental assets, supported by strategic documents (Biodiversity, Water, Aboriginal Heritage, Soil and Land, and Air). Across these categories, Environmental Services has produced a draft five year program for Council endorsement.

This annual report is a key step in ensuring that Council and the community are kept abreast of environmental activities and the extent to which these are managed effectively.

The following conclusions are drawn:

- The Strategic Environmental Commitment of the City remains consistent with the City's strategic organisational objectives (the Strategic Community Plan).
- Progress has been made in relation to achieving the objectives of the Strategic Environmental Commitment.
- Compliance objectives have been fulfilled, demonstrated through the absence of infringements from relevant regulators.
- This is the first year in which environmental risks and opportunities have been considered in an annual report hence, there have been no changes.
- Opportunities for continuous improvement have been identified in relation to project delivery controls and compliance education.
- A draft five year environmental work program has been produced for Council endorsement.
- At this stage, it is not necessary to augment staff resources within the Environmental Services department.

At this stage, the Environmental Management Framework is working effectively and enables the identification of potential control improvements and process efficiencies.



Introduction and Purpose

Environmental management and framework

In August 2019, Council approved the City of Armadale Environmental Management Framework (EMF) and associated Strategic Environmental Commitment (SEC) (see Appendices 1 and 2). The EMF incorporates the key principles of International Standard *ISO14001 Environmental Management Systems* (the Standard):

- Continuous improvement in environmental performance
- Fulfilment of compliance obligations
- The protection of the environment, including the prevention of pollution
- Achievement of organisational environmental objectives.

The intent of the EMF is to effectively address environmental risks and opportunities through the integration of environmental management into organisational processes and decision making. This assists the City in achieving Future Direction 2.1 *The natural environment is valued and conserved*. The hierarchy of documents within the EMF are structured around the 'natural assets' of the City, Biodiversity, Water, Aboriginal Heritage, Soil and Land, and Air.

ISO14001 stipulates that one of the founding pillars of an Environmental Management System (EMS) is an environmental policy or commitment. This sets the intention and direction of an organisation by executive management. The SEC mirrors the overarching objectives of *ISO14001* and includes strategic outcomes for each of the City's environmental assets. These outcomes provide direction in the creation of asset specific strategic documents. In turn, these generate detailed environmental initiatives/projects, in a rolling five year environmental work program.

In accordance with the Standard/EMF, the purpose of this annual report is to allow Council to:

1. Review the currency of the SEC, in the context of the City's strategic organisational objectives (the Strategic Community Plan)
2. Identify the extent to which the objectives of the SEC have been achieved
3. Understand whether compliance objectives have been fulfilled
4. E
5. Identify opportunities for continuous improvement in environmental performance
6. Understand potential changes to the rolling five year environmental work program
7. Review the adequacy of the City's financial and non financial resources attached to environmental management
8. Form a view on the effectiveness of the Environmental Management Framework.

The annual report is a key process in ensuring that Council and the community are kept abreast of environmental activities within the City and the extent to which these are managed effectively.

Review of strategic environmental commitment

The Strategic Community Plan (SCP) has not changed since the approval of the Strategic Environmental Commitment. Amendments are therefore not required for alignment to refined organisational objectives. The SCP is currently under review and will be finalised this year. Changes to the SEC may be necessary as part of the next Environmental Services Annual Report.

Progress report – strategic environmental commitment

Initiatives delivered in 2018/19 against key components of the SEC can be summarised as follows:

Biodiversity

Preserve and enhance the city's natural areas

Bungendore Park Recreation Strategy

In partnership with the Bungendore Park Environmental Group, the City has completed and implemented the *Bungendore Park Recreation Plan and Signage Strategy*. This project culminated in the installation of new trail infrastructure, supporting sustainable recreational use of a diverse and ecologically valuable section of Perth's Darling Scarp.

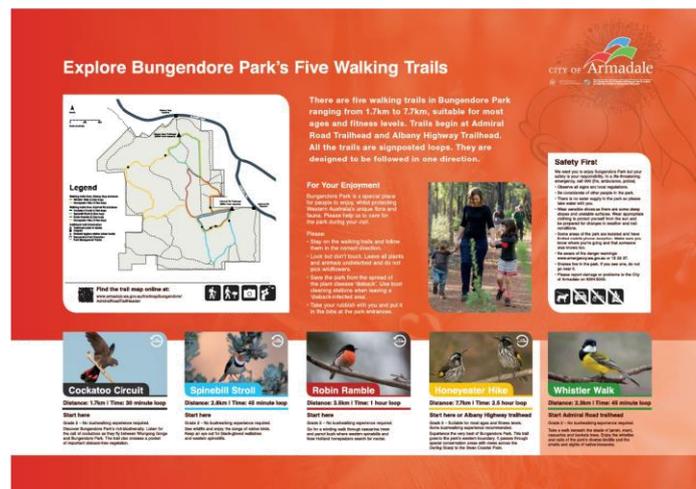
Bungendore Park incorporates 498ha of bushland, located in Bedforddale. The park is vested in the City of Armadale for conservation and recreation, forming part of the wider Wungong Regional Park.

There are now five loop trails within the park of varying lengths and difficulty, with appropriate dieback control mechanisms. The establishment of one way trails has minimised the number of boot cleaning stations, retaining the natural feel of the reserve. The trails range in length from 1.7 to 7.7km and are suitable for most ages and fitness levels.

New signage provides appropriate directional guidance, whilst educating walkers on the flora, fauna and threats associated with the natural environment in the reserve. A number of the signs display QR codes that enable users to:

- Download walk trails maps
- Listen to the sounds of Bungendore Park
- Learn more about threats to the reserve

The trails are illustrated at the two entrances to the park, with trailheads clearly demonstrating the walking experiences available.



Fauna Project

A three year project to research and recommend management practices in relation to native fauna has concluded. The project scope incorporated components of on ground management, including feral animal control and infrastructure development to protect fauna. The focus of the study was on several City conservation reserves: Armadale Settlers Common, Bungendore Park and City vested reserves in the vicinity of Forrestdale Lake.

The research incorporated scientific studies into the presence and abundance of native fauna. Size and diversity of populations were measured through mark-release-recapture methods of surveying, in conjunction with camera monitoring. Species appearing in the study and known to be threatened by local extinction were identified. The magnitude of threats to native fauna, including the presence of feral animals, fragmentation of habitat and presence of dieback were also established.

The information obtained is being used as a benchmark for monitoring changes in fauna over time, in conjunction with informing fauna management actions undertaken by the City. The study has resulted in refinements to current City initiatives, including feral animal control, dieback management and infrastructure maintenance (eg access control).



Environmental Volunteer Activities

In 2018/19, there were nine active bushcare volunteer groups and 33 Reserve Custodians in the City of Armadale. The volunteers undertook valuable conservation activities including weed control, rubbish removal, dieback injections, planting of locally native species, guided nature walks, seed collection and propagation, community education (talks and presentations) and European Wasp monitoring. They also played a critical role in the passive surveillance of bushland reserves, reporting any observed issues to Environmental Officers.

Bushcare volunteers presented displays showcasing the City's bushland values at popular events such as the Perth Garden Festival, Plants for Residents and the Bedforddale Markets and contributed to the City of Armadale Bush Arts Trail. They also participated in environmental initiatives such as the Great Cocky Count, Clean Up Australia Day, Bushcare's Big Day Out and National Tree Day.

The Environmental Centre is a City of Armadale facility within Armadale Settlers Common, under the management of the Environmental Centre Management Committee (ECMC). This is made up by members of BEWG. The centre has been made available for exclusive use by bushcare volunteers. A Memorandum of Understanding governs operational relationships between the City and the ECMC.

The committee organised the Bushland Wonders event in 2018. Two primary schools visited the centre on the first day and the children were involved in numerous activities relating to the natural environment. On the second day, there was an open community day with a display of local native wildflowers.

ECMC members were also present at all events hosted by the City to assist with setting up, packing up and educating members of the community.



Environmental Volunteer Support

The City is committed to assisting bushcare volunteers through the provision of administrative support, technical guidance, training opportunities, safety advice and the award of annual assistance grants.

The Bushcare and Environmental Working Group (BEWG) is an umbrella group, convening representatives from environmental volunteer groups at bi-monthly meetings.

Two plenary events were organised by the City, in partnership with BEWG, 'Mini Beasts' with Eric McCrum, and 'The Botanical Heritage of the Armadale Region' with Dr Adam Cross. Eric McCrum is an educator, renowned for fostering interest in native wildlife. He has taught at the Perth Zoo Education Centre and the Gould Herdsman Lake Wildlife Centre. Adam is a restoration ecologist with a PhD in Botany. His research interests include community ecology, seed biology and carnivorous plants.



The events were accessible to the public and over 40 residents attended both sessions. The objective is to assist in educating the community on the wonders of the natural environment, particularly in Armadale and to expand on matters of technical interest. They also promote volunteering opportunities in the City and celebrate the achievements of the groups.

Two training opportunities were provided to environmental volunteers, the Green Card and a Public Submissions Workshop. The former explored activities that could introduce or spread *Phytophthora* dieback, with an indication of how risks can be mitigated. Participants were issued a 'Green Card' on completion.

The Public Submissions Workshop was presented by Dr Angus Morrison-Saunders, an expert in Western Australian Environmental Impact Assessments. The seminar covered the production of clear, concise and effective submissions on proposals advertised for public comment under state and federal legislation.

Grants amounting to \$21,000 were allocated across six different groups and custodians, supporting and facilitating on ground activities.



Feral Animal Control

In Western Australia, land holders are required to control or take actions to prevent the occurrence of and to protect their neighbours' land from the impact of 'declared pests' listed under the *Biosecurity and Agriculture Management Act 2007* on their land. The City is therefore responsible for feral animal control in City of Armadale reserves. The City takes an adaptive management approach to feral animal control and reviews the program annually based on prior year results.

Previous feral animal monitoring and control in City reserves identified an ongoing issue with feral pig, goat and fox populations within the City of Armadale. Therefore the 2018/19 feral animal control program was targeted at these species.

The City undertakes feral animal control twice a year in spring and autumn, coinciding with the best opportunity for success based on animal movement patterns. In 2018/19 a contractor was engaged to undertake feral animal control in Bungendore Park, Armadale Settlers Common and Lloyd Hughes Reserve. In spring 2018, a total of 12 foxes, eight rabbits, seven pigs and 31 goats were removed. In autumn 2019, a total of 12 foxes, 8 pigs, 28 goats and one feral cat were removed.

Feral animals have a significant impact on local biodiversity including land degradation and loss of native fauna. The regular removal of feral animals from City reserves is an important part of land management and conservation of the local environment.

The City's Environment team also responds to reports of feral animal activity on City land from community members and bushcare volunteers and provides information to residents who have questions about feral animal control on private property.



Armadale Gosnells Landcare Group

The Armadale Gosnells Landcare Group (AGLG) are a separate not for profit statutory entity run by volunteers and supported financially by both Cities of Armadale and Gosnells (CoG).

Their goals are:

Vision: Our community living and working in harmony with the environment of the upper Canning and Southern Wungong catchments.

Mission: To lead, strengthen and promote ways of addressing degradation of urban catchments and their associated waterways.

Staff members are employed by the AGLG and deliver works on City lands. The location of the team is split evenly throughout the week between Armadale and Gosnells. Further details are provided below under *Resources*.

The group represents approximately 11,400 volunteers that restore specific rivers and bushlands in both cities. External investment is attracted in the form of federal and state grants.

Across both cities in 2018/19 AGLG:

- Attracted grant income of \$244,000 for on ground works
- Planted 100,500 seedlings in riverbanks, wetlands and bushlands
- Held 141 volunteer planting events
- Accumulated 5924 volunteer hours, valued at \$148,000 (\$25 per hour)
- Engaged with 12 schools and delivered 32 school events
- Coordinated a volunteer event on National Tree Day, where 246 volunteers planted 11,540 seedlings



AGLG achieve positive environmental and community outcomes, aligning to both cities' Strategic Community Plans.



Plants for Residents

'Native Plants for Residents' is an annual plant giveaway to City of Armadale residents. The third event was delivered in 2019, in partnership with AGLG. The objective is to encourage local residents to plant native species in their gardens. This assists in building coverage by the urban forest, enhancing biodiversity and supporting local fauna. Gardens have the potential to act as habitat 'stepping stones' or 'corridors', providing links between areas of conservation value.

Native species are selected based on their long term growth potential and survival capacity in the City's variable soils. These establish quickly, grow well and are water wise. Since all species occur naturally in local reserves, plant stocks remaining after the event can be used in City conservation reserves (in 2019 - Armadale Settlers Common and Mimosa Reserve).

At the event, City officers provide advice on plant suitability and care and maintenance regimens. Armadale Environment Centre, the Armadale branch of the Wildflower Society, Bungendore Park Environmental Group, Roleybushcare and Armadale Settler's Common Working Group volunteers also provided valuable information to attendees waiting in line at the event.

In 2019, 8000 plants were ordered and ratepayers received up to 10 plants per household. A total of 609 people attended the event. A survey undertaken demonstrated that 96% of participants would like to see the program repeated in 2020. It is scheduled to occur in May.



Clearing Factsheet

Complexities associated with the clearing permit regulations prompted Environmental Services to prepare a short fact sheet on native vegetation clearing. The purpose is to assist operational teams in ascertaining when approvals are required. The sheet includes a form that must be populated with supporting information.

This enables a review from Environmental Services and the provision of advice. The advice requested includes for example, how the activity minimises environmental impact and native plant removal, in conjunction with the details of any proposed offsets.

The process assists in ensuring that the City is meeting legislative obligations, whilst minimising potential impacts.

Dieback Management

Phytophthora dieback is one of the greatest threats to the integrity and longevity of bushland areas. The pathogen affects an array of native vegetation and dependent flora and fauna assemblages. There is no cure for Phytophthora dieback but phosphite application to susceptible species can reduce the spread and impact of the disease. Phosphite enhances plant resistance to the pathogen.

The City's dieback treatment program delivers phosphite treatment to susceptible vegetation, assisting in maintaining biodiversity and habitat structure within City bushland areas. The program consists of three elements; interpretation and mapping, foliar spraying and stem injections. Reserves are prioritised for dieback treatment based on the presence of susceptible vegetation and their environmental values.

The City is at the forefront of dieback treatment in Western Australia, with approximately 1000ha treated across 36 bushland areas. This is achieved with a budget of up to \$100,000 per annum. This is frequently supplemented through grants secured by the Bungendore Park Environmental Group.

Reserves identified for inclusion in the program are treated every three years. In 2018/19 the City mapped and treated 16 bushland reserves.



Ensure Development Outcomes are Sensitive to Pre-existing Environmental Values

Wungong river project

The Wungong River Project is an initiative to enhance a 4km stretch of foreshore between Armadale Road and Champion Drive. The 'Wungong Active Path' (WAP) will be the centerpiece of the project, connecting bike trails on Armadale Road to the Principle Shared Path of the Tonkin Highway. This connection will take place via an enhanced natural environment.

Environmental restoration activities will be undertaken either side of the river, improving vegetation condition and enhancing biodiversity. Signage will be installed, providing educational opportunities in relation to environmental and Aboriginal heritage values. The Aboriginal community will have an opportunity for a key role in the project through the implementation of a Cultural Heritage Management Plan, developed by the City (see below).

Council has elected to allocate funds from the sale of carbon abatement credits to the project. These are generated by the flaring project at the Hopkinson Road Landfill and Recycling Facility (see below). Over a seven year crediting period, between \$0.8m and \$1.2m of revenue will be provided by the federal government purchasing abatement credits. The funds will only be used after significant contributions from adjacent developers, or as part of matching contributions for grant funding.

To inform the approach, a concept plan was prepared by a consultant on behalf of the City, outlining a masterplan for project implementation. The concept plan was endorsed by Council after public consultation in 2018/19. During the year, negotiations commenced with adjacent developers on the delivery of Foreshore Management Plans and associated infrastructure.



Aerial image of the Wungong River



Portion of the concept plan (Area 1).

Hilbert road wetland

The Hilbert Road Conservation Category Wetland is within the Wungong Redevelopment Area, surrounded by existing and proposed residential development (off Hilbert Road between Neerigen Brook and the Wungong River).

The City has worked with the developer, consultant hydrologists, the Department of Biodiversity Conservation and Attractions and the Department of Water and Environmental Regulation to ensure the completion of pre and post development water balance modelling. This is to ensure that land use changes do not adversely impact on the hydrology of the wetland.

Flora and fauna surveys demonstrated the values of the wetland. They highlighted excellent condition vegetation requiring preservation in the wetland 'core'. A vegetated 50m buffer zone was negotiated with the developer, in conjunction with the development of a detailed Wetland Management Plan (WMP). This outlines management strategies for weed control, revegetation works in degraded buffer zones and protection mechanisms as land use changes progress.

Works associated with the WMP equate to almost \$2m. The City is in the process of negotiating a legal agreement with the developer to govern the delivery of works.



Hilbert Road Wetland



Water

Utilise water efficiently as part of city operations

Waterwise Councils

The Water Corporation (WC), in partnership with the Department of Water and Environmental Regulation (DWER) provide oversight of the Waterwise Council Program. The purpose is to build cooperative working relationships to ensure that water is used more sustainably in local government areas. The importance of building water sensitive communities is a key message of the program.

Waterwise Councils assists local government in improving the efficient management of both potable and non potable water sources. It also supports behavioral change in the community by encouraging the use of products and services designed to reduce water demand.

In 2018/19, Council sanctioned the City's participation in the program. In 2019/20, Environmental Services will commence actively working towards formal 'endorsement' as a Waterwise Council. A number of tasks require completion for this to be achieved. Key amongst these is the preparation of a Water Efficiency Action Plan (WEAP). This includes time bound actions to enhance the performance of the City.

Minimise detrimental impacts to water quality in the city's rivers, streams, brooks and drains

Streamcare Project

This initiative empowers local landowners to revitalise streams and riparian vegetation on their properties. This improves habitat values and water quality (through nutrient stripping). Landowners receive free and site specific advice on weed control, planting regimens and waterway management.

Streamcare launched in 2002, in response to the City's State of the Environment report. This concluded that 64% of mapped private property watercourses had little or no riparian vegetation.

In 2018/19, Streamcare was widely advertised via print and social media. In addition, written correspondence targeted 103 landowners.

In summary:

- 50 landowners expressed interest in the program
- 13 site visits were undertaken
- 30 landowners applied for and received plants for revegetation
- 2603 seedlings were planted
- Approximately 470m of foreshore (approximately 1540 m²) was revegetated

Participants make a valuable contribution to the conservation of local riparian habitat and water quality within the City of Armadale.

Palomino Wetland

This is a newly constructed wetland in Champions Lakes adjacent to the Wungong River. The project is managed by AGLG and funded through a state natural resource management grant. Support is provided by the City, the project is consistent with the objectives of the Wungong River Concept Plan (see above).

Historically the project area was a weed infested low lying dampland, bordered by paddock. The early stages of the project involved the excavation and contouring of a new wetland.

This incorporated:

- The planting of 5500 native species, selected and spaced to encourage wading birds and enable wind penetration
- Relatively still water in winter, providing shelter for macro invertebrates, eg gilgies etc
- A hydraulic grade that descends towards the river; this enables free draining and the prevention of mosquito habitat
- A gently sloping northwest facing sandy bank with established vegetation cover; this provides ideal nesting habitat for the Southwestern Snake-Necked Turtle (formerly Long-Necked, or Oblong turtle)
- An eastern facing steep exposed bank with higher clay content, to attract the nesting Rainbow Bee Eater
- Several species of water bird have been spotted since implementation. Ongoing macroinvertebrate and water quality monitoring is being undertaken by an independent consultant to ascertain the performance of the wetland.



Aboriginal Heritage

Recognise the connection that members of the local aboriginal community share with city managed land through the implementation of on ground initiatives

Cultural Heritage Management Plan

A Cultural Heritage Management Plan has been finalised for the Wungong River Project (see above). Three Aboriginal heritage sites intersect the project area. Southern River/DPLH ID 3511 (Registered site), Goolamrup Artefact Scatter/DPLH ID 37106 (Registered site) and Wungong Artefact Scatter/DPLH ID 37105.

The document assists in ensuring that heritage values in the project area can be acknowledged and managed appropriately. It provides procedural systems guiding the management of the cultural landscape. For example, it gives an indication of protocols to be followed, for example, during construction processes.

The document was produced by the City on a voluntary basis (it was not mandated under the Minister's approval for project delivery). It provides an opportunity for engagement and input from the local community.

Comments were sought from the South West Aboriginal Land and Sea Council during the preparation of both the Wungong River Project Concept Plan and the Cultural Heritage Management Plan.

Soil and Land

Minimise the pollution of soil and land that could result from city activities

See below. Switch Your Thinking deliver projects encouraging residents to reduce land pollution. These include, for example, Young Re-Inventor of the Year and the Modern Cloth Nappy Trial.

Air

Minimise pollution to the atmosphere from city operations

The key pollutant to the atmosphere from the City's operations are carbon emissions. Carbon abatement activities are discussed below. Other potential pollutants will be identified on production of the Air Strategy document (see *Environmental Services Five Year Plan* below).

Minimise the City's Carbon Footprint

Hopkinson Road Landfill and Recycling Facility – flaring project

Methane is released into the atmosphere from landfill sites, the result of the anaerobic decomposition of organic matter at the site. It is a powerful greenhouse gas, with 25 times the global warming potential of carbon dioxide. In 2014, a flare and associated pipework was installed to capture and burn methane. The combustion process enables the conversion of methane to carbon dioxide. This reduces the City's carbon footprint.

Several years ago, the City had the opportunity to participate in the (then) Emissions Reduction Fund (ERF), with a view to selling the carbon abatement achieved. The City became the first local government nationwide to achieve accreditation under the ERF. At the time of publication, there are 29 accredited local government projects nationwide, 20 of which involve flaring. The City of Armadale is the only local government accredited project in Western Australia.

Over the seven year crediting period, the City will receive between \$0.8 and \$1.2m of revenue from the federal government.

Key project outcomes to June 2019 include:

- The abatement of 93,372 carbon equivalent tonnes (tCO₂-e)
- This equates to circa 38% of the carbon footprint of the tip site and 35% of the overall carbon footprint of the City
- Carbon abatement well in excess of that contracted to the federal government

The surplus abatement means the City will fulfil their contractual obligations to the federal government two years earlier than expected. As a result, two years' worth of carbon abatement will be sold on the voluntary carbon market, providing an additional source of unbudgeted income.



Location - City of Armadale Hopkinson Road Landfill and Recycling Facility



The landfill flare 'stack'



Switch Your Thinking

The Switch Your Thinking (SYT) program is administered through the South Eastern Regional Energy Group (SEREG), comprising the Cities of Armadale and Gosnells and the Shire of Serpentine Jarrahdale (SoSJ). The mission of SYT is to assist the community and local government partners to reduce greenhouse gas emissions and address climate change through sustainable practices.

Staff members are employed by the City of Gosnells, but project work is carried out across the three local government areas. The location of the team is split throughout the week between Armadale, Gosnells and Serpentine Jarrahdale. Further details are provided below under *Resources*.

In 2018/19, Switch Your Thinking delivered over 170 community workshops for a total of 5774 people. Topics included worm farming, composting, reducing waste, soil science, modern cloth nappies, decluttering and green cleaning.

The following specific projects were delivered by SYT in 2018/19:

switch
your thinking



Cloth nappy trials

SYT were successful in attracting a \$52,000 grant from the Waste Authority, a portion used to pilot a program to promote modern cloth nappies. Throughout the trial, a local mum delivered cloth nappy workshops. Six were organised across Perth and attended by over 100 parents and grandparents. A modern cloth nappy manual was produced and shared digitally with over 11,400 people. Hard copies are now included in Better Beginnings library bags in the CoA, CoG, SoSJ and the City of Canning.

As part of the trial, 55 families were given a month's subscription to a cloth nappy library to try modern cloth nappies for free. Trial participants were invited to complete a survey before, during and after the initiative. SYT found that 86% of respondents indicated that they continued using modern cloth nappies after the trial. We also discovered that trial participants significantly reduced the waste to landfill both during and after the trial.

Furthermore:

- In all areas of the house, the dark roof consistently raised living temperature by 1°C; a 1°C reduction on air conditioning units increases electricity consumption by 10%
- On a 40°C day, the temperature at bed height in the dark roof house was 33°C; this was 5°C hotter than the home with the light roof
- The lighter colored roof house had a cooler roof space, by up to 5-10°C; this assists in ensuring that ducted air conditioners work more efficiently, reducing energy costs
- In winter, the dark colored roof did not result in a warmer house.

In conclusion, light colored roofs facilitate a healthier and more comfortable home.



Information from the study has been used to educate local government officers across the metro area and Australia. It has informed City of Armadale comments on the 'Trajectory for Low Energy Buildings' strategic document (Council of Australia Governments Energy Councils).

The project was:

- Runner up in the national Australian Smart Cities Awards 2019
- Runner up in the national Cities Power Partnership Awards 2019
- Presented at the International Improving Energy Efficiency Conference 2019 and awarded 'Best in Session'

The results of the study have been shared nationally, establishing the City of Armadale as a leader in climate change adaptation.

Compliance Matters

Environmental Services are not aware of any infringement notices and/or compliance notifications under environmental or Aboriginal Heritage legislation in the 2018/19 period.

Risks and opportunities

The current version of the Environmental Services Risk Register is (Confidential Appendix 3) is attached separately.

Key risks and mitigating strategies are summarised as follows:

RISK	MITIGATING STRATEGY
Non compliance with Environmental or Aboriginal Heritage legislation during implementation of the City's Program of Works.	<p>Ensure Environmental Services staff are adequately trained.</p> <p>Seek external specialist advice where required (including industry experts, state government agencies and consultants).</p> <p>Maintenance of a legal register for updated legislation/regulations.</p>
Provision of inaccurate Environment or Aboriginal Heritage advice during the development process, resulting in adverse environmental outcomes and reputational damage.	<p>As above, plus:</p> <p>Application of Subdivisional Development Guidelines.</p> <p>Application of local planning policies.</p>
Normalisation process of the MRA, including handover to the City.	<p>Review of current level of environmental approvals in the MRA area, with reporting to Director level.</p>
Current level of environmental approvals are inadequate and/or outdated and/or unknown.	<p>Escalation of conclusions to the City's Executive Leadership Team for consideration and resolution.</p>
Potential resource implications for the City, including Environmental Services.	<p>Ongoing input from Environmental Services in relation to the Operational Water Quality Objective and the District Water Management Strategy in which targets will be defined.</p>
Reputational risk associated with delivering the water quality targets of the Operational Water Quality Objective.	
Additional environmental project delivery responsibilities may be placed upon City staff, depending on the Normalisation model adopted.	
Climate change results in environmental deterioration to reserves or physical assets.	<p>Development and implementation of adaptive Management Plans and programs for City managed natural areas.</p> <p>Advice issued to other business units potentially affected by climate change to advise on potential implications and to ensure that risks are addressed as part of their risk registers.</p>



The residual risk post controls are classified as 'medium' under the City's Risk Management Framework. Minor improvements to the Project Management Framework have recently been discussed within Technical Services. These surround the early identification of risks in relation to approval strategies. This will limit the potential for project non compliance and/or delays to implementation.

In collating the Environmental Services Risk Register, a number of potential process improvements have been identified. These will lead to enhanced awareness in the organisation, improve environmental performance and introduce efficiencies. These are discussed in detail below under 'Continuous Improvement'.

One year look ahead

As per the report to Council in August 2019, a schedule of works was produced for the current financial year. This is included as Appendix 4.



Environmental Services Five Year Plan

In accordance with the EMF and commitments made to Council in August 2019, a draft five year Environmental Services work plan (the 'Plan'), commencing in 2020/21, has been developed and included as Appendix 5.

Development of the plan

The process undertaken during preparation is summarised as follows:

- Projection of resourcing levels within Environmental Services over the five year period
- Identification of known stakeholder expectations, including Council, ratepayers, regulators, state government agencies, environmental volunteers, etc. (this includes compliance obligations)
- Risk assessment associated with the City's assets (for example, environmental degradation and non compliance failing to achieve the expectations of stakeholders)
- Identification of environmental initiatives to address the preceding two items, or achieve the City's strategic objectives as defined in the Strategic Environmental Commitment
- Calculation of resource requirements associated with environmental initiatives
- Project prioritisation process, enabling top scoring initiatives to be delivered within available resources (refer first item above).

The Plan is based on available information at a particular point in time. Appendix 5 highlights the rationale for the inclusion of individual tasks (seven types of rationale are included). These include Statutory Requirement, Mitigating Control in Risk Matrix, Requirement of Council Approved EMF, Community and Council Expectation, Existing Document Due for Renewal, Implementation of Council Approved Plan/Initiative and Required Under a Developer Contribution Scheme.

Prioritisation of tasks

Within the Plan, priority is given to compliance activities and statutory requirements. The balance of resources is made up of project activities, priority given to those that have already commenced and/or are the result of existing commitments. Over the course of the next year, Environmental Services will be developing a value based multi criteria assessment tool for the selection and prioritisation of projects. For example, this may be used in the production of the Biodiversity Strategy as a mechanism for selecting which reserves are subject to an Environmental Management Plan.

Updating the plan

The Plan includes the production of strategic documents for Biodiversity, Water, Aboriginal Heritage, Soil and Land, and Air (a requirement of the EMF). As these are completed, greater clarity will be provided on the scale and nature of projects that may be delivered in the City. These documents will comprehensively explore the state of the City's assets, identifying risks and opportunities. As a result, this initial five year plan will be updated to reflect the highest priority projects.

Considered to be of high priority in terms of the development of the EMF is the preparation of a Biodiversity Strategy. The purpose of the Biodiversity Strategy is to inform the overarching management of the City's natural assets.

A strategy to inform the preparation of historical standalone management plans will ensure a consistent approach to the management of the City's natural assets and risk associated with their degradation. A multidisciplinary Biodiversity Strategy of this complexity will require a high degree of technical input and stakeholder engagement, it is for this reason that an additional financial commitment of \$45,000 is recommended.

Similarly additional funds (\$35,000) are sought for the review and update of the Corporate Greenhouse Action Plan in lieu of the current plans pending expiration. The funding sought will be used to provide for supporting technical studies.

As has been provided above, future proposed changes to the Plan will be highlighted as part of the annual reporting process. The evolving five year plan may have an impact on budgeting and resource requirements (see further discussion below).

Progress against completion of the five year plan will be reported on annually.

Consultation

Internal comments have been sought and considered in the production of the Plan. Although the program is likely to change as strategic documents come online, Council approval is now sought.

A Stakeholder Engagement Strategy is currently in production in accordance with the requirements of the Environmental Management Framework. This will provide an indication of who should be consulted, as future requirements of the EMF are delivered.

Key performance indicators

These have been defined for Environmental Services and will be monitored from 2019/20:

- Submit 100% of comments on development applications within statutory/internal deadlines, or negotiated internal timescales
- Delivery of environmental projects in accordance with the five year program
- Deliver six significant environmental community/volunteer events per annum
- Achieve 'volunteer hours' target of the AGLG Business Plan ('Planned' scenario)
- Deliver projects outlined in the Switch your thinking Business Plan to time and budget.

The achievement of departmental KPIs will be reported on within future annual reports. In addition, environmental asset strategic documents will incorporate technical KPIs. This facilitates an assessment of the extent to which management regimens or project initiatives are successful.



Continuous improvement

Additional environmental management guidelines are scheduled for completion by Environmental Services, ensuring that processes become more effective and efficient. They will enhance understanding within the City and the development industry and introduce a standard of management control.

These initiatives are included in the Environmental Services draft five year program (see Appendix 5) and include:

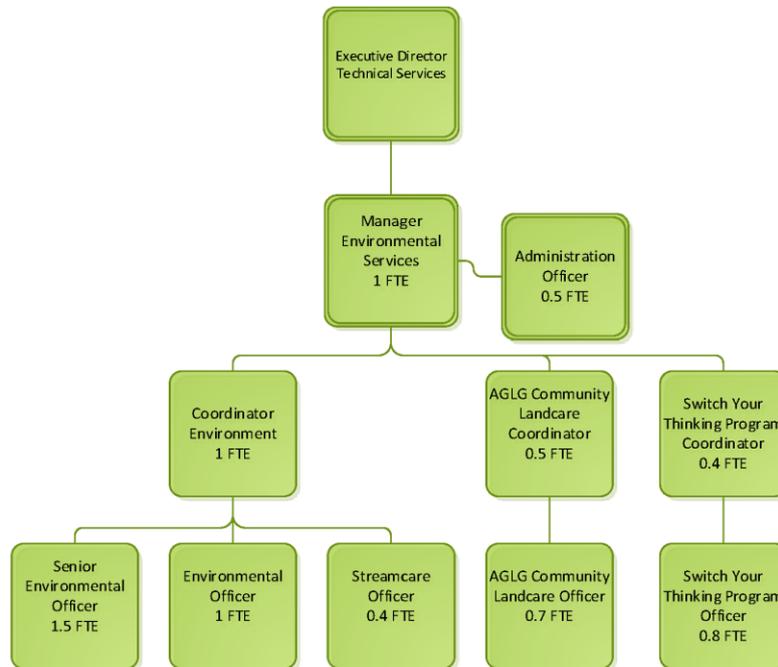
- Referrals under the Environmental Protection and Biodiversity Conservation Act 1999 (internal guidance)
- Dieback Management (internal guidance)
- Dewatering compliance (internal guidance)
- Sediment and erosion control (internal guidance)
- Compliance with the *Aboriginal Heritage Act 1972* (internal guidance)
- Management of Acid Sulphate Soils (internal guidance)
- Environmental Management Plan guidance (for external parties)
- Procurement Processes, incorporation of environmental considerations (for use by external parties)

The production of these documents is staggered across the five year program to allow for competing demands.



Resources

The Department is structured as follows:



City of Armadale staff

Environmental Services consists of 5.4 Full Time Equivalents (FTEs), including 0.5FTE for administrative activities.

Armadale Gosnells Landcare Group

As highlighted above, AGLG staff deliver works on City lands. A Memorandum of Understanding defines operational relationships between AGLG, the CoA and CoG. Human resources and payroll support is provided by the CoA. Funding requirements are secured through a five yearly business plan.

Switch your thinking

As highlighted above, the Switch Your Thinking (SYT) Program is administered through the South Eastern Regional Energy Group (SEREG). SYT staff members are employed by the City of Gosnells (they are responsible for administering the program). A Memorandum of Understanding defines operational relationships between SYT and partner councils. Again, funding requirements are secured through a five yearly business plan.



Budget Allocation

Environmental Services has an annual municipal budget allocation of \$1.4m. This is composed of salary and on costs (\$0.6m), project implementation costs (\$0.5m) and program implementation for the AGLG and SYT initiatives (\$0.3m). The AGLG and SYT projects see the City receiving a return on investment through the attraction of grant funding. Hence, it could be argued they are not a true cost to the City, meaning the 'true' municipal support costs equate to \$1.1m. An analysis of salary cost by key team activities is highlighted in Appendix 6. The annual project budget allocation is included in Appendix 7, in conjunction with an indication of funding sources.

Environmental Services has at least \$1.2m of existing or upcoming initiatives funded through non municipal sources, including the Wungong River Project. In the last five years, significant projects have been delivered in Bungendore Park and Armadale Settlers Common, with the vast majority funded through Cash in Lieu (developer contributions).

The draft five year plan indicates whether future initiatives require additional budget allocations. In the majority of cases, this is not needed. However, the Plan does include the production of multiple informing documents. These may result in additional budget requests on completion, once potential project initiatives or management regimens are defined. In this case, budget implications will be presented to Council when strategic documents are finalised.

The exception to this are proposed \$35,000 and \$40,000 allocations for the respective completion of a new Corporate Greenhouse Action Plan and Local Biodiversity Strategy in 2020/21 as discussed in previous sections of this report.

Environmental services - resources

The five year plan identifies discretionary initiatives that do not 'make the cut', given the resources available and extent of competing demands. These include new aspirational tasks (ie no existing Council or community commitment or expectation). Despite the exclusion of non priority tasks, the completion of 'must do' initiatives mean that resources are over allocated by up to 5% per annum. This conclusion is underpinned by assumptions or estimates on the amount of time spent on individual tasks (refer Appendix 6).

The Workforce Plan currently allows for a new Environmental Officer (1 FTE) in 2022/23. The intent is for time tracking to commence in 2019/20 to establish the accuracy of estimates/assumptions discussed above. The completion of this exercise will determine when and if, additional resources are required.



Conclusion

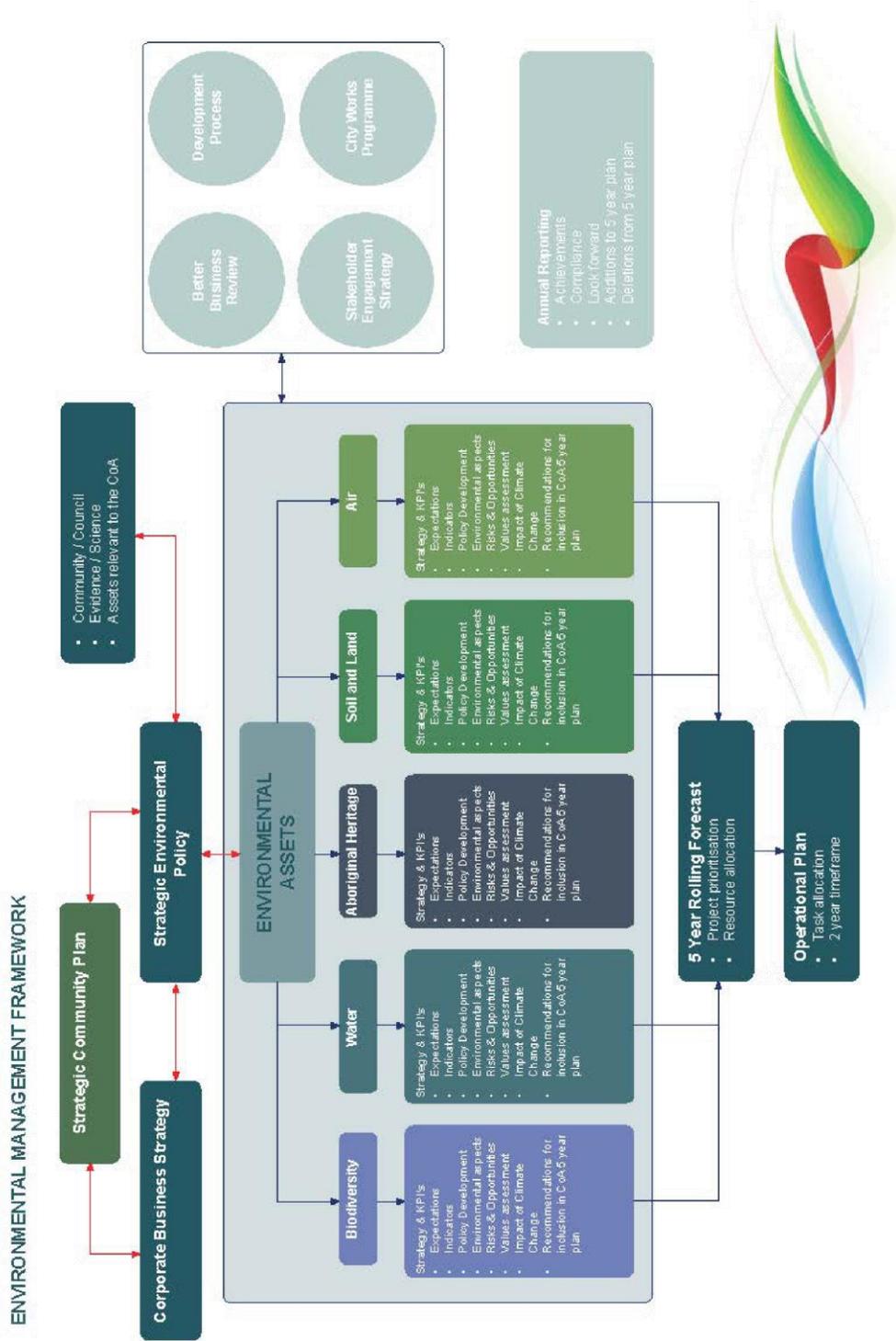
The following conclusions may be drawn from the content of the above report:

- The Strategic Environmental Commitment of the City remains consistent with the City's strategic organisational objectives (the Strategic Community Plan)
- Progress has been made in relation to achieving the objectives of the Strategic Environmental Commitment
- Compliance objectives have been fulfilled, demonstrated through the absence of any notifications from relevant regulators
- Given that this is the first year in which environmental risks and opportunities have been considered in an annual report, there have been no changes
- Opportunities for continuous improvement have been identified in relation to controls surrounding project delivery and compliance
- A draft five year environmental work program has been produced for Council endorsement
- At this stage, it is not necessary to augment staff resources within the Environmental Services department.

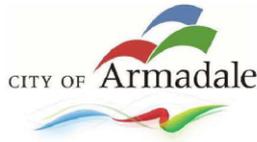
The Environmental Management Framework is working effectively and has enabled the identification of potential control improvements and process efficiencies. There is no requirement for amendment.



APPENDIX 1 – ENVIRONMENT MANAGEMENT FRAMEWORK



APPENDIX 2 – STRATEGIC ENVIRONMENTAL COMMITMENT



POLICY – ENG 21 – Strategic Environmental Commitment

Related Management Practice

No

Relevant Delegation

N/A

Rationale

To clearly define the key Environmental Objectives the City will pursue in achieving its environmental goal of having a natural environment that is valued and conserved, which includes:

- The protection of the environment, including the prevention of pollution.
- Compliance with environmental and heritage legislation.
- The implementation of processes enabling continuous improvement in environmental performance, including consultation with relevant industry stakeholders where appropriate.

Policy

The local environment has been considered in each of its constituent parts; biodiversity, water, cultural heritage, soil and land and air. The following objectives will be adhered to by the City in pursuit of achieving its environmental goal:

Biodiversity

- *Preserve and enhance the City's natural areas*
- *Ensure development outcomes are sensitive to pre-existing environmental values*

Water

- *Utilise water efficiently as part of City operations*
- *Minimise detrimental impacts to water quality in the City's rivers, streams, brooks and drains*

Cultural Heritage

- *Recognise the connection that members of the local Aboriginal community share with City managed land through the implementation of on-ground initiatives*

Soil and Land

- *Minimise the pollution of soil and land that could result from City activities*

Air

- *Minimise pollution to the atmosphere from City operations*
- *Minimise the City's carbon footprint*

Related Local Law	N/A
Related Policies	N/A
Related Budget Schedule	N/A
Last Reviewed	12 August 2019
Next Review Date	March 2022
Authority Council Meeting of:	12 August 2019 (T53/8/19)

APPENDIX 3 – ENVIRONMENTAL SERVICES RISK REGISTER

Attached separately for reasons of confidentiality.

APPENDIX 4 – 2019/20 WORK PROGRAM

Project	Resource Requirement (days)	Prioritisation Criteria	Explanation
Armada Settlers Common Rec Strategy	20	1	Project in progress
Wungong Cultural Heritage Management Plan	5	1	Compliance requirement and project in progress
Forrestfield Complex MP Finalisation	10	1	Project in progress
ASC Management Plan Finalisation	20	1	Project in progress
North Forrestdale Water Quality Monitoring	5	1	Project in progress
Heron Park Lake Water Quality Monitoring	3	1	Project in progress
Balannup Drain/Skeet Road Water Quality Monitoring	3	1	Project in progress
Report on Corporate Greenhouse Action Plan and Offsets Strategy	10	1	Compliance requirement (commitment in Corporate Greenhouse Action Plan). But can be covered as part of CGAP update (see below)
Coordination of Flare Offsets Report and issue to Federal Government (no audit)	5	1	Compliance requirement
Flare Report to Council, including implications for Streetlighting Project and Revolving Energy Fund	5	1	Compliance requirement (commitment to Council) and project in progress
RFQ Carbon Accounting and Ongoing Monitoring of Data	10	1	Compliance requirement (commitment in Corporate Greenhouse Action Plan)
RFQ Landfill Flare Compensating Offsets Purchase	3	1	Compliance requirement (commitment in Corporate Greenhouse Action Plan)
Wungong River Concept Plan Implementation (above and beyond advising on relevant planning proposals - includes funding strategies etc)	10	1	Project in progress
Dieback Tender/Contract Management	5	1	Project in progress
Dieback Council Report	15	1	Compliance requirement (commitment to Council)
Waterwise Councils Accreditation	10	1	Compliance requirement (commitment to Council) and project in progress
Roleypools Rec Strategy (incl Footbridge Installation)	20	1	Project in progress
Plants for Residents	5	1	Project in progress
Friends Group Manual	5	1	Compliance activity and project in progress
Implementation of Fauna Project - Feral Animal Control and Habitat Tree Mapping (BP)	5	1	Compliance requirement (commitment to Council) and project in progress
Implementation of Fauna Project - Access Control	10	1	Compliance requirement (commitment to Council) and project in progress
LED Streetlighting Project	5	1	Project in progress
Streamcare Project, incl Expansion	87	1	Compliance requirement (commitment to Council) and project in progress
Total Project Delivery (Priority 1 Items)	276		Small contingency (4.7%) compared to a total availability of 289 days.
Sediment and Erosion Project	10	1	Project in progress. No compliance implications
Bungendore Park Management Plan	30	2	Due for renewal not yet commenced
Corporate Greenhouse Action Plan	20	2	Due for renewal not yet commenced
Biodiversity Strategy	30	3	New project (should only follow Strategic framework)
Weed Mapping Contract	10	3	New project (should only follow Strategic framework). Allied to Biodiversity Strategy (see above)
EMP Guidelines	20	3	New project
Total Project Resource Requirement	376		
Prioritisation Criteria	1		Compliance Activity or Project in Progress
	2		Due for renewal but not yet commenced, no compliance implications
	3		New project, no compliance implications
	2&3		Will be considered in next five-year plan

APPENDIX 6 – TIME AND COST ANALYSIS

Activity	Resource Allocation %	Salary and on-cost \$
Environmental Assessments		
Structure plans, subdivisions, development applications, Wungong MRA Normalisation, Town Planning Scheme compliance	34%	190,400
Technical Services program of works	7%	39,200
Project Delivery	26%	145,600
Volunteer Groups and Partnership Arrangements	19%	106,400
Other (General management, EMF implementation, budget oversight, organisational review, admin activities)	14%	78,400
Total	100%	560,000

APPENDIX 7 – ANNUAL BUDGET

	2019-20 Budget (Final)	Muni Funded	Business Plans	Grants/External Funding	
OPERATIONAL ITEMS					
Cities for Climate Protection	133,500		133,500		Funding for Switch Your Thinking Council approved Business Plan.
78.07802.7805.004.02					
Balannup and Skeet Road Monitoring	0				
78.7848.7854.004.02					
Bushcare and Environmental Advisory (including \$10k training budget)	35,000	35,000			\$25,000 per annum environmental volunteer grant and \$10,000 volunteer training
78.07801.7810.004.02					
Local Nature Spot Project	3,000	3,000			
78.07801.7818.004.02					
Biodiversity Programme - Reserve Management	198,000	198,000			\$100k for Dieback treatment program. Remainder for Reserve Management Plans.
78.07801.7801.004.02					
Weed and Veg Mapping	30,000	30,000			Weed and Veg Condition mapping for Reserve Management Plans.
78.7801.7850.004.02					
Wungong River Management	20,000	20,000			Weed Control Budget from Council approved Wungong River Management Plan.
78.7801.7821.004.02					
Bungendore Dieback and Weed Management	0				
78.7801.7830.004.02					
Carbon Compliance	50,000	50,000			Statutory requirement (Landfill Flare Offsets Report and Audit), plus Azility system. Approved by Council.
78.7844.7851.4.2					
Wungong River Project Compensating Offsets	20,000			20,000	Replacement of carbon credits sold to the Federal government. Allocation approved by Council. Funded through sale of carbon credits.
78.7840.7845.004.02					
Fauna Studies	90,000	90,000			Continuation of Fauna project in City Reserves. Allocation approved by Council.
78.7821.7900.004.02					
Flare Feasibility Study	15,000	15,000			Feasibility study (potential for flare generating electricity). Requested by Council.
78.7812.7862.004.02					
Heron Park Water Quality Monitoring	0				
78.7847.7853.004.02					
Armadale Gosnells Landcare Group	130,400		130,400		Funding for Armadale Gosnells Landcare Group Council approved Business Plan.
78.7804.7807.004.02					
Streamcare Project	15,000	15,000			Funds for delivery of Streamcare project (Council approved).
78.07804.7808.004.02					
Roley Pools Rec Strategy	0				
78.7850.7807.4.2					
SOE Implementation	51,800	51,800			Council allocation for achievement of actions in 5 year plan (e.g. Plants for residents, LED Streetlighting business case, Stakeholder Engagement Strategy)
78.7807.7812.004.02					
Streamcare Expansion	20,000	20,000			Re-allocate to Salaries
78.7836.7841.004.02					
Surface Water and Groundwater	0				
78.7832.7833.004.02					
Wungong River Regen Project	351,000			351,000	Carbon Credit income derived from sale of credits to the Federal government. Allocated to Wungong River Project (Council approved). Will be transferred to reserve at year end in accordance with Council resolution.
78.7834.7839.004.02					
	1,162,700	527,800	263,900	371,000	

APPENDIX 8 – EVENT FLYERS AND OTHER INFORMATION



Bungendore Park Guided Walk

Saturday 22 June - 1.30pm
Admiral Road, Bedforddale
Meet at entrance to park off Admiral Road

Join the City and the Bungendore Park Environment Group for the opening of the new walk trails, ranging from 1.7 to 7.7km, suitable for most ages and fitness levels.

Follow the colour coded walk trail markers and discover new interpretive signs on the park's history, flora and fauna.

There are three guided bushwalks to choose from:

- Cockatoo Circuit - 30 minutes
- Spinebill Stroll - 45 minutes
- Robin Ramble - 60 minutes

If you are unable to attend then you can also visit the information tent at the Bedforddale Bush Market on Saturday 22 June from 8am to 1pm, or download the trail map from the City's website.

9394 5000
7 Orchard Ave, Armadale
armadale.wa.gov.au



CITY OF Armadale

The poster features a background image of various green native plants in pots. At the top, there are white icons of a seedling and a watering can. The title 'Native plants for Residents' is written in large, bold, white letters. Below the title, there are colorful, flowing abstract shapes in blue, red, and green. The event details are listed in green and black text. A list of four benefits is preceded by green leaf icons. At the bottom, there are contact details, the Armadale Gosnells Landcare Group logo, and the City of Armadale logo.

Native plants for Residents

Sunday 5 May | 9am – noon
Rushton Park, Kelmscott

In partnership with Armadale Gosnells Landcare Group, we are launching this program to supply City of Armadale residents with free native plant seedlings for their gardens.

- A variety of trees/shrubs/herbs seedlings*
- Limit of 10 plants per household**
- Learn from the experts what to plant and where
- Information available on care and maintenance of natives

*8,000 plants available on the morning
**Current proof of residency in City of Armadale and photo ID required

(08) 9394 5850
www.armadale.wa.gov.au

 Armadale Gosnells Landcare Group

 CITY OF Armadale



The City of Armadale Bushcare and Environmental Working Group presents

Botanical Wonders of Armadale

Tuesday 2 April 2019

**Function Room City of Armadale Administration Centre
7 Orchard Avenue, Armadale
6.30 to 8.30pm**

Dr Adam Cross, a Research Fellow at the Department of Environment and Agriculture at Curtin University, will discuss botanical heritage and conservation in the Armadale region.

Hear about the regions exceptional biodiversity, particularly for carnivorous plants and other ecological and botanical oddities. Find out the most at-risk plant species that require urgent management to preserve for future generations. Time for Q&As with Dr Cross at the end of the session.

RSVP to the City of Armadale Environmental Administration Officer by 26 March 9394 5874 or info@armadale.wa.gov.au.

7 Orchard Avenue Armadale
08 9394 5000
info@armadale.wa.gov.au
www.armadale.wa.gov.au





Media Release

Monday 13 May 2019

Community planting days – restore your environment

Armadale Gonswells Landcare Group (AGLG), in partnership with the City of Armadale and City of Goswells, are holding a series of community planting days across the region.

AGLG have secured grant funding to revegetate bushlands and river foreshores of significance within the Cities of Armadale and Goswells. With over 100,000 seedlings to be planted this year, AGLG need all the help they can get from volunteers.

There are a number of great opportunities for volunteers during the next few months to contribute toward improving their local environment, through planting native seedlings, hand weeding and cleaning up of waterways.

Armadale Mayor Henry Zelones OAM, JP said the AGLG has been working with local community groups and school groups for over 20 years now, to restore the local environment through a variety of projects in our wetlands, rivers and reserves.

"Planting native seedlings and rushes ensures the continuation of natural habitats for native animals such as bandicoots, frogs and the endangered Black Cockatoos.

"All you have to do is turn up wearing suitable clothing, shoes, hats and your water bottle - all equipment and tools are supplied.

"We encourage volunteers to come for a few hours or stay for the whole morning if you have time to spare - as many hands make light work.

"All ages are welcome and no prior tree planting experience is required - if you need any advice you will be shown on the morning.

"Just come along with your family, friends or neighbours and enjoy the great outdoors while you meet some like-minded people and learn a little about native plants," he said.

ENDS



For the editor - upcoming planting days:

Weather permitting the planting days begin at 9am and finish at noon, with morning tea provided at the conclusion. Please check the AGLG Facebook page for event updates throughout the year.

- Sunday 18 June, Renford Stream (meet at the end Savage Rd, Kelmcott)
- Sunday 7 July, Alhambra Walk Trail (meet at trucking trainers Thurston Rd, Roleystone)
- Sunday 20 July, Shovel Creek (meet along Shovel Ave, Kelmcott)
- Saturday 27 July, Wright Brook (meet at end Canal & Brookside Ave, Kelmcott)
- Sunday 4 August, Gonswells Reserve (meet at car footbridge over river - park on verge near car Buckingham & Roberts Rd and follow concrete track down)
- Sunday 22 September, Palomino Reserve (meet at end Road St, Champion Lakes)
- Sunday 6 October, Wright Brook (meet at end Cannell & Brookside Ave, Kelmcott)
- Sunday 13 October, Shovel Ave (meet along Shovel Ave, Kelmcott)

AGLG Contact
Media and Communications Officer
Armadale Landcare Group
0414 510 383
communications@armadale.org.au
www.armadale.nsw.gov.au





Fire: Resilience and Recovery Expo

Join gardening guru Chris Ferreria, with guest speakers Bushfire Safety Consultant Rohan Carboon, and Bushfire Safety Architect Richard Hammond, who will present talks on bush fire management including how to protect your home from bushfire, and how to live better in a bush fire prone environment while also minimising impacts to the environment.

There will also be the opportunity to collect information on residential bushfire management from one of the many stalls on display, or have a chat to an expert about products and services designed to help you mitigate bushfire risk in and around your home.

Sunday 4 November, 9.30am to 4pm

Roleystone Hall
44 Jarrah Road, Roleystone

9.30am: Welcome by the Mayor

9.30am – 1pm: Guest speakers

1 – 2pm: Stall holders

2 – 3pm: Guest speakers

3 – 3.15pm: Fire safety tips

3.20 – 4pm: Firewise garden makeover

To RSVP please contact the City's Environmental Services team on **9394 5000**.

9394 5000
7 Orchard Ave, Armadale
armadale.wa.gov.au



Nature Discovery Days

Exploring, Celebrating and Caring for our Wild Spaces Together



Mary Carroll Wetland

Sunday 11 November From 7am to 12 noon Eudoria St. Gosnells
Early morning bird walk followed by breakfast

Armadale Settlers Common

Sunday 18 November from 9 am to 12 noon
Environmental Centre, Triton Crescent Bedfordale

Gooralong Brook near Jarrahdale Heritage Society Building

Sunday 2 December From 9 am to 12 noon 631 Jarrahdale Rd

Artist and Biodiversity Educator Angela Rossen

Turn your phone into a microscope to see tiny secrets of nature and draw your discoveries

Birdlife WA

Learn to use binoculars and observe and identify birds

Explore the impact of litter and find out what you can do to take action

For details visit - switchyourthinking.com

Healthy morning tea provided, bring your hat and a water bottle



ANGELA ROSSEN

Artist and Biodiversity Educator
in schools and with community groups





Mini Beasts with Eric McCrum

Come and join local naturalist Eric McCrum as he describes the amazing world of mini beasts that can be found in our own backyards and beyond.

Eric will delve into the ecology of lizards, grasshoppers, spiders, centipedes, scorpions and an array of other beasts, and their importance to a healthy functioning ecosystem.

Wednesday 21 November, 6.30 - 8.30pm

City of Armadale Function Room
7 Orchard Ave, Armadale

Doors open at 6.30pm and the presentation will commence at 7pm.
There will also be an opportunity to ask questions after the presentation.

To RSVP please contact the City's Environmental Services team on
9394 5000 or email info@armadale.wa.gov.au.

9394 5000
7 Orchard Ave, Armadale
armadale.wa.gov.au



CITY OF  Armadale



You are invited to attend the annual BEWG & AGLG

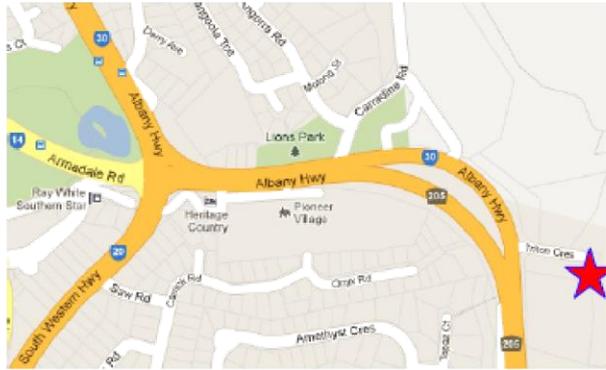
Bush Breakfast

To say thankyou to all of the environmental volunteers for their wonderful contributions over the past year!

SATURDAY 8 DECEMBER 2018
8.30— 10.30am
SETTLERS COMMON FIELD STUDY CENTRE
TRITON CRESCENT, BEDFORDALE

Meet fellow volunteers, take a walk around Settlers Common and enjoy a scrumptious breakfast

Please notify us of any dietary requirements, vegetarians are already catered for.



Don't forget to put in your volunteer hours if you haven't already!



If you would like to attend please RSVP to:
Debbie on 9394 5874 or by email on dhewston@armadale.wa.gov.au
by Friday 16 November 2018.



Armadale Gosnells Landcare Group

2018 – 2019 FINANCIAL YEAR ACHIEVEMENTS

Communities working together to improve our environment

Caring for our land

We were successful in attracting
\$229,737 worth of funding



which allowed us to plant
105,037 native seedlings

while we worked on **27**
ecological rehabilitation
projects



Volunteering is the lifeblood of Landcare

Over **3000** individuals

provided **\$250,000**
worth of labour*



volunteering **6100** hours

attending **141** Landcare events

We also secured a **5** year funding
commitment for staff from the
Cities of Armadale and Gosnells

* value calculated at \$20 / hour for children and \$50 / hour for adults



Creating a better future

Engaging schools is a major focus for AGLG.

Around **2000** students

from **12** schools



participated in **32** Landcare events,

planting, weeding, removing rubbish and
assisting with citizen science projects.

A team effort

We are privileged to work with and
support **9** local "Friends of" groups
who are out there, rain or shine,
looking after their local patch.

- Friends of Brixton Street Wetlands
- Friends of Goolamrup
- Friends of Mary Carroll Wetland
- Friends of Palomino
- Friends of Ranford Stream
- Friends of Wright Brook
- Friends of Astley Street Riverpark
- Armadale River Care Group
- Roleybushcare

PLEASE CONSIDER JOINING OUR TEAM
CONTACT INFO@AGLG.ORG.AU



www.armadale.wa.gov.au



Corporate Greenhouse Action Plan

Detailed analysis of the achievement of recommendations

	Initiative	Status
1.	Provide a report to Council a year after the flaring system has been commissioned giving an updated forecast on flaring rates and carbon liabilities. The analysis should feature the latest available regulatory guidance in relation to the future of the carbon price mechanism.	Complete. Reports to Council in February (CS13/2/15) and City Strategy 18 May 2015 (confidential attachment) covered the City's participation in the Emission Reduction Fund and an indication of flaring rates, etc.
2.	At the appropriate juncture, present a business case to Council for the extension of flaring infrastructure at the landfill site.	This is achieved in the accompanying report.
3.	Report to Council as per initiative 1, also incorporating a recommended strategy on the completion of an offsets report and the submission of a Certificate of Entitlement. This should take into account the forecasted value of carbon credits and conclude on when it is economically advantageous to submit the claim.	Complete. Reports to Council in February (CS13/2/15) and City Strategy 18 May 2015 (confidential attachment) covered the City's participation in the Emission Reduction Fund and an indication of flaring rates, etc.
4.	Engage the services of a specialist consultant to construct a model to determine gate prices to be charged at the tip. This should be developed within a year of this plan being approved, subject to having certainty over the form of carbon regulations.	No longer applicable. Legislation covering the price on carbon has been repealed.
5.	Prepare a Marginal Abatement Cost Curve within one year of Council approval of the 2014/15 to 2019/20 Corporate Greenhouse Action Plan. This should be accompanied by calculations of payback periods for the initiatives analysed. Present this to the Executive Director Technical Services with a recommendation on appropriate abatement strategies.	No longer applicable. An alternative approach has been adopted to provide more tangible business case outputs. The City has invested in the Azility system, enabling the tracking of energy and water use in each facility. The results are analysed on a quarterly basis to identify potential energy/water efficiency opportunities.
6.	Complete the preparation of a business case for investment in solar panels within two years of Council approval of the 2014/15 to 2019/20 Corporate Greenhouse Action Plan. This must cover the Administration building/civic precinct and other City facilities with the potential for favorable payback periods. This should be presented to the Executive Director Technical Services and include a consideration of purchase versus leasing options.	Complete. Solar panels installed at the main Administration Building, Arena, AFAC and Depot. Orchard House is currently being considered as a candidate for solar panels and the system at AFAC is being reviewed to ascertain if expansion is appropriate.
7.	Develop a policy that addresses the areas of building maintenance/retrofits and energy efficiency requirements in tenders in relation to new council buildings. This should be completed within four years of council approval of the 2014/15 to 2019/20 Corporate Greenhouse Action Plan.	Incomplete. City of Armadale Corporate Greenhouse policy currently scheduled for completion in 2020/21 in the Environmental Services Work Program. A new Corporate Greenhouse Action Plan will be produced simultaneously.
8.	Continue to offset carbon emissions associated with the City's contestable sites and also offset non contestable sites, depending on the price of carbon credits.	The purpose of the accompanying report is to determine how many and which type of carbon offsets are required to meet the targets of the plan.
9.	Complete an exercise to formalise when and how offsets are to be used/purchased by the City, including an indication of where they are to be sourced from. This should be presented to Council for consideration within three years of approval of the 2014/15 to 2019/20 Corporate Greenhouse Action Plan.	This is achieved in the accompanying report.

Rivers Regional Subsidiary

Business Plan 2020 - 2025

1/15/2020
Rivers Regional Council
John McNally
Chief Executive officer

Business Plan Rivers Regional Subsidiary

1. Introduction

Over the last 8 years the Rivers Regional Council has been working towards achieving a Zero Waste outcome. Tenders for Alternative Waste Treatment options were called in 2013 and contracts for a Waste to Energy Facility were executed in November 2015. Financial Close was achieved in October 2018 with the Plan for the plant to be commissioned in mid 2021. Now that the major task has been achieved the participants in the agreements are seeking to establish an efficient and effective organisation to manage the responsibilities under the agreements over the next 20 to 30 years.

The Rivers Regional Subsidiary (RRS) will replace the Rivers Regional Council as Principal under the terms of the 2015 Receipt and Processing of Waste for Resource Recovery Agreement, Participants Agreement for the Receipt and Processing of Waste for Resource Recovery and Supplemental Deed - Energy Supply & Delay Costs (Waste Supply Agreements).

Rivers Regional Council comprises the City of South Perth, City of Armadale, City of Gosnells, Shire of Murray, Shire of Serpentine Jarrahdale and the City of Mandurah. The City of Canning is also a participant in the Resource Recovery Agreements and has declined the invitation to join the RRS.

2. Rivers Regional Subsidiary

The Rivers Regional Subsidiary is being formed to:-

- Replace the Rivers Regional Council and act as Principal under the terms of the 2015 Receipt and Processing of Waste for Resource Recovery Agreement ,Participants Agreement for the Receipt and Processing of Waste for Resource Recovery and Supplemental Deed - Energy Supply & Delay Costs (Waste Supply Agreements);
- Assist in the coordination of resource sharing between the participants, to reduce costs and increase operational efficiencies;
- Associate, collaborate and work in conjunction with other local government bodies for the advancement of matters of common interest;
- Undertake coordination, advocacy, education and representation roles for the participants at a regional level and, in particular, coordinate waste recovery, reuse and disposal education programs;
- develop cooperation between the participants so as to improve waste management and recycling programs and practices within the Region;
- assist participants to minimise the volume of waste collected in the districts of the participants which is required to be disposed of by landfill;
- develop, encourage, promote, foster and maintain consultation and cooperation with the Western Australian Local Government Association (WALGA), other levels of government, private enterprise and the community with regard to matters relating to waste management;
- strengthen the representation and status of local government when dealing with other levels of government, private enterprise and the community;

- develop further cooperation between the participants for the benefit of the communities of the Region;
- develop and manage policies which guide the conduct of programs and projects in the Region with the objective of securing the best outcomes for the communities of the Region; and
- undertake projects that benefit the Region and its communities.

3. Local Government Act Regulations

The Local Government Act (Regional Subsidiaries) Regulations 2017 requires that this Plan includes an overall assessment of the formation of the regional subsidiary and is to include details of:-

- a) Its expected effect on the provision of facilities and services by the participants

The participating Councils have already entered into contracts for the provision of waste to the Waste to Energy Plant (WtE) which is anticipated to divert up to 97.5% of the waste stream from Landfill. Councils will retain their current collection arrangements. The sharing of transfer station facilities is also possible but this will be the subject of separate agreements directly between Councils. As a result of the Waste to Energy contract arrangements landfill sites currently provided by Councils (only the City of Armadale has an operating landfill) will be phased out.

- b) Its expected effect on other persons providing facilities and services in the participants' districts;

The coordination of education programs may result in increased expenditure in local communities otherwise there is no impact on other persons or facilities.

- c) Its expected financial effect on the participants;

Savings of up to \$200,000 (based on the 2018/19 Budget) could be possible based on the transition from a Regional Council to a Regional Subsidiary (RRS). A Regional Subsidiary Budget of approximately \$250,000 per annum. Arrangements for calculation and collection are detailed in the current Waste Supply Agreements.

- d) Its expected effect on matters referred to in each participant's current plan prepared under section 5.56;

City of South Perth

Assist in achieving Outcome 4.3a - Promote and implement sustainable water, waste, land and energy management practices.

City of Armadale

Assist in achieving Outcome 2.4 Best Practice Waste Management - 2.4.1 Apply effective waste collection methodologies 2.4.2 Maximise recycling opportunities 2.4.3 Improve waste

disposal practices 2.4.4 Apply efficient waste administration. Target: Diminishing percentage of collected waste deposited in landfill (towards zero).

City of Gosnells

Assist in achieving Goal 3.4 Manage waste generated in the City of Gosnells in an environmentally responsible and sustainable manner. Outcome - The environmental impact of waste is minimised and waste is disposed of in a sustainable and cost effective manner.

Shire of Serpentine Jarrahdale

Assist in achieving Outcome 2.2 A sustainable natural environment, 2.2.2 Seek to minimise resource usage and continue to maximise reuse opportunities 2.2.3 Continue to minimise the volume and impact of waste generated within the district.

Shire of Murray

Assist in achieving Outcome 5 A healthy and sustainable natural environment - 5.4 Waste is responsibly managed to minimise environmental impacts.

City of Mandurah

Assist in achieving:-

- *Strategy 1.3 - Encourage and enable our community to take ownership of our natural assets, and to adopt behaviours that assist in achieving our environmental targets and 1.3.2 Reduce per capita waste generation and waste-to-landfill.*
- *Strategy 1.4 - Become a leader in proactive and innovative environmental management and 1.4.2 Develop and implement waste-to-energy solutions for residential and industrial waste.*
- *Strategy 1.5. Factor climate change predictions into land-use planning, building design and future council decisions and 1.5.2 Demonstrate leadership in meeting the challenges of climate change at regional, state and national level*

- e) the service that is proposed to be provided, or the activity that is proposed to be carried on, by the regional subsidiary;
- *replace the Rivers Regional Council (RRC) and act as principal under the terms of the:*
 - *Agreement for Receipt and Processing of Waste for Resource Recovery dated 4 November 2015;*
 - *Participant's agreement for the Receipt and Processing Waste for Resource Recovery dated 15 October 2015.*
 - *Financier Direct Deed dated 16 October 2018; and*
 - *Supplemental Deed dated 16 July 2018.*

- *assist in the coordination of resource sharing between the participants, to reduce costs and increase operational efficiencies;*
 - *associate, collaborate and work in conjunction with other local government bodies for the advancement of matters of common interest;*
 - *undertake coordination, advocacy, education and representation roles for the participants at a regional level and, in particular, coordinate waste recovery, reuse and disposal education programs;*
 - *develop cooperation between the participants so as to improve waste management and recycling programs and practices within the Region;*
 - *assist participants to minimise the volume of waste collected in the districts of the participants which is required to be disposed of by landfill;*
 - *develop, encourage, promote, foster and maintain consultation and cooperation with the Western Australian Local Government Association (WALGA), other levels of government, private enterprise and the community with regard to matters relating to waste management;*
 - *strengthen the representation and status of local government when dealing with other levels of government, private enterprise and the community;*
 - *develop further cooperation between the participants for the benefit of the communities of the Region;*
 - *develop and manage policies which guide the conduct of programs and projects in the Region with the objective of securing the best outcomes for the communities of the Region; and*
 - *undertake projects that benefit the Region and its communities.*
- f) why the regional subsidiary is proposed to be formed to provide that service or carry on that activity.

The participating Councils have entered into agreements to supply waste to the Waste to Energy Plant for a period of 20 to 30 years. The Rivers Regional Council (RRC) has the role of principal under those contracts and a Regional Subsidiary arrangement is considered more efficient to manage these responsibilities on a shared services arrangements.

4. Outline of Activities

- a) Establish governance, administration and accounting arrangements.
- b) Prepare the annual Waste Delivery Plan in accordance with the provisions of the agreements.
- c) Calculate and recover waste charges under the agreements.
- d) Manage contract responsibilities and act as Principal.
- e) Co-ordinate Waste Recovery, Reuse and Disposal Education programs required under the agreements.
- f) Co-ordinate the energy supply arrangements.
- g) Advocate on behalf of member Councils.

5. Budget

Account Description	Full Year Reg Sub				
	Year 1	Year 2	Year 3	Year 4	Year 5
	\$	\$	\$	\$	\$
ADMINISTRATION					
Operating Revenue					
Other Income	0				
Total Operating Revenue	0				
Operating Expenditure					
Salaries & Wages	(100,000)	(100,000)	(102,000)	(103,000)	(104,000)
Superannuation	(15,000)	(15,000)	(15,300)	(15,450)	(15,600)
Leave Accruals	(3,000)	(3,000)	(3,060)	(3,090)	(3,120)
Insurance - Workers Compensation	(2,500)	(2,500)	(2,600)	(2,700)	(2,800)
Training & Conferences	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Accounting & Administration Services	(30,000)	(30,000)	(31,000)	(31,500)	(32,000)
Bank Fees	(500)	(500)	(500)	(500)	(500)
Advertising	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Information Technology	(6,000)	(6,000)	(6,000)	(6,000)	(6,000)
Insurance - Other	(7,100)	(7,100)	(7,100)	(7,100)	(7,100)
Legal Services	(4,000)	(4,000)	(4,000)	(4,000)	(4,000)
Other Office Expenses	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Publications	(500)	(500)	(500)	(500)	(500)
Furniture & Equipment	(500)	(500)	(500)	(500)	(500)
Health and Safety	(500)	(500)	(500)	(500)	(500)
Accommodation	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Consultants - Contingency	(25,400)	(25,400)	(25,400)	(25,400)	(25,400)
Total Operating Expenditure	(203,000)	(203,000)	(206,460)	(208,240)	(210,020)
Net Administration Costs to be allocated	(203,000)	(203,000)	(206,460)	(208,240)	(210,020)
Allocation of Administration Expenditure					
Community Amenities	203,000	203,000	206,460	208,240	210,020
Total Allocations	203,000	203,000	206,460	208,240	210,020
Total After Allocation of Net Costs	0	0	0	0	0
COMMUNITY AMENITIES					
Operating Revenue					
Waste Recovery Charges Member Councils	250,000	228,000	231,460	233,240	235,020
Total Operating Revenue	250,000	228,000	231,460	233,240	235,020
Operating Expenditure					
Waste Recovery Expenses - Avertas					
Legal Services	(42,000)	(20,000)	(20,000)	(20,000)	(20,000)
Project Management	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
Administration Allocation	(203,000)	(203,000)	(206,460)	(208,240)	(210,020)
Total Operating Expenditure	(250,000)	(228,000)	(231,460)	(233,240)	(235,020)
Total	0	0	0	0	0
Recovery	1.00%	0.89%	0.94%	0.91%	0.85%

CHARTER OF THE RIVERS REGIONAL SUBSIDIARY

A Regional Subsidiary

incorporated pursuant to section 3.69 of the Local Government Act 1995 (WA)



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6842

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advoc



Liability limited by a scheme approved under the Professional Standards Legislation.

Ref: RIVERS/190893

BLO:Charter of the Rivers Regional Subsidiary - Presented to RRC Draft 10_0120 15/01/2020

RIVERS REGIONAL SUBSIDIARY

CHARTER

Local Government Act 1995 (WA)

1. ESTABLISHMENT & OBJECTS

1.1 Local Government Act 1995

- (a) This Charter governs the operation of the Subsidiary and both this Charter and the Subsidiary are subject to the requirements of Part 3, Division 4 of the Act and the Regional Subsidiaries Regulations.
- (b) Pursuant to section 3.69(3) of the Act the Subsidiary is a body corporate and has a common seal. Its Board has responsibility for the management of the business and other affairs of the Subsidiary.

1.2 Definitions

In this Charter:

“Act” means the *Local Government Act 1995 (WA)*;

“Anticipated Exceptional Deficit” means the amount, if any, of a Deficit which, during a financial year the Subsidiary determines will, or is likely to, occur in that year by reason of:

- (a) an expense for which no expenditure estimate is included in the Subsidiary’s annual budget for that year; or
- (b) an expense for which an expenditure estimate is included in the Subsidiary’s annual budget for that year but the expense is exceptional having regard to that estimate; or
- (c) a shortfall in income for which an income estimate is included in the annual budget for that year but the shortfall is exceptional having regard to that estimate;

“Board” means the Board of Management established under Clause 8;

“Board member” means a person who has been appointed to the Board by a participant in accordance with clause 8.2(a);

“Budget Deficiency” has the same meaning as the expression is given in Part 6 of the Act;

“Business Plan” means the business plan prepared by the participants pursuant to regulation 4 of the Regional Subsidiaries Regulations;

“Chairperson” means the person elected as Chairperson of the Board pursuant to Clause 8.4(a) and includes a person authorised by this Charter to act in place of the Chairperson;

“CEO” means the chief executive officer of the Subsidiary or a participant as specified in this Charter;

“district” means district as that term is defined in the Act;

“Deficit”, for a financial year, means the amount, if any:

- (a) by which the expenses of the Subsidiary exceeds the revenues and other income of the Subsidiary; and
- (b) which is shown as such in the annual financial report, for that year, prepared by the Subsidiary in accordance with the provisions of section 5.53 of the Act as those provisions are modified by regulation 18 of the Regional Subsidiaries Regulations;

“local government” means a local government constituted under the *Local Government Act 1995 (WA)*;

“elected member” means a Mayor, Chairman or Councillor of a Council;

“financial year” means a year beginning on 1 July in each year and ending on 30 June of the following year;

“meeting” includes both ordinary and special meetings of the Board;

“Minister” means the Minister for the time being responsible for the administration of the *Local Government Act 1995 (WA)*;

“Objects” means the objects of the Subsidiary as set out in clause 1.4;

“participant” means a local government that is a member of the Subsidiary named in clause 1.3;

“parties” as described in clause 11 means a participant or participants or the Subsidiary and party means any one or more of them according to context

“Region” means the total area of the districts of the participants;

“Regional Subsidiaries Regulations” means the *Local Government (Regional Subsidiaries) Regulations 2017 (WA)*

“RRC” means the Rivers Regional Council;

“RRC Waste Agreements” means the agreements and documents itemised in Schedule 1;

“special resolution” means a resolution passed by a two thirds majority of all Board members present at a meeting and entitled to vote on the issue;

“Subsidiary” means the Rivers Regional Subsidiary; and

“Surplus”, for a financial year, means the amount if any:

- (a) by which the revenues and other income of the Subsidiary exceeds the expenses of the Subsidiary; and
- (b) which is shown as such in the annual financial report, for that year, prepared by the Subsidiary in accordance with the provisions of section 5.53 of the Act as those provisions are modified by regulation 18 of the Regional Subsidiaries Regulations.

1.3 Establishment

The Subsidiary is a regional subsidiary established pursuant to section 3.69 of the Act by the following local governments:

- (a) The City of Gosnells;
- (b) The City of Armadale;
- (c) The City of South Perth;
- (d) The City of Mandurah;
- (e) The Shire of Serpentine-Jarrahdale; and
- (f) The Shire of Murray.

1.4 Objects

The Subsidiary is established to:

- (a) replace the RRC and act as principal under the terms of the:
 - (i) Agreement for Receipt and Processing of Waste for Resource Recovery dated 4 November 2015 referred to in item 2 of Schedule 1; and
 - (ii) Participant's Agreement for the Receipt and Processing Waste for Resource Recovery dated 15 October 2015 referred to in item 1 of Schedule 1.
 - (iii) Financier Direct Deed dated 16 October 2018 and referred to in item 6 of Schedule 1; and
 - (iv) Supplemental Deed dated 16 July 2018 and referred to in item 4 of Schedule 1.
- (b) assist in the coordination of resource sharing between the participants, to reduce costs and increase operational efficiencies;
- (c) associate, collaborate and work in conjunction with other local government bodies for the advancement of matters of common interest;
- (d) undertake coordination, advocacy, education and representation roles for the participants at a regional level and, in particular, coordinate waste recovery, reuse and disposal education programs;
- (e) develop cooperation between the participants so as to improve waste management and recycling programs and practices within the Region;
- (f) assist participants to minimise the volume of waste collected in the districts of the participants which is required to be disposed of by landfill;
- (g) develop, encourage, promote, foster and maintain consultation and cooperation with the Western Australian Local Government Association (WALGA), other levels of government, private enterprise and the community with regard to matters relating to waste management;
- (h) strengthen the representation and status of local government when dealing with other levels of government, private enterprise and the community;

- (i) develop further cooperation between the participants for the benefit of the communities of the Region;
- (j) develop and manage policies which guide the conduct of programs and projects in the Region with the objective of securing the best outcomes for the communities of the Region; and
- (k) undertake projects that benefit the Region and its communities.

1.5 Review of Charter

- (a) This Charter will be reviewed by the participants acting in concurrence at least once in every four (4) years.
- (b) Where the participants determine that the Charter ought to be amended, either at the time of review or any other time, then the participants shall thereafter comply with the provisions of regulation 6 and 7 of the Regional Subsidiaries Regulations to enable any proposed amendment to be made.

2. THE RIVERS REGIONAL COUNCIL

2.1 Establishment

The RRC is a regional local government established under section 3.61 of the Act.

2.2 Novation of Rights and Obligations

Upon the establishment of the Subsidiary it is the intention of both the RRC and the Subsidiary that:

- (a) the RRC shall novate all of its rights, title, interest and obligations in the RRC Waste Agreements (**Novation**) to the Subsidiary subject to the consents where required of the parties to the RRC Waste Agreements; and
- (b) the Subsidiary shall take the Novation.

2.3 Transfer of Assets as Deemed Contributions

It is also the intention of the both the RRC and the Subsidiary that:

- (a) the RRC shall transfer all of its assets to the Subsidiary (**Transfer**) and the Subsidiary shall deem these assets to be contributions from the participants.
- (b) the deemed contributions shall be apportioned by the Subsidiary to each participant by multiplying the total asset value received from the RRC by each participant's waste volume in tonnes for the previous five (5) financial years as a percentage of the participant's total waste for the same period.

2.4 Order of Precedence

To the extent that any of the provisions of this Charter, as set out below, are also dealt with in any of the RRC Waste Agreements then, for the purposes only of the RRC Waste Agreements, the provisions of the RRC Waste Agreement/s shall take precedence over the provisions of this Charter to the extent of any inconsistency.

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- (a) Clause 4 - Non Derogation and Direction of Participants;
- (b) Clause 5 - Funding by the Participants; and
- (c) Clause 11 – Dispute Resolution

2.5 Wind Up of RRC

It is the intention of the RRC to wind itself up after completion of the Novation and Transfer referred to in clauses 2.2 and 2.3.

3. POWERS FUNCTIONS AND DUTIES

The powers, functions and duties of the Subsidiary are to be exercised in the performance of the Subsidiary's Objects. The Subsidiary shall have those powers and functions provided under the Act, the Regional Subsidiaries Regulations and this Charter which include:

- (a) becoming a member of or cooperating or contracting with any other association or organisation, whether within or outside of the area of the participants, which shares similar objects and purposes to those of the Subsidiary;
- (b) entering into contracts or arrangements with any Government agency or authority that are incidental or conducive to the attainment of the Objects and the exercise of the powers of the Subsidiary;
- (c) entering into contracts with any person or body including a participant for the acquisition or supply of goods and services or for any other reason that is consistent with the Subsidiary's Objects;
- (d) Subject to clause 9 appointing, employing, remunerating, removing or suspending officers, managers, employees and agents;
- (e) raising revenue by:
 - (i) charging the participants fees incurred by the Subsidiary in undertaking and carrying out its Objects;
 - (ii) arrangements with sponsor organisations;
 - (iii) making submissions for and accepting grants, subsidies and contributions to further the Subsidiary's Objects;
 - (iv) arrangements or contracts with any other person or body; and
 - (v) any other means not inconsistent with the Objects of the Subsidiary.
- (f) printing and publishing any newspapers, periodicals, books, leaflets, or other like writing;
- (g) appointing such committees as it deems necessary and to define the duties of such committees provided that the acts of any such committee shall be submitted before execution or discharge for the approval of the Subsidiary and appointing persons to committees which may consist partly of persons who are not representatives of participants;
- (h) delegating any of the Subsidiary's powers and functions to persons or committees and altering or revoking such delegations;

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- (i) co-opting to any duly appointed committee, any Board member, any officer of a participant, or any other appropriate person as deemed desirable for the efficient function of that committee;
- (j) acquiring, holding, dealing with and disposing of any real or personal property of the Subsidiary;
- (k) opening and operating bank accounts;
- (l) investing monies in any manner in which trust moneys may be invested in accordance with the provisions of section 6.14 of the Act and regulation 19C of the *Local Government (Financial Management) Regulations 1996 (WA)*, as those provisions are modified by regulation 22 of the Regional Subsidiaries Regulations;
- (m) subject to regulation 11 of the Regional Subsidiaries Regulations borrowing money in accordance with an approved Business Plan;
- (n) giving security for the discharge of liabilities of the Subsidiary;
- (o) imposing fees and charges in accordance with Part 6, Division 5, Subdivision 2 of the Act as modified by regulation 23 of the Regional Subsidiaries Regulations;
- (p) the development of a code of conduct to be observed by members of the Board, employees of the Subsidiary and members of any committee appointed by the Subsidiary;
- (q) establish a reserve fund or funds clearly identified for the upkeep and / or replacement of fixed assets or for meeting any deferred liability; and
- (r) doing all other things that are necessary or convenient for or incidental or conducive to the attainment of the Objects, and the exercise, performance or discharge of the powers, functions and duties of the Subsidiary.

4. DIRECTION BY PARTICIPANTS

4.1 Participants

All of the participants listed at Clause 1.3 are the members of the Subsidiary.

4.2 Non-Derogation and Direction by Participants

- (a) The establishment of the Subsidiary does not derogate from the power of any of the participants to act independently in relation to a matter within the jurisdiction of the Subsidiary.
- (b) Provided that all of the participants unanimously agree on the action to be taken, the participants may direct and control the Subsidiary. Non Compliance maybe dealt with under clause 8.3.
- (c) Any decision of the participants under clause 4.2(b) and/or direction given or control exercised by the participants must be given in writing to the CEO of the Subsidiary.

4.3 Provision of Information to Participants

- (a) The Subsidiary must, at the written request of a participant, furnish to the participant information or records in the possession or control of the Subsidiary as the participant may require in such manner and form as the participant may require.
- (b) If the Board of the Subsidiary considers that information or a record furnished under this clause contains matters that should be treated as confidential, the Board may advise the participant of that opinion giving the reason for the opinion and the participant must, subject to sub clause (c), act on that advice.
- (c) If the Subsidiary owes a duty of confidence in respect of a matter, the participant must ensure the observance of that duty in respect of the matter, but this sub clause does not prevent a disclosure as required in the proper performance of the functions or duties of the participant.

5. FUNDING BY PARTICIPANTS

5.1 Application of Clause

This clause applies if in any year:

- (a) A Budget Deficiency is disclosed in the annual budget of the Subsidiary;
- (b) A Deficit is disclosed in the annual financial report of the Subsidiary; or
- (c) An Anticipated Exceptional Deficit is determined by the Subsidiary.

5.2 Contributions by Participants

The participants must pay to the Subsidiary contributions towards a Budget Deficiency, a Deficit or an Anticipated Exceptional Deficit as the case may be, in accordance with the steps set out in Schedule 2. If a participant has acted independently under clause 4.2 and chosen not to participate in a project that is not a requirement of the RRC Waste Agreements then there is no obligation to contribute to a Budget Deficiency, a Deficit or an Anticipated Exceptional Deficit caused by that project.

5.3 Time for Payment of Contributions

The contributions referred to in clause 5.2 must be paid by each participant to the Subsidiary within 42 days, or any earlier time agreed by the participants, after:

- (a) In the case of contributions towards a Budget Deficiency – the date on which the annual budget is prepared and adopted by the Subsidiary;
- (b) In the case of contributions towards a Deficit – the date on which the annual financial report is prepared and submitted to the auditor;
- (c) In the case of contributions towards an Anticipated Exceptional Deficit – the date on which the Anticipated Exceptional Deficit is determined by the Subsidiary.

5.4 Late Payment of Contributions

If a participant fails to pay the contribution referred to in clause 5.2 on or before the due date for payment then, in addition to the contribution, the participant must pay to the Subsidiary interest on the contribution at the overdraft rate charged by the Subsidiary's bank on amounts of the same size as the unpaid contribution calculated from and including the due date to but excluding the actual date of payment.

5.5 Contributions to the Acquisition of Land

- (a) Where the Subsidiary determines that the participants are to make contributions towards the acquisition of land then the participants must make those contributions in equal proportions.
- (b) Contributions referred to in subclause 5.5(a) are capital contributions for the purpose of clause 6.2 (f) and 7.2.

5.6 Distribution of a Paid Surplus

- (a) The participants acknowledge that it is for the Subsidiary to determine if a Surplus or portion of a Surplus is to be paid to the participants and the manner and timing of any payment, having a regard to the prudent management of its cash flow and financial requirements and other relevant matters (**Paid Surplus**).
- (b) The participants agree that any Paid Surplus is to be distributed between them in proportions calculated in accordance with Schedule 3.

6. NEW AND WITHDRAWAL OF PARTICIPANTS

6.1 New Participants

Subject to the provisions of the Act, including but not limited to Ministerial approval under regulation 7 of the Regional Subsidiaries Regulations, this Charter may be amended by a resolution of the participants to provide for the admission of a new participant or participants, with or without conditions of membership, such conditions to be determined jointly by the Board and the member participants.

6.2 Withdrawal of a Participant

- (a) A participant may seek to withdraw from the Subsidiary but withdrawal shall be subject to and conditional upon the Subsidiary being able to successfully comply with the provisions of regulation 6 and 7 of the Regional Subsidiaries Regulations.
- (b) A participant which intends to withdraw from the Subsidiary shall give to the CEO of the Subsidiary and to the CEO's of all of the other participants written notice of such intention, specifying the date of intended withdrawal. The notice shall be a minimum of three months.
- (c) Upon receipt of a notice of intention to withdraw from the Subsidiary the remaining participants and the Subsidiary shall, subject to clause 6.2(d), use their best endeavours, acting reasonably to achieve compliance with regulations 6 and 7 of the Regional Subsidiaries Regulations to allow the withdrawal to proceed.

- (d) However, to the extent that the participants may have entered into contractual obligations and liabilities relying on the withdrawing participant's ongoing support, the participants may refuse the request of an individual participant to withdraw if, in the reasonable opinion of the remaining participants, they will incur an unreasonable financial burden by reason of the withdrawal.
- (e) The withdrawal of the participant does not extinguish the proportionate liability of that participant to make payment of its budgeted contribution for the financial year in which it gives notice and in respect of any other amounts outstanding.
- (f) The payment of any proportionate entitlement sought by the withdrawing participant shall only be made where the remaining participants and the Subsidiary agree with the withdrawing participant as to the amount and terms of payment.

7. WINDING UP

7.1 Form of Wind Up

The Subsidiary may be wound up by the Minister acting upon a unanimous resolution of the participants or by the Minister in accordance with the provisions of section 8.15 (2) of the Act as those provisions are modified by regulation 24 of the Regional Subsidiaries Regulations.

7.2 Division of Assets

- (a) Where the Subsidiary is to be wound up and there remains, after satisfaction of all its debts and liabilities, any property and assets of the Subsidiary, then the property and assets are to be realised and:
 - (i) firstly, to the extent that the proceeds, along with any surplus funds, are sufficient to do so, the participants are to be repaid their respective capital contributions as shown in the accounting records of the Subsidiary; and
 - (ii) secondly, the balance, if any, is to be divided among the participants in the proportions set out in Schedule 4.
- (b) For the avoidance of doubt, for the purposes of subclause (a) the capital contributions of the participants do not accrue interest.

7.3 Division of Liabilities

If the subsidiary is to be wound up and there remains any liability or debt in excess of the realised property and assets of the Subsidiary then the liability or debt is to be met by each of the participants in the proportions set out in Schedule 4.

8. BOARD OF MANAGEMENT

The Board shall have the responsibility to manage the business and other affairs of the Subsidiary ensuring that the Subsidiary acts in accordance with this Charter.

8.1 Functions of the Board

The functions of the Board shall be:

- (a) the formulation of strategic plans and strategies aimed at improving the activities of the Subsidiary;
- (b) to provide professional input and policy direction to the Subsidiary;
- (c) to monitor, oversee and evaluate the performance of the CEO of the Subsidiary;
- (d) ensuring that ethical behaviour and integrity is established and maintained by the Subsidiary and its Board Members in all activities undertaken by the Subsidiary;
- (e) subject to clause 8.6(j), ensuring that the activities of the Subsidiary are undertaken in an open and transparent manner;
- (f) the review and amendment of the Business Plan to be considered in consultation with the participants;
- (g) exercising the care, diligence and skill required by the Act and the Regional Subsidiaries Regulations and in any event such that a prudent person of business would exercise in managing the affairs of other persons; and
- (h) To manage the Subsidiaries responsibilities of the RRC Waste Agreements.

8.2 Membership of the Board

- (a) Subject to subclause (b), the Board shall consist of one (1) natural person appointed by each participant who must be an employee of the participant.
- (b) Each participant shall appoint their Board member from time to time, as required, for a period not exceeding four (4) years, and give notice in writing to the CEO of the Subsidiary, of the person who is or will be its Board member.
- (c) Notwithstanding subclause (a), a participant may appoint its Board member for a lesser period by nominating the period in the written appointment provided to the CEO of the Subsidiary. In such circumstances, any continuation of appointment following the expiry of the initial period nominated shall be in writing addressed to the CEO of the Subsidiary.
- (d) Each Constituent Council will also appoint a natural person and employee of the participant as deputy Board Member. The deputy Board Member is entitled to act in place of a Board Member appointed by the same Participant if the Board Member is unable for any reason to be present at a Board meeting.
- (e) In the absence of the Board Member, a deputy Board Member will be deemed to be the Board Member and can exercise all rights, privileges and obligations of the Board Member during the absence of that Board Member.
- (f) A notice signed by the Chief Executive Officer of a Participant will be sufficient evidence of the appointment of a Board Member and deputy Board Member of the Board of Management.

8.3 Termination of Membership of the Board

The appointment of a Board member shall terminate upon any of the grounds set out below:

- (a) the participant which appointed him/her ceasing to be a participant;
- (b) the appointing Participant providing written notice of termination to the Board Member and the Board
- (c) ceasing to be employed by the participant which appointed him/her;
- (d) the death of the Board member;
- (e) completion of a term of office without re appointment;
- (f) written resignation from the Board Member being served on the participant who appointed him / her;
- (g) personal bankruptcy or application for the benefit of a law for the relief of insolvent debtors;
- (h) the Board, by special resolution, resolves to terminate the appointment of that Board member for:
 - (i) any behaviour of the Board member which, in the opinion of the Board, amounts to impropriety;
 - (ii) serious neglect of duty in attending to his/her responsibilities as a Board member;
 - (iii) breach of fiduciary duties to the Subsidiary or the participant(s);
 - (iv) breach of the duty of confidentiality to the Subsidiary or the participant(s);
 - (v) any other behaviour which may discredit the Subsidiary or the participants.
- (i) Notwithstanding any other clause of this Charter, a Board member may be removed from office as a Board member by special resolution of the Board prior to the expiration of a term of appointment.
- (j) If any vacancy occurs in the membership of the Board it must be filled in the same manner as the original appointment under clause 8.2. The person appointed to the Board to fill a vacancy will be appointed for the balance of the term of the original appointment and at the expiry of that term, subject to satisfying the requirements of this Charter, shall be eligible for re-appointment.

8.4 Chairperson of the Board

- (a) The Chairperson of the Board shall be appointed by the Board from amongst its members and shall hold office for a term agreed by the Board, unless he/she resigns or is removed from office pursuant to a resolution of the Board or until he/she is no longer eligible to act as a Board member.
- (b) There shall also be a Deputy Chairperson of the Board appointed by the Board from amongst its members who shall hold office for a term agreed by the Board

unless he/she resigns or is removed from office pursuant to a resolution of the Board or until he/she is no longer eligible to act as a Board member.

- (c) The Chairperson and Deputy Chairperson shall be eligible for re-appointment upon their term of office expiring.
- (d) If the Chairperson either resigns or is no longer eligible to act as a Board member prior to the expiry of his/her term as Chairperson, the Deputy Chairperson shall act in that office. In the event of the Deputy Chairperson refusing or being unable to act, the Board shall elect from amongst their own number a new Chairperson who shall hold office until the conclusion of the original term.

8.5 Powers of the Chairperson and the deputy Chairperson

- (a) The Chairperson shall preside at all meetings of the Board.
- (b) In the event that the Chairperson is absent from a meeting, the Deputy Chairperson shall preside at that meeting, and in the event that both the Chairperson and Deputy Chairperson are absent from the meeting, the Board shall appoint a member from amongst them who shall preside at that meeting or until the Chairperson or Deputy Chairperson is present.
- (c) If any circumstance arises on which this Charter is silent, incapable of taking effect or being implemented according to its strict provisions, the Chairperson may decide the action to be taken to ensure achievement of the objects of the Subsidiary and its effective administration.
- (d) The Chairperson shall report any such decision at the next ordinary meeting

8.6 Meetings of the Board

- (a) The Board may determine procedures in addition to but not inconsistent with those specified in this Charter to apply at or in relation to its meetings.
- (b) The Board shall meet:
 - (i) for ordinary meetings at such times and places as may be fixed by the Board from time to time provided that there will be not less than three ordinary meetings each financial year; and
 - (ii) for special meetings if demanded in writing by the Chairperson, the CEO of the Subsidiary or by the Board members appointed by any three (3) participants.
- (c) An ordinary meeting of the Board will constitute an ordinary meeting of the Subsidiary. The Board shall administer the business of an ordinary meeting.
- (d) For the purposes of this sub-clause, the contemporary linking together by telephone, audio-visual or other instantaneous means ("telecommunications meeting") of a number of the Board members, provided that at least a quorum is present, is deemed to constitute a meeting of the Board. Each of the Board members taking part in a telecommunications meeting must at all times during the telecommunications meeting be able to hear and be heard by each of the other Board members present. At the commencement of the meeting each Board member must announce his/her presence to all other Board members taking part in the meeting. A Board member must not leave a telecommunications meeting by disconnecting his/her telephone, audio-visual or

other communication equipment, unless that Board member has previously notified the Chairperson of the meeting.

- (e) A resolution may be passed without a meeting being held if all the Board Members entitled to vote on the resolution sign a document containing a statement that they are in favour of the resolution set out in the document.
- (f) Except as otherwise provided in this Charter, notice of ordinary meetings will be forwarded by the CEO of the Subsidiary to the Board members and the CEO's of the participants at least 7 days prior to the date of the meeting, either by post to the participant's address or by post to any other location, or via any other means of giving notice (eg. facsimile or email) as nominated by the Board member and the CEO of a participant in writing addressed to the CEO of the Subsidiary.
- (g) Notice of meetings will be sent by the CEO of the Subsidiary to the Board members and the CEOs of the participants at least seven (7) days prior to the date of the meeting in the manner provided for at clause 8.6(e). Notice of a meeting for the purpose of making a recommendation to wind up the Subsidiary shall be sent to the Board members and the CEOs of the participants at least eight (8) weeks before the date of the meeting in the manner provided for at clause 8.6(f).
- (h) A majority of the Board members present at a meeting of the Board may adjourn the meeting from time to time and from place to place.
- (i) Subject to clause 8.6(k), meetings of the Board will be conducted in a place open to the public where deemed appropriate by the Chairman or CEO of the Subsidiary.
- (j) All Board members must keep confidential all documents and any information provided to them on a confidential basis for their consideration prior to a meeting of the Board.
- (k) The Board may order that the public be excluded from attendance at any meeting in order to enable the Board to consider in confidence any information or matter listed in section 5.23(2) of the Act (after taking into account any relevant consideration under that subsection).

The exercise of this power does not exclude Board members and any other person permitted by the Board to remain in the room.

- (l) Where an order is made under clause 8.6(k), a note must be made in the minutes of the making of the order and of the grounds on which it was made.
- (m) Where the Board has considered any information or a matter in confidence under Clause 8.6(k) it may subsequently resolve to keep minutes and/or any other documents considered during that part of the meeting confidential.
- (n) The CEO of the Subsidiary must cause minutes to be kept of the proceedings at every meeting of the Board and ensure that the minutes are presented to the next ordinary meeting of the Board for confirmation and adoption.
- (o) Where the CEO of the Subsidiary is excluded from attendance at a meeting of the Board pursuant to clause 8.6(k), the person presiding at the meeting shall cause the minutes to be kept.

- (p) The Board may invite any person to attend at a meeting of the Board to act in an advisory capacity.

8.7 Quorum

The quorum for any meeting of the Board is a majority of the number of Board members in office, being a number ascertained by dividing the total number of Board members for the time being in office by two (2), ignoring any fraction, and adding one (1). No business will be transacted at a meeting of the Board unless a quorum is present.

8.8 Voting

- (a) Unless stipulated otherwise in this Charter, questions arising for decision at meetings of the Board will be decided by a simple majority of eligible votes on the basis of one (1) vote per Board member present at the meeting. The Chairperson shall not, in the event of equality of votes, have a second or casting vote. In the event of equality of votes the matter will lapse.
- (b) Subject to a conflict of interest, each Board member validly present at a meeting must vote on a question arising for a decision at the meeting. Failure by any Board member to vote will be deemed to be a negative vote in relation to the question for decision.

8.9 Standing Orders or Rules

- (a) Subject to this Charter, the Board may pass, alter or rescind standing orders, policies or rules for the due management and regulation of meetings of the Subsidiary.
- (b) Standing orders, policies or rules made pursuant to this clause 8.9 shall be entered in a record which will be kept for the information of the Board members and may be printed and/or circulated at the discretion of the Board.
- (c) The standing orders, policies and rules in existence shall remain in operation for a period of one (1) year, at which time they shall be reviewed by the Board and confirmed, varied or discontinued by resolution of the Board.

8.10 Common Seal

- (a) Pursuant to section 3.69(3) of the Act the Subsidiary shall have a common seal upon which its corporate name shall appear in legible characters.
- (b) The common seal shall not be used without the express authorisation of a resolution of the Board and every use of the common seal shall be recorded in the minute book of the Subsidiary.
- (c) The affixing of the common seal shall be witnessed by the Chairperson or the Deputy Chairperson and the CEO of the Subsidiary or such other person as the Board may appoint for the purpose.
- (d) The common seal shall be kept in the custody of the CEO of the Subsidiary or such other person as the Board may from time to time decide.

8.11 Committees

- (a) The Board may establish a committee of Board members for the purposes of:

- (i) enquiring into and reporting to the Board on any matter within the Subsidiary's functions and powers and as detailed in the terms of reference given by the Board to the committee;
- (ii) exercising, performing or discharging delegated powers, functions or duties.
- (b) A member of a committee established under clause 8.11(a) of this Charter holds office at the pleasure of the Board.
- (c) The Board may otherwise establish advisory committees consisting of or including persons who are not Board members for enquiring into and reporting to the Board on any matter within the Subsidiary's functions and powers and as detailed in the terms of reference.
- (d) The Chairperson of the Board is an ex-officio member of any committee or advisory committee established by the Board.

8.12 Fees and Allowances

The Board shall determine annually the fees, annual allowances or reimbursements, if any, for expenses payable to Board Members.

9. EMPLOYEES OF THE SUBSIDIARY

- 9.1 The Board must appoint a CEO of the Subsidiary to manage the business of the Subsidiary on terms agreed between the CEO and the Board. The CEO of the Subsidiary may be a natural person or a body corporate approved by the Board.
- 9.2 The CEO of the Subsidiary shall cause records to be kept of the business and financial affairs of the Subsidiary in accordance with this Charter, in addition to other duties provided for by this Charter and those specified in the terms and conditions of appointment.
- 9.3 In the absence of the CEO of the Subsidiary for any period exceeding six weeks a suitable person to act in the position of CEO of the Subsidiary must be appointed by the Board.
- 9.4 The Board shall delegate responsibility for the day to day management of the Subsidiary to the CEO of the Subsidiary, who will ensure that sound business and human resource management practices are applied in the efficient and effective management of the operations of the Subsidiary.
- 9.5 The functions of the CEO of the Subsidiary shall be specified in the terms and conditions of appointment and shall include but are not limited to:
 - (a) appointing, managing, suspending and dismissing employees of the Subsidiary;
 - (b) determining the conditions of employment of employees of the Subsidiary within the budgetary constraints set by the Board;
 - (c) attending at all meetings of the Board unless excluded by resolution of the Board;
 - (d) ensuring that the decisions of the Board are implemented in a timely and efficient manner;

- (e) providing information to assist the Board to assess the Subsidiary's performance against its Strategic and Business Plans;
 - (f) providing advice and reports to the Board on the exercise and performance of its powers and functions under the Act, the Regional Subsidiaries Regulations and this Charter;
 - (g) ensuring that the Subsidiary is at all times complying with the Act, the Regional Subsidiaries Regulations and this Charter;
 - (h) ensuring that the Subsidiary's annual report prepared in accordance with section 5.53 of the Act as modified by regulation 18 of the Regional Subsidiaries Regulations is distributed to the participants in time to be incorporated in their annual reports;
 - (i) co-ordinating and initiating proposals for consideration of the Board including but not limited to continuing improvement of the operations of the Subsidiary;
 - (j) ensuring that the assets and resources of the Subsidiary are properly managed and maintained;
 - (k) exercising, performing or discharging other powers, functions or duties conferred on the CEO of the Subsidiary by or under the Act or any other legislation, and performing other functions lawfully directed by the Board; and
 - (l) inviting any person to attend at a meeting to act in an advisory capacity.
- 9.6 The CEO of the Subsidiary shall provide a report on his/her activities to the Board at every ordinary meeting.

10. MANAGEMENT OF THE SUBSIDIARY

10.1 Financial Management

- (a) The Subsidiary shall keep proper books of account which must be available for inspection by any Board member or authorised representative of any participant at any reasonable time on request.
- (b) The Subsidiary must establish and maintain a bank account at a bank and with such bank facilities to be determined by the Board.
- (c) The Subsidiary shall appoint, the CEO of the Subsidiary, the Chairperson and Deputy Chairperson as authorised operators of the bank accounts. A minimum of two authorised operators must be required to deal with the bank account at any one time.
- (d) All cheques must be signed by two of the persons appointed under or listed at clause 10.1(c).
- (e) Any payments made by electronic funds transfer must be made in accordance with procedures which have received the prior approval of the Board.

10.2 Reporting

- (a) The CEO of the Subsidiary shall ensure that the CEO and the Board member of each participant receive, within 14 days of a Board meeting, a copy of the minutes from that Board meeting for distribution to the elected members of the participants.
- (b) The CEO of the Subsidiary must act prudently in the handling of all financial transactions for the Subsidiary and must provide quarterly financial and corporate reports to the Board and, if requested, the Participants.
- (c) The Board must submit their annual report, annual budget and auditor's report to the participants upon completion of those reports.

10.3 Business Plan

The Board shall:

- (a) compare the Business Plan against performance targets at least twice every financial year;
- (b) review the contents of the Business Plan annually; and
- (c) undertake reasonable consultation with the participants prior to adopting or amending the Business Plan.

10.4 Annual Report

The Subsidiary shall prepare an annual report for each financial year in accordance with the provisions of section 5.53 of the Act as those provisions are modified by regulation 18 of the Regional Subsidiaries Regulations.

10.5 Annual Budget

The Subsidiary shall prepare an annual budget in accordance with the provisions of section 6.2 of the Act as those provisions are modified by regulation 18 of the Regional Subsidiaries Regulations.

10.6 Audit

The audit functions of the Subsidiary may be undertaken by a subcommittee which may include Finance Manager representatives from the participants.

11. DISPUTE RESOLUTION

11.1 Negotiation

- (a) The procedure in Clause 11 must be applied to any dispute that arises between the Subsidiary and a participant or participants concerning the affairs of the Subsidiary, or between participants concerning the affairs of the Subsidiary, including a dispute as to the meaning or effect of this Charter.
- (b) In the event of a dispute between the parties (**Dispute**) one party may deliver a written notice to the other party that identifies the Dispute (**Notice of Dispute**).

- (c) The party that delivers the Notice of Dispute should also provide enough information about the Dispute for the other parties to reasonably understand the:
 - (i) alleged facts on which the claim is based
 - (ii) legal basis on which the claim is made; and
 - (iii) relief that is claimed.
- (d) Within 10 Business Days of a Notice of Dispute being delivered, the receiving parties must deliver a written response to the other parties stating:
 - (i) its position in relation to the Dispute; and
 - (ii) the basis for its position.
- (e) Within ten Business Days of receipt of the response referred to in clause 11.1 (c), the parties agree to attempt in good faith to resolve through negotiation any Dispute arising under or in relation to this Charter.

11.2 Mediation

- (a) If the parties fail to resolve the Dispute within the 10 Business Days under clause 11.1(d), any of the parties may refer the Dispute to mediation by notice in writing to the other parties.
- (b) Within 10 Business Days of a party referring the Dispute to mediation, the parties will attempt in good faith to agree the appointment of a mediator for the purposes of mediation.
- (c) In the event the parties are unable to agree the appointment of a mediator then the Chairperson of the Resolution Institute in Western Australia shall appoint a mediator for the purposes of mediation.
- (d) Once a Mediator has been appointed then the parties must within 10 Business Days of the mediator being appointed agree a mutually convenient date, time and place for the mediation to take place.

11.3 Terms of Mediation

The mediation must be conducted on the following terms:

- (a) the reference to the mediator is made in accordance with, and subject to, the Resolution Institute Mediation Rules;
- (b) the mediator will assist the parties to explore the options for and, if possible, achieve expeditious resolution of the dispute by agreement;
- (c) the mediator will not make decisions for a party or impose a solution on the parties;
- (d) the mediator will not obtain from any independent person advice or an opinion as to any aspect of the Dispute unless:
 - (i) the mediator is requested in writing by all parties to do so;

- (ii) all parties have agreed upon the identity of the independent person to give such advice or opinion; and
- (iii) all parties have agreed on who will be responsible to pay for the costs or fees in relation to the advice provided by the independent person;
- (e) all parties will co-operate in good faith with the mediator and each other during the mediation;
- (f) each party will use its reasonable endeavours to comply with reasonable requests made by the mediator to promote the efficient and expeditious resolution of the Dispute;
- (g) the mediation, including all preliminary steps, shall be conducted in such manner as the mediator considers appropriate having regard to the nature and circumstances of the Dispute, the agreed goal of an efficient and expeditious resolution to the Dispute and, to the extent that the mediator may deem appropriate, to the view of each party as to the conduct of the mediation;
- (h) the proceedings, discussions and all documents created during the course of the mediation and all things said or disclosed during the course of the mediation shall be privileged and shall be for the purposes of any future matters or actions between the parties be without prejudice save to the extent that the parties shall reach an enforceable agreement;
- (i) if, after consultation with the parties, the mediator forms the view that the mediator will be unable to assist the parties to achieve resolution of a Dispute, the mediator may immediately terminate its engagement as mediator by giving written notice to the parties of that termination, upon which, the mediator's role shall cease;
- (j) the mediation shall be terminated immediately upon the earlier of:
 - (i) execution of a settlement agreement in respect of the Dispute; and
 - (ii) withdrawal of the Dispute;
- (k) the costs of the mediation shall be paid equally by each participant.

11.4 Arbitration

- (a) If the Dispute has not been resolved by mediation under clause 11.2 and 11.3, then the Dispute may be submitted by any party to the arbitration of a single arbitrator in accordance with, and subject to, Resolution Institute Arbitration Rules. Unless the parties agree on the appointment of an arbitrator, any party may request a nomination from the Chair of the time being of the Resolution Institute Western Australia Division.
- (b) The arbitrator's award shall be final and binding on the parties.
- (c) The costs of the submission, reference or award are in the discretion of the arbitrator.
- (d) Nothing in this Charter shall prevent a party from obtaining any urgent injunctive, declaratory or other interlocutory relief from a court which may be required in respect of a Dispute under clause 11 or any matter under this Charter.

SCHEDULE 1
RRC WASTE AGREEMENTS

Doc	Description	Date
1	Participant's Agreement between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale and City of Canning	Dated 15 October 2015
2	Agreement for Processing of Waste for Resource Recovery between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning and Kwinana WTE Project Co Pty Ltd	Dated 4 November 2015
3	Deed of Variation to Waste Supply Agreement between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning and Kwinana WTE Project Co Pty Ltd	Dated 7 June 2017
4	Supplemental Deed between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, City of Canning and Kwinana WTE Project Co Pty Ltd	Dated 16 July 2018
5	Exercise of Rights letter by the RRC	Dated 23 April 2018
6	Exercise of Rights Letter by the RRC	Dated 21 September 2018
7	Exercise of Rights Letter by the RRC	Dated 15 October 2018
8	Financier Direct Deed between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning, Kwinana WTE Project Co Pty Ltd and BTA Institutional Services Australia Limited	Dated 16 October 2018
9	Participants Agreement Deed of Variation between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning, Kwinana WTE Project Co Pty Ltd	Dated 14 September 2018

SCHEDULE 2

CALCULATION OF CONTRIBUTIONS

2.1 Contributions towards a Budget Deficiency

Each participant must pay a contribution towards the Budget Deficiency calculated as follows:

$$\text{participant's contribution} = \text{BD} \times \frac{\text{TP}}{\text{TTP}}$$

Where:

- (a) BD is the Budget Deficiency;
- (b) TP is the number of tonnes of the participant's Waste in the previous year;
- (c) TTP is the number of tonnes of all of the participants' Waste in the previous year;
- (d) "previous year" means the financial year preceding the financial year in which the Budget Deficiency is to occur; and
- (e) "participants Waste" means the wastes to be delivered to the Resource Recovery Facility in accordance with the Agreement for Processing of Waste for Resource Recovery referred to in item 2 of Schedule 1 and the Participants Agreement referred to in item 1 of Schedule 1.

2.2 Contributions towards a Deficit

Each participant must pay a contribution towards the Deficit calculated as follows:

$$\text{participant's contribution} = \text{D} \times \frac{\text{TP}}{\text{TTP}}$$

Where:

- (a) D is the Deficit;
- (b) TP is the number of tonnes of the participant's Waste in the relevant year;
- (c) TTP is the number of tonnes of all of the participants' Waste in the relevant year;
- (d) "relevant year" means the financial year in which the Deficit occurs; and
- (e) "participants Waste" means the wastes to be delivered to the Resource Recovery Facility in accordance with the Agreement for Processing of Waste for Resource Recovery referred to in item 2 of Schedule 1 and the Participants Agreement referred to in item 1 of Schedule 1.

2.3 Contributions towards an Anticipated Exceptional Deficit

Each Participant must pay a contribution towards the Anticipated Exceptional Deficit as follows:

$$\text{participant's contribution} = \text{AED} \times \frac{\text{PT}}{\text{PTT}}$$

Where:

- (a) AED is the Anticipated Exceptional Deficit;
- (b) PT is the number of tonnes of the participant's Waste in the previous year;
- (c) PTT is the number of tonnes of all of the participants' Waste in the previous year;
- (d) "previous year" means the financial year preceding the financial year in which the Anticipated Exceptional Deficit is determined; and
- (e) "participants Waste" means the wastes to be delivered to the Resource Recovery Facility in accordance with the Agreement for Processing of Waste for Resource Recovery referred to in item 2 of Schedule 1 and the Participants Agreement referred to in item 1 of Schedule 1.

SCHEDULE 3
CALCULATION OF PROPORTIONS IN WHICH PARTICIPANTS ARE TO
RECEIVE A PAID SURPLUS

3.1 Calculation of proportions

Each participant is to receive a proportion of the Paid Surplus calculated as follows:

$$\text{participant's proportion} = \text{PS} \times \frac{\text{TP}}{\text{TTP}}$$

Where:

- (a) PS is the Paid Surplus;
- (b) TP is the number of tonnes of the participant's Waste in the relevant year;
- (c) TTP is the number of tonnes of all of the participants' Waste in the relevant year;
- (d) "relevant year" means the financial year in which the Surplus occurs; and
- (e) "participants Waste" means the wastes actually delivered to the Resource Recovery Facility in accordance with the Agreement for Processing of Waste for Resource Recovery.

SCHEDULE 4

PROPORTIONS OF PARTICIPANTS FOR THE PURPOSE OF WINDING UP

- 4.1** For the purpose of clauses 7.2(a)(ii) and 7.3, the proportion of each participant is the proportion that the number of tonnes of the participant's Waste for the previous five (5) financial years (including RRC member tonnes as defined in the Establishment agreement if required) bear to the number of tonnes of all of the participants' Waste for the same period.

"participants Waste" means the wastes actually delivered to the Resource Recovery Facility in accordance with the Agreement for Processing of Waste for Resource Recovery.

ATTACHMENT 3

DEED OF DISSOLUTION OF THE RIVERS REGIONAL COUNCIL

CITY OF ARMADALE, CITY OF GOSNELLS, CITY OF SOUTH PERTH, CITY OF
MANDURAH, SHIRE OF MURRAY, SHIRE OF SERPENTINE - JARRAHDALE

-and-

RIVERS REGIONAL COUNCIL
ABN 80 479 097 483



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THIS DEED is made the _____ day of _____ 2019

BETWEEN:

CITY OF ARMADALE of 7 Orchard Avenue, Armadale, Western Australia

and

CITY OF GOSNELLS of 2120 Albany Highway, Gosnells, Western Australia

and

CITY OF SOUTH PERTH of corner Sandgate Street and South Terrace, South Perth, Western Australia

and

CITY OF MANDURAH of 3 Peel Street, Mandurah, Western Australia

and

SHIRE OF MURRAY of 1915 Pinjarra Road, Pinjarra, Western Australia

and

SHIRE OF SERPENTINE-JARRAHDALE of 6 Paterson Street, Mundijong, Western Australia

and

RIVERS REGIONAL COUNCIL (ABN 80 479 097 483) of 155 Jull Street, Armadale, Western Australia.

RECITALS

- (A) The Minister approved the First Establishment Agreement, and, in the Government Gazette dated 3 July 2001, the Minister declared the establishment of the South East Metropolitan Regional Council pursuant to section 3.61 of the Act.
- (B) By the Second Establishment Agreement, City of Armadale, City of Gosnells and City of South Perth agreed to amend the First Establishment Agreement by revoking it and substituting it with the Second Establishment Agreement. The Minister approved the Second Establishment Agreement. Under the Second Establishment Agreement the name continued as the South East Metropolitan Regional Council.
- (C) By the Third Establishment Agreement, City of Armadale, City of Gosnells and City of South Perth agreed to amend the Second Establishment Agreement by revoking it and substituting it with the Third Establishment Agreement. The Minister approved the Third Establishment Agreement. Under the Third Establishment Agreement the name was changed to the Rivers Regional Council.
- (D) By the First Deed of Amendment:
 - (a) City of Armadale, City of Gosnells and City of South Perth agreed to amend the Third Establishment Agreement to include City of

Mandurah, Shire of Murray and Shire of Serpentine-Jarrahdale as "Participants"; and

- (b) City of Mandurah, Shire of Murray and Shire of Serpentine-Jarrahdale agreed to be bound by the Third Establishment Agreement as 'Participants'.

The Minister approved the First Deed of Amendment.

- (E) By the Second Deed of Amendment:

- (a) City of Armadale, City of Gosnells, City of South Perth, City of Mandurah, Shire of Murray and Shire of Serpentine-Jarrahdale agreed to amend the Third Establishment Agreement to include Shire of Waroona as one of the Participants; and
- (b) Shire of Waroona agreed to be bound by the Third Establishment Agreement as one of the Participants.

The Minister approved the Second Deed of Amendment.

- (F) By the Third Deed of Amendment, the Participants and the Shire of Waroona agreed to amend the Third Establishment Agreement by deleting clause 6.1(2) and inserting a new clause 6.8.

The Minister approved the Third Deed of Amendment.

- (G) By the Fourth Deed of Amendment the Participants and the Shire of Waroona agreed to amend the Third Establishment Agreement to provide for the withdrawal of the Shire of Waroona as Participant.

The Minister approved the Fourth Deed of Amendment.

- (H) The RRC has transferred all of its assets, liabilities, rights, obligations and functions to the Subsidiary as set out in this Deed.
- (I) This Deed is now made pursuant to section 3.63 of the *Local Government Act 1995 (WA)* to set out the terms under which the RRC shall be dissolved; and
- (J) The Participants and the RRC have resolved on the dates referred to in Schedule 1 to enter into this Deed.

OPERATIVE PART

1. DEFINITIONS

In this Deed, unless the context requires otherwise:

Act means the *Local Government Act 1995 (WA)*;

Deed means this deed as amended varied or supplemented from time to time;

Establishment Agreement means the Third Establishment Agreement as amended by the First Deed of Amendment, Second Deed of Amendment, Third Deed of Amendment and Fourth Deed of Amendment.

Minister means the Minister for the time being responsible for the administration of the Act);

Operative Date means the date which is # days after the latest of:

- (a) the Parties execution of the Deed of Asset Transfer, a copy of which is annexed to this Deed and marked "A" or
- (b) the Parties execution of the Deed of Novation, a copy of which is annexed to this Deed and marked "B" .;

Participants means the City of Armadale, City of Gosnells, City of South Perth, City of Mandurah, Shire of Murray and Shire of Serpentine -Jarrahdale and "**Participant**" is a reference to any one of them;

Parties means the parties to this Deed and party means any one or more of them according to context;

RRC means the Rivers Regional Council;

RRC Waste Agreements means the agreements and documents referred to in Schedule 2; and

Subsidiary means the Rivers Regional Subsidiary, a body corporate that has been established by the Participants and the City of Canning under section 3.69 of the Act to take over the functions of the RRC.

2. CONDITIONS

This Deed is subject to and conditional upon the approval of the Minister under section 3.63 of the Act.

3. DISSOLUTION

In accordance with clause 10.1 of the establishment Agreement the Parties hereby agree that the RRC shall be dissolved on the Operative Date.

4. ASSETS AND LIABILITIES

- (a) By a Deed of Novation datedthe RRC novated all of its right, title, interest, liabilities and obligations in the RRC Waste Agreements to the Subsidiary;
- (b) By a Deed of Transfer datedthe RRC transferred all of its right title and interest in all of its assets, books of account, financial records and statements and all other property owned by it, free of all encumbrances, to the Subsidiary and
- (c) Each Party has on the Dates of Resolution shown in Schedule 1 agreed to enter into this Deed..

5. PROPER LAW

This Deed is governed by, and to be interpreted in accordance with, the laws of Western Australia and where applicable the laws of the Commonwealth of Australia.

6. SEVERANCE

If any part of this Deed is, or becomes void or unenforceable, that part is or will be, severed from this Deed to the intent that all parts that are not, or do not become, void or unenforceable remain in full force and effect and are unaffected by that severance.

7. WAIVERS

- (a) Failure to exercise or delay in exercising any right, power or privilege in this Deed by a Party does not operate as a waiver of that right, power or privilege.
- (b) A single or partial exercise of any right, power or privilege does not preclude any other or further exercise of that right, power or privilege, or the exercise of any other right, power or privilege.

8. FURTHER ASSURANCES

The Parties must execute and do all acts and things necessary or desirable to implement and give full effect to the provisions and purpose of this Deed.

9. ENTIRE AGREEMENT

This Deed constitutes the entire agreement between the Parties and contains all of the representations, warranties, covenants and agreements of the parties in relation to the subject matter of this Deed.

Schedule 1
Resolution dates

Party	Date of Resolution to enter into this Deed
City of Armadale	
City of Gosnells	
City of South Perth	
City of Mandurah	
Shire of Murray	
Shire of Serpentine- Jarrahdale	

SCHEDULE 2
RRC Waste Agreements

Doc	Description	Date
1	Participant's Agreement between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale and City of Canning	Date 15 October 2015
2	Agreement for Processing of Waste for Resource Recovery between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning and Kwinana WTE	Dated 4 Nov 2015
3	Deed of Variation to Waste Supply Agreement between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning and Kwinana WTE	Dated 7 June 2017
4	Supplemental Deed between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, , City of Canning and Kwinana WTE (Drafter?)	Dated 16 July 2018
5	Exercise of Rights Letter by the RRC	Dated 23 April 2018
6	Exercise of Rights Letter by the RRC	Dated 21 September 2018
7	Exercise of Rights Letter by the RRC	Dated 15 Oct 2018
8	Financier Direct Deed between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning, Kwinana WTE and BTA Institutional Services Australia Limited	Dated 16 Oct 2018

EXECUTED as a DEED

THE COMMON SEAL of the **CITY OF**)
ARMADALE was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **CITY OF**)
GOSNELLS was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **CITY OF**)
SOUTH PERTH was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Mayor

Chief Executive Officer

8

THE COMMON SEAL of the **CITY OF**)
MANDURAH was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **SHIRE OF**)
MURRAY was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **SHIRE OF**)
SERPENTINE-JARRAHDALE was)
affixed pursuant to a resolution of the)
Council in the presence of:)

Mayor

Chief Executive Officer

9

THE COMMON SEAL of RIVERS)
REGIONAL COUNCIL)
(ABN 80 479 097 483) was affixed)
in the presence of:)

Chairperson

Chief Executive Officer

Approved by the Minister for Local Government

David Templeman MLA

Date

ATTACHMENT 4

DEED OF ASSET TRANSFER

**RIVERS REGIONAL COUNCIL
(ABN 80 479 097 483)**

- and -

RIVERS REGIONAL SUBSIDIARY

- and -

**CITY OF ARMADALE, CITY OF GOSNELLS, CITY OF SOUTH PERTH, CITY OF
MANDURAH, SHIRE OF MURRAY, SHIRE OF SERPENTINE – JARRAHDALE,**



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"Parties" means the parties to this Deed and Party means any one or more of them according to context;

"RRC" means the Rivers Regional Council

"Schedule" means the schedule to this Deed;

"Subsidiary" means the Rivers Regional Subsidiary, a body corporate that has been established by the Participants and the City of Canning under section 3.69 of the Act to take over the functions of the RRC; and

"Transfer Date means....."

2. TRANSFER

In consideration of the Subsidiary agreeing to take over the functions, obligations and liabilities of the RRC, on and from the Transfer Date, the RRC, as beneficial owner, hereby transfers to the Subsidiary absolutely all of the RRC's right, title and interest in all of the Assets free of all encumbrances on the Transfer Date and on the terms and conditions of this Deed.

3. COSTS AND EXPENSES

The Parties shall each pay their own costs and expenses in relation to the instructions for, preparation and execution of this Deed, except that the Subsidiary agrees to pay any duty assessed on this Deed (if any).

4. SUBSIDIARY'S COVENANTS WITH THE RRC

The Subsidiary covenants with the RRC:

- (a) to assume all liability for any costs, claims and expenses, debts or liabilities incurred or accrued by the RRC (whether actual or contingent) arising out of or in connection with their ownership of the Assets up to and including the Transfer Date; and
- (b) to indemnify and keep indemnified the RRC against all proceedings, costs, claims and expenses arising out of or in connection with their ownership of the Assets occurring on or after the Transfer Date.

5. PROPER LAW

This Deed is governed by, and to be interpreted in accordance with, the laws of Western Australia and where applicable the laws of the Commonwealth of Australia.

6. SEVERANCE

If any part of this Deed is, or becomes void or unenforceable, that part is or will be, severed from this Deed to the intent that all parts that are not, or do not become, void or unenforceable remain in full force and effect and are unaffected by that severance.

7. FURTHER ASSURANCES

Each Party must execute and do all acts and things necessary or desirable to implement and give full effect to the provisions and purpose of this Deed.

8. MISCELLANEOUS

In this Deed:

- (a) a reference to a person includes that person's executors, administrators, successors and assigns;
- (b) a covenant, agreement, representation or warranty in favour of 2 or more persons is for the benefit of them jointly and severally;
- (c) an agreement, representation or warranty given or made by 2 or more persons shall bind them jointly and severally.

SCHEDULE

Assets of the RRC

--	--	--

EXECUTED BY THE PARTIES AS A DEED

THE COMMON SEAL of RIVERS)
REGIONAL COUNCIL)
(ABN 80 479 097 483) was affixed)
in the presence of:)

Chairperson

Chief Executive Officer

THE COMMON SEAL of RIVERS)
REGIONAL SUBSIDIARY)
was affixed in the presence of:)

Chairperson

Chief Executive Officer

THE COMMON SEAL of the CITY OF)
ARMADALE was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Mayor

Chief Executive Officer

THE COMMON SEAL of the CITY OF)
GOSNELLS was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **CITY OF**)
SOUTH PERTH was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **CITY OF**)
MANDURAH was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **SHIRE OF**)
MURRAY was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Shire President

Chief Executive Officer

THE COMMON SEAL of the **SHIRE OF**)
SERPENTINE-JARRAHDALE was)
affixed pursuant to a resolution of the)
Council in the presence of:)

Shire President

Chief Executive Officer

DEED OF NOVATION

**RIVERS REGIONAL COUNCIL
(ABN 80 479 097 483)**

- and -

RIVERS REGIONAL SUBSIDIARY

- and -

**CITY OF ARMADALE, CITY OF GOSNELLS, CITY OF SOUTH PERTH, CITY OF
MANDURAH, SHIRE OF MURRAY, SHIRE OF SERPENTINE – JARRAHDALE,
CITY OF CANNING**

- and -

**KWINANA WTE PROJECT CO PTY LTD
(ACN 165 661 263) in its capacity as trustee of the Kwinana WTE Project Trust
(ABN 50 113 636 774)**

- and -

**BTA INSTITUTIONAL SERVICES AUSTRALIA LIMITED
(ABN 002 916 396)**



Level 8, AMP Building
140 St Georges Terrace
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advoc



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- D. To enable the Subsidiary to take over these functions the RRC will novate and the Subsidiary has agreed to take a novation of the RRC Waste Agreements on and from the Novation Date.
- E. The Local Governments, Kwinana WTE and BTA consent to the novation of the RRC Waste Agreements from the RRC to the Subsidiary.

THE PARTIES COVENANT AND AGREE:

1. DEFINITIONS

Unless otherwise required by the context or subject matter:

"BTA" means BTA Institutional Services Australia Limited;

"Deed" means this deed as varied, modified or supplemented from time to time;

"Deed of Asset Transfer" means a deed of that name between the RRC, the Subsidiary and the Local Governments;

"Kwinana WTE" means Kwinana WTE Project Co Pty Ltd in its capacity as trustee of the Kwinana WTE Project Trust (ABN 50 113 636 774);

"Local Governments" means the City of Armadale, City of Gosnells, City of Mandurah, City of South Perth and City of Canning, the Shire of Murray and the Shire of Serpentine-Jarrahdale;

"Minister" means the Minister for the time being responsible for the administration of the *Local Government Act 1995 (WA)*;

"Novation Date" means the;

"Parties" means the parties to this Deed and Party means any one or more of them according to context;

"RRC" means the Rivers Regional Council;

"RRC's Covenants" means the covenants, agreements, warranties and obligations contained or implied in the RRC Waste Agreements or imposed by law in each case to be observed and performed (or warranted) as the case may be by the RRC;

"RRC Rights" means the estate, rights and interests of the RRC set out in the RRC Waste Agreements;

"RRC Waste Agreements" means those agreements and documents referred to in Schedule 1;

"Schedule" means a schedule to this Deed; "Specified Encumbrances" means the encumbrances listed in Schedule 2

"Subsidiary" means the Rivers Regional Subsidiary, a body corporate that has been established by the Local Governments under section 3.69 of the Act to take over the functions of the RRC.

2. OPERATIVE PART

- (a) Subject to clause 2(b), in consideration of the Subsidiary agreeing to observe, perform and be bound by the RRC's Covenants on and from the Novation Date, the RRC as beneficial owner novates to the Subsidiary absolutely all of the

RRC's right, title and interest in the RRC Waste Agreements on and from the Novation Date and on the terms and conditions of this Deed.

- (b) This Deed does not commence until:
- (i) each Party to this Deed has duly executed this Deed;
 - (ii) each party to the Deed of Asset Transfer has duly executed the Deed of Asset Transfer;
 - (iii) the Minister has consented to the establishment of the Subsidiary for the purposes as are set out in the Charter of the Subsidiary and evidence of such consent in form and substance satisfactory to Kwinana WTE and BTA (each acting reasonably) has been provided to Kwinana WTE and BTA; and
 - (iv) each of the Local Governments has duly passed resolutions to enter into this Deed and the Deed of Asset Transfer and certified copies of those resolutions have been provided to Kwinana WTE and BTA.

3. RRCS' COVENANTS WITH THE SUBSIDIARY

RRC covenants with the Subsidiary that:

- (a) the RRC Waste Agreements are valid and subsisting and enforceable in accordance with their terms, and sets out all of the RRC's Rights in relation to the subject matter of the RRC Waste Agreements;
- (b) the RRC's Rights do not infringe the rights of any third party;
- (c) the RRC has full power to novate its right, title and interest in the RRC Waste Agreements to the Subsidiary except for the Specified Encumbrances;
- (d) the novation contemplated by this Deed shall be taken by the Subsidiary free and clear of any mortgage, pledges, liens, charges or other encumbrances or claims or interests of any other person;
- (e) the RRC shall on the Novation Date or as soon as practicable thereafter deliver to the Subsidiary copies of all contracts, invoices and other records, papers, books and documents of the RRC relating to the RRC Waste Agreements; and
- (f) the RRC shall do all acts and things as may be reasonably required by the Subsidiary to give effect to the novation contemplated by this Deed.

4. THE SUBSIDIARY'S COVENANTS WITH THE RRC

The Subsidiary covenants with the RRC and as a separate covenant with the Local Governments, Kwinana WTE and BTA:

- (a) to pay all money payable by the Subsidiary under this Deed (if any);
- (b) to observe, perform and be bound by the RRC's Covenants on and from the Novation Date;
- (c) to assume all liability for any costs, claims and expenses, debts or liabilities incurred or accrued by the RRC (whether actual or contingent) arising out of or in connection with the performance and execution of the RRC Waste

Agreements up to and including the Novation Date, including any costs, claims and expenses, debts or liabilities owed or accruing to any of the Local Governments and / or Kwinana WTE and / or BTA; and

- (d) to indemnify and keep indemnified the RRC against all proceedings, costs, claims and expenses resulting from any failure to observe, perform and be bound by the RRCs' Covenants occurring on or after the Novation Date, or arising from the RRC's failure to promptly pay, discharge or satisfy the expenses, debts or liabilities referred to in paragraph (c) of this clause.

5. CONSENT TO NOVATION

The Local Governments, Kwinana WTE and BTA hereby consent to the novation of each of the RRC Waste Agreements to which they are a party as contemplated by this Deed.

6. MUTUAL RELEASE

6.1 The RRC covenants and agrees that on and from the Novation Date, the RRC:

- (a) releases and discharges the Local Governments Kwinana WTE and BTA from and against all liability whatsoever now existing or which might but for this Deed arise, relating to, arising out of, in connection with or incidental to the matters the subject of the RRC Waste Agreements; and
- (b) will not at any time commence or continue any action, suit or proceeding, or make any claim or demand of any nature against the Local Governments Kwinana WTE or BTA relating to, arising out of, in connection with or incidental to the matters the subject of the RRC Waste Agreements;

and the RRC covenants and agrees that this Deed may be pleaded in bar to any action, suit or proceeding mentioned in paragraph (b) of this sub-clause.

6.2 The Local Governments, Kwinana WTE and BTA covenant and agree that on and from the Novation Date, they will:

- (a) release and discharge the RRC from and against all liability whatsoever now existing or which might but for this Deed arise, relating to, arising out of, in connection with or incidental to the matters the subject of the RRC Waste Agreements; and
- (b) will not at any time commence or continue any action, suit or proceeding, or make any claim or demand of any nature against the RRC relating to, arising out of, in connection with or incidental to the matters the subject of the RRC Waste Agreements;

and the Local Governments, Kwinana WTE and BTA covenant and agree that this Deed may be pleaded in bar to any action, suit or proceeding mentioned in paragraph (b) of this sub-clause.

7. COSTS AND EXPENSES

The Parties shall each pay their own costs and expenses in relation to the instructions for, preparation and execution of this Deed, except that the Subsidiary agrees to pay any duty assessed on this Deed (if any).

8. PROPER LAW

This Deed is governed by, and to be interpreted in accordance with, the laws of Western Australia and where applicable the laws of the Commonwealth of Australia.

9. SEVERANCE

If any part of this Deed is, or becomes void or unenforceable, that part is or will be, severed from this Deed to the intent that all parts that are not, or do not become, void or unenforceable remain in full force and effect and are unaffected by that severance.

10. FURTHER ASSURANCES

Each Party must execute and do all acts and things necessary or desirable to implement and give full effect to the provisions and purpose of this Deed.

11. MISCELLANEOUS

In this Deed:

- (a) a reference to a person includes that person's executors, administrators, successors and assigns;
- (b) a covenant, agreement, representation or warranty in favour of 2 or more persons is for the benefit of them jointly and severally;
- (c) an agreement, representation or warranty given or made by 2 or more persons shall bind them jointly and severally.

SCHEDULE 1

RRC Waste Agreements

Doc	Description	Date
1	Participant's Agreement between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale and City of Canning	Date 15 October 2015
2	Agreement for Processing of Waste for Resource Recovery between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning and Kwinana WTE	Dated 4 Nov 2015
3	Deed of Variation to Waste Supply Agreement between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning and Kwinana WTE	Dated 7 June 2017
4	Supplemental Deed between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning and Kwinana WTE (Drafter?)	Dated 16 July 2018
5	Exercise of Rights Letter by the RRC	Dated 23 April 2018
6	Exercise of Rights letter by the RRC	Dated 21 September 2018
7	Exercise of Rights Letter by the RRC	Dated 15 Oct 2018
8	Financier Direct Deed between the RRC, City of Armadale, City of Gosnells, City of Mandurah, City of South Perth, Shire of Murray, Shire of Serpentine Jarrahdale, City of Canning, Kwinana WTE and BTA	Dated 16 Oct 2018

SCHEDULE 2

Specified Encumbrances

Doc	Description
1	Charge by BTA over the waste supply agreement referred to in doc 2 and 3 of Schedule 1

EXECUTED BY THE PARTIES AS A DEED

THE COMMON SEAL of RIVERS)
REGIONAL COUNCIL)
(ABN 80 479 097 483) was affixed)
in the presence of:)

Chairperson

Chief Executive Officer

THE COMMON SEAL of RIVERS)
REGIONAL SUBSIDIARY)
was affixed in the presence of:)

Chairperson

Chief Executive Officer

THE COMMON SEAL of the CITY OF)
ARMADALE was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Mayor

Chief Executive Officer

THE COMMON SEAL of the CITY OF)
GOSNELLS was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **CITY OF**)
SOUTH PERTH was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **CITY OF**)
MANDURAH was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Mayor

Chief Executive Officer

THE COMMON SEAL of the **SHIRE OF**)
MURRAY was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Shire President

Chief Executive Officer

THE COMMON SEAL of the **SHIRE OF**)
SERPENTINE-JARRAHDALE was)
affixed pursuant to a resolution of the)
Council in the presence of:)

Shire President

Chief Executive Officer

THE COMMON SEAL of the **CITY OF**)
CANNING was affixed pursuant to)
a resolution of the Council in the)
presence of:)

Mayor

Chief Executive Officer

Executed by
KWINANA)
WTE PROJECT CO PTY LTD)
(ACN 165 661 263)
in accordance with Section 127
of the Corporations Act 2001 (Cth) in the presence of:)

Director

Director/Secretary

Full Name

Full Name

Executed by
BTA)
INSTITUTIONAL SERVICES)
AUSTRALIA LIMITED
acting by its duly authorised signatory
:)

Authorised Signatory

Full Name
