

Confidential Minutes of the Ordinary Meeting of Council of the City of Holdfast Bay held in the Council Chamber, Glenelg Town Hall, Moseley Square, Glenelg, on 10 December 2019.

18. ITEMS IN CONFIDENCE

18.1 Material Recovery Facility (MRF) (Report No: 459/19)

Motion – Exclusion of the Public – Section 90(3)(d) Order

C101219/1704

1. That pursuant to Section 90(2) of the *Local Government Act 1999* Council hereby orders that the public be excluded from attendance at this meeting with the exception of the Chief Executive Officer and Staff in attendance at the meeting in order to consider Report No: 459/19 Material Recovery Facility (MRF) in confidence.
2. That in accordance with Section 90(3) of the *Local Government Act 1999* Council is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 459/19 Material Recovery Facility on the following ground:
 - d. pursuant to Section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to confer a commercial advantage on a third party.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.
3. The Council is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.

Moved Councillor Lindop, Seconded Councillor Lonie

Carried

Short Term Suspension of Meeting Procedures

Her Worship the Mayor with the approval of two-thirds of the members present suspended the meeting procedures pursuant to Regulation 20(1) of the *Local Government (Procedures at Meetings) Regulations 2013* for a period of 15 minutes to allow for the Chief Executive Officer to present information in relation to Item 18.1 Material Recovery Facility (MRF) (Report No: 459/19).

Leave of the meeting was granted.

The meeting procedures were suspended at 7.57 pm.

Her Worship the Mayor sought leave of the meeting to extend the short term suspension of the meeting procedures for a further 15 minutes at 8.12 pm.

Leave of the meeting was granted.

The meeting resumed at 8.21 pm.

This report sought approval from Council for the Southern Region Waste Resource Authority (SRWRA) to incur expenditure and borrowings to design, build and operate a Materials Recovery Facility (MRF) at its resource recovery and landfill site located at 112 Bakewell Drive, Seaford Heights, to manage the municipal commingled domestic recyclables from SRWRA's constituent councils and its customer councils/waste authorities.

This report was the culmination of approximately nine months investigation into the MRF project by SRWRA and its Board. Relevant experts have been employed over the nine months to develop and refine the business case over that time.

The SRWRA Board at a special Board Meeting held on 2 December 2019 resolved to proceed with the construction of a Material Recovery Facility subject to the subsidiary councils approving the budget variation required and the commitment of their Comingled recycling being processed through the proposed MRF. Each constituent Councils will consider the proposal at their respective 10 December 2019 meeting.

The MRF report and the prudential report were considered by the Audit Committee on 4 December 2019 as part of the prudent financial governance process before it is presented to Council. The Audit Committee resolved the following:

"That the Audit Committee note the Materials Recovery Facility (MRF) Report and the MRF Prudential Report prepared for SRWRA by UHY Haines Norton and support its presentation to Council for their consideration and adoption."

Motion

C101219/1705

That Council:

- 1. receive the Materials Recovery Facility Prudential Report prepared for the SRWRA by UHY Haines Norton (attachment 2).**
- 2. approve the SRWRA request to borrow up to \$8.0 million from the Local Government Finance Authority if the SRWRA Board consider it necessary and prudent to do so.**
- 3. note that the level of borrowings noted in resolution 2 will be reduced through the SRWRA continuing to seek**

- a. Further State and Federal funding
 - b. Additional Council or Waste authority customers
 - c. Opportunities to partner with private enterprises for capital investment and / or operation of the MRF
4. approve the SRWRA incurring capital expenditure of up to \$17.523 million (including 10% contingency) for the building and implementing of a Materials Recovery Facility.
5. resolve to commit all commingled domestic recyclables to be processed at the SRWRA MRF.
6. note that the gate fee for SRWRA to receive and process Council's commingled domestic recyclables is modelled at \$75 per tonne and will be subject to contract clauses relating to:
 - d. contamination rates of recyclables
 - e. commodity market rise and fall

Moved Councillor Smedley, Seconded Councillor Lindop

Carried Unanimously

RETAIN IN CONFIDENCE - Section 91(7) Order

C101219/1706

1. That having considered Item 18.1 Material Recovery Facility (MRF) (Report No: 459/19) in confidence under Section 90(2) and (3)(d) of the Local Government Act 1999, the Council, pursuant to Section 91(7) of that Act orders that the report, attachment and minutes be retained in confidence for a period of 24 months and that this order be reviewed every 12 months.
2. That the decision of Council to endorse the SRWRA Material Recovery Facility (MRF) proposal be communicated in a joint statement of the constituent Councils' of SRWRA.

Moved Councillor Lonie, Seconded Councillor Lindop

Carried Unanimously