

ITEM NUMBER: 14.1

ATTACHMENT 2

INFORMATION REPORT – SOUTHERN REGION WASTE RESOURCE AUTHORITY – 3 FEBRUARY 2020 (Report No: 122/20)

Pursuant to Section 90(2) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Council Members upon the basis that the Council consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Council will receive, discuss or consider:

- b. information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and would, on balance, be contrary to the public interest; and
- d. commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and would, on balance, be contrary to the public interest.

Constituent Council Information Report

- CONFIDENTIAL -

Board Meeting Date: 3 February 2020

Report By: Chief Executive Officer

Report

In accordance with Section 2.5.22 of the *Southern Region Waste Resource Authority Regional Subsidiary Charter - 2015*, the SRWRA Board identified the following Agenda Items to be the subject of a confidential Information Report to the Constituent Councils:

Agenda Item	Report
1.6.3	<p>MRF Building – Procurement Recommendation</p> <p>Summary - The Board resolved by electronic voting on 10 January 2020 to:</p> <ol style="list-style-type: none">1. Authorise the Chief Executive Officer to advise Woolcock Group they are the preferred tenderer and enter into contract negotiations to finalise the detailed MRF Building designs.2. Authorise the Chief Executive Officer and the SRWRA Chair to execute the Contract with Woolcock Group under the SRWRA Common Seal with a budget of \$4.050M (Inc GST) (\$3.681M tender plus 10% contingency for final design variations) subject to:<ul style="list-style-type: none">• Receiving formal approval from the EPA for the MRF; and• Finalisation of the plant and equipment design and construct contract;• Finalisation of the detailed MRF building designs.
3.6	<p>Draft 20 – 21 Annual Business Plan and Budget</p> <p>Summary - The draft 2020 – 2021 Annual Business Plan and Budget timeline including considerations was presented to the Board to facilitate a business planning and budget workshop for the 2020 - 2021 financial period.</p> <p>The draft Budget will support information that outlines the current budgeted tonnages and capex with a foundation for the 2020- 2021 year.</p>

The current Solar Project and Materials Recovery Facility Project, as well as the sensitivity analysis around the current and projected gate fees will assist in supporting the Board's recommendations moving forward.

The Annual Business Plan will be developed to support SRWRA's Vision, Values and Priorities over the next 12 months and beyond. As well as new and innovative approaches to waste management there will also be a focus on cost effective and efficient delivery of organisational strategy that complement the core services of the Authority.

4.3 **Risk Management Report**

Summary - The Risk Register has been reviewed and updated building on advice received from the Audit Committee. An internal review of current and contemporary risks was also performed by SRWRA staff. The new layout includes:

- Additional Risks Identified
- Identification of Emerging and/or Potential Risks
- Treatment Action ratings status
- Consolidation of Similar Risks
- Critical assessment of Inherent and Residual Risks.

The Board adopted the reviewed Risk Matrix and noted updates to the SRWRA Risk Register. A Programme of Works for a minimum annual review will be put in place for all risks on the Register for Board and Audit Committee with a regular report to the Board on any extreme/high risks – untreated.

SRWRA's 2020 WHS & IM Plan had not been approved by the LGAMLS, however SRWRA have identified areas in need of improvement and will continue with the Plan.

SRWRA recorded 3 minor incidents on site over the Christmas period which were all of a minor nature.

4.4 **Major Projects Update**

Summary - SRWRA is undertaking a significant program of capital works. This includes:

Cell 4 Western Boundary Lining – Phase 1 of the installation and welding of Coletanche at the western boundary is complete and Golders have submitted a report to the EPA for approval.

SRC Shed Extension - Construction is progressing well with the bulk of the structural steel completed. Overall construction is 45% complete with no safety incidents and a scheduled completion date of Thursday 30 April 2020. All parties have been working closely to minimise any disruptions to operations.

LMS Gas Plant Construction - The construction of the Gas Utilisation Facility plant is now complete with minor commissioning ongoing into mid-February 2020.

Two of the three existing large flare stacks in the old EDL yard, which have been used to date to burn the methane, will be relocated to the new LMS compound by end of January 2020. The remaining flare will be decommissioned entirely and removed from site.

MRF Building - The MRF project has been approved by the Board and Constituent Councils. The MRF Building Tender has been awarded to Woolcock Constructions for \$4.05M for the construction of the building whilst the Plant and Equipment Tender is yet to be finalised.

Caterpillar 826H Compactor - Tender awarded to Cavpower Pty Ltd who have ordered the vehicle which will be newly constructed in the United States. Current information is that the Compactor is expected to land in Australia in May 2020.

Water Cart Replacement Tender - The tender has been conditionally awarded to Cavpower Pty Ltd. As the vehicle is a second-hand machine a condition of purchase is that it pass a heavy maintenance inspection from an independent SRWRA appointed mechanic. This inspection is currently scheduled to occur in February depending on the machine's availability. Cavpower then will need 8 weeks to convert from a Caterpillar 730B 6x6 Articulated Dump Truck (below) to the water cart configuration.

Willunga Basin Water Company 600ML Dam - Major Earthworks are complete. A non-potable water main will be constructed to SRWRA which will allow SRWRA to access non-potable water for site operations once the dam construction is complete (approx. April-June 2020). A supply agreement consistent with the lease provisions is currently being reviewed.