



# Extra-Ordinary Council

## Business Paper

**date of meeting:** Wednesday, 4 July 2012

**location:** Committee Room, PMHC, Port Macquarie

**time:** 5.00pm

**Note:** Council is distributing this agenda on the strict understanding that the publication and/or announcement of any material from the Paper before the meeting not be such as to presume the outcome of consideration of the matters thereon.

**Council's Vision**

A sustainable high quality of life for all.

**Council's Mission**

To provide regional leadership and meet the community's needs in an equitable and inclusive way that enhances the area's environmental, social and economic qualities.

**Council's Corporate Values**

- ★ Sustainability
- ★ Excellence in Service Delivery
- ★ Consultation and Communication
- ★ Openness and Accountability
- ★ Community Advocacy

**Council's Guiding Principles**

- ★ Ensuring Good Governance
- ★ Looking after our people
- ★ Helping our community prosper
- ★ Looking after our environment
- ★ Planning & providing our infrastructure



**PORT MACQUARIE  
HASTINGS**

## How Members of the Public Can Have Their Say at Council Meetings

Council has a commitment to providing members of the public with an input into Council's decision making. The Council's Code of Meeting Practice provides two (2) avenues for members of the public to address Council on issues of interest or concern at the Ordinary Council Meeting. These are:

### Addressing Council on an Agenda Item:

If the matter **is** listed in the Council Business Paper, you can request to address Council by:

- Completing the *Request to Speak on an Agenda Item at a Council Meeting*, which can be obtained from Council's Offices at Laurieton, Port Macquarie and Wauchope or by downloading it from Council's website.
- Telephoning your request through to Council's Call Centre on (02) 6581 8111.
- On-line at <http://www.hastings.nsw.gov.au/www/html/2924-addressing-a-council-meeting-in-relation-to-an-agenda-item.asp?intSiteID=1>

**Your request to address Council must be received by Council no later than 4:30pm on the day prior to the Council Meeting.**

Council's Code of Meeting Practice sets out the following guidelines for addressing Council:

- Addresses will be limited to 5 minutes.
- If you wish any written information, drawings or photos to be distributed to the Council to support the address, two (2) copies should be provided to the Manager Executive Services (Governance) prior to the commencement of the meeting.
- Where speakers wish to make an audio visual presentation, a copy is to be provided to the Manager Executive Services (Governance) by 12 noon on the day of the Council Meeting.
- Council will permit only two (2) speakers "Supporting" and two (2) speakers "Opposing" the *Recommendation* contained in the Business Paper. If there are more than two speakers supporting and opposing, the Administrator will request the speakers to determine who will address Council.

### Addressing Council in the Public Forum:

If the matter **is not** listed in the Council Business Paper, you can request to address Council by:

- Completing the *Request to Speak in the Public Forum at Ordinary Council Meeting*, which can be obtained from Council's Offices at Laurieton, Port Macquarie and Wauchope or by downloading it from Council's website.
- Telephoning your request through to Council's Call Centre on (02) 6581 8111.
- On-line at <http://www.hastings.nsw.gov.au/www/html/2926-addressing-council-in-the-council-meeting-public-forum.asp?intSiteID=1>

**Your request to address Council must be received by Council no later than 4:30pm on the day prior to the Council Meeting.**

A maximum of eight (8) speakers will be heard in the Public Forum. Each speaker will be limited to 5 minutes. Council may ask questions of speakers but speakers **cannot** ask questions of Council.

Council will not determine matters raised in the Public Forum session, however may resolve to call for a further report, when appropriate.

Speakers will be allowed to address Council in the Public Forum on the same issue no more than three (3) times in each calendar year. (Representatives of incorporated community groups may be exempted from this restriction).



**PORT MACQUARIE  
HASTINGS**

# Extra-Ordinary Council Meeting

Wednesday, 4 July 2012

## Items of Business

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| <b>05</b>   | <b>Looking After Our People</b>                              |                 |
|             | Nil  |                 |
| <b>06</b>   | <b>Helping Our Community Prosper</b>                         |                 |
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| <b>07</b>   | <b>Looking After Our Environment .....</b>                   | <b><u>4</u></b> |
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|             | Nil  |                 |



**PORT MACQUARIE  
HASTINGS**

**Item: 01****Subject: ACKNOWLEDGEMENT OF COUNTRY**

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"I acknowledge that we are gathered on Birpai Land. I pay respect to the Birpai Elders both past and present. I also extend that respect to all other Aboriginal and Torres Strait Islander people present."

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**Item: 02****Subject: APOLOGIES**

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**RECOMMENDATION**

That the apologies received be accepted.

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Item: 03  
Subject: DISCLOSURES OF INTEREST

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**RECOMMENDATION**

That Disclosures of Interest be presented

**DISCLOSURE OF INTEREST DECLARATION**

Name of Meeting: .....  
Meeting Date: .....  
Item Number: .....  
Subject: .....  
.....

I, ..... declare the following interest:

**Pecuniary:**  
Take no part in the consideration and voting and be out of sight of the meeting.

**Non-Pecuniary - Significant Conflict:**  
Take no part in the consideration and voting and be out of sight of the meeting.

**Non-Pecuniary - Insignificant Conflict:**  
May participate in consideration and voting.

For the reason that: .....  
.....

Signed: ..... Date: .....

*(definitions are provided on the next page)*

**Definitions**

(Local Government Act and Code of Conduct)

**Pecuniary**

An interest that a person has in a matter because of a reasonable likelihood or expectation or appreciable financial gain or loss to the person or another person with whom the person is associated. *(LG Act s442 and s443).*

A Councillor or member of a Council Committee who is present at a meeting and has a pecuniary interest in any matter which is being considered must disclose the nature of that interest to the meeting as soon as practicable.

The Councillor or member of a Council Committee must not take part in the consideration and voting on the matter and be out of sight of the meeting. *(LG Act s451)*

**Non-Pecuniary**

An interest that is private or personal that the Councillor or member of a Council Committee has that does not amount to a pecuniary interest as defined in the LG Act.

If you have declared a non-pecuniary interest you have a number of options for managing the conflict. The option you choose will depend on an assessment of the circumstances of the matter, the nature and significance of your interest. You must deal with a non-pecuniary interest in one of the following ways.

**Non Pecuniary – Significant Interest**

(For example; family, a close friendship, membership of an association, sporting club, corporation, society or trade union).

- Have no involvement by absenting yourself from and not taking part in any consideration or voting on the issue as if the provisions in the LG Act s451(2) apply.
- A future alternative is to remove the source of the conflict (for example, relinquishing or divesting the personal interest that creates the conflict or reallocating the conflicting duties to another officer).

**Non Pecuniary – Less than Significant Interest**

- It may be appropriate that no action is taken. However, you must provide an explanation of why you consider that the conflict does not require further action.

## Looking After Our Environment

### What are we trying to achieve?

We understand and manage the impact that the community has on the natural environment. We protect the environment now and in the future.

### What will the result be?

- Accessible and protected waterways, foreshores, beaches and bushlands.
- Renewable energy options.
- Clean waterways.
- An environment that is protected and conserved for future generations.
- Development outcomes that are ecologically sustainable and complement our natural environment.
- Residents that are environmentally aware.
- A community that is prepared for natural events and climate change.

### How do we get there?

- 4.1 Protect and restore natural areas.
- 4.2 Ensure service infrastructure maximises efficiency and limits environmental impact.
- 4.3 Implement total water cycle management practices.
- 4.4 Continue to improve waste collection and recycling practices.
- 4.5 Provide community access and opportunities to enjoy our natural environment.
- 4.6 Create a culture that supports and invests in renewable energy.
- 4.7 Increase awareness of and plan for the preservation of local flora and fauna.
- 4.8 Plan and take action to minimise impact of natural events and climate change.
- 4.9 Manage development outcomes to minimise the impact on the natural environment.





## Looking After Our Environment

**Item:** 07.01

**Subject:** COUNCIL LIABILITY UNDER CLEAN ENERGY LEGISLATION

**Presented by:** Development & Environment Services, Matt Rogers

### Alignment with Delivery Program

4.8.1 Carry out a range of studies to determine the likely extent of natural events and the impact of climate change, develop relevant mitigation strategies.

### RECOMMENDATION

#### That Council:

1. **Adopt the amended Waste Management Fees and Charges as attached to this report.**
2. **Advertise the amended Waste Management Fees and Charges.**
3. **Apply the amended Waste Management Fees and Charges (Gate Fees) from 16 July 2012.**
4. **Notify the amended Waste Management Fees and Charges (Collection Fees) in the first Rates Notice to issue this financial year.**
5. **Notify ratepayers and waste facility users of the intention to undertake a landfill gas capture system using a component of waste charges previously proposed to cover Council's liability for Carbon Pricing.**
6. **Review waste charges for the 2013/14 financial year following a review of the costs for landfill gas capture systems.**

### Executive Summary

Council has received a report on the Cairncross Landfill that estimates that emissions from the landfill will not be over the 25,000t threshold under the Federal Clean Energy Legislation until 2020. It was previously estimated that the Cairncross Landfill would be over the threshold on 1 July 2012 with the introduction of Carbon Pricing. Waste that will be deposited in the 2012/13 financial year will emit approximately half of its emissions prior to the landfill being over the threshold and therefore Council's Waste Management Fees and Charges for 2012/13 have overestimated Council's liability. It is proposed that waste charges be reduced by \$10/t and that a landfill gas capture system be undertaken that will have the potential to significantly reduce Council's liability under Carbon Pricing.

### Discussion

The Federal Clean Energy Legislation will potentially create a liability for Council's operation of the Cairncross Waste Management Facility. Under the legislation landfills that emit greater than 25,000 tonnes of Carbon Dioxide Equivalent (CO<sub>2</sub>e) will be liable for the payment of the Carbon Price currently set at \$23/t. Initial estimates indicated that that the Cairncross Landfill would be captured from 1 July

## Looking After Our Environment

2012 based on the current rate of approximately 45,000 tonnes of waste being landfilled per annum.

To confirm the extent of Council's liability, Mike Ritchie and Associates (MRA) were appointed by Midwaste to undertake an assessment of the landfill operations of each of the Mid North Coast Council's using a method authorised under the Clean Energy Legislation. A report on Council's landfill at Cairncross has now been received which indicates, that based on current trends and waste composition, Council's landfill will not be captured under the Legislation until 2020. It will still be necessary for Council to undertake an annual assessment to ensure that the facility remains under the threshold.

Council's Waste Management Fees and Charges were increased from 1 July by \$23/t in order to recover Council's expected full liability under Carbon Pricing. The \$23 increase was applied on the basis that 1 tonne of waste will on average produce 1 tonne of CO<sub>2</sub>e in the form of methane and that all emissions from waste deposited after 1 July 2012 would be liable emissions. As approximately half of the emissions are likely to be emitted before 2020 when the landfill is over the threshold, Council's liability for 2012/13 has been overestimated by approximately 50%.

The MRA report also notes that if Council was to install a landfill gas capture system then the Cairncross Landfill may not be over the Clean Energy Legislation threshold until 2050. The cost of a landfill gas capture system is in the order of \$800,000 for the Cairncross Landfill. Such an investment is clearly beneficial to Council as the expenditure has the potential to save Council over \$30m in Carbon Pricing payments. \$600,000 is currently provided in the 2012/13 Budget with a further \$600,000 intended to be provided in 2013/14 Budget for carbon offset projects for the installation of gas capture systems at Cairncross and the old Port Macquarie Landfill. Funding of these systems was proposed to come from part of the Carbon Price liability component of the waste charges. Approximately \$13/t in charges over 2 years is needed to fund the installation of systems at the two landfill sites. The gas capture system will need to be constructed as soon as possible to avoid the Cairncross Landfill being over the threshold in the short term. The gas capture system also has the potential to provide Council with Carbon credits for the reduction in emissions from waste deposited prior to 1 July 2012.

It is proposed that there be a \$10 reduction in waste charges and the remaining \$13 of the current \$23 liability provision be directed towards landfill gas capture systems. Attached to this report are reduced Fees and Charges for waste management facility gate fees and reduced waste management collection fees. The reduced collection fees will be able to be notified in the first Rates Notice to issue this financial year.

While there is an argument that approximately \$11.50 is still a liability under Carbon Pricing, the construction of a landfill gas capture system will effectively negate this liability and therefore Council should make it clear to ratepayers and waste facility users that the \$13 is being retained is for the construction of landfill gas capture systems to negate potential future liability.

### Options

Council has the options of:

- Removing the Carbon pricing component in the Waste Charges or;

## Looking After Our Environment

- Maintaining the current waste charges and redirecting \$23/t towards landfill gas capture or;
- Reducing waste charges by \$10/t, include \$13/t for landfill gas capture and review the waste charges for the 2013/14 financial year following a review of pricing for landfill gas capture.
  - 1.

Amended Waste Management Fees and Charges based on the \$10/t reduction are attached.

### Consultation/Submissions

Not applicable

### Planning & Policy Implications

There are no planning or policy implications

### Financial & Economic Implications

Increases in waste disposal charges at Council's waste management facilities have been deferred pending Council's review of charges. Council's rate notices for the current financial year are able to be amended to incorporate the amendments proposed in the report prior to the notices being issued.

The proposal has the potential to save Council over \$30m in Carbon Pricing payments over the 30 year period from 2020 to 2030 and also provide Council with carbon credits.

### Attachments

1. Amended Waste Management Fees and Charges