

**RESOURCE RECOVERY GROUP
AGENDA PAPERS
SPECIAL MEETING OF COUNCIL**

**THURSDAY 14 NOVEMBER 2024
8.00 AM**

**RESOURCE RECOVERY GROUP
9 Aldous Place BOORAGOON**

Our Mission: *We are leaders in maximising material recovery and minimising climate impacts by providing our communities with best practice resource recovery solutions with high recovery rates and ethical supply chains*

On behalf of our Participant Local Governments

Dear Members

In accordance with section 5.25(1)(g) of the Local Government Act 1995, the Resource Recovery Group gives notice that a Special Meeting of Council will be held at 9 Aldous Place Booragoon on **Thursday 14 November 2024 at 8am** for the purpose of:

- **Committee Member Appointments**
- **Change of Banking Services Provider**
- **Office Accommodation Project Lending Facility**

Brendan Doherty
ACTING CHIEF EXECUTIVE OFFICER

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REPORT NO	9.1
SUBJECT	COMMITTEE'S AND MEMBER APPOINTMENTS
AUTHOR	A Johnson, Executive Manager Governance & Culture
RESPONSIBLE OFFICER	B Doherty, Acting Chief Executive Officer
EMPLOYEE INTEREST	Nil
DATE OF REPORT	5 November 2024
FILE REFERENCE	FD: Corporate Governance/Council Liaison
ATTACHMENTS	Nil

CEO RECOMMENDATIONS

1. **The following Regional Councillors be appointed on the Audit & Risk Committee for a term expiring November 2025:**
 1. **Mayor H Fitzhardinge (Presiding Member)**
 2. **Cr K Wheatland**
 3. **Cr J Edinger**
 4. **Cr J Archibald**

2. **The following Regional Councillors be appointed on the CEO Performance Review Committee for a term expiring November 2025:**
 1. **Cr K Wheatland (Presiding Member)**
 2. **Mayor H Fitzhardinge**
 3. **Cr J Edinger**
 4. **Cr J Archibald**

3. **That Council abolish the Stakeholder Relations Committee.**

VOTING REQUIREMENT

Absolute Majority s5.10(1), Committee members, appointment of.

PURPOSE OF REPORT

The Regional Council to consider and appoint membership on:

1. Audit & Risk Committee
2. Stakeholder Relations Committee
3. CEO Performance Review Committee

NATURE OF COUNCIL'S ROLE IN THE MATTER:

Advocative

Not applicable

Executive

The role of the council is to adopt members on committees.

Legislative

Local Government (Administration) Regulations 1996
s5.8 of the *Local Government Act 1995*.

IMPLICATIONS TO CONSIDER:

Consultative:

Not Applicable

Strategic relevance:

Compliance requirement

Policy related:

Members Fees and Allowances Policy no 1.8

Financial:

Payment to Committee members who are Regional Councillors are incorporated into the annual allowance for Members Fees and Allowances Policy (no.1.8).

Legal and statutory:

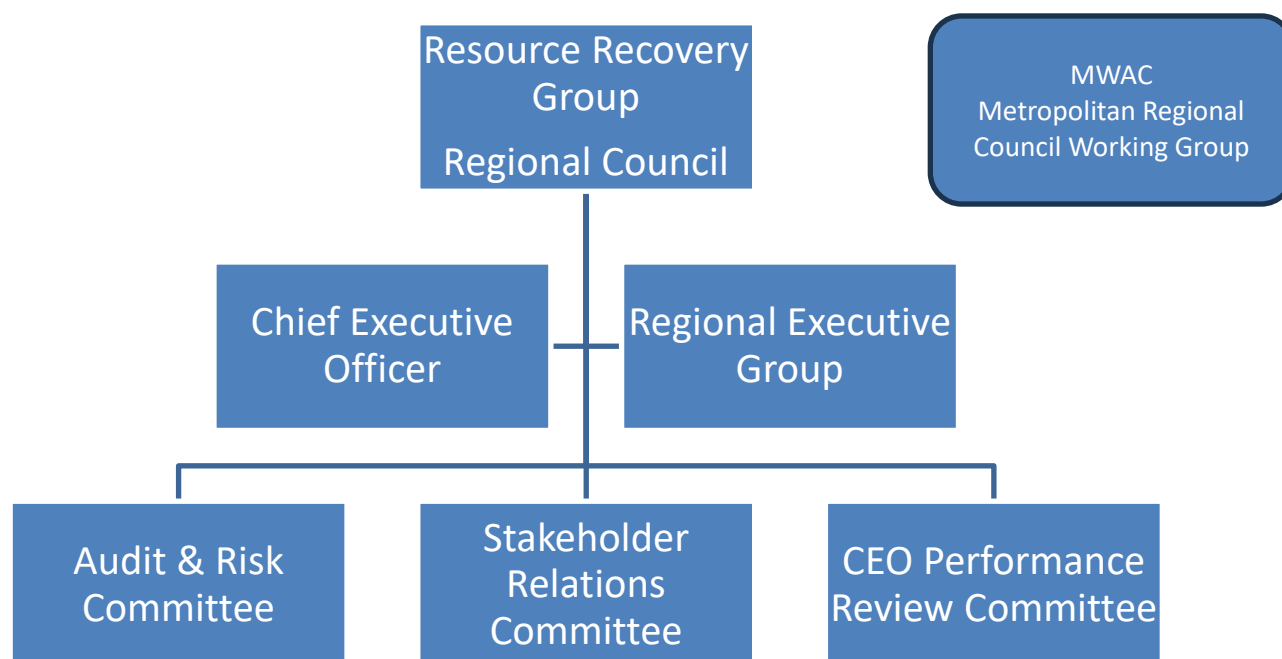
As noted above.

Risk related:

Risk No	Risk Description	Potential Consequences	Controls Are Currently In Place,	Overall Risk Rating
A03	Non-Compliance (Corporate)	1. Infringement by relevant authority	<ul style="list-style-type: none"> • Compliance Calendar/Register • State Government Legislative Updates Annual Compliance Audit Return 	Low 6

BACKGROUND:

The current Council and Committee structure is shown below:



There may be 12 - 15 meetings per year as well as other industry external working groups and committees. The membership role demands a high level of commitment and time. As a guide Resource Recovery Group has the following formal meeting structure:

Meeting	Frequency
Ordinary Meeting of Council	Held once per quarter, February, May, August & November
Special Council Meetings	As required
Audit & Risk Committee	Minimum of 2 per year February & November/December
Stakeholder Relations Committee	Minimum of 2 per year Held in conjunction with Audit & Risk Committee when possible
CEO Performance Committee	Minimum once per year,

1. AUDIT & RISK COMMITTEE

Objectives:

- a) To review the scope of the internal and external audit function and review audit plans and performance.
- b) To recommend to the Council the appointment of the internal and external auditors.
- c) To appraise the effectiveness of the audit by discussing the audit with the internal and external auditors as necessary.

- d) To review the management letter provided by the External Auditor on any weaknesses in internal accounting, organisation and operating controls, and consider the recommendations made by the auditor and the action taken by management in response to the auditor's suggestions.
- e) To review independent audit reports and/or initiate any other act necessary to ensure:
 - i. Compliance with policies, plans, procedures, laws and regulations
 - ii. Fraud and misconduct processes
 - iii. Economic and efficient use of resources
 - iv. Accomplishment of established objectives and goals for operations or programs
 - v. To draw attention to any failure to take prompt remedial action relating to previously identified shortcomings
 - vi. To advise Council on matters relating to its findings
- f) To ensure the evaluation of high risks are in accordance with the council's risk management processes.

Membership:

- a) The Committee shall comprise of at least three (3) Regional Councillors in accordance with s5.8 of the *Local Government Act 1995*.
- b) The Committee shall have no delegated powers unless expressly given by the Council.
- c) The Committee membership shall have a term of two years.

2. STAKEHOLDER RELATIONS COMMITTEE

Objectives:

The Stakeholder Relations Committee role is to provide direction on how the RRG manages its stakeholder relations.

The Committee:

- a) Ensures alignment of the brand with the RRG's strategic direction and values;
- b) To review the Strategic Communications Strategy and the Community Engagement Strategy;
- c) Recommend advertising and promotional campaigns of the RRG;
- d) Recommend action to rectify disputes; and
- e) Such other approvals delegated to the Committee.

The Committee is to report to Council and provide appropriate advice and recommendations on matters relevant to its objectives, in order to facilitate informed decision-making by Council in relation to the legislative functions and duties that have not been delegated to the CEO.

Membership:

- d) The Committee shall comprise of at least three (3) Regional Councillors in accordance with s5.8 of *Local Government Act 1995*.

3. CEO PERFORMANCE REVIEW COMMITTEE

Objectives:

- The Chief Executive Officer's Performance Review Committee is responsible for evaluating the CEO performance and remuneration.
- The Performance Appraisal and Remuneration Review Committee meet as required.
- The CEO's Contract of Employment specifies the performance criteria for the purpose of reviewing the CEO's performance.

Membership:

- a) The Committee shall comprise of at least three (3) Regional Councillors in accordance with s5.8 of *Local Government Act 1995*.
- b) Membership shall be Regional Councillors only.
- c) The Committee shall have delegated powers to appoint an external consultant(s) experienced in human resources to facilitate in performance reviews and give advice to the committee.
- d) The Committee membership shall have a term of two years.

REPORT:

Following the Local Government biennial elections held on Saturday 21 October 2023 and the election of the Chair and Deputy Chair to the Regional Council, the Regional Council reviewed and appointed its committees for a two-year term to coincide with the councillor terms elected by participant local governments.

In July 2024 Cr Andrew White, Town of East Fremantle, ceased to be a Councillor of the RRG due to the withdrawal of the Town of East Fremantle as a member participant. This has left the Council with only 2 elected members and unable to facilitate any Committee meetings which require a minimum of 3 elected members in accordance with the *Local Government Act 1995*.

The Establishment Agreement, approved by the Minister in September 2024, provides for an additional representative of each member participant. This has increased the Regional Council to 4 elected members in total.

Cr J Edinger was appointed as the second City of Melville representative at their meeting of Council held on 21 November 2023, pending execution of the updated Establishment Agreement. Similarly, at their meeting of Council held on 8 November 2023, the City of Fremantle appointed Cr J Archibald as their second representative pending the execution of the Establishment Agreement.

It is recommended that all 4 Councillors be appointed to both the CEO Performance Review and Audit and Risk Committee.

The Stakeholder Relations Committee was originally formed in response to odour complaints that were received regarding the Waste Composting Facility. This was a significant issue at the time and involved liaison with members and the community.

Since ceasing operation of the Waste Composting Facility, RRG no longer receives any odour complaints. Odour surveys are conducted by RRG on a monthly basis and both the results and odour complaints are published on our website.

Most recently the Stakeholder Relations Committee has been responsible for receiving a biannual survey of community stakeholders (ratepayers from member councils) and considering the engagement of the community in Recycle Right activities.

Recycle Right has now transitioned to the Department of Water and Environmental Regulation. At the meeting of Council on 22 February 2024, Council endorsed the suspension of community surveys in favour of transition planning:

COUNCIL RESOLUTION 24.02-13 **MOVED: Cr H Fitzhardinge** **SECONDED: Cr A White**

- 1. Council notes that the RRG's strategic and business plans are no longer reflective of the strategic direction provided by Member Participants.**
- 2. That the annual strategic planning process and stakeholder and community surveys be suspended in favour of transition planning in conjunction with a minor revision of the corporate business plan.**
- 3. That the CEO seek advice regarding compliance requirements regarding the maintenance of strategic and business plans during the wind up process and report back to the next Ordinary meeting of Council.**

For Cr K Wheatland, Cr A White, Cr H Fitzhardinge
CARRIED 3/0

It is therefore recommended that the Stakeholder Relations Committee be abolished, and any necessary matters be referred directly to Council in future.

REPORT NO	9.2
SUBJECT	CHANGE OF BANKING SERVICES PROVIDER
REPORTING OFFICER	A Johnson, Executive Manager Governance & Culture
RESPONSIBLE OFFICER	B. Doherty, Acting Chief Executive Officer
EMPLOYEE INTEREST	Nil
DATE OF REPORT	5 November 2024
FILE REFERENCE	FD: Corporate Finance\ Monthly Financial Reporting\ 2024/2025
ATTACHMENTS	1# Letter Common Use Agreement

CEO RECOMMENDATION:

<ol style="list-style-type: none"> 1. That Council endorse, the closure of the Bankwest everyday transaction account and Telenet saver accounts and opening of the equivalent account/s with the Commonwealth Bank of Australia. 2. Council delegate authority to the CEO to engage the banking services above utilising the Common Use Agreement. 3. Council approve the following authorised signatories for the Commonwealth Bank of Australia account/s: <ul style="list-style-type: none"> • Brendan Doherty, Acting Chief Executive Officer • Ann Johnson, Executive Manager Governance & Culture • Pratigya Pandeya, Manager Finance • Tama Tafua, Manager Corporate Services.

VOTING REQUIREMENT

Simple Majority

PURPOSE OF REPORT

To consider alternative banking services for the Regional Council.

NATURE OF COUNCIL'S ROLE IN THE MATTER:

Advocative

Not applicable

Executive

The Audit & Risk Committee endorsed the Investment Policy, setting the guidelines for investing surplus cash in its municipal and reserves funds. The Committee requested that the CEO consider "green" investment deposits with authorised banks that meet environmentally friendly and social eligible projects.

Legislative

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

- Reg 8 Separate bank accounts required for some moneys
- 1) A local government is to maintain a separate account with a bank or other financial institution for each of the following purposes –
 - a. Money required to be held in the municipal fund (other than money for which an account is to be established under paragraph (c));and
 - b. Money required to be held in the trust fund; and
 - c. Money required to be held in reserve accounts.
 - 2) Money related to a purpose set out in subregulation (1) is to be banked in the account maintained for that purpose.
 - 3) Money from different accounts may be placed in a common investment authorised by the Act.
- Reg 5 CEO's duties as to financial management
- 1) Efficient systems and procedures are to be established by the CEO of a local government —
 - a. for the proper collection of all money owing to the local government; and
 - b. for the safe custody and security of all money collected or held by the local government; and
 - c. for the proper maintenance and security of the financial records of the local government (whether maintained in written form or by electronic or other means or process); and
 - d. to ensure proper accounting for municipal or trust —
 - (i) revenue received or receivable; and
 - (ii) expenses paid or payable; and
 - (iii) assets and liabilities;and
 - e. to ensure proper authorisation for the incurring of liabilities and the making of payments; and
 - f. for the maintenance of payroll, stock control and costing records; and
 - g. to assist in the preparation of budgets, budget reviews, accounts and reports required by the Act or these regulations.
 - 2) The CEO is to -
 - a. ensure that the resources of the local government are effectively and efficiently managed; and
 - b. assist the council to undertake reviews of fees and charges regularly (and not less than once in every financial year); and
 - c. undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (and not less than once in every 3 financial years) and report to the local government the results of those reviews.

IMPLICATIONS TO CONSIDER:

Consultative:

Not applicable

Strategic relevance:

Compliance requirement

Policy related:

Policy No 2.1 - Accounting

Provides the framework for the financial management and significant accounting policies of the Regional Local Government. Ensures compliance with Australian Accounting Standards, the Local Government Act 1995 and Local Government (Financial Management) Amendment Regulations.

Employees' Delegations:

CEO (Council approval 22 February 2024)

- Approval, authorisation and payment of accounts in accordance with Council's policy are delegated to the CEO.
 - The CEO has delegated this power to:
 - Executive Manager Governance & Culture (CEO approval 14 March 2024)

- Manager Corporate Services (CEO approval 14 March 2024)
- Manager Finance (CEO Approval 14 March 2024)
- Authority to invest in authorised investments in accordance with RRG Cash Investments Policy.
 - The CEO has delegated this power to:
 - Executive Manager Governance & Culture (CEO approval 14 March 2024)
 - Manager Corporate Services (CEO approval 14 March 2024)
 - Manager Finance (CEO Approval 14 March 2024)

Financial:

There is no financial impact to this decision as there a few fees associated with these accounts and minimal interest earned on these accounts. Any significant interest earning accounts are already invested with the Commonwealth Bank.

Legal and statutory:

As noted under legislative

Risk related:

Risk No	Risk Description	Potential Consequences	Controls Are Currently In Place,	Overall Risk Rating
FA03	Incorrect process particularly in billing with cash and banking	Loss of Income	1. Staff training 2. Internal audit annually 3. Regular checking of billing	Low 4
FA05	Poor Investment Decisions	Loss of income	1. Investment Policy sets out the guidelines under which RRG can invest funds 2. Minimum credit rating is B+	Low 4

BACKGROUND

In 2011 RRG had become dissatisfied with the service that it was receiving from its current banking provider. Alternative services were sought and reviewed, after consideration Council endorsed that RRG would establish business banking arrangements with Bankwest.

RRG has two banking accounts with Bankwest, a Business Zero Transaction account which provides fee free banking for all electronic transactions and a Business Telenet account which allows RRG to earn interest on monies not immediately required.

In addition to the two Bankwest accounts, RRG has investment services established with the Commonwealth Bank. Funds not required for a period are invested in term deposits and are reviewed regularly and reported to Council in the Cash Investments Portfolio report each quarter. Additionally, in 2022 RRG changed the EFTPOS provider for card payments at the Canning Vale weighbridge to be provided by the Commonwealth Bank.

Bankwest has recently closed all branches in Western Australia and has advised business customers that by the end of the calendar year they can no longer continue to use Bankwest for their banking services.

REPORT

Bankwest is owned by the Commonwealth Bank and due to the investment accounts, RRG already have an established relationship manager with the Commonwealth Bank that can facilitate the transfer of our accounts to the Commonwealth Bank.

Bankwest notified the Commonwealth Bank of all local governments to be transitioned to enable the Commonwealth Bank to make contact and initiate the transition in a timely manner. However, due to the

change of our name, Bankwest did not identify us as a local government and failed to notify the Commonwealth Bank of our account holding, as such there has been a significant delay in us becoming aware of this matter.

Comparison of accounts:

Bankwest	Commonwealth Bank of Australia
<p>Bankwest Business Zero Transaction Account</p> <p>An at call account with full transactional capabilities providing unlimited access to Bankwest facilities.</p> <ul style="list-style-type: none"> • \$0 Monthly account fees • Unlimited electronic transactions • Free ATM withdrawals at Bankwest, CBA, ANZ, NAB or Westpac 	<p>CommBank Business Transaction Account</p> <p>CommBiz - everyday business bank account that can be opened online and provides unlimited electronic transactions.</p> <ul style="list-style-type: none"> • Unlimited electronic transactions • Sync with accounting software • Built-in cyber security features • Cash flow insights and data on the go
<p>Bankwest Business TeleNet Saver</p> <p>An online at-call savings account for business customers.</p> <ul style="list-style-type: none"> • 1.35% pa (subject to change) • No minimum deposit amount • Funds remain available to use via accessible linked account • Earn interest on full balance 	<p>CommBank Business Online Saver</p> <p>An online account with instant access.</p> <ul style="list-style-type: none"> • 3.25% pa • No minimum deposit amount • Funds remain available to use • Variable interest rate on full balance • Built-in cyber security features

The Commonwealth Bank is also the only banking provider recognised by the WA Government Common Use Arrangement (CUA) to provide banking and related services. RRG can accede to the Contract under the Local Government Authority classification with the pricing negotiation directly by RRG. This will alleviate the need to conduct a lengthy procurement process given that the accounts will be closed by the end of the year.

As almost all of our banking is now done electronically there are minimal transaction fees on our transaction account and few savings to negotiate. RRG have already negotiated with the Commonwealth Bank to waive any set up fees and have been able to secure an increased interest rate on our at call monies.

It is proposed that the signatories to the new account/s will be as per our current structure, any two must authorise all electronic banking payments:

- Brendan Doherty, Acting Chief Executive Officer
- Ann Johnson, Executive Manager Governance & Culture
- Pratigya Pandeya, Manager Finance
- Tama Tafua, Manager Corporate Services.

In addition, RRG holds purchasing (credit) cards with the National Australia Bank, a review of these services will be undertaken in future to determine if there is a benefit in transferring purchasing cards to the Commonwealth Bank.

It is recommended that RRG transfer the Bankwest Telenet Saver and Business Zero Transaction accounts to the Commonwealth Bank and undertake a review of services in 12 months to ensure that the Commonwealth Bank is meeting the banking requirements of the RRG.

REPORT NO	9.3
SUBJECT	OFFICE ACCOMMODATION PROJECT LENDING FACILITY
AUTHOR	A Johnson, Executive Manager Governance & Culture
RESPONSIBLE OFFICER	A Johnson, Executive Manager Governance & Culture
EMPLOYEE INTEREST	Nil
DATE OF REPORT	1 November 2024
FILE REFERENCE	FD: Corporate Governance/Policy
ATTACHMENTS	Revised Exhibit B Certificate from 1 July 2024

CEO RECOMMENDATION:

1. In accordance with the Lending Agreement between Western Australian Treasury Corporation (WATC), the Resource Recovery Group and its remaining participants, Resource Recovery Group gives its consent to the Town of East Fremantle being retired from its obligations under the \$2 million secured lending facility agreement (known as the Office Project Loan) (hereinafter referred to as “the loan agreement”) with the WATC with effect from 1 July 2024.
2. Accordingly, if the remaining participants agree the Resource Recovery Group shall deliver a revised Exhibit B Certificate to WATC as required under the provisions of the loan agreement to notify WATC of the new percentages of the Resource Recovery Group debt being apportioned to the remaining participants following the withdrawal of Town of East Fremantle from the Resource Recovery Group effective 1 July 2024.

VOTING REQUIREMENT

Simple Majority

PURPOSE OF REPORT

The Regional Council to consider the Office Accommodation Project Lending Facility resulting from the notice to withdraw by the Town of East Fremantle on 1 July 2024.

NATURE OF COUNCIL’S ROLE IN THE MATTER:

Advocative

Not applicable

Executive

The role of the Regional Council is to determine the withdrawing member’s proportional entitlement or liability following the effective withdrawal date being 1 July 2024. (*Office Accommodation Project Participants’ Agreement*).

Legislative

Not applicable

IMPLICATIONS TO CONSIDER:

Consultative:

Remaining Project Participants to pass a resolution giving consent to the Town of East Fremantle retiring from its obligations under the \$2 Million Secured Lending Facility Agreement (known as the Office Project Loan) (hereinafter referred to as “the Loan Agreement”) with the WATC with effect from 1 July 2024 and request Resource Recovery Group to issue revised percentages of the debt being apportioned by the remaining project participants.

Strategic relevance:

Policy related:

Nil

Financial:

Nil

Legal and statutory:

1. Comply with the obligations referred to in Clause 2.7 Office Accommodation Project Agreement 2005.
2. In accordance with the Lending Agreement between Western Australian Treasury Corporation (WATC).

Risk related:

Risk No	Risk Description	Potential Consequences	Controls Are Currently In Place,	Overall Risk Rating
S04	Withdrawal by Member Councils	Loan share (5.51%) to be re-distributed to remaining members.	<ul style="list-style-type: none"> • Asset value matches loan liability, • Interest rates and charges have a low financial impact. 	Extreme 25

BACKGROUND

On 23 June 2023 the Town of East Fremantle formally notified the Resource Recovery Group that at its meeting of Council on 20 June 2023 the following motion was endorsed:

That Council:

- (1) resolve to provide formal notice of withdrawal to the Resource Recovery Group (RRG – formerly SMRC) in accordance with section 11.1 of the Establishment Agreement (1997) to end its membership (participation) within the regional local government.*
- (2) acknowledges that in accordance with clause 11.2 the withdrawal will become effective from 1 July 2024.*
- (3) instruct the Chief Executive Officer to secure full waste services or alternatively, should the Town's motion give effect to the orderly wind up of the RRG, to continue to work with the member Councils to seek waste services as an alliance.*

The letter went on to advise that the withdrawal under the Establishment Agreement extended to the projects of the Resource Recovery Group.

Upon withdrawal of a participant from a project, the project agreement stipulates that an Amended Business Plan is to be prepared for the remaining participants.

The Regional Council considered the matter on 23 May 2024 and resolved the following:

Council resolved:

- 1) Council request the CEO write to the Town of East Fremantle advising:*
- 2) Business Plans to effect the withdrawal of the Town from the Regional Council and associated Projects may not be finalised by 30 June 2024 and will be prepared as soon as practicably possible.*
- 3) No proportional equity is owed to the Town of East Fremantle at this time as there will be no borrowings associated with the RRRC Project at the time of their withdrawal.*

*For Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0*

The CEO wrote to the Town of East Fremantle on 24 May 2024 advising of the resolution made by RRG Council and the Town of East Fremantle responded noting that there may be an alternate pathway forward to resolving this matter.

The Town of East Fremantle have requested that the matter be settled without the preparation of a business plan.

The Regional Council considered the matter on 22 August 2024 and resolved the following:

Council resolved:

That the Regional Council endorse the draft deed of settlement for the withdrawal of the Town of East Fremantle and give the CEO delegated authority to negotiate final terms and execute the Deed of Settlement on behalf of RRG.

*For Cr K Wheatland, Cr H Fitzhardinge
CARRIED 2/0*

REPORT:

Town of East Fremantle

The Deed of Settlement and Release was executed by all parties on 2 October 2024.

The Western Australian Treasury Corporation (WATC) have advised that in accordance with the Lending Agreement between WATC, RRG and its remaining Participants shall:

- a. Pass a resolution giving its consent to the Town of East Fremantle being retired from its obligations under the \$2 Million Secured Lending Facility Agreement (known as the Office Project Loan) (hereinafter referred to as “the Loan Agreement”) with the WATC with effect from 1 July 2024.
- b. Accordingly, the remaining Participants hereby requests that RRG deliver a revised Exhibit B Certificate to WATC as required under the provisions of the Loan Agreement to notify WATC of the new percentages of the RRG debt being apportioned to the remaining participants following the withdrawal of Town of East Fremantle from the RRG effective 1 July 2024.

Resource Recovery Group hereby certifies that as at the date hereof, the Share of the Facility (expressed as a percent) owed by each Participant is as follows:-

<u>Name of Participant</u>	<u>Old Share</u>	<u>New Share</u>
City of Fremantle	22.27%	24.15%
City of Melville	72.22%	75.85%
Town of East Fremantle	5.51%	0.00%
<u>TOTAL⁽¹⁾</u>	100.00%	100.00%

The Chief Executive Officer holds delegated authority to sign Treasury Corporation Certificates:

	Delegated Authority	Purpose	Authority used since last review	Review Comments
1.4	<p>CEO be authorised to sign WA Treasury Corporation Certificates in accordance with the terms and conditions of the Secured Lending Facility Agreement for RRRRC Project and Office Accommodation Project</p> <p>Last Reviewed - Feb 2024</p>	<p>To sign the following certificates on behalf of the regional council and its participants in accordance with the terms and conditions of the secured lending facility agreement with the WA Treasury Corporation for the:</p> <p>a) Regional Resource Recovery Centre & Administration Building</p> <p>i. Sign as an authorised signatory all WA Treasury Corporation loan draw-down schedules pursuant to the secured lending facility agreement.</p> <p>ii. Sign as an authorised signatory all certifications of participants share's in the secured lending facility with the WA Treasury Corporation pursuant to the secured lending facility agreement.</p> <p>iii. To notify in writing to the WA Treasury Corporation any failure by a participant to pay principal or interest within the time specified pursuant to the secured lending facility agreement.</p>	Nil	It is proposed that the delegation continue

Release of remaining Member Participants

As part of the above discussions with the WATC, Treasury staff noted the decisions of the remaining members who appear to be withdrawing from both the projects and the RRG on the same date.

Concern was raised by the Treasury staff member as to how the remaining members would be released from the lending facility if the RRG no longer existed. Treasury indicated that there may possibly need to be time for the loan to be settled. The staff member advised that they intended to escalate this matter internally.



Level 5
300 Murray Street
Perth WA 6000

Direct queries to Tanya Morris
Relationship Executive
Transaction Banking Solutions

Resource Recovery Group

30 October 2024

Dear

Banking and Related Services to Western Australian Government Agencies (TREAS21009)

The Western Australian Government entered into the most recent Government Transaction Banking and Merchant Services contract with the Commonwealth Bank of Australia in 2022 ("Contract"). The initial term of the contract is for 3 years which commenced on 1 December 2022 with expiry 30 November 2025. This contract holds an option for 2 x 2 year extensions.

Resource Recovery Group can accede to the Contract under the Local Government Authority classification with the pricing negotiated directly with the Town. To obtain a copy of the TREAS21009 contract please contact Treasury directly.

As referenced in negotiations log of TREAS21009 Ref#19 please note the below:

The Contractor may, from time to time, request an amendment to the Customer Contract to:

- 1. vary product standard terms and conditions as set out in an applicable Product Agreement;*
- 2. comply with changes in law, standard industry-wide terms, payment scheme rules or industry codes;*
- 3. cater for changes to operational processes of the Contractor which are being applied generally to the Contractor's customers which use the products and services affected by such change; and*
- 4. vary interest rates, fees, rebates or payment conditions.*

The Contractor must act reasonably in making a request under this clause and the Customer must not unreasonably withhold or delay its consent to a requested amendment.

Please confirm Resource Recovery Groups' acceptance of the negotiated pricing (Appendix A) and consent for the Bank to provide its General Information to the Departments of Treasury and Finance respectively, by signing, dating and returning a copy of this letter.

Yours sincerely

Relationship Executive
Commonwealth Bank of Australia

The City of Fremantle accepts the pricing negotiated with the bank and consents to the Bank providing its General Information to the Departments of Treasury and Finance respectively

.....
Signature

.....
Date

.....
Print Name

.....
Position

EXHIBIT B

\$2,000,000 SECURED LENDING FACILITY
FROM WESTERN AUSTRALIAN TREASURY CORPORATION
TO RESOURCE RECOVERY GROUP
(FORMERLY SOUTHERN METROPOLITAN REGIONAL COUNCIL)

FORM OF CERTIFICATION OF PARTICIPATION IN THE FACILITY

TO: MANAGER, TRESURY AND LENDING SERVICES
WESTERN AUSTRALIAN TREASURY CORPORATION

Resource Recovery Group hereby certifies that as at the date hereof, the Share of the Facility (expressed as a percent) owed by each Participant is as follows:-

<u>Name of Participant</u>	<u>Old Share</u>	<u>New Share</u>
City of Fremantle	22.27%	24.15%
City of Melville	72.22%	75.85%
Town of East Fremantle	5.51%	0.00%
TOTAL⁽¹⁾	100.00%	100.00%

For and on behalf of
Resource Recovery Group:

CHIEF EXECUTIVE OFFICER

DATE: 1 July 2024

(1) This certificate is valid only if the Shares stated total 100%