



TOWN OF PORT HEDLAND

ORDINARY COUNCIL MEETING MINUTES

WEDNESDAY 24 JUNE 2015 AT 5:30PM

**COUNCIL CHAMBERS, MCGREGOR
STREET, PORT HEDLAND**

DISCLAIMER

No responsibility whatsoever is implied or accepted by the Town of Port Hedland for any act, omission, statement or intimation occurring during Council Meetings. The Town of Port Hedland disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission, and statement of intimation occurring during Council Meetings.

Any person or legal entity that acts or fails to act in reliance upon any statement, act or omission occurring in a Council Meeting does so at their own risk. The Town of Port Hedland advises that any person or legal entity should only rely on formal confirmation or notification of Council resolutions.

**“A nationally significant, friendly city that people
are proud to call home”**

*M.J. (Mal) Osborne
Chief Executive Officer*

ITEM 1	OPENING OF MEETING	7
ITEM 2	ACKNOWLEDGMENT OF TRADITIONAL OWNERS	7
ITEM 3	RECORDING OF ATTENDANCE	7
3.1	Attendance	7
3.2	Apologies.....	7
3.3	Approved Leave of Absence	7
ITEM 4	RESPONSE TO PREVIOUS QUESTIONS	7
4.1	Questions from Public at Special Council Meeting held on Tuesday 12 May 2015..	7
4.2	Questions from Elected Members at Special Council Meeting held on Tuesday 12 May 2015.....	8
4.2.1	Councillor Butson.....	8
4.3	Questions from Public at Special Council Meeting held on Wednesday 13 May 2015	8
4.4	Questions from Elected Members at Special Council Meeting held on Wednesday 13 May 2015.....	8
4.5	Questions from Public at Ordinary Council Meeting held on Wednesday 27 May 2015	8
4.5.1	Mr Camilo Blanco	8
4.6	Questions from Elected Members at Ordinary Council Meeting held on Wednesday 27 May 2015	8
4.6.1	Councillor Gillingham	8
4.6.2	Councillor Butson.....	9
ITEM 5	PUBLIC TIME	9
5.1	Public Question Time.....	10
5.1.1	Mr Roger Higgins as President of the Ratepayers Association Port Hedland.	10
5.1.2	Mr Camilo Blanco	10
5.1.3	Ms Jan Ford.....	11
5.1.4	Mr Mike Pound.....	12
5.1.5	Mr John Peters	12
5.1.6	Mr Richard Whitwell	13
5.2	Public Statement Time.....	13
5.2.1	Mr Roger Higgins as the President of the Ratepayers Association Port Hedland	13
5.2.2	Mr Camilo Blanco	14
5.2.3	Ms Rosemary Vrancic as the President of the Port Hedland Community Progress Association	14
5.2.4	Ms Jan Ford.....	15
5.2.5	Ms Louise Newbery-Starling	16
5.2.6	Ms Lisa Lock.....	16

ITEM 6	QUESTIONS FROM MEMBERS WITHOUT NOTICE.....	16
6.1	Councillor Jacob	16
6.2	Councillor Gillingham	17
6.3	Councillor Hooper	18
6.4	Councillor Butson.....	18
ITEM 7	DECLARATIONS OF ALL MEMBERS TO HAVE GIVEN DUE CONSIDERATION TO ALL MATTERS CONTAINED IN THE BUSINESS PAPER BEFORE THE MEETING.....	19
ITEM 8	CONFIRMATION OF MINUTES OF PREVIOUS MEETING.....	19
8.1	Confirmation of Minutes of Special Meeting of Council held on Tuesday 12 May 2015	19
8.2	Confirmation of Minutes of Special Meeting of Council held on Wednesday 13 May 2015	19
8.3	Confirmation of Minutes of Ordinary Meeting of Council held on Wednesday 27 May 2015	20
ITEM 9	ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION.....	20
ITEM 10	REPORTS BY ELECTED MEMBERS WITHOUT DISCUSSION	23
10.1	Councillor Jacob.....	23
10.2	Councillor Daccache	24
10.3	Councillor Gillingham.....	24
10.4	Councillor Hooper.....	24
ITEM 11	PETITIONS/ DEPUTATIONS/ PRESENTATIONS/ SUBMISSIONS	24
11.1	Mr Owen Hightower from RFF Australia deputation on item 12.1.10 'Scheme Amendment Initiation Request – Rezoning Land Bound by Styles Road, Cooke Point Drive, Pretty Pool Creek to the North from 'Other Public Purposes – Energy', 'Rural' and 'Parks and Recreation' to 'Urban Development' – ToPH Scheme Amendment No. 77'	24
11.2	Mr Anthony Kahn, from The Airport Group made a deputation on item 13.2 'Port Hedland International Airport Long-Term Lease - Outcomes from Business Plan and Expression of Interest Process'	25
ITEM 12	REPORTS OF OFFICERS	36
12.1	Community and Development Services	36
12.1.1	Boodarie Strategic Industrial Area - Final Adoption of Scheme Amendment No.71 to Town Planning Scheme No.5 and the Development Plan.....	36
12.1.2	Proposed Excision Of A Portion Of Reserve 37447 On Lot 6075 Mitchie Crescent, South Hedland, And Subsequent Amalgamation Into Adjacent Freehold Lot.....	56
12.1.3	Port Hedland Courthouse Gallery Management Agreement Extension	59
12.1.4	Adoption of South Hedland Town Centre Design Guidelines Local Planning Policy	63

12.1.5	Initiation of Scheme Amendment No.76 to Town Planning Scheme No.5; Rezoning Various Lots on the corner of Murdoch Drive and Outer Ring Road, South Hedland to the 'Urban Development' zone.....	74
12.1.6	Town of Port Hedland Disability Access and Inclusion Plan – Annual Report 2014/2015.....	81
12.1.7	Port Hedland Visitor Centre Management Agreement Extension	83
12.1.8	Delegated Planning, Building & Environmental Health Approvals and Orders for May 2015.....	87
12.1.9	Rationalisation of Sections of the Great Northern Highway, Port Hedland	98
12.1.10	Scheme Amendment Initiation Request – Rezoning Land Bound by Styles Road, Cooke Point Drive, Pretty Pool Creek to the North from 'Other Public Purposes – Energy', 'Rural' and 'Parks and Recreation' to 'Urban Development' – ToPH Scheme Amendment No. 77.....	105
12.2	Works and Services	114
12.3	Corporate Services.....	115
12.3.1	Financial Management – Accounts Receivable – Schedule of Write-Offs	115
12.3.2	Statement of Financial Activity for the period ended 30 April 2015.....	121
12.3.3	Royal Flying Doctor Service Western Operations - Landing fee donation	131
12.3.4	Annual Statutory Review of Town of Port Hedland Delegation Register.....	136
12.3.5	Financial Management – 2015/16 Budget – Differential General Rates and Minimum Rates – Consideration of Public Submissions.....	141
12.4	Office of the CEO	161
ITEM 13	LATE ITEMS AS PERMITTED BY PRESIDING MEMBER/ COUNCIL.....	162
13.1	Financial Management – 2015/16 Budget – Adoption of 2015/16 Schedule of Fees and Charges.....	162
13.2	Port Hedland International Airport Long-Term Lease - Outcomes from Business Plan and Expression of Interest Process	163
13.3	Facility Development at Faye Gladstone Netball Courts-Port Hedland Netball Association.....	192
ITEM 14	MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN	207
14.1	Mayor Howlett's Motion to change the July 2015 Ordinary Council Meeting date	207
ITEM 15	REPORTS OF COMMITTEES	207
15.1	Airport Committee Minutes – 13 May 2015.....	207
15.2	Airport Committee Minutes – 3 June 2015.....	208
ITEM 16	CONFIDENTIAL ITEMS.....	208
16.1	Appointment of Director Community and Development Services.....	209
ITEM 17	APPLICATIONS FOR LEAVE OF ABSENCE	209
ITEM 18	ATTENDANCE BY TELEPHONE/ INSTANTANEOUS COMMUNICATIONS.	209

ITEM 19 CLOSURE..... 210

19.1 Date of Next Meeting..... 210

19.2 Closure..... 210

ITEM 1 OPENING OF MEETING

The Mayor declared the meeting open at 5:39pm.

ITEM 2 ACKNOWLEDGMENT OF TRADITIONAL OWNERS

The Mayor acknowledged the traditional owners, the Kariyarra people.

ITEM 3 RECORDING OF ATTENDANCE**3.1 Attendance***Elected Members*

Mayor Kelly Howlett
Councillor Gloria Jacob
Councillor George Daccache
Councillor Jan Gillingham
Councillor David Hooper
Councillor Lorraine Butson
Councillor Troy Melville

Officers

Mal Osborne	Chief Executive Officer
Sid Jain	Director Corporate Services
Brendan Smith	Director Works and Services
Chris Linnell	Acting Director Community and Development Services
Brett Reiss	Program Director Airport Redevelopment
Peter Kocian	Manager Financial Services
Grace Waugh	Minute Taker/ Governance Officer
Anna Hoebergen	Minute Taker

Public	33
Media	1
ToPH staff	14

3.2 Apologies

Nil

3.3 Approved Leave of Absence

Councillor Julie Hunt (3 to 26 June 2015)

ITEM 4 RESPONSE TO PREVIOUS QUESTIONS**4.1 Questions from Public at Special Council Meeting held on Tuesday 12 May 2015**

Nil

4.2 Questions from Elected Members at Special Council Meeting held on Tuesday 12 May 2015**4.2.1 Councillor Butson**

[Councillor Butson asked about the construction at Catamore Court and how many units the Town was receiving. The Chief Executive Officer advised that the Town was receiving eight units.] What is the total cost to Council?

Chief Executive Officer advised that the total cost incurred by Council for this project was \$2.055 million.

4.3 Questions from Public at Special Council Meeting held on Wednesday 13 May 2015

Nil

4.4 Questions from Elected Members at Special Council Meeting held on Wednesday 13 May 2015

Nil

4.5 Questions from Public at Ordinary Council Meeting held on Wednesday 27 May 2015**4.5.1 Mr Camilo Blanco**

Who had the authority or delegation to sign off on planning approvals between February and April 2015 in regards to delegation 5.1 part 1 'uses' and 5.2 part 2 'conditions'?

Chief Executive Officer advised that from February to April 2015 the Director Planning and Development and the Manager Development Services had delegated authority under the Town Planning Scheme No.5 for uses and conditions as listed on the Town of Port Hedland delegation register, which is published on the Town's website for the public to access at all times.

4.6 Questions from Elected Members at Ordinary Council Meeting held on Wednesday 27 May 2015**4.6.1 Councillor Gillingham**

The answer to my question from the April 2015 Council Meeting says that the project end date was on or around the 10 December 2014 but the cutover date was completed before the 8 December 2014. What was the actual date?

Chief Executive Officer advised that as per previous answers provided to Councillor Gillingham the project was conducted over a weekend from 6 to 7 December 2014 with the project finalised on 10 December 2014.

The Town of Port Hedland conditions of computer use agreement has a condition of use, point 6, that states all staff and contractors are reminded that the internet is not secure, there is no authentication on electronic mail. Messages may be forged with or disclosed to others without your knowledge. Do all staff and Councillors sign the computer use agreement?

Chief Executive Officer advised that newly appointed staff members are inducted to computer usage terms and conditions during the on-board process. Users with computer access have to agree to the computer usage agreement during the interactive logon process. The security setting specifies a text message that is displayed to users when they log on. The text is used for legal reasons, for example, to warn users about the ramifications of misusing company information or to warn them that their actions may be audited. Elected Members adopted a Code of Conduct in January 2010 that deals with information and property. *It has been almost two years since the Town of Port Hedland signed up to the Department of Local Government IT strategy at the December 2014 Council Meeting. The item was for the Town's IT department to implement its new IT strategy. All WA councils were taking this strategy on board. Where is the Town up to with the IT strategy?*

Chief Executive Officer advised that Council adopted two documents at the December 2014 Ordinary meeting. These being the Town of Port Hedland ICT Strategic Plan 2012 – 2017 and the Town of Port Hedland ICT Implementation Plan 2012 – 2017. Completed actions in the ICT plans are reported on every six months through the Corporate Business Plan reporting. The last update was provided at the February 2015 Ordinary Council Meeting with the next update is scheduled for the August 2015 Ordinary Council Meeting. A full review of the ICT documents will be completed by the end of 2015.

4.6.2 Councillor Butson

When is the decommissioning of the old South Hedland Skate Park going to happen? There was an accident at this location two and a half weeks ago where a child was hit.

Director Works and Services advised that Landcorp is responsible for the decommissioning of the old South Hedland Skate Park. They are currently looking at scoping up the skate park demolition contract.

ITEM 5 PUBLIC TIME

Important note:

'This meeting is being recorded on audio tape as an additional record of the meeting and to assist with minute-taking purposes which may be released upon request to third parties. If you do not give permission for recording your participation please indicate this at the meeting. The public is also reminded that in accordance with Section 6.16 of the Town of Port Hedland Local Law on Standing Orders nobody shall use any visual or vocal electronic device or instrument to record the proceedings of any meeting unless that person has been given permission by the presiding member to do so.'

Mayor opened Public Question Time at 5:41pm.

5.1 Public Question Time

5.1.1 Mr Roger Higgins as President of the Ratepayers Association Port Hedland

Has the Town of Port Hedland completed the 2015/2016 Budget, and if so when will it be available to the public?

Chief Executive Officer advised that the Town's Draft Budget is currently being completed. It is the Town of Port Hedland's intention to make the Budget available to the public prior to the Community Conversation Series commencing Tuesday 14 July 2015.

Has the Town of Port Hedland included any significant reduction in the proposed operating expenditure in the Budget?

Chief Executive Officer advised that the Town of Port Hedland are exploring operational expenditure, capital expenditure, operating revenue and capital revenue to determine where savings can be made.

What are the estimated employee expenses in the 2015/2016 Budget?

Chief Executive Officer advised work is yet to be completed in this area, however this will form part of the Draft Budget.

5.1.2 Mr Camilo Blanco

With a large agenda how can the public be expected to obtain the information we require in three questions? Are you trying to silence the public?

Mayor explained that members of the public are encouraged to submit questions at any time throughout the month, questions need not be saved until the Ordinary Council Meeting. The Town of Port Hedland will also arrange meetings with the Chief Executive Officer and other staff to discuss specific topics at the request of a member of the public.

Section 3.59 'Commercial enterprises by local governments' part (2b) and (3c) of the Local Government Act 1995 state:

"(2) Before it —

...

(b) enters into a major land transaction; or

...

a local government is to prepare a business plan."

(3) The business plan is to include an overall assessment of the major trading undertaking or major land transaction and is to include details of —

...

(c) its expected financial effect on the local government;... "

Regarding item 13.2 'Port Hedland International Airport Long-Term Lease Public Submissions and Tender Program Update', when have the financial implications of the long term lease been published and advertised? If the information has been advertised, where and when was this complete?

Mayor explained this has not yet been completed.

Chief Executive Officer advised that the Town of Port Hedland has received advice from the Department of Local Government and Communities on the process for the long term lease. Chief Executive Officer reiterated that no transaction has been entered into. The business case for entering into a long term lease will come before Council for consideration prior to any decisions being made at which time the Town will be informed as to what the best bid will contain.

In that case, point five of the Officer's Recommendation should be removed?

Mayor advised in the negative and stated that the process has been outlined in depth within the body of the report.

I would like a copy of the bank statements that display the Airport Reserve Funds, which I believe to be in the vicinity of \$15 million, backed by the Town of Port Hedland's financial records. I would like an explanation as to how the net income after costs from the airport over the past two and ¾ years has amounted to \$32.5 million, but the reserve account balance has remained unchanged?

Chief Executive Officer took the question on notice. Chief Executive Officer also offered Mr Blanco the opportunity to have a meeting to explain the preceding three years of financial records for the airport, including the dividend that the Port Hedland International Airport has returned to the Town of Port Hedland and the capital expenditure of the Airport.

5.1.3 Ms Jan Ford

What is the area in hectares that is being offered for leasing in item 13.2 'Port Hedland International Airport Long-Term Lease Public Submissions and Tender Program Update'?

Chief Executive Officer advised approximately 850 hectares.

Can a similar land mass be described by landmarks?

Chief Executive Officer used the Council Chambers aerial map as a visual aid to explain the leasing area, reiterating that parts of the land are sterilised through aviation uses and cannot be used for development.

During the construction of the Port Haven Camp, Council agreed that at the conclusion of Port Haven's lease on the 11 March 2019, some of the accommodation would be made available for university accommodation. Will this still occur?

Chief Executive Officer advised that it is a requirement for the airport long term lease bidders to state whether the TWA sites are included or excluded in their bids. The airport long term lease terms sheet also contains clear instruction that renewal of the TWA leases would be at the discretion of the Town of Port Hedland, through Council.

Will the community be consulted?

Chief Executive Officer advised in the positive.

5.1.4 Mr Mike Pound

The agenda states that between February and April 2015 only the Director of Planning and Development and the Manager Development Services had delegated authority to sign off on planning applications. Did the Chief Executive Officer also have authority to sign off on planning applications between the said dates?

Chief Executive Officer advised that as he has ability to take on additional duties and has town planning qualifications he has signed off on some planning documents.

Was that authority approved by Council?

Chief Executive Officer advised that this would not require Council approval.

Given the Acting Director Community and Development Services is not authorised to sign off on planning applications, why wasn't a suitably qualified person put into an acting role as the Manager Development Services during that time?

Chief Executive Officer stated there were qualified planners providing reports and recommendations on planning applications at the time through to the CEO.

5.1.5 Mr John Peters

What are the Town of Port Hedland's plans in relation to the closure of the Food Bank on the 1st of July 2015?

Mayor advised she has attended meetings with St Vincent DePaul and the CEO of Food Bank WA in regards to securing a new site. In the interim, there is potential for the Pilbara Institute to accommodate the Food Bank for the next 12 to 18 months. All the current assets are secured and will be relocated on Friday and Monday. The mobile kitchen will be stored at the Town of Port Hedland Depot, with potential for the fridges and freezers to be stored at the Pilbara Institute. The Town of Port Hedland hopes to retain the valuable service provided to the town.

Currently there are no kennels for big dogs in Port Hedland and pet owners have to fly pets to Perth for kennelling. What can the Town of Port Hedland do about this?

Mayor stated that interested parties have visited land in suitable areas, however they would need to prepare the appropriate business plans to assist with their decision. Elected Members have expressed interest in the former Canine Club and how it is currently being utilised. The Town's role in the decision is supportive and facilitative, it will not be an avenue the Town will explore as a business.

5.1.6 Mr Richard Whitwell

What is the annualised rate of economic return to the Town of Port Hedland for the Port Hedland International Airport?

Chief Executive Officer took the question on notice, and advised up to the 2013/14 Budget there was a \$1.85 million dividend returned to the Town in cash that went into the Town's municipal fund. The Port Hedland International Airport has also been accounting for depreciation, with an amount of approximately \$700,000 coming into the Town's overall funds and not being returned to the airport. There is also a contribution to overheads and administration costs that the airport returns to the Town which is approximately \$1 million. To ensure transparency a decision was made to include the total amount contributed by the airport in the 2014/15 budget, this being \$3.2 million.

What is the current cost of capital borrowings for the Town of Port Hedland?

Chief Executive Officer advised the Town's borrowings are usually through the West Australian Treasury Corporation.

Manager Financial Services advised the interest rate is currently approximately 5.24%.

What does the Town of Port Hedland want to do with the capital acquired through the long term lease of the Airport?

Chief Executive Officer stated if a long term lease is struck, the West Australian Treasury Corporation and the Department of Local Government and Communities will work with the Town of Port Hedland and Council to develop an investment framework for consideration. This will also be available for public commentary.

Mayor closed Public Question Time at 6:03pm.

Mayor opened Public Statement Time at 6:04pm.

5.2 Public Statement Time

5.2.1 Mr Roger Higgins as the President of the Ratepayers Association Port Hedland

Mr Higgins stated that Ratepayers are concerned about some of the information contained in the Rating Strategy.

Mr Higgins stated that the Port Hedland Ratepayers Association does not endorse an increase in rates. There is no statement as to where the calculated \$2.4 million increase in rates have been allocated. The Port Hedland Ratepayers Association has the view that the Town of Port Hedland budget is not based on actual income, therefore demonstrates inconsistencies between actual income and proposed expenditure. The Port Hedland Ratepayers Association is concerned the Town's wages expenditure has increased, despite a downturn for most companies in Port Hedland and a State Government freeze on wages. At all public meetings discussing rates, there has been no mention of a reduction in expenditure by the Town of Port Hedland. The Mayor has been reported as saying the community would not accept a reduction in services. As a representative of the rate payers, Mr Higgins believes the community would accept reductions, if they were correctly explained. In preparing the budget regarding estimated rate payments, there has been no discussion of potential shortfall. Mr Higgins believes there will be a significant number of people unable to pay their 2015/16 rates.

5.2.2 Mr Camilo Blanco

Mr Blanco made a statement in regards to the leasing of the Port Hedland International Airport.

Mr Blanco believes item 13.2 'Port Hedland International Airport Long-Term Lease Public Submissions and Tender Program Update' should not have been included as a late item, but instead included as a part of the ordinary agenda allowing members of the public to consider the document, or alternatively form part of a Special Council Meeting. The Business Plan states that a portion of the Kingsford Smith Business Park may be included as a part of the lease, which Mr Blanco believes is misleading. Mr Blanco is also unclear if the transient workforce accommodation sites are included in the lease area, and had hoped the report would explain to him which areas are included in the lease. Mr Blanco was unaware that the term of the lease could be 50 years and that payment would be received up front. That means there is potential for the lease to be 100 years. The business plan does not force the lessee to pay for future development and infrastructure upgrades. Mr Blanco feels there are no financials to prove that leasing the Port Hedland International Airport is a benefit to Port Hedland. Income documents that have been supplied by the Town show the airport grossing over \$50 million in the past 2 and $\frac{3}{4}$ years with the airport netting \$32.5 million for the Town after costs. Mr Blanco wonders where the money is as legislation requires the money to be held in a reserve account and the airport reserve has remained at the same level year after year (\$15 million).

5.2.3 Ms Rosemary Vrancic as the President of the Port Hedland Community Progress Association

Ms Vrancic read out the following document on behalf of the Port Hedland Community Progress Association and the Port Hedland Ratepayers Association.

DATE: 23.06 2015

TO: Mayor Kelly Howlett, Councillor Gloria Jacobs, Councillor George Decacche, Councillor Jan Gillingham, Councillor Lorraine Butson, Councillor David Hooper, Councillor Julie Hunt, Councillor Troy Melville.

Dear Councillors,

The Town of Port Hedland Ratepayers Association and Port Hedland Community Progress Association Inc,

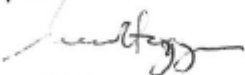
REQUEST:

1. Council defer a decision on Item 13.2 which refers to:
PORT HEDLAND INTERNATIONAL AIRPORT transaction.

2. Council call an "ELECTORS MEETING" for the purpose of discussion of the following:
 - (i) Port Hedland International Airport Long Term Lease
 - (ii) The business plan
 - (iii) The expression of interest process
 - (iv) Any other relevant matters

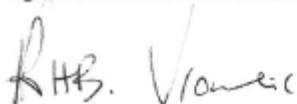
The Town of Port Hedland Ratepayers Association and Port Hedland Community Progress Association Inc, are concerned with the process undertaken by the Town of Port Hedland under the Local Government Act 1995 (WA) (Act) Section 3.59 as a proposal by the Town of Port Hedland to enter into a Major Land Transaction for the long term lease of Port Hedland International Airport.

The purpose of the Electors Meeting is to enable robust discussion regarding the proposal to ensure all electors are able to fully understand the short and long term consequences of such a major asset disposal.



Roger Higgins

Signed President Port Hedland Ratepayers Association



Rosemary Vrancic

Signed President Port Hedland Community Progress Association Inc

5.2.4 Ms Jan Ford

Ms Ford expressed concern in the length of the Port Hedland International Airport Leasing Business Plan and also the lack of financial information provided.

Ms Ford stated the financial information for the Business Plan was made available five days after the public submission closure date. Ms Ford felt responses to questions raised by the public in the agenda item were a repeat of the information contained in the Business Plan, rather than an extension of the information requested. The community is concerned by the lack of information supplied, in particular not supplying information relating to figures and facts. Elected Members should consider waiting another month prior to voting on item 13.2 'Port Hedland International Airport Long-Term Lease Public Submissions and Tender Program Update'.

5.2.5 Ms Louise Newbery-Starling

Ms Newbery-Starling made a statement in opposition of the rating strategy and proposed sale of the Port Hedland International Airport.

Ms Newbery-Starling believes Port Hedland is not a future city and will not be for the next two decades. No new residents will purchase land in Port Hedland or reside in the area due to high rates, land tax and insurances, stating one real estate agent had 28 receiverships in one month. Ms Newbery-Starling stated that the Town should be making more savings. Ms Newbery-Starling questioned selling assets that make money, and instead disposing of assets that are costing money such as the Wanangkura Stadium. Ms Newbery-Starling expressed no confidence in the Administration and all Elected Members in managing the Town's finances.

Mayor Howlett corrected Ms Newbery-Starling stating that the Town of Port Hedland is not proposing to sell the Port Hedland International Airport, it is proposing a long term lease of the airport.

5.2.6 Ms Lisa Lock

Ms Lock spoke on behalf of the Port Hedland Netball Association in relation to item 13.3 'Facility Development at Faye Gladstone Netball Courts – Port Hedland Netball Association'.

Ms Lock stated the Port Hedland Netball Association had grown significantly, with a current membership of 450. The group identifies as hard-working and dedicated, and an asset to the Port Hedland Community. The facilities at Faye Gladstone Netball Courts are of a very poor standard, with the Association proposing a modest upgrade to the facilities. Ms Lock stated that the Port Hedland Netball Association has been preparing the proposal for over two years, and believes the proposal to be positive for both the netball association and the wider community. Ms Lock urged Elected Members to look favourably on item 13.3 'Facility Development at Faye Gladstone Netball Courts – Port Hedland Netball Association'.

Mayor closed Public Statement Time at 6:27pm.

ITEM 6 QUESTIONS FROM MEMBERS WITHOUT NOTICE

6.1 Councillor Jacob

I have a clarification in relation to item 12.1.1 'Boodarie Strategic Industrial Area - Final Adoption of Scheme Amendment No.71 to Town Planning Scheme No.5 and the Development Plan' regarding the report presented.

Mayor Howlett requested the question be asked during the discussion of the item.

Councillor Jacob obliged and advised of no further questions.

6.2 Councillor Gillingham

When will Elected Members be provided with an opportunity to work through the income of the Port Hedland International Airport?

Chief Executive Officer advised that he believes interested parties were referred to the financial statements, however the previous three year budgets and financial reports have always been available to the public and Elected Members. The information provided in the agenda item is a summary provided by the Auditors, with a cash flow analysis of the Airport over the last three years minus capital expenditure. Therefore the profits have excluded any capital works undertaken at the Airport.

Program Director Airport Redevelopment advised the audited financial statements contain all of the detail inclusive of the capital expenditure.

I believe the Chief Executive Officer is correct, parties were referred to financial statements. Can we see the figures of other smaller regional airports in Australia that have leased their airports? I have requested this information previously.

Chief Executive Officer took the question on notice.

Program Director Airport Redevelopment advised that the Northern Territory Airports have spent \$295 million since privatisation. Approximately \$70 million of that was invested in the Alice Springs Airport, which is of a similar size and regional population to Port Hedland. It is also noted that a further \$50 million is budgeted to be invested across the Northern Territory Airport Group in 15/16.

In the May 2015 Ordinary Council Meeting agenda on page ten, in an answer provided by the Chief Executive Officer to a previous question that my missing confidential emails were of a personal nature. Can the unconfirmed May 2015 Ordinary Council Meeting Minutes be amended to reflect that the emails were not of a personal nature?

Mayor advised this will be discussed when the Minutes are confirmed under item 8.

During the dates of 6 and 7 December 2014, which was the completed change over to Microsoft programs, I have been informed that no errors occurred. Can you please state why emails in my Councillor Inbox are missing for a period stretching 4 October to 21 November 2014?

Mayor took the question on notice.

How can emails disappear from a newly migrated system given it has been stated that no errors occurred?

Mayor took the question on notice.

I have been advised that it would take a lot of time to search the old system to find my missing confidential emails, does this mean my emails are still within the old system?

Mayor confirmed the emails would be in the old system.

Please explain the meaning of the Town of Port Hedland Computer Agreement's warning stating emails can be forged or disclosed to others without ones knowledge?

Chief Executive Officer took the question on notice.

How is the warning displayed on devices other than Town of Port Hedland equipment when there is no formal computer agreement documentation signed by Elected Members.? For example iPads, laptops and mobile phones.

Mayor took the question on notice, with investigations into iPad and mobile phones.

Does the Town of Port Hedland computer system operate a virtual environment regarding a skill set for in house procedures or is this outsourced to external administrators?

Mayor took the question on notice.

Will Council be conducting an independent information technology audit as requested at the Ordinary Council Meeting last month?

Mayor advised in the negative.

6.3 Councillor Hooper

I have numerous questions in regards to the Port Hedland International Airport Long Term Leasing, shall I ask them during the discussion of that item?

Mayor advised in the affirmative.

6.4 Councillor Butson

Is there a date for the decommissioning of the old Port Hedland Skate Park?

Mayor advised that a response was provided in this agenda to the question from last month. There is no date as yet as Landcorp is still scoping the demolition contract. When the contract has been awarded, a date will be provided.

What is the criteria for the free short-stay accommodation at the racecourse, given two of the caravan parks in Port Hedland currently have vacancies?

Mayor advised that in accordance with the free short-stay accommodation trial conducted last year the site is open to RV Vehicles that are self-contained only. Rangers have been visiting the site, however some visitors are arriving after dark to camp. Moving forward the communication has been very clear in regards to the requirements to use that site.

If there are vacancies at the caravan parks, why are they not being utilised?

Mayor advised this is to ensure that Port Hedland is a RV friendly and tourist welcoming town. It has also been highlighted by the Port Hedland Visitors Centre that Port Hedland has nowhere to accommodate dogs.

Have the funds from Bunnings been transferred into the reserve account for the sale of the lot in the Kingsford Smith Business Park?

Chief Executive Officer confirmed the funds have been received, and the transfer to the reserve account will occur as a part of the end of year processes.

ITEM 7 DECLARATIONS OF ALL MEMBERS TO HAVE GIVEN DUE CONSIDERATION TO ALL MATTERS CONTAINED IN THE BUSINESS PAPER BEFORE THE MEETING

Mayor Howlett	Councillor Hooper
Councillor Jacob	Councillor Butson
Councillor Daccache	Councillor Melville
Councillor Gillingham	

ITEM 8 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

8.1 Confirmation of Minutes of Special Meeting of Council held on Tuesday 12 May 2015

201415/267 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR HOOPER

That Council confirm that the Minutes of the Special Meeting of Council held on Tuesday 12 May 2015 are a true and correct record.

CARRIED 7/0

8.2 Confirmation of Minutes of Special Meeting of Council held on Wednesday 13 May 2015

201415/268 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR HOOPER

That Council confirm that the Minutes of the Special Meeting of Council held on Wednesday 13 May 2015 are a true and correct record.

CARRIED 7/0

8.3 Confirmation of Minutes of Ordinary Meeting of Council held on Wednesday 27 May 2015

RECOMMENDATION

That Council confirm that the Minutes of the Ordinary Meeting of Council held on Wednesday 27 May 2015 are a true and correct record.

201415/269 COUNCIL DECISION

MOVED: CR GILLINGHAM

SECONDED: CR JACOB

That Council confirm that the Minutes of the Ordinary Meeting of Council held on Wednesday 27 May 2015 are a true and correct record with the following amendment:

On page 9 of the Minutes under item 4.2.1 'Councillor Gillingham' questions taken on notice from the 22 April 2015 Ordinary Council meeting remove the reference to the word 'personal' in the answer to the 13th question.

CARRIED 7/0

ITEM 9 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

Mayor Activity Report for the May/June 2015 period to date is as follows:

May 2015

Monday, 11th May

- Meeting with FORM regarding North West Festival & 2015 Hedland Art Awards
- Meeting Minister Education Hon Peter Collier
- PRC Training Session: Local Government Leadership
- Meeting With FMG Re Scotties Café
- Pilbara Regional Council (PRC) Council Meeting

Tuesday, 12th May

- Weekly Spirit Radio (1026am) Mayor Chat
- Weekly CEO, Deputy Mayor and Mayor Catch Up
- Pilbara Regional Council (PRC) Strategic Checkpoint And Budget Workshop
- Meeting With BHPBIO Mark Donovan & Rob Curruthers Re Port Hedland Waterfront Project
- Chair Special Council Meeting – Rating and Rating Strategy

Wednesday 13th May

- Attended TOPH Airport Committee Confidential Concept Forum
- Attended TOPH Airport Committee Public Agenda Briefing
- Attended TOPH Airport Committee Meeting
- Chair Special Council Meeting – Port Hedland Waterfront Project

Thursday, 14th May

- Attended Pilbara Development Commission (PDC) Pilbara Regional Investment Blueprint Workshop, Port Hedland
- Meeting With Apache Energy
- Attended Baler Primary School Veggie Club Garden Opening Event
- Officiated Australian Citizenship Ceremony
- Attended TOPH & WA Police Community Conversations Re Law & Order and Anti-Social Issues

Friday, 15th May

- Interview With ABC NW Radio (603am) regarding Rates, Marina and Community Conversation With WA Police
- Meeting With Pilbara Ports Authority CEO Roger Johnson

Saturday, 16th May

- Mayor Coffees Port Hedland
- Mayor Coffees South Hedland

Monday, 18th May

- Speech For Community Week At St Cecilians Catholic Primary School – What True Community Spirit Means?
- Interview With ABC NW Radio (603am) Re Atlas Iron
- Attended East Pilbara District Health Advisory Council (DHAC) Meeting

Tuesday, 19th May

- Weekly Spirit Radio (1026am) Mayor Chat
- Weekly CEO, Deputy Mayor and Mayor Catch Up
- Meeting With Alinta Gas – Michelle Shepherd
- Attended TOPH Airport Governance Long Term Lease Workshop
- Weekly TOPH & NWT Media Meeting

Wednesday, 20th May

- Attended & Speech At North West Festival Stakeholder Breakfast & 2015 Launch
- Attended Launch Pilbara Institute Strategic Plan 2015-2018 At Pundulmurra Campus, South Hedland
- Attended EM & Exec Meetings
- Attended Community Conversations – Airport Long Term Lease

Thursday, 21st May

- Officiated At Civic Reception – Freeman Of The Town Bob Neville

Friday, 22nd May

- Meeting Salvation Army Re Flying Padre Service
- Meeting Department Education – Sue Cuneo
- Opened & Attended 2015 Welcome To Hedland Night, South Hedland Town Square

Monday, 25th May

- Meeting With Director General WA Disability Services

Tuesday, 26th May

- Weekly Spirit Radio (1026am) Mayor Chat
- Weekly CEO, Deputy Mayor and Mayor Catch Up
- Monthly Pilbara Shire Presidents & Mayors Telephone Link Up
- Meeting North West Telegraph Mark Hinch Re Wedgefield Directory
- Weekly TOPH & NWT Media Meeting

Wednesday, 27th May

- Attended PHCCI Business Breakfast
- Reading As A Part Of National Simultaneous Storytime At South Hedland Primary School
- Lunch With Pilbara Ports Authority Board Members
- Attended EM & Exec Meetings
- Chair Ordinary Council Meeting (OCM) May 2015

Thursday, 28th May

- Attended Reconciliation Action Week Morning Tea Event
- Attended TOPH & PHCCI Monthly Catch Up Meeting
- Visited South Hedland Library Cancer Council Morning Tea Event
- Attended Hedland Senior High School Board Meeting
- Attended Hedland Women Of Influence Luncheon Event
- Meeting With The Landing (Neal Gilmartin)
- Attended TOPH & Port Hedland Visitor Centre Cruise Ship Town Ambassadors Thank You Event

Friday, 29th May

- Attended Meeting Economic Forum: Progress Update
- Meeting With Hon Stephen Dawson Member For Mining & Pastoral

June 2015

Tuesday, 2nd June

- Weekly Spirit Radio (1026am) Mayor Chat
- Meeting Bloodwood Tree Association CEO Kylee Hodder
- Meeting With Leonie Bailey
- Meeting Re NAIDOC Week Activities
- Weekly TOPH & NWT Media Meeting

Wednesday, 3rd June

- Weekly CEO, Deputy Mayor and Mayor Catch Up
- Meeting With ANZ Bank General Managers
- Attended EM & Exec Meetings
- Attended PHCCI After Hours Event – Small Business/Commercial Rates Information Session

Thursday, 4th June

- Meeting With IBN CEO Tony McRae
- Chair Forum Servicing Of Remote Indigenous Communities

Tuesday, 9th June

- Weekly Spirit Radio (1026am) Mayor Chat
- Weekly CEO, Deputy Mayor and Mayor Catch Up

- Meeting With WA Police Pilbara District Superintendent Jo McCabe
- Meeting With Foodbank WA & St Vincent De Paul
- Weekly TOPH & NWT Media Meeting
- Attended PHCCI Business After Hours Event TOPH & Hedland First National (HFN) Re Kingsford Smith Business Park

Wednesday, 10th June

- Meeting With Port Hedland Netball Association
- Attended TOPH Audit, Risk and Governance Committee Meeting
- Attended EM & Exec Meetings
- Interview GWN TV Re Same Sex Unions
- Interview ABC Regional Radio (720am) Re Same Sex Unions
- Attended Make Hedland Home Welcome BBQ & Sundowner Event

Mayor was honoured to officiate the Australian Citizenship Ceremony held on the Civic Centre Lawns in May 2015. Mayor commended Town officers on a lovely event, considering it to be the second best Citizenship Ceremony in 2015 after the Australia Day Ceremony. Mayor together with other Elected Members attended the launch of the North West Festival 2015, and expressed excitement at the line-up and FORMs involvement. Together with the North West Economic Forum this will be a showcase, moving towards week long festivities. Mayor is looking forward to registrations, as distribution of sponsorship applications has commenced, and thanked the Pilbara Development Commission for getting involved. Mayor thanked sponsors for the Welcome to Hedland Night, in particular Landcorp, and also the Town's Events Team for the best Welcome to Hedland Night in a long time. A highlight was the Thank You Event for the Town Ambassadors, which was hosted in conjunction with the Port Hedland Visitors Centre. It was a great night to recognise the efforts of the Town Ambassadors. Mayor enjoyed reading a book at the library as a part of the National Simultaneous Story Time.

ITEM 10 REPORTS BY ELECTED MEMBERS WITHOUT DISCUSSION

10.1 Councillor Jacob

Councillor Jacob also attended many of the events mentioned by Mayor Howlett. Councillor Jacob stated the Citizenship Ceremony in May was a highlight, and commended Town officer's efforts. Councillor Jacob attended the Breakfast Series, with information provided that there are still employment opportunity within Western Australia. Councillor Jacob attended, with Mayor Howlett, the Western Australia Vietnamese Business Council Launch, and learnt of a desire to develop partnerships. Councillor Jacob attended a Business Development Information Briefing with a range of speakers on how to do business with local businesses. Councillor Jacob reminded small businesses to visit the Department of Commence website to access information on State Government funding. Councillor Jacob attended the Kingsford Smith Business Park after hours event, the team presented a wonderful and professional evening that showcased the business park.

10.2 Councillor Daccache

Councillor Daccache was pleased to advise he attended the first meeting of Supporters of Elected Councillors and Employees of the Town of Port Hedland. Councillor Daccache was happy with the number of attendees, with many expressing Elected Members and Employees were performing well for the town. Councillor Daccache also attended a presentation by the Water Corporation, and was impressed by the tour of the new South Hedland Treatment Plant.

10.3 Councillor Gillingham

Councillor Gillingham attended a Chamber of Commerce and Industry luncheon and enjoyed talking and networking with the Town of Port Hedland's stakeholders. Councillor Gillingham advised on behalf of the Pilbara Music Festival Committee, the Pilbara Development Commission has allocated some Royalties for Regions Funding to assist with some choir and music workshops. Kelly Newton-Wordsworth has been secured to conduct some of the music workshops. Councillor Gillingham advised of a desire to commence a Community Choir. Councillor Gillingham extended a congratulations to the Town of Port Hedland Depot for the gardens and verges at Marapikurrinya Park. In Perth Councillor Gillingham attended a performance by the Three Gees, and requested support for their performance on X-Factor.

10.4 Councillor Hooper

Councillor Hooper stated the Australian Citizenship Ceremony in May 2015 was the best to date, and extended congratulations to all involved. Councillor Hooper attended the Honorary Freeman award night for Mr Bob Neville and noted it was a great night. The highlight for Councillor Hooper was attending, on behalf of Mayor Howlett, the Baler Primary School 40th Anniversary Celebration. This was the best School Assembly Councillor Hooper has been in attendance.

ITEM 11 PETITIONS/ DEPUTATIONS/ PRESENTATIONS/ SUBMISSIONS**11.1 Mr Owen Hightower from RFF Australia deputation on item 12.1.10 'Scheme Amendment Initiation Request – Rezoning Land Bound by Styles Road, Cooke Point Drive, Pretty Pool Creek to the North from 'Other Public Purposes – Energy', 'Rural' and 'Parks and Recreation' to 'Urban Development' – ToPH Scheme Amendment No. 77'**

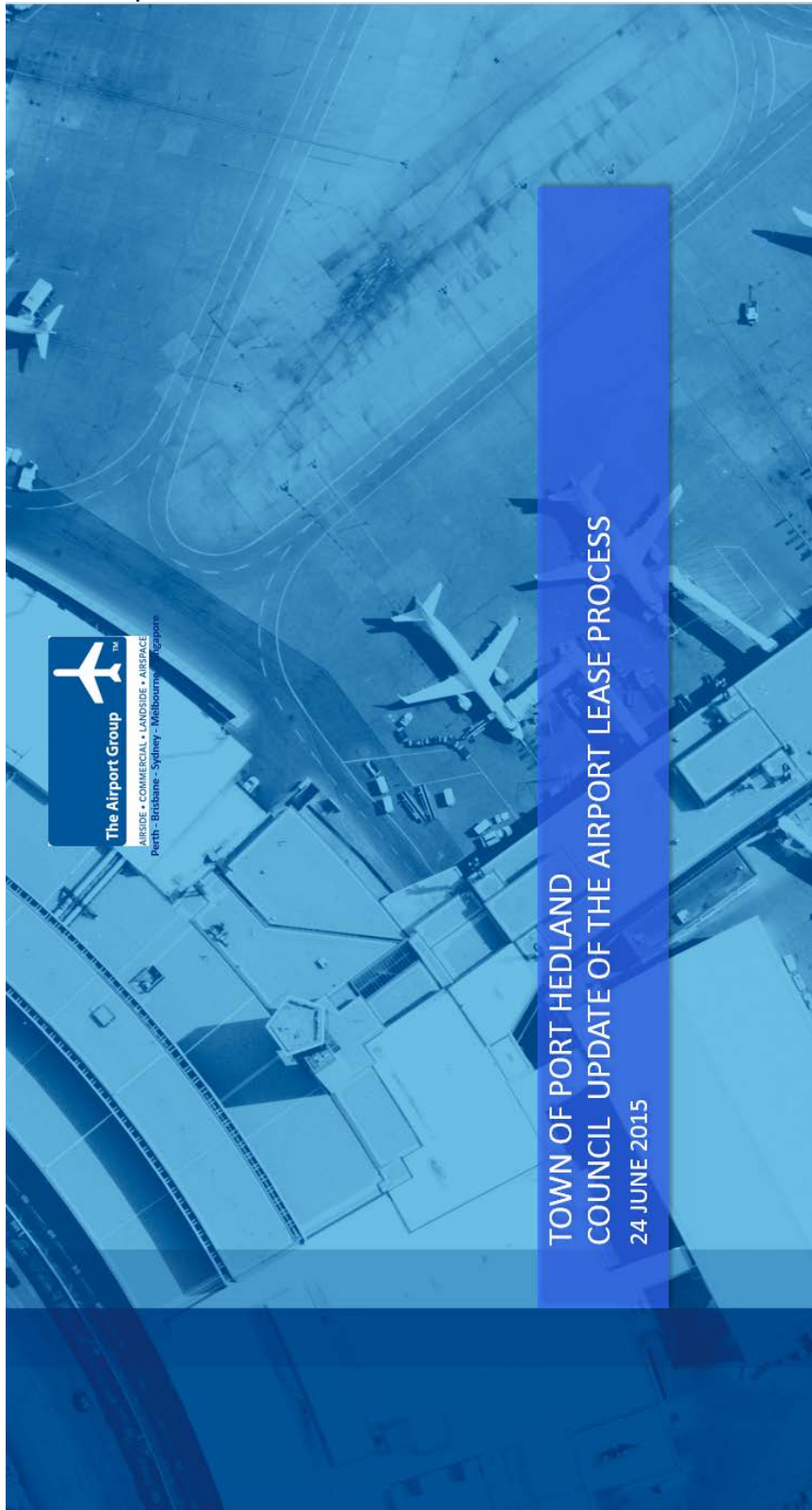
Mr Hightower explained that the project is funded by the Department of Planning, and the intention of the program is to assist local governments in the North with amending their local planning schemes to ensure planning for the needs of the community in the future. Mr Hightower reiterated that the purpose of the rezoning is to facilitate the land assembly process, ensuring land is ready for supply if necessary in the future. If land is rezoned, Mr Hightower reminded that a Development Plan would need to be adopted by Council. Mr Hightower discussed the investigations, assessments and consultations that have taken place to date.

- 11.2 Mr Anthony Kahn, from The Airport Group made a deputation on item 13.2 'Port Hedland International Airport Long-Term Lease - Outcomes from Business Plan and Expression of Interest Process'

6:57pm Councillor Gillingham left the room.

7:01pm Councillor Gillingham re-entered the room. Councillor Melville left the room.

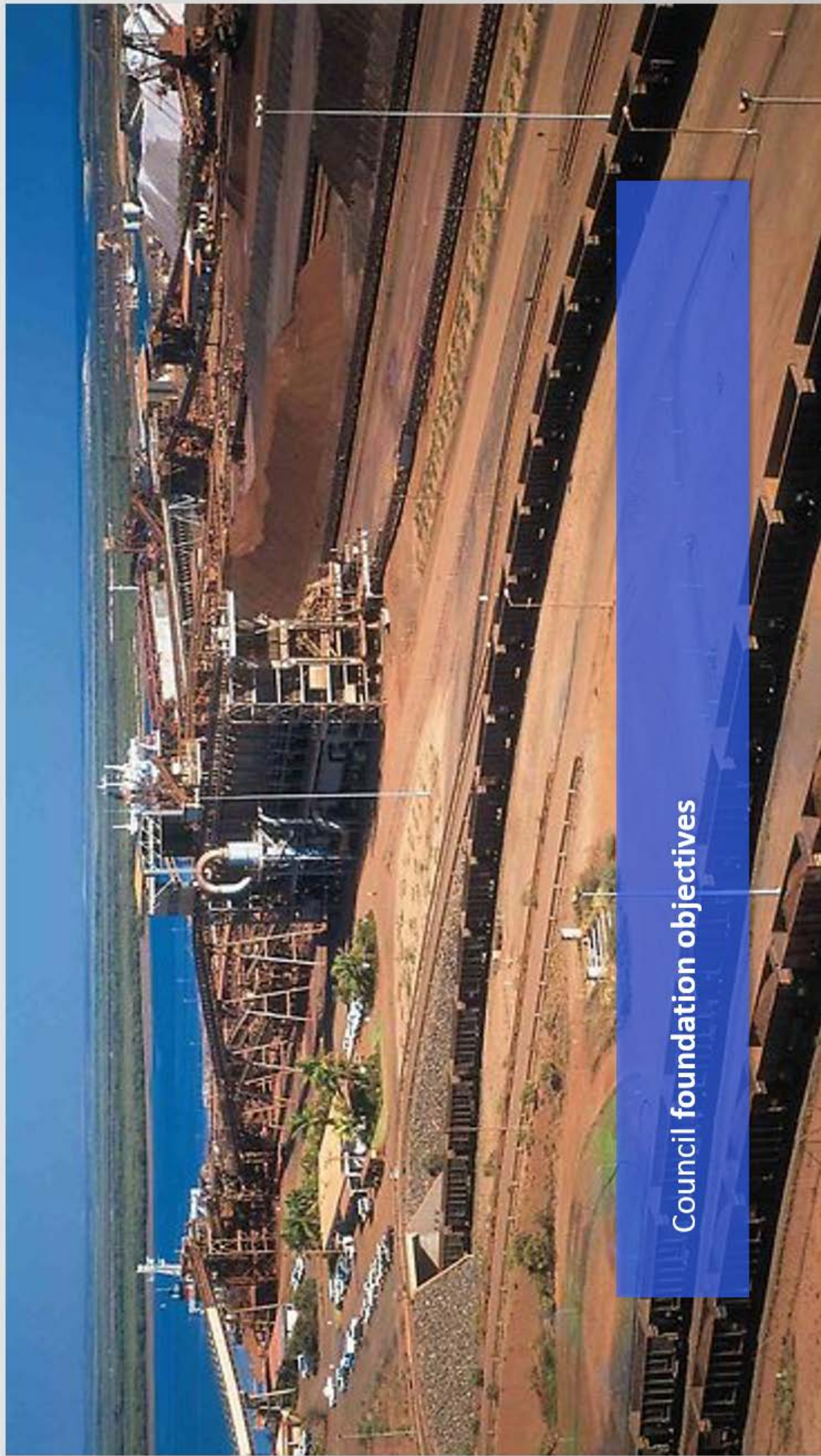
7:04pm Councillor Melville re-entered the room.





Contents

- Council foundation objectives
- Process to date
- Process going forward



Council foundation objectives

Council Foundation Objectives



The Airport Group

AIRSIDE • COMMERCIAL • LANDSIDE • AIRSPACE
Perth – Brisbane – Sydney – Melbourne – Singapore

Transfer Airport development, operational and financial risks to the private sector.

Terms and conditions of any Lease must provide the Town with adequate protections.

The Town must receive fair value from the Lessee for the Lease.

The Airport must operate as a stand-alone entity.

The Lessee must undertake prescribed capital expenditure .

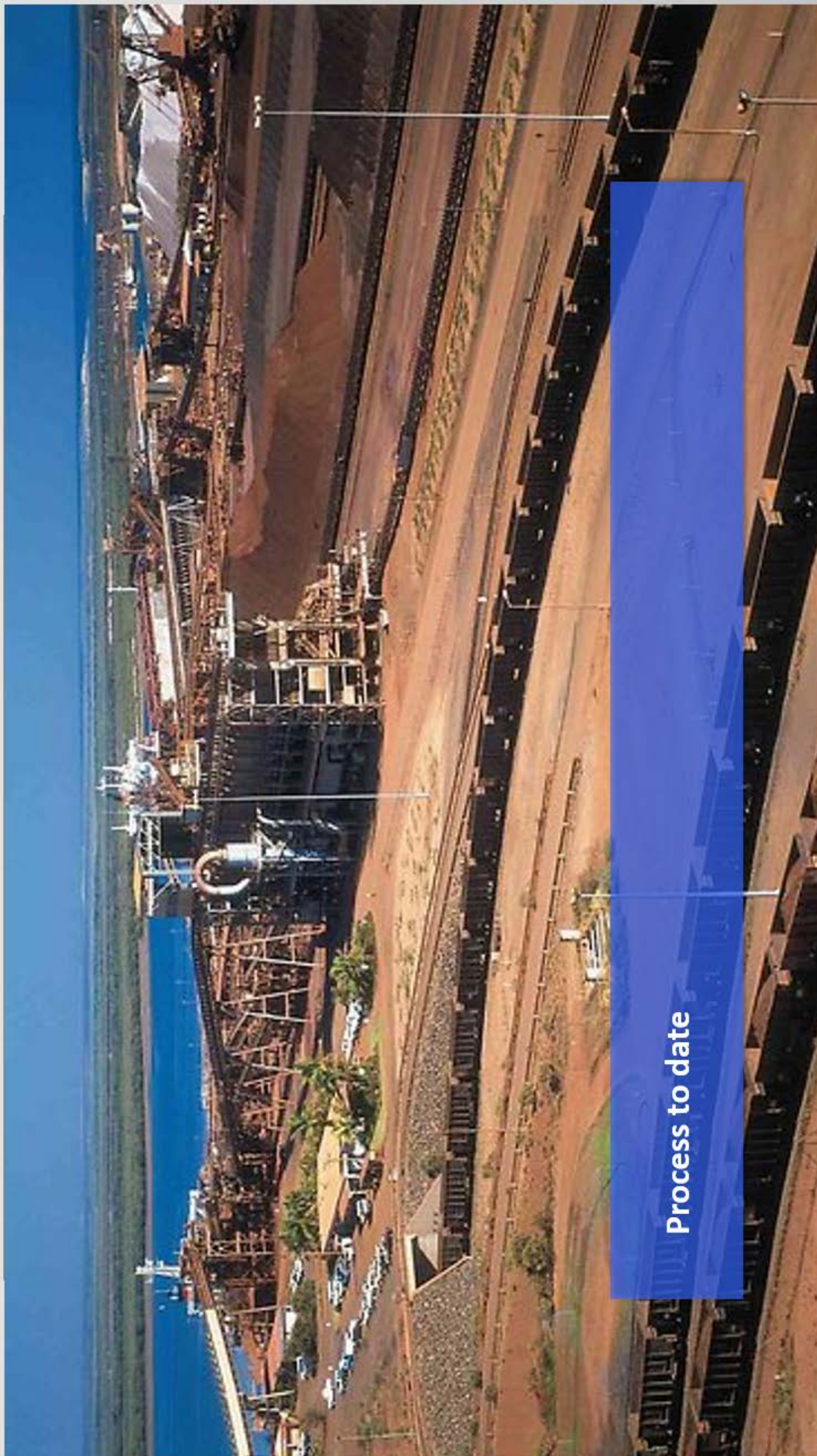
Any private sector partner must have demonstrated experience, recognise and understand the responsibility of managing public infrastructure, and the financial resources to meet the development needs of the Airport over the long term.

A greater commercial focus on the airport.

Council Objectives

Related Considerations

- The Town currently retains all of the operating, development and financing risks attached to the Airport, which is linked to variations in passenger numbers and revenues.
 - These risks would be transferred to the lessee if the Airport is leased.
 - Leasing the Airport diversifies the Town's financial risk to the mining downturns.
- Proceeds raised from airport lease to support the Town long term (pre-paid lease).
- Proceeds from the sale of land within the Kingsford Smith Business Park would be available for use other than to undertake required Airport capital spending.
- The redirection of the Town's finances from the Airport should be assessed in the context of:
 - other medium and long term social and economic priority projects that need to be undertaken by the Town;
 - constraints on mining companies to invest in capital expenditure projects; and
 - constraints facing the State Government and its ability to fund grant programs.



Process to date

Process update

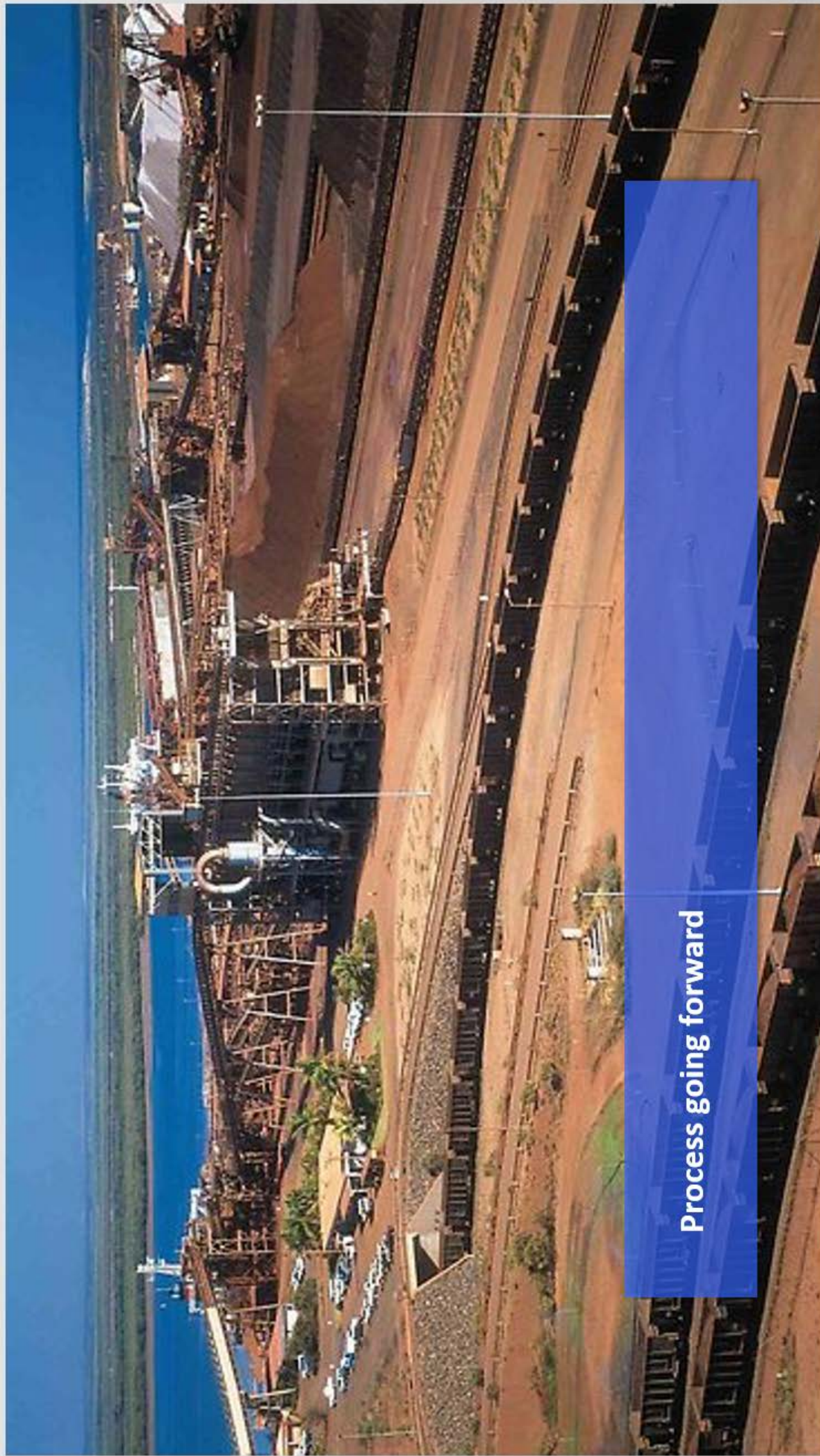
Process to Date

- For almost two years the Town has undertaken a prudent and holistic strategy to consider the wide-ranging policy, community, financial and governance issues impacting on the Airport.
- The Scoping Study was the culmination of this gradual, step-wise process and was compiled on the back of numerous Council workshops and meetings, specialist consultant reports, meetings with Airport management and meetings with key stakeholders.
- During the three month scoping study process the advisors engaged with a wide range of infrastructure market participants to gauge the potential level of interest in a lease of the airport.
- The Town has issued a series of regular press releases since September 2014 updating the public on the process being followed by Council in considering a long term lease of the Airport.
- As part of this process the Town undertook significant communications and provided opportunities for engagement. This included:
 - weekly press advertisements outlining key considerations for the proposed lease and invited public submissions on the business plan
 - weekly segments on local radio as part of the Mayor's regular segments
 - social media updates
 - information display at Port Hedland International Airport
 - community conversations forum held 20 May 2015
 - South Hedland Shopping Centre and Port Hedland Boulevard community engagement session and information booth display 30 May 2015
- An Airport Business Plan was released for public discussion on 24 April 2015 with submissions closing on 8 June 2015. Public notices were placed in the West Australian 24 April and North West Telegraph on 29 April, 6 May, 13 May, 20 May, 27 May and 3 June. Eight submissions were received.
- A community consultation forum was held at Council chambers on May 20 and press release summarising the outcome was released on May 21.
- Further community consultations were held at booths established at the South Hedland and Boulevard shopping centres on Saturday May 30.

Process update

Expressions of Interest (EOI) for Long Term Airport Lease

- Calls for EOIs on a long term Airport lease were released on 25 April.
- Nine responses were received on May 14.
- The EOI respondents constituted mainly consortiums of investment institutions:
 - ❑ contained some of the largest infrastructure investors in Australia (and some globally) including reputable sovereign wealth funds, pension funds and superannuation funds.
 - ❑ represented more than 12 Australian superannuation and pension funds, five Canadian and US pension funds, as well as pension funds from Germany, the Netherlands and Korea.
- All parties responding to the EOI met the objective criteria of a suitable partner for the Town relating to financial capacity, investment horizon, community engagement, track record, conflicts of interest and governance.
- Given the investment and expertise required, this level of response is highly satisfactory.
- After a thorough evaluation process, all nine respondents to the EOI were asked to submit non binding bids for the long term lease by June 19.
- A number of non-binding bids were received on 19 June.



Process update

Process from here

- Continuation of tender process - no decisions to be made by the Town at this stage
- The Town has commissioned WATC to provide expert advice on the fair value of the lease proposal.
- Evaluation of the non binding bids will be finalised, and a short list selected by the Town evaluation panel to take to a binding bid process after receipt of the TAG Infrastructure assessment.
- Shortlisted bidders will be invited to participate in an interactive process with the Town and its advisors to fully understand the Town's requirements.
- Shortlisted bidders will be required to submit binding bids in early August.
- Submissions from the six week community consultation process that began with the release of the Airport Business Plan on April 24 will be considered by Council at the same time as the binding bids.
- The Town will make a decision whether to lease the airport in late August after due consideration of the business plan submissions and binding bids.
- Further community engagement will occur

201415/270 COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR DACCACHE

That Council adjourn the meeting for five minutes in accordance with part 16 of the Town of Port Hedland Standing Orders Local Law.

CARRIED 7/0

7:39pm Mayor advised that the meeting has been adjourned for a five minute break.

201415/271 COUNCIL DECISION

MOVED: CR DACCACHE

SECONDED: CR MELVILLE

That Council reconvene the meeting.

CARRIED 7/0

7:46pm Mayor advised that the meeting has been reconvened.

Disclaimer

Members of the public are cautioned against taking any action on Council decisions, on items on this evening's Agenda in which they may have an interest, until formal notification in writing by the Town has been received. Decisions made at this meeting can be revoked, pursuant to the Local Government Act 1995.

ITEM 12 REPORTS OF OFFICERS**12.1 Community and Development Services****12.1.1 Boodarie Strategic Industrial Area - Final Adoption of Scheme Amendment No.71 to Town Planning Scheme No.5 and the Development Plan**

Ryan Del Casale, Strategic Planning Officer
File No. 18/09/0085 & 18/07/0021

DISCLOSURE OF INTEREST BY OFFICER

Nil

RECOMMENDATION

That Council:

- 1. Receive the Schedule of Submissions that forms the subject of Attachment 4 to the report;**
- 2. Determine the submissions by resolving to adopt the recommendations in the Schedule of Submissions that formed the subject of Attachment 4 to the report;**
- 3. Amend Scheme Amendment No.71 in light of the submissions in accordance with the attached modified document that formed the subject of Attachment 7 and Attachment 8 to the report;**
- 4. Amend the Boodarie Strategic Industrial Development Plan in light of the submissions in accordance with the attached modified document that formed the subject of Attachment 5 and Attachment 6 to the report;**
- 5. Authorise the Chief Executive Officer, or his delegate(s), to undertake any minor editorial, grammatical and other modifications to the Scheme Amendment and Development Plan documents that do not change the effect of the Scheme Amendment and Development Plan as adopted;**
- 6. Seek the Western Australian Planning Commission's endorsement of the Boodarie Strategic Industrial Development Plan (as modified) and when endorsed, authorise the Chief Executive Officer, or his delegate(s), to publish notice of the Boodarie Strategic Industrial Development Plan (as modified) and the endorsement of the Commission in a local newspaper;**
- 7. Adopt Scheme Amendment No.71 (as modified) to the *Town of Port Hedland Town Planning Scheme No.5*, comprising the modified Scheme Text and modified Scheme Map that formed the subject of Attachment 7 and Attachment 8 to the report;**

8. Forward the Schedule of Submissions and recommendations in relation to Scheme Amendment No.71 to *Town of Port Hedland Town Planning Scheme No.5*, to the Western Australian Planning Commission for the Minister for Planning's consideration; and
9. Authorise the Mayor and Chief Executive Officer to execute three (3) copies of the amendment documents for Scheme Amendment No.71 to *Town of Port Hedland Town Planning Scheme No.5* in accordance with regulation 22 of the *Town Planning Regulations 1967* (as amended), including the fixing of the Town of Port Hedland Common Seal in the event the Minister for Planning approves the Scheme Amendment without modification.

201415/272 COUNCIL DECISION

MOVED: CR HOOPER

SECONDED: CR BUTSON

That Council:

1. Receive the Schedule of Submissions that forms the subject of Attachment 4 to the report;
2. Determine the submissions by resolving to adopt the recommendations in the Schedule of Submissions that formed the subject of Attachment 4 to the report;
3. Amend Scheme Amendment No.71 in light of the submissions in accordance with the attached modified document that formed the subject of Attachment 7 and Attachment 8 to the report;
4. Amend the Boodarie Strategic Industrial Development Plan in light of the submissions in accordance with the attached modified document that formed the subject of Attachment 5 and Attachment 6 to the report with the inclusion of land use tables that facilitate heavy and noxious use industry;
5. Authorise the Chief Executive Officer, or his delegate(s), to undertake any minor editorial, grammatical and other modifications to the Scheme Amendment and Development Plan documents that do not change the effect of the Scheme Amendment and Development Plan as adopted;
6. Seek the Western Australian Planning Commission's endorsement of the Boodarie Strategic Industrial Development Plan (as modified) and when endorsed, authorise the Chief Executive Officer, or his delegate(s), to publish notice of the Boodarie Strategic Industrial Development Plan (as modified) and the endorsement of the Commission in a local newspaper;
7. Adopt Scheme Amendment No.71 (as modified) to the *Town of Port Hedland Town Planning Scheme No.5*, comprising the modified Scheme Text and modified Scheme Map that formed the subject of Attachment 7 and Attachment 8 to the report;

8. **Forward the Schedule of Submissions and recommendations in relation to Scheme Amendment No.71 to *Town of Port Hedland Town Planning Scheme No.5*, to the Western Australian Planning Commission for the Minister for Planning's consideration; and**
9. **Authorise the Mayor and Chief Executive Officer to execute three (3) copies of the amendment documents for Scheme Amendment No.71 to *Town of Port Hedland Town Planning Scheme No.5* in accordance with regulation 22 of the *Town Planning Regulations 1967* (as amended), including the fixing of the Town of Port Hedland Common Seal in the event the Minister for Planning approves the Scheme Amendment without modification.**

CARRIED 7/0

EXECUTIVE SUMMARY

Scheme Amendment No.71 and the Development Plan seek to facilitate development of the Boodarie Strategic Industrial Area. Both items propose changes to the wording and maps of Town Planning Scheme No.5 and to rezone a portion of land (Lot 203 Great Northern Highway) from 'Rural' to reserve for 'Other Purposes: Infrastructure'. Scheme Amendment No.71 seeks to allow for development planning to be carried over the subject site, which will guide future subdivision, facilitate the movement of heavier/noxious industry from the existing industrial areas and allow for the expansion of additional heavy/strategic industry over the Boodarie Strategic Industrial Area. Both items were advertised in late 2014 subject to modifications as per Council decision 201415/045 for the amendment and 201415/067 for the Development Plan. Both items are presented to Council to be considered for final adoption.

DETAILED REPORT

Background

Scheme Amendment No.71 (Amendment 71) to Town Planning Scheme No.5 (Scheme No.5) and the Development Plan for the Boodarie Strategic Industrial Area were presented to the Council for initiation in 2014. The Town received a request from Urbis Planning Consultants (the applicant) on behalf of LandCorp and the Department of State Development (DSD) to initiate both items. Both items are presented to Council for final adoption subject to modifications. Amendment 71 was presented to Council at the 24 September 2014 Ordinary Council Meeting, where it was initiated to be advertised subject to modifications. The Development Plan was presented to Council at the 22 October 2014 meeting where it was initiated for advertising subject to modifications also. Copies of the reports for both items are provided in Attachments 1 & 2.

Site Description

The subject site is zoned 'Strategic Industry' under Scheme No.55 and located four (4) kilometres west of the South Hedland Town Centre and approximately twelve (12) kilometres south of the Port Hedland Town Centre, with the Turner River Catchment Area situated to the west (Attachment 3).

Consultation

Consultation for both Amendment 71 and the Development Plan has been undertaken as per the requirements of the *Planning and Development Act 2005*, the *Town Planning Regulations 1967* and *Town Planning Scheme No.5*. A Schedule of Submissions for both SA71 and the DP are provided in Attachment 4.

Both items were circulated as follows;

Internally:

Manager Environmental Health Services
Manager Economic Development and Strategy
Manager Engineering Services
Manager Technical Services (now Infrastructure Development)
Manager Community Recreation Facilities and Services

Both Items were referred to the following external agencies for comment:

- The Dust Task Force
- Pilbara Ports Authority
- Department of Lands
- Department of Parks and Wildlife
- Department of Environmental Regulation
- Department of State Development
- Alinta Energy
- Department of Health
- Department of Mines of Petroleum
- Department of Planning
- Department of Water
- Horizon Power
- Main Roads Western Australia
- LandCorp
- Optus
- Telstra
- Pilbara Development Commission (Pilbara Cities)
- Department of Indigenous Affairs
- Water Corporation
- Port Hedland Chamber of Commerce
- Wedgefield Small Business Association
- Tourism Western Australia (only Amendment 71)
- Fortescue Metals Group
- Rio Tinto
- BHP Billiton (BHPB)
- Roy Hill

Development Plan

The Development Plan was initially advertised during the initiation phase to seek preliminary comments in accordance with TPS5. This was carried out over the period 24 April 2014 to 21 May 2014 and included advertising in the local newspaper. Comments were also sought from external agencies. Comments were received from the Pilbara Development Commission (also known as Pilbara Cities), the Pilbara Port's Authority (the Authority) and Main Roads of Western Australia requesting that changes be made to the Development Plan as follows;

- Clarify the membership of the estate management group;
- Include reference to PPA Reserves; and
- Include the most recent up to date alignment of the Great Northern Highway.

These modifications were undertaken by the applicant as per Council Decision 201415/067 on 24 October 2014 prior to advertising the Development Plan.

The Development Plan was advertised from 12 November 2014 until 7 January 2015. This advertising period was longer than typically normal given the Christmas and New Year's public holiday period. This advertising period included advertisements in the local newspaper and comments were also sought from external agencies. As with the advertising of Amendment 71, no letters were sent to the surrounding landowners as the surrounding land is under the jurisdiction of the State of Western Australia and in both cases the State Department of Lands were written to by Officers of the Town.

A total of ten (10) responses were received, with no objections but comments and advice were provided. The issues raised during the advertising and the modifications that respondents proposed are discussed in sections below (Refer to Attachments 5-8).

Confidential Submission on Development Plan

One submission marked 'Confidential' was received from an external respondent regarding the Development Plan. The respondent has requested their submission not be publicly released due to commercially sensitive information included in their submission. In accordance with the respondents request their submission and their details have not been included. The respondent did grant permission for the Town to refer the submission to the applicant for comment. The respondent's submission has been noted, however their submission does not specifically relate to land use planning concerns.

Scheme Amendment No.71

Following the Council resolution 201415/045 on 24 September 2014, to initiate Amendment 71, the amendment was submitted to the Environmental Protection Authority (EPA) for consideration on 2 October 2014. The Town was advised that a formal assessment was not required by the EPA.

Amendment 71 was advertised in the local newspaper and comments were sought from external agencies. The period of advertising was carried out from 12 November 2014 until 28 January 2015. A total of twelve (12) responses were received; with no objections but comments and advice being provided. The key issues from the advertising period are discussed below.

Pilbara Ports Authority

The Pilbara Ports Authority has requested that several modifications be made to both the DP and SA71 for the following reasons;

- To more accurately reflect the Pilbara Ports Authority's future management of significant land holdings, such as Boodarie Stockyards Land stage 2;
- To eliminate the possibility that certain organisations such as the PPA are excluded from the consultation process relating to development of the subject site;
- To more adequately consider the potential impacts of flooding downstream, on PPA lands and on land adjoining the subject site; and
- To make several minor changes to the DP spatial plan (Figure 8) to remedy inaccurate, inconsistent or unclear details which will make the plan easier to interpret.

The Authority's main concern is that the Development Plan and Amendment 71 do not adequately recognise the Pilbara Ports Authority's land tenure and future management of significant land holdings. Whilst these concerns are noted the Authority's modifications regarding are not fully supported because the future management and vesting of the Authority's lands is imminent and it is not necessary to modify the Development Plan and Amendment 71 for future land tenure matters. These issues were discussed by Officers of the Town, Officers the Authority and the applicant from January 2015 to March 2015 via the telephone and included a teleconference meeting at the Authority's offices on 30 March 2015. It was agreed that only part of the requested modifications to the Development Plan and Amendment 71 proposed by PPA would be undertaken. These issues are discussed further below.

The issue concerning Boodarie Stockyards Land stage 2 is acknowledged within the Development Plan Report on the Opportunities and Constraints and Precinct Plan in figures 4 and 6 respectively. Therefore it is not considered necessary for the Development Plan or Amendment 71 to be modified to reflect the Boodarie Stockyards Land Stage 2 coming into effect.

Whilst it is noted that land tenure does not need to be reflected as part a scheme amendment through a change to zoning or reservation of land, the Authority's request to modify Amendment 71 to rezone Lot 372 on DP35620, Reserve 29082 to 'Other Public Purposes: Port Facilities' is supported. This modification is supported because it is a minor change to the zoning map and more correctly aligns with the PPA's land tenure and will clearly identify the split between the 'Other Public Purposes: Infrastructure' zoning on Lot 203 (Vol & Folio LR3128 641) on DP 220594.

The Authority's request to modify Amendment 71 to ensure that organisations such as the PPA are not excluded from the consultation process for future development over the subject site and Boodarie Strategic Industrial Area is supported. It is a minor change to the scheme text to include wording which will ensure the Officers of the Town, refer future development applications within the Boodarie Strategic Industrial Area to the relevant stakeholders.

The Authority's request to modify SA71 to give more consideration to flooding is supported. This issue was discussed at the 30 March 2014 meeting between Officers of the Town, the Authority and the applicant. The modification presents a minor change to the scheme text to include a new sub-clause 7.2.4 which more adequately addresses the impacts of flooding.

The Authority's request to modify to the spatial plan and Development Plan report is supported as the modifications are minor and will correct inaccuracies to the plan and report.

The modifications which Officers of the Town have proposed to both items relate to correcting mistakes and inconsistencies. Officers of the Town advised the Authority that any future issues regarding tenure can be dealt with via modifications to either the Development Plan or Scheme No.5 at later stages. All modifications have been discussed by the Officers of the Town, the Authority and the applicant and are included in further detail in the schedule of modifications in Attachments 5-8.

Department of Parks and Wildlife

The Department of Parks and Wildlife (DPAW) raised concerns that SA71 does not adequately address environmental impacts of the proposal such as impacts on the Mulgara population. DPAW recommend that further detailed surveys be undertaken. Their submission is noted, however; it is not the role of Amendment 71 to specifically address these concerns.

The Development Plan addresses the assessment and management of both flora and fauna in detail and acknowledges the presence of Mulgara on site. The Development Plan also includes approval from the Department of Environmental Regulation for the clearing of the site. This approval includes a management plan setting out the process for identifying and relocating Mulgara to a suitable habitat outside of the Development Plan Area.

Amendment 71 relates only to the control of land uses within the Boodarie Industrial Buffer Special Control Area, reserving Lot 203 for future infrastructure and including provisions into TPS5 to allow for the Development Plan to be carried out over the area. No changes to the underlying zoning or capability of the land will result from Amendment 71. It should also be noted that the EPA determined that Amendment 71 did not require formal environmental assessment and that future subdivision and future development applications will be required to undertake further detailed environmental studies as a condition of approval.

BHP Billiton

Currently under Scheme No.5 the 'Transient Workers Accommodation' use is classified as an 'SA' use in the Strategic Industry zone. Under Scheme No.5 an 'SA' use means that a development such as 'Transient Workers Accommodation' is not permitted unless the Council has granted planning approval after giving notice in accordance with clause 4.3 of Scheme No.5, requiring that such a proposal must be advertised for a period not less than 14 days.

There is significant potential for land use conflict to occur by allowing residential uses such as 'Transient Workers Accommodation' to be established in the 'Strategic Industry' zone. The subject site is separated from sensitive land uses under section 7.2 of Scheme No.5 by the Boodarie Industrial Buffer Special Control Area. The Boodarie Industrial Special Control Area originated as a part of a concept plan prepared for the subject site in the 1990's to, map out the extent to which a buffer would be required to prevent land use conflict. This land use conflict is between sensitive land uses such as residential or agricultural uses and noxious or heavy industrial uses in the Boodarie locality, including the subject site. The Boodarie Industrial Special Control Area was assessed by the EPA under EPA Bulletin 874 prepared in 1997, and various modelling on air quality, noise and odour was undertaken to determine the extent of the of the buffer.

Considering the potential for land use conflict, Officers of the Town modified Amendment 71 prior to advertising (in consultation with the applicant) to change the 'Transient Workers Accommodation' use to a '~' (not permitted) use in the 'Strategic Industry' zone under the zoning table of Scheme No.5.

BHP Billiton raised concerns that the modification undertaken at the advertising stage may prejudice their ability to accommodate their workforce in the future, given that they operate under State Agreements. BHP Billiton and the applicant have suggested that the 'Transient Workforce Accommodation' use remain an 'SA' use under Scheme No.5, whereby any applications for 'Transient Workers Accommodation' uses can be assessed on a case by case basis.

The intention of the Officers modification was not to unduly prejudice or restrict the operations of industry but to avoid a situation where land use conflict occurs between sensitive and industrial uses. Furthermore allowing 'Transient Workers Accommodation' uses to be developed on the subject site is not consistent with the Town of Port Hedland Transient Workforce Accommodation Strategy and the Pilbara's Port City Growth Plan (the Growth Plan). The subject site is not earmarked as a preferred location for Non-Residential Workforce Accommodation Facilities on Map A in the Transient Workforce Accommodation Strategy, nor does the Growth Plan provide for the development or residential or non-residential accommodation over the subject site. Given the significance of this issue Council essentially has three potential options to consider, to resolve this issue;

1. Modify Amendment 71 as proposed by Officers of the Town prior to advertising whereby the 'Transient Workers Accommodation' use becomes an '~' use (non-permissible) throughout the 'Strategic Industry' zone under Scheme No.5;

2. Modify Amendment 71 whereby the 'Transient Workforce Accommodation' use becomes a '~' use only in the Boodarie Strategic Industrial Area (the Development Plan area), which would require a modification to the Development Plan; or
3. Do not undertake any modifications to Amendment 71 or the Development Plan concerning the 'Transient Workforce Accommodation' use and see it remain as an 'SA' use throughout the 'Strategic Industry' zone under Scheme No.5.

Considering the potential for land use conflict it is recommended that Council consider option 1, to make the Transient Workers Accommodation use non-permissible throughout the 'Strategic Industry' zone under Scheme No. 5, as proposed by Officers of the Town prior to advertising. It is not considered to be in line with the principles of orderly and proper planning to allow Transient Workers Accommodation uses to remain as 'SA' uses in Scheme No.5.

Port Hedland Chamber of Commerce and Industry

The Port Hedland Chamber of Commerce and Industry (the Chamber) raised concerns that the Development Plan and Amendment 71 were not consistent with the Growth Plan and other strategic planning frameworks of the Town. The Chamber were also concerned that not enough information is provided in both documents to clearly explain how noxious/heavy industry in Wedgefield could be relocated to the Boodarie Strategic Industrial Area.

The Chamber also expressed concerns that Amendment 71 and the Development Plan may disadvantage operators in Wedgefield. The Development Plan and Amendment 71 are both consistent with the Growth Plan. Furthermore the relocation of noxious/heavy industry is not the main objective of either document and it is not the role of either document to articulate how current operators in Wedgefield could relocate to Boodarie Strategic Industrial Area. The Chamber's comments were noted and it is recommended that Officers of the Town meet with the Chamber to further discuss both items.

FINANCIAL IMPLICATIONS

The applicant has paid the following prescribed fees;

- \$9758.60 for the initiation of Amendment 71; and
- \$9758.60 for the initiation of the Development Plan.

STATUTORY AND POLICY IMPLICATIONS

The Planning and Development Act 2005 and the *Town Planning Regulations 1967*, provides Council the authority to amend TPS5 and establishes the procedure required to adopt the Development Plan and Amendment 71 in Scheme No.5.

Strategic Planning Implications

The following sections of Council's Strategic Community Plan 2014-2024 are considered relevant to the Development Plan and Amendment 71.

2.0 Supporting a Diverse Economy

2.1 A thriving, resilient and diverse economy

Both Amendment 71 and the Development Plan seek to establish important infrastructure corridors and strategic industrial land uses that will contribute to the growth of the Town and diversify the economy of the Town by allowing for land uses such as downstream resources processing and waste to energy industries to establish in the Boodarie Strategic Industrial Area.

2.2 A Nationally Significant Gateway City and Destination

Both Amendment 71 and the Development Plan will advance the Town's strategic industrial infrastructure which can contribute to the Town becoming a major industrial, transport and distribution hub.

3.0 Balancing our Built and Natural Environment

3.1 Sustainable Services and Infrastructure

Both Amendment 71 and the Development Plan seek to allow for new research and strategic investment opportunities for industrial development and energy production. There is also a shortage of land available for "heavy use industry" (noxious) industrial land within the Town and both items can help alleviate the conflict by providing land for such uses and infrastructure.

Pilbara's Port City Growth Plan

The following section of the Growth Plan is relevant to the Development Plan and Amendment 71.

5.6.15 Precinct Boodarie

Proposed Land Use: Strategic/Heavy Industry

The Growth Plan recognises the subject site as a priority strategic industrial area, which should support major downstream processing, port dependent industrial land uses, noxious industry, utilities and general industrial support operations. To achieve this, the Growth Plan recognise the need for a Development Plan to be completed and adopted for the subject site, and that to facilitate this, an amendment to Scheme No.5 is required to be undertaken such as Amendment 71.

Conclusion

Amendment 71 seeks to put provisions into Scheme No.5 to allow for the subject site to prepare a Development Plan over the site. This will allow for thorough planning of the site to be undertaken. Both Amendment 71 and the Development Plan are consistent with the strategic planning objectives of the Town and State Government; which is to see the subject site be developed as a priority strategic industrial area that can help diversify the economy of the Town and contribute to the economy of the State. It is recommended that both Amendment 71 and the Development Plan be adopted.

ATTACHMENTS

1. Development Plan Report (Under Separate Cover)
2. Amendment 71 Report (Under Separate Cover)
3. Location Plan
4. Schedule of Submissions (Under Separate Cover)
5. Modifications to Development Plan Schedule
6. Modifications to Development Plan (Figure 5 Actual Plan)
7. Modifications to Amendment 71 Schedule
8. Modifications to Amendment 71 Plan

9 June 2015

ATTACHMENT 3 TO ITEM 12.1.1

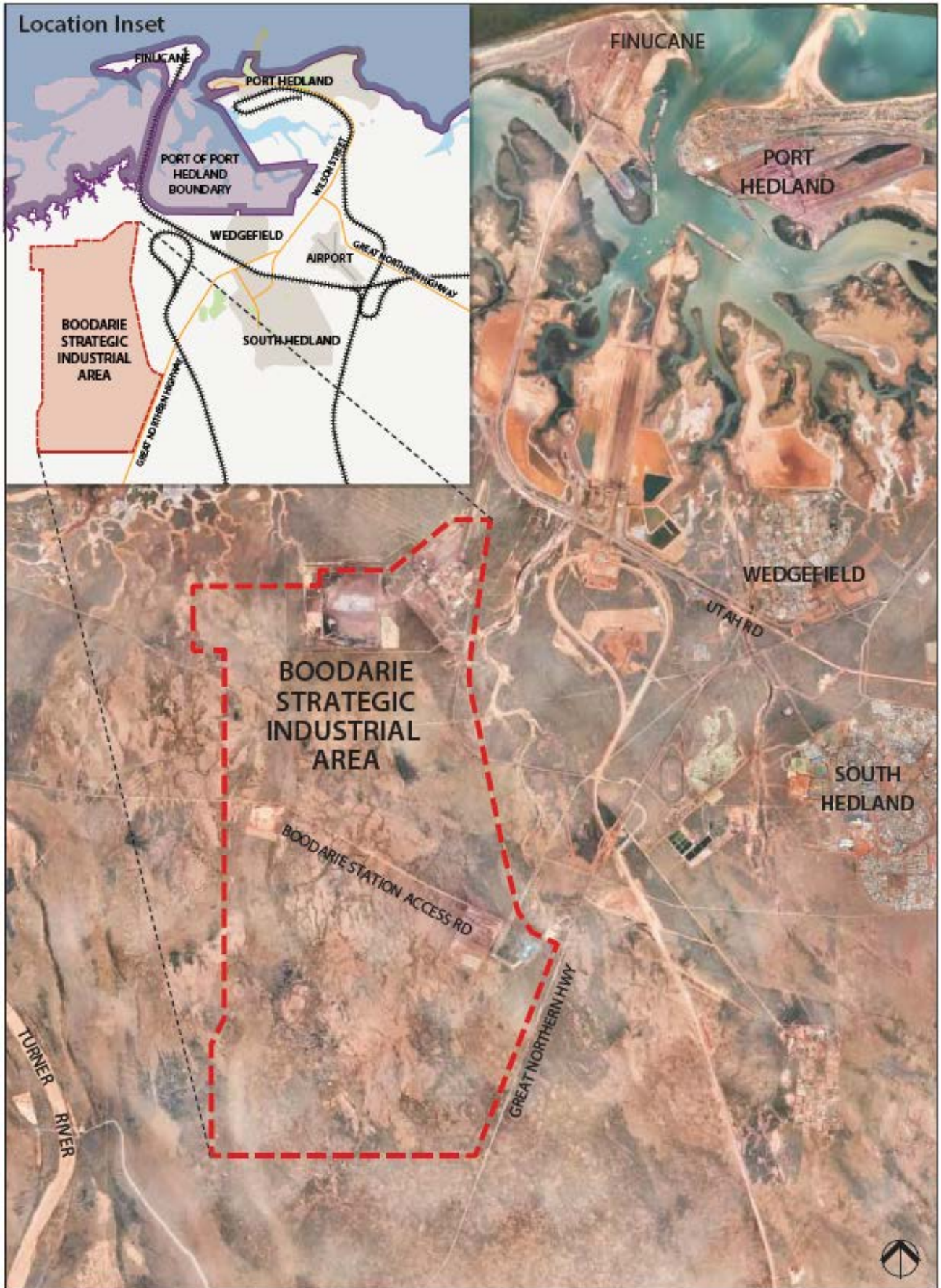


Figure 1 - Location Plan
BOODARIE STRATEGIC INDUSTRIAL AREA

DATE 20.03.2014 DWG NO 001
Level 1, 95 St Georges Tce, info@urbis.com.au
Perth, WA 6000 Australia www.urbis.com.au



ATTACHMENT 5 TO ITEM 12.1.1

Proposed Modifications to the Development Plan

	Modification	Justification
1.	Modify the Development Plan to Remove the annotation to the FMG Lease on the land situated to the north east of the Development Plan area	The boundary extent of the "FMG Lease" area as illustrated is incorrect; this detail is not required, has no material effect on the Development Plan and should be deleted.
2.	Modify the Development Plan to rename the "Main Corridor" (depicted in the centre of the Development Plan area) to "Proposed Infrastructure Corridor". Modify the legend the words "subject to Pilbara Ports Authority Agreement" to read "Proposed Infrastructure Corridor subject to Pilbara Ports Authority Agreement"	The Main Corridor is still a proposed infrastructure corridor, has previously only been given 'in-principle' support and will be finalised in due course at the appropriate stage of development.
3.	Modify the Development Plan to remove the "State Agriculture Corridor" depicted to the north-east of the Development Plan	The PPA is unaware of any such future proposal and the location conflicts with the (possible) future BHPB Outer Harbour corridor location. This detail is not required and has no material effect on the Development Plan.
4.	Modify the Development Plan to delete the piece of land jutting out from Nelson Point that appears to block the Port Hedland Port channel.	This detail is incorrect, is not required, has no material effect on the Development Plan and should be deleted.
5.	Modify the Development Plan to delete the "NWA Loop" situated to the north of the Development Plan boundary.	The annotation is incorrect (should be "NW1" North West Infrastructure) and is in the wrong location. This detail is incorrect, is not required, has no material effect on the Development Plan and should be deleted.
6.	Modify the Development Plan to delete the "BHP B Loop Planned" north of the Development Plan boundary.	Although BHPB holds General Purpose Leases in the area, this annotation fails to clarify exactly what form of tenure or future development is proposed here. This detail is incorrect, is not required, has no material effect on the Development Plan and should be deleted from the plan and legend.
7.	Modify the Development Plan to delete the rail loop which is depicted along the north-western boundary of the Development Plan area.	The rail corridor is incorrectly sited on the Development Plan. This level of detail is not required, has no material effect on the Development Plan and should be deleted.
8.	Modify the Development Plan to remove all existing rail loops from the Development Plan.	The correct rail loop should be labelled with the correct resource company name, however this level of detail is not required it should be deleted.
9.	Modify the Development Plan to delete the wording "Combined Corridor" to the west of the Development Plan boundary.	The "Combined Corridor" is incorrectly sited; it is not required, has no material effect on the Development Plan and should be deleted.
10.	Modify the Development Plan to delete "SW Creek Harbour"	The SW Creek Harbour does not officially exist; it is not required, has no material effect on the Development Plan and should be deleted.
11.	Modify the Development Plan to show what "Special Control Areas" are under the legend of the Development Plan (the Boodane Industrial Buffer Special Control Area and the Power Station Buffer).	This is a minor change that clarifies what the Special Control Areas are for the Boodane Industrial Buffer Special Control Area and the Power Station Buffer.
12.	Modify the Development Plan to delete "Proposed" from Great Northern Highway under the legend on the Development Plan.	Although the Great Northern Highway realignment has not been gazetted at the time the Development Plan was initiated, the road is formed, is being used and dedication is imminent. This is a minor change to the wording in the legend.
13.	Modify the Development Plan to colour all remaining rail infrastructure on the Development Plan in black.	Railways should actually colour black in these types of plans. For correctness and consistency this is a minor change which will help distinguish the difference between 'Rail/Roads' on the legend of the Development Plan.
14.	Modify the Development Plan and text in the report to replace any reference to 'Port Hedland Port Authority' with 'Pilbara Ports Authority'.	For correctness and consistency. This is a minor administrative change only.
15.	Modify the Development Plan either remove or rename the "By-Product Storage" area shaded in purple to the south of the Development Plan Area as "Future Potential By-Product Storage" as this land area sits outside the Development Plan and should not be annotated as something it is not.	For correctness and consistency, is a minor change and has no material effect on the Development Plan.
16.	Modify the Development Plan to remove any remaining references to Port Installations or Resource companies as this information is not required.	For correctness and consistency, is a minor change and has no material effect on the Development Plan.

This page has been left blank intentionally.

ATTACHMENT 7 TO ITEM 12.1.1

Required Modifications to Amendment No.71 Text

SA71 as Advertised	As Modified	Justification
<p>1. Inserting a new sub-clause (i) into clause 5.2.1 as follows:</p> <p>"(i) Strategic Industry Zone"</p> <p>2. Inserting a new clause 5.3.10 as follows:</p> <p>Boodarie Strategic Industrial Area</p> <ul style="list-style-type: none"> a. Establish synergies and clustering of co-located industries, transport and infrastructure, including port related and upstream industrial activities; b. Give priority to strategic resource processing industrial development comprising downstream processing such as iron ore processing, petro and gas processing, non-ferrous processing, noxious and port dependent processing, and other strategic industries; c. Promote proponent initiated industrial subdivision and development to facilitate strategic downstream resource processing; d. Enable support industries provided they are complementary to and offer goods and services that directly support and are compatible to downstream resource processing and other strategic industries; e. Facilitate local employment and economic growth opportunities through downstream resource processing and strategic industrial development." 	<p>1. Inserting a new sub-clause (i) into clause 5.2.1 as follows:</p> <p>"(i) Strategic Industry Zone"</p> <p>2. Inserting a new clause 5.3.10 as follows:</p> <p>Boodarie Strategic Industrial Area</p> <ul style="list-style-type: none"> a. Establish synergies and clustering of co-located industries, transport and infrastructure, including port related and upstream industrial activities; b. Give priority to strategic resource processing industrial development comprising downstream processing such as iron ore processing, petro and gas processing, non-ferrous processing, noxious and port dependent processing, and other strategic industries; c. Promote proponent initiated industrial subdivision and development to facilitate strategic downstream resource processing; d. Enable support industries provided they are complementary to and offer goods and services that directly support and are compatible to downstream resource processing and other strategic industries; e. Facilitate local employment and economic growth opportunities through downstream resource processing and strategic industrial development." 	<p>No Change</p>
<p>3. In relation to section 7.2 Boodarie Industrial Buffer Special Control Area:</p> <ul style="list-style-type: none"> a. Amending clause 7.2.1 to read as follows: <p>"Sensitive land uses shall not be permitted in the Boodarie Industrial Buffer Special Control Area. Sensitive land uses include, but are not limited to:</p> <ul style="list-style-type: none"> • All uses listed under the 'Residential' category of the zoning table; • Juvenile detention; • Restaurant; • Consulting Rooms; • Take-away Food Outlet; • Entertainment Venue; • Arts and Crafts Centre; • Child Care Service; • Place of Public Meeting; • Assembly or Worship; • Private Recreation; • Public Recreation; • Place of Animal Care; • Equestrian Centre; • Industry-Cottage <p>And any other use not listed above that may be considered a sensitive use as determined by the Council.</p> <ul style="list-style-type: none"> b. Amending clause 7.2.2 to read as follows: <p>"When considering applications for planning approval within the Boodarie Industrial Buffer Special Control Area, Council shall have regard to:</p> <ul style="list-style-type: none"> (a) The Boodarie Strategic Industrial Area Development Plan; (b) Whether the proposal is compatible with any existing or proposed future use or development within the Strategic Industry Zone; (c) The existing, proposed or likely risks, hazards and nuisance (including but not limited to noise, odour and light) associated with the Strategic Industry Zone; (d) The potential impacts of the proposal on the efficient development of the Boodarie Strategic Industrial Area; and 	<ul style="list-style-type: none"> a. Amending clause 7.2.1 to read as follows: <p>"Sensitive land uses shall not be permitted in the Boodarie Industrial Buffer Special Control Area. Sensitive land uses include, but are not limited to:</p> <ul style="list-style-type: none"> • All uses listed under the 'Residential' category of the zoning table; • Juvenile detention; • Restaurant; • Consulting Rooms; • Take-away Food Outlet; • Entertainment Venue; • Arts and Crafts Centre; • Child Care Service; • Place of Public Meeting; • Assembly or Worship; • Private Recreation; • Public Recreation; • Place of Animal Care; • Equestrian Centre; • Industry-Cottage <p>And any other use not listed above that may be considered a sensitive use as determined by the Council.</p> <ul style="list-style-type: none"> b. Amending clause 7.2.2 to read as follows: <p>"When considering applications for planning approval within the Boodarie Industrial Buffer Special Control Area, Council shall have regard to:</p> <ul style="list-style-type: none"> (a) The Boodarie Strategic Industrial Area Development Plan; (b) Whether the proposal is compatible with any existing or proposed future use or development within the Strategic Industry Zone; (c) The existing, proposed or likely risks, hazards and nuisance (including but not limited to noise, odour and light) associated with the Strategic Industry Zone; (d) The potential impacts of the proposal on the efficient development of the Boodarie Strategic Industrial Area; and 	<p>No Change</p>

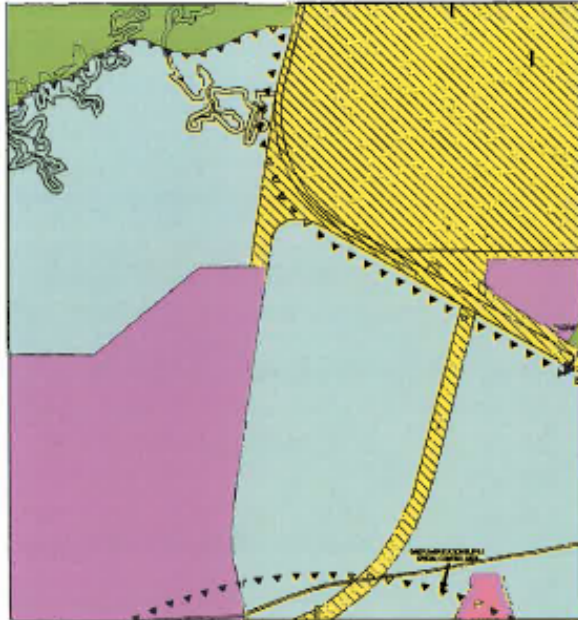
<p>(e) Any other issue Council deems relevant"</p> <p>c. Inserting a new clause as clause 7.2.3 as follows:</p> <p><i>"When considering an application for planning approval with respect to land wholly or partly within the Boodarie Industrial Buffer Special Control Area, the Council shall refer the proposal to the Department of State Development and LandCorp for comment."</i></p> <p>d. Inserting a new clause as clause 7.2.4 as follows:</p> <p><i>"Prior to granting planning approval for development, including extraction, on land to which this clause applies the Council must consider:</i></p> <p>(a) <i>The likelihood of the proposed development adversely affecting the efficiency and capacity of the Turner River and surrounding landscape to safely carry and discharge floodwaters, including any backwater flows; and</i></p> <p>(b) <i>The likelihood of the proposed development adversely affecting the safety of land zoned 'Strategic Industry' during flood events.</i></p>	<p>(e) Any other issue Council deems relevant"</p> <p>c. Inserting a new clause as clause 7.2.3 as follows:</p> <p><i>"When considering an application for planning approval with respect to land wholly or partly within the Boodarie Industrial Buffer Special Control Area, the Council shall refer the proposal to the relevant State Government Agencies, Government Trading Enterprises and other stakeholders for comment."</i></p> <p>d. Inserting a new clause as clause 7.2.4 as follows:</p> <p><i>"Prior to granting planning approval for development, including extraction, on land to which this clause applies the Council must consider:</i></p> <p>(a) <i>The likelihood of the proposed development adversely affecting the efficiency and capacity of the Turner River and surrounding landscape to safely carry and discharge floodwaters, including any backwater flows;</i></p> <p>(b) <i>The likelihood of the proposed development adversely affecting the safety of land zoned 'Strategic Industry' during flood events; and</i></p> <p>(c) <i>The likelihood of the proposed development adversely affecting the safety of Pilbara Port Authority land and any other adjoining land areas during flood events.</i></p>	<p>Whilst it is noted that Council should be the determining authority, Clause 7.2.3 should be modified to ensure that Council adequately consult with the relevant State Government Agencies (such as DSD and LandCorp) and Government Trading Enterprises such as the PPA, given the State significance of the subject site and the fact the State is a majority landholder for the subject site. This is a minor change to the scheme text.</p>																
<p>4. Rezoning portion of Lot 203 (Vol & Folio LR3128 641) on Deposited Plan 220594 from 'Rural' to reserve for 'Other Public Purpose: Infrastructure'.</p>	<p>4. Rezoning portion of Lot 203 (Vol & Folio LR3128 641) on Deposited Plan 220594 from 'Rural' to reserve for 'Other Public Purpose: Infrastructure and rezone Lot 372 on DP35620 Reserve 29082 to 'Other Public Purpose: Port Facilities' (as per the plan attached).</p>	<p>Modify Page ii Part 4 to include rezoning of Lot 372 on DP35620 Reserve 29082 to 'Other Public Purpose: Port Facilities', to clearly show the split between the different 'Other Public Purpose' zones and to ensure Port land is correctly zoned.</p>																
<p>5. Amending Appendix 2 by inserting the following additional use provisions:</p> <table border="1" data-bbox="399 163 1018 1172"> <thead> <tr> <th>No.</th> <th>Description of Land</th> <th>Additional Use</th> <th>Conditions</th> </tr> </thead> <tbody> <tr> <td>195</td> <td>Lot 5164 Shoata Road, South Hedland</td> <td>Public Recreation; Private Recreation; Equestrian Care</td> <td>1. The additional uses specified shall be deemed 'SA' use for the purposes of the Scheme. 2. Notwithstanding any other provision of the Scheme, the development of the additional uses specified shall not be approved unless it is demonstrated these uses are incidental to an existing use. 3. The Council in determining applications for planning consent for the additional uses specified shall have regard to clauses 7.2.2, 7.2.3 and 7.2.4. 4. Applications for planning consent for the additional uses specified shall demonstrate the proposed development does not prevent, inhibit or adversely affect, or itself be affected by, the development of any potential use within the Boodarie Strategic Industrial Area.</td> </tr> </tbody> </table>	No.	Description of Land	Additional Use	Conditions	195	Lot 5164 Shoata Road, South Hedland	Public Recreation; Private Recreation; Equestrian Care	1. The additional uses specified shall be deemed 'SA' use for the purposes of the Scheme. 2. Notwithstanding any other provision of the Scheme, the development of the additional uses specified shall not be approved unless it is demonstrated these uses are incidental to an existing use. 3. The Council in determining applications for planning consent for the additional uses specified shall have regard to clauses 7.2.2, 7.2.3 and 7.2.4. 4. Applications for planning consent for the additional uses specified shall demonstrate the proposed development does not prevent, inhibit or adversely affect, or itself be affected by, the development of any potential use within the Boodarie Strategic Industrial Area.	<p>5. Amending Appendix 2 by inserting the following additional use provisions:</p> <table border="1" data-bbox="399 1216 1018 2226"> <thead> <tr> <th>No.</th> <th>Description of Land</th> <th>Additional Use</th> <th>Conditions</th> </tr> </thead> <tbody> <tr> <td>195</td> <td>Lot 5164 Shoata Road, South Hedland</td> <td>Public Recreation; Private Recreation; Equestrian Care</td> <td>5. The additional uses specified shall be deemed 'SA' use for the purposes of the Scheme. 6. Notwithstanding any other provision of the Scheme, the development of the additional uses specified shall not be approved unless it is demonstrated these uses are incidental to an existing use. 7. The Council in determining applications for planning consent for the additional uses specified shall have regard to clauses 7.2.2, 7.2.3 and 7.2.4. 8. Applications for planning consent for the additional uses specified shall demonstrate the proposed development does not prevent, inhibit or adversely affect, or itself be affected by, the development of any potential use within the Boodarie Strategic Industrial Area.</td> </tr> </tbody> </table>	No.	Description of Land	Additional Use	Conditions	195	Lot 5164 Shoata Road, South Hedland	Public Recreation; Private Recreation; Equestrian Care	5. The additional uses specified shall be deemed 'SA' use for the purposes of the Scheme. 6. Notwithstanding any other provision of the Scheme, the development of the additional uses specified shall not be approved unless it is demonstrated these uses are incidental to an existing use. 7. The Council in determining applications for planning consent for the additional uses specified shall have regard to clauses 7.2.2, 7.2.3 and 7.2.4. 8. Applications for planning consent for the additional uses specified shall demonstrate the proposed development does not prevent, inhibit or adversely affect, or itself be affected by, the development of any potential use within the Boodarie Strategic Industrial Area.	<p>No Change</p>
No.	Description of Land	Additional Use	Conditions															
195	Lot 5164 Shoata Road, South Hedland	Public Recreation; Private Recreation; Equestrian Care	1. The additional uses specified shall be deemed 'SA' use for the purposes of the Scheme. 2. Notwithstanding any other provision of the Scheme, the development of the additional uses specified shall not be approved unless it is demonstrated these uses are incidental to an existing use. 3. The Council in determining applications for planning consent for the additional uses specified shall have regard to clauses 7.2.2, 7.2.3 and 7.2.4. 4. Applications for planning consent for the additional uses specified shall demonstrate the proposed development does not prevent, inhibit or adversely affect, or itself be affected by, the development of any potential use within the Boodarie Strategic Industrial Area.															
No.	Description of Land	Additional Use	Conditions															
195	Lot 5164 Shoata Road, South Hedland	Public Recreation; Private Recreation; Equestrian Care	5. The additional uses specified shall be deemed 'SA' use for the purposes of the Scheme. 6. Notwithstanding any other provision of the Scheme, the development of the additional uses specified shall not be approved unless it is demonstrated these uses are incidental to an existing use. 7. The Council in determining applications for planning consent for the additional uses specified shall have regard to clauses 7.2.2, 7.2.3 and 7.2.4. 8. Applications for planning consent for the additional uses specified shall demonstrate the proposed development does not prevent, inhibit or adversely affect, or itself be affected by, the development of any potential use within the Boodarie Strategic Industrial Area.															
<p>6. Amend Appendix 5 to identify the Strategic Industry zone as a Development Plan Area.</p>	<p>6. Amend Appendix 5 to identify the Strategic Industry zone as a Development Plan Area.</p>	<p>No Change</p>																
<p>7. Amending Appendix 10 to change the title to 'Additional Requirements for</p>	<p>7. Amending Appendix 10 to change the title to 'Additional Requirements for Precincts'</p>	<p>No Change</p>																

<p>Precincts' and inserting a new precinct for the Boodarie Strategic Industrial Area with the following conditions:</p> <p>Boodarie Strategic Industrial Area:</p> <ol style="list-style-type: none"> i. On-site and off-site buffers required to separate uses within the industrial precincts and the Special Control Area from adjacent incompatible industrial or sensitive uses; ii. Implementation of the Boodarie Strategic Industrial Area District Water Management and in accordance with the water management guidance issued by the Department of Water; iii. Coordination of proponent provided infrastructure including road access, means of effluent disposal, water supply, power supply and other key infrastructure services; iv. Identification of Shared Infrastructure Corridors <p>8. Amend the zoning table by changing the permissibility of the following land uses within the Strategic Industry Zone:</p> <ol style="list-style-type: none"> a) Fuel Depot from '~' to 'AA'; b) Transient Workforce Accommodation from 'P' to '~' <p>9. Amend the Scheme Map accordingly.</p>	<p>and inserting a new precinct for the Boodarie Strategic Industrial Area with the following conditions:</p> <p>Boodarie Strategic Industrial Area:</p> <ol style="list-style-type: none"> i. On-site and off-site buffers required to separate uses within the industrial precincts and the Special Control Area from adjacent incompatible industrial or sensitive uses; ii. Implementation of the Boodarie Strategic Industrial Area District Water Management and in accordance with the water management guidance issued by the Department of Water; iii. Coordination of proponent provided infrastructure including road access, means of effluent disposal, water supply, power supply and other key infrastructure services; iv. Identification of shared infrastructure corridors <p>8. Amend the zoning table by changing the permissibility of the following land uses within the Strategic Industry Zone:</p> <ol style="list-style-type: none"> a) Fuel Depot from '~' to 'AA'; b) Transient Workforce Accommodation from 'SA' to '~' <p>9. Amend the Scheme Map accordingly.</p>	<p>Part iv is modified as the wording "shared infrastructure corridors" is not required to be capitalised as it is not a term defined in the TPS5 text.</p> <p>It is noted that there is an error in the SA71 documents that were advertised and that the amendment be modified in part 8 to read: (b) Transient Workforce Accommodation – from 'SA' to '~' as TPS5 currently recognises the Transient Workforce Accommodation use as an 'SA' not a 'P' use.</p>
---	---	--

This page has been left blank intentionally.

ATTACHMENT 8 TO ITEM 12.1.1

TOWN OF PORT HEDLAND
 LOCAL PLANNING SCHEME NO.5
 AMENDMENT NO. 71



EXISTING ZONING

LEGEND

LOCAL SCHEME RESERVES

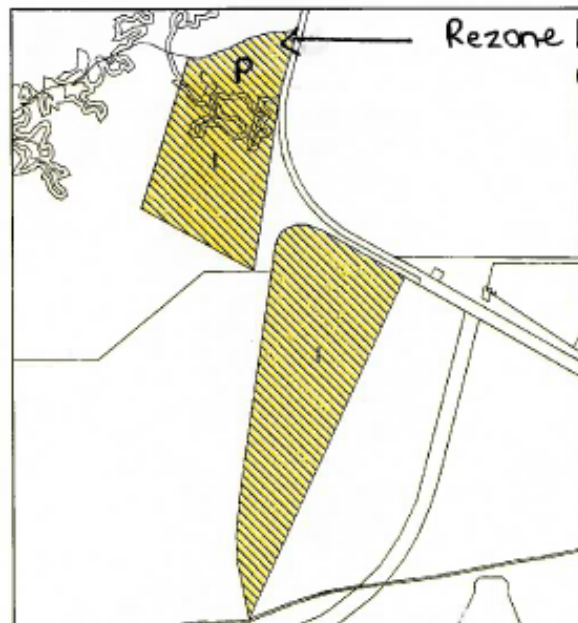
-  CONSERVATION RECREATION AND NATURAL LANDSCAPES
-  OTHER PUBLIC PURPOSES
- DENOTED AS FOLLOWS:
- P PORT FACILITIES
- I INFRASTRUCTURE

ZONES

-  INDUSTRIAL DEVELOPMENT
-  STRATEGIC INDUSTRY
-  RURAL

OTHER

- SPECIAL CONTROL AREAS



PROPOSED ZONING

Rezone Lot 372 on DP35620, Reserve 29082 to
 Other Public Purposes: Port Facilities



AMENDMENT NO. 71

PA 0929 - BOODARIE DEVELOPMENT PLAN

DATE 21.11.2013

Level 1, 55 St Georges Tce,
 Perth, WA 6000 Australia

DWG NO 001

Tel +618 9346 0500
 Fax +618 9221 1770

REV A

info@urbis.com.au
 www.urbis.com.au

SCALE NTS

Urbis Pty Ltd ABN 50 105 256 288
 Australia, Asia, Middle East



12.1.2 Proposed Excision Of A Portion Of Reserve 37447 On Lot 6075 Mitchie Crescent, South Hedland, And Subsequent Amalgamation Into Adjacent Freehold Lot.

Katherine Shaw, Lands and Technical Officer
File. No. 803000G and 130319G

DISCLOSURE OF INTEREST BY OFFICER

Nil.

201415/273 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR HOOPER

That Council:

- 1. Resolve to support the excision of a portion of Reserve 37447 on Lot 6075 on DP 220512, South Hedland and revoke the Management Order for the subsequent amalgamation into Lot 1 (2-6) Byass Street, South Hedland, as per Attachment 1;**
- 2. Request Department of Lands to excise a portion of Reserve 37447 on Lot 6075 on DP 220512, South Hedland and revoke the Management Order, as per Attachment 1.**

CARRIED 7/0

EXECUTIVE SUMMARY

The Town has received a request for support from Department of Lands on behalf of Whelans regarding a proposed 5m² excision of a portion of Reserve 37447 and subsequent amalgamation into the adjoining freehold lot.

The Town recommends that Council supports the requests.

DETAILED REPORT

The Town holds a management order over Reserve 37447 on Lot 6075 Mitchie Crescent, South Hedland for the purpose of 'Drainage'. A shed has been constructed on Lot 1 (2-6) Byass Street, South Hedland that encroaches into the Town's Reserve by 5m². Please refer to Attachment 1 – locality plan.

In order to avoid removal or re-positioning of the shed, Whelans on behalf of the property owners of Lot 1 (2-6) Byass Street, South Hedland have contacted Department of Lands requesting purchase of the portion of Reserve.

Once the portion of the Reserve has been excised and amalgamated into the adjoining property, the Town can grant permits for the shed in its current location.

This matter has been referred internally to the Town's Technical Services Department. Technical Services has advised that the excision of the 5m² portion of Drainage Reserve will not have any adverse impact on the Town's Drainage function and maintenance.

FINANCIAL IMPLICATIONS

There are no financial implications to the Town. The owners of Lot 1 (2-6) Byass Street, South Hedland will purchase the portion of the Reserve from the Crown.

STATUTORY AND POLICY IMPLICATIONS

Section 50 of the *Land Administration Act 1997* establishes the procedure to revoke a management order.

Section 42 of the *Land Administration Act 1997* establishes the procedure to excise an area from a reserve.

Strategic Planning Implications

Strategic Community Plan 2014-2024

The following section of Council's Strategic Community Plan 2014 - 2024 is considered relevant to the proposal:

2. Supporting a diverse economy
- 2.1 A thriving, resilient and diverse economy

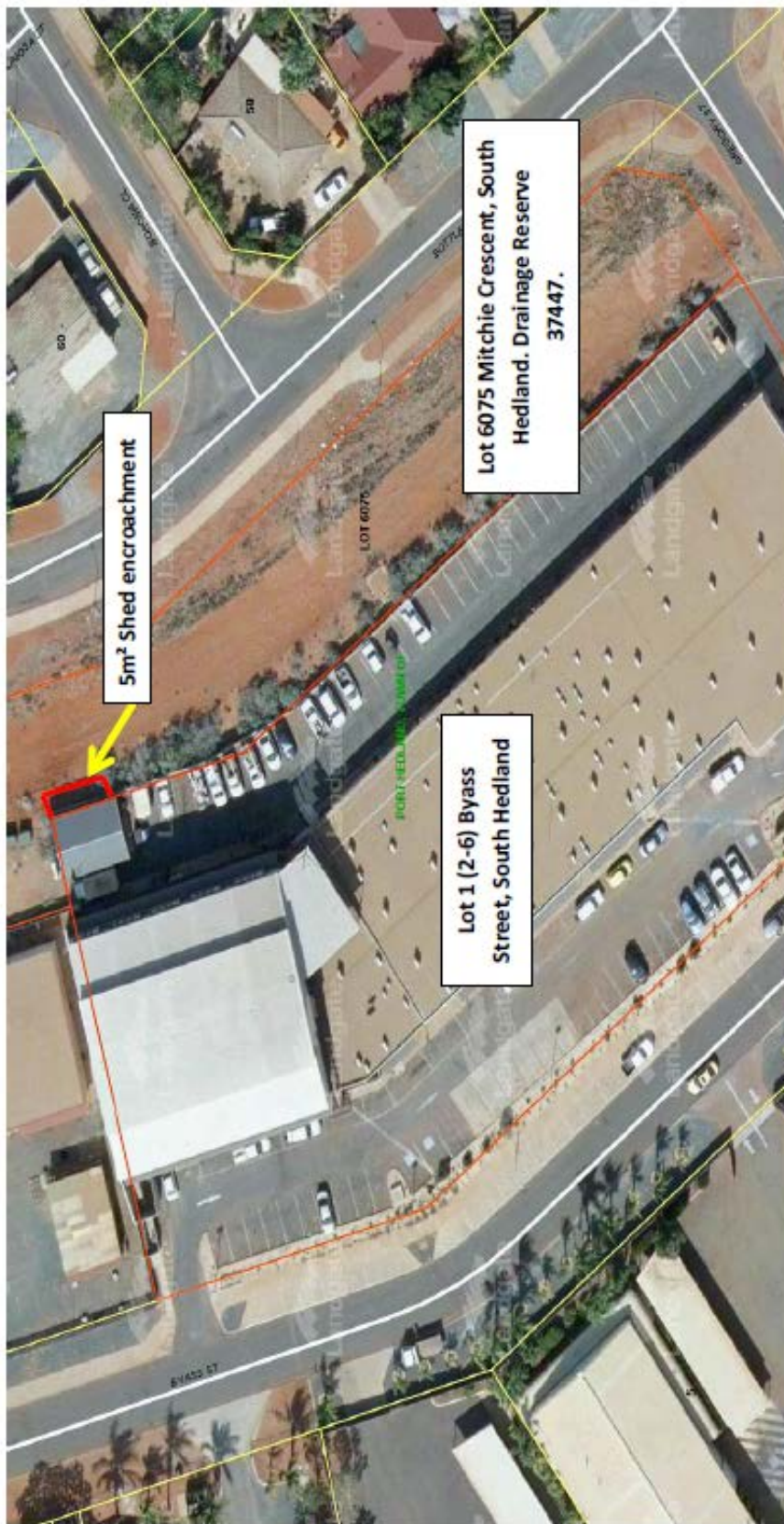
The excision of the portion of Reserve 37447 will allow for the portion to be amalgamated into the adjoining reserve and will ensure the shed does not need to be shifted or removed.

ATTACHMENTS

1. Locality Plan.

3 June 2015

ATTACHMENT 1 TO ITEM 12.1.2



7:57pm Councillor Hooper declared a financial interest in item 12.1.3 'Port Hedland Courthouse Gallery Management Agreement Extension' as he is contracted by FORM.

Councillor Hooper left the room.

12.1.3 Port Hedland Courthouse Gallery Management Agreement Extension

Paul Howrie, Manager Community Development
File No.05/09/0017; 20/01/0026

DISCLOSURE OF INTEREST BY OFFICER

Nil

RECOMMENDATION

That Council:

- 1. Note that a report on the Courthouse Gallery Contract Management Agreement extension formed part of the Audit, Risk and Governance Committee Agenda on the 10 June 2015;**
- 2. Endorse the extension of the Management Agreement with FORM Contemporary Craft and Design Inc. for the Port Hedland Courthouse Gallery with the following amendments to be made to the existing contract:**
 - a. FORM Contemporary Craft and Design Inc. agrees to align the Hedland Art Awards with the start of the North West Festival. For clarification, the 2015 Hedland Art Awards will be held on Thursday evening 20th August 2015. The date for the 2016 Art Awards will be determined by mutual agreement between both Parties but will be aligned with the start of the North West Festival;**
 - b. FORM Contemporary Craft and Design Inc. agrees that it will continue to be actively involved with the fringe activities on the Saturday morning of the North West Festival, which will include activation activities as mutually agreed to by both Parties;**
 - c. The Town will make a contribution of \$35K (ex GST) in the 2016/17 Financial Year which is to be used by FORM Contemporary Craft and Design Inc. for the Hedland Art Awards. This money will be used to increase the prize money for the event, and the Town of Port Hedland will be nominated as one of the Category Sponsors of the Hedland Art Awards. The \$35K (ex GST) will be paid to FORM Contemporary Craft and Design Inc. as a lump sum amount in the 1st quarter of the financial year on the provision of a valid tax invoice; and**
 - d. The contracted amount for the Courthouse Gallery which for 2014/15 is \$407,066 (ex GST) will be indexed by CPI (All Groups Perth, June quarter) for the 2015/16 and the 2016/17 financial years.**

3. Authorise the Chief Executive Officer negotiate and enter into a Management Agreement with FORM Contemporary Craft and Design Inc. for the Courthouse Gallery for a two year period concluding on 30 June 2017.

201415/274 AMENDED RECOMMENDATION/ COUNCIL DECISION**MOVED: CR JACOB****SECONDED: CR MELVILLE****That Council:**

1. Note that a report on the Courthouse Gallery Contract Management Agreement extension formed part of the Audit, Risk and Governance Committee Agenda on the 10 June 2015;
2. Endorse the extension of the Management Agreement with FORM Contemporary Craft and Design Inc. for the Port Hedland Courthouse Gallery with the following amendments to be made to the existing contract:
 - a. FORM Contemporary Craft and Design Inc. agrees to align the Hedland Art Awards with the start of the North West Festival. For clarification, the 2015 Hedland Art Awards will be held on Thursday evening 20th August 2015. The date for the 2016 Art Awards will be determined by mutual agreement between both Parties but will be aligned with the start of the North West Festival;
 - b. FORM Contemporary Craft and Design Inc. agrees that it will continue to be actively involved with the fringe activities on the Saturday morning of the North West Festival, which will include activation activities as mutually agreed to by both Parties;
 - c. The Town will make a contribution of \$35K (ex GST) in the 2015/16 and 2016/17 Financial Years which is to be used by FORM Contemporary Craft and Design Inc. for the Hedland Art Awards. This money will be used to increase the prize money for the event, and the Town of Port Hedland will be nominated as one of the Category Sponsors of the Hedland Art Awards. The \$35K (ex GST) will be paid to FORM Contemporary Craft and Design Inc.; and
 - d. The contracted amount for the Courthouse Gallery which for 2014/15 is \$407,066 (ex GST) will be indexed by CPI (All Groups Perth, June quarter) for the 2015/16 and the 2016/17 financial years.
3. Authorise the Chief Executive Officer negotiate and enter into a Management Agreement with FORM Contemporary Craft and Design Inc. for the Courthouse Gallery for a two year period concluding on 30 June 2017.

CARRIED 6/0

7:58pm Councillor Hooper re-entered the room and resumed his chair. Mayor advised of Council's decision.

EXECUTIVE SUMMARY

The purpose of this report is to seek Council endorsement on the extension to the management agreement for FORM Contemporary Craft and Design Inc. (FORM) to continue to manage the Port Hedland Courthouse Gallery (PHCG) for the 2015/16 and 2016/17 financial periods. The current management agreement expires on 30 June 2015.

An update on the Courthouse Gallery contract is being presented to the Audit, Risk and Governance Committee being held on Wednesday 10 June 2015. Council will be informed if the Committee make any changes to the recommendation.

DETAILED REPORT

The Management Agreement between the Town of Port Hedland and FORM for the Courthouse Gallery expires on 30 June 2015. The current Management Agreement contains the following clause to extend the term:

'The Town may in its sole discretion extend this Contract for an additional term of up to 2 years provided the Town gives the Contractor written notice of its intention to put into effect the Initial Extension at least three months prior to the expiry of the Initial Contract Term.'

The Town has contacted FORM to seek their interest in managing the PHCG for a further two years. In response, FORM has requested that the Town consider financially contributing towards the Hedland Art Awards, as part of the discussion for extending the current management agreement. As a result Council at its Ordinary Council Meeting on 27 May 2015 endorsed as part of its third quarter budget review, an allocation of \$35,000 towards the prize money for the Port Hedland Art Awards for 2015/16. In return, FORM will align the Art Awards with the start of the North West Festival and continue to be involved with the Saturday morning Fringe activities of the Festival. The Town would also become a category sponsor of the Port Hedland Art Awards.

Specifically, the agreed changes to the existing contract extension would include:

- a. FORM agrees to align the Hedland Art Awards with the start of the North West Festival. For clarification, the 2015 Hedland Art Awards will be held on Thursday evening 20 August 2015. The date for the 2016 Art Awards will be determined by mutual agreement between both Parties but will be aligned with the start of the North West Festival.
- b. FORM agrees that it will continue to be actively involved with the fringe activities on the Saturday morning of the North West Festival, which will include activation activities as mutually agreed to by both Parties.
- c. The Town will make a contribution of \$35K (ex GST) per year (financial years 2015/16 and 2016/17) which is to be used by FORM for the Hedland Art Awards. This money will be used to increase the prize money for the event, and the Town of Port Hedland will be nominated as one of the Category Sponsors of the Hedland Art Awards. The \$35K (ex GST) will be paid to FORM as a lump sum amount in the first quarter of each new financial year on the provision of a valid tax invoice.

- d. The contracted amount for the Courthouse Gallery which for 2014/15 is \$407,066 (ex GST) will be indexed by CPI (All Groups Perth, June quarter) for the 2015/16 and the 2016/17 financial years.

The existing KPIs listed in the current management agreement will remain.

It is recommended that the Chief Executive Officer be delegated authority to negotiate the final contract agreements with FORM, for a two year extension of the management agreement for the PHCG.

FINANCIAL IMPLICATIONS

Council will need to allocate \$407,066 (ex GST) plus CPI increases in the 2015/16 and 2016/17 budgets for the contract management fee of the PHCG, payable quarterly in advance, subject to the final contract negotiations.

An amount of \$35,000 (ex GST) being the Town's contribution towards the 2015/16 Port Hedland Art Awards has already been allocated in the current operating budget as mentioned earlier in this report. An amount of \$35,000 being the Town's contribution, will need to be allocated in the Town's 2016/17 operating budget.

STATUTORY AND POLICY IMPLICATIONS

Strategic Community Plan 2014 – 2024

This report aligns with the strategic theme and associated performance indicators within the current *Strategic Community Plan 2014 - 2024*. This proposed project falls under the strategic theme (section 1.2) to support a vibrant community rich in diverse cultures.

In part, this strategic theme also highlights the delivery and support of programs, events, facilities and services which attract and retain residents to increase our permanent population, and also to celebrate our multiculturalism, indigenous culture, arts and history.

ATTACHMENTS

1. Draft Management Agreement – Town of Port Hedland Courthouse Gallery (Under Separate Cover)

8 June 2015

7:58pm Councillor Jacob and Councillor Butson declared a financial interest in item 12.1.4 'Adoption of South Hedland Town Centre Design Guidelines Local Planning Policy' as they own businesses within the subject site.

Councillor Jacob and Councillor Butson left the room

12.1.4 Adoption of South Hedland Town Centre Design Guidelines Local Planning Policy

Kobus Nieuwoudt, Senior Strategic Planning Officer
File No: 18/01/0022

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/275 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR HOOPER

SECONDED: CR GILLINGHAM

That Council:

- 1. Receive the Schedule of Submissions that formed the subject of Attachment 1 to the report;**
- 2. Determine the submissions by resolving to adopt the recommendations in the Schedule of Modifications that formed the subject of Attachment 2 to the report;**
- 3. Amend the South Hedland Town Centre Design Guidelines Local Planning Policy in light of the submissions in accordance with the attached modified document that formed the subject of Attachment 3 to the report;**
- 4. Adopt the South Hedland Town Centre Design Guidelines Local Planning Policy (as modified), that formed the subject of Attachment 3 to the report, under clause 5.1.5 (b) of Town of Port Hedland Town Planning Scheme No.5 to become effective at publication of a notice in accordance with clause 5.1.6 (a) of the Scheme;**
- 5. Authorise the Chief Executive Officer, or his delegate(s), to undertake any necessary minor editorial, grammatical and other modifications to the Policy that do not change the effect of the Policy as adopted; and**
- 6. Review the Policy after the first 12 months from its adoption.**

CARRIED 5/0

7:59pm Councillor Jacob and Councillor Butson re-entered the room and resumed their chairs. Mayor advised of Council's decision.

EXECUTIVE SUMMARY

Council adopted for advertising the draft 'South Hedland Town Centre Design Guidelines' Local Planning Policy (the Policy) at its Ordinary Meeting held on 22 October 2014.

Advertising has now concluded and Council is asked to:

1. Consider the Policy in light of the submissions received during the advertising period; and
2. Resolve to adopt a modified version of the Policy and publish a notice in accordance with clause 5.1.6 (a) of the *Town of Port Hedland Town Planning Scheme No.5* (the Scheme) stating that the Policy will have effect upon publication of the said notice.

A copy of the Policy as advertised was presented to Council at the Ordinary Council Meeting held on 22 October 2014.

DETAILED REPORT

At the Ordinary Council Meeting held on 22 October 2014, under Item 11.1.4 (Res 201415/070), Council resolved as follows:

"That Council:

1. *Initiate the Draft South Hedland Town Centre Design Guidelines as a Local Planning Policy; and*
2. *Give notice of the South Hedland Town Centre Design Guidelines in accordance with section 5.1.4 of the Town Planning Scheme No. 5 for a minimum period of 43 days."*

Consultation

On 29 November 2014, officers of the Town established a market stall dedicated to the South Hedland Town Centre Design Guidelines at the Melodies and Markets event in South Hedland.

In total fifty two (52) people visited the stall and were invited to participate in a 'Ball in Jug' Survey. The survey invited respondents to place six (6) balls into eight (8) glass jars relating to key design elements of the Guidelines, which the respondents deemed to be the most important design element. Three hundred and twenty two (322) balls were placed into the different glass jars with '**Outdoor Living**' being voted as the most important design element with sixty three (63) balls in total. The results of the survey were as follows:

Safety	52
Good Lighting	38
Pedestrian Friendly	28
Use of Public Art	29
High Quality Materials	30
Outdoor Living	63

Designing for Bikes	30
Environmentally Friendly	52

Statutory advertising in accordance with clause 5.1.4 (a) and (b) of Council's Town Planning Scheme No.5 (the Scheme) occurred from 12 November 2014, with notices published in the *North West Telegraph* of 12 November 2014 and 10 December 2014. Additional notices were placed on the Town's website and on the public notice board at the Civic Centre.

Submissions on the draft policy were invited up to and including Friday 30 January 2015 for a period of 43 days. Four submissions were received. Refer Attachment 1.

The submissions received during the notification period are supportive of the Policy.

While the submission by the West Australia Drug and Alcohol Office is welcomed, officers have formed the view that the issues raised by the Office are, in the main, considered to be non-material planning considerations. A copy of the Office's full submission can be made available upon request.

The submission by Urban Design Landscape Architecture (UDLA) is supported in the main and it is recommended the Guidelines are modified accordingly.

Overall UDLA has indicated that it support the principles behind the professionally produced guidelines document, and recognise a number of the vision objectives provided can only occur as the social capacity of South Hedland is developed. Therefore, UDLA's review of the policy document does not suggest large amendments but rather provides a more detailed review that will 'lift' the final product. Refer Attachment 1 – Schedule of Submissions.

WaterCorp advised that development applications should be accompanied by a water management plan that includes appliance labelling standards, incentives for occupants to be water efficient, garden and irrigation design, leak detection and maintenance, and opportunities explored for recycling.

In response to this point, it is acknowledged that the Town supports the principle of water re-use, however, the preparation and lodgement of such a plan at the Development Application stage is considered onerous.

WaterCorp also recommends the Town of Port Hedland develop guidelines for water efficiency that tailor buildings to their prevailing climate in addition to the requirements of the Building Code of Australia.

In response to the point above, officers are of the view that the Town could investigate the preparation of building guidelines that apply to the Town's entire jurisdiction relating to water efficiency. It does, however, not impact on the operation of the policy. Consequently, amendment of the document to reflect this point is neither required, nor recommended.

Council is now required to consider the Policy in light of the submissions and decide whether or not to adopt the Policy (with modification) to take effect.

A marked-up version of the Guidelines document is attached as Attachment 3.

FINANCIAL IMPLICATIONS

The cost of publishing a notice of adoption of the Policy in the local newspaper of approximately \$160.00 (inclusive of GST) will be incurred against the Planning Department's budget.

STATUTORY AND POLICY IMPLICATIONS

Statutory Environment

The procedures for making or amending a Local Planning Policy are outlined in clauses 5.1.4 – 5.1.10 of the Scheme.

Council has fulfilled the requirements of clause 5.1.4 (a) and (b) of the Scheme and can now consider adoption of the Policy under clause 5.1.5 (b) with or without modification.

Where the Policy is in conflict with the Scheme then the provisions of the Scheme shall prevail. Where the provisions of the Policy conflict with the Residential Design Codes of Western Australia, then the provisions of the Policy shall prevail.

The preparation and implementation of Design Guidelines for South Hedland Town Centre is consistent with the 'Implementation Indicators' of Precinct 11 – City Centre of the Town's adopted Local Planning Strategy - *Pilbara's Port City Growth Plan 2012*.

The following section of Council's Strategic Community Plan 2014 - 2024 are considered relevant to the Policy:

2.1 A thriving, resilient and diverse economy - facilitate commercial, industry and town growth

3.3 Safe, attractive and accessible environment - partner with residents and local businesses to deliver high standard of visual amenity and cleanliness

ATTACHMENTS

1. Schedule of Submissions
2. Schedule of Modifications
3. South Hedland Town Centre Design Guidelines (with markups) (Under Separate Cover)

3 June 2015

ATTACHMENT 1 TO ITEM 12.1.4

Town of Port Hedland Town Planning Scheme No. 5
South Hedland Town Centre Design Guidelines

Town of Port Hedland Town Planning Scheme No.5
South Hedland Town Centre Design Guidelines Local Planning Policy
Schedule of Submissions

No.	Date Received	Name	Address	Comments Made (summary)	Council Recommendation
1	13 Feb 2015	Main Roads WA	PO Box 2256 South Hedland WA 6722	No Comments	
2	13 Nov 2014	Water Corporation (WaterCorp)	PO Box 100 Leederville WA 6902	<p>WaterCorp advises that development applications should be accompanied by a water management plan that includes appliance labelling standards, incentives for occupants to be water efficient, garden and irrigation design, leak detection and maintenance, and opportunities explored for recycling.</p> <p>WaterCorp recommends the Town of Port Hedland develop building guidelines for water efficiency that tailor buildings to their prevailing climate in addition to the requirements of the Building Code of Australia.</p>	<p>Noted. A requirement to submit a Water Management Plan at the time a Development Application (DA) is submitted is not supported. The Town supports the principle of water re-use, however, the preparation and lodgement of such a plan at the DA stage is considered onerous.</p> <p>Noted. As suggested by WaterCorp, the Town could investigate the preparation of building guidelines that apply to the Town's entire jurisdiction relating to water efficiency.</p> <p>Amendment of Design Guidelines document not required.</p>
3	30 Jan 2015	Drug & Alcohol Office (DAO)	PO Box 126 Mt Lawley WA 6929	<p>DAO advises that its submission does not constitute an objection to the Draft Design Guidelines.</p> <p>Advises it may be of benefit to include reference to other key plans or policies of the Local Government that promote the Town's existing commitment to safety and wellbeing if appropriate.</p> <p>DAO further advises that, in progressing the Town's Design Guidelines, measures such as place management and other policies linked to the Town's Health and Wellbeing Plan or other broader health plans could support the Town to minimise potential risks.</p>	<p>Noted.</p> <p>Noted. Amendment of Design Guidelines document not required.</p> <p>Noted. Amendment of Design Guidelines document not required.</p>

Town of Port Hedland Town Planning Scheme No. 5
South Hedland Town Centre Design Guidelines

No.	Date Received	Name	Address	Comments Made (summary)	Council Recommendation
4	30 Jan 2015	Urban Design Landscape Architecture (UDLA)	N/A	<p>UDLA advises that a number of the images used in the document are now dated or not valid.</p> <p>With regards to Section 4.1.3 – Lighting, UDLA suggests the 'Objectives' section in the Design Guidelines document could also note the importance of promoting Solar Energy options, investigating feasibility with regard to balancing cost against potential vandalism, maintenance, lifespan, potential aesthetic/educational qualities and energy gained.</p> <p>With respect to Section 4.1.5 – Pedestrian Friendly Streets, UDLA advises that the Development Controls should also note the importance of the need to:</p> <ul style="list-style-type: none"> • Create continuous shaded pedestrian links (by trees or structures), and • Create pedestrian prioritised areas providing opportunities for activation and increasing passive surveillance <p>With respect to Section 4.1.7 – Public Artwork, UDLA recommends the Town of Port Hedland include an 'Objective' to incorporate artwork through a diverse range of ways e.g. include in way finding element, use artistic landmarks to terminate views along recreational routes, entry statements etc and under 'Design Guidance' point 3, it should be noted that any outdoor art work should be installed to cyclone rated standards.</p> <p>With respect to Section 4.3.7 – Water Management, UDLA advises that, in their opinion, detention of residential site run-off water is admirable and should be achieved through dry creek swale features etc.</p>	<p>Noted. This point has been raised with LandCorp who advised UDLA can provide LandCorp with updated imagery through its engagement with the overall South Hedland Town Centre revitalisation project. Amendment of Design Guidelines document not required.</p> <p>Noted. Disagree. It is considered the current objectives already adequately cover the principle of energy efficient / alternative energy source options. Amendment of Design Guidelines document not required.</p> <p>Noted. Disagree. The Development Controls recommended are difficult to implement and enforce given the purpose of the Design Guidelines Policy (i.e. it is essentially an assessment tool for DA's). There are existing Development Controls relating to the need for shade protection (i.e. awnings) and minimum street setbacks, which are considered to ensure the objectives are met. Amendment of Design Guidelines document not required.</p> <p>Noted and supported. Additional Design Guidance to be included. Amend Document accordingly.</p> <p>Noted. Disagree. It is considered that any on-site detention requirement should default to the Town's typical standard.</p>

Town of Port Hedland Town Planning Scheme No. 5
 South Hedland Town Centre Design Guidelines

No.	Date Received	Name	Address	Comments Made (summary)	Council Recommendation
				<p>however is the above statement based on blanket R Coding requirement for WA as we believe that this type of site detention would most likely not relate to the North West due to the low/poor infiltration rates on Pindan type soils. Pretty Pool or parts of Hedland on the front sand dune would have more opportunity to conform, however there are some large 1 in 1 storm events.</p> <p>In regards Section 4.4.1 – Biodiversity, under 'Development Controls', UDLA suggest the following points should be considered for inclusion;</p> <ul style="list-style-type: none"> • Local clean topsoil and organic mulch is extremely scarce in Hedland and expensive to import and should be retained on site, where possible. When clearing a lot and/or site, the local topsoil, native grasses and any remnant provenance vegetation should be stripped, mulched and stockpiled. It can then be respread in garden bed areas or if stockpile appropriately for a short period can be used for revegetation as the topsoil profile and mulch contain viable local seed • Dense shade tree planting is encouraged to develop continuous shaded links and/or public areas <p>Under 'Design Guidance', UDLA recommend the following points should be considered for inclusion;</p> <ul style="list-style-type: none"> • Local native plants are essential to assist in maintaining the pre-development water flows/during the wet season. E.g. native grasses flatten when water flows through them and they slow the water down and filter out debris and silts that can potentially cause harm to downstream marine and mangrove systems 	<p>Noted and supported. Additional Development Controls and Design Guidance notes to be included. Amend Document accordingly.</p>

Town of Port Hedland Town Planning Scheme No. 5
South Hedland Town Centre Design Guidelines

No.	Date Received	Name	Address	Comments Made (summary)	Council Recommendation
				<ul style="list-style-type: none"> • Local plants rarely require more than a 2 establishment period and depending on application, i.e. feature garden of swale revegetation planting, permanent watering can be terminated • Local native plants also withstand drought and are cyclone resistant. <p>With respect to Section 4.4.3 – Softscape Elements, UDLA recommend as follows:</p> <p>The first 'Objective' point could include the following at the end of the note;</p> <ul style="list-style-type: none"> • To provide ample shade to encourage the ongoing use of outdoor spaces throughout the year, and at different times of the day as vegetation lowers temperatures and provides visual amenity. <p>The fifth point under 'Development Controls' could include the following clarification about the use of cracker dust mulch;</p> <ul style="list-style-type: none"> • NOTE: However feature aggregates i.e. stabilised decorative quartz are possible alternatives. (Attractive, low maintenance and also absorb less heat.) <p>The last point under 'Development Controls' could include the following at the end of the note;</p> <ul style="list-style-type: none"> • All planting areas located with access to the public (e.g. street setbacks) are not to utilise aggregates with individual particles above 15-20mm due to being used as a projectile <p>With respect to Section 4.4.4 – Hardscape Elements, UDLA recommend as follows:</p> <p>Under 'Design Guidance', the following could be</p>	<p>Noted and supported. Additional Objectives / Development Controls to be included. Amend Document accordingly.</p> <p>Noted and supported. Additional Design Guidance to be</p>

Town of Port Hedland Town Planning Scheme No. 5
South Hedland Town Centre Design Guidelines

No.	Date Received	Name	Address	Comments Made (summary)	Council Recommendation
				<p>considered for inclusion;</p> <ul style="list-style-type: none"> Consider using lighter pavement tones to reflect heat and lessen the heat island effect <p>With respect to Section 4.4.6 – Recommended Plant List, UDLA recommend the following be added:</p> <p>Exotic Trees</p> <ul style="list-style-type: none"> Brachychiton gregorii (Desert Kurrajong) is a WA tree - not an exotic tree; Delonix regia (Poinciana) does not perform well in the cyclonic conditions and should not be recommended as an Exotic Tree; Under Exotic Trees please include the <i>Millettia pinnata</i> (Indian Beech) which is an attractive exotic tree that provides dense shade; <p>Native Street Trees</p> <ul style="list-style-type: none"> Include the <i>Brachychiton gregorii</i> (Desert Kurrajong); Include the <i>Corymbia flavescens</i> (Ghost gum) <p>Native Shade Trees</p> <ul style="list-style-type: none"> Note that the <i>Owenia reticulata</i> (Native Walnut/Desert Walnut) also known as the <i>Pundie Tree</i>, is endemic to South Hedland and only grows in the area. It is very hard to propagate and therefore should be protected from clearing where possible. <p>Small Trees</p> <ul style="list-style-type: none"> The <i>Bauhinia cunninghamii</i>'s common name is the Native <i>Bauhinia</i>. 	<p>included. Amend Document accordingly.</p> <p>Noted and supported. Amend Recommended Plant List in Document accordingly.</p>

ATTACHMENT 2 OF ITEM 12.1.4

Town of Port Hedland Town Planning Scheme No. 5
 South Hedland Town Centre Design Guidelines Local Planning Policy - Schedule of Modifications

Town of Port Hedland Town Planning Scheme No. 5
 South Hedland Town Centre Design Guidelines
 Schedule of Modifications

No.	Modification Requested	Reason for Modification
1	Under Section 4.1.7 – Public Artwork, include the following additional objective: <i>To incorporate public artworks through a diverse range of ways in the urban fabric of the South Hedland Town Centre</i>	To recognise and expand on the importance of the provision of public art through a diverse range of ways. E.g. through the 'way finding' element, use of artistic landmarks to terminate views along recreational routes and entry statements.
2	Under Section 4.1.7 – Public Artwork, include the following additional sentence under the third 'Design Guidance' point: <i>Outdoor artwork should be installed to Cyclone standards.</i>	For clarity.
3	Under Section 4.4.1 – Biodiversity, include the following additional points under 'Development Controls': <ul style="list-style-type: none"> • <i>When clearing a lot and/or site, the local top soil, native grasses and any remnant provenance vegetation should be stripped, mulched and stockpiled for future use.</i> • <i>Dense shade tree planting is encouraged to develop continuous shaded links and/or public areas.</i> 	To acknowledge the scarcity and value of local clean topsoil and organic mulch including the benefits of stockpiling mulched remnant provenance vegetation. To recognise the secondary values of dense shade tree planting in this climate.
4	Under Section 4.4.1 – Biodiversity, include the following additional points under 'Design Guidance': <ul style="list-style-type: none"> • <i>Local native plants are essential to assist in maintaining the pre-development water flows / during the wet season. E.g. native grasses flatten when water flows through them and they slow the water down and filter out debris and silts that can potentially cause harm to downstream marine and mangrove systems.</i> • <i>Local plants rarely require more than a 2 establishment period and depending on application, i.e. feature garden of swale revegetation planting, permanent watering can be terminated.</i> • <i>Local native plants also withstand drought and are cyclone resistant.</i> 	To acknowledge the benefits of using local native plants in landscaping and for clarity.
5	Under Section 4.4.3 – Soft Landscaping, extend the sentence under the second point of the 'Objectives' heading with the following words: <i>...and to provide ample shade to encourage the ongoing use of outdoor spaces throughout the year and at different times of the day as vegetation lowers temperatures and provides visual amenity.</i>	For clarity.

Town of Port Hedland Town Planning Scheme No.5
South Hedland Town Centre Design Guidelines Local Planning Policy - Schedule of Modifications

No.	Modification Requested	Reason for Modification
6	<p>Under Section 4.4.3 – Soft Landscaping, include the following additional sentence to the fifth point under the 'Development Controls' heading:</p> <p>Feature aggregates such as stabilised decorative quartz are possible alternatives.</p>	<p>To encourage the use of alternative materials other than crackerdust for use as garden mulch.</p>
7	<p>Under Section 4.4.3 – Soft Landscaping, include the following additional point under 'Design Guidance' heading:</p> <ul style="list-style-type: none"> • All planting areas located with access to the public (e.g. street setbacks) are not to utilise aggregates with individual particles above 15 - 20mm due to being used as a projectile. 	<p>To avoid inert granular materials such as crushed stone (potentially) being used as projectiles.</p>
8	<p>Under Section 4.4.4 – Hardscape Elements, include the following additional point under 'Design Guidance' heading:</p> <ul style="list-style-type: none"> • Consider using lighter pavement tones to reflect heat and lessen the heat island effect. 	<p>To encourage the use of lighter pavement tones to reflect heat and lessen the heat island effect.</p>
9	<p>Under Section 4.4.6 – Recommended Plant List, effect the following corrections:</p> <p>Under Exotic Street Trees, delete the following species from the list:</p> <ul style="list-style-type: none"> • <i>Brachychiton gregori</i> (Desert Kurrajong); and • <i>Delonix regia</i> (Poinciana) <p>Under Exotic Street Trees, add the following additional species:</p> <ul style="list-style-type: none"> • <i>Millettia pinnata</i> (Indian Beach) <p>Under Native Street Trees, add the following species:</p> <ul style="list-style-type: none"> • <i>Brachychiton gregori</i> (Desert Kurrajong); and • <i>Corymbia faveosens</i> (Ghost Gum) <p>Under Small Trees, under 'Common Name' column, include the following common name against <i>Bauhenia cunningghamii</i>' scientific name:</p> <ul style="list-style-type: none"> • Native Bauhenia <p>Under Section 4.4.6 – Recommended Plant List, include the following note:</p> <p>*Note: The <i>Owenia reticulata</i>, also known as the <i>Pundie Tree</i>, is endemic to South Hedland and only grows in the area. It is very hard to propagate and therefore should be protected from clearing.</p>	<p>In recognition of the fact that the Desert Kurrajong is a WA native species. To acknowledge that the Poinciana does not perform well in cyclonic conditions and should therefore not be recommended as an Exotic Tree.</p> <p>To replenish and expand the list of exotic trees.</p> <p>To recognise the Desert Kurrajong is a WA native species and to expand the list of native street trees.</p> <p>For clarity.</p> <p>To protect this rare native species from clearing.</p>

12.1.5 Initiation of Scheme Amendment No.76 to Town Planning Scheme No.5; Rezoning Various Lots on the corner of Murdoch Drive and Outer Ring Road, South Hedland to the 'Urban Development' zone

Ryan Del Casale, Strategic Planning Officer
File No. 18/09/0090

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/276 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR HOOPER

That Council:

1. **Resolve to initiate, pursuant to Part 5 of the *Planning and Development Act 2005*, Scheme Amendment No.76 to the *Town of Port Hedland Town Planning Scheme No.5* to;**
 - a) **Rezone Lots 570,571,572 and 574 on Deposited Plan 7663 from 'Rural' to the 'Urban Development' zone;**
 - b) **Rezone Lot 9001 on Deposited Plan 75754 from 'Residential R20' to the 'Urban Development' zone; and**
 - c) **Amend the Scheme Map accordingly.**
2. **Forward Scheme Amendment No.76 to the Environmental Protection Authority (EPA) for comment, pursuant to Section 81 of the *Planning and Development Act 2005***
3. **Advertise, should confirmation from the EPA indicate the amendment is not subject to formal environmental assessment, Amendment No.76 pursuant to Regulation 25(2) of the *Town Planning Regulations 1967 (as amended)* for a period of 42 days.**

CARRIED 7/0

EXECUTIVE SUMMARY

Scheme Amendment No.76 has been lodged by the Department of Housing to rezone various lots in the south-east corner of South Hedland which are situated to the north east of the Town of Port Hedland Waste Disposal and Treatment Plant (also known as the Landfill). The majority of these lots are currently zoned 'Rural' with a small portion zoned 'Residential'.

The Scheme Amendment to the Urban Development zone will allow the development of the land to be pursued at some point in the future subject to detailed investigations and design requirements addressed through a Development Plan in accordance with the Scheme.

On the basis of the information included in the report, it is recommended Council initiate the amendment.

DETAILED REPORT

Background

Scheme Amendment No.76 (Amendment 76) has been prepared by Cardno (WA) Pty Ltd Planning Consultants (the applicant) on behalf of Department of Housing (DoH).

The purpose of Amendment 76 is to rezone the subject site from 'Rural' and 'Residential R20' to 'Urban Development' under Town Planning Scheme No.5 (Scheme no.5) (Refer to Report in Attachment 1).

The purpose of the Urban Development zone is to identify land where detailed planning and the provision of infrastructure is required prior to the further subdivision and development of land. This planning should be documented in the form of a "Development Plan".

The ultimate aim is to develop the site for housing, community facilities, public open space and a local neighbourhood centre which will be guided by a Development Plan. To this end, it is understood the Department of Housing has no intention to pursue the approval of a Development Plan at this point in time.

The Town will, however, have the opportunity to formally consider a Development Plan when the land is proposed for actual development. Preparing a Development Plan will require technical studies to be undertaken and require further consideration of matters such as the proximity of the subject site to the Landfill, road design, how drainage will work and where public open space should be located.

The subject site is identified as a suitable site for the expansion of residential development in Council's Pilbara's Port City Growth Plan (the Growth Plan). Amendment 76 is also consistent with the surrounding land, which has been developed with mix of housing types and densities of 'R20' and 'R30'. A76 is consistent with the land to the east (the 'Eastern Gateway' project area) which is currently under investigation by the Town where it is intended that a similar Development Plan prepared over that site.

Site Description

The subject site is vacant, covered by remnant vegetation and consists of the following four lots;

- Lot 9001 on Deposited Plan 75754;
- Lots 570-572 and
- Lot 574 on Deposited Plan 76676 (Attachment 2).

The majority of the subject site is zoned 'Rural' under Scheme no.5 with a small portion to the west of the site being zoned 'Residential R20'. The subject site is located approximately 1.5 kilometres to the east of the South Hedland Town Centre and immediately to the north west of the Town's Waste Disposal Treatment Plant (the Landfill).

Consultation

Amendment 76 has been circulated internally within the Town as follows;

Internally:

- Manager Environmental Health Services
- Manager Economic Development and Strategy
- Acting Manager Infrastructure Development
- Manager Community Development
- Manager Community Recreation Facilities and Services
- Manager Property and Asset Strategy
- Lands and Technical Officer

The following comments were received from Environmental Health Services;

- It is recommended that no development occur within 500m buffer to the Town's Landfill; and
- It is recommended that a more detailed environmental review be undertaken, including site specific ground water study, due to proximity to landfill.

These comments are noted and are addressed in the section below concerning the Landfill.

Community Workshop

On May 28 2014 the applicant conducted a community consultation and visioning workshop in South Hedland to discuss the future development of the subject site. Some of the issues raised from the workshop were;

- That larger homes with back yards are needed with sufficient storage;
- That passive solar design should be incorporated into the lot layouts;
- How would a Development Plan address housing affordability in the Town?
- How would the drainage channel dissecting the site be developed? What would be the costs to maintain it?
- Would a local or neighbourhood centre be detrimental to the South Hedland Town Centre?

During the session the applicant prepared preliminary sketches for the Development Plan. These sketches are only preliminary and further information will be provided as part of the Development Plan preparation, should Amendment 76 be adopted by Council.

Should Council resolve to initiate Amendment 76, then the amendment will be advertised in accordance with Scheme no.5 and forwarded to the Environmental Protection Authority for comment in accordance with the *Planning and Development Act 2005*.

The Town of Port Hedland Landfill

The subject site is affected by a generic 500m buffer area associated with the Landfill site. It is noted that should Amendment 76 be initiated for advertising, the amendment will be forwarded to the Environmental Protection Authority (EPA) for formal comment. Furthermore the applicant will be required to adequately address any issues concerning the buffer as part of the preparation of the Development Plan for the subject site.

Educational Facilities and Open Space

The Growth Plan identifies the subject site as having the capacity to provide educational facilities and public open space. The applicant has noted that during their preparation of a Development Plan, the Department of Education of Western Australia (DoE) has been consulted.

Through this discussion it has been found that a primary school is not required on the subject site as the catchment area is currently adequately service by existing schools in South Hedland. If Amendment 76 is initiated by Council to be advertised, Town officers would formally refer the amendment to the DoE for comment on this matter.

The requirements for providing public open space in residential areas are set out in policies such as the Western Australian Planning Commission's Development Control Policy 2.3 Public Open Space in Residential Areas, (DCP2.3). Under DCP2.3 the normal requirements for providing public open space in residential area is 10% of the gross subdivisible area be given up free of cost by the subdivider and vested in the Crown under provisions the *Planning and Development Act 2005*. This process accords with the objectives of the Town's *Active Open Space Strategy* prepared in circa 2011, for the provision of public open space.

The statutory requirements for the provision of public open space and the fact that the Growth Plan identifies the subject site as being required to provide public open space are noted.

It is also noted is noted that Town Officers are still currently investigating a suitable location for a public open space and a district recreation facility in South Hedland. However, these issues are not considered to impact upon the initiation of Amendment 76 as the amendment seeks only to change the zoning of the site. The location of public open space will form part of the thorough development planning of the subject site. The applicant has highlighted these issues and the need for the DoH and the Town to have further consultation and investigate where public open space should be located.

FINANCIAL IMPLICATIONS

The applicant has paid the following prescribed fees; \$10,162.15 for the initiation of Amendment 76.

STATUTORY AND POLICY IMPLICATIONS

The Planning and Development Act 2005 and the Town Planning Regulations 1967, provides Council the authority to amend Scheme No.5 and establishes the procedure required to initiate Amendment 76 to Scheme no.5.

Strategic Planning Considerations

The following sections of Council's Strategic Community Plan 2014-2024 are relevant to Amendment 76.

1.0 Building a unified and vibrant community

1.1 A unified community across our townships

Amendment 76 is consistent with section 1.1 of Council's Strategic Community Plan 2014-2024. The amendment seeks to provide a new local centre comprised of new and affordable housing options and public open space. This proposal has the potential to provide safe and accessible community facilities and public spaces where events and activities can be undertaken that unite residents and offer amenity.

2.0 Supporting a Diverse Economy

2.1 A thriving, resilient and diverse economy

Amendment 76 seeks to provide further housing options in South Hedland, which are more affordable and in close proximity to public open space and potentially a new local neighbourhood centre. All of these objectives are consistent with section 2.1 of the Council Strategic Community Plan 2014-2024 and will help to attract residents to this part of South Hedland by offering a new local centre with the potential for a mix of affordable housing options, both medium and lower density with the potential for small scale commercial and community land uses to be established.

Pilbara's Port City Growth Plan

The following sections of the Growth Plan are relevant to Amendment 76.

5.6.12 Precinct 12- South Hedland East

The subject site is identified in Precinct 12- South Hedland East of the Growth Plan as a priority area to be released for urban development. Precinct 12 consists of predominantly residential development mainly single houses with some higher density housing.

The southern portion of the subject site has been identified for residential land uses consisting of low density (R15-R30) and a smaller portion medium density (R40-R60).

Two public purpose sites have been identified for a primary school and a high school. The Growth Plan also identifies a neighbourhood or local centre to be established in the north east corner of the subject site and a district regional facility to be located in-between the two school sites.

The objectives of the Growth Plan for Precinct 12 are;

- To support the ongoing infill and redevelopment of residential land within the precinct;
- For the immediate term release to the south east of the Precinct (which includes the subject site);
- To provide further education and community facilities; and
- To provide a mixed use local centre at the eastern end of Murdoch Drive.

The Growth Plan identifies the subject site as requiring further detailed master planning, which is consistent with the intention of the DoH. DoH has highlighted the need to undertake further detailed planning and investigation of the site, by providing a Development Plan, should Amendment 76 be initiated and adopted by the Council. DoH notes that this process is currently underway in consultation with the DoE.

Conclusion

Amendment 76 seeks to rezone the subject site to allow for Development Plan to be prepared over the site, which will guide the subdivision and development of the site.

This process will allow for further detailed investigations at the appropriate time to be undertaken which will address details such as the provision of public open space and developing in close proximity to the Landfill site.

Amendment 76 is consistent with the provisions of Scheme No.5 and the objectives of the Growth Plan for South Hedland. It is recommended that Amendment 76 be initiated as outlined in the Officer's Recommendation section of this report.

ATTACHMENTS

1. Amendment 76 Report (Under Separate Cover)
2. Location Plan

9 June 2015

ATTACHMENT 1 TO ITEM 12.1.5



12.1.6 Town of Port Hedland Disability Access and Inclusion Plan – Annual Report 2014/2015

Jane Wheller, Youth & Community Development Officer
File No. 03/01/0022

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/277 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR GILLINGHAM

That Council:

- 1. Receive the updates provided as part of the Progress Report - Town of Port Hedland Disability Access and Inclusion Plan 2013 – 2017**
- 2. Note that this agenda item and the Disability Access and Inclusion Plan (DAIP) 2013 - 2017 will be presented to the Disability Services Commission as a formal document in July 2015.**

CARRIED 7/0

EXECUTIVE SUMMARY

The Disability Access and Inclusion Plan (DAIP) 2013 – 2017 was endorsed at the September 2013 OCM. This report outlines progress achieved over the past year against the Town's DAIP.

Council is requested to note the progress taken by officers towards implementing the Disability Access and Inclusion Plan 2013 – 2017, including implementation strategies and actions. A report on the DAIPs achievements will be forwarded to the Disability Services Commission in July 2015.

DETAILED REPORT

All public authorities in Western Australia are required under the *Disability Services Act (1993)* to develop, implement, review and report on a Disability Access and Inclusion Plan (DAIP).

The requirements of DAIP's are to ensure that people with a disability can access services, facilities, buildings and information provided by public authorities in Western Australia in a way that facilitates increased independence, opportunities and inclusion within the community.

Internal consultation with all relevant Town departments has been undertaken to provide updates. A quarterly report has been implemented to monitor progress, reporting process has been to the Executive group.

The continued development and engagement of the disability reference group has attributed to the following projects and events in the DAIP:

- Disability Week events
- Consulted in the purchase of a new hoist and adult change table install at the SHAC
- Feedback sought on youth group partnership between Lifestyle Solutions and JD Hardie Youth Zone

Some of the highlights of the DAIP report are:

- New hoist and adult change table installed at SHAC
- Expansion of inclusive programs in partnership with Lifestyle Solutions
- Strengthened partnerships and dialogue with key sector agencies

FINANCIAL IMPLICATIONS

Actions not complete in 2014/15 will need to be budgeted for in FY 15/16.

STATUTORY AND POLICY IMPLICATIONS

All public authorities in Western Australia are required under the *Disability Services Act (1993)* to develop, implement, review and report on a Disability Access and Inclusion Plan (DAIP).

Policy implication:

Policy 8/003- Access Policy for people with disabilities, their families and carers outlines the Town of Port Hedland commitment to recognizing a community for its diversity and supports the participation of all of its members towards making a richer community life.

Strategic Planning implication:

The DAIP aims to ensure the Town's services, facilities and information is accessible and inclusive for all community members. This is part of the Town's commitment to improving the life and wellbeing of the community.

ATTACHMENTS

1. Progress Report DAIP 2013 - 2017 Implementation Plan Progress Report for 2014 – 2015 (Under Separate Cover)

25 May 2015

8:00pm Councillor Hooper declared a financial interest in item 12.1.7 'Port Hedland Visitor Centre management Agreement Extension' as he is contracted by FORM.

Councillor Hooper left the room.

12.1.7 Port Hedland Visitor Centre Management Agreement Extension

Brie Holland, Economic Development Officer
File No. 05/09/0017

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/278 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR DACCACHE

That Council:

- 1. Note that a report on the Port Hedland Visitor Centre Contract Management Agreement extension formed part of the Audit, Risk and Governance Committee Agenda on the 10 June 2015;**
- 2. Endorse the variations to the Port Hedland Visitor Centre management agreement with FORM Contemporary Craft and Design Inc. for the 2015/16 and 2016/17 financial periods;**
- 3. Acknowledge FORM Contemporary Craft and Design Inc.'s fixed management fee of \$365,000 (ex GST) and includes this fee in the annual budget processes for the 2015/16 and 2016/17 financial periods;**
- 4. Authorise the Chief Executive Officer to negotiate and enter into a Management Agreement with FORM Contemporary Craft and Design Inc. for the Port Hedland Visitors Centre for a two year period concluding on 30 June 2017; and**
- 5. Request the Chief Executive Officer, or his delegate(s), to prepare a report for the 22 July 2015 OCM on the formation and operations of the proposed Tourism/Economic Development reference group as recommended by the Audit, Risk and Governance Committee.**

CARRIED 6/0

8:02pm Councillor Hooper re-entered the room and resumed his chair. Mayor advised of Council's decision.

EXECUTIVE SUMMARY

The purpose of this report is for Council to review and accept the contract variations to the management agreement for the Port Hedland Visitors Centre ('PHVC') and authorise the Chief Executive Officer ('CEO') or his delegate officer to sign the revised contract which extends FORM Contemporary Craft and Design Inc. ('FORM') management tenure for the 2015/16 and 2016/17 financial periods.

DETAILED REPORT

FORM has successfully managed the Town of Port Hedland's (the 'Town') PHVC for the past three years. The PHVC refurbishment has been well received by residents and visitors. Tourism Council Australia carried out an audit of the PHVC in March of this year.

Once the report has been received FORM will forward a copy to the Town. The report provided positive verbal feedback and made specific verbal mention that the PHVC was the 'best presented Visitor Centre in the State'. Tourism Council went on to encourage the PHVC to nominate the 'Discover the Pilbara' online platform for a State Tourism Award.

The Management Agreement between the Town and FORM expires on 30th June 2015. The current Management Agreement contains the following clause to extend the term: -

'The Town may in its sole discretion extend this Contract for an additional term of up to 2 years provided the Town gives the Contractor written notice of its intention to put into effect the Initial Extension at least three months prior to the expiry of the Initial Contract Term.'

On Wednesday 26 November 2014 the Council resolved the following:-

'Approve to extend the current contract with FORM for an additional term of up to two years, subject to agreeable management fee negotiations carried out by the CEO or his delegated officer and provided the Town gives FORM written notice of its intention to put into effect the initial extension at least three months prior to the expiry of the initial contract term (as per current contractual terms) subject to successful negotiations of the following:

- *Management of all activities associated with the cruise ship visits*
- *Establishment of Key Performance Indicators*
- *Establishment of a Community reference group*
- *Development of Indigenous tourism products*
- *Development of a Port Hedland promotion campaign'*

A Concept Briefing was held on Wednesday 22 April 2015 regarding the proposed variations to the contract.

The final contract variations were considered by the Audit, Risk and Governance Committee on Wednesday 10 June 2015.

*Contract variations**Management of all activities associated with the cruise ship visit*

All parties agree that the cruise ships visits require a great deal of flexibility and cooperation amongst all stakeholders. All entities have shown a willingness to work together as we strive improve from visit to visit. One example of the cooperation will be the production of a short vignette showcasing Port Hedland for the 2015/ 2016 seasons. The Town has received funding from the Pilbara Development Commission and the vignette will be co-produced by all the stakeholders. The responsibilities for each organisation are noted below.

The Town of Port Hedland:

- Organises the Ambassadors including supplying hats, shirts and lunch;
- Organises various functions on the day of the visit including cold water and chair rental; and
- Assists with the set up and break down.

The Chamber of Commerce:

- Markets the upcoming visitation to local businesses and provides advice on how increase patronage on the day of the visits; and
- Assists with the Ambassador recruitment and supplies some volunteers (based upon capacity) on the day of the visit including setting up and breaking down.

The Visitors Centre:

- Organises the tours on the day of visit;
- Organises the traffic management on the day of the visit;
- Organises the markets in conjunction with the Town;
- Assists with breakdown and set on the day of the visit; and
- Acts as primary contact with the cruise companies and ground agents (not the exclusive liaisons).

Establishment of Key Performance Indicators

Both parties will work collaboratively to ensure KPI's are met. The Town also agrees to help attract additional membership. Current KPI's within the agreement will include:

- Increasing centre membership;
- Maintaining minimum staffing of three Coordinators;
- Maintaining opening hours: Monday to Friday: 9-5; Saturday: 9am - 2pm; Sunday: 9am -2pm (peak tourism season); Closed for public holidays;
- Retaining Level 1 accreditation through the WA Visitor Centre Accreditation Program;
- Encouraging the Centre to be part of the regional school's curriculum and education program; and
- Providing tours - BHP industrial tour, Historical Tour and the Spinifex Hill Art Studio tour.

Establishment of a Community reference group

A Tourism/ Economic Development reference group is being developed and led by the Town. FORM will be a representative and participant. Other participants could include Chamber of Commerce, Representatives of the local hotel industry, Representatives of industry, Representatives of various small businesses that would benefit or have an interest in tourism, Pilbara Development Commission and the Seafarers Centre.

Development of Indigenous tourism product

FORM are willing to participate in collaborating with the Town, should the Town be successful in obtaining grant funding designed specifically for aiding the development of Indigenous specific tourism products.

Development of a Port Hedland promotion campaign

FORM is and will continue to be active in delivering promotion campaigns highlighting Port Hedland as a Tourist destination and is willing to collaborate with the Town's Corporate Information team to further facilitate this resolution. Additionally the Port Hedland Chamber of Commerce, the Town and FORM will collaborate closely in creating a presence at the Perth Caravan and Camping show held annually in Perth, from 2016.

Council does have the option of requesting further contractual changes, however this is not recommended given it is an extension to the existing agreement rather than a new agreement.

FORM was consulted in the preparation of this report.

FINANCIAL IMPLICATIONS

Council will need to allocate \$365,000 (ex GST) in the 2015/16 and 2016/17 budgets for the contract management fee of the PHVC, payable quarterly in advance. This fixed contract fee is a 3.25% increase on the 2014/15 fee.

STATUTORY AND POLICY IMPLICATIONS*Strategic Community Plan 2014 – 2024*

This report aligns with the strategic theme and associated performance indicators within the current *Strategic Community Plan 2014 - 2024*. This proposed project falls under the strategic theme (section 2.2.2) to support a diverse economy; develop Port Hedland's tourism industry, facilitate increased accommodation offerings and position Port Hedland as a unique destination.

ATTACHMENTS

1. Management Agreement – Town of Port Hedland Visitor Centre (Under Separate Cover)

8 May 2015

12.1.8 Delegated Planning, Building & Environmental Health Approvals and Orders for May 2015

Carly Thompson, Executive Assistant – Community & Development
File No. 18/07/0002 & 07/02/0003

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/279 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR DACCACHE

SECONDED: CR JACOB

That Council receive the Schedule of Planning and Building approvals and Environmental Health, Building and Planning orders issued by Delegated Authority and the listing of current legal actions for the month of May 2015.

CARRIED 7/0

EXECUTIVE SUMMARY

This item relates to the Planning and Building approvals and Environmental Health Orders considered under Delegated Authority for the month of May 2015.

DETAILED REPORT

A listing of Planning and Building approvals and Environmental Health, Building and Planning orders issued by the Town's Planning, Building and Environmental Health Services under Delegated Authority for the month of May 2015 are attached to this report. Further to Council's request a listing of current legal actions is also attached to this report.

FINANCIAL IMPLICATIONS

Nil

STATUTORY AND POLICY IMPLICATIONS

Town of Port Hedland Delegation Register outlines the limitations of delegated authority and requires a list of approvals made under it to be provided to Council. This report is prepared to ensure Council is advised of the details of applications which have been dealt with under delegated authority.

ATTACHMENTS

1. Statistics for Building, Planning and health Approvals for the month of May 2015.

7 June 2015

ATTACHMENT 1 TO ITEM 12.1.8

DELEGATED PLANNING APPROVALS FOR MAY 2015

APPLICATION NO.	DESCRIPTION	LOT	PROPERTY ADDRESS	DATE APPROVED	APPLICANTS NAME	DEVELOPMENT VALUE
2015/037	MOTOR VEHICLE AND/OR MARINE SERVICE STATION - PROPOSED 24 HOUR UNMANNED FUEL STOP	2	3 MANGANESE STREET WEDGEFIELD 6721	06/05/2015	PLANNING SOLUTIONS	\$ 500,000.00
2015/057	THREE GROUPED DWELLINGS - TWO EXISTING	1776	60 & 60A GOODE STREET PORT HEDLAND 6721	06/05/2015	NIELS NIELSEN	\$ 300,000.00
2015/060	CHANGE OF USE - PLACE OF ANIMAL CARE	200	8 EDGAR STREET PORT HEDLAND 6721	06/05/2015	EMRIC ENTERPRISES PTY LTD	\$ -
2015/061	HOME BUSINESS - OFFICE	17	63 GREENFIELD STREET BOODARIE 6722	06/05/2015	POUND PLANNING & LAND DEVELOPMENT	\$ -
2015/062	RETROSPECTIVE SINGLE HOUSE, ANCILLARY ACCOMMODATION AND SEA CONTAINER	17	63 GREENFIELD STREET BOODARIE 6722	06/05/2015	MICHAEL POUND	\$ 70,000.00
2015/068	SIGNAGE	3763	43 HARWELL WAY WEDGEFIELD 6724	06/05/2015	Jon/DA Burke Builders	\$ 4,646.80
2015/063	PROPOSED CHANGE OF USE - INDUSTRY - GENERAL TO MOTOR VEHICLE AND/OR MARINE REPAIR AND PROPOSED THREE (3) SEA CONTAINERS	10	UNIT A 12 MUNDA WAY WEDGEFIELD 6724	07/05/2015	POUND PLANNING & LAND DEVELOPMENT	\$ 80,000.00
2015/066	TAKE-AWAY FOOD OUTLET	2115	LOT 2115 NORTH CIRCULAR ROAD SOUTH HEDLAND 6722	14/05/2015	APC PT HEDLAND PTY LTD	\$ 120,000.00
2015/076	HOME BUSINESS - MOBILE MECHANICAL SERVICE	3150	12 MITCHIE CRESCENT SOUTH HEDLAND 6722	21/05/2015	GREG BONES MOBILE MECHANICAL SERVICES	\$ -
2015/065	PROPOSED SINGLE DWELLING	160	77 TREVALLY ROAD SOUTH HEDLAND 6722	25/05/2015	BUILDINGLINES APPROVALS PTY LTD	\$ 470,000.00
2015/072	MIXED USE - SEVEN (7) MULTIPLE DWELLINGS, CAFE, CAMERA SHOP (WITH WORKSHOP) AND TWO (2) SHOPS	1004	L1004 WILLCOCK WAY SOUTH HEDLAND 6722	25/05/2015	PETER THOMAS CARTER	\$ 5,000,000.00
2015/082	SINGLE HOUSE - SEA CONTAINER	2	72B MORGANS STREET PORT HEDLAND 6721	26/05/2015	SURVEY GROUP	\$ 2,000.00
TOTAL 12						\$ 6,546,646.80

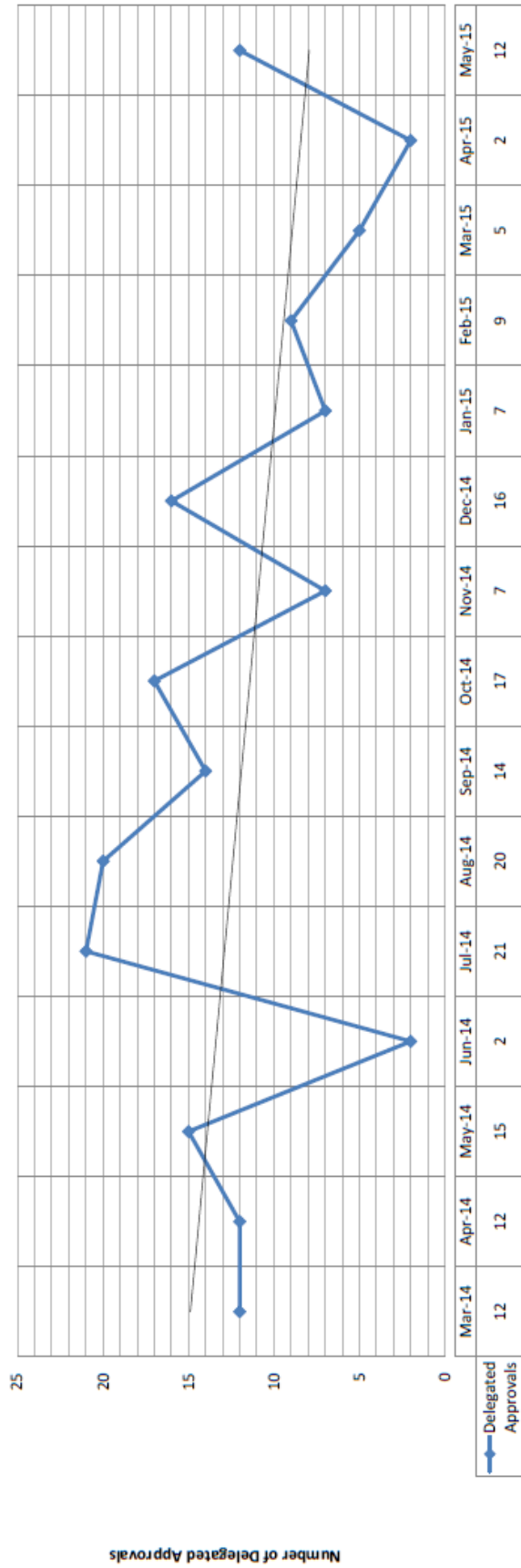
COUNCIL PLANNING APPROVALS FOR MAY 2015

APPLICATION NO.	DESCRIPTION	LOT	PROPERTY ADDRESS	DATE APPROVED	APPLICANTS NAME	DEVELOPMENT VALUE
2013/292.01	AMENDMENT TO PLANNING APPROVAL 2013/292 - NOXIOUS INDUSTRY - CONCRETE BATCHING PLANT - EXTENSION OF TIME	1032	16 MURRENA STREET WEDGEFIELD 6724	27/05/2015	MOBILE CONCRETING SOLUTIONS PTY LTD	\$ -
TOTAL 1						\$ -

Note: There were no applications approved by JDAP in May.

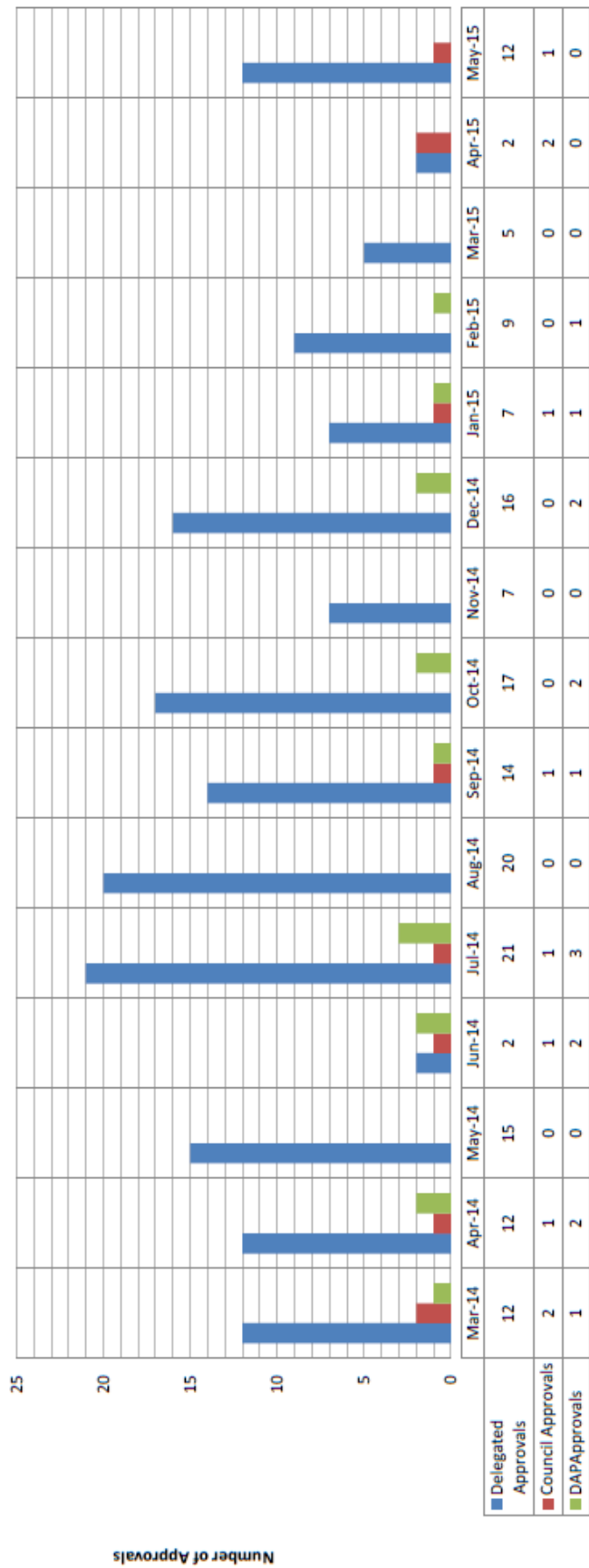
DELEGATED PLANNING APPROVALS FOR MAY 2015

Summary & Trendline of
Town Planning Delegated Approvals



COUNCIL, DELEGATED & DAP PLANNING APPROVALS FOR MAY 2015

Summary & Trendline of
Town Planning Council, Delegated & DAP Approvals



DELEGATED BUILDING APPROVALS FOR MAY 2015

BUILDING PERMITS						
Permit Number	Decision Date	Property Address	Locality	Applicant	Description of Work	Building Classification
15-058	26.05.2015	142 PATON ROAD	SOUTH HEDLAND 6722	Myers Mechanical & Maintenance	Patio & carport	10a
15-068	26.05.2015	10 SANDHILL STREET	WEDGEFIELD 6724	ONG PLUMBING	Shed for pumps	10a
15-066	28.05.2015	UNIT A	10 ETREMA LOOP	M/W BUILDING PTY LTD	Construction of Shed - 12sq m	10a
15-067	28.05.2015	UNIT B	10 ETREMA LOOP	M/W BUILDING PTY LTD	Construction of Shed - 12.25 sq metres	10a
15-071	14.05.2015	L9000 PINGA STREET	WEDGEFIELD 6721	MEGARA CONSTRUCTIONS PTY LTD	Construction of Self Serve Truck Canopy and Retaining Wall	10a & 10b
15-073	20.05.2015	43 HARWELL WAY	WEDGEFIELD 6724	DA BURKE BUILDERS	Construction of Fascia Sign	10b
15-074	29.05.2015	LOT 1413 WILSON STREET	PORT HEDLAND 6721	GORDON A HODGES	Shade structure	10b
15-061	29.05.2015	10 SANDHILL STREET	WEDGEFIELD 6724	COLIN WILKINSON DEVELOPMENTS PTY LTD	Workshop and Office	5 & 7b
TOTAL 8						1733
					Estimated Construction Value (\$)	
					\$ 14,000.00	
					\$ 7,000.00	
					\$ 8,500.00	
					\$ 8,500.00	
					\$ 900,000.00	
					\$ 4,647.00	
					\$ 19,000.00	
					\$ 3,458,941.00	
					\$ 4,420,588.00	

TOWN OF PORT HEDLAND CERTIFICATION	
Certificate Type	Number Issued
Certificate of Design Compliance	4
Certificate of Construction Compliance	0
Certificate Building Compliance	1
TOTAL	5

OCCUPANCY PERMIT FOR MAY 2015

OCCUPANCY PERMIT			
Permit Number	Decision Date	Property Address	Description of Work
14-253	11/05/2015	Lot 2398 (41) Brodie Crescent	Residential Building with Carport
15-038	13/05/2015	Lot 724 (150) Anderson Street	Fitout - Medical Centre
Total 2			

STRATA APPLICATION FOR MAY 2015

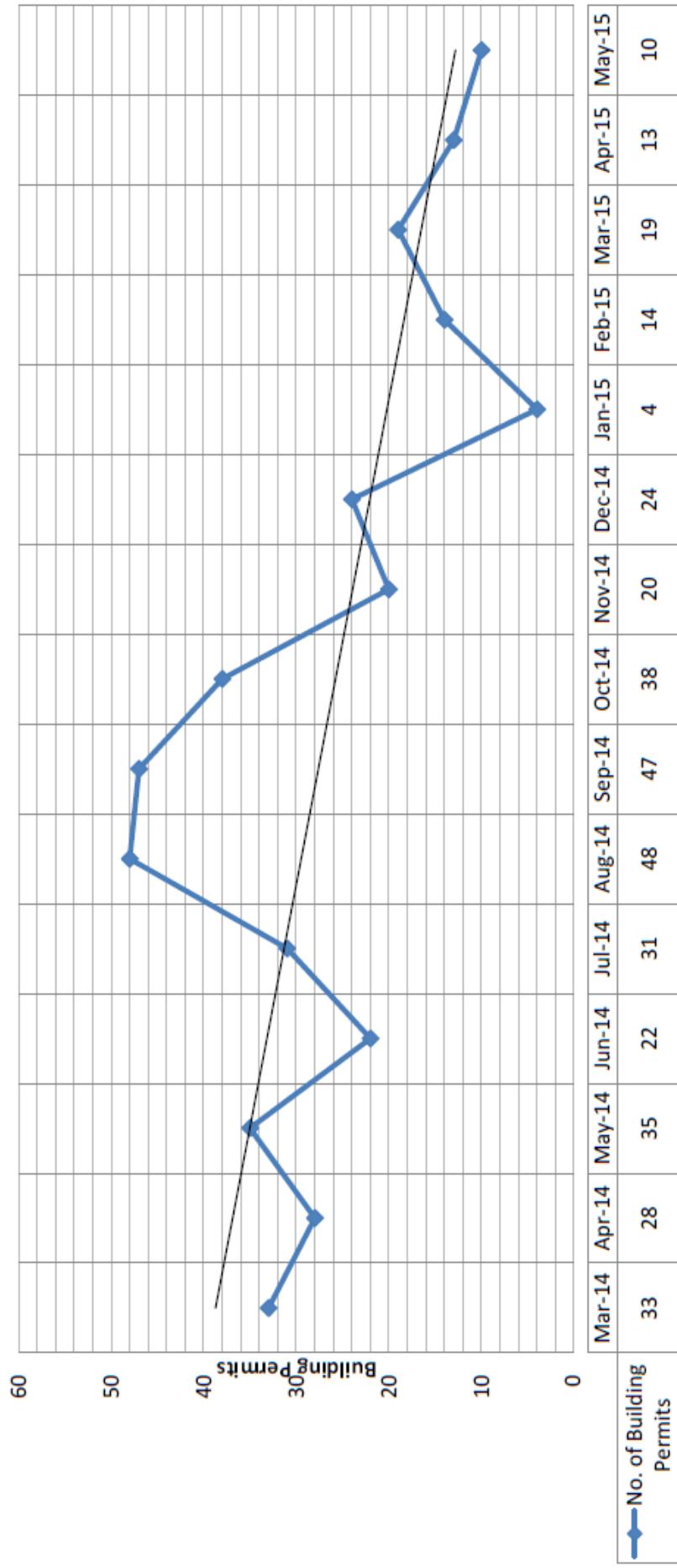
STRATA APPLICATIONS								
Permit Number	Decision Date	Property Address	Locality	Applicant	Description of Work	Estimated Construction Value (\$)	Floor Area	Classification
14-102	26.05.2015	UNIT A&B	27 MAUGER PLACE	MAKJaP Pty Ltd	STRATA of 2 x Residential Units	\$ -	0	1a
15-062	06.05.2015	L220 TREVALLY ROAD	SOUTH HEDLAND 6722	LAND SURVEYS	Strata of six (6) residential units	\$ -	0	1a 10a & 10b
Total 2						\$ -	0	

OVERVIEW SUMMARY FOR MAY 2015

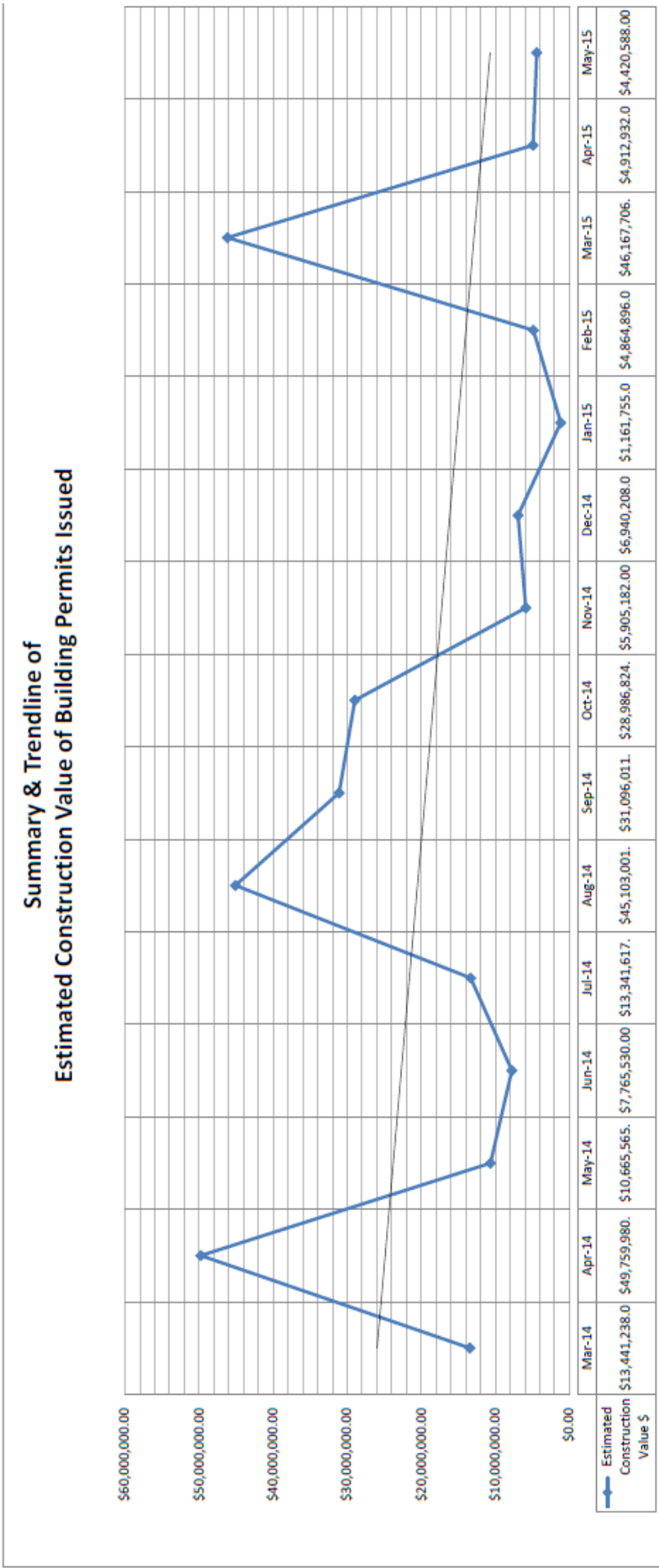
SUMMARY				
No of Permits	Permit Type	Estimated Construction Value	Floor Area in square metres	Average cost per square metre
0	Demolitions	\$0	N/A	N/A
0	Dwellings	\$0	N/A	N/A
5	Class 10a	\$938,000	434	\$2,161.29
2	Class 10b	\$23,647	178	\$132.85
1	Commercial	\$3,458,941	1,121	\$3,085.59
2	Strata - Occupancy	N/A	N/A	N/A
		\$4,420,588	1,733	

BUILDING APPROVALS FOR MAY 2015

Summary & Trendline for Building Permits



BUILDING APPROVALS FOR MAY 2015



Ranger Services Monthly Statistical Information

2015	Jan-15	Feb-15	Mar-15	Apr-15	May-15
Camping Jobs	0	4	2	2	2
Cat Jobs	9	12	18	23	25
Dog Jobs	78	67	71	82	114
Fire Jobs	16	19	7	5	6
Litter Jobs	22	30	38	13	33
Livestock Jobs	0	2	1	1	0
Off road Vehicles Jobs	0	0	0	0	0
Parking Jobs	47	45	29	27	70
Abandoned Vehicles Jobs	42	27	47	39	34
Wildlife Jobs (Snakes etc)	10	9	10	5	8
Dog Health Program	0	0	0	0	0
Dogs Impounded	34	38	40	30	44
Cats Impounded	5	13	24	20	21
Total Infringements	43	108	107	28	30
Animals Adopted	10	5	4	4	12
Fires Overtime Hrs	10.5	3.5	2	0	2
Overtime Hrs	62	38	27	38.5	30
Additional hrs by Contract Staff	43.5	21	17	19.5	36.5
*Total Jobs Attended	227	215	227	177	311

*Total Jobs attended not reflective of the following:-Patrols of parks, reserves, foreshores & pound duties NB: Cat Jobs relates to calls about lost, found, wanted, abandoned or feral trapped cats. Cats impounded relates to the total number of impounded cats.

CURRENT LEGAL MATTERS FOR MAY 2015

CURRENT LEGAL MATTERS				
File No.	Address	Issue	Officer	
117650G	Lot 2505 # 7 Moorambine Street, Wedgefield	Unauthorised Residential Structures	<p>Handed over to the attorney</p> <ul style="list-style-type: none"> - 1st Hearing set for Friday 2nd August 2013 - Adjourned until 30th August 2013 - Adjourned until 18th October 2013 - Sentencing scheduled for 22nd November 2013 - Adjourned until 20th Feb 2014 - Sentencing scheduled for the 9th April 2014 - Adjourned until 9th May 2014 - Set down for trial on 2nd December 2014 - Trial adjourned until the 6th and 7th August 2015 	BM
154427G	Lot 16 # 59-61 Greenfield Street, South Hedland	Unauthorised use as a laydown and storage facility	Third mention scheduled for 29th June 2015.	RS
154426G	Lot 15 # (55-57) Greenfield Street, South Hedland	Unauthorised lay down and storage facility	Next mention on 3rd July 2015	RS
118650C	Lot 1638 (18) Yanana Street, Wedgefield	Unauthorised development and use	Second mention on the 17th July 2015.	RS

12.1.9 Rationalisation of Sections of the Great Northern Highway, Port Hedland

Katherine Shaw, Lands and Technical Officer
File No. 18/07/0009

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/280 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR DACCACHE

That Council:

- 1. Resolve to request Department of Lands to close a portion of Great Northern Highway, as per Attachment 2 – Plan 1460-026;**
- 2. Resolve to request Department of Lands to dedicate a portion of Unallocated Crown Land as road reserve, as per Attachment 1 – Plan 1460-025 and Attachment 2 – Plan 1460-026.**

CARRIED 7/0

EXECUTIVE SUMMARY

Main Roads Western Australia (MRWA) is seeking to rationalise the road reserve along the Great Northern Highway, Port Hedland. The rationalisation includes sections of road dedications for road widening purposes and also a road closure.

The Town recommends that Council supports the requests.

DETAILED REPORT

As part of the rationalisation process, widening of Great Northern Highway adjacent to the Port Hedland International Airport is required, please refer to Attachment 1 and also widening and a closure of a section of the Highway near Pippingarra, refer to Attachment 2. Please refer to Attachment 3 - locality plan.

No road works will be undertaken as part of this exercise and no physical changes to Great Northern Highway will occur, this is simply an administrative process.

The underlying tenure of the road widening depicted on Attachment 1 is Unallocated Crown Land. The underlying tenure for the road widening depicted on Attachment 2 is Unallocated Crown Land and part of Reserve 9701, which is set aside for the purpose of 'De Grey Mullewa Stock Route. The road closure is proposed to be amalgamated in Reserve 9701.

The road dedications and road closure have been referred internally, externally and advertised in the North West Telegraph. The statutory advertising period of thirty five (35) days is designed to allow all interested parties, including public service providers, to comment on the proposal prior to Council dedicating portions of road reserve or closing a portion of road reserve.

Notwithstanding the above, the following public service providers were requested to provide comment:

- Water Corporation,
- Telstra,
- Optus
- Horizon Power.

The Water Corporation and Telstra did not respond. Horizon Power and Optus have advised that they have no objections.

The application was circulated internally to Technical Services and Strategic Planning and no objections were received.

FINANCIAL IMPLICATIONS

There are no financial implications to the Town. A fee of \$1305.70 was invoiced to the applicant, Main Roads WA to cover advertising costs.

STATUTORY AND POLICY IMPLICATIONS

Section 58 of the *Land Administration Act 1997* and regulation 9 of the *Land Administration Regulations 1998*, establishes the procedure for closing a road.

Section 56 of the *Land Administration Act 1997* establishes the procedure for dedicating a road.

Strategic Planning Implications

Strategic Community Plan 2014-2024

The following section of Council's Strategic Community Plan 2014 - 2024 is considered relevant to the proposal:

2. Supporting a diverse economy
- 2.1 A thriving, resilient and diverse economy

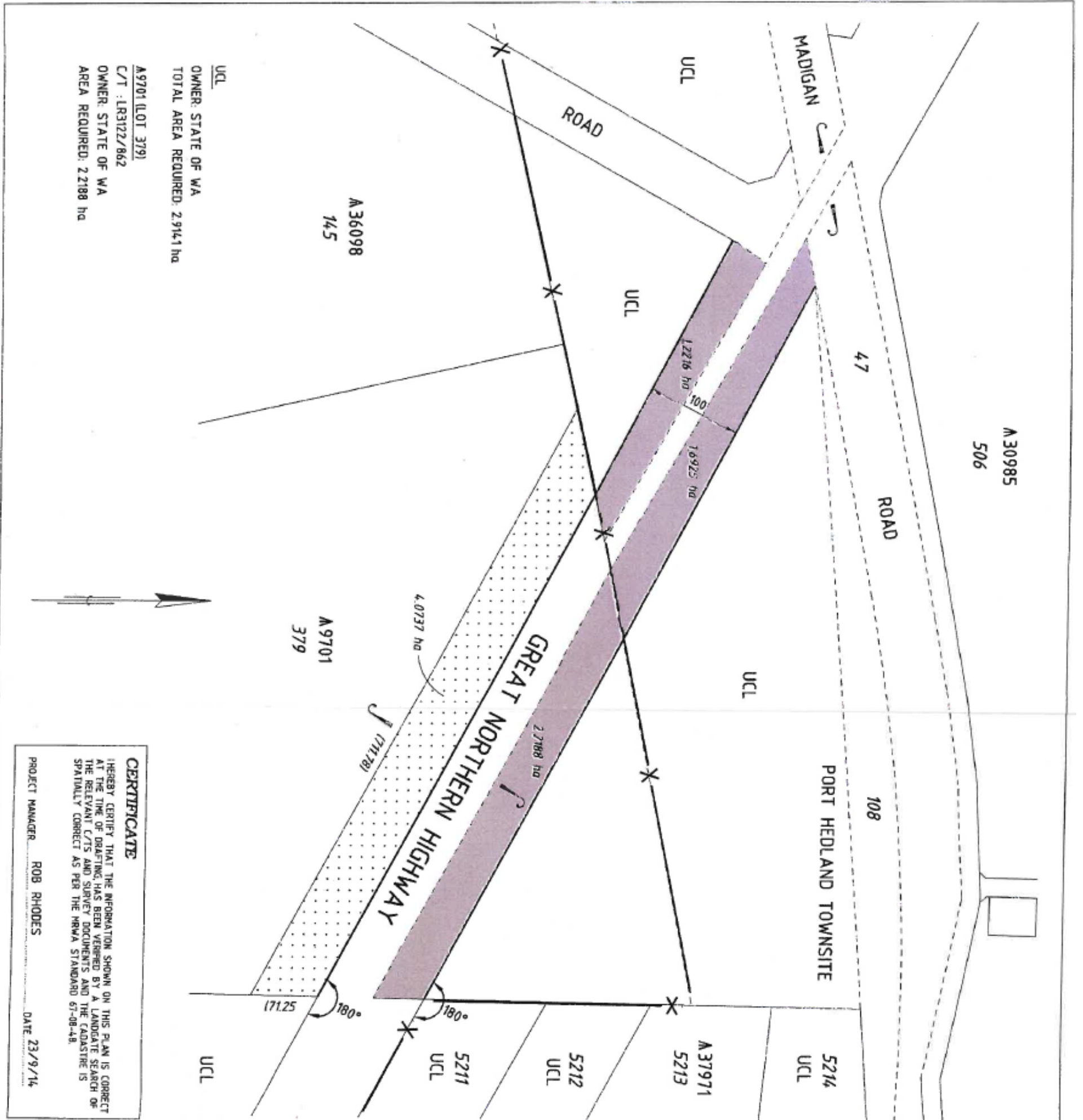
The closure of this redundant road reserve and dedication of the Unallocated Crown Land as road reserve will rationalise Great Northern Highway and ensure the road alignment is permanent.

ATTACHMENTS

1. Plan 1460-025
2. Plan 1460-026
3. Locality Plan

3 June 2015

This page has been left blank intentionally.

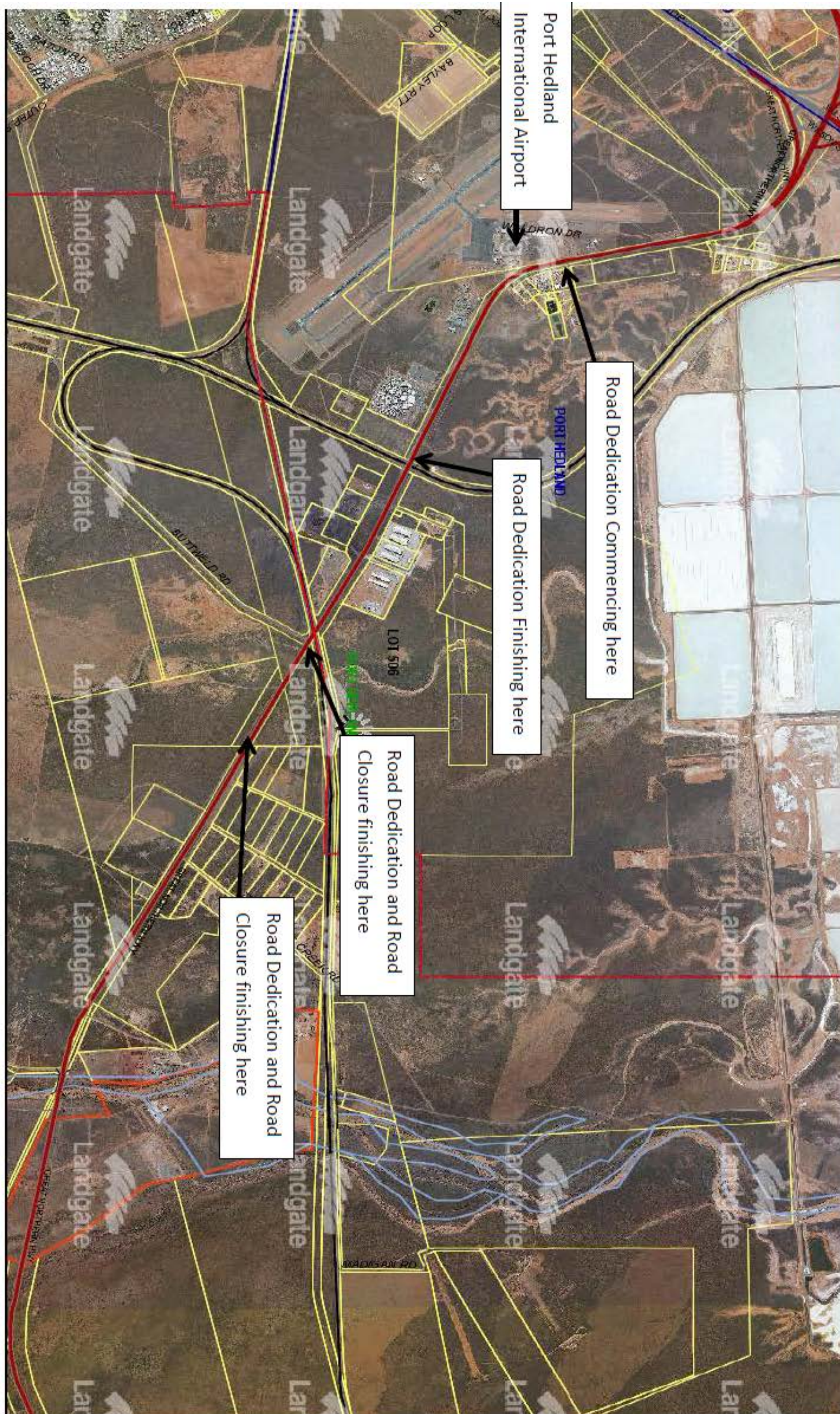


CERTIFICATE

I HEREBY CERTIFY THAT THE INFORMATION SHOWN ON THIS PLAN IS CORRECT AT THE TIME OF DRAFTING, HAS BEEN VERIFIED BY A LANDGATE SEARCH OF THE RELEVANT C/T'S AND SURVEY DOCUMENTS AND THE CADASTRE IS SPATIALLY CORRECT AS PER THE MRWA STANDARD 67-08-4B.

PROJECT MANAGER: ROB RHODES
DATE: 23/9/14

<p>LEGEND</p> <ul style="list-style-type: none"> Land required for road purposes Road to be closed 4.0737 ha Boundary to be surveyed Townsite boundary 	
<p>NOTES</p> <ol style="list-style-type: none"> Dimensions and areas are approximate only and are subject to survey. SLK is a M.R.W.A. straight line kilometre and is approximate only. Cadastral model: CAD1165A Horizontal datum is MGA94. 	
<p>PILBARA REGION</p> <p>Telephone 9323 4880 Fax 9323 4800</p> <p>APPROVED FOR IMPLEMENTATION</p> <p>FILE NUMBER 10/8194 FOLIO DATE APPROVAL NUMBER</p> <p>AUTHORISED APPROVED</p> <p><i>A. P. ...</i></p>	
<p>Prepared by:</p> <p>mainroads WESTERN AUSTRALIA</p> <p>FINANCE AND SERVICES PROPERTY MANAGEMENT Telephone 9323 4880 Fax 9323 4800</p>	
<p>Proposed by:</p> <p>FUGRO GEOSPATIAL 18 PEROWSE STREET WEST PERTH, W.A., 6005 TEL: (08) 9282 4100 FAX: (08) 9222 1775 Ref: 02490001 R-1</p>	
<p>FILE NUMBER 10/8194</p> <p>GRAPHIC PRESENTATION (ONLY) AUDITED IN ACCORDANCE WITH STANDARD 67-08-4B IN THE ROAD AND TRAFFIC ENGINEERING MANUAL</p>	<p>SCALE 1:4000</p> <p>0 50 100 150 200 250 300 350 400 450 500</p>
<p>GREAT NORTHERN HIGHWAY H6 LAND DEALINGS 1615-19 - 1616.1 SLK</p> <p>LOCAL AUTHORITY (R1) TOWN OF PORT HEDLAND</p> <p>DRAWING TYPE 7200</p> <p>DRAWING NUMBER 1460-026</p> <p>AMEND.</p>	<p>SCAN DATE</p> <p>A 3</p>



This page has been left blank intentionally.

8:07pm Mayor Howlett declared an impartiality interest in item 12.1.10 'Scheme Amendment Initiation Request – Rezoning Land Bound by Styles Road, Cooke Point Drive, Pretty Pool Creek to the North from 'Other Public Purposes – Energy', 'Rural' and 'Parks and Recreation' to 'Urban Development' – ToPH Scheme Amendment No. 77' as she is a member of the community garden in the subject site.

Mayor Howlett did not leave the room.

8:08pm Councillor Melville declared an impartiality interest in item 12.1.10 'Scheme Amendment Initiation Request – Rezoning Land Bound by Styles Road, Cooke Point Drive, Pretty Pool Creek to the North from 'Other Public Purposes – Energy', 'Rural' and 'Parks and Recreation' to 'Urban Development' – ToPH Scheme Amendment No. 77' as he is a committee member of the Port Hedland Turf Club which leases an area in the subject site.

Councillor Melville did not leave the room.

12.1.10 Scheme Amendment Initiation Request – Rezoning Land Bound by Styles Road, Cooke Point Drive, Pretty Pool Creek to the North from 'Other Public Purposes – Energy', 'Rural' and 'Parks and Recreation' to 'Urban Development' – ToPH Scheme Amendment No. 77

Kobus Nieuwoudt, Senior Strategic Planning Officer
File No.18/09/0092

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/281 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR HOOPER

That Council:

- 1. Resolve to initiate, in pursuance of Section 75 of the *Planning and Development Act 2005*, Scheme Amendment No. 77 to the *Town of Port Hedland Town Planning Scheme No.5* to rezone the land generally bound by Styles Road (south), Pretty Pool Creek (north), Cooke Point Drive (west) and existing single residential housing in the Pretty Pool residential area (east), being Crown Reserve 29044 and Crown Reserve 5770; as shown on the Scheme Amendment Map from 'Rural', 'Parks and Recreation' and 'Other Public Purpose – Energy' Reserve to 'Urban Development';**
- 2. Forward Amendment No. 77 to *Town of Port Hedland Town Planning Scheme No.5* to the Environmental Protection Authority (EPA) for comment, pursuant to Section 81 of the *Planning and Development Act, 2005*; and**

3. **Advertise, should confirmation from the EPA indicate Amendment 77 is not subject to formal environmental assessment, Amendment 77 pursuant to Regulation 25(2) of the *Town Planning Regulations 1967 (as amended)* for a period of 42 days.**

CARRIED 7/0

EXECUTIVE SUMMARY

Landcorp is seeking to initiate an amendment to the Town of Port Hedland Town Planning Scheme No.5 (the scheme) which will rezone land generally bound by Styles Road (south), Pretty Pool Creek (north), Cooke Point Drive (west) and existing single residential housing in the Pretty Pool residential area (east) (subject site). The request seeks to rezone the land to 'urban development' in the scheme.

The Scheme Amendment to the Urban Development zone will allow the development of the land to be pursued at some point in the future subject to detailed investigations and design requirements addressed through a Development Plan in accordance with the Scheme.

On the basis of the information included in the report, it is recommended Council initiate the amendment.

DETAILED REPORT

Background

LandCorp is seeking for Council to initiate an amendment to the Town's Scheme No.5 to rezone the subject site from 'Rural' and 'Parks and Recreation', 'Other Public Purpose – Energy' to 'Urban Development'.

Landcorp does not intend to progress further subdivision or development of the land in the medium term. Other areas (i.e. Western edge) have been prioritised. This proposal is being undertaken to clear an important step in the land assembly process to ensure land availability is addressed during future phases of growth.

The land is strategically identified for future residential development within the Pilbara's Port City Growth Plan, the adopted Local Planning Strategy for the Town of Port Hedland. Detailed investigations of existing land uses, environmental, geotechnical, and engineering and heritage matters have been addressed to properly define the proposed development area. The information has been included in this report to support the scheme amendment request.

The scheme amendment will ensure there is land appropriately zoned to facilitate future residential development in port hedland, without compromising the environmental or cultural values of the land, or the natural amenity pretty pool offers to the wider residents of port hedland.

Details of consultation with potentially affected parties has been undertaken including the Port Hedland Pony Club, Port Hedland Turf Club, CARE for Hedland, Horizon Power and senior Council staff. This is in addition to several briefings to Councillors on the progress of the project over the past 6 months.

For the record, Council is advised that one of the recommendations in the Needs Assessment, Concept Design and Implementation Plan for the Port Hedland Turf Club (Final Report, September 2012) suggest that the amenities currently located at the Port Hedland Pony Club will be relocated to the SHOATA site in South Hedland and the existing race track in Port Hedland in the future.

The Scheme Amendment has been coordinated by LandCorp and funded by the Department of Planning's Northern Planning Program.

Site Description

The subject site is located in the 'Eastern End' of the Port Hedland Locality, approximately 6km from the Central Business District of Port Hedland. The land is generally bound by Styles Road (south), Pretty Pool Creek (north), Cooke Point Drive (west) and existing single residential housing in the Pretty Pool Residential area (east). The subject site will form an extension of the existing Pretty Pool residential area extending east outwards along Styles Road.

The subject site is approximately 27 ha in size. It is mostly vacant. It is all Crown Land under various forms of tenure. It incorporates two Crown Reserves which are under use or planned for use by the Town:

- Crown Reserve 5770 for the purpose of Equestrian Uses which is presently used by the Port Hedland Pony Club, Port Hedland Turf Club and Care for Hedland;
- Crown Reserve 29044 which includes a use of 'Caravan Park'.

The proposed amendment does not affect the ongoing rights of the leases or future renewal of the leases of Council's ability to pursue development of a caravan park. This has been explained to all parties by the proponent.

The ground conditions of the site can be described as follows:

- a limestone ridge runs along the south of the site parallel to Styles road reaching a maximum height of 7.0m;
- a secondary dune system located in the north-western corner which has low shrub land across it and heights to 8.0m and bare tidal flats down to levels of 2.0m AHD; and
- bare tidal flats comprised of low lying shrub land and patches of grass.

Proposed Scheme Amendment

As mentioned elsewhere in this Report, LandCorp is seeking for Council to initiate an amendment to the Scheme to rezone the subject site from 'Rural' and 'Parks and Recreation', 'Other Public Purpose – Energy' to 'Urban Development'. The Scheme Amendment to the Urban Development zone will allow the development of the land to be pursued at some point in the future subject to detailed investigations and design requirements addressed through a Development Plan in accordance with TPS5.

As identified in the table below, the Scheme Amendment also seeks to make changes to *Appendix 10 – Urban Development Zone Additional Development Requirements* of the Scheme:

No.	Description of Land	Conditions
Pretty Pool 2	Lots 1732, 1444 and Part Lot 552 Athol Street Land bound by Gray Street, Wilson Street, Cooke Point Road, Athol Street and the Indian Ocean, excluding Pretty Pool 1 Development Area	Subdivision and development of the land shall be in accordance with the requirements of Development Plan(s) approved by the Town of Port Hedland and adopted by the Western Australian Planning Commission. Land identified in the Development Plan(s) will be restricted to a built height limit that prevents light spill onto Cemetery Beach and Pretty Pool Beach and the adjacent sea. Environmental Management Plans addressing the following shall be prepared, adopted and implemented to the satisfaction of the Town of Port Hedland on advice from the relevant State Government agency construction management foreshore management mangrove management drainage and nutrient management marine turtle management acid sulphate soil management (if required) other management plans as considered necessary on the advice from relevant State Government agency

These changes will ensure specific environmental management measures recommended by the RPS Environmental Assessment Report are properly considered and addressed during the preparation of a Development Plan. The amendment to the existing schedule of Appendix 10 as opposed to a new addition to the schedule has been proposed as a new 'Pretty Pool 2' area, and it is intended that this be identified in Appendix 5 – Development Plan Areas. Rather only the broader 'Pretty Pool' area is identified which incorporated the description of land intended to be 'Pretty Pool 2' and also the land subject to this amendment.

LandCorp has no intention to pursue the approval of a Development Plan in the medium term. The Town will, however, have the opportunity to formally consider a Development Plan when the land is proposed for actual development.

FINANCIAL IMPLICATIONS

LandCorp has paid the necessary statutory fees and charges (\$10,162.15) associated with processing the Scheme Amendment.

STATUTORY AND POLICY IMPLICATIONS

Strategic Community Plan

The following sections of Council's Strategic Community Plan 2014-2024 are relevant to SA76.

1.0 Building a unified and vibrant community

1.1 A unified community across our townships

The Scheme Amendment is consistent with section 1.1 of Council's Strategic Community Plan 2014-2024. The amendment seeks to provide good quality residential development staged over time and has the potential to provide safe and accessible community facilities and public spaces where events and activities can be undertaken that unite residents and offer amenity.

2.0 Supporting a Diverse Economy

2.1 A thriving, resilient and diverse economy

The Scheme Amendment seeks to provide further housing in Port Hedland and Pretty Pool, which are more affordable and in close proximity to public open space.

All of these objectives are consistent with section 2.1 of Council's Strategic Community Plan 2014-2024 and will help to attract residents to this locality by offering the potential for a mix of affordable housing options, both medium and lower density with the potential for small scale commercial and community land uses to be established.

Pilbara's Port City Growth Plan

A key theme of the Pilbara's Port City Growth Plan is:

Housing Diversity & Land Supply Capacity – providing an orderly and adequate supply of affordable land along with increased choice in affordable housing products and tenure options to cater for a diverse and permanent population.

The Local Planning Strategy identifies affordability and accessibility to housing as critical issues affecting future growth, and identifies key actions:

- Immediately address critical housing shortage through using Council held land, utilising high quality modular construction methods and providing incentives and other forms of inducement to deliver housing in the next six to twelve months; and
- Identification of priority land release sites to facilitate significant immediate and short term housing development in a variety of locations.

The subject site was identified as part of the broader East End Village, being an area suitable for accommodating residential development to meet demand.

The subject site is identified within Precinct 2 of Pilbara's Port City Growth Plan. The subject site is identified as 'Residential - Medium Density'.

Relevant implementation factors associated with urban development of the broader precinct include coastal hazard management measures and environmental factors.

All matters have been addressed in the technical reports supporting this Scheme Amendment.

In light of the above, an amendment to facilitate future residential development of the subject site is therefore consistent with the Town of Port Hedland Local Planning Strategy.

State Planning Policies

Technical inputs from consultants have informed a detailed assessment of the proposed amendment in relation to State Planning Policies. This includes:

- Statement of Planning Policy 2 – Environmental and Natural Resources Policy
- Statement of Planning Policy 2.6 – Coastal Planning
- Statement of Planning Policy 2.9 – Water Resources
- Statement of Planning Policy 3 – Urban Growth and Settlement
- Statement of Planning Policy 3.4 – Natural Hazards and Disasters
- Statement of Planning Policy 5.4 – Road and Rail Transport Noise and Freight Considerations in Land Use Planning
- Draft Statement of Planning Policy 3.7 – Planning for Bushfire Management

The information provided is considered to demonstrate the proposed amendment is consistent with these policies.

Town of Port Hedland Town Planning Scheme No. 5

Clause 9.7 of the TPS5 relates to Scheme Amendments. The relevant provisions require consideration of comments of potential affected landowners and also the consistency of the amendment with the adopted Local Planning Strategy.

LandCorp has consulted with all potentially affect landowners/ management agencies and tenants of the land. All parties have not raised any objection to the proposal.

The proposal is also consistent with the Pilbara Port City Growth Plan which is the Town's adopted Local Planning Strategy.

Consultation

LandCorp and its consultant team have engaged with various agencies, affected landholders and community organisations in the preparation of the proposed Amendment.

Consultation has included direct engagement with the Port Hedland Turf Club, Port Hedland Pony Club, Care for Hedland Committee and Chairperson, Horizon Power and internal Town of Port Hedland Staff.

This consultation involved the following;

- On 26 February 2014 LandCorp conducted a “Port Hedland Project Update” presentation to the Town of Port Hedland Executive and Councillors and the Town was advised that LandCorp would be commencing a the scheme amendment and environmental assessment process;
- On 29 April 2014 The Port Hedland Turf Club was consulted and the only issue they raised was that no-onsite geotechnical work is to occur near the stables while horses are being kept there;
- On 8 May 2014 the Port Hedland Pony Club were consulted and raised no objections to the amendment and also stated their awareness of the fact the land was identified in the Council’s strategic plans for future development;
- On 12 February 2015 Horizon Power were consulted and acknowledged LandCorp’s request for comment and provided comments in writing that it did not object to the amendment;
- On 23 April 2015 LandCorp presented the proposal to the Care for Hedland Committee and the Committee provided comments on the following points;
 - Parks and public open space near the site be considered to provide food sources;
 - Water Runoff and that the Committee would like the opportunity to comment on the local water management plan for future development of the site;
 - The Committee highlighted the significance of Aboriginal Heritage;
 - That any development should consist solely of single storey development; and
 - That when a development approval is submitted, developers should commit resources to education and awareness campaigns regarding the site.

It is noted that this consultation was informal and not required under the provisions of the Scheme or statutory requirements of the *Planning and Development Act 2005* (the Act). LandCorp has undertaken this as part of their project of their own accord.

If Council resolves to initiate the scheme amendment proposal, officers will commence formal consultation and statutory advertising in accordance with the Town Planning Regulations in the event the EPA advises the Town that the proposal does not require formal environmental assessment under the Planning and Development Act 2005.

There will be further opportunities for all stakeholders to provide comment as part of this formal advertising process.

ATTACHMENTS

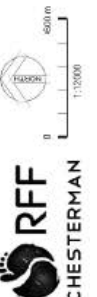
1. Scheme Amendment Report (Under Separate Cover)
2. Location Plan

3 June 2015

ATTACHMENT 2 TO ITEM 12.1.10



FIGURE 2
LOCAL CONTEXT PLAN



12.2 Works and Services

Nil

12.3 Corporate Services**12.3.1 Financial Management – Accounts Receivable – Schedule of Write-Offs**

Peter Kocian, Manager Financial Services
File No

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/282 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR MELVILLE

SECONDED: CR HOOPER

That Council approve the write off of debts totalling \$81278.02 as per the presented Schedule of Sundry Debtors. (Provided under confidential cover), to be transacted before the 30 June 2015.

CARRIED BY ABSOLUTE MAJORITY 7/0

EXECUTIVE SUMMARY

A Schedule of Sundry Debtors has been prepared and it is recommended that Council approve the write off of monies pursuant to section 6.12 (1) (c) of the *Local Government Act 1995*.

DETAILED REPORT

Council has adopted a Debt Management Policy (Policy 2/005) which outlines the procedure for the recovery of outstanding debts owed to the Town of Port Hedland. The following collection procedures are summarised:

Stage 1

Outstanding debts over 30 days will have their statements marked with a reminder that the account is now overdue and stop credit will be enforced if the debt remains unpaid after 42 days from date of invoice. Accounts Receivable shall make contact with the Debtor.

Stage 2

Outstanding debts over 60 days will have their statements marked with a Final Notice stamp advising payment is required within 7 days or legal action will commence. Accounts Receivable shall make contact with the Debtor.

Stage 3

7 days after Stage 2 if payment has not been received or a payment arrangement entered into, a standard letter, allowing a further 10 days to settle the account or make alternative arrangements.

Stage 4

The Director Corporate Services and Manager Financial Services are authorized to commence legal action to collect debts outstanding over 90 days from date of invoice.

This may include, but is not limited to the following:

Letter of Demand
General Procedure Claim
Seizure and Sale of Goods

Exemptions to the aforementioned Debt Collection Process are as follows:

- 1) Rebates or recoups from tiers of government and funding bodies
- 2) Grants and subsidies
- 3) Donations

The Town may elect to utilise the services of a Debt Collection Agency, duly licensed under the Debt Collectors Licensing Act 1964.

A Schedule of Sundry Debtors has been prepared and it is recommended that Council approve the write off of monies pursuant to section 6.12 (1) (c) of the *Local Government Act 1995*. All debt collection efforts have now been exhausted and debts are deemed to be irrecoverable. Officer comment has been included in the Schedule of Sundry Debtors indicating status of accounts.

The Schedule of Sundry Debtors is provided under confidential cover as the Officer Comment discloses information about the business and financial affairs of persons (section 5.23 (2) (e) of the *Local Government Act 1995*). Subject to Council resolution, the Schedule of Sundry Debtors written off will be published in the Council Minutes indicating the debtor name and amount written off.

FINANCIAL IMPLICATIONS

It is advisable that all debts that are deemed to be irrecoverable be written off before the end of the financial year. Those debts that have not been identified previously as a doubtful debt will impact the net current asset position by reducing accounts receivable and hence the municipal surplus as at 30 June 2015. The impact of the write offs will be a reduction in net assets of \$75,718.22 as at 30 June 2015.

STATUTORY AND POLICY IMPLICATIONS

Section 6.12 (1) (c) of the *Local Government Act 1995* provides Council with the power to write off any amount of money which is owed to the local government by an absolute majority decision.

Strategic and best practice local government administration is a key theme in the Strategic Community Plan.

The attachment is confidential in accordance with section 5.23 (2) (e) (iii) of the *Local Government Act 1995* as the attachment contains the financial affairs of a person.

Policy 2/005 Debt Management Policy is relevant to this item.

ATTACHMENTS

1. Schedule of Debtor Accounts recommended for Write-Off

04 June 2015

This page has been left blank intentionally.

This page has been left blank intentionally.

12.3.2 Statement of Financial Activity for the period ended 30 April 2015

Laura Delaney, Coordinator Financial Services
File No. 12/14/0003

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/283 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR MELVILLE

That Council:

1. **Receive the Statement of Financial Activity (and supporting information) for the period ended 30 April 2015;**
2. **Receive the Port Hedland International Airport Statement of Financial Activity for the period ended 30 April 2015;**
3. **Receive the Waste Management Statement of Financial Activity for the period ended 30 April 2015;**
4. **Note the accounts paid during April 2015 under delegated authority.**

CARRIED 7/0

EXECUTIVE SUMMARY

This report presents the Statement of Financial Activity for the period ended 30 April 2015.

Supplementary information has been presented to the Council to provide further information regarding the Town's activities.

DETAILED REPORT

The Statement of Financial Activity is presented in a similar format to the Rate Setting Statement as included in the 2014/15 Annual Budget. The operating section of the Statement of Financial Activity is shown by program in accordance with Regulation 34 (3)(b) of the *Local Government (Financial Management) Regulations 1996*.

The following commentary is provided on variances between year to date actuals and year to date proposed budget for the period ended 30 April 2015:

Account Description	YTD Variance	Comment
Non-Cash Items: Depreciation	-83%	Depreciation has been run for Plant & Equipment – Municipal for the period July 2014 to January 2015. Depreciation for the remaining asset classes will not be run until the end of the financial year due to the requirements associated with fair value for 2014/15.
Non-Cash Items: Movement in Deferred Debtors (Rates)	-100%	Movement in Deferred Debtors (Rates) will be reconciled at the end of the financial year.
Non-Cash Items: Contributed Assets - Grants and Contributions Capital	-100%	\$1.75m Contributed Asset related to GP Housing Stage 2. Accounting treatment will occur at the end of the financial year.
Capital: Proceeds from Disposal of Assets	-86%	Proceeds from the Disposal of Assets totalling \$340k have been received in the period July 2014 to April 2015. Income from the sale of the Kingsford Smith Business Park lot (Bunnings) has occurred in the month of May 2015.
Transfers from/to Unspent Grants	-100%	Unspent Grants will be reconciled at the end of the financial year.
Transfers from Unspent Loans	-100%	Unspent Loans will be reconciled at the end of the financial year.

The net current asset position as at 30 April 2015 is \$12.8m. This balance is expected to decline significantly across the remainder of the financial year, as projects are delivered, and operational budgets are fully expended.

The unrestricted cash position as at 30 April 2015 is \$14.567m. This is calculated as follows:

	2014/15 Actual (000's)
Current Assets: Cash and Investments	\$84,882
Restricted Cash – Reserves	(\$66,893)
Restricted Cash – Unspent Grants	(\$2,614)
Restricted Cash – Unspent Loans	(\$808)
Unrestricted Cash Position as at 30 April 2015	\$14,567

The unrestricted cash position as at 30 April 2015 is greater than the net current asset position as at 30 April 2015. This is partially attributable to restricted receivables of \$6.1m.

FINANCIAL IMPLICATIONS

The Statement of Financial Activity includes an actual municipal surplus carried forward of \$817k. The surplus is attributable to a number of capital projects that have been carried-over from the 13/14 financial year. These projects were considered by Council at the September 2014 Ordinary Council Meeting (OCM), with a funding requirement of \$655k from the municipal surplus carried forward. The carried forward surplus in the Amended Budget – Carryovers (Sep OCM) column has been adjusted accordingly.

The projected municipal surplus as at 30 June 2015 following the March Quarterly Budget Review (QBR) is \$1.774m. The following reconciliation is provided:

	000's
Budget Municipal Surplus Brought Forward 30 June 2015	\$1,802
Change in Net Current Assets arising from 2013/14 Carryovers	(\$655)
Change in Net Current Assets arising from September QBR	(\$86)
Change in Net Current Assets arising from December OCM	(\$75)
Change in Net Current Assets arising from December QBR	(\$325)
Change in Net Current Assets arising from March QBR	\$242
Municipal Surplus Carried Forward 1 July 2014 – Budget	\$54
Municipal Surplus Carried Forward 1 July 2014 – Actual	\$817
Amended Budget Municipal Surplus Brought Forward 30 June 2015	\$1,774

RISK IMPLICATIONS

The Town of Port Hedland is exposed to a number of financial risks in both its Annual Budget and Long Term Financial Plan (which is underpinned by some key assumptions). Most of these risks exist in respect to recurrent revenue streams which are required to meet current service levels. Any reduction in these revenue streams into the future is likely to have an impact on the Town's ability to meet service levels or asset renewal funding requirements, unless the Town can replace this revenue or alternatively reduce costs.

- TWA Rate Revenue (15/16 Budget) \$3,685,176
- Precinct 3 Lease Payment (15/16 Budget) \$3,795,258
- Port Haven Lease Revenue (including Carpark 15/16 Budget) \$1,275,292
- Mia Mia Lease Fee (15/16 Budget) \$195,982
- Mia Mia Community Contribution \$464,844
- Interest on Investments (including all cash-backed Reserves with the exception of the BHP Reserve) allocated to Muni (14/15 forecast) \$3,005,000
- Airport dividend to Muni (14/15 Budget) \$3,269,000 (LTFP assumes an increase in dividend from 2018/19 of \$350k and again in 2019/20 of a further \$350k)
- \$40m in sale proceeds from Kingsford Smith Business Park to be achieved by 2022/23 (with proceeds to be transferred to Airport Reserve to meet CAPEX requirements)
- \$500k FMG Contribution to operational costs at Wanangkura Stadium
- Sustainability Partnership being negotiated with BHPBIO

- Opening of new landfill site and closure/rehabilitation of current site \$96m investment over 20 years
- \$1.5m capital funding requirement and \$1.1m recurrent funding requirement over 3 years for Scotty's Café in the event that the project proceeds without external funding

STATUTORY AND POLICY IMPLICATIONS

Regulation 33A of the *Local Government (Financial Management) Regulations 1996* requires that the Town carry out a mid-year review of its annual budget, with a copy of the review and the relevant Council resolution to be provided to the Department of Local Government. The Town currently exceeds the minimum statutory requirements by undertaking budget reviews on a quarterly basis as part of its delivery of high quality corporate governance, accountability and compliance. The Town's goals and actions in this regard are set out in the Leading our Community section of the Strategic Community Plan 2014-2024.

Regulation 34 of the *Local Government (Financial Management) Regulations 1996* requires the Town to prepare a monthly Statement of Financial Activity. The monthly Statement of Financial Activity is to be presented to the Council at an ordinary meeting within 2 months after the end of the month to which the statement relates. Where the month coincides with QBR reporting (September, December, March) the Statement of Financial Activity will be incorporated in the QBR document.

The Town has a current resolution arising out of the adoption of the 2014/15 budget requiring that material budget variations be reported through to Council. Materiality being established at the lesser of 10% of the amended program budget or \$100,000 for each of the categories of Operating Revenue; Operating Expenditure; Non-Operating Revenue and Non-Operating Expenditure. Officers presented all proposed budget variations, supported by Management commentary as part of the March QBR.

Note the Statement of Financial Activity includes six budget columns:

1. Original Budget;
2. Amended Budget arising from the Schedule of Budget Carryovers presented to Council at the September OCM;
3. Amended Budget arising from the September QBR;
4. Amended Budget arising from variations adopted by Council at the December OCM;
5. Amended Budget arising from the December QBR;
6. Amended Budget arising from the March QBR.

The change in budgeted net current assets as at 30 June 2015 (the last row on the Statement of Financial Activity) reconciles to the Schedule of Budget Variations.

The Capital Works Program and Road Program have been incorporated into the supporting information provided to the Council. Additional documents will also be added in future months including the Grants Register.

A separate Statement of Financial Activity has also been prepared for the Port Hedland International Airport and Waste Management business units. These statements will be further developed over the next six months to ensure consistency in presentation.

ATTACHMENTS

1. Statement of Financial Activity for the Period Ended 30 April 2015 (Under Separate Cover)
2. Port Hedland International Airport Statement of Financial Activity for the Period Ended 30 April 2015
3. Waste Management Statement of Financial Activity for the Period Ended 30 April 2015
4. Accounts paid under delegated authority for the month of April 2015 (Under Separate Cover)

2 June 2015

This page has been left blank

ATTACHMENT 2 TO ITEM 12.3.2

TOWN OF PORT HEDLAND
 PORT HEDLAND INTERNATIONAL AIRPORT
 STATEMENT OF FINANCIAL ACTIVITY BY PROGRAM
 FOR THE PERIOD ENDED 30 APRIL 2015

Account Description	30/04/2015		2014/15		2014/15		2014/15		Variance (YTD Current Budget & YTD Actuals)
	Original Budget	Current Budget	YTD Current Budget	YTD Actuals	Commitments	YTD Actuals & Commitments	YTD Actuals & Commitments		
Operating Revenue	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	%	\$000's
	23,253	20,780	17,317	14,986	0	14,986	14,986	-13%	2,331
Operating Expenditure	(12,328)	(14,661)	(12,217)	(9,195)	(1,038)	(10,232)	(10,232)	-25%	-3,023
Operating Surplus/(Deficit)	10,926	6,120	5,100	5,791	-1,038	4,753	4,753	14%	-691
Add Back Non Cash Items									
Depreciation on Assets - Airport Maintenance	1,497	1,780	1,483	145	0	145	145	-90%	1,339
Capital									
Capital Expenditure - Work in Progress - Solar Farm - Airport Administration	0	(4,726)	(3,938)	0	0	0	0	-100%	-3,938
Capital Expenditure - Infrastructure: Airport - Carpark : Ground Transport Reconfiguration - Airport Administration	(1,000)	(250)	(208)	(95)	(132)	(227)	(227)	-54%	-113
Capital Expenditure - Buildings: Airport - Terminal Precinct - Airport Administration	(1,000)	(1,639)	(1,365)	(1,409)	(52)	(1,462)	(1,462)	3%	44
Capital Expenditure - Infrastructure: Airport - Re:Site Quarantine Facility - Airport Administration	(600)	0	0	0	0	0	0	0%	0
Capital Expenditure - Work in Progress - Solar Farm Due Diligence & Feasibility - Airport Administration	0	(121)	(101)	(84)	(16)	(100)	(100)	-16%	-17
Capital Expenditure - Work in Progress - International Terminal Works Expansion - Airport Administration	0	(1,400)	(1,167)	(935)	(449)	(1,384)	(1,384)	-20%	-232
Capital Expenditure - Furniture & Equipment - IT Network Upgrade - Airport Administration	0	(100)	(83)	0	(78)	(78)	(78)	-100%	-83
Capital Expenditure - Plant And Equipment: Airport - Plant Purchases - Airport Administration	(165)	(350)	(292)	(108)	(211)	(319)	(319)	-63%	-184
Capital Expenditure - Work in Progress - Water & Sewer Services - Airport Administration	(4,900)	(300)	(250)	(66)	(4)	(70)	(70)	-74%	-184
Capital Expenditure - Buildings: Airport - Staff Housing Refurbishment - Airport Administration	(15)	(12)	(10)	(12)	0	(12)	(12)	20%	2
Capital Expenditure - Buildings: Airport - Building Upgrades - Airport Administration	0	0	0	0	0	0	0	0%	0
Capital Expenditure - Infrastructure: Airport - Bus Parking - Airport Administration	0	(270)	(225)	(270)	0	(270)	(270)	20%	45
Capital Expenditure - Infrastructure: Airport - Taxiway Overlay - Airport Administration	(5,000)	(100)	(83)	(31)	0	(31)	(31)	-63%	-52
Capital Expenditure - Infrastructure: Airport - Main Apron Strengthening - Airport Administration	(1,300)	(195)	(163)	(154)	0	(154)	(154)	-5%	-8
Capital Expenditure - Infrastructure: Airport - Perimeter Fence Upgrade - Airport Administration	(1,500)	(50)	(42)	(5)	0	(5)	(5)	-88%	-37
Capital Expenditure - Infrastructure: Airport - Runway Resheet: Northern Apron Extension - Airport Administration	0	(100)	(83)	(53)	(26)	(79)	(79)	-37%	-30
Capital Expenditure - Infrastructure: Airport - Electrical Infrastructure - Airport Administration	(2,539)	(2,539)	(2,116)	(1,497)	(545)	(2,042)	(2,042)	-29%	-618
Capital Expenditure - Infrastructure: Airport - Apron Lighting Upgrades - Airport Administration	(1,300)	(20)	(17)	(3)	(3)	(5)	(5)	-82%	-14
Capital Expenditure - Infrastructure: Airport - Storm Water Drainage - Airport Administration	0	(5)	(4)	(4)	0	(4)	(4)	6%	0
Capital Expenditure - Furniture & Equipment: Airport - CCTV Network - Airport Administration	(150)	(150)	(125)	(71)	(54)	(125)	(125)	-43%	-54
Capital Expenditure - Work in Progress - Freight & Logistics Zone - Airport Administration	(8,360)	(510)	(425)	(75)	(411)	(486)	(486)	-82%	-350
Capital Expenditure - Work in Progress - Power in Push Back Equipment - Airport Administration	(765)	0	0	0	0	0	0	-28%	0
Capital Expenditure - Work in Progress - Security Screening Equipment - Airport Administration	(500)	(300)	(250)	(179)	(18)	(197)	(197)	-28%	-71
Capital Expenditure - Work in Progress - Security Upgrades CTO - Airport Administration	(500)	(10)	(8)	(5)	0	(5)	(5)	-40%	-3
Gain on Sale of Asset - Plant: Airport - Airport Administration	15	15	13	0	31	31	31	-100%	13
Operating Grants Subsidies & Contributions - Government Grants - Airport Administration	8,000	50	42	0	0	0	0	-100%	42
Funding									
Capital Expenditure - Repayment of Debentures - Loan Principal Payments : Airport Housing (131) - Airport Administration	(42)	(42)	(35)	(21)	0	(21)	(21)	-41%	-14
Movement in Airport Reserve (Transfer Required from the Airport Reserve)	(9,198)	(5,222)	(4,352)	859	0	859	859		
Airport Reserve Opening Balance 1 July 2014	16,463	16,463	16,463	16,463		16,463	16,463		
Airport Reserve Forecast Closing Balance 30 June 2015	7,265	11,241	17,322	17,322		17,322	17,322		

ATTACHMENT 3 TO ITEM 12.3.2

TOWN OF PORT HEDLAND
WASTE MANAGEMENT
STATEMENT OF FINANCIAL ACTIVITY BY PROGRAM
FOR THE PERIOD ENDED 30 APRIL 2015

Account Description	2014/15						YTD Actuals & Commitments	YTD Actuals & Commitments	Variance
	Original Budget	Current Budget	YTD Current Budget	YTD Actuals	Commitments	YTD Actuals & Commitments			
	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	\$000's	%	\$000's
Operating Revenue									
Fees & Charges: Discretionary - Classic Collection Fees - Classic Collection	1,906	2,100	1,750	2,096	0	2,096	0	20%	(347)
Gain on Sale of Asset - Plant: Landfill - Classic Collection	1	1	1	0	0	0	0	-100%	1
Fees & Charges: Discretionary - Premium Collection Fees - Premium Collection	575	622	518	621	0	621	0	20%	(103)
Fees & Charges: Discretionary - Charges: Replacement Bins & Bin Hire - Premium Collection	0	16	13	16	0	16	0	17%	(2)
Total Operating Revenue - Collection	2,482	2,738	2,282	2,733	0	2,733	0	20%	(451)
Fees & Charges: Discretionary - Tyres - Landfill Business Unit	345	80	67	72	0	72	0	8%	(5)
Fees & Charges: Discretionary - Washdown - Landfill Business Unit	12	13	11	11	0	11	0	4%	(0)
Fees & Charges: Discretionary - General Tipping Fees & Scrap Metal - Landfill Business Unit	3,500	4,600	3,833	4,281	0	4,281	0	12%	(448)
Fees & Charges: Discretionary - Hazardous Waste: Asbestos - Landfill Business Unit	850	2,100	1,750	2,016	0	2,016	0	15%	(266)
Fees & Charges: Discretionary - Scrap Metal Sales & Recyclables Revenue - Landfill Business Unit	30	10	8	2	0	2	0	-73%	6
Fees & Charges: Discretionary - Liquid Waste - Landfill Business Unit	2,900	2,510	2,092	2,169	0	2,169	0	4%	(77)
Non Operating Grants Subsidies & Contributions - Department of Planning Funding - Landfill Business Unit	772	350	292	0	0	0	0	-100%	292
Other Revenue - Reimbursement: Staff Housing Rent - Landfill Business Unit	6	6	5	5	0	5	0	-3%	0
Total Operating Revenue - Landfill	8,415	9,669	8,058	8,557	0	8,557	0	6%	(499)
Total Operating Revenue	10,896	12,408	10,340	11,290	0	11,290	0	9%	(951)
Operating Expenditure									
Depreciation on Assets - Classic Collection	(457)	(110)	(92)	(1)	0	(1)	0	-99%	(91)
Materials and Contracts - Classic Collection - Classic Collection	(456)	(280)	(233)	(208)	0	(208)	0	-11%	(26)
Materials and Contracts - Recovery of Plant Operating Costs: Garbage & Sanitation - Classic Collection	0	(306)	(255)	(252)	0	(252)	0	-1%	(3)
Materials and Contracts - Classic MGB's Repairs Delivery - Classic Collection	(97)	(77)	(64)	(72)	0	(72)	0	11%	7
Materials and Contracts - Replacement Mobile Garbage Bins - Classic Collection	(95)	(95)	(79)	(73)	0	(73)	0	-8%	(6)
Other Expenditure - Admin Costs Distributed - Classic Collection	(101)	(120)	(100)	(103)	0	(103)	0	4%	4
Materials and Contracts - Waste Collection - Premium Collection	(504)	(344)	(287)	(288)	0	(288)	0	1%	2
Materials and Contracts - Premium MGB Repairs & Delivery - Premium Collection	(50)	(50)	(42)	(37)	(0)	(37)	(0)	-11%	(4)
Other Expenditure - Admin Costs Distributed - Premium Collection	(38)	(54)	(45)	(56)	0	(56)	0	23%	11
Total Operating Expenditure - Collection	(1,797)	(1,436)	(1,197)	(1,089)	(0)	(1,089)	(0)	-9%	(107)
Materials and Contracts - Landfill Management - Landfill Business Unit	(2,045)	(1,268)	(1,056)	(993)	(9)	(1,003)	(9)	-6%	(63)
Employee Costs - Superannuation - Landfill Business Unit	0	0	0	0	0	0	0	0%	0
Employee Costs - Superannuation Co Contribution - Landfill Business Unit	0	0	0	0	0	0	0	0%	0
Materials and Contracts - Building Maintenance - Landfill Business Unit	(26)	(26)	(21)	(7)	(6)	(13)	(6)	-67%	(14)
Insurance - Property Insurance - Landfill Business Unit	(3)	(3)	(2)	(3)	0	(3)	0	18%	0
Materials and Contracts - Cleaning - Landfill Business Unit	(6)	(7)	(6)	(5)	(1)	(6)	(1)	-4%	(0)
Materials and Contracts - Washdown Bay Maintenance - Landfill Business Unit	(25)	(25)	(20)	(3)	(1)	(4)	(1)	-84%	(17)
Materials and Contracts - Road, Ground, Litter Maintenance & Repairs - Landfill Business Unit	(70)	(100)	(83)	(59)	(8)	(66)	(8)	-30%	(25)
Utilities- Utility Charges - Landfill Business Unit	(12)	(19)	(15)	(14)	0	(14)	0	-9%	(1)
Materials and Contracts - Supply Clean Fill - Landfill Business Unit	(300)	(326)	(272)	(129)	(97)	(226)	(97)	-52%	(142)
Materials and Contracts - Office Expenses - Landfill Business Unit	(13)	(13)	(11)	(6)	(2)	(8)	(2)	-48%	(5)
Materials and Contracts - Recovery of Plant Operating Costs: Heavy - Landfill Business Unit	0	(705)	(588)	(582)	0	(582)	0	-1%	(6)
VEH018 - CATERPILLAR TRACKLOADER	0	0	0	0	(0)	0	(0)	0%	0
Materials and Contracts - External Plant Hire - Landfill Business Unit	(100)	(130)	(108)	(88)	(21)	(109)	(21)	-18%	(20)
Materials and Contracts - Fire Suppression Expenses - Landfill Business Unit	(46)	(89)	(74)	(97)	(3)	(90)	(3)	19%	14
Materials and Contracts - Monitoring & Licensing - Landfill Business Unit	(100)	(190)	(158)	(123)	(62)	(186)	(62)	-22%	(35)
Materials and Contracts - Management & Business Plans - Landfill Business Unit	(43)	(43)	(35)	(11)	(8)	(19)	(8)	-69%	(25)
Materials and Contracts - Weighbridge Maint Costs - Landfill Business Unit	(11)	(17)	(14)	(17)	0	(17)	0	20%	3
Materials and Contracts - Recovery of Plant Operating Costs - Landfill Business Unit	0	(72)	(60)	(62)	0	(62)	0	3%	2
Materials and Contracts - Development of Landfill Master Plan - Landfill Business Unit	(772)	(362)	(302)	(85)	(243)	(327)	(243)	-72%	(217)
Employee Costs - Staff Housing Rental Costs - Landfill Business Unit	(90)	(54)	(45)	(54)	0	(54)	0	20%	9
Other Expenditure - Admin Costs Distributed - Landfill Business Unit	(550)	(475)	(396)	(398)	0	(398)	0	1%	2
Total Operating Expenditure - Landfill	(4,210)	(3,921)	(3,267)	(2,726)	(460)	(3,186)	(460)	-17%	(541)

This page has been left blank intentionally.

12.3.3 Royal Flying Doctor Service Western Operations - Landing fee donation

Sara Bryan, Manager Property and Asset Strategy
File No. 05/05/0044

DISCLOSURE OF INTEREST BY OFFICER

Nil

RECOMMENDATION

That Council approve an annual landing fee donation agreement with the Royal Flying Doctor Service – Western Operations on the following terms and conditions:

- a) Landing activity for the Royal Flying Doctor Service Western Operations at the Port Hedland International Airport to be recognised as \$0 per landing through the collection of landing activity data;**
- b) That the Royal Flying Doctor Service Western Operations provide annual reports to the Town of Port Hedland detailing expenditure commitments for the equivalent landing fee amounts for maintenance and upgrade of facilities and equipment at the Port Hedland operations base.**

AMENDED RECOMMENDATION

That Council approve an annual landing fee donation agreement with the Royal Flying Doctor Service – Western Operations on the following terms and conditions:

- a) Landing activity for the Royal Flying Doctor Service Western Operations at the Port Hedland International Airport to be recognised as \$0 per landing through the collection of landing activity data;**
- b) That the Royal Flying Doctor Service Western Operations provide annual reports to the Town of Port Hedland detailing expenditure commitments for the equivalent landing fee amounts for maintenance and upgrade of facilities and equipment at the Port Hedland operations base.**
- c) That the Royal Flying Doctor Services – Western Operations be requested to:**
 - Provide ongoing data as to the number of landings the Royal Flying Doctor Services – Western Operations undertakes at the Port Hedland International Airport; and**
 - Appropriately acknowledge the contributions of the Town of Port Hedland.**

201415/284 COUNCIL DECISION**MOVED: CR HOOPER****SECONDED: CR GILLINGHAM**

That Council approve an annual landing fee donation agreement with the Royal Flying Doctor Service – Western Operations on the following terms and conditions:

- a) Landing activity for the Royal Flying Doctor Service Western Operations at the Port Hedland International Airport to be recognised as \$0 per landing through the collection of landing activity data;**
- b) That the Royal Flying Doctor Service Western Operations provide annual reports to the Town of Port Hedland detailing expenditure commitments for the equivalent landing fee amounts for maintenance and upgrade of facilities and equipment at the Port Hedland operations base;**
- c) That the Royal Flying Doctor Service Western Operations appropriately acknowledge the financial contribution of the Town of Port Hedland.**

CARRIED BY ABSOLUTE MAJORITY 7/0

EXECUTIVE SUMMARY

This item seeks Council's endorsement of terms for an annual landing fee charge agreement between the Town of Port Hedland (Town) and the Royal Flying Doctor Service Western Operations Port Hedland (RFDS) for landing activity at the Port Hedland International Airport (PHIA) for the 2015/16 financial year.

DETAILED REPORT

The RFDS have operated a base within the town of Port Hedland since 1935, providing a critical service to the community.

RFDS services from the Port Hedland base include:

- Emergency transfers to Hedland Health Campus
- Inter hospital transfers to Perth
- Primary Health clinics to the Pilbara regions

At its Ordinary Meeting held in August 2007, Council resolved the following:

“That Council resolve to:

- i) Charge the Royal Flying Doctor Service landing fees as per Council's Schedule of Fees and Charges commencing for month of August;*
- ii) Donate 100% of the income generated from RFDS landing fees to the RFDS Western Operations, for the purpose of funding donated by Council being allocated to the local Port Hedland base, through equipment purchases, infrastructure upgrades for the base, aircraft medical equipment, etc, ensuring that the donation will benefit the RFDS base at Port Hedland, in addition to funding allocations made by the RFDS organisation;*

- iii) *Advise RFDS Western Operations of Council's resolution as outlined above, and the local Port Hedland branch of the RFDS be advised of this contribution from Council"*

In administering this arrangement, the Town have continued to raise monthly invoices for landing fee charges incurred by the RFDS. The RFDS would then provide invoices back to the Town to enable processing of the credit of these amounts as per the intention of the second point of the above recommendation.

The Town have not received invoices from the RFDS for the recovery of these amounts since November 2011. In considering the process for reconciliation of this matter, it is prudent to review the outstanding decision of Council in order to ensure an efficient process in administering the donation and accountability for the purpose of the funding arrangement also detailed in the second point of the above recommendation.

At the time of preparing this report, the total amount to be credited back to the RFDS as a landing fee donation equals \$365,448.59 exclusive of gst. This amount is contained within general ledger account 1210251 – Landing Fee Donation.

Proposed administration process

In April 2014, the Town engaged the services of AvData to manage the collection of landing fee data and invoicing for associated charges.

It is proposed that AvData be requested to recognize RFDS landing activity at a zero dollar charge rate which negates the triple handling of the funds as per the current process.

The landing data will continue to be collected and will enable the Town to calculate the ongoing financial benefit of the arrangement to the RFDS.

Reporting and accountability

In reviewing this process, it is recommended that the arrangement be formalised by way of a letter of agreement. The letter of agreement should stipulate the details of the revised administration process and furthermore include reporting obligations to the RFDS to provide the Town with details of expenditure of the donation amounts. This will protect the original intent of Council's previous resolution on this matter and provide the Town with an opportunity for the essential contribution to be appropriately recognised.

This will require a report to be provided on anticipated expenditure associated with the backdated credit amount as well as future reports to be provided for the equivalent financial benefits of the savings made through the \$0 landing fee agreement moving forward.

This item has been researched and prepared in consultation with the PHIA management team, the Town's financial services business unit and the RFDS through their Chief Financial Officer. All parties are satisfied that the proposed approach will enable the level of benefit of the arrangement to be captured and recognised appropriately as well as provide an improved administration process.

A number of other airport operators have also been consulted in understanding the treatment of fees and charges related to RFDS operations. This research has indicated that RFDS are consistently granted concessions for airport charges at peer airports, with a variety of administration processes to support these arrangements.

FINANCIAL IMPLICATIONS

The current process for the administration of this donation involves invoices being raised for any landing fees with credits expended from the Landing Fee Donation budget line.

Should Council resolve to proceed with the recommendation of this item, there will be no impact to the bottom line of the budget as the amounts recognised within these accounts relating to the landing fee donations offset each other to \$0.

While there are no direct revenue or expenditure impacts associated with the implementation of the recommendation of this item, formalisation of this revised process offers significant process improvement benefits and will save significant staff time in management of this account.

Should the current airport governance review process result in the airport being managed by a third party, it would be recommended that the fundamentals of this arrangement be transferred as part of the transition process.

STATUTORY AND POLICY IMPLICATIONS

Regulation 26 of the Local Government (Financial Management) Regulations 1996 and Section 6.12 of the Local Government Act 1995 are applicable to this item in providing the Local Government with the power to waive or grant concessions in relation to any amount of money which is owed to the Local Government.

ATTACHMENTS

1. DRAFT – Letter of Agreement

4 June 2015

ATTACHMENT 1 TO ITEM 12.3.3

Civic Centre
McGregor Street

P (08) 9158 9300
F (08) 9158 9399

PO Box 41
Port Hedland, WA 6721

council@porthedland.wa.gov.au
www.porthedland.wa.gov.au

Our Ref: 05/05/0044
Enquiries: Sara Bryan
Direct Line: (08) 9158 9394

Liane Papaelias
Chief Financial Officer
RFDS Western Operations
3 Eagle Drive
Jandakot WA 6164



Dear Liane,

Letter of Agreement: Annual Landing Fee Charge (General Aviation) – Port Hedland International Airport

At its ordinary meeting held XXXXX 2015, Council resolved the following:

"That Council approves an annual landing fee donation agreement with the Royal Flying Doctor Service – Western Operations on the following terms and conditions:

- a) *Landing activity for the Royal Flying Doctor Service Western Operations at the Port Hedland International Airport to be recognised as \$0 per landing through the collection of landing activity data;*
- b) *That the Royal Flying Doctor Service Western Operations provide annual reports to the Town of Port Hedland detailing expenditure commitments for the equivalent landing fee amounts for maintenance and upgrade of facilities and equipment at the Port Hedland operations base."*

In accordance with the decision of Council, the Town of Port Hedland will provide details of the equivalent annual landing fee charge amount to the Royal Flying Doctor Service Western Operations as of 30 June of each year.

Royal Flying Doctor Service Western Operations will subsequently provide a report detailing expenditure commitments for the equivalent landing fee amounts in accordance with the above terms within 60 days of receipt of this notice.

This Letter of Agreement is intended by the parties to create a contractual relationship and is legally binding upon signing by the parties.

Signed for and on behalf of the Town of Port Hedland by:

Mal Osborne
Chief Executive Officer
Town of Port Hedland
Date:

Signed for and on behalf of Royal Flying Doctor Service Western Operations by:

Liane Papaelias
Chief Financial Officer
Royal Flying Doctor Service Western Operations
Date:

12.3.4 Annual Statutory Review of Town of Port Hedland Delegation Register

Josephine Bianchi, Governance Coordinator
File No. 13/02/0001

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/285 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR HOOPER

That Council:

- 1. Adopt the 2015/16 Delegation Register as listed in Attachment 1.**
- 2. Appoint the Chief Executive Officer, the Manager Environmental Health and the Coordinator Environmental Health as authorized officers under the Caravan Parks and Camping Grounds Act 1995.**

CARRIED BY ABSOLUTE MAJORITY 7/0

EXECUTIVE SUMMARY

Council is statutorily required to review its Delegation Register at least once every financial year.

Council reviewed the Town's 2014/15 Delegation Register on 25 June 2014 and is therefore required to review it again by 30 June 2015.

DETAILED REPORT

An annual review of the Delegation Register is required to be undertaken as per section 5.18 of the Local Government Act 1995 (LG Act).

For ease of reference the Delegation Register lists delegations under the LG Act and also other legislation that the Town's various business units have to abide by.

Communication with internal and external stakeholders have highlighted a number of changes to delegated powers.

The Town officers consulted as part of this process were:

- Executive team
- All Managers
- Coordinator Finance
- Development Compliance Officers
- Lands and Technical Officer
- Building Surveyor
- Acting Senior Statutory Planning Officer

- WA Department of Lands
- Other WA local governments (City of Perth, City of Vincent, City of Stirling, Shire of Carnarvon, City of Gosnells)
- Western Australian Local Government Association

All recommended changes to delegations have been highlighted in Attachment 1 and reasons for changes are summarised below.

Local Government Act 1995

A number of delegations under the Local Government Act 1995 are proposed to be deleted because they have been identified as an administrative matter that is not subject of a formal delegation and can simply be resolved via the concept of acting through, as part of a policy or an internal operating procedure. These being:

- 1.1 Acting CEO – as advised by Walga this is not a delegation and can be covered by a policy.
- 1.2 Legal Advice – this is an internal process which the CEO can determine with no formal delegation needed.
- 1.3 Representing Local Government in Court; section 9.29(2) of the Local Government Act 1995 states that an employee of a local government appointed in writing signed by the CEO (not the Council) may represent the local government in court.
- 1.12 Insurance – Public Liability Claims – all claims should go through the Town's insurers, no delegation is necessary.

The following current delegations are proposed to be modified:

- 1.2 Signatories on Municipal and Trust Fund – reference to Reserves Accounts has been added to ensure that all types of local government accounts are included.
- 1.4 Investment of Funds – wording change to reflect the CEO being able to determine subdelegation of duties.
- 1.7 Waiver of Fees and Charges – reference to court settlements has been taken out to ensure that the waiver can be applied to all fees and charges (other than raters or service charges) regardless of whether they are subject of court settlements, but on the condition that they must relate to not-for-profit and Non-Governmental Organisations only, and up to the value of \$1,000.
- 1.13 Tender Selection Criteria & 1.14 Tenders, Acceptance of – these delegations are proposed to be combined and expanded to include reference to Expressions of Interest also, and to fully align with the Local Government Function and General Regulations 1996.
- 1.10 Contract Variations –The definition of minor variation has changed to 'less than 10%' to correctly align with the Local Government Function and General Regulations 1996, and the maximum amount for variations has been amended to ensure it stays within current officer's subdelegations in relation to their authority of expenditure.

- 1.18 Enforcement and Infringement Notices – this delegation has been changed to ‘Appointment of Authorised Persons’ and now includes reference to the Town’s Local Laws to enable the CEO to determine authorized officers under all Town Local Laws from time to time without having to request a formal appointment via a Council resolution. This will therefore require deletion of the current delegations under 16.1 Cat Local Law and 16.2 Parking Local Law.

Building Act 2011

The following delegations are proposed to be modified:

- 3.2 Building Permits and Certificates of Design Compliance – reference to Certificates of Design Compliance has been taken out as these can only be issued by a registered building surveyor who does not require delegation.
- 3.3 Occupancy permit, Building Approval Certificate, Certificate of building Compliance, Certificate of Construction Compliance, with or with or without conditions and extension of period of duration of Occupancy Permit or Building Approval Certificate & Notice of decision to not grant an Occupancy Permit or grant Building Approval Certificate – reference to Certificate of Building Compliance and Certificate of Construction Compliance has been deleted as these can only be issued by a registered building surveyor. Reference to Occupancy Permit – Strata, and Building Approval Certificates – Strata have been added to fully align with all certificates required to be issued under the Building Act 2011.
- Reference to the Town officers has been amended to reflect the updated Town of Port Hedland organisational structure.

Town Planning Scheme No. 5 (TPS 5)

Delegation 5.1 has been reworded to ensure that all sections clearly align with provisions included in the TPS5, and to become a more user friendly document for Town officers who have to apply delegations as part of their daily functions.

Section 6 in relation to Scheme Requirement has been taken out as this is part of the normal operations of the Planning unit and is not a function that requires specific delegation from the Council to officers.

Section 8 in relation to Easement Registrations/Cancellations has been deleted because it is not a function under the TPS5 requiring formal delegation.

Sections 7 and 9 (Road Closure/Dedication Actions and Revoke/Accept and Amend Vesting/Management Orders) have been taken out and moved across to the Land Administration Act section, as this is the piece of legislation they should make reference to.

Section 11 in relation to Infringement Notices has been taken out as section 234 of the Planning and Development Act 2005 stipulates that it is the Chief Executive Officer of a responsible authority (not the Council) that may, in writing, appoint persons or classes of persons to administer infringement notices.

Land Administration Act 1997

The two delegations were originally listed under the Town planning Scheme No.5 regarding road closures/dedications and management orders and have been moved to the Land Administration Act section.

Planning and Development Act 2005

Two new delegations have been added to allow the responsible officers to enforce contraventions of the town planning scheme and rectify contraventions of the scheme in the event that the offender fails to do so. These being delegation 6.1 Directions regarding Unauthorised/Illegal Development and 6.3 Powers to Remove Unauthorised /Illegal Development.

Delegation 6.4 has also been added to formalise submission of reports to the Development Assessment Panel.

Emergency Management Act 2005

The position title of the Emergency Services Officer has been updated to reflect the position title change.

Bush Fires Act 1954 and Control of Vehicles (Off Road Areas) Act 1978

The Emergency Services Officer has been included to reflect the responsibilities of the position.

Caravan Parks and Camping Grounds Act 1995

This delegation has been amended to reflect section 17(1) of this Act which states that this an authorisation straight from the Council to local government officers. The Council is therefore requested to include the Manager Environmental Health and Coordinator Environmental Health in this authorisation as per current practice.

Committees

Amendments have been made to delegation 2.1 to reflect changes made to the name and terms of reference of the committee at the 27 May Ordinary Council meeting.

It is also proposed to delete reference to delegations to the Airport Committee to reflect the current practice of tenders for Airport works being referred to Council.

Format changes

A number of format and grammatical changes have also been made to other sections of the register.

FINANCIAL IMPLICATIONS

Should the delegation register not be adopted the risk to the organisation would be that of not being able to undertake its day-to-day operations in a timely manner. This would also impact on the service that the Town offers to the community and have negative financial side effects, particularly in those areas that require a determination to be conducted within a specific timeframe (such as development applications) or associated with undertakings of a significant financial nature (tendering).

STATUTORY AND POLICY IMPLICATIONS

The yearly review of the Town's delegation register ensures that the Town is compliant with section 5.18 of the Local Government Act 1995 (LG Act).

This exercise is an opportunity for officers to review delegations that impact on their business units and to ensure that the best levels of authority are in place for the smooth running of all Town's operations. The delegation register review assists in the delivery of efficient corporate governance and ensures that the organization is compliant and accountable.

Section 4.1 'Strategic and best practice local government administration' of the Strategic Community Plan 2014 – 2024 applies as updating the policy manual assists with delivering high quality corporate governance accountability and compliance.

ATTACHMENTS

1. 2015/16 Delegated Authority Register with track changes (Under Separate Cover)

10 June 2015

12.3.5 Financial Management - 2015/16 Budget - Differential General Rates and Minimum Rates - Consideration of Public Submissions

Peter Kocian, Manager Financial Services
File No. 12/05/0010

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/286 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR DACCACHE

That Council:

- Note that 58 public submissions have been received regarding the advertised 2015/16 Differential Rating Model, with a summary provided as follows, and all submissions being provided in full as per Attachment 2 to this report:

Rate Category	No. of Submissions	Key Issues	Officer Comment
GRV Residential	48	<p>25 of the 48 public submissions were a generic reproduction of the submission from the Ratepayers Association</p> <p>Strong theme that the Town should reduce rates as GRVs have decreased significantly</p> <p>An argument that the Town has pegged rates to valuations in the past, and hence rates should fall in line with the decreased property valuations</p> <p>Campaign to sign a petition that a minimum 30% reduction be applied to 15/16 rates payable in the residential sector as a 'fair and reasonable compromise in line with the heavily declined marketplace'</p> <p>The Town should consider the overall increase in the number of properties since 2012 and the rate growth over this period</p> <p>The Town should be reducing operational costs</p>	<p>48 submissions have been received with regards to the GRV Residential Rate Category, out of a total of 6261 rateable assessments, equating to a 0.7% response rate</p> <p>It is however recommended that the Council consider the impact of the 39% average reduction in property valuations, and reduce the residential rate yield by 1.75%. This takes into account that the lions share (62%) of total rate yield is derived from the Residential rate category, and there exists an argument of horizontal equalization to redistribute the rate burden to other rate categories. This is supported by the benchmarking data from other local governments.</p> <p>The Town has considered the overall increase in the number of properties since 2012 and the rate growth over this period. It is the interim rates received during 2014/15 (as a result of more rateable assessments and/or</p>

		<p>to negate the requirement for rate increases</p> <p>The Town should undergo an independent operational review to ascertain areas where there is a duplication of services, programs, staffing levels and or financial expenditure</p> <p>The Town should improve facility management such as reducing energy costs</p> <p>The Town should investigate options for increasing income such as commercial leases</p> <p>A strong perception that the Town is not meeting asset management responsibilities with regards to core infrastructure. There is a demand for the Town to be accountable in the delivery of budgeted projects rather than redirecting funds at quarterly reviews</p> <p>Town maintenance is lacking – verges, kerbing, street sweeping, weeding/slashing, cleaning of drains</p> <p>A claim that the ‘high’ residential rates are a disincentive to home ownership in Port Hedland</p> <p>The decreasing rental returns may result in bankruptcies and property foreclosures</p> <p>The Town should benchmark rates with other regional towns</p> <p>A request for the Town to consider a rebate or incentive scheme for people to renovate or rebuild old properties to revitalize the town and support local business</p> <p>Claim that the Town does not have exact figures on how many homes will be affected by the proposed rating strategy</p> <p>Lack of emphasis on what the Town is doing to address recurrent spending</p>	<p>improvements/rateable value) that has enabled the Council to consider a rate reduction</p> <p>The Town has adopted a strong commitment of cost constraint, limiting overall increases in operating expenditure to less than 2.5% in line with CPI and Local Government Cost Indexes</p> <p>The Town is currently completing operational reviews of the Airport and Waste Management business units with a view of achieving efficiencies. A comprehensive fees and charges review is also underway which is closely scrutinizing existing cost structures</p> <p>The Town is undertaking an energy audit of all civic facilities with a view of introducing energy efficient technology. The Town is also investigating the installation of solar PV cells on all town owned dwellings</p> <p>The Town acknowledges the challenges with respect to asset management and under the Integrated Planning and Reporting Framework has completed the majority of Asset Management Plans. As an example, an annual renewal funding gap of \$166k has been identified with respect to buildings and sealed roads. The Town needs to ensure it has adequate revenue streams to address the renewal gap to maintain service delivery levels to the community</p> <p>The Town has benchmarked rates against neighbouring local governments and the proposed rate in the dollar for a number of rate categories is more favourable in the Town of Port Hedland including the residential category</p> <p>The Towns rates model is more robust than other local governments and this can be benchmarked against the publicly available information comparing the Statement of</p>
--	--	---	--

		<p>obligations in what are now tough economic conditions in the community. It is argued that there are significant disinflationary pressures and the Town should be aggressively reducing recurrent spending obligations and not applying a CPI increase to costs. An example of employee costs was cited where the Town has indexed all salaries by 2.5% under the EBA whilst most businesses are applying a reduction of between 5-30%. Public sector employees have always maintained a relative pay balance with private sector equivalents and this discrepancy needs to be addressed.</p> <p>Given the average 39% reduction in the rateable values of residential properties, the Town is increasing the RID by 63% being an increase in the effective rate of taxation. The Town should be benchmarking this against neighbouring local governments and if the proposed rate in the dollar is determined to be appropriate, that the Town use this information to educate the community</p> <p>It is argued that rateable values have fallen significantly between the date of valuation 1 August 2014 and the present day – in a highly volatile property markets, there is cause to assess valuations more regularly than 3 years</p> <p>Request for no increase in the minimum rate</p>	<p>Rating Objects and Reasons and rating analysis using specific rates modelling software</p> <p>Values are assessed every three years to complete the 'General Valuation' with every property valued at a date set by the Valuer General, referred to as the date of valuation being the 1 August 2014. The GRV remains fixed until the next general valuation despite potential changes in the market. It's a snapshot that reflects local area property market at a certain time – this ensures a consistent baseline across the State</p>
GRV Tourist Accommodation	2	<p>Submissions received from the Hospitality Inn and the Esplanade Hotel</p> <p>Under the advertised rates model, both properties were to receive a rate increase of more than 15% due to the</p>	<p>In response to the submissions, it is now proposed to discount the rate yield from the GRV Tourist Accommodation category by \$100k and budget this amount in interim rates. This results in</p>

		<p>reclassification of 2 properties from mass accommodation to tourist accommodation, and the redistribution of the rate burden to this category</p> <p>Both submissions argue that TWA's are unfairly competing in the short stay market contributing to an oversupply of beds. Hotels are operating at 50% occupancy</p>	<p>a decrease in the proposed rate in the dollar from 12.7926c to 11.4339c</p> <p>The reduced rate in the dollar will benefit all ratepayers in this rate category, and limit the rate increase for the Hospitality Inn and Esplanade Hotel to approx. 3%. This proposal has been discussed with the General Managers of both hotels and they are satisfied with this outcome</p> <p>The lease agreements for Mia Mia and Port Haven are silent on any restriction of patronage. From a planning approvals perspective, the prescribed purpose of TWAs is also very broad. It is therefore very difficult for the town to regulate patronage at these facilities under both heads of authority.</p>
GRV Mass Accommodation	1	<p>Submission received from Roy Hill Infrastructure. Submission argues the following:</p> <ol style="list-style-type: none"> 1. The increase in rates imposed on the mass accommodation category is discriminatory – Council has ignored the decrease in valuations for these properties compared to the residential rate category where there is no proposed rate increase 2. The Towns suggestion that the proportion of rates generated from the mass accommodation category is appropriate because the revenue reflects the proportion of the Town population is flawed 3. The Town has not explained the reasons why the shopping centre rates are proposed to decrease by 20% 4. The Town has taken into consideration the substantial decrease in the GRV of residential properties in the Town in determining the appropriate rate increases applicable to 	<p>In response to the submission from Roy Hill Infrastructure (the Gateway property), the following comments are provided:</p> <p>The 3% increase in rate yield is proposed across all general rate categories with the exception of Residential, Tourist Accommodation, Shopping Centre and UV Mining Exploration. The reasons for the reduction in yield from the Tourist Accommodation, Shopping Centre and UV Mining Exploration categories has been articulated in all public documents, community presentations and newspaper articles and there appears to be universal acceptance of this rating strategy, as supported by submissions from the Chamber of Commerce and Chamber of Minerals and Energy. With regards to residential rates, Council has considered the interests of 85% of total rateable assessments, and the interests of 'local' residents. There exists a political/social argument to place a bed tax via</p>

		<p>the residential category. The Town should consider the profitability and viability of all business as they have been adversely impacted by the substantial decrease in the price of iron ore in recent months.</p> <p>- The submission from Hedland First National argues that the mass accommodation properties have been a significant causal factor in the speed and depth of the fall in the local property market now effecting rate payers. The premise for TWAs to supplement housing supply is now redundant and the Town needs to communicate a plan to replace the revenues of the TWAs.</p>	<p>rates on transient worker accommodation facilities to ensure no competitive advantage to the tourist market (this concept has been publicly supported by a number of members of parliament) and to also provide a model for workers to transition out of these facilities into residential accommodation. The Town has benchmarked the mass accommodation rate in the dollar against the City of Karratha and both local governments have adopted the same philosophical position.</p>
GRV Commercial	2	<p>Submission received from the Chamber of Commerce. Submission states the following:</p> <ol style="list-style-type: none"> 1. Land value reduction is of little value if the rates are increased accordingly 2. Small business is a major contributor to the economy and rate relief should be considered 3. The shopping centres should be required to pass on rate reductions to tenants <p>- Submission received from the South Hedland Business Association. Submission states the following:</p> <ol style="list-style-type: none"> 1. The Association understands the formulation of the rates model and is generally supportive 2. The business sector is under significant financial stress due to the downturn in the mining industry and the reduced property valuations have affected the equity position of many businesses 	<p>- The submissions from the Chamber of Commerce and South Hedland Business Association support the normalization of the Shopping Centre rate in the dollar with the commercial rate in the dollar. The Shopping Centre owners have confirmed they will pass on rate reductions to tenants. There are only a small number of local governments that impose a separate differential rate for shopping centres and Council has committed to correct this historic imbalance</p> <p>- Whilst it is acknowledged that average valuations for commercial properties have reduced by 11.5%, the average rates paid is \$4,157 compared to average residential rates of \$2,578. When benchmarked against the average commercial rates paid in the City of Karratha and the Shire of Broome, there is a disproportional rate burden on residential assessments in the Town of Port Hedland. A level of equalization is required.</p> <p>- The Town is committed to reviewing its cost structure to</p>

		<p>3. Request that the Town reviews its expenditure relating to staff, plant and equipment and asset renewal to reduce the 3% increase to be closer to a no increase situation for all categories</p> <p>4. Supports the initiative to address the imbalance in the RID between the shopping centre and commercial rate categories</p> <p>5. Request that the Town allocate any budget surplus towards a reduction in rates</p> <p>6. The Town workshop with business the Towns strategy to attract population, support business and attract new enterprises – including rate discounting or other incentives</p> <p>7. The Town partner with the Chamber of Commerce to commence a keep it local campaign</p> <p>8. The Town investigate a loyalty program for local residents to provide discounts at facilities</p> <p>- The submission from Hedland First National notes that the major beneficiary of the reduction in shopping centre rates will be the large national anchor tenants. Hedland First National consider it appropriate for the Shopping Centres to pay a higher rate than Commercial properties – the planning considerations given to the community infrastructure around the shopping centres and the investment attracted to the precinct gives its owners and tenants an uplift not enjoyed by other commercial property.</p>	<p>negate significant rate increases into the future. The Town does however have significant asset management requirements and the Towns revenue strategies must support increased investment in this area.</p> <p>- The Town is currently investigating a framework to support 'buy local' and doing business in the Town of Port Hedland. It is recognised that stimulus is required into a declining sector</p> <p>- Whilst the Town accepts the comments from Hedland First National and this reasoning has been used to explain the positive rate differential for shopping centres in prior years, there is a significant push from the commercial sector (as demonstrated by the two representative business submissions) to normalise the rate in the dollar.</p>
<p>GRV Industrial</p>	<p>4</p>	<p>Rents in Wedgefield have dropped significantly, with an example provided of a 40% reduction in rent for a</p>	<p>This submission is contrary to advice received from the Valuer General who has advised there is evidence to</p>

		20,000 m2 site; outgoings such as rates should reduce accordingly	support that rents have in fact increased resulting in an overall 20% increase in average valuations. It is recommended that the Town mail an Objection of Valuation form to all ratepayers in this category as part of the rates mail out to better inform ratepayers of the opportunity to contest their individual circumstances.
UV Mining	1	<p>Submission received from the WA Chamber of Minerals and Energy. Submission states the following:</p> <ol style="list-style-type: none"> 1. Supports local government maximizing rate revenue through differential rating and the adoption of GRVs for certain resource sector interests in accordance with the GRV Policy 2. CME supports the continuation of the GRV Policy. Does not agree with the Towns proposed future review of mining improvements covered under State Agreement Act 3. Supports the consultative approach the Town has adopted in developing the rates strategy, demonstrated understanding of policies relevant to rate setting, and commitment to no net increase in rates revenue 4. Supports the proposed introduction of the UV Mining Exploration rating category 	<p>- This submission was very supportive of the Towns Rating Strategy with regards to mining rates. The Town was commended on the proposed introduction of the UV Mining Exploration rating category.</p> <p>- The CME two objections with respect to rating of mining improvements and the previous Mining Improved general rate category are not relevant to the proposed 15/16 rates model:</p> <ol style="list-style-type: none"> 1. The UV Mining Improved general rate category is now obsolete and the Council has adopted very clear rate category definitions based on the type of mining tenement as defined under the <i>Mining Act</i> 2. The CME supports the continuation of the GRV Mining Policy – the Town will adopt this framework when considering the application of GRV spot rating on mining improvements
	58		

2. With respect to the public submissions, endorse the 2015/16 Differential Rating Model as follows, with a view of striking the rates as part of the 2015/16 Budget adoption:

Rating Category	Proposed Rate in \$	Proposed Minimum Rate	No. Assess	% of Assess. on Minimum Payment	Total Rateable Value of Assess.	Proposed Budgeted Rate Yield 15/16
GRV Residential	5.6920	\$1,260	6261	11.72%	271,997,730	15,882,426
GRV Commercial	4.3026	\$1,260	237	27%	22,524,524	1,014,992
GRV Industrial	2.8978	\$1,260	413	9.93%	59,639,679	1,752,575
GRV Shopping Centre	5.7891	\$1,260	2	0%	9,642,311	558,204
GRV Mass Accom.	28.6116	\$1,260	6	0%	12,880,000	3,685,176
GRV Tourist Accom.	11.4339	\$1,260	10	0%	7,360,080	841,543
UV Mining	42.3693	\$1,260	105	41.9%	2,461,998	1,073,866
UV Mining Exploration	36.1702	\$1,100	100	49%	589,515	243,101
UV Mining Other	36.9834	\$1,260	192	97.92%	186,056	258,300
UV Other	18.8800	\$1,260	24	41.67%	1,508,949	296,707
UV Pastoral	10.8292	\$1,260	11	0%	1,246,833	135,022
Interim Rates						360,449
TOTALS			7361		390,037,675	26,102,360

3. Request that the Chief Executive Officer, or his delegate(s), seek approval from the Minister for Local Government for the Town of Port Hedland's application for the above 2015/16 Differential Rating Model as it is proposed:
- To impose differential rates for both Unimproved Value and Gross Rental Value such that the rate for one or more categories is more than twice that of the lowest category (approval required for the following rate in the dollars: GRV Mass Accommodation, GRV Tourist Accommodation, UV Mining, UV Mining Exploration and UV Mining Other) ; and
 - Minimum payments for vacant land apply to more than 50% of properties in the UV Mining Other general rate category.
4. Request that the Chief Executive Officer, or his delegate(s) requests that the Minister for Local Government provide timely approval as it is intended that the Town of Port Hedland Budget be adopted at a Special Meeting of Council on 29 July 2015.
5. Request that the Chief Executive Officer investigate the framework and introduction of a loyalty program for local residents with a view of providing discounts for use of Town facilities, and report back to Council.

6. Request that the Chief Executive Officer, or his delegate(s), distribute an Objection of Valuation form to all ratepayers in the GRV Industrial general rate category along with the information flyer from Landgate to enable ratepayers to object to their valuation if they believe that their personal circumstances warrant.
7. Consider as part of the 15/16 Budget adoption the following payment option for ratepayers to provide increased flexibility with cash-flow:

Ratepayers who elect to pay rates by direct debit in 2015/16 and commit to paying their rates bill in full by 30 June 2016 will be exempt from the administration fee and interest penalties.

CARRIED 5/2

Record of votes

For	Against
Mayor Howlett	Councillor Gillingham
Councillor Jacob	Councillor Butson
Councillor Daccache	
Councillor Hooper	
Councillor Melville	

Note – Rates are adopted as part of the Annual Budget pursuant to section 6.32 of the Local Government Act 1995 by absolute majority decision.

EXECUTIVE SUMMARY

This report recommends that Council endorse the 2015/16 Differential Rating Model following an extensive community consultation process, and request that the Minister for Local Government approve the Town of Port Hedland's application for the 2015/16 Differential Rating Model as it is proposed:

- a) To impose differential rates for both Unimproved Value and Gross Rental Value such that the rate in the dollar for one or more categories is more than twice that of the lowest category (GRV Mass Accommodation, GRV Tourist Accommodation, UV Mining, UV Mining Exploration and UV Mining Other) ; and
- b) Minimum payments for vacant land apply to more than 50% of properties in the UV Mining Other general rate category.

It should be noted that Ministerial approval must be obtained before the council meeting which adopts the 2015/16 budget or the budget is invalid and rates imposed are not recoverable and can be squashed by the State Administrative Tribunal.

DETAILED REPORT

At the Special Meeting of 12 May 2015 Council resolved to endorse the 2015/16 Differential Rating Model for community consultation.

The advertised model was underpinned by the following rating principles:

- Gross Rental Values apply to the following differential general rate categories; Residential, Commercial, Industrial, Shopping Centre, Mass Accommodation, Tourist Accommodation;
- Unimproved Values apply to the following differential general rate categories; Mining, Mining Exploration, Mining Other, UV Other and UV Pastoral;
- Properties are rated according to Town Planning zonings and predominant land use with each having a separate calculated rate in the dollar to achieve greater equity across all sectors;
- The current Gross Rental Values have a date of valuation of 1 August 2014 – that is, the Town has received a general valuation in the last 12 months with valuations to come into force on 1 July 2015;
- Unimproved Values are determined annually by the Valuer General and proposed rates have been calculated on provisional valuations provided with a date in force of 1 July 2015;
- Following the general valuation, Residential valuations have decreased by an average of 39%, Commercial valuations have decreased by an average of 22%, and Industrial valuations have increased by an average of 19%;
- The relative movement in valuations between Industrial properties and Residential properties has resulted in the Industrial rate category becoming the lowest rate in the dollar for the calculation of rating differentials;
- The proposed rates model will yield \$26,102,360 in total rate revenue which is a 0% increase on 2014/15 year to date rate revenue which includes interim rate revenue raised;
- It is proposed to increase the rate yield by 3% for all general rate categories with the exception of Residential, Shopping Centre and Mining Exploration;
- The 3% increase in yield for these rate categories is in keeping with the Towns adopted Rating Strategy and represents a commitment by Council to keep any rate increases consistent with the growth in costs, with the Local Government Cost Index forecast to be 2.9% for the 15/16 financial year (Source: WALGA March 2015 Economic Briefing). The Town also has asset management requirements and the Rating Strategy provides for 50% of the rate increase to be dedicated to asset management initiatives such as renewal of roads and drainage;
- Council is proposing a 0% increase in the rate yield from Residential properties to recognise the 39% average decrease in property valuations;
- The Town has achieved an increase in rate yield from the 2014/15 Budget due to interim rate revenue received during the financial year. This represents growth in the Towns rate base from new and/or improved properties;
- It is proposed to reduce Shopping Centre rates by 20% with a view of equalizing the Shopping Centre rate in the dollar with the Commercial rate in the dollar within 4 years (i.e. by 2018/19);
- It is proposed to introduce a new differential general rate category called UV Mining Exploration to capture recent State Government amendment to the *Valuation of Land Act 1978* to provide rate relief to owners of mineral exploration licenses. Valuations for these properties have decreased by 30.19% and Council is proposing to reduce the rate yield from these properties by an equivalent amount. This action supports the tone of the Minister for Lands and the Minister for Mines and Petroleum in a joint media

release dated 10 March 2015 titled 'Rates relief fast-tracked for resources sector';

- It is proposed to increase the general minimum rate by 3% from \$1,223 to \$1,260 to ensure that all ratepayers make an equitable contribution to the rate base. The only minimum rate exception is the UV Mining Exploration general rate category with a proposed minimum of \$1,100 for the reasons outlined above.

Community Consultation:

Pursuant to section 6.36 of the *Local Government Act 1995*, local governments are required to give a minimum period of 21 days' notice of the proposed differential general rates and minimum payments and to consider any submissions received. The proposed differential general rates and minimum payments can then be imposed, with or without modifications.

The Town of Port Hedland adopted a community engagement framework above what is required under the *Local Government Act 1995* and the Department of Local Governments' Rating Policy – Giving Notice. This process included the following:

- Community Conversation Forum on 11 May 2015 (pre commencement of the statutory advertising period) where a PowerPoint presentation was provided (10 public attendees). A copy of this presentation is included as Attachment 1;
- Statewide public notice in the West Australian Newspaper on Wednesday 13 May 2015;
- Local public notice in the North West Telegraph on Wednesday 13 and 20 May 2015;
- Copy of Notice of Intention to Impose Differential General Rates and Statement of Objects and Reasons placed on Town website and public notice boards at the Civic Centre and Libraries;
- Town Media Release on 14 May 2014;
- Social media including Facebook;
- Direct email to 854 registered email addresses (attached to over 2000 rateable assessments) providing a copy of the Towns media release, community conversation rates presentation, Statement of Rating Objects and Reasons, and the minutes from the Special Council Meeting of 12 May 2015;
- Direct mail-out to all ratepayers in the Mass Accommodation (6 rateable assessments), Tourist Accommodation (10 rateable assessments), UV Pastoral (11 rateable assessments) and UV Other (24 rateable assessments) general rate categories;
- Targeted stakeholder forums on 26 and 28 May 2015 with the aforementioned ratepayers, resulting in a face to face meeting with the General Managers of the Esplanade Hotel and Hospitality Inn;
- Community Conversation Forum on the 3 June 2015 where a PowerPoint presentation was provided to members of the Port Hedland Chamber of Commerce with ensuing discussion on the proposed rates model and local government service delivery and asset management requirements.

The effective date for the commencement of local public notice was Wednesday 13 May 2015, with submissions to be received by 5.00pm Friday 5 June 2015 (23 clear days after the date of notice). At the conclusion of the public comment period, a total of **58** submissions were received. These submissions are provided in full as Attachment 2 to this report.

Discussion on Submissions:

The Officers Recommendation provides a comprehensive consideration of the key matters raised in the 58 public submissions. Rather than repeating the information here, Elected Members are referred to the earlier comment. Submissions are attached to this report and it is recommended that they be read in their entirety.

Final Recommended 2015/16 Budget Differential Rating Model:

With due consideration to the 58 public submissions received, the following amendments are recommended to the advertised proposed differential general rates and minimum payments to be imposed by the Town of Port Hedland for the 2015/16 financial year:

Rate Category	Advertised RID/Min Payment	Amended RID/Min Payment	Explanation
GRV Residential	5.7904	5.6920	In response to ratepayer submissions, it is recommended to reduce the yield from the GRV Residential Rate Category by 1.75%. This equates to a \$260,449 reduction in rate yield. The Town receives approx. 62% of total rate yield from this category, and minor rate relief is proposed to redistribute the rate burden to other general rate categories such as commercial and industrial properties that pay comparatively less rates than neighbouring local governments.
GRV Commercial	4.3026	4.3026	No change.
GRV Industrial	2.8978	2.8978	No change.
GRV Shopping Centre	5.7891	5.7891	No change.
GRV Mass Accommodation	28.6116	28.6116	No change.
GRV Tourist Accommodation	12.7926	11.4339	Under the advertised rates model, the Hospitality Inn and the Esplanade Hotel were to receive a rate increase of between 15-17.5%. This was

			due to the reclassification of two properties from the GRV Mass Accommodation rate category and the strategy to redistribute the loss in rate revenue to the existing tourist accommodation properties rather than increase the burden on mass accommodation. In response to submissions received from the aforementioned ratepayers, it is recommended to discount the target rate yield by \$100,000, effectively providing an average 7.94% reduction in rates payable. The Hospitality Inn and the Esplanade Hotel will still experience an increase due to their relatively high valuations, however this has reduced from approx. 16% to 3%.
UV Mining	42.3693	42.3693	No change.
UV Mining Exploration	36.1702	36.1702	No change.
UV Mining Other	36.9834	36.9834	No change.
UV Other	18.8800	18.8800	No change.
UV Pastoral	10.8292	10.8292	No change.
General Minimum Payment	\$1,260 \$1,100 UV Mining Exploration	\$1,260 \$1,100 UV Mining Exploration	No Change. Only one submission received explicitly discussed the minimum payment. It is accepted that all ratepayers should make an equitable contribution to the rates base.

Benchmarking:

The Town of Port Hedland has benchmarked its proposed 2015/16 rates model against neighbouring local governments being the City of Karratha and the Shire of Broome. Comparative information has been sourced from the WA Local Government Rates Comparison Report (April 2015) and the advertised 2015/16 rates models of the respective local governments. All three local governments have been subject to a general valuation with a date of valuation of 1 August 2014.

Local Government	Rate Description	Rate in the Dollar 14/15	Rate in the Dollar 15/16 - proposed	% Change RID	Min Rate 15/16	% Change Valuation	Average Rates 2014/15	Average Rates 2015/16
Port Hedland	Residential	3.5145	5.7904	65%	1,260	-38.94%	2,581	2,578
	Commercial	3.7202	4.3026	16%	1,260	-11.50%	4,157	4,283

	Industrial	3.3444	2.8978	-13%	1,260	20.11%	4,120	4,244
	Shopping Centre	7.2971	5.7891	-21%	1,260	-0.84%	348,877	279,102
	Mass Accommodation	13.6989	28.6116	109%	1,260	-50.68%	596,306	614,196
	Tourist Accommodation	8.5073	12.7926	50%	1,260	-27.39%	91,411	94,154
	Mining	42.8418	42.3693	-1%	1,260	0%	9,929	10,227
Karratha	Residential	2.8832	6.6070	129%	1,500	-52%	2,214	
	Commercial	5.7664	7.7202	34%	1,500	-22.3%	8,649	
	Industrial	10.0911	5.7421	0%	1,500	0.4%	74,076	
	Mass Accommodation	11.5328	25.7180	123%	1,500	-42%	304,089	
	Tourist Accommodation	5.7664	7.7202	34%	1,500	-22.3%	8,649	
	Mining	13.1836	14.6707	30%	1,500	-7%	4,132	
Broome	Residential	8.5490	9.399	10%	1,248	-5.73%	2,312	2,384
	Commercial	10.0600	10.299	2%	1,248	3.13%	9,175	9,582
	Tourist Accommodation	12.5000	14.715	18%	1,224		5,067	5,488
	Mining	15.0000	12.225	-19%	1,248		4,042	4,413

Comparatives:

1. Each of the local governments impose what is considered to be a general minimum payment – the City of Karratha imposes the highest minimum of \$1,500 with the Shires of Port Hedland and Broome imposing a comparative minimum of between \$1,100 - \$1,260;
2. Whilst the GRV Residential rate in the dollar varies between the three local governments, the average rates payable are all comparative. The Town of Port Hedland is proposing the lowest rate in the dollar whilst it has the highest average valuation per property. So, if the rate in the dollar was to be assessed as the effective rate of taxation or 'wealth tax' based on property valuations, the Town of Port Hedland imposes a lower tax rate on its residential constituents than its neighbouring local governments;
3. The Industrial RID is the base rate for the calculation of differentials for both Karratha and Port Hedland. This is due to the relative movements in total valuation between residential and industrial properties as a result of the general valuation. This phenomenon demonstrates that the arbitrary rule under Section 6.33 (3) of the *Local Government Act 1995* requiring ministerial approval to impose a differential general rate which is more than twice the lowest differential general rate is flawed, as it does not consider the impact of volatile movements in property valuations in the Pilbara. For example, in 2014/15 Karratha imposed a positive differential of 3.5 between the industrial rate in the dollar and the residential rate (which was the base rate). In 2015/16, due to the relative swing in valuations, the industrial rate in the dollar becomes the base rate with a 1.15 positive differential for the residential rate in the dollar. The Statement of Rating Objects and Reasons becomes redundant in this situation as the rate in the dollar differential is attached to the movement in property valuations. This possible scenario was discussed with the Premier during his recent visit and has now eventuated;
4. The proposed Mass Accommodation rate in the dollar is comparative between the City of Karratha and the Town of Port Hedland, 25.7180 cents compared to 28.6116 cents. The City of Karratha has applied a greater increase to this category than the Town of Port Hedland, applying a 123%

increase in the rate in the dollar when compared to a 42% average decrease in valuation. This compares to a 109% increase in the rate in the dollar against a 50.68% reduction in valuation in Port Hedland.

Ministerial Approval – Rate in the Dollar Differentials:

As discussed earlier, Ministerial approval is required to impose differential rates where the highest rate in the dollar for a general rate category is more than twice the lowest rate under the same method of valuation – that is, UV and GRV properties are dealt with separately. For the purpose of calculating differentials, the following base rates therefore apply:

GRV – GRV Industrial 2.8978 cents

UV – UV Pastoral 10.8292

FINANCIAL IMPLICATIONS

Rating Category	Proposed RID 15/16	Differential %	Comment
GRV Method of Valuation			
GRV Residential	5.6920	1.9982	Less than 2. Benefit principle is redundant due to relativities in valuations.
GRV Commercial	4.3026	1.4848	Less than 2. Benefit principle is redundant due to relativities in valuations.
GRV Industrial	2.8978	1.0000	The GRV Industrial RID is the base rate for the calculation of GRV differentials. This is due to the relative movement in property valuations between GRV Residential and GRV Industrial general rate categories as a result of the general valuation. This has also eventuated in the City of Karratha.
GRV Shopping Centre	5.7891	1.9978	Less than 2. Benefit principle is redundant due to relativities in valuations.
GRV Mass Accom.	28.6116	9.8735	Ministerial Approval required as differential greater than 2.
GRV Tourist Accom.	11.4339	4.4146	Ministerial Approval required as differential greater than 2.
UV Method of Valuation			
UV Pastoral	10.8292	1.0000	The UV Pastoral RID is the base rate for the calculation of UV differentials.
UV Mining	42.3693	3.9125	Ministerial Approval required as differential greater than 2.
UV Mining Exploration	36.1702	3.3400	Ministerial Approval required as differential greater than 2.
UV Mining Other	36.9834	3.4151	Ministerial Approval required as differential greater than 2.
UV Other	18.8800	1.7434	Less than 2.

The proposed differential general rates and minimum payments is expected to yield rate revenue of \$25,741,911 (excluding interims) which is a reduction in yield of 1.38% on 2014/15 year to date actual rate revenue.

Draft 2015/16 Budget Statement:

The identified 2015/16 municipal fund budget deficit is \$26,102,360. 100% of the deficiency will be funded by the rate yield. The Budget is structured on the following principles:

- Rolling 4 year budget linked to the Strategic Community Plan, Corporate Business Plan and Long Term Financial Plan;
- Same or improved level of service;
- Cost constraint of 2.5% maximum;
- Revenue maximisation of 3% through fees and charges against a nil increase in rate yield;
- Commitment to deliver on budgeted programs and asset management requirements;
- Maintenance of municipal surplus.

Payment Arrangements:

The Town of Port Hedland allows ratepayers to pay their rates and charges in four equal instalments across the course of the financial year. Payment by instalment attracts an instalment fee of \$12.40 for each instalment after instalment 1 and an interest penalty of 5.5%. The Town receives approximately \$200k per year from these charges.

The Town also allows ratepayers to request an alternative payment arrangement. All requests for alternative payment arrangements are subject to approval by the Manager Financial Services, and as a minimum, must ensure that the total rates and charges levied are paid in full on or before the due date for instalment 4. Such payment arrangements attract penalty interest as well as an administration fee of \$61.90. The Town receives approx. \$7k a year from the administration fee.

For the 2014/15 financial year, the Town allowed payment of rates via direct debit. Approx. 110 ratepayers used this facility. Of the \$7k collected above in administration fees, about \$3,600 applied to direct debit arrangements. It is recommended that Council consider waiving the administration fee and penalty interest for all ratepayers who elect to pay their rates by direct debit in 2015/16, provided their rates bill is paid in full by 30 June 2016. This recognises that rates bills form part of property owner budgets and this arrangement will provide greater flexibility by allowing ratepayers to spread their cash out-flow over 12-months.

RISK IMPLICATIONS

The Town of Port Hedland's rating model has been subject to political scrutiny for a number of years, with specific discussion on Mining and Mass Accommodation rating principles.

Mining Rates – The Town of Port Hedland yields **5%** of its total rate base from the UV Mining, UV Mining Exploration and UV Mining Other general rate categories

The WA Chamber of Minerals and Energy has provided a formal rates submission to the Town on behalf of its members, summarised as follows:

- The resource sector contributed almost 20% of estimated State revenue in 2014/15 or around \$5.34b;
- The Chamber supports the concept of differential rating and the continuation of the GRV Policy beyond the trial period of 1 July 2015;
- The Chamber has commended the Town on its consultative approach, demonstrated understanding of the policies relevant to rate setting, and commitment to no net increase in rates revenue;
- The Chamber supports the proposed introduction of the UV Mining Exploration differential rating category;
- The Chamber objects to the proposed review of rateable properties with the aim of determining 'foregone revenue attributable to State Agreement Acts';
- The Chamber objects to a separate general rating category for 'UV Mining Improved' as UV ratings should apply to land not subject to capital improvements.

The Town has addressed the anomaly of the UV Mining Improved general rate category in its proposed 2015/16 model. The UV Mining Improved general rate category no longer exists and this has been noted by the Chamber. The Statement of Rating Objects and Reasons provides very clear definitions of properties under the UV Mining, UV Mining Exploration and UV Mining Other general rate categories.

The proposed 15/16 rates model does not capture the rating of resource projects covered under a State Agreement Act.

The Chambers submission is therefore supportive of the Towns proposed 15/16 rating strategy with respect to mining rates. Of the two objections put forward by the Chamber, one is now redundant (UV Mining Improved general rate category) and the other is not relevant to the 15/16 rating year (rating of resource projects under State Agreement Act). This should satisfy the Department of Local Government and Minister when assessing the Towns application for imposing the differential UV mining rates in the dollar and minimum payments.

Mass Accommodation Rates – The Town of Port Hedland yields **14%** of its total rate base or \$3.685m from the Mass Accommodation general rate category (6 rateable assessments).

The 2014/15 rate in the dollar for GRV Mass Accommodation is 13.689 cents. The proposed 15/16 rate in the dollar for GRV Mass Accommodation is 28.6116 cents. It is therefore recommended to increase the rate in the dollar by 109% against a 50.68% decrease in valuation, to achieve the targeted 3% increase in rate yield from this rate category.

The 3% increase in rate yield is proposed across all general rate categories with the exception of Residential, Tourist Accommodation, Shopping Centre and UV Mining Exploration. The reasons for the reduction in yield from the Tourist Accommodation, Shopping Centre and UV Mining Exploration categories has been articulated in all public documents, community presentations and newspaper articles and there appears to be universal acceptance of this rating strategy, as supported by submissions from the Chamber of Commerce and Chamber of Minerals and Energy. With regards to residential rates, Council has considered the interests of 85% of total rateable assessments, and the interests of 'local' residents. There exists a political/social argument to place a bed tax via rates on transient worker accommodation facilities to ensure no competitive advantage to the tourist market and to also provide a model for workers to transition out of these facilities into residential accommodation (this concept has been publicly supported by a number of members of parliament). The Town has benchmarked the mass accommodation rate in the dollar against the City of Karratha and both local governments have adopted the same philosophical position.

Long Term Financial Planning:

Excluding the Airport and Waste Business Units which have standalone cash backed Reserves to fund significant forward capital works, rate revenue accounts for approximately 45% of operating revenue whilst fees and charges account for 10% of operating revenue. The Town is therefore extremely dependent on rates to fund municipal services and it is apparent that a significant portion of rate revenue is required to subsidise community facilities and services. As an example, the Towns recurrent operating expenditure on recreation and cultural services is approx. \$25m a year with only \$500k recovered through user fees and charges. In the absence of a user pays system, the Town cannot afford a reduction in rate yield as this would directly impact the current level of service.

To address the above imbalance, the Town is completing a comprehensive review of fees and charges which covers the following scope:

- A detailed review of cost structures and usage data in relation to airport services, provision of waste and community services
- Establish and agree overarching guiding financial principles for the future setting of fees and charges
- Analyse recurrent costs in relation to facilities and their usage levels to determine cost recovery levels
- Analyse any forecast changes in costs and annual facility usage levels
- Identify any risks relating to setting of fees and charges

In addition to the above, the Town of Port Hedland is exposed to a number of financial risks in both its Annual Budget and Long Term Financial Plan (which is underpinned by some key assumptions). Most of these risks exist in respect to recurrent revenue streams which are required to meet current service levels. Any reduction in these revenue streams into the future is likely to have an impact on the Town's ability to meet service levels or asset renewal funding requirements, unless the Town can replace this revenue or alternatively reduce costs.

- TWA Rate Revenue (15/16 Budget) \$3,685,176
- Precinct 3 Lease Payment (15/16 Budget) \$3,795,258

- Port Haven Lease Revenue (including Carpark 15/16 Budget) \$1,275,292
- Mia Mia Lease Fee (15/16 Budget) \$195,982
- Mia Mia Community Contribution \$464,844
- Interest on Investments (including all cash-backed Reserves with the exception of the BHP Reserve) allocated to Muni
- Airport dividend to Muni (15/16 Budget) \$3,269,000 (LTFP assumes an increase in dividend from 2018/19 of \$350k and again in 2019/20 of a further \$350k)
- \$40m in sale proceeds from Kingsford Smith Business Park to be achieved by 2022/23 (with proceeds to be transferred to Airport Reserve to meet CAPEX requirements)
- \$500k FMG Contribution to operational costs at Wanangkura Stadium
- Sustainability Partnership being negotiated with BHPBIO
- Opening of new landfill site and closure/rehabilitation of current site \$96m investment over 20 years
- \$1.5m capital funding requirement and \$1.1m recurrent funding requirement over 3 years for Scotty's Café in the event that the project proceeds without external funding

Rating Improvement Plan:

The Town Rating Strategy identifies a commitment to best practice in relation to the implementation and administration of rates. To that end, a number of key focus areas for improvements have been identified, with a number of these already implemented and the remaining improvements under investigation with a view of implementation in out years:

Completed:

- Statement of Rating Objects and Reasons has been reviewed and differential general rate categories are now clearly defined;
- Establishment of GRV Tourist Accommodation and UV Mining Exploration general rate categories;
- Reclassification of UV Mining properties including deletion of UV Mining Improved general rate category;
- Consolidation of UV Other and UV Other Vacant general rate categories;
- Transition of GRV Shopping Centre general rate category to GRV Commercial within 4 years;
- Ongoing review of the rating database to ensure that all property classifications are in accordance with zoning and predominant land use.

Outstanding:

- Comprehensive review of rating of resource projects, including the application of GRV spot rating in accordance with the GRV Policy, and the identification of all assessments covered by State Agreement Acts;
- Review the rate yield to be derived from each general rate category;
- Investigate a strategy to quarantine mass accommodation rate revenue wholly for asset management initiatives rather than fund municipal services.

STATUTORY AND POLICY IMPLICATIONS

Statutory Implications:

Section 6.33 of the *Local Government Act 1995* – Differential General Rates

Section 6.35 of the *Local Government Act 1995* – Minimum Payments

Section 6.36 of the *Local Government Act 1995* – Giving Notice

Section 6.4.1 of the Strategic Community Plan 2014 – 2024 applies as a rating model ensures the Town is delivering high quality corporate governance, accountability and compliance fiscal accountability.

Policy Implications:

There are no Council Policies relative to this item.

ATTACHMENTS

1. Community Conversation PowerPoint Presentation (Under Separate Cover)
2. Rates Submissions x 58 (Under Separate Cover)
3. Rates Modelling Analysis (Under Separate Cover)

12 June 2015

12.4 Office of the CEO

Nil

ITEM 13 LATE ITEMS AS PERMITTED BY PRESIDING MEMBER/ COUNCIL

13.1 Financial Management – 2015/16 Budget – Adoption of 2015/16 Schedule of Fees and Charges

Note: This item has been withdrawn and will be presented to a future Council Meeting.

13.2 Port Hedland International Airport Long-Term Lease - Outcomes from Business Plan and Expression of Interest Process

Brett Reiss, Program Director Airport Redevelopment
File No. 30/12/0013.

DISCLOSURE OF INTEREST BY OFFICER

Should the Town decide to proceed to grant a lease of the airport then it has requested a framework be established for the Town to manage and oversee the Airport Lease for a period of 5 years after the transaction phase (Clause 2.6.2 D RFT 14/17).

The Project Director Airport Redevelopment has indicated his interest and availability to assist with that role.

RECOMMENDATION

That Council:

- 1. Note the public submissions received regarding Port Hedland International Airport long-term lease business plan**
- 2. Thank the parties who made public submissions and request the Chief Executive Officer or his delegate to write to the parties providing an update on the process**
- 3. Note the outcomes of the Port Hedland International Airport long-term lease expressions of interest process**
- 4. Note the outcomes of the Port Hedland International Airport long-term lease non-binding bid process (to be tabled at the meeting)**
- 5. Endorse the Chief Executive Officer or his delegate to seek binding bids from shortlisted proponents for the long-term lease of the Port Hedland International Airport**
- 6. Note that a further report will be presented to Council at its August ordinary meeting for final decision on the major land transaction business plan and consideration of a binding bid to enter a long-term lease for the Port Hedland International Airport**
- 7. Request the Chief Executive Officer or his delegate form a working group to develop a framework on the Town's administration of the potential long-term lease revenue with membership consisting of, but not limited to:**
 - a) Town of Port Hedland audit, risk and governance committee members;**
 - b) Representative/s from Western Australian Treasury Corporation;**
 - c) Representative/s from Department of Local Government and Communities;**

- d) Town of Port Hedland senior staff; and
- e) Professional advisors as required.

201415/285 COUNCIL DECISION**MOVED: CR MELVILLE****SECONDED: CR JACOB****That Council:**

1. **Note the public submissions received regarding Port Hedland International Airport long-term lease business plan**
2. **Thank the parties who made public submissions and request the Chief Executive Officer or his delegate to write to the parties providing an update on the process**
3. **Note the outcomes of the Port Hedland International Airport long-term lease expressions of interest process**
4. **Note the outcomes of the Port Hedland International Airport long-term lease non-binding bid process as outlined by Anthony Kahn from The Airport Group during item 11 of this meeting**
5. **Endorse the Chief Executive Officer or his delegate to seek binding bids from shortlisted proponents for the long-term lease of the Port Hedland International Airport**
6. **Note that a further report will be presented to Council at its August ordinary meeting for final decision on the major land transaction business plan and consideration of a binding bid to enter a long-term lease for the Port Hedland International Airport**
7. **Request the Chief Executive Officer or his delegate form a working group to develop a framework on the Town's administration of the potential long-term lease revenue with membership consisting of, but not limited to:**
 - a) **Town of Port Hedland audit, risk and governance committee members;**
 - b) **Representative/s from Western Australian Treasury Corporation;**
 - c) **Representative/s from Department of Local Government and Communities;**
 - d) **Town of Port Hedland senior staff;**
 - e) **Professional advisors as required; and**
 - f) **All Elected Members.**

CARRIED 4/3

EXECUTIVE SUMMARY

Council has previously endorsed a review of Port Hedland International Airport's governance structure to determine if a more efficient and economically viable operating model is available. This review determined that a long-term lease was the most beneficial approach.

The Town of Port Hedland has sought expressions of interest from suitable parties to enter a long-term lease agreement for the airport. The Town has also released a Business Plan for a major land transaction in accordance with section 3.59 of the Local Government Act 1995 for Port Hedland International Airport long-term lease.

The review identified a number of key foundation objective principles that Council wished to achieve under the provision of an alternate management for the airport. These include:

- The transfer of some or all of the Airport development, operational and financial responsibilities and risks to the private sector
- Terms and conditions of any Lease must provide the Town with adequate strategic oversight to ensure an alignment of the Town's and the airport lessee's objectives
- The Town must receive fair value from the Lessee for the Airport
- The Airport must operate as a stand-alone entity from the Town
- The Lessee must undertake a prescribed capital expenditure program
- Any private sector partner must have demonstrated experience, recognise and understand the responsibility of managing public infrastructure, and the financial resources to meet the development needs of the Airport over the long term
- A greater commercial focus on the airport

Based on these foundation principles Council resolved at its 22 April ordinary meeting to release the business plan for the long term lease of Port Hedland International Airport for public comment and to proceed to the expressions of interest phase of the tender for the long term lease of Port Hedland International Airport.

This report:

- Summarises the processes and decisions that have been to date on this matter
- Outlines and discusses the community feedback that has been received on the business plan
- Outlines the program and next steps

DETAILED REPORT

Background

The Town commenced a prudent and holistic review of the governance structure of the airport in September 2013 to determine if a more efficient and economically viable operating model was available. It was determined that a long-term lease was the most beneficial approach and a scoping study review was completed, and endorsed at the 22 April 2015 Ordinary Council Meeting.

This study and its recommendations to proceed were the latest instalment of a gradual, step by step process which has been compiled on the back of numerous Council workshops and meetings, specialist consultant reports, meetings with airport management and meetings with key stakeholders.

Council consideration is noted below:

- 13 November 2013 – Council workshop on governance review models and options
- 12 March 2014 – Council workshop on objectives and key success criteria for airport governance models
- 25 June – Council confidential concept forum on airport governance review recommendations
- 24 September 2014 – Council endorsed long term lease review recommendation program and process (decision 201415/056)
- 17 December 2014 – Council appointed The Airport Group to undertake Phase One (the long term lease scoping study) and Phase Two (long term lease transaction) (decision 201415/147)
- 25 February 2015 – Council workshop on scoping review report
- 25 March 2015 – Council workshop on scoping review initial findings
- 22 April 2015 – Council endorsed the commencement of stage two of the Port Hedland International Airport Long-term lease transaction (decision 201415/234)

A gradual step-by-step process has been and continues to be undertaken before any decision to accept a binding bid is determined. This has included community consultation and the current stepped tender process which began with the invitations for expressions of interest from potential private sector lease partners.

Context

Alternative governance models to enable private capital and efficient management of regional airports was identified in the 2015 State Aviation Strategy. It notes that long-term lease to the private sector enables private capital and effective and efficient management of airports in a way that minimizes risk to major users and facilitates continued State economic growth. The State Government notes it will encourage private sector investment in regional airports. The Department of Transport has part funded the Town's long-term lease scoping study.

Further, the Department of Transport, Western Australia State Aviation Strategy (2015, page 65) states:

“The current council ownership and governance model offers integration with local planning and economic development and some economies of scale from council resourcing. The model has worked well in several locations and has delivered significant investment at Karratha, Newman, Geraldton and, previously, at Kalgoorlie. However, the Pilbara airports’ management arrangements in particular appear fragile and the model lacks both governance depth and the flexibility to operate commercially in areas such as charging, borrowing and industrial relations. In the case of the State’s larger and fast growing airports, whose role goes beyond that of servicing the needs of a local community, the option of long-term lease to the private sector enables private capital and professional airport management expertise at board, executive and operational level to be mobilised. This allows the effective and efficient management of the airport in a way that minimises risk to major users and facilitates continued State economic growth.”

There are a number of regional airports which have previously been leased from government to the private sector under long-term lease arrangements, such as Alice Springs Airport, Cairns Airport, Townsville Airport, Launceston and Mount Isa Airport. These leased airports have benefited from the involvement of the private sector with unprecedented increases in capital investment and business development growth. These benefits have flowed onto the local communities through increased economic activity and stimulation.

Governance Structure Objectives

The original review identified that any new governance structure should meet the following minimum objectives:

- The transfer of some or all of the airport development, operational and financial risks from the local government:
 - i) Airport management report to the independent Lessee company Board, with the Town retaining strategic oversight through the lease and/or a presence on the Board
 - ii) Business planning and budgeting for the Airport be the sole responsibility of the Lessee company Board based on advice from airport management
 - ii) Any debt finance underpinning the lease is quarantined from impacting on the Council’s balance sheet
- Terms and conditions of any airport lease to provide the Town with adequate protections and ensure:
 - i) A commercial focus in the way the Airport is developed, operated and managed;
 - ii) The Airport meets all regulatory insurance and licensing requirements;
 - iii) The Town is able to terminate the lease if the Airport fails to operate effectively as an airport;
 - iv) Essential services are maintained, including the Royal Flying Doctor Service, emergency services, airfreight and postal services;
 - v) General airport facilities continue to meet community expectations; and
 - vi) The quality of airport management expertise is maintained and wherever possible enhanced.

- The Airport maximises the use and the return from the existing land and facilities through planning and the efficient use of airport infrastructure. The Town would receive fair value from the Lessee for the Airport Based on:
 - i) The Airport operates as a stand-alone entity;
 - ii) Prevailing market conditions;
 - iii) Committing the Lessee to undertake prescribed capital expenditure and other strategic requirements of the Town;
 - iv) The transfer of operational risks to the Lessee;
 - v) The ownership structure of the lease and the possibility of Town retention of an economic interest; and
 - v1) The level of supervision and transparency the Town is entitled to during the term of the lease
- Any private sector partner will need to have a demonstrated experience that they recognise and understand the responsibility of managing transport infrastructure, as well as the financial resources to meet the development needs of the Airport over the long term.

Expressions of Interest Process

The Town sought expressions of interest from suitably qualified experienced organisations to provide proposals for the long-term lease of the airport. The EOI opened on 24 April and closed on 14 May 2015. Public notices were placed in the West Australian on 24 April 2015 and North West Telegraph on 29 April and 6 May 2015.

It was indicated in the scoping study report that given the potential breadth of potential investors, a range of criteria should be included in the EOI that should be taken into account in assessing the suitability of a partner for the lease of the airport, including:

- *financial capacity*: investors will need to demonstrate the capacity and willingness to make an upfront payment and/or ongoing rental payments that maximises the initial returns to the Town, as well as fund the operations and development of the airport in accordance with the lease terms and conditions;
- *investment horizon*: some investors will have an investment horizon of decades and others 3 to 5 years or less. It is in the Town's interest that investors have a long term investment horizon and are not looking for a relatively quick return and exit;
- *community engagement*: investors will need to demonstrate a willingness to play a positive role in the community and engage with the community on an on-going basis;
- *track record*: investors should have a strong track record of investing in infrastructure assets, preferably transport assets;
- *conflicts of interest*: investors should be free from conflicts of interest; and
- *governance arrangements*: investors should have a strong track record for establishing and maintaining best practice governance arrangements.

Each investor who submitted an EOI was judged against all of these objective criteria and a recommendation to proceed was established. The Town received nine expressions of interest. The Airport Group, as the Town's appointed subject matter expert, completed an initial evaluation and scoring of the EOI responses, and then met with Town's internal evaluation team to consider their evaluation and recommendations. The evaluation team reviewed the recommendations and confirmed that a recommendation report together with the proposed acceptable parties to be invited to submit non-binding tenders be prepared for final approval by the CEO.

Given the high quality of EOIs, all proponents were invited to submit non-binding tenders.

Following evaluation of non-binding tenders, and should the process continue further, it is proposed to further shorten the list of parties and engage in a binding tender process.

Business Plan – Public Comments

The Town released the business plan for public comment on 24 April 2015 with submissions closing on 8 June 2015. Public notices were placed in the West Australian 24 April and North West Telegraph on 29 April, 6 May, 13 May, 20 May, 27 May and 3 June.

As part of this process the Town undertook significant communications and provided opportunities for engagement as per attachment 1. This included:

- weekly press advertisements outlining key considerations for the proposed lease and invited public submissions on the business plan
- weekly segments on local radio as part of the Mayor's regular segments
- social media updates
- information display at Port Hedland International Airport
- community conversations forum held 20 May 2015
- South Hedland Shopping Centre and Port Hedland Boulevard community engagement session and information booth display 30 May 2015

There were eight public submissions received one of which was in petition format with 47 signatories, with a summary provided as follows, and all submissions being provided in full as per attachment 2 to this report:

Submission	Key issues	Officer Comment
1. Qantas Group	<p>Qantas understands the lease proposal is to provide an increased opportunity to develop the airport for the benefit of the Town and the community and supports this intent, while noting the following:</p> <p>i) need to ensure adequate controls on aeronautical pricing.</p> <p>ii) Land leased to mining companies for a sum of \$40m was to be used for airport development but was diverted for Marina development.</p>	<p>The proposed approach and controls for aeronautical pricing will be light handed as the airport lessee company will need to set fees and charges based on reaching commercially acceptable terms with its airline partners. In addition the normal regulatory checks and balances will be in place in terms of the ACCC and consumer protection regulations and the recognised principles of establishing a fair return on investment.</p> <p>Experience at other leased airports have seen the introduction of incentive pricing agreements to stimulate airline frequency and increase passenger throughput</p> <p>In summary the normal commercial pressures around pricing and demand together with the State & Federal regulatory checks and balances will provide effective control without limiting the ability of the airport lessee company to obtain a fair return on its investment.</p> <p>Included within the proposed terms of lease is the specific requirement for the airport lessee company to undertake \$40m in airport capital development including aeronautical infrastructure such as the runway, taxiways and the terminal redevelopment within the first 5 years of the lease.</p>

	<p>iii) Increased operating costs of some routes requires the operator to rely on network efficiencies to remain competitive.</p>	<p>A basic business strategy to create a competitive advantage is to expand services and create economies of scale.</p>
<p>2. <i>CME</i></p>	<p>CME commends the Town's consideration of the long-term lease of the airport acknowledging the financial constraints for local governments, while noting the following:</p> <p>i) Need to consider a sustainable contractual framework for fees and charges.</p> <p>ii) Ensure the successful lessee regularly considers infrastructure development.</p>	<p>The proposed approach and controls for aeronautical pricing will be light handed as the airport lessee company will need to set fees and charges based on reaching commercially acceptable terms with its airline partners. In addition the normal regulatory checks and balances will be in place in terms of the ACCC and consumer protection regulations and the recognised principles of establishing a fair return on investment.</p> <p>In summary the normal commercial pressures around pricing and demand together with the State & Federal regulatory checks and balances will provide effective control without limiting the ability of the airport lessee company to obtain a fair return on its investment.</p> <p>Include within the proposed terms of lease is the requirement for the airport lessee company to undertake \$40m in airport capital development within the first 5 years of the lease as discussed above.</p>
<p>3. <i>Port Hedland Community</i></p>	<p>i) 50 year lease too long</p>	<p>To ensure the Town achieves its objective of receives fair value for the lease, an improved return and the lessee has adequate time to recover its investment a minimum term of</p>

<p><i>Progress Association</i></p>	<p>ii) Not enough international exposure</p> <p>iii) Insufficient detail provided in the business plan</p>	<p>50 years is needed. Any term less than this would result in a steep decline in economic benefits to the Town and the community. Furthermore, the lease would include significant protections for the Town to ensure that the lessee meets its obligations, including the ability to withdraw the lease if these are not met.</p> <p>The long-term lease was publicly advertised. Two substantial off shore infrastructure investors in addition to a number of International infrastructure investors with offices in Australia lodged EOI's and were invited into the non-binding bid phase of the transaction.</p> <p>The business plan was prepared in consultation with the Town's legal advisors to ensure compliance with the Act. It was also important to note that the Business Plan was prepared in the context of ensuring the Town's position was not compromised to ensure it could maximise its commercial outcomes consistent with the Objectives stipulated by Council.</p> <p>Further legal commentary is as follows:</p> <p><i>The Local Government Act 1995 (WA) (Act) requires certain matters to be addressed in the business plan, as described in section 3.59(3) of the Act. The business plan contained a section to describe each of the matters and so met the requirements of the Act. This submission raises two issues in respect of the business plan: the matters contained in the business plan do not contain supporting evidence. The requirements of s</i></p>
------------------------------------	---	---

	<p>iv) A detailed business plan prepared by independent qualified professionals including critical data necessary for a major land transaction, including a funding scenario and detailed sensitivity analysis should be prepared.</p>	<p><i>3.59(3) of the Act are to include an overall assessment of the major land transaction and details of each of the items. It does not require that the information that is presented to be supported by the underlying evidence which the Council has used in making its decisions;</i></p> <p><i>the process is being conducted too quickly and without due consideration.</i></p> <p>As described above, the transaction first had its genesis in 2013 and has been the subject of extensive Council consideration since that time.</p> <p>TAG are independent advisors to the Town. TAG executives have over 75 years experience in the analysis and advice on airports and other infrastructure assets around the world. In line with industry best practise a confidential scoping study was completed by the TAG that included funding scenarios and detailed sensitivity analysis.</p> <p>a) The total site is identified in the plan at section 2.3 of the BP. Final area is subject to survey.</p> <p>b) The plan at 2.3 of the BP identifies the areas included within the proposed lease boundary which identify precincts 1,2,3,4 and the airside precincts as being included.</p> <p>c) Section 3.4(2) of the BP outlines current and future airport revenue.</p>
--	--	--

	<p>v) See attached submission for the detail included in section 2 of the BP submission.</p>	<p>d) Final area is subject to survey. Section 2.2 of the BP details the extent of freehold land to be leased.</p> <p>e) Fair Value is calculated using detailed discount cash flow analysis benchmarked against EBITDA multiples and summation methodology which are global industry accepted methods for determining Fair Value. The Town and its advisors will determine Fair Value.</p> <p>f) Refer section 3.4(4). The lessee will be required to fund the necessary infrastructure for the airport to comply and operate at a minimum level of service, otherwise the Town has the rights to terminate the lease.</p> <p>g) Refer section 3.4(4) of the BP.</p> <p>h) Refer Section 1.0 of the BP. All infrastructure is owned by the Town.</p> <p>i) Refer section 2.4 of the BP. The Town retains land use planning control.</p>
<p>4. <i>Mary Attwood</i></p>	<p>i) Lack of detail to take an informed view of proposal</p> <p>ii) Airport is currently generating funds and a feasibility study is needed</p>	<p>As above in respect of the process for preparing the business plan.</p> <p>Due to required capital investment over the medium term, the airport is not expected to generate free cash flow for the Town. On current trends, the airport financial performance</p>

		is projected to deteriorate in the context of declining FIFO passenger numbers and significant increases in projected capital sending. The airport is expected to need large cash injections of approximately \$30 million from the Town over the next 3 year period.
5. <i>Ronald Attwood</i>	<p>i) Lack of detail to take an informed view of proposal</p> <p>ii) Airport is currently generating funds and a feasibility study is needed</p>	As above.
6. <i>Bill Adams</i>	<p>i) Lack of detail in the business plan to take an informed view of proposal</p> <p>ii) Lessee will result in increased cost to the community</p>	<p>As above in respect of the process for preparing the business plan.</p> <p>Over 22 airports have been leased to the private sector by state and federal governments over the past 15 years and the experience has been just to opposite. In the vast majority of cases the costs to the community have come down as the airport lessee companies have sort to increase airline competition and passenger through put.</p>
7. <i>Pamela Heather Lyttle</i>	i) 150 year lease too long	<p>To ensure the Town receives fair value, an improved return and the lessee has adequate time to recover its investment a minimum term of 50 years is needed. Any term less than this would result in a steep decline in economic benefits to the Town and the community.</p> <p>The mandatory lease oversight provisions coupled with the lease termination provisions ensures the Town has visibility</p>

		<p>of the lessee’s management of the airport, and the mechanisms to rectify non conformance</p>
<p>8. <i>Petition</i></p>	<p>i) Airport is currently generating funds</p> <p>ii) Concern that community and stakeholder interests will not be maintained</p> <p>iii) Costs to community may increase</p> <p>iv) There are alternate better business models</p>	<p>The airport financial performance is projected to deteriorate in the context of declining FIFO passenger numbers and significant increases in projected capital sending. The airport is expected to be need large cash injections for the Town of the next 3 to 5 year period.</p> <p>The terms of the lease include community commitments, obligations and extensive consultation provisions with the Town and Port Hedland community</p> <p>Over 22 airports have been leased to the private sector by state and federal governments over the past 15 years and the experience has been just the opposite. In the vast majority of cases the costs to the community have come down as the airport lessee companies have sort to increase airline competition and passenger through put.</p> <p>The Town undertook a very comprehensive process of review of a number of governance models and the only model that met all of the Town’s foundation objective principles was the long-term lease of the airport – see attached Port Hedland International Airport governance review at appendix 6</p>

Business Plan Consideration

The business plan will be presented to Council at its August ordinary meeting to ensure that the plan, public submissions and final binding-bids can be considered as a holistic package.

Working Group

A working group will be formed to develop a framework on the Town's administration of long-term lease premium. Given the size of the potential lump-sum payment it is prudent for the Town to determine how and where the funds will be used and quarantined.

The Town will consider the establishment of key governance principles for the management and establishment of a framework for the prudential stewardship of the lease premium. The governing principles under consideration include the establishment of a wealth or trust fund as follows:

- A Stabilisation Fund: which would aim to insulate Port Hedland from fluctuations in iron ore prices and the impact that has on the Town; and/or
- A Development Fund: which would aim to allocate investment income to priority community projects.

The above would be one of three key considerations with the others including debt reduction and some capital injection into key selected community programs.

It is recommended that the group has a membership of, but not limited to:

- Town of Port Hedland audit, risk and governance committee members
- Representative/s from Western Australian Treasury Corporation
- Representative/s from Department of Local Government and Communities
- Town of Port Hedland senior staff
- Professional advisors as required

Process and Next Steps

The process for stage two of the long-term lease transaction includes:

- Seeking expressions of interest for a suitably qualified proponent – completed
- Pursuing preliminary non-binding offers (Indicative Tender)
- Securing the final and binding offer (Binding Tender)

Timing relating to the non-binding and binding bid phase is set out below:

- 22 May 2015 – commencement of non-binding bid phase
- 8 June 2015 – closure of business plan public notice period
- 19 June 2015 – closing date for non-binding bids
- 24 June 2015 – Council considers business plan public submissions and endorses next stage of process
- 26 June 2015 – shortlist parties for binding bids

- 6 August 2015 – binding bids received, by which the shortlisted bidders present a bid which they are bound to proceed with if selected by Council
- 26 August 2015 – Council consideration of offers

Should Council resolve to enter a long-term lease arrangement, a large body of work to transition the operations of the airport from the Town to the lessee will need to occur. This is likely to take several months and will include areas such as; compliance, operational, administration, staffing and financial matters. These matters will need to be addressed as part of the transfer of the airport from a Town management model into an airport leasing model.

FINANCIAL IMPLICATIONS

With the commencement of stage two of the long-term lease transaction, the following costs have been budgeted for:

- legal adviser fees
- tax and accounting advisory fees
- setting up an electronic data room
- consultant fees for vendor due diligence reports.

It is anticipated that the overall cost for the non-binding and binding bid phases could be up to \$1.2M of which \$500,000 has been budgeted in 2014/15 and \$700,000 in 2015/16.

Funds expected to be spent up to 30 June 2015 total \$400,000 with the balance of the \$1.2M budget required to fund the binding bid phase, however it is anticipated that not all of these funds will be required. These funds will be included in the 2015/16 budget.

Should the Town enter a long-term lease agreement, the following financial considerations should be noted:

1. Transfer the costs and risks of operation of the airport from the Town to the Lessee
2. Transfer the operating earnings of the airport to the Lessee in exchange for a payment for the granting of the Lease
3. Shift the obligation for capital investment in the airport from the Town to the Lessee
4. Transfer the risk of operations from the Town the Lessee

The Town has engaged Western Australian Treasury Corporation (WATC) to construct a "Lease vs Keep" financial model which will enable the Town to clearly quantify how the transaction would affect the Town's overall long-term financial position. The modelling will consider all income and expenditure directly and indirectly related to the Airport operations.

Should the Town finalise a long term lease then there is likely to be a large lump sum payment made to the Town and further detailed consideration as explained above is being given to future financial management of these funds. WATC has also been engaged to provide advice on potential principal protected structure(s) which can be pursued to safeguard the sales proceeds. As part of this work WATC will develop a range of possible investment protection structures and how the funds are best used to deliver outcomes for the community over several decades.

Attached to this report are the last three years' financial statements (attachment 3) for the Airport operations. It should be noted that these do not include the capital expenditure on the Airport. This information was included to inform potential tenderers in the ongoing tender process.

Current risks in this program is that binding bids are not received that are acceptable, or that a non-binding or non-compliant bid is received. The work done to date has seen significant interest from EOI parties whereby the Town anticipates it will receive appropriate binding bids. The binding bid process is part of a tender process and ties the bidders to a formal contract process. It is noted that the risks to the Town relate to its costs only and that all costs expended to date have been kept to a minimum and that a majority of any further costs will only be incurred during the binding bid stage.

As part of the binding bid process bidders will be required to provide a deposit amount which will help mitigate possible risk during the transition phase where several conditions precedent will need to be met by any final bidder before funds can be transferred. The amount of the deposit is intended to cover the Town's costs should any bidder fail to meet the conditions precedent or withdraw prior to funds being submitted into the Town's account.

There also exists the potential risk on bidder defaults, but this is highly unlikely given the high hurdle levels in the selection criteria which has ensured only high quality financially secure bidders have been included the process.

The risk that the Town receives or accepts an undervalued bid has also been mitigated through detailed modelling to ensure Council is aware of the fair value of PHIA and ToPH is also working with WA treasury on further financial modelling on future fair value analysis to ensure robust decision making in this area.

STATUTORY AND POLICY IMPLICATIONS

The Transaction is a disposal of property under the Act. The lease must be granted in accordance with one of the procedures set out in section 3.58(2)(a), 3.58(2)(b) or 3.58(3) of the Act.

It is usual for transactions of this type that the opportunity to acquire the lease and the associated business opportunity is tendered to market in order that the Town can assess and select the most acceptable tender to it. Tendering is one of the permitted methods of disposing of property (section 3.58(2)(b) of the Act).

The Transaction is a major land transaction and, in addition to tendering the opportunity for the lease in accordance with section 3.58(2)(b), the Town must prepare and advertise a business plan in accordance with the requirements of section 3.59 of the Act. The business plan is attached and has been advertised in accordance with the requirements of section 3.59 of the Act. The public submissions and tender processes have been aligned, noting that:

- the decision to advertise the business plan occurred in the context of a decision by Council to proceed to issue expressions of interest for a potential lease of the airport;
 - i) public submissions were received and are summarised in the Public Comments section above. Under section 3.59(5) of the Act, the Council must consider the public submissions;
- under section 3.59(5) of the Act, following consideration of the public submissions, the Council must resolve whether to proceed with the major land transaction; and
- the tender process involves a series of graduated steps and the resource intensive binding bid process will not be undertaken until after a decision has been made by Council whether to proceed with the major land transaction.

The outcomes from the non-binding bid phase of the tender have been deemed confidential in accordance with the Local Government Act (1995) section 5.23 part 2(e)(iii) and therefore will not be released publically at this stage.

The Local Government Act (1995) section 5.70 (2) An employee who has an interest in any matter in respect of which the employee is providing advice or a report directly to the council or a committee must disclose the nature of the interest when giving the advice or report. It is noted that to ensure impartiality a tender assessment panel of internal officers and external independent advisors will be established to complete the tender assessment.

The Town has met with and written to the Department of Local Government and Communities on its proposed program and process, and will continue to liaise with the Department should Council continue with the next phase in the long-term airport leasing program.

The Town's Strategic Community Plan, Section 2.2.1 outlines a strategy to 'Advance Port Hedland's sea, air and road transport infrastructure as the main logistics hub for the Pilbara, including developing Port Hedland International Airport as the gateway to the North West'. The granting of a lease of the airport will facilitate the airport's expansion and development consistent with this strategy.

ATTACHMENTS

1. Communications Program
2. Business Plan Public Submissions (Under Separate Cover)
3. Audited Port Hedland International Airport Financials (Under Separate Cover)

15 June 2015

ATTACHMENT 1 TO ITEM 13.2

Port Hedland International Airport long-term lease Communications strategy

- Background:
 - Town instigated expert review of the way in which it currently manages and finances the operation of the airport
 - A detailed study by The Airport Group recommended that the airport offered for long-term lease by commercial operators
 - The complex nature of this kind of arrangement means the proposal needs to be explained to the community
 - The Town needs to ensure that there is an informed discussion based on facts rather than on misinformation
- Objectives:
 - Ensure community gets to hear the facts about the proposed new governance arrangement for Port Hedland International Airport.
 - Communicate in a way that minimises the opportunity for misinformation to dominate the community discussion
- Strategic approach
 - Empower the community with information that clearly explains the merits of the change to the governance of the airport.
 - Proactively anticipate any potential concerns and ensure there is clear explanation
 - Provide simple to understand explanations for the more complex elements of the process that will follow any decision by council to proceed with the recommendation of the airport review
- Tactics:
 - Create a narrative
 - Provide evidence
 - Local newspaper
 - Radio
 - Social media
 - Information booth/display
 - Community forum

North West Telegraph 29 April

OUR AIRPORT, OUR FUTURE



“ A modern and well-serviced airport is as essential for attracting new industries and tourism as it is for servicing our local community and making Port Hedland a great place to live ”

Our airport is important for our community – it is as essential for attracting new industries and tourism as it is for servicing our local community and making Port Hedland a great place to live.

We know the Port Hedland International Airport is in need of considerable improvements to bring it to its full potential. These include terminal redevelopment and upgrades to essential services, airside infrastructure and car park and traffic arrangements.

The Town of Port Hedland has been reviewing how we operate and fund the airport. We have engaged one of Australia's leading experts The Airport Group to see if there is a more efficient operating model available – one that would provide better economic development opportunities, improve financial returns, reduce operational risks and allow better access to private investment.

The Airport Group's recommendation is that we offer the airport for long-term lease by a private operator, an option which is the most beneficial for the community.



What would a long-term lease mean?

This proposed new arrangement does NOT mean the sale of the airport. Instead, the airport would be run by commercial operators while the Town of Port Hedland retains ownership of it and continues to influence strategic decisions.

What this proposal does mean is great financial benefit for ratepayers. Instead of the Council borrowing funds to upgrade the airport, these would be sourced by the private operator. Lease revenue would also provide opportunities for other valuable community projects to be funded.

Long term lease arrangements have proven to be successful for a number of local government owned airports on the east coast, bringing ongoing benefits to their local communities.

We believe this is the best option for the future of our town and our airport. However, this decision has not been made and will not be made in a hurry, nor without community input.

Have your say

This proposal is open to public comment until 28 May 2015. To find out more or to have your say, visit the Town of Port Hedland's website or phone us.

f Like us at [facebook.com/townofporthedland](https://www.facebook.com/townofporthedland)

☎ Call us 9158 9300 or visit our website www.porthedland.wa.gov.au

North West Telegraph 6 May

TRANSFORMING PORT HEDLAND INTERNATIONAL AIRPORT



“ The redevelopment program will transform the airport into a modern and well-serviced gateway to the North West ”

Our airport will play a crucial role in the economic future of our town and region. What we have right now has served us well but unprecedented growth in passenger numbers is putting increasing pressure on the airport's current facilities. Passenger numbers in 2005 were 110,000 but had grown to more than 615,000 in 2013.

In addition to the pressure of increasing passenger numbers, the Town of Port Hedland, together with expert advisers, The Airport Group has identified significant opportunities for economic growth in the future but these will require a substantial upgrade to our current airport facilities.

- A redeveloped airport will welcome travelers to the Pilbara and open opportunities in for new export based industries in Port Hedland.
- Plans include renovating and expanding the 40 year old passenger terminal to better manage busy times and give all travellers a more comfortable wait. The terminal could feature a mezzanine level, indoor and outdoor lounges, places for the kids to play and covered walkways.
- Logistics operations would be more efficient with the development of a new freight and logistics zone, which has direct airside access and expanded service roads. Airside operations would also be upgraded, including improvements to the runway, aircraft parking bays and control tower.

- Getting to the airport and parking would be made easier for everyone with the carpark upgraded to include shared zones, a separate bus parking area and a larger short-term car park.
- Visitors to Port Hedland would also have a taste of the town's unique culture, which would be reflected in the upgraded airport's architecture and artworks.
- To transform the airport into a modern and well-serviced gateway to the North West we would need to invest over \$60 million in the next five years, or \$80 million over the next ten years.
- Under the current governance structure the \$90 million required for the project would either need to be sourced by from Town of Port Hedland funds – taking away from other community projects. That is why we are considering leasing the airport to a private operator who would be required to fund the upgrade. It is important to note that the Town of Port Hedland would retain ownership of the airport.

Have your say

A public consultation period is open until 8 June 2015 regarding the changes to airport's governance structure. To find out more, contact the Town of Port Hedland.



Like us at [facebook.com/townofporthedland](https://www.facebook.com/townofporthedland)



Call us 9166 9300 or visit our website www.porthedland.wa.gov.au

North West Telegraph 13 May

OUR AIRPORT, OUR FUTURE



Come and talk to the experts about the proposed long-term lease of the Port Hedland International Airport.

Have your say at a community forum being held at:

- 6.30pm, Wednesday 20 May 2015
- Council Chambers, Civic Centre

The future prosperity of Port Hedland is linked to the extent which we can develop our airport. This means providing existing and new industries with access to a modern, technologically advanced airport facility for exporting goods and services.

Port Hedland has exciting opportunities to expand and diversify its economic base but risks missing out unless we have the infrastructure and capacity to cater for future growth and exporters' needs.

A long-term lease is proposed for Port Hedland International Airport to support these plans and will allow for private funding of ongoing improvements to enable airport facilities and services to grow. This includes a \$100 million redevelopment program that is necessary to bring our airport to its full potential.

Where else has benefited from private investment?

A number of regional and metropolitan economies across Australia have benefited from private operation and funding of their airports over recent decades such as:

- Alice Springs
- Mt Isa
- Launceston
- Melbourne
- Brisbane

These leased airports have benefited from the involvement of the private sector with unprecedented increases in capital investment and business development growth. These benefits have flowed onto the local and state economies through increased economic activity and stimulation.

Since Brisbane Airport Corporation (BAC) acquired a 50 year lease of Brisbane Airport in 1997, it has funded significant ongoing upgrades, including the construction of a \$1.3 billion parallel runway to ensure that the Queensland economy would continue to meet its economic growth targets.

References:

- www.courteneyairfield.com.au
- www.cba.com.au
- Australia's Trade by State and Territory Department of Foreign Affairs and Trade, 2012
- ADF 1226.0, Sub Accounts 2011-12, November 2012

The Queensland economy has enjoyed strong growth rates over this time and benefits from its diversified economic base. In particular, energy and resources, agriculture and services have been recording exceptional growth in the value of state exports. To continue to support future growth, BAC has a \$3.8 billion investment program in the pipeline for the upcoming decade.

Studies of the nation's major airports by Australian Competition & Consumer Commission (ACCC) also show Brisbane Airport consistently receiving the highest 'overall average ratings of quality of service' over the past 11 years. Ratings of the airports airside facilities and services have also increased in this time.

Overall capital investment in Federal Government leased Airports is at record levels since the operational responsibility of these airports was handed over to the private sector.

Cumulative investments over the last 15 years at Australian capital city airports have been:

- Adelaide \$1.2 Billion
- Brisbane \$2.2 Billion
- Canberra \$300 Million
- Hobart \$100 Million
- Melbourne \$1.25 Billion
- Perth \$1 Billion
- Sydney \$1.5 Billion

These investments are more than double the investment made by government over the same period when the airports were under government control.

To find out more about what is proposed and to have your say before 8 June 2015, contact the Town of Port Hedland or visit our website.



Like us at [facebook.com/townofporthedland](https://www.facebook.com/townofporthedland)



Call us 0168 0900 or visit our website www.porthedland.wa.gov.au

North West Telegraph 20 May

AIRPORT UPGRADES TO SUPPORT TOURISM



Come and talk to the experts about the proposed long-term lease of the Port Hedland International Airport.

Have your say at a community forum being held at:

- 6.30pm, Wednesday 20 May 2015
- Council Chambers, Civic Centre

As the gateway to Australia's North West, Port Hedland has great tourism prospects for the future. In recent years a relatively small proportion of visitors to Port Hedland have been from overseas but, with the proposed open skies policy for Northern Australia a potential drawcard for visitors from China and south-east Asia, this could be expanded.

A well serviced airport with modern facilities is an essential part of a strong tourism industry. While Port Hedland International Airport's facilities cater for current passenger numbers, important upgrades are now needed to bring it up to date and to allow for increased visitors.

Greater amenities within the terminal such as indoor and outdoor lounges are part of these upgrades, contributing to a better experience for all travellers. Visitors will also get a taste of Port Hedland culture when they arrive at the airport through unique architecture and artworks.

The proposed long term lease of the airport is key to its redevelopment, providing access to private investment without the need to rely on debt or rate rises. Privately leased airports around Australia benefit from ongoing capital investment, supporting increases in passenger numbers and driving tourism. The following case study shows how this has been effective in Launceston, Tasmania.

To find out more about what is proposed and to have your say before 8 June 2015, contact the Town of Port Hedland or visit our website.

LAUNCESTON AIRPORT

Australia Pacific Airports Corporation (APAC), together with the Launceston City Council, have leased Launceston Airport since May 1998. Over the years, APAC has continued to invest in airport redevelopments with the aim of making Launceston the port of choice for visitors to Tasmania.

Some 90 per cent of people travelling to Tasmania do so by air,

so up to date infrastructure at key airports is critical to the state's tourism industry and economic development. Launceston Airport was recognised in the 2014 Tasmanian Tourism Awards for Specialised Tourism Services, reflecting the important role the airport plays in supporting tourism state wide.

The airport has seen steady increases in passenger numbers, with three per cent growth in 2014. Strong tourism results have a positive flow-on effect to the region and to greater Tasmania, with visitors spending more than \$1.7 billion last year, up 11 per cent from 2013.

Future plans for upgrading Launceston Airport facilities are in support of ambitious state tourism targets to achieve 1.5 million visitors each year by 2020. A record capital investment program for Launceston Airport is currently underway, including updated roads, new undercover car parking and improved airfield safety. Greater terminal facilities will also offer visitors more shopping and dining options.



Like us at [facebook.com/townofportheadland](https://www.facebook.com/townofportheadland)



Call us 9156 9300 or visit our website www.porthedland.wa.gov.au

North West Telegraph 27 May

UNLOCKING OUR AIRPORT'S FULL POTENTIAL



Airport information stalls - Chat with us

- 9am - 12pm, Saturday 30 May, South Hedland Shopping Centre
- 2pm - 5pm, Saturday 30 May, Port Hedland Boulevard

Over the past two years, the Town of Port Hedland and Australis's leading experts the Airport Group have been investigating the best way to manage Port Hedland International Airport so it provides the best value for our community. They have been working together to determine an arrangement that delivers the greatest financial returns from the airport for ratepayers while also shifting operational risks away from the Town and freeing up resources for other valuable community projects.

A lease to a private operator was identified as the most beneficial model for the future of both the airport and Port Hedland.

So, how would this actually work?

The airport would NOT be sold and would remain a council owned asset. Any commercial arrangement entered into with a private lesor would ensure that the Town also continues to have input into strategic decisions relating to the airport.

The terms of the lease would require the private operator to meet a number of obligations including spending on airport improvements, regular maintenance and keeping the community informed about what's planned for their airport. Detailed

annual audits by a council appointed expert would ensure these obligations are fulfilled.

A transition plan would also be considered, in which the Town appoints airport management experts to have oversight over the lease in its first five years. The purpose of this would be to ensure that the private operators' interests align with those of the airport and the airport continues to be run to benefit the Port Hedland community.

The closest example of the model proposed is Alice Springs Airport. Airport Development Group (ADG), the parent company of Alice Springs Airport Pty Ltd, acquired a 50 year lease for the airport from the Federal Government in 1996. Through its management of the airport, the group is committed to ongoing airport improvements, growing passenger numbers and contributing to the local community and Northern Territory economic growth. Last year, Alice Springs Airport was named Major Airport of the Year in the Australian Airport Association Industry Awards, based on its innovative solar energy project.

Contact the Town of Port Hedland or visit the website to find out more about what is proposed for our airport. Have your say by 8 June 2015.

What are the financial benefits?

To bring the airport to its full potential, it is currently in need of a minimum \$62 million improvement program, of which the Town is committed to spending \$22 million on water, sewerage and electrical infrastructure. The remaining \$40 million is for important terminal upgrades and improvements to airside services. Within the lease arrangement, this responsibility is shifted to the private operator, who would be required to complete the works within the first five years. A key advantage of this approach is that it removes the need for debt and rates rises to fund the redevelopment program.

The lease arrangement not only provides access to private investment but also to financial management expertise, ensuring the greatest returns from the airport are achieved. Lease payments – whether a one-off payment, annual payments or a combination of both – will also become a source of funds available to benefit the community through other initiatives.



Like us at [facebook.com/townofporthedland](https://www.facebook.com/townofporthedland)



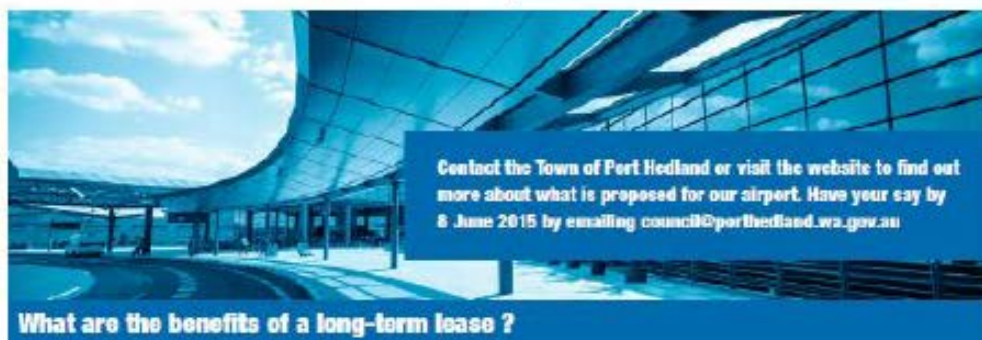
Call us 9158 9000 or visit our website www.porthedland.wa.gov.au

North West Telegraph 3 June

OUR AIRPORT, OUR FUTURE

Our airport is essential to the future prosperity of Port Hedland and is part of what makes our town a great place to live. Following considerable review of how Port Hedland International Airport is operated and funded, a long-term lease to a private operator is proposed as the best direction for the future of our airport.

Both regional and metropolitan airports across Australia have seen great success from similar operating models. The potential benefits of a privately run airport range from driving tourism growth and supporting economic diversification to delivering greater financial benefits to the local communities in which they operate.



Contact the Town of Port Hedland or visit the website to find out more about what is proposed for our airport. Have your say by 8 June 2015 by emailing council@porthedland.wa.gov.au

What are the benefits of a long-term lease ?

It will enable transformation of airport facilities

A significant redevelopment program has been identified to bring our airport to its full potential and continue to meet Port Hedland's needs into the future. The program includes terminal redevelopment and upgrades to essential services, airside infrastructure and car park and traffic arrangements.

The proposed long-term lease of the airport is critical to its redevelopment, providing access to private investment without the need to rely on debt or significantly higher rate increases.

It will support tourism

A strong local tourism industry requires a modern and well serviced airport. Our airport facilities serve us well now but, if passenger numbers are to grow in the future, ongoing investment is needed to support this. Private investment into our airport will allow it to be transformed into a welcoming gateway to Australia's north-west which offers a better experience for all visitors to our town.

Ongoing capital expenditure will be part of the lease arrangements, which will ensure our airport can support increases in passenger numbers and drive tourism.

It will support future economic growth

Port Hedland has exciting opportunities to expand and diversify its economic base by attracting new export-based industries into the region. However, if we do not have the infrastructure and capacity to support exporters' needs, we will not be able to take advantage of such opportunities.

Our airport will be upgraded and managed to provide both existing and new industries with access to technologically advanced facilities for exporting goods and services.

It will deliver financial benefits to our community

A long-term lease has been identified as the best way to manage our airport so it provides the greatest value for ratepayers. Ongoing capital expenditure will be funded by the lessor without the need for increased council debt or rate rises.

A private lease shifts operational risks away from the Town, while also freeing up resources and providing a revenue stream for other valuable community projects.

A long-term lease to a private operator means that the airport remains a council owned asset, while delivering the greatest value and benefits to the community.



Like us at [facebook.com/townofporthedland](https://www.facebook.com/townofporthedland)



Call us 9158 9300 or visit our website www.porthedland.wa.gov.au

Public notice

West Australian 24 April

TOWN OF PORT HEDLAND

Business Plan under s3.59 of the Local Government Act 1995

The Town of Port Hedland is seeking comment and feedback on the Business Plan for the proposed major land transaction via Request for Proposal on portions of Lots 15, 16, 29, 436, 9000, 9001, 9002 and 9003 as shown indicatively on Deposited Plan 402661 (version 2), which comprises the Port Hedland International Airport precinct.

The proposed transaction involves the Town granting a long term lease to a private sector party for fair value via a tender process.

Copies of the Business Plan for the proposed major land transaction via Request for Proposal are available on the Town's website. Hard copies can be obtained from the following Town facilities:

- Civic Centre, McGregor Street, Port Hedland
- South Hedland Library, Leake Street, South Hedland
- Port Hedland Library, Dempster Street, Port Hedland.

Submissions are invited for Council consideration on the proposed transaction. All submissions must be addressed to the Chief Executive Officer, Town of Port Hedland PO Box 41, McGregor Street, Port Hedland, WA 6721, and received before 2:30pm on Monday 8 June 2015.

Expressions of Interest 03/15 Long Term Lease Port Hedland International Airport

The Town of Port Hedland is seeking submissions from suitably experienced organisations to provide proposals for the long-term

leasing of the Port Hedland International Airport.

The deadline for submissions is 2:30pm WST on Thursday, 14 May 2015.

Expression of Interest documents and information on how to respond is available on the Town's Tenderlink Portal at <https://www.tenderlink.com/porthedland/>.

The Town accepts electronic submissions only made through Tenderlink by the closing time and date. All or any submissions are not necessarily accepted. Canvassing of Elected Members and staff will disqualify bidders from further consideration.

For further information contact Brett Reiss, Program Director Airport Redevelopment, on pdar@porthedland.wa.gov.au.

M. J. (Mal) Osborne
Chief Executive Officer

MFE C74308

Town of
Port Hedland



Public notice – North West Telegraph 29 April



HEDLAND HIGHLIGHTS

TURN HEDLAND PINK



A wave of pink will be the order of the day as the popular Mother's Day Classic event returns to Civic Centre Gardens on Sunday 10 May. Register online by 8 May to receive a number and timing chip on the day. Full details on the available on porthedland.wa.gov.au

RATING STRATEGY PUBLIC FORUM

Members of the community are invited to attend a public session on the Town of Port Hedland's proposed rating strategy for the coming financial year 2015/16. The forum provides all residents, businesses and industry members within the Town of Port Hedland with an opportunity to discuss the proposed rating strategy. The Community Conversation session will take place at Council Chambers at 5.30pm on Monday 11 May. All community members are encouraged to attend. Please RSVP to council@porthedland.wa.gov.au by 8 May 2015. Light refreshments will be provided.

EXPRESSIONS OF INTEREST SOUGHT

The Town of Port Hedland is seeking submissions from suitably experienced organisations to provide proposals for the long-term leasing of the Port Hedland International Airport. The deadline for submissions is 2:30pm WST on Thursday 14 May 2015. Expression of interest documents and information on how to respond is available on the Town's Tenderlink Portal at www.tenderlink.com/porthedland.



For further information contact Brett Reiss, Program Director Airport Redevelopment, on pjar@porthedland.wa.gov.au

WHAT'S ON

- PHCCI Business Breakfast with Premier Colin Barnett MLC MLA**
 - Thursday 30 April, 7.45am - 9.30am, Jubilee Room, Waringhata Stadium, Hamilton Road, South Hedland. Email info@phcci.com.au or call 9173 1737 for tickets and information.
- Transformation Day**
 - Aerobics, Moping, group fitness and wellness stalls, Saturday 2 May, 8am - 1pm, Waringhata Stadium, South Hedland
- WOW Week 2015**
 - A week of free fun events for all women, 4-10 May, Hedland West Women's Centre, 25 Leslie Street, South Hedland
- The SCAM**
 - Thursday 7 May, 5pm - 8pm, JD Hardie Youth Zone, Cotter Drive, South Hedland
- Community Conversations**
 - Informal public info session on rating strategy 2015/16, Monday 11 May, 5.30pm - 7pm, Council Chambers, Civic Centre
- Library Information Week**
 - Week-long activities at both Port & South Hedland Libraries, 25 - 31 May

PUBLIC NOTICES

- Sprintex Spree applications have opened and expressions of interest to participate at the 2015 are sought. Sprintex Spree will take place Friday 24 July - Saturday 25th July 2015. Online applications forms are available at porthedland.wa.gov.au or email ec@porthedland.wa.gov.au
- Ballholder applications for the Welcome to Hedland 2015 event on Friday 22 May are sought from community groups, local arts and crafts, sporting associations, local businesses and services. Application forms are available online at porthedland.wa.gov.au or email ec@porthedland.wa.gov.au
- Port Hedland Library will be closed on Wednesday 13 and Thursday 14 May to allow for the installation of automatic doors. The after-hours drop off box will also not be accessible on these days. South Hedland Library will remain open and items due on these days can be returned to South Hedland Library.
- We are currently reviewing non-statutory fees and charges including those for the airport, landfill and community facilities and services. Council is committed to capping increases in fees and charges to 3% with the exception of waste management fees. A copy of the proposed changes to charges is available on porthedland.wa.gov.au. We are seeking comments on the current level of fees and charges and invite submissions to be sent to mg@porthedland.wa.gov.au or addressed to the Chief Executive Officer, Town of Port Hedland, PO Box 41, Port Hedland WA 6721. The closing date for submissions is 4:00pm Thursday 30 April 2015.
- The Town of Port Hedland invites submissions for the construction of concrete footpaths. The deadline for submissions is 2:30pm WST Thursday 14 May 2015. Tender documents and information on how to respond is available at www.tenderlink.com/porthedland or by calling Anthony Williams - Project Development Officer on 0158 9672 or pd@porthedland.wa.gov.au
- Wine Terrace One Way trial closing date for feedback and comment is Sunday 3 May. Share your feedback by emailing council@porthedland.wa.gov.au

#NWF2015

Stay tuned for upcoming exciting North West Festival 2015 announcements in the coming weeks! Follow us on Facebook www.facebook.com/townofporthedland and visit www.northwestfestival.com.au for news and updates.



WORK WITH US

Our vision is to create a nationally significant, friendly city that people are proud to call home. Our organisation is built around the values of quality, unity and integrity. We have the following vacancies - for more information visit our website at porthedland.wa.gov.au/employment

- Manager Financial Services (\$140,000) closes Monday 6 May
- Asset Officer Finance (\$64,425.21) closes Wednesday 6 May
- Senior Events Officer (\$64,429.21 - \$91,035.09) closes Wednesday 13 May
- Casual Events Assistant (hourly rate from \$19.60 - \$21.37) - ongoing
- Casual Plant Operator Labourers (\$21.37 - \$23.90) - ongoing



Matt Dann Theatre & Cinema



FOCUS (movie)
Fri 1 May - 7.30pm
Rated MA15+

In the midst of a violent car chase, Nicky's latest scheme, a woman from his past - now an accomplished femme fatale - shows up and thwarts his plans for a heist.

Ticket prices:
Adult - \$18, Matt Mates & Concession - \$10



THE SPONGEBOB MOVIE: SPONGE OUT OF WATER (movie)
Sat 2 May - 7.30pm
Rated PG

When a diabolical pirate above the sea steals the secret Krabby Patty formula, SpongeBob and his pals must team up in order to get it back.

Ticket prices:
Adult - \$10, Matt Mates & Concession - \$10



HOME (movie)
Sun 3 May - 3.30pm
Rated PG

Oli, an alien on the run from his own people, lands on Earth and makes friends with the adventurous Tiq, who is on a quest of her own.

Ticket prices:
Adult - \$10, Matt Mates & Concession - \$10

Like us at facebook.com/townofporthedland

Call us 9158 9300

For more information visit our website www.porthedland.wa.gov.au

Public notice – North West Telegraph 5 May



EXPRESSIONS OF INTEREST SOUGHT

The Town of Port Hedland is seeking submissions from suitably experienced organisations to provide proposals for the long term leasing of the Port Hedland International Airport. The deadline for submissions is 2:30pm WST on Thursday 14 May 2015. Expression of Interest documents and information on how to respond is available on the Town's Tenderlink Portal at www.tenderlink.com/porthedland.



For further information contact Brett Reiss, Program Director, Airport Redevelopment, on pdar@porthedland.wa.gov.au

NORTH WEST FESTIVAL ANNOUNCED

Exciting news this week the dates of the Pibasin's original music festival are confirmed for 21, 22 & 23 August! A range of ticket types will be on offer as well as camping options. Stay tuned for more announcements coming soon www.northwestfestival.com.au



GRATWICK GYM 24-HOUR OPERATION

Gym users at Gratwick Aquatic Centre will be soon able to access round the clock gymnasium facilities in Port Hedland. A swipe card mechanism has been installed so that the gym can be accessible without staff being on the premises. We are currently trialing the access system for a period of time before 24 hour access is possible. Initially the hours of operation will be 5am – 6pm daily. For more information contact the YMCA on 9140 400 or email gratwick@ymca.org.au

WHAT'S ON

- The SLAM**
- Thursday 7 May - 6:00pm - 8:00pm, JD - Hardo Youth Zone, Cotter Drive, South Hedland
- West End Movies - Behind the Carcass (rated M)**
- Saturday 6 May - 8:00pm, Courthouse Gallery Gardens, Port Hedland
- Mother Day Class**
- Sunday 10 May - 3:30pm, Civic Centre Gardens, Port Hedland
- Forum West - Come have your say**
- Proposed Rating Strategy 2015/16, Monday 11 May - 5:30pm, Council Chambers, Civic Centre
 - Special Council Meeting on relief model and strategy 2015/16, Tuesday 12 May - 6:30pm, Council Chambers, Civic Centre
 - Special Council Meeting on proposed waterfront development, Wednesday 13 May - 5:00pm, Council Chambers, Civic Centre
 - Police Community Forum, Thursday 14 May - 5:30pm, Dayford Park, Dayford Close, South Hedland

PUBLIC NOTICES

- Spirits Spree applications have opened and expressions of interest to participate at the 2015 are sought. Spirits Spree will take place Friday 24 July - Saturday 25th July 2015. Online applications forms are available at porthedland.wa.gov.au or email ecol@porthedland.wa.gov.au
- Port Hedland Library will be closed on Wednesday 13 and Thursday 14 May to allow for the installation of automatic doors. The after-hours drop off box will also not be accessible on these days. South Hedland Library will remain open and items due on these days can be returned to South Hedland Library.
- The Town of Port Hedland invites submissions for the construction of concrete footpaths. The deadline for submissions is 2:30pm (WST) Thursday 14 May 2015. Tender documents and information on how to respond is available at www.tenderlink.com/porthedland or by calling Anthony Williams - Project Development Officer on 9158 0873 or pdoseng@porthedland.wa.gov.au.
- A public consultation period is open until 6 June 2015 regarding the changes to sports governance structure. Visit porthedland.wa.gov.au to have your say.

THE BOOK CUBBY INTERACTIVE EXHIBITION

The Book Cubby is coming to South Hedland Library for four weeks, starting from Monday 4 May! Part of the Letter Beginning Reading Books in Communities program, children and families are encouraged to engage with books and stories by creating their own. The Book Cubby will be available during normal library opening hours and Schools, Child Care Centres and Playgroups can also book sessions. Contact South Hedland Library on 9158 0373 for details.



WISE TERRACE ONE WAY TRAFFIC

Current one way traffic arrangements will remain on Wise Terrace in place for an extended trial period. It is anticipated that a long term solution will be decided upon by 30 June and a redesign of the road at South Hedland Town Square will follow. Don't forget to submit your feedback on the one way trial at porthedland.wa.gov.au

WORK WITH US

Our vision is to create a nationally significant, friendly city that people are proud to call home. Our organisation is built around the values of quality, unity and integrity. We have the following vacancies - for more information visit our website at porthedland.wa.gov.au/employment

- Asst Officer Finance (\$54,429.21) closes Wednesday 8 May
- Labourer Paveco Mowing Crew (\$67,518.03) closes Friday 8 May
- Senior Events Officer (\$24,420.21 - \$91,000.00) closes Wednesday 13 May
- Coordinator Works (\$96,587.00) closes Thursday 14 May
- Manager Engineering and Projects (\$140,000) closes Thursday 14 May
- Casual Events Assistant (hourly rate from \$19.80 - \$31.37) - ongoing
- Casual Plant Operator Labourer (\$21.57 - \$23.00) - ongoing

Matt Dann Theatre & Cinema

FAST AND FURIOUS 7 (MOVIE)
Fri 8 May - 7:30pm
Sat 10 May - 7:30pm
Rated PG
 Dwayne 'The Rock' Johnson leads a team of elite street racers against Dominic Toretto and his crew for the death of his brother.
 Ticket prices:
 Adult - \$15, Mat Movie & Seniors - \$10

CINDERELLA (MOVIE)
Sat 9 May - 1:30pm
Classics Tues 12 May - 7pm
Rated G
 When her father unexpectedly passes away, young Ella finds herself at the mercy of her cruel stepmother and her daughters. Now she has to give up hope, Ella's fortunes begin to change after meeting a dashing stranger.
 Ticket prices:
 Adult - \$15, Mat Movie & Seniors - \$10

GET HARD (MOVIE)
Sat 9 May - 7:30pm
Rated R15+
 When millionaire James King is jailed for fraud and bound for San Quentin, he turns to Diesel Lewis to prep him to go behind bars.
 Ticket prices:
 Adult - \$15, Mat Movie & Seniors - \$10

Like us at facebook.com/townofporthedland

Call us 9158 9300

For more information visit our website www.porthedland.wa.gov.au

Shopping centre display – 30 May



8:59pm Councillor Jacob and Mayor Howlett declared an impartiality interest in item 13.3 'Facility Development at Faye Gladstone Netball Courts – Port Hedland Netball Association' as they are members of the association.

Councillor Jacob and Mayor Howlett did not leave the room.

13.3 Facility Development at Faye Gladstone Netball Courts- Port Hedland Netball Association

Graeme Hall, Manager Recreation Services and Facilities
File No. 5/11/0003

DISCLOSURE OF INTEREST BY OFFICER

Nil

RECOMMENDATION

That Council:

- 1. Support the Port Hedland Netball Association proposed development of new club facilities at the Faye Gladstone Netball Courts.**
- 2. Endorse that the Town supports the Port Hedland Netball Association with their submission to BHPB for financial support as part of the Community Funding Program.**
- 3. Note that the Port Hedland Netball Association have received initial confirmation of \$170,000 from The Department Regional Development (Royalties for Regions) for this project.**
- 4. Endorses that the Port Hedland Netball Association can confirm to the Department of Regional Development that the Town of Port Hedland is supportive of the use of their grant funds for the development of facilities at Faye Gladstone Netball Courts.**
- 5. Notes that a further report to Council will be forwarded once the outcome of the request for funding to BHPB (Community Grants Program) is confirmed.**

201415/286 AMENDED RECOMMENDATION/ COUNCIL DECISION

MOVED: CR HOOPER

SECONDED: CR JACOB

That Council:

- 1. Support the Port Hedland Netball Association proposed development of new club facilities at the Faye Gladstone Netball Courts.**
- 2. Endorse that the Town make a submission to BHP Billiton for financial support on behalf of the Port Hedland Netball Association as part of the Community Development Project funding.**

3. **Note that the Port Hedland Netball Association have received initial confirmation of \$170,000 from The Department Regional Development (Royalties for Regions) for this project.**
4. **Endorses that the Port Hedland Netball Association can confirm to the Department of Regional Development that the Town of Port Hedland is supportive of the use of their grant funds for the development of facilities at Faye Gladstone Netball Courts.**
5. **Notes that a further report to Council will be forwarded once the outcome of the request for funding to BHPB (Community Grants Program) is confirmed.**

CARRIED 7/0

EXECUTIVE SUMMARY

The Town has been working with the Port Hedland Netball Association to deliver a new club facility at the Faye Gladstone Netball Courts. The project is well researched as a result of a Feasibility Study that was commissioned by the Association and included with this report as attachment 1. The project is supportable as it is modest in both scale and cost, it is also very practical for the needs of the users.

It is recommended that the Council support the project as presented by the Port Hedland Netball Association, and that the receipt of a grant from the Department of Regional Development is noted and commended as funding for the development of the new facilities at Faye Gladstone Netball Courts.

DETAILED REPORT

The Town has worked collaboratively with the Port Hedland Netball Association its consultants to prepare a Needs Assessment/Feasibility Study for the development of support facilities (club rooms) at the Faye Gladstone Netball Courts (attachments 1 and 2). It is fully acknowledged that the current level of facilities provided at the Faye Gladstone Netball Centre are of a poor standard. At the Concept Forum in September 2014, the outcomes of the Needs Assessment /Feasibility Study were outlined to the Council.

The research provided a project plan for the Port Hedland Netball Association to pursue. The report recommendations have a number of positive attributes, these being that the project:

- Is modest in scale
- Meets the needs of the users
- Will potentially serve the wider community
- Is affordable from a capital expenditure perspective.

Town of Port Hedland - Master Plan

The Port Hedland Netball Association has been fully engaged in the Master Planning process that is occurring for the Marie Marland Reserve/Kevin Scott Oval precinct. Preliminary plans for a central club facility servicing the needs of a number of sporting groups were provided to the Netball Associations working group for deliberation.

Project Budget

The project cost was initially indicated as being \$1.1 million as per the 'Port Hedland Netball Association-Upgrade to Facilities at Faye Gladstone Netball Courts-Submission to BHP Billiton Iron Ore' (BHPBIO) (attachment 1). The Port Hedland Netball Association have been in ongoing communication with BHPBIO and the Department Regional Development (Royalties for Regions) for support of this project.

In May 2015, the Town and BHPBIO received a final submission from the Port Hedland Netball Association, the total project cost proposed is \$1,296,517.80 (ex GST). The Port Hedland Netball Association have identified \$1,100,000 from BHPB, with the State Government's Regional Grants Scheme (R4R initiative) confirming a contribution of \$170,000 towards the project. Preliminary confirmation of the State Government Support was received on 4 June 2015.

Project Management

Contrary to the proposal by the Port Hedland Netball Association the Town's Infrastructure Development Team will manage the project using internal resources. If the project were to proceed the Director Works and Services will need to allocate the necessary resources to this project.

Asset Management

The development of club facilities at Faye Gladstone Netball would be a significant addition to the Town's asset register and ongoing maintenance obligations. In addition, the draft business case assumes that the Town would be responsible for a number of operational costs for the facility which the Association have projected in their proposal could be in the vicinity of \$90,000 per annum. This figure will be confirmed as part of the project development.

Tenure Arrangements

The Port Hedland Netball Association are seeking to negotiate a lease with the Town for the facility. This position would be supported in principle, the Association will be required to negotiate the lease agreement in accordance with the Town's leasing policy.

There is an assumption in the proposal from the Association that the Town would absorb the operating and maintenance costs. While the Town is clear regarding its responsibility to major structural maintenance and long term asset management. The Towns leasing policy requires that all categories of community organization are 100% responsible for operational costs associated with the occupation and management of facilities.

FINANCIAL IMPLICATIONS

The Town is currently working with the Association to prepare a funding application for the BHP Billiton Community Grants Program. This has been completed and will be submitted by the Town. BHPBIO have indicated that they would consider support of up to \$900,000 towards the project. With the State Government's regional grants scheme (R4R initiative) confirming a contribution of \$170,000 towards the project, it is possible that the project may have a shortfall of up to \$226,517.80 (ex GST). The Council have not identified this project in either the Strategic Community Plan, Corporate Business Plan or Long Term Financial Plan.

Town would be responsible for a number of operational asset management costs of the facility which are projected to be in the vicinity of \$90,000 per annum (inclusive of all asset management and operational costs). The current facility incurs costs of \$11,026 (operational costs not identifiable). The cost for the current facility is comprised of:

- | | |
|-------------------------|---------|
| • Depreciation | \$7,116 |
| • Maintenance expenses: | \$2,800 |
| • Insurance: | \$1,110 |

Risk Implications

There are identifiable project risks acknowledged within the body of the report, these being:

- Funding Shortfall-The total project budget as provided in the proposal is \$1,296,517.80 (ex GST), possible funding is \$900,000 BHPIO and \$170,000 from Regional Development (R4R). The project has a potential shortfall of \$226,517.80.
- Operating and Whole of Life Costs-The annual running costs for the proposed new facility will be considerably higher than for the current building. With the Port Hedland Netball Association seeking to enter into a lease arrangement they will need to absorb an enhanced financial commitment as part of their operations.
- Final Construction Cost-The project costs are currently estimates only, the final construction costs will not be known until the procurement process has been finalised.
- Project Prioritisation-The Port Hedland Netball Association's new clubhouse facility is not identified in the Town's Strategic Community Plan, Corporate Business Plan or Long Term Financial Plan.

STATUTORY AND POLICY IMPLICATIONS

Sections 1.1 and 1.2 of the Strategic Community Plan 2014–2024 applies as the redevelopment seeks to provide and support programs, events, facilities and services that attract and connect people and residents.

ATTACHMENTS

1. Port Hedland Netball Association - Upgrade to Facilities at Faye Gladstone Netball Courts - Submission to BHP Billiton Iron Ore
2. Project Budgets

16 June 2015

ATTACHMENT 1 TO ITEM 13.3



Upgrade to facilities at Faye Gladstone Netball Courts

Submission to BHP Billiton Iron Ore
March 2015



About us

Port Hedland Netball Association has been a part of the Port Hedland community for almost 40 years. Our mission is to continually grow participation in netball, and provide the highest standard of competition possible for our members.

With more than 400 players and officials participating from the ages of five through to 55, netball is the largest participation sport in Port Hedland.

We are a team of dedicated volunteers. We pride ourselves on high performance, and take an innovative and professional approach to delivering netball in Port Hedland. Over the last decade, we have been awarded the Town of Port Hedland's Percy Gratwick VC Award for Sporting Excellence four times, including consecutively in 2013 and 2014.

We run three levels of competition; our Senior competition caters for players aged 17 and over, in A, B and C Grades; our Junior competition caters for players aged 11-16, with 12 & Under and 16 & Under divisions; and our Net, Set, Go! competition caters for players aged 5-10, in two separate age groups.

The Association recently had the opportunity to discuss our operations with the Minister for Sport and Recreation, the Hon Mia Davies, and we were honoured when she acknowledged PHNA as a best practice Association.

At Port Hedland Netball Association, we are strong believers in the wide range of physical and social outcomes that come from playing sport and in particular netball. Sport promotes values such as a healthy lifestyle, life-long friendships, feelings of inclusion and the development of life skills. Research has also suggested that participating in sport can also help ease some common mental illnesses such as anxiety and depression.

Addressing feelings of isolation is particularly pertinent in the Hedland community, when residents are often far from their traditional support networks.

Netball positively engages young people in a fun physical activity, relieving boredom which can often lead to anti-social behaviour which unfortunately has a significant impact on the Hedland community. Studies by the Australian Institute of Criminology show that youth crime can be prevented and the likelihood of re-offending reduced by involving youth in sport.

Netball teaches people about much more than the sport itself. Being a member of PHNA, a Club and a team teaches skills that will transfer into school and the workplace. Our members learn about team work, dealing with adversity, and problem solving, and are encouraged to continuously challenge themselves to improve their skills and be better.



Project description

The aim of our project is to upgrade off-court facilities at Faye Gladstone Netball Courts, the home of Port Hedland Netball Association.

The facility is comprised of six playing courts which were resurfaced in 2012 as part of a wider Town of Port Hedland sport and recreation project. Unfortunately the clubhouse was not upgraded and has continued to deteriorate, currently not meeting standards required by the Building Code of Australia.

With financial support from BHP Billiton Iron Ore, Port Hedland Netball Association contracted RFF Australia to undertake a Project Needs Assessment and Feasibility Study to investigate necessary upgrades to the clubhouse infrastructure to support the basic operations of the Association. A number of gaps were identified in the current facilities at Faye Gladstone Netball Courts.

These gaps include:

- a) Insufficient provision of ablution facilities;
- b) Issues with access and inclusion standards at the premises;
- c) Food preparation area not in line with statutory requirements;
- d) Poor quality storage areas resulting in goods and material perishing prematurely;
- e) Minimal security resulting in increased break-ins (Port Hedland Netball Association has experienced numerous break-ins over the years);
- f) When in use the facility becomes congested very quickly as it serves a multitude of uses;
- g) Lack of shade; and
- h) Non-compliance with the Building Code of Australia.

A facilities upgrade will benefit our current membership - approximately 400 Hedland residents of a range of ages and ethnicities. An upgrade will also benefit our future membership, estimated at up to 650 people over the next seven years.

Hard infrastructure at Faye Gladstone Netball Courts has not kept up with membership growth, and reflects poorly on the quality of netball offered by Port Hedland Netball Association. A failure to upgrade the off-court facilities is likely to have a detrimental impact upon memberships as a result of current players leaving the sport and the engagement of potential future players.



We pride ourselves on being a best practice Association, and on extending development opportunities through our affiliation with Netball WA. Upgraded facilities would enable us to expand our current programs and enhance our sustainability. These opportunities and the delivery of these programs are dependent on the availability of adequate facilities.

Our desired outcome is a facility which services our membership, both today and into the future; a facility which is safe and secure, meets the Building Code of Australia, and which encourages rather than hinders the growth of netball in Port Hedland.

This submission seeks funding for the delivery of outcomes identified as part of the Projects Needs Assessment and Feasibility Study completed by RFF. These outcomes include

- a) Increased security for the site;
- b) Provide meeting and multi-use space (50 people);
- c) Additional toilet facilities;
- d) Change rooms;
- e) An office for increased administration;
- f) Improved energy efficiency and performance of existing structures; and
- g) Increased storage capacity.

Metrics

Key Performance Indicator	Metric	Due date
1. Off-court facilities at FGNC upgraded	Project complete	30 June 2016
2. Lease agreement with ToPH executed	Execution of lease	30 June 2016
3. Publicity and sponsor recognition	Opening event held with associated media	30 June 2016
4. Delivery of volunteer upskilling programs in new facility	Two events held in function space	30 June 2016
5. Delivery of 'Association-building' events	One event held in function space	30 June 2016
6. Increase in membership	5% increase on 2014 membership	30 June 2016



Proposal details

The Projects Needs Assessment and Feasibility Study prepared by RFF Australia explored four options. Option 1 was recommended at an estimated cost of \$1.1m. This option shows value for money, with the ability to incorporate existing infrastructure into the development. From an approvals point of view, Option 1 is ideal as it does not affect the provision of car parking nor is it moving into a new development zone within the overall site. This simple yet functional design includes the following features:

- 80m² function space;
- First aid room;
- Office/admin space;
- Kitchen facilities;
- Increased internal storage;
- Significant undercover area encompassing existing structures to improve thermal performance.

Our project will occur in South Hedland.

BHP Billiton contribution

A\$1.1million FY15

BHP Billiton contribution to date

A\$38,500 to Needs Assessment and Feasibility Study

A\$97,500 in Community Grant funding since 2007

Other contributors

Pilbara Development Commission -\$200,000 (to be confirmed)

Performance to date

Port Hedland Netball Association has a strong committee, good governance practices, and a large membership; the Association has been recognised as Port Hedland's Most Outstanding Sporting Group four times in the last decade, including consecutively in 2013 and 2014.

BHP Billiton has had a relationship with Port Hedland Netball Association for several years, and has funded the Association via the Community Grants program. All projects have been completed and evaluated, with good sponsor recognition provided.



In March 2014, BHP Billiton funded RFF Australia (on behalf of the Association) to undertake a Project Needs Assessment and Feasibility Study for the upgrade of facilities at Faye Gladstone Netball Courts.

The study delivered the following findings:

Needs Assessment

- Facilities inadequate for current demand
- Facilities costing PHNA due to inefficiencies in building quality and lack of security resulting in numerous break-ins
- Ablutions not sufficient to cater for current usage
- Projected conservative Association growth at 600 members by 2022
- Function space for entire membership not required due to capacity at Wanangkura Stadium
- An upgrade to cater for Association growth is appropriate with options analysed including:
 - o Do nothing
 - o Australian Building Code compliance upgrades
 - o Significant upgrades to existing site
- Preferred option: significant upgrades to existing site

Feasibility Study

- Four development scenarios considered
- Option one considered preferred option
- PHNA does not have the financial capacity to commit to the capital upgrades required
- Operationally if the project is 100% supported by external funders the PHNA can manage a new facility
- PHNA in strong financial and management position to progress with upgrade

Port Hedland Netball Association is currently waiting on approval of a grant for \$200,000 from the Pilbara Development Commission's Pilbara Regional Grants Scheme. We expect to be advised if this grant has been approved in May 2015.



Other factors

Project Delivery

Acknowledging the time and commitment required to project manage a development of this size, Port Hedland Netball Association would engage a third party consultant to manage the tender process and the construction phase. RFF Australia is the recommended project manager, having worked with PHNA over the last 18 months to develop the project and complete the Project Need Assessment and Feasibility Study.

RFF Australia is a Hedland based consultancy specialising in regional development with experience in community consultation, town planning, project management and social economic analysis.

RFF Australia is extremely passionate about having an influence and being part of the development of better communities. This extends not only to community projects, but working with non-for-profit organisations. RFF Australia is currently project managing the delivery of the Youth Involvement Council's \$12m Learning and Development Precinct, and has worked with PCYC and other various sporting associations to deliver infrastructure projects similar to PHNA's proposal.

Port Hedland Netball Association would also establish a Project Steering Group to oversee and manage the construction of the new facility which would include representation from:

- Port Hedland Netball Association
- Pilbara Development Commission
- BHP Billiton Iron Ore
- Town of Port Hedland
- RFF Australia



Port Hedland Netball Association Structure and Governance

We have been fortunate enough to continue to attract strong representation to our Executive Group and Committee roles. Our current Executive is made up of the following people:

President	Kate Fry – PA to Manager Rail Operations, BHP Billiton Iron Ore
V/President	Lisa Lock – Senior Advisor Community Relations, BHP Billiton Iron Ore
Secretary	Sandy Buzzard – Teacher, Hedland Senior High School
Treasurer	Jenna Dodge – Senior Project Officer, Pilbara Development Commission
Ex Officio	Fran Haintz – Operations Manager, Hedland Home Hardware

Administrator Keeley Pemberton (paid position)

This group brings together a diverse skill set, with the financial and project management skills to oversee this type of development.

With a mantra of continuous improvement, in 2014 we implemented widespread changes to our Association structure with the introduction of a formal club structures. This included supporting clubs to form committees, establish bank accounts and put in place governance systems for their operations. PHNA believes this new club structure, combined with the introduction of an online registration system, is a significant step forward in building robust and sustainable clubs, both increasing efficiency and reducing volunteer workload by making record keeping, billing, communication and management of the player database easier and more accessible.

The Association is fortunate to have a committee which works very hard to provide a competitive competition for our members, whilst putting into action good governance procedures. We strive to continually upskill our volunteers across the board.



Proposed funding model and lease arrangements

Faye Gladstone Netball Courts and associated facilities are located on land reserved for parks and recreation in the Town of Port Hedland Planning Scheme Five. Development of sport and recreation facilities is consistent with the intended use for the reserve. Planning approval will be required from the Town of Port Hedland's Planning Department and contingencies for this have been included in both the budget and program for the proposed project.

The Town of Port Hedland controls the courts and associated facilities. Port Hedland Netball Association currently pays for use of the facilities on a seasonal basis as required. The Association has engaged with ToPH in regard to securing a long term lease over the facility. ToPH has been receptive to the concept and the Association will be looking to enter into lease negotiations with the Town once the sport and recreation masterplan is finalised.

As part of the Projects Needs Assessment and Feasibility Study AEC completed an operational feasibility assessment on the following two options:

Funding model A

This model would see the Town of Port Hedland fund the capital costs of the project on behalf of PHNA, potentially through a self-supporting loan. If the Council passed on the full cost of the upgrade including the annualised capital and operating costs, the required increase in fees per annum to each member could potentially be anywhere from \$75.17 to \$244,20.

A fee increase of this magnitude is not viable. An alternative funding model is need, as the one proposed below, where external support is secured to fund the redevelopment of the club house.

Funding model B (Preferred Option)

Under this model, the capital cost of the development is secured from external funding partners, and Port Hedland Netball Association engages in a lease arrangement with the Town of Port Hedland. ToPH would absorb the operating and repair and maintenance costs. Based on current membership and conservative growth rates, the required increase to fees per annum per member would be \$7.53, averaged over a ten year operational assessment period. Unlike funding model A, we believe our members could absorb this increase, and as such, this is our preferred option.

The Town of Port Hedland supports a lease arrangement and is currently working with PHNA to determine what is required to achieve this.



ATTACHMENT 2 TO ITEM 13.3

Description	Cost
Preliminaries	\$ 113,479.00
Headworks & Demo	\$ 150,000.00
Consultancy fees	\$ 85,900.00
Site Works	\$ 31,556.00
Concrete	\$ 63,031.00
Structural steel and roofing	\$ 145,500.00
Metal work	\$ 48,116.00
Joinery	\$ 41,613.00
Internal and external linings	\$ 54,550.00
Tiling	\$ 30,000.00
Floor Coverings	\$ 11,600.00
Painting	\$ 14,500.00
Hydraulics	\$ 169,028.00
Electrical	\$ 47,725.00
Mechanical	\$ 41,600.00
Landscaping	\$ 8,000.00
Site service investigation/design	\$ 6,000.00
Builders margin and attendance (10%)	\$ 106,219.80
Project Management	\$ 45,000.00
Contingency	\$ 75,000.00
Application Fees	\$ 8,100.00
Subtotal	\$ 1,296,517.80
GST	\$ 129,651.78
Total	\$ 1,426,169.58

ITEM 14 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**201415/287 COUNCIL DECISION****MOVED: CR HOOPER****SECONDED: CR JACOB**

That Council consider Mayor Howlett's motion to change the July 2015 Ordinary Council Meeting date.

CARRIED 7/0**14.1 Mayor Howlett's Motion to change the July 2015 Ordinary Council Meeting date****201415/288 COUNCIL DECISION****MOVED: CR HOOPER****SECONDED: CR JACOB**

That Council change the date of the July 2015 Ordinary Council Meeting from Wednesday 22 July 2015 to Wednesday 29 July 2015 at 5:30pm in Council Chambers to allow Elected Members to attend the Developing Northern Australia 2015 Conference.

CARRIED 5/2**ITEM 15 REPORTS OF COMMITTEES**

Note: The Minutes of this Committee meeting are enclosed under separate cover.

15.1 Airport Committee Minutes – 13 May 2015**201415/289 RECOMMENDATION/ COUNCIL DECISION****MOVED: CR JACOB****SECONDED: CR GILLINGHAM**

That Council receive the Minutes of the Ordinary Meeting of the Airport Committee held on 13 May 2015 at 12:30pm inclusive of the following decisions:

8.1 Confirmation of Minutes of the Airport Committee Meeting held on Wednesday 1 April 2015**11.1.1 Airport Management Report****CARRIED 7/0**

15.2 Airport Committee Minutes – 3 June 2015

201415/290 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR MELVILLE

SECONDED: CR JACOB

That Council receive the Minutes of the Ordinary Meeting of the Airport Committee held on 3 June 2015 at 12:30pm inclusive of the following decisions:

8.1 Confirmation of Minutes of the Airport Committee Meeting held on Wednesday 13 May 2015

11.1.1 Airport Management Report

CARRIED 7/0

ITEM 16 CONFIDENTIAL ITEMS

201415/291 COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR MELVILLE

That Council consider late confidential item 16.1 ‘Appointment of Director Community and Development Services’.

CARRIED 7/0

201415/292 COUNCIL DECISION

MOVED: CR MELVILLE

SECONDED: CR DACCACHE

That Council close the meeting to members of the public as prescribed in section 5.23(2) of the Local Government Act 1995, to enable Council to consider the following item:

16.1 Appointment of Director Community and Development Services

CARRIED 7/0

9:06pm Mayor advised that the meeting is closed to members of the public.

16.1 Appointment of Director Community and Development Services

201415/293 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR DACCACHE

SECONDED: CR HOOPER

That Council receives the advice from the Chief Executive Officer that he proposes to employ the preferred candidate as identified in this confidential report as a senior employee of the Town of Port Hedland in the role of Director Community and Development Services.

CARRIED 5/2

201415/294 COUNCIL DECISION

MOVED: CR DACCACHE

SECONDED: CR MELVILLE

That Council open the meeting to members of the public.

CARRIED 7/0

9:24pm Mayor advised that the meeting is open to the public. Mayor read out to the public Council's decisions made whilst behind closed doors and advised that the report advised Council of the Chief Executive Officer's proposal to employ Mr Chris Linnell to the role of Director Community and Development Services, with an official starting date in July 2015. Mayor advised that Mr Chris Linnell had been appointed as the Director Community and Development Services.

ITEM 17 APPLICATIONS FOR LEAVE OF ABSENCE

201415/295 COUNCIL DECISION

MOVED: CR DACCACHE

SECONDED: CR JACOB

That Council approve the following applications for leave of absence:

- Councillor Jacob from 7 July to 10 July 2015;
- Councillor Gillingham from 4 July to 17 July 2015; and
- Councillor Melville from 30 June to 10 July 2015 and 11 November to 25 November 2015.

CARRIED 7/0

ITEM 18 ATTENDANCE BY TELEPHONE/ INSTANTANEOUS COMMUNICATIONS

Nil

ITEM 19 CLOSURE**19.1 Date of Next Meeting**

The next Ordinary Meeting of Council will be held on Wednesday 29 July 2015, commencing at 5:30pm, with the Public Agenda Briefing being held on Wednesday 15 July 2015, commencing at 5:30pm.

19.2 Closure

There being no further business, the Mayor declared the meeting closed at 9:27pm.