



**Town of Port Hedland**

**MINUTES**

**OF THE**

**ORDINARY MEETING  
OF THE TOWN OF PORT HEDLAND COUNCIL**

**HELD ON**

**WEDNESDAY 23 MAY 2012**

**AT 5.30 PM**

**IN COUNCIL CHAMBERS  
McGREGOR STREET, PORT HEDLAND**

*Ian Hill  
Acting Chief Executive Officer*



## OUR COMMITMENT

*To enhance social, environmental and economic well-being through leadership and working in partnership with the Community.*

<b>ITEM 1</b>	<b>OPENING OF MEETING .....</b>	<b>5</b>
1.1	OPENING .....	5
<b>ITEM 2</b>	<b>RECORDING OF ATTENDANCE AND APOLOGIES.....</b>	<b>5</b>
2.1	ATTENDANCE.....	5
2.2	APOLOGIES .....	5
2.3	APPROVED LEAVE OF ABSENCE.....	5
<b>ITEM 3</b>	<b>RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE .....</b>	<b>6</b>
3.1	QUESTIONS FROM PUBLIC AT ORDINARY COUNCIL MEETING HELD ON WEDNESDAY 9 MAY 2012 THAT WERE TAKEN ON NOTICE .....	6
3.1.1	<i>Mr Camilo Blanco</i> .....	6
3.2	QUESTIONS FROM ELECTED MEMBERS AT ORDINARY COUNCIL MEETING HELD ON WEDNESDAY 9 MAY 2012 THAT WERE TAKEN ON NOTICE .....	7
<b>ITEM 4</b>	<b>PUBLIC TIME .....</b>	<b>8</b>
4.1	PUBLIC QUESTION TIME .....	8
4.1.1	<i>Mr Chris Whalley</i> .....	8
4.1.2	<i>Mr Wayne Ness</i> .....	8
4.1.3	<i>Ms Louise Newbery Starling</i> .....	9
4.1.4	<i>Ms Camile Mathews</i> .....	9
4.1.5	<i>Ms Louise Newbery Starling</i> .....	11
4.1.6	<i>Ms Lynley Atkinson</i> .....	11
4.1.7	<i>Ms Penny Taylor</i> .....	12
4.2	PUBLIC STATEMENT TIME .....	12
<b>ITEM 5</b>	<b>QUESTIONS FROM MEMBERS WITHOUT NOTICE.....</b>	<b>13</b>
5.1	<i>Councillor Arnold A Carter</i> .....	13
5.2	<i>Councillor Stanley R Martin</i> .....	13
5.3	<i>Councillor Janet M Gillingham</i> .....	13
5.4	<i>Councillor Michael Dziombak</i> .....	14
5.5	<i>Councillor Gloria A Jacob</i> .....	15
5.6	<i>Councillor Julie E Hunt</i> .....	15
5.7	<i>Councillor Arnold A Carter</i> .....	16
<b>ITEM 6</b>	<b>DECLARATION BY MEMBERS TO HAVE GIVEN DUE CONSIDERATION TO ALL MATTERS CONTAINED IN THE BUSINESS PAPER PRESENTED BEFORE THE MEETING .....</b>	<b>17</b>
<b>ITEM 7</b>	<b>CONFIRMATION OF MINUTES OF PREVIOUS MEETING .....</b>	<b>17</b>
7.1	CONFIRMATION OF MINUTES OF ORDINARY MEETING OF COUNCIL HELD ON WEDNESDAY 9 MAY 2012 .....	17
<b>ITEM 8</b>	<b>ANNOUNCEMENTS BY CHAIRPERSON WITHOUT DISCUSSION .....</b>	<b>18</b>
<b>ITEM 9</b>	<b>REPORTS BY ELECTED MEMBERS WITHOUT DISCUSSION.....</b>	<b>18</b>
9.1	<i>Councillor Michael Dziombak</i> .....	18
9.2	<i>Councillor David W Hooper</i> .....	18
9.3	<i>Councillor Julie E Hunt</i> .....	18
<b>ITEM 10</b>	<b>PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS .....</b>	<b>18</b>

<b>ITEM 11</b>	<b>REPORTS OF OFFICERS .....</b>	<b>19</b>
<b>11.1</b>	<b>PLANNING AND DEVELOPMENT SERVICES .....</b>	<b>19</b>
11.1.1	<i>Proposed Adoption of the Pilbara's Port City Growth Plan (File No.: 18/12/0020).....</i>	<i>19</i>
11.1.2	<i>Proposed Permanent Closure of a Portion of Roberts Street Road Reserve, South Hedland. (File No.: 18/09/0001).....</i>	<i>23</i>
11.1.3	<i>Proposed Installation of Public Art Piece – TSI Memorial Statue at Lot 5527 Wilson Street, Port Hedland (File No.: 130128G).....</i>	<i>31</i>
11.1.4	<i>Delegated Planning, Building &amp; Environmental Health Approvals and Orders for March and April 2012 (File No.: 18/07/0002 &amp; 07/02/0003).....</i>	<i>40</i>
<b>11.2</b>	<b>ENGINEERING SERVICES .....</b>	<b>54</b>
11.2.1	<i>Colin Matheson Oval Change Room Upgrade: Scope of Works Approval (File No.: 26/14/0008) .....</i>	<i>54</i>
11.2.2	<i>South Hedland Bowling and Tennis Club – Scope Approval and Progress Update (File No.: 26/14/0017).....</i>	<i>60</i>
11.2.3	<i>Tender 12/06 - Design, Supply and Installation of a Swimming Pool Lighting System to the South Hedland Aquatic Centre upgrade (File No.: 26/13/0019) .....</i>	<i>67</i>
<b>11.3</b>	<b>COMMUNITY DEVELOPMENT.....</b>	<b>73</b>
11.3.1	<i>Port Hedland Community Integration Working Group – Endorsement of Terms of Reference (File No.: 01/04/0001).....</i>	<i>73</i>
<b>11.4</b>	<b>CORPORATE SERVICES.....</b>	<b>81</b>
11.4.1	FINANCE AND CORPORATE SERVICES.....	81
11.4.1.1	<i>2012-13 Rates in the Dollar &amp; Minimum Rates.....</i>	<i>81</i>
11.4.1.2	<i>Financial Reports to Council for Period Ended 30 April 2012 (File Nos: FIN-008, FIN-014 and RAT-009).....</i>	<i>98</i>
11.4.2	GOVERNANCE AND ADMINISTRATION .....	104
<b>ITEM 12</b>	<b>LATE ITEMS AS PERMITTED BY CHAIRPERSON/COUNCIL .....</b>	<b>105</b>
12.1	<i>Appointment of Auditor (File No.: .../...).....</i>	<i>105</i>
12.2	<i>Request for Proposal – Feasibility Study for Caravan Park/Backpackers Accommodation in Port Hedland (File No.: 08/03/0003) .....</i>	<i>114</i>
12.3	<i>Esplanade Hotel Car Parking.....</i>	<i>118</i>
<b>ITEM 13</b>	<b>MOTIONS OF WHICH PREVIOUS NOTICE HAVE BEEN GIVEN .....</b>	<b>121</b>
<b>ITEM 14</b>	<b>CONFIDENTIAL ITEMS .....</b>	<b>121</b>
<b>ITEM 15</b>	<b>APPLICATIONS FOR LEAVE OF ABSENCE.....</b>	<b>121</b>
<b>ITEM 16</b>	<b>CLOSURE.....</b>	<b>122</b>
16.1	DATE OF NEXT MEETING.....	122
16.2	CLOSURE.....	122

**ITEM 1      OPENING OF MEETING****1.1          Opening**

The Mayor declared the meeting open at 5:35pm and acknowledged the traditional owners, the Kariyarra people.

**ITEM 2      RECORDING OF ATTENDANCE AND APOLOGIES****2.1          Attendance**Elected Members

Mayor	Kelly	A	Howlett
Councillor	Arnold	A	Carter
Councillor	Stanley	R	Martin
Councillor	Janet	M	Gillingham
Councillor	David	W	Hooper
Councillor	Michael		Dziombak
Councillor	Gloria	A	Jacob
Councillor	Julie	E	Hunt

Officers

Mr Ian Hill	Acting Chief Executive Officer
Ms Natalie Octoman	Director Corporate Services
Mr Gordon MacMile	Director Community Development
Mr Russell Dyer	Director Engineering Services
Mr Eber Butron	Director Planning and Development
Mr Ayden Férdeline	Administration Officer Governance

**2.2          Apologies**

Councillor George J Daccache

**2.3          Approved Leave of Absence**

Nil

**ITEM 3      RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE****3.1            Questions from public at Ordinary Council Meeting held on Wednesday 9 May 2012 that were taken on notice****3.1.1        *Mr Camilo Blanco***

*At Question Time on 26 April 2012, the Mayor stated that no information was withheld from Councillors, staff, and the residents of Hedland relating to Hunt Point.*

*The Mayor's diary entry for 23 November 2011 shows that the Deputy Mayor, together with the Mayor and Councillor Julie E Hunt, was at the BHP Billiton Community Consultation held on 23 November. If the Deputy Mayor was at the meeting, and he supports truth and accountability of the Council, can you tell me why the Deputy Mayor did not inform all Councillors, and the people of the town, details of the proposal in November 2011, instead of early in February 2012?*

The Deputy Mayor has reviewed these dates and circumstances, and reiterates the Mayor's previous advice; that is, no information was withheld from Councillors, staff or the residents of Hedland in relation to Hunt Point.

*The indoor sporting complex is set to open in late July. Can you advise of the total complex costing to date, including all costs and all consultant fees, for this project?*

Director Engineering Services advised that this matter is being investigated and a response will be provided as soon as practicable.

*Can you show the account number and amount?*

Director Corporate Services advised that this matter is being investigated and a response will be provided as soon as practicable.

*What is the real cost to date of the Marquee Park Water Playground, including all project works, all remedial works, all ancillary costs, and all consultant fees?*

Director Engineering Services advised that this matter is being investigated and a response will be provided as soon as practicable.

*What are the additional full costs for all remedial works, all ancillary works, and all consultant fees, to enable the water park to be opened to the public?*

Director Engineering Services advised that this matter is being investigated and a response will be provided as soon as practicable.

*Where is all the funding coming from to pay any costs over and above the original budget for the park of approximately \$9 million?*

Director Engineering Services advised that this matter is being investigated and a response will be provided as soon as practicable.

**3.2 Questions from elected members at Ordinary Council Meeting held on Wednesday 9 May 2012 that were taken on notice**

Nil

**ITEM 4 PUBLIC TIME**

Mayor opened Public Question Time at 5:37pm.

**4.1 Public Question Time****4.1.1 *Mr Chris Whalley***

*When is the next meeting of the South Hedland CBD Stakeholder Working Group?*

Mayor advised that the chair of the South Hedland CBD Stakeholder Working Group has convened a meeting for June. The Town will notify Mr Whalley of the date, time and venue of this meeting.

*Can Council remove water from the new drains in the South Hedland town centre? This water is not automatically dissipating.*

Director Engineering Services advised that this matter will be directed to Landcorp and a response forwarded to Mr Whalley if received.

**4.1.2 *Mr Wayne Ness***

*I have previously asked questions regarding the pool fence at the Chief Executive Officer's residence. On many occasions I have been told it is compliant and all is in order, but the last time I asked, I was given an open answer stating that the matter was being investigated. Is this fence now complaint?*

The Acting Chief Executive Officer advised that the then-Chief Executive Officer had previously indicated it was compliant.

*I have previously requested information regarding the latency and output of the closed-circuit television cameras (CCTV). I was told that repairs and testing were being undertaken. A wireless survey should have been done at the time of installation, which was in May 2010. Why am I still waiting?*

Director Corporate Services advised further testing was undertaken as part of a review and these results will be forwarded on.

*How did the budget of \$200,000 end up blowing out to \$2.3 million, and why didn't the project go back to tender as soon as Council discovered there was issues and the scope of works was wrong?*

Director Engineering Services advised that the project was composed of two stages, both of which were completed within the budget allocated. This figure (\$2.3 million) is inclusive of both stages of work for the CCTV project.



The project did not go to tender for Stage 2 because the contractor who was awarded the initial works became a Western Australia Local Government Association (WALGA) Preferred Supplier.

*The WA Police Office of Crime Prevention allocated a grant for the project. As part of this, Stage 1 had to be completed by 30 June 2009. How did the grant get acquitted if the works were not completed until May 2010?*

Mayor advised that this question is taken on notice.

#### **4.1.3 Ms Louise Newbery Starling**

Ms Louise Newbery Starling complained about the condition of the seating area at the Boat Ramp, and asked: *'Could Council please maintain all our facilities, not just our new ones?'*

Mayor responded in the affirmative.

*Could I please get the Planning Department to look into the illegal developments taking place in Redbank?*

Director Planning and Development advised that he will bring this matter to the attention of the Town's Compliance Officers.

*Can the Planning Department please provide me with a copy of the building approval for 75 Redbank Road? There is a three-bedroom portable building placed here which I feel does not comply with the requirements for ancillary accommodation.*

*The second building of concern is the shed at 65 Redbank Road that has been built as an office for a business. Can I please see the planning and building requirements for this construction, as I am under the impression that there are no disabled toilets or emergency exits.*

Mayor advised in the affirmative, with the owners' permission.

#### **4.1.4 Ms Camile Mathews**

*In regards to the development at 8 Mosley Street, Port Hedland, which Council rejected last fortnight, can Council please let me know why we were not informed in writing of the withdrawal of the original application for 10 dwellings?*

Director Planning and Development advised that he was under the impression that all standard planning processes were observed; however, will take this question on notice.

*Why was the new application for 8 dwellings delivered the day before Easter with a closing date of two days after Easter, giving the community less than 7 days to respond?*

*Why were we not informed of the application for 8 dwellings going to Council for decision?*

*Why is there a development taking place behind my house, at 21 McGregor Street, that I wasn't notified of?*

Director Planning and Development advised he will ensure a response is provided.

*In the North West Telegraph there are some comments by Councillor Carter. He says the State Administrative Tribunal (SAT) will "go on legality only, not sentimentality. They want actual facts under the Local Government Act – whether the proponent is complying with the Act, if there is an error in the aesthetics. If the proponents go to the SAT I can't see why the appeal wouldn't be successful." Is the information provided by Councillor Carter correct?*

Director Planning and Development advised the comments by Councillor Carter are an opinion. Ultimately, the outcome of the State Administrative Tribunal deliberations are not known until the Tribunal makes its decision.

*What factors would the State Administrative Tribunal normally consider? Can Council and a group of interested residents work together to implement policies and strategies to maintain the heart and soul of our town?*

Director Planning and Development advised that the proponent has not yet lodged an appeal to Council's decision. If an appeal is lodged, the Town will know on what grounds the proponent disagrees with Council's decision, and Officers will then have an indication as to what factors will be considered by the Tribunal.

*While reading the agenda I noticed an item in regards to the South Hedland Bowling and Tennis Club. I understand that this has been an on-going project that has encountered funding difficulties. Where will the \$545,000 that is required to complete the project come from? Will the scope of works be revised?*

Director Community Development advised that the proposed scope of works for the South Hedland Bowling and Tennis Club is within budget. The purpose of this item in the agenda is to seek Council's approval for the project to proceed to the design and tender stage, pending confirmation of funding from the State Government.

*From the financial reports, I am led to believe that the Town of Port Hedland has overspent on a lot of projects and general running costs. Is that why you need so much money and have to raise the rates?*

Director Corporate Services advised that the Town has maintained a balanced budget despite being under pressure from the community to meet their needs. The purpose of raising rates this year is to ensure the long-term financial stability of the organisation by creating an asset management reserve to care for the Town's infrastructure.

#### **4.1.5 Ms Louise Newbery Starling**

*Why is the Port Hedland Port Authority laying equipment out on the land at the end of Redbank Road? This is a residential neighbourhood and the roads weren't built to accomodate heavy haulage. This has seriously impacted the state of the road which has now deteriorated to the point that it is dangerous. The noise is also a nuisance to residents. I have previously asked Council this question and was told the works would be completed by December 2011.*

Mayor advised that this question is taken on notice.

#### **4.1.6 Ms Lynley Atkinson**

*If I come along to this meeting and make a statement in regards to the proposed rate increase, can I have any impact upon the final decision that Council makes?*

Mayor responded in the affirmative.

*Will I have time to comment on this item when Council debates it?*

Mayor advised that members of the public have the opportunity to make statements before Council during Section 4.2 'Public Statement Time' of the meeting.

*How can the Council justify the proposed increase in the 2012/13 rates?*

*Why is Port Hedland charged considerably higher rates than South Hedland?*

*Why are people in Port Hedland still paying higher rates than those who live in South Hedland?*

Mayor clarified that the item in tonight's agenda seeks Council's approval to advertise the proposed rates to the community for a 21 day period and does not actually set the rates for 2012/13.

Mayor also advised that Council does not distinguish Port Hedland from South Hedland when determining rates; however, the Council is mindful that South Hedland and Wedgefield ratepayers this year have the added burden of underground power charges.

Mayor then noted that rates are composed of two parts: the Town determines a rate in the dollar which is multiplied by the property's Gross Rental Value (GRV). The GRV is the total amount of money a property could attract in rent per year, as determined by the Valuer General's Office, and this is reassessed every four years.

Director Corporate Services clarified that the GRV does not reflect the market price of a property and said that Council has no say in how this figure is determined.

Mayor advised that the Town will supply Ms Atkinson with an information sheet on how the GRV is calculated.

*If this had been done four years ago, I could understand the discrepancy between valuations in Port Hedland and South Hedland. But looking at current house prices and following the market now, I don't think that's a valid comparison anymore because the GRVs don't seem to reflect the current market.*

Mayor advised that the Town will supply Ms Atkinson with further information regarding the GRVs.

#### **4.1.7 Ms Penny Taylor**

*NOTE: Ms Penny Taylor submitted her question to the Council in writing as she was unable to attend tonight's meeting. The Mayor read her question aloud.*

*What support can be given to local residents and business owners who are not profiting, but struggling, with increases in the cost of living?*

Director Corporate Services advised that Council has offered concessions to some residents and small businesses as part of the Pilbara Underground Power Project.

The Town sought to extend these concessions to ratepayers as well; however, upon close examination of the Local Government Act it was determined that Council cannot provide any rates that are prescriptive to owner/occupiers.

Mayor closed Public Question Time at 6:04pm.

Mayor opened Public Statement Time at 6:05pm.

#### **4.2 Public Statement Time**

Nil

Mayor closed Public Statement Time at 6:05pm.

**ITEM 5 QUESTIONS FROM MEMBERS WITHOUT NOTICE****5.1 Councillor Arnold A Carter**

*I noticed a full page spread in the North West Telegraph this week regarding the high profile music event that Port Hedland will be hosting this year. Who paid for this advertisement?*

Director Community Development advised that all advertising costs are considered a cost of doing business and are therefore included in the budget previously adopted by Council.

*That proposal, as put to us, was that the event coordinator would do all this advertising and they would return to us 50% of the net income?*

Director Community Development advised that once all the costs associated with running the event are known and accounts settled, the profit will be divided.

**5.2 Councillor Stanley R Martin**

*At the Council Meeting on 26 April 2012, there was an item regarding the tug pens. Council requested the Chief Executive Officer write to BHP Billiton, the Port Hedland Port Authority, and the Minister for Transport to convey the rest of that resolution. Has that letter been written.*

Acting Chief Executive Officer confirmed they have.

*Have we had a reply?*

Acting Chief Executive Officer advised no, this matter has been concluded and further responses were not necessarily expected.

**5.3 Councillor Janet M Gillingham**

*Like Councillor Carter, I have previously asked about the costs incurred in advertising in the North West Telegraph. Is compiling this information still a work-in-progress? What are our advertising costs?*

Director Corporate Services advised that Cr Gillingham was absent from the Ordinary Meeting of Council on 11 April 2012 when a response to this question was originally provided. An extract from the Minutes will be forwarded to Cr Gillingham for her reference.

*How much, for this current year, has Council paid consultants? And what will be the coming consultancy costs for the 2012/13 Financial Year?*

Director Corporate Services advised that there are a range of consultants and contractors which the Town engaged this financial year. With a \$150 million budget, this would take significant resources to compile.

In addition, until Council adopts the 2012/13 Budget, it is not possible to compile a list of future consultancy costs.

*There were rubbish bins overflowing on Athol Street today. I know that other Councils put a sticker, or give notice, to that particular resident that their bin is overflowing. Is that something we do?*

Director Engineering Services advised that the Town does place stickers on overloaded rubbish bins if it belongs to a repeat offender.

*Regarding 'Banners in the Terrace' for the Local Government Convention this year, is that happening again?*

Mayor advised she hopes so.

Director Community Development advised he will follow-up to see if the Town will be submitting an entry.

*Inside the Hedland Senior High School, the drains are full and the mosquito population is bad. Do the drains at the high school get emptied?*

Director Engineering Services advised that the drainage issues are believed to be caused as a result of the high school's air conditioning system, so it is a matter for the school to address.

*Can the Chief Executive Officer write a letter to the school?*

Acting Chief Executive Officer suggested the matter be raised with the school directly.

*On Friday I had the opportunity to meet the new base manager for the Royal Flying Doctor Service in Port Hedland. Can we please invite him to present to Council?*

Mayor advised in the affirmative.

#### **5.4 Councillor Michael Dziombak**

*I raised a number of questions at the Ordinary Meeting of Council held on 11 April 2012. Those Minutes were not available for confirming at the Ordinary Meeting of Council held on 26 April 2012. I did see the Minutes on the Town's website past that date. Were the Minutes confirmed as correct, and if so, when did this happen?*

Acting Chief Executive Officer advised he will investigate this matter.

*My following questions relate to your announcement that you have been pre-selected to represent the West Australian Labor Party at the State election in March. Congratulations on this achievement.*

*Do you consider that the new role, as a candidate for Labor, conflicts with or contradicts your role as Mayor, which relies heavily on policies and funding of the opposing, current Liberal State government?*

Mayor advised in the negative.

*Do you consider that your new role, as a candidate for the Labor government, will affect your contribution to local government?*

Mayor advised in the negative.

*What measures do you intend to put in place to prevent any potential conflict or contradiction that may be detrimental to your performance in the capacity as Mayor?*

Mayor reminded Cr M Dziombak that the previous Chief Executive Officer had emailed all Councillors and informed them that no State election campaigning would be done using local government resources.

The Mayor said that, like many Councillors, she wears several hats and is involved in many activities throughout the community. At every opportunity, she will be clear as to what capacity she presents herself in. The Mayor also asked for the support of Councillors in ensuring that she does not inadvertently blur these lines.

### **5.5 Councillor Gloria A Jacob**

*Regarding the Pilbara Underground Power Project (PUPP), can you please clarify if all residents of South Hedland will pay for this project, including those who already have an underground power supply?*

Director Corporate Services advised that this forms part of the assumptions that Council endorsed in December.

*So if underground power is already installed, there could be a reduced scale as to how much they must pay?*

Director Corporate Services advised in the affirmative; it depends on whether the property is fully connected or partially connected to the electricity grid.

### **5.6 Councillor Julie E Hunt**

*Can the Town of Port Hedland look into installing directional signage in the town centre directing visitors to the Port Hedland Visitors Centre? The 'eye' sign is not easily visible. There is also no parking for caravans.*

Acting Chief Executive Officer advised he will ask Officers to explore this matter.

**5.7**      ***Councillor Arnold A Carter***

*Who is responsible for the Visitors Centre being closed? There is a sign up stating that it will not reopen until the 22<sup>nd</sup>. This sign has been up for at least a week.*

Director Community Development advised that he will address this issue with the firm managing the Visitors Centre on Council's behalf.

*Can we make sure we don't pay them for that period of time? They were closed for five days.*

Mayor advised in the affirmative.



**ITEM 6      DECLARATION BY MEMBERS TO HAVE GIVEN DUE CONSIDERATION TO ALL MATTERS CONTAINED IN THE BUSINESS PAPER PRESENTED BEFORE THE MEETING**

Mayor K A Howlett	Cr A A Carter
Cr S R Martin	Cr J M Gillingham
Cr D W Hooper	Cr M Dziombak
Cr G A Jacob	Cr J E Hunt

**ITEM 7      CONFIRMATION OF MINUTES OF PREVIOUS MEETING****7.1          Confirmation of Minutes of Ordinary Meeting of Council held on Wednesday 9 May 2012**

**201112/459 Council Decision**

**Moved: Cr A A Carter**

**Seconded: Cr D W Hooper**

**That the Minutes of the Ordinary Meeting of Council held on Wednesday 9 May 2012 be confirmed as a true and correct record of proceedings with the following amendment:**

- **That point 9) of Council Resolution 201112/447, recorded on page 136 of those Minutes, read:**
  - 9. Requests the Chief Executive Officer or delegate to enter into negotiations with Department of Education, or nominated representative, to develop a revised Shared Facilities Agreement, and report back to Council.**

***CARRIED 8/0***

**ITEM 8 ANNOUNCEMENTS BY CHAIRPERSON WITHOUT DISCUSSION**

Nil

**ITEM 9 REPORTS BY ELECTED MEMBERS WITHOUT DISCUSSION****9.1 *Councillor Michael Dziombak***

Councillor Dziombak advised that the Chamber of Commerce hosted a successful State Budget luncheon last Friday with Hon Brendon Grylls MLA. At the luncheon a commitment was made to address key worker accommodation shortages.

**9.2 *Councillor David W Hooper***

Councillor D W Hooper advised that he recently attended a Police Ball inside the Polar Aviation hangar, where a good deal of money was raised.

**9.3 *Councillor Julie E Hunt***

Councillor J E Hunt advised that she felt humbled by the SS Koombana commemoration, and thanked everyone who participated in the event for their contributions.

**ITEM 10 PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS**

Nil

**ITEM 11 REPORTS OF OFFICERS****11.1 Planning and Development Services*****11.1.1 Proposed Adoption of the Pilbara's Port City Growth Plan (File No.: 18/12/0020)***

<b>Officer</b>	<b>Leonard Long Manager Planning</b>
<b>Date of Report</b>	<b>14 May 2012</b>
<b>Disclosure of Interest by Officer</b>	<b>Nil</b>

**Summary**

Council's consultants (RPS and sub consultants) in conjunction with the Council Officers, Pilbara Cities and the Department of Planning have completed the preparation of the Pilbara's Port City Growth Plan. The Plan establishes a framework by which to deliver a sustainable city of 50,000.

The purpose of this report is to adopt the Pilbara's Port City Growth Plan as the Town's Local Planning Strategy to enable its endorsement by the Western Australian Planning Commission.

**Background**

Council last dealt with this item on 11 April 2012 where it resolved the following:

*201112/402 Council Decision*

*Moved: Cr A A Carter*

*Seconded: Cr M Dziombak*

*That the the Pilbara's Port City Growth Plan go out to the community for two weeks of public consultation before it is presented back to Council.*

*REASON: Council believes that the community needs to be given the opportunity to provide feedback on the final draft of the Pilbara's Port City Growth Plan before Council considers its endorsement.*

The Pilbara's Port City Growth Plan is an important document, and together with the implementation plan, will guide the Town of Port Hedland into realizing the vision of both Local and State Government to see the Town grow into a sustainable City of 50,000.

The preparation of the document began in November 2010, with the appointment of RPS as the lead consultant on the project.

### **Consultation**

The additional two (2) week public advertising period in accordance with Council's resolution of 11 April 2012. It is understood no additional public submissions were received during this period.

In addition to advertising the Pilbara's Port City Growth Plan in the North West Telegraph allowing for a 42 day commentary period, consultation has been undertaken in various manners during the course of the project. This has included:

- Regular working group meetings (all consultants)
- Consultant with Executive Group
- Briefing sessions with Councillors
- One on one briefings with Councillors
- Monthly progress meetings with Steering Group (Pilbara Cities, Department of Planning, LandCorp, Council and Lead Consultants, RPS)
- Individual meetings with relevant stakeholders (State Government agencies, industry, local community groups and other stakeholders)
- Meetings with Stakeholder Reference Group
- Growth Forum.

Through the consultation process a number of submissions were received, with the main issue identified being the lack and affordability of residential housing within the Town. The issues raised were addressed by the Lead Consultants and workshopped with Council.

### **Statutory Implications**

The document is to comply with the requirements of the *Planning and Development Act 2005*.

Pursuant to Regulation 12B(3)(c) of the Town Planning Regulations 1967, forward the Pilbara's Port City Growth Plan to the WAPC requesting it be endorsed as the Towns Local Planning Strategy.

### **Policy Implications**

Nil at this point in time, however, it is envisaged the recommendations arising from the Pilbara's Port City Growth Plan will inform future policy direction.

### **Strategic Planning Implications**

The Pilbara's Port City Growth Plan will supersede the current Land Use Master Plan by providing a framework to encourage and manage development within the Town over the next 20+ years, facilitating the transformation of the Town of Port Hedland into the City of Port Hedland.

The document will be considered the Local Planning Strategy which forms the basis on which the revision of the Town Planning Scheme No 5 is done, and will guide future non-planning documents.

The Pilbara's Port City Growth Plan is a vital strategic document which will also supersede the current Hedland's Future Today document and will form the vision for Council for the next 20 years.

The Growth Plan and Implementation Plan are to be incorporated into Council's future Integrated Planning Framework that will inform Financial Planning, Community Strategic Plan, Corporate Business Plan, Workforce Plans, Housing Accommodation Strategy and Asset Management Plan, together with annual budgetary processes.

### **Budget Implications**

The preparation of the Pilbara's Port City Growth Plan has been jointly funded by the Town, Pilbara Cities through the Royalties for Regions scheme and the Department of Planning's Northern Planning Program.

### **Officer's Comment**

RPS and sub consultants have completed the preparation of the Pilbara's Port City Growth Plan, after taking into consideration the submissions received through the various forms of consultation.

The Pilbara's Port City Growth Plan, addresses a variety of issues including:

- Economic diversity
- Housing supply and diversity
- Community, cultural heritage and landscape character
- Infrastructure (water, sewer, roads, power etc)
- Climate and environment.

The Pilbara's Port City Growth Plan provides a framework to manage development and other issues over the next 20+ years facilitating the transformation of Port Hedland from a Town to a city of 50,000.

The Pilbara's Port City Growth Plan is to be supported by technical working papers detailing all the technical reports compiled by the consultants.

Importantly the Pilbara's Port City Growth Plan establishes a vision for Port Hedland. The document is to be supported by an Implementation Plan which has and will be further workshopped with Council. It is anticipated this document will be presented to Council for adoption in June / July this year. The Implementation Plan is a critical document as it provides the mechanism by which to deliver the vision established by the Pilbara's Port City Growth Plan. It addresses the following:

- Governance
- Prioritisation of projects
- Staging
- Funding
- Responsible Authorities to deliver projects
- Communication and engagement.

To enable the preparation of the scheme review Council is, at this stage, only requested to consider the adoption of Pilbara's Port City Growth Plan. The Implementation Plan is currently being finalised and will be workshopped with Councillors prior to it being presented to Council for adoption.

**Attachments**

1. Pilbara's Port City Growth Plan  
(Attached under separate cover)
2. RPS Review of Submissions  
(Attached under separate cover)

**201112/460 Officer's Recommendation / Council Decision****Moved: Cr A A Carter****Seconded: Cr D W Hooper****That Council:**

1. **Adopts the Pilbara's Port City Growth Plan as the Town's Local Planning Strategy,**
2. **Pursuant to Regulation 12B(3)(c) of the Town Planning Regulations 1967, forwards the Pilbara's Port City Growth Plan to the WAPC requesting it be endorsed as the Town's Local Planning Strategy.**
3. **Notes the priorities, outcomes, locations, costings, staging/timing contained in the Pilbara's Port City Growth Plan will inform and be considered within the Integrated Strategic Planning and Reporting Framework currently being developed.**

***CARRIED 8/0***

**11.1.2 Proposed Permanent Closure of a Portion of Roberts Street Road Reserve, South Hedland. (File No.: 18/09/0001)**

**Officer** Steve de Meillon  
Planning Officer

**Date of Report** 10 May 2012

**Disclosure of Interest by Officer** Nil

**Summary**

Council at its Ordinary Meeting on the 14 March 2012 resolved to initiate the partial closure of the Roberts Street Road Reserve (the site) and delegate the Manager Planning Services under Delegation 40(11), to submit the partial road closure request to the Department of Regional Development and Lands (State Lands Services) subject to:

- The proposed Road Closure being advertised for a period of 35 days pursuant to Section 58(3) of the Land Administration Act 1997, and
- No objections being received during the advertising period.

During the advertising period one (1) submission was received objecting to the proposed partial Road Closure.

In light of the objection, the partial Road Closure request is presented back to Council for further consideration.

**Background**

Council's revised *Hedland Land Availability Plan Part B: Identified Site Schedules* (Land Availability Plan) published in February 2011 identified the subject land as suitable for development.

**Site Details (Attachment 1)**

The site is located directly south of the South Hedland Senior High School (SHSHS). It is a large median strip separating the high school pick-up / drop-off area and the main Roberts Street carriageway. The site comprises approximately two (2) hectares.

The Hedland coastal vulnerability study identifies the site as being marginally affected by flooding in a 1:100 year event. This is not considered to be a fatal flaw, this can be mitigated through the design of potential development.

Horizon Power has infrastructure located on the site which will need to be secured through an easement.

The site is located within close proximity to services and amenities and would be suitable for medium residential density development. It is anticipated development of the site could provide a yield of 40 – 80 dwellings depending on the design.

### Consultation

As per the previous Council resolution the Road Closure request was advertised for a period of 35 days, through the following media:

- A site sign placed on site.
- A newspaper advertisement.
- Letters to all affected neighbours.

The Council received one (1) formal submission objecting to the proposed development (*Attachment 2*), as outlined below:

Concerns Raised	Officer Response
<p>The Road Reserve acts as a buffer zone between the Roberts Street residential area and the Hedland Senior High School, maintaining a clear and definitive area between the different uses.</p>	<p>School and Residential land uses are considered to be compatible land uses that require no or minor buffers to be established.</p> <p>A merit based assessment of proposed land uses will be undertaken as part of a Development Application. The assessment shall determine the proposed uses are compatible with the existing Hedland Senior High School and provide an adequate buffer.</p>
<p>The Road Reserve has two Council maintained footpaths, lined complete with tree plantations, specifically for pedestrians to transverse to and from Roberts Street and the High School, and vice-versa. This facility was put in by the South Hedland Enhancement Scheme some years ago following consultation with the High School and demonstrated need. The facility is maintained by Council with ratepayers funds.</p>	<p>The location and function of any existing infrastructure, including footpaths, shall form part of any Development Application for the site.</p> <p>New development proposals will need to demonstrate they will have no negative impacts on the existing community.</p>



<p>The safety of the school students needs to be taken into consideration within this issue, as students walk from other streets within the Lawson Neighbourhood and take the footpath from Logue Court between the houses and alongside the drain reserve, across Roberts Street and onto the footpath across the Road reserve an into the High School.</p>	<p>Traffic impacts and pedestrian safety are required to be addressed as part of any Development Application.</p> <p>New development proposals for the site will need to demonstrate any increase in vehicle movement will have no negative impact on the school.</p>
<p>Parents of High School students also utilise both these footpaths across the Reserve to drop off and pick up students on Roberts Street to avoid the congestion that occurs at the pick-up, drop-off point on the High School entry road in the mornings and afternoons.</p>	<p>Traffic impacts and pedestrian safety are required to be addressed as part of any Development Application.</p> <p>New development proposals for the site will need to demonstrate any increase in vehicle movement will have no negative impact on the school.</p>
<p>The environmental benefits to the school and its occupants needs also to be considered when planning to close this road reserve, which I believed will be used to build more houses or Fly-in, Fly-out accommodation units/houses on, as it is a pleasing and welcome strip of Pilbara natural bush land complimented by the tree-lined footpaths.</p>	<p>Subject to the Road Closure being approved by Council, a Scheme Amendment is required to rezone the site, allowing development to occur.</p> <p>As part of any Scheme Amendment, documents are required to be sent to the Environmental Protection Agency for an environmental assessment.</p> <p>Following a successful Scheme Amendment, new development proposals are required to demonstrate their impact on the existing streetscape. As part of any Development Application the applicant shall be required to submit a Landscaping Plan to be approved by the Manager Technical Services.</p>

In regards to the objections raised above, the Road Closure does not include any development proposals for the site. Any relocation, demolition or proposed development will form part of a separate development application, dependent on an approved Scheme Amendment.

In light of the above, the concerns raised are not considered to be pertinent for the road closure stage of the process.

### **Statutory Implications**

Road Closure:

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

The subsequent sale of the Crown Land is undertaken by the Department of Regional Development and Lands on behalf of the Minister in accordance with Part 6 of the *Administration Act 1997*.

The Town of Port Hedland Delegation 40(11) states:

*“The Director Planning and Development and the Manager Planning may forward Road Closure Applications direct to the Department of Lands Administration in the event of :*

- i) There being no comment received during the statutory advertising period; and*
- ii) The proposal being of an uncontentious nature.”*

Scheme Amendment:

The *Planning and Development Act 2005* and the *Town Planning Regulations 1967* provide Council the authority to amend its Local Planning Scheme and establish the procedure required to make this amendment.

### **Policy Implications**

Nil

### **Strategic Planning Implications**

The following section of Council’s Strategic Plan 2010-2015 is considered relevant to the proposal:

Key Result Area 4:	Economic Development
Goal 4:	Land Development Projects
Immediate Priority 1:	Fast track the release and development of commercial, industrial and residential land.

### **Budget Implications**

It is estimated \$25,000.00 will cover the immediate costs associated with the proposal. Council can request RDL to reimburse Council’s cost with the sale of the land.

### Officer's Comment

The Road Closure does not propose any development over the land. The proposal simply seeks to remove the Public Purposes – Road Reserve classification from the land making it available for future development proposals. Any development proposal shall be consistent with relevant State and Local Government legislation.

The identified section of Roberts Road is surplus to the needs of the South Hedland traffic network. The large road reserve represents a legacy of the Radburn design principles which guided the original development of South Hedland.

The site is identified as Category 3 – Road Closure, Amalgamation and Rezoning within the Land Availability Plan. The site is identified to be capable of a proposed zoning of Residential R30 with the following opportunities:

The portion of the Roberts Street reserve appears unnecessary. There may be an opportunity to close this portion of the road reserve, re-zone the land and amalgamate into adjoining private properties to the north.

Currently the site provides two (2) pedestrian access ways (PAWs), linking Hedland Senior High School with the existing residential area. The PAWs provide an important access link from the residential area to the High School primarily used by students and parents. It is recommended any future development proposal includes provisions to ensure a pedestrian link is maintained.

Apart from the PAWs the site is largely undeveloped and underutilised land. Approval of the Road Closure will facilitate a subsequent Scheme Amendment to rezone the site to "Urban Development". The "Urban Development" zone provides the opportunity for future development.

With the current housing shortage, the proposed Road Closure will facilitate the rationalization of underutilised land to provide for future development. If the Road Closure is not processed the land will remain largely utilised.

The community will be provided with further opportunities to provide comment at both the Scheme Amendment and subsequent development application stages.

The Road Closure is consistent with the Land Availability Plan, and proposes no detrimental effect to the surrounding neighbourhood. It is therefore recommended the Road Closure should be supported by Council.

**Options**

Council has the following options for responding to the request:

1. Support the request for closure of part of the Roberts Road Reserve.
2. Reject the request for closure of part of the Roberts Road Reserve.

**Attachments**

1. Locality plan
2. Objection letter

**201112/461 Officer's Recommendation / Council Decision****Moved: Cr A A Carter****Seconded: Cr D W Hooper****That Council:**

1. **Supports the closure of that part of Roberts Street Road Reserve identified in Red on Attachment 1;**
2. **Submits the partial road closure request to the Department of Regional Development and Lands (State Lands Services);**
3. **Allocates \$25,000 to fund the costs of the various planning applications required to zone the land "Urban Development"; and**
4. **Requests RDL to reimburse any costs incurred by Council, to enable the development of the land.**

***CARRIED 8/0***

ATTACHMENT 1 TO ITEM 11.1.2



## ATTACHMENT 2 TO ITEM 11.1.2

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**From:** Bob Neville [bob.neville@bloodwoodtree.org.au]  
**Sent:** Tuesday, 17 April 2012 8:56 AM  
**To:** Records  
**Subject:** IPA25750 - App No: 2012/122 partial road closure of Roberts Street Reserve South Hedland.

Dear Mayor and Councillors of the Town of Port Hedland

Bloodwood Tree would like to formally object to the closure of the Road Reserve as per application no: 2012/122 for the following reasons:

- The Road Reserve acts as a buffer zone between the Roberts Street residential area and the Hedland Senior High School, maintaining a clear and definitive area between the different uses.
- The Road Reserve has two Council maintained footpaths, lined complete with tree plantations, specifically for pedestrians to traverse to and from Roberts Street and the High School, and vice-versa. This facility was put in by the South Hedland Enhancement Scheme some years ago following consultation with the High School and a demonstrated need. The facility is maintained by Council with ratepayers funds.
- The safety of the school students needs to be taken into consideration within this issue, as students walk from other streets within the Lawson Neighbourhood and take the footpath from Logue Court between the houses and alongside the drain reserve, across Roberts Street and onto the footpath across the Road reserve and into the High School.
- Parents of High School students also utilise both these footpaths across the Reserve to drop off and pick up students on Roberts Street to avoid the congestion that occurs at the official pick-up, drop-off point on the High School entry road in the mornings and afternoons.
- The environmental benefit to the school and its occupants needs also to be considered when planning to close this road reserve, which is believed will be used to build more houses or Fly-in, Fly-out accommodation units/houses on, as it is a pleasing and welcome strip of Pilbara natural bush land complimented by the tree-lined footpaths.

As put forward by one employee of Bloodwood Tree: "Surely the environment and the safety of our kids is more important than cramming a housing estate across the driveway of the local high school."

Council is urged to take the above into consideration and come to a decision that will retain the landscape of South Hedland and the consideration of our High School students and staff.

A receipt of this submission is appreciated.

Yours sincerely

Bob Neville  
Chief Executive Officer



T: 9172 3622 M: 0419 853 160

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This email has been scanned by the Symantec Email Security.cloud service.

**11.1.3 Proposed Installation of Public Art Piece – TSI Memorial Statue at Lot 5527 Wilson Street, Port Hedland (File No.: 130128G)**

<b>Officer</b>	<b>Ryan Djanegara A/Senior Planning Officer</b>
<b>Date of Report</b>	<b>10 May 2012</b>
<b>Application No.</b>	<b>2012/33</b>
<b>Disclosure of Interest by Officer</b>	<b>Nil</b>

**Summary**

Council received an application from RPS for the installation of a public art piece – TSI memorial statute on Lot 5527 Wilson Street, Port Hedland (site). The art piece is proposed to be located in the existing Don Rhodes Mining Museum Park.

Approval of the application is recommended.

**Background**

*Site Description (Attachment 1)*

The site is generally rectangular in shape and achieves vehicular access via Wilson Street. The site is vested in the Town of Port Hedland for the purpose of Recreation Tourist Park.

The site is zoned “Community” under the Town of Port Hedland Town Planning Scheme No. 5 (TPS5).

*Proposal (Attachment 2)*

The applicant proposes to place the TSI memorial statute in the existing Don Rhodes Mining Museum Park. The statue is in honour and recognition of the historical involvement of the Torres Strait Islander people in the railway industry. The sculpture has been designed and constructed to complement the existing structures within the park and surrounding area.

The application relates only to the installation of the TSI Memorial Statue with additional works proposed at a later stage, including landscaping and formalising access.

**Consultation**

*Internally:*

The application was circulated to the following internal units, with comments received, included in the report:

- Manager Technical Services
- Manager Community Development Services

*Externally:*

Agencies:

- Main Roads Western Australia (MRWA)

MRWA has raised some concerns with regards to the access and formalization of the proposed car parking area. These have been summarized as follows:

- proximity of the formalized parking at the park is approximately 30m to the Shell Service Station access. This creates confusion for through bound vehicles as they become unsure of which access vehicles are turning into the park, and thereby increasing the likelihood of rear end crashes;
- there is a Street light located close to the proposed formalized car park which may present an obstacle for vehicles accessing the car park via Wilson Street;
- there are 2 lanes on Wilson Street West bound and only one East bound. There is a double line between them but no median strip;
- traffic composition from Wilson Street generally includes road trains;
- the parking area does not provide for caravans/trailers; and
- there is nothing stopping vehicles parking close to Wilson Street.

To address these concerns, MRWA has recommended that Council either formalize access via Anderson Street along the east side of the park boundary or Wilson Street via the Western entry of the Shell petrol station.

It is recommended that Council enters into negotiations with the Fire Emergency Services Authority of Western Australia to obtain a portion of Lot 1626 Coolinda Street, Port Hedland or create an access easement.

#### **Statutory Implications**

Nil

#### **Policy Implications**

Nil

#### **Strategic Planning Implications**

Nil



**Budget Implications**

If the proposed public art is not incorporated as part of a future amenity project, maintenance costs may need to be considered in future budgets.

An application fee of \$1,600.00 has been received as per the prescribed fees approved by Council, due to down scale of the initial application; a portion of the fee will be refunded to the applicant.

**Officer's Comment**

The proposed art piece, the TSI memorial statute recognizes the historical involvement of Torres Strait Islander people in the railway industry.

The proposed sculpture will enhance the cultural and indigenous heritage connections within the Town.

**Options**

Council has the following options of dealing with the request:

1. Support the request for the installation of the art piece at Lot 5527 Wilson Street, Port Hedland
2. Refuses the request for the installation of the art piece at Lot 5527 Wilson Street, Port Hedland.

It is recommended that Council supports the application for the installation of the art piece on Lot 5527 Wilson Street, Port Hedland with funds set aside to construct the access and parking area.

**Attachments**

1. Locality Plan
2. Site Plan and Elevations
3. Proposed Art Piece

**201112/462 Officer's Recommendation / Council Decision****Moved: Cr A A Carter****Seconded: Cr S R Martin****That Council:**

- i) **Approves the application from RPS for the installation of a public art piece on Lot 5527 Wilson Street, Port Hedland, subject to the following conditions:**

1. This approval relates only to the proposed Public Art Piece – TSI Memorial Statue and other incidental development, as indicated on the approved plans (DRG2012/33/1 - DRG2012/33/3). It does not relate to any other development on this lot.
2. This approval shall remain valid for a period of twenty-four (24) months if development is commenced within twelve (12) months, otherwise this approval shall remain valid for twelve (12) months only.
3. The Public Art Piece shall be maintained in an acceptable condition at all times to the satisfaction of Manager Planning Services.
4. The Public Art Piece shall be certified by a suitable qualified engineer to satisfy the tie down requirements for Region D, Terrain Category 2 specifications.

**ADVICE NOTES:**

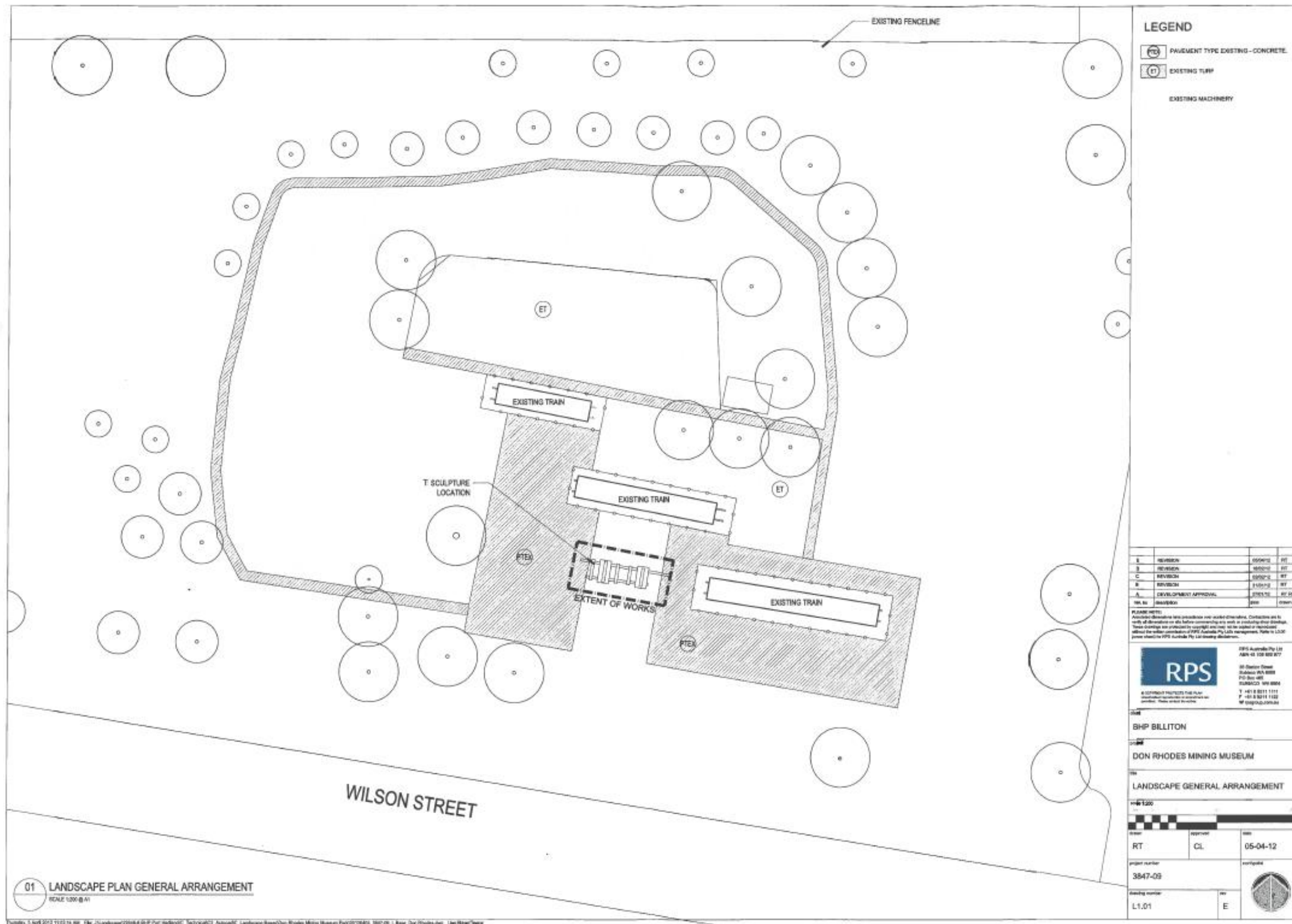
1. You are reminded that this is a Planning Approval only and does not obviate the responsibility of the developer to comply with all relevant building, health and engineering requirements.
  2. The developer to take note that the area of this application may be subject to rising sea levels, tidal storm surges and flooding. Council has been informed by the State Emergency Services that the one hundred (100) year Annual Recurrence Interval cycle of flooding could affect any property below the ten (10)-metre level AHD. Developers shall obtain their own competent advice to ensure that measures adopted to avoid that risk will be adequate. The issuing of a Planning Consent and/or Building Licence is not intended as, and must not be understood as, confirmation that the development or buildings as proposed will not be subject to damage from tidal storm surges and flooding.
  3. Applicant is to comply with the requirements of Worksafe Western Australia in the carrying out of any works associated with this approval.
- ii) Manager Technical Services investigate the cost of providing formalized access to the site, sealed and line marked parking bays and to report back to Council to consider the allocation of such funds during the 2012/13 financial year.

*CARRIED 8/0*

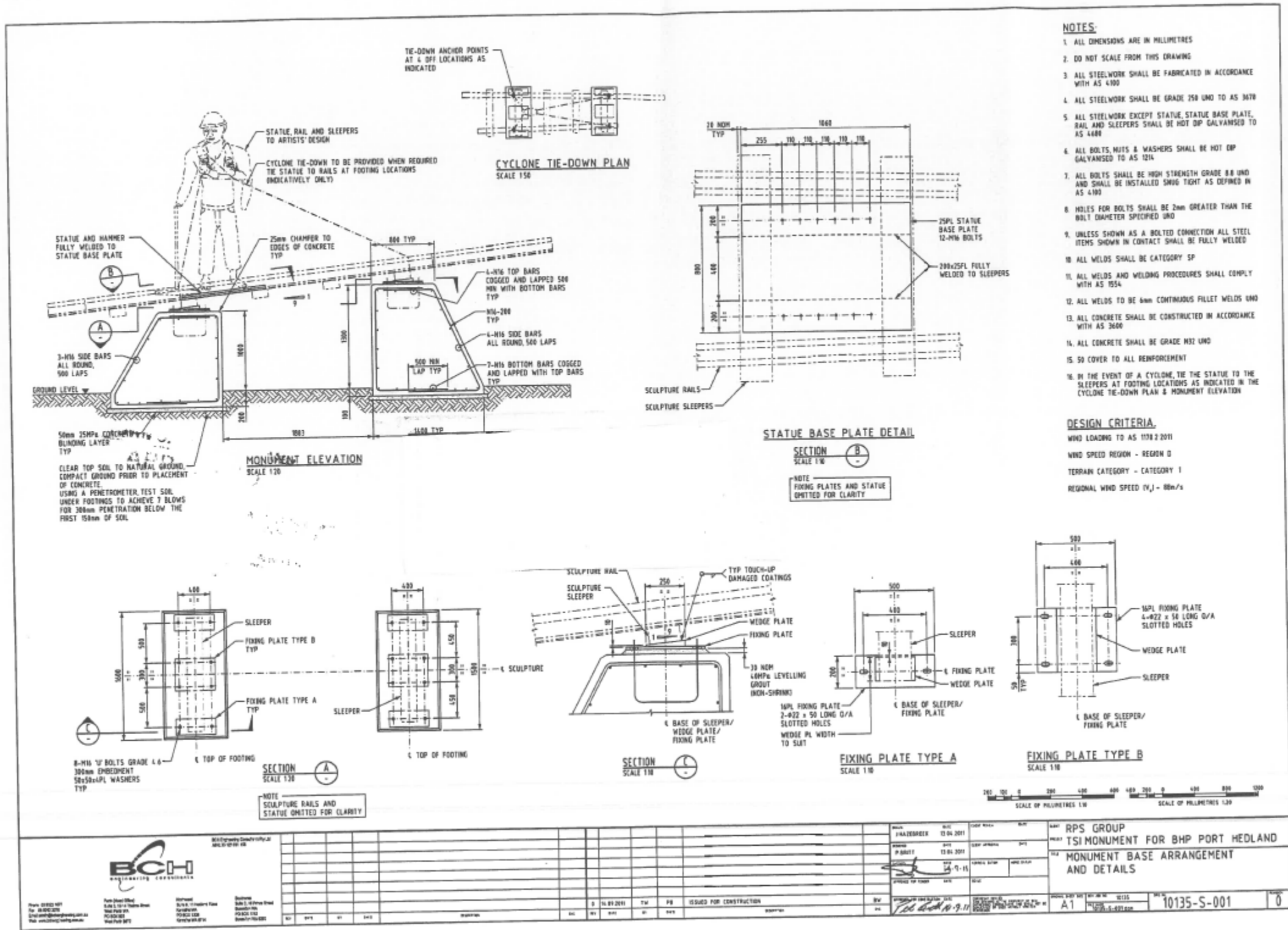
ATTACHMENT 1 TO ITEM 11.1.3



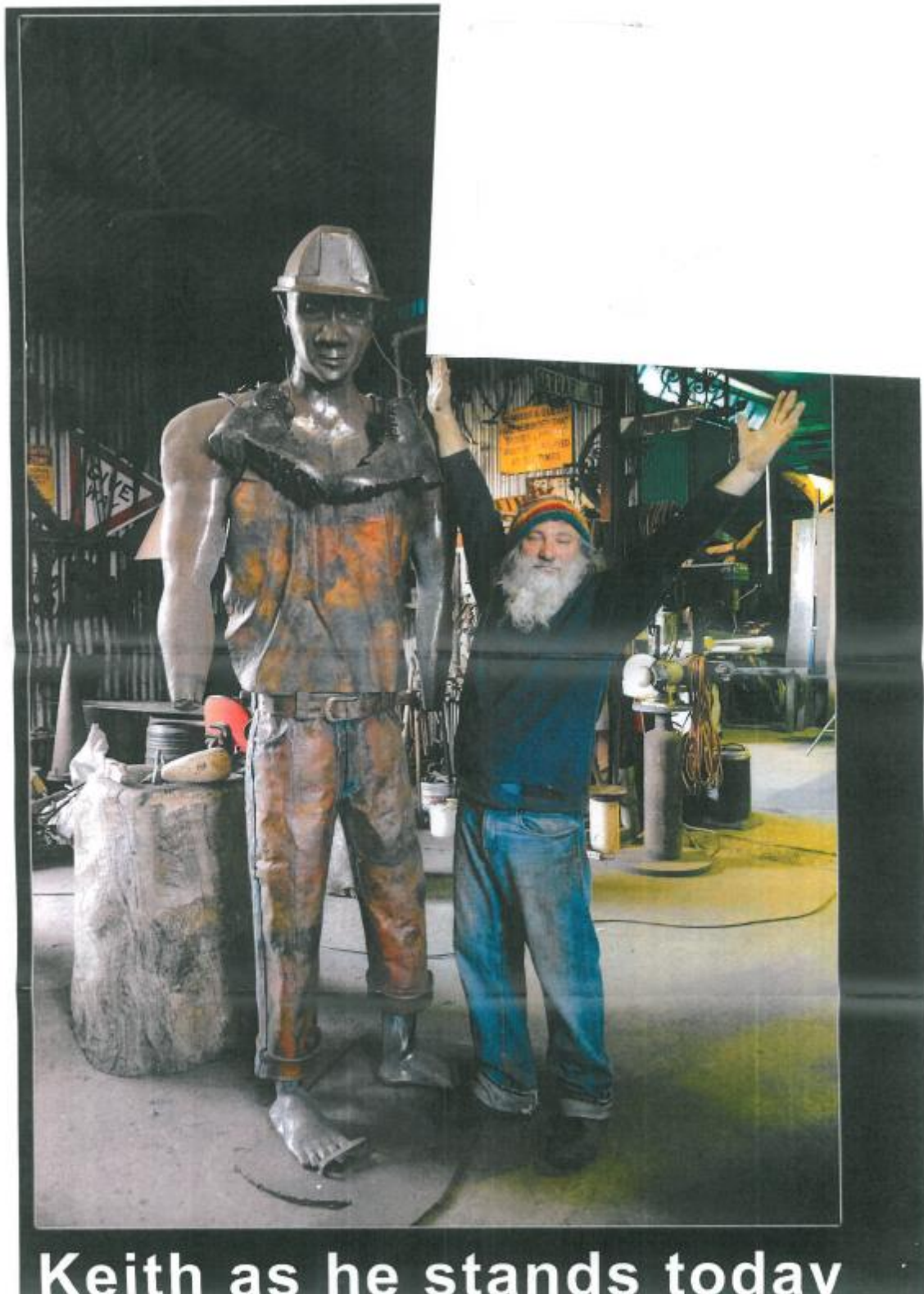
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ATTACHMENT 3 TO ITEM 11.1.3



**11.1.4** *Delegated Planning, Building & Environmental Health Approvals and Orders for March and April 2012 (File No.: 18/07/0002 & 07/02/0003)*

**Officer** Carly Thompson  
Executive Assistant  
Planning & Development

**Date of Report** 14 May 2012

**Disclosure of Interest by Officer** Nil

**Summary**

This item relates to the Planning and Building approvals and Environmental Health Orders considered under Delegated Authority for the months of March and April 2012.

**Background**

A listing of Planning, Building and Environmental Health approvals and Orders issued by Council's Planning, Building and Environmental Health Services under Delegated Authority for the month of March and April 2012 are attached to this report. Further to Council's request a listing of current legal actions is also attached to this report.

**Consultation**

Nil

**Statutory 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.

**Policy Implications**

Nil

**Strategic Planning Implications**

Nil

**Budget Implications**

Nil



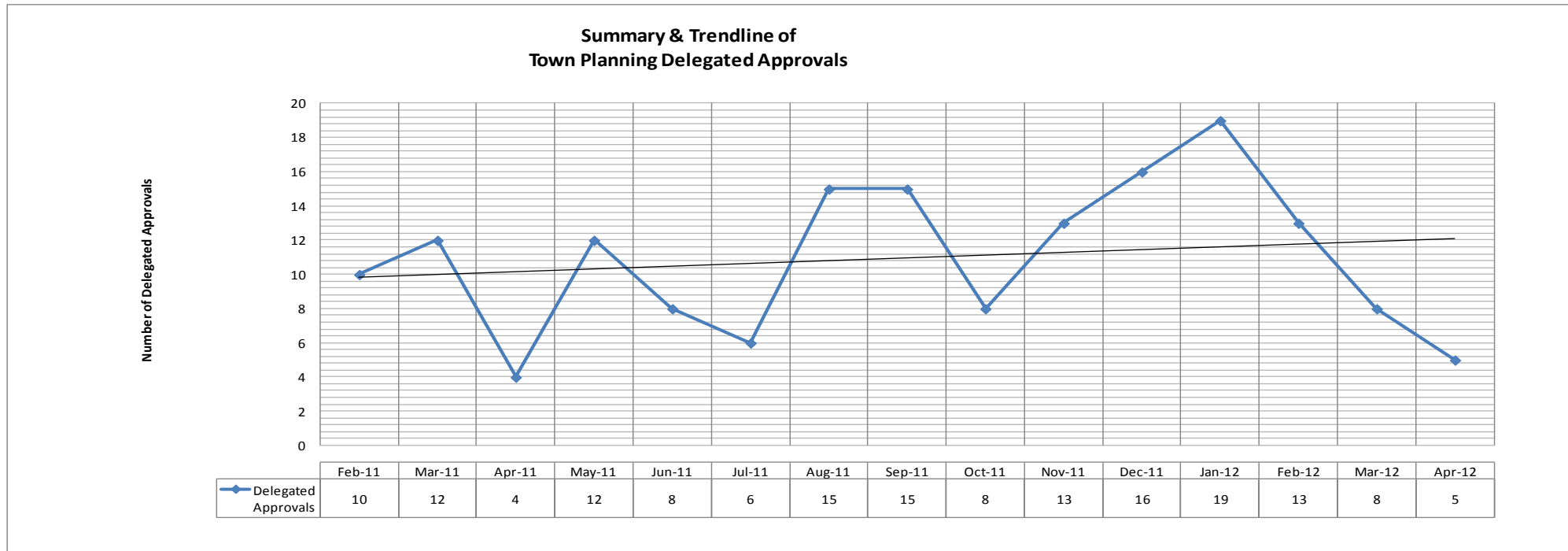
**DELEGATED PLANNING APPROVALS FOR MARCH 2012**

Applic No	Applic date	Date approved	Description	Location	Owners Name	Applicants name.	Development Value
2011/4	07/01/2011	14/03/2012	HOTEL - 6 STOREY HOTEL REDEVELOPMENT	PORT HEDLAND	HOSPITALITY HOTELS PTY LTD	HOSPITALITY PTY LTD	\$ 60,000,000.00
2012/31	25/01/2012	07/03/2012	Two (2) Grouped Dwellings	PORT HEDLAND	ANNE ELIZABETH & LIAM RICHARD CLAYTON	Liam Clayton	\$ 900,000.00
2012/53	09/02/2012	07/03/2012	Two (2) Grouped Dwellings	SOUTH HEDLAND	Leanne Faye Chubb	AK Homes Construction	\$ 900,000.00
2012/66	16/02/2012	07/03/2012	Proposed Storage Facility / Depot / Laydown Area - Retrospective Sea Container	WEDGEFIELD	ANDREW CAMPBELL SHEILDS	ANDREW CAMPBELL SHEILDS	\$ 2,500.00
2012/67	17/02/2012	07/03/2012	PROPOSED INDUSTRY - LIGHT	WEDGEFIELD	GOLDMAN CONSTRUCTIONS	GOLDMAN CONSTRUCTIONS	\$ 324,000.00
2012/69	20/02/2012	13/03/2012	Proposed Industry - Light	WEDGEFIELD	Oceancity Investments Pty Ltd	HODGE AND COLLARD PTY LTD ARCHITECTS	\$ 2,200,000.00
2012/93	01/03/2012	07/03/2012	Two Group Dwellings	SOUTH HEDLAND	Kazikan Investments Pty Ltd	Strataplex	\$ 500,000.00
2012/94	29/02/2012	07/03/2012	Replacement of Caretakers Dwelling	WEDGEFIELD	LPG Perth Airport Pty Ltd	Greg Rowe & Associates	\$ 250,000.00
2012/96	29/02/2012	09/03/2012	SINGLE HOUSE - CARPORT AND SHED ADDITION	SOUTH HEDLAND	Mark Edwin & Melanie Louise Greenfield	Mark Edwin Greenfield	\$ 17,454.00
2012/109	13/03/2012	28/03/2012	HOME BUSINESS	PORT HEDLAND	PHILIP BRUCE BUCKLEY	RPS	\$ -

**DELEGATED PLANNING APPROVALS FOR APRIL 2012**

Applic No	Applic date	Date approved	Description	Location	Owners Name	Applicants name	Development Value
2011/486	04/10/2011	02/04/2012	EIGHT (8) MULTIPLE DWELLINGS	PORT HEDLAND	Miro & Helen Cecich	PERRINE ARCHITECTURE	\$ 2,368,000.00
2012/97	06/03/2012	10/04/2012	Child Care Services	PORT HEDLAND	MICHAEL ALLAN VUKUSICH & CAMILE MATHEWS	AOIFE MILLER	\$ -
2012/110	13/03/2012	18/04/2012	Storage facility and laydown area	PORT HEDLAND	TOWN OF PORT HEDLAND & CROWN	PILBARA CONSTRUCTIONS	\$ 69,000.00
2012/136	30/03/2012	12/04/2012	CHANGE OF USE FROM "INDUSTRY - LIGHT" TO "Industry - Service " - WAREHOUSE, ANCILLARY Office and SHOP	WEDGEFIELD	ROBERT GREGORY & KAREN FRANCES PADDON	ROBERT GREGORY PADDON	\$ -
2012/151	13/04/2012	23/04/2012	"Home Business - Homemade Cakes and Chocolates"	PORT HEDLAND	BHP BILLITON MINERALS PTY LTD & MITSUI-ITOCHU IRON PTY LTD & ITOCHU MINERALS & ENERGY OF AUSTRALIA PTY LTD	Sina Higgins	\$ -

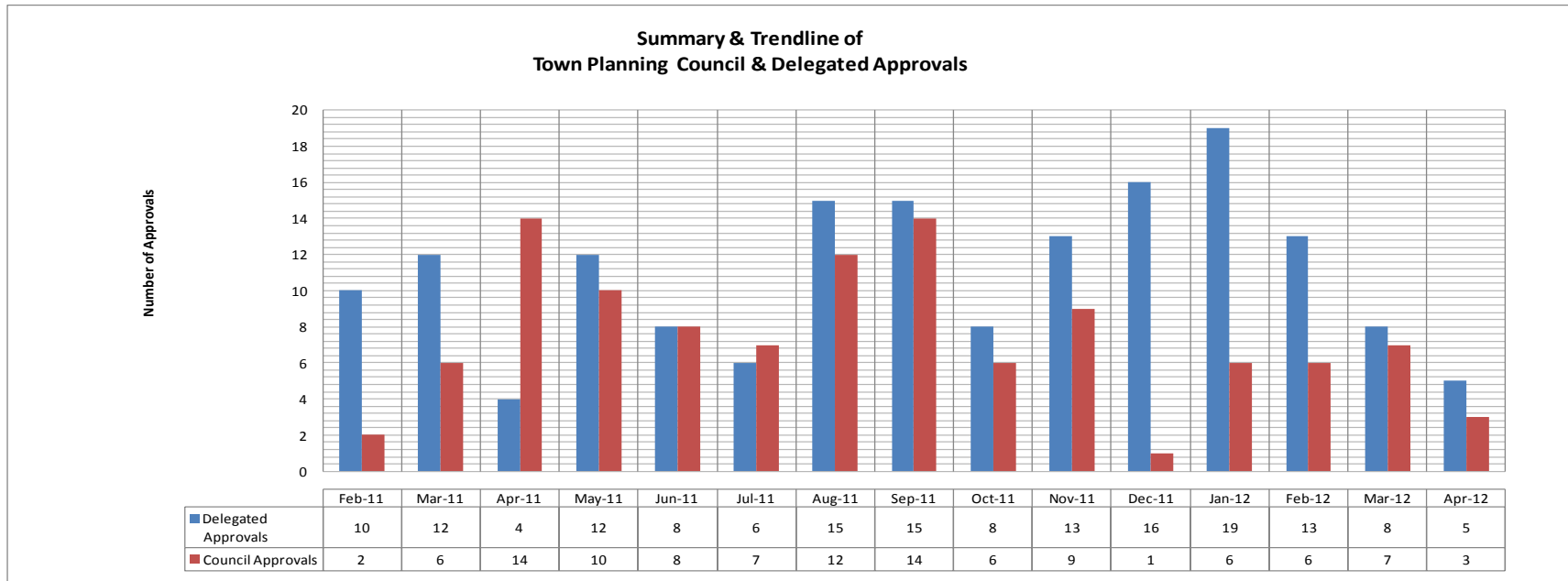
DELEGATED PLANNING APPROVALS FOR MARCH AND APRIL 2012 Cont'd....



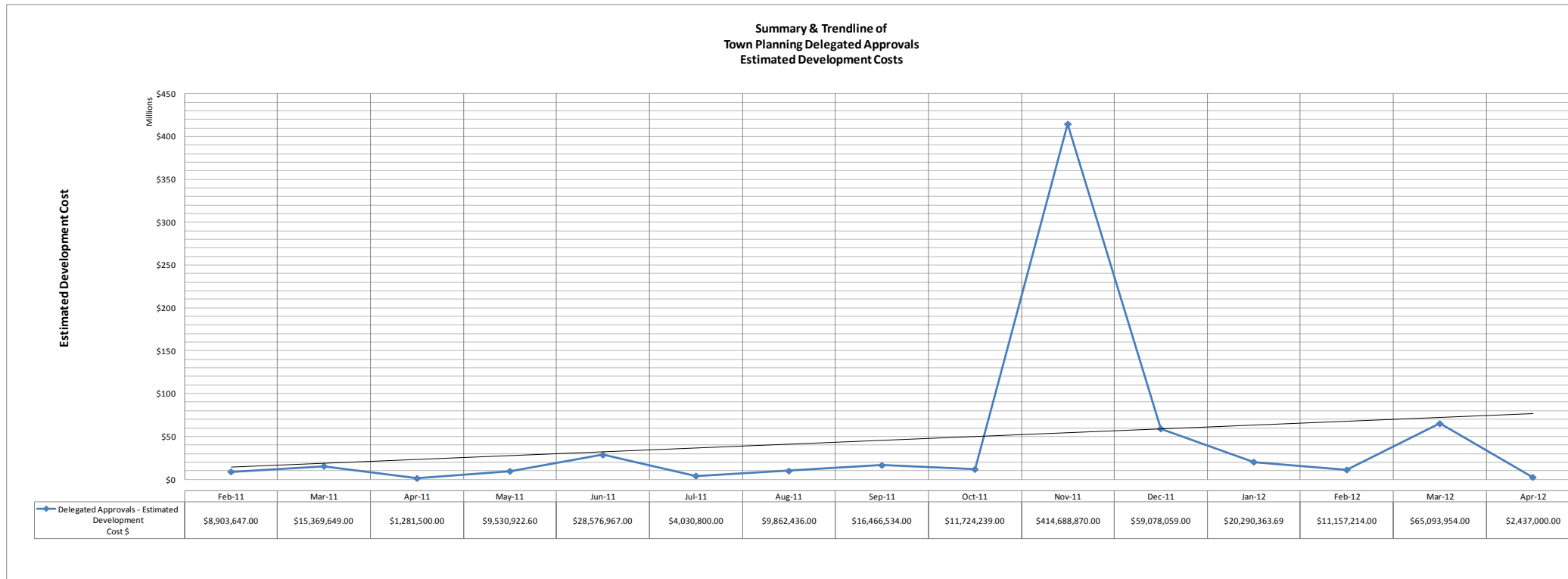
\* PLEASE NOTE THE ABOVE STATISTICS FOR 2010 HAVE BEEN UPDATED DUE TO A PLANNING ADMINISTRATION ERROR

\* STATISTICS FOR APRIL 2011 ARE LOW DUE TO 14 APPROVALS BEING GRANTED BY COUNCIL

DELEGATED PLANNING APPROVALS FOR MARCH AND APRIL 2012 Cont'd...



DELEGATED PLANNING APPROVALS FOR MARCH AND APRIL 2012 Cont'd...



\*PLEASE NOTE THE ABOVE STATISTICS FOR 2010 HAVE BEEN UPDATED DUE TO A PLANNING ADMINISTRATION ERROR  
 \*STATISTICS FOR APRIL 2011 ARE LOW DUE TO 14 APPROVALS BEING GRANTED BY COUNCIL

## DELEGATED BUILDING APPROVALS FOR MARCH 2012

Licence Number	Decision Date	Locality	Description of Work	Estimated Construction Value (\$)	Floor area square metres	Building Classification
102045	07.03.2012	SOUTH HEDLAND	Outbuilding	\$ 8,000.00	9	Class 10a
100545	13.03.2012	SOUTH HEDLAND	1 x Outbuilding	\$ 15,520.00	27	Class 10a
102046	15.03.2012	PORT HEDLAND-SHRE	1 x Carport	\$ 10,000.00	112	Class 10a
100553	27.03.2012	SOUTH HEDLAND	1 x Patio	\$ 15,000.00	30	Class 10a
100554	27.03.2012	SOUTH HEDLAND	1 x Outbuilding	\$ 16,000.00	64	Class 10a
100557	28.03.2012	SOUTH HEDLAND	1 x Patio	\$ 9,700.00	12	Class 10a
100556	28.03.2012	WODGINA MINE VIA PT HEDLA	Weigh Bridge Hut	\$ 160,000.00	8	Class 10a
100566	31.03.2012	SOUTH HEDLAND	1 x Patio	\$ 13,922.00	10	Class 10a
100568	31.03.2012	SOUTH HEDLAND	1 x Carport	\$ 18,000.00	36	Class 10a
100565	31.03.2012	SOUTH HEDLAND	1 x Patio & 1 x Carport	\$ 19,530.00	63	Class 10a
100569	31.03.2012	SOUTH HEDLAND	1 x Outbuilding	\$ 10,000.00	23	Class 10a
100564	31.03.2012	SOUTH HEDLAND	1 x Patio & 1 x Carport and Store	\$ 17,920.00	56	Class 10a
100562	31.03.2012	SOUTH HEDLAND	1 x Carport and Store	\$ 12,400.00	40	Class 10a
100567	31.03.2012	SOUTH HEDLAND	1 x Patio	\$ 6,000.00	17	Class 10a
100563	31.03.2012	SOUTH HEDLAND	1 x Patio & 1 x Carport and Store	\$ 17,280.00	54	Class 10a
100571	31.03.2012	PORT HEDLAND	1 x Outbuilding	\$ 18,000.00	48	Class 10a
105093	15.03.2012	PORT HEDLAND	1 x Below Ground Swimming Pool	\$ 27,200.00	12	Class 10b
102047	20.03.2012	PORT HEDLAND	1 x Above Ground Portable Spa	\$ 11,000.00	6	Class 10b
100552	20.03.2012	SOUTH HEDLAND	Renovations & Extensions to Existing Pool	\$ 3,055,220.00	439	Class 10b
105094	31.03.2012	SOUTH HEDLAND	1 x Below Ground Swimming Pool	\$ 8,000.00	29.5	Class 10b
100548	15.03.2012	PORT HEDLAND	1 x Single Dwelling	\$ 62,000.00	48	Class 1a
102048	31.03.2012	SOUTH HEDLAND	Single Dwelling	\$ 160,000.00	57.9	Class 1a
100555	12.03.2012	PORT HEDLAND	3 x Single Dwelling's 4 x Carport's 4	\$ 628,781.00	323	Class 1a 10a and 10b
100546	13.03.2012	SOUTH HEDLAND	1 x Dwelling 1 x Carport 1 x Patio 1	\$ 525,529.00	228	Class 1a and 10a
100561	31.03.2012	PORT HEDLAND	1 x Single Dwelling 1 x Carport & 1 x P	\$ 495,000.00	151	Class 1a and 10a
100547	15.03.2012	VIA PORT HEDLAND	128 x Dwellings (512 SOU's) 128 x Veran	\$ 28,000,000.00	6590	Class 1b
100558	28.03.2012	PORT HEDLAND	25 x Dwellings (100 SOU's) 1 x Office	\$ 3,500,000.00	611.4	Class 1b
100560	29.03.2012	PORT HEDLAND	50 x Dwellings (200 x SOU's)	\$ 5,000,000.00	1872	Class 1b
100572	31.03.2012	PORT HEDLAND	Fitout of Existing Office	\$ 3,082,122.00	433	Class 5
100550	16.03.2012	WEDGEFIELD	2 x Warehouse's & 2 x Office's	\$ 1,750,000.00	990	Class 5 and 7b
100551	20.03.2012	WEDGEFIELD	1 x Office and Warehouse	\$ 672,825.00	563	Class 5 and 7b
100570	31.03.2012	WEDGEFIELD	Office and Store	\$ 324,000.00	81	Class 5 and 7b
100573	31.03.2012	WEDGEFIELD	Fitout of Existing Office and Cribb	\$ 1,947,702.00	242	Class 6
100549	15.03.2012	PORT HEDLAND	Shop Fitout	\$ 5,000.00	75	Class 6
100559	29.03.2012	PORT HEDLAND	1 x Gymnasium 1 x First Aid 1 x Kitche	\$ 3,500,000.00	1870	Class 9b
<b>TOTAL LICENCES 35</b>				<b>\$ 53,121,651.00</b>		

## DELEGATED BUILDING APPROVALS FOR APRIL 2012

Licence Number	Decision Date	Locality	Description of Work	Estimated Construction Value (\$)	Floor area square metres	Building Classification	Decision
100575	23.04.2012	SOUTH HEDLAND	1 x Single Dwelling and 2 x Shade Sails	\$ 297,000.00	60	Class 1a and 10a	A
10708	26.04.2012	PORT HEDLAND	1x Single Dwelling 1x Patio & Boundary	\$ 797,490.00	306	Class 1a and 10a	A
10731	24.04.2012	SOUTH HEDLAND	2 x Single Dwelling's 2 x Carport's 2	\$ 884,596.00	120	Class 1a 10a and 10b	A
10709	26.04.2012	SOUTH HEDLAND	1 x Single Dwelling	\$ 495,000.00	180	Class 1a	A
10698	26.04.2012	PORT HEDLAND	1 x Single Dwelling 1 x Patio & 1 x Fen	\$ 797,490.00	306	Class 1a	A
104010	20.04.2012	WEDGEFIELD	4 x Wall Mounted Signs	\$ 10,000.00	2	Class 10b	A
100574	19.04.2012	PORT HEDLAND	Shade Sail	\$ 17,000.00	12	Class 10a	A
10763	23.04.2012	SOUTH HEDLAND	1 x Patio	\$ 14,400.00	18	Class 10a	A
<b>TOTAL LICENCES 8</b>				<b>\$ 3,312,976.00</b>			

## DEMOLITION LICENCES FOR MARCH 2012

DEMOLITION LICENCES						
Licence Number	Approval Date	Locality	Description of Work	Estimated Construction Value (\$)	Classification	
103072	15.03.2012	PORT HEDLAND	Demolition of Two (2) Offices	\$ 22,000.00	Class 5	
103073	31.03.2012	WEDGEFIELD	Demolition	\$ 52,800.00	Class 1a	
103075	31.03.2012	PORT HEDLAND	Demolition	\$ 20,000.00	Class 3	
103076	31.03.2012	WEDGEFIELD	Demolition	\$ 8,000.00	Class 1a	
103074	31.03.2012	SOUTH HEDLAND	Demolition of Dweling	\$ 30,000.00	Class 1a	
<b>5</b>		<b>Demolition Licences Issued</b>		<b>132,800.00</b>		

## DEMOLITION LICENCES FOR APRIL 2012

No Demolition Licences were issued for the month of April 2012.

## REFUSED BUILDING APPLICATIONS FOR MARCH 2012

REFUSED BUILDING APPLICATIONS					
Application Number	Refused/Withdrawn Date	Locality	Description of Work	Estimated Construction Value (\$)	Classification
10616	12.03.2012	PORT HEDLAND	10 x Sole Occupancy Units 1 x Carpark	\$ 2,189,668.00	Class 2
10620	12.03.2012	SOUTH HEDLAND	Alterations & Additions to existing Kitc	\$ 3,700,000.00	Class 6
10639	20.03.2012	WEDGEFIELD	1 x Office	\$ 1,980,000.00	Class 5
10648	26.03.2012	VIA PORT HEDLAND	2 x Office 1 x Crib Room 1 x Toilet Bl	\$ 460,000.00	Class 5
10427	31.03.2012	SOUTH HEDLAND	Grouped Dwelling (104 Units)	\$ 48,400,000.00	Class 2
<b>Total 5</b>		<b>Refused Building Applications</b>		<b>\$ 56,729,668.00</b>	

## REFUSED BUILDING APPLICATIONS FOR APRIL 2012

REFUSED BUILDING APPLICATIONS					
Application	Refused/Withdrawn	Locality	Description of Work	Estimated Construction Value	Classification
10670	25.04.2012	VIA PORT HEDLAND	500 Person Railway Camp at CH12	\$ 24,000,000.00	1b
<b>TOTAL 1</b>		<b>Refused Building Applications</b>		<b>\$ 24,000,000.00</b>	

## OVERVIEW SUMMARY FOR MARCH 2012

SUMMARY				
No of Licences	Licence Type	Estimated Construction Value	Floor Area in square metres	Average cost per square metre
5	Demolition	\$ 132,800.00	0	\$132,800.00
8	Dwellings	\$ 38,371,310.00	9,881	\$3,883
16	Class 10a	\$ 367,272.00	609	\$603
4	Class 10b	\$ 3,101,420.00	487	\$6,375
7	Commercial	\$ 11,281,649.00	4,254	\$2,652
	Other			
<b>40</b>		<b>\$53,254,451</b>	<b>15,231</b>	<b>\$146,313</b>

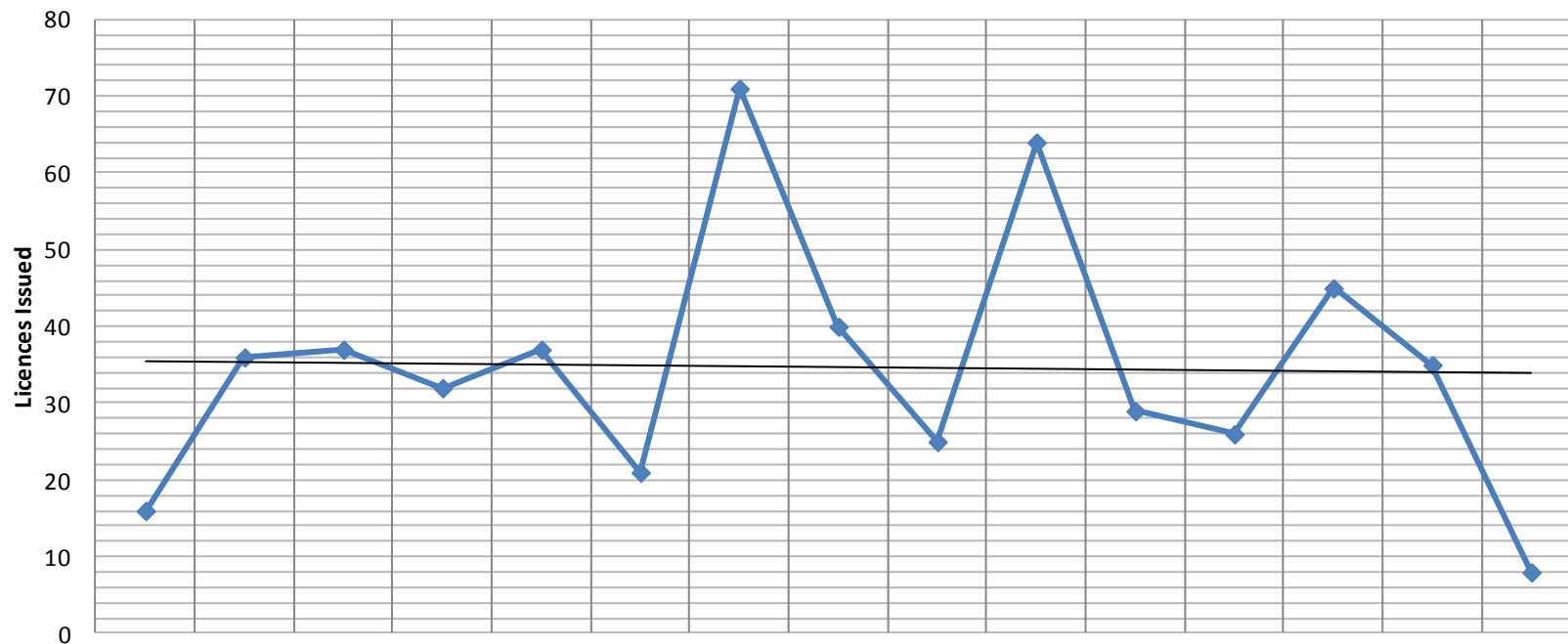
## OVERVIEW SUMMARY FOR APRIL 2012

SUMMARY				
No of Licences	Licence Type	Estimated Construction Value	Floor Area in square metres	Average cost per square metre
0	Demolitions			
5	Dwellings	\$3,271,576	972	\$3,366
2	Class 10a	\$31,400	30	\$1,047
1	Class 10b	\$10,000	2	\$5,000
0	Commercial		0	
0	Other			
<b>8</b>		<b>\$3,312,976</b>	<b>1,004</b>	



DELEGATED BUILDING APPROVALS FOR MARCH AND APRIL 2012

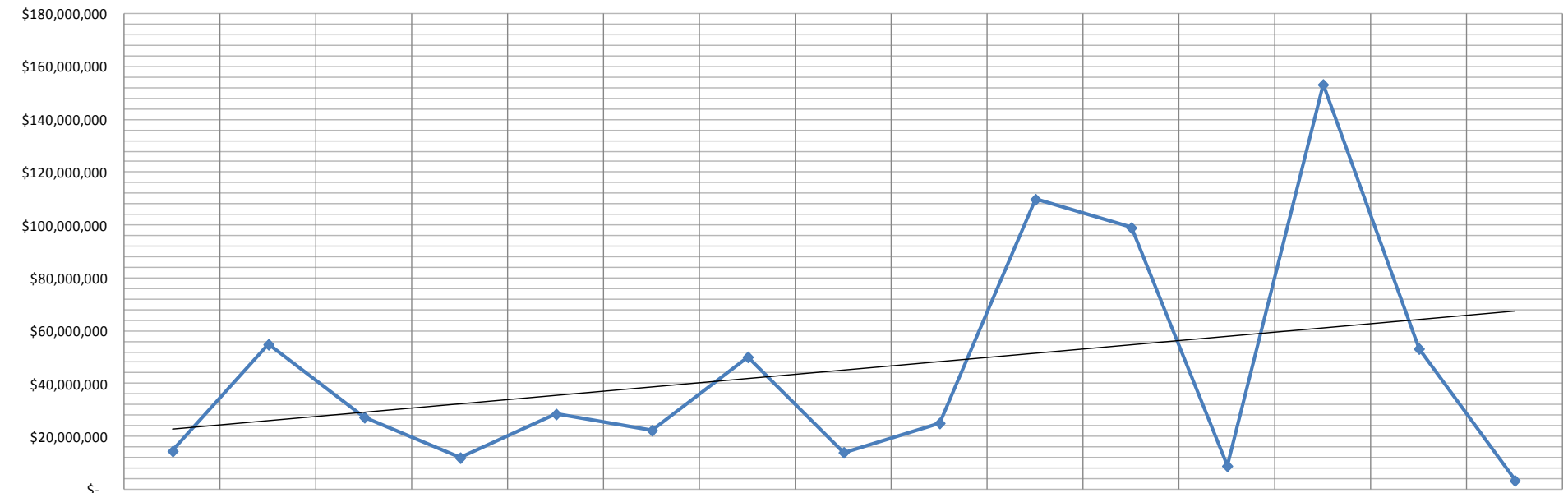
Summary & Trendline for Building Licence Approvals



	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12
◆ No of Licences Issued	16	36	37	32	37	21	71	40	25	64	29	26	45	35	8

DELEGATED BUILDING APPROVALS FOR MARCH AND APRIL 2012

Summary & Trendline of  
Estimated Construction Value of Building Licences Issued



	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12
Estimated Construction Value \$	\$14,473,282	\$54,872,646	\$27,255,020	\$11,942,146	\$28,472,138	\$22,332,452	\$50,109,780	\$13,960,896	\$25,069,333.0	\$109,817,975.	\$99,078,721.0	\$8,861,015.00	\$153,262,016.	\$53,254,451.0	\$3,312,976.00

CURRENT LEGAL MATTERS					
File No.	Address	Issue	First Return Date	Current Status	Officer
<b>WEDGEFIELD</b>					
121670G	Lot 3 Trig Street (J Yujnovich)	Non-compliance with planning conditions	~ First return date 21/1/09	~ Trial set down for 13 & 14 September 2010 in Perth. ToPH witnesses to attend. ~ Magistrate has found J Yujnovich guilty sentencing will be in +/- 3 weeks ~ Fine imposed of approx \$20,000 ~ Fine paid in full ~ Appointment of Compliance Office has been completed, Matter is being investigated ~ No improvement made to property ~ Letter requesting commitment to remove materials prepared by McLeods Barristers & Solicitors ~ If commitment not received within 14 days of issue further proceeding to commence ~ A meeting is being organised onsite with J Yujnovich ~ Mr Yujnovich has demonstrated a willingness to comply with Planning condition. Has been given 3 months to comply. Mr Yujnovich is in the process of clearing property F/up in 2 weeks to ensure compliance matter has been resolved. ~ Development Application has been submitted. ~ Compliance on hold until Application has been processed. ~ Planning Application was submitted. Has been refused. ~ SAT Proceeding have been initiated by Mr Yujnovich. Next Direction/Mediation on 24/5/2012.	BM
<b>TURNER RIVER</b>					
800043G	Lot 13 Manilha Drive	Unauthorised Development - Storage facility/Depot/Laydown Area, Sea Containers, Outbuildings, 2 Movable Dwellings		Referred to Council Solicitors	BM
<b>SOUTH HEDLAND</b>					
804485G	Lot 503 Forrest Circle	Commenced bulk earthworks prior to obtaining Building Approval.		Trial set down for 16th April 2012 but now has been withdrawn.	BM

## CURRENT HEALTH ORDERS AS OF APRIL 2012

<b>Current Health Orders under Delegated Authority by Environmental Health Services</b>			
<b>File No.</b>	<b>Address</b>	<b>Issue</b>	<b>Current Status</b>
803367G	Lot 2052 McGregor St Port Hedland	Metal frame spectator/ grand stand seating	~ Health order placed on temporary spectator stand ~ No public building application received by Town of Port Hedland, as such No approval has been granted for use as a temporary spectator stand ~ Town has notified Turf Club of issue

**Attachments**

Nil

**201112/463 Officer's Recommendation / Council Decision**

**Moved: Cr A A Carter**

**Seconded: Cr M Dziombak**

**That the Schedule of Planning and Building approvals, Environmental Health Orders issued by Delegated Authority and the listing of current legal actions for the months of March and April 2012 be received.**

***CARRIED 8/0***

*NOTE: Cr A A Carter asked why development 10427 (valued at \$48 million) was rejected on 31 March 2012. The Director Planning and Development advised he will investigate and notify Councillors.*

**11.2 Engineering Services**

6:29pm Councillor J E Hunt declared a financial interest in Item 11.2.1 'Colin Matheson Oval Change Room Upgrade: Scope of Works Approval (File No.: 26/14/0008)' as she is a BHP Billiton shareholder with shares over the statutory limit.

Councillor J E Hunt left the room.

Mayor K A Howlett declared an impartiality interest in Item 11.2.1 'Colin Matheson Oval Change Room Upgrade: Scope of Works Approval (File No.: 26/14/0008)' as her partner is the President of the Rovers Football Club.

Mayor K A Howlett remained in the room.

6:30pm Councillor M Dziombak declared a financial interest in Item 11.2.1 'Colin Matheson Oval Change Room Upgrade: Scope of Works Approval (File No.: 26/14/0008)' as he is a BHP Billiton shareholder with shares over the statutory limit.

Councillor M Dziombak left the room.

**11.2.1 *Colin Matheson Oval Change Room Upgrade: Scope of Works Approval (File No.: 26/14/0008)***

<b>Officer</b>	<b>Anthony Williams Project Development Officer Engineering</b>
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<b>Date of Report</b>	<b>1 May 2012</b>
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<b>Disclosure of Interest by Officer</b>	<b>Nil</b>
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**Summary**

The purpose of this report is to obtain Council endorsement of the scope of works for the proposed upgrades to Colin Matheson Oval (CMO) change rooms and approval to commence a design and construct tender process.

**Background**

At the completion of the new Colin Matheson Oval Clubhouse in 2011, BHP Billiton Iron Ore (BHPBIO) provided funding to upgrade the existing CMO change room building. The main funding condition was to ensure the façade of the change rooms was suitably upgraded to compliment the façade of the new clubhouse building. The funding also allowed for other internal and external upgrade works to be completed, budget permitting.

Council Officers have been working closely with all stakeholders to define a scope of works which will fit within our project budget of \$250,000.

The proposed high priority tasks are linked to the external upgrade of the building and involve structural repairs/upgrades and the enclosure of an external storage area. Another high priority task identified through the consultation process is to repair/renovate the toilet and shower facilities at the rear of the building.

All preliminary investigations have now been conducted, the 'as built' drawings of the building have been prepared and a structural inspection has been conducted. This information will be supplied to all tenderer's upon request.

### **Consultation**

- Council staff (Engineering, Recreation, Building, Planning & Health)
- BHP Billiton Iron Ore Representatives
- Rovers Football Club Representatives
- Hedland Touch Football Club Representatives.

### **Statutory Implications**

The proposed tender for this project will be called in accordance to the *Local Government Act (1995)*.

#### *3.57. Tenders for providing goods or services*

- (1) A local government is required to invite tenders before it enters into a contract of a prescribed kind under which another person is to supply goods or services.*
- (2) Regulations may make provision about tenders.*

### **Policy Implications**

This tender will be called in accordance with Council's Procurement Policy 2/007 and Tender Policy 2/011.

### **Strategic Planning Implications**

Key Result Area 3: Community Development  
Goal 2: Sports and Leisure  
Immediate Priority 2: Undertake sports facility developments including: Construction of the Colin Matheson Oval Clubhouse

Key Result Area 3: Community Development  
Goal 2: Sports and Leisure  
Other Action 2: Develop plans for future recreation and leisure facility upgrades to accommodate population growth

### Budget Implications

The allocated budget for this project for 2011/12 is \$250,000 (GL account 1109450) which has been fully funded by BHPBIO.

The table below indicates the expenditure to date, forecast expenses and budget for the proposed contract works:

<b>Expenditure Summary</b>	<b>Amount (ex gst)</b>
Expenses to Date	\$883.95
Forecast Project Expenses (project management and administration costs)	\$15,000.00
Total Anticipated Expenditure	\$15,883.95
Project Budget (GL 1109450)	\$250,000.00
<b>Total Remaining for Contract Including Contingency</b>	<b>\$234,911.05</b>

The project has been scoped to ensure the works can be carried out within the proposed contract budget of \$234,911.05. In the event that all conforming tenders submitted are in excess of the budget officers have allowed for some lower priority elements of the project scope to be optional. The table below provides a breakdown of estimated costs of each element in the scope of works:

<b>Task Description</b>	<b>Cost Estimate</b>	<b>Priority</b>
Plumbing Modification & Toilet Upgrades	\$28,000.00	High
Upgrade External Appearance and Enclose Storage Area	\$90,000.00	High
Structural Repairs & Upgrades	\$30,000.00	High
Covering on Terraced Seating Area of New Clubhouse (Optional)	\$40,000.00	Medium
Air Conditioning (Optional)	\$10,000.00	Medium/Low
Preliminary & Miscellaneous	\$20,000.00	
Project Contingency (approx. 7%)	\$16,911.05	
<b>TOTAL PROJECT ESTIMATE</b>	<b>\$234,911.05</b>	

For a detailed breakdown of all elements of the scope of works, please see the table in the next section.

### Officer's Comment

The final scope of works for the proposed tender has been prioritised and optional elements have been identified to allow for a semi-flexible project outcome. The scope of works allows for the design & engineer certification of the structural tasks. It also allows for the construction crew to mobilise to site and to clean up the site prior to demobilising.

Table 1 below has a detailed description of the proposed works that are being considered within the scope of this project:



Table 1: Proposed Scope of Works

<b>Task</b>	<b>Description</b>
<b>1</b>	<b>Plumbing Modifications &amp; Toilet Upgrade</b>
1.1	Remove toilet cisterns from external wall and install new internally mounted cisterns
1.2	Install inspection outlets in external store area at finish level of proposed concrete floor
1.3	Replace or upgrade all internal plumbing hardware, pans, seats and drains
1.4	Replace all toilet/shower partitions and doors (existing partitions contain asbestos and needs to be removed by certified persons)
1.5	Replace all existing floor and wall tiles in both male & female toilets and repaint walls/ceiling
1.6	Relocate hot water system and associated plumbing
<b>2</b>	<b>Upgrade External Appearance and Enclose Storage Area</b>
2.1	Re-sheet roof (trimdek), renew flashing/capping, weatherproof exposed openings (using Compriband or similar) and install R3.5 insulation under sheeting
2.2	Construct a fully enclosed (9.5m x 2m) weather proof store room (in external area behind toilets)
2.3	Clad external walls (top hats and custom orb) ensuring the sheeting is flashed around doorways, windows/openings, corners, service ducts/pipes and light fittings. Layout & color of sheeting to match the new clubhouse
2.4	Upgrade all external wall mounted lighting and install additional lighting to sides and rear of building
2.5	Install crimsafe security screens (to match clubhouse) on all windows and ventilation openings
2.6	Repaint all external doors to match new cladding color
<b>3</b>	<b>Structural Repairs &amp; Upgrades</b>
3.1	Repair and shield the base of all rusted columns in veranda area
3.2	Repair or replace all damaged or corroded roof purlins in veranda area (add additional purlins if required by structural engineer)
3.3	Replace shutter supports with a safer, easier to use system (Optional)
<b>4</b>	<b>Covering on Terraced Seating Area of New Clubhouse (Optional)</b>
4.1	Option 1: Provide brick or concrete pavers to undercover terraced seating area (match into grassy bank)
4.2	Option 2: Provide broom finished concrete to undercover terraced seating area (match into grassy bank)

<b>5</b>	<b>Air Conditioning (Optional)</b>
5.1	Supply and install split system air conditioning unit to kitchen area and mount condenser unit at rear of building
5.2	Replace existing split system unit in board room
<b>6</b>	<b>Preliminary &amp; Miscellaneous</b>
6.1	Structural certification of modifications to building
6.2	Building certification and building license (as per Building Act 2011)
6.3	Mob/demobilization, set up, clean up and incidentals

Upon approval of the proposed scope of works the project will be tendered for a minimum of 2 weeks. The selection criteria for the tender submissions will ensure the tenders are evaluated to reflect a fair and value for money outcome for this project:

Selection Criteria	Weighting
Price	50%
Experience	20%
Tenderers Resources	10%
Demonstrated Understanding of WUC	10%
Local Industry Development	10%

### Attachments

Nil

### 201112/464 Officer's Recommendation / Council Decision

Moved: Cr A A Carter

Seconded: Cr J M Gillingham

That Council:

1. Approves the project scope for the Colin Matheson Oval Change Room upgrade including:
  - a) Plumbing modifications and toilet upgrades
  - b) Upgrade external appearance and enclosed storage area
  - c) Structural repairs and upgrades
  - d) Covering on terraced seating area of new Clubhouse (optional)
  - e) Air conditioning (optional)
  - f) Preliminary and miscellaneous.
  
2. Authorises the Chief Executive Officer to request tenders for the Design and Construction of the Colin Matheson Oval Change Room Upgrades in accordance with statutory requirements.

*CARRIED 6/0*

6:31pm Councillors J E Hunt and M Dziombak re-entered the room and resumed their chairs.

Mayor advised Councillors J E Hunt and M Dziombak of Council's decision.

**11.2.2 South Hedland Bowling and Tennis Club – Scope Approval and Progress Update (File No.: 26/14/0017)**

**Officer** Helen Taylor  
Project Officer  
Engineering

**Date of Report** 7 May 2012

**Disclosure of Interest by Officer** Nil

**Summary**

This agenda item seeks Council to revoke a decision made at the Ordinary Council Meeting (OCM) on 13 July 2011, in relation to the request to engage tenders for the design development of the South Hedland Bowling and Tennis Club (SHBTC), in order to proceed with a design and construct tender. This agenda item also seeks Council approval for the scope of works and to provide an update on progress of the project.

**Background**

The SHBTC facility has been in various states of redevelopment for several years. Through early 2011 several drafts and reviews of the facility concepts occurred along with a number of cost estimates.

The current capacity of the existing clubhouse is a useable floor area of approximately 290sqm, made up of 120sqm bar and 170sqm dining/function, catering for around 80 people.

External Club facilities include 6 tennis courts, 1 synthetic bowling green, 1 unused bowling green (unconstructed) and an unsealed car parking area.

At the Ordinary Council Meeting on 13 July 2011, Council approved the following recommendation:

*“That Council:*

1. *Notes the progress of the proposed South Hedland Bowling and Tennis Club development;*
2. *Authorises the Chief Executive Officer to request tenders for the engagement of architectural services consultants (for Design Development) for the South Hedland Bowling and Tennis Club redevelopment*
3. *Authorises the Chief Executive Officer to execute funding agreements with the Pilbara Development Commission for the project*

4. *Reiterates to the South Hedland Bowling Club the requirement to achieve a facility design that is costed within the project budget of \$4,000,000 (inclusive of all works, preliminaries, margins, fees, sub-contractor costs, authority charges, allowances and disbursements, carparking, and contingencies).*
5. *Notes that at the conclusion of design development / prior to calling of main building tenders, a report will be provided to Council detailing:*
  - a) *Updated Quantity Surveyor cost estimates and matching funding*
  - b) *Confirmation of Self Supporting Loan funding to the SHBTC*
  - c) *Written confirmation of funding*
  - d) *Business Plan and Club Development Plan for the management and future growth of the South Hedland Bowling and Tennis Club.”*

At this meeting Council acknowledged the latest concept designs and cost estimates and authorised staff to progress the project through to design development. The concept designs accommodated:

- A Clubhouse to accommodate 250 patrons that addresses tennis courts and bowling green
- Large flexible dining area
- Bar and bar service area
- Operable door to divide spaces if required for functions
- Centralised kitchen, cool rooms and storage
- Toilets, showers and members facilities
- Administration and meeting room
- Car parking.

The cost estimate for the above works, including professional fees and contingency as reported at OCM 13 July 2011 was \$4.54 million. Council acknowledged the current project budget is \$4 million, inclusive of expenditure already committed for concept designs and business planning. Prior to proceeding with the detailed design of the facility, Council acknowledged the need to value-manage the proposed design to achieve the project outcome within the current budget allocation.

In late 2011 Council received advice from Pilbara Cities that they would support the Royalties for Regions funding application and proceed with a formal Cabinet submission. Staff proceeded to review the concept designs and cost estimates in accordance with budget restrictions, however several elements of the project scope were identified that were not included in the cost estimates, namely:

- Upgrades to the tennis courts and bowling greens
- Realistic allocation for landscaping
- External lighting
- Replacement of fencing
- Demolish/remove existing building

- Additional carparking required based on size of the facility
- Additional ablutions required based on size of the facility.

These elements are required to satisfy Statutory Planning and Building requirements and the expectations of funding providers. The inclusion of these items would have a significant impact on the project budget. A thorough review of the facility design and project scope was completed and is detailed further in Officers Comments.

### Consultation

#### *External*

- South Hedland Bowling and Tennis Club
- Pilbara Development Commission
- Pilbara Cities
- BHP Billiton

#### *Internal*

- Director Community Development
- Manager Recreation Service and Facilities
- Manager Infrastructure Development
- Coordinator Recreation Services
- Project Officer

### Statutory Implications

*The Local Government (Administration) Regulations 1996* is relevant to this report for the revoking of a previous Council decision:

*“10. Revoking or changing decisions made at Council or Committee meetings – s5.25(e)*

- 1. If a decision has been made at a council or committee meeting then any motion to revoke or change the decision must be supported –*
  - (a) Notice of a motion to revoke or change a decision referred to in subregulation (1) is to be signed by members of the council or committee numbering at least 1/3 of the number of offices (whether vacant or not) of members of the council or committee, inclusive of the mover; or*
  - (b) in any other case, by at least 1/3 of the number of offices (whether vacant or not) of members of the council or committee, inclusive of the mover*
- 2. If a decision has been made at a council or a committee meeting then any decision to revoke or change the first-mentioned decision must be made –*
  - (a) In the case where the decision to be revoked or changed was required to be made by an absolute majority or by a special majority, by that kind of majority;*
  - (b) In any other case, by an absolute majority.*

3. *This regulation does not apply to the change of a decision unless the effect of the change would be that the decision would be revoked or would become substantially different.”*

*The Local Government (Administration) Regulations 1996* is relevant to the recommendation to proceed with a design and construct tender for the project:

*3.57. Tenders for providing goods or services*

- (1) *A local government is required to invite tenders before it enters into a contract of a prescribed kind under which another person is to supply goods or services.*
- (2) *Regulations may make provision about tenders.*

### **Policy Implications**

Nil

### **Strategic Planning Implications**

Key Result Area 3: Community Development  
Goal 2: Sports and Leisure: That the community has access to sports and leisure facilities at or above the quality that they would be able to access in the metropolitan area

### **Budget Implications**

This project has a budget of \$4 million inclusive of all preliminaries, margins, fees, sub-contractor costs, authority charges, allowances and disbursements. Project budget accounts have not yet been established as funding hasn't been confirmed.

Although Council approved the project in July, the Royalties for Regions funding had not been approved, therefore the project could not proceed further than the design review. Pilbara Cities has confirmed support for the project; however a formal funding agreement is still pending Cabinet approval. The Town of Port Hedland has been advised that the Cabinet submission is unlikely to be considered before the end of this financial year. This means that the project must remain on hold until all funding is approved as contracts and tenders can't be advertised until the budget is confirmed.

Upon review of the scope as detailed below, it has been determined that this project can proceed within this budget once all funding contributions have been confirmed.

**Officer's Comment**

In order to ensure that all project deliverables are achieved from a statutory, stakeholder and budget perspective, officers conducted workshops internally and with the Club to review the design. The following amendments are recommended to achieve the project and budget outcomes:

*Tennis Courts and Bowling Green:*

The project scope identified the reconstruction of the tennis courts and bowling green at a substantial cost to the project. After an inspection it was determined that upgrades to the tennis courts are a high priority, however the bowling greens are still in reasonable condition and would suffice with some minor works until approximately 2014. Expansion of the bowling green could be optional dependant on budget. Other funding opportunities will be available in the future, including from the Department of Sport and Recreation.

Council has received unconfirmed information that the Club intends to undertake works on the bowling greens independent of this project scope. Any works by the Club would not have a detrimental impact on Council's project. If the Club doesn't proceed, the TOPH works relating to the bowling green and tennis court upgrades will be programmed to ensure minimal impact on the Club's activities.

*Reduction in Building Size:*

The concept plan acknowledged by Council in July 2011 catered for approximately 500 patrons, which is unnecessary and not consistent with the SHBTC business plan or funding submissions. The building size can be reduced significantly to cater for 250 patrons while still accommodating all operational requirements. This also reduces the car parking and ablution requirements, having a great impact on the budget requirements.

The following table outlines the achievable project scope and budget:

<b>Expenditure Account</b>	<b>Funding</b>	<b>Revenue</b>
TBA	Royalties for Regions (confirmed)	\$500,000
TBA	Royalties for Regions (pending)	\$2,000,000
1111271	BHPB Partnership (confirmed)	\$100,000
TBA	BHPB Partnership (proposed 2012/13)	\$900,000
1111495	TOPH Loan	\$500,000
	<b>TOTAL</b>	<b>\$4,000,000</b>



Item	Notes	Expenditure
Prior expenditure	2010/11 and current.	\$62,619
Professional fees	Estimate	\$200,000
Clubroom	Approximately 500m <sup>2</sup> to cater for 250 patrons, based on QS report	\$1,812,381
Tennis court and bowling green	Estimates obtained	\$450,000
Car park	Estimates obtained	\$550,000
Landscaping	Provisional sum	\$300,000
External lighting	Estimate	\$100,000
Fencing	Estimates obtained	\$65,000
Demolish/remove existing building	Estimate	\$50,000
Admin/Project Management	Internal costs	\$10,000
Contingency	10% of project value	\$400,000
<b>TOTAL</b>		<b>\$4,000,000</b>

The cost estimates above were based on a combination of quantity surveyor estimates, contractor quotes and established rates for services within the Town. Based on the revised scope and budget estimates the project can confidently proceed once all funding contributions are confirmed. Staff are currently working with the SHBTC on design specifications to include in a tender.

The Council decision in July 2011 indicated that the project would progress by engaging an architect to undertake detailed designs. It is recommended that an alternative approach of advertising a Design and Construct Tender for the redevelopment of the South Hedland Bowling and Tennis Club would achieve the project objectives while improving timeframes and efficiencies. The principal advantage of a design and construct contract is that it allows the construction contractor to bring his construction expertise into the design process. This approach would also increase the opportunity for builders to submit a proposal based on a variety of construction methodologies, potentially improving cost implications and timeframes.

Criteria will be set within the tender documentation to ensure that all design and statutory requirements are adhered to. The following criteria would apply:

- Value for money: 40%
- Experience and qualifications: 20%
- Innovation (including design compliance): 20%
- Program: 10%
- Local Industry Development: 10%

#### **Attachments**

Nil

**201112/465 Officer's Recommendation 1 / Council Decision****Moved: Cr A A Carter****Seconded: Cr D W Hooper****That Council:**

- 1. Revokes Council Decision 201112/007 (Part 2) of Item 11.3.2, "South Hedland Bowling and Tennis Club – Update and Progression of Project", Presented to Council's Ordinary Meeting Held on 13 July 2011, and recorded on page 75 of those Minutes, subject to proceeding with a design and construct tender.**

***"That Council:***

- 2. Authorises the Chief Executive Officer to request tenders for the engagement of architectural services consultants (for Design Development) for the South Hedland Bowling and Tennis Club redevelopment"***

***CARRIED BY ABSOLUTE MAJORITY 8/0*****201112/466 Officer's Recommendation 2 / Council Decision****Moved: Cr A A Carter****Seconded: Cr G A Jacob****That Council:**

- 1. Acknowledges the project progress and approves the South Hedland Bowls and Tennis Club development scope as:**
  - a) New Clubhouse to accommodate 250 patrons**
  - b) Upgrade to tennis courts and bowling greens**
  - c) Car parking**
  - d) Landscaping**
  - e) External lighting**
  - f) Fencing**
  - g) Demolition/removal of the existing building.**
- 2. Authorises the Chief Executive Officer to request tenders for the Design and Construction of the South Hedland Bowls and Tennis Club redevelopment substantially in accordance with the above scope, upon confirmation of all funding contributions.**

***CARRIED 8/0***

**11.2.3 *Tender 12/06 - Design, Supply and Installation of a Swimming Pool Lighting System to the South Hedland Aquatic Centre upgrade (File No.: 26/13/0019)***

**Officer** Rob Baily  
Projects Coordinator  
Engineering

**Date of Report** 23 May 2012

**Disclosure of Interest by Officer** Nil

**Summary**

The purpose of this report is to provide a summary and assessment of submissions received for Tender 12/06 - Design, Supply and Installation of a Swimming Pool Lighting System to the South Hedland Aquatic Centre upgrade.

The recommendation is to reject all tenders and proceed with an alternative approach to achieve the project outcomes.

**Background**

The South Hedland Aquatic Centre (SHAC) upgrade is a jointly funded project by the Town of Port Hedland in partnership with BHP Billiton, Royalties for Regions, Country Local Government Fund, Regional and Local Community Infrastructure Program and the Department of Sport and Recreation.

On 13 July 2011, Council Decision 201112/006 awarded AVP Commercial Pools the contract for stage 1 of the upgrade works, including demolition and reconstruction of the main pool, a learn to swim pool with an integrated children's play pool, a water playground feature, a wave machine, a new plant room, new concourse paving and suitable reticulation network for water and power to operate all of those facilities.

The Town of Port Hedland is responsible for additional facilities to the pool surrounds including lighting, main power to the plant room, sewer connection, drainage, project management and landscaping. The project is currently under construction, with an expected re-opening timeframe of November 2012.

The original project scope and budget allocated \$100,000 for the installation of 'in pool' lighting, a responsibility of the Town of Port Hedland and separate to the AVP contract. Further investigation has determined that this would not achieve a lighting outcome compliant with Australian Standards for public aquatic facilities.

The existing external lighting was audited and also failed to meet structural integrity and compliance for public aquatic facilities lighting standards. During this year's cyclonic events one of the lighting towers fell down as the base had rusted through. A risk assessment resulted in the main lighting towers being removed.

Subsequent to these outcomes, Tender 12/06 was advertised to design and construct suitable lighting to ensure all existing pools, new pools, water playground and wave machine could be used after sunset. The tender also addressed the connection of power to the newly located plant room to supply enough power to meet the demands of the pool upgrade equipment.

### **Consultation**

- Manager Infrastructure Development
- Manager Recreation Services & Facilities
- Recreation Coordinator
- Projects Coordinator
- Director Community Development
- Director Engineering Services.

### **Statutory Implications**

This tender was called in accordance to the *Local Government Act (1995)*.

*3.57. Tenders for providing goods or services*

- (1) *A local government is required to invite tenders before it enters into a contract of a prescribed kind under which another person is to supply goods or services.*
- (2) *Regulations may make provision about tenders.*

*Local Government (Functions and General) Regulations 1996*

*Part 4: Provision of goods and services*

*Division 2 — Tenders for providing goods or services (s. 3.57)*

*18. Choice of tender*

- (5) *The local government may decline to accept any tender.*

### **Policy Implications**

This tender was called in accordance with Council's Procurement Policy 2/007 and Tender Policy 2/011.

### Strategic Planning Implications

- Key Result Area 3: Community Development  
 Goal 2: Sports and Leisure  
 Immediate Priority 2: Undertake sports facility development including:
- Stage 1 of the South Hedland Aquatic Centre re-development
  - Upgrading of lighting at sports facilities

### Budget Implications

The following table provides a summary of funding and proposed expenditure for this project.

Income	Amount	Status
Department Sport and Recreation (CSRFF)	\$ 600,000	Confirmed
CLGF (ToPH)	\$ 807,745	Confirmed
TOPH	\$ 600,000	Confirmed
Royalties for Regions	\$ 3,600,000	Confirmed
RLCIP	\$ 150,000	Confirmed
BHPB Funding	\$ 3,050,000	Confirmed
BHPB (Interest Earned)	\$ 1,000,000	Confirmed
<b>TOTAL</b>	<b>\$ 9,807,745</b>	
Proposed Expenditure	Amount	Notes
AVP Contract	\$ 8,293,405	Awarded OCM 13 July 2011
AVP Aqua Tower	\$ 548,850	Approved OCM 25 January 2012
TOPH Drainage	\$ 10,000	
TOPH Service road	\$ 30,000	
TOPH Sewer connection	\$ 30,000	
TOPH Project Contingency	\$ 500,000	
TOPH Project Management	\$ 150,000	
<b>TOTAL</b>	<b>\$ 9,562,255</b>	
Balance for Lighting	\$ 245,490	Note: portion of project contingency may also be allocated towards lighting upgrades

At the Ordinary Council Meeting on 9 May 2012 Council approved the expenditure of \$125,000 for the relocation of the electrical transformer on the basis that it would significantly reduce the costs to provide power from the transformer to the plant room. This reduces the budget available for lighting upgrades to \$120,490. Acknowledging the potential savings of \$350,000 by relocating the transformer, there is still insufficient funding available to award Tender 12/06.

### Officer's Comment

Tender 12/06 required a suitable electrical company to design, supply and install compliant lighting for the South Hedland Aquatic Centre inclusive of supplying power to the new plant room.

The Tender was publicly advertised in the West Australian on 17/3/12 and NW Telegraph on 21/3/12. A total of eight tender packages were requested. Tender 12/06 closed at 2.30pm on Wednesday 11 April 2012 and was opened and recorded by a Councillor and Council staff members.

One tender submission from O'Donnell Griffin PTY LTD was received. The tenderer has complied with all requirements as set out in the tender documentation.

Table 1 below indicates the lump sum price submitted by the above tenderer. An adjusted cost estimate has been provided for information only indicative of the potential savings from relocating the electrical transformer.

*Table 1:*

Tenderer	Lump Sum Price (excluding GST)
O'Donnell Griffin	\$ 1,213,038.00
Assumption of \$350,000 savings (indicative only)	\$ 863,038.00

Table 2 below indicates the evaluation criteria as described in the tender documentation.

*Table 2:*

Assessment Criteria	Max Score (%)
Price	30%
Technical Capacity of Contractor and Manufacturer	25%
Experience of Contractor & Manufacturer	25%
Warranties	10%
Local Industry Development	10%
Max Score	100%

The lowest price Tender (T<sub>lp</sub>) shall be awarded a score of 30 for the Price criterion. The remaining priced Tenders (T<sub>slp</sub>) shall be awarded a score determined in the following manner:

$$\text{Tslp Score} = 30 - \left[ \frac{(\$T_{slp} - \$T_{lp})}{\$T_{lp}} \times 30 \right]$$

The comparison of each of the assessment criteria for the tender submissions received is as follows and is summarised in Table 3 below.

Table 3:

Contractor/ Assessment Criteria	Price (30%)	Technical Capacity (25%)	Experience (25%)	Warranties (10%)	Local Industry Development (10%)	Total Score (100%)
	Score	Score	Score	Score	Score	
O'Donnell Griffin	0	14	15	6	6	41

As the tender submitted is significantly in excess of the budget allocation and no alternative tenders are provided as a comparison, the score for price is 0. Effectively, the price component is removed from the process.

Although O'Donnell Griffin Pty Ltd has the capacity to complete the works and has experience with TOPH projects, the technical capacity, experience and warranties criteria have been scored relatively low due to the lack of information provided within the tender submission. The tenderer indicated that the short timeframe for tender submissions has impacted on the ability to provide the information requested. The tender timeframe was compliant with the Local Government Act, however minimal to ensure co-ordination of the lighting installation with AVP's onsite works.

O'Donnell Griffin has had a long term relationship with lighting works within the Town of Port Hedland and recently designed and installed the lighting towers for the Kevin Scott oval in South Hedland.

Although it is acknowledged that the scope of works for lighting has increased from the original project proposal, the cost estimate that has been submitted is significantly higher than expected. Without the submission of other tenders to compare costs, design elements, operations and warranties of systems, it's impossible to determine if the submission is fair and reasonable. Given that the project does not have sufficient budget allocations to award the tender it is recommended to reject all tenders and proceed with an alternative approach.

Within the current budget allocation officers are able to proceed with an independent design process for the lighting system. This is different to the design, supply and install tender scope and will provide Council with a cost effective, compliant design to obtain quotes for installation. The current budget will also accommodate power connection to the plant room and installation of cabling and footings based on the design outcomes. These works can be undertaken in accordance with Council's procurement policy by requesting quotes and will be completed within the timeframes required to co-ordinate with AVP's construction works.

Additional funding will still be required for the installation of the remainder of the lighting system. Discussions are currently underway with partners who may provide funding opportunities. This will be considered by Council as part of the 2012/13 budget process. The lighting installation can be tendered upon approval of the funding options, however timeframes for supply of materials and installation may impact on the night time operations of the facility for a short period after the re-opening in November. Further information will be available upon completion of the design.

#### **Attachments**

Nil

#### **201112/467 Officer's Recommendation / Council Decision**

**Moved: Cr S R Martin**

**Seconded: Cr G A Jacob**

#### **That Council:**

- 1. Rejects all tenders submitted for Tender 12/06 Design, Supply and Installation of a Swimming Pool Lighting System to the South Hedland Aquatic Centre upgrade.**
- 2. Proceeds with lighting upgrades for the South Hedland Aquatic Centre within the current budget allocation by:**
  - a) Designing the lighting system**
  - b) Connecting the power to the plant room**
  - c) Installing cabling and footings in accordance with the design outcomes.**
- 3. Approves the investigation of additional funding to accommodate the installation of lighting at the South Hedland Aquatic Centre within the 2012/13 budget.**

***CARRIED 8/0***



**11.3 Community Development****11.3.1 *Port Hedland Community Integration Working Group – Endorsement of Terms of Reference (File No.: 01/04/0001)***

**Officer** Gordon MacMile  
Director Community  
Development

**Date of Report** 14 May 2012

**Disclosure of Interest by Officer** Nil

**Summary**

The Business Plan for the development of Precinct 3 with BHP Billiton Iron Ore contained the proposal to establish a committee to investigate and oversee activities to minimize the negative impacts of the proposed TWA facility and to maximize community and business integration.

Draft terms of reference have been prepared to direct the activities of the proposed group.

Council is requested to endorse the (draft) Terms of Reference for the Port Hedland Community Integration Working Group, to nominate a Councillor representative and to refer the terms of reference to the Port Hedland Community Integration Working Group for final adoption.

**Background**

The Special Meeting on 12 March 2012 resolved in part:

*That Council*

1. *Resolves to proceed with the current Business Plan for the Proposed Development of Precinct 3 at the Port Hedland International Airport via Private Treaty with BHPB with the following amendments .....*
12. *Seeks a commitment from BHPB and the State to continue to work together to identify the impacts of FIFO workforce on Port Hedland and actively identify and implement strategies that will mitigate their impacts upon the community.*

The Business Plan prepared in relation to the proposal of a Private Treaty arrangement to enter into a major land transaction contained under section 4.4 Expected Effect on Other Person Providing Services in the District the following:

*“BHPB has proposed establishing a Community Integration Committee that will investigate and oversee all activities to minimize the negative impacts of the proposed TWA facility and to maximize community and business integration. BHPB will provide \$200,000 towards integration and development studies for this Committee.*

*With the assistance of the ToPH, a community and small business integration strategy will be commissioned after the initial BHPB TWA development of 2,000 construction workers, and prior to the commissioning of additional stages of development within the BHPB TWA.”*

### **Consultation**

- Town of Port Hedland - Executive Management Group
- BHPBilliton Iron Ore.

Prospective representatives of the Working Group have been provided with a copy of (draft) terms of reference for review and to express an interest in participating.

### **Statutory Implications**

Proceeding with the Business Plan for the Development of Precinct 3 at the Port Hedland International Airport with BHPB, Council actions were in accordance with the following:

- Local Government Act 1995:
  - 3.58. Disposing of property*
  - 3.59 Commercial enterprises by local governments*
- Local Government (Functions and General) Regulations 1996:
  - Part 3 — Commercial enterprises by local governments*
  - 7. Term used: major regional centre*
  - 8A. Major land transactions and exempt land transactions*
  - 30. Dispositions of property to which section 3.58 of Act does not apply*
- Local Government Act 1995:
  - 6.11. Reserve accounts*
- Local Government (Financial Management) Regulations 1996:
  - 17. Reserve accounts*
- Local Government (Administration) Regulations 1996:
  - 10. Revoking or changing decisions (Act s. 5.25(1)(e))*

**Policy Implications**

Whilst not specifically a Policy, the Town of Port Hedland's "Guidance Note for Potential Developers of Transient Workforce Accommodation (TWA), published in August 2008, is relevant.

Council Policy 15/0002 (FIFO Position) was considered relevant to the Precinct 3 agreement.

An updated Town of Port Hedland FIFO / TWA Strategy has been prepared and is currently undergoing consultation with key stakeholders and the broader community.

**Strategic Planning Implications**

There are many strategic plan implications for this project, namely:

Town Vision:

Port and South Hedland will be integrated functionally, physically and culturally

- a. Visual and physical access to the coast by the general public will be maintained and extended
- b. We will have had influence, and will continue to have, influence on government and industry decisions that impact on the district
- c. People will have access to the recreational, cultural, entertainment facilities and opportunities that they desire
- d. Tourism will be a significant industry within the Town.

**Budget Implications**

An initial contribution of \$200,000 will be made by BHPB towards integration and development studies and strategies for the Working Group.

The (draft) Terms of Reference proposes that a budget will be developed by the Working Group to provide funding to:

- Meet the ToPH costs of managing the administration of the Working Group
- Deliver on integration initiatives that are developed from the small business and community integrations strategy.

Contributions by other industry partners are anticipated and will be negotiated within the Working Group.

### Officer's Comment

Within the Business Plan for the Precinct 3 agreement, BHPB proposed establishing a Community Integration Committee to investigate and oversee activities to minimize the negative impacts of the proposed TWA facility and to maximize community and business integration. The intention of the Committee was to commission a community and small business integration strategy after the initial BHPB TWA development of 2,000 construction workers, and prior to the commissioning of additional stages of development within the BHPB TWA.

Discussions with BHPB regarding the Integration Committee have focused on not limiting the scope of the group to the Precinct 3 development, but to expand the scope and member representation to consider the potential cumulative impact of the resource industry expansion on the Port Hedland community. A working group rather than a committee has been proposed to allow for representation / attendance to be flexible and to adapt to particular needs at the time.

#### (Draft) Port Hedland Community Integration Working Group - Terms of Reference

The (draft) Terms of Reference contains the following key elements:

##### *Purpose*

To establish a Community Integration Working Group that will identify, monitor and oversee activities to maximize community and business integration opportunities and minimise the risk / issues of the resource sector expansion on Port Hedland including TWA facilities and FIFO employment.

##### *Membership*

The Working Group is proposed to contain the representation from the Town of Port Hedland, Atlas Iron, BHPB, FMG, Hancock Prospecting (Roy Hill), Rio Tinto, Chamber of Minerals and Energy, Industry Associates (Auzcorp and Compass Group), Business (Port Hedland Chamber of Commerce & Industry, South Hedland Business Association, and Wedgefield Association), Pilbara Cities, Port Hedland Port Authority, Pilbara Regional Council, NGO representative (PANGO) and Community (2 representatives).

State Government agencies and other organizations will participate in the Working Group by invitation when appropriate including Main Roads WA, Department of Health, Police, Department of State Development, and Australian Hotels Association.

The tenure of the membership shall be reviewed annually to ensure the membership of the Working Group is aligned with the purpose.

*Meetings*

- The Working Group will meet bi-monthly initially, or as otherwise decided
- Meetings will be hosted by the ToPH with an option for invitees to join via teleconference.

*Role of the Working Group*

1. Identify, assess and determine local impacts / risks / opportunities of the resource industry expansion including and not limited to:
  - a. social interaction
  - b. medical and general healthcare
  - c. telecommunications
  - d. transport and transport linkages (incl. pedestrian and cycle ways)
  - e. local procurement
  - f. local employment
  - g. community volunteerism / involvement
2. Develop frameworks for small business, community integration and impact minimization strategies in response to the identified risks, issues and opportunities
3. Work with the business community to identify and explore business development opportunities that emerge from TWA and FIFO/community integration
4. Establish effective processes for reporting to the community and stakeholders through regular communication channels
5. Liaise with Government departments, service providers and other relevant stakeholders to monitor issues related to FIFO workforce and TWA
6. Collect and review relevant literature and best practice FIFO and TWA integration models
7. Collect and collate data on workforce numbers, movements and future operational and organisational growth.

Reporting to Council

The intention is for minutes and actions to be provided to Councillors for information, with reports and presentations to Council on key findings and strategies as required.

**Attachments**

1. (Draft) Terms of Reference – Port Hedland Community Integration Working Group

**201112/468 Officer's Recommendation / Council Decision**

**Moved: Cr G A Jacob**

**Seconded: Cr A A Carter**

**That Council:**

- 1. Endorses the (draft) Terms of Reference for the Port Hedland Community Integration Working Group;**
- 2. Notes that reports and presentations on key findings and strategies from the Working Group will be reported to Council as required;**
- 3. Nominates Cr J E Hunt to be the Town of Port Hedland representative on the Port Hedland Community Integration Working Group with Mayor K A Howlett as Proxy representative; and**
- 4. Refers the Terms of Reference to the Port Hedland Community Integration Working Group for final adoption.**

***CARRIED 8/0***

## ATTACHMENT 1 TO ITEM 11.3.1

**Port Hedland Community Integration Working Group****(Draft) Terms of Reference****Purpose**

To establish a Community Integration Working Group that will identify, monitor and oversee activities to maximize community and business integration opportunities and minimise the risk / issues of the resource sector expansion on Port Hedland including TWA facilities and FIFO employment.

**Membership**

Working Group membership is inclusive of the following members and number of representatives:

- Town of Port Hedland
  - Elected Members (1 rep / 1 proxy)
  - Executive (1 rep)
- Industry
  - Atlas Iron (1 rep)
  - BHPB (1 rep)
  - FMG (1 rep)
  - Hancock / Roy Hill (1 rep)
  - RIO (1 rep)
  - Chamber of Minerals and Energy (1 rep)
- Industry Associates
  - Auzcorp (1 rep)
  - Compass Group (1 rep)
- Business
  - Port Hedland Chamber of Commerce & Industry (1 rep)
  - South Hedland Business Association (1 rep)
  - Wedgefield Association (1 rep)
- Pilbara Cities / Pilbara Development Commission (1 rep)
- Port Hedland Port Authority (1 rep)
- NGO representative (PANGO) (1 rep)
- Pilbara Regional Council (1 rep)
- Community (2 reps)
- Additional representatives from member organizations may be invited / attend on an as needs basis
- State Government agencies / other organizations by invitation when appropriate
  - Main Roads WA
  - Department of Health
  - Police
  - Department of State Development
  - Australian Hotels Association.

The tenure of the membership shall be reviewed annually to ensure the membership of the Working Group is aligned with the purpose.

**Meetings**

- The Working Group will meet bi-monthly initially, or as otherwise decided
- Meetings will be hosted by the ToPH with an option for invitees to join via teleconference
- A quorum for a meeting of the Working Group shall comprise x members

**Role of the Working Group**

1. Identify, assess and determine local impacts / risks / opportunities of the resource industry expansion including and not limited to:
  - a. social interaction
  - b. medical and general healthcare
  - c. telecommunications
  - d. transport and transport linkages (incl. pedestrian and cycle ways)
  - e. local procurement
  - f. local employment
  - g. community volunteerism / involvement
2. Develop frameworks for small business, community integration and impact minimization strategies in response to the identified risks, issues and opportunities
3. Work with the business community to identify and explore business development opportunities that emerge from TWA and FIFO/community integration
4. Establish effective processes for reporting to the community and stakeholders through regular communication channels
5. Liaise with Government departments, service providers and other relevant stakeholders to monitor issues related to FIFO workforce and TWA
6. Collect and review relevant literature and best practice FIFO and TWA integration models
7. Collect and collate data on workforce numbers, movements and future operational and organisational growth.

**Budget / Funding**

- A budget shall be developed by the Working Group to provide funding to:
  - Meet the ToPH costs of managing the administration of the Working Group
  - Deliver on integration initiatives that are developed from the small business and community integrations strategy.
- An initial contribution of \$200,000 will be made by BHPB towards integration and development studies and strategies for the Working Group
- Contributions by other industry partners are anticipated and will be negotiated.

**Secretariat**

- Secretariat and administrative functions will be coordinated by the Town of Port Hedland.



**11.4 Corporate Services****11.4.1 Finance and Corporate Services*****11.4.1.1 2012-13 Rates in the Dollar & Minimum Rates***

<b>Officer</b>	<b>Jodie McMahon Manager Financial Services</b>
<b>Date of Report</b>	<b>13 May 2011</b>
<b>Disclosure of Interest by Officer</b>	<b>Ratepayer within the Town of Port Hedland</b>

**Summary**

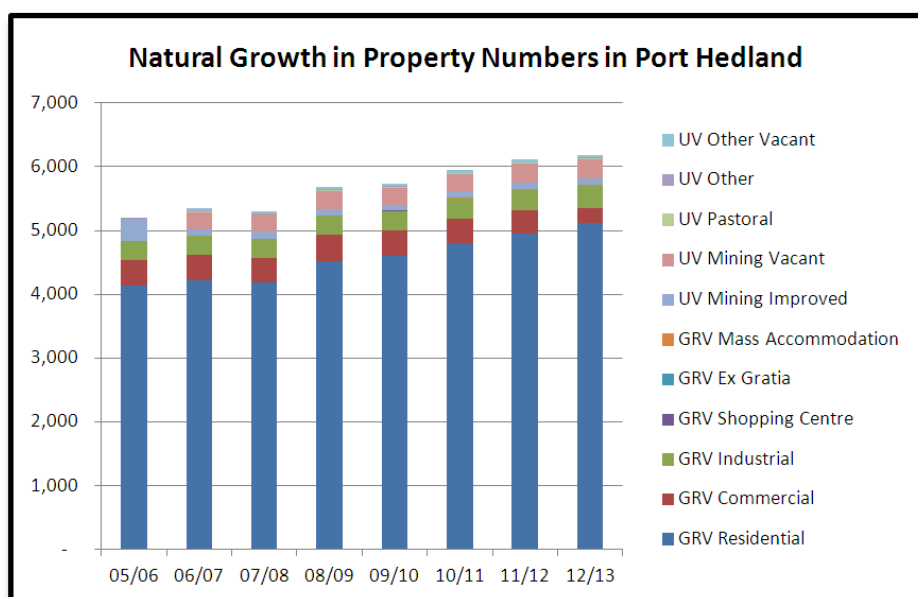
For Council to adopt various rates in the dollars and Minimum Rates so the required advertising can commence prior to budget adoption in accordance with s6.36 of the *Local Government Act 1995*.

**Background**

As part of the annual Budget process Council must determine the rates in the dollar (RID) and the minimum rates (min) to be used in the following year. Due to advertising requirements (s.6.36), the rates in the dollar and minimum rates must be resolved prior to the budget being finalised.

At the 3<sup>rd</sup> Concept Forum rates were discussed with Councillors and consideration was made in relation to the natural growth that has occurred throughout the Town, the CPI rate, the Local Government Cost Price Index and the numerous developments across the Town that the community will have access to. Councillors were also informed the Gross Rental Value (GRV) revaluation has occurred for all GRV properties across the Town of Port Hedland.

Natural growth of approximately 2% has occurred across the Town when comparing 6,082 rateable properties in 2011-12 to 6157 rateable properties in 2012-13. This natural growth has been reasonably consistent since 2004-05 as demonstrated in the graph below.



The GRV revaluation that has been completed by the Valuer General's Office forms one part of the equation in determining the amount of rates payable. The GRV revaluation resulted in an average increase of approximately 100% to GRV rateable values of properties.

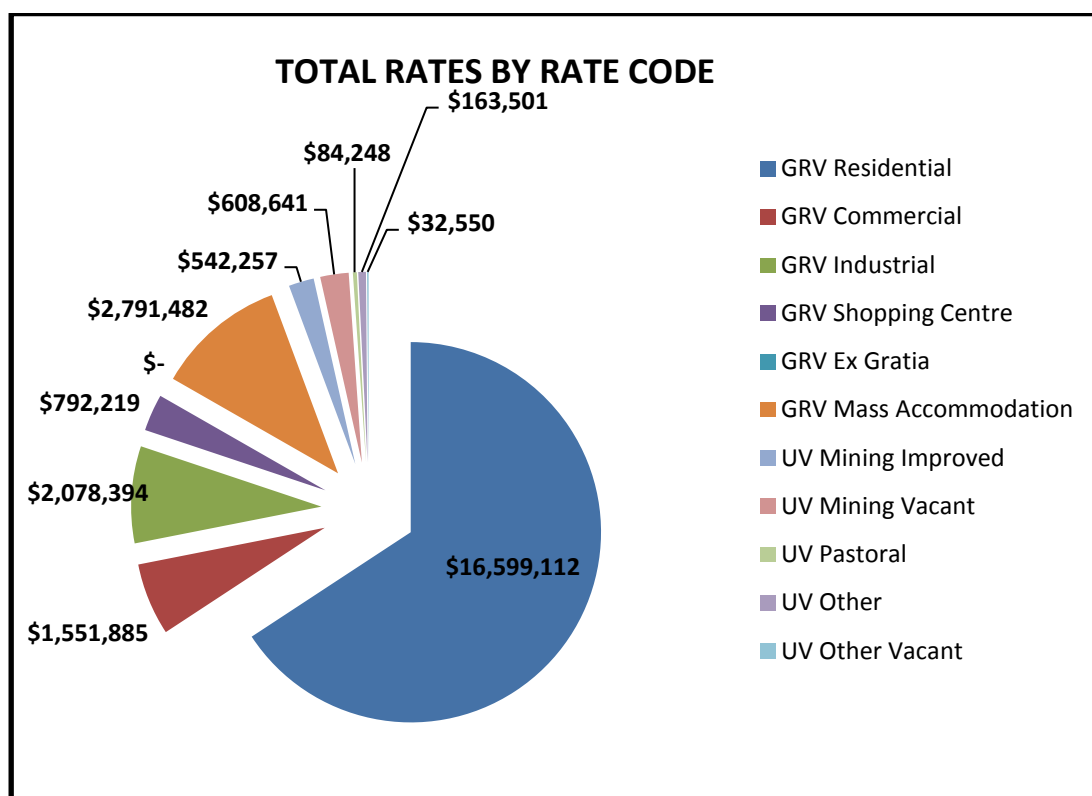
Growth impacts on the provision of services and infrastructure across the Town and it was recommended that the new rate in the dollar for 2012-13 should take this into consideration.

At the 3<sup>rd</sup> Budget Concept Forum Councillors were presented with data from the Western Australia Local Government Association (WALGA) informing them of the Local Government Cost Index (LGCI) (Attachment 1). The LGCI is used by Local Governments across Western Australia to communicate movements in the cost to deliver services over time. It measures inflation that applies to Local Government expenditure, in the same way that the Consumer Price Index (CPI) measures movements in the cost of goods and services purchased by households.

This document outlines price increases across several key areas which impact on Local Governments when delivering services to the community which is much more reflective of price increases than the Town experiences over the Perth CPI. The Perth CPI for the March quarter was 1.9% which is no way reflective of the costs Council incur either currently or in the new financial year.

	Forecast Increase in Year Ending June (%)	
	2012	2013
Wages and Salaries	4.25	4.5
Road and Bridge Construction	3.5	4.5
Non-residential Building	0.5	3.5
Consumer Prices	2.75	3.5
Machinery and Equipment	1.5	1.5
Electricity and Street Lighting	18.0	12.0
<b>Local Government Costs</b>	<b>3.2</b>	<b>4.0</b>

The Town is also experiencing an increase in redevelopments of Mass Accommodation properties. These redevelopments are placing pressure on current staffing requirements not only through the provision of services to be delivered due to the increase in capacity of the accommodation provided but also increases in staffing requirements during the development and approval stages through the Planning, Building and Engineering departments. These developments are being driven by the need to cater for the mining and resource expansions that are currently occurring throughout the Town.



Councillors were also presented with the Western Australian Local Government Rates Comparison 2011/12 developed by UHY Haines Norton. The report provides a comparison of rates and services charged by Local Governments across Western Australia.

While the rating categories vary, for comparison purposes, the table below outlines the rate in the dollar imposed by the Shire of Roebourne.

### Shire of Roebourne

Rate Category	2011/12	
	RID	Min
GRV Residential	2.88650	1,124.00
GRV Commercial / Tourism / Town	5.77300	1,124.00
GRV Strategic Industry	5.77300	1,124.00
GRV Transient Workforce Accommodation	9.463.00	1,124.00
UV Mining/Exploration	12.01590	420.00
UV Prospecting	12.01590	210.00
UV Strategic Industry	12.01590	420.00
UV Pastoral	6.00790	420.00

After discussions regarding each of the above issues, Councillors discussed imposing the following rates in the dollar for each category:

Rate Category	2011/12		2012/13		% increase/(decrease)	
	RID	Min	RID	Min	RID	Min
GRV Residential	4.5625	1,000	4.7450	1,040	4%	4%
GRV Commercial	5.4315	1,000	5.6488	1,040	4%	4%
GRV Industrial	4.5625	1,000	4.7450	1,040	4%	4%
GRV Shopping Centre	9.1250	1,000	9.4900	1,040	4%	4%
GRV Mass Accommodation	9.1250	1,000	9.7638	1,070	7%	7%
GRV Ex Gratia	4.5625	1,000	4.7450	1,040	4%	4%
UV Mining Improved	31.3051	1,000	32.5573	1,040	4%	4%
UV Mining Vacant	31.3050	1,000	32.5572	1,040	4%	4%
UV Pastoral	5.1049	1,000	5.3091	1,040	4%	4%
UV Other	10.3731	1,000	10.7880	1,040	4%	4%
UV Other Vacant	11.7752	1,000	12.2462	1,040	4%	4%

The below tables demonstrate the average impact of the GRV revaluation on residential properties across Port Hedland, South Hedland and Wedgefield.

#### Before revaluation 2011/12

	GRV Residential Valuation (Average)	Rate in Dollar 2011/12	Rates Payable (Average) 2011/12
Port Hedland	\$49,206.18	4.5625	\$2,245.03
South Hedland	\$36,851.56	4.5625	\$1,681.35
Wedgefield	\$39,743.20	4.5625	\$1,813.28

After revaluation 2012/13

	GRV Residential Valuation (Average)	Rate in Dollar (\$) 2012/13	Rates Payable (Average) 2012/13	Increase from 2011/12 to 2012/13 (Average)
Port Hedland	\$88,295.68	4.7450	\$4,189.63	\$1,944.60
South Hedland	\$62,747.31	4.7450	\$2,977.36	\$1,296.01
Wedgefield	\$88,258.40	4.7450	\$4,187.86	\$2,374.58

Major changes to the rates are as follows:

#### *GRV Differential Rates*

As Councillors recognised that the cost of living is higher in the Pilbara than in Perth, instead of implementing a 1.9% CPI increase to all GRV Rates, it was agreed that 4% being the Local Government Consumer Cost Index, is more reflective of the price increases incurred by Local Governments.

Councillors have also recognised that properties within the Mass Accommodation category are having an increasing impact on the Towns services through their requirements to increase their capacity to meet the demand created by mining and resource expansions. They should therefore contribute to the increase in service requirements through increasing the GRV Mass Accommodation by 7%. Council will need to apply to the Minister of Local Government and Regional Development (DLGRD) as section 6.33 of the *Local Government Act 1995*

#### *6.33. Differential general rates*

- (3) *In imposing a differential general rate a local government is not to, without the approval of the Minister, impose a differential general rate which is more than twice the lowest differential general rate imposed by it.*

Officers believe that the DLGRD should support this request as they have in 2011-12 for the Shire of Roebourne.

#### *UV Differential Rates*

UV Minimum rates were increased by 4% across all rate categories on the basis that it was consistent with most of the GRV rating categories and will encourage some of the ratepayers to develop the land that they own, where possible.

### *UV Minimums*

All minimums except have been uniformly increased to \$1,040 (4%). The increase again is reflective of the Local Government Cost Index and the amount of new services and infrastructure that are being developed across the Town.

As with the 2011-12 minimum rates, Council will need to apply to the Minister of Local Government and Regional Development (DLGRD) to impose the minimum rate for the UV Mining Vacant and UV Other Vacant categories, as more than 50% of the properties will be on minimums should these rates be adopted (s.6.35). It is believed that the DLGRD will support this request given what was approved in 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12.

### **Consultation**

The proposed rates in the dollars and minimum rates were discussed with Council in detail at the 3<sup>rd</sup> Concept Forum, held on the 7 May 2012.

### **Statutory Implications**

#### ***Local Government Act 1995***

##### *6.33. Differential general rates*

- (1) *A local government may impose differential general rates according to any, or a combination, of the following characteristics —*
  - (a) *the purpose for which the land is zoned under a local planning scheme in force under the Planning and Development Act 2005;*
  - (b) *the predominant purpose for which the land is held or used as determined by the local government;*
  - (c) *whether or not the land is vacant land; or*
  - (d) *any other characteristic or combination of characteristics prescribed.*
- (2) *Regulations may —*
  - (a) *specify the characteristics under subsection (1) which a local government is to use; or*
  - (b) *limit the characteristics under subsection (1) which a local government is permitted to use.*
- (3) *In imposing a differential general rate a local government is not to, without the approval of the Minister, impose a differential general rate which is more than twice the lowest differential general rate imposed by it.*
- (4) *If during the financial year, the characteristics of any land which form the basis for the imposition of a differential general rate have changed, the local government is not to, on account of that change, amend the assessment of rates payable on that land in respect of that financial year but this subsection does not apply in any case where section 6.40(1)(a) applies.*

- (5) *A differential general rate that a local government purported to impose under this Act before the Local Government Amendment Act 2009 section 39(1)(a) came into operation is to be taken to have been as valid as if the amendment made but that paragraph had been made before the purported imposition of that rate.*

*6.36. Local government to give notice of certain rates*

- (1) *Before imposing any differential general rates or a minimum payment applying to a differential rate category under section 6.35(6)(c) a local government is to give local public notice of its intention to do so.*
- (2) *A local government is required to ensure that a notice referred to in subsection (1) is published in sufficient time to allow compliance with the requirements specified in this section and section 6.2(1).*
- (3) *A notice referred to in subsection (1) —*
- (a) *may be published within the period of 2 months preceding the commencement of the financial year to which the proposed rates are to apply on the basis of the local government's estimate of the budget deficiency;*
  - (b) *is to contain —*
    - (i) *details of each rate or minimum payment the local government intends to impose;*
    - (ii) *an invitation for submissions to be made by an elector or a ratepayer in respect of the proposed rate or minimum payment and any related matters within 21 days (or such longer period as is specified in the notice) of the notice; and*
    - (iii) *any further information in relation to the matters specified in subparagraphs (i) and (ii) which may be prescribed; and*
  - (c) *is to advise electors and ratepayers of the time and place where a document describing the objects of, and reasons for, each proposed rate and minimum payment may be inspected.*
- (4) *The local government is required to consider any submissions received before imposing the proposed rate or minimum payment with or without modification.*
- (5) *Where a local government —*
- (a) *in an emergency, proposes to impose a supplementary general rate or specified area rate under section 6.32(3)(a); or*
  - (b) *proposes to modify the proposed rates or minimum payments after considering any submissions under subsection (4), it is not required to give local public notice of that proposed supplementary general rate, specified area rate, modified rate or minimum payment.*

*6.35. Minimum payment*

- (1) *Subject to this section, a local government may impose on any rateable land in its district a minimum payment which is greater than the general rate which would otherwise be payable on that land.*

- (2) *A minimum payment is to be a general minimum but, subject to subsection (3), a lesser minimum may be imposed in respect of any portion of the district.*
- (3) *In applying subsection (2) the local government is to ensure the general minimum is imposed on not less than —*
  - (a) *50% of the total number of separately rated properties in the district; or*
  - (b) *50% of the number of properties in each category referred to in subsection (6),  
on which a minimum payment is imposed.*
- (4) *A minimum payment is not to be imposed on more than the prescribed percentage of —*
  - (a) *the number of separately rated properties in the district; or*
  - (b) *the number of properties in each category referred to in subsection (6),  
unless the general minimum does not exceed the prescribed amount.*
- (5) *If a local government imposes a differential general rate on any land on the basis that the land is vacant land it may, with the approval of the Minister, impose a minimum payment in a manner that does not comply with subsections (2), (3) and (4) for that land.*
- (6) *For the purposes of this section a minimum payment is to be applied separately, in accordance with the principles set forth in subsections (2), (3) and (4) in respect of each of the following categories —*
  - (a) *to land rated on gross rental value;*
  - (b) *to land rated on unimproved value; and*
  - (c) *to each differential rating category where a differential general rate is imposed.*

#### *6.11. Reserve accounts*

- (1) *Subject to subsection (5), where a local government wishes to set aside money for use for a purpose in a future financial year, it is to establish and maintain a reserve account for each such purpose.*
- (2) *Subject to subsection (3), before a local government —*
  - (a) *changes\* the purpose of a reserve account; or*
  - (b) *uses\* the money in a reserve account for another purpose,**it must give one month's local public notice of the proposed change of purpose or proposed use.*

*\* Absolute majority required.*

- (3) *A local government is not required to give local public notice under subsection (2) —*
  - (a) *where the change of purpose or of proposed use of money has been disclosed in the annual budget of the local government for that financial year; or*
  - (b) *in such other circumstances as are prescribed.*
- (4) *A change of purpose of, or use of money in, a reserve account is to be disclosed in the annual financial report for the year in which the change occurs.*



- (5) *Regulations may prescribe the circumstances and the manner in which a local government may set aside money for use for a purpose in a future financial year without the requirement to establish and maintain a reserve account.*

***Local Government (Financial Management) Regulations 1996 (in part) state:***

***17. Reserve accounts***

- (1) *A reserve account is to have a title that clearly identifies the purpose for which the money in the account is set aside.*
- (2) *In the accounts, annual budget and financial reports of the local government a reserve account is to be referred to —*
- (a) *in the information required by regulations 27(g) and 38, by its full title; and*
- (b) *otherwise, by its full title or by an abbreviation of that title.*

**Policy Implications**

Nil

**Strategic Planning Implications**

Nil

**Budget Implications**

Based on current valuations the proposed rates in the dollar and minimum rates will generate approximately \$26,142,412 in rate revenue for 2012-13 compared to \$15,103,461 in 2011-12. This amount will change as more development occurs to 30 June and new valuation schedules are received.

Through the process of developing the Annual Budget Officers are recommending establishing an Asset Management Reserve account to apply excess funds generated from the 2012-13 rates revenue. These funds will be utilised to assist in the implementation of the Town's Asset Management Framework.

**Officer's Comment**

Rating is Council's primary way of raising income to pay for the services it provides to the community. It is therefore extremely important that the rates imposed are reflective of where Council plan to allocate its resources in the coming year.

The Town of Port Hedland is a developing authority, in that much of the Town's resources are spent in developing infrastructure. Currently the district is experiencing high levels of growth due to the mining boom and port expansion, which is placing extreme pressures on Council delivering services and maintaining facilities and other infrastructure to the standard expected by the community.

It was recommended to Councillors at the forum that while the GRV increase would result in an increase in rates generated, that the Town should be consistent in increasing the Rate in the Dollar each year to be reflective of the cost incurred in providing its services to the community.

Councillors have should also note that the Pilbara Underground Power Project cost for South Hedland and Wedgefield will be applied to those affected rate payers in their 2012-13 rates notices.

The Town is currently developing an Integrated Strategic Planning and Reporting Framework in accordance with the Department of Local Government requirements, which incorporates an Asset Management Framework creating strategies and asset management plans to ensure that assets are acquired, operated, maintained and disposed of in the most effective manner. While yet to be quantified, it is anticipated that the asset management plans will identify a significant backlog of fund that will be required for the maintenance of assets based on condition reports that are being carried out.

A review conducted by the Royalties for Regions Country Local Government Fund has identified that in 2006 metropolitan and regional local governments had a \$1.75 billion backlog of maintenance to infrastructure exposing a lack of financial and resource capacity to address the situation. The review indicated that this figure was conservative. The Asset Management Framework being implemented will ensure that any backlog would be identified and strategies would be established to ensure that the Town can address the backlog of issues the Town can be addressed.

Information obtained through the Asset Management Framework will integrate with 10 Year Long Term Financial Plan, thus informing the Town of its financial sustainability as the Town grows, new assets are acquired and current assets require maintenance and / or renewal.

Officers are recommending that 2012/13 rates revenue generated which is in excess of salaries, be placed into an Asset Management Reserve created as part of the Annual Budget process.

Once the Asset Management Framework is developed the funds held in the reserve would be utilised in maintaining the Town's asset base in accordance with asset plans. General principles suggest that the amount preserved in the Asset Management Reserve, for replacing or refurbishing assets alone, should be equivalent to the annual depreciation costs, which for the Town is currently more than \$7 million each year. While this may not be achievable next financial year, this is certainly one of the strategies that will be implemented over time. This strategy would ensure that the Town is managing its assets not only to an appropriate service level for the community but also in a financially sustainable manner for the Town.

**Attachments**

1. WALGA Economic Briefing

**Officer's Recommendation**

That Council:

- 1) Adopt for advertising the following 2012-13 Rates in the Dollar and Minimum rates:

Rate Category	2012/13	
	RID	Min
GRV Residential	4.7450	1,040
GRV Commercial	5.6488	1,040
GRV Industrial	4.7450	1,040
GRV Shopping Centre	9.4900	1,040
GRV Mass Accommodation	9.7638	1,070
GRV Ex Gratia	4.7450	1,040
UV Mining Improved	32.5573	1,040
UV Mining Vacant	32.5572	1,040
UV Pastoral	5.3091	1,040
UV Other	10.7880	1,040
UV Other Vacant	12.2462	1,040

- 2) Apply to the Minister for Local Government to approve Council in imposing a Minimum Rate for UV Mining Vacant and UV Other Vacant which will result in more that 50% of the properties in these categories being subject to minimum rates; and
- 3) Apply to the Minister for Local Government to approve Council imposing a Rate in the Dollar for GRV Mass Accommodation, UV Mining Improved, UV Mining Vacant, UV Other, and UV Other Vacant which will result in being more than twice the lowest differential general rate imposed

**Council Motion**

Moved: Cr A A Carter

Seconded: Cr S R Martin

That Council:

- 1) Adopt for advertising only the following proposed 2012/13 Rates in the Dollar and minimum rates:

Rate Category	2012/13	
	RID	Min
GRV Residential	4.7450	1,040
GRV Commercial	5.6488	1,040
GRV Industrial	4.7450	1,040
GRV Shopping Centre	9.4900	1,040
GRV Mass Accommodation	9.7638	1,070
GRV Ex Gratia	4.7450	1,040
UV Mining Improved	32.5573	1,040
UV Mining Vacant	32.5572	1,040
UV Pastoral	5.3091	1,040
UV Other	10.7880	1,040
UV Other Vacant	12.2462	1,040

- 2) Apply to the Minister for Local Government to accept Council's proposal to impose a minimum rate for UV Mining Vacant and UV Other Vacant which will result in more that 50% of the properties in these categories being subject to minimum rates; and
- 3) Apply to the Minister for Local Government to accept Council's proposal to impose a Rate in the Dollar for GRV Shopping Centre, GRV Mass Accommodation, UV Mining Improved, UV Mining Vacant, UV Other, and UV Other Vacant which will result in being more than twice the lowest differential general rate imposed.

4/4

*NOTE: As the votes were equally divided, the Mayor cast a second vote for the motion.*

*MOTION LOST 5/4 ON THE CASTING VOTE OF THE MAYOR*

**201112/469 Council Decision**

Moved: Cr D W Hooper

Seconded: Cr G A Jacob

**That Council suspend the provisions of Standing Orders relating to the rules of debate to enable this matter to be further discussed.**

**CARRIED 6/2**

**201112/470 Council Decision****Moved: Cr A A Carter****Seconded: Cr M Dziombak****That Council resume Standing Orders.*****CARRIED 8/0*****201112/471 Council Decision****Moved: Cr A A Carter****Seconded: Cr G A Jacob****That Council:**

- 1) **Adopt for advertising only the following proposed 2012/13 Rates in the Dollar and minimum rates:**

Rate Category	2012/13	
	RID	Min
GRV Residential	3.4219	1,040
GRV Commercial	4.3452	1,040
GRV Industrial	3.6500	1,040
GRV Shopping Centre	7.3000	1,040
GRV Mass Accommodation	7.3000	1,070
GRV Ex Gratia	3.6500	1,040
UV Mining Improved	32.5573	1,040
UV Mining Vacant	32.5572	1,040
UV Pastoral	5.3091	1,040
UV Other	10.7880	1,040
UV Other Vacant	12.2462	1,040

- 2) **Apply to the Minister for Local Government to accept Council's proposal to impose a minimum rate for UV Mining Vacant and UV Other Vacant which will result in more that 50% of the properties in these categories being subject to minimum rates; and**
- 3) **Apply to the Minister for Local Government to accept Council's proposal to impose a Rate in the Dollar for GRV Shopping Centre, GRV Mass Accommodation, UV Mining Improved, UV Mining Vacant, UV Other, and UV Other Vacant which will result in being more than twice the lowest differential general rate imposed.**

***CARRIED 8/0***

## 201112/472 Council Decision

Moved: Cr M Dziombak

Seconded: Mayor K A Howlett

That Council:

- 1) Requests the Chief Executive Officer write to the Premier to inform him that the Town of Port Hedland:
- a) has advertised the following proposed Rates in the Dollar and minimum rates for the 2012/13 financial year:

Rate Category	2012/13		Average Indicative Increase from 2011/12 (%)
	RID	Min	
GRV Residential	3.4219	1,040	31.1%
GRV Commercial	4.3452	1,040	88.5%
GRV Industrial	3.6500	1,040	60.0%
GRV Shopping Centre	7.3000	1,040	2.1%
GRV Mass Accommodation	7.3000	1,070	16.2%
GRV Ex Gratia	3.6500	1,040	0.0% (No properties currently within this category.)
UV Mining Improved	32.5573	1,040	4.4%
UV Mining Vacant	32.5572	1,040	13.8%
UV Pastoral	5.3091	1,040	13.0%
UV Other	10.7880	1,040	4.6%
UV Other Vacant	12.2462	1,040	4.0%

- b) has not witnessed the flow of funding envisioned to better the Town's long-term financial position as part of the State Government's Resource Projects Rating Policy that applies gross rental valuations to resource projects with accommodation, recreation and administration facilities and associated buildings and maintenance workshops within 100m of these facilities; and
- c) requests the State Government review the blanket exemptions granted to port authorities and similar exemptions which diminish Council's ability to diversify its revenue stream by levying rates on all land occupied within its boundaries.

*CARRIED 8/0*

**201112/473 Council Decision****Moved: Cr D W Hooper****Seconded: Cr J E Hunt**

**That Council applies to the Minister for Local Government for approval of a dispensation of -25% to the Rate in the Dollar for GRV Residential which will result in a rate being levied on these parcels of land which is at a discount.**

***CARRIED 8/0***

*NOTE: Cr D W Hooper, with the support of Cr J E Hunt, asked for Council's support in writing to the Minister for Local Government for approval of a dispensation of -25% to the Rate in the Dollar for GRV Residential (before the dispensation of -20% was applied to the Rate in the Dollar for all other rate categories), thus resulting in rates for GRV Residential being levied at a discount. The GRV Residential figure for the RID cell in Resolution 201112/471 has been amended to this effect.*



local government  
**ECONOMIC BRIEFING**

**INFLATION**

JANUARY 2012

The Consumer Price Index, Perth grew 2.8% in the year ending September 2011, which was broadly in line with the rate over the previous four quarters. Consumer prices are forecast to increase at a similar rate through the remainder of 2011/12 reflecting further wages growth and reasonably strong economic expansion in the State. This is offset by subdued conditions in the housing sector and some food prices returning to more normal levels following the natural disasters of last summer.

It is estimated that the CPI will increase 3.5% through 2012/13, including the estimated 0.7% increase associated with the introduction of the Carbon Tax in July 2012. The majority of this increase will be seen in the first two quarters of 2012/13. It is then anticipated that consumer inflation will ease to 3.25% through June 2014 as the impact of the Carbon Tax works through.

This situation has reversed in the past year, with the CPI for Perth being below the national average. This result is strongly influenced by the price of housing, which has fallen over the past year. Forecasts from the State Treasury and Reserve Bank suggest that the next few years will see a return to the historical relationship, with consumer inflation in Western Australia higher than the national average driven by growth in economic activity, wages and population.

**WAGES**

During the so called "global financial crisis" wage costs in the public sector increased more rapidly than in the private sector. This situation has turned around in the past four quarters, with private sector wage growth again exceeding that in the public sector. More recent data on Average Weekly Earnings suggests that this trend continued through to the end of 2011.



Figure 1 Consumer Price Index, Perth  
Source: ABS Cat No 6401.0 Consumer Price Index, Aust. Sep 2011

For most of the past eight years the rate of consumer inflation in Western Australia has been considerably higher than the national average, and at times has been more than 1% per annum higher. As the Reserve Bank can only set a single target cash interest rate, this has meant that at times fiscal policy consistent with national targets have been out of step with those ideal for Western Australia.



Figure 3 Wage Price Index by sector for Western Australia  
Source: ABS Cat No 6345.0 Labour Price Index, Aust. Sept 2011

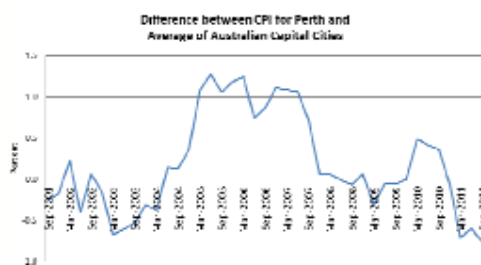


Figure 2: Difference between Perth CPI and the national average.  
Source: ABS Cat No 6401.0 Consumer Price Index, Aust. Sep 2011

The unemployment rate in WA has averaged 4.2% for 2011/12 to date. Although this is slightly below the average rate of 4.4% in 2010/11, it is anticipated by State Treasury that the unemployment rate will increase to average 4.5% over 2011/12. Unemployment is expected to remain below this level into the future, reflecting growth in economic activity and moderate growth in labour supply despite an increase in the participation rate of those aged 15 – 64 years.

The Wage Price Index is expected to increase 4.25% in 2011/12, following 3.8% growth in 2010/11. The index is anticipated to increase 4.5% in 2012/13 as tight labour market conditions continue.





Figure 4 Wage Price Index for Western Australia  
Source: ABS Cat No 6345.0 Labour Price Index, Aust. Sep 2011

**ROAD AND BRIDGE CONSTRUCTION COSTS**

Road construction costs have increased more strongly than the costs of other building activities since 2009 as on-going Federal, State and Local Government funded work underpins activity in the sector. The steady increase in fuel prices has, and is expected to continue to exert pressure on road construction costs. Diesel prices increased 10 – 12% across different regions in WA during the past year with increases in international prices being only partly offset by a strengthening Australian dollar.



Figure 5 Road and Bridge Construction Cost Index.  
Source: ABS Cat No 6427.0 Producer Price Indexes, Aust. Sep 2011  
It is forecast that road construction costs will increase from the current 3% per year to 3.5% in the year ending June 2012, and 4.5% in the year to June 2013.

**NON-RESIDENTIAL CONSTRUCTION COSTS**

Despite continued inflow of capital investment in the resources sector, the broader construction sector remains in a "holding pattern". The value of non-residential construction work done fell 7% in the first half of 2011, compared with the same period in 2010. Federal Government funded stimulus work has generally been completed although the State Government is continuing to drive a significant capital works program, heavily weighted toward the health and justice sectors. Education sector projects also remained strong, growing 16.5% year on year. It is difficult to estimate the impact of the Carbon Tax on construction costs as it remains unclear as to the extent to which major energy producers will be sheltered by rebates or be able to pass on costs down the supply chain. Early

estimates suggest that the overall impact on costs will be 1 – 2%<sup>1</sup>. Labour costs, material pricing and tender pricing currently remains relatively flat. It is projected that the non-residential construction cost index will increase marginally in the year ending June 2012 (0.5%) and then increase 3.5% in the year to June 2013.

**LOCAL GOVERNMENT COST INDEX**

The Local Government Cost Index increased 2.2% in the year ending September 2011. Data for the December quarter is due to be published at the end of February. Based on the analysis set out above, the Local Government Cost Index is forecast to increase 3.2% in the year to June 2012 and 4.0% in the year to June 2013.



The parameters underpinning this forecast are summarised in the table below.

	Forecast Increase in Year ending June (%)	
	2012	2013
Wages and Salaries	4.25	4.5
Road and Bridge Construction	3.5	4.5
Non-residential Building	0.5	3.5
Consumer Prices	2.75	3.5
Machinery and Equipment	1.5	1.5
Electricity and Street Lighting	18.0	12.0
<b>Local Government Costs</b>	<b>3.2</b>	<b>4.0</b>

Cost increases faced by Local Governments for electricity and street lighting remain subject to Government policy and difficult to anticipate. The estimates included are based on potential electricity distribution price increases to be provided under the Western Power access arrangement due to take effect from July 2012.

For further information or to comment please contact Ian Duncan on 9213 2031 or email [jduncan@walga.asn.au](mailto:jduncan@walga.asn.au). Current and previous editions of Economic Briefing are available at [www.walga.asn.au/news-publications/publications/economic\\_briefing/](http://www.walga.asn.au/news-publications/publications/economic_briefing/)

<sup>1</sup> Rider Levitt Bucknall 2011 International Report p1. Accessed at [www.rlb.com](http://www.rlb.com)

**11.4.1.2 Financial Reports to Council for Period Ended 30 April 2012 (File Nos: FIN-008, FIN-014 and RAT-009)**

**Officer** Lorraine Muzambwa  
Finance Officer

**Date of Report** 30 April 2012

**Disclosure of Interest by Officer** Nil

**Summary**

The objective of this item is to present a summary of the financial activities of the Town to 30 April 2012, and to compare this with that budgeted for the period. With regard to the Town's Utility and Fuel Costs, a comparison is made with 2010/11.

**Background****1. Financial Statements**

Presented (see attachments) in this report for the financial period ended 30 April 2012, are the:

- Statements of Financial Activity – see Schedules 2 to 14;
- Notes (1 to 10) to and forming part of the Statements of Financial Activity for the period ending 30 April 2012;
- Review of Transaction Activity.

Note: Interest Rates for investments are selected from those provided from the following financial institutions: National Australia Bank, BankWest, Commonwealth Bank, AMP, Westpac Bank, Big Sky, Citigroup and the Australian and New Zealand Bank.

**2. Utility and Fuel Costs**

Presented in graph form (see attached), is the 2011/12 monthly water, power and fuel costs compared with 2010/11.

**3. Schedule of Accounts Paid**

The Schedule of Accounts paid (see attachment) under delegated authority as summarised below, and which is submitted to Council on 23<sup>rd</sup> May, 2012 for receipt, has been checked and is fully supported by vouchers and invoices which have been duly certified as to the receipt of goods and rendition of services, and verification of prices, computations and costs.

Voucher No's		Value \$	Pages		Fund No	Fund Name	Description
From	To		Frm	To			
NMF010312	NMF010312	\$569.14	1	1	1	Municipal Fund	Photocopier lease
NMF010312	NMF010312	\$1,244.32	1	1	1	Municipal Fund	Photocopier lease
NMF060312	NMF060312	\$284.57	108	108	1	Municipal Fund	Photocopier lease
CHQ21162	CHQ21168		1	2	1	Municipal Fund	
CHQ21169	CHQ21169		-	-	1	Municipal Fund	
CHQ21170	CHQ21202		2	6	1	Municipal Fund	
CHQ21203	CHQ21203		-	-	1	Municipal Fund	
CHQ21204	CHQ21238	\$403,578.92	6	12	1	Municipal Fund	Photocopier lease- Eng dept
EFT38842	EFT39411	\$5,880,255.87	12	108	1	Municipal Fund	Caltex Direct debit
CMS070312	CMS070312	\$192.39	108	108	1	Municipal Fund	
CAL140312	CAL140312	\$4,938.11	108	108	1	Municipal Fund	
							Woolworths direct debit
PAY060312	PAY060312	\$378,515.95	108	108	1	Municipal Fund	Woolworths direct debit
PAY200312	PAY200312	\$384,154.11	108	108	1	Municipal Fund	
							Monthly payment for equipment
WOW160312	WOW160312	\$1,005.22	108	108	1	Municipal Fund	Monthly payment for equipment
	<b>Municipal Total</b>	<b>\$7,054,738.6</b>					
3002221	3002227	\$149,293.67	109	109	3	Trust Fund	
	<b>Trust Total</b>	<b>\$149,293.67</b>					
	Sub-Total	\$7,204,032.27					
LESS: one-off pays		-					
	<b>Total</b>	<b>\$7,204,032.27</b>					

## Consultation

Nil

## Statutory Implications

### *Financial Statements*

Regulation 34 of the Local Government (Financial Management Regulations), states as follows:

*“34. Financial activity statement report - s. 6.4*

- (1) A local government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail:*
  - (a) annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);*
  - (b) budget estimates to the end of the month to which the statement relates;*
  - (c) actual amounts of expenditure, revenue and income to the*

- end of the month to which the statement relates;*
- (d) material variances between the comparable amounts referred to in paragraphs (b) and (c); and*
  - (e) the net current assets at the end of the month to which the statement relates.*
- (2) Each statement of financial activity is to be accompanied by documents containing:*
- (a) an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;*
  - (b) an explanation of each of the material variances referred to in subregulation (1)(d); and*
  - (c) such other supporting information as is considered relevant by the local government.*
- (3) The information in a statement of financial activity may be shown:*
- (a) according to nature and type classification;*
  - (b) by program; or*
  - (c) by business unit.*
- (4) A statement of financial activity, and the accompanying documents referred to in subregulation (2), are to be:*
- (a) presented to the council:*
    - (i) at the next ordinary meeting of the council following the end of the month to which the statement relates; or*
    - (ii) if the statement is not prepared in time to present it to the meeting referred to in subparagraph (i), to the next ordinary meeting of the council after that meeting; and*
  - (b) recorded in the minutes of the meeting at which it is presented.*
- (5) Each financial year, a local government is to adopt a percentage or value, calculated in accordance with AAS 5, to be used in statements of financial activity for reporting material variances.*

*In this regulation:*

*“committed assets” means revenue unspent but set aside under the annual budget for a specific purpose;*

*“restricted assets” has the same meaning as in AAS 27.*

*Section 6.12 of the Local Government Act 1995 (Power to defer, grant discounts, waive or write off debts) states:*

- “(1) Subject to subsection (2) and any other written law, a local government may –*
- (a) when adopting the annual budget, grant\* a discount or other incentive for the early payment of any amount of money;*
  - (b) waive or grant concessions in relation to any amount of money; or*
  - (c) write off any amount of money, which is owed to the local government.*
- (2) Subsection (1)(a) and (b) do not apply to an amount of money owing in respect of rates and service charges.”*

## Policy Implications

2/003 Financial Statements – Copies for Councillors

Apart from the financial reports presented to Council as required by way of legislation, the following reports will be presented to Council:

### *Monthly*

- Bank Reconciliation of the Municipal, Reserve and Trust Fund;
- +90 day outstanding Sundry Debtors Report;
- List of Accounts paid under Delegated Authority;
- Register of Investments;
- Rate Summary Trial Balance;
- Reserve Account Balances.

### *Quarterly*

- Quarterly Budget Review;
- Report on all Budgeted Grants of \$50,000 or more;
- Irregular Financial reports will be presented to Council on request.

## Strategic Planning Implications

Key Results Area 5: Environment  
Goal 2: Natural Resources  
Strategy 1: Continue to monitor and report on the level of Council's energy, fuel and water use.

## Budget Implications

At the Special Meeting held on 7 July 2010, Council resolved to adopt item 6.1.1.1 '2010/2011 Budget Adoption' en block, which included Recommendation 13 as follows:

### *"Recommendation 13*

*That Council adopts the following percentage or dollar value for determining and reporting material variances as follows:*

1. *10% of the Function amended budget; or*
2. *\$100,000 of the Function amended budget whichever is the lesser, for the following categories of revenue and expenditure:*
  - a. *Operating Revenue*
  - b. *Operating Expenditure*
  - c. *Non-Operating Revenue*
  - d. *Non-Operating Expenditure"*

**Officer's Comment**

For the purpose of explaining Material Variance (Expense/Revenue Up or Down, and see attachment Schedule 2) a three-part approach was taken:

*Period Variation*

Relates specifically to the value of Variance between the Budget and Actual figures for the period of the report.

*Primary Reason*

Identifies the primary reasons for the period Variance. As the report is aimed at the higher level analysis, minor contributing factors are not reported.

*Budget Impact*

Forecasts the likely \$ impact on the Amended Annual Budget position. It is important to note that figures in this part are 'indicative only' at the time of reporting, and that circumstances may subsequently change.

**Attachments**

1. Monthly Statement of Business Activity  
(Attached under separate cover)
  - 1.1 Page 2–4.  
Schedule 2 being a Statement of Financial Activity
  - 1.2 Pages 5 to 16.  
Notes 3 to 11 which form part of the Statements of Financial Activity. Also Note 10– April 2012 Bank Reconciliations.
  - 1.3 Pages 17 to 66.  
Detailed Financial Activity by Program.
  - 1.4 Pages 67 to 69.  
Comparison Between 2011/12:2010/11 Utility & Fuel Costs
2. April 2012 Accounts for Payment  
(Attached under separate cover)

**201112/473 Officer's Recommendation / Council Decision****Moved: Cr A A Carter****Seconded: Cr M Dziombak****That Council notes the:**

- i)
  - a) **Statements of Financial Activity (represented by Schedules 3 to 14);**

- b) **Notes (1 to 11) to and forming part of the Statements of Financial Activity for the period ending 31 March 2012; and**
- c) **Review of Transaction Activity, as attached and/or presented be received;**
- ii) **Graphic representation of the Town's energy, water and fuel use as attached be received; and**
- iii) **List of Accounts paid during March 2012 under Delegated Authority, as presented and/or attached be received.**

***CARRIED 8/0***

**11.4.2 Governance and Administration**

Nil



## ITEM 12 LATE ITEMS AS PERMITTED BY CHAIRPERSON/COUNCIL

**12.1 Appointment of Auditor (File No.: .../...)**

**Officer** Jodie McMahon  
Manager Financial Services

**Date of Report** 15 May 2012

**Disclosure of Interest by Officer** Nil

**Summary**

For Council to approve the appointment of Grant Thornton as the Town's auditors for a term of 3 years as recommended by the Audit and Finance Committee.

**Background**

In accordance with section 7.2 of the *Local Government Act 1995*, the accounts and annual financial report of a local government for each financial year are required to be audited by an auditor appointed by the local government.

At Council's Ordinary Meeting held on the 11 May 2011 Council requested the Town to undertake a tender process to appoint an Auditor for a 3 year period from 2011/12 to 2013/14.

*"201011/377 Audit and Finance Committee Recommendation / Council Decision*

*Moved: Cr A A Carter*

*Seconded: Cr M Dziombak*

*That Council:*

- 1. Notes the recommendations from the Audit and Finance Committee at its meeting held on 11 May 2011; and*
- 2. Approves the appointment of UHY Haines Norton as the Town of Port Hedland's Auditors for the 2010/11 financial year; and*
- 3. Requests the Chief Executive Officer to undertake a tender process to appoint an Auditor for a 3 year period from 2011/12 to 2013/14.*

**CARRIED BY ABSOLUTE MAJORITY 7/0**

*REASON: Council believes the Chief Executive Officer should undertake a tender process to appoint an Auditor for a 3 year period from 2011/2012 to 2013/14.*

At the Ordinary Council Meeting held on the 14 March Council revoked the above Council decision and requested that the Chief Executive Officer undertake a quoting process utilising the WALGA preferred supplier panel.

*201112/374 Council Decision*

*Moved: Cr A A Carter*

*Seconded: Cr D W Hooper*

*That Council agrees to consider Officer's Recommendations 1 to 3 of Agenda Item 11.4.1.2 'Process to Appoint the Town's Auditor' together.*

*Officer's Recommendation 1*

*That Council notes the recommendations from the Audit and Finance Committee at its meeting held on 22 February 2012.*

*RECOMMENDATIONS 1-3 CARRIED TOGETHER BY  
SIMPLE MAJORITY 7/0*

*Officer's Recommendation 2*

*That Council revokes point 3 of Council Decision 201011/377 Audit and Finance Committee Recommendation/Council Decision from 11 May 2011 recorded on page 104 of those minutes:*

*"Request the Chief Executive Officer to undertake a tender process to appoint an Auditor for 3 year period from 2011/12 to 2013/14"*

*RECOMMENDATIONS 1-3 CARRIED TOGETHER BY  
ABSOLUTE MAJORITY 7/0*

*Officer's Recommendation 3*

*That Council:*

- 1. Request the Chief Executive Officer to undertake a quoting process utilising the WALGA preferred supplier panel to appoint an Auditor for a period of 3 years from 2011/12 to 2013/14.*
- 2. Note that after the quotes are received, a further report will be provided from the Audit and Finance Committee to Council to recommend appointment of the preferred company.*

*RECOMMENDATIONS 1-3 CARRIED TOGETHER BY  
SIMPLE MAJORITY 7/0*

Officers have sought quotations from all Audit Companies on the WALGA preferred panel as recommended by Council. Those who responded are being presented to Council for consideration.

At the 23 May 2011 Audit and Finance Committee meeting the Audit and Finance Committee approved the officer's recommendation as follows:

*That the Audit and Finance Committee:*

*Recommend to Council that it appoints Grant Thornton as the Town's auditors for a 3 year term commencing from financial year ending 30 June 2012.*

This report is now being presented to Council for consideration.

### **Consultation**

- Western Australian Local Government Association

### **Statutory Implications**

Local Government Act 1995

*Division 2 — Appointment of auditors*

#### *7.2. Audit*

*The accounts and annual financial report of a local government for each financial year are required to be audited by an auditor appointed by the local government.*

#### *7.3. Appointment of auditors*

*(1) A local government is to, from time to time whenever such an appointment is necessary or expedient, appoint\* a person, on the recommendation of the audit committee, to be its auditor.*

*\* Absolute majority required.*

*(2) The local government may appoint one or more persons as its auditor.*

*(3) The local government's auditor is to be a person who is —*

- (a) a registered company auditor; or*
- (b) an approved auditor.*

*[Section 7.3 amended by No. 49 of 2004 s. 6.]*

### 7.6. Term of office of auditor

(1) *The appointment of a local government's auditor is to have effect in respect of the audit of the accounts and annual financial report of the local government for a term of not more than 5 financial years, but an auditor is eligible for re-appointment.*

### Policy Implications

Nil

### Strategic Planning Implications

Nil

### Budget Implications

If Council are to adopt the recommendations of the Audit and Finance Committee for the audit services for a 3 year period, Council will be require to commit the following budgets;

Costs	Grant Thornton
Audit 2011/12	
Annual Audit Services	\$ 20,000.00
Disbursements	cost
Audit 2012/13	
Annual Audit Services	\$ 21,500.00
Disbursements	cost
Audit 2013/14	
Annual Audit Services	\$ 23,500.00
Disbursements	cost
Financial Management Review	
Financial Management Review	\$ 8,000.00
Disbursements	cost

These amounts will be sourced through annual budget process with the Financial Management Review being sourced through the 2012/13 budget.

**Officer's Comment**

Invitations were sent to all Audit Companies on the WALGA preferred panel seeking quotation of audit services for the Town over a 3 year period commencing for the financial year ending 30 June 2012. Audit Companies were also requested to quote for to provision of completing the Town Financial Management Review as per the *Local Government Act 1995* and the *Local Government (Financial Management) Regulations 1996* for the Town by June 2012.

Of the 7 companies on the WALGA preferred supplier panel 3 companies responded. Responses were received from:

- UHY Haines Norton;
- AMD Chartered Accountants; and
- Grant Thornton.

The below table indicates pricing and hours appointed for the term of the 3 years.

Costs	AMD Chartered Accountants	Grant Thornton	UHY Haines Norton
Audit 2011/12			
Annual Audit Services	\$ 18,800.00	\$ 20,000.00	\$ 25,000.00
Disbursements	cost	cost	cost
Hours Allocated	116.00	160.00	131.00
Audit 2012/13			
Annual Audit Services	\$ 18,880.00	\$ 21,500.00	\$ 26,000.00
Disbursements	cost	cost	cost
Hours Allocated	116.00	160.00	131.00
Audit 2013/14			
Annual Audit Services	\$ 19,600.00	\$ 23,500.00	\$ 27,000.00
Disbursements	cost	cost	cost
Hours Allocated	116.00	160.00	131.00
Financial Management Review			
Financial Management Review	\$ 7,800.00	\$ 8,000.00	\$ 8,000.00
Disbursements	costs	cost	cost
Hours Allocated	38.00	60.00	35.00

*AMD Chartered Accountants*

AMD Chartered Accountants are one of the South West's largest accounting and business services.

AMD Chartered Accountants currently complete audit services for local governments such as City of Busselton, Shire of Harvey and Shire of Pingelly to name a few.

AMD Chartered Accountants are able to provide assistance or advice in relation to Accounting Standards and the preparation of the Annual Report. They will communication significant developments and changes where required in regards to developments for changes to accounting and legislative requirements that impact the financial systems, procedures and reports of the Town.

Other services offered by AMD Chartered Accountants are:

- Audit and assurance;
- Business development services;
- Company secretarial services;
- Financial feasibility studies and project analysis;
- Financial management systems;
- Human resource planning and assistance;
- Industry restructure and industry development support;
- IT and account systems support;
- Marketing planning and practical assistance;
- Proactive accounting;
- Specialist taxation, individual and small business taxation;
- Strategic business planning; and
- Superannuation fund administration.

The hourly rate for services required outside the audit services quoted are:

	Hourly Rate
Partner	\$340
Associate	\$300
Supervisor	\$180
Senior	\$160
Auditor	\$130
Assistant Auditor	120
Secretary	\$80

*Grant Thornton*

Grant Thornton are one of the oldest established firms of accountants in Western Australia and is one of the largest in Australia and the fifth largest internationally.

Grant Thornton currently complete audit services for Local Governments such as, City of Perth, City of Wanneroo, Western Australian local Government Association (WALGA), City of Nedlands and the Shire of Roebourne to name a few.

Grant Thornton has advised that would comply with the Town's audit timetable. They have also noted that their senior staff are available at any time of the year to discuss matters of concern attracting no additional charges.

Other services offered by Grant Thornton are:

- Probity Audits;
- Taxation and Business Services – GDT and FBT;
- Business Recovery and Insolvency Services;
- Property Services – Feasibility Studies;
- Information Systems Reviews;
- Management Reviews;
- Preparation of Business plans; and
- Risk Management Reviews.

Their hourly rate for services required outside of the audit services quoted are:

	Hourly Rate
Partner	\$300
Manager	\$200
In Charge	\$160
Staff	\$100

#### *UHY Haines Norton*

UHY Haines Norton have been the Town's auditors for the last 10 years. They have been providing audit and consultant services to local governments since 1993. They are the largest auditor of local governments within Western Australia.

UHY Haines Norton currently complete audit services for local governments such as, Town of Claremont, City of Kalgoorlie-Boulder, City of Subiaco and City of Rockingham to name a few.

UHY are currently WALGA's contract provider for tax services. They conduct annual workshops for local governments within Western Australia covering Annual Financial Reports, Budgets, accounting standards, infrastructure assets, cash flow statements, ratio analysis, sustainability and various other accounting issues. These services are available to all Local Governments across Western Australia through the Western Australian Local Government Association.

Other services offered by UHY Haines Norton are:

- External and Internal Audits;
- Accounting Advice and Assistance;
- IT Solutions;
- Income Tax Preparation and Planning Advice;
- Tax Consulting – Business Advice;
- GST and FBT advice;
- Systems Review and Implementation;
- Strategic Planning;
- Budgeting Planning;
- Succession Planning;
- Budgeting and Cash Flow Analysis;
- Management Consulting; and
- Financial Management and Organisational Planning.

Their hourly rate for services outside the audit services quoted are:

	<b>Hourly Rate</b>
Partner	\$440-\$550
Manager	\$275
Senior	\$200
Intermediate	\$160
Graduate	\$120

Officers are recommending that the Audit and Finance Committee accept the quotation received from Grant Thornton. Officers believe that while they appear to not be the lowest quotation received on a lump sum basis on an average hourly basis they are the lowest.

	<b>Hourly Rate</b>
AMD Chartered Accountants	\$162
Grant Thornton	\$125
UHY Haines Norton	\$190

Grant Thornton have allocated more hours to the provision of audit services to the Town and Officers feel that these hours allocated are more reflective of the hours required to carry out the audit services and financial management review for the Town of Port Hedland.

Should the Town also require additional services outside of the quotation received Grant Thornton's hourly rate for these services are the lowest of the quotations received.



While AMD Chartered Accountants are the lowest quotation received officers believe that Grant Thornton have more extensive knowledge and understanding of local government legislation appropriate to the Town of Port Hedland as they are currently providing external audit services to large metropolitan and regional councils whilst also being a lower quotation received than UHY Haines Norton. Local Governments that Grant Thornton are currently providing audit services include; the City of Perth, City of Stirling, City of Albany, Shire of Roebourne and the City of Joondalup.

**Attachments**

Nil

**201112/474 Officer's Recommendation / Council Decision**

**Moved: Cr A A Carter**

**Seconded: Cr G A Jacob**

**That Council:**

- 1. Notes the recommendations from the Audit and Finance Committee at its meeting held on 23 May 2012; and**
- 2. Approves the appointment of Grant Thornton as the Town of Port Hedland's Auditors for a term of 3 years commencing financial year ending 30 June 2012.**

***CARRIED BY ABSOLUTE MAJORITY 8/0***

**12.2**      ***Request for Proposal – Feasibility Study for Caravan Park/Backpackers Accommodation in Port Hedland (File No.: 08/03/0003)***

<b>Officer</b>	<b>Eber Butron Director Planning &amp; Development</b>
<b>Date of Report</b>	<b>21 May 2012</b>
<b>Disclosure of Interest by Officer</b>	<b>Nil</b>

**Summary**

The purpose of this report is to provide a summary of submissions received for the Request for Proposal for the preparation of a feasibility study for Caravan Park/Backpackers Accommodation in Port Hedland.

It is recommended to engage AEC to undertake the project.

**Background**

Submissions were sought from consultants to prepare a feasibility study for Caravan Park/Backpacker Accommodation. The study will include:

1. Caravan Parks/Backpacker short stay accommodation analysis
2. Tourism Value
3. Stakeholder Consultation
4. Development of an Implementation Plan
5. Concept design and associated works.

**Consultation**

The request for proposal was publicly advertised seeking submissions from suitably qualified consultants. Six (6) submissions were received.

Assessment of the submissions was undertaken internally between officers in the Economic Development and Strategy section the Community Services section.

**Statutory Implications**

This Request for Proposal was called in accordance to the Local Government Act (1995) provisions.

**Policy Implications**

This Request for Proposal was called in accordance with Council's Procurement Policy 2/007.

### Strategic Planning Implications

The feasibility study will address several elements of Council's Strategic Plan. The predominant strategy is:

Key Result Area 3: Economic and Development  
 Goal 3: Tourism  
 Immediate Priority 2: Ensure that new Caravan Park/Backpackers facilities are developed within the Town.

### Budget Implications

An amount of \$500,000 is included in the 2011/12 budget as a Partnership Project with BHP and allocated toward the feasibility study.

### Officer's Comment

Tender Submissions were received from six companies:

1. Brighthouse
2. Dickson Wohlsen
3. AEC Group
4. MacroPlan Dimasi
5. Quattro
6. Evolve Solutions.

Table 1 shows the lump sum fee offered by each submission:

Table 1:

Submission	Lump Sum Fee (Inc. GST)
Brighthouse	\$43,230.00
Dickson Wohlsen	\$75,201.50
AEC Group	\$73,266.00
MacroPlan Dimasi	\$153,012.00
Quattro	\$176,512.00
Evolve Solutions	\$136,873.00

Table 2 below shows Assessment Criteria and weightings approval.

Table 2:

Assessment Criteria	Max Score
Relevant Experience	30
Key Personnel Skills and Experience	20
Respondents Resources	10
Demonstrated Understanding/Methodology	30
Local Industry Development	10
Max Score	100

Comparison of each of the assessment criteria for the tender submissions received is summarised in Table 3.

Table 3:

Submission/ Assessment Criteria	Relevant Experience (30%)	Key Personnel Skills and Experience (20%)	Tenderer's Resources (10%)	Demonstrated Understanding/Met hodology	Local Industry Dev. (10%)	Total Score (100%)
	Score	Score	Score	Score	Score	
Bighthouse	25.5	15	6.5	22.5	1	70.5
Dickson Wohlsen	18	15.5	3	15	4	55.5
AEC Group	28.5	18	5.5	24	0	76
MacroPlan	22.5	11	6	18	1	58.5
Quattro	18	14	4.5	16.5	0	53
Evolve Solutions	25.5	15	7	22.5	2.5	72.5

### Summary

All consultants presented submissions demonstrating an ability to undertake the project successfully.

At the conclusion of the assessment of each submission for the project AEC scored the highest in accordance with the selection criteria. As an optioned item AEC have offered its in-house design, marketing and advertising division to add value to the project by improving its presentation and design to assist marketing. The cost of this is \$5,500 inc. GST. Council officers recommend approving this additional scope of work for the project.

It is recommended that Request for Proposal be awarded to AEC for the amount of \$78,766.00 (Lump Sum and design option).

### Attachments

Nil

**201112/475 Officer's Recommendation / Council Decision**

**Moved: Cr A A Carter**

**Seconded: Cr G A Jacob**

**That Council awards Request for Proposal for the Caravan Park/Backpackers Accommodation in Port Hedland to the AEC Group for the amount of \$78,766.00 (inclusive of GST).**

***CARRIED 8/0***

**12.3 Esplanade Hotel Car Parking**

*NOTE: Section 5.23 of the Local Government Act 1995 states:*

*“(1) Subject to subsection (2), the following are to be open to members of the public —*

*(a) all council meetings; and*

*(b) all meetings of any committee to which a local government power or duty has been delegated.*

*(2) If a meeting is being held by a council or by a committee referred to in subsection (1)(b), the council or committee may close to members of the public the meeting, or part of the meeting, if the meeting or the part of the meeting deals with any of the following —*

*(f) a matter that if disclosed, could be reasonably expected to —*

*(i) impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law;*

**201112/476 Council Decision****Moved: Cr A A Carter****Seconded: Cr G A Jacob**

**That the meeting be closed to members of the public as prescribed in Section 5.23 (2)(f)(i) of the Local Government Act 1995, to enable Council to consider the following Item:**

**12.3 Esplanade Hotel Car Parking*****CARRIED 8/0*****201112/477 Council Decision****Moved: Cr S R Martin****Seconded: Cr A A Carter****That Council:**

**(A) Subject to (C) below, authorises the Council’s solicitors to execute a Minute of Consent Orders in SAT Matter DR 135 of 2012, to the following effect:**

- 1. The Town of Port Hedland consents to the Applicant commencing the review out of time against conditions of the Council’s approval of 25 February 2009 for the redevelopment of the Esplanade Hotel (Approval).**
- 2. Conditions 2(f), 2(g), 2(i) and 2(j) and footnote 2 of the Approval are set aside and replaced with the following conditions:**

- (a) The number of car parking bays required for the development is 120.
- (b) Subject to (c) below, all of the car parking bays shown in Plan Shawmac Concept Parking dated 21/05/2012 (a total of 166) car parking bays are to be constructed in accordance with that plan and to a standard satisfactory to the Manager Technical Services. The construction of the car parking bays shall include all associated works including road surface drainage, kerbing, line marking, landscaping, lighting, signage, wheel stops, access ramps, stairs, pedestrian crossings and traffic control treatments at the applicants cost.
- (c) A feature survey and a detailed engineering plan are to be prepared by the applicant and submitted to the Manager of Technical Services for approval in order to confirm that all of the bays proposed in the Concept Parking Plan dated 21/05/2012 can be constructed to an acceptable standard.
- (d) It shall be the responsibility of the owner of the Esplanade Hotel to maintain the car parking bays within the site during the continuation of the development.
- (e) The Applicant shall pay to the Town \$174,339 prior to any part of the development being occupied, representing a cash payment of \$58,113 per bay in lieu of providing 3 car parking bays subject to item (b) above. The number of car parking bays for which a cash-in-lieu payment is required may vary subject to the final detailed engineering car parking plan approved by the Manager of Technical Services.
- (f) With the exception of those bays within Lot 9000 at the corner of Wedge Street and The Esplanade, all bays and all associated works identified in item (b) above should be constructed in accordance with these conditions prior to any part of the development being occupied.

- (g) The bays within Lot 9000 shown on Plan Shawmac Concept Parking dated 21/05/2012 shall be constructed in accordance with these conditions within 6 months after any part of this development is first occupied. In order to secure compliance with this requirement the Applicant must pay a cash bond of an amount to be determined by the Manager of Technical Services to the Town prior to any part of the development being occupied. If the bays within Lot 9000 are not fully constructed in accordance with these conditions the Town may draw on the bond in order to carry out any work it considers necessary, without prior reference to the Applicant. Upon the bays within Lot 9000 being constructed in accordance with these conditions the Town shall return the bond or that part of it which remains to the Applicant.
- (h) In order to ensure that the parking demand generated by the development does not exceed the number of bays upon which this approval is based, no room in the hotel may contain more than 1 bed, nor may any room be divided and separately occupied on a 'twin-key' or similar basis.
- (i) Prior to any part of the development being occupied the Land Owner/Developer shall submit a detailed management plan which demonstrates the function and operation of the 110 rooms for approval by the Manager Planning Services.
- (B) For the removal of doubt and subject to any adjustment needed as a result of the final detailed engineering plan, the Council acknowledges that for the purpose of the Approval the Applicant has been credited as providing 117 bays, namely:
- 16 on the Esplanade Hotel Site
  - 25 on Lot 9000
  - 25 on the Esplanade (southwest section)
  - 15 on the Esplanade (south east section)
  - 27 on Anderson Street (south side – adjacent to hotel)
  - 9 on Anderson Street (north side – opposite hotel).



**(C) Delegates to the Director of Planning and Development authority to determine car parking bay numbers resulting from the outcomes of items A2(c), and A2(e) above and to make any necessary adjustments to the proposed consent orders which are consistent with the tenor of this decision.**

***CARRIED 8/0***

**201112/478 Council Decision**

**Moved: Cr A A Carter**

**Seconded: Cr S R Martin**

**That the Meeting be opened to members of the public.**

***CARRIED 8/0***

**ITEM 13 MOTIONS OF WHICH PREVIOUS NOTICE HAVE BEEN GIVEN**

Nil

**ITEM 14 CONFIDENTIAL ITEMS**

Nil

**ITEM 15 APPLICATIONS FOR LEAVE OF ABSENCE**

**201112/479 Council Decision**

**Moved: Cr G A Jacob**

**Seconded: Cr A A Carter**

**That the following leave of absence:**

- **Cr S R Martin – 24 May to 31 May 2012**
- **Cr J M Gillingham – 2 June to 7 June 2012**

**be approved.**

***CARRIED 8/0***

**ITEM 16 CLOSURE**

**16.1 Date of Next Meeting**

The next Ordinary Meeting of Council will be held on Wednesday 13 June 2012, commencing at 5.30 pm.

**16.2 Closure**

There being no further business, the Mayor declared the meeting closed at 7:43pm.

**Declaration of Confirmation of Minutes**

I certify that these Minutes were confirmed by the Council at its Ordinary Meeting of \_\_\_\_\_.

CONFIRMATION:

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
DATE