



**Town of Port Hedland**

**MINUTES**

**OF THE**

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

**HELD ON**

**WEDNESDAY 28 MARCH 2012**

**AT 5.30 PM**

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

*Paul Martin  
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 14 DECEMBER 2011.....	6
3.1.1	<i>Mr Camilo Blanco</i> .....	6
3.2	QUESTIONS FROM PUBLIC AT SPECIAL COUNCIL MEETING HELD ON MONDAY 12 MARCH 2012 .....	6
3.2.1	<i>Mr Camilo Blanco</i> .....	6
3.3	QUESTIONS FROM ELECTED MEMBERS AT SPECIAL COUNCIL MEETING HELD ON MONDAY 12 MARCH 2012 .....	8
3.4	QUESTIONS FROM PUBLIC AT ORDINARY COUNCIL MEETING HELD ON WEDNESDAY 14 MARCH 2012 .....	8
3.4.1	<i>Mr Camilo Blanco</i> .....	8
3.4.2	<i>Mr Chris Whalley</i> .....	10
3.4.3	<i>Mr Kane Williamson</i> .....	11
3.5	QUESTIONS FROM ELECTED MEMBERS AT ORDINARY COUNCIL MEETING HELD ON WEDNESDAY 14 MARCH 2012 .....	12
3.5.1	<i>Councillor Jan M Gillingham</i> .....	12
<b>ITEM 4</b>	<b>PUBLIC TIME .....</b>	<b>13</b>
4.1	PUBLIC QUESTION TIME .....	13
4.1.1	<i>Mr Chris Whalley</i> .....	13
4.1.2	<i>Mr Camilo Blanco</i> .....	14
4.1.3	<i>Mr Frank Weir</i> .....	17
4.2	PUBLIC STATEMENT TIME .....	18
4.2.1	<i>Mr Camilo Blanco</i> .....	18
<b>ITEM 5</b>	<b>QUESTIONS FROM MEMBERS WITHOUT NOTICE.....</b>	<b>20</b>
5.1	<i>Councillor George J Daccache</i> .....	20
5.2	<i>Councillor Jan M Gillingham</i> .....	20
5.3	<i>Councillor Michael B Dziombak</i> .....	21
5.4	<i>Councillor Gloria A Jacob</i> .....	21
<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>22</b>
<b>ITEM 7</b>	<b>CONFIRMATION OF MINUTES OF PREVIOUS MEETING .....</b>	<b>23</b>
7.1	CONFIRMATION OF MINUTES OF SPECIAL MEETING OF COUNCIL HELD ON MONDAY 12 MARCH 2012 .....	23
7.2	CONFIRMATION OF MINUTES OF ORDINARY MEETING OF COUNCIL HELD ON WEDNESDAY 14 MARCH 2012 .....	23
<b>ITEM 8</b>	<b>ANNOUNCEMENTS BY CHAIRPERSON WITHOUT DISCUSSION .....</b>	<b>24</b>
<b>ITEM 9</b>	<b>REPORTS BY ELECTED MEMBERS WITHOUT DISCUSSION.....</b>	<b>26</b>
9.1	<i>Councillor George J Daccache</i> .....	26
9.2	<i>Councillor Arnold A Carter</i> .....	26
9.3	<i>Councillor Michael B Dziombak</i> .....	27
<b>ITEM 10</b>	<b>PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS .....</b>	<b>27</b>
<b>ITEM 11</b>	<b>REPORTS OF OFFICERS .....</b>	<b>28</b>
<b>11.1</b>	<b>PLANNING AND DEVELOPMENT SERVICES .....</b>	<b>28</b>
11.1.1	<i>Partial Reserve Closure 46659 at Lot 2957 Thomas Drive, South Hedland (File No.: 130474G) .</i> .....	28

11.1.2	<i>Proposed External Modifications – New Verandah Entry on Lot 30 (1) Wedge Street, Port Hedland (File No.: 126030G)</i> .....	33
11.1.3	<i>Proposal to Renew Lease for Noxious Operations at Lot 5857 Schillaman Street, Wedgefield (File No.: 130632G)</i> .....	45
11.1.4	<i>Implementation of Building Act 2011 (File No.: 07/04/0001)</i> .....	51
<b>11.2</b>	<b>ENGINEERING SERVICES</b> .....	<b>61</b>
11.2.1	<i>Tender 11/35 Supply of Road Rehabilitation and Stabilisation Works (File No.: 28/16/0014)</i> 61	
11.2.2	<i>South Hedland Town Centre Redevelopment – On Street Parking (File No.: 18/12/0010 &amp; 30/14/0003)</i> .....	64
11.2.3	<i>... Consideration of Business Plan for a Major Land Transaction with Auzcorp Pty Ltd (File No.: 05/05/0054)</i> .....	69
<b>11.3</b>	<b>COMMUNITY DEVELOPMENT</b> .....	<b>78</b>
11.3.1	<i>Tender 11/29 – High Profile Event in Port Hedland (File No.: 03/02/0005)</i> .....	78
11.3.2	<i>Town of Port Hedland Management of Leisure Facilities Consideration of Tender 11/34 (File No.: 03/09/0010)</i> .....	86
<b>11.4</b>	<b>CORPORATE SERVICES</b> .....	<b>107</b>
11.4.1	FINANCE AND CORPORATE SERVICES.....	107
11.4.1.1	<i>Financial Reports to Council for Period Ended 29 February 2012 (File Nos: FIN-008, FIN-014 and RAT-009)</i> .....	107
<b>ITEM 12</b>	<b>LATE ITEMS AS PERMITTED BY CHAIRPERSON/COUNCIL</b> .....	<b>113</b>
12.1	<i>South Hedland and Wedgefield Underground Power Project – Investigation of Rebate Options (File No.: .../...)</i> .....	113
12.2	<i>Proposed Restrictive Covenant Notification for the newly created Lots 327, 328 and 329, Wedgefield (File No.: 804077G)</i> .....	113
<b>ITEM 13</b>	<b>MOTIONS OF WHICH PREVIOUS NOTICE HAVE BEEN GIVEN</b> .....	<b>116</b>
<b>ITEM 14</b>	<b>CONFIDENTIAL ITEMS</b> .....	<b>116</b>
<b>ITEM 15</b>	<b>APPLICATIONS FOR LEAVE OF ABSENCE</b> .....	<b>116</b>
<b>ITEM 16</b>	<b>CLOSURE</b> .....	<b>116</b>
16.1	DATE OF NEXT MEETING.....	116
16.2	CLOSURE.....	116

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

The Mayor declared the meeting open at 5:32pm 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 George J Daccache  
Councillor Arnold A Carter  
Councillor Jan M Gillingham  
Councillor Michael (Bill) Dziombak  
Councillor Julie E Hunt  
Councillor Gloria A Jacob

Officers:

Mr Paul Martin	Chief Executive Officer
Ms Natalie Octoman	Director Corporate Services
Mr Russell Dyer	Director Engineering Services
Mr Gordon Macmile	Director Community Development
Mr Eber Butron	Director Planning and Development
Mr Ayden Férdeline	Administration Officer Governance

Public Gallery:

Members of the Public:	5
Members of the Media:	2
Members of Staff:	4

**2.2          Apologies**

Nil

**2.3          Approved Leave of Absence**

Councillor Stan R Martin  
Councillor David W Hooper

**ITEM 3      RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE****3.1            Questions from Public at Ordinary Council Meeting held on Wednesday 14 December 2011****3.1.1        *Mr Camilo Blanco***

*What about other parts [of the airport being rezoned to date]?*

Director Planning and Development advised that the scheme amendment initiated by Council applies to all land at the airport enabling land uses in accordance with the Airport Land Use Masterplan endorsed by Council.

*NOTE: Mayor K A Howlett asked Mr Blanco, who was seated in the public gallery, if he was happy with the answers provided. Mr Blanco advised that he will be reviewing these responses.*

**3.2            Questions from Public at Special Council Meeting held on Monday 12 March 2012****3.2.1        *Mr Camilo Blanco***

*On 13 January 2012 Council requested the Chief Executive Officer to undertake studies including a traffic, hydrology, stormwater, drainage and any other studies identified after discussions with State Agencies as a result of the submissions received. Tonight's vote could see construction begin so have all the studies been completed?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 12 March 2012.

*So the studies have not been completed?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 12 March 2012.

*If the studies have not been completed how can Council make informed decisions?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 12 March 2012.

*Officer's recommendation is that any other income 'being interest earned' generated from the proposal go to the Town's municipal fund so it can fund the anticipated service and facility required to develop Port Hedland into a city. Developing Port Hedland into a city is a State initiative and funded by the royalties for regions program is that correct?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 12 March 2012.

*Which departments is the Mayor referring to?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 12 March 2012.

*Then why does the Town need that money?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 12 March 2012.

*Would you agree it's a better idea to grow that money, by leaving the interest in the account, in case the development blows out in costs?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 12 March 2012.

*Determining what will occur to the land and build infrastructure at the end of the lease term is not set in concrete. When will we see this in writing?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 12 March 2012.

*In the past the town has made these types of agreements and when the document process was finalized these arrangements were left out, what guarantee can be made tonight to ensure the ownership reverts back to the town?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 12 March 2012.

*As stated on 13 January 2012 these amendments too the plan are an attempt to reduce any potential impacts of such a development to the town, how has the town planned to reduce the traffic impact on the Wedgefield area?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 12 March 2012.

*However these studies have not been presented.*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 12 March 2012.

*Has the town received funding to upgrade the road systems in the town and Wedgefield?*

Director Engineering Services advised that the Town receives funding from Regional Road Group, which is Road or Project specific. The Town also receives funding from Roads to Recovery and direct grants from Main Roads that is spent on a priority basis and can be allocated to any road that Council would like work carried out on. This is usually done through our 5 year Road Construction Program

*The policy also requires Council to ensure that if facilities are built, they will demonstrate a whole of community benefit. How will Council ensure the town's small business will be used in all aspects (aspects being construction and operational) of the proposed camp?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 12 March 2012.

### **3.3 Questions from Elected Members at Special Council Meeting held on Monday 12 March 2012**

Nil

### **3.4 Questions from Public at Ordinary Council Meeting held on Wednesday 14 March 2012**

#### **3.4.1 Mr Camilo Blanco**

*At the Ordinary Council meeting on 25 January 2012 I asked a number of questions that have not been included in the confirmed minutes; can I have a reason for that?*

Director Corporate Services advised that all of Mr Blanco's questions asked at the Ordinary Council Meeting of 25 January 2012 have been included in the confirmed Minutes for that meeting, under item 4 'Public Question Time.' If an answer was given on the night, the answer was also included in the Minutes of 25 January 2012. This is in accordance with section 11(e) of the *Local Government (Administration) Regulations 1996*. However, if a question was taken on notice on the night, the answer would then be included in the Agenda for the meeting on 8 February under Item 3 'Response to Previous Questions Taken on Notice' and noted in the Minutes of the 8 February accordingly. This is in accordance with guidelines from the Department of Local Government on how to deal with questions taken on notice.

*At the Ordinary Council meeting on 25 January 2012 I asked about questions not being presented and answered in the December agenda and tonight I am again asking why questions have not been presented and answered in the January agenda. When will I receive answers to all questions asked at each of these Council meetings?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 14 March 2012.



*Why did my statement read out in public statement time on 25 January not present in the January agenda?*

Director Corporate Services advised that the statement read out by Mr Blanco at the 25 January meeting was recorded in the Minutes of 25 January.

*According to the verbal answer I received on 25 January 2012 that Council was aware Local Government Regulations required each question and answer to be presented in the agenda, why then did the January questions not present in the February agenda?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 14 March 2012.

*I have read the unconfirmed minutes of the January Council meeting, all questions and statements were in those minutes, who authorised to delete the content?*

Director Corporate Services advised that all of Mr Blanco's questions asked and public statements made at the Ordinary Council Meeting of 25 January 2012 have been included in the confirmed minutes for that meeting. No deleted content could be identified through listening to the recording of the meeting; however, should Mr Blanco identify a specific omission then the Director Corporate Services would be happy to investigate the matter further. The recording can also be made available to Mr Blanco upon request.

*Is the Town broke?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 14 March 2012.

*What is the balance in the Town's municipal fund as of today?*

Director Corporate Services advised that the balance of the Town's municipal fund as at 14 March 2012 was \$16,276,802.84.

*Are we into overdraft?*

Director Corporate Services advised that the Town is not in overdraft.

*Three years ago the Town had a footpath program, why has that program stopped?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 14 March 2012.

*When is it starting again?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 14 March 2012.

*Three years ago the Town had a road upgrade, reseal and repair program, why has that program stopped?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 14 March 2012.

*If the program has not stopped then why are our roads in such a sad state of repair?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 14 March 2012.

*Is the town actively seeking funding to upgrade the road system?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 14 March 2012.

*Did Council authorise a compliance audit on Wedgefield at the last meeting?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 14 March 2012.

*Three years ago the Town had an intersection upgrade program in place for Wedgefield, why did that program not finish?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 14 March 2012.

*Have all roads in Wedgefield been changed to 'Network 10 without conditions'?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 14 March 2012.

*When was that change authorised?*

Director Engineering Services advised that this matter is being investigated, and a response will be made available to Mr Blanco as soon as possible.

*Is the Town responsible for the dangers it has created, by allowing 53 meters of road train to navigate the small roads of Wedgefield?*

Director Engineering Services responded in the negative.

### **3.4.2 Mr Chris Whalley**

*Mr Whalley said he called the graffiti erasers number two weeks ago but nothing has been done about his complaint as yet. In view of this, could Council do something about erasing the graffiti on the beige coloured metal back fencing facing the Shay Gap Park?*

Director Engineering Services advised that a Works Request will be sent to the Depot to address this issue.

### **3.4.3 Mr Kane Williamson**

Mr Williamson's questions refer to Item 11.1.1.1 'Proposed Partial Closure of Portions of Trumpet Way Road Reserve. (File No.: 28/01/0017) considered on 14 March 2012.

*Is Council aware that the Department of Housing has gifted an 813m<sup>2</sup>, 10m wide parcel of land that the Mosque may use as a parking area to contain a greater number of car bays (17) on their own land?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 14 March 2012.

*Is Council aware that it is only a partial road closure and the future development will introduce more residents to help with surveillance of existing community assets?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 14 March 2012.

*Is Council aware of an existing similar carpark on Limpet Crescent available for use of mosque visitors and there no plans to redevelop or close this facility?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 14 March 2012.

*Is Council aware of the proposal to provide additional on-street visitor parking to be used by all residents as part of the redevelopment?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 14 March 2012.

*Has Council been advised that the increased road connections west of Trumpet will help disburse traffic away from the locality?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 14 March 2012.

*Is Council aware not to act on this road closure, the subdivision scheme amendments already supported by Council to apply significant reconsideration and redesign and overall detriment to the project and community?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 14 March 2012.

*Was there a mistake made in the Minutes of 19 October 2011 Ordinary Council meeting in terms of the request for a development plan?*

This question was responded to at the Meeting and the answer is recorded in the Minutes of 14 March 2012.

### **3.5 Questions from Elected Members at Ordinary Council Meeting held on Wednesday 14 March 2012**

#### **3.5.1 Councillor Jan M Gillingham**

*Councillor Gillingham advised she has received a number of calls from members of the public regarding Council's advertising in the North West Telegraph. We seem to have very big spreads; can Council have a break down as to how much they cost? Is there a cheaper way to get the information out? I have done my home work and it seems that a whole page ad could cost about \$500,000 a year. We seem to be repeating the same information in the paper, this is what people are saying to me. Can we bring this back to the table so Council can look at this matter? I know that we also have letter box deliveries for the same information. Are we doubling up on information and is there a way we can put some money to produce something else, maybe via email?*

Director Corporate Services advised that this matter is being investigated, and a response will be made available to Councillor Gillingham as soon as possible.

*As we refer to the 'Code of Conduct' information all the time, could Councillors have an updated version of the document as my pages go back to 2003, 2004 and 2005?*

Director Corporate Services advised that the current version of this document has been circulated to all elected members. The Director also advised that this document is currently being reviewed and Councillors will be briefed on any modifications as soon as the revised version is available.

*NOTE: Mayor K A Howlett asked Cr J M Gillingham if she was happy with the responses provided. Cr J M Gillingham advised that she had not been provided with the requested information regarding Council's advertising spend in the North West Telegraph. She had, however, received a copy of the Code of Conduct and thanked Officers for arranging this.*

**ITEM 4 PUBLIC TIME**

5:34pm Mayor opened Public Question Time.

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

*I would like to point out that it is a lovely projector screen that the Town has installed. I can see everything now. The downside to that is that we cannot see the portrait of Queen Elizabeth II or the Coat of Arms. It is my understanding that every Shire nationwide should display the monarchy so that members of the public can see her Majesty along with the relevant Town or Shire crest.*

Chief Executive Officer advised that this projector screen has only recently been installed, and that he will instruct Officers to readjust the placement of these items so that they are easily viewable from the public gallery.

*Does Council know when the trees affected by Tropical Cyclone Heidi in South Hedland, around Forest Circle and Hamilton Road, will be either replaced or repaired?*

Director Engineering Services advised that an investigation was undertaken to determine what damage had transpired as a result of Tropical Cyclone Heidi. This investigation determined that many of the trees that were destabilized have white ants in their roots and thus must be removed, treated and then replanted pursuant to Council's policy on this matter (10/002 'Street Tree Policy').

*Does Council know when Forrest Circle will be re-opened again for traffic?*

Chief Executive Officer advised that this question will be taken on notice.

*Tomorrow there is going to be a very important meeting here. When does that meeting start and can members of the community attend?*

Mayor advised that the House of Representatives Standing Committee on Regional Australia will be in Port Hedland tomorrow holding a public hearing as part of their federal parliamentary inquiry into Fly-In, Fly-Out (FIFO) workforces. This will take place from 1:00pm to 4:00pm and members of the public are welcome to attend. At 3:15pm, the hearing will be open to the community to speak for up to three minutes.

*So only a short statement?*

Mayor advised that Mr Whalley should prepare a written statement. In the event that three minutes is not sufficient time to read his statement, he can hand over written material for later review.

**4.1.2 Mr Camilo Blanco**

*The Town has just done the biggest and best deal in it's history. We are on the road to self-sustainability, according to the Mayor and the Chief Executive Officer, so can I get a reason behind the Chief Executive Officer leaving?*

Mayor advised that this is a personnel matter and it is therefore at the discretion of the Chief Executive Officer to comment further.

Chief Executive Officer advised that this is a personal matter and that a media release has been issued today clarifying the reasons behind his resignation.

*Will a full audit be carried out immediately to identify the real financial position of our town?*

Chief Executive Officer advised that the Town has engaged KPMG to construct a 10-year Financial Plan. As part of this process, the current financial position of Council will be determined. In addition, the Town's books are independently audited every year and these results are received by the Audit and Finance Committee.

Mayor further advised that the Town is currently undertaking its quarterly budget review.

*Yes, but you are leaving, so are we going to get one done before you leave?*

Chief Executive Officer advised in the negative.

*For those not aware, the Bomag is the machine that pushes and compacts the rubbish at the landfill site. What is wrong with and how long will it take to fix the Bomag?*

Mayor advised that this question will be taken on notice.

*Can I get an approximate cost to repairing the Bomag?*

Mayor advised that this question will be taken on notice.

*What is the average weekly cost to hire the machinery in place of the Bomag at the tip?*

Mayor advised that this question will be taken on notice.

*How many working hours on the Bomag?*

Mayor advised that this question will be taken on notice.

*What is the life expectancy of this machine?*

Mayor advised that this question will be taken on notice.

*Why has this machine not been replaced yet? On Notice?*

Mayor advised in the affirmative; she will take this question on notice.

*Is there a plan in place to replace the machine?*

Mayor advised that this question will be taken on notice.

*Are you aware of the costs associated with hiring alternative machinery over the last two years while the Bomag has not been in operation?*

Mayor advised in the affirmative.

*Are you able to state the number?*

Mayor advised that this question will be taken on notice.

*Our leading hand mechanic is leaving; do we have a replacement and a reason for his departure?*

Mayor advised that it is not appropriate for her to comment on personnel matters; however, the Town will be rehiring for this position.

*On the corner of Crawford and Sutherland Street there is a development under construction. Who authorised this development?*

Chief Executive Officer advised that this question will be taken on notice.

*This development is owned by Terry Sargent. Can somebody explain why local people are finding it so hard to deal with the Planning and Building Department with their rules and regulations, but this development has been passed and obviously is not in line with our Town Planning Scheme?*

Mayor advised that this question will be taken on notice.

*Will there be an investigation into this breach of misconduct?*

Mayor advised that there has not been a breach of misconduct.

*Will there be an investigation?*

Mayor advised in the negative.

*Cyclone Heidi caused damage to the new Recreation Centre basketball courts. How much was the repair bill?*

Mayor advised that this question will be taken on notice.

*Cyclone Lua has just come through and the basketball courts went under water again. What is the cost to repair these?*

Mayor advised that this question will be taken on notice.

*Should I just give you this list of questions? Obviously you cannot answer any of my questions.*

Chief Executive Officer asked Mr Blanco to continue reading his questions.

Mayor asked Mr Blanco to be polite in regards to the Standing Orders and said she would be happy to continue listening to his questions.

*What is the cost associated with Council workers and machinery pumping water off the Recreation Centre site over the last two weeks?*

Mayor advised that this question will be taken on notice.

*Why is there no drainage at the new Recreation Centre project?*

Mayor advised that this question will be taken on notice.

*When is the drainage problem going to be rectified at the new Recreation Centre project?*

Mayor advised that this question will be taken on notice.

*Are ratepayers going to foot the bill for the construction of the drainage?*

Mayor advised that this question will be taken on notice.

*Who is constructing the car park at the new Recreation Centre?*

Chief Executive Officer advised that this question will be taken on notice.

*How much will those works cost?*

Mayor advised that this question will be taken on notice.

*Are ratepayers going to foot the bill for the construction of the car park?*

Mayor advised that this question will be taken on notice.

*Why is this not in the complete cost of the project?*

Mayor advised that this question will be taken on notice.



**4.1.3 Mr Frank Weir**

*In light of no action on the South Hedland Bowls and Tennis Club Project for the last nine months, could the Council put it out as a design and construct tender as soon as possible?*

Director Community Development clarified that a significant body of work has been undertaken by the Town over the past nine months, with the last meeting between relevant stakeholders taking place under a month ago. It has been identified that the project is approximately \$900,000 short in funding. Funding from the State is contingent upon the entire site, not just the clubhouse, being redeveloped. Discussions with the Club have indicated that they would try to identify in-kind contributions to bring down the funding gap. As of the last meeting in late February, no such in-kind contributions had been sourced.

*Essentially, what is happening here is we put forward a proposal. It goes away to some anonymous surveyor. It comes back over. We've gone and got quotes on different aspects of the carpark and a basic building. They all come in well under. For some reason we have to add 70%. I spoke to Chris Gleeson from Pilbara Constructions and he said, 'Why not just put it out to design and construct?' and whoever comes in underneath, gets the job. That's the easiest way.*

Chief Executive Officer advised that Council's procurement policy in relation to major projects requires that you have an estimate from a quantity surveyor that is within the allocated budget prior to going to tender. The Local Government Act requires this. The current scope of this project cannot be funded within the budget that is there.

*Colin Matheson Oval was constructed as part of a design and construct tender. Why can't we do that here?*

Chief Executive Officer advised that the quantity surveyor estimates have come back and have all exceeded the budget allocation. The scope of this project must therefore be reduced to bring it back within budget.

Mayor requested the Director Community Development work with Mr Weir and the South Hedland Bowls and Tennis Club to resolve this.

*So it's not going to go to design and construct?*

Mayor advised that more discussions must take place first.

*For six years this has been happening.*

Mayor advised that, in accordance with the Local Government Act, the Town is unable to proceed with the project at this time because it has a budget shortfall. The Mayor advised that she is keen to work with the Club to see the project proceed.

*So when's the next meeting?*

Chief Executive Officer advised that he will ask the Director Community Development to have a meeting with the Club within the next three weeks to see if an opportunity can be found

*We had a meeting with some members of Council in early February. They were going to go away and do all their designs and stuff. It was going to take them two days to put the contract for design in the paper. I'm still waiting for this to happen. I'm not impressed.*

Chief Executive Officer advised that he will follow-up on this matter.

5:47pm Mayor closed Public Question Time.

5:48pm Mayor opened Public Statement Time.

## **4.2 Public Statement Time**

### **4.2.1 Mr Camilo Blanco**

*The resignation of our Chief Executive Officer concerns me deeply. The media hype relating to the Precinct 3 deal. The statements the Town has advertised stating the path to self-sustainability; our town being transformed into a city.*

*This platform, if it were true, that the Town has based its prosperity on, is not going to make individuals resign their position.*

*The temporary Chief Executive Officer's position requires someone willing to carry out an audit and expose any financial or other problems that the Town faces due to the shortcomings of the current management team.*

*We have an opportunity here to steer the Town in the right direction again, but this will not happen if the person acting in the Chief Executive Officer's position hides the financial hurdles we will be facing in the next 12 months.*

*As you will be aware, the questions I ask at each Council Meeting are not nice. They rarely get answered. Does that not raise suspicions with Councillors here?*

*Did you know that financial questions asked by a Councillor must be answered on the night?*

*When the Chief Executive Officer and the Director of Finance are able to do that, it shows the team being on the ball.*

*When the questions are always taken on notice and then the answers that are given do not answer the question, but go around it, to me this means you have something to hide.*

*The replacement of major, expensive machinery can only be achieved with good financial planning and management. I have researched all the figures in the Town's finances relating to the Bomag.*

*Hire costs associated with the Bomag being out of action due to a break down and repair over the last 36 months is over \$430,000. Mechanical repairs are over \$100,000. \$530,000 of expense from a machine that is worn out.*

*We are again in the same boat. The Bomag has blown an engine, we have more hire equipment costing tens of thousands of dollars to the ratepayer per month.*

*The life expectancy of this machine is about 4,000 hours. My information is that the machine has done well over 8,000 hours.*

*Again, the Planning and Building Department is in the spotlight. I know so many local people that have nothing but trouble with these departments. Yet there are some people that can get things passed without even following the Town Planning Scheme.*

*NOTE: Mayor K A Howlett advised Mr Blanco that Council has been extremely patient with him and would not ordinarily respond to statements. However, Mayor Howlett informed Mr Blanco, when you misconstrue or state blatant misinformation, the record must be corrected.*

*Mr Blanco said he did not agree with Mayor K A Howlett's comment and informed her that he had researched this statement.*

*Mayor K A Howlett advised Mr Blanco that he has had his say and that she did not interrupt him when he was speaking.*

*Mr Blanco asked Mayor K A Howlett why she is commenting on Public Statement Time as he was not aware this was permitted under the Standing Orders.*

*Mayor K A Howlett advised Mr Blanco that his statement is not correct and that she has full confidence in the Town's management team. The Town will continue to answer Mr Blanco's questions as comprehensively as it can. She also informed Mr Blanco that he has been instrumental in orchestrating change in how the Town records the answers to questions asked in Public Question Time. Mayor Howlett finally asked that Mr Blanco keep his statements true, real, and leave it at that.*

*Mr Blanco advised that all his statements are true.*

5:51pm Mayor closed Public Statement Time.

**ITEM 5 QUESTIONS FROM MEMBERS WITHOUT NOTICE****5.1 Councillor George J Daccache**

*Councillor G J Daccache asked what the current situation is with the Colin Matheson Oval Clubhouse lease to the Rovers Football Club which can support usage of this facility.*

Director Community Development advised that negotiations are ongoing with club representatives. A draft lease is with McLeod's, the Town's legal counsel, for final review.

*How long before this is sorted out? People are hanging out to use the facility.*

Director Community Development advised that he cannot provide a definitive timeframe for this matter; however, he will put the pressure back on McLeod's.

*Has there been an agreement between the Tennis Club and Hockey Club for dual usage of facilities?*

Director Community Development advised in the affirmative. The relationship between the two clubs appears to be good. The Town is continuing in its discussions with the tenants regarding the required maintenance of the courts.

**5.2 Councillor Jan M Gillingham**

*I have had a number of parents from St. Cecilia's Primary School approach me regarding the possibility of a Catholic high school as they would like to remain in town with their children enrolled in such an institution. Is there any further information regarding this going ahead?*

Chief Executive Officer advised that the Town has identified future sites for high schools in the Growth Plan. The Chief Executive Officer has met with the Principal of St. Cecilia's Primary School in the past about their plans and they are looking to do a feasibility of sites to see which location may serve them best.

*Also regarding St. Cecilia's, they have had the go-ahead to have houses built on the section that is on Sutherland Street, and now that the sewage is going through, is it much further along the track before they can proceed? They said they were waiting just for the sewage.*

Director Planning and Development advised that Officers have been in discussions with St. Cecilia's Primary School and they are examining options for an interim measure that would allow for on-site effluent disposal systems.

*The Principal at St. Cecilia's Primary School has advised us that it is possibly her last year there. She would like to make sure the ball is rolling before she leaves; otherwise, sometimes things take a backwards step when you have new Principals.*

*Regarding our trees that we are losing in South Hedland, has there been any thought that these trees could be replaced with a species that grows fruit? For instance, mango trees, which also have very good anchorage.*

Director Engineering Services advised that he could potentially review the Council's policy on this matter (10/002 'Street Tree Policy') to take this into account.

*If we could look into this, to see if this would be feasible, that would be great. I know that mango trees are ripe in Broome.*

### **5.3 Councillor Michael B Dziombak**

*In relation to the briefing on tug pens today, held at Council by BHP Billiton and the Port Hedland Port Authority, can the Town of Port Hedland write to both organisations quantifying what stage of the process we are at of this proposal – and I underline, proposal – and can the Town of Port Hedland formalise the other significant questions that could not be asked at the briefing due to time constraints. I also request another briefing be organised soon which would allow sufficient time to ask more of these significant questions and have sensible and predictable two-way dialogue.*

Chief Executive Officer advised that this will happen. Council in its previous resolution on this matter requested that a report be presented to Council in April; these issues will be researched as part of the report. The Chief Executive Officer also advised that on Monday he met with a policy advisor to the Minister for Transport in regards to this matter.

*Can the Town of Port Hedland clarify the rules and regulations it imposes around public consultation to adjoining and neighbouring residences prior to any development being approved by the Town?*

Mayor advised that the Town can do this.

### **5.4 Councillor Gloria A Jacob**

*One question, from the Port Hedland Touch Association, is in regards to a query on the change of play dates – which they have had for the past several seasons – from Thursdays to Wednesdays. This decision was made against the club's feedback and is impacting upon membership numbers. How did that decision come about?*

Director Community Development advised that there were negotiations between the Town's Recreation Officers, the Touch Association, and Rover's Football Club. He will take on notice the portion of this question relating to how this decision was reached.

*The second question I have is regarding the availability for the Touch Association to move back to the new Recreation Centre in South Hedland, which is where they had originated from and required them to come to town, can we look into this?*

Director Community Development advised in the affirmative.

*The Finucane Island Club, for which I have got some answers back from the Director tonight, still wanting to highlight that there is an issue with the drainage next door which is now spilling in to their carpark. It is now flooding a quarter of their carpark.*

Mayor advised that this question will be taken on notice.

**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 G J Daccache
Cr A A Carter	Cr M B Dziombak
Cr J M Gillingham	Cr G A Jacob
Cr J E Hunt	

**ITEM 7 CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

**7.1 Confirmation of Minutes of Special Meeting of Council held on Monday 12 March 2012**

**201112/381 Council Decision**

**Moved: Cr A A Carter**

**Seconded: Cr G A Jacob**

**That the Minutes of the Special Meeting of Council held on Monday 12 March 2012 be confirmed as a true and correct record of proceedings.**

***CARRIED 7/0***

**7.2 Confirmation of Minutes of Ordinary Meeting of Council held on Wednesday 14 March 2012**

**201112/382 Council Decision**

**Moved: Cr A A Carter**

**Seconded: Cr J E Hunt**

**That the Minutes of the Ordinary Meeting of Council held on Wednesday 14 March 2012 be confirmed as a true and correct record of proceedings.**

***CARRIED 7/0***

**ITEM 8 ANNOUNCEMENTS BY CHAIRPERSON WITHOUT DISCUSSION**

Mayor Howlett's Activity Report for the March 2012 period to date is as follows:

**March 2012**

Tuesday, 6th March

- Weekly Mayor Chat Spirit Radio 1026am
- Flight to Perth
- Attended Pilbara Development Commission Strategic Planning Session

Wednesday, 7th March

- Attended Pilbara Development Commission Strategic Planning Session
- Meeting Re Spoilbank Marina + Cr Martin + CEO
- Meeting With Mark Casserly Re: RDA – Pilbara: Pilbara Plan + CEO

Thursday, 8th March

- Attended UN Nations 2012 WA Women's Hall Of Fame Event
- Attended Worldly Women – International Womens Day Event
- Flight Back To Port Hedland
- MC Gearing Up Event + Cr Hooper + Cr Hunt + Cr Gillingham + DPD + DCORP + DCD + DENG

Friday, 9th March

- Attended South Hedland CBD Workshop + Cr Hooper + CEO + DENG
- Interview With ABC NW Radio 603am Re Wrap Up Of Gearing Up Event
- Meeting With BHPBIO's Carl Binning
- Presentation Of Plaque To South Hedland Volunteer Fire Brigade For US Trip
- Judging Of Walk It Hedland Cooking Challenge

Sunday, 11th March

- Guest Speaker At Soroptimist International – Port Hedland International Womens Day Event + Cr Gillingham + Cr Hunt + Cr Jacob



Monday, 12th March

- Meeting With Darren Monument Re Turf Club Project
- Meeting With Hon Tom Stephens MLA
- Attended Leadership WA Information Session
- Attended Cruise Ship Working Group De-Brief Meeting
- Attended Informal Briefing Session Precinct 3
- Chair Special Council Meeting

Tuesday, 13th March

- Weekly Mayor Chat Spirit Radio 1026am
- Meeting With WAFM CEO & Marketing Manager
- Meeting With Min McPherson – Discussion Of Rates Applied To Mining Leases
- Meeting To Discuss Use Of JD Hardie Centre Over Easter Break + DCD + MRS
- Meeting With Resident Dave Paddington
- Visit To The Butterfly Club @ JD Hardie Centre
- Attended PHCCI Business After Hours Event + Cr Dziombak + Cr Carter + Cr Jacob

Wednesday, 14th March

- Attended Vibe Alive Port Hedland Committee Meeting + Events
- Attended Tender Opening 11/29 High Profile Event In Town of Port Hedland + MCD
- Informal Agenda Briefing Session + Cr Carter + Cr Dziombak + Cr Gillingham + Cr Hooper + Cr Jacob + Cr Hunt + CEO + DCORP + DENG + DPD + DCD
- Chair OCM
- Annual General Meeting (AGM) Of Electors

Thursday, 15th March

- Telephone Meeting With Mita – Indonesian Lawyer Re Royalties For Regions
- Attended Atlas Iron/TOPH Partnership Working Group Meeting + Cr Hooper + Cr Jacob + DCD
- Fortnightly RDA-Pilbara CEO Catchup Meeting
- Attended YIC Board Meeting
- Hosted Town Ambassador De-Brief Session

Friday, 16th March

- Attended Cyclone Lua Emergency Services Meetings +MEHS
- Photo Shoot For JD Hardie Centre Tenancies + PUB

Saturday, 17th March

- Teleconference Cyclone Lua Emergency Services Meetings + MEHS

Monday, 19th March

- Meeting With Department Justice Officers

Mayor Howlett reminded the public gallery that the House of Representatives Standing Committee on Regional Australia will be in Port Hedland tomorrow holding a public hearing as part of their federal parliamentary inquiry into Fly-In, Fly-Out (FIFO) workforces. The Mayor encouraged the public to come and witness the hearing from 1:00pm to 4:00pm in Council Chambers and to put forward anything to the Committee from 3:15pm onwards.

Mayor advised that the Town is well-progressed in its budget preparations for this upcoming budget. Any ideas for new services, ideas, and facilities must be submitted by this Saturday, 31 March 2012. In addition, applications for rates concessions must be in by Saturday, 31 March 2012. Mayor reminded Councillors and the public gallery that rates concessions must be applied for; they are not automatically extended even if issued in the past.

## **ITEM 9      REPORTS BY ELECTED MEMBERS WITHOUT DISCUSSION**

### **9.1      *Councillor George J Daccache***

Councillor Daccache attended the Walk It Hedland presentation night which had a good turnout. Councillor Daccache said well done to all the walkers and noted that quite a few people lost a few kilograms.

Councillor Daccache also attended the Pony Club Open Day. He observed that all concerned were pleased with the attendance and he thanked the Committee for a great day.

Councillor Daccache was also in attendance at the Community Spirit Development Breakfast last Monday. Councillor Daccache said well done to all concerned. He noted that the guest speaker from Perth made a good presentation.

### **9.2      *Councillor Arnold A Carter***

Councillor Carter advised that the SS Koombana exhibition, cancelled because of a cyclone alert, will be reconvened for 27-28 April 2012. The necessary persons will be returning from Perth provided they can get accommodation.

**9.3            *Councillor Michael B Dziombak***

Councillor Dziombak attended the Australian Defence Force Contingency meeting last week. The news was not good for Port Hedland but Councillor Dziombak said it was good to hear they will be having a presence in the Pilbara.

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

Nil



**Strategic Planning Implications**

Nil

**Budget Implications**

Nil

**Officer's Comment**

The subject portion of reserve to be closed is currently not used for drainage purposes. The land is presently constructed to form part of the Cottier Drive road surface.

The partial closure of the Drainage Reserve and conversion to Road Reserve will ensure the lands issue identified by the Department of Regional Development and Lands are rectified.

*Options*

Council has the following options in responding to the request:

1. Support the request for partial closure of Reserve 46659 at Lot 2957 Cottier Drive, South Hedland.

The approval of the request will result in the road reserve being corrected as per the Land Administration Act 1997.

2. Reject the request for partial closure of Reserve 46659 at Lot 2957 Cottier Drive, South Hedland.

Should Council choose to refuse the request, it may result in ongoing liability issues surrounding the Cottier Drive Road Reserve and Drainage Reserve 46659.

Option 1 is recommended.

**Attachments**

1. Locality Plan

**201112/383 Officer's Recommendation / Council Decision**

**Moved: Cr A A Carter**

**Seconded: Cr G A Jacob**

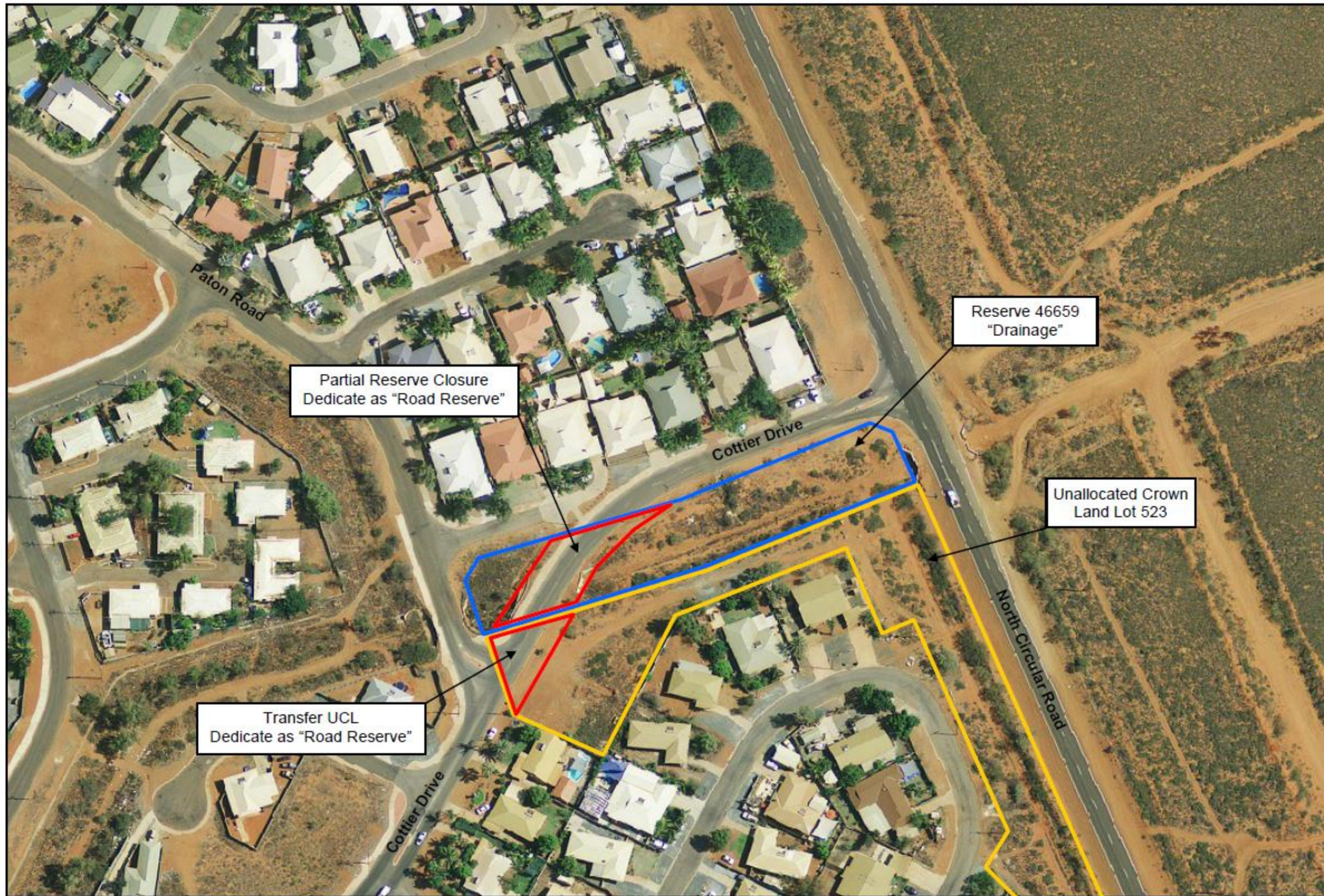
**That Council:**

1. **Supports the partial closure of Reserve 46659 at Lot 2957 Cottier Drive, South Hedland;**

- 2. Delegates the Manager Planning Services to submit the following requests to the Department of Regional Development and Lands (State Land Services):**
  - a. To close a portion of Reserve 46659 at Lot 2957 Cottier Drive and convert it to Road Reserve;**
  - b. To convert a portion of Unallocated Crown Land Lot 523 to Road Reserve.**

***CARRIED 7/0***







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6:06pm Councillors G J Daccache, M B Dziombak, and J E Hunt declared a financial interest in Agenda Item 11.1.2 'Proposed External Modifications – New Verandah Entry on Lot 30 (1) Wedge Street, Port Hedland (File No.: 126030G)' as they are BHP Billiton shareholders with shares above the statutory limit.

Councillors G J Daccache, M B Dziombak, and J E Hunt left the room.

Chief Executive Officer advised that Council has received approval from the Minister of Local Government to consider Agenda Item 11.1.2 'Proposed External Modifications – New Verandah Entry on Lot 30 (1) Wedge Street, Port Hedland (File No.: 126030G)' with a reduced quorum of four Councillors.

### ***11.1.2 Proposed External Modifications – New Verandah Entry on Lot 30 (1) Wedge Street, Port Hedland (File No.: 126030G)***

**Officer** Steve de Meillon  
Planning Officer

**Date of Report** 15 March 2012

**Disclosure of Interest by Officer** Nil

#### **Summary**

Council has received an application from BHP Billiton Minerals Pty Ltd (BHP) the owners of Lot 30 (1) Wedge Street, Port Hedland (the site), for external modifications to an existing building. Specifically, the modifications are to construct a new verandah entry in the existing building on the site.

The existing building is listed as a management category 2 building under the Town of Port Hedland Municipal Inventory of Heritage Places Review 2007 (Heritage Inventory). Due to the heritage listing of the proposed development the application is presented to Council for consideration.

Council Officers recommend approving the proposal development.

#### **Background**

##### *Location and Site Details*

Lot 30 (1) Wedge Street is located on the corner of Wedge and Richardson Streets, Port Hedland. The site comprises an area of approximately 1012m<sup>2</sup>.

The site consists of one building of approximately 232.56m<sup>2</sup> currently used as a community office by BHP. The building was formerly used as a Catholic Convent and is currently listed as a management category 2 building under the Heritage Inventory. The building is recommended to be retained and conserved.

#### *Previous Council Decisions*

At the Ordinary Council Meeting (OCM) held on the 8 July 2005, Council approved an application to change the use of the building to 'Office'. As part of this approval, Council approved substantial refurbishment of the building including:

- Removal of surplus outbuildings and vegetation.
- Removal and replacement of external wall cladding, doors and windows.
- Removal and replacement of internal walls and ceilings.
- Interior refurbishing.
- Car parking and external landscaping works.

#### **Consultation**

The following consultation was undertaken with consideration of both the proposed scope of works and the heritage significance of the building.

Internal Consultation	
Manager Building Services	No objection. Building Licence required.
External Consultation	
Hedland Historical Society.	No objection to the proposed entry from Wedge Street.  It is considered that major alterations have taken place from the original building, therefore the proposed new entry was insignificant.
Laura Gray, Heritage & Conservation Consultant.	The inventory records the Convent (fmr) as place No 37, and recommends a management category 2 that recognizes the place is of considerable heritage value and should be retained and conserved.

	The subject proposal to provide a double doorway opening into the verandah on the Wedge Street frontage of the corner property, is in my opinion well considered and appropriate to facilitate a continued no impact use of the place, and provides a more engaging frontage to Wedge Street.
--	---

### **Statutory Implications**

In accordance with the Planning and Development Act 2005, the proposed development is subject to the provisions of the Port Hedland Town Planning Scheme No. 5.

### **Policy Implications**

Nil

### **Strategic Planning Implications**

Nil

### **Budget Implications**

An application fee of \$139.00 has been received as per the prescribed fees approved by Council.

### **Officer's Comment**

#### *External Modifications*

The proposed development requires planning approval under the provisions of the Town of Port Hedland Town Planning Scheme No.5 (TPS 5).

The applicant has provided the following information in support of the application:

*“Also there is an issue with the front entrance to the Community Office being on Richardson Street when the address is 1 Wedge Street. It is possible that this may cause confusion for the public who may inadvertently miss the entrance to the community facility and hence the opportunity for both parties to engage. This is required to ensure BHPBIO has open communication with the public.”*

It is agreed the proposed development will improve both the visibility and access of the site. Although parking is provided onsite, it is expected a number of people visiting the community office will park in offsite locations and approach the site walking. Considering the address of the site is 1 Wedge Street, it is appropriate for the site to have direct pedestrian access from this street.

Further, the proposed structural modifications are only to create a new entry onto the verandah, and therefore insignificant to previous external modification undertaken on the site. The proposed footpath and stairs onto the verandah are considered incidental to the new verandah entry.

#### *Historical Significance*

The existing building has been identified within the Town of Port Hedland Municipal Inventory of Heritage Places (Heritage Inventory) as having local heritage significance. The Heritage Inventory recommends to retain and conserve the place.

In 2005 extensive restorations were undertaken in accordance with a previous planning approval and building licence. The impact of the proposed new verandah entry will be insignificant to the previous modifications undertaken in 2005. In addition, Laura Gray, the heritage and conservation consultant commissioned to prepare the Municipal Inventory, fully supports the proposed modifications.

In light of the above, it is considered the proposed scope of works, and the added benefit obtained should be supported.

#### **Attachments**

1. Location Map
2. Development Plans
3. Public Submissions
  - a. Hedland Historical Society
  - b. Laura Gray

#### **201112/384 Officer's Recommendation / Council Decision**

**Moved: Cr A A Carter**

**Seconded: Cr G A Jacob**

**That Council:**

**A. Approves the application submitted by BHP Billiton Minerals Pty Ltd to create a new verandah entry onto the existing building on Lot 30 (1) Wedge Street, Port Hedland, subject to the following conditions:**

1. **This approval relates only to the proposed new veranda entry and other incidental development, as indicated on the approved plans (DRG2012/76/1 - DRG2012/76/2). It does not relate to any other development on this lot.**

2. This approval to remain valid for a period of twenty-four (24) months if development is commenced within twelve (12) months, otherwise this approval to remain valid for twelve (12) months only.
3. The colours and materials of any additional structures shall match the existing building, to the satisfaction of the Manager Planning Services.

**FOOTNOTES:**

1. You are reminded 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 shall take note; 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 the one hundred (100) year Annual Recurrence Interval cycle of flooding may affect any property below the ten (10)-metre level AHD. Developers shall obtain their own competent advice to ensure measures adopted to avoid 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 the development or buildings as proposed will not be subject to damage from tidal storm surges and flooding.
3. Applicant shall comply with the requirements of Worksafe Western Australia in the carrying out of any works associated with this approval.

***CARRIED 4/0***

6:07pm Councillors G J Daccache, M B Dziombak and J E Hunt re-entered the room and resumed their chairs.

Mayor advised Councillors G J Daccache, M B Dziombak and J E Hunt of Council's decision.

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# Location Map











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ATTACHMENT 3 TO ITEM 11.1.2



Hedland Historical Society

PO Box 371, Port Hedland, WA 6721

Thursday 15<sup>th</sup> March 2012

BHP Billiton Iron Ore  
1 Wedge St  
Port Hedland  
WA 6721

Att: Peta Greening

Dear Peta,

Please be advised that the proposed alteration to your Community Office was discussed at our recent Committee Meeting.

We have no objection to the proposed entry from Wedge Street as planned.

It was considered that major alteration have taken place from the original building, therefore the proposed new entry was insignificant.

Yours Truly

  
AA Carter  
President

*Laura Gray* JP M.ICOMOS B.Arch (hons)  
HERITAGE & CONSERVATION CONSULTANT

PO Box 2  
TWO ROCKS WA 6037  
Phone 9561 6695  
Mobile 0408 105 784  
Email [laura.gray@bigpond.com](mailto:laura.gray@bigpond.com)

6 March 2012

Chief Executive Officer  
Town of Port Hedland  
PO Box 41  
PORT HEDLAND WA 6721

ATTENTION Steve de Meillon  
Planning Officer

Dear Steve

**1 WEDGE STREET**  
Proposed alterations  
HERITAGE COMMENT

Further to your request, and in response to 'Referral plans' per your email, I make the following comment.

1 Wedge Street comprises the Convent (fmr) building that was extensively restored in 2005.

It is recognised for its heritage value to the Town of Port Hedland by its inclusion in the Town's Municipal Inventory of heritage places. The inventory records the Convent (fmr) as place No 37, and recommends a management category 2 that recognises the place is of considerable heritage value and should be retained and conserved.

The subject proposal to provide a double doorway opening into the verandah on the Wedge Street frontage of the corner property, is in my opinion well considered and appropriate to facilitate a continued no impact use of the place, and provides a more engaging frontage to Wedge Street.

I trust that comment is sufficient to assist in the determination of this proposal. Please do not hesitate to contact should there be further queries.

Yours Sincerely



Laura Gray

**11.1.3 Proposal to Renew Lease for Noxious Operations at Lot 5857 Schillaman Street, Wedgefield (File No.: 130632G)**

**Officer** Caris Vuckovic  
Lands Officer

**Date of Report** 8 March 2012

**Disclosure of Interest by Officer** Nil

**Summary**

Council Officers have received a request from the Department of Regional Development and Lands to comment on the proposal to renew Lease I816520 on Lot 5857 Schillaman Street, Wedgefield.

This item is presented to determine Councils position on the matter.

**Background**

On 7 February 2008 the Department of Environment and Conservation approved an application for a licence to operate to Oil Energy Corporation Pty Ltd. The operations approved were "Incineration" and "Liquid Waste Facility".

The licence to operate was renewed and approved on 6 February 2009, with an expiry date of 8 February 2012, listing the same operational uses.

Since the commencement of operations within this site there have been ongoing Environmental Health issues as well as complaints from residents and the general public.

**Consultation**

Nil

**Statutory Implications**

Nil

**Policy Implications**

Nil

**Strategic Planning Implications**

- Endorsed Land Use Master Plan (LUMP)
- Pilbara's Port City Growth Plan

**Budget Implications**

Nil

**Officer's Comment**

The noxious operations currently being undertaken on site are not suitable for the Wedgefield locality.

*Recent Approved Noxious Uses*

Council recently resolved, on the recommendation of Council Officers, to approve certain "Industry – Noxious" uses within Wedgefield. Council Officers supported these applications due to the following reasons:

- The uses were previously approved for "Storage facility / depot / laydown areas", considered to be consistent with the intended use.
- Due to legislative changes in the Department of Environment and Conservation the uses were re-classified as "Prescribed – Premises" resulting in the need to obtain approval from Council for "Industry – Noxious".

*Council's strategic objective for Wedgefield*

The Land Use Master Plan (LUMP) recommends the Wedgefield Industrial area be rezoned to "Light Industry", making noxious uses "non-conforming", and converting existing general industrial uses to "additional uses" for a period of ten years from the date new land suitable for general industrial use is released for development.

Furthermore, LUMP identified that for noxious and general industrial uses that have significant impacts on their surroundings, the Town of Port Hedland will define an area of approximately 200 hectares immediately south of Boodarie Industrial Estate. This area is well removed from sensitive land uses and it has access to Great Northern Highway.

The Pilbara's Port City Growth Plan, currently under development, has identified the area in Boodarie as Precinct 15, an area that will support major down-stream processing, port dependant industrial, noxious industry, utilities and general industrial support operations.

*Option to renew Lease I816520 on Lot 5857 Schillaman Street, Wedgefield.*

As a result of there being no other location for the proposed use, DEC renewed the licence to operate on 6 February 2009.

DRDL is now requesting Council to provide comment on the proposal to renew Lease I816520.

Council Officers do not support the ongoing operational use of the "Industry – Noxious" as it does not comply with Councils objectives in either the Land Use Master Plan or the Draft Pilbara's Port City Growth Plan.

### *Options*

Council has the following options in responding to the request:

1. Resolve to object to the renewal of Lease I816520 for Noxious Uses at Lot 5857 Schillaman Street, Wedgefield, and advise that these operations are to be carried out in the Boodarie locality.
2. Resolve to support the renewal of Lease I816520 for Noxious Uses at Lot 5857 Schillaman Street, Wedgefield.
3. "Repeat" for a period of only two years advising it would not support a further extension beyond that time as this land use should be located at the proposed Boodarie Strategic Industrial Area.

Supporting the renewal of the lease will result in the continuation of the noxious operations within the Wedgefield locality.

Option 1 is recommended.

### **Attachments**

1. Locality Plan

### **201112/385 Officer's Recommendation / Council Decision**

**Moved: Cr G A Jacob**

**Seconded: Cr M B Dziombak**

**That Council:**

1. **Resolves that it objects to the renewal of Lease I816520 at Lot 5857 Schillaman Street, Wedgefield;**
2. **Advises the Department of Regional Development and Lands that it objects to the renewal of Lease I816520 at Lot 5857 Schillaman Street, Wedgefield on the basis that an alternative location in Boodarie should be secured for such purposes.**

***CARRIED 7/0***

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**11.1.4 Implementation of Building Act 2011 (File No.: 07/04/0001)**

**Officer** Keith Brameld  
Acting Manager Building Services

**Date of Report** 16 March 2012

**Disclosure of Interest by Officer** Nil

**Summary**

To provide Council with an overview of the new building legislation, its potential impact on the Town of Port Hedland, establish new building fees and charges and provide services to the town in accordance with the legislative requirements of the Building Act 2011.

**Background**

In June 2011, the State Parliament passed the final bill (*Building Act 2011*) which is to come into effect on the 3 April 2012. With the new Building Act, the *Building Services (Registration) Act 2011*, the *Building Services (Complaint Resolution and Administration) Act 2011* and the *Building Services Levy Act 2011*, together constitute the new building legislation.

Among the four bills, the Building Act will have the greatest impact on all local governments. The Act replaces *Parts VII, IX and XV* of the current *Local Government (Miscellaneous Provisions) Act 1960* that deal with:

- Private swimming pool safety barriers;
- Smoke alarm installation into existing dwellings;
- The setting of building standards;
- Licences for erection, modification or demolition of buildings and other structures;
- Enforcement of building control;
- The accreditation of building surveyors; and
- The Building Regulations 1989.

The new Act will alter some of the traditional duties and responsibilities of local government building and compliance officers. For the first time, private certification is introduced removing the sole role of local government as the building licence assessor.

The below section consists of a brief summary of each Act.

*Building Services Levy Act 2011*

The levy is a legislated fee that funds the operation of the Building Commission of Western Australia and the cost of the State Administrative Tribunal (SAT) in dealing with building disputes referred to it by the Building Commission of Western Australia. The levy is to be collected by local governments when issuing building occupancy or demolition permits and is to be forwarded to the Building Commission of Western Australia. The levy rate is 0.09% of the construction value for projects valued at over \$45,000 and has a fixed rate of \$40.50 per permit for building, occupancy and demolition with a value of less than \$45,000.

On the 5 August 2011, the Building Commission released a paper *Building Act: Proposed fee modelling for permit authorities*. As there is a shift in focus from building control to enforcement, the Building Commission has decided to abolish the current building licence fee structure (as per the Local Government (Miscellaneous Provisions) Act). In the *Building Act 2011*, the only local government levy legislated by the Building Commission is the proposed fee for local government to cover the administrative costs of the permit and enforcement function. The following table compares the existing common fees to the proposed fees:

<b>Act provision</b>	<b>Current fee</b>	<b>Proposed fee</b>
Building Permit application minimum fee	\$85	\$90
Building Permit application Class 1 & 10-uncertified	0.35% of 10/11 <sup>ths</sup> of the building/structure's construction value	0.318% of the building/structure's construction value including the commission levy.
Building Permit application Class 1 & 10-certified	No current equivalent.	0.19% of the building/structure's construction value
Building Approval Certificate for unauthorized Class 1 & 10- certified	No current equivalent. For uncertified application- 0.7% of 10/11 <sup>ths</sup> of the building/structure's construction value.	0.38% of the building/structure's construction value
Building Permit Application Class 2 to 9-certified	No current equivalent. For uncertified application- 0.2% of 10/11 <sup>ths</sup> of the building/structure's construction value	0.09% of the building/structure's construction value

Act provision	Current fee	Proposed fee
Application for Occupancy Permit for unauthorized Class 2 to 9 buildings- certified	Certificate of Classification is the closest equivalent.	\$90

The Building Commission will review these fees once the new Act has been in operation for a sufficient period to ensure the fees align accurately with the actual costs associated with providing the permit authority functions. Therefore, the fees in the paper are to be seen as interim until more accurate actual information on costs becomes available post the operation of the Building Act 2011.

*Building Services (Complaint Resolution and Administration) Act 2011*

This Act empowers the Commission to regulate building services in Western Australia e.g. inspect and investigate buildings and building services and provide orders to remedy unsatisfactory building services. The Act also deals with complaints regarding building services e.g. work of painters and builders, when they are not being carried out in a proper or proficient manner, or workmanship being faulty or unsatisfactory. In cases of dispute, the Commission can refer the matter to the SAT for determination. The existing Building Disputes Tribunal is to be abolished.

*Building Services (Registration) Act 2011*

Responsibilities and duties of local government Building Officers are delegated by a council Chief Executive Officer (CEO) under the *Local Government Act 1995*. The impact of the new Act will require all (local government or non-local government) practicing Building Surveyors to be registered with the Building Commission WA. Without proper accreditation and registration from the Building Commission of Western Australia, a person will not be permitted to practice as a Building Surveyor in Western Australia.

*Building Act 2011*

The Building Act reforms the building approval process and will introduce significant changes for local governments. One of the most significant changes is the introduction of private certification of building applications. Though local government building services units can continue to provide certifying services, this process is now open to private certifiers. Application assessments are not required to be carried out by a local authority's Building Officer. Consumers now have the option of engaging the services of a private building certifier.

Nevertheless, local governments may choose to compete freely with the private sector and other local governments in providing a commercial building surveying service (certified applications), or they may choose to restrict their activities to only those functions required of a permit authority.

Some mandatory duties remain with local governments. They are still required to provide certification and approval services for domestic buildings and structures (uncertified applications) and maintain its enforcement role within its own boundaries.

They are to take on the role as the permit authority for its own district. The permit authority is required to accept applications and issue building, occupancy and demolition permits for all applications, certified and uncertified. In addition, the permit authority is required to keep and maintain records of these applications in its own district.

### **Consultation**

As of 3 April 2012, the current fees in the Local Government (Miscellaneous Provisions) Act will no longer apply. It is therefore imperative that the Town adopt a new fee structure to come into effect on 3 April 2012. In preparation for this deadline, consultation was undertaken within the Towns Building Approvals area and current practicing private building surveyors to determine a fee structure for certified Class 2 to 9 applications that will ensure the City's competitiveness with private certifiers within the Town and maintain a market share of building approvals within the Town of Port Hedland. A fee for the issue of a certificate of design compliance of 0.35% of the construction value with an hourly rate of \$275 + GST for professional services i.e. inspections, preliminary advice etc, is recommended. This is the current rate in the Building Services Schedule of Fees & Charges 2011 – 2012 budget.

### **Statutory Implications**

This proposal will align the Town's obligations and requirements under new building legislation with the *Local Government Act 1995*.

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

##### *6.16. Imposition of fees and charges*

- (1) *A local government may impose\* and recover a fee or charge for any goods or service it provides or proposes to provide, other than a service for which a service charge is imposed.*

*\* Absolute majority required.*

- (2) *A fee or charge may be imposed for the following —*
  - (a) *providing the use of, or allowing admission to, any property or facility wholly or partly owned, controlled, managed or maintained by the local government;*

- (b) *supplying a service or carrying out work at the request of a person;*
  - (c) *subject to section 5.94, providing information from local government records;*
  - (d) *receiving an application for approval, granting an approval, making an inspection and issuing a licence, permit, authorisation or certificate;*
  - (e) *supplying goods;*
  - (f) *such other service as may be prescribed.*
- (3) *Fees and charges are to be imposed when adopting the annual budget but may be —*
- (a) *imposed\* during a financial year; and*
  - (b) *amended\* from time to time during a financial year.*
- \* Absolute majority required.*

#### 6.19. Local government to give notice of fees and charges

*If a local government wishes to impose any fees or charges under this section after the annual budget has been adopted it must, before introducing the fees or charges, give local public notice of —*

- (a) *its intention to do so; and*
- (b) *the date from which it is proposed the fees or charges will be imposed.*

### Policy Implications

Though the Building Act does not have a direct impact on any existing Building Services policies, changes are required in the standard conditions typically attached to building licences and the information sheets.

For any future reference, the following are some terminology used in the Building Act:

<b>Current term used:</b>	<b>New term to be used:</b>	<b>Comments</b>
Building Licence	Building Permit	Under the new <i>Building Act 2011</i> , a Certificate of Design Compliance is required before a building permit can be issued.
Certificate of Classification	Certificate of Occupancy	Under the new <i>Building Act 2011</i> , a Notice of Completion is required before the certificate of occupancy can be issued.

Nil	Notice of Completion	For all classes of buildings, the builder must provide a Notice of Completion to the Permit Authority within 7 days of the completion of the building. Currently, there are no closing documents for Class 1 and 10 buildings.
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### **Strategic Planning Implications**

Nil

### **Budget Implications**

The change in legislation looks to review fees and charges. This is not expected to significantly alter this financial year's revised budget. Any changes identified will be considered as part of the 2012/13 Budget Review process.

### **Officer's Comment**

The new Building Legislation brings with it various change to the operations of the Building Section. It provides Council with various challenges and opportunities to provide a service to the community and development industry as well as financially profitable business unit within Council if it is able to provide a competitive building certification and inspection service to the building industry.

### **Attachments**

1. New Statutory Charges as of 2 April 2012

### **201112/386 Officer's Recommendation / Council Decision**

**Moved: Cr A A Carter**

**Seconded: Cr G A Jacob**

**That Council:**

1. **Offer a full building approval service to its ratepayers on an industry/area competitive fee structure; however restrict this to accept a project only when resourcing levels and other statutory workloads permit, at the discretion of the Manager Building Services and Director of Planning and Development.**
2. **Impose the following new fees in accordance with section 6.16 of the *Local Government Act 1995* commencing from 3 April 2012:**
  - **Certificate of design compliance - 0.35% of the construction value.**



- Professional services - \$275 + GST per hour with a minimum charge of one hour.
3. Provides public notice of the new fees in accordance with section 6.19 of the *Local Government Act 1995*.

***CARRIED BY ABSOLUTE MAJORITY 7/0***

## ATTACHMENT 1 TO ITEM 11.1.4

**Building Regulations 2012**

Transitional provisions relating to Local Government

**Part 9**

r. 68

**Division 1 — Applications for building permits, demolition permits**

<b>Item</b>	<b>Application</b>	<b>Fee</b>
1.	Certified application for a building permit (s. 16(1))—	
	(a) for building work for a Class 1 or Class 10 building or incidental structure	0.19% of the estimated value of the building work as determined by the relevant permit authority, but not less than \$90
	(b) for building work for a Class 2 to Class 9 building or incidental structure	0.09% of the estimated value of the building work as determined by the relevant permit authority, but not less than \$90
2.	Uncertified application for a building permit (s. 16(1))	0.32% of the estimated value of the building work as determined by the relevant permit authority, but not less than \$90
3.	Application for a demolition permit (s. 16(1))—	
	(a) for demolition work in respect of a Class 1 or Class 10 building or incidental structure	\$90
	(b) for demolition work in respect of a Class 2 to Class 9 building	\$90 for each storey of the building
4.	Application to extend the time during which a building or demolition permit has effect (s. 32(3)(f))	\$90

**Division 2 — Application for occupancy permits, building approval certificates**

<b>Item</b>	<b>Application</b>	<b>Fee</b>
1.	Application for an occupancy permit for a completed building (s. 46)	\$90

As at 13 Mar 2012

Version 00-a0-00

page 39

Extract from [www.slp.wa.gov.au](http://www.slp.wa.gov.au), see that website for further information

**Building Regulations 2012****Part 9** Transitional provisions relating to Local Government**r. 68**

<b>Item</b>	<b>Application</b>	<b>Fee</b>
2.	Application for a temporary occupancy permit for an incomplete building (s. 47)	\$90
3.	Application for modification of an occupancy permit for additional use of a building on a temporary basis (s. 48)	\$90
4.	Application for a replacement occupancy permit for permanent change of the building's use, classification (s. 49)	\$90
5.	Application for an occupancy permit or building approval certificate for registration of strata scheme, plan of re-subdivision (s. 50(1) and (2))	\$10 for each strata unit covered by the application, but not less than \$100
6.	Application for an occupancy permit for a building in respect of which unauthorised work has been done (s. 51(2))	0.18% of the estimated value of the unauthorised work as determined by the relevant permit authority, but not less than \$90
7.	Application for a building approval certificate for a building in respect of which unauthorised work has been done (s. 51(3))	0.38% of the estimated value of the unauthorised work as determined by the relevant permit authority, but not less than \$90
8.	Application to replace an occupancy permit for an existing building (s. 52(1))	\$90
9.	Application for a building approval certificate for an existing building where unauthorised work has not been done (s. 52(2))	\$90
10.	Application to extend the time during which an occupancy permit or building approval certificate has effect (s. 65(3)(a))	\$90

**Building Regulations 2012**  
Transitional provisions relating to Local Government **Part 9**

r. 68

**Division 3 — Other applications**

Item	Application	Fee
1.	Application as defined in regulation 31 (for each building standard in respect of which a declaration is sought)	\$2 000

**Schedule 3 — Inspections or tests of systems**

[r. 27]

- 1. Term used: EP**  
In this Schedule —  
*EP*, followed by a number, means the performance requirement of that description set out in the Building Code.

Table

Column 1 System to be tested	Column 2 When test to be conducted
Fire hose reel system required under EP1.1 and EP1.5	On completion of the installation of the system
Fire hydrant system required under EP1.1 and EP1.5	On completion of the installation of the system
Automatic fire suppression system required under EP1.4	On completion of the installation of the system
Fire detection, warning, control and intercom systems required under EP2.1 and EP2.2	On completion of the installation of the system
Air handling systems that incorporate smoke control provisions required under EP2.2	On completion of the building work
Smoke/heat venting systems required under EP2.2	On completion of the installation of the system
Sound systems and intercom systems for emergency purposes required under EP4.3	On completion of the installation of the system

**11.2 Engineering Services****11.2.1 Tender 11/35 Supply of Road Rehabilitation and Stabilisation Works (File No.: 28/16/0014)**

**Officer** Anthony Williams  
Project Development  
Officer

**Date of Report** 9 March 2012

**Disclosure of Interest by Officer** Nil

**Summary**

The purpose of this report is to provide an overview of the submission received for Period Contract Tender 11/35 Supply of Road Rehabilitation and Stabilisation Works and recommend that it be rejected due to non-conformance, and subsequently request Council to approve re-advertising the tender.

**Background**

The Buttweid Road remediation project has been in progress for some time, but due to lack of funding Council has been unable to award a contract for the full remediation works. As a result, Council has had to investigate other means of delivering the project with the budget that has been allocated.

On Wednesday 19 October 2011 Council resolved to:

- “1. Reject all tenders submitted for Tender 11/14 Road Construction and Remediation Works Buttweid Road.*
- 2. Notes that the road construction and remedial works to Buttweid Road will be undertaken internally with any external works required being undertaken pursuant to Council’s Procurement Policy.*
- 3. Requests the Chief Executive Officer to investigate these works as a matter of priority and provide an update to Council on its progress and completion.”*

Since the change in the project direction Council officers have been progressing plans to deliver the project internally using road pavement stabilisation machinery. All quotes received resulted in a project cost of over \$100,000.00 which under the *Local Government Act 1995* requires a tender process to be undertaken.

On 29 February 2012 advertising commenced for a Period Contract Tender (11/35) for the "Supply of Road Rehabilitation and Stabilisation Works." This Contract will enable Council to complete the proposed works on Buttsweld Road within the project budget. This will also allow the Contract to be used for other projects that require road remediation and stabilisation works.

### Consultation

- Council's Engineering Officers

### 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.*

### 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 1:	Infrastructure
Goal 1:	Roads, Footpaths and Drainage
Immediate Priority 1:	Undertake road works in South Hedland to improve road permeability (particularly in the CBD).

### Budget Implications

The cost of road rehabilitation and stabilisation is included in each project budget, whether it is for road construction, upgrades or rehabilitation. The 2011/12 budget for Buttsweld Road is \$1,032,838.00 but it will not only be used for road stabilisation works. The remaining budget will also be used to perform drainage, resealing, signage, line marking and finishing works on Buttsweld Road.

The three year contract rates are fixed for the first 12 months and subject to annual CPI increases for the following two years.

### Officer's Comment

Tender 11/35 closed at 2.30pm on Wednesday 14 March 2012. Tenders were opened and recorded by two Officers and a Councillor.

Although tender packages were sent to 11 companies, only one tender submission was received from West Coast Profilers. Upon completion of the tender assessment process this submission was deemed non-conforming. This was due to their inability to perform all works required in the scope of works. West Coast Profilers submitted rates for the milling and recycling of pavements only but did not have the capacity to perform the stabilisation of pavements required in the scope of works and price schedule.

Interest was expressed by two other companies that were willing to submit a tender for this contract but didn't have the resources to submit a tender by the due date. One company asked for an extension to the tender closing date but their request was sent the afternoon prior to the tender closing.

It is the Officer's recommendation that the tender received is rejected because it is non-conforming and tenders are therefore recalled for the supply of road rehabilitation and stabilisation works in accordance with the *Local Government Act (1995)*.

#### **Attachments**

Nil

#### **201112/387 Officer's Recommendation / Council Decision**

**Moved: Cr A A Carter**

**Seconded: Cr J E Hunt**

#### **That Council:**

- 1. Reject all tenders submitted for Tender 11/35 Supply of Road Rehabilitation and Stabilisation Works due to tenders being non-conforming.**
- 2. Re-advertise a new tender for the Supply of Road Rehabilitation and Stabilisation Works in accordance with the *Local Government Act (1995)*.**

***CARRIED 7/0***

**11.2.2 South Hedland Town Centre Redevelopment – On Street Parking (File No.: 18/12/0010 & 30/14/0003)**

**Officer** Jenella Voitkevich  
Manager Infrastructure  
Development

**Date of Report** 15 March 2012

**Disclosure of Interest by Officer** Nil

**Summary**

This report provides a summary of concerns raised regarding Landcorp's South Hedland Town Centre redevelopment and the recommended actions including temporary removal of on street parking.

**Background**

The South Hedland Town Centre has been redeveloped by Landcorp over several years, with the aim of transforming the Town Centre into an activated urban environment. Since the opening of the realigned roads surrounding the shopping centre car park and Public Open Space (Wise Terrace and Rason Link) in December 2011 several traffic, safety and maintenance issues have been raised by Council staff and the community, namely:

- Pedestrian safety when crossing Wise Terrace to the shopping centre and car park – speed of vehicles and uncertainty of designated crossing locations
- Illegal verge parking
- Suitability of designated on-street parking – size of bays and impact on road visibility
- Amenity of the precinct – maintenance and cleanliness

A workshop was held on Friday 9 March 2012 involving representatives from Landcorp, Town of Port Hedland, the South Hedland CBD Working Group and Police. Immediate, medium and long term solutions were reviewed and are summarised in this report for Council's information.

**Consultation**

The following parties were involved in the workshop held on 9 March 2012:

- Town of Port Hedland Officers
- LandCorp representatives
- South Hedland Police representative
- South Hedland CBC Working Group representative



A separate consultation process was held on 6 March 2012 with LandCorp and Council project team members, representatives from the Disability Access and Inclusion Working Group and community members. This session specifically addressed pedestrian access and parking for members of the community with disabilities or impairments.

### **Statutory Implications**

Nil

### **Policy Implications**

Nil

### **Strategic Planning Implications**

Key Result Area 1: Infrastructure  
Goal 1: Roads, Footpath and Drainage  
Immediate Priority 1: Undertake road works in South Hedland to improve road permeability (particularly in the CBD)

Key Result Area 2: Community Pride  
Goal 1: Townscape  
Immediate Priority 1: Undertake projects that upgrade the appearance of verges and streetscapes along major thoroughfares within the District.

### **Budget Implications**

The recommended actions from the workshop will have an impact on Council's budget, however costs haven't yet been established and are expected to be very minimal. Due to the urgency of some of the actions it is recommended that any budget implications will be addressed at the 3<sup>rd</sup> quarter budget review.

### **Officer's Comment**

The following is a summary of discussions and outcomes at the workshop held on 9 March 2012 to address the concerns raised.

#### *Pedestrian Safety When Crossing Wise Terrace To The Shopping Centre And Car Park*

Patrons of the South Hedland Shopping Centre who choose to park in the car park on Wise Terrace must cross the road to enter the shopping centre. There are very real concerns regarding pedestrian safety in this area, largely due to:

- The speed of vehicles travelling along Wise Terrace
- The amount of vehicles utilising Wise Terrace due to road construction occurring on other roads

- The uncertainty of pedestrian crossing points
- On-street parking limiting visibility (addressed a in separate point within this report)

The recommended actions to address this issue are:

- Installation of 40km/hr speed restriction signs and road markings as approved by Council at OCM on 22 February
- Police monitoring of speed restrictions once signage is installed
- Monitor vehicle traffic – this is likely to reduce once Forrest Circle is reopened
- Undertake education program to community members with disabilities or impairments regarding pedestrian crossing points and disabled parking facilities (complete)
- Installation of signs advising pedestrians to give way to vehicles
- Review warrants for approval of installation of dedicated pedestrian crosswalk

#### *Illegal Verge Parking*

Vehicles have been observed parking on paved verge areas outside of allocated parking bays. This not only impacts on the visual amenity of the precinct but also restricts visibility for pedestrians and motorists and reduces pedestrian access.

The recommended actions to address this issue are:

- Review of landscaping treatments and installation of physical barriers to restrict parking
- Installation of No Parking/Standing signs in the interim until permanent solution (above) is established
- Monitor parking and issue warnings and infringements as per Council's Local Laws

#### *Suitability of Designated On-Street Parking*

On-street parallel parking has been constructed throughout the South Hedland Town Centre in line with inner city urban design principles. The intent of the on-street parking along Wise Terrace is to provide priority parking for short term visits to the shopping centre. This creates a busy environment which is generally effective in slowing down traffic in traditional town centres. Given the high volume of large 4 wheel drive vehicles in Port Hedland the design of the on-street parking has created a potentially hazardous environment. Although the parking bay sizes comply with Council's Town Planning Scheme many vehicles have been parking across multiple bays or only partially into the bay, resulting in some vehicles overhanging the road or pedestrian walkways. The size of the vehicles makes it difficult for pedestrians to observe oncoming traffic before crossing the road.

Furthermore, the current closures and alternative road layouts in the South Hedland CBD mean that traffic is considered to be utilising Wise Terrace as a thoroughfare, more than usually would be the case.

The recommended actions to address this issue are:

- Immediate action – close off (with barriers) on-street parking on Wise Terrace for a trial period of 1 month. The 1 month period will allow for a more suitable long term solution to be decided and will enable adequate feedback to be received regarding the affect of the closure
- Review design of on-street parking to suit the unique Port Hedland environment. Potential long term solutions may include:
  - Deletion of on-street parking
  - Designation of on-street parking as taxi bays only
  - Time restrictions to encourage the majority of parking within the shopping centre car park
  - Restrict on-street parking to ‘small vehicles only’ or ‘no 4x4 parking’
  - Combination of the above

#### *Amenity of the Precinct*

Concerns have been raised since the opening of the precinct regarding the amount of litter in the area, condition of the paving (oil spills and general dirt) and graffiti. Maintaining the area to an acceptable standard is the joint responsibility of Landcorp, Town of Port Hedland and the South Hedland Shopping Centre depending on the location. Landcorp is preparing a plan to clearly designate responsibilities which will be reviewed to ensure that the approach achieves the best outcome.

The recommended actions to address this issue are:

- Landcorp to finalise maintenance contract which will include litter collection and graffiti removal. This is predominately within the public open space area, however will be reviewed once the responsibilities plan is complete
- Additional bins shall be installed within the precinct
- Rubbish collection program shall be more frequent
- South Hedland Shopping Centre shall be approached to install more bins within the centre and take more responsibility for rubbish control around the facility
- Hydromulch shall be installed to vacant lots to reduce sand washing or blowing onto paving
- Paved areas to be swept and cleaned on a regular basis

*Summary*

The recommendations in this report are part of an overall strategy to improve the amenity and functionality of the South Hedland Town Centre. All parties involved in this process are committed to continuous review and improvement to achieve the outcome of activating the hub of South Hedland.

**Attachments**

Nil

**Officer's Recommendation**

That Council:

1. Acknowledges the recommendations and actions within this report regarding the South Hedland Town Centre.
2. Supports the Chief Executive Officer's decision to approve the closure of on-street parking on Wise Terrace adjacent to the South Hedland Shopping Centre for a period of one month.
3. Requests a future report on the outcomes of all recommendations within this report.

**201112/388 Council Decision**

**Moved: Cr A A Carter**

**Seconded: Cr G A Jacob**

**That Council:**

1. **Acknowledges the recommendations and actions within this report regarding the South Hedland Town Centre.**
2. **Supports the Chief Executive Officer's decision to approve the closure of on-street parking on Wise Terrace adjacent to the South Hedland Shopping Centre to the next Council meeting.**
3. **Requests a future report on the outcomes of all recommendations within this report.**

***CARRIED 7/0***

6:10pm Councillor G J Daccache declared a Financial Interest in Agenda Item 11.2.3 'Consideration of Business Plan for a Major Land Transaction with Auzcorp Pty Ltd (File No.: 05/05/0054)' as he is an employee of Auzcorp Pty Ltd.

Councillor G J Daccache left the room.

### **11.2.3 Consideration of Business Plan for a Major Land Transaction with Auzcorp Pty Ltd (File No.: 05/05/0054)**

**Officer** Sara Bryan  
Acting Manager  
Investment and Business  
Development

**Date of Report** 27 February 2012

**Disclosure of Interest by Officer** Nil

#### **Summary**

This item requests a decision from Council in relation to the disposal of land by way of lease to Auzcorp Pty Ltd for an additional period of 5 years onto their existing lease term for the Transient Workers Accommodation camp, known as 'Mia Mia' at Port Hedland International Airport on Part of Lot 2444, Great Northern Highway.

#### **Background**

At Ordinary Meeting of Council on 27 May 2009, Council approved the advertising of a tender to dispose of a portion of the Port Hedland International Airport (lot 2444).

*"200809/347 Council Decision/Officer's Recommendation*

*Moved: Cr A A Gear*

*Seconded: Cr S J Coates*

*That Council:*

*Authorise the CEO (or his delegate) to commence the tender process to dispose of portion of Port Hedland lot 2444 (as per the attached diagram), by way of a tender, at the rental cost of \$6.30/m<sup>2</sup> pa + GST (indexed annual by Perth CPI), for a period of 5 years with the lease period commencing on the 11 September 2009.*

*Approve the following Tender Evaluation Criteria:*

- a) Meeting tender scope (10%)*
- b) Experience (5%)*
- c) Quality of development (20%)*
- d) Facility Transition and Project Delivery (15%)*

- e) *Financial Plan (10%)*
- f) *Residual improvements (20%)*
- g) *Community Benefits (20%)*

TOTAL = 100%

*CARRIED 6/0*

At a Special Council Meeting of 29 July 2009, Council resolved the following:

*"200910/031 Council Decision/Officer's Recommendation*

*Moved: Cr A A Gear*

*Seconded: Cr A A Carter*

*That Council:*

1. *advise the Auzcorp that they are the preferred tenderer for Tender 09/10 Land Lease available at the Port Hedland International Airport for Transient Workforce Accommodation; and*
2. *authorise the Chief Executive Officer or his nominated officer to finalise a land lease with Auzcorp; and*
3. *Receive a further report on leasing arrangements once negotiations/discussions have finalised.*

*CARRIED 9/0*

Subsequent to the Council resolutions cited above, on 11 December 2009, Council entered into a lease with Auzcorp for the accommodation camp on the Great Northern Highway known as 'Mia Mia'.

The term of that lease agreement is five years and will expire 10 December 2014. In October 2011, Auzcorp submitted a proposal for Council's consideration, to extend the lease term for an additional five year period.

The content of this proposal was presented to Council at its Special Meeting held 30 November 2011 where Council resolved the following:

*"201112/226 Officer's Recommendation / Council Decision*

*Moved: Cr A A Carter*

*Seconded: Cr G A Jacob*

*That Council:*

1. *Acknowledges discussions with Auzcorp to date;*

2. *Authorises the Chief Executive Officer to prepare a business plan for a 'major land transaction' and give state wide public notice of that plan in accordance with section 3.59 of the Local Government Act 1995; and*
3. *Requests the Chief Executive Officer to present the submissions received, if any, for consideration by Council in the determination of whether to enter into the Major Land Transaction or not.*

*CARRIED 8/0"*

### **Consultation**

#### *Internal*

- Director Engineering Services
- Senior Planning Officer

### **Statutory Implications**

#### *Local Government Act 1995*

#### *Section 3.58. Disposing of property*

- (1) *In this section —*

*“dispose” includes to sell, lease, or otherwise dispose of, whether absolutely or not;*

*“property” includes the whole or any part of the interest of a local government in property, but does not include money.*

- (2) *Except as stated in this section, a local government can only dispose of property to —*

(a) *the highest bidder at public auction; or*

(b) *the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender.*

- (3) *A local government can dispose of property other than under subsection (2) if, before agreeing to dispose of the property —*

(a) *it gives local public notice of the proposed disposition*

(i) *describing the property concerned; and*

(ii) *giving details of the proposed disposition; and*

(iii) *inviting submissions to be made to the local government before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given; and*

(b) *it considers any submissions made to it before the date specified in the notice and, if its decision is made by the council or a committee, the decision and the reasons for it are recorded in the minutes of the meeting at which the decision was made.*

- (4) *The details of a proposed disposition that are required by subsection (3)(a)(ii) include —*

(a) *the names of all other parties concerned; and*

(b) *the consideration to be received by the local government for the disposition; and*

- (c) *the market value of the disposition —*
  - (i) *as ascertained by a valuation carried out not more than 6 months before the proposed disposition; or*
  - (ii) *as declared by a resolution of the local government on the basis of a valuation carried out more than 6 months before the proposed disposition that the local government believes to be a true indication of the value at the time of the proposed disposition.*

- (5) *This section does not apply to —*
  - (a) *a disposition of an interest in land under the Land Administration Act 1997 section 189 or 190; or*
  - (b) *a disposition of property in the course of carrying on a trading undertaking as defined in section 3.59; or*
  - (c) *anything that the local government provides to a particular person, for a fee or otherwise, in the performance of a function that it has under any written law; or*
  - (d) *any other disposition that is excluded by regulations from the application of this section.*

*[Section 3.58 amended by No. 49 of 2004 s. 27; No. 17 of 2009 s. 10.]*

#### *Section 3.59. Commercial enterprises by local governments*

- (1) *In this section —*
  - acquire has a meaning that accords with the meaning of dispose;*
  - dispose includes to sell, lease, or otherwise dispose of, whether absolutely or not;*
  - land transaction means an agreement, or several agreements for a common purpose, under which a local government is to —*
    - (a) *acquire or dispose of an interest in land; or*
    - (b) *develop land;*
  - major land transaction means a land transaction other than an exempt land transaction if the total value of —*
    - (a) *the consideration under the transaction; and*
    - (b) *anything done by the local government for achieving the purpose of the transaction, is more, or is worth more, than the amount prescribed for the purposes of this definition;*
  - major trading undertaking means a trading undertaking that —*
    - (a) *in the last completed financial year, involved; or*
    - (b) *in the current financial year or the financial year after the current financial year, is likely to involve,*
  - expenditure by the local government of more than the amount prescribed for the purposes of this definition, except an exempt trading undertaking;*
  - trading undertaking means an activity carried on by a local government with a view to producing profit to it, or any other activity carried on by it that is of a kind prescribed for the purposes of this definition, but does not include anything referred to in paragraph (a) or (b) of the definition of land transaction .*



- (2) *Before it —*
- (a) *commences a major trading undertaking;*
  - (b) *enters into a major land transaction; or*
  - (c) *enters into a land transaction that is preparatory to entry into a major land transaction,*
  - (d) *a local government is to prepare a business plan.*
- (3) *The business plan is to include an overall assessment of the major trading undertaking or major land transaction and is to include details of—*
- (a) *its expected effect on the provision of facilities and services by the local government;*
  - (b) *its expected effect on other persons providing facilities and services in the district;*
  - (c) *its expected financial effect on the local government;*
  - (d) *its expected effect on matters referred to in the local government's current plan prepared under section 5.56;*
  - (e) *the ability of the local government to manage the undertaking or the performance of the transaction; and*
  - (f) *any other matter prescribed for the purposes of this subsection.*
- (4) *The local government is to —*
- (a) *give Statewide public notice stating that —*
    - (i) *the local government proposes to commence the major trading undertaking or enter into the major land transaction described in the notice or into a land transaction that is preparatory to that major land transaction;*
    - (ii) *a copy of the business plan may be inspected or obtained at any place specified in the notice; and*
    - (iii) *submissions about the proposed undertaking or transaction may be made to the local government before a day to be specified in the notice, being a day that is not less than 6 weeks after the notice is given; and*
  - (b) *make a copy of the business plan available for public inspection in accordance with the notice.*
- (5) ***After the last day for submissions, the local government is to consider any submissions made and may decide\* to proceed with the undertaking or transaction as proposed or so that it is not significantly different from what was proposed.***
- \* Absolute majority required.***
- (5a) ***A notice under subsection (4) is also to be published and exhibited as if it were a local public notice.***
- (6) ***If the local government wishes to commence an undertaking or transaction that is significantly different from what was proposed it can only do so after it has complied with this section in respect of its new proposal.***
- (7) *The local government can only commence the undertaking or enter into the transaction with the approval of the Minister if it is of a kind for which the regulations require the Minister's approval.*

- (8) *A local government can only continue carrying on a trading undertaking after it has become a major trading undertaking if it has complied with the requirements of this section that apply to commencing a major trading undertaking, and for the purpose of applying this section in that case a reference in it to commencing the undertaking includes a reference to continuing the undertaking.*
- (9) *A local government can only enter into an agreement, or do anything else, as a result of which a land transaction would become a major land transaction if it has complied with the requirements of this section that apply to entering into a major land transaction, and for the purpose of applying this section in that case a reference in it to entering into the transaction includes a reference to doing anything that would result in the transaction becoming a major land transaction.*
- (10) *For the purposes of this section, regulations may —*
- (a) prescribe any land transaction to be an exempt land transaction;*
  - (b) prescribe any trading undertaking to be an exempt trading undertaking.*
- [Section 3.59 amended by No. 1 of 1998 s. 12; No. 64 of 1998 s. 18(1) and (2).]*

### **Policy Implications**

Council's Procurement Policy 2/007 and Tender Policy 2/011.

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

### **Strategic Planning Implications**

Key Result Area 1:	Infrastructure
Goal 2:	Airport
Immediate Priority 1:	Complete the development of the Airport Land Development Plan and commence implementation of the key initiatives that are identified.
Key result Area 2:	Community Pride
Goal 2:	Events
Immediate Priority 1:	Play an integral part in the co-ordination, operation and communication of community events b (c) supporting community groups who are operating community events through training, support, advice and where appropriate, financial support.
Key Result Area 3:	Community Development

Whilst not identified as a Goal, a community contribution will globally assist in the implementation and support of Community Development for the Town.

Key Result Area 4: Economic Development  
 Goal 2: Mining/Roads  
 Immediate Priority 2: Actively pursue integration of FIFO workers into the local community.  
 Other actions: Ensure that integrated accommodation options are available for resource related projects that do not artificially inflate the local real estate market.

Key Result Area 4: Economic Development  
 Goal 3: Business Development  
 Immediate Priority: Investigate new business/revenue streams for the Town.

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**

The base rental on the existing lease is \$173,228.00 (+GST) per annum and is subject to annual CPI increases. The community contribution amount as contained in the existing lease is \$350,000 (+GST) per annum, equating to \$1822.92 per bed per annum.

On 5 May 2011, the Town's planning department approved a development application for the lessee to incorporate an additional 63 rooms to their current accommodation camp. This application was approved subject to a condition to increase their community contribution amount proportionately to the current community contribution arrangement. The inclusion of this figure increases the annual community contribution to \$464,844.60 per annum.

Should Council resolve to extend the lease term, it is proposed that the lease will continue to be subject to annual CPI increases with a market review being performed at the conclusion of the current lease and then again at an interval of three years. Current estimates anticipate that a market review could potentially see the base rental figure increase to \$20m<sup>2</sup> per annum equating to an estimated annual rental figure of \$602,307.45 (+GST) as of 11 December 2014.

Consequently the proposed 8 year agreement is anticipated to secure a minimum return of \$7,253,138.50.

As with all leases, the lessee would be required to pay all legal expenses associated with the drafting, negotiating and finalisation of the amended lease document.

### Officer's Comment

It is proposed that the terms and conditions of the current lease will be retained, inclusive of special terms and original tender documentation. This will ensure compliance and further provision of the indicated development commitments and community benefits as agreed and rationalised by Council during the original tender process in 2009.

The terms indicated within the business plan address the issues as raised in the agenda item to Council at its Special Meeting, held 30 November 2011, in relation to Auzcorp's compliance with tender documentation as per the initial agreement. On discussion with Auzcorp it was clear that any delay in the provision of facilities as stated within the tender has been largely as a result of the inability to connect their waste water into the adjoining 'Port Haven' system.

On consideration of the potential development opportunities that are anticipated on surrounding airport precincts, Officers have initialised a process for the Town to implement a central Waste Water Treatment Plant. The proposal will see the facility offer an effluent solution for current developments within Precinct 2, with a view to expand in the future to incorporate an effluent solution for Precinct 1. The provision of such a facility will enable Auzcorp to upgrade their central facilities and further add reception and training/conference rooms as proposed in stage three of their development plan, consequently enabling Auzcorp to adhere to the commitments proposed within the original tender.

Subsequent to Council's decision as cited in the background of this item, a business plan was prepared in accordance with Section 3.59 of the *Local Government Act 1995*. (Attachment 1) The business plan was advertised in the West Australian on 14 December 2011. Taking into consideration that the Christmas and New Year holiday period would occur within the requisite 6 week advertising period, it was decided that the submission timeframe would be extended to 8 weeks.

The business plan was closed for public comment as of Thursday 9 February 2012 with no submissions received by the Town of Port Hedland.

### *Conclusion*

It is recommended that Council proceed with the proposed major land transaction on the grounds that the grant of an extension to the current lease term will effectively see the expiration of the lease occur concurrently with the neighbouring lease with Compass Group for the 'Port Haven' camp. This will essentially assist in the availability of Transient Worker Accommodation for the next ten years of anticipated peak demand. The uniformity of this aspect will further allow Council to make a strategic decision on the future use of Precinct Two and more specifically this parcel of land at this time.

**Attachments**

Nil

**201112/389 Officer's Recommendation / Council Decision****Moved: Cr A A Carter****Seconded: G A Jacob****That Council:**

- 1. Proceed with the Business Plan for a Major Land Transaction with Auzcorp Pty Ltd in accordance with section 3.59 (5) of the *Local Government Act 1995*.**
- 2. Agree to dispose of part of Lot 2444 of the Port Hedland International Airport by way of lease to Auzcorp Pty Ltd in accordance with section 3.58 (3) of the *Local Government Act 1995* (private treaty) on the following terms and conditions;**
  - a) An annual base rental of \$183,466.20, exclusive of GST and increasing annually by CPI, commencing on 11 December 2011;**
  - b) A revised expiration date of 10 December 2019;**
  - c) Rent review every three (3) years by way of Market Review;**
  - d) The area being 27,465m<sup>2</sup> of Part of Lot 2444;**
  - e) An annual community contribution of \$464,844.60 exclusive of GST, or \$1822.92 per bed.**

***CARRIED BY ABSOLUTE MAJORITY 6/0***

6:12pm Councillor G J Daccache re-entered the room and resumed his chair.

Mayor advised Councillor G J Daccache of Council's decision.

**11.3 Community Development****11.3.1 *Tender 11/29 – High Profile Event in Port Hedland (File No.: 03/02/0005)***

**Officer** **Lorna Secrett  
Manager Community  
Development**

**Date of Report** **19 March 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 11/29 - High Profile Event in Town of Port Hedland to enable Council to award the Tender.

Council is requested to award Tender 11/29 to Sunset Events.

**Background**

The OCM on 22 February 2012, resolved (201112/342):

:

*“That Council:*

- 1. Notes funding of \$950,000 secured for the proposed high profile music event, subject to Cabinet final confirmation of Eventscorp funding*
- 2. Authorises the Chief Executive Officer to secure the services of a professional event company through a Request for Tender process for presentation of the Year 1 event in the 2012 calendar year*
- 3. Endorses the Request for Tender (Event Management – High Profile Music Event) will be on a 1 + 1 + 1 year, mutual agreement basis*
- 4. Notes that 3. provides Council with the opportunity to evaluate the success of the year 1 event and consider the funding and delivery of year 2 and year 3 events*
- 5. Notes that financial underwriting of the 2012 Music Event will be an essential criterion of the Tender Specifications, ensuring Council’s financial exposure / risk is limited to the 2012/13 budget allocation*
- 6. Carry forward the current 2011/12 allocation of \$500,000 to the 2012/2013 budget for the high profile music event*

7. *Notes that a further report to Council will be provided in late March / early April 2012, recommending the preferred event management company and final budget confirmation to proceed with event (including a critical timeline)."*

Submissions were sought from suitably qualified event management companies through Request for Tender 11/29. The submission period closed at 2.30pm on Wednesday 14 March 2012. Tenders were opened and recorded by Council staff members, with Mayor Howlett in attendance.

Assessment panel members were Manager Community Development, Director Community Development and Acting Manager Economic Development and Strategic Planning.

Submissions were received from 2 companies; Mellen Events and Sunset Events. Both submissions are deemed conforming.

The comparison of each of the assessment criteria for the Tender submissions received is summarised in Table 1 below.

*Table 1*

<b>Weighting</b>	<b>Criteria</b>	<b>Sunset Events</b>	<b>Mellen Events</b>
30%	Relevant Experience	25	24
25%	Key Personnel – Skills and Experience	22	18
20%	Business Development Model	16	15
15%	Demonstrated Understanding	14	11
10%	Local Industry Development	5	2
<b>TOTAL</b>		<b>81</b>	<b>70</b>

A comparison of submissions against Qualitative criteria is provided within the Officer's comment section of this report.

### **Consultation**

Extensive consultation has been detailed in previous reports to Council on this matter.

### 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.”*

Attachment 1 to this item is to be kept confidential pursuant to section 5.23(2) of the Local Government Act (1995).

*(e) a matter that if disclosed, would reveal —*

- (iii) information about the business, professional, commercial or financial affairs of a person,*

### Policy Implications

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

### Strategic Planning Implications

The ToPH Strategic Plan (2010 - 2015) includes the following Actions:

- |                    |   |
|--------------------|---|
| Key Result Area 2: | Community Pride   |
| Goal 2:            | Events  |
|                    | That the Town annually hosts a series of well attended community events to:                 |
|                    | 1. Actively seek to attract ‘draw card’ entertainers and events to the Town of Port Hedland |
|                    | 2. Actively seek to attract or establish a nationally significant event to Port Hedland.    |

### Budget Implications

The OCM on 22 February 2012, resolved (201112/342) to:

*“carry forward the current 2011/12 allocation of \$500,000 to the 2012/2013 budget for the high profile music event.”*

Eventscorp have advised that confirmation of funding by Government is expected to take a further three to four weeks. However, both submissions demonstrated strategies to overcome the delay, and possibility that Eventscorp funding will not be confirmed, without compromising the standard of the event, or exposing the Council to any financial risk.



### Officer's Comment

Whilst both submissions were of extremely high quality, Sunset Events scored higher against the qualitative criteria and it is recommended that Council award the tender accordingly.

The following details provide a comparison of submissions against these criteria and further detail of key elements of the event project.

#### *Relevant Experience*

Both submissions detailed a high level of relevant experience in delivery of regional events. The panel viewed the Sunset Events submission as slightly stronger in the areas of management of on-site camping and delivery of regional events in the targeted demographic of 18 – 40 age group.

#### *Key Personnel Skills and Experience*

Both submissions outlined key personnel with extensive experience across all areas of event management. Sunset Events provided comprehensive CVs of all key people, whereas Mellen Events provided limited detail.

#### *Business Development Model*

Table 1 provides detail on the business development model offered by each submission:

*Table 1 Business Development Model*

Respondent	Event Management Fee (over 3 year timeframe)	Profit split (after event management fee paid)	Projected ticket price
Mellen Events	\$525K (\$150K, \$175K, \$200K)	50/50	\$70 Adult \$30 Child (prices remaining static for 3 year period)
Sunset Events	\$750K (\$250K for each year)	60/40 in favour of the Town	\$119 - \$139 Adult \$70 - \$89 Child VIP \$295 - \$350 (prices adjusted across 3 year timeframe)

Sunset Events proposed a carryover of any unpaid event management fee into the following year, which would not accrue past Year 3 of the agreement, ensuring that the Council would not be left with any outstanding commitment.

Estimated audience numbers are shown in Table 2, as follows:

*Table 2 Estimated Audience Numbers*

<b>Respondent</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>
<b>Mellen Events</b>	3300	4300	4800
<b>Sunset Events</b>	4000 - 6000	6000 - 8000	8000 – 10,000

Sunset Events calculated that, on the basis of its higher end attendance figures, it could deliver Council an escalating offset of its contribution over a 3 year period of \$204K, \$320K and \$402K.

Sunset Events also provided measurable KPIs to be achieved for each of the 3 years including audience attendance, escalating spend on such costs as marketing, production and artist fee and a measure of visitor origin to enable tracking of the success of visitor attractant programs.

Taking into account the variables across all information supplied, it was considered that, whilst both submissions demonstrated a viable and prudent business development model, Sunset Events provided a model that offered the Council the greatest value.

#### *Demonstrated Understanding*

Both submissions offered a variety of ways to address the Community Engagement Strategy.

Mellen Events put forward a number of suggested acts that would be pursued, whilst Sunset Events provided letters of in-principle agreement to perform from 3 major contemporary Australian acts for the Year 1 event in 2012/13.

Both submissions provided indicative budgets that demonstrated the effective delivery of the event, with or without the Eventscorp funding, which is still to be confirmed by State Government.

Mellen Events outlined an approach towards the non-securing of Eventscorp funding which involved a slight increase in ticket price, slight reduction in community engagement strategies and a higher reliance on sourcing additional funding and sponsorship.

Sunset Events provided a breakeven budget (excluding ticket sales) that demonstrated the ability to make up any potential shortfall through attendance figures, and by utilising the carryover of any unpaid event management fees into the following year, as detailed above, and through the sourcing of additional sponsorship through identified stakeholders. It was put forward that this approach would see no changes to the delivery and scope of the event.

Neither proposal, regarding non-securing of Eventscorp funding, involved financial risk to the Town of Port Hedland.

With regard to accommodation options, both submissions outlined experience in on-site camping. Mellen Events detailed its contracting of a camping service provider for the Ord Valley Muster, and Sunset Events provided more detailed information on the camping which it provides for Busselton's Southbound Festival. The panel viewed Sunset Events as having provided more evidence of management experience for on-site camping, which is a key element of the event.

Both submissions provided a high level of experience in managing logistical issues at events.

Sunset Events marketing and promotions plan was viewed by the panel as providing greater opportunities to fulfill Council's objectives to promote both the Town and the event.

#### *Local Industry Development*

Sunset Events made strong links between the implementation of the community engagement strategy and local skills development through art, music and environmental programs associated with the event. An audit of local workforce and goods has been undertaken and supplied, along with an economic impact assessment which estimated a spend within the Town of up to \$500K as a result of the event.

#### *Summary*

Sunset Events scored the highest in accordance with the selection criteria at the conclusion of the assessment of each submission for RFT 11/29 – High Profile Event in the Town of Port Hedland. The panel considered that Sunset Events' proposal provided an outcome that best fulfilled Council's objectives towards the project.

Accordingly, it is recommended that Tender 11/29 – High Profile Event in the Town of Port Hedland, be awarded to Sunset Events.

#### **Attachments**

1. Indicative budget, supplied as part of Sunset Events' tender submission.

***Confidential – Attached Under Separate Cover***

**201112/390 Officer's Recommendation / Council Decision****Moved: Cr A A Carter****Seconded: G A Jacob**

**That Council awards Tender 11/29 – High Profile Event in Town of Port Hedland to Sunset Events to deliver the 2012 event (on the basis of Sunset Events' tender submission), noting the following:**

- 1. The 1 + 1 + 1 term of engagement offered in the tender, and that a review of the 2012 event will be undertaken and reported to the Council prior to delivery of subsequent events in 2013 and 2014.**
- 2. That a payment of up to \$250,000 will be provided to Sunset Events as an event management fee. This will be deducted from ticket sales and additional sponsorship received and determined at the end of the event. There is no payment of management fees to Sunset Events until after the event.**
- 3. That if the event records less than \$250,000 in ticket sales and additional sponsorship, then the shortfall will be allocated from the following year's surplus (if a surplus is achieved). This accrued shortfall will be in addition to the management fee payable in relation to that year. If there is an accrued shortfall at the end of the contract period, whenever that may be, there will be no liability to Town of Port Hedland.**
- 4. That Part 2 and 3 of the Officer's Recommendation are subject to a satisfactory review of the 2012 event and subsequent delivery of events in 2013 and 2014, as detailed in Part 1 of the Officer's Recommendation.**
- 5. That Sunset Events assumes all financial risk and therefore liability associated with a shortfall of an event in any year.**
- 6. That in the event of ticket sales and additional sponsorship being in excess of \$250,000 (and assuming any shortfall in management fees has also been paid) then the surplus profit will be shared by way of 40% to Sunset Events and 60% to Town of Port Hedland.**
- 7. That the Town of Port Hedland will auspice the event in all relationships with corporate partners, suppliers and Government agencies and will have full audit rights of the accounts of the event.**
- 8. The indicative budget supplied as Confidential Attachment 1.**

9. That expenditure incurred by Sunset Events will be reimbursed on a monthly basis on receipt of detailed financial statements with audited financial statements being supplied within a timely manner after 30 June of each applicable financial year.

*CARRIED 7/0*



3. *Notes that final contract negotiations in 2. be concluded by no later than 16 March 2012*
4. *Notes the opportunity to reconsider the direct (in-house) management of the Town of Port Hedland's Leisure Facilities should contract negotiations in 2. prove unsatisfactory*
5. *Endorses the inclusion of the Manager Recreation Services and Facilities, (representing the Town of Port Hedland) on panels to select senior facility management positions."*

In response to the Council meeting, the Manager Recreation Services and Facilities and the YMCA's Executive Manager – Recreation have worked extensively to negotiate the outcomes as required by Council's resolution. The body of the report outlines the current status of these negotiations, and seeks Council's support in the appointment of the YMCA as the operators of the Town's Leisure facilities.

### **Consultation**

Since the Council meeting on 22 February 2012, the following have been consulted with regard to the evolution of the contract position for the Management of the Town's leisure facilities:

#### *YMCA Perth*

- Chief Executive Officer
- Executive Manager Recreation Perth
- Recreation Operations Manager

#### *Town of Port Hedland*

- Director Community Development
- Manager Recreation Services and Facilities
- Recreation Coordinator

### **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."*

### **Policy Implications**

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

### **Strategic Planning Implications**

The successful operations of the leisure facilities will address several elements of Council's Strategic Plan. The predominant strategy is:

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**

The Town of Port Hedland budget process for the 2012/2013, 2013/2014, 2014/2015 and 2015/2016 financial years will be based upon the financial proposals as presented by the YMCA. Attachment 3 provides a breakdown of the budget on a facility by facility basis.

### **Officer's Comment**

The negotiations held with the YMCA regarding the key areas outlined in the Council recommendation of 22 February 2012 have been extremely rigorous and consequently highly beneficial.

A key element of the negotiations with the YMCA has been a two day workshop in Perth attended by the Town's Manager Recreation Services and Facilities, and Recreation Coordinator.

The outcomes achieved are considered in the best interests of both Council and the community.

#### *Delivery of an expanded program*

The discussion with the YMCA regarding the amount of programming provided has seen some considerable improvements to the level of service offered to the community. The following performance indicators have been agreed to by the YMCA, and incorporated as part of the proposed final contract. The key performance indicators will be reviewed annually to reflect requirements of the community.



Table 1 – Program Details

<b>Program</b>	<b>Town of Port Hedland requirement</b>	<b>Commitment by the YMCA</b>	<b>Desired Outcome</b>
Gym Memberships	TBC	TBC	TBC
Fitness classes	30 fitness classes per week	30 classes to be conducted per week, an average of 10 participants per class	Yes
Personal training	20 hours per week	20 hours per week	Yes
Junior sports competition	3 Sporting competitions per week (minimum of 8 teams in each competition, at least one female competition)	3 Sporting competitions per week (minimum of 8 teams in each competition, at least one female competition)	Yes
Senior sporting competitions	10 Sporting competitions per week (minimum 8 teams per competition, male and female competitions required)	10 Sporting competitions per week (minimum 8 teams per competition, male and female competitions required)	Yes
Junior programs (non sporting)	9 lifestyle/personal development programs per annum	9 lifestyle/personal development programs per annum	Yes
School Holiday Programs	8 weeks per year, minimum 40 participants per week	See note below regarding	In Progress
Adult lifestyle /personal development programs	16 per annum	16 per annum	Yes
Programs for specific demographic (seniors or people with disabilities)	2 programs per annum	2 programs per annum	Yes
Swimming lessons (both centres combined)	80 per week (1 <sup>st</sup> and 4 <sup>th</sup> terms)	88 per week (1 <sup>st</sup> and 4 <sup>th</sup> terms)	Yes
Aquatic fitness classes (South Hedland Aquatic Centre)	5 classes per week	3 classes per week	No

Program	Town of Port Hedland requirement	Commitment by the YMCA	Desired Outcome
Wave simulator attractions		TBA – Separate plan to be provided by YMCA	In Progress
Aquatic training/education (South Hedland Aquatic Centre) Austswim, Bronze Medallion etc	3 courses per annum	3 courses per annum	Yes
Programs and events (South Hedland Aquatic Centre)	2 events per annum	2 events per annum	Yes
Casual Aqua-Run (South Hedland Aquatic Centre)	4 hours per week	4 hours per week	Yes
Fitness classes (Gratwick Aquatic Centre)	5 classes per week	5 classes per week	Yes
Personal training (Gratwick Aquatic Centre)	5 hours per week	5 hours per week	Yes
After school programs	2 per annum	2 per annum	Yes
Aquatic training/education (Gratwick Aquatic Centre) Austswim, Bronze Medallion etc	3 courses per annum	3 courses per annum	Yes
Programs and events (Gratwick Aquatic Centre)	2 events per annum	2 events per annum	Yes
Casual Aqua-Run (Gratwick Aquatic Centre)	4 hours per week	4 hours per week	Yes

NB: School Holiday Program - There have been significant changes to the legislation regarding the delivery of school holiday programs. As successful and popular that the program at the JD Hardie Centre has been, it does not currently comply with the necessary regulations.

The YMCA is presently researching a format that will comply with the legislation and be in the best interests of the community. An outcome of the negotiations has been that the YMCA will have a fully compliant holiday program in place for the January 2013 school holidays.

Council will retain some of the family and youth specific programs at the JD Hardie Centre. Less structured programs, such as the Kids Club, and some after school activities are considered well suited to the JD Hardie Centre.

The negotiated outcome is considered a significant benefit to the community. It is estimated that the level of programming is approximately 40% greater than that offered by the YMCA in their original proposal.

*Review of the proposed facility opening hours*

The YMCA has been very proactive with regard to the operating hours of the Town of Port Hedland Leisure Facilities. The hours of operation have increased from 10,731 to 12,509 hours per annum.

The significant changes to the hours of operation that will benefit the community are:

- Earlier weekday opening time (now 5.30am)
- Earlier morning opening times at Gratwick Aquatic Centre (5.30am Monday, Wednesday and Friday and 6.30am Tuesday and Thursday)
- A later weekday closing time (8.30pm at Gratwick)

It is believed that this level of service will respond to many of the concerns expressed by the community.

It should be noted that with the redevelopment of the South Hedland Aquatic Centre, there may be a requirement to renegotiate the opening hours of the aquatic centres. This is likely to be particularly desirable when the water at the South Hedland Aquatic Centre is heated as part of the redevelopment project.

*Refinement of the budget position*

The YMCA has made significant amendments to budget detail as a result of the discussions. Table 2 below outlines the amended cost of providing leisure facilities on behalf of the Town of Port Hedland.

*Table 2 – Annual Shortfall*

<b>Budget</b>	<b>2012/2013</b>	<b>2013/2014</b>	<b>2014/2015</b>	<b>2015/2016</b>	<b>Total</b>
YMCA initial proposal	2,407,747	2,386,673	2,490,230	2,587,684	\$9,872,334
YMCA amended proposal	2,388,985	2,196,902	2,185,672	2,282,456	\$9,054,015
Town of Port Hedland Benchmark	2,035,259	2,169,546	2,280,690	2,395,739	\$8,881,234
Negotiated outcome with the YMCA	2,204,618	2,141,353	2,174,641	2,273,714	\$8,794,326

The amended four year budget forecast for the operation of the three facilities is \$8,794,326. This represents a saving of \$1,078,008 to Council on the original proposal presented by the YMCA. In addition, there is a further saving of \$200,000 to be achieved through careful management of the pre start (2011/2012 financial year) for the Multi-Purpose Recreation Centre.

The budget figure presented is inclusive of the YMCA providing accommodation to three senior staff in Port Hedland. The amount allocated within the budget is \$2,600 per week. Discussions with the YMCA have indicated that employees working as part of the Leisure Facilities contract are unlikely to be able to access any accommodation being constructed by the YMCA in South Hedland. The implications of this are that Council will be paying a premium throughout the four years of the contract to accommodate staff considered essential.

The budget provided by the YMCA is inclusive of all costs associated with the monitoring of the water quality of the Marquee Park facility. This includes attendance at the facility daily prior to opening. It also requires monitoring the water quality remotely via a Building Management System provided to the YMCA by the Town of Port Hedland. This is considered a very positive contribution by the YMCA to this contract.

#### *Revision of facility budgets and reporting documents*

The presentation by the YMCA of their operating budgets did not align with how Council presents financial figures, making it extremely hard to compare financial performance of the facilities. This matter has been raised with the YMCA and they have agreed to report in a format that is compatible with Council's requirements.

#### *Operational schedules as required by the contract*

An area of concern regarding the original proposals, was a lack of rigor surrounding the statutory schedules that the contractor is to supply. The requirement for these documents was outlined within the draft contract sent as part of the original information pack, including:

- Centre Business Plan
- Occupational Safety and Health Plans
- Marketing Schedule
- Facility Cleaning Schedule
- Facility Maintenance Schedule
- Sponsorship Plan

The negotiations with the YMCA have clarified their preparedness to supply all of these documents. Discussions have outlined a realistic plan as to the timeframes by which these contractually required documents will be delivered. Given the timeframe for the opening of the new Multi-Purpose Recreation Centre, the planned delivery of these documents has been tailored to the critical requirements of operating a leisure facility.

*Table 3 – Planning Documents Required*

	<b>Document</b>	<b>Details</b>
1	Centre Business Plans	Initial six monthly plans for all three facilities (July to December). Revised plan to be provided from January 2013. This will enable the Town and the YMCA to get a clear understanding of the operation of the three facilities.
2	OSH Plans	Finalised for commencement of the contract.
3	Marketing Schedule	'Start Up' Marketing Schedule to be agreed by 1 April 2012. Annual Marketing Plans to be finalised by 1 July 2012.
4	Facility Cleaning Schedule	Finalised for commencement of the contract.
5	Human Resources Plan	To be finalised by 1 September 2012.
6	Facility Maintenance Schedules	To be finalised by 31 December 2012.
7	Sponsorship Plan	To be finalised by September 2012.

The YMCA, as the preferred tenderer, will be required to provide these in order to comply with the contract requirements. Discussions with the YMCA have suggested that they are fully aware of this requirement.

In order to assist the YMCA, the timetable for the delivery of these documents has been staggered.

*Guarantee that the facilities are branded Town of Port Hedland Leisure Facilities*

A clear objective of the tender process, and subsequent contract, is for the facilities to be branded Town of Port Hedland Leisure Facilities. This has been endorsed by the YMCA. The requirements outlined in the Tender documentation were very specific; the brand image, staff uniform, stationery and promotional materials will clearly reflect the Town of Port Hedland brand. The use of the YMCA logo will be minimal and will conform to prescribed size dimensions.

Council will be involved in the approval process for all branding and promotion of the leisure centres during the life of the contract. All advertising, written material and uniform purchases will need to be agreed to by a representative of Council.

*Detailed review of fees and charges that meet Council's stated outcomes*

As part of the negotiation process between the YMCA and Council, there was considerable time allocated to developing a framework for the fees and charges for the new contract.

The YMCA has indicated that this was the most rigorous engagement process that they had followed with any of their clients. The appetite of Council for the best possible outcome for the community is seen as being a positive attribute. The outcome of the negotiations has produced a Fees and Charges schedule (Attachment 1) that reflects the new operation of the Town's Leisure Facilities. The budgets provided by the YMCA have been developed based on the fees and charges outlined in Attachment 1.

The key points that need to be noted by the Council with regard to the new fees and charges schedule are as follows:

- A review of the pool entry fee to match similar metropolitan facilities
- The development of a gym membership structure that reflects the needs of the community
- Platinum Membership (gym, group fitness and swim)
- Group Fitness Membership (group fitness only)
- Gym Membership (gym entry only)
- Aquatic Membership (pool entry only)
- Off-Peak membership (9.00pm to 5.00am) to reflect the needs of the workforce in Port Hedland.
- Commercial and community room hire rates that will maximize the use of the new Multi-Purpose Recreation Centre by a variety of groups
- A pricing structure that will maximize the use of the Wave Simulation Machine
- A structure of program fee options that will provide the facility operator with a range of fee points to be used when pricing different programs.

It is proposed that the fee and charges will commence as of 1 July 2012, and will be included as part of the Town's annual budget considerations.

*Key Performance Indicators*

Council has outlined the requirement for the development of Key Performance Indicators for all three facilities based on the following categories:

- Financial (budget v actual)
- Metrics (numbers of programs, participants etc)
- Efficiency (CERM indicators)
- Effectiveness (CERM CSQ- customer feedback)

The Key Performance Indicators for the facilities will be presented to Council in June 2012. There will be an annual review process implemented as part of the contract arrangements.

#### *Contract Discussions*

A copy of the draft contract was included within the Tender Documents provided to all prospective tenderers. By providing the contract from the outset, it is hoped that the need for negotiation will be reduced significantly.

As part of the negotiation process, the YMCA have requested a number of changes to the contract. Many of these changes are based on legal advice and are largely stylistic. The major changes requested by the YMCA were:

- Requesting that the Town meet 50% of any unforeseen budget shortfall
- The provision of financial support by the Town for maintenance and repairs that are less than \$20,000
- Deletion of a \$200,000 Bank Guarantee
- Deletion of a Town of Port Hedland representative on the selection panel for the facility manager position
- The Management Fee being changed from the set fee provided, to 13% of the annual income.

Discussions with the YMCA have clearly indicated that the above changes are unlikely to be acceptable to Council.

Should Council resolve to appoint the YMCA as the preferred contractor, further negotiation will be conducted on the finalisation of the contract. It is anticipated that the changes to the draft contract initially provided to prospective contractors will be minimal.

#### *Staffing Matters (Existing JD Hardie employees)*

There are currently two permanent staff members, and a number of casual employees, at the JD Hardie Centre who are unlikely to be part of the Town's future staffing structure. It is hoped that these individuals will be successful in finding suitable employment with the YMCA. It is essential that Council ensures that the future of these individuals is supported in this changing environment, and is in accordance with the conditions contained within the Town of Port Hedland Enterprise Bargain Agreement.

**Attachments**

1. Proposed Fees and Charges – Recreation Facilities
2. Budget Breakdown for the four years of the contract

**201112/391 Officer's Recommendation / Council Decision****Moved: Cr A A Carter****Seconded: Cr J E Hunt****That Council:**

1. **Notes the outcomes of the negotiations between the Town of Port Hedland and the YMCA regarding the Leisure Centre's Management Contract;**
2. **Acknowledges and thanks the YMCA for engaging in a positive manner with the Town of Port Hedland in the negotiation of a positive outcome for the Leisure Centre's Management Contract;**
3. **Awards Tender 11/34 Management of the Town of Port Hedland Leisure Facilities (Multi-Purpose Recreation Centre, Gratwick Aquatic Centre, South Hedland Aquatic Centre and Marquee Park) to the YMCA for the period 1 July 2012 until 31 June 2016;**
4. **Ensure a budget allocation for the operation of the Town of Port Hedland Leisure Facilities of \$2,204,618 is incorporated into the 2012/13 Annual Budget process and that the following allocations are incorporated into the 10 Year Financial Plan:**
  - **2013/14 – \$2,141,353**
  - **2014/15 – \$2,174,641**
  - **2015/16 – \$2,273,714**
5. **Notes Attachment 3 being the four yearly budgets for each of the three facilities;**
6. **Delegates authority to the Chief Executive Officer to finalise the contractual arrangements with YMCA based on the advice provided within this report;**
7. **Endorses the involvement of the Manager Recreation Services in the selection of the Recreation Facilities Area Manager Role to be advertised by the YMCA;**
8. **Endorses that the following operational schedules, as required within the contract, will be provided as they are finalised by the YMCA:**



- **Centre Business Plan**
  - **Occupational Safety and Health Plans**
  - **Marketing Schedule**
  - **Facility Cleaning Schedule**
  - **Facility Maintenance Schedule**
  - **Sponsorship Plan;**
9. **Notes that the Key Performance Indicators for the operation of the Town of Port Hedland Leisure Facilities will be presented to the Council at the June meeting for the 2012/2013 financial year;**
10. **Notes that the Key Performance Indicators will be reviewed annually, with the outcome of the annual review being endorsed by the Council;**
11. **Acknowledges and thanks the staff of the JD Hardie Centre for the role that they have played in the development of recreation services for residents of the Town of Port Hedland; and**
13. **Delegates authority to the Chief Executive Officer or relevant officer to finalise negotiations with the YMCA regarding the delivery of a School Holiday Program and that a fully conforming School Holiday Program be offered to residents within an acceptable timeframe.**

***CARRIED BY ABSOLUTE MAJORITY 7/0***

## ATTACHMENT 1 TO ITEM 11.3.2

<b>Town of Port Hedland Leisure Facilities - 2012/13 Fees &amp; Charges</b>	
Children's Programs (fee per hour)	
Children Program Level 1	\$8.00
Children Program Level 2	\$9.00
Children Program Level 3	\$10.00
Children Program Level 4	\$11.00
Children Program Level 5	\$12.00
Adult Programs (fee per hour)	
Adult Program Level 1	\$11.00
Adult Program Level 2	\$12.00
Adult Program Level 3	\$13.00
Adult Program Level 4	\$14.00
Adult Program Level 5	\$15.00
Adult Program Level 6	\$16.00
Adult Program Level 7	\$17.00
Adult Program Level 8	\$18.00
Adult Program Level 9	\$19.00
Adult Program Level 10	\$20.00
Membership Admin Fees	
Platinum, Gym & Group Fitness Admin Fee	\$99.00
Aquatic Admin Fee	\$30.00
Triple Pack Induction	\$160.00
Health Club Memberships (per fortnight)	
Platinum Membership	\$48.00
Platinum Membership (Conc)	\$38.40
Gym Membership	\$40.00
Gym Membership (Conc)	\$32.00
Off Peak Gym Membership (9pm - 5am)	\$30.00
Group Fitness Membership	\$40.00
Group Fitness Membership	\$32.00
Aquatic Membership (Swim only)	
Adult - Fortnightly Debit	\$28.00
Child - Fortnightly Debit	\$22.00
Casual Group Fitness	
Dry Group Fitness	\$16.00
Dry Group Fitness (Concession)	\$12.80
Aqua Aerobics	\$16.00
Aqua Aerobics (Concession)	\$12.80

Casual Gym Visit	
Casual Visit	\$16.00
Casual Visit (Conc)	\$12.80
Health Club 10 pass Card	\$144.00
Personal Training	
Personal Training 30 min member	\$40.00
Personal Training 30 min non member	\$50.00
Buddy system member (2 people per session)	\$30.00
Buddy system non member (2 people per session)	\$50.00
Birthday Parties	
MPRC Birthday Party (up to 12 participants for 2 hours). Includes staff, venue hire, equipment & prizes.	\$350.00
MPRC Birthday Party (over 12 participants for 2 hours). Maximum 20. Includes staff, venue hire, equipment & prizes.	\$400.00
Aqua Centre Birthday Party (up to 12 participants for 2 hours). Includes aquarun, venue hire, equipment & prizes.	\$350.00
Team Sports (per player)	
Adult Game Fee (two game fees must be paid in advance at the start of each season)	\$9.00
Adult Nomination Fee	\$9.00
Child Game Fee (two game fees must be paid in advance at the start of each season)	\$7.00
Child Nomination Fee	\$7.00
Adult Forfeit Fine	\$9.00
Junior forfeit fine	\$7.00
Creche	
Creche per child	\$5.00
Squash	
Court Hire per hour	\$25.00
MPRC Facility Rental (commercial groups per hour)	
Function room - Evening rate. (Min 10 hour booking on Fri & Sat night)	\$120.00
Function Room - Day rate	\$90.00
Meeting room 1 (first two hours)	\$50.00
Meeting room 2 (first two hours)	\$50.00
Meeting room 1 (Third hour onward)	\$25.00
Meeting room 2 (Third hour onward)	\$25.00
Sports Hall - Ticketed Event	\$250.00
Sports Hall - Non Ticketed Event	\$120.00
Group Fitness Room	\$100.00
MPRC Facility Rental (casual community group per hour)	
Function room - Evening rate (Min 10 hour booking on Fri & Sat night)	\$90.00
Function Room - Day rate	\$67.50

Meeting room 1 (first two hours)	\$37.50
Meeting room 2 (first two hours)	\$37.50
Meeting room 1 (Third hour onward)	\$18.75
Meeting room 2 (Third hour onward)	\$18.75
Sports Hall - Ticketed Event	\$187.50
Sports Hall - Non Ticketed Event	\$90.00
Sports Hall	\$187.50
Group Fitness Room	\$75.00
MPRC Facility Rental (ongoing community groups bookings per hour - min 10 week bookings)	
Function room - Evening rate (Min 10 hour booking on Fri & Sat night)	\$60.00
Function Room - Day rate	\$45.00
Meeting room 1 (first two hours)	\$25.00
Meeting room 2 (first two hours)	\$25.00
Meeting room 1 (Third hour onward)	\$12.50
Meeting room 2 (Third hour onward)	\$12.50
Sports Hall	\$60.00
Group Fitness Room	\$50.00
MPRC Facility Cleaning Charge (per hour)	\$75.00
MPRC After Hour Staff Charge (per hour)	\$75.00
Aquatic Centre Rental	
Commercial per hour (includes all entries)	\$250.00
Community per hour (includes all entries)	\$187.50
Staff fee per hour	\$75.00
School Carnival Hire Full Day (spectator fee applies)	\$495.00
School Carnival Hire - Half Day (spectator fee applies)	\$325.00
Lane Hire - Peak (4pm - 7pm)	\$15.00
Lane Hire - Off Peak	\$5.00
Inflatable Hire per hour	\$55.00
Facility Rental Bonds	
Level 1	\$500.00
Level 2	\$1,000.00
Level 3	\$2,000.00
Level 4	\$3,000.00
Level 5	\$4,000.00
Level 6	\$5,000.00
Level 7	\$6,000.00
Level 8	\$7,000.00
Level 9	\$8,000.00
Level 10	\$9,000.00
Level 11	\$10,000.00
Aquatic Centre Casual Entry Fees	

Adult Entry	\$5.00
Child Entry	\$4.00
Concession Entry	\$4.00
Family Entry (2 Adults & 3 Children)	\$14.40
Wave Machine (30 min session)	\$15.00
Spectator	\$1.80
Lane Hire - Peak (Education Dept swimming lessons are exempt of lane hire fee)	\$15.00
Lane Hire - Off Peak (Education Dept swimming lessons are exempt of lane hire fee)	\$5.00
Inflatable Hire	\$55.00
Swimming Lessons	
Aquatic Education Lesson	\$11.00
Vacation Swimming	\$2.50
In Term Swimming	\$2.50
Bronze Medallion Courses	
Full Bronze Medallion Course	\$180.00
Bronze Requal Course	\$90.00
Multi Pass Cards	
10 pass cards receive a 10% discount on casual entry fees	

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MULTI PURPOSE RECREATION CENTRE FOUR YEAR OPERATIONAL BUDGET SUMMARY					
Income	2011/12	2012/13	2013/14	2014/15	2015/16
Crèche Income	\$0	\$18,750	\$24,189	\$26,597	\$30,100
Childrens Program Income	\$0	\$18,493	\$35,440	\$41,203	\$42,569
Holiday Program Income	\$0	\$39,273	\$52,500	\$55,500	\$57,750
Casual Group Fitness Income	\$0	\$26,355	\$33,052	\$34,024	\$30,330
Health Club Membership Income	\$0	\$612,496	\$812,703	\$912,816	\$949,265
Casual Health Club Income	\$0	\$10,000	\$10,909	\$10,909	\$10,909
Personal Training Income	\$0	\$12,000	\$31,091	\$32,182	\$33,273
Adult Programs Income	\$0	\$14,727	\$21,418	\$22,109	\$22,800
Adult Sports Competition	\$0	\$122,109	\$131,462	\$135,406	\$139,469
Junior Sports Competitions	\$0	\$23,959	\$30,927	\$31,899	\$32,856
Facility Rental Income					\$0
Function Room Rental	\$0	\$29,523	\$51,086	\$67,653	\$69,682
Meeting Room Rental	\$0	\$12,301	\$18,245	\$18,792	\$19,356
Sports Hall Rental	\$0	\$12,990	\$21,894	\$22,551	\$23,227
Squash Court Rental	\$0	\$10,825	\$24,327	\$27,562	\$28,389
Café Income	\$0	\$44,965	\$49,266	\$51,729	\$54,316
Sponsorship Income	\$0	\$11,500	\$12,000	\$18,000	\$18,000
<b>Total Income</b>	<b>\$0</b>	<b>\$1,020,267</b>	<b>\$1,360,510</b>	<b>\$1,508,933</b>	<b>\$1,562,292</b>
Expense					
Salaries					
Facilities Manager	\$0	\$244,510	\$254,848	\$265,657	\$276,958
Assistant Centre Manager	\$0	\$108,054	\$113,457	\$119,130	\$125,086
Customer Service Officers	\$0	\$98,325	\$107,248	\$112,591	\$118,219
Team Sports/Program Manager	\$0	\$93,329	\$97,996	\$102,895	\$108,040
Health & Fitness Manager	\$0	\$100,343	\$105,360	\$110,628	\$116,159
Duty Managers	\$0	\$133,958	\$147,265	\$154,604	\$162,332
Holiday Program Staff	\$0	\$21,649	\$27,783	\$29,166	\$30,621
Creche Team Leader	\$0	\$36,351	\$38,176	\$40,073	\$42,070
Creche Play Leader	\$0	\$48,661	\$53,492	\$56,155	\$58,957
Gym Instructors	\$0	\$99,991	\$104,989	\$110,217	\$115,715
Personal Trainers	\$0	\$13,797	\$25,338	\$25,596	\$25,872
Group Fitness Instructors	\$0	\$91,136	\$111,261	\$116,815	\$106,290
Umpires	\$0	\$56,475	\$64,406	\$67,874	\$71,248
Adult Term Program Instructors	\$0	\$7,942	\$10,849	\$11,991	\$11,959
Childrens Term Program Instructors	\$0	\$8,496	\$15,448	\$18,234	\$19,144
Holiday Program Expense	\$0	\$13,500	\$16,500	\$16,500	\$16,500
Café Expense	\$0	\$26,450	\$28,980	\$30,429	\$31,950
Marketing	\$0	\$34,359	\$37,762	\$41,474	\$42,808
Insurance	\$0	\$3,859	\$5,252	\$6,016	\$6,464
Bank Charges Expense	\$0	\$3,818	\$3,971	\$4,129	\$4,295
Cash Security Expense	\$0	\$6,240	\$6,490	\$6,749	\$7,019
Telephone / Internet Expense	\$0	\$19,968	\$20,767	\$21,597	\$22,461
Postal & Courier Expense	\$0	\$8,699	\$9,047	\$9,408	\$9,785
Stationery and Printing Expense	\$0	\$16,224	\$16,873	\$17,548	\$18,250
Licenses and Subscriptions	\$0	\$28,517	\$29,518	\$29,539	\$30,080
Training	\$0	\$24,960	\$25,958	\$26,997	\$28,077
Recruitment	\$0	\$1,000	\$1,387	\$1,442	\$1,500
Travel	\$0	\$7,640	\$7,946	\$8,263	\$8,594
Uniforms	\$0	\$10,000	\$10,300	\$10,612	\$10,936
Consumables	\$0	\$1,248	\$1,298	\$1,350	\$1,404
Staff Amenities	\$0	\$624	\$649	\$675	\$702
Utilities	\$0	\$140,250	\$154,625	\$162,357	\$177,294
Maintenance Expense	\$0	\$43,155	\$67,913	\$82,150	\$84,476
Security Expense	\$0	\$3,120	\$3,245	\$3,375	\$3,510
Equipment Replacement	\$0	\$7,488	\$7,788	\$8,099	\$8,423
Cleaning	\$0	\$129,064	\$134,226	\$139,596	\$145,179
Gardening Expense	\$0	\$14,000	\$14,560	\$15,142	\$15,143
First aid and safety	\$0	\$1,248	\$1,298	\$1,350	\$1,404
<b>Total Expense</b>	<b>\$0</b>	<b>\$1,708,449</b>	<b>\$1,884,268</b>	<b>\$1,986,421</b>	<b>\$2,064,921</b>
<b>Net Operating Result</b>	<b>\$0</b>	<b>-\$688,181</b>	<b>-\$523,759</b>	<b>-\$477,488</b>	<b>-\$502,630</b>
YMCA MANAGEMENT FEE AND LEASE EXPENSE					
Management Fee	\$39,692	\$95,260	\$149,936	\$176,083	\$182,303
Gym Equipment Lease	\$4,507	\$54,080	\$54,080	\$54,080	\$54,080
Gym Equipment frieght & instalation	\$8,682				
IT Equipment Lease	\$1,861	\$5,584	\$5,584	\$5,584	\$5,584
Links Service Kiosk Purchase	\$8,000				
<b>Total</b>	<b>\$62,742</b>	<b>\$154,924</b>	<b>\$209,600</b>	<b>\$235,747</b>	<b>\$241,967</b>
<b>GRAND TOTAL</b>	<b>-\$62,742</b>	<b>-\$843,106</b>	<b>-\$733,359</b>	<b>-\$713,235</b>	<b>-\$744,597</b>

SOUTH HEDLAND AQUATIC CENTRE FOUR YEAR OPERATIONAL BUDGET SUMMARY				
Income	2012/13	2013/14	2014/15	2015/16
Aqua Aerobics Income	\$8,572	\$12,322	\$15,994	\$16,451
General Admission Income				
Casual Adult	\$69,268	\$74,920	\$80,914	\$85,709
Casual Child	\$55,415	\$60,513	\$64,432	\$68,567
Casual Family	\$8,143	\$8,821	\$9,480	\$10,177
Spectator	\$1,555	\$1,641	\$1,727	\$1,814
Memberships	\$3,808	\$3,215	\$3,313	\$3,412
Surf Machine Income	\$168,458	\$176,881	\$185,725	\$191,297
Aquatic Program Income				
Adult	\$2,945	\$3,044	\$3,142	\$3,240
Child	\$2,618	\$2,782	\$2,864	\$2,945
Training	\$2,455	\$2,523	\$2,591	\$2,659
Schools Aquatic Program Income	\$5,511	\$5,787	\$6,117	\$6,407
Aquatic Education Income	\$57,475	\$58,082	\$64,253	\$71,221
Facility Rental Income	\$8,535	\$8,753	\$8,927	\$9,102
Café Income	\$73,950	\$82,132	\$84,596	\$87,134
Merchandise Income	\$12,325	\$12,695	\$13,076	\$13,468
Administration Income	\$70	\$70	\$70	\$70
<b>Total Income</b>	<b>\$481,102</b>	<b>\$514,180</b>	<b>\$547,221</b>	<b>\$573,672</b>
Expense				
Salaries				
Centre Manager	\$221,893	\$231,849	\$242,258	\$253,139
Duty Managers	\$112,300	\$117,572	\$123,100	\$128,910
Aqua Aerobics Instructors	\$5,008	\$7,116	\$9,417	\$9,887
Aquatic Education Instructors	\$26,644	\$27,455	\$31,887	\$34,429
Lifeguards	\$188,259	\$197,676	\$207,524	\$217,900
Aquatic Program Staff	\$9,047	\$5,570	\$5,698	\$5,832
Café Expense	\$49,300	\$50,779	\$52,302	\$53,871
Merchandise Expense	\$7,250	\$7,468	\$7,692	\$7,922
Marketing Expense	\$10,800	\$11,232	\$11,681	\$12,149
Insurances	\$1,632	\$1,717	\$1,828	\$1,916
Bank Charges Expense	\$780	\$811	\$844	\$877
Cash Security Expense	\$3,115	\$3,240	\$3,369	\$3,504
Telephone / Internet Expense	\$6,200	\$6,448	\$6,706	\$6,974
Postage & Courier Expense	\$624	\$649	\$675	\$702
Stationary and Printing Expense	\$4,750	\$4,940	\$5,138	\$5,343
Licenses & Subscriptions	\$9,520	\$9,900	\$10,206	\$10,542
Training Expense	\$9,600	\$9,984	\$10,383	\$10,799
Recruitment Expense	\$1,333	\$1,387	\$1,442	\$1,500
Travel Expense	\$3,820	\$3,973	\$4,132	\$4,297
Uniforms	\$1,500	\$1,560	\$1,622	\$1,687
Consumables Expense	\$960	\$998	\$1,038	\$1,080
Staff Amenities	\$360	\$374	\$389	\$405
Electricity	\$117,887	\$123,781	\$129,970	\$136,469
Water Expense	\$64,320	\$67,536	\$70,913	\$74,458
Maintenance Expense	\$92,420	\$103,467	\$107,868	\$112,458
Security Expense	\$3,996	\$4,156	\$4,322	\$4,495
Pool Chemicals Expense	\$19,900	\$20,696	\$21,524	\$22,385
Equipment Replacement	\$2,400	\$2,472	\$2,546	\$2,623
Cleaning	\$20,147	\$21,154	\$22,212	\$23,322
Gardening Expense	\$36,000	\$37,440	\$38,938	\$40,495
First Aid and Safety	\$705	\$686	\$720	\$756
<b>Total Expense</b>	<b>\$1,032,471</b>	<b>\$1,084,086</b>	<b>\$1,138,344</b>	<b>\$1,191,127</b>
<b>Net Operating Result</b>	<b>-\$551,369</b>	<b>-\$569,907</b>	<b>-\$591,123</b>	<b>-\$617,455</b>
YMCA MANAGEMENT FEE AND LEASE EXPENSE				
Management Fee	\$60,905	\$65,122	\$68,524	\$72,637
IT Equipment	\$2,752	\$2,752	\$2,752	\$2,752
<b>Total</b>	<b>\$63,657</b>	<b>\$67,874</b>	<b>\$71,276</b>	<b>\$75,389</b>
<b>GRAND TOTAL</b>	<b>-\$615,026</b>	<b>-\$637,781</b>	<b>-\$662,399</b>	<b>-\$692,844</b>



GRATWICK AQUATIC CENTRE FOUR YEAR OPERATIONAL BUDGET SUMMARY				
Income	2012/13	2013/14	2014/15	2015/16
Aqua Aerobics Income	\$14,119	\$22,502	\$30,885	\$31,767
General Admission Income				
Casual Adult	\$65,045	\$69,677	\$74,527	\$78,185
Casual Child	\$29,218	\$31,599	\$33,322	\$35,120
Casual Family	\$20,972	\$22,712	\$24,173	\$25,701
Spectator	\$1,915	\$2,132	\$2,311	\$2,499
Memberships	\$10,112	\$10,498	\$10,838	\$11,162
Aquatic Program Income				
Adult	\$1,964	\$2,142	\$2,211	\$2,850
Child	\$1,309	\$1,391	\$1,432	\$1,473
Training	\$3,273	\$3,364	\$3,455	\$3,545
				\$0
Schools Aquatic Program Income	\$5,227	\$5,555	\$5,891	\$6,198
Aquatic Education Income	\$57,475	\$67,631	\$73,149	\$79,116
Facility Rental Income	\$7,145	\$4,435	\$7,336	\$7,533
Café Income	\$88,259	\$90,907	\$93,634	\$96,443
Merchandise Income	\$8,058	\$8,300	\$8,549	\$8,891
Administration Income	\$120	\$120	\$120	\$120
<b>Total Income</b>	<b>\$314,211</b>	<b>\$342,961</b>	<b>\$371,832</b>	<b>\$390,602</b>
<b>Expense</b>				
Salaries				
Centre Manager	\$221,893	\$231,849	\$242,258	\$253,139
Duty Managers	\$149,607	\$156,745	\$163,363	\$169,977
Aqua Aerobics Instructors	\$9,427	\$14,850	\$20,783	\$21,693
Aquatic Education Instructors	\$27,044	\$32,040	\$36,425	\$38,126
Lifeguards	\$181,417	\$190,493	\$199,969	\$209,967
Aquatic Program Staff	\$7,047	\$3,570	\$3,698	\$3,816
Personal Trainers	\$4,603	\$3,801	\$4,906	\$9,812
Café Expense	\$63,042	\$64,933	\$66,881	\$68,888
Merchandise Expense	\$4,740	\$4,882	\$5,029	\$5,230
Marketing Expense	\$9,557	\$9,939	\$10,337	\$10,750
Insurances	\$1,596	\$1,145	\$1,242	\$1,305
Bank Charges Expense	\$780	\$816	\$816	\$883
Cash Security Expense	\$6,744	\$7,037	\$7,319	\$7,611
Telephone / Internet Expense	\$7,140	\$7,450	\$7,748	\$8,058
Postage & Courier Expense	\$240	\$250	\$260	\$271
Stationary and Printing Expense	\$4,440	\$4,633	\$4,818	\$5,011
Licenses & Subscriptions	\$10,300	\$10,574	\$10,997	\$11,436
Training Expense	\$9,600	\$10,017	\$10,418	\$10,835
Recruitment Expense	\$1,000	\$1,387	\$1,442	\$918
Travel Expense	\$3,820	\$3,973	\$4,129	\$4,296
Uniforms	\$2,520	\$2,640	\$2,760	\$2,880
Consumables Expense	\$960	\$1,002	\$1,002	\$1,083
Staff Amenities	\$360	\$376	\$376	\$406
Electricity	\$36,120	\$39,732	\$41,712	\$43,800
Water Expense	\$33,300	\$34,965	\$36,713	\$38,549
Maintenance Expense	\$89,170	\$90,490	\$91,876	\$93,331
Security Expense	\$3,996	\$4,156	\$4,322	\$4,495
Pool Chemicals Expense	\$21,600	\$22,464	\$23,363	\$24,297
Equipment Replacement	\$5,600	\$5,880	\$6,174	\$6,483
Cleaning	\$43,009	\$45,160	\$47,418	\$49,789
Gardening Expense	\$36,000	\$37,440	\$38,938	\$40,495
First Aid and Safety	\$660	\$686	\$720	\$780
<b>Total Expense</b>	<b>\$997,333</b>	<b>\$1,045,376</b>	<b>\$1,098,211</b>	<b>\$1,148,411</b>
<b>Net Operating Result</b>	<b>-\$683,123</b>	<b>-\$702,414</b>	<b>-\$726,379</b>	<b>-\$757,809</b>
<b>YMCA MANAGEMENT FEE AND LEASE EXPENSE</b>				
Management Fee	\$60,612	\$65,048	\$69,875	\$75,712
IT Equipment	\$2,752	\$2,752	\$2,752	\$2,752
<b>Total</b>	<b>\$63,364</b>	<b>\$67,800</b>	<b>\$72,627</b>	<b>\$78,464</b>
<b>GRAND TOTAL</b>	<b>-\$746,487</b>	<b>-\$770,214</b>	<b>-\$799,006</b>	<b>-\$836,273</b>

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**11.4 Corporate Services****11.4.1 Finance and Corporate Services****11.4.1.1 *Financial Reports to Council for Period Ended 29 February 2012 (File Nos: FIN-008, FIN-014 and RAT-009)***

**Officer** Lorraine Muzambwa  
Finance Officer

**Date of Report** 29 February 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 29 February 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 29 February 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 29 February 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 28 March 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			
NMF010212	NMF010212	\$569.14	1	1	1	Municipal Fund	Photocopier lease
NMF010212	NMF010212	\$1,244.32	1	1	1	Municipal Fund	Photocopier lease
NMF060212	NMF060212	\$284.57	79	79	1	Municipal Fund	Photocopier lease
CHQ21103	CHQ221161	\$208,036.89	1	8	1	Municipal Fund	
EFT38426	EFT38841	\$3,520,810.09	8	79		Municipal Fund	
CMS070212	CMS070212	\$192.39	79	79	1	Municipal Fund	Photocopier lease-Eng dept
CAL140212	CAL140212	\$1,136.07	79	79	1	Municipal Fund	Caltex Direct debit
PAY070212	PAY070212	\$379,495.45	79	79	1	Municipal Fund	
PAY210212	PAY210212	\$382,777.18	80	80	1	Municipal Fund	
WOW150212	WOW150212	\$1,459.43	79	79	1	Municipal Fund	Woolworths direct debit
WOW161111	WOW161111	\$1,348.05	80	80	1	Municipal Fund	Woolworths direct debit
BOQ270112	BOQ270112	\$891.10	65	65	1	Municipal Fund	Monthly payment for equipment
BOQ281211	BOQ281211	\$891.10	65	65		Municipal Fund	Monthly payment for equipment
	<b>Municipal Total</b>	<b>\$4,497,353.58</b>					
3002212	3002220	\$69,301.33	80	81	3	Trust Fund	
	<b>Trust Total</b>	<b>\$69,301.33</b>					
	Sub-Total	\$4,566,654.91					
LESS: one-off pays		-					
	<b>Total</b>	<b>\$4,566,654.91</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 Councilors

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

1. 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

2. 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.

## Strategic Planning Implications

Nil

## 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
  - 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– February 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  
(Attached Under Separate Cover)
2. February 2012 Accounts for Payment  
(Attached Under Separate Cover)

**201112/392 Officer's Recommendation / Council Decision****Moved: Cr A A Carter****Seconded: Cr M B Dziombak****That Council note 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 29 February 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 February 2012 under Delegated Authority, as presented and/or attached be received.**

***CARRIED 7/0***



**ITEM 12 LATE ITEMS AS PERMITTED BY CHAIRPERSON/COUNCIL****12.1 *South Hedland and Wedgefield Underground Power Project – Investigation of Rebate Options (File No.: .../...)***

*NOTE: Chief Executive Officer advised that this item has been withdrawn from tonight's meeting as the Town is seeking advice from its legal counsel.*

**12.2 *Proposed Restrictive Covenant Notification for the newly created Lots 327, 328 and 329, Wedgefield (File No.: 804077G)***

**Officer** Ryan Djanegara  
Planning Officer

**Date of Report** 27 March 2012

**Disclosure of Interest by Officer** Nil

**Summary**

Council has received a request from RPS Environment and Planning on behalf of the owner, Landcorp to affix the Towns Common Seal to a Restrictive Covenant Notification, which will enable lodgement of the form with the Registrar of Titles.

**Background**

Subdivision approval (WAPC ref: 143413) was granted by the Western Australian Planning Commission on 19 April 2011.

The following condition was imposed on the approvals:

*"12. Design Guidelines to be prepared and implemented to address screening and landscaping requirements for the proposed lots abutting Great Northern Highway.*

**FOOTNOTES:**

*7. In relation to Condition 12, the applicant is advised that the design guidelines are to be prepared in accordance with the policy provisions included in the approved Wedgefield Industrial Estate Development Plan with regard to Control Area 2."*

In order to finalise the Restrictive Covenant Notification and obtain the Town's Common Seals, a Council resolution is required.

*Previous Council Resolution*

The applicant had previously lodged two (2) Restrictive Covenant Notifications in order to satisfy the conditions related to subdivision approvals (WAPC ref: 143410 and 143413). Council resolved to approve these documents at its previous Ordinary Meeting dated 14<sup>th</sup> March 2012.

The original document however did not include Lots 327, 328 and 329 which are also subject to that condition. The applicant has lodged a Restrictive Covenant Notification document for these three (3) lots.

**Consultation**

Nil

**Statutory Implications**

The application has been made in accordance with the Transfer of Land Act 1983.

**Policy Implications**

Nil

**Strategic Planning Implications**

Nil

**Budget Implications**

Nil

**Officer's Comment**

The required section 129BA notification is an important mechanism to ensure that any prospective owner / buyers of the lot / unit are alluded to the restrictions / conditions pertaining to the lot / unit.

The use of the Town's common seal will only enable the lodgement of the application with the Registrar of Titles and will not complete the land owner / developers obligations under the condition. To complete their obligation, a copy of the documentation confirming the registration of the notification must be supplied to the Town.

In light of the above Council is requested to grant approval for the use of the Town's common seal.

**Attachments**

Nil

**201112/393 Officer's Recommendation / Council Decision**

**Moved: Cr G A Jacob**

**Seconded: Cr M B Dziombak**

**That Council:**

- 1. Approves the request from RPS Environment and Planning on behalf of Landcorp to affix the Town's Common Seal to a Restrictive Covenant Notification;**
- 2. Approves the use of the Town's common seal for the purposes associated with the registering of a Restrictive Covenant Notification on Lots 327, 328 and 329 on Deposited Plan 73689;**
- 3. Advises the applicant that once the notification is registered and a copy of the documentation confirming the registration is provided to the Town, it will be deemed that Condition 12 of the Western Australian Planning Commission subdivision approval (143413) has been satisfactorily complied with.**

***CARRIED 7/0***

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

Nil

**ITEM 14      CONFIDENTIAL ITEMS**

Nil

**ITEM 15      APPLICATIONS FOR LEAVE OF ABSENCE**

**201112/394 Officer's Recommendation / Council Decision**

**Moved:    Cr A A Carter**

**Seconded: Cr G J Daccache**

**That the following leave of absence:**

- **Cr J M Gillingham – 4 April to 25 April 2012**
- **Cr J E Hunt – 29 March to 4 April 2012**

**be approved.**

***CARRIED 7/0***

**ITEM 16      CLOSURE**

**16.1          Date of Next Meeting**

The next Ordinary Meeting of Council will be held on Wednesday 11 April 2012, commencing at 5.30 pm.

**16.2          Closure**

There being no further business, the Mayor declared the meeting closed at 6:14pm.

**Declaration of Confirmation of Minutes**

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

CONFIRMATION:

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
DATE