

Town of
Port Hedland



TOWN OF PORT HEDLAND

MINUTES ORDINARY COUNCIL MEETING

**WEDNESDAY 17 DECEMBER 2014 AT
5:30PM**

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

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

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

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ITEM 1 OPENING OF MEETING

The Mayor declared the meeting open at 5:33pm.

ITEM 2 ACKNOWLEDGMENT OF TRADITIONAL OWNERS

The Mayor acknowledged the traditional owners, the Kariyarra people.

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

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

Officers

Mal Osborne	Chief Executive Officer
Peter Kocian	Acting Director Corporate Services
Jenella Voitkevich	Acting Director Works and Services
Brett Reiss	Program Director Airport Redevelopment
David Westbury	Manager Economic Development and Strategy
Grace Waugh	Minute Taker/ Governance Officer

Members of the Public	6
Media	1
Town of Port Hedland Officers	11

3.2 Apologies

Nil

3.3 Approved Leave of Absence

Nil

ITEM 4 RESPONSE TO PREVIOUS QUESTIONS**4.1 Questions from Public at Ordinary Council Meeting held on Wednesday 26 November 2014**

Nil

4.2 Questions from Elected Members at Ordinary Council Meeting held on Wednesday 26 November 2014

Nil

ITEM 5 PUBLIC TIME

Important note:

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

Mayor opened Public Question Time at 5:35pm.

5.1 Public Question Time

5.1.1 Mr Mike Pound, Lot Greenfield Street, South Hedland

My question is in relation to item 12.1.6 'Kingsford Smith Business Park-Private Treaty Proposal Finance Unlimited Pty Ltd'. Finance Unlimited were the proponents who responded to a prospectus which was sent out by the Town of Port Hedland seeking expressions of interest for a development of a Transient Worker Accommodation village on land which had been specifically designated for this type of land use. Over the last 18 months and up until the day before the agenda for the December 2014 Ordinary Council meeting was released, the liaison with Town officers had been positive and encouraging, with no sense of doubt shown towards wanting the project to happen. However the officer's report and recommendation shows no such reference and provides reasons previously undiscussed with the applicant. Can justification why be provided?

Mayor advised that the environment has changed considerably since the original prospectus was released. The report is well explained and does provide considerable detail. Mayor advised she didn't want to prejudice the item as it would be considered tonight and encouraged Mr Pound to stay for the consideration of the item.

Administration note: Manager Economic Development and Strategy advised during the consideration of item 12.1.6 'Kingsford Smith Business Park – Private Treaty Proposal Finance Unlimited Pty Ltd' that Finance Unlimited Pty Ltd did not reply to an Expression of Interest sent out by the Town of Port Hedland. Finance Unlimited officially requested the Town of Port Hedland to enter into a Land transaction via a Private Treaty to purchase the TWA site within Kingsford Smith Business Park in July 2013.

Mayor closed Public Question Time at 5:37pm.

Mayor opened Public Statement Time at 5:37pm.

5.2 Public Statement Time

Nil

Mayor closed Public Statement Time at 5:38pm.

ITEM 6 QUESTIONS FROM MEMBERS WITHOUT NOTICE

6.1 Councillor Jacob

Can more information be provided to Elected Members on a proposed tip shop at the town of Port Hedland waste facility?

Chief Executive Officer advised that Town officers have been investigating a tip shop at the landfill and will provide information to Elected Members in early 2015.

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

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

ITEM 8 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

8.1 Confirmation of Minutes of Ordinary Meeting of Council held on Wednesday 26 November 2014

201415/131 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR HOOPER

SECONDED: CR JACOB

That Council confirm that the Minutes of the Ordinary Meeting of Council held on Wednesday 26 November 2014 are a true and correct record.

CARRIED 8/0

ITEM 9 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

Mayor Activity Report for the November/December 2014 period to date is as follows:

November 2014

Tuesday, 4th November

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

Wednesday, 5th November

- Meeting With Senator Reynolds
- Attended FMG Port – Green Week Event
- Meeting 2014 Hedland Community Carols Event Discussion – C3 Church

Thursday, 6th November

- Meeting With Director Youth Justice Services and Pilbara Youth Justice Services Ray Wiley
- Meeting With MacKillop Family Services – CEO Micaela Cronin & Ross Councillor
- Hosted Governor General Sir Peter Cosgrove Visit
- Conducted Citizenship Ceremony With Governor General Sir Peter Cosgrove

Friday, 7th November

- Hosted Governor General Sir Peter Cosgrove Visit
- Attended Meeting PHCCI, SHBA, TOPH CEO and Member for Pilbara

Sunday, 9th November

- Attended Soroptimist International – Port Hedland “Days for Girls” Fundraiser Event

Monday, 10th November

- Weekly Spirit Radio (1026am) Mayor Chat Pre-Record

Tuesday, 11th November

- Attended RSL – Port Hedland Remembrance Day Service
- Weekly CEO, Deputy Mayor and Mayor Catch Up
- Attended DeGrey LCDC Meeting At DeGrey Station
- Attended PHCCI Business After Hours Event Hosted By PDC At Port Hedland Courthouse & Gallery

Wednesday, 12th November

- Breakfast Meeting LandCorp Chair, Board and PDC Chairman
- Attended An Inspection Of Pilbara Institute – South Hedland Hamilton Rd Campus
- Attended Elected Member & Executive Meetings

Thursday, 13th November

- Meeting Manager Community Development Paul Howrie
- Attended Baler Primary School Board Meeting

Saturday, 15th November

- Attended The Port Hedland Fire Brigade Open Day
- Visited The New RSL - South Hedland Site

Monday, 17th November

- Weekly Spirit Radio (1026am) Mayor Chat Pre-Record

Tuesday, 18th November

- Weekly CEO, Deputy Mayor and Mayor Catch Up
- Fortnightly Pilbara Shire Presidents & Mayors Phone Link Up
- Attended Meet & Greet With Geoff Monks At Pilbara Ports – Port Hedland
- Weekly TOPH/North West Telegraph Catch Up

Wednesday, 19th November

- Attended PHCCI Business Breakfast Event At The Walkabout Hotel
- Attended Draft Town Planning Scheme Workshop
- Attended Phone Link Up Osprey Estate Public Open Space – Focus Group Comment Session
- Attended TOPH Audit & Finance Committee Meeting
- Attended Elected Member & Executive Meetings
- Chair Public Agenda Briefing
- Chair Annual Electors Meeting

Thursday, 20th November

- Meeting On-Demand Transport Services Main Roads
- Photo With Rotary – Port Hedland Re: Christmas Present Giving
- Attended Launch 2014 KMART Wishing Tree Appeal
- Interview ABC NW Radio Re: Waterfront Place Plan Public Comment Period
- Observed At Director Corporate Services Interview
- Meeting Manager Community Development Re 2015 ANZAC Day
- Conducted Citizenship Ceremony
- Attended HSHS Board Meeting

Friday, 21st November

- Attended Farewell Function Director Corporate Services Clare Phelan

Saturday, 22nd November

- Mayor Coffees – Port Hedland
- Mayor Coffees – South Hedland

Monday, 24th November

- Photo Shoot At GP Housing Project With BHPBIO (Peta Greening)
- Attended TOPH Aboriginal Consultation Forum Lotteries House
- Weekly Spirit Radio (1026am) Mayor Chat Pre-Record
- Attended Town Ambassador/Cruise Ship De-Brief Session At Port Hedland Visitor Centre

Tuesday, 25th November

- Weekly CEO, Deputy Mayor and Mayor Catch Up
- Opened & Speech Yaandina Family Rehabilitation Centre

- Meeting and Town Tour PDC Chairman Chris Gilmour
- Weekly TOPH/North West Telegraph Catch Up
- Attended Cassia Education Support End Of Year Presentation Night

Wednesday, 26th November

- Attended Elected Member & Executive Meetings
- Meeting TOPH Elected Members & Executive With BHPBIO Jimmy Wilson, Julius Matthys, Rob Curruthers and Chris Cottier
- Chair OCM – November 2014
- Attended HSHS 2014 Year 12 Presentation Evening

Thursday, 27th November

- ABC NW Radio Interview Re: Outcomes OCM
- Participated In Independent Interview
- Attended Hedland Women Of Influence Luncheon
- Attended LEMC Meeting
- Workshop CEO Performance Review, KPIs and Contract
- Attended Swans Football Club AGM

Saturday, 29th November

- Participated In 2014 White Ribbon March
- Attended South Hedland Town Square Markets & Melodies Event

December 2014

Monday, 1st December

- Meeting With LandCorp (Matt Read)
- Attended PRC Councillor Training
- Attended PRC Meeting
- Attended Pilbara Regional Roads Group Meeting

Tuesday, 2nd December

- Weekly Spirit Radio (1026am) Mayor Chat
- Attended Women In Local Government WA Leadership Summit 2014

Wednesday, 3rd December

- Attended Women In Local Government WA Leadership Summit Full Day Workshop 2014

Mayor Howlett was invited to a number of school graduation ceremonies in the past few weeks and thanked Elected Members for attending the graduations on her behalf. Mayor advised that she is still receiving great feedback about the Governor General's visit in November. Mayor attended the Soroptimist International fundraiser event and the RSL Remembrance Day service. She also attended the Port Hedland Fire Brigade open day where they set a car on fire as the opening and opened the Yandeena Drug and Alcohol Rehabilitation Centre. Mayor thanked the Town's events team for organising the White Ribbon March and the South Hedland melodies and markets in conjunction with the Bloodwood Tree Association and the Say No to Domestic Violence Group.

ITEM 10 REPORTS BY ELECTED MEMBERS WITHOUT DISCUSSION**10.1 Councillor Jacob**

Councillor Jacob congratulated the Mayor on being awarded the 2014 National Pride of Australia Medal for Environment. Councillor Jacob also attended two school graduation ceremonies one of which was for the South Hedland Primary School. Councillor Jacob attended a Pilbara Development Commission board meeting, a Regional Development Australia Pilbara board meeting and a Pilbara Regional Council meeting. Councillor Jacob attended the Yandeena Drug and Alcohol Rehabilitation Centre opening which is great to have within the Town of Port Hedland district. Councillor Jacob thanked Town officers and Elected Members for their work over the past year and wished everyone a safe and merry Christmas and looked forward to working with everyone in 2015.

10.2 Councillor Daccache

Councillor Daccache congratulated the Mayor on being awarded the 2014 National Pride of Australia Medal for Environment. Councillor Daccache attended the WALGA Security and Local Government Forum where he received a Think Crime book by Dr Paul Cozens which he presented to the Mayor for her to pass on to Town officers. A training course will be provided next year that outlines different issues when planning for housing estates and in relation to crime prevention. Councillor Daccache attended the WA Regional Capitals Alliance meeting and a JB HiFi function who are now a WALGA preferred supplier for electrical goods. Councillor Daccache also attended the Development Assessment Panel meeting where a Port Hedland proposal was voted on.

10.3 Councillor Gillingham

Councillor Gillingham attended the School of the Air end of year concert for the graduation of the year 6 and 7's which was also featured in the Carols by Candlelight movie. Councillor Gillingham congratulated the organisers of the Carols by Candlelight event including Councillor Hooper. Councillor Gillingham also presented a book award on behalf of the Mayor at the Cassia Primary School graduation at the Wanangkura Stadium. Councillor Gillingham attended the South Hedland Primary School year 6 and 7 graduation. There will be a lot of children graduating and attending the South Hedland High School which will grow by approximately 200 children next year. Councillor Gillingham wished everyone a Merry Christmas.

10.4 Councillor Hooper

Councillor Hooper organised the Carols by Candlelight event and congratulated the team on the success of the event. The Town of Port Hedland were one of the sponsors. Councillor Hooper's highlight of the month was attending the Port Hedland Primary School graduation that took place on the same night the Mayor won the 2014 National Pride of Australia Medal for Environment. It has been seven years since his youngest child graduated Primary School and it was great to see the quality of leadership in young children.

10.5 Councillor Butson

Councillor Butson thanked Councillor Hooper for the great Carols by Candlelight event. Councillor Butson also congratulated Mayor on being awarded the 2014 National Pride of Australia Medal for Environment.

10.6 Councillor Melville

Councillor Melville attended WALGA training in Perth where it was great to meet other Elected Members from other local governments. Councillor Melville congratulated Mayor on being awarded the 2014 National Pride of Australia Medal for Environment.

ITEM 11 PETITIONS/ DEPUTATIONS/ PRESENTATIONS/ SUBMISSIONS**11.1 Presentation to Mayor Howlett on being awarded the 2014 National Pride of Australia Medal for Environment**

Chief Executive Officer congratulated Mayor Howlett for being awarded the 2014 National Pride of Australia Medal for Environment. Chief Executive Officer presented Mayor Howlett with a congratulatory card and flowers from Elected Members and the Town of Port Hedland.

Disclaimer

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

ITEM 12 REPORTS OF OFFICERS**12.1 Community and Development Services****12.1.1 Final Adoption of Scheme Amendment No. 72 to the Town of Port Hedland Planning Scheme No. 5**

Ryan Djanegara, Senior Statutory Planner
18/09/0086

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/132 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR HUNT

That Council:

- 1. Forward the attached Schedule of Submissions and recommendations in relation to Amendment No. 72 to Town of Port Hedland Town Planning Scheme No. 5 to the Western Australian Planning Commission for the Minister for Planning's consideration**
- 2. Pursuant to Part 5 of the Planning and Development Act 2005 adopt, without modification, Scheme Amendment No. 72 to Town Planning Scheme No.5; and**
- 3. Authorise the Mayor and Chief Executive Officer to execute three (3) copies of the Amendment Documents for Amendment No. 72 to Town of Port Hedland Town Planning Scheme No. 5 in accordance with regulation 22 of the *Town Planning Regulations 1967* (as amended), including the fixing of the Council's Seal in the event that the Minister for Planning approves the Amendment without further modification.**

CARRIED 8/0

EXECUTIVE SUMMARY

At the Ordinary Council Meeting of 27 August 2014, Council initiated a request from Right Foot Forward (RFF) Consultants to amend the Town of Port Hedland Town Planning Scheme No. 5 (TPS5) by rezoning Lot 3581 on Deposited Plan 214186, Yanderra Crescent, South Hedland (subject site) from "Parks and Recreation" to "Residential R30" (ATTACHMENT 1).

Proposed Scheme Amendment No.72 (the amendment) was advertised in accordance with the *Town Planning Regulations 1967*.

No objections were received; as such Council is requested to adopt the amendment without any modification.

DETAILED REPORT

Site Description

The subject site is located at Lot 3581 Yanderra Crescent, South Hedland within the Koombana residential area of South Hedland. The subject site has an approximate area of 6,518m² and is currently reserved "Parks and Recreation" under TPS5. The subject site is owned by the State of Western Australia with a Reserve Management Order to the Town of Port Hedland for use as parkland. The subject site is generally surrounded by a range of medium density residential properties.

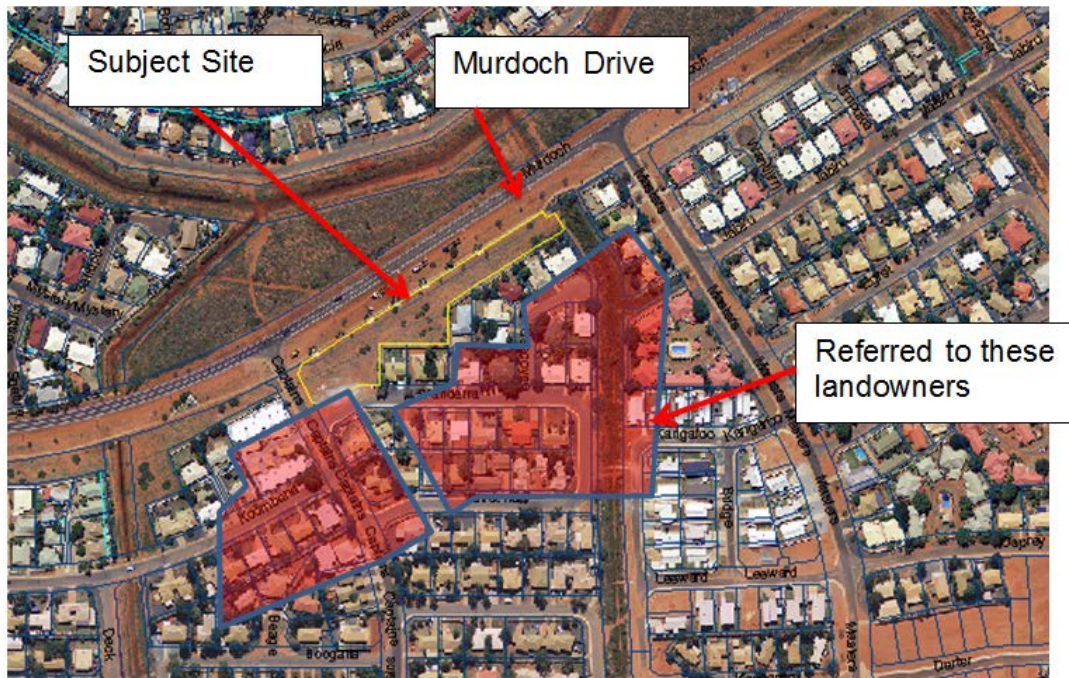
Consultation

Consultation has been undertaken as per the requirements of the *Planning and Development Act 2005* and the *Town Planning Regulations 1967*. The amendment was referred to the Environmental Protection Authority (EPA) on 4 September 2014 for consideration. The Town was advised after consideration by the EPA that formal assessment was not required.

The amendment was advertised for 42 days, from 30 September 2014 to 19 November 2014 as follows:

- North West Telegraph;
- Council Website; and
- The following agencies were notified in writing regarding the amendment;
 - Department of Water
 - Pilbara Cities;
 - Water Corporation;
 - Telstra;
 - Optus; and
 - Horizon Power

The surrounding landowners were also notified in writing as shown in the diagram below;



Two submissions were received (refer to ATTACHMENT 2 - Schedule of Submission)

Need and Desirability

There is a need to initiate this amendment as it seeks to rezone a site which is redundant and surplus to the Town's requirements. Plans and studies prepared on behalf of the Town indicate that there is a general shortage of residential properties available for rent/sale within South Hedland. This amendment will provide for the highest and best use of undeveloped land and assist in addressing the Town's housing shortage.

The amendment is desirable as it will allow for the subject site to be subdivided and/or developed to provide additional housing options for the Town in accordance with the Council's strategic policies.

FINANCIAL IMPLICATIONS

The applicant has paid the prescribed fee of \$9,758.60 for the processing of the scheme amendment.

STATUTORY AND POLICY IMPLICATIONS

The Planning and Development Act 2005 and the Town Planning Regulations 1967, provides the Council the authority to amend its Town Planning Scheme and establishes the procedure required to make this amendment.

Strategic Planning Implications

Strategic Community Plan 2014-2024

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

2. Supporting a diverse economy

2.1 A thriving, resilient and diverse economy

This amendment seeks to address a shortage of housing & affordability within the Town by increasing the density of the subject site to allow for the development of high quality housing. This amendment is consistent with the Strategic Community Plan 2014 – 2024 as it seeks to develop Council held land for residential housing.

Pilbara's Port City Growth Plan

This amendment is consistent with the Pilbara's Port City Growth Plan as it seeks to rezone underutilised land to provide an orderly and adequate supply of affordable land. The amendment also seeks to increase the choice of affordable housing products and tenure options to cater for a diverse and permanent population within the Town. The Growth Plan identifies that subject site within South Hedland East as one of the four original neighbourhoods of South Hedland. This area is identified together with adjoining land to the south within Circular Road and Cottier Road and as a suitable area to be regenerated through redevelopment and infill.

Policy Implications

10/001 – Existing Trees

A visit to the site has revealed there are no Pundal Trees located on the site and the progression of this amendment does not impact on any existing Pundal Trees.

ATTACHMENTS

1. Scheme Amendment Report (Under Separate Cover)
2. Schedule of Submissions

25 November 2014

ATTACHMENT 2 TO ITEM 12.1.1

Attachment 2 - Schedule of Submissions

Submission (Summary)	Town's Response
<p>Pilbara Cities:</p> <p>"The Pilbara Development Commission has no objection to the proposed development."</p>	No response required
<p>Department of Water:</p> <p>"The DoW has no objection to the rezoning of the land from Public Open Space to urban Residential R30"</p> <p>"Flood Mapping indicates localised flooding occurs within the 5yr ARI event and the remainder of the lot is flooded within the 100yr event. As no structure plan has been prepared at this stage, the ToPH should make a decision on how the stormwater is to be managed. According to DoW guidance, the lot level should be 300mm above the known or calculated flood level. In this case the flood level is known and the amount of fill required can be determined."</p>	<p>No response required</p> <p>Any flooding and stormwater concerns and issues can be addressed via a development or subdivision application. A stormwater management plan or local urban water management plan can be requested or conditioned during either a subdivision or development application process.</p> <p>Prospective landowners can also be advised via a s70A notification on title if required.</p>
<p>Horizon Power:</p> <p>No objections</p>	No response required

Submission (extract)	Town's Response
<i>Pilbara Regional Council</i>	n/a
No response	
<i>Water Corporation</i>	
No response	
Optus:	
No response	
Telstra:	
No response	
<i>Department of Lands</i>	n/a
No response	

5:52pm Councillor Jacob declared a financial interest in item 12.1.2 'Proposed Final Adoption of Scheme Amendment 64 to the Town of Port Hedland Town Planning Scheme No. 5; to rezone various lots on Bell, Robinson, Sutherland & Thompson Streets (Sutherland Street East), from "Residential R25" to "Residential R40"' as she has a property on Robinson Street.

Councillor Jacob left the room.

12.1.2 Proposed Final Adoption of Scheme Amendment 64 to the Town of Port Hedland Town Planning Scheme No. 5; to rezone various lots on Bell, Robinson, Sutherland & Thompson Streets (Sutherland Street East), from "Residential R25" to "Residential R40"

Leonard Long, Manager Development Services
File No. 18/09/0078

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/133 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR HUNT

SECONDED: CR HOOPER

That Council:

1. Pursuant to Part 5 of the *Planning and Development Act 2005*, adopt, without modification, Scheme Amendment No. 64 to the Town of Port Hedland Town Planning Scheme No. 5, subject to the following:
 - a. Approves the initiation of the Detailed Area Plan for Sutherland Street East.
 - b. Gives notice of the Detailed Area Plan in accordance with section 5.1.4 of the Town Planning Scheme No. 5 as follows;
 - c. Publishes a notice of the proposed Detailed Area Plan once a week for 2 consecutive weeks in a newspaper circulating in the Scheme area, giving the details of:
 - i. Where the draft Local Development Plan may be inspected,
 - ii. The subject and nature of the Detailed Area Plan, and
 - iii. In what form and during what period (being no less than 14 days from the day the notice is published) submissions may be made.
2. Should no objections be received during the advertising process, delegate the Chief Executive Officer, or his delegate(s), to approve the Detailed Area Plan for Sutherland Street East and include in the Town of Port Hedland Local Planning Policy Manual as a policy statement in accordance with Section 5.2.2 of Town of Port Hedland Town Planning Scheme No. 5.

3. **Subject to 1(a) above, forward the attached Schedule of Submissions and recommendations in relation to Amendment No.64 to Town of Port Hedland Town Planning Scheme No.5 to the Western Australian Planning Commission; and**
4. **Subject to 2, authorise the Mayor and Chief Executive Officer to execute three (3) copies of the amendment documents for Amendment No.64 to Town of Port Hedland Town Planning Scheme No.5 in accordance with regulation 22 of the *Town Planning Regulations 1967 (as amended)* including the fixing of the Council's seal in the event that Minister for Planning approves the Amendment without further modification.**

CARRIED 7/0

5:53pm Councillor Jacob re-entered the room and resumed her chair. Mayor advised Councillor Jacob of Council's decision.

EXECUTIVE SUMMARY

At the Ordinary Council Meeting of 26 March 2014, Council resolved to initiate on request by Whelans, proposed Scheme Amendment No. 64 (The Amendment). This amendment concerns rezoning of the following; Lots 1 – 2 on Strata Plan 43798, Lots 1 – 2 on Strata Plan 46090, Lots 1 – 2 on Strata Plan 31284, Lots 1513 – 1521, 1535, 1537 – 1540 Sutherland Street, Lots 1543 – 1544 Lacy Street, Lots 1510 – 1512 Thompson Street, Lots 1529 – 1532, 1523 – 1525, 1546 – 1551, 1143 and 100 Robinson Street and Lots 1522 and 1533 Bell Street from "Residential R25" to "Residential R40". The subject site is also referred to as Sutherland Street East.

Following the initiation, the amendment has been advertised and circulated to the relevant agencies / departments as well as the surrounding property owners. As a result two (2) objections and two (2) submissions were been received and are discussed in further detail in the report.

To proceed to final gazettal of the amendment Council is requested to support the Town's officer's recommendation to adopt the amendment subject to conditions.

DETAILED REPORT

Officer's Comments

The existing density of "R25" is considered a low density code which requires grouped dwellings and multiple dwellings developments to meet a minimum lot size requirement of 350m². Therefore, should a proponent seek to redevelop a 1000m² lot, regardless of the housing type, the maximum number of grouped dwellings or multiple dwellings would be limited to three.

The proposed rezoning from “R25” to “R40” may change the character, housing typology and amenity of the area. This is because multiple dwellings developments in areas coded R30 and above are not restricted by minimum lot sizes but are determined by minimum plot ratios.

It is essential the built form of any development within the amendment area takes into consideration the character, housing typology and amenity. In this regard a Detailed Area Plan (DAP) should be adopted by Council prior to the scheme amendment being submitted to the Western Australian Planning Commission for final approval.

Objections

The proposed scheme amendment has been advertised and circulated as per the *Town Planning Regulations 1967*. Two (2) objections from landowners have been received.

Objection Summary	Applicant Response	Officer's Response
(Increased Density) Objection against increase in density in the Cooke Point area	<p><i>“The subject area can support an increased density due to its strategic location being adjacent to an area of high amenity (foreshore and community uses). Furthermore, the relevant studies (traffic and infrastructure) have demonstrated the capability of the subject area to accommodate for an increase in density.</i></p> <p><i>In light of the above, it is noted that Amendment 64 shall provide an opportunity to develop a mix of dwelling types and styles to accommodate the different needs of the Port Hedland Community.”</i></p> <p><i>“There is no evidence to support the claim put forward stating that “Local residence prefers low density residence” and should therefore be disregarded</i></p>	<p>The increase in density is supported by the Local Planning Strategy – “Pilbara’s Port City Growth Plan”.</p> <p>Further, the preliminary findings of the “Local Housing Strategy” also support the densification of this area.</p>

<p>(Market Demand)</p> <p>No housing shortage anymore</p>	<p><i>“There is no evidence provided by the submission to support the claim put forward that “there is no housing shortage anymore” and should therefore be disregarded.”</i></p> <p><i>The submission refers to the release and sale of vacant lots. Amendment 64 proposed a residential density of R40, which shall promote the growth of existing infill areas and is consistent with the “Pilbara Cities” vision for Port Hedland – i.e. building the population of Port Hedland to 50,000 people by 2035 and growing Port Hedland into a more attractive, sustainable local community.”</i></p> <p><i>Amendment 64 provides a unique opportunity for landowners to construct high standard developments which are integrated coherently within the existing streetscape.”</i></p>	<p>It is acknowledged that the housing demand has reduced. However, as correctly indicated by the applicant the submission does not provide any supporting evidence to confirm there is no longer a housing shortage.</p> <p>For the Town to aspire to become a City and to realise the vision of the “Pilbara’s Port City Growth Plan” in growing into a city of 50,000, it will be necessary to densify areas.</p> <p>In conjunction with densification it is acknowledged that it is important to ensure and retain as best possible the character of individual areas.</p> <p>To ensure the character and built form will not negatively impact the area, the applicant is required to submit a Detailed Area Plan (DAP).</p>
<p>(Attract FIFO Workers)</p> <p>High density will create single bedroom units and attract FIFO workers</p>	<p><i>“The subject area will provide the opportunity for increased development to provide variety and choice in dwelling size and type to support a diverse range of household sizes, ages and incomes which is responsive to housing demand and preference.</i></p> <p><i>The proposed amendment seeks to optimise the utilisation of</i></p>	<p>While the DAP cannot restrict a type of resident i.e. FIFO, the plan can regulate the built form of developments to ensure a high quality of housing is provided.</p>

	<p><i>the increased density over the subject area to provide a range of residential accommodation options, thus delivering more housing choices to the market.</i></p> <p><i>Furthermore, Amendment 64 is in accordance with the "Pilbara Cities Visions" as acknowledged by the Pilbara Development Commission above."</i></p>	
<p>(Extent of Scheme Area)</p> <p>It is not fair to change coding of only this area, the entire Cooke Point should be rezoned</p>	<p><i>"Whelans note the suggestion to change all lots within the Cooke Point area to R40 is contradictory as it is considered to not be in accordance with several concerns previously noted in the submission.</i></p> <p><i>Not a valid planning consideration and therefore should be disregarded."</i></p>	<p>The densification of Cooke Point is likely to change the family characteristic of the area sort to be retained by the objector.</p> <p>Densifying smaller areas and controlling development through a DAP will ensure the overall characteristics of the area are retained and improved through new aesthetically pleasing development.</p>
<p>(Consistency with Scheme Amendment 51 refusal)</p> <p>The Town did not support an up-coding in Keesing Street from R20 to R30, therefore this scheme amendment should not be supported.</p>	<p><i>"Amendment 51 is yet to be considered by Council following its initiation, it was not rejected as claimed in the submission.</i></p> <p><i>Not a valid planning consideration and therefore should be disregarded."</i></p>	<p>The applicant correctly notes, Scheme Amendment 51 has not been refused by Council.</p> <p>To put the scheme in context, it is important to note the scheme included all residential land in Port Hedland and South Hedland.</p> <p>This amendment is now being considered as part of the scheme review and local housing strategy.</p>

FINANCIAL IMPLICATIONS

A prescribed fee of \$9,758.60 has been paid for the initiation of the scheme amendment.

STATUTORY AND POLICY IMPLICATIONS

The *Planning and Development Act 2005* and the *Town Planning Regulations 1967*, provides Council the authority to amend its Local Planning Scheme and sets out the necessary procedures to undertake scheme amendments such as this amendment.

Policy Implications

Nil

Strategic Planning Implications

Strategic Community Plan 2014 – 2024

The following section of the Strategic Community Plan 2014 – 2024, is considered by the Town's Officers to be compliant with the intent of this document.

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

This amendment seeks to address a shortage of housing & affordability within the Town by increasing the density of the subject site to allow for the development of high quality housing.

Pilbara's Port City Growth Plan

The Pilbara's Port City Growth Plan (Growth Plan) identifies the intended land use and development for the East End, signifying a wide range of proposed densities aimed at providing more affordable housing and greater housing choice. The Growth Plan identifies the Sutherland Street East Area as an opportunity for density increases via scheme amendments such as this. This amendment will assist in meeting demand for high quality housing in close proximity to Cooke Point, Pretty Pool and all of the recreational, school and community facilities situated in the East End.

The Town of Port Hedland Local Housing Strategy (Draft 2014)

At Council's previous meeting dated 22 May 2013, the Town resolved to initiate a Local Housing Strategy which is currently in a draft format. The objectives of the Local Housing Strategy are to promote choice in housing, increase options for affordable and different styles of housing which is in close proximity to existing facilities. The draft Strategy also highlights the need to promote coordinated infill development in appropriate areas which respects the existing characteristics and amenity of these areas. This amendment is consistent with these objectives.

As part of the Local Housing Strategy, the Town's Officers and RPS Planning Consultants are preparing an infill densification model. The objective of this model is to provide the Town with various densification models showing the impacts of densification on various areas. This model is consistent with the vision of the Growth Plan.

ATTACHMENTS

1. Scheme Amendment 64 (Under Separate Cover)
2. Schedule of submissions
3. Detailed Area Plan

25 November 2014

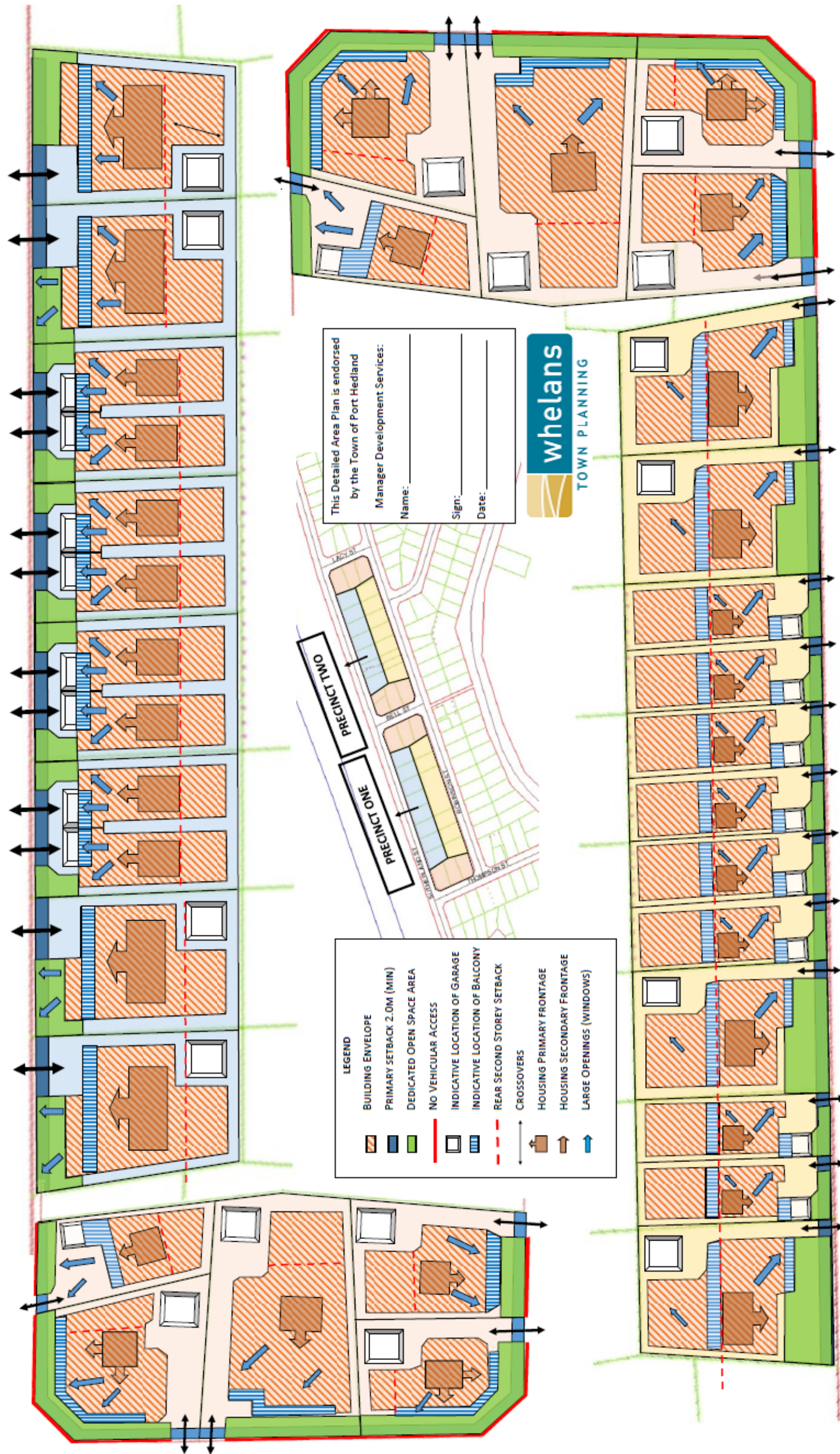
ATTACHMENT 2 TO ITEM 12.1.2

Attachment 2 - Schedule of Submissions

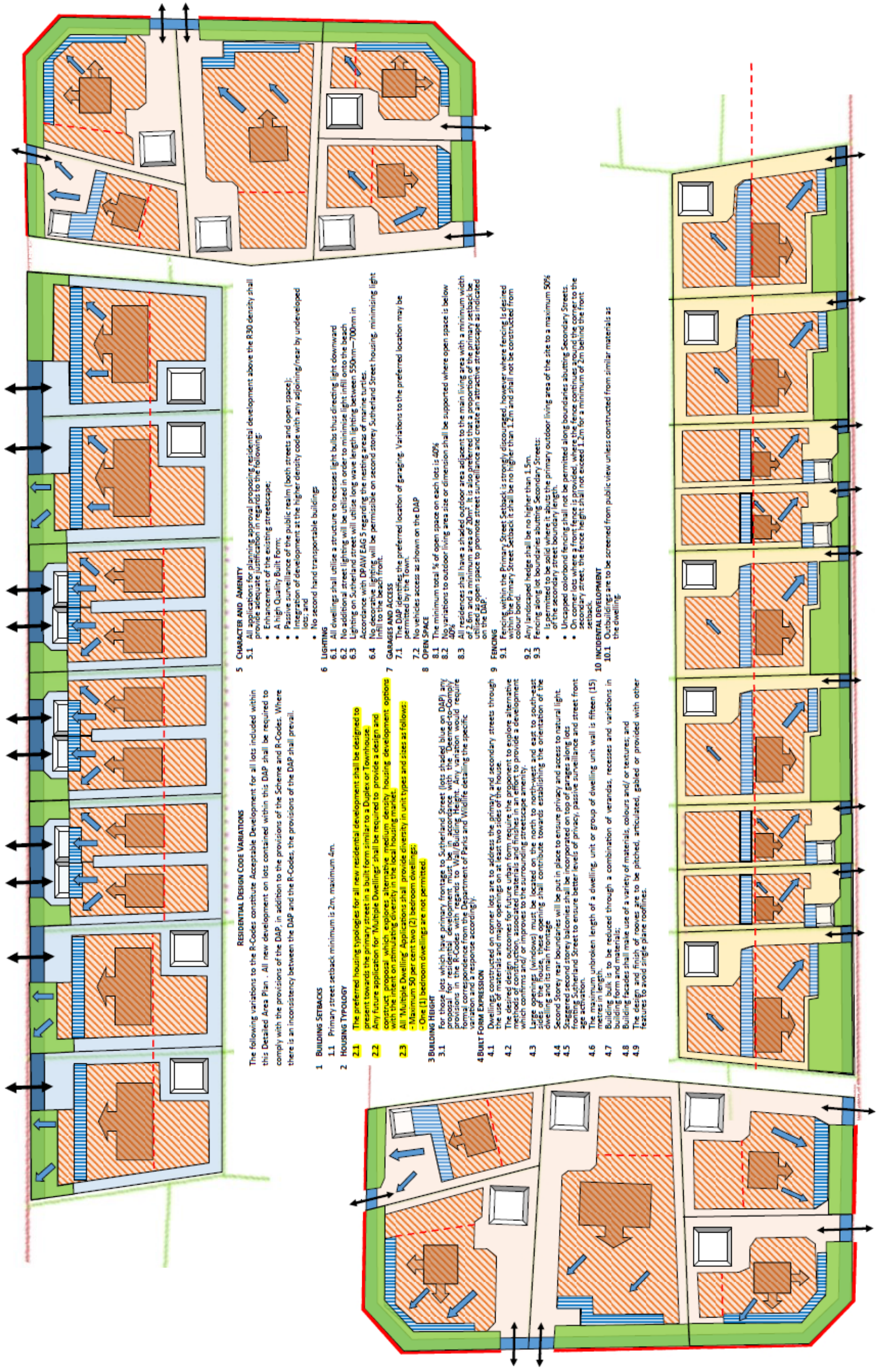
Submission (extract)	Town's Response
<p>Environmental Protection Authority (EPA):</p> <p><i>"The EPA strongly recommends that development applications for land within the amendment area include an assessment of the impacts on marine turtles. To protect marine turtles from adverse impacts of light development should be designed and implemented to a site specific "illumination plan", as described in EAG 5. Specifically, light should be kept off the beach and sea surface, light intensity should be kept to minimum and appropriate wavelengths should be used."</i></p>	<p>The Detailed Area Plan over the Scheme Amendment Area . As part of the preparation the applicant will be required to provide an illumination plan to ensure minimal impact on the turtles resulting from light spillage.</p>
<p>Department of Parks and Wildlife:</p> <p><i>"Parks and Wildlife endorses the EPA's advice in regard to this scheme amendment and recommends that the Town of Port Hedland develop a detailed area plan for the increased density."</i></p>	
<p>Water Corporation:</p> <p><i>"Water and wastewater reticulation mains are on location and can serve the proposed zoning, water and wastewater connections may require upgrading at the building application stage of redevelopment."</i></p>	n/a
<p>Pilbara Cities:</p> <p><i>"The Pilbara Development Commission has no objection to the proposed development."</i></p>	n/a
<p>Port Authority:</p> <p><i>"PHPA supports the proposed scheme amendment subject to the future referral of the required Detailed Area Plan."</i></p>	As part of the DAP consultation process the PHPA will be consulted.
<p>Main Roads Western Australia:</p> <p><i>"MRWA has no objection to the content of the proposal."</i></p>	n/a

Submission (extract)	Town's Response
Department of Water: No response	n/a
Horizon Power: No response	
Optus: No response	
Telstra: No response	
Care for Hedland Environmental Association:	
No response	

SUTHERLAND STREET DETAILED AREA PLAN — PRECINCT ONE



SUTHERLAND STREET DETAILED AREA PLAN — PRECINCT TWO



- RESIDENTIAL DESIGN CODE VARIATIONS**
- The following variations to the R-Codes constitute Acceptable Development for all lots included within this Detailed Area Plan. All new development on lots contained within this DAP shall be required to comply with the provisions of the DAP, in addition to the provisions of the Scheme and R-Codes. Where there is an inconsistency between the DAP and the R-Codes, the provisions of the DAP shall prevail.
- 1 BUILDING SETBACKS**
 - 1.1 Primary street setback minimum is 2m, maximum 4m.
 - 2 HOUSING TYPOLOGY**
 - 2.1 The preferred housing typologies for all new residential development shall be designed to present towards the primary street in a built form similar to a Duplex or Townhouse.
 - 2.2 Any future application for Multiple Dwellings shall be required to provide a design and construct proposal which explores alternative medium density housing development options with the intent on stimulating diversity in the local housing market.
 - 2.3 All Multiple Dwelling Applications shall provide diversity in unit types and sizes as follows:
 - Maximum 50 per cent two (2) bedroom dwellings;
 - One (1) bedroom dwellings are not permitted.
 - 3 BUILDING HEIGHT**
 - 3.1 For those lots which have primary frontage to Sutherland Street (lots shaded blue on DAP) any provisions in the R-Codes with regards to Wall/Building Height. Any variation would require formal correspondence from the Department of Parks and Wildlife detailing the specific variation and a response accordingly.
 - 4 BUILT FORM EXPRESSION**
 - 4.1 Dwellings constructed on corner lots are to address the primary and secondary streets through the use of materials and major openings on at least two sides of the house.
 - 4.2 The detailed design outcomes for future urban form require the proponent to explore alternative methods of construction associated materials and finishes in an effort to provide a development which confirms and/or improves to the surrounding streetscape amenity.
 - 4.3 Large openings (windows) must be located on the north to north-west and east to south-east side of the house, these openings shall contribute towards establishing the orientation of the dwelling and its main frontage.
 - 4.4 Second storey rear boundaries will be put in place to ensure privacy and access to natural light.
 - 4.5 Serrated second storey balconies shall be incorporated on top of garages along lots fronting Sutherland Street to ensure better levels of privacy, passive surveillance and street frontage articulation.
 - 4.6 The minimum unbroken length of a dwelling, unit or group of dwelling unit wall is fifteen (15) metres in length.
 - 4.7 Building bulk is to be reduced through a combination of verandas, recesses and variations in building form and materials.
 - 4.8 Building facades shall make use of a variety of materials, colours and/or textures; and
 - 4.9 The design and finish of rooves are to be pitched, articulated, gabled or provided with other features to avoid single plane rooflines.
 - 5 CHARACTER AND AMENITY**
 - 5.1 All applications for planning approval proposing residential development above the R30 density shall provide adequate justification in regards to the following:
 - Enhancement of the existing streetscape;
 - A high Quality Built Form;
 - Passive surveillance of the public realm (both streets and open space);
 - Integration of development at the higher density code with any adjoining/near by undeveloped lots; and
 - No second hand transportable buildings.
 - 6 LIGHTING**
 - 6.1 All dwellings shall utilise a structure to recesses light bulbs thus directing light downward
 - 6.2 No additional street lighting will be utilised in order to minimize light spill onto the beach
 - 6.3 Lighting on Sutherland street will utilise long wave length lighting between 550nm-700nm in accordance with DP/AV EAG 5 regarding the nesting area of marine turtles.
 - 6.4 No decorative lighting will be permissible on second storey Sutherland Street housing, minimizing light spill to the beach front.
 - 7 GARAGES AND ACCESS**
 - 7.1 The DAP identifies the preferred location of garaging. Variations to the preferred location may be permitted by the Town.
 - 7.2 No vehicles access as shown on the DAP
 - 8 OPEN SPACE**
 - 8.1 The minimum total % of open space on each lot is 40%
 - 8.2 No variations to outdoor living area size or dimension shall be supported where open space is below 40%
 - 8.3 All residences shall have a shaded outdoor area adjacent to the main living area with a minimum width of 2.6m and a minimum area of 20m². It is also preferred that a proportion of the primary setback be utilised as open space to promote street surveillance and create an attractive streetscape as indicated on the DAP.
 - 9 FENCING**
 - 9.1 Fencing within the Primary Street Setback is strongly discouraged, however where fencing is desired within the Primary Street Setback it shall be no higher than 1.2m and shall not be constructed from colour bond.
 - 9.2 Any landscaped hedge shall be no higher than 1.5m.
 - 9.3 Fencing along lot boundaries abutting Secondary Streets:
 - Is permitted to be solid where it abuts the primary outdoor living area of the site to a maximum 50% of the secondary street boundary length.
 - Uncapped colorbond fencing shall not be permitted along boundaries abutting Secondary Streets.
 - On corner lots where a front fence is provided, where the fence continues around the corner to the secondary street, the fence height shall not exceed 1.2m for a minimum of 2m behind the front setback.
 - 10 INCIDENTAL DEVELOPMENT**
 - 10.1 Outbuildings are to be screened from public view unless constructed from similar materials as the dwelling.

ROBINSON ST

12.1.3 2015 North West Festival – Approval of Event

Paul Howrie, Manager Community Development
File No. 03/02/0005

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/134 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR DACCACHE

SECONDED: CR HUNT

That Council:

- 1. Note the review of the 2014 North West Festival;**
- 2. Endorse the delivery of the 2015 North West Festival;**
- 3. Note that under the terms of awarding of Request For Proposal 14/12 the 2015 North West Festival will be managed by Sunset Events;**
- 4. Endorse the payment in the 2015 /2016 Financial Year of \$250,000 (GST exclusive) to Sunset Events for Event Managing the 2015 North West Festival subject to the event being delivered in accordance with contract requirements;**
- 5. Note the audited figures for the 2014 North West Festival; and**
- 6. Approve an allocation of \$500,000 in the 2015/2016 Budget as the Town's contribution to the 2015 North West Festival.**

CARRIED BY ABSOLUTE MAJORITY 8/0

EXECUTIVE SUMMARY

The 2014 North West Festival was a great success, with the Event moving from a one day format to a three day Event. Sunset Events were aware that in moving to a three day event, the North West Festival may end up not making sufficient profit to meet their event management fee, however they were supportive of the new format and prepared for the possibility of having a reduced event management fee accordingly.

With the North West Festival becoming a significant and important event within the Pilbara and across the broader events scene in regional Western Australia, it is recommended that Council support the delivery of the 2015 Event.

It is further recommended that the Town contribute an amount of \$500,000 to the 2015 North West Festival and budget accordingly in the 2015/2016 Financial Year.

DETAILED REPORT

Council's broad aims for the North West Festival are to:

- Increase the profile of Port Hedland, as Pilbara's Port City
- Act as a platform for the development of Port Hedland as the regional centre of the Pilbara
- Promote the Town as a tourism destination of significance and renown by highlighting the unique industrial and marine environment of Port Hedland
- Leave a year-round legacy of broader cultural and community benefits for the Town by stimulating existing community and cultural participation in and around the event and providing a stimulus for this continued activity throughout the year
- Stimulus for economic and social activity through the development of a year round touring circuit for performers
- Development of a purpose built outdoor event space and attraction of permanent event infrastructure to the Town

It is considered that the North West Festival 2014 achieved and built on these aims and was an outstanding success in its new 3 day format. The Event had over 6000 attendances, around 50% of ticketed attendees from outside of Port Hedland which increased local tourism, 32 associated community and fringe activities, extensive media coverage, a high quality line-up of performers including International and National artists, and the ability to attract an audience from under 18 years of age to people over 50.

The North West Festival has been the catalyst for developing a year round legacy of benefits, including cultural and community activities. It stimulates economic activity for Port Hedland and the state, and amongst other outcomes contributes towards Hedland being the regional centre of the Pilbara.

The North West Festival has clearly established itself as one of the premier events in the North West, and is steadily growing in its reputation as one of the major Festivals in Western Australia. It is the signature community event for the Town of Port Hedland

Over its three year gestation period, the North West Festival has successfully been event managed by Sunset Events, who recently were again appointed as the Event Managers for the period 2015 - 2017 with a three year option which was endorsed at the Ordinary Council Meeting held on the 22/10/2014 (recommendation 201415/089). Sunset Events will now have the ability, subject to the Event continuing, to make the North West Festival the best Festival and Fringe event anywhere in regional Australia.

There were no major issues arising out of the 2014 Event which was well managed and has received extremely positive feedback from all stakeholders, and especially the public. The Event Manager's, Sunset Events have previously indicated at a Concept Forum to Councillors, the need to obtain early endorsed for the delivery of the Event, so that they are able to maximise the opportunity to sign up artists. The earlier that approval is provided, the better chance Sunset Events has of obtaining high profile artists. Similarly, the sooner that they have certainty of the budget, particularly around income, the more certain they can be in attracting a high quality line up of International, National and local artists from WA.

With the event expanding its format from a one day to a three day Festival and Fringe event, it required more money to meet this change, with the audited figures indicating that the event made a profit of \$174,144 prior to the management fee of \$250K being deducted. Therefore the Event Manager did not receive all of their fees on this occasion and the amount of approximately \$75,856K will be carried forward to the 2015 Event if it is held. The audited figures have been presented to Council as confidential attachment 1.

2015 North West Festival

In planning for the 2015 Event, corporate sponsorship from BHP and Atlas have been confirmed for amounts of \$300K and \$100k respectively. An application has been forwarded to Eventscorp for a new three year funding partnership, however at the time of writing this report, no confirmation on this application has been received. Sunset Events have engaged a sub-contractor to assist them with the writing of grant submissions, which will be auspiced by the Town if successful, in an endeavour to increase sponsorship monies for the event.

The Town has been the major sponsor of the North West Festival, both from a cash contribution and with its in-kind work. Given the uncertainty of the Eventscorp monies, the North West Festival may need to seek additional corporate sponsorship. If this is not forthcoming, the Event may need to be tailored to meet any shortfall or other options including a higher contribution from the Town, may need to be considered in the future.

At this stage, it is recommended that the Town provide a cash contribution of \$500K which combined with the existing confirmed corporate sponsorship provides a solid platform of \$800K for the event. Other revenue will be obtained from ticket sales, additional sponsors and food and beverage sales. Based on the Town's financial contribution to the Event, it is further recommended that the Town endorses the delivery of the 2015 North West Festival, and the payment of the \$250,000 management fee (after the Event is held) for Sunset Events subject to the event being delivered in accordance with contract requirements. Council endorsement of the delivery of the 2015 North West Festival will enable the timely progression of planning for the event. It should be noted that the Town has a projected expenditure in the 2015 / 2016 financial year budget of \$400K, which is \$100K less than the amount being requested.

In order to maximise the opportunity to secure a top quality headline performer it is proposed that the dates remain flexible, although the Event has consistently been delivered in August each year.

With the great success of the 2014 Event, it is recommended that Council endorse the delivery of the 2015 North West Festival under the management of Sunset Events at an event management fee of \$250,000 (GST exclusive) subject to the Event being delivered in accordance with contractual requirements.

Summary

The North West Festival has met its stated broad aims, and continues to grow in momentum as one of the premier events in Western Australia.

Although this year the Event made a profit, it was not sufficient to meet the whole Event Management fee, as outlined in the confidential attachment of audited figures. However, the growth of the event from a one day Music Festival into a three day Festival and Fringe event has provided many community and cultural development benefits. On this basis, the Event should continue to develop and it is recommend that Council endorse the delivery of the 2015 North West Festival, and allocates an amount of \$500k in the 2015 / 2016 financial year budget as the Town's financial contribution to the event.

Sunset Events, who have been endorsed by Council as the Event Managers, will work closely with the Town in delivering this high profile event for the Town and the broader community. In engaging Sunset Events as event managers, it is noted that they will receive an event management fee of \$250k, depending on actually delivering the event, and meeting contract requirements. If the event incurs a deficit, this will be deducted from the event management fees. As will be the case from this year, any deficit will be carried into the next year, and deducted from the Event profits. If a deficit is incurred next year, this, combined with the 2014 deficit will be carried forward into subsequent years.

FINANCIAL IMPLICATIONS

In delivering the 2015 North West Festival, it is recommended that an amount of \$500K be committed in the 2015 / 2016 Budget noting that the projected 2015/16 Budget has been set at \$400,000

STATUTORY AND POLICY IMPLICATIONS

Attachment 1 is to be kept confidential pursuant to Section 5.23(2)(e)(iii) of the Local Government Act 1995.

The Strategic Community Plan 2014 – 2024 supports the North West Festival being held, as outlined below:

Outcome 1.1 - A unified community across out Town.

Provide safe and accessible community facilities, services, events and open spaces that connect people and neighbours.

Outcome 1.2 - A vibrant community rich in diverse cultures.

Deliver and support programs, events, facilities and services which attract and retain residents to increase our permanent population.

ATTACHMENTS

1. Audited figures for the 2014 North West Festival (Under Separate Confidential Cover)

22 November 2014

5:55pm Mayor Howlett declared an impartiality interest in item 12.1.4 'Interim Use of the JD Hardie Youth Zone by the Youth Involvement Council' as she is a Youth Involvement Council board member.

Councillor Jacob declared an impartiality interest in item 12.1.4 'Interim Use of the JD Hardie Youth Zone by the Youth Involvement Council' as she is the Youth Involvement Council Chairperson.

Mayor Howlett and Councillor Jacob did not leave the room.

12.1.4 Interim Use of the JD Hardie Youth Zone by the Youth Involvement Council

Mark Davis, Community and Youth Development Coordinator
File No 05/05/0082

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/135 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR HOOPER

SECONDED: CR MELVILLE

That Council:

- 1. Endorse the Youth Involvement Council's use of facilities within the JD Hardie Youth Zone from the 1st of February 2015 until the completion of the redevelopment of the Lawson Street Youth Centre;**
- 2. Invoice the Youth Involvement Council a monthly fee of \$500 exclusive of GST to cover utility and cleaning costs for the duration of usage equating to 50% of operating hours; and**
- 3. Request the Chief Executive Officer, or his delegate(s), to prepare a letter of agreement with the Youth Involvement Council.**

CARRIED 8/0

EXECUTIVE SUMMARY

The Youth Involvement Council (YIC) currently occupy the Lawson Street Youth Centre located at Reserve 48773, Lot 304 Lawson Street South Hedland from the Town of Port Hedland (Town) by way of lease agreement. From February 2015, this premise will be re-development for approximately 15 months. YIC has approached the Town regarding the use of facilities within the JD Hardie Youth Zone during this period. It is proposed that this request is granted under special circumstances given YIC's current agreement with the Town for the Lawson Street Youth Centre.

DETAILED REPORT

YIC is currently seeking alternative premises to house its afterschool and specialised programs during the redevelopment of the Lawson Street Youth Centre for a period of approximately 15 months commencing February 2015.

YIC has approached the Town of Port Hedland's Community Development team to request use of the facilities within the JD Hardie Youth Zone during this period. In order to make a recommendation to Council regarding this request, the Coordinator of Community and Youth Development has consulted with the Town's Manager Investment and Business Development, and Leasing Officer.

Lawson Street Youth Centre

In the current youth centre at Lawson Street, YIC attracts between 5 – 25 youth per afternoon to its programs which are facilitated by up to three youth workers. Due to funding agreements, this centre is required to be open on all days of the year – including Sundays and public holidays.

The Town holds the Management Order for Reserve 48773 Lot 304, Lawson Street South Hedland for the purpose of "Youth Centre" with power to lease for any term not exceeding 21 years subject to the consent of the Minister of Lands.

YIC has occupied the Lawson Street Youth Centre since 1998. The lease agreement expired in 2008 however YIC have continued to occupy the premises under the terms and conditions of the expired agreement.

In accordance with the Lease agreement, YIC are responsible for all outgoings associated with the occupation of the Lawson Street Youth Centre including but not limited to maintenance of the site, utility costs and Local Government Rates. While local government rates are noted as a responsibility within the lease agreement, YIC actively participate in the rates exemption application process and to date have received 100% exemption on the payment of rates associated with their occupation of the reserve.

Following the formal expiry of the lease agreement in 2008 a number of discussions have taken place between Officers of the Town and YIC regarding the status of the lease. During these discussions it was noted that any decision by Council to renew the agreement would be dependent on the adoption of a Community Leasing Policy.

In August 2013 Council resolved to relinquish the Management Order held by the Town to enable YIC to apply to the Minister of Lands for freehold acquisition over the Reserve. It was considered beneficial for YIC to obtain freehold acquisition of the Reserve to broaden their level of funding opportunities to support the redevelopment of the Lawson Street Youth Centre. The redevelopment of the Lawson Street Youth Centre is dependent on the approval of this acquisition.

The process of obtaining Freehold acquisition on State Land can take considerable time and is currently still ongoing between YIC and the Department of Lands. In the interim period, in order to effectively administer the control of the assets on site, YIC are in the process of consulting with the Minister of Lands to obtain the Management Order for the Reserve.

On consideration of the above, the resolution of the expired Lawson Street lease has not been considered a priority in the implementation of the Community Leasing Policy, adopted by Council in July 2014, due to the impending transfer of the site into the ownership of YIC.

Notwithstanding the outstanding tenure arrangements, funding for the redevelopment has been confirmed by YIC, and the project is scheduled to begin in February 2015.

YIC Operations

YIC is also a key tenant of the JD Hardie Youth Zone (JDYz). It currently occupies four offices in the western wing of the building in addition to running a number of programs from the facilities.

Given these links, YIC has identified the JDYz as its preferred site for the relocation of its afterschool programs from Lawson Street. The JDYz would be able to accommodate YIC in the following ways:

- YIC afterschool programs to be accommodated in the youth lounge or similar facility during the following hours:
 - Monday to Friday 2.30pm – 6.30pm
 - Saturdays, Sundays and Public Holidays 11.30am – 6.30pm
- YIC specialised programs to be accommodated in the performing arts room or similar facility outside of endorsed opening hours of the JDYz (Sundays and public holidays)
- YIC to have access to the centre outside of endorsed opening hours of the JDYz for purpose of running specialised programs
- provision of limited internal storage for YIC's program equipment
- Non exclusive use of the premises
- Alternative facilities will be negotiated with YIC should casual hirers specifically request the youth lounge or performing arts room during these times

FINANCIAL IMPLICATIONS

The youth lounge and performing arts room located at the JDYZ are currently included in the endorsed fees and charges at \$20.70 and \$29.00 per hour for community groups. Use of these facilities at the nominated times is currently minimal, and use by YIC would have very little financial impact. It would be cost prohibitive and inconsistent to charge these fees to YIC in this instance.

Rather, the nature of the lease agreement for Lawson Street provides a precedent from which to formulate a letter of agreement for use and charging of the JDYz youth lounge, and performing arts room.

Currently YIC are directly responsible for all outgoings associated with the occupation of the Lawson Street Youth Centre including but not limited to any maintenance of the site and utility costs. As the building asset is occupied in the holding over provision of the expired lease agreement and is technically still a Town asset, the building insurance is covered by the Town to the amount of \$6,246 per annum. Discussions have been ongoing with YIC to ensure that on completion of the transfer of the Management Order or Freehold Acquisition process for the Reserve (whichever is sooner), that the responsibility for these costs will be transferred to YIC directly.

YIC has successfully applied for an exemption to rates, but finances all building maintenance at the Lawson Street Youth Centre. YIC has informed the Town that it is also charged approximately \$500 per month in utilities costs.

The recommended charge has been calculated by attributing a portion of the average monthly utilities and cleaning costs to the floorspace occupied by the Youth Lounge, or Performing Arts Room during the nominated times of use. This equates to 50% of the centre's monthly opening hours. Additional usage over 50% occupancy of the Youth Lounge or Performing Arts Room would be charged at an equivalent rate.

Should Council resolve to proceed with the Officers Recommendation the proposed monthly fee will contain the provision of a fee of \$500 per month exclusive of GST for the occupation of the youth lounge or performing arts room during 50% of the centre's operating hours. Over an initial 12 month term, this would see an amount of \$6,000 attributed to the JD Hardie tenancy income account 1104359.

STATUTORY AND POLICY IMPLICATIONS

Regulation 30 of the *Local Government (Functions and General) Regulations 1996* exempts the Town from disposing of property in accordance with the provisions of Section 3.58 when dealing with organisations whose objectives are of a charitable, benevolent, religious, cultural, educational, recreational, sporting or other like nature. YIC fits into this category.

The following section of Council's Strategic Community Plan 2012 - 2022 is considered relevant to the proposal:

- 1 Building a unified and vibrant community
- 1.1 A unified community across our townships

Provide safe and accessible community facilities, services, events and open spaces that connect people and neighbours.

ATTACHMENTS

- 1. YIC Letter

25 November 2014

ATTACHMENT 1 TO ITEM 12.1.4



Administration: PO Box 2543,
South Hedland WA 6722
Ph: (08) 9140 1272 Fax: (08) 9172 5687
Email: manager@yic.com.au
or accounts@yic.com.au

1 December 2014

Hi Mark,

Thanks for your work in progressing towards the approvals required to allow YIC to collaborate with your team at the JDYZ during 2015.

Please be advised that YIC is definitely able to cover a \$500 per month charge throughout this agreement.

We are also happy to look at contributing funds towards some of the larger youth activities that may visit the JDYZ during this time.

I look forward to receiving confirmation that we can move forward with this so our teams can start planning.

Let me know if you require anything further.

Regards,

Vicki-Tree Stephens
CEO - Youth Involvement Council
08 9140 1272



YAP (Youth Accomodation Program)
Ph: (08) 9140 1668 Fax: (08) 9172 5594
Email: coordinator.yaps@yic.com.au

Lawson Street Youth Centre
Ph: (08) 9140 2637 Fax: (08) 9172 1009
Email: coordinator.lsycc@yic.com.au

Mingle Mob
Ph: (08) 9140 1272 Fax: (08) 9172 5687
Email: coordinator.mm@yic.com.au

Education Programs
Ph: (08) 9140 2637 Fax: (08) 9172 1009
Email: educators@yic.com.au

12.1.5 Delegated Planning, Building & Environmental Health Approvals and Orders for November 2014 and Amendment to Delegation

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

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/136 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR HUNT

SECONDED: CR HOOPER

That Council:

1. **Receive the Schedule of Planning and Building approvals, Environmental Health Orders issued by Delegated Authority and the listing of current legal actions for the month of November 2014; and**
2. **Amend delegation 5.1 (1)(f) of the 2014/115 Delegation Register to read:**
 - f) **Determine all applications to commence development where the use is a 'Use Not Listed' in the zoning Table of the Town Planning Scheme provided that:**
 - **Advertising has been completed on accordance with the scheme.**
 - **All Councillors have been advised (in writing) prior to leave determining the application.**
 - **No objections are raised during the advertising period.**
 - **Where any objection is received by a Councillor or a member of the public, or the proposal may have an effect on the amenity of the orderly and proper planning of the locality then the application is to be referred to Council for determination.**

CARRIED BY ABSOLUTE MAJORITY 8/0

EXECUTIVE SUMMARY

This item relates to the Planning and Building approvals and Environmental Health Orders considered under Delegated Authority for the month of November 2014.

This item also requests an amendment to delegation 5.1 (1)(f) of the 2014/15 Delegation Register to clarify the interpretation of this provision.

DETAILED REPORT

A listing of Planning, Building and Environmental Health approvals and Orders issued by Town's Planning, Building and Environmental Health Services under Delegated Authority for the month of November 2014 are attached to this report. Further to Council's request a listing of current legal actions is also attached to this report.

The Director Community and Development Services has been consulted in relation to the amendment to the delegation.

FINANCIAL IMPLICATIONS

Nil

STATUTORY AND POLICY IMPLICATIONS

The 2014/15 Town of Port Hedland Delegation Register outlines the limitations of delegated authority and requires a list of approvals made under it to be provided to Council. This report is prepared to ensure Council is advised of the details of applications which have been dealt with under delegated authority.

There is also an amendment to delegation 5.1 (1)(f) of the Delegation Register 2014/15. The paragraph which states:

"Where any objection is received by a Councillor or a member of the public, or the proposal may have an effect on the amenity or the orderly and proper planning of the locality then the application is to be referred to Council for determination."

It is intended this paragraph be read in conjunction with delegation 5.1 (1)(f) only and not intended to apply to the whole of delegation 5.1 (1). It is therefore recommended that this paragraph under delegation 5.1(1)(f) of the 2014/15 Delegation Register should be amended to read as one sub-clause specifically applying only to delegation 5.1 (1)(f).

ATTACHMENTS

1. Statistics for Building, Planning and Health Approvals for the month of November 2014

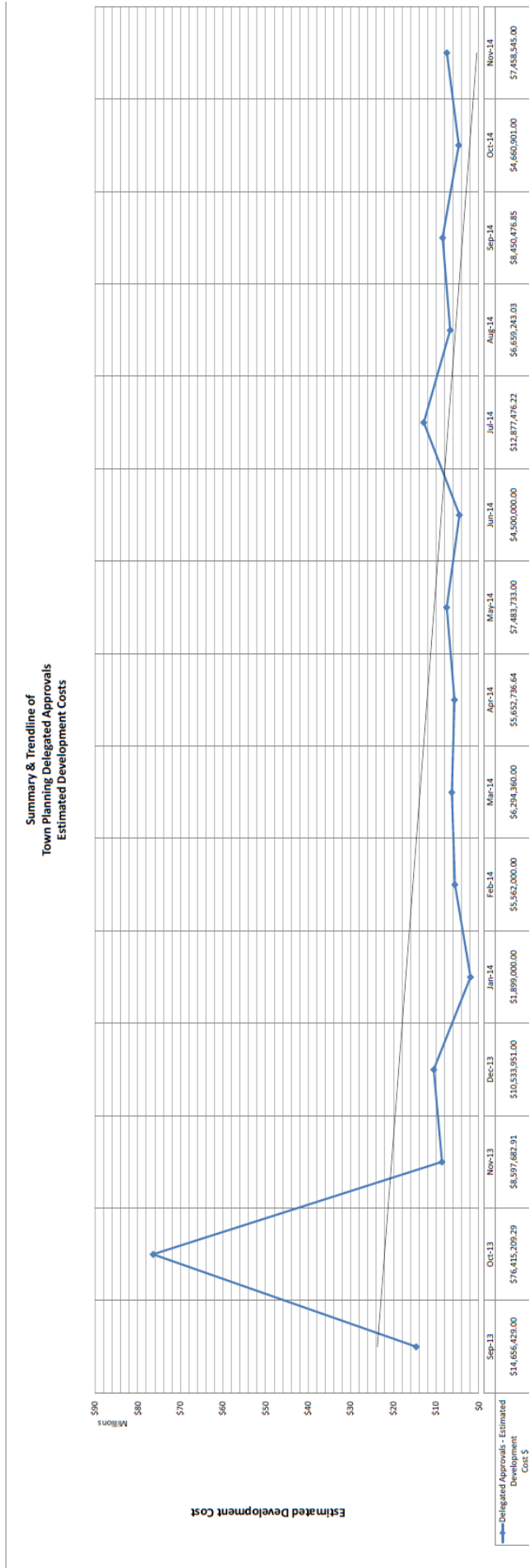
01 December 2014

ATTACHMENT 1 TO ITEM 12.1.5

DELEGATED PLANNING APPROVALS FOR NOVEMBER 2014

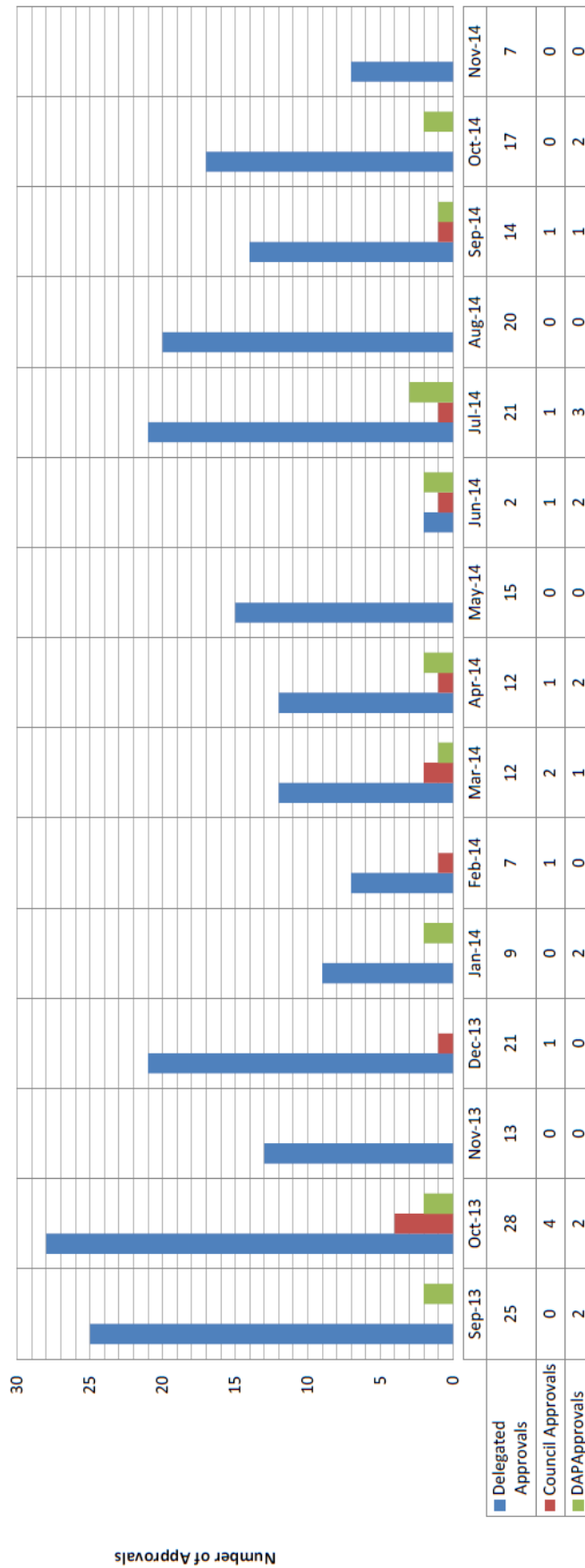
APPLICATION NO.	DESCRIPTION	LOT	PROPERTY ADDRESS	DATE APPROVED	APPLICANTS NAME	DEVELOPMENT VALUE
2014/279	MOTOR VEHICLE AND/OR MARINE REPAIR & HIRE SERVICE (INDUSTRIAL) - WORKSHOP AND OFFICE	309	35 PHOSPHORUS STREET WEDGEFIELD 6721	06/11/2014	DIESELMECH	\$ 1,500,000.00
2014/314	HOME OCCUPATION - FAMILY DAY CARE	1161	51 ROBINSON STREET PORT HEDLAND 6721	18/11/2014	WINSOME MARY HUMM	\$ -
2014/320	SINGLE HOUSE - RETROSPECTIVE SEA CONTAINER	25	45 GREENFIELD STREET BOODARIE 6722	18/11/2014	DARREN MARTIN	\$ 1,000.00
2014/326	RETROSPECTIVE SHIPPING CONTAINER	87	110 GREENFIELD STREET BOODARIE 6722	18/11/2014	RONALD STEELE PATERSON	\$ 3,000.00
2014/106.01	AMENDED PLANS TO 2014/106 - 10 GROUPED DWELLINGS	616	1 DEMARCHI ROAD SOUTH HEDLAND 6722	19/11/2014	MITIE CONSTRUCTIONS PTY LTD	\$ 5,454,545.00
2014/317	SINGLE DWELLING	313	10 STORK ROAD SOUTH HEDLAND 6722	20/11/2014	GOLDMAN CONSTRUCTIONS	\$ 500,000.00
2014/321	CHANGE OF USE - SHOP TO CONSULTING ROOMS	724	150 ANDERSON STREET PORT HEDLAND 6721	24/11/2014	JON ROSE DESIGNS	\$ -
TOTAL 7						\$ 7,458,545.00

DELEGATED PLANNING APPROVALS FOR NOVEMBER 2014



COUNCIL, DELEGATED & DAP PLANNING APPROVALS FOR NOVEMBER 2014

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



DELEGATED BUILDING APPROVALS FOR NOVEMBER 2014

BUILDING PERMITS						
Permit Number	Decision Date	Property Address	Locality	Applicant	Description of Work	Building Classification
14-357	24.11.2014	10 STORK ROAD	SOUTH HEDLAND 6722	Daniel Kingdom	Construction of 6m ² shed	10a
14-320	26.11.2014	23 BEROONA LOOP	SOUTH HEDLAND 6722	Mark Van Den Brink	1 x Sea Container (Storage)	10a
14-361	26.11.2014	14 GRATWICK STREET	PORT HEDLAND 6721	Nathan Cairns	Construction of Rear Decking & Patio	10a
14-346	10.11.2014	1 ROGERS STREET	PORT HEDLAND 6721	Briohny Evans	Construction of Boundary Fence	0
14-359	27.11.2014	29 PHOSPHORUS STREET	WEDGEFIELD 6721	Resolve Group - Kieran Hunt	1 x Large Wall sign 1 x Illuminated Pylon sign 2 x Illuminated wall signs 1 x Fence sign	10b
14-358	27.11.2014	9 CRAKE STREET	SOUTH HEDLAND 6722	Reve Pools and Spas	Construction of Below ground swimming pool	15
14-319	27.11.2014	5991 COTTIER DRIVE	SOUTH HEDLAND 6722	Gayan Weerasooriya	Installation of 4G Equipment on existing Telstra Facility	10b
14-340	03.11.2014	63 TREVALLY ROAD	SOUTH HEDLAND 6722	WINFIELD CONSTRUCTIONS PTY LTD	New Residential Dwelling	1a
14-341	04.11.2014	8 WRASSE CRESCENT	SOUTH HEDLAND 6722	WINFIELD CONSTRUCTIONS PTY LTD	New Residential Dwelling	1a
14-342	21.11.2014	10 STORK ROAD	SOUTH HEDLAND 6722	GOLDMAN CONSTRUCTIONS PTY LTD	Construction of Dwelling	1a
14-350	12.11.2014	40 CATAMORE ROAD	SOUTH HEDLAND 6722	MEGARA CONSTRUCTION	Construction of Single storey dwelling & fence	1a & 10b
14-349	12.11.2014	30 LONGTOM LOOP	SOUTH HEDLAND 6722	MEGARA CONSTRUCTION PTY LTD	Construction of Single storey dwelling & fence	1a & 10b
14-343	17.11.2014	10 WRASSE CRESCENT	SOUTH HEDLAND 6722	MEGARA CONSTRUCTION PTY LTD	Construction of New Dwelling and Fence	1a & 10b
14-344	17.11.2014	7 PERCH WAY	SOUTH HEDLAND 6722	MEGARA CONSTRUCTION PTY LTD	Construction of 1 x New Dwelling and Fence	1a & 10b
14-347	20.11.2014	26 WRASSE CRESCENT	SOUTH HEDLAND 6722	K58 Developments Pty Ltd	Construction of Single storey residential dwelling & fence	1a & 10b
14-348	20.11.2014	13 THREADPIN LOOP	SOUTH HEDLAND 6722	K58 Developments Pty Ltd	Single storey dwelling & fence	1a & 10b
14-355	21.11.2014	30 PARKER STREET	SOUTH HEDLAND 6722	MEGARA CONSTRUCTION PTY LTD	Construction of Single storey dwelling & fence	1a & 10b
14-339	03.11.2014	67 TREVALLY ROAD	SOUTH HEDLAND 6722	Thomas Building Pty Ltd	Single storey dwelling with alfresco carport & fencing	1a & 10b
14-352	20.11.2014	LOT 550 HEDDITCH STREET	SOUTH HEDLAND 6722	RSL Port Hedland Sub Branch	Construction of Additions and alterations to existing RSL Club	6 & 9b
14-356	21.11.2014	9-31 THROSSSELL ROAD	SOUTH HEDLAND 6722	OFFICE FITOUT PROFESSIONALS PTY LTD	Stingaz Surf & Skate shop fit out	6
Total	20					2531

TOWN OF PORT HEDLAND CERTIFICATION	
Certificate Type	Number Issued
Certificate of Design Compliance	14
Certificate of Construction Compliance	0
Certificate Building Compliance	0
TOTAL	14

OCCUPANCY PERMIT FOR NOVEMBER 2014

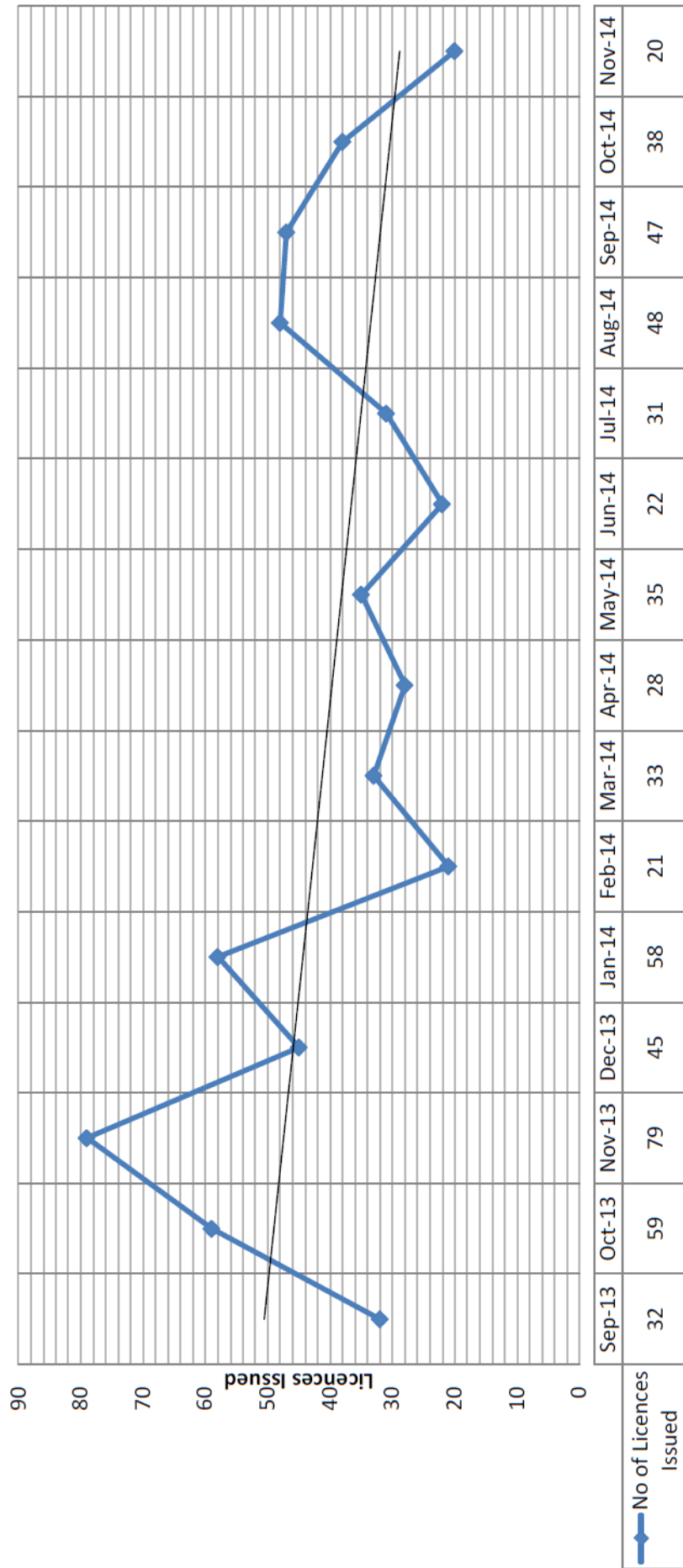
OCCUPANCY PERMIT				
Permit Number	Decision Date	Property Address	Description of Work	
13-269	17/11/2014	Lot 592 (2-6) Somerset Crescent, South Hedland	Twenty (20) Dwellings	
14-351	20/11/2014	Lot 550 Hedditch Street, South Hedland	New Shop Area within Existing Building	
14-055	10/11/2014	Lot 335 (2) Hematite Drive, Wedgefield	Office/Workshop	
14-245	26/11/2014	Lot 2053 (77-95) Hamilton Road, South Hedland	Stage 5B - Laundries and Residential Units	
13-336	13/11/2014	Lot 218 (13) Cajarina Road, Wedgefield	Four (4) Workshops nad Ancillary Offices	
Total	5			

OVERVIEW SUMMARY FOR NOVEMBER 2014

SUMMARY				
No of Permits	Permit Type	Estimated Construction Value	Floor Area in square metres	Average cost per square metre
0	Demolitions	\$0	0	\$0.00
11	Dwellings	\$5,386,682	1,998	\$2,696.04
3	Class 10a	\$28,000	69	\$405.80
4	Class 10b	\$111,500	15	\$7,433.33
2	Commercial	\$379,000	449	\$844.10
	Strata and Occupancy	N/A	N/A	N/A
20		\$5,905,182	2,531	

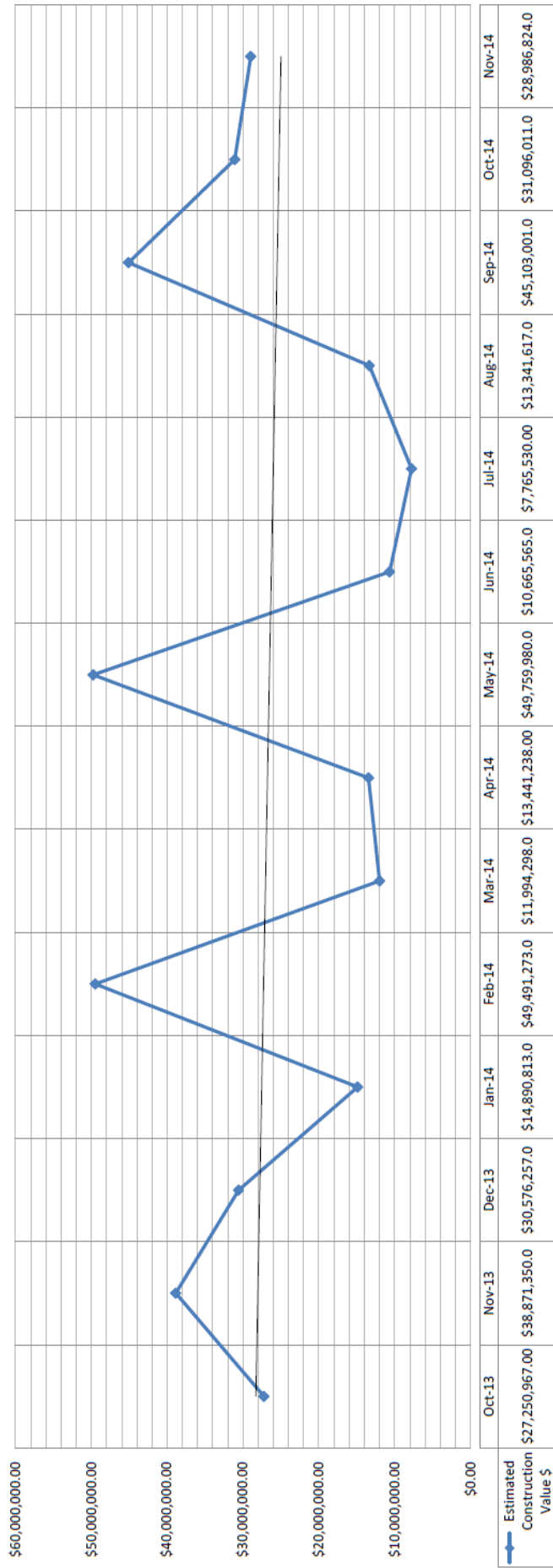
BUILDING APPROVALS FOR NOVEMBER 2014

Summary & Trendline for Building Licence Approvals



BUILDING APPROVALS FOR NOVEMBER 2014

**Summary & Trendline of
Estimated Construction Value of Building Licences Issued**



Ranger Services Monthly Statistical Information

2014	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	July-14	Aug-14	Sept-14	Oct-14	Nov-14	Dec-14	Year Total
Camping Jobs	2	2	4	5	14	11	7	3	3	6	3		
Cat Jobs	30	32	37	23	17	12	50	23	21	24	18		
Dog Jobs	73	59	64	82	114	131	124	80	74	88	73		
Fire Jobs	7	15	17	6	7	27	8	7	10	10	11		
Litter Jobs	9	11	20	13	11	10	15	36	63	21	29		
Livestock Jobs	0	1	0	1	3	0	1	0	1	0	1		
Off road Vehicles Jobs	0	1	2	0	2	10	2	18	1	0	1		
Parking Jobs	40	33	27	23	45	27	34	49	90	35	45		
Abandoned Vehicles Jobs	28	24	25	39	25	31	51	67	37	51	32		
Wildlife Jobs (Snakes etc)	19	17	12	5	13	8	8	17	24	15	12		
Dog Health Program	0	0	0	0	0	0	0	0	1	36	0		
Dogs Impounded	42	50	30	29	44	61	53	35	42	40	32		
Cats Impounded	39	33	43	24	48	7	61	14	18	40	24		
Total Infringements	114	234	119	57	143	64	119	133	82	120	172		
Animals Adopted	13	16	5	4	13	17	8	3	18	16	7		
*Total Jobs Attended	209	205	212	197	255	255	338	274	350	252	224		

*Total Jobs Attended not reflective of the following:-Patrols of parks, reserves, foreshores & pound duties.

NB: Cat Jobs relates to calls about lost, found, wanted, abandoned or feral trapped cats. Cats impounded relates to the total number of impounded cats.

CURRENT LEGAL MATTERS FOR NOVEMBER 2014

CURRENT LEGAL MATTERS				
File No.	Address	Issue	Current Status	Officer
117650G	Lot 2505 # 7 Moorambine Street, Wedgefield	Unauthorised Residential Structures	<ul style="list-style-type: none"> - Handed over to the attorney. - 1st Hearing set for Friday 2nd August 2013. - Adjourned until 30th August 2013. - Adjourned until 18th October 2013. - Sentencing scheduled for 22nd November 2013. - Adjourned until 20th Feb 2014. - Sentencing scheduled for the 9th April 2014. - Adjourned until 9th May 2014. - Set down for trial on 2nd December 2014. 	BM
401840C	Lot 841 # 34 Sutherland Street, Port Hedland	Asbestos house dumped on reserve (Old hospital site)	<ul style="list-style-type: none"> - First mention on 15th August 2014. - Trial on 11th March 2015 	MS
154413G	Lot 3 # 9-11 Greenfield Street, South Hedland	3 x Sea Containers	Prosecution notice to be served on offender.	MS
154427G	Lot 16 # 59-61 Greenfield Street, South Hedland	Unauthorised use as a laydown and storage facility	Prosecution notice to be served on offender	RS
130510G	Lot 5873 # 17 Schillaman Street, Wedgefield	Unauthorised Development (Illegal Dwelling on Council Land)	<ul style="list-style-type: none"> - First mention on 15th August 2014. - Trial on 10th March 2015 	MS

12.1.6 Kingsford Smith Business Park - Private Treaty Proposal Finance Unlimited Pty Ltd

David Westbury, Manager Economic Development and Strategy
File No.08/02/0032

DISCLOSURE OF INTEREST BY OFFICER

Nil

MOTION

MOVED: CR BUTSON

That Council:

1. Formally receive in principle the offer to lease approximately 14.5ha of part Lot 436 and Lots 437, 438 and 439 for the amount of \$2,030,000 annually or (\$14 per square metre) within Kingsford Smith Business Park to Finance Unlimited Pty Ltd in accordance with section 3.58 and section 3.59 of the Local Government Act 1995 on the following terms and conditions:
 - a. Lease area of approximately 14.5 ha (subject to survey);
 - b. Lease term of ten (10) years;
 - c. A single option to extend by five years exercisable by the lessee;
 - d. Second option to extend by five years at the discretion of the Town of Port Hedland;
 - e. Annual base rental \$2,030,000.00 exclusive of GST (\$14.00 square metre equates to \$20,030,000.00 over 10 years);
 - f. Annual CPI increase, utilising the quarterly CPI figure published in the immediately preceding quarter to the annual review date (anniversary of actual commencement date);
 - g. Market review every 3 years;
 - h. Annual voluntary community contribution payment upon completion of the development of \$5 for each occupied (excluding site management personnel) room per night above a threshold level of 75% of total rooms. (this voluntary community contribution of up to \$18,200,000 shall be utilised by the Town of Port Hedland towards community benefit programs identified in consultation between the two parties and recognised by the Town of Port Hedland through public acknowledgements, naming rights and similar).

Conditions

- Finance unlimited shall not proceed with the lease until suitable tenancy contracts which relate to the construction industry and associated infrastructure are secured
- Flexible accommodation options shall be provided for families and/or close relatives of the workers staying at the accommodation facility

- Accommodation facility shall incorporate a designated area to promote the local community through highlighting local attractions, local commercial business, local clubs, events and any other additional opportunities for local community interaction
 - That a community integration strategy be submitted and approved with mandatory participation in the Community Integration Working Group
 - Augmentation of physical infrastructure (Roads, Water, Sewer, Power etc) and the retention of permanent community buildings and/ or infrastructure at the completion of the lease/operations
 - That Finance Unlimited demonstrate a commitment to hiring and up-skilling local residents for career advancement and particular emphasis upon indigenous youth
 - The accommodation will be used for City building projects and will not house operational employees that reside in Port Hedland on a permanent basis
 - That Finance Unlimited submit a local content plan demonstrating the utilisation of local businesses in the construction and operational phase of the development
 - No individual person can stay within the TWA facility for a period of less than fourteen (14) days
 - Accommodation cannot be leased to customers without an ABN
 - The accommodation facility may not be advertised to the general travelling public market whom would normally stay at a traditional hotel/motel
 - That no services from the lease area be offered to the public that are widely available within the Town such as catering or restaurant (subject to review) without prior authorization of Council
 - The guest register is submitted to the Town of Port Hedland on a quarterly basis, so that conditions of lease can be verified by the Town of Port Hedland
2. Request the Chief Executive Officer, or his delegate(s), to monitor the need for transient worker accommodation and if demand necessitates report back to Council on portion of Lot 436 and Lots 437, 438 and 439 within the Kingsford Smith Business Park.

NOTE: After clarification from the Chief Executive Officer on the viability of the above motion Councillor Butson decided to retract it and move the motion listed below.

MOTION

MOVED: CR BUTSON

SECONDED: CR DACCACHE

That Council lay the item on the table for further discussion with Elected Members.

LOST BY THE MAYOR'S CASTING VOTE 4/5

201415/137 COUNCIL DECISION**MOVED: CR JACOB****SECONDED: CR MELVILLE**

That Council suspend sections 9.4, 9.5 and 9.9 of the Standing Orders Local Law 2014 in accordance with section 18.2 'Suspension of Standing Orders' to discuss the Finance Unlimited proposal.

CARRIED BY ABSOLUTE MAJORITY 8/0

5:59pm Mayor advised that sections 9.4, 9.5 and 9.9 of the Standing Orders Local Law 2014 have been suspended.

201415/138 COUNCIL DECISION**MOVED: CR JACOB****SECONDED: CR MELVILLE**

That Council resume sections 9.4, 9.5 and 9.9 of the Standing Orders Local Law 2014.

CARRIED BY ABSOLUTE MAJORITY 8/0

6:05pm Mayor advised that sections 9.4, 9.5 and 9.9 of the Standing Orders Local Law 2014 have been resumed.

201415/139 RECOMMENDATION/ COUNCIL DECISION**MOVED: MAYOR HOWLETT****SECONDED: CR JACOB**

That Council:

1. Receive the report from the Manager Economic Development and Strategy on the proposal from Finance Unlimited Pty Ltd to lease a 14.5 hectare parcel in Kingsford Smith Business Park for transient worker accommodation;
2. Note the submissions received from the community and stakeholders regarding the proposal;
3. Due to community sentiment and lack of demonstrated demand for transient workforce accommodation, reject the proposal from Finance Unlimited Pty Ltd;
4. Thank Finance Unlimited Pty Ltd for their interest and encourage a meeting with Landcorp to see if another parcel of land can be found for more permanent accommodation; and
5. Request the Chief Executive Officer or his delegate to monitor the need for transient worker accommodation and if demand necessitates report back to Council on portion of Lot 436 and Lots 437, 438 and 439.

CARRIED BY THE MAYOR'S CASTING VOTE 5/4

Record

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

EXECUTIVE SUMMARY

The Town received a proposal from Finance Unlimited Pty Ltd in 2013 to lease a 14.5 hectare parcel in the Kingsford Smith Business Park for the purpose of transient worker accommodation.

Following Council endorsement in August 2013, a business plan was released for public comment and a number of submissions were received. Since the proposal was received, Council has endorsed a transient worker accommodation strategy and the demand for additional properties has decreased.

This agenda item outlines submissions received on the proposal and consequently recommends that Council reject Finance Unlimited's proposal.

DETAILED REPORT

Background

In July 2013 the Town received a proposal from Finance Unlimited Pty Ltd to lease a 14.5 hectare parcel in the Kingsford Smith Business Park for the purpose of transient worker accommodation.

At its August 2013 meeting Council endorsed the advertisement of a business plan as per below (decision 201314/075):

1. *Approve the preparation and advertisement of a business plan in accordance with the Section 3.58 and 3.59 of the Local Government Act 1995 outlining the proposed private treaty disposal via the lease of approximately 14.5 ha of Lots 437, 438 and 439 and Part Lot 436* (*subject to survey) to Finance Unlimited Pty Ltd on the following terms and conditions:*
 - a. *Annual base lease rent of \$2,030,000 for approximately 14.5 ha exclusive of GST;*
 - b. *Term of ten years with two extensions of five years, with the option to be exercised by Finance Unlimited;*
 - c. *Annual increase to the base rental including annual CPI reviews during the lease term and the two extended periods;*
 - d. *Annual voluntary community contribution of \$5.00 per room occupied above the 75% capacity of the development;*
 - f. *The proposed private treaty is subject to a satisfactory credit valuation report on Finance Unlimited Pty Ltd and any subsidiary companies.*

2. *Requests the Chief Executive Officer, or his delegated officer, report back to Council on the public submissions received as a result of that business plan and then recommend a course of action in relation to the proposed private treaty between the Town of Port Hedland and Finance Unlimited Pty Ltd.*

The business plan was advertised in the Northwest Telegraph on the 16 October 2013 and West Australia on 12 October 2013. The Business Plan was available for public comment for six weeks with responses due back on 25 November 2013.

Public submissions

Three submissions were received on the proposal. However it should be noted that the Town received significant public comment regarding the Ausco Pty Ltd proposal for adjacent land which was advertised at the same time. It could be assumed that the same comments would apply to the Finance Unlimited proposal.

The key issues raised are noted below with an officer response:

- High vacancy rate among existing short stay providers
Officer Response: The Town of Port Hedland acknowledges that current short stay providers are under increasing strain as the resource sector transitions from construction to an operational workforce. The Town has attempted to balance the need of these two types of accommodation in the recently approved Transient Workforce Accommodation Strategy (May 2014 version) with measures such as the a minimum two week stay and the prohibition on operational workforce staying within new TWA facilities. However, even with the number of TWA decreasing as facilities close the vacancy rate remains stubbornly high amongst existing short stay providers. In addition, several very specialized remote accommodation providers are experiencing difficulty with project feasibility due to the more restrictive nature of the Council imposed lease requirements.
- Confusion regarding Local Government Act requirements and planning approvals

Officer Response: A Business Plan and Development approval are two distinct processes. Development Approval has not yet been obtained for the proposed "Transient Workforce Accommodation" (TWA) and is classified as an "AA", requiring Council approval.

Town Planning Scheme No 5 (TPS5) does not define a "Transient Worker", however, the TPS5 does define "Transient Workforce Accommodation" as follows:

"Dwellings intended for the temporary accommodation of transient workers and may be designed to allow transition to another use or may be designed as a permanent facility for transient workers and include a contractor's camp and dongas."

All TWA facilities will and are required to comply with this definition.

The proposed subdivision and land-use is generally consistent with the layout and objectives of Port Hedland International Airport Land Use Master Plan endorsed by Council on 27 July 2011. It is also consistent with the Pilbara Port City Growth Plan that provides a strategic blueprint to facilitate the sustained growth of Port Hedland. However, the increased vacancy rate and greatly reduced rents within the Town mean that the use of TWAs as buffer against escalating rents is not required in the foreseeable future.

The development will also be required to comply with the recently approved TWA policy which means that will only be approved for ten years and be required to demonstrate that it has contracts in place before the development can proceed.

A Business Plan is required under sections 3.58 and 3.59 of the *Local Government Act 1995* ("The Act"), which applies where a Local Government intends to dispose property and enter into a major land transaction respectively. The purpose of this Business Plan is to provide members of the public with the opportunity to consider the proposal and provide comment to The Town during the six (6) week public consultation period, prior to formal determination by The Town.

- New TWA would be in competition with existing accommodation providers

Officer response: Typically it would be inappropriate for the Town to pick winners and losers based upon protecting existing business interest. However, in this case it would appear that an entire sector of the economy is under considerable duress. It would detrimental to the town as a whole to approve such a development on Council property and could have negative consequences for other sectors such as housing.

- New TWA doesn't address housing shortages

Officer response: It is acknowledged that a TWA will not address some sectors of the housing market. One might consider if a housing shortage currently exists as the Pilbara Development Commission's most recent numbers related to the housing market in Port Hedland. The Pilbara Residential Housing Land Snapshot (September 2014) states:

- *Port Hedland's average rental price dropped for an eight consecutive quarter from the all-time high of \$2,544 per week during the September 2012 quarter to a six year low of \$1,236 per week in the last quarter.*
- *South Hedland's June 2014 average advertised "for sale" price of \$698,482 is the lowest it's been since the December 2009 quarter. The average settlement price of residential properties in South Hedland has marginally increased over the past year.*
- TWA proposal lacks legacy for Port Hedland

Officer response: The TWA Strategy does require a legacy benefit for the Town from new developments. However, developments such as Quattro in South Hedland are built to a permanent residential standard and will encourage occupants to “make the choice” to live in Port Hedland as amenity improves. These types of developments (undertaken by the resource sector) will leave a far more tangible legacy for the Town and thus should be encouraged as an alternative to new TWA development. See officer recommendation number 3 above.

- New TWA would hamper town and commercial growth

Officer response: It is acknowledged that permanent developments within the urban fabric would naturally provide a more readily available customer base for local businesses.

- The community has been extremely vocal regarding their opposition to transient worker accommodation and have voiced strong objection at every opportunity.

Officer response: We cannot ignore such strong community sentiment regarding an issue that galvanizes the community. Town resources are better occupied working on projects that we can form a consensus on with our stakeholders. See officer recommendation #2.

TWA strategy

In October 2014, Council endorsed (decision 201415/074) a transient workforce accommodation strategy. The strategy attempts to balance the desire to become a sustainable regional city with the needs of the resource industry and port along with city building infrastructure. The strategy provides direction as to how to deal with TWAs in the Town into the future.

The strategy will be implemented through the planning scheme and the planning scheme policy. The strategy has undergone extensive public consultation and consultation with key stakeholders including hoteliers, resource industry, TWA providers and various State Agencies.

Key components of the strategy include:

- The introduction of a Developer Contribution Plan which will see TWA operators provide financial re-investment into the community
- Identification of areas for TWA development – land located on the airport precinct and on the periphery of South Hedland
- Specifically stating that TWAs are for construction workforce or operational workers required for the resource sector maintenance requirements.
- TWA operators must promote local activities, businesses and events in the TWA space
- TWAs must not provide services that are publicly available within the Town such as cinemas, and facilities and services such as catering or public restaurants will need Council approval

- TWAs must demonstrate community benefit/legacy such as expansion of physical infrastructure (eg, roads, power, water), financial contribution or retention of permanent community infrastructure once TWA operations are complete

With the adoption of the strategy, only construction workforce or operational workers required for the resource sector maintenance requirements are eligible to stay in such a facility. It is assumed that given the current economic climate that there would not be sufficient construction workforce demand to warrant a new 900 bed facility as proposed by Finance Unlimited.

Current demand for transient worker accommodation

It has been nearly 18 months since Finance Unlimited Pty Ltd approached the Town to lease the parcel of land within Kingsford Smith Business Park and the demand for accommodation options has since decreased.

Other commercial developments (such as South Hedland Hotel and the Junction) have been delayed and the new Osprey Village key workers accommodation has a vacancy rate of 50 per cent. Existing short stay providers are experiencing a similar vacancy rate of 50 per cent over the last several months.

It should be noted that several experienced companies which specialize in remote accommodation have sought extensions to development times due to demand uncertainty. Further it should be noted that Finance Unlimited do not have the same level of experience as these providers.

Having land development ready is something that has been lacking in Pilbara in the past and the Town could use this as selling point or incentive for key economic development projects for example the Pilbara Fabrication and Services Common Use Facility Project.

FINANCIAL IMPLICATIONS

The Town is not currently deriving any revenue on this proposal and has not included this potential revenue in the Long Term Financial Plan. Should Council resolve not to support the Finance Unlimited Pty Ltd proposal this will not change the Town's current financial position. The refusal will mean that the Town will not achieve the revenue suggested by the proponent (an annual lease fee of over \$2m for a period of ten years plus a community contribution based upon occupancy percentage of the facility), however it will not impact on its current healthy and sustainable financial framework. Further, Officers will look at all potential short term uses of the land and any other revenue sources that might be derived from them.

STATUTORY AND POLICY IMPLICATIONS

The Strategic Community Plan 2014-2024 includes a strategies 2.1.1 to 'facilitate commercial, industry and town growth' and 2.1.2 to 'facilitate the provision of affordable housing'. Based on public submissions, the construction of a new TWA does not support these strategies.

The transient workforce accommodation strategy outlines key areas for the construction of new facilities and only allows for construction workforces, rather than operational.

ATTACHMENTS

1. Public Comments - Finance Unlimited Pty Ltd-Business Case (Under Separate Cover)
2. Public Comments - Stayover by Ausco Pty Ltd-Business Case (Under Separate Cover)

28 November 2014

12.2 Works and Services

Nil

12.3 Corporate Services**12.3.1 Statement of Financial Activity for the Period Ended 31 October 2014**

Laura Delaney, Management Accountant Financial Reporting
File No. 12/14/0003

DISCLOSURE OF INTEREST BY OFFICER

Nil

2014/15/140 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR MELVILLE

That Council:

- 1. Receive the Statement of Financial Activity (and supporting information) for the period ended 31 October 2014; and**
- 2. Note the accounts paid during October 2014 under delegated authority.**

CARRIED 8/0

EXECUTIVE SUMMARY

This report presents the Statement of Financial Activity for the period ended 31 October 2014.

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

DETAILED REPORT

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

The following comments are provided on the variance analysis between year to date actuals and year to date budget in the Statement of Financial Activity:

Account Description	YTD Variance	Comment
Operating Revenue – General Purpose Income	143%	Rate Revenue totaling \$24.482m has been raised in the period July – October.
Operating Revenue – Governance	132%	WALGA rebate received in October. Sundry receipts have

		exceeded budget in October however there is an adjusting entry in November which will correct this balance.
Operating Expenditure - Governance	386%	Activity based costing journals will be completed prior to the December QBR. This will redistribute governance expenditure to other business units.
Depreciation	-100%	Depreciation journals will be completed prior to the December QBR.
Grants and Contributions - Capital	-96%	Grant payments totaling \$81.72k have been received from the Department of Sport & Recreation. The Town has not received any road grants in the period July – October 2014.
Acquisition of Infrastructure, Property, Plant and Equipment	-70%	\$5.375m in capital expenditure has been incurred as at 31 October. Major expenditures include the Skate Park - \$1.301m, Hamilton Road RRG - \$1.373m, Heavy Vehicle Plant Replacement - \$234k and Airport Redevelopment Works.
New Loan Borrowings	-100%	No loan funds have been drawn down. Loan funds relate to capital projects being the Civic Centre Upgrade, Catamore Court Subdivision, Floodwater Pump Refurbishment and JD Hardie Land Acquisition.
Transfers to/from Reserves	-100%	Total Reserves as at 31 October amount to \$67.132m. No reserve transfers have been completed in the period July – October 2014. Reserve transfers will be completed prior to the December QBR.

The net current asset position as at 31 October 2014 is \$24.931m. This balance is expected to decline significantly across the course of the year, as projects are delivered, and operational budgets are expended.

FINANCIAL IMPLICATIONS

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

The projected municipal surplus as at 30 June 2015 following the September Quarterly Budget Review (QBR) is \$1.932m. This is comparative with the original budget forecast of \$1.802m, as budget adjustments arising from the 2013/14 carryovers and the September QBR have resulted in a reduction in net current assets in 2014/15 of \$741k, which has been offset by an increased actual municipal surplus carried forward of \$817k compared to a 2014/15 budget amount of (\$54k).

The following reconciliation is provided:	000's
Budget Municipal Surplus Brought Forward 30 June 2015	\$1,802
Change in Net Current Assets arising from 2013/14 Carryovers	(\$655)
Change in Net Current Assets arising from September QBR	(\$86)
Municipal Surplus Carried Forward 1 July 2014 – Budget	\$54
Municipal Surplus Carried Forward 1 July 2014 – Actual	\$817
Amended Budget Municipal Surplus Brought Forward 30 June 2015	\$1,932

STATUTORY AND POLICY IMPLICATIONS

The Town prepares a monthly Statement of Financial Activity as part of its delivery of high quality corporate governance, accountability and compliance. The Town's goals and actions in this regard are set out in the 'Leading our Community' section of the Strategic Community Plan 2014-2024.

Regulation 34 of the *Local Government (Financial Management) Regulations 1996* requires the Town to prepare a monthly Statement of Financial Activity.

The monthly Statement of Financial Activity is to be presented to the Council at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates.

Where the month coincides with QBR reporting (September, December, March) the Statement of Financial Activity will be incorporated in the QBR document.

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

Note, the Statement of Financial Activity includes three budget columns; the adopted 2014/15 Budget, the Amended 2014/15 Budget arising from the Schedule of Budget Carryovers presented to Council at the September OCM, and the Amended 2014/15 Budget arising from the September QBR. The change in budgeted net current assets as at 30 June 2015 (the last row on the Statement of Financial Activity) reconciles to the Schedule of Budget Variations.

ATTACHMENTS

1. Statement of Financial Activity for the Period Ended 31 October 2014 (Under Separate Cover)
2. Accounts paid under delegated authority for the month of October 2014 (Under Separate Cover)

26 November 2014

6:34pm Councillor Daccache declared an impartiality interest in item 12.3.2 '2014/15 Schedule of Fees and Charges – Amendments' as his wife is on the Port Hedland Rovers Football Club committee.

Councillor Daccache did not leave the room.

12.3.2 2014/15 Schedule of Fees and Charges - Amendments

Peter Kocian, Manager Financial Services
File No. 12/13/0002

DISCLOSURE OF INTEREST BY OFFICER

Nil

RECOMMENDATION

That Council:

1. Adopt the following amendments to the 2014/15 Schedule of Fees and Charges:

Category	Description	2014/15 Adopted Fee	2014/15 Proposed Fee	Explanation
Administration	Freedom of Information Research	\$31.00 (GST Free)	\$30.00 (GST Free)	Statutory Fee
Environmental Health	Research Fee – Assessing Lodging House Floor Plans	\$118.20 (GST Free)	\$188.20 (GST Free)	Transposition Error
Engineering	10 Litre Pot		\$20.00 (Inc. GST)	New fee – nursery materials
Engineering	30 Litre Pot		\$40.00 (Inc. GST)	New fee – nursery materials
Engineering	Nursery Trays – Non-return		\$2.00 (Inc. GST)	New fee – nursery charges
Waste	Rubber Products (Inc. Conveyor Belting)		\$650.00 (Inc. GST)	New fee – industrial waste
Community Ovals and Parks	Hire of Event Bins 240L	\$27.00 (Inc. GST)	\$49.50 (Inc. GST)	To cover costs with servicing the event bins
Engineering	Materials – Private Works		At Cost including freight + 20%	20% mark-up recommended on materials when completing private works

Engineering	Standpipe Key or Swipe Card Deposit			No Change to fee – name change to include swipe card as new system is being implemented to accurately capture water usage
Engineering	Replacement Standpipe Key or Swipe Card			No Change to fee – name change to include swipe card as new system is being implemented to accurately capture water usage
Engineering	Water (ex. standpipe per kL)	\$2.82 (GST free)	\$3.00 (GST free)	A new swipe card system is being implemented to control usage. Additional cost is to recover capital costs.
JD Hardie Centre	Facility Rental		A 20% discount will apply on community or concession facility bookings of 8 hours or greater per day (excluding Exclusive Hire). No discount applies to commercial bookings.	This is a proposed new fee designed to make longer or larger bookings more attractive and affordable for community and concession hirers.

2. Endorse the advertising of the revised fees and charges pursuant to section 6.19 of the *Local Government Act 1995*, with the date of commencement of the revised fees and charges being 1 January 2015.

201415/141 AMENDED RECOMMENDATION/ COUNCIL DECISION

MOVED: CR MELVILLE

SECONDED: CR HOOPER

That Council:

1. Adopt the following amendments to the 2014/15 Schedule of Fees and Charges:

Category	Description	2014/15 Adopted Fee	2014/15 Proposed Fee	Explanation
Administration	Freedom of Information Research	\$31.00 (GST Free)	\$30.00 (GST Free)	Statutory Fee
Environmental Health	Research Fee – Assessing Lodging House Floor Plans	\$118.20 (GST Free)	\$188.20 (GST Free)	Transposition Error
Engineering	10 Litre Pot		\$20.00 (Inc. GST)	New fee – nursery materials
Engineering	30 Litre Pot		\$40.00 (Inc. GST)	New fee – nursery materials
Engineering	Nursery Trays – Non-return		\$2.00 (Inc. GST)	New fee – nursery charges
Waste	Rubber Products (Inc. Conveyor Belting)		\$650.00 (Inc. GST)	New fee – industrial waste
Community Ovals and Parks	Hire of Event Bins 240L	\$27.00 (Inc. GST)	\$49.50 (Inc. GST)	To cover costs with servicing the event bins
Engineering	Materials – Private Works		At Cost including freight + 20%	20% mark-up recommended on materials when completing private works
Engineering	Standpipe Key or Swipe Card Deposit			No Change to fee – name change to include swipe card as new system is being implemented to accurately capture water

				usage
Engineering	Replacement Standpipe Key or Swipe Card			No Change to fee – name change to include swipe card as new system is being implemented to accurately capture water usage
Engineering	Water (ex. standpipe per kL)	\$2.82 (GST free)	\$3.00 (GST free)	A new swipe card system is being implemented to control usage. Additional cost is to recover capital costs.
JD Hardie Centre	Facility Rental		A 20% discount will apply on community or concession facility bookings of 8 hours or greater per day (excluding Exclusive Hire). No discount applies to commercial bookings.	This is a proposed new fee designed to make longer or larger bookings more attractive and affordable for community and concession hirers.
Colin Matheson Clubhouse	Facility Rental – All Inclusive Rate	NA	\$61.20 per hour \$45.90 per hour - Community Group hire fee	Community Groups/Not for Profit Organisations are receiving 25% discount.
Colin Matheson Clubhouse	Facility Rental – Room Only	NA	\$45.00 per hour \$33.75 per hour – Community Group hire fee	Community Groups/Not for Profit Organisations are receiving 25% discount.
Colin Matheson Clubhouse	Facility Rental – Kitchen Only	NA	\$45.00 per hour \$33.75 per hour	Community Groups/Not for Profit

			– Community Group hire fee	Organisations are receiving 25% discount.
Colin Matheson Clubhouse	Facility Rental – Daily Hire Rate (up to 10hrs)	NA	\$450 per day \$337.50 per day – Community Group hire fee	Community Groups/Not for Profit Organisations are receiving 25% discount.

2. Endorse the advertising of the revised fees and charges pursuant to s 6.19 of the *Local Government Act 1995*, with the date of commencement of the revised fees and charges being 1 January 2015.

CARRIED BY ABSOLUTE MAJORITY 8/0

EXECUTIVE SUMMARY

The 2014/15 Schedule of Fees and Charges was adopted with the 2014/15 Annual Budget at the Ordinary Meeting of Council of 25 June 2014. Following stakeholder engagement with the YMCA, various amendments to fees and charges for leisure facilities were adopted by Council at the Ordinary Meeting of 24 September 2014. A further review of fees and charges by Officer's has necessitated additional amendments which are explained in the body of this report.

DETAILED REPORT

The following amendments to the Schedule of Fees and Charges are proposed, with accompanying explanation. Council approval of the amendments is required pursuant to Part 6, Division 5, Subdivision 2 of the *Local Government Act 1995*.

Category	Description	2014/15 Adopted Fee	2014/15 Proposed Fee	Explanation
Administration	Freedom of Information Research	\$31.00 (GST Free)	\$30.00 (GST Free)	Statutory Fee
Environmental Health	Research Fee – Assessing Lodging House Floor Plans	\$118.20 (GST Free)	\$188.20 (GST Free)	Transposition Error
Engineering	10 Litre Pot		\$20.00 (Inc. GST)	New fee – nursery materials
Engineering	30 Litre Pot		\$40.00 (Inc. GST)	New fee – nursery materials

Engineering	Nursery Trays – Non-return		\$2.00 (Inc. GST)	New fee – nursery charges
Waste	Rubber Products (Inc. Conveyor Belting)		\$650.00 (Inc. GST)	New fee – industrial waste
Community Ovals and Parks	Hire of Event Bins 240L	\$27.00 (Inc. GST)	\$49.50 (Inc. GST)	To cover costs with servicing the event bins
Engineering	Materials – Private Works		At Cost including freight + 20%	20% mark-up recommended on materials when completing private works
Engineering	Standpipe Key or Swipe Card Deposit			No Change to fee – name change to include swipe card as new system is being implemented to accurately capture water usage
Engineering	Replacement Standpipe Key or Swipe Card			No Change to fee – name change to include swipe card as new system is being implemented to accurately capture water usage
Engineering	Water (ex. standpipe per kL)	\$2.82 (GST free)	\$3.00 (GST free)	A new swipe card system is being implemented to control usage. Additional cost is to recover capital costs.
JD Hardie Centre	Facility Rental		A 20% discount will apply on community or concession facility bookings of 8 hours or greater per day (excluding Exclusive Hire).	This is a proposed new fee designed to make longer or larger bookings more attractive and affordable for community and concession

			No discount applies to commercial bookings.	hirers.
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FINANCIAL IMPLICATIONS

The Schedule of Fees and Charges is included in Budget and used as a basis for income projections. No material changes to income are expected as a result of the amendments to fees and charges.

STATUTORY AND POLICY IMPLICATIONS

Fees and Charges are imposed under s 6.16 of the *Local Government Act 1995*. If a local government wishes to impose any fees or charges 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.

There are no Council Policies relative to this item.

The Town has identified fiscal accountability as a core function in the Strategic Community Plan. The review of the Schedule of Fees and Charges falls in line with good corporate governance.

ATTACHMENTS

1. Consolidated 2014/15 Amended Schedule of Fees and Charges (Under Separate Cover)

24 November 2014

12.3.3 Financial Management – Accounts Receivable – Schedule of Write-Offs

Georgina Marciniak, Coordinator Financial Operations
File No. 12/15/0001

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/142 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR DACCACHE

SECONDED: CR HOOPER

That Council approve the write off of debts totalling \$7,621.88 as per the presented Schedule of Sundry Debtors.

CARRIED BY ABSOLUTE MAJORITY 8/0

EXECUTIVE SUMMARY

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

DETAILED REPORT

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

Stage 1

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

Stage 2

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

Stage 3

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

Stage 4

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

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

Letter of Demand
General Procedure Claim
Seizure and Sale of Goods

Exemptions to the aforementioned Debt Collection Process are as follows:

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

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

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

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

FINANCIAL IMPLICATIONS

It is advisable that all debts that are deemed to be irrecoverable be written off before the end of the financial year. Those debts that have not been identified previously as a doubtful debt will impact the net current asset position by reducing accounts receivable and hence the municipal surplus as at 30 June 2015. The impact of the write offs will be a reduction in net assets of \$1,832.31 as at 30 June 2015.

STATUTORY AND POLICY IMPLICATIONS

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

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

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

ATTACHMENTS

1. Schedule of Debtor Accounts recommended for Write-Off (Under Separate Confidential Cover)

31 October 2014

12.3.4 Amended Policy 3/007 Senior Employees

Patrick Brown, Manager People & Culture
File No. 04/03/0001

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/143 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR HUNT

That Council amend policy 3/007 Senior Employees as per attachment 1.

CARRIED 8/0

EXECUTIVE SUMMARY

The Town of Port Hedland policy manual is currently being reviewed to ensure all policies are relevant and up to date. Officers have identified policy 3/007 Senior Employees as needing to be reviewed and amended.

DETAILED REPORT

Policies are adopted by Council and establish guidelines or provide direction for the Town's activities and actions. Policies are defined as the principles and intent behind the programs that a local government implements. A policy can also be a general plan or approach to a specific need, problem or issue.

In accordance with section 5.37 (1) the *Local Government Act 1995 (the Act)* Council may designate a class of persons as senior employees.

Officers recommend that the current policy be amended and updated in line with the new Town of Port Hedland organisational structure that was endorsed by Council at its Ordinary Meeting held on 26 November 2014.

The senior employees that have been identified at the Town of Port Hedland are:

- Director Corporate Services
- Director Works and Services
- Director Community and Development Services

Provisions made under section 5.37(2) of the Act require the CEO to inform Council of each proposal to employ or dismiss a senior employee, which is the purpose of ensuring that policy 3/007 is kept up-to-date.

The following consultation was undertaken with Town of Port Hedland officers:

- Chief Executive Officer
- Acting Director Corporate Services
- Coordinator Governance
- Governance Officer

FINANCIAL IMPLICATIONS

There is no impact on the 2014/15 budget for rescinding and amending this policy.

STATUTORY AND POLICY IMPLICATIONS

Section 3.57 of the Local Government Act 1995 states that Council may designate a class of employees as 'Senior Employees'.

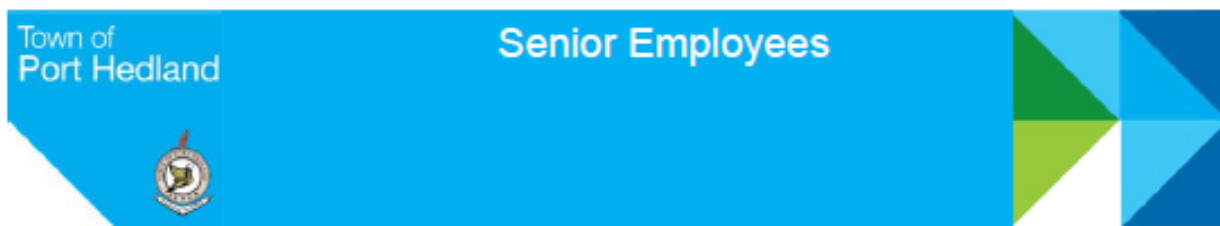
Section 4.1 'Strategic and best practice local government administration' of the Strategic Community Plan 2014 – 2024 applies as updating the policy manual assists with delivering high quality corporate governance accountability and compliance.

ATTACHMENTS

1. Amended policy 3/007 Senior Employees

28 November 2014

ATTACHMENT 1 TO ITEM 12.3.4



3/007 SENIOR EMPLOYEES

Policy Objective

To identify 'Senior Employees' positions within the Town of Port Hedland pursuant to section 5.37 of the Local Government Act 1995.

Policy Content

For the purposes of section 5.37 of the Act the Council shall designate the following employees to be 'Senior Employees':

- Director Corporate Services
- Director Community and Development Services
- Director Works and Services

Definitions

Nil

Council adoption date and resolution no.	24 November 2004 OCM
Date of adoption of amendment and resolution number do not delete the previous dates	
Relevant legislation	Local Government Act 1995
Delegated authority	
Business unit	People & Culture
Directorate	Corporate Services
Review frequency	As required

12.3.5 Review of Systems and Procedures as per Local Government (Audit) Regulations 1996

Josephine Bianchi, Governance Coordinator
File No. 12/14/0002

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/144 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR HUNT

SECONDED: CR HOOPER

That Council:

- 1. Receive the report from the Governance Coordinator regarding review of the Town's systems and procedures;**
- 2. Note UHY Haines Norton will be engaged to review the Town's systems and procedures in regards to risk management, internal control and legislative compliance by 30 June 2015; and**
- 3. Request that the Chief Executive Officer or his delegate(s) advise the Department of Local Government and Communities of point 2 above.**

CARRIED 6/2

EXECUTIVE SUMMARY

This report recommends that Council notes the Town has commenced reviewing the appropriateness and effectiveness of its systems in regard to risk management, internal control and legislative compliance, as per Regulation 17 of the Local Government (Audit) Regulations 1996. The Town will engage an external consultant (UHY Haines Norton) to further review its systems.

The report also recommends the Town advises the Department of Local Government and Communities of the proposed scope and timeline of this project.

DETAILED REPORT

The Local Government (Audit) Regulations 1996 (the Regulations) prescribe the requirements for local governments in relation to the engagement of auditors, the annual compliance audit return and the functions of the Audit Committee.

The Regulations were amended in 2013 to extend the responsibilities of the Audit Committee and Chief Executive Officer of local governments in relation to the reviewing and reporting local government's systems and procedures in regard to risk management, internal control and legislative compliance.

Regulation 17 was amended to incorporate this new requirement and requires the Chief Executive Officer to review, at least once every two calendar years, systems and procedures in each of the above mentioned areas. The Department of Local Government and Communities indicated that a report on the review to be presented to Audit and Finance Committee and Council by the end of 2014.

The Town has commenced reviewing its systems in relation to risk management, internal control and legislative compliance and is proposing to engage UHY Haines Norton, a WALGA preferred supplier, to set up the initial framework by 30 June 2015. The framework is then proposed to be maintained, reviewed and monitored internally from the 15/16 FY onwards.

The scope of UHY's services will be to:

- Identify risk management systems policies, procedures and plans in place at the Town, including the effectiveness of the Town's business continuity planning for all service areas;
- Evaluate internal financial control systems and procedures;
- Review the probity of the Town's procurement framework;
- Assess systems and processes for maintaining legislative compliance;
- Develop a gap analysis of any improvements identified during the review;
- Prepare a report of matters identified during the review to assist the CEO to assess the appropriateness and effectiveness of the relevant systems and procedures

UHY proposes to undertake an onsite engagement session with Senior Town Officers in February 2015 with the outcomes to be presented to the next Audit and Finance Committee meeting.

The Town already has a structure in place that comprises of a number of plans, policies and registers which all deal with compliance and risk across the organisation.

The Town welcomes this project as a way of enhancing and improving current processes and procedures in relation to risk management, and also identify any gaps that might require further assessment and consideration. It is envisaged that the work UHY will carry out will go towards creating a robust and appropriate risk management framework for the Town. This will be the first step in a process which the Town will then have the responsibility to embed across the whole of the organisation.

FINANCIAL IMPLICATIONS

UHY Haines Norton fee estimate is \$25,260 ex GST. The Town's 2014/15 budget can accommodate this expenditure, with expenditure to be allocated against general ledger account 402257 – Financial Management Support.

STATUTORY AND POLICY IMPLICATIONS

Regulations 16(c) and 17 of the Local Government (Audit) Regulations 1996 apply.

Section 4.1 'Strategic and best practice local government administration' of the Town's 2014-2024 Strategic Community Plan applies with regard to high quality corporate governance accountability and compliance, and maintaining a strong and sustainable financial position

ATTACHMENTS

Nil.

28 November 2014

12.3.6 Kingsford Smith Business Park Disposal Process

Sara Bryan, Manager Investment and Business Development
File No. 01/04/0010

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/145 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR DACCACHE

SECONDED: CR HUNT

That Council:

1. **Delegate authority to the Chief Executive Officer to dispose of land within the Kingsford Smith Business Park during the Sales and Marketing contract period with Hedland First National Real Estate between 1 February 2015 and 31 January 2016 with the authority to accept offers within ten percent of the market value obtained in accordance with the provisions of the Local Government Act 1995; and**
2. **Require that:**
 - a. **It is a condition of the delegation that all disposals of property below \$2million total value will be advertised locally in accordance with the provisions of Section 3.58 of the Local Government Act 1995 and any submissions received during the requisite two week advertising period will be presented to Council for consideration; and**
 - b. **All disposals of property exceeding \$2million will be advertised state wide in accordance with the provisions of Section 3.59 of the Local Government Act 1995 and will be presented to Council for consideration and final endorsement.**

CARRIED BY ABSOLUTE MAJORITY 8/0

EXECUTIVE SUMMARY

This item provides an update in relation to the specific contract negotiations with Hedland First National Real Estate (Hedland First National) and requests Council endorse an increase to the value of the Chief Executive Officer's delegated authority to dispose of property for the period of the proposed contract for the sales and marketing of land within the Kingsford Smith Business Park.

Increasing the delegated authority in accordance with the officer's recommendation will support an efficient and effective process when dealing with land sales which is anticipated to improve the performance of the sales and marketing project.

DETAILED REPORT

At its ordinary meeting held 22 October 2014, Council resolved to endorse Hedland First National as the preferred respondent of the request for proposals process to appoint a suitably qualified real estate or marketing company to manage the sales and marketing of the remaining land parcels for sale and/or lease at the Kingsford Smith Business Park.

Following this decision of Council, a meeting was held with Hedland First National to discuss and negotiate specifics of the sales and marketing contract.

In relation to the contractual documentation, it was discussed and agreed that the formal agreement would be in the format of the Real Estate in Western Australian (REIWA) template for Selling Agency Agreement. In addition to the standard items covered in this document, it was agreed that an annexure will be prepared, containing the following Special Terms and Additional Information:

- Management of conjunctive arrangements to be in accordance with the Real Estate Industry Standard and managed by Hedland First National;
- Marketing material to be approved through the Town of Port Hedland's Manager Corporate Information;
- Town of Port Hedland's current sales within the subdivision to be excluded from the Selling Agency Agreement;
- Schedule of indicative marketing budget including timeline and costings;
- Schedule of monthly project reports to the Town of Port Hedland;
- Schedule of monthly project meetings with the Town of Port Hedland;
- Schedule of available Lots to contain land parcel sizes and most recent market value;
- Schedule of Council meeting dates and associated agenda deadline dates for disposals requiring Council approval.

In addition to the above, the contract will also include any relevant terms from the Australian Standard conditions and Town of Port Hedland procedures to ensure that the contract is performed in line with the Town's policies, including but not limited to the Employee/Contractor Code of Conduct, Occupational Health and Safety, Disability Access and Inclusion and Drug and Alcohol Management plans.

It is proposed that the sales and marketing contract will commence 1 February 2015 for a period of 12 months.

Disposal of Property – existing process

In dealing with disposals of property, the Town of Port Hedland (Town) follows a strict process in accordance with sections 3.58 and 3.59 of the *Local Government Act 1995*.

The below table represents the minimum (best case scenario) timeframes between the receipt of an offer from an external party to the first opportunity (subject to no submissions during the requisite advertising periods) for the Town to formally accept that offer.

Section	Disposal value	Agenda deadline	Council meeting	Closing of minimum advertising period
3.58	< \$2Million	28 November 2014	17 December 2014	2 January 2015
3.59	>\$2 Million	28 November 2014	17 December 2014	30 January 2015

The Town's Delegation Register 2014/15 contains the following (part) delegation:

- 1) *That Council delegate authority to the Chief Executive Officer to dispose of property by public tender or public auction or expressions of interest where the individual value of the property disposal is greater than \$500 or less than \$100,000.*
- ...
- 3) *That Council delegate authority to the Chief Executive Officer to enter into lease arrangements for the leasing of Council owned facilities and property, where the individual value of the property disposal is greater than \$500 or less than \$100,000*

The sales values of the 27 land parcels subject to the scope of the sales and marketing contract range from \$568,425 to \$3,865,750, giving a median lot price of \$1,463,416 for the entire development.

Out of the 27 available lots, nine exceed the value of \$2million, which will enliven section 3.59 of the *Local Government Act* and the requirement to prepare a business plan to be advertised for a minimum six week period.

The current process for administering the disposal of property involves a report being presented to Council at its next available meeting. In the event that Council approve the disposal as per the officer's recommendation, the terms of the disposal are advertised in accordance with the prescribed timeframes for public comment. Two weeks for disposals with a value below \$2million and six weeks for any exceeding this threshold.

Based on the example timeframe shown on the table on the previous page, if an offer was received for the purchase of a Lot priced at \$750,000 as of 12 November 2014, the potential purchaser would not receive a formal decision on their offer until at least 2 January 2015.

Referring to the same timeframe and considering an offer for the purchase of a Lot priced at \$2,505,400 on the same date, the potential purchaser would not receive a formal decision until at least 30 January 2015.

Further, should any public submissions be received during the requisite advertising periods indicated above, the timeframes in each scenario would double as any public submissions received during this period would require representation to Council through the formal meeting process.

In consideration of supporting the efficient and effective performance of the sales and marketing contract it is recommended that Council endorse an increase to the value of the Chief Executive Officer's delegated authority to dispose of property for the period of the proposed contract for the sales and marketing of land within the Kingsford Smith Business Park.

It is recommended that Council consider delegating authority to the Chief Executive Officer to accept offers for land sales within Kingsford Smith Business Park within 10 percent of the estimated value – Lot details shown at appendix 1.

With this delegation in place, sales offers would be able to be considered by the Chief Executive Officer in line with the conditional delegation in a timely manner, allowing immediate advertising for public comment.

Should any public comments be received within the requisite advertising period in accordance with sections 3.58 and 3.59, these comments would be presented to Council for consideration as per standard practice.

Should Council resolve to proceed with the officer's recommendation, it is proposed that a standing monthly item be included on Council's Concept Forum agenda to receive an update in relation to any sales within the Kingsford Smith Business Park development.

FINANCIAL IMPLICATIONS

Formalisation of the sales and marketing contract will see an allocation in a new budget line item for Kingsford Smith Business Park – marketing and promotion to include an amount of \$55,000.

It is anticipated that the account receiving sales revenue from Kingsford Smith Business Park would increase considerably in the initial three months of the contract period. Indicative estimates provided by Hedland First National have the potential to see up to fifty percent of the development under offer within six months of the contract commencement date.

Any sales facilitated by Hedland First National will be subject to a 2.4% commission payment of the sales value. An expenditure account will need to be created to administer this amount reflective of 2.4% of the sales total.

STATUTORY AND POLICY IMPLICATIONS

The Local Government Act 1995 allows for a local government to delegate to the Chief Executive Officer (Sections 5.42 and 5.43) the exercise of any of its powers or the discharge of any of its duties under the Act.

In accordance with Section 3.58 of the Local Government Act *Disposing of Property*, any resultant disposals of property with a value of less than \$2million would be required to be advertised locally for a period of two weeks. Should no public submissions be received during the requisite advertising period the disposal would be formalised with the relevant contractual documentation.

In accordance with Section 3.59 of the Local Government Act *Commercial Enterprises by Local Governments*, any resultant disposals of property with a value exceeding \$2million would require the preparation of a business plan detailing an assessment of the effects of the transaction on the Town to be advertised state wide for a period of six weeks. Should no public submissions be received during the requisite advertising period the disposal would be formalised with the relevant contractual documentation.

Notwithstanding the above, should any public submissions or comments be received within the respective advertising periods, these would require consideration of Council for consideration ahead of any formal decision.

This item is broadly addressed in the 2014-2024 Strategic Community Plan in section 2.1 Supporting a diverse economy in the areas of facilitating commercial, industry and town growth.

ATTACHMENTS

1. Kingsford Smith Business Park – Lot details subject to the Sales and Marketing contract

28 November 2014

ATTACHMENT 1 TO ITEM 12.3.6

Kingsford Smith Business Park - Lot details subject to the Sales and Marketing contract

Lot	Purposed Use	Current Size (latest plans)	\$/m2	Estimated Value
406	Showroom/Bulky Goods/Light Industry	3,000	\$250	\$750,000
407	Showroom/Bulky Goods/Light Industry	3,000	\$250	\$750,000
408	Showroom/Bulky Goods/Light Industry	3,000	\$250	\$750,000
409	Showroom/Bulky Goods/Light Industry	2,358	\$250	\$589,500
410	Showroom/Bulky Goods/Light Industry	2,763	\$250	\$690,750
411	Showroom/Bulky Goods/Light Industry	2,962	\$250	\$740,500
412(2)	Showroom/Bulky Goods/Light Industrial	3,110	\$250	\$777,500
414	Showroom/Bulky Goods/Light Industry	2,400	\$275	\$660,000
415	Showroom/Bulky Goods/Light Industry	2,400	\$275	\$660,000
416	Showroom/Bulky Goods/Light Industry	2,067	\$275	\$568,425
417	Showroom/Bulky Goods/Light Industry	5,403	\$225	\$1,215,675
418	Showroom/Bulky Goods/Light Industry	4,425	\$250	\$1,106,250
419	Showroom/Bulky Goods/Light Industry	4,425	\$250	\$1,106,250
420	Showroom/Bulky Goods/Light Industry	6,623	\$225	\$1,490,175
421	Showroom/Bulky Goods/Light Industry	9,643	\$200	\$1,928,600
422	Showroom/Bulky Goods/Light Industry	4,855	\$225	\$1,920,375
423	Showroom/Bulky Goods/Light Industry	5,941	\$225	\$1,336,725
424	Showroom/Bulky Goods/Light Industry	7,750	\$225	\$1,743,750
425	Showroom/Bulky Goods/Light Industry	9,750	\$200	\$1,950,000
426	Showroom/Bulky Goods/Light Industry	9,694	\$200	\$1,938,800
427	Showroom/Bulky Goods/Light Industry	1.2527ha/12,527sq m	\$200	\$2,505,400
428	Showroom/Bulky Goods/Light Industry or Warehouse	1.339ha/1,3390 sq m	\$200	\$2,678,000
429	Showroom/Bulky Goods/Light Industry or Warehouse	9,671	\$200	\$1,935,200
430	Showroom/Bulky Goods/Light Industry or Warehouse	1.0423ha/10,423 sq m	\$200	\$2,084,600
431	Showroom/Bulky Goods/Light Industry or Warehouse	1.05ha/10,500 sq. m	\$200	\$2,100,000
432	Showroom/Bulky Goods/Light Industry or Warehouse	8,350	\$200	\$1,670,000
433	Showroom/Bulky Goods/Light Industry or Warehouse	2.209ha/22,090 sq. m	\$175	\$3,865,750
				\$39,512,225
				\$1,463,415.74

12.3.7 Financial Management – 2014/15 Budget Variations – Plant Operation Costs

Peter Kocian, Acting Director Corporate Services
File No. 12/14/0003

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/146 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR HUNT

SECONDED: CR HOOPER

That Council, pursuant to s 6.8 of the *Local Government Act 1995*, adopt the following schedule of budget variations resulting in nil change in the projected municipal surplus as at 30 June 2015.

GL	Account Description	Current Budget	Amended Budget	Change in Net Current Assets
1002201	Classic Collection - Classic	456,000	324,960	-131,040
1003201	Waste Collection Premium	504,000	374,208	-129,792
1003201	Litter Collection	807,441	732,441	-75,000
1004201	Landfill Management	2,044,676	1,317,582	-727,094
1002276	Classic MGB's Repairs/Delivery	97,000	77,240	-19,760
1111285	Graffiti Removal	419,000	399,240	-19,760
1109243	Passive Parks Maintenance - Port Hedland	1,237,700	1,110,340	-127,360
1110232	Passive Parks Maintenance - South Hedland	1,082,600	950,695	-131,905
1109244	Irrigation - Passive - Port Hedland	176,000	150,947	-25,053
1110233	Irrigation - Passive - South Hedland	176,000	150,945	-25,055
1111273	Irrigation - Active Parks	176,000	150,945	-25,055
1111274	Active Parks - Maintenance	671,741	505,264	-166,478
1111279	SH School Oval Mowing	170,000	128,641	-41,360
1111284	Playground Equipment Maintenance	66,000	64,440	-1,560
1111289	Weed and Pest Control	36,000	28,980	-7,020
1111232	Recovery of Light Plant Operating Costs - Sports Grounds Parks and Gardens	28,000	111,622	83,622
1004285	Recovery of Light Plant Operating Costs - Landfill Operations	0	71,760	71,760
1002270	Recovery of Plant Operating Costs - Garbage Trucks	0	305,832	305,832
1111233	Recovery of Heavy Plant Operating Costs - Sports Grounds Parks and Gardens	0	486,983	486,983
1004268	Recovery of Heavy Plant Operating Costs - Landfill Operations	0	705,094	705,094
		8,148,158	8,148,158	0

CARRIED BY ABSOLUTE MAJORITY 8/0

EXECUTIVE SUMMARY

This report recommends that Council approve a schedule of budget variations which has arisen due to the implementation of a Plant Register, requiring the reallocation of plant operating costs from existing works costing budgets.

DETAILED REPORT

In the adopted 2014/15 Budget, plant operating costs were allocated against specific job numbers such as Landfill Management and Passive Parks Maintenance based on estimated working hours of plant and equipment. Plant costs have historically been allocated to business units based on a premium applied to the labour overhead rate. This is an arbitrary way of accounting for plant costs.

Officers have since established a Plant Register in the Town's financial systems which will now accurately capture plant operating costs for all items of plant and equipment. This will enable staff to calculate hourly rates for the use of plant and equipment and hence determine internal charge out rates and assess whether the use of plant and equipment is efficient and is fit for purpose to meet the operational requirements of the Town of Port Hedland.

The Plant Register requires a clear link with the General Ledger and hence a number of plant recovery accounts have been established to record actual plant expenses, with budgets reallocated from existing works budgets. These budget variations are presented in the Schedule under the Officers Recommendation.

FINANCIAL IMPLICATIONS

The schedule of budget variations results in nil change to the projected municipal surplus as at 30 June 2015.

STATUTORY AND POLICY IMPLICATIONS

Section 6.8 of the Local Government Act 1995 requires all budget variations to be approved by an absolute majority decision of Council.

There are no Council Policies relative to this item.

The establishment of more robust financial systems better equips the Town to manage its resources.

ATTACHMENTS

Nil

2 December 2012

12.4 Office of the CEO**12.4.1 Port Hedland International Airport Governance Review
Advisor Award of Tender 14/17**

Brett Reiss, Program Director Airport Redevelopment
File No. 08/02/0025

DISCLOSURE OF INTEREST BY OFFICER

The officer has been informally approached by The Airport Group about a possible future consultancy role with their organisation.

201415/147 RECOMMENDATION/ COUNCIL DECISION**MOVED: CR JACOB****SECONDED: CR MELVILLE****That Council:**

1. **Award Tender 14/17 Port Hedland International Airport Governance Review and Long Term Lease Advisor to The Airport Group for the phase one scoping study for the fixed fee of \$125,000 (+ GST);**
2. **Approve a variation to the 2014/15 Budget as follows resulting in a \$75,000 decrease in the projected municipal surplus as at 30 June 2015;**

Account Description	Amended 2014/15 Budget	Change in Net Current Assets
Port Hedland International Airport Governance Review	\$125,000	\$125,000
Government Grants	(\$50,000)	(\$50,000)
		\$75,000

3. **Request the Chief Executive Officer, or his delegate(s), to present the findings from the Port Hedland International Airport Governance Review phase one scoping study to Council;**
4. **Subject to the outcomes of phase one scoping study, request the Chief Executive Officer, or his delegate(s), to seek Council's approval to commence phase two; and**
5. **Subject to Council's consideration of the above recommendations, award phase two of Tender 14/17 Port Hedland International Airport Governance Review and Long Term Lease Advisor to The Airport Group for a transaction value fee to be calculated based on 2% of the eventual transaction value with performance fee to be negotiated by the Chief Executive Officer or his delegate.**

CARRIED BY ABSOLUTE MAJORITY 8/0

EXECUTIVE SUMMARY

The Port Hedland International Airport redevelopment strategy outlines a number of programs to transform the airport into a modern and well-serviced welcoming gateway to Australia's North West. Work has commenced on a review of airport governance models to identify the most appropriate governance structure to support the future redevelopment program and the future commercial operations of the airport.

A Request for Tender was issued to appoint a transaction advisor to undertake a scoping study in the airport governance review. This item seeks Council endorsement to appoint The Airport Group to undertake the body of work.

DETAILED REPORT

At its September 2014 ordinary meeting, Council endorsed (decision 201415/056) the investigation of a long-term lease model for the ongoing governance of the airport and requested a Request for Tender be issued to appoint a suitably qualified advisor.

"That Council:

- 1. Note the Port Hedland International Airport Governance Review report as per attachment 1;*
- 2. Endorse the additional investigation of the long-term lease model;*
- 3. Request the CEO or his delegate to issue a request for tender for a transaction advisor to undertake the scoping study;*
- 4. Note that the State Government has made a contribution of up to \$50,000 or 50% of the project costs through the Regional Airport Development Scheme to undertake the scoping study (State Government letter of approval attachment 2); and*
- 5. Request the scoping study and associated work program be presented to Council."*

A Request for Tender was advertised on 6 October 2014 to appoint the transaction advisor to perform two key roles.

- Phase 1 – produce a Scoping Study report that assists the Town management in assessing the prospects for a long-term lease of the airport and ensuring The Town's objectives regarding future infrastructure can be met; and
- Phase 2 – should the Town decide to proceed to Phase 2, advise and assist the Town's management on establishing, executing and management of the Airport Lease.

Also included in the tender was a requirement that the Advisors detail and implement a management plan to manage and oversee the Airport Lease for five years after the lease has been established.

The tender closed on the 22 October 2014 and tender submissions were received from the following companies:

- Deloitte
- KPMG
- Pottinger

- The Airport Group

Confidential attachment 1 provides a summary of the prices submitted by each proponent for phases one and two.

Subsequent to the closing of the tender a tender panel was convened to assess the tender submissions. The tender panel members were as follows:

- Ray Davy – Principal Conway Highbury, Local Government specialist constancy
- Peter Ryan – Director of Aviation, State Department of Transport
- Mal Osborne – Chief Executive Officer, Town of Port Hedland
- Clare Phelan – Director Corporate Services, Town of Port Hedland
- Brett Reiss – Program Director Airport Redevelopment, Town of Port Hedland
- Jenella Voitkevich – Manager Infrastructure Development, Town of Port Hedland

Tenders were assessed by the panel against the advertised criteria, which consisted of price (30%), relevant experience (30%), key personnel skills & roles (30%) and demonstrated understanding of works (10%).

The following table provides a summary of results.

Proponent / Assessment Criteria	Price (30%)	Experience (30%)	Resources (15%)	Understanding (25%)	Total Score (100%)
	Score	Score	Score	Score	
Deloitte	17.78	18.43	22.9	6.8	65.91
KPMG	27.59	14.93	18.5	5.17	66.18
Pottinger	17.24	19.43	21.7	6.13	64.5
The Airport Group	18.22	23.57	24.4	7.17	73.36

Tender Assessment Summary Deloitte

- Relevant experience – the tender submission detailed a range of experience in airport related financial projects, however not many were governance related. In addition minimal Local Government or regional experience was noted.
- Key Personnel – a good amount of detail and experience was provided. Although, the level of experience in the Local Government environment was not clearly identified in the tender submission.
- Demonstrated understanding - Good information provided and was consistent with the RFT timeframes.

Tender Assessment Summary KPMG

- Relevant experience – A small amount of airport experience was detailed in their submission. Reasonable Local Government or regional experience was demonstrated, but limited detail was provided overall.
- Key Personnel - Not a high level of airport or transactional experience demonstrated.
- Demonstrated understanding – the level of information could have been more detailed and the tender submission provided a condensed timeframe, which seemed unrealistic.

Tender Assessment Summary Pottinger

- Relevant experience – a large amount of experience in airport related development projects and transactions was demonstrated in the tender submission. The tender submission also included a project reference table, but the projects listed were more general in nature and not specifically referenced to similar transactions.
- Key Personnel – the tender submission included partnering with a number of industry specific expert firms, e.g. Aurecon for design, infrastructure, etc. Overall good information and experience provided.
- Demonstrated understanding – the Period for the scoping program and phase two transaction program demonstrated a lack of understanding of Local Government decision making timeframes. The tender submission suggested that phase 1 could be delivered before Christmas. However, it is noted the Town couldn't review and approve in the timeframes that have been suggested.

Tender Assessment Summary The Airport Group

- Relevant experience – the tender submission demonstrated a good level of experience in this area, and addressed all aspects of scope of work.
- Key Personnel – a good level of information was provided including experience in Newman and Broome. This submission clearly detailed the proposed lease management approach post transaction.
- Demonstrated understanding – A good understanding of timeframes, including Council approval processes was demonstrated.

Governance review process

Should Council resolve to appoint The Airport Group to undertake the review, the proposed steps are proposed:

- Phase 1 – appoint a transaction adviser to produce a Scoping Study that assists in assessing the prospects for a long-term lease of the airport and ensuring The Town's objectives regarding future infrastructure can be met
- Phase 2 – should Council decide to proceed to Phase 2, the transaction advisor will advise and assist the Town to undertake an expressions of interest process to seek a suitable lessee and to help the Town establish, and execute an Airport Lease.

- Phase 3 – Should the Council proceed with an Airport Lease, it could consider the appointment of an adviser as a transition manager to assist the Town to manage and oversee the Airport Lease after the transaction phase has been completed to ensure the ongoing monitoring of compliance and addressing any additional areas that the Town may require assistance with to improve community outcomes on behalf of the Town.

FINANCIAL IMPLICATIONS

Phase one expenditure will be covered under the increased budget allocation. It is noted that the State Government has confirmed funding support of 50% capped at \$50,000 through its Regional Airport Development Scheme. The total investment to the Town will therefore be reduced by the RADS funding grant and will be funded out of general ledger account GL1210261 Legal and Consultancy Expenses.

STATUTORY AND POLICY IMPLICATIONS

The Local Government Act (1995) section 3.57 and the Local Government (Functions and General) Regulations 1996 part 4, division 2 provide statutory requirements for the release, assessment and award of tenders. RFT 14-17 was conducted in accordance with these regulations, the Town's Procurement Policy 2/007, Tender Policy 2/011 and Regional Price Preference Policy 2/016.

Sections of this report pertaining to the price submission from the tenderer have been deemed confidential in accordance with the Local Government Act (1995) section 5.23 part 2(e)(iii).

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

The Town's Strategic Community Plan, Section 2.2.1 outlines a strategy to 'Advance Port Hedland's sea, air and road transport infrastructure as the main logistics hub for the Pilbara, including developing Port Hedland International Airport as the gateway to the North West'.

ATTACHMENTS

1. Summary of submitted prices by each proponent for phases one and two (Under Separate Confidential Cover)

1 December 2014

6:45pm Councillor Gillingham left the room.

**ITEM 13 LATE ITEMS AS PERMITTED BY PRESIDING MEMBER/
COUNCIL**

6:48pm Councillor Gillingham re-entered the room and resumed her chair.

201415/148 COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR DACCACHE

That Council consider late item 13.1 'Application of Gross Rental Valuation to Mining, Petroleum and Resource Interests'

CARRIED 8/0

**13.1 Application of Gross Rental Valuation to Mining,
Petroleum and Resource Interests**

Peter Kocian, Acting Director Corporate Services
File No. 24/03/0005

DISCLOSURE OF INTEREST BY OFFICER

Nil

201415/149 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR DACCACHE

SECONDED: CR JACOB

That Council:

- 1. Advise WALGA that it strongly supports the continuation of the ability to GRV rate mining infrastructure and trusts that WALGA will vigorously support not only the continuation of GRV rating of mining infrastructure but also its extension to resource projects subject to State Agreement;**
- 2. Advise WALGA that it considers the provision for the application of GRV once State Agreements are varied to be a lost opportunity and that the State Government should phase in GRV for facilities under State Agreements over a five year period;**
- 3. Advise WALGA that whilst resource projects subject to State Agreement have contributed significant voluntary funding for community infrastructure, the level of funding and types of projects supported have been quite varied, at the discretion of mine management, this does not provide the Town with complete flexibility to deliver on its Strategic Community Plan; and**

4. **Resolve to consider a funding allocation in the December 2014 Quarterly Budget Review for a Project Officer to undertake a comprehensive analysis of rating of resource projects in the Town of Port Hedland, with the core objective of implementing GRV rating on mining improvements including consultation with resource companies that are covered under State Agreement.**

CARRIED 8/0

EXECUTIVE SUMMARY

In 2011, the State Government announced a new policy on the application of Gross Rental Valuation to mining, petroleum and resource interests' (the GRV Mining Policy). The GRV Mining Policy is in its trial period from 1 July 2012 to 30 June 2015. The Western Australian Local Government Association is seeking feedback on the impact of the policy from local governments with mining interests in their district.

DETAILED REPORT

In 2011, the State Government approved the implementation and three year trial of a policy on the application of Gross Rental Valuation for mining, petroleum and resource interests – the GRV Mining Policy is included as attachment 1 to this report.

The GRV Mining Policy outlines the process for implementation of gross rental value for improvements on mining tenements and encapsulates the following:

- The Policy will apply to all new mining, petroleum and resource interests;
- The Policy will not affect interests with existing GRV arrangements unless the local government and proponent both agree to adopt the Policy;
- GRV is to apply only in respect of particular improvements including accommodation, recreation and administration facilities, associated buildings and maintenance workshops that are considered permanent (in situ for at least 12 months). High value operational and processing plant will be excluded from the GRV calculation;
- Consultation with the proponent is mandatory to achieve a common understanding and ideally agreement on improvements which would be GRV rated;
- Projects that operate under existing State Agreements and are currently exempt from rates may apply the Policy as part of their respective Agreement Variation processes with the Department of State Development;
- Ministerial approval is required for the application of GRV and is to include details of consultation with the proponent including any objections received.

From a local government perspective, the Policy heavily favours mining companies in that agreement needs to be reached between the local government and the proponent on which improvements are to be GRV rated, and that those projects that operate under existing State Agreements remain exempt from rates unless they agree otherwise. This severely restricts a local government's ability to implement GRV rating on mining improvements.

As an aside, the Town of Port Hedland has recently received correspondence from the Department of Lands that it is currently investigating the extension of 15 State Agreement leases in the name of various BHP Billiton Iron Ore Joint Ventures. All 15 leases expire 31 October 2015, with 8 of the leases located within the Town of Port Hedland municipal boundaries (Yarrie Joint Venture, Goldsworthy Joint Venture, and Mount Newman Joint Venture). It would be an interesting test case to engage with BHP Billiton to determine whether they are receptive to GRV rating on projects that operate under State Agreement as this is permissible under the GRV Mining Policy. The GRV rating of mining improvements could potentially be formalized as part of the lease renewal process.

The Town's Rating Strategy does include a Rating Improvement Plan with a key action to review GRV spot rating on onsite mining infrastructure. The Town also engaged UHY Haines Norton in 2011 to prepare a report on the Rating of Resource Projects – this is included as attachment 2. This report discusses the rating of resource developments and the impact of restrictive rate clauses contained in State Agreements. The report does identify that some local governments (including Port Hedland) have negotiated voluntary agreements with major resource companies to make cash contributions toward community infrastructure; and that the imposition of GRV rating may risk current and future voluntary contributions.

FINANCIAL IMPLICATIONS

It remains difficult to quantify the amount of foregone rate revenue due to the impact of restrictive rate clauses in State Agreement Acts and not adequately identifying improvements on mining tenements to apply GRV rating. The additional rate revenue resulting from an increased capacity to GRV rate the land would however be "significant" and it would be prudent for Council to consider funding a position to undertake this specific project work which would involve the following:

- Identify all land which is impacted by State Agreements;
- Identify all improvements on mining tenements;
- Classify all land as either improved or unimproved;
- Identify the purpose of the improvements;
- Consult with resource companies to achieve a common understanding and agreement on which improvements would be GRV rated (including those projects covered under State Agreement Acts);
- For any improvements that are not GRV exempted, seek the Ministers approval to value the land as GRV.

STATUTORY AND POLICY IMPLICATIONS

The GRV Mining Policy applies.

Sections 6.28 and 6.29 of the *Local Government Act 1995* apply – these sections detail the basis of rates (method of valuation) and the valuation and rates on mining and petroleum interests.

The Town's Rating Strategy is the applicable strategic document. Any increased rating capacity will provide greater flexibility to equalize the rate burden and improve the Town's financial sustainability through greater own source revenue coverage.

Sections 4.1 'Strategic and best practice local government administration' and 4.2 'Engage our community and stakeholders' of the 2014 – 2024 Strategic Community Plan apply as the Town is engaging with the Federal and State Governments and major industries.

ATTACHMENTS

1. GRV Mining Policy
2. Rating of Resource Projects Paper – July 2011 (Under Separate Cover)

16 December 2014

ATTACHMENT 1 TO ITEM 13.1



**Minister for Local Government; Heritage;
Citizenship and Multicultural Interests**

Our Ref: E1139803

TO ALL LOCAL GOVERNMENTS

CIRCULAR N^o 29-2011

**APPLICATION OF GROSS RENTAL VALUATION TO MINING, PETROLEUM
AND RESOURCE INTERESTS**

The State Government has approved the implementation and trial of a policy on the application of Gross Rental Valuation (GRV) for mining, petroleum and resource interests.

The Policy provides clarity and consistency for the application of Gross Rental Valuation approved under the *Local Government Act 1995*.

The Policy will apply to land defined as either:

- a relevant interest (under section 6.29(1) of the *Local Government Act 1995*) such as a mining tenement held under the *Mining Act 1978* or a permit, drilling reservation, leave or licence held under the *Petroleum and Geothermal Energy Resources Act 1967*; or
- any other type of mining, petroleum or resource interest used for the extraction, processing or refining of minerals or petroleum as defined under the above legislation.

GRV will apply to relevant interests and resource interests only in respect of particular improvements including accommodation, recreation and administration facilities, associated buildings and maintenance workshops. High value operational and processing plant will be excluded from the GRV calculation.

The Policy will apply for a trial period of three years from 1 July 2012 to 30 June 2015, during which the following arrangements will apply:

- The Policy will apply to all new mining, petroleum and resource interests.
- The Policy will not affect interests with existing GRV arrangements unless the local government and proponent both agree to adopt the Policy.

- 2 -

- Projects that operate under existing State Agreements and are currently exempt from rates may apply the policy as part of their respective Agreement Variation processes with the Department of State Development.
- Nothing in the Policy prevents a local government and a proponent from agreeing that other types of improvements shall be included for GRV.

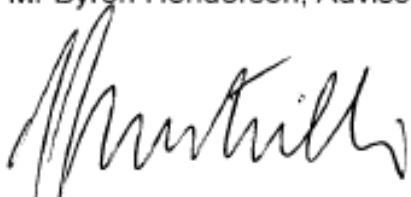
This circular incorporates a copy of the Policy and a guide for local governments on its implementation.

The Implementation of the Policy will be overviewed by stakeholders over the trial period.

I encourage local governments to consider the use of GRV for these mining interests to ensure that they are maximising their rating opportunities. Local governments should forward their proposals to the Department as soon as possible if they are to apply to the 2012–2013 rating year.

For more information about the Policy, please contact Ms Virginia Scott, Principal Policy Officer, on 6552 1442.

For questions relating to the submission process, please contact Mr Byron Henderson, Advisory and Support Officer, on 6552 1646.



GM (John) Castrilli MLA

**MINISTER FOR LOCAL GOVERNMENT; HERITAGE;
CITIZENSHIP AND MULTICULTURAL INTERESTS**

att

ATTACHMENT

Implementation process for the application of Gross Rental Value in the rating of land by local government for mining, petroleum and other resource interests in accordance with the *Local Government Act 1995* and the Policy

Local governments are advised that the process for implementation, including application for the approval of the Minister for Local Government, needs to include the following:

- Identification of the land and associated *relevant interest* or other *resource interest* with respect to land, ie details of the relevant improvements (accommodation, recreation facilities, associated buildings and maintenance workshops), to which it is proposed that GRV be applied.
- Consultation with the proponent regarding the *relevant interest* or other *resource interest* to achieve a common understanding and, ideally, agreement on the improvements which would be GRV rated.
- Confirmation that the improvements under consideration are all permanent (*in situ* for at least 12 months) and that maintenance workshops are within 100 metres of accommodation, recreation and administration facilities and associated buildings.
- Preparation of a full description and plan of the improvements which would be GRV rated, undertaken in consultation with the proponent.
- Seeking of an estimated gross rental value from the Valuer General, at the expense of the local government, and preparation of a comparison of the existing rates and proposed rates for the entire site.
- Determination of the estimated GRV rates, including advice to the proponent on the estimate and receipt of any objections to the proposed rates, copies of which are to be kept.
- Preparation of an application for the Minister which will include information from each of the steps outlined above as follows:
 - details of the land and *relevant interests* or *resource interests*, including a full description and plan of these, to which it is proposed that GRV be applied;
 - details of consultation with the proponent including any objections received;
 - details of the estimated gross rental value provided by the Valuer General; and
 - details of the proposed GRV rates to be applied.

- 2 -

Note:

Should consultation between the local government and the proponent suggest that both the local government and the proponent agree that other types of improvements should also be included for GRV, nothing prevents this from being done. If other improvements are to be included, full information regarding these needs to be provided in the application to the Minister, as outlined in the process above.

Submissions should be made to:

Ms Jennifer Mathews
Director General
Department of Local Government
GPO Box R1250
PERTH WA 6844

Questions relating to the submission process can be directed to:

Mr Byron Henderson
Advisory and Support Officer
Department of Local Government
Telephone: 6552 1646
Email: byron.henderson@dlg.wa.gov.au

**POLICY - THE APPLICATION OF GROSS RENTAL VALUATION TO MINING,
PETROLEUM AND RESOURCE INTERESTS**

1. Introduction

This Policy provides guidelines for the application of gross rental valuation (GRV) to *mining, petroleum, and other resource interests*.

2. Legal Context

- 1) In terms of Section 6.28(1) of the *Local Government Act 1995* (the Act), the Minister can determine the method of valuation of land to be used by a local government as the basis for a rate.
- 2) In terms of Section 6.29 of the Act, the Minister can determine that gross rental valuation can apply to a portion of land defined as a *relevant interest* on which capital improvements are located.
- 3) The Minister for Local Government has the authority, in terms of the legal provisions above, to implement the guidelines.

3. Land subject to the policy

- 1) The policy will apply to land defined as:
 - a) a *relevant interest* in Section 6.29(1) of the Act meaning:
 - i) a mining tenement held under the *Mining Act 1978* (whether within the meaning given to that term by that Act or by the *Mining Act 1904*); or
 - ii) a permit, drilling reservation, lease or licence held under the *Petroleum and Geothermal Energy Resources Act 1967*.

or

 - b) a *resource interest* used for:
 - i) the extraction, processing or refining of minerals as defined in the *Mining Act 1978*, Section 8; or
 - ii) the extraction, processing or refining of petroleum as defined in the *Petroleum and Geothermal Energy Resources Act 1967*, Section 5.

4. Improvements to be considered for gross rental valuation

1. Subject to the provisions of Section 6.28 and 6.29 of the Act, gross rental valuation will apply to *relevant interests* and *resource interests* only in respect of the following improvements:
 - a) All permanent (*in situ* for at least 12 months):
 - i) Accommodation, recreation and administration facilities and associated buildings; and
 - ii) Maintenance workshops existing within 100 metres of facilities listed in Section 4.1(a)(i).
2. Nothing in this Policy prevents a local government and a proponent from agreeing that other types of improvements shall also be included for gross rental valuation.

5. *Transitional arrangements*

- The Policy will apply for a trial period of three years from July 1st 2012 to June 30th 2015.
- During the three year trial period, the following arrangements will apply:
 - The Policy will apply to all new mining, petroleum and resource interests as defined in Section 3.
 - The Policy will not affect existing arrangements between local government and proponents, unless both parties agree, through mutual consent, to adopt the Policy.
 - Projects that operate under existing State Agreements and are currently exempt from rates may apply the policy as part of their respective agreement variation processes.
 - All other relevant provisions under the Act will apply.

6. *Implementation guidelines*

1. Government will review the success of the Policy against agreed key performance indicators and prepare recommendations in consultation with key stakeholders.
2. Subject to the findings and recommendations in 6.1, the Policy will apply to:
 - all projects, from the date determined in the recommendations;
 - projects operating under State Agreement Acts, as part of their respective agreement variation process.

Terms used

minerals means naturally occurring substances obtained or obtainable from any land by mining operations carried out on or under the surface of the land, but does not include —

- a. soil; or
- b. a substance the recovery of which is governed by the *Petroleum and Geothermal Energy Resources Act 1967* or the *Petroleum (Submerged Lands) Act 1982*; or
- c. without limiting paragraph (b), geothermal energy resources as defined in the *Petroleum and Geothermal Energy Resources Act 1967* section 5(1); or
- d. a meteorite as defined in the *Museum Act 1969*; or
- e. any of the following substances if it occurs on private land —
 - i. limestone, rock or gravel; or
 - ii. shale, other than oil shale; or
 - iii. sand, other than mineral sand, silica sand or garnet sand; or
 - iv. clay, other than kaolin, bentonite, attapulgite or montmorillonite;

petroleum means —

- a. any naturally occurring hydrocarbon, whether in a gaseous, liquid or solid state; or
- b. any naturally occurring mixture of hydrocarbons, whether in a gaseous, liquid or solid state; or
- c. any naturally occurring mixture of one or more hydrocarbons, whether in a gaseous, liquid or solid state, and one or more of the following, that is to say, hydrogen sulphide, nitrogen, helium and carbon dioxide, and includes any petroleum as defined by paragraph (a), (b) or (c) that has been returned to a natural reservoir, but excludes oil shale.

ITEM 14 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

ITEM 15 REPORTS OF COMMITTEES

Note: The Minutes of this Committee meeting are enclosed under separate cover.

15.1 Audit & Finance Committee Minutes – 19 November 2014

6:53pm Councillor Daccache declared an impartiality interest in item 15.1 'Audit & Finance Committee Minutes – 19 November 2014' as his wife is part of the Port Hedland Rovers Football Club committee.

Councillor Daccache did not leave the room.

201415/150 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR HUNT

That Council receive the Minutes of the Ordinary Meeting of the Audit & Finance Committee held on 19 November 2014 at 12:00pm inclusive of the following decisions:

- 7.1 Confirmation of Minutes of the Audit & Finance Committee Meeting held on Wednesday 17 September 2014 – decision AF201415/011**
- 10.1.1 Port Hedland Visitor Centre: Financial Quarterly Review of the First Quarter being July to September 2014 – decision AF201415/012**
- 10.2.1 Town of Port Hedland Leisure Facilities Management Contract First Quarter Report 2014/15 – decision AF201415/013**
- 10.2.2 GP Housing Quarterly Review: Quarter 1 – July – September 2014 – decision AF201415/014**
- 10.2.3 Courthouse Gallery Quarterly Review: July to September 2014 – decision AF201415/015**
- 10.3.1 Report to the Audit Committee for the year ended 30 June 2014 and Annual Meeting with the Auditor – decision AF201415/016**
- 10.3.2 Request for Tender 14/20 – Provision of Audit Services to the Town of Port Hedland 2014 – 2019 – decision AF201415/017**
- 10.3.3 2014/15 Quarterly Budget Review and Statement of Financial Activity for the period ended 30 September 2014 – decision AF201415/018**
- 11.1 Colin Matheson Clubhouse Financial Report – Port Hedland Rovers Football Club – decision AF201415/021**
- 14 Applications for Leave of Absence – decision AF201415/022**

CARRIED 8/0

ITEM 16 CONFIDENTIAL ITEMS

201415/151 COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR DACCACHE

That Council agrees to consider the following confidential items, of which 16.3 'Town of Port Hedland Sole Ownership Proposal: 2.3MWp Solar Farm' was presented as a late item:

16.1 Endorsement of Appointment of Director Corporate Services

16.2 Chief Executive Officer – Employment Contract

16.3 Town of Port Hedland Sole Ownership Proposal: 2.3MWp Solar Farm

CARRIED 8/0

201415/152 COUNCIL DECISION

MOVED: CR HUNT

SECONDED: CR GILLINGHAM

That Council close the meeting to members of the public as prescribed in section 5.23(2) of the Local Government Act 1995, to enable Council to consider the following items:

16.1 Endorsement of Appointment of Director Corporate Services

16.2 Chief Executive Officer – Employment Contract

16.3 Town of Port Hedland Sole Ownership Proposal: 2.3MWp Solar Farm

CARRIED 8/0

6:54pm Mayor advised that the meeting is closed to members of the public.

16.1 Endorsement of Appointment of Director Corporate Services

201415/153 RECOMMENDATION/ COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR HUNT

That Council receives the advice from the Chief Executive Officer that he proposes to employ the preferred candidate as identified in this confidential report as a senior employee of the Town of Port Hedland in the role of Director Corporate Services.

CARRIED 8/0

16.3 Town of Port Hedland Sole Ownership Proposal: 2.3MWp Solar Farm

201415/154 AMENDED RECOMMENDATION/ COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR HOOPER

That Council:

1. Approve a loan to the value of \$4,725,675 to fund the 2.3MWp solar farm to be constructed at the southeast corner Kingsford Smith Business Park (subject to survey), to be in operation by a target date of July 2016 (with a life expectancy of 20 years) solely owned by the Town of Port Hedland (the "Town"); subject to the final grant approval by the Australian Renewable Energy Agency ("ARENA") tentatively scheduled in February 2015 and meeting financial close deadline as required by ARENA; whilst acknowledging:
 - a. That the Grant funds will be governed by a Funding Agreement between the Town and ARENA;
 - b. That BeauSol Funds Management Pty Ltd ("BeauSol") will be appointed to carry out the selection process, including the design of the contract relating to the construction of the solar farm through an Engineering Procurement Contract ("EPC") with the Town on the basis that:
 - i. The EPC construction charge is equal to or better than the amount as documented in the financial model;
 - ii. The EPC contract protects against price variation; and
 - iii. The EPC contract is consistent with accepted industry practice;
 - c. That in parallel to selecting the EPC, BeauSol will also carry out the selection process, including the design of the contract of a contractor through an Operational and Maintenance ("O&M") contract for the Town:
 - i. Term is expected to be five years with three by five year extensions, subject to confirmation and acceptance by the Town at the end of each five year completion date.
 - d. That after 10 years of operation (2026) the battery and inverter will be required to be replaced and the Town will be required to set aside energy savings of an anticipated \$1,000,000+/- to carry out these essential works;
 - e. That the Town might also be required to invest additional capacity from the Horizon Power network in the future.

- 2. Authorise the Chief Executive Officer, or his delegate(s), to enter into the appropriate legal and contractual agreements, including the ARENA Funding Agreement, the appointment of BeauSol, the EPC and O&M, construction and operational contracts;**
- 3. Request the Town's Staff report back to Council on the progress of the project, including but not limited to the Funding Agreement with ARENA and all associated contracts in due course; and**
- 4. Subject to ARENA board approving the project on 18 February 2015, request that the Chief Executive Officer implement a comprehensive community awareness and briefing campaign associated with this proposal, including but not limited to:**
 - a. The production of a detailed proposal/ project document;**
 - b. Community information sessions;**
 - c. Information and Frequently Asked Question sheets; and**
 - d. Regular project updates via the Town's website and social media.**

CARRIED BY ABSOLUTE MAJORITY 8/0

6:57pm Chief Executive Officer declared a financial interest in item 16.2 'Chief Executive Officer – Employment Contract' as it relates to his employment contract.

Chief Executive Officer left the room.

Acting Director Works and Services, Program Director Airport Redevelopment, Manager Economic Development and Strategy and Governance Officer left the room.

Acting Director Corporate Services and Manager People & Culture remained in the room.

16.2 Chief Executive Officer – Employment Contract

201415/155 COUNCIL DECISION

MOVED: CR GILLINGHAM

SECONDED: CR HUNT

That Council suspend sections 9.4, 9.5 and 9.9 of the Standing Orders Local Law 2014 in accordance with section 18.2 'Suspension of Standing Orders' to discuss the terms in the Contract of Employment.

CARRIED BY ABSOLUTE MAJORITY 8/0

6:58pm Mayor advised that sections 9.4, 9.5 and 9.9 of the Standing Orders Local Law 2014 have been suspended.

201415/156 COUNCIL DECISION

MOVED: CR DACCACHE

SECONDED: CR HOOPER

That Council resume sections 9.4, 9.5 and 9.9 of the Standing Orders Local Law 2014.

CARRIED BY ABSOLUTE MAJORITY 8/0

7:06pm Mayor advised that sections 9.4, 9.5 and 9.9 of the Standing Orders Local Law 2014 have been resumed.

MOTION

MOVED: CR JACOB

SECONDED: CR HOOPER

That Council:

- 1. Receive the report from Manager People and Culture on the CEO Employment Contract including the attached Contract of Employment (attachment 2) for Mr Osborne;**
- 2. Note that the CEO Recruitment Working Group has reviewed the attached Contract of Employment and views the Contract of Employment to be satisfactory;**

3. Endorse the key performance criteria and indicators (Attachment 1) for the September 2015 appraisal; and
4. Execute a replacement Contract of Employment (attachment 2) with Mr Malcolm John Osborne as the Town of Port Hedland's Chief Executive Officer for a period of five (5) years, operative from the 1 February 2015 to the 31 January 2020.

LOST BY ABSOLUTE MAJORITY 5/3

Record

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

MOTION

MOVED: MAYOR HOWLETT

SECONDED: CR JACOB

That Council:

1. Receive the report from Manager People and Culture on the CEO Employment Contract including the attached Contract of Employment (attachment 2) for Mr Osborne;
2. Note that the CEO Recruitment Working Group has reviewed the attached Contract of Employment and views the Contract of Employment to be satisfactory;
3. Endorse the key performance criteria and indicators (Attachment 1) for the September 2015 appraisal; and
4. Execute a replacement Contract of Employment (attachment 2) with Mr Malcolm John Osborne as the Town of Port Hedland's Chief Executive Officer for a period of four (4) years, operative from the 1 February 2015 to the 31 January 2019.

LOST BY ABSOLUTE MAJORITY 5/3

201415/157 COUNCIL DECISION

MOVED: CR JACOB

SECONDED: CR MELVILLE

That Council suspend sections 9.4, 9.5 and 9.9 of the Standing Orders Local Law 2014 in accordance with section 18.2 'Suspension of Standing Orders' to discuss and seek clarification on the terms in the Contract of Employment.

CARRIED BY ABSOLUTE MAJORITY 8/0

7:36pm Mayor advised that sections 9.4, 9.5 and 9.9 of the Standing Orders Local Law 2014 have been suspended.

201415/158 COUNCIL DECISION

MOVED: CR HUNT

SECONDED: CR HOOPER

That Council resume sections 9.4, 9.5 and 9.9 of the Standing Orders Local Law 2014.

CARRIED BY ABSOLUTE MAJORITY 8/0

7:43pm Mayor advised that sections 9.4, 9.5 and 9.9 of the Standing Orders Local Law 2014 have been resumed.

201415/159 COUNCIL DECISION

MOVED: CR HOOPER

SECONDED: CR HUNT

That Council:

- 1. Note that the CEO Recruitment Working Group has reviewed the attached CEO Contract of Employment and views the CEO Contract of Employment to be satisfactory; and**
- 2. Execute a replacement CEO Contract of Employment (attachment 2) with Mr Malcolm John Osborne as the Town of Port Hedland's Chief Executive Officer for a period of three (3) years, operative from the 22 October 2015 to the 21 October 2018, with the following items to be actioned:**
 - a. Investigate and bring a report to the Ordinary Council Meeting on 25 February 2015 on the Fringe Benefit Tax implications of the CEO Contract of Employment; and**
 - b. For the key performance criteria and indicators to be further workshopped with the Chief Executive Officer and Elected Members with a view of presenting a report to the Ordinary Council Meeting on 25 February 2015.**

CARRIED BY ABSOLUTE MAJORITY 6/2

Record

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

201415/160 COUNCIL DECISION**MOVED: CR BUTSON****SECONDED: CR MELVILLE**

That Council open the meeting to members of the public.

CARRIED 8/0

7:50pm Mayor advised that the meeting is open to the public. Mayor read out to the public Council's decisions made whilst behind closed doors.

ITEM 17 APPLICATIONS FOR LEAVE OF ABSENCE**201415/161 COUNCIL DECISION****MOVED: CR JACOB****SECONDED: CR BUTSON**

That Council approved the following applications for leave of absence:

- Councillor Jacob from 19 December 2014 to 18 January 2015;
- Councillor Hooper from 20 December 2014 to 12 January 2015;
- Councillor Melville from 5 February 2015 to 17 February 2015; and
- Mayor Howlett from 22 December 2014 to 10 January 2015.

CARRIED 8/0

ITEM 18 ATTENDANCE BY TELEPHONE/ INSTANTANEOUS COMMUNICATIONS

Nil

ITEM 19 CLOSURE

Mayor wished all Elected Members and Town employees a Merry Christmas and a safe and happy New Year. Mayor thanked everyone for their efforts in 2014 at the Town of Port Hedland.

19.1 Date of Next Meeting

Mayor advised that a Special Council Meeting will be held on 28 January 2015 at 5:30pm.

The next Ordinary Meeting of Council will be held on Wednesday 25 February 2015, commencing at 5:30pm, with the Public Agenda Briefing being held on Wednesday 18 February 2015, commencing at 3:30pm.

19.2 Closure

There being no further business, the Mayor declared the meeting closed at 7:55pm.