



Town of Port Hedland

MINUTES

OF THE

SPECIAL MEETING

OF THE TOWN OF PORT HEDLAND COUNCIL

HELD ON

THURSDAY 9 APRIL 2009

AT 5:30 PM

IN COUNCIL CHAMBERS

McGREGOR STREET, PORT HEDLAND

*Purpose of Meeting: Closed Circuit Television (CCTV) Tender 06/09
LNG Processing Precinct Proposal*

DISCLAIMER

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

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

*Matthew Scott
Acting Chief Executive Officer*

OUR COMMITMENT

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

TABLE OF CONTENTS

1.1	OPENING	4
ITEM 2	RECORDING OF ATTENDANCE AND APOLOGIES	4
2.1	ATTENDANCE	4
2.2	APOLOGIES	4
2.3	APPROVED LEAVE OF ABSENCE	4
ITEM 3	PUBLIC TIME	5
3.1	PUBLIC QUESTIONS	5
3.2	PUBLIC STATEMENTS	5
ITEM 4	QUESTIONS FROM MEMBERS WITHOUT NOTICE	5
ITEM 5	DECLARATION BY MEMBERS TO HAVE GIVEN DUE CONSIDERATION TO ALL MATTERS CONTAINED IN THE BUSINESS PAPER PRESENTED BEFORE THE MEETING.....	5
ITEM 6	REPORTS OF OFFICERS	7
6.1	REGULATORY AND COMMUNITY SERVICES	7
6.1.1	COMMUNITY AND ECONOMIC DEVELOPMENT	7
6.1.1.1	<i>Closed Circuit Television (CCTV) Tender 06/09.....</i>	<i>7</i>
6.1.2	PLANNING SERVICES.....	15
6.1.2.1	<i>Proposed Port Hedland LNG Processing Hub.....</i>	<i>15</i>
ITEM 7	CLOSURE.....	18
7.1	CLOSURE	18

ITEM 1 OPENING OF MEETING**1.1 Opening**

The Mayor declared the meeting open at 5.35pm and acknowledged the traditional owners, the Kariyarra people.

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

Cr S R Martin
Cr A A Carter
Cr S J Coates
Cr G J Daccache
Cr J M Gillingham
Cr K A Howlett

Mr Matthew Scott	Acting Chief Executive Officer/ Directory Corporate Services
Mr Terry Sargent	Director Regulatory and Community Services
Ms Jenella Voitkevich	Acting Director Engineering Services /Manager Infrastructure Development
Ms Natalie Octoman	Manager Finance
Ms Tricia Hebbard	Administration Officer Governance

Members of the Public	1
-----------------------	---

Members of the Media	Nil
----------------------	-----

2.2 Apologies

Cr J E Ford
Cr A A Gear
Cr G D Bussell

2.3 Approved Leave of Absence

Nil.

ITEM 3 PUBLIC TIME**3.1 Public Questions**

5:35 pm Mayor opened Public Question Time.

Nil.

5.36 pm Mayor closed Public Question Time.

3.2 Public Statements

5:36 pm Mayor opened Public Statement Time.

Nil.

5.36 pm Mayor closed Public Statement Time.

ITEM 4 QUESTIONS FROM MEMBERS WITHOUT NOTICE

Nil.

ITEM 5 DECLARATION BY MEMBERS TO HAVE GIVEN DUE CONSIDERATION TO ALL MATTERS CONTAINED IN THE BUSINESS PAPER PRESENTED BEFORE THE MEETING

The following Members verbally declared to have given due consideration to all matters contained in the Business Paper presented before the meeting.

Cr S R Martin	Cr S J Coates
Cr A A Carter	Cr G J Daccache
Cr K A Howlett	Cr J M Gillingham

5:35 pm Councillor Arnold Carter declared a impartiality interest in Agenda Item 6.1.1.1 'Closed Circuit Television (CCTV) Tender 06/09' as he owns greater than \$10,000 BHP Billiton shares. Councillor Carter did not leave the room.

5:36 pm Councillor George Daccache declared an impartial interest in Special Meeting Agenda Item 6.1.1.1 'Closed Circuit Television (CCTV) Tender 06/09' as he is an employee of BHP Billiton, and owns greater than \$10,000 BHP Billiton shares. Councillor Daccache did not leave the room.

5:37 pm Councillor Steve Coates declared an impartial interest in Special Meeting Agenda Item 6.1.1.1 'Closed Circuit Television (CCTV) Tender 06/09' as he is an employee of BHP Billiton, and owns greater than \$10,000 BHP Billiton shares. Councillor Coates did not leave the room.

- CCTV headend hardware, software and display.
- CCTV cameras and enclosures housing

This work was tendered out to the public via advertisement in The West Australian newspaper on Saturday 14th March, closing on Monday 30th March at 2pm.

In addition to the advertisement, advice that the tender was to be advertised was sent by email and telephone to companies who had registered an interest in the project. 42 tender information packs were distributed on request to companies who responded to the advertisement.

Four tenders were received by the deadline. These tenders were dispatched overnight to ata engineering, who completed a tender evaluation against Council's selection criteria. The recommendations of ata engineering are to be considered in this item.

Consultation

CCTV Implementation Working Group:

- Mayor Stan Martin
- Cr George Dacacche
- Cr Steve Coates
- Cr Kelly Howlett
- ToPH
 - Director Engineering Services
 - Manager Infrastructure Development
 - Director Community & Regulatory Services
 - Manager Community & Economic Development
 - Manager Library & Information Services
- BHP Billiton Iron Ore – Senior Advisor Community Relations
- WA Police – Inspector Pilbara
- WA Police - Snr Sgt South Hedland
- WA Police - Sgt Port Hedland
- Horizon Power – Regional Manager
- Office of Crime Prevention – Executive Manager Designing Out Crime Unit
- Port Hedland Chamber of Commerce – President
- Youth Involvement Council – Coordinator Mingle Mob

BHP Billiton Iron Ore – Communications Engineer
ToPH Community Survey
BHP Billiton Iron Ore Employee Safety Survey

Statutory Implications

All activity related to the CCTV Implementation must comply with the Surveillance Devices Act 1998 and the Privacy Act 1988.

Policy Implications

There are no implications in relation to Council's current policy, however, policy related to the Hedland CCTV system is being developed in collaboration with WA Police and Horizon Power. This policy will underpin the Memorandum of Understanding between ToPH, WA Police and Horizon Power, and Standard Operating Procedures for the day to day management of the CCTV system will comply with statutory and policy directives.

Strategic Planning Implications

Key Result Area 3: - Community Development

The development of a more vibrant, sustainable community is a key responsibility of the Town of Port Hedland. One community development area that Council has identified as being critical to achieving this goal is Community Safety & Crime Prevention.

Goal 4: Community Safety & Crime Prevention

That the Town of Port Hedland is recognised as a safe place to live.

Strategy

1. Work with partners to engage a Community Safety & Crime Prevention Coordinator/ Facilitator whose primary responsibility is to ensure the timely implementation of initiatives listed in the Town of Port Hedland Community Safety & Crime Prevention Plan.
2. In conjunction with Police and other stakeholders, develop initiatives that discourage street drinking. Littering and other anti-social behaviour in public places and implement appropriate actions.

Budget Implications

Contributions to the CCTV project have been received from:

BHP Billiton Iron Ore	\$200,000
Office of Crime Prevention	\$ 83,000
Royalties for Regions	<u>\$110,000</u>
Total:	<u>\$393,000</u>

NB: Royalties for Regions contribution currently unconfirmed.

Officer's Comment

The Town of Port Hedland, together with major sponsor BHP Billiton and co-sponsor the WA Office of Crime Prevention, has embarked on a project to install a CCTV system throughout the town, to enhance the safety and security of its residents and visitors.

It is envisaged that provision of CCTV cameras throughout the town of Port Hedland will be staged, with the first stage encompassing sites in South Hedland. As part of this CCTV project there is a requirement for a wireless point to multipoint network to be built.

It is anticipated that there will be up to 16 wireless points to multipoint links enabling 16 cameras to be linked back to a central point in South Hedland. Streets have been identified by the CCTV Working Group, but the exact location of each camera and wireless link will be determined from a wireless site survey.

The tender scope of works are in parts namely the provision of:

- Wireless Technology Requirements (including wireless survey).
- CCTV headend hardware, software and display.
- CCTV cameras and enclosures housing.

The "headend hardware, software and display" has the capacity to be expanded to integrate additional cameras for Stage 2.

The following evaluation table was included as part of the tender documentation.

TENDER EVALUATION TABLE

CRITERION	WEIGHT
Price	25%
Technical Response	35%
Previous experience in and capacity to deliver CCTV projects	15%
Experience and knowledge in Pilbara design, cost and environmental factors	5%
Timeframes	15%
Local supplier	5%
TOTAL	100%

Tenders were received from:

- TEC Services \$574,620.00 + GST
- Applicon Australia Pty Ltd \$326,503.65 + GST
- Downer EDI Engineering \$245,300.00 + GST
- SEME \$345,684.00+GST (Digital)
- SEME \$405,648.00+GST(Analog)

The tenders were evaluated by ata engineering against the above criteria as summarized below, and shown in detail at Attachment 1:

COMPANY	WEIGHTED SCORE (out of 100)
TEC Services	26.8
Applicon	68.5
Downer EDI Engineering	57
SEME	37.5

Ata’s assessment of the tenders concluded that:

“Based on the weighted scoring we recommend your acceptance of Applicon’s quotation of \$326,503.65 (excl GST) there were no non-conforming exclusions, and therefore we believe the quotation conforms to all documentation.”

Attachments

1. ata engineering evaluation schedule dated 3rd April 2009

Officer’s Recommendation

That Council accepts Applicon’s tender price of \$326,503.65 (exc GST), for the supply and installation of Stage 1 of the CCTV system for the Town of Port Hedland.

Alternative Officer’s Recommendation

That Council:

- i) subject to the company providing adequate guarantees that spare parts and suitable service personnel will be available locally, ACCEPTS Downer Edi Engineering’s tender price of \$245,300.00 (excl. GST), for the supply of and installation of Stage 1 of the CCTV system for the Town of Port Hedland,
- ii) allocates \$80,000.00 of the operating budget to a reserve account to provide for future costs associated with the CCTV system

200809/283 Council Decision

Moved: Cr A A Carter

Seconded: Cr J M Gillingham

That Standing Orders be suspended.

CARRIED 6/0

5:57 pm Mayor advised that Standing Orders are suspended.

200809/284 Council Decision

Moved: Cr A A Carter

Seconded: Cr K A Howlett

That Standing Orders be resumed.

CARRIED 6/0

6:20 pm Mayor advised that Standing Orders are resumed.

200809/285 Council Decision

Moved: Cr A A Carter

Seconded: Cr A A Gear

That Council:

- i) rejects all tenders for Tender 06/09 for the Supply and Installation of a Closed Circuit Television (CCTV) System in Port Hedland;
- ii) authorises the Chief Executive Officer or his nominated representative to report back to Council's Ordinary Meeting in April with a comparison of the following factors that need to be taken into consideration before Council can decide on the best outcome for this tender:
 - 1) **Can the company complete the Installation by 30th June 2009?**
 - 2) **Availability of local parts and maintenance**
 - 3) **Initial costs and ongoing service and maintenance costs (i.e. travel costs of technicians)**
 - 4) **Indicate proposed Mean Time between Failures (MTBF)**

CARRIED 7/0

REASON: Council believed that the lower initial price and the availability of locally based service personnel may produce better value, dependent on the following factors:

- 1) *Can the company complete the Installation by 30th June 2009?*
- 2) *Availability of local parts and maintenance*
- 3) *Initial costs and ongoing service and maintenance costs (i.e. travel costs of technicians)*
- 4) *Indicate proposed Mean Time between Failures (MTBF)*

PERFORMANCE		TEC Services			APPLICON AUST			DOWNER EDI ENGINEERING			SEME			Legend Scores 0-10
PERFORMANCE CRITERIA	Criteria Weightings	Score 0-10	Weighting x Score (%)	Comments	Score 0-10	Weighting x Score (%)	Comments	Score 0-10	Weighting x Score (%)	Comments	Score 0-10	Weighting x Score (%)	Comments	
Technical Response		35%												
Wireless & Survey	15%	5	7.5	Wireless equipment nominated is not fully compliant, it is also not IP67 rated. Poor technical response on wireless solution.	9	13.5	Have fully complied. Have extensive wireless skills & understanding of all wireless technologies.	6	9	The product nominated partly complies. However, no technical response was submitted relating to solution.	5	7.5	The wireless equipment nominated does not comply to specification requirements but have shown reasonable technical ability.	
CCTV Headend, Software & Display	15%	4	6	Equipment nominated not fully defined. Compliant statement not submitted.	9	13.5	Have fully complied to requirements of specification.	2	3	Product nominated only partly complies to what was specified. Encoders are not industrially hardened, they are not MPEG4 compliant, LCD display is not industrial grade, does not support SNMP protocol and there is no redundant power supplies.	6	9	The CCTV nominated does not fully comply to specification requirements and no definition is made in regards to encoders. However they have good knowledge of CCTV technology in general but there was no clear differentiation between digital and analogue IP.	
Camera Enclosure	5%	5	2.5	The enclosure nominated does not meet specification.	9	4.5	Equipment nominated complies to meet requirements of the specification.	8	4	Camera nominated is similar to what is specified and the enclosure meets the specification requirements.	6	3	The enclosure nominated is similar to the specification requirement.	
Previous experience in and capacity to deliver CCTV projects		15%												
Relevant Experience in similar works (Company)	7.5%	5	3.75	Has no significant CCTV experience using similar applications.	8	6	Have overall good experience. Experience in CCTV, wireless, design & installation, fibre works & monitoring were all noted.	3	2.25	Only have CCTV experience in Perth metro. There were no other associated comments to wireless experience or design of wireless networks.	8	6	Good Pilbara experience shown.	
Resoucrs, Roles & Responsibilities (Staff)	7.5%	4	3	Only 2 staff memebers were listed.	10	7.5	Staff resourcing exceeds the specifications requirements.	3	2.25	Only 2 staff members listed. Other staff members are listed in the capability statement but they are all not relevant.	0	0	No staff members were submitted.	
Experience and knowledge in Pilbara design, cost and environmental factors	5%	5	2.5	Has shown experience. Costings, designs or environmental information was not submitted.	7	3.5	Experience, costings and enclosures were all submitted.	5	2.5	It was stated they have experience working for BHP and Rio in the Pilbara. However no costings were submitted.	7	3.5	Experience and costings for the Pilbara were submitted.	
Timeframe	15%	0	0	A timeframe for the project was not submitted.	5	7.5	Project completion date of 12/06/09.	6	9	Project completion date of 05/06/09.	3	4.5	Project completion date of 30/06/09.	
Local Supplier	5%	3	1.5	A local address was noted.	0	0	A local supplier was not submitted.	5	2.5	Have stated local office support for cabling. CCTV support will be from Perth.	3	1.5	No local supplier was submitted.	
PERFORMANCE WEIGHTED SCORE = Sum (Criteria Weighting x Score)		75%	26.75			56			34.5			35		
PRICING COMPARISON (Estimated price = \$250,000)		\$574,620.00 (excl. GST)			\$326,503.65 (excl. GST)			\$245,300.00 (excl. GST)			Anaglogue - \$405,648.00 (excl. GST) Digital - \$345,684.00 (excl. GST)			Price Legend Scores 0-10
Price - Lump Sum (Tender Form A)	25%	0	0		5	12.5		9	22.5		1	2.5		
TOTAL SCORE = Sum (Performance Weighted Score & Pricing Comparison)		100%	26.8			68.5			57.0			37.5		

6.1.2 Planning Services**6.1.2.1 Proposed Port Hedland LNG Processing Hub**

Officer Terry Sargent
Director Community &
Regulatory Services

Date of Report 8 April 2009

Disclosure of Interest by Officer Nil

Summary

To consider lobbying the state government to have Port Hedland identified as a potential site for a future LNG processing Hub.

Background

Recent attempts to establish LNG processing facilities in the Kimberley have been unsuccessful, resulting in the development of plans to pipe LNG from the Browse Basin to Darwin and considerable community disquiet over the most recent proposal to locate LNG processing facilities in the area of North Head about 150kms north of Broome.

As proposed expansion of the Port Hedland harbor includes development of outer harbor ship loading facilities which could readily be developed to receive gas from the offshore fields in the Kimberley, and as this allows for shorter pipelines than are required to transfer gas to Darwin or the Burrup Peninsular, it would appear that development of a facility in Port Hedland represents an ideal opportunity for the State to retain gas processing in Western Australia without the need to impact on either of these relatively controversial locations.

While this opportunity has not been explored by Council to date it is consistent with plans presented to Council by the Port Hedland Port Authority at previous briefings.

Consultation

The matter has been discussed informally with the Port Hedland Port Authority.

Statutory Implications Nil

Policy Implications Nil

Strategic Planning Implications

There are no direct implications relating to Council's Plan for the Future, however this proposal is consistent with Council's stated objective of diversifying the local economy.

Budget Implications

Nil

Officer's Comment

There is significant and very valid local objection to the further development of the Burrup Peninsular with its Aboriginal Heritage issues and the protection of the wilderness values of the Kimberly coast. Both of these are impediments to the development of further gas processing facilities at the identified preferred sites.

While there is no intention to propose development without recognizing the cultural heritage values of the land around Port Hedland, there is land in an already recognised industrial estate and potential ship loading facilities within the envelope of development which is already planned that could see development occurring without the further destruction of natural and heritage values.

The currently undeveloped land at the Boodarie Industrial Estate and proposed development of Port Hedland's outer harbor both provide the opportunity for a major resource based development which would further diversify Port Hedland's resource based economy.

Development of the Boodarie Industrial Estate has to date been limited by the need to first attract a major "anchor tenant" but the development of future dredging works could even see the development of an industrial on reclaimed or filled land off Finucane Island

Clearly the community disquiet over protecting pristine wilderness in the Kimberley will be addressed by focusing such developments on land which is already been set aside for industrial development. The proximity of Port Hedland to vast natural gas reserves and the availability of large areas of industrial land adjacent to a major harbor all leads to Port Hedland being a logical choice for such development.

To date the State Government has focused its attention on Karratha/Dampier and the Broome/Derby areas as likely sites for future gas plants. While the Dampier or Burrup Peninsular area is not subject to the same environmental concerns as the Kimberly coast it is the site of huge community misgiving over any development that will further compromise the preservation of the enormously significant historic rock art of the region.

In the circumstances it seems that great benefits can be gained for the Town and the State by ensuring that the State Government and key decision makers are made fully aware of the advantages offered by Port Hedland.

To date Council applies only limited resources to lobbying State Government. It is recommended that "selling" the benefits of Port Hedland as a site for the state's next gas hub be given high priority and that direct approaches be made to the Premier and relevant Ministers in order to clearly explain the advantages that Port Hedland has to offer.

Attachments

Nil

200809/285 Council Decision

Moved: Cr K A Howlett

Seconded: Cr A A Carter

That Standing Orders be suspended.

CARRIED 6/0

6:25 pm Mayor advised that Standing Orders are suspended.

200809/286 Council Decision

Moved: Cr J M Gillingham

Seconded: Cr S J Coates

That Standing Orders be resumed.

CARRIED 6/0

6:30 pm Mayor advised that Standing Orders are resumed.

200809/286 Council Decision/Officer's Recommendation

Moved: Cr A A Carter

Seconded: Cr K A Howlett

That Council directs the Chief Executive Officer or his nominated delegate to:

- i) advise the State Government of the Town's interest in locating the currently proposed LNG plant to the Boodarie Industrial estate.
- ii) investigate what is required to establish a Liquefied Natural Gas processing and export hub at Port Hedland
- iii) have an options paper prepared for discussion at Council's next informal briefing
- iv) issue a media release to express the Towns decision indicating an interest in locating the plant to Boodarie seeking public feedback.

CARRIED 6/0

ITEM 7 CLOSURE

7.1 Closure

There being no further business, the Chairman declared the meeting closed at 6.41 pm.

Declaration of Confirmation of Minutes

I certify that these Minutes were confirmed by the Council at its Ordinary Meeting of 22 April 2009.

CONFIRMATION:

MAYOR

DATE