



ITEMS FOR DEBATE – COUNCIL MEETING 23 JUNE 2021

ADOPTION BY EXCEPTION RESOLUTION

RECOMMENDATION

That the Committee Recommendations for items 12.1 and 12.2 and the Officer Recommendations for items 13.1, 14.1, 14.3, 15.1, and 17.1 be adopted en bloc:

- 12.1 Finance Committee - 9/6/2021 - LIST OF PAYMENTS MADE - APRIL 2021
- 12.2 Finance Committee - 9/6/2021 - FINANCIAL ACTIVITY STATEMENTS - YEAR TO DATE AS AT 30 APRIL 2021
- 13.1 AMENDMENT NO. 48 TO LOCAL PLANNING SCHEME NO. 21 (PORTION OF LOT 1 NO. 99 CAUSEWAY ROAD, BUSSELTON) - CONSIDERATION FOR ADOPTION FOR FINAL APPROVAL
- 14.1 PROPOSAL TO DEDICATE A PORTION OF PEDESTRIAN ACCESS WAY, LOT 55 ABBEYS FARM ROAD YALLINGUP, AS PUBLIC ROAD
- 14.3 RFT 10/21 DESIGN, SUPPLY OF EQUIPMENT AND UPGRADE OF NINE PUBLIC OPEN SPACE AREAS: APPOINTMENT OF SUCCESSFUL TENDERER
- 15.1 BUSSELTON FORESHORE - CAROUSEL GROUND LEASE
- 17.1 COUNCILLORS' INFORMATION BULLETIN

ITEMS TO BE DEALT WITH BY SEPARATE RESOLUTION (WITHOUT DEBATE)

Item No.	Item Title	Reason
12.3	Finance Committee - 9/6/2021 - BUDGET AMENDMENT REQUEST - ENGINEERING AND WORKS SERVICES	Absolute Majority Required
15.2	DESIGNATED AREA MIGRATION AGREEMENT - SOUTH WEST REGION	Absolute Majority Required
16.2	APPLICATION FOR RATE EXEMPTION - SENSES AUSTRALIA	Absolute Majority Required Disclosures of Interest: Cr Riccelli (impartiality) Cr Henley (impartiality)

ITEMS FOR DEBATE

Item No. 14.2	RFT 06/21 CONSTRUCTION OF THE BUSSELTON PERFORMING ARTS AND CONVENTION CENTRE (BPACC)	Pulled by Cr Miles	Page 104
<p><u>ALTERNATIVE RECOMMENDATION</u></p> <p>That the Council:</p> <ol style="list-style-type: none">1. Acknowledges receipt of the tender submissions for RFT 06 21 Construction of the Busselton Performing Arts and Convention Centre; and2. Declines to accept any tender; and3. Reviews design options and associated impacts and, subject to not receiving any further funding, undertakes a community survey to help inform decisions on the future of the project.1. Accepts the tender submission for RFT 06/21 Construction of the Busselton Performing Arts and Convention Centre (BPACC), from Broad Group Holdings Pty Ltd for \$37,988,816 excluding GST being the most advantageous tender (Successful Tenderer), subject to minor variations to be negotiated in accordance with Regulation 20 of the Local Government (Functions and General) Regulations 1996 (FG Regs); and2. Delegates power and authority to the CEO to enter into a contract with the Successful Tenderer for the supply of the relevant goods and services; and3. Incorporates the cost of the BPACC construction negotiated under recommendation 1 into the 2021/2022 Draft Budget and Long Term Financial Plan; and4. Continues to seek additional external funding towards construction of the BPACC from the State Government, Federal Government and the private sector.			
<p><u>REASONS FOR ALTERNATIVE</u></p> <p>A performing arts centre has been a priority pillar project for ten years. It is an important investment from both an economic and social perspective. We need to ensure we do it right and that we cater for future demand and growth. There are costs involved in redesigning a building and re-tendering, and these costs may bring us close to a value engineered budget using the current tender. It is unlikely that the cost to build in the future will be less than it is now.</p>			
<p><u>OFFICER COMMENT</u></p> <p>City staff have prepared the City's draft budget for 2021/22 on the basis of the information provided previously through the Long Term Financial Plan (LTFP) process, existing plans and proposals for the BPACC; that is on the basis of a \$28.5M capital project and associated operating costs.</p> <p>While Council can make changes to the draft budget to accommodate the additional costs of the tender, they will impact on the LTFP and future budgets of Council.</p> <p>In order to accommodate the additional capital and operating costs, the underlying assumptions and parameters used to construct the LTFP would need to be remodelled and tested to consider the impacts on rates, loans and cash reserves.</p>			

Should the City receive no further funding from external sources, an additional \$11 – \$13 million may be required to achieve the full scope of the project, in accordance with tendered estimates and dependant on value engineering / minor variations. Council would need to consider a range of options to fund this, including but not limited to:

1. Utilising any surplus funds from the 2020/21 financial year;
2. Increasing rates;
3. Increasing borrowings;
4. Accessing a range of reserves;
5. Reduction in Asset Management Initiatives for a period of time;
6. Diverting funding on other capital projects already planned;
7. Utilising untied grant funding.

Additionally, and as recommended by officers, the additional grant funding and private sector sponsorship can continue to be sought.

While the LTFP can be reviewed to accommodate changes associated with the project, it will take significant time to complete this. As per the initial officer recommendation, officers recommend that Council undertake community consultation to assist in further decision making.

LOCAL GOVERNMENT (ADMINISTRATION) REGULATIONS REQUIREMENT

Pursuant to regulation 22(7) of the *Local Government (Model Code of Conduct) Regulations 2021*, if the amended recommendation is adopted by Council, the above Reasons will be recorded in the Minutes.

Item No. 14.2	RFT 06/21 CONSTRUCTION OF THE BUSSELTON PERFORMING ARTS AND CONVENTION CENTRE (BPACC)	Pulled by Cr Riccelli	Page 104
--------------------------------	---	--	-----------------

ALTERNATIVE RECOMMENDATION

That the Council:

- 1. Acknowledges receipt of the tender submissions for RFT 06-21 Construction of the Busselton Performing Arts and Convention Centre; and**
- 2. Declines to accept any tender; and**
- 3. Reviews design options and associated impacts and, subject to not receiving a commitment to a further \$10 million funding by 31 July 2021 ~~any further funding~~, undertakes a community consultation via a community survey to help inform decisions on the future of the project; and**
- 4. The community survey to include an independent ‘random’ sample survey as well as an ‘opt in’ survey, whereby the design, scope and cost of the survey/s is determined via a formal resolution of Council.**

REASONS FOR ALTERNATIVE

Clarity is needed regarding what “further funding’ constitutes and when it should be received by.

As stated in the Officer’s Recommendation, the survey should “help inform decisions on the future of the project”. Given the scale of the proposed project and the financial implications, the design and scope of the survey becomes a crucial element to assist with the decision-making process, thus requiring determination through a formal resolution of council.

OFFICER COMMENT

It is the responsibility of the CEO to implement the resolutions of Council and to administer the technical aspects. In this case, it is most appropriate for Council resolve to undertake a community survey, with the design of the survey undertaken by the administration. It is proposed that the survey be undertaken by an independent community engagement consultant and the design of the survey will be done in conjunction with the consultant. The estimated cost to undertake the survey is \$25,000. Officers consider it unnecessary to bring the survey design back to Council for formal endorsement and also note that this will result in a delay in the survey being conducted with the next ordinary meeting of Council being 28 July 2021.

LOCAL GOVERNMENT (ADMINISTRATION) REGULATIONS REQUIREMENT

Pursuant to regulation 22(7) of the *Local Government (Model Code of Conduct) Regulations 2021*, if the amended recommendation is adopted by Council, the above Reasons will be recorded in the Minutes.

Item No. 14.2	RFT 06/21 CONSTRUCTION OF THE BUSSELTON PERFORMING ARTS AND CONVENTION CENTRE (BPACC)	Pulled by Cr Henley	Page 104
<p><u>ALTERNATIVE RECOMMENDATION</u></p> <p>That the Council:</p> <ol style="list-style-type: none"> 1. Acknowledges receipt of the tender submissions for RFT 06/21 Construction of the Busselton Performing Arts and Convention Centre; and 2. Declines to accept any tender; and 3. Continues to pursue additional funding from State and Federal Governments; and 4. If a commitment for further funding is not obtained within one month that would maintain or not significantly increase the current financial contribution by the City, reviews design options and associated impacts and subject to not receiving any further funding, undertakes a community survey to help inform decisions on the future of the project. 			
<p><u>REASONS FOR ALTERNATIVE</u></p> <p>We need to continue to source reasonable contributions from all areas of government and, should we proceed with the project, seek community support for that course of action.</p>			
<p><u>OFFICER COMMENT</u></p> <p>Officers are supportive of this alternative as it provides clarity in relation to the timing for further funding being received and a community survey being issued. Officers were intending to move a similar amendment to provide clarity and therefore support this alternative (over and above the officer recommendation).</p>			
<p><u>LOCAL GOVERNMENT (ADMINISTRATION) REGULATIONS REQUIREMENT</u></p> <p>Pursuant to regulation 22(7) of the <i>Local Government (Model Code of Conduct) Regulations 2021</i>, if the amended recommendation is adopted by Council, the above Reasons will be recorded in the Minutes.</p>			

Item No. 16.1	CITY OF BUSSELTON COMMUNITY ENGAGEMENT FRAMEWORK	Pulled by Officers	Page 140
<p><u>AMENDED RECOMMENDATION</u></p> <p>That the Council:</p> <ol style="list-style-type: none"> 1. Adopt Endorse the City of Busselton Community Engagement Framework as per Attachment A (the Framework) for the purposes of advertising for a period of 21 days, with a report outlining submissions and seeking final adoption of the Framework to be returned to Council; 2. Acknowledges that the community engagement toolkit (as per Attachment B to F) is operational in nature and will be reviewed and amended over time by the CEO. 			
<p><u>REASONS FOR AMENDED</u></p> <p>Officers consider that the wording “adopt” is more appropriate to use after the advertising and the final version of the Framework has been returned to Council for final adoption.</p>			
<p><u>OFFICER COMMENT</u></p> <p>Not applicable.</p>			
<p><u>LOCAL GOVERNMENT (ADMINISTRATION) REGULATIONS REQUIREMENT</u></p> <p>Pursuant to regulation 22(7) of the <i>Local Government (Model Code of Conduct) Regulations 2021</i>, if the amended recommendation is adopted by Council, the above Reasons will be recorded in the Minutes.</p>			