

Please note: These minutes are yet to be confirmed as a true record of proceedings

CITY OF BUSSELTON

MINUTES FOR THE COUNCIL MEETING HELD ON 14 NOVEMBER 2018

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MINUTES

MINUTES OF A MEETING OF THE BUSSELTON CITY COUNCIL HELD IN COUNCIL CHAMBERS, ADMINISTRATION BUILDING, SOUTHERN DRIVE, BUSSELTON, ON 14 NOVEMBER 2018 AT 5.30PM.

1. DECLARATION OF OPENING ACKNOWLEDGEMENT OF COUNTRY / ACKNOWLEDGEMENT OF VISITORS / DISCLAIMER / NOTICE OF RECORDING OF PROCEEDINGS

The Presiding Member opened the meeting at 5.30pm.

2. ATTENDANCE

Presiding Member:

Cr Grant Henley Mayor

Members:

Cr John McCallum Deputy Mayor
Cr Coralie Tarbotton
Cr Rob Bennett
Cr Paul Carter (remote attendance)
Cr Robert Reekie
Cr Kelly Hick
Cr Lyndon Miles

Officers:

Mr Mike Archer, Chief Executive Officer
Mr Oliver Darby, Director, Engineering and Works Services
Mr Paul Needham, Director, Planning and Development Services
Mrs Maxine Palmer, Manager, Community Services
Mr Tony Nottle, Director, Finance and Corporate Services
Ms Sarah Pierson, Manager, Governance and Corporate Services
Miss Kate Dudley, Administration Officer, Governance

Apologies:

Mrs Naomi Searle, Director, Community and Commercial Services

Approved Leave of Absence:

Cr Ross Paine

Media:

"Busselton-Dunsborough Times"
"Busselton-Dunsborough Mail"

Public:

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3. PRAYER

The prayer was delivered by Pastor Lee Sykes of Cornerstone Church.

4. APPLICATION FOR LEAVE OF ABSENCE

Nil

5. DISCLOSURE OF INTERESTS

The Mayor noted that a declaration of impartiality interest had been received from:

- Cr John McCallum in relation to Agenda Item 16.1 Lease for Telecommunications Mast at Dunsborough Oval

The Mayor advised that in accordance with the Local Government (Rules of Conduct) Regulations 2007 this declaration would be read out immediately before Item 16.1 was discussed.

6. ANNOUNCEMENTS WITHOUT DISCUSSION**Announcements by the Presiding Member**

The Presiding Member advised the Council that he had the honour of represented the City for the 100th Annual Remembrance Day Service held in Busselton on Sunday, 11 November.

7. QUESTION TIME FOR PUBLIC**Response to Previous Questions Taken on Notice**

Nil

Question Time for Public**7.3 Mr Barry Grimmond of 9 Rudis Way, Broadwater****Question**

Mr Grimmond asked the Council for further information or details on the roadways and footpaths for the new sub-division in the Beach Field area.

Response

The Director of Planning and Development Services advised that a letter had been received from residents in relation to that sub-division and a response is currently being drafted by officers.

Question

Mr Grimmond asked the Council if developers need to liaise with residents to put in a new development.

Response

The Director of Planning and Development Services advised that in this case, the sub-division application phase does not allow for public consultation under legislation.

Question

Mr Grimmond asked the Council what the timeframe for a response to a letter received by the City would be.

Response

The Director of Planning and Development Services advised that the City has a Customer Service Charter, which provides for a two week turn around on correspondence. If the City is unable to provide a response in that timeframe, an acknowledgement letter will be sent, including a timeframe for when a full response should be expected.

8. CONFIRMATION AND RECEIPT OF MINUTES**Previous Council Meetings****8.1 Minutes of the Council Meeting held 24 October 2018****COUNCIL DECISION**

C1811/217 Moved Councillor J McCallum, seconded Councillor R Reekie

That the Minutes of the Council Meeting held 24 October 2018 be confirmed as a true and correct record.

CARRIED 8/0

Committee Meetings**8.2 Minutes of the Finance Committee meeting held on 18 October 2018****COUNCIL DECISION**

C1811/218 Moved Councillor J McCallum, seconded Councillor C Tarbotton

That the Minutes of the Finance Committee Meeting held 18 October 2018 be noted.

CARRIED 8/0

8.3 Minutes of the Policy and Legislation Committee meeting held on 23 October 2018**COUNCIL DECISION**

C1811/219 Moved Councillor K Hick, seconded Councillor R Bennett

That the minutes of the Policy and Legislation Committee Meeting held 23 October 2018 be noted.

CARRIED 8/0

9. RECEIVING OF PETITIONS, PRESENTATIONS AND DEPUTATIONS**Petitions**

Nil

Presentations

Nil

Deputations

Nil

10. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN (WITHOUT DISCUSSION)

Nil

11. ITEMS BROUGHT FORWARD**For the convenience of the Public**

Nil

ADOPTION BY EXCEPTION RESOLUTION

At this juncture the Mayor advised the meeting that with the exception of the items identified to be withdrawn for discussion, that the remaining reports, including the Committee and Officer Recommendations, will be adopted en bloc, i.e. all together.

COUNCIL DECISION/COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION

C1811/220 Moved Councillor C Tarbotton , seconded Councillor J McCallum

That the Committee and Officer Recommendations in relation to the following agenda items be carried en bloc:



- 12.2 Policy and Legislation Committee - 23/10/2018 - REVIEW OF COUNCIL POLICY 241 - BRANDS AND STYLE GUIDE
- 12.3 Finance Committee - 18/10/2018 - FINANCIAL ACTIVITY STATEMENTS - PERIOD ENDING 30 SEPTEMBER 2018
- 17.1 COUNCILLORS' INFORMATION BULLETIN

CARRIED 8/0

EN BLOC

12. REPORTS OF COMMITTEE MEETINGS

12.2 Policy and Legislation Committee - 23/10/2018 - REVIEW OF COUNCIL POLICY 241 - BRANDS AND STYLE GUIDE

SUBJECT INDEX:	Council Policies
STRATEGIC OBJECTIVE:	Council engages broadly and proactively with the community.
BUSINESS UNIT:	Governance Services
ACTIVITY UNIT:	Governance Services
REPORTING OFFICER:	Governance Coordinator - Emma Heys
AUTHORISING OFFICER:	Director Finance and Corporate Services - Tony Nottle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Proposed Council Policy - City Branding Policy  Attachment B Current Council Policy - Brands and Style Guide 

This item was considered by the Policy and Legislation Committee at its meeting on 23 October 2018, the recommendations from which have been included in this report.

PRÉCIS

The purpose of this report is to present a revised Brands and Style Guide Policy (Attachment B), with the current policy having been amended as part of the City's overall review of its Council policies, having regard to the recommendations of the Governance System Review (GSR) carried out by Mr John Woodhouse in 2017. The new Policy is focused more broadly on, and entitled, City Branding (Attachment A) (the Policy).

BACKGROUND

Council last considered a revision of this policy on 17 April 2018 as part of the process of updating policies to the new policy template and to incorporate changes that have occurred over recent years.

At its meeting of the 17 April 2018 the Committee resolved to defer the policy for consideration pending review and presentation of the City's Style Guide, a referenced and related document, back to the Policy and Legislation Committee, with the Committee noting that the Style Guide may require further revision prior to consideration of the overarching policy.

While Officers agree that a review of the City's Style Guide is required, it is the view of Officers that the Style Guide is administrative in nature and is a document which requires continuous refinement and review. Further commentary in relation to the proposed direction of the Policy is provided in the Officer Comment section of this report.

STATUTORY ENVIRONMENT

In accordance with Section 2.7(2)(b) of the Local Government Act 1995 it is the role of the Council to determine the local governments policies. The Council does this on recommendation of a Committee it has established in accordance with Section 5.8 of that Act.

RELEVANT PLANS AND POLICIES

In August 2017 the CEO commissioned a high level independent review of the City's governance systems - the GSR. Included in the scope of the review was the City's policy and procedure framework with the following recommendations made:

1. *There should be a review of the Council Policies with the intent that a Council Policy:*
 - a. *Should deal with higher level objectives and strategies;*

- b. Should not deal with operational matters, employee matters, or other matters which are the responsibility of the CEO; and*
 - c. Should, where appropriate provide sufficient direction to the CEO to develop OPPs which deal with the implementation of the Council Policy or other detailed matters.*
- 2. As part of that review, any existing Council Policy should be deleted where it could, more sensibly, be dealt with by an OPP adopted by the CEO.*
- 3. Consideration should be given to developing a new Council Policy which sets out the 'framework' for Council Policies, OPPs and other procedures. The new Policy would explain the role to be played by each level of document. It could, for example, be called a Policy Framework Policy.*

In response a Policy Framework has been developed and endorsed by Council, setting out the intent of Council policies, as opposed to operational documents such as Staff Management Practices and operational procedures, and a Council policy template developed.

This report recommends replacing the Brands and Style Guide Policy with a higher level, more strategic policy.

FINANCIAL IMPLICATIONS

Adoption of the Policy has no additional financial implications.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

Adoption of the Policy has no long term financial plan implications.

STRATEGIC COMMUNITY OBJECTIVES

The Policy aligns with and supports the Council's Key Goal Area 6 – 'Leadership' and more specifically, Community Objective 6.2 'Council engages broadly and proactively with the community'.

RISK ASSESSMENT

There are no risks identified of a medium or greater level associated with the Officers recommendation, with the Policy reiterating and maintaining Council's direction in relation to City Branding.

CONSULTATION

No external consultation is required in relation to this policy review. The City will ensure its communication materials are consistent with the Policy.

OFFICER COMMENT

The Policy has been revised for the purposes of clarifying the development and application of the City's branding, taken to mean the City of Busselton Brand, associated Brands, logos and emblems (City Branding).

The Policy replaces the Brands and Style Guide Policy with the Style Guide considered an administrative document; its purposes being to guide staff in the development and application of the City's Branding. In accordance with the recommendations of the GSR, the Policy seeks to provide strategic direction with respect to key aspects of the City's Branding.

Officers agree a review of the City's Style Guide is required and acknowledge this is likely to be an on-going and somewhat incremental process.

CONCLUSION

The Policy is a reflection of Councils direction to refine current policies; updated to ensure the relevance of the Policy continues; and seeks to make clear the differentiation between Council policy and administrative documents and guidelines.

OPTIONS

The Council could choose not to endorse the new Policy, or make additional changes to the Policy.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The revised Policy would be effective immediately upon endorsement by Council.

OFFICER RECOMMENDATION

That the Council adopts the revised City Branding Policy as per Attachment A, to replace the Brands and Style Guide Policy (Attachment B)

COUNCIL DECISION AND COMMITTEE RECOMMENDATION

C1811/221

Moved Councillor C Tarbotton , seconded Councillor J McCallum

That the Council adopts the revised City Branding Policy as per Attachment A, with an amendment to 5.6 to read "Any changes to the City's Branding are subject to Council approval on recommendation by the Chief Executive Officer" to replace the Brands and Style Guide Policy (Attachment B).

CARRIED 8/0

EN BLOC

12.3 Finance Committee - 18/10/2018 - FINANCIAL ACTIVITY STATEMENTS - PERIOD ENDING 30 SEPTEMBER 2018

SUBJECT INDEX:	Budget Planning and Reporting
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Finance and Corporate Services
ACTIVITY UNIT:	Financial Services
REPORTING OFFICER:	Manager Financial Services - Kim Dolzadelli
AUTHORISING OFFICER:	Director Finance and Corporate Services - Tony Nottle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Statement of Financial Activity - Period Ending 30 September 2018 
	Attachment B Investment Report - Period Ending 30 September 2018 

This item was considered by the Finance Committee at its meeting on 18 October 2018, the recommendations from which have been included in this report.

PRÉCIS

Pursuant to Section 6.4 of the Local Government Act ('the Act') and Regulation 34(4) of the Local Government (Financial Management) Regulations ('the Regulations'), a local government is to prepare, on a monthly basis, a statement of financial activity that reports on the City's financial performance in relation to its adopted/ amended budget.

This report has been compiled to fulfil the statutory reporting requirements of the Act and associated Regulations, whilst also providing the Council with an overview of the City's financial performance on a year to date basis for the period ending 30 September 2018.

BACKGROUND

The Regulations detail the form and manner in which financial activity statements are to be presented to the Council on a monthly basis; and are to include the following:

- Annual budget estimates
- Budget estimates to the end of the month in which the statement relates
- Actual amounts of revenue and expenditure to the end of the month in which the statement relates
- Material variances between budget estimates and actual revenue/ expenditure/ (including an explanation of any material variances)
- The net current assets at the end of the month to which the statement relates (including an explanation of the composition of the net current position)

Additionally, and pursuant to Regulation 34(5) of the Regulations, a local government is required to adopt a material variance reporting threshold in each financial year. At its meeting of 25 July 2018, the Council adopted (C1807/138) the following material variance reporting threshold for the 2018/19 financial year:

"That pursuant to Regulation 34(5) of the Local Government (Financial Management) Regulations, the Council adopts a material variance reporting threshold with respect to financial activity statement reporting for the 2018/19 financial year as follows:

- *Variances equal to or greater than 10% of the year to date budget amount as detailed in the Income Statement by Nature and Type/ Statement of Financial Activity report, however variances due to timing differences and/or seasonal adjustments are to be reported on a quarterly basis; and*
- *Reporting of variances only applies for amounts greater than \$25,000.”*

STATUTORY ENVIRONMENT

Section 6.4 of the Local Government Act and Regulation 34 of the Local Government (Financial Management) Regulations detail the form and manner in which a local government is to prepare financial activity statements.

RELEVANT PLANS AND POLICIES

Not applicable.

FINANCIAL IMPLICATIONS

Any financial implications are detailed within the context of this report.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

Any financial implications are detailed within the context of this report.

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – ‘Leadership’ and more specifically Community Objective 6.1 - ‘Governance systems, process and practices are responsible, ethical and transparent’.

RISK ASSESSMENT

Risk assessments have been previously completed in relation to a number of ‘higher level’ financial matters, including timely and accurate financial reporting to enable the Council to make fully informed financial decisions. The completion of the monthly Financial Activity Statement report is a control that assists in addressing this risk.

CONSULTATION

Not applicable

OFFICER COMMENT

In order to fulfil statutory reporting requirements, and to provide the Council with a synopsis of the City’s overall financial performance on a full year basis, the following financial reports are attached here to:

- Statement of Financial Activity

This report provides details of the City’s operating revenues and expenditures on a year to date basis, by nature and type (i.e. description). The report has been further extrapolated to include details of non-cash adjustments and capital revenues and expenditures, to identify the City’s net current position; which reconciles with that reflected in the associated Net Current Position report.

▪ Net Current Position

This report provides details of the composition of the net current asset position on a full year basis, and reconciles with the net current position as per the Statement of Financial Activity.

▪ Capital Acquisition Report

This report provides full year budget performance (by line item) in respect of the following capital expenditure activities:

- Land and Buildings
- Plant and Equipment
- Furniture and Equipment
- Infrastructure

▪ Reserve Movements Report

This report provides summary details of transfers to and from reserve funds, and also associated interest earnings on reserve funds, on a full year basis.

Additional reports and/or charts are also provided as required to further supplement the information comprised within the statutory financial reports.

COMMENTS ON FINANCIAL ACTIVITY TO 30 SEPTEMBER 2019

The Statement of Financial Activity for the period ending 30 September 2018 shows a better than expected Net Current Position "Surplus" of \$40.67M being \$6.09M higher than year to date budget (YTD budget).

The following summarises the major variances in accordance with *Council's adopted material variance reporting threshold* that collectively make up the above difference:

Description	2018/2019 Actual	2018/2019 Amended Budget YTD	2018/2019 Amended Budget	2018/19 YTD Bud Variance	2018/19 YTD Bud Variance
	\$	\$	\$	%	\$
Expenses from Ordinary Activities	(17,719,783)	(19,457,637)	(75,222,770)	8.93%	1,737,854
Borrowings Cost Expense - Interest Expenses	(232,039)	(287,008)	(1,374,387)	19.15%	54,969
Non-Operating Grants, Subsidies and Contributions	(552,228)	4,380,103	30,347,185	-112.61%	(4,932,331)
Adjustments for Non-cash Revenue & Expenditure					
Depreciation	5,555,662	4,853,652	19,070,922		702,010
Deposit & Bonds Movements (cash backed NC)	74,433	0	0		
Capital Revenue & (Expenditure)					
Land & Buildings	(216,636)	(3,899,049)	(17,618,620)	94.44%	3,682,413
Plant & Equipment	(661,422)	(1,620,500)	(5,363,500)	59.18%	959,078
Furniture & Equipment	(91,360)	(217,873)	(883,640)	58.07%	126,513
Infrastructure	(3,780,762)	(8,772,781)	(36,804,070)	56.90%	4,992,019
Proceeds from Sale of Assets	87,490	401,850	1,045,950	-78.23%	(314,360)
Transfer to Restricted Assets	(402,581)	(136,998)	(551,000)	-193.86%	(265,583)
Transfer from Restricted Assets	3,399,616	2,392,590	14,423,922	42.09%	1,007,026
Transfer to Reserves	(6,024,886)	(3,987,556)	(19,269,123)	-51.09%	(2,037,330)

Operating Expenditure:

Expenditure from ordinary activities, excluding depreciation, is \$2.44M less than expected when compared to YTD budget with the following items meeting the material variance reporting threshold set by Council for the 2018/2019 Financial Year.

Description	2018/2019 Actual	2018/2019 Amended Budget YTD	2018/2019 Amended Budget	2018/19 YTD Bud Variance	2018/19 YTD Bud Variance
	\$	\$	\$	%	\$
Materials & Contracts	(3,030,050)	(4,636,098)	(18,621,467)	34.64%	1,606,048
Utilities (Gas, Electricity, Water etc.)	(512,617)	(642,148)	(2,569,240)	20.17%	129,531
Depreciation on non-current assets	(5,555,662)	(4,853,652)	(19,070,922)	-14.46%	(702,010)
Insurance Expenses	(423,061)	(312,088)	(698,808)	-35.56%	(110,973)
Other Expenditure	(579,570)	(1,128,996)	(4,770,041)	48.67%	549,426
Allocations	267,645	419,311	1,723,162	36.17%	(151,666)

Materials and Contracts:

The main items affected are listed below:

Cost Code	Cost Code Description / GL Activity	Variance YTD
<u>Finance and Corporate Services</u>		
10250	Information & Communication Technology Services	184,242
10251	Business Systems	49,612
10500	Legal and Compliance Services	25,637
<u>Community and Commercial Services</u>		
10591	Geographe Leisure Centre	38,739
10600	Busselton Jetty Tourist Park	50,162
10980	Other Law, Order & Public Safety	36,243
11151	Airport Operations	30,004
<u>Planning and Development Services</u>		
10830	Environmental Management Administration	26,725
10925	Preventative Services - CLAG	32,754
11170	Meelup Regional Park	38,389
<u>Engineering and Works Services</u>		
11101	Engineering Services Administration	64,405
11160	Busselton Jetty	195,907
11300	Sanitation Waste Services Administration	25,099
11301	Regional Waste Management Administration	30,000
12620	Rural-Tree Pruning	(62,775)
B1000	Administration Building- 2-16 Southern Drive	26,401
G0010	Domestic Recycling Collections	46,348
G0034	External Waste Disposal	53,459
G0042	BTS External Restoration Works	(65,964)
R0004	Bsn Foreshore Precinct (not including Skate Park)	55,843
5280	Transport - Fleet Management	111,374

Utilities:

There is an overall variance in utility charges of \$129,531 this variance is spread over 364 individual line items with an average variance of only \$364 per item.

Depreciation:

There is an overall variance in depreciation of \$702K, it should be noted that this is a non-cash item and does not impact on the City's surplus position. The variance can be attributed to the fact that Fair Valuation of infrastructure assets was completed post budget adoption and the increase in valuation was unable to be included in the 2018/2018 budget.

Insurance:

There is a YTD variance in insurance costs of \$111K, this is of a timing issue only.

Other Expenditure:

There is a YTD variance in other costs of \$549K, this is considered a timing issue only, and the main items affected are listed below:

Cost Code	Cost Code Description / GL Activity	Variance YTD
<u>Finance and Corporate Services</u>		
10000	Members of Council	56,768
10700	Public Relations	29,148
<u>Community and Commercial Services</u>		
10530	Community Services Administration	35,785
10567	Cinefest Oz	(71,249)
11156	Airport Development Operations - Marketing and Incentives	375,000
<u>Planning and Development Services</u>		
10942	Bushfire Risk Management Planning - DFES	(39,283)
<u>Engineering and Works Services</u>		
B1223	Micro Brewery - Public Ablution	30,000
G0042	BTS External Restoration Works	(38,169)

Allocations:

Allocations are running \$151k under YTD budget; these items are an internal allocation of administrative costs from the Finance and Corporate Services division.

Borrowing Costs – Interest Expenses:

Interest expenses are \$55k less than YTD budget, no new loans have been taken at this point in time.

Non-Operating Grants, Subsidies and Contributions:

Non-Operating Grants, Subsidies and Contributions are less than YTD budget by \$4.93M with the main item impacting on the above result being the timing of the receipt of "Airport Development - Project Grant" with a current negative result of -\$4.7M.

Capital Expenditure

As at 30 June 2018, there is a variance of -67.26% or -\$9.76M in total capital expenditure with YTD actual at -\$4.75M against a YTD budget of -\$14.51M. The airport development makes up for \$4.43M, Plant and Equipment Purchases, \$959K, Busselton Tennis Club – Infrastructure \$922K, Eastern Link - Busselton Traffic Study \$698K, Council Roads Initiative projects \$649K, Main Roads projects \$498K, Sanitation Infrastructure \$461K, Parks Gardens and Reserves \$347K. These items of under expenditure also assists in explaining the above current YTD shortfall in Non-Operating Grants.

The attachments to this report include detailed listings of the following capital expenditure (project) items, to assist in reviewing specific variances.

Investment Report

Pursuant to the Council's Investment Policy, a report is to be provided to the Council on a monthly basis, detailing the investment portfolio in terms of performance and counterparty percentage exposure of total portfolio. The report is also to provide details of investment income earned against budget, whilst confirming compliance of the portfolio with legislative and policy limits.

As at 30th September 2018 the value of the City's invested funds totalled \$80.8M, up from \$67.4M as at 31st August. The increase is due to the inflow of funding associated with the annual rates first instalment period.

During the month of September four term deposits held with two different institutions totalling \$12.0M matured. All were renewed for a further 166 days at 2.67 per cent (on average).

The inflow of rate funding culminated in the annual opening of new term deposits. A call for rates was put out to eight banks and as a result six new deposits were opened totalling \$16m. The term of these deposits are between seven and nine months, and rates are between 2.70 per cent and 2.76 per cent.

The balance of the 11am account (an intermediary account which offers immediate access to the funds compared to the term deposits and a higher rate of return compared to the cheque account) decreased by \$2.5M with the funds being converted to fixed term deposits returning a higher interest rate.

The balance of the Airport Development ANZ cash account remained steady this month.

The RBA left official rates on hold during September and October. Future movements remain uncertain at this point, although the next movement is likely to be up but not in the immediate future.

Chief Executive Officer – Corporate Credit Card

Details of monthly (August to September) transactions made on the Chief Executive Officer's corporate credit card are provided below to ensure there is appropriate oversight and awareness of credit card transactions made.

Date	Amount	Payee	Description
25-Aug-18	\$29.00	Equinox Café	Coffee With Minister Templeman
30-Aug-18	\$230.51	Westin Perth FDS Perth	Accommodation - Mike Archer (Cancelled)
03-Sep-18	\$74.95	Map World Australia	Laminated World Map For Citizenship Ceremonies
03-Sep-18	\$531.00	LG Professionals	2018-2019 Membership Subscription
04-Sep-18	\$25.86	Hiroshima Peace Culture Foundation	Membership Fees - Two (2) Years 2017 & 2018
04-Sep-18	\$25.86	Hiroshima Peace Culture Foundation	Membership Fees - Two (2) Years 2017 & 2018
05-Sep-18	\$68.68	City Of Perth - Airport Parking	Airport Security Parking Perth
07-Sep-18	\$27.27	City Of Perth - Airport Parking	Airport Security Parking Perth
07-Sep-18	\$9.09	City Of Perth - Airport Parking	Airport Security Parking Perth
10-Sep-18	\$29.00	Empire Karratha	Meals
13-Sep-18	\$1,218.00	ICTC Society Inc. - Tweed Heads	Conference Payment For Cr Ross Payne

**Funds debited against CEO Annual Professional Development Allowance as per employment Contract Agreement*

+ Allocated against CEO Hospitality Expenses Allowance

CONCLUSION

As at 30 September 2018, the City's financial performance is considered satisfactory.

COUNCIL DECISION/COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION

C1811/222





Moved Councillor C Tarbotton , seconded Councillor J McCallum

That the Council receives the statutory financial activity statement reports for the period ending 30 September 2018, pursuant to Regulation 34(4) of the Local Government (Financial Management) Regulations

CARRIED 8/0

EN BLOC

17. CHIEF EXECUTIVE OFFICER'S REPORT**17.1 COUNCILLORS' INFORMATION BULLETIN**

SUBJECT INDEX:	Councillors' Information
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Governance Services
ACTIVITY UNIT:	Governance Services
REPORTING OFFICER:	Administration Officer - Governance - Kate Dudley
AUTHORISING OFFICER:	Manager Governance and Corporate Services - Sarah Pierson
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Planning Applications received by the City between 1 October, 2018 and 15 October, 2018 
	Attachment B Planning Applications determined by the City between 1 October, 2018 and 15 October, 2018 
	Attachment C State Administrative Tribunal Review Proceedings 
	Attachment D Meelup Regional Park Management Committee 

PRÉCIS

This report provides an overview of a range of information that is considered appropriate to be formally presented to the Council for its receipt and noting. The information is provided in order to ensure that each Councillor, and the Council, is being kept fully informed, while also acknowledging that these are matters that will also be of interest to the community.

Any matter that is raised in this report as a result of incoming correspondence is to be dealt with as normal business correspondence, but is presented in this bulletin for the information of the Council and the community.

INFORMATION BULLETIN**17.1.1 Planning & Development Services Statistics**Planning Applications

Attachment A is a report detailing all Planning Applications received by the City between 1 October, 2018 and 15 October, 2018. A total of 30 formal applications were received during this period.

Attachment B is a report detailing all Planning Applications determined by the City between 1 October, 2018 and 15 October, 2018. A total of 38 applications (including subdivision referrals) were determined by the City during this period with 38 approved / supported and 0 refused / not supported.

17.1.2 State Administrative Tribunal Review Proceedings

Attachment C is a list showing the current status of State Administrative Tribunal Reviews involving the City of Busselton as at 25 October, 2018.

17.1.3 Meelup Regional Park Management Committee

Attachment D shows the Meelup Regional Park Management Committee informal minutes.

COUNCIL DECISION AND OFFICER RECOMMENDATION

C1811/223 Moved Councillor C Tarbotton , seconded Councillor J McCallum

That the items from the Councillors' Information Bulletin be noted:






- [17.1.1 Planning & Development Services Statistics](#)
- [17.1.2 State Administrative Tribunal Review Proceedings](#)
- [17.1.3 Meelup Regional Park Management Committee](#)

CARRIED 8/0

EN BLOC

18. REPORTS OF COMMITTEE MEETINGS

12.1 Policy and Legislation Committee - 23/10/2018 - REVIEW OF PLANNING AND DEVELOPMENT RELATED DELEGATIONS

SUBJECT INDEX:	Authorised Delegation of Power / Authority
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Planning and Development Services
ACTIVITY UNIT:	Planning and Development Support
REPORTING OFFICER:	Director, Planning and Development Services - Paul Needham
AUTHORISING OFFICER:	Director, Planning and Development Services - Paul Needham
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	Attachment A Council Delegation PDR1 
	Attachment B Council Delegation MVA1 
	Attachment C Council Delegation LCA1 
	Attachment D Council Policy 043 Coal Mining Applications 
	Attachment E Council Delegation PDR1 tracked changes 

This item was considered by the Policy and Legislation Committee at its meeting on 23 October 2018, the recommendations from which have been included in this report.

PRÉCIS

The Council is asked to consider changes to some planning and related delegations. Two delegations are proposed to be rescinded and a relatively minor change to a third is proposed.

BACKGROUND

The *Local Government Act 1995* ('LGA') provides for the establishment of local governments and confers a range of powers and duties on them. There are also other Acts of Parliament that confer powers and duties on local governments.

A local government is established as a body corporate, and must therefore necessarily act through its officers, employees and agents. Each local government has an elected Council as a governing body. The LGA also intends that the local government will have employees, being the CEO and the staff employed by the CEO, to carry out certain functions.

Within this framework, the LGA makes express provision for certain 'delegations' of powers or duties. At the same time, it expressly intends that there will also be certain situations where a power may be exercised or a duty discharged on the basis of 'acting through another person' (see Section 5.45(2) of the LGA). The question in any particular case is one of statutory construction to determine whether the Parliament intended that a power given to a local government might be exercised by another individual or body on behalf of the local government, or whether it is intended that the power be exercised by the Council or (where possible) its duly appointed delegate.

The Council's power of delegation under Section 5.42 of the LGA applies to powers and duties under the LGA and also to certain sections under the *Planning and Development Act 2005*. Council's power of delegation is subject to the limitations in Section 5.43 of the LGA. Other legislation that confers powers and duties on a local government may or may not contain a power of delegation. Other legislation also contains related but different powers of 'authorisation'.

The Council has recently reviewed the delegations it has made under the LGA, in accordance with an annual review required under Section 5.45(2) of the LGA. This report is directed at a review of certain powers and duties under legislation other than the LGA, and considers the exercise of powers under legislation relating to -

- Planning and development;
- Firearms;
- Prostitution;
- Classified publications;
- Motor vehicle sales and repairs;
- Gaming and wagering;
- Liquor; and
- Mining; and
- Petroleum.

Two existing delegations relating to motor vehicle repairs and liquor are considered unnecessary and are recommended to be rescinded, and a relatively minor change to the existing planning delegation is also recommended.

Note that an internal review of powers and duties in relation to legislation impacting on the delivery of ranger and environmental services is currently underway and a further report in relation to associated delegations is expected to be presented to the committee by the end of the year.

STATUTORY ENVIRONMENT

The key statutory environment relevant to this report is outlined below -

- With respect to the power of delegation under Acts other than the LGA, regard is to be given to any power of delegation under those Acts.
- With respect to the concept of 'acting through' (which is different to delegation) under Acts other than the LGA, the term 'local government' is defined in the *Interpretation Act 1984* to mean a local government under the LGA. This is not confined to 'Council', but is a reference to a local government being a body corporate acting through its officers, employees and agents. Each provision of legislation must then be interpreted in its context to determine whether a contrary intention appears. In doing this, regard will generally be had to the purpose of the legislation and whether there can be seen to be some purpose served by restricting the interpretation to mean 'Council' in a particular case.
- Clause 82 of Schedule 2 the *Planning and Development (Local Planning Schemes) Regulations 2015* ('the deemed provisions') sets out that the Council may delegate powers under the City's town planning scheme to the CEO. Clause 83 then sets out that the CEO may sub-delegate those powers. There is a current delegation relating to these powers – Delegation PDR1 (Attachment A).
- Relevant legislation has been reviewed, and there are currently no functions for local governments in legislation relating to firearms, prostitution or classified publications. As such, there is no need to consider whether any of those powers can only be exercised by City officers with a delegation first being established, and there are also no current delegations that require amending or rescinding.

- There are also currently no functions for local governments in legislation relating to motor vehicle sales or repairs. There were previously functions for local governments in both the *Motor Vehicle Dealers Act 1973* and *Motor Vehicle Repairers Act 2003*, but the provisions setting out those functions have now been repealed. As such, delegation MVA1 (Attachment B), which relates to the *Motor Vehicle Repairers Act 2003* is now clearly redundant and can be rescinded – and was unnecessary anyway, as the function that local governments previously had were clearly ones that involved provision of information, rather than discretionary decision-making.
- Section 55 (3) of the *Gaming and Wagering Commission Act 1987* sets out functions for local governments in providing reports setting out whether gaming and wagering premises comply with health or planning requirements. Those functions, however, are clearly functions that involve provision of information, rather than discretionary decision-making. As such, there is no need for a delegation, and as no delegation has been established, there are no current delegations that require amending or rescinding.
- Sections 39 and 40 of the *Liquor Control Act 1988* identify functions for local governments in advising whether proposed licensed premises comply with relevant health/building and planning requirements – these functions involve providing what are generally known as ‘Section 39 certificates’ and ‘Section 40 certificates’. The decisions regarding whether to issue such certificates are not discretionary decisions. They are statements of fact about whether approval is required and/or if relevant approvals have already been obtained. Given the context and the drafting of the provisions, these are considered functions that can be exercised by the local government without requiring a delegation. As such, no delegation is considered necessary and, accordingly, Delegation LCA1 (Attachment C), which relates to Section 40 certificates, can be rescinded (there is no current delegation for Section 39 certificates).
- There are various provisions in the Mining Act 1978 which enable a local government to be consulted with and/or express views on matters subject of the Act. It is considered those functions can reasonably be exercised by the local government ‘acting through’. The Council has adopted a policy setting out its approach to responding to applications where the target mineral may be coal (Attachment D), which would guide officers in their exercise of those functions. Note that this Policy will require review as part of the City’s overall review of its Council policies, having regard to the recommendations of the Governance System Review carried out by Mr John Woodhouse in 2017.
- Relevant legislation has been reviewed, and there are currently no functions for local governments in legislation relating to petroleum, other than a reference to local governments being notified about applications for a pipeline licence pursuant to the *Petroleum Pipelines Act 1969*, and there is not seen to be a need for a delegation to allow the CEO or other City officers to determine the course of action that should be taken with respect to such notification. The City also occasionally has a broader advocacy or communication role with respect to petroleum extraction proposals, and those functions can be exercised by the local government ‘acting through’ where necessary.

RELEVANT PLANS AND POLICIES

There are no relevant plans or policies requiring consideration.

FINANCIAL IMPLICATIONS

There are no financial implications of the recommendations of this report.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

There are no long-term financial plan implications of the recommendations of this report.

STRATEGIC COMMUNITY OBJECTIVES

This statutory delegation review aligns with and supports the Council's Key Goal Area 6 – 'Leadership' and more specifically Community Objective 6.1 – 'Governance systems, process and practices are responsible, ethical and transparent'.

RISK ASSESSMENT

There are no significant risks associated with the officer recommendation.

CONSULTATION

Consultation was not considered necessary in the preparation of this report.

OFFICER COMMENT

Following the review, rescinding of two delegations is recommended – i.e. MVA1 and LCA1. The reasons for that have been explained in the statutory environment section of this report, and there is not considered to be a need to discuss those changes further here.

A relatively minor change to the existing planning delegation is also recommended, which is to modify the second paragraph of part 6 of Delegation PDR1, which currently sets out that, in relation to 'briefing and reporting' –

As part of the agenda for each ordinary Council meeting ('OCM'), a summary of applications received and determined between the closing date of the previous summary and a date as close as possible to the publication date of the agenda, shall be presented to Councillors as part of 'Councillors' Information Bulletin' ('CIB').

Note that there are no statutory requirements for the provision of this information to Councillors, either in a Council agenda or in any other form, it is a requirement which arises because of the delegation.

The effect of the approach identified above is that it can be as long as 29 days, and regularly as long as 22 days, after an application has been received or determined before Councillors are provided with a summary listing an application. The time gap for some applications would be even longer during the mid-year break, or the longer break between the December and January meetings – the gap between meetings during that period can be as long as 8 weeks, meaning that it can be nearly ten weeks between the receipt or determination of an application and its listing in the CIB.

As an example, for Council's 24 October OCM, the draft report for the CIB (for the draft agenda) would be produced on 5 October and published as part of the agenda on 12 October. That report would be expected to list applications received or determined up to 4 October. The Council's next OCM is then scheduled for 14 November. The earliest applications to be listed in the CIB for that meeting's agenda would therefore have been received or determined on 5 October and the agenda would be published on 2 November. That would mean that the earliest applications listed might have been received 29 days before publication, with the associated agenda briefing session then being a further five days hence.

A change to the above is proposed which would result in both Councillors and members of the public being able to access information about applications received and determined in a more timely fashion. What is proposed is that a list of applications received in the preceding week (Friday to Thursday) is listed on the City's website each Friday. Protocols could be agreed and varied over time to ensure that Councillors have an appropriate prompt to review the published lists, and could then forward requests for information to the appropriate officer (ordinarily the responsible Director). In the case of Fridays which are public holidays, publication may need to occur on the next working day. In all other cases, however, this would mean that the earliest applications listed would have been received or determined eight days prior to publication.

The following new wording for the second paragraph of part 6 of Delegation PDR1 is proposed -

Each Friday, or in the case of Fridays which are public holidays, the next working day, a summary of applications received and determined in the preceding period (usually the preceding Friday to Thursday) shall be published on the City's website.

A tracked changes version of Delegation PDR1, illustrating the proposed change, is provided as Attachment E.

CONCLUSION

The recommended changes to delegations will rescind redundant delegations and improve the efficiency of reporting to the Council on development applications.

OPTIONS

The Council could not amend the delegations, or make additional or different changes.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The changes to delegations proposed would be implemented through amending the information published on the City's website within one month of a Council decision consistent with the officer recommendation, and with the proposed changes to Delegation PDR1 being implemented prior to the end of November 2018. That would include informal agreement on the best form of prompt to advise Councillors of the publication of each week's summary of applications.

COUNCIL DECISION/COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION**C1811/224**

Moved Councillor J McCallum, seconded Councillor L Miles

ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED

That the Council resolve to –

1. Rescind Delegation MVA1;
2. Rescind Delegation LCA1; and
3. Amend Delegation PDR 1 by replacing the second paragraph of part 6 with the following –

Each Friday, or in the case of Fridays which are public holidays, the next working day, a summary of applications received and determined in the preceding period (usually the preceding Friday to Thursday) shall be published on the City's website.

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

12.4 Finance Committee - 18/10/2018 - BUSSELTON CROQUET CLUB INC. - SELF-SUPPORTING LOAN REQUEST

SUBJECT INDEX:

STRATEGIC OBJECTIVE: A City where the community has access to quality cultural, recreation, leisure facilities and services.

BUSINESS UNIT: Finance and Corporate Services

ACTIVITY UNIT:

REPORTING OFFICER: Manager Financial Services - Kim Dolzadelli

AUTHORISING OFFICER: Director Finance and Corporate Services - Tony Nottle

VOTING REQUIREMENT: Absolute Majority

ATTACHMENTS: Attachment A BCCI Application 

This item was considered by the Finance Committee at its meeting on 18 October 2018, the recommendations from which have been included in this report.

PRÉCIS

The Busselton Croquet Club Inc. (BCC) has requested that the City of Busselton provide a Self-Supporting Loan for \$30,000, for a term of 10 years, to be used to support the club in its plan to rebuild two greens and add an additional (third) croquet green located at Churchill Park, Portion of Lot 410, corner Brown Street and Kent Street, Busselton.

BACKGROUND

The BCC is currently struggling to meet the playing needs of all members so an additional green will alleviate the pressure on space and provide a much improved playing surface which should also enable the club to generate some additional income by running State tournaments.

The BCC is located on Council property at Churchill Park, Portion of Lot 410, corner Brown Street and Kent Street, Busselton and currently has a lease in place for 11 years and 9 months expiring on 21 August 2029. Further to this Council passed the following resolution at its meeting of the 22 August 2018 which allows for a renegotiation of lease terms and also the extension of lease period expiring on 21 August 2029 with an option to renew for a further 10 years.

“AMENDED ALTERNATIVE MOTION

CI 808/171 Moved Councillor J McCallum, seconded Councillor R Paine That the

Council:

- 1. Enter into a deed of surrender of the current lease between the City of Busselton and the Busselton Bowling Club Inc., conditional on the Busselton Croquet Club Inc. obtaining sufficient grant funding to redevelop three croquet greens and a new lease being entered into in accordance with conditions stated in part (2).*
- 2. Subject to part (1), enter into a lease, subject to the consent of the Minister for Lands, with the Busselton Bowling Club Inc. for a portion of Lot 410, Deposited Plan 216960, Volume 1850, Folio 572, 78 Adelaide Street Busselton, as shown outlined green on Attachment B, on the following terms:*
 - a) The term of the lease will commence on the surrender of the existing lease and expire on 21 August 2029 with an option to renew for a further 10 years;*

- b) *The rent to commence at \$220.00 inclusive of GST per annum and increased annually by \$5.00 inclusive of GST;*
 - c) *The permitted use will allow the Tenant to hire the Premises to other sporting and community groups, with hire to be incidental to the primary purpose of the lease. Additionally the Bowling Club are to ensure that their insurance covers such use; and*
 - d) *Other terms to be consistent with the City's standard community group lease.*
 - e) *A condition apply during the term of the option that the usage of the leased premises and land for the leased purposes be actively maintained at or above a reasonable minimal level.*
3. *Subject to part (1) accept the surrender of the current lease between the City of Busselton and the Busselton Croquet Club Inc, subject to a new lease being entered into in accordance with part (4).*
4. *Subject to part (1), enter into a lease, subject to the consent of the Minister for Lands, with the Busselton Croquet Club Inc. for a portion of Lot 410, Deposited Plan 216960, Volume 1850, Folio 572, 78 Adelaide Street Busselton, as shown outlined red on Attachment B, on the following terms:*
- a) *The term of the lease will commence on the surrender of the existing lease and expire on 21 August 2029 with an option to renew for a further 10 years;*
 - b) *The rent to commence at \$220.00 inclusive of GST per annum and increased annually by \$5.00 inclusive of GST; and*
 - c) *Other terms to be consistent with the City's standard community group lease.*
 - d) *A condition apply during the term of the option that the usage of the leased premises and land for the leased purposes be actively maintained at or above a reasonable minimal level.*

CARRIED 9/0"

Croquet is useful for all ages and backgrounds as it is very inclusive, welcoming and friendly, and supports both mental and physical health as well as social connectedness, but is especially helpful for the more mature members of the community as they are not disadvantaged by low fitness levels and can still feel challenged by the activity and part of a growing community.

The BCC has a growing membership base, currently standing at 65 (up from 57 in November) and with three more waiting to join in the new financial year. The club is now the third largest in the state and the biggest outside of the metropolitan area.

The development of a third croquet green project has a total cost of \$132,272 (ex GST). This includes \$22,000 for the old clubroom/shed demolition. The City's contribution towards this project is a third of the total project cost, i.e. \$44,091. The City has allocated funds in the 2018/19 budget towards this project. The Club would be required to contribute one third of the cost which would include in-kind labour.

The Club will utilise the self supporting loan funds as part of its contribution of \$44,090 to the project.

Contribution towards Project		Cost ex GST
	Applicant Cash	44,090
	City - Busselton Croquet Club – 3 rd green budget allocation	44,091
	CSRFF grant application	44,091
	Total Project Cost	132,272

Council considered the merits of the project at its meeting held 22 August 2018 where the following resolution was made:

"COUNCIL DECISION AND OFFICER RECOMMENDATION"

C1808/168 Moved Councillor C Tarbotton, seconded Councillor R Reekie

That the Council resolves to support the submission of an application for the Busselton Croquet Club - Development of third croquet green - to the Department of Local Government, Sport and Cultural Industries Community Sport and Recreation Facilities Fund, and rates the application as a priority 'B' project, rank number 1.

CARRIED 9/0"

EN BLOC

STATUTORY ENVIRONMENT

Section 6.8 of the Local Government Act refers to expenditure from the municipal fund that is not included in the annual budget. In the context of this report, where no budget allocation exists, expenditure is not to be incurred until such time as it is authorised in advance, by an absolute majority decision of the Council.

RELEVANT PLANS AND POLICIES

The City of Busselton Strategic Community Plan 2017.

FINANCIAL IMPLICATIONS

Council made a provision of \$150,000 in the 2018/19 Annual Budget Self Supporting loans, however the amount was a general allocation not specific to BCC. The fact that the proposed borrowing will be established as a self-supporting loan, with regular payments by the BCC there will be no net effect on Council's position.

In addition the loan will not affect Council's ability to borrow as self-supporting loans are not included in the debt ratio calculation.

The BCC have provided a copy of their financial statements to allow Council Officers to establish whether the Club has the ability to service the loan repayments. An inspection of the financial statements indicates that the Club is well placed to service the loan repayments over a ten year period.

Given the low amount of the loan being requested Officers are proposing that the loan be internally funded through the City's Municipal fund which would require a Budget amendment as follows:

<i>Cost Code</i>	<i>Description</i>	<i>Current Budget</i>	<i>Change</i>	<i>Proposed Amended Budget</i>
Expenditure				
Self-Supporting Loan Busselton Croquet Club Inc.	Loan Funding	0	30,000	30,000
100-10001-3680-0000	Budget Contingency Holding Account	73,968	(30,000)	43,968
Net Total		73,968	0	0

The loan would be granted on the basis of the prevailing Western Australian Treasury Corporation lending rate including Government Guarantee Fee at the time of actual Funding of the loan.

All interest and principal repayments would be formally agreed to prior to release of any funding.

Aside from the above it is the intention of Officers to present options to Council in the coming months with respect to the formation of a “Loan Borrowing Capacity Reserve” with the intent of reviewing other City held Reserve funds and more specifically the “Long Service Leave Reserve” to ascertain the appropriate level of cash backing and potential reduction of said Reserve in order to allow for future internal borrowing options. This methodology removes the need to actually borrow the funds from the WA Treasury Corporation and the associated administrative processes.

It also reduces the risk to the Busselton Croquet Club Inc. that in the event the State Government increases the Government Guarantee Fee percentage that is applied by the WA Treasury Corporation which would be passed onto the Club.

It is envisaged that other City Reserves will also be reviewed to establish if internal borrowings whereby funds are repaid inclusive of interest to the specific reserve can be achieved.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

As above.

STRATEGIC COMMUNITY OBJECTIVES

Key Goal Area 2:

This matter principally aligns with Key Goal Area 1 – Community of the City’s Strategic Community Plan 2017 and specifically community objective 1.3: A community with access to a range of cultural and art, social and recreational facilities and experiences. It also aligns to the supporting Council strategy – ‘Create sport and recreation hubs to service local and regional communities’

RISK ASSESSMENT

The Clubs financial statements indicate that they have capacity to meet the repayments on the proposed loan, furthermore their membership is increasing which will further improve their existing sound financial position.

CONSULTATION

The BCC has consulted with their membership with respect to this proposal.

OFFICER COMMENT

The BCC has a strong and growing membership and is the third largest in the State and the largest outside of the metropolitan area. The Club also, through its financial statements, shows that they have capacity to meet the required level of loan repayments.

CONCLUSION

Due to the fact that the costs associated with the internal funding of the loan are offset by the income to be received from the BCC as per a Loan Repayment Agreement, officers recommend that the request be approved.

OPTIONS

Should Council not approve the request from BCC, they may consider the following options:

1. Reduce the scope of works,
2. Look at other fund or loan options, or
3. Not proceed with the upgrade to facilities.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Should the request be approved, action will be taken immediately to implement the recommendations of the Council.

COUNCIL DECISION/COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION**C1811/225**

Moved Councillor J McCallum, seconded Councillor L Miles

ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED

That the Council:

1. Approve a self supporting loan, to be internally funded, to the Busselton Croquet Club Inc., for the amount of \$30,000 for a term of up to ten (10) years for the purposes of rebuilding two existing greens and establishing an additional (third) croquet green on Churchill Park, Portion of Lot 410, corner Brown Street and Kent Street, Busselton;
2. Advise the Busselton Croquet Club Inc. that it must obtain all relevant development and building approvals from the City prior to any loan funds being disbursed,
3. Enters into a Loan Repayment Agreement with the Busselton Croquet Club Inc where,
 - i. The club acknowledges it is responsible for reimbursement to the City of Busselton of full costs associated with the loan, and
 - ii. The Loan repayment calculations are on the basis of the prevailing Western Australian Treasury Corporation lending rate including Government Guarantee Fee at the time of actual funding of the loan.
4. Amends the 2018/2019 Municipal Budget to recognise the relevant income, expenditure and any associated loan movements; noting that there will be no net impact on Councils projected Surplus position, and
5. Approves the following Budget Amendment to allow internal funding of the loan amount:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Expenditure				
Self-Supporting Loan Busselton Croquet Club Inc.	Loan Funding	0	30,000	30,000
100-10001-3680-0000	Budget Contingency Holding Account	73,968	(30,000)	43,968
Net Total		73,968	0	0

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

12.5 Finance Committee - 18/10/2018 - BUDGET AMENDMENT REQUEST / REVIEW

SUBJECT INDEX:	Budget Planning and Reporting
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Finance and Corporate Services
ACTIVITY UNIT:	Finance and Corporate Services
REPORTING OFFICER:	Manager Financial Services - Kim Dolzadelli
AUTHORISING OFFICER:	Director Finance and Corporate Services - Tony Nottle
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	

This item was considered by the Finance Committee at its meeting on 18 October 2018, the recommendations from which have been included in this report.

PRÉCIS

This report seeks recommendation of the Finance Committee to Council for the approval of budget amendments as detailed in this report. Adoption of the Officers recommendation will result in no change to the City's current amended budgeted surplus position of \$0.

BACKGROUND

Council adopted its 2018/2019 municipal budget on Wednesday, 25 July 2018 with a balanced budget position.

Since this time Council has been advised of certain funding changes that have positively impacted the original budget and Council is now being asked to consider budget amendments for the following key areas/projects:

1. Beach Emergency Numbers (BEN) Sign Program
2. Legal Costs - Reimbursement,
3. Toddler's Playground, and
4. Lighting at Bovell Park.

STATUTORY ENVIRONMENT

Section 6.8 of the Local Government Act refers to expenditure from the municipal fund that is not included in the annual budget. In the context of this report, where no budget allocation exists, expenditure is not to be incurred until such time as it is authorised in advance, by an absolute majority decision of the Council.

RELEVANT PLANS AND POLICIES

There are multiple plans and policies that support the proposed budget amendments.

FINANCIAL IMPLICATIONS

Budget amendments being sought will result in no change to Council's budget surplus position of \$0.

LONG TERM FINANCIAL PLAN IMPLICATIONS

There are no Long Term Financial Plan implications in relation to this item.

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – ‘Leadership’ and more specifically Community Objective 6.1 - ‘Governance systems, process and practices are responsible, ethical and transparent’.

RISK ASSESSMENT

There is a risk to the City, as there is with all projects undertaken, that the final cost could exceed budget. If this looks to be the case Council will be notified so a suitable offset / project scope back can be identified.

CONSULTATION

Consultation has occurred with the appropriate Council officers.

OFFICER COMMENT

The Officer recommends the following requested budget amendments to the Finance Committee for consideration and recommendation to Council.

1. “Beach Emergency Numbers (BEN) Sign Program

The Beach Emergency Numbers (BEN) Sign Program is a coding system designed to improve emergency response times by installing signs with unique numbers at beach access points. These signs provide specific location information which is vital when emergency services are deployed in the event of a shark attack or other beach emergencies.

In December 2017, the State Government launched a grants program to provide financial assistance to local government authorities to introduce BEN signs along beach access points in their district.

Planned Expenditure Items

Supply only of 89 BEN signs including posts, post caps and brackets.

Officers propose that the 2018/2019 adopted budget be amended to reflect the following funding charges, shown in Table 1.

Table 1:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Revenue				
BEN Program Grant Funding	Grant funding for the supply only of 89 BEN signs	0	(24,250.50)	(24,250.50)
Expenditure				
441-10980-3213-0000	BEN Program Signage	0	24,250.50	24,250.50
Net Total		0	0	0

Proposed Outcome

The proposed amendment will enable signs to provide specific location information which is vital when emergency services are deployed in the event of a shark attack or other beach emergencies.

2. “Legal Costs - Reimbursement”

As Council will be aware, the owners of Busselton Central Shopping Centre (Australia Unity Property Ltd) applied for judicial review by the Supreme Court of the decisions by Council to approve a Kmart discount department store development and an Aldi supermarket development at Lot 17, West Street. On 18 August 2017 the primary judge dismissed that application for judicial review. AUP unsuccessfully appealed that decision in the Supreme Court of Appeal, and on 23 March 2018 the appeal was dismissed. As a result AUP was ordered to pay legal costs incurred by the City's. Those costs have now been determined and paid by AUP to the City.

Planned Expenditure Items

The amendments shown below in Table 2 will reflect the receipt of payment of money for legal costs as income and a corresponding transfer to the Legal Expenses Reserve.

Table 2:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Income				
300-10500-1529-0000	Reimbursement - Legal Fees (GST)	(13,400)	(61,364)	(74,764)
Equity Transfer				
Reserve	Transfer to Legal Expenses Reserve	10,464	61,364	71,828
Net Total		(2,936)	-	(2,936)

Proposed Outcome

The proposed budget amendment will ensure recognition of additional income that was unbudgeted at the commencement of the 2018/2019 financial year.

3. “Toddler’s Playground”

Due to reallocation of interest accrued on Royalties for Regions grant funds in accordance with State Government requirements, the budget for the Toddler’s Playground project has decreased. The resulting budget will be overspent if Major Projects constructs the project to the approved design and expected standard of works.

It has been identified that there is \$101,801 of funds held in POS 52 that are approved to spend exclusively on the Toddler’s Playground project; only \$61,010 of these funds have been allocated to the project in the current budget. Officers are seeking to amend the budget for the project to incorporate all the remaining funds held of \$40,791 to the project.

Planned Expenditure Items

Completion of the Toddler’s Playground project to the approved design and expected standard of works.

The amendments shown in Table 3 are sought for approval.

Table 3:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Expenditure				
120-C3150-3280-0000	Toddler Playground	133,510	40,791	174,301
Equity Transfer	Public Open Space Reserve # 52	(61,010)	(40,791)	(101,801)
Net Total		72,500	0	72,500

Proposed Outcome

The proposed amendment will bring efficiency to filed work undertaken by the Engineering Works and Services team.

4. "Lighting at Bovell Park"

As a result of the strong winds and bad weather during the night of the 4th June 2018, one of the light poles at Bovell Park servicing the training ground used by the Geographe Bay Football Club and situated between the turf hockey pitch and Vasse Highway came down.

On inspection, it was discovered that the base of the pole was severely affected by rust and the second pole also showed clear signs of major deterioration at the base. The poles are believed to be approximately 40 years old and the contractor was instructed to remove the second pole as a safety precaution.

The cost of purchase and installation of two new lights is estimated at \$79,000 for which there is no budget provision. Whilst there is an expected insurance payout for one of the lights, this is not expected to exceed \$19,000 – and could be less. The new football season commences in April 2019 and it is suggested that funds be provided by way of a budget adjustment so that the lights can be installed before the 2019 season commences. A budget adjustment of \$60,000 is therefore sought.

Planned Expenditure Items

The amendments shown in Table 4 are sought for approval.

Table 4:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Revenue				
Equity Transfer	Community Facilities – Busselton Reserve	(20,000)	(60,000)	(80,000)
211-10200-1509-0000	Reimbursements - Insurance	(68,000)	(19,000)	(87,000)
Expenditure				
New	Bovell Park Lighting	0	79,000	79,000
Net Total		(88,000)	0	(88,000)

Proposed Outcome

Installation of two new lights at Bovell Park.

CONCLUSION

Council's approval is sought to amend the budget as per the details contained in this report. Upon approval the proposed works will be planned, organised and completed.

OPTIONS

The Council could decide not to go ahead with any or all of the proposed budget amendment requests.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Should the Officer Recommendation be endorsed, the associated budget amendment will be processed within a month of being approved.

COUNCIL DECISION/COMMITTEE RECOMMENDATION AND OFFICER RECOMMENDATION

C1811/226

Moved Councillor J McCallum, seconded Councillor L Miles

ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED

That Council endorse the requested budget amendments outlined in tables 1 to 4 below, resulting in no change to an amended budgeted surplus position of \$0.

Table 1:

<i>Cost Code</i>	<i>Description</i>	<i>Current Budget</i>	<i>Change</i>	<i>Proposed Amended Budget</i>
Revenue				
BEN Program Grant Funding	Grant funding for the supply only of 89 BEN signs	0	(24,250.50)	(24,250.50)
Expenditure				
441-10980-3213-0000	BEN Program Signage	0	24,250.50	24,250.50
Net Total		0	0	0

Table 2:

<i>Cost Code</i>	<i>Description</i>	<i>Current Budget</i>	<i>Change</i>	<i>Proposed Amended Budget</i>
Income				
300-10500-1529-0000	Reimbursement - Legal Fees (GST)	(13,400)	(61,364)	(74,764)
Equity Transfer				
Reserve	Transfer to Legal Expenses Reserve	10,464	61,364	71,828
Net Total		(2,936)	-	(2,936)

Table 3:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Expenditure				
120-C3150-3280-0000	Toddler Playground	133,510	40,791	174,301
Equity Transfer	Public Open Space Reserve # 52	(61,010)	(40,791)	(101,801)
Net Total		72,500	0	72,500

Table 4:

<i>Cost Code</i>	<i>Description</i>	Current Budget	Change	Proposed Amended Budget
Revenue				
Equity Transfer	Community Facilities – Busselton Reserve	(20,000)	(60,000)	(80,000)
211-10200-1509-0000	Reimbursements - Insurance	(68,000)	(19,000)	(87,000)
Expenditure				
New	Bovell Park Lighting	0	79,000	79,000
Net Total		(88,000)	0	(88,000)

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

15. COMMUNITY AND COMMERCIAL SERVICES REPORT

15.1 RFT15/18 CONSTRUCTION OF FREIGHT HUB CIVIL AND SERVICES INFRASTRUCTURE

SUBJECT INDEX:	Busselton Margaret River Airport
STRATEGIC OBJECTIVE:	An innovative and diversified economy that provides a variety of business and employment opportunities as well as consumer choice.
BUSINESS UNIT:	Commercial Services
ACTIVITY UNIT:	Airport Development
REPORTING OFFICER:	Project Officer Contracts and Tendering - Ben Whitehill
AUTHORISING OFFICER:	Director, Community and Commercial Services - Naomi Searle
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	Nil

PRÉCIS

The City of Busselton issued RFT15/18 to engage experienced contractors who have the necessary expertise to undertake the construction of the freight hub civil and services infrastructure at Busselton Margaret River Airport.

The City received three submissions in response to the request for tender. This report summarises the tender responses and makes a recommendation for the appointment of preferred tenderers.

BACKGROUND

The freight hub component of the Airport Development involves the construction of the freight hub civil and services infrastructure. The freight hub project is 50% funded by the Federal Government's Building Better Regions Fund and 50% funded by the City of Busselton.

The scope of works consist of, although not limited to, the following items;

- Construction of landside road network;
- Construction of airside road including connection to code 4E apron;
- Earthworks to seven freight hub lots;
- New service installations (potable and fire water, power and NBN network);
- Airside fence realignment;
- Airside drainage basin expansion.

There was also optional scope (at the City's option) for additional roads. The optional scope will not be undertaken as there is no budget for these works.

STATUTORY ENVIRONMENT

Part 4 (Tenders) of the Local Government (Functions and General) Regulations 1996 requires that tenders be publicly invited for such contracts where the estimated cost of providing the total service exceeds \$150,000. Compliance with the section 3.57 of the Local Government Act 1995 is required in the issuing and tendering of contracts.

Regulation 20 of the Local Government (Functions and General) Regulations 1996 permits a local government, after inviting tenders and having chosen a successful tenderer, to make a minor variation in the goods or services required and enter into a contract with the successful tenderer for the varied requirement without again inviting tenders. A minor variation is defined as a variation that the local government is satisfied is minor having regard to the total goods or services that tenderers were invited to supply.

Regulation 21A of the Local Government (Functions and General) Regulations 1996 prevents a contract for the supply of goods or services from being varied with a successful tenderer unless the variation is necessary in order for the goods or services to be supplied and does not change the scope of the contract or if the variation is a renewal or extension of the term of the contract as described in the regulations.

RELEVANT PLANS AND POLICIES

The Busselton Regional Airport Expansion – Stage 2 is identified in the City’s Corporate Business Plan: “Subject to the outcome of the Busselton Regional Airport business case and the provision of external funding, progress with Stage 2 expansion of the airport to provide for interstate flights”.

The Busselton Regional Airport Master Plan (2016-2036) identifies future stages for development and the award of this tender will enable the City to progress those future stages.

The City’s purchasing, tender selection criteria, occupational health and safety and engineering technical standards and specifications were all relevant to this tender and have been adhered to in the process of requesting and evaluating tenders.

FINANCIAL IMPLICATIONS

The Busselton Margaret River Regional Freight Hub is fully funded with \$1.47 million of Federal Government funding and \$1.47 million of City Busselton funding. The award of this tender, and any associated variations, will not exceed the overall project budget.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

As part of the development of the State Government Business Case proposal for the project an operational financial model was developed which incorporated a 10-year financial plan. The model considered revenues and costs associated with the upgraded facility, including up-front and recurrent capital and ongoing operational expenditure. The model demonstrates that the upgraded facility will be self-sustainable, generating a modest profit into the future, to be transferred into the City’s Airport Infrastructure Renewal and Replacement Reserve at the end of each financial year.

The Long Term Financial Plan (LTFP) is currently based on the ‘here and now’ scenario (stage 1), and will require updating to reflect this project, including ongoing operational and capital revenue and expenditure based on the development. This work has commenced and will be incorporated into future LTFP reviews.

STRATEGIC COMMUNITY OBJECTIVES

This report is consistent with the City of Busselton’s Strategic Community Plan (2017) community goals and objectives.

Key Goal Area 4 - Economy:

- 4.1 An innovative and diversified economy that provides a variety of business and employment opportunities as well as consumer choice.

Key Goal Area 5 - Transport:

- 5.1 Public transport services that meet the needs of the community.

RISK ASSESSMENT

A risk assessment was carried out and risks of medium and high associated with the awarding of the tender and the additional works proposed as minor variation are listed below:

<i>Risk</i>	<i>Controls</i>	<i>Consequence</i>	<i>Likelihood</i>	<i>Risk Level</i>
Delays with awarding the tender result in the Federal Government withdrawing funding from the project.	Officers are aware of obligations under the respective funding agreements.	Major	Unlikely	Medium

CONSULTATION

Project Governance Committee (South West Development Commission, City of Busselton, Tourism WA, Department of Treasury, Department of Transport and Department of Regional Development as observer only). Officers have also had discussions with potential tenants about their requirements.

OFFICER COMMENT

The primary objective of RFT15/18 was to appoint a suitably experienced and qualified contractor for the construction of the Freight Hub Civil and Services Infrastructure at Busselton Margaret River Airport.

The documentation for RFT15/18 was issued on 9 October 2018. The request for tender closed on 30 October 2018 and the City received a total of three submissions as detailed below.

	Company	Location
1.	APH Contractors Pty Ltd (APH)	Picton
2.	Ertech Pty Ltd (Ertech)	Wangara
3.	J.A.K. Civil Pty Ltd (JAK Civil)	Australind

A tender evaluation panel was formed to evaluate the tender submissions. The evaluation panel members were as follows:

- Naomi Searle, Director – Community and Commercial Services;
- Andrew McColgan, Project Manager – APP Corporation; and
- Ben Whitehill, Project Officer – Contracts and Tendering.

As part of the tender evaluation process an initial compliance check was conducted to identify submissions that were non-conforming with the immediate requirements of the RFT. This included compliance with contractual requirements and the provision of requested information. All tenders were found to comply with the terms and conditions and mandatory requirements of the RFT.

Accordingly, each tender was scored according to the criteria in the tender documentation as follows:

Criteria	Weighting
Relevant Experience	15 %
Local Benefit	5 %
Key Personnel Skills and Experience	10 %
Demonstrated Understanding	10 %
Price	60 %

The net tendered price was scored using the 'average based scoring method' recommended by WALGA in the 'Local Government Purchasing and Tender Guide'.

The panel members individually assessed the qualitative criteria and then applied an average to provide a final rating. The scores were then added together to indicate the rankings for each tender.

Following the initial evaluation process, the panel sought clarifications from the two highest scoring tenderers ERTECH PTY LTD and APH CONTRACTORS PTY LTD.

The confidential report attached provides further detail in relation to the relative merits of each of the individual tenderers. Officers recommend that ERTECH PTY LTD should be nominated as the best value for money tender the reasons outlined in the confidential report.

CONCLUSION

It is recommended that Council delegates authority to the CEO to negotiate and agree final terms and conditions with and to award a contract for a finalised lump sum price to ERTECH PTY LTD for the Construction of Freight Hub Civil and Services Infrastructure.

If, in the discretion of the CEO, agreement with ERTECH PTY LTD cannot be reached, then Council delegates authority to the CEO to negotiate and agree final terms and conditions with and to award a contract for a finalised lump sum price to APH CONTRACTORS PTY LTD for the Construction of Freight Hub Civil and Services Infrastructure

It is also recommended that Council delegates authority to the CEO to:

- a) to propose variations to the required works and services which variations are considered minor by the CEO;
- b) to determine whether the variations are minor in accordance with Regulation 20 of the *Local Government (Functions and General) Regulations 1996*;
- c) to agree any other variations to be included in the contract as a result of the varied works and services and which are considered reasonable by the CEO.

OPTIONS

The Council may consider the following alternate options:

1. The Council may choose not to accept the Officer's Recommendation and award the tender to an alternate tenderer. In the view of the Officers this could result in a tender being awarded to a tenderer that has not presented the "best value for money" offer.

2. The Council may choose not to accept the Officer's Recommendation and not award the tender. This would mean going back out to tender, resulting in significant delays to the contract award and the development of the freight hub.
3. The Council may not choose to delegate authority to the CEO to propose and determine minor variations in accordance with Regulation 20 of the Local Government (Functions and General) Regulations 1996.
4. Not proceed with the development.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Negotiations with the preferred tenderer can be undertaken immediately after the Council has endorsed the Officer's recommendation. Subject to finalisation of the contract the successful tenderer will receive formal written notification of the resolution. All unsuccessful tender applicants will also be notified at this time. It is expected that the finalisation of the contract will take approximately one week.

COUNCIL DECISION AND OFFICER RECOMMENDATION

C1811/227

Moved Councillor J McCallum, seconded Councillor L Miles

ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED

That the Council:

1. Endorses the outcome of the evaluation panel's assessment in relation to RFT15/18 – Construction of Freight Hub Civil and Services Infrastructure, which has resulted in the tender submitted by ERTECH PTY LTD being determined as the best value for money tender and the tender submitted by APH CONTRACTORS PTY LTD as the second best value for money tender.
2. Delegates authority to the CEO to negotiate and agree final terms and conditions with and to award a contract for a finalised lump sum price to ERTECH PTY LTD for the Construction of Freight Hub Civil and Services Infrastructure.
3. If, in the discretion of the CEO, agreement with ERTECH PTY LTD cannot be reached pursuant to resolution 2 above, then delegates authority to the CEO to negotiate and agree final terms and conditions with and to award a contract for a finalised lump sum price to APH CONTRACTORS PTY LTD for the Construction of Freight Hub Civil and Services Infrastructure.
4. For the purposes of:
 - a) Finalizing negotiations and awarding a contract pursuant to resolutions 2 and 3 above; and
 - b) Execution of the contract and successful delivery of the project, delegates authority to the CEO to negotiate and agree on variations in accordance with Regulation 20 and 21A of the *Local Government (Functions and General) Regulations 1996* subject to such variations not exceeding the overall project budget.


BY ABSOLUTE MAJORITY

CARRIED 8/0

EN BLOC

16. FINANCE AND CORPORATE SERVICES REPORT

16.1 LEASE FOR TELECOMMUNICATIONS MAST AT DUNSBOROUGH OVAL

SUBJECT INDEX:	Agreements/Contracts
STRATEGIC OBJECTIVE:	An innovative and diversified economy that provides a variety of business and employment opportunities as well as consumer choice.
BUSINESS UNIT:	Corporate Services
ACTIVITY UNIT:	Property Services
REPORTING OFFICER:	Property Management Coordinator - Sharon Woodford-Jones
AUTHORISING OFFICER:	Director Finance and Corporate Services - Tony Nottle
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	Attachment A Proposed Lease Plan  Attachment B Confidential Valuation

DISCLOSURE OF INTEREST	
Date	14 November 2018
Meeting	Council
Name/Position	Councillor John McCallum
Item No./Subject	16.1 Lease for Telecommunications Mast at Dunsborough Oval
Type of Interest	Impartiality Interest
Nature of Interest	I own shares in Telstra, a competing company

PRÉCIS

The City has been approached by Optus Mobile Pty Ltd (Optus) with a request to lease a strategic site in Dunsborough for the purpose of installing and operating a telecommunications facility. Optus are keen to improve coverage in the area. After investigating a number of options and negotiating headline terms, City officers have reached the point at which a recommendation can be made to Council enter into a lease with Optus on the terms outlined in this report.

BACKGROUND

The area Optus wish to lease is a part of Lot 3003 (7 Dunsborough Lakes Drive) Dunsborough, the approximate location of which is shown on the plan attached marked Attachment A, measuring approximately 25m². The plan also shows the area over which a licence will need to be granted for connection to the nearest power supply. Lot 3003 comprises just under 15 hectares of freehold land and houses a number of community facilities including ovals, clubhouses used by soccer and cricket and the Dunsborough Greenfield site shared by three user groups. The subject land is owned freehold by the City and zoned reserve for recreation.

Optus originally enquired about a prospective site in Dunsborough in 2016. Following an internal evaluation it was suggested that a site close to the Naturaliste Community Centre (NCC) be appropriate. The NCC is on Crown Reserve managed by the City with power to lease or licence. This location became unviable when the Department of Lands withdrew support for the proposal and insisted on excising the site from the reserve and entering into the lease with Optus direct.

Following an extensive assessment of potentially suitable sites Optus returned to an idea tabled at the outset to swap out a light pole serving the Dunsborough oval and install a telecommunication mast and new oval lights in its place.

Concurrent with the negotiations in relation to the lease, Optus have applied for a Development Application for a telecommunication facility that will comprise a 35m mono pole and infrastructure together with a replacement light. Optus will remove the existing light pole and its foundations and make good the area following installation of the new structure.

The lease will need to include the grant of a non-exclusive licence over nominated portions of Lot 3003 for the purpose of access to the site and the provision of an independent power supply. Optus will be required to ensure that access is exercised in a manner that causes as little disruption to the surface and users of the oval as possible. Rights will also be reserved for City officers to access the mast for the purpose of maintaining the new light during the term of the lease.

STATUTORY ENVIRONMENT

Section 3.58 of the Local Government Act 1995 (LGA) relates to the disposal of property by a local government, with disposal defined to include leasing. Section 3.58 requires the publishing of the proposed disposition with the publication to describe the property concerned, give details of the proposal and invite submissions to be made before a specified date.

Section 3.58(4) of the LGA requires that the disposition includes either a valuation not more than six months old or a declaration that a valuation older than 6 months is considered a true indication of the value at the time of the disposition.

RELEVANT PLANS AND POLICIES

The proposal fits within a number of strategies outlined in the *Economic Development Strategy* adopted by Council on 9 November 2016. In particular, communication is a key driver of facilitating business and tourism growth and industry development. The Strategy also recognises the opportunities arising from better connectivity within communities and commits to advocating for public and private investment to improve infrastructure necessary to achieve this.

FINANCIAL IMPLICATIONS

Optus initially offered an annual gross rent of \$8000 for the site inclusive of outgoings and subject to annual rent increases of 2.5%. This was based on a valuation obtained by a licenced valuer commissioned by Optus. Their valuation was reviewed by the in-house valuation resource currently available to the City and compared with the market conditions and demand for similar sites in the area. Council is requested to acknowledge the confidential valuation advice provided as attachment B to this report. Following negotiation, Optus agreed to pay an annual rent of \$11,000 subject to annual increases of 2.5% and periodical market rent reviews. Whilst this is less than the rental considered reasonable as a starting point by our valuer, the rent reviews, the negotiated ability to rate the site and annual fixed increases make up for it to a certain extent.

Optus' preference was to negotiate a gross rent. It was ultimately agreed that this would be charged on a net basis. This preserves the ability of the City to levy rates on the premises in the future - the approximate minimum rate currently being \$1400 per annum.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

This income has not previously been factored into LTFP calculations and could present an opportunity as a source of revenue to assist with costs of the Dunsborough Recreation Precinct into the future.

STRATEGIC COMMUNITY OBJECTIVES

The recommendation in this report reflects the objectives of Key Goal Areas 2 and 4, specifically Community Objectives 2.1 and 4.1 of the City of Busselton Strategic Community Plan 2017:

2.1: "Planning strategies that foster the development of healthy neighbourhoods that meet our needs as we grow"

4.1: "An innovative and diversified economy that provides a variety of business and employment opportunities as well as consumer choice"

RISK ASSESSMENT

There are not considered to be any medium or greater level risks associated with the lease. The lease terms address a number of potential risks associated with the location and access to the proposed facility which are discussed in more detail in the Officer Comment section.

CONSULTATION

Following the identification of this site as a potential location for Optus, City officers met with sporting groups using the grounds in the immediate vicinity to notify them of the proposal. All indicated their support for the location noting that its proposed position between two buildings on land not otherwise used would be acceptable.

A Development Application proposing a 35 metre monopole was advertised in the local newspaper, on the City website and to approximately 80 surrounding landowners for a period of 21 days. At the conclusion of the advertising period no submissions were received from members of the public. Council have previously been advised of the application and a conditional approval has been issued under delegated authority.

The disposition will be advertised locally in accordance with statutory requirements detailing the names of the lessee, the proposed rent and the term of the lease. Any submissions received as a result of statutory advertising will be reported to Council with alternative recommendations in relation to the terms of the lease if considered necessary.

OFFICER COMMENT

The proposed lease negotiated between the parties is, to the extent that it is relevant, based on a format recently approved by Council in relation to a lease of land for a similar purpose but in favour of a competitor operator.

Rent and additional payment

As mentioned in the financial section of this report the rent will commence at \$11,000 per annum and be increased by 2.5% each year. In addition, it is proposed that there will be periodical market rent reviews at frequencies of 5,10 and 15 years. Subject to the outcome of ongoing negotiations, the potential also exists for additional rental income in the event of a sublease or licence to another communications provider.

Term of the proposed Lease

The proposed maximum term of the lease is 20 years. The lessee has the option to give notice to break the lease after the expiry of 5, 10 or 15 years after the commencement date. An additional right of termination is also available up to the second anniversary of the commencement date but without the entitlement to the refund of any prepaid rent.

The lessee may remain in occupation of the premises following expiry of the term on a periodical tenancy basis, with an option for either party to terminate on the provision of six months' notice.

Insurance and electricity services

The lessee is responsible for public liability insurance of no less than \$20 million and other insurances appropriate for use of the site as a telecommunications tower. The lessee must obtain an independent supply of electricity and maintain responsibility for the same.

Removal of apparatus

The lessee is required to remove all above ground equipment within 6 months of the expiry of the lease and leave the site in a clean and tidy condition replicating the condition of the site at the commencement of the lease.

Subletting and assignment

The lessee may assign the lease to a subsidiary body or holding company of their corporation provided the assignee is an incorporated entity. Prior written consent must be obtained from the City before the lessee can assign the lease to an unrelated entity and the City cannot unreasonably withhold consent to such an assignment.

The lessee must obtain the prior written consent of the City should they wish to sublet or licence all or part of the premises to another service provider.

Replacement Light and City access to the pole

Optus will be removing the existing light pole to a site of our choosing (for reuse if possible) and making good the area. The positioning and technical specifications for the replacement light will be subject to prior approval by City officers. The lease will provide that access be granted to City Officers during the term of the lease for the purpose of maintaining or repositioning the light. If necessary additional provisions will be negotiated requiring Optus to power down the monopole if required by contractors working on the lights.

Other terms and conditions

The proposed lease contains other standard terms and conditions normally found in leases of this type as well as conditions and obligations specific to the purpose such as compliance with relevant legislation.

Negotiations are being finalised and as such the officer recommendation includes a proposed delegation. Given this an absolute majority decision is required.

CONCLUSION

The availability of reliable and consistent mobile telephone coverage is of benefit to the residential and business community in the vicinity and the City has in the past made sites available in other parts of the district for the purpose of NBN telecommunication masts as well as competitor telecommunication providers.

The location of this tower has been assessed as being the best in terms of the limited impact on the user groups of the grounds. Use of a relatively small part of Lot 3003 should not adversely impact on the future proposals for the site.

The grant of a lease will also generate an income stream that could be used for the purpose of further enhancements to the site to facilitate future development proposals.

OPTIONS

1. Council may choose not to enter into a lease with this operator.
2. Council may direct officers to enter into a lease on alternative terms and conditions.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Advertising of the proposed disposition will take place as soon as possible for a 14 day period. In the event that there are adverse submissions, a further report will be presented to Council detailing the submissions and any subsequent recommended changes to the proposed lease arrangements. If no submissions are received it is anticipated that a lease will be entered into by the beginning of December 2018.

COUNCIL DECISION AND OFFICER RECOMMENDATION

C1811/228

Moved Councillor J McCallum, seconded Councillor L Miles

ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED


1. Advertises the proposed disposition of land to Optus Mobile Pty Limited in accordance with Section 3.58 of the Local Government Act 1995 for the term and conditions outlined in this report; and
2. Delegates to the CEO, subject to there being no adverse objections resulting from resolution 1, to negotiate and enter into a lease with Optus Mobile Pty Limited for a portion of Lot 3003, Plan 19111, as shown on Attachment A on the following terms and conditions:
 - (i) the annual rent will commence at \$11,000 per annum subject to annual rent increases of 2.5% and periodical market rent reviews.
 - (ii) the term of the lease will be twenty years with break clauses every 5 years (and a one off ability to break the term within the first two years at Optus' request).
 - (iii) a right for the lessee to assign the lease to a related entity and to sublet or licence the premises to a similarly related entity without the requirement to pay additional rent
 - (iv) a right for the City to access the leased premises for the purpose of future maintenance of the light.
 - (v) the lessee to be granted an access license over necessary parts of Lot 3003 to access the leased premises and provide a power supply in such a manner as to cause as little disruption or interference with the remainder of Lot 3003.
 - (vi) other terms and conditions consistent with the construction of a telecommunication facility in this locality.

CARRIED 8/0

BY ABSOLUTE MAJORITY

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16. FINANCE AND CORPORATE SERVICES REPORT**16.2 CITY OF BUSSELTON ANNUAL REPORT 2017-2018**

SUBJECT INDEX:	Corporate Reporting
STRATEGIC OBJECTIVE:	Governance systems, process and practices are responsible, ethical and transparent.
BUSINESS UNIT:	Corporate Services
ACTIVITY UNIT:	Goverance
REPORTING OFFICER:	Corporate Planning Officer - Cathy Burton
AUTHORISING OFFICER:	Director Finance and Corporate Services - Tony Nottle
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	Attachment A Annual Report 2017-2018 

PRÉCIS

The *Local Government Act 1995* requires Council to accept an annual report for the financial year. This report seeks Council's acceptance of the printed City of Busselton Annual Report 2017-2018 (Report) and endorsement of the proposed dates for the annual general Electors' meeting.

BACKGROUND

The City produces an annual report at the end of each financial year. The draft Report (exclusive of full financials) was provided to Councillors on 24 October 2018, with feedback to be provided to officers by 30 October 2018. Councillors' feedback and corrections were incorporated into the final production of the report.

STATUTORY ENVIRONMENT

Sections 5.53, 5.54, 5.55, 5.55A and 5.27 of the *Local Government Act 1995* apply. It is a statutory requirement that an Annual Report is accepted by an absolute majority of Council before December 31 of each year. The annual general Electors' Meeting must be held within 56 days of that acceptance.

RELEVANT PLANS AND POLICIES

The Report provides information about the City's performance in relation to the six key goal areas of the Strategic Community Plan 2017 and more specifically achievement of priorities identified in the City's Corporate Business Plan over the course of the financial year. The Report also records the City's compliance with the City's Record Keeping Plan and achievements connected with the City's Disability Access and Inclusion Plan.

FINANCIAL IMPLICATIONS

There are no financial implications associated with the Officers recommendation, with the cost of publishing the Report factored into the City's 2018-2019 annual budget.

LONG-TERM FINANCIAL PLAN IMPLICATIONS

There are no long term financial plan implications associated with the Officers recommendation.

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – Leadership of the City’s Strategic Community Plan and specifically community objective 6.1: Governance systems, process and practices are responsible, ethical and transparent.

RISK ASSESSMENT

There are no risks identified of a medium or greater level associated with the Officer’s recommendation, noting that acceptance must be achieved before 31 December 2018 to ensure compliance with the *Local Government Act 1995*.

CONSULTATION

No consultation (of an external nature) was undertaken in preparing the Report. The annual general Electors’ meeting provides a forum for consultation with the community in relation to the Report.

OFFICER COMMENT

Fifty full colour copies of the Report have been printed and, once endorsed by Council, the Report will be delivered to key stakeholders and an electronic version posted on the City of Busselton website. Availability of the Report will also be promoted on the City’s Your Say Busselton website and Twitter, Facebook and Instagram accounts.

The Report has been prepared such that annual general Electors’ meeting can be held before the end of the 2018 calendar year with the date of Monday 3 December 2018 proposed; to be held in the Council Chambers at 2 Southern Drive Busselton.

CONCLUSION

The City of Busselton Annual Report 2017-2018 requires Council endorsement before being released for public distribution, with Council also requested to endorse the proposed date for the annual general Electors’ meeting.

OPTIONS

Council may choose to select another preferred date for the annual general Electors’ meeting.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Upon adoption of the Officer’s recommendation a two week statutory advertising period of the annual general Electors’ meeting will be run from 16 November to 30 November 2018. The annual general Electors’ meeting 2018 will be held on Monday 3 December 2018.

COUNCIL DECISION AND OFFICER RECOMMENDATION**C1811/229**

Moved Councillor J McCallum, seconded Councillor L Miles

ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED

That the Council:













1. Accepts the City of Busselton Annual Report 2017-2018 as at Attachment A;
2. Endorses public notification regarding the availability of the Annual Report 2017-2018; and
3. Sets Monday 3 December 2018 for the annual general Electors' Meeting to be held in the Council Chambers at 2 Southern Drive Busselton.

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

ITEMS FOR DEBATE

14. ENGINEERING AND WORKS SERVICES REPORT

14.1 BUSSELTON ROAD NETWORK UPGRADE – REVIEW AND IMPLEMENTATION OPTIONS

SUBJECT INDEX:	Busselton Road Network Upgrade – Review and Implementation Options
STRATEGIC OBJECTIVE:	Road networks that provide for a growing population and the safe movement of all users through the District.
BUSINESS UNIT:	Engineering and Works Services
ACTIVITY UNIT:	Engineering
REPORTING OFFICER:	Director, Engineering and Works Services - Oliver Darby
AUTHORISING OFFICER:	Chief Executive Officer - Mike Archer
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	<p>Attachment A Transport Modelling Report of Causeway rd CCEL and Ford rd Scenarios </p> <p>Attachment B Riley Consulting Traffic Modelling Peer Review </p> <p>Attachment C Busselton Local Roads Upgrades Causeway Road and Bridge Duplication </p> <p>Attachment D Busselton Local Roads Upgrades Strelly Barlee West Street </p> <p>Attachment E Albert and West Street Preliminary Design Stage 2A </p> <p>Attachment F Albert and West Street Preliminary Design Stage 2B </p> <p>Attachment G Busselton Local Roads Upgrades - City Centre Eastern Link </p> <p>Attachment H Busselton Local Roads Upgrades Ford Road </p> <p>Attachment I City Centre Road Network Community Survey Report (Catalyse) </p> <p>Attachment J Catalyse Council Presentation </p> <p>Attachment K Option 2C (Cardno Report) </p> <p>Attachment L Option 5 - Combined Approach </p>

PRÉCIS

The Council is requested to review and consider the outcomes of further investigation undertaken in relation to progressing road upgrade options identified through studies undertaken over an approximate five year period. The report addresses the resolutions passed by Council at its meeting 14 April 2018 (C1804-071) and draws on the outcomes of an independent traffic modelling report and an independent peer review undertaken subsequent to.

BACKGROUND

The Busselton Traffic Study process identified a series of road upgrade options suitable for staged implementation over an approximate 20 year timeframe. This suite of modifications aims to address road congestion issues in and around the Busselton City Centre and has been informed by independent traffic modelling undertaken Cardno (**See Attachment A**) and peer review (**See Attachment B**) and environmental, planning, financial and engineering advice.

As part of that process, in June 2016 Council resolved:

That the Council, with respect to the Busselton Traffic Study -

1. *Adopt the following strategic direction for the progressive upgrade of the local road network in the Busselton-Vasse urban area –*

Initiative 1 - Immediate/near term actions	<i>(i) - Environmental approvals, most likely submitted as three separate packages - I. Initiatives 2, 3 and 4 II. Ford Road 'existing reserve, low-level option' III. Ford Road 'Transport Corridor' option</i>
	<i>(ii) - Upgrading of Intersections - Queen Street/Albert Street and Bussell Highway/West Street</i>
	<i>(iii) - Upgrade Signage - Alternative Entrance Busselton CBD</i>
	<i>(iv) - Interim works on Strelly / Barlee / West Street - Design and service relocations of the Strelly/Barlee Street Intersection</i>
Initiative 2 – Causeway Corridor	<i>(i) – Victoria Square Roundabout</i>
	<i>(ii) – Causeway Bridge Duplication</i>
	<i>(iii) – Eastern Link</i>
	<i>(iv) – Causeway Road Duplication (first stage – Causeway Bridge to approx. Strelly Street)</i>
Initiative 3 – West Street Corridor	<i>(i) - West Street-Albert Street-Old Bussell Highway intersection upgrade</i>
	<i>(ii) - Strelly-Barlee-West Street route</i>
	<i>(iii) - Gale Street Roundabout and Albert Street / Old Bussell Highway Commercial Strip Traffic Management</i>
Initiative 4 – Distributor Road Duplications/Traffic Management	<i>(i) - Causeway Road Duplication (further stages – approx. Strelly Street to Bussell Highway / Busselton Bypass)</i>
	<i>(ii) - Strelly-Barlee-West Street Duplication</i>
	<i>(iii) - Fairway Drive Duplication</i>
	<i>(iv) - Old Bussell Highway Traffic Management</i>
Initiative 5 – Ford Road <i>(Note: one or other of the options would be developed, not both)</i>	<i>(i) – Ford Road 'Transport Corridor' option</i>
	<i>(ii) - Ford Road 'existing reserve, low-level' option</i>

2. Undertake a community and stakeholder engagement process in relation to the strategic direction; and
3. Confirm support for the commencement of implementation of Initiative 1 actions as soon as possible.

Post this decision the City relayed information relating to this suite of road modifications to the public via the City of Busselton website and the Your Say Busselton consultation portal. Public information sessions and community access sessions were held, along with individual meetings with affected landowners or on request by members of the public.

On the basis of subsequent stakeholder feedback received, Council requested further communication and consultation be undertaken to ascertain community views regarding the progression of major road upgrade options. At its 14 April 2018 meeting, Council resolved the following:

(C1804/071):

That the Council, with respect to the 'Eastern Link' project and other potential options for improving road access into and out of the Busselton City Centre, other than with respect to relatively minor intersection or other upgrades, not make a final decision to commence construction until the following has occurred –

- 1. Further public consultation (through public forums, online surveys or other methods identified as appropriate);*
- 2. Further feasibility and cost investigation of Eastern Link options and other options, including those that may be identified in the public consultation;*
- 3. Environmental advice or approval from the State Environmental Protection Authority for the Eastern Link has been received, and the implications of that approval or advice have been considered; and*
- 4. The outcomes of 1, 2 and 3 above have been presented to and formally considered by the Council.*

Noting the above, this report provides:

- information on the outcomes of further community consultation undertaken by Catalyse Pty Ltd on behalf of the City of Busselton (refer to the Consultation section of this report);
- information relating to further cost investigations of City Centre Eastern Link and other options identified in the Busselton Traffic Study (refer to the Financial Implications section of this report);
- an update on the environmental approval status of major upgrade options and suggested strategies for Council consideration; and
- presentation of recommendations for Council consideration.

This report does not address parts iii and iv of the 2016 Council resolution that relate to Fairway Drive Duplication and Old Bussell Highway Traffic Management.

STATUTORY ENVIRONMENT

With the exception of Strelly / Barlee / West Street Upgrade (Stage 1), all road modification options are still pending environmental approval. Note that approval requirements can relate to either the Commonwealth Environmental Protection and Biodiversity Conservation Act 1999 (EPBC ACT) or (State) Environmental Protection Act 1986 (EP Act). The following information provides an update on the environmental approval status of individual projects.

Strelly / Barlee / West Street Upgrade

No environmental approval is required for the intersection upgrades associated with Stage 1 and 2 of these works. However, State and Commonwealth approval is expected to be required for the widening of West Street through the wetland areas (Stage 3).

Causeway Road and Bridge Duplication

Commonwealth environmental approval is required to progress this project. On advice from the City's environmental consultants, a referral was submitted under the Commonwealth but not State legislation. The decision not to refer the project to the WA Environmental Protection Authority (EPA) under the EP Act was on the basis that the EPA did not assess the City Centre Eastern Link and is therefore unlikely to do so for Causeway Road. The appeals against the EPA's decision to not assess Eastern Link were dismissed and an EPA referral would take 3-5 months to process before a clearing permit can be submitted.

Referral under the EPBC Act 1999 has been submitted to the Commonwealth Department of the Environment and Energy (DEE) who will take about 3-4 months to decide whether Causeway Road requires approval i.e is a 'controlled action' (which is the case for City Eastern Link) or not a 'non-controlled action'. Based on preliminary discussions with DEE it is expected it will be a non-controlled action, so no approval will be required.

Clearing permits have been submitted to the State Government but no decisions have been made as yet.

City Centre Eastern Link

On 27 August 2018, the City received advice from the State Government that the appeals against the decision of the EPA not to assess the City Centre Eastern link project had been dismissed. Clearing permits are still required, have been submitted and remain pending. Commonwealth environmental approval also remains pending. The time frame for the decision is expected to be approximately 4-5 months.

The EPBC Act requires an assessment and approval of all major road modification option as a 'controlled action' due to potential significant impacts on Western Ringtail Possum and Carters Freshwater Mussel. The Commonwealth is assessing the project through 'assessment of preliminary information' and the City has provided all requested information to the Commonwealth.

The 1986 EP Act requires a clearing permit to clear native vegetation other than where exemptions apply and they don't in this case. Clearing permits have been submitted to the State but no decisions have been made as yet.

In addition, State Wildlife Conservation Regulations requires a Regulation 15 licence to be obtained to translocate Carters Freshwater Mussel. To this end an application was submitted to the Department of Biodiversity Conservation and Attractions (DBCA) (formerly Parks and Wildlife) in conjunction with a management plan to guide the translocation. A Western Ringtail Possum Management Plan has been submitted as part of the EP Act requirement and will be a condition of clearing.

State Rights in Water and Irrigation Act 1914 may require a Section 5C licence to abstract groundwater inflow to the coffer dams during bridge construction.

Ford Road

To date only one decision has been made by the Minister for Environment in relation to Ford Road and that was a 2010 decision that Ford Road was not considered environmentally acceptable for implementation. An Appeals Committee did at one stage indicate that it would recommend approval to the Minister, subject to conditions. At the time the Minister would have been bound by an Appeals Committee recommendation. The then Shire of Busselton, however, advised that the conditions were not acceptable. A subsequent and differently constituted Appeals Committee recommended refusal and that was reflected in the ultimate decision of the Minister. By 2010, Commonwealth approval would in any case also have been required. The EPA has also provided formal advice to the Minister on two occasions, on each occasion advising that Ford Road was not environmentally acceptable.

On 14 August 2018, correspondence was received from the Minister for the Environment the Hon. Stephen Dawson MLC, in response to a written request for further clarity on issues relating to the potential development of Ford Road. In his response the Minister noted:

“In accordance with section 38(5j) a proposal cannot be referred to the EPA under section 38 of the EP Act more than once. As such the Ford Road proposal, as previously considered by the EPA, and that the then Minister for Environment determined may not be implemented, is unable to be reconsidered.”

Given the above, the Minister further recommended that should the City of Busselton wish to formulate a new proposal which addresses the environmental issues raised in EPA Bulletin 975 (which was referenced in the Minister’s 2010 decision), a new and different proposal would need to be lodged under the EP Act.

The City has been progressing environmental studies that will inform any future environmental approval application. The City has also engaged environmental consultants who are / will undertake the following activities:

1. water bird monitoring program scheduled for a period of 12 months commencing spring 2018;
2. support for hydrological modelling and storm water management. Work has commenced on this and should be completed by April 2019;
3. detailed flora and vegetation survey scheduled for October/November 2018;
4. review of new designs taking onboard recommendations of the water bird monitoring, hydrological modelling and flora and vegetation survey; and
5. ongoing agency consultation.

RELEVANT PLANS AND POLICIES

This report, in itself, is about determining the future planning direction of the Busselton road network.

FINANCIAL IMPLICATIONS

Further investigation of costs associated with individual projects has been undertaken in order to make comparative assessments. It should be noted that costs provided here have been made publically available and are the most accurate costs available at this point in time. In some instances assumptions have been made in relation to costs associated with service relocation and land acquisition; in others, as indicated, costs remain unknown and will need to be factored in. Where environmental approval remains pending additional costs may need to be factored in for environmental offsets or conditions.

1. Causeway Road and Bridge Duplication (See Attachment C)

Stage 1 \$6.8 million

Key elements include:

- upgrade of existing roundabout at Peel Terrace and slip lane - \$800,000;
- new bridge - \$2.5 million (note project costs detailed below are based on the premise that Main Roads WA will allow the City to develop the new bridge to the same height and same approximate length as the existing bridge);
- duplication of Causeway Road from Peel Terrace to Molloy Street - \$1.3 million;
- dual lane roundabout at Causeway Road and Strelly Street - \$1 million;
- relocation of services associated with modification to the intersection at Albert Street and Peel Terrace - \$1.2 million (estimated); and
- environmental offsets – to be determined (costings not included).

Stage 2 - \$900,000

Key elements include:

- new single lane roundabout at the intersection of Albert Street and Queen Street - \$900,000;
- environmental offsets – to be determined (costings not included);
- should stage 1 not proceed the associated costs for service relocation from stage 1 would be applied to this project. (\$1.2 million); and
- possible land purchases the costs of these are currently unknown.

2. Strelly / Barlee / West Street Upgrade including intersection at West and Albert Street (See Attachment D)Stage 1 - \$450,000 (costs remaining)

Key elements include:

- Roundabout installation at the Strelly / Barlee intersection. Due for completion in March 2019.

Stage 2A - \$450,000 plus (See Attachment E)

Key elements include:

- adding dedicated left turn merge lanes along Bussell Highway, from West Street, heading west;
- adding additional dedicated right turn lanes on both north and southbound lanes;
- adding a right turn filter on traffic turning right heading north;
- land acquisition on both the north eastern and south western corners of the intersection. (costing not included);
- overhead type traffic lights (costing not included); and
- relocation of services and other agency approvals (costings not included).

Stage 2B: \$1million plus (see Attachment F)

Key elements include:

- replacing the existing traffic lights with a dual lane roundabout; and
- costs associated with land acquisition, service relocation and agency approvals (not included).

Stage 3 – Upgrade road infrastructure to dual lanes along Strelly / Barlee and West Street (currently un-costed)

The intersections at Barlee/Strelly Street and West/Albert Street is one of the causes of current traffic congestion into and around the City Centre. Prioritising the upgrade of these intersections as part of Stage 1 and 2 will provide significant benefit.

At this point in time, these roads have sufficient capacity to provide adequate traffic flow. However, in the longer-term, the dualling of these road will be required and will form Stage 3 works. Costings for these works have not been provided as design work has not commenced. Significant land purchases and environmental approvals will be required.

3. City Centre Eastern Link (See Attachment G)

Stage 1 - \$4.15 million

Key elements include:

- new roundabout at the intersection of Causeway Road / Rosemary Drive / City Centre Eastern Link - \$750,000;
- new bridge over Vasse River linking City Centre Eastern Link and Cammilleri Street - \$2.5 million;
- new road linking Rosemary Drive and the new bridge - \$300,000;
- new roundabout at Cammilleri Street / Peel Terrace / City Centre Eastern Link - \$500,000;
- new shared path along City Centre Eastern Link - \$100,000; and
- environmental offsets – to be determined (costings not included).

Stage 2 - \$2.2 million

Key elements include:

- dual lane roundabout at Causeway Road and Strelly Street - \$1 million;
- duplication of Causeway Road from Rosemary Drive to Molloy Street - \$1 million;
- relocation of services adjacent to the new Strelly Street / Causeway Road roundabout and new dual lanes - \$200,000 (estimated); and
- environmental offsets – to be determined (costings not included).

4. Ford Road (See Attachment H)

\$21 to \$25 million plus (estimated)

The costs associated with developing a 130m span bridge across the Vasse Estuary have been included in this breakdown. This is considered a likely cost based on feedback from relevant environmental agencies in response to previous unsuccessful applications lodged by the City. Should the option be open to the City, the cost of using culverts rather than a bridge has also been estimated.

The total project cost is estimated to be in the vicinity of \$25 million plus (bridge) or the vicinity of \$21 million plus (culvert). This is based on current construction costs that have provided by an independent civil contractor in accordance with Australian Standards:

- contractor's estimated construction costs (incorporating Ford Road, new bridge / culvert across wetlands, new roundabout at Peel Terrace / Layman Road / Ford Road and new roundabout at Ford Road / Bussell Highway / Vasse Highway) - \$21.8 million (bridge) \$18 million (culvert);
- design - \$400,000 (estimated);
- 10% contingency – \$2.25 million;
- land acquisition – to be determined (costings not included); and
- environmental offsets and approvals – to be determined (costings not included).

LONG-TERM FINANCIAL PLAN IMPLICATIONS

Some or part of the projects recommended by officers for progression as per the Officer Recommendation are currently included in the Long-term Financial Plan, noting some aspects are pending successful grant submissions. Once Council has determined its preferred way forward this will need to be reflected in the Long-term Financial Plan.

STRATEGIC COMMUNITY OBJECTIVES

The recommendations of this report reflect Key Goal Area 5 – Transport (smart, connective, accessible) of the City of Busselton Strategic Community Plan 2017, and specifically Community Objective 5.2: road networks that provide for a growing population and the safe movement of all users through the District.

RISK ASSESSMENT

The key and overarching risk is that the City is unable to effectively implement the appropriate upgrades to the local road system to meet demands over time. While this will lead to increasing congestion as the population and visitor numbers increase, the level of risk varies according to the timeframe considered.

Based on the traffic modelling report and peer review, the City has approximately five years before significant congestion is experienced on the current major entry into Busselton. The officer's recommendation mitigates this risk by proposing a course of action to address this potential.

Regardless of the direction Council chooses to take there are reputational risks associated. Major road upgrades such as those being considered naturally impact (to varying degrees) on amenity and the commuting patterns and behaviours of community members. It is also clear that there are some strong views in the community about the merits or otherwise of the options available. There are therefore reputational risks associated with the officer recommendation, as there are with the alternate options presented within this report.

CONSULTATION

Communication and consultation initiatives undertaken since the April 2018 resolution include print advertising, electronic communications, an independently run survey and two open-house community forums incorporating formal and informal Q&A sessions and displays. Information was also relayed via the City's Your Say Platform, on display at the Customer Service centre and through a series of hard copy handouts on each of the road options **(See Attachments C, G and H)**.

The City Centre Road Network Community Survey was undertaken by Catalyse Pty Ltd on behalf of the City of Busselton. The survey was open from 16 August 2018 – 12 September 2018 **(See Attachment I for the final Catalyse report and Attachment J for consultant's presentation to Council)**.

Four thousand electronic surveys were distributed randomly by Catalyse utilising email contacts contained in the City's resident and ratepayer database and contacts within the Your Say database. People were also invited to opt-in to the survey; this was advertised broadly via traditional and social media. In total 687 responses were received - 430 random and 257 opt-in. This provided statistical validation and an accuracy rating of $\pm 3.7\%$.

When viewing the sample profile (both random and opt-in) the difference between male and female respondents was minimal; the difference between ratepayer and residents was also minimal. Fewer responses were received from business owners. Significantly more responses were received from respondents aged 35 years and over. The highest number of respondents (both random and opt-in) were from participants in West Busselton; Geographe; Busselton, Yalyalup and Broadwater. The response rate from localities further from the Busselton City Centre was relatively low.

Variations between the responses received from random respondents and those received from opt-in responses are noted. The following summary points provide high-level observations;

Key observations from the Catalyse survey as revealed in the report include:

- random respondents generally support the staged implementation of a suite of road upgrades options (net support 41%). However, support was considerably lower among the opt-in respondents (net support opt-in 13%);
- the City can confidently progress with the Strelly / Barley / West Street intersection upgrades knowing that this option is most strongly preferred (net support random 78%; net support opt-in 61%);
- the City can confidently continue to pursue the necessary environmental approval to progress Ford Road knowing this is the second most preferred option (net support random 67%; net support opt-in 68%);
- Causeway Road and Bridge Duplication is the third most preferred option. Causeway Road and Bridge duplication is more supported than the City Centre Eastern Link by both random and opt-in respondents. It is worth noting, however, that the difference in the level of support for the two projects is relatively small when considering random responses - net support for Causeway Road 34% while net support for City Centre Eastern Link is 27%. The difference was significantly greater and the outcome different when considering the opt-in responses (net support Causeway Road 2% versus net support for City Centre Eastern link - 19%);
- City Centre Eastern Link was the least preferred option, but again when considering the random results, the difference in the levels of net support between this project and the Causeway Road and Bridge Duplication project was not significant (as noted above);
- importantly, the level of support for undertaking either City Centre Eastern Link or Causeway Road and Bridge Duplication is considerably higher than not proceeding with either option – respondents want to see action taken to address congestion. 29% of random respondents preferred Causeway Road be progressed first, 23% of random respondents preferred City Centre Eastern Link proceed first and 23% of random respondents had no preference for which project is commenced first. Only 19% of random respondents did not support the progression of either project;
- the most commonly provided reasons for opposing City Centre Eastern Link was a belief that it will not fix congestion in the City Centre and that Ford Road is preferable;
- the most commonly provided reasons for opposing Causeway Road and Bridge Duplication was a belief that it will not reduce congestion in the City Centre and that Ford Road is preferable;
- among the relatively small group of respondents who opposed Ford Road (total 96 responses) there was significant opposition based on environmental concern (43% random; 71% opt in) and cost factors (30% random; 52% opt in). This was a point specifically raised by the Catalyse consultant in her brief to Council. The consultant suggested that should Ford Road progress, Council may face very strong (and potentially growing) community opposition that extends beyond City of Busselton - not dissimilar to the opposition faced by the former State Government in relation to the Roe 8 project;
- other road modification suggestions identified for Council consideration included (but were not limited to): proceeding with Ford Road; promoting a more pedestrian friendly CBD and improving signage. Better directional signage diverting traffic into the City Centre via Tuart Drive was raised multiple times at both community open forums; and
- based on the results of the survey and feedback from the Catalyse consultant, it is evident that the level of opposition to both the City Centre Eastern Link and the Causeway Road and Bridge Duplication directly correlates with the level of support for Ford Road. This is evident when analysing both random and opt-in responses but is particularly evident when considering opt-in responses.

The outcomes of the Catalyse survey as detailed above should be considered by Council alongside other key factors, as outlined below in the Officer Comment section.

OFFICER COMMENT

Prior to the development of this report, extensive independent traffic modelling was undertaken by Cardno. An independent peer review of the final Cardno report has been undertaken by Riley Consulting. It is important to remember that traffic modelling, like any modelling, is not an exact science. Traffic modelling provides a relatively accurate understanding of current trends, influencers and outcomes over a 10 – 15 year time frame. After this point more modelling and further review is necessary as demographic, lifestyles and technological factors change and the built infrastructure around us also changes. A staged implementation approach provides Council with the opportunity to undertake additional traffic modelling and review current and projected road use patterns over time noting that adjustments to future projects may well be necessary.

Notwithstanding the above both Cardno and Riley Consulting are well-established in the fields of traffic modelling and road network planning. The peer review assessed the outcomes presented in the Cardno report for validity and reliability. Feedback from Cardno and the peer review have informed the development of various scenarios presented in this report for Council consideration. It should be noted that recommendations made in both the Cardno report and the peer review are based solely on technical information and project costs.

In determining how and which road modification options to progress Council has five key issues to consider:

1. traffic congestion outcomes
2. impact on amenity;
3. environmental approval;
4. financial implications; and
5. community feedback.

Table 1 below summarises these matters with respect to each of the four proposed road modification options that were advertised as part of the community consultation process.

Table 1

Project	Community Feedback (survey preference ranking)	Total Estimated Project Cost	Funding Source	Impact on Amenity	Environmental Approval	Traffic Modelling Outcomes (immediate to medium term)
Stage 1 Strelly / Barlee Intersection Upgrade	1 (71%)	\$450,000	Provision the 2018/2019 budget.	Low - based on locality in the Light Industrial Area (LIA).	Not required	Positive
Stage 2A West / Albert Intersection Upgrade		\$450,000 excluding land purchases and service relocation and new traffic signals.	Municipal funding and potential Regional Road Group Funding.	Low - no impact on residential or public open space.	Not required	Positive
Stage 2B West / Albert Intersection Upgrade (replace lights with roundabout)		\$1 million excluding land purchases and service relocation	Municipal funding and potential Regional Road Group Funding.	Low - no impact on residential or public open space.	Not required	Positive
Stage 3 Dualling Strelly / Barlee and West Street		Un-costed	Municipal funding and potential Regional Road Group Funding.	Low to Medium - significant portion based in LIA, some works border wetlands.	Approval needed	Positive
Ford Road	2 (50%)	\$25 M (bridge) \$21 M (culvert)	Municipal funding and/ or loan. External funding would be explored.	Medium - currently a greenfield site.	Unapproved	Minimal
Causeway Rd Duplication Stage 1 Molloy Street to Peel Terrace	3 (34%)	\$6.8 million	Funding received through the Australian Government's Bridges Renewal Program may be transferable. Municipal	Low / medium - based on current footprint at City entrance; loss of 12 mature peppermint	Pending	Positive

			funding will be required.	trees and requires 17 poplar trees to be relocated and; loss of public reserve and recreational space particularly at Rotary Park.		
Stage 2 Albert / Queen Street Roundabout		\$900,000	Municipal funding. External funding opportunities would be explored.			
City Centre Eastern Link Stage 1 Rosemary Drive to Peel Terrace	4 (27%)	\$4.15 million	50% of the bridge element has been funded via external grants. Provision for remaining costs in the 2018/2019 budget.	Low - based on loss of 7 mature peppermint trees and 24 poplar trees to be relocated; loss of public reserve.	Pending	Positive
Stage 2 Rosemary Drive to Molloy Street		\$2.2 million	Municipal funding and potential Regional Road Group Funding			

*% is based on net support from random responses in the 2018 Catalyse Survey (order of preference is the same for opt-in sample).

*Costs provided are based on known and estimated.

After considering all of the information to hand including feedback from the independent peer review, officers believe there are five options available to Council moving forward. Commentary on the relative merits of each is provided with officers recommending that Council pursue Option 5 – which involves a combined approach.

Option 1 – Defer Ground Works in Relation to City Centre Eastern Link and Causeway Road and Bridge Duplication Pending Environmental Approval.

Based on the Cardno Report and peer Review, traffic modeling and growth projections indicate that the City could feasibly defer major work associated with the Busselton Traffic Study for up to five years without significant economic or social impact. In effect this will mean that road users must simply “put up with” seasonal and peak-time congestion.

Modelling indicates that doing nothing is likely to result in significant road failure by the year 2024 and commuters could feasibly expect to see increasing travel times and increasingly longer wait times at intersections as we progress towards that point. Doing nothing would result in the City forfeiting \$1.25 million secured through the Australian Government’s Bridges Renewal Program. Doing nothing may also have public relations implications for Council given the fact that traffic management has been identified as a priority in the Catalyse survey and was listed as one of the top five priorities in the 2017 Community Survey outcomes.

Conversely, doing nothing in the short term would provide time to confirm the environmental approval status for both the City Centre Eastern Link, and the Duplication of Causeway Road and Bridge, noting that the outcome of these approval processes may well determine Council's decision in relation to either option. While awaiting the outcomes of the environmental approval process Council could finalise design and tender on both projects to provide more certainty with final costings, while continuing to progress with Strelly / Barlee Street intersection upgrade and improved signage.

A decision whether to proceed with City Centre Eastern Link or the Duplication of Causeway Road and Bridge could then be made by Council sometime between January 2019 and June 2019.

Assessment

Table 3 provides a snap shot of how Option 1 relates to other options in terms of cost, and effective lifespan based on undertaking each project in isolation from 2019.

Traffic modelling and peer review indicates that there is an approximate five year window before works are critically required. Given this officers maintain that deferring ground works associated with City Centre Eastern Link or Causeway Road and Bridge Duplication, is a viable short-term option and one Council may consider. However, in short this is simply delaying the decision making and community feedback indicates a strong desire to see remedial action taken as a matter of priority. There is also no guarantee that the grant for the bridge would be available in the longer-term.

Option 2 – Abandon / Delay Causeway Road and Bridge Duplication and City Centre Eastern Link and Pursue Ford Road

Respondents to the Catalyse survey favoured construction of Ford Road more than the City Centre Eastern Link or Duplication of Causeway Road and Bridge. Ford Road is also an option identified through the Busselton Traffic Study as suitable for implementation in the longer-term. Traffic modelling, verified by peer review, indicates that Ford Road would only improve traffic congestion for a small percentage of the population, most notably residents travelling to and from eastern Busselton and Geographe to Bussell Highway / Busselton Bypass and the Yalyalup/Providence area. There would be no significant reduction in traffic along Causeway Road and into the City Centre.

As noted in section 3.12 and 4.1 of the Cardno Report, October 2018:

"..in both the 2026 AM and PM scenarios, the intersection performances are shown to gain minimal benefit as a result of this scenario. This is due to Ford Road only being used by a relatively small amount of traffic as it does not provide a direct or convenient route in to the Busselton City Centre area, which is the destination for the majority of traffic on Causeway Road (and the cause of the network congestion issues at the intersections of Queen Street / Albert Street and Queen Street / Peel Terrace."

"The model result shows the Ford Road is only used by a small amount of traffic as it does not provide a short route choice to City Centre. Therefore, the Ford Road results are similar to the Existing network results and the City Centre intersections will not operate satisfactorily after 2024."

Notwithstanding this independent recommendation, a vigorous and proactive approach to the approvals associated with the development of Ford Road can be undertaken. Securing environmental approval, if at all possible may however take years. In effect, pursuance of this option to the exclusion of all others equates to doing nothing in the immediate to short- term, potentially longer.

Efforts have been made over the past twenty years to gain approval to construct Ford Road, with environmental approval not given. In correspondence to the City dated 14 August 2018 Minister for Environment, Hon Stephen Dawson MLC made it quite clear that, in accordance with section 38(5j) of the EPA, if the City was to go back to the EPA with a proposal identical to one previously submitted, it would not be considered, and that any new submission would need to address the issues raised in the EPA Bulletin 975.

The Catalyse survey indicated that net support for Ford Road was highest among Geographe residents. These residents, who also rated high in terms of CBD trip frequency, indicated that the reason they most frequently came into the City Centre was to shop – commuting to another destination, accessing the LIA and school drop-offs rated considerably lower. Construction of Ford Road will not provide Geographe residents with more direct access to shops and services in the City Centre which, is the main reason they are travelling to or through the City Centre (refer pages 10 & 11 of the 2018 Catalyse Report).

Should Ford Road progress, construction costs are estimated to be \$21 to \$25 million plus (current day value) making it a significantly more expensive option than others. Assuming environmental approval could be achieved, the City of Busselton could potentially divert funding from other projects in part or full. It should be noted, however, that the City's current annual expenditure on road construction across the municipality is approximately \$6 million per year including road grants. Diverting these funds to Ford Road would impact significantly on other road networks for a period of four to five years and would arguably be unequitable.

Alternatively, the City may agree to take out a loan to finance the project. This approach would involve a rate increase to finance the borrowing. The cost to ratepayers would be dependent on the term of the loan and the prevailing interest rate at the time. If Council was prepared to take this approach, the City would explore external funding opportunities to assist in offsetting this cost. However, based on past discussion with successive State Governments, it is unlikely that external funding could be secured that would significantly reduce the cost to ratepayers.

Assessment

Table 3 provides a snap shot of how the Option 2 relates to other options in terms of cost, and effective lifespan based on undertaking each project in isolation from 2019.

Given the length of time and costs associated with the approval process and the outcomes of traffic modelling undertaken by Cardno (and supported by the peer review), officers agree with their findings that Ford Road as a stand-alone option will not improve existing and future congestion in and around the Busselton City Centre; it should instead be pursued in conjunction with other major modification option(s) as a medium to longer-term strategy.

To this end, the City could continue to progress environmental approvals for Ford Road making it very clear to the community that:

- the project is depended upon environmental approval;
- the project is dependent on further financial consideration; and
- that if no other option is pursued in the meantime, road users will simply have to put up with seasonal and peak-time congestion for a number of years and very likely beyond 2024 when traffic modeling indicates that this section of the Busselton road network will likely fail.

Option 3 - Prioritise Construction Causeway Road and Bridge Duplication (Stage 1 and 2)

Causeway Road and Bridge Duplication was the third most popularly supported option in the Catalyse survey – ahead of City Centre Eastern Link by 7% (random responses).

The Causeway Road and Bridge Duplication project involves two main elements - construction of a roundabout at the intersection of Queen Street and Albert Street with a dedicated left slip lane onto Albert Street from the south; and construction of dual carriageway and bridge from Peel Terrace to Molloy Street. It is important to bear in mind that the project costs associated with this project are based on the premise that Main Roads WA will allow the City to develop the new parallel bridge to the same height and same approximate length as the existing bridge. The City is currently in discussion with Main Roads to ascertain whether this is would be approved.

Officers agree with the information provided in the traffic modelling report and peer review which indicates that Duplication of Causeway Road and Bridge will provide effective traffic flow until 2028. After 2028, without the establishment of an alternative entry point into the City Centre, the City Centre can expect to see critical congestion particularly around the intersections of Peel Terrace and Albert Street. The modelling also shows that although failure does not occur until 2028, the overall level of service is progressively worse with this scenario than for the City Centre Eastern Link (Stage 1 and 2). By 2028 construction of the City Centre Eastern Link, or a similar north-south link will be required.

Environmental conditions associated with this project are unknown at this stage. However, officers expect that, if approved, conditions will be similar to those which have been applied to the City Centre Eastern Link - particularly in relation to the removal of Peppermint Trees, facilitating the movement of Western Ring Tail Possum and relocation of Carters Freshwater Mussel.

While amenity can be a subjective judgment, this option will increase the amount of road infrastructure around the city entrance and, depending on the final design, have some impact on recreational and open space – particularly Victoria Square, Rotary Park, Breeden Park and the car parking at St Mary's Parish. There will also be a requirement to remove trees in this area.

Details of the costs are provided in the financial section of this report. Should the Council determine to proceed with the Duplication of Causeway Road and Bridge, officers will seek to have funding secured through the Australian Government's Bridges Renewal Program transferred to this project. Officers have made enquires to this end and while there is no guarantee this would be approved, it could be achieved.

Assessment

Table 3 provides a snap shot of how Option 3 relates to other options in terms of cost, and effective lifespan based on undertaking each project in isolation from 2019.

Based on the traffic modelling and independent peer review, officers are in agreement that undertaken as a standalone measure, the Duplication of Causeway Road and Bridge (Stage 1 and 2) will provide effective traffic congestion relief up until 2028 after which another major modification will be required.

There will also be significant impact on amenity and the reduction of high value green space including in Rotary Park with this option requiring more trees to be removed than any other project being considered as part of the current suite of modifications. This project is also more expensive than the City Centre Eastern Link.

Option 4 Prioritise Construction of City Centre Eastern Link (Stage 1 and 2)

Results of the Catalyse survey note City Centre Eastern Link as the least popularly supported option. However, as detailed above when compared to the Duplication of Causeway Road and Bridge project the difference was not significant when considering random responses (7%).

Interestingly the data also showed more support for City Centre Eastern Link than Causeway Road among residents in eastern Busselton and Geographe which may indicate some level of perceived benefit among those who may use the City Centre Eastern Link on a regular basis.

Stage 1 of this project involves provision of new roundabouts at the intersection of Peel Terrace and Cammilleri Street and the intersection of Rosemary Drive and Causeway Road, and a new link road connecting the two roundabouts. Stage 2 involves dualling Causeway Road from Rosemary Drive to Molloy Street, including a new dual lane roundabout at Causeway Road and Strelly Street.

Officers agree with the traffic modelling and independent peer review which indicates that Stage 1 will provide effective traffic relief until 2028 without the need for any additional modification works or the commencement of Stage 2. This would be at a cost of \$4.15 million. As indicated in the table below, this is the equivalent effective lifespan as for Causeway Road Stage 1 and 2 at a cost of \$7.7 million. This modelling indicates that Stage 1 and 2 City Centre Eastern Link will provide effective traffic relief until 2031 without the need for any additional modification works. The modelling also indicates that although failure occurs in 2031 (similar to option 3), the overall level of service is initially better with this scenario than for the Causeway Road and Bridge Duplication (Stage 1 and 2).

Based on the modelling, officers support construction of City Centre Eastern Link above Causeway Road and Bridge Duplication. This is outlined in more detail in Option 5 which incorporates Stage 1 of this project as a key element.

EPA approval for the City Centre Eastern Link has been received with conditions associated with the movement of Western Ring Tail Possum and relocation of Carters Freshwater Mussels. Commonwealth Government approval and tree clearing permits remain pending.

City Centre Eastern Link will have less impact on amenity than the Duplication of Causeway Road and Bridge, as much of the road network will be built on the existing disused rail corridor. Additionally, City Centre Eastern Link does not require the construction of four lanes between Rosemary Drive and Peel Terrace at the City entrance, noting that this is a feature of the Causeway Road project and one that may serve to detract from the overall appeal of the City's entrance.

Assessment

Table 3 provides a snap shot of how Option 4 relates to other options in terms of cost, and effective lifespan based on undertaking each project in isolation from 2019.

The cost difference City Centre Eastern Link and the Causeway Road and Bridge Duplication project is not as significant as the difference of either project when compared to Ford Road. However, based on the modelling, when considering the longevity and level of service of each project, City Centre Eastern Link presents as the most beneficial option. There is greater cost benefit associated with building the City Centre Eastern Link (Stage 1 and 2) than completing the Causeway Road and Bridge Duplication project (Stage 1 and 2). City Centre Eastern Link provides effective traffic flow until 2031 at a cost of \$6.35 million with a longer estimated lifespan, Causeway Road (Stage 1 and 2) only provides effective traffic flow until 2028 at a cost of \$7.7 million.

Taking these points into consideration, and based on the outcomes of traffic modelling and the independent peer review, officers agree that the City Centre Eastern link will provide the best traffic congestion relief for the longest time before any other major modification(s) are required. In addition this option represents the best value money.

Option 5 – A Combination Approach

Since Council's endorsement of the outcomes of the Busselton Traffic Study in 2016, more detailed traffic modelling has been undertaken. In reviewing the various traffic modification options identified in the study, Cardno has suggested that a hybrid approach be considered. The results of the independent review of traffic modelling further supported this combined approach. The City has also undertaken further cost analysis on each option and obtained feedback from the community through the Catalyse survey which identified priority areas. One of these priority areas, the intersection at Albert Street and West Street, is addressed in this option. More detailed analysis has shown that there are significant benefits associated with a more flexible approach which combines various scenarios from the individual options initially proposed.

The combined approach consists of elements specifically recommended in the latest traffic modelling report plus additional considerations that address known congestion points of high community concern. These are as follows:

- City Centre Eastern Link (Stage 1);
- Upgrade the intersection of Albert and Queen Street from lights to a roundabout including a dedicated left turn slip lane travelling west;
- upgrade the Albert and West Street intersection (Strelly / Barlee / West Street Upgrade Stage 2); and
- upgrade the intersection at Strelly Street and Causeway Road. This may involve development of median-style treatment at this intersection.

The Cardno report and peer review recommends that Stage 1 City Centre Eastern Link combined with the upgrade of the intersection at Albert and Queen Street (**Option 2C in the Cardno Report See Attachment K**) provide a road network that lasts to 2033 without need for other modifications at the Causeway Road entry.

Stage 1 of City Centre Eastern Link, is included in the Combined Approach, because traffic modelling indicates that it offers the following benefits:

- improved access in and out of the City Centre for those travelling to eastern Busselton and Geographe;
- reduced traffic heading down Queen Street (whereas the duplication of Causeway Road and Bridge will continue to direct drivers to Queen Street); and
- more direct access to major car parks and supermarkets.

In addition to these positive impacts on the road network, City Centre Eastern Link will have less impact on amenity than other major options. It will require relatively little disruption to road users during construction as Causeway Road will remain operational during works. Importantly, as has been raised by the community, City Centre Eastern Link will provide an alternative access point in the case of an emergency and more direct access for emergency service vehicles. Environmental approval for this project is pending.

Traffic modelling indicates that upgrading the intersection at Albert Street and Queen Street from lights to a roundabout with a dedicated continuous left hand slip lane (directing traffic to the west) will improve traffic flow, reduce intersection delay and vehicle queuing. When combined with the City Centre Eastern Link (Stage 1), this combination will provide an effective road network for approximately 15 years. These two projects can be completed at an estimated cost of \$7.05 million which is less than Causeway Road Duplication Stage 1 and 2 (\$7.7 million) but more expensive than City Centre Eastern Link Stage 1 and 2 (\$6.35 million). However, most importantly these two elements combined provide a longer effective level of service than either Causeway Road Duplication (Stage 1 and 2) or City Centre Eastern Link (Stage 1 and 2).

In addition to these elements outlined above, there is also benefit in upgrading the intersection Albert Street and West Street. Stakeholders have raised concerns regarding this intersection and traffic modelling supports this concern. The intersection, if it remains in its current form, will become an increasing point of traffic congestion. It is therefore recommended within this option that detailed design works for the upgrade of the Albert Street and West Street intersection be prioritised. Preliminary designs have been completed encompassing two design stages.

The first stage would involve the construction of dedicated turning pockets and lanes as depicted in the drawing at Attachment K. Stage 2 works at the intersection are considered major and involve construction of a two-lane roundabout, see drawing at Attachment L. Both stages will require significant planning, service relocation and land purchases and these elements will determine when the project can be delivered. Officers recommend that the design work for this staged upgrade should progress as a matter of priority and be re-evaluated in the Long-term Financial Plan.

Option 5 does not currently require the dualling of Causeway Road. However, officers still consider that the intersection at Strelly Street and Causeway Road will require an upgrade to improve ease of access and traffic flow in particular for vehicles turning right onto Causeway Road or turning right from Causeway Road into Strelly Street. This intersection upgrade will require further investigation to determine the most appropriate treatment option. This could be a gull-style intersection or a roundabout.

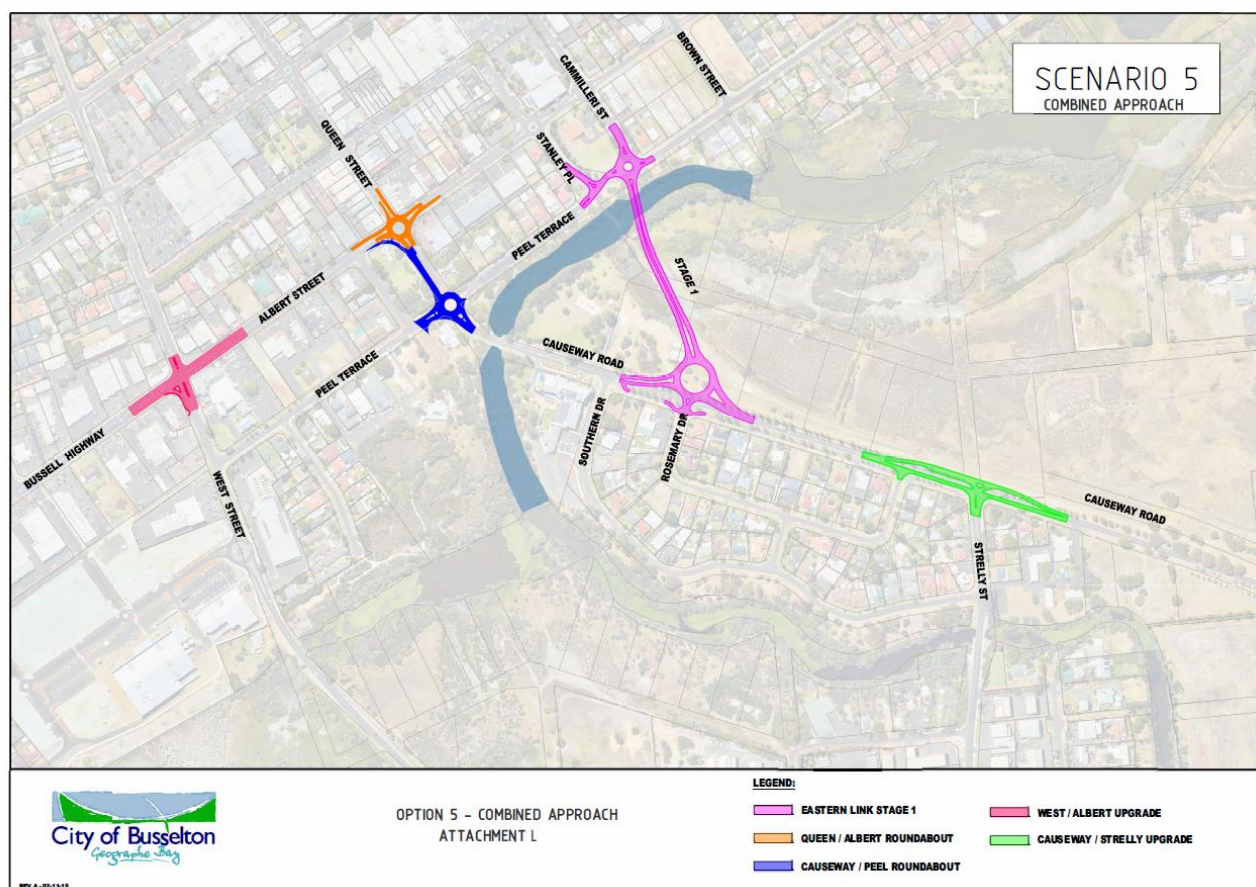
In addition to these elements detailed above, there is benefit in continuing to pursue necessary approvals and potential funding sources to construct Ford Road, noting this option has broad community support and has already been identified by Council for potential implementation in the longer-term.

A summary of this option is provided in Table 2 below:

Table 2

Option 5 - Program			
Project	Description	Estimated Budget	Funding Sources
Ford Road	Continue studies and environmental approvals.	\$300,000 (funded pending budget approval for 2019/2020 onwards.	Municipal
Albert / Queen / Peel Street Intersection Upgrades	Removal of traffic lights (subject to MRWA approval) and construction of a single lane roundabout at the intersection of Queen and Albert Street with a dedicated continuous left turn lane from the south onto Albert Street.	\$1.7 million plus an estimated \$1.2 million for services relocation. The cost of land purchase is not included. Currently unbudgeted, funding will need to be re-evaluated through the Long-term Financial Plan.	Municipal and Potential Regional Road Group funding
West / Albert Street (Stage 2 of Strelly / Barlee / West Upgrade)	Re-alignment and widening of the intersection with dedicated left turn pockets and lanes. Requires new traffic lights and land purchase.	\$450,000 plus additional costs associated with service relocation, land purchase and overhead traffic lights. Currently unbudgeted, funding will need to be re-evaluated through the Long-term Financial Plan.	Municipal and potential Regional Road Group Funding
Eastern Link Stage 1	Construction of a roundabout at the intersection of Cammilleri Street / Peel Terrace, a roundabout at the intersection of Rosemary Drive / Causeway Road. Construction of a link road connecting the two roundabouts including a new bridge crossing Vasse River.	\$4.15 million Currently funded in the 2018/2019 budget.	Municipal funding and external funding through the Australian Government's Bridges Renewal Program.
Strelly / Causeway Road Intersection Upgrade.	Construction of an appropriate treatment at the intersection of Causeway Road / Strelly Street to improve right turn movements into and out of Strelly Street onto Causeway Road.	\$600,000 (estimated). Currently unbudgeted, funding will need to be re-evaluated through the Long-term Financial Plan.	Municipal and potential Regional Road Group funding

Overall works associated with Option 5 are shown in the preliminary drawing below and at **Attachment L**.



Assessment

Table 3 provides a snap shot of how the City Centre Eastern Link (Stage1) combined with an upgrade to the intersection of Albert and Queen Street (two main elements of Option 5); relates to other options in terms of cost, and effective lifespan. This comparison is based on undertaking each project in isolation from 2019.

Table 3

Project	Estimated Cost	Estimated Effective Lifespan
Option 1 - Defer Ground Works in Relation to City Centre Eastern Link and Causeway Road and Bridge Duplication Pending Environmental Approval.	\$50,000 (design / tender preparation)	5 years - 2024
Option 2 – Abandon / Delay Causeway Road and Bridge Duplication and City Centre Eastern Link and Pursue Ford Road	\$21 - \$25 million plus	5 years - 2024
Causeway Road (Stage 1)	\$6.8 million	5 years - 2024
Option 3 - Causeway Road (Stage 1 and 2)	\$7.7 million	10 years - 2028
City Centre Eastern Link (Stage 1)	\$4.15 million	10 years - 2028
Option 4 - City Centre Eastern Link (Stage 1 and 2)	\$6.35 million	13 years - 2031
Option 2C - City Centre Eastern Link (Stage 1 Combined with Albert and Queen Street Upgrade (Cardno Report)	\$7.05 million	15 years - 2033
Option 5 - Combined Approach, encompassing Cardno Option 2C and other elements	\$8.4 million (excludes land purchase and service relocation)	15 years plus - 2033 plus

City officers agree with traffic modelling which indicates that City Centre Eastern Link combined with the intersection upgrade at Albert Street and Queen Street (Cardno Option 2C) provides the best outcome when considering costs and effective lifespan, in comparison to other options highlighted in the table above and detailed in the report.

Option 5 also seeks to remedy other critical intersections and is not solely focused on traffic traveling to the City Centre along Causeway Road.

Option 5 combines the 2C Option recommended by Cardno with further projects that have been identified as a priority through traffic modelling and community feedback. These further elements include an upgrade the Albert and West Street intersection and an upgrade to the intersection at Strelly Street and Causeway Road.

This approach improves a number of elements within the City Centre Road network. In particular access along Causeway Road and to eastern Busselton and Geographe; access and egress along Strelly / Barlee / West Street; improved access along Albert Street and the old Bussell Highway; and improved access from the Light Industrial Area on to Causeway Road.

Traffic modelling indicates that this combined approach will provide effective traffic flow until 2033 plus. This will allow adequate time to undertake further modelling and ascertain the best modification option moving beyond this date taking into consideration changing demographics, technical advances and community trends.

CONCLUSION

The City has always maintained that no single project executed in isolation will work on its own. The approach was, and remains, based on undertaking a suite of projects over time. While still supporting a staged approach, officers agree with the outcomes of the traffic modeling and peer review and are of the opinion that combining various scenarios presents the best way forward. The technical assessment indicates that the City Centre Eastern Link (Stage 1) combined with an upgrade to the intersection of Albert and Queen Street is considered the best strategy. Taking community feedback onboard, Officers believe that additional benefit can be achieved by also undertaking upgrades at the intersection of Albert and West Street and Strelly Street and Causeway Road.

OPTIONS

Should Council not agree with the Officer Recommendation, Council may opt to:

1. await environmental approval in the immediate to short-term. Defer ground works but pursue financial costings through a tender process for both City Centre Eastern Link and the Duplication of Causeway Road and Bridge (as per Option 1);
2. abandon / delay Causeway Road and Bridge Duplication and City Centre Eastern Link and pursue Ford Road (as per option 2);
3. prioritize construction of Causeway Road and Bridge Duplication Stage 1 and 2 (as per option 3); or
4. prioritize construction of City Centre Eastern Link Stage 1 and 2 (as per option 4).

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The timeline for all works outlined in this report remain dependent on the securement of environmental approval and funding availability.

COUNCIL DECISION AND OFFICER RECOMMENDATION**C1811/230**

Moved Councillor C Tarbotton , seconded Councillor J McCallum

That Council:

1. Receives the City Centre Road Network Community Survey Report provided by Catalyse Pty Ltd as an informing document.
2. Subject to environmental approval and municipal funding resources being available in the City's annual budget and Long-term Financial Plan; progress with Option 5. This involves:
 - a. construct City Centre Eastern Link (Stage 1);
 - b. upgrade the intersection of Albert and Queen Street from lights to a roundabout;
 - c. upgrade the Albert and West Street intersection; and
 - d. upgrade the intersection at Strelly Street and Causeway Road.
3. Subject to ongoing municipal funding, continues to progress environmental approval for the future development of Ford Road noting that this will require a new and different application to be lodged with the EPA (as per Ministerial advice 14 August 2018).
4. Continue to lobby Main Roads WA for improved directional signage on Busselton Bypass.

CARRIED 8/0

18. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

19. URGENT BUSINESS

Ni

20. CONFIDENTIAL REPORTS**20.1 PROPOSED DEVELOPMENT - FAMILY RESTAURANT / MICROBREWERY / FUNCTION CENTRE**

SUBJECT INDEX:	Busselton Foreshore Development
STRATEGIC OBJECTIVE:	Attractive parks and open spaces that create opportunities for people to come together, socialise and enjoy a range of activities.
BUSINESS UNIT:	Community and Commercial Services
ACTIVITY UNIT:	Economic Development
REPORTING OFFICER:	Director, Community and Commercial Services - Cliff Frewing
AUTHORISING OFFICER:	Director, Community and Commercial Services - Cliff Frewing
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Nil

This item is confidential in accordance with section 5.23(2) (c) and (e)(iii) of the Local Government Act 1995, as it contains information relating to a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting, and a matter that if disclosed, would reveal information about the business, professional, commercial or financial affairs of a person, where the information is held by, or is about, a person other than the local government.

COUNCIL DECISION AND OFFICER RECOMMENDATION

C1811/231 Moved Councillor R Reekie, seconded Councillor J McCallum

That the Council resolves to:

- (1) Set 31 January 2019 as the deadline for the Geographe Brewing Company Pty Ltd (Proponent) to satisfy (or waive) all Conditions Precedent under the Agreement to Sublease between the City and the Proponent and to formally enter unconditionally into the sublease with the City.
- (2) Should the Proponent meet the deadline in resolution (1), negotiate and agree with the Proponent an extended date for commencement of the sublease and other corresponding milestones in the sublease.
- (3) Should the Proponent fail to meet the deadline in resolution (1):
 - (a) The Proponent's 'preferred proponent' status for this project be discontinued by the City;
 - (b) The City commences an expression of interest process seeking commercial interest for a family restaurant/microbrewery development on a portion of Lot 561 on the Busselton foreshore (in accordance with the Busselton Foreshore Master Plan); and
 - (c) The Proponent not be disqualified from participating in or submitting an expression of interest under the process mentioned in resolution 3 (b).
- (4) Authorise the Chief Executive Officer to take such action as is required or appropriate for implementing resolutions (1), (2) and/or (3), including but not limited to:
 - (a) Varying or discharging the Agreement to Sublease in accordance with resolutions (1) and (2);
 - (b) Commencing the expression of interest process in accordance with resolution 3(b); and
 - (c) Signing on behalf of the City such documents as necessary for the purposes of resolution (4).

CARRIED 8/0

21. CLOSURE

The Presiding Member closed the meeting at 5.43pm.

THESE MINUTES CONSISTING OF PAGES 1 TO 74 WERE CONFIRMED AS A TRUE AND CORRECT RECORD ON WEDNESDAY, 28 NOVEMBER 2018.

DATE: _____ PRESIDING MEMBER: _____