

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 24 FEBRUARY 2016

TABLE OF CONTENTS

ITEM NO.	SUBJECT	PAGE NO.
1.	DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS.....	3
2.	ATTENDANCE	3
3.	PRAYER	3
4.	PUBLIC QUESTION TIME.....	4
5.	ANNOUNCEMENTS WITHOUT DISCUSSION.....	4
6.	APPLICATION FOR LEAVE OF ABSENCE.....	4
7.	PETITIONS AND PRESENTATIONS	4
8.	DISCLOSURE OF INTERESTS	4
9.	CONFIRMATION AND RECEIPT OF MINUTES	4
	Previous Council Meetings.....	4
9.1	Minutes of the Council Meeting held on 10 February 2016.....	4
	Committee Meetings.....	5
9.2	Minutes of the Finance Committee Meeting held 4 February 2016	5
10.	REPORTS OF COMMITTEE	7
10.1	Finance Committee - 4/02/2016 - LIST OF PAYMENTS MADE - NOVEMBER 2015.....	7
10.2	Finance Committee - 4/02/2016 - LIST OF PAYMENTS MADE - DECEMBER 2015	9
10.3	Finance Committee - 4/02/2016 - FINANCIAL ACTIVITY STATEMENTS – PERIOD ENDING 31 DECEMBER 2015	11
10.4	Finance Committee - 4/02/2016 - FINANCE COMMITTEE INFORMATION BULLETIN - NOVEMBER / DECEMBER 2015	21
10.5	Finance Committee - 4/02/2016 - BUDGET AMENDMENT - VEGETATION CLEARING AROUND BRIDGES TO PROTECT FROM FIRE	48
10.6	Finance Committee - 4/02/2016 - MEELUP REGIONAL PARK 2015-16 BUDGET AMENDMENT.....	52
11.	PLANNING AND DEVELOPMENT SERVICES REPORT	25
11.1	AMENDMENT 13 TO LOCAL PLANNING SCHEME 21 AND MODIFIED BROADWATER STRUCTURE PLAN PRECINCT 2 (WESTERN CELL) - CONSIDERATION FOR ADOPTION FOR FINAL APPROVAL.....	25
12.	ENGINEERING AND WORKS SERVICES REPORT.....	33
13.	COMMUNITY AND COMMERCIAL SERVICES REPORT	33
13.1	ARTGEO RESIDENT ARTISTS LEASE STUDIO 1	33
14.	FINANCE AND CORPORATE SERVICES REPORT	39
15.	CHIEF EXECUTIVE OFFICER'S REPORT	39
15.1	REVISED BUSSELTON FORESHORE MASTERPLAN AND MODIFIED BUSSELTON	

	FORESHORE STRUCTURE PLAN - CONSIDERATION AFTER PUBLIC CONSULTATION	39
15.2	COUNCILLORS' INFORMATION BULLETIN	45
16.	MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN	57
17.	CONFIDENTIAL REPORTS.....	57
18.	PUBLIC QUESTION TIME.....	57
19.	NEXT MEETING DATE	57
20.	CLOSURE	57

MINUTES

MINUTES OF A MEETING OF THE BUSSELTON CITY COUNCIL HELD IN MEETING ROOM ONE, COMMUNITY RESOURCE CENTRE, 21 CAMMILLERI STREET, BUSSELTON, ON 24 FEBRUARY 2016 AT 5.30PM.

1. DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Presiding Member opened the meeting at 5.30pm.

2. ATTENDANCE

Presiding Member:

Cr Grant Henley Mayor

Members:

Cr Coralie Tarbotton
Cr Ross Paine
Cr John McCallum
Cr Rob Bennett
Cr Paul Carter
Cr Robert Reekie
Cr Gordon Bleechmore

Officers:

Mr Matthew Smith, Acting Chief Executive Officer
Mr Oliver Darby, Director, Engineering and Works Services
Mrs Naomi Searle, Director, Community and Commercial Services
Mr Martyn Glover, Acting Director, Planning and Development Services
Miss Lynley Rich, Manager, Governance Services
Miss Hayley Barge, Administration Officer, Governance

Apologies

Mr Mike Archer, Chief Executive Officer
Cr Terry Best

Approved Leave of Absence

Nil

Media:

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

Public:

Nil

3. PRAYER

A Prayer was not delivered.

4. PUBLIC QUESTION TIME

Response to Previous Questions Taken on Notice

Nil

Public Question Time

Nil

5. ANNOUNCEMENTS WITHOUT DISCUSSION

Announcements by the Presiding Member

Nil

Announcements by other Members at the invitation of the Presiding Member

Nil

6. APPLICATION FOR LEAVE OF ABSENCE

Nil

7. PETITIONS AND PRESENTATIONS

Nil

8. DISCLOSURE OF INTERESTS

Nil

9. CONFIRMATION AND RECEIPT OF MINUTES

Previous Council Meetings

9.1 Minutes of the Council Meeting held on 10 February 2016

Council Decision

C1602/022

Moved Councillor P Carter, seconded Councillor J McCallum

That the Minutes of the Council Meeting held 10 February 2016 be confirmed as a true and correct record.

CARRIED 8/0

Committee Meetings9.2 Minutes of the Finance Committee Meeting held 4 February 2016**Council Decision****C1602/023** Moved Councillor C Tarbotton, seconded Councillor J McCallum

- 1) That the minutes of a meeting of the Finance Committee held 4 February 2016 be received.
- 2) That the Council notes the outcomes of the Finance Committee meeting held 4 February 2016 being:
 - a) The List of Payments Made – November 2015 Item is presented for Council consideration at Item 10.1 of this agenda.
 - b) The List of Payments Made – December 2015 Item is presented for Council consideration at Item 10.2 of this agenda.
 - c) The Financial Activity Statements – Period Ending 31 December 2015 Item is presented for Council consideration at Item 10.3 of this agenda.
 - d) The Finance Committee Information Bulletin – November / December 2015 was received by the Committee.
 - e) The Budget Amendment – Vegetation Clearing Around Bridges to Protect from Fire Item is presented for Council consideration at Item 10.4 of this agenda.
 - f) The Meelup Regional Park 2015-16 Budget Amendment Item is presented for Council consideration at Item 10.5 of this agenda.

CARRIED 8/0

ITEMS BROUGHT FORWARD AND 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.

Council Decision / Committee Recommendation and Officer Recommendation

C1602/024 Moved Councillor G Bleechmore, seconded Councillor P Carter

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

- 10.1 Finance Committee - 4/02/2016 - LIST OF PAYMENTS MADE - NOVEMBER 2015
- 10.2 Finance Committee - 4/02/2016 - LIST OF PAYMENTS MADE - DECEMBER 2015
- 10.3 Finance Committee - 4/02/2016 - FINANCIAL ACTIVITY STATEMENTS – PERIOD ENDING 31 DECEMBER 2015
- 10.4 Finance Committee - 4/02/2016 - FINANCE COMMITTEE INFORMATION BULLETIN - NOVEMBER / DECEMBER 2015
- 11.1 AMENDMENT 13 TO LOCAL PLANNING SCHEME 21 AND MODIFIED BROADWATER STRUCTURE PLAN PRECINCT 2 (WESTERN CELL) - CONSIDERATION FOR ADOPTION FOR FINAL APPROVAL
- 13.1 ARTGEO RESIDENT ARTISTS LEASE STUDIO 1
- 15.1 REVISED BUSSELTON FORESHORE MASTERPLAN AND MODIFIED BUSSELTON FORESHORE STRUCTURE PLAN - CONSIDERATION AFTER PUBLIC CONSULTATION
- 15.2 COUNCILLORS' INFORMATION BULLETIN

CARRIED 8/0

EN BLOC

10. REPORTS OF COMMITTEE

10.1 Finance Committee - 4/02/2016 - LIST OF PAYMENTS MADE - NOVEMBER 2015

SUBJECT INDEX:	Financial Operations
STRATEGIC OBJECTIVE:	An organisation that is managed effectively and achieves positive outcomes for the community.
BUSINESS UNIT:	Finance and Information Technology
ACTIVITY UNIT:	Finance
REPORTING OFFICER:	Financial Accountant - Ehab Gowegati
AUTHORISING OFFICER:	Director, Finance and Corporate Services - Matthew Smith
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A List of Payments Made - November 2015

This item was considered by the Finance Committee at its meeting on 4 February 2016, the recommendations from which have been included in this report.

PRÉCIS

This report provides details of payments made from the City's bank accounts for the month of November 2015, for noting by the Council and recording in the Council Minutes.

BACKGROUND

The Local Government (Financial Management) Regulations require that when the Council has delegated authority to the Chief Executive Officer to make payments from the City's bank accounts, that a list of payments made is prepared each month for presentation to, and noting by, Council.

STATUTORY ENVIRONMENT

Section 6.10 of the Local Government Act and more specifically, Regulation 13 of the Local Government (Financial Management) Regulations; refer to the requirement for a listing of payments made each month to be presented to the Council.

RELEVANT PLANS AND POLICIES

NA.

FINANCIAL IMPLICATIONS

NA.

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – 'Open and Collaborative Leadership' and more specifically Community Objective 6.3 – 'An organisation that is managed effectively and achieves positive outcomes for the community'.

RISK ASSESSMENT

NA.

CONSULTATION

NA.

OFFICER COMMENT

NA.

CONCLUSION

NA.

OPTIONS

NA.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

NA.

Council Decision / Committee Recommendation and Officer Recommendation

C1602/025 Moved Councillor G Bleechmore, seconded Councillor P Carter

That the Council notes payment of voucher numbers M112267 – M112399, EF043224 – EF043710, T007172 – T007185, and DD002605 – DD002629; together totaling \$10,652,677.36.

CARRIED 8/0

EN BLOC

10.2 Finance Committee - 4/02/2016 - LIST OF PAYMENTS MADE - DECEMBER 2015

SUBJECT INDEX:	Financial Operations
STRATEGIC OBJECTIVE:	An organisation that is managed effectively and achieves positive outcomes for the community.
BUSINESS UNIT:	Finance and Information Technology
ACTIVITY UNIT:	Finance
REPORTING OFFICER:	Financial Accountant - Ehab Gowegati
AUTHORISING OFFICER:	Director, Finance and Corporate Services - Matthew Smith
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A List of Payments Made - December 2015

This item was considered by the Finance Committee at its meeting on 4 February 2016, the recommendations from which have been included in this report.

PRÉCIS

This report provides details of payments made from the City's bank accounts for the month of December 2015, for noting by the Council and recording in the Council Minutes.

BACKGROUND

The Local Government (Financial Management) Regulations require that when the Council has delegated authority to the Chief Executive Officer to make payments from the City's bank accounts, that a list of payments made is prepared each month for presentation to, and noting by, Council.

STATUTORY ENVIRONMENT

Section 6.10 of the Local Government Act and more specifically, Regulation 13 of the Local Government (Financial Management) Regulations; refer to the requirement for a listing of payments made each month to be presented to the Council.

RELEVANT PLANS AND POLICIES

NA.

FINANCIAL IMPLICATIONS

NA.

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – 'Open and Collaborative Leadership' and more specifically Community Objective 6.3 – 'An organisation that is managed effectively and achieves positive outcomes for the community'.

RISK ASSESSMENT

NA.

CONSULTATION

NA.

OFFICER COMMENT

NA.

CONCLUSION

NA.

OPTIONS

NA.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

NA.

Council Decision / Committee Recommendation and Officer Recommendation

C1602/026

Moved Councillor G Bleechmore, seconded Councillor P Carter

That the Council notes payment of voucher numbers M112400 – M112501, EF043711 – EF044295, T007186 – T007217, and DD002630 – DD002653; together totaling \$8,170,532.76.

CARRIED 8/0

EN BLOC

10.3 Finance Committee - 4/02/2016 - FINANCIAL ACTIVITY STATEMENTS – PERIOD ENDING 31 DECEMBER 2015

SUBJECT INDEX:	Budget Planning and Reporting
STRATEGIC OBJECTIVE:	An organisation that is managed effectively and achieves positive outcomes for the community.
BUSINESS UNIT:	Finance and Information Technology
ACTIVITY UNIT:	Financial Services
REPORTING OFFICER:	Financial Accountant - Ehab Gowegati
AUTHORISING OFFICER:	Director, Finance and Corporate Services - Matthew Smith
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Financial Activity Statements - December

This item was considered by the Finance Committee at its meeting on 4 February 2016, 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 31st December 2015.

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 23 July 2015, the Council adopted (C1507/208) the following material variance reporting threshold for the 2015/16 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 2015/16 financial year to comprise 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.

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

NA.

FINANCIAL IMPLICATIONS

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

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – ‘Open and Collaborative Leadership’ and more specifically Community Objective 6.3 - ‘An organisation that is managed effectively and achieves positive outcomes for the community’. The achievement of the above is underpinned by the Council strategy to ‘ensure the long term financial sustainability of Council through effective financial management’.

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 treatment/ control that assists in addressing this risk.

CONSULTATION

Coordinators, Managers and Directors.

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 year to date basis, the following financial reports are attached hereto:

- 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 year to date basis, and reconciles with the net current position as per the Statement of Financial Activity.

- Capital Acquisition Report

This report provides year to date 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 year to date 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 31st DECEMBER 2015

Operating Activity

- Operating Revenue

As at 31st December 2015, there is a variance of +3% in total operating revenue, with the following categories exceeding the 10% material variance threshold:

Description	Variance %	Variance \$000's
Interest Earnings	+22%	+\$237
Non-Operating Grants, Subsidies and Contributions	+33%	+\$935
Profit on Asset Disposals	-14%	-\$1

A summary of the above variances is provided as follows:

Interest Earnings (+237K)

The current variance is primarily attributable to:

- Late Payment Interest +\$21k;
- Instalment Plan Interest +14k;
- Interest on Municipal Funds +\$2k;
- Interest on Reserve Funds +\$80k. The reserves balance currently include the full \$18m loan funds for the Administration building redevelopment and is yet to be utilised to offset any expenditure. Due to the higher than anticipated balance at this time, interest earned has exceeded budget projections. This trend is unlikely to continue as Administration building works has now commenced;
- Interest on Restricted Funds +\$120k (Relates to airport funds – this is not budgeted for but it should be noted that the Airport grant agreement requires these funds be applied towards the Airport project);

Non-Operating Grants, Subsidies and Contributions (+935k)

The variances are primarily attributable to:

- Busselton Foreshore, provision of services and auxiliary works -\$740k. This is due to the \$4.5M Royalties for Regions grant remaining pending. Likely notification June/ July;
- Foreshore east youth precinct (skate park and adventure playground) +\$615k. This is due timing difference at this time;
- Busselton Shark Net non-operating grant +\$100k. Timing variance, the Government grant was received earlier than was anticipated;
- Tuart bridge (0239A) +\$645k. Timing variance only, the project was completed and invoiced earlier than anticipated. A budget amendment report is pending as this project came in under budget by \$360k, approval has been given to use these unspent federal grant monies on other bridge maintenance undertakings as will be explained in the report;

- Roads to recovery road construction works (23 road works) is net +\$239k. Timing variance only, the City claimed more of the Federal grant funds in the second quarter (Oct-Dec) based on predicted schedule of works than we had originally budgeted for;
- Strelly Street (Main roads) -\$60k. Timing variance only, it was envisaged that the City would claim more of these road design works earlier in the year. Claims are based on expenditure to date a second claim will be made in February;

Profit on Asset Disposals (-\$1K)

The current variance is primarily attributable to:

- Minor timing difference associated with book Profits due to disposal of assets. It should be noted that this is an accounting entry only, and has no direct impact on the Net Current Position.

Operating Expenditure

As at 31st December 2015, there is a variance of -9% in total operating expenditure, with the following categories exceeding the 10% material variance threshold:

Description	Variance %	Variance \$000's
Materials and Contracts	-25%	-\$2,007
Utilities	-17%	-\$192
Other Expenses	-16%	-\$249
Allocations	-18%	-\$186

A summary of the above variances is provided as follows:

Materials and Contracts (-\$2,007K)

- Variances associated with material and contracts are predominately attributable to timing differences at this stage of the analysis. Materials and contract nature and type comprises of some 547 cost codes with the main areas of significant variances (over \$50k) as follows;
 - Information technology -\$133k. Timing variance only that predominately relate to Lease of Equipment -\$42k, Consultancy -\$33k, GIS Costs -\$30k, and Computer Software Licences -\$21k;
 - Community recreation centres (for all business units) is -\$107k below budget. This is attributable to -41k for the Naturaliste Community Centre and -\$66k for the Geographe Leisure Centre. To maintain the net operating positions forecast, expenditure at both the GLC and NCC is being strictly prioritised and delayed wherever possible;
 - Within the environmental planning business unit, management plan implementation works is under budget -\$45k. This is attributable to timing differences associated with the utilisation of contractors and the seasonality of the work that is required;
 - Port Geographe Emergency funds for works in association with Department of Transport -\$300k, funds are to be utilised as required;
 - Busselton Jetty maintenance expenditure -\$370k. Timing variance associated with the Busselton jetty, the interpretive centre and the underwater observatory. This is primarily due to corrosion protection assessment and repairs are yet to begin, handrails will be painted in the warmer months of the year and alternative LED light globes are now being tested and trialled;
 - Meelup Regional Park -\$88k. This variance is mainly due to a staff vacancy and the reorganisation of the Meelup Regional Park Environment Officer support role.
 - Refuse site material and contract costs are -\$210k. This relates to the Busselton transfer station, Dunsborough waste facility, rubbish site developments and green waste. Timing variance only, the budget is spread evenly over the financial year and

at the half way point total contractor outgoings are less than half the total contractor budget. This budget is for a myriad of services including fencing, batter repairs, plant hire, surveying, pond maintenance amongst other things. The majority of this budget will be utilised by 30 June 2016

- Parks and gardens within the Provence area is on the whole -\$116k. At this stage, the Provence Estate Landscaped areas have not been handed over to the City for maintenance even though the 5 year maintenance agreement ceased some time ago. There are a number of unresolved issues to be rectified prior to hand over taking place;
- Parks and gardens within the Vasse Newtown area is on the whole -\$92k. Mostly associated with a timing variance only, it is envisaged that the horticultural Contractors will be required more extensively in Vasse Newtown in the second half of the year as the City's garden teams focus on other areas;

Utilities (-\$192k)

- Variances associated with utilities are attributable to timing differences which in turn relates to utility billing cycles. The breakdown is as follows;
 - Telephones (-\$7k);
 - Electricity (-\$42k);
 - Water (-\$143);

Other Expenditure (-\$249k)

- Variances associated with other expenditure are predominately attributable to timing differences. The main areas involved are as follows;
 - Members of Council expenses -\$61k (main variances are for Elected members sitting fees -\$17k, allowances - Mayor & Deputy -\$17k, conference expenses -\$9k, international relationships -\$6k, election & poll expenses -\$5k, communication allowance -\$3k, presentations on termination policy -\$3k, travelling allowance (Councillors meetings) -\$2k);
 - Rates administration -\$9k. Timing difference associated with rating revaluations.
 - Community services administration, events marketing and promotions -\$98k. MERG Marketing funds which have not been expended as MRBTA recharge campaign halted due to amalgamation of GBTA/AMRTA and regional branding. Council has resolved to transfer \$150k from the commercial and industrial differential marketing funds into new Airport Reserve specifically for marketing/ support of Airport development project, and this \$98k, along with further savings in the remainder of the financial year, will be used for this purpose.
 - Property and Business Development -\$15k (main variance is a timing difference associated with marketing and promotion -\$11k and valuation expense -\$4k);
 - Airport operations general advertising costs -\$5k. Most advertising costs have been associated with the Development Project and have been expended from the Airport Development project budget;

Allocations (-\$186k)

- This activity incorporates numerous internal accounting allocations. Whilst the majority of individual allocations are administration based (and clear each month), the activity also includes plant and overhead related allocations. Due to the nature of these line items, the activity reflects as a net offset against operating expenditure, in recognition of those expenses that are of a capital nature (and need to be recognised accordingly). Variances, particularly early in the financial year, are not uncommon, as the activity is highly dependent upon a range of works related factors. It should be noted however that as anticipated (and in line with historical trends) that the variance is gradually decreasing as the year progresses.

Capital Activity

▪ Capital Revenue

As at 31st December 2015, there is a variance of -71% in total capital revenue, with the following categories exceeding the 10% material variance threshold:

Description	Variance %	Variance \$000's
Proceeds from Sale of Assets	-46%	-\$178
Transfer from Restricted Assets	-89%	-\$1,335
Transfer from Reserves	-80%	-\$4,595

- Variances associated with capital revenue are as follows;

Proceeds from Sales -\$178k

- Timing difference associated with the sale of plant. At this stage it is expected that the full plant acquisition/ disposal program will be achieved by 30th June 2016.

Transfer from Restricted Assets -\$1,335

- The 2015/16 budget includes a transfer from restricted assets of \$1.5m that is associated with expenditure to be incurred for the Busselton Regional Airport development. To date no transfer has been made as expenditure for the project has not yet reached this value (net -\$1.5m);
- The remaining +\$165k is attributable to bonds and deposits refunded to the end of December as all obligations have been fulfilled to authorise the return of funds. As the City does not budget for these transactions, any material variance will be reported accordingly.

Transfer from Reserves -\$4,595k

- The 2015/16 budget includes a transfer from reserves of \$4,590k that is associated with the building of the new Civic and Administration Centre. As this expenditure has not been realised as at 31st December, no transfer has been made.

▪ Capital Expenditure

As at 31st December 2015, there is a variance of -36% in total capital expenditure, with the following categories exceeding the 10% material variance threshold:

Description	Variance %	Variance \$000's
Land and Buildings	-83%	-\$7,286
Plant & Equipment	-48%	-\$600
Furniture and Equipment	-19%	-\$60
Infrastructure	-24%	-\$2,998
Transfers to Restricted Assets	+65%	+\$591

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

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

An overview of the collective year to date financial performance in each of the above classifications is also provided as follows:

Land & Buildings (YTD Variance: -\$7,286K)

This classification comprises the following sub-groups,

Land (YTD Variance: -\$55K)

This variance is associated with the general annual allocation for land purchases within the property services area for land matters -\$50k. Funds are not required to be spent at this stage as no land dealings have been identified at this time and in any case this expenditure is backed by reserve funds, therefore this transaction will have no impact on the City's net current position.

Buildings- Major Projects (YTD Variance: -\$6,995k)

The current variance is primarily attributable to;

- Foreshore east youth precinct Community Youth Building (incorporating BSLSC) -\$1,450k. Due to policy changes, and a change in timing, with the Lottery West funding system, the outcome of the grant application which has been submitted to Lottery West and worked through with the stakeholders will not be known until February 2016. The majority of these funds will not be expended in the 2015/16 financial year;
- Railway House -\$1,000k. Tender awarded with construction likely to commence February/March 2016, and to be completed in the 2016/17 financial year;
- Multi-purpose community sporting clubhouse -\$406k. This project should commence construction in May 2016, City Staff are currently working with relevant stakeholders and user groups of the Barnard Park Ovals to come up with a suitable concept which meets their requirements (change room, toilet and kiosk facilities);
- Civic and administration centre -\$4,162k. This is due to a timing difference in that construction has commenced later than reflected in the 2015/16 budget. However given the tight schedule for construction and the anticipated practical completion date of February 2017, it is still anticipated that all of the funds on the 15/16 budget will be spent;
- Steel frame shed +\$23k. This project was an extension to scope of the promenade works to be paid for utilising savings in these works;

Buildings - Other (YTD Variance: -236\$K)

The current variance is primarily attributable to;

- GLC sports stadium floor -\$29.3k. This project is on hold as it may be necessary to utilise these funds for the change room refurbishment in case the cost of this project exceeds budget (see comment below);
- GLC Change room Refurbishment -\$54.3k. The Tender response has come back over budget. Individual RFQ's are being sought which has delayed the works until May 2016. It is desirable that the work will be done this financial year because there is a risk that DSR funding of \$33k will be lost;
- Performing arts centre -\$50k. This project has been put back a year due to other priority projects and this will be a saving to the community facilities contributions account;
- Kookaburra caravan park ablutions refurbishment -\$52k. This relates to the refurbishment of park 1 ablution block. This is a timing difference only with work to commence after Easter;
- Kookaburra park home -\$40k. again this is a timing difference with delivery and installation proposed in April 2016;

Plant & Equipment (YTD Variance: -\$600K)

The current variance is primarily attributable to;

- Building Services -\$35k. Replacement for light vehicle is due in February 2016. Waiting delivery of 2016 model to local dealer;
- Law, Order and public safety -\$53k. Replacement for ranger's ute is due on in April 2016. Waiting on clarification of specification from ranger department as the City is looking at a new 'pod' system for the ranger Ute. Expect to order in February 2016 with delivery late April 2016;

- Parks and gardens plant purchases -\$50k. Timing difference relating to delivery of trucks. All expected to be delivered by 30th June 2016 at this stage;
- Construction plant purchases -\$340k. Replacement for this road maintenance truck has previously been identified as a carryover into 2016/17. This is due to the build time for these bodies which is only carried out in the Eastern States & the significant lag between ordering & delivery. All other construction plant is expected to be delivered by 30th June 2016.

In summary, actual expenditure on Plant and Equipment replacement is \$600,000 under the year to date forecast position, this is attributable to timing only. Many of the heavy vehicles up for replacement are historically delivered and paid for in the second half of the year, with much of the quotation and tendering process having already been finalised in the first 6 months. Almost all light fleet vehicles due for change-over have been replaced in the first half of the financial year.

Furniture & Office Equipment (YTD Variance: - \$60K)

The current variance remains primarily attributable to budget timing differences, and particularly in the Information Technology area, where the annual budget allocation is generally apportioned throughout the year. This budget includes numerous projects, all of which are progressing within projected timeframes. There is presently nothing to indicate that the annual budget allocation for this classification will not be achieved by financial year end.

Infrastructure (YTD Variance: - \$2,998K)

This classification is reported by three main groups being major projects, general infrastructure works and those classified as Airport development projects. Comments on each component are as follows:

Infrastructure – Major Projects (YTD Variance: +\$100K)

Although the current overall difference is immaterial from a dollar value perspective, an analysis is nonetheless required due to some significant variances that exist on individual projects within the Busselton Foreshore Project. The main variances are attributable to;

- Foreshore east youth precinct (skate park and adventure playground – C3103) +\$499k. This is due to timing difference however all funds are expected to be spent on this project by the end of the financial year;
- Foreshore Promenade (Jetty to Geographe Bay Road – C3107) +\$357k. These works were slightly delayed but are nearing completion with some “tidying up” works now taking place. Expectation that this project will be completed on budget by the end of the financial year;
- Foreshore provision of services and auxiliary works (C3132) -\$790k. These works have not commenced because the \$4.5M Royalties for Regions through the SWDC grant remains pending. The City is not likely to be notified as to whether or not the grant is successful until June/ July hence these works are unlikely to commence this financial year;
- Foreshore ancillary works (C3133) -\$160k. These works have been delayed until later in 2016;
- Foreshore water supply and services (C3140) +\$207. This overspend is due to an addition to the scope of these works which will be funded by an equivalent underspend in the foreshore Promenade works budget;

Infrastructure – Other (YTD Variance: -\$2,470K)

Excluding the Busselton Regional Airport, Foreshore and Administration Building developments the majority of the remaining Infrastructure projects are administered by the Engineering and Works Services Directorate. In respect of year to date financial performance, the Engineering and Works Service Directorate advises that these projects are presently \$2.4m below year to date (YTD) budget estimates, with much of this variance attributable to timing only. Council should be mindful that there were a further \$1.1m in committed orders against these projects as at 31 December, which if taken into account reduces the year to date for infrastructure projects to \$1.3m. The following major items are contributing to the variance;

- Busselton Jetty Refurbishment (C3500) -\$625K, The Busselton Jetty accounts for 20% of the year-to-date variance. All of the cruise ship landing facility had been budgeted to be fully expended by the end of December. The East platform has now been built and the smaller West platform is currently under construction with construction due to be completed by mid-February 2016;
- Parks and Gardens project, of which there are 18 this financial year are under budget to the tune of \$1.197m. 90% of this variance is attributable to the new Vasse Oval Development where preliminary works had been scheduled to begin in the first half of the financial year. Due to planning and design related matters and other commitments these works will now commence in March 2016;
- The Transfer Station and New cell Development budgets were evenly spread across the financial year. Works on the Transfer Station are yet to commence and as such there is a \$588k variance to the year to date budget. Although the New Cell is underway, expenditure to date is \$531k under the predicted year to date budgeted amount. Both these variances are due to timing.
- Within the roads construction program, Main roads projects are overall -\$182k, Roads to Recovery projects are overall +\$331k, Council road initiatives projects are overall -\$481k. A large number of Road Capital projects are scheduled to commence in the warmer and dryer second half of the year. To this end total Road related capital expenditure is \$332k under budget at this time. The designated Bus Bays project on College Avenue has been delayed due to ongoing vegetation clearing permit matters with these issues soon to be resolved. All projects are programmed to be completed by 30 June 2016.

Infrastructure – Airport Development (YTD Variance: -\$247K)

In relation to the progress of the Busselton Regional Airport development projects, the Community and Commercial Services Directorate report the following:

- Airport project expenses -\$247k as compared to year to date budget. This is attributable to unconfirmed costs associated with the establishment and operations of the Project Office during budget preparation, the appointment of staff during the year rather than the start of financial year, and the delayed payment of building construction insurance. Further, the Airport Development capital budget was prepared based on the total project budget (\$55.9m) rather than being allocated to specific years reflecting the project progress, as this information was unknown at the point of budget development for 2015/16;

Transfers to Restricted Assets (+\$591k)

The annual budget in this category is spread evenly across the financial year. The favourable year to date variance is partly due to the receipt of additional developer contributions in excess of budget totalling approximately \$336k. The additional funds received were predominately for contributions attributable to Provence, Vasse, and Peppermint Park. These funds have been receipted into the Community and Recreation Facilities account and are subsequently transferred to the Restricted Assets account.

Transfers to Restricted Assets has no direct impact on the surplus/ deficit position, as associated transactions represent equity transfers to quarantine funds received in the form of, amongst others, developer contributions (via the 'Non-Operating Grants, Subsidies and Contributions' operating revenue category) and borrowings.

BUDGET VARIATIONS AND OTHER 'KNOWN'S'

The financial report for the period ending 31st December 2015 is inclusive of all budget amendments endorsed by Council with the exception of the 9th December Resolution C1512/361 "old butter factory upper floor" works. This resolution will be processed in January 2016.

Taking into account all budget amendments for this financial year, the projected net current position for 2015/16 (based on the amended budget ledger) still remains at \$0.

CONCLUSION

The overall operating performance as at 31st December 2015 is in general alignment with year to date budget estimates, and collectively the operating performance is considered satisfactory for the first half of 2015/16.

With respect to capital activities, it is presently projected that, with the exception of the Busselton Airport development and specific Foreshore works projects (being Foreshore East – Youth Precinct Community Youth Building, Railway House, Multi-Purpose Community Sporting Clubhouse – Active Playing Fields Stage 1A, and Civic Administration Building), that all other capital projects will be achieved by financial year end. The anticipated projects not completed are predominantly funded from grants, contributions, and reserves, and to this end they will have no impact on the City's net current position. A full analysis will be included within the impending budget review.

The Annual Budget Review is to be completed based on the City's financial performance as at the end of February 2016, by which time any emerging financial trends (should there be any), will be more clearly evident.

OPTIONS

The Council may determine not to receive the statutory financial activity statement reports.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

NA.

Council Decision / Committee Recommendation and Officer Recommendation

C1602/027 Moved Councillor G Blechmore, seconded Councillor P Carter

That the Council receives the statutory financial activity statement reports for the period ending 31st December 2015, pursuant to Regulation 34(4) of the Local Government (Financial Management) Regulations.

CARRIED 8/0

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10.4 Finance Committee - 4/02/2016 - FINANCE COMMITTEE INFORMATION BULLETIN - NOVEMBER / DECEMBER 2015

SUBJECT INDEX:	Councillor's Information
STRATEGIC OBJECTIVE:	Governance systems that deliver responsible, ethical and accountable decision-making.
BUSINESS UNIT:	Engineering and Facilities Services
ACTIVITY UNIT:	Executive Services
REPORTING OFFICER:	Asset Coordinator - Dan Hall Civic Relations Officer - Deborah Holden Financial Compliance Officer - Jeffrey Corker
AUTHORISING OFFICER:	Director, Finance and Corporate Services - Matthew Smith
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Investment Performance Report - Period Ending 30 November 2015 Attachment B Investment Performance Report - Period Ending 31 December 2015

This item was considered by the Finance Committee at its meeting on 4 February 2016, the recommendations from which have been included in this report.

PRÉCIS

This report provides an overview of information that is considered of relevance to members of the Finance Committee, and also the Council.

INFORMATION BULLETIN

1. Investment Performance 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 30 November 2015, the value of the City's invested funds totalled \$126.55mn. There was no significant change from 31 October 2015.

During the month of November \$11.0mn in term deposit funds matured. All were renegotiated, for an average of 128 days and at an average interest rate of 2.80%.

During the month of November a term deposit held with the WA Treasury Corp in the amount of \$6.0mn for the Airport Redevelopment matured and was closed as per the first instalment of the funding contract. An amount of \$5.0mn was deposited with the Westpac bank for a period of 92 days at a rate of 2.90%. The balance of \$1.0mn was placed into an interest bearing cash account with the ANZ bank so as to provide funds to meet operational expenditure as the project develops.

As at 31 December 2015, the value of the City's invested funds totalled \$123.55mn. The \$3mn reduction was due to the funds being withdrawn from the 11am account to meet operational requirements.

During the month of December \$11.5mn in term deposit funds matured. All were renegotiated, for an average of 127 days at an average rate of 3.02%.

For the first month in many rates in excess of 3.00% were achieved, although the increase may be short lived. While official cash rates remain steady, concerns continue within financial markets. Available rates remain volatile, and vary significantly from bank to bank and day to day. Markets softened significantly early in January.

2. Chief Executive Officer – Corporate Credit Card

Details of monthly 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
26-Oct-15	200.00	Tourism Council of WA	2015 Perth Airport Tourism Awards Dinner (Jon Berry)
26-Oct-15	200.00	Tourism Council of WA	2015 Perth Airport Tourism Awards Dinner (Mayor Henley)
27-Oct-15	295.00	Harvey Norman	1 Birko 10L Commercial Urn (Deb Holden)
30-Oct-15	280.14	Esplanade Fremantle	Accom. & Parking LGMA Annual State Conference (Mike Archer)
06-Nov-15	254.13	Crown Promenade Perth	Accom. & Parking Tourism Awards Dinner (Mayor Henley)
08-Nov-15	1988.00	Qantas Airways	Flights Local Govt CEO Conference New Zealand – 50% to be reimbursed by CEO (Mike Archer)
17-Nov-15	185.00	Tourism Council of WA	2015 Perth Airport Tourism Awards Dinner (Mayors Guest)
18-Nov-15	185.00	Tourism Council of WA	2015 Perth Airport Tourism Awards Dinner (Mayor Henley) – Duplicate payment to be refunded
20-Nov-15	261.38	Novotel Auckland	Accom. Local Govt CEO Conference New Zealand (Mike Archer)
01-Dec-15	1025.00	LGMA WA	Registration for LGMA Annual State Conference (Mike Archer)
10-Dec-15	89.00	3 Oceans Wine Company	Cape ROC End of Year Lunch (CEO, Cr's Henley, Best & McCallum)
09-Dec-15	458.00	Geographe Camping and Outdoors	Marquees for Skate Park Opening (Deb Holden)
09-Dec-15	485.00	Knee Deep Wines	Councilor's Christmas Dinner Beverages (Mike Archer)
18-Dec-15	1277.45	Australian Coastal Councils Assoc.	Registration Fees 2016 ACC Conference (Cr John McCallum)

3. Voluntary Contributions/Donations (Income)

At its meeting of 22 September 2010, the Council adopted (C1009/329) its Voluntary Contributions/Donations Policy. This Policy requires that the Finance Committee be informed (via an information only bulletin) of any instances whereby voluntary contributions/ donations are approved by the Chief Executive Officer or jointly by the Mayor and Chief Executive Officer.

No voluntary contributions have been approved this financial year to date.

4. Donations/Contributions and Subsidies Fund (Sponsorship Fund – Payment of Funds)

Council resolved in April 2010 (C1004/132) a move towards a tiered system of funding and following the 6 October 2011 Finance Committee meeting, it was recommended to Council that the delegation to determine the allocations of sponsorship and donations from the sponsorship fund be revoked and be returned to the Chief Executive Officer to enable a more timely turnaround of sponsorship applications.

Current expenditure from the Donations, Contributions and Subsidies Fund (Sponsorship Fund) reveals:

- 53 applications for sponsorship have been received during this financial year.
- The average donation approved for the financial year is \$405.33
- There were 17 applications for sponsorship received or assessed during November and December 2015.
- Expenditure from the Donations, Contributions and Subsidies Fund (Sponsorship Fund) for the financial year totals \$21,483.
- Total budget for the Donations, Contributions and Subsidies Fund (Sponsorship Fund) is \$36,830.00.

App. No.	Recipient	Purpose	Amount
37/1516	Busselton Art Society	56th Annual Art in the Park event. Funds to assist with event and website advertising	\$500
38/1516	South West Indonesian Community	Indonesian Cultural Day - bringing the local community together to educate them on Indonesian culture - 22 November	\$500
39/1516	Forrest Personnel Inc.	Access and Inclusion Awareness event being held in conjunction with the City of Busselton at the GLC. Part of Disability Awareness Week	\$500
40/1516	Our Lady of the Cape Primary School Dunsborough	End of Year 6 graduation and awards night	\$100
41/1516	Nicholas Antonio	Special Circumstances - Representing WA at School Sports Pacific Games in Adelaide (Swimming)	\$200
42/1516	Jasmine Hopkins	Special Circumstances - Representing WA at School Sports Pacific Games in Adelaide (Swimming)	\$200
43/1516	Zoe Butler	Special Circumstances - Representing WA at School Sports Pacific Games in Adelaide (Swimming)	\$200
44/1516	Boomerang Bags	Funds requested for materials to make reusable bags and NCC room hire - unsuccessful	\$0
45/1516	Jaylen Colegate	Special Circumstances - Representing WA in U 15s men's country team in Vic (basketball)	\$200
46/1516	Caelin Winchcombe	Special Circumstances - Representing WA at State Sailing Club in Melbourne and Sydney	\$200
47/1516	Vasse Art Award	Funds to assist with advertising of the Vasse Art Award	\$400

App. No.	Recipient	Purpose	Amount
48/1516	Dunsborough Lions Club	Summer Lions Fair being held at the NCC on 23 January 2016. Funds transferred to the NCC to waive the cost of the room hire	\$190.91 (ex GST)
49/1516	Dunsborough Bay Yacht Club	State Flying Ants Title Jan 2016. Funds to pay for competitors t-shirts	\$500
50/1516	Dunsborough Bay Yacht Club	State Minnows Title March 2016. Funds for competitors t-shirts	\$500
51/1516	Busselton Volunteer Fire and Rescue Service	Replacement of fire hydrants at the running track to competition standard	\$850
52/1516	Shire of Esperance	Donation to assist with Bushfire relief as directed by Council	\$1,000
53/1516	Acting Up! Drama School	Courtyard Cinema - assistance with movie fee. Due to recent Community Bids success, this application was unsuccessful.	\$0

Asset Management Report

The Long Term Financial Plan (LTFP) Review and update was completed in December 2015. This included a review and update of existing forward planning within asset management plans.

Infrastructure assets covered within this review and update included Buildings, Roads, Parks and Gardens, Drainage, Footpaths and Cycle ways, Boat Ramps and Coastal Protection and Bridges.

The projects listed within the LTFP are a mix of new and renewal projects, the renewal projects were generated through the asset management plans and the new projects are generated by other sources such as strategic documents, community requests and officer recommendations.

The updated figures aim to best reflect the current strategic directions of the Council with regards to infrastructure assets expenditure, this includes the inclusion of figures from the current Draft Asset Management Plan for the GLC, Renewal / New Split for expenditure of footpaths and cycle ways and increased expenditure for narrow seal (3.5m wide) rural roads.

Council Decision / Committee Recommendation and Officer Recommendation

C1602/028 Moved Councillor G Bleechmore, seconded Councillor P Carter

That the Council notes the Finance Committee Information Bulletin for the month of November / December 2015.

CARRIED 8/0

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11. PLANNING AND DEVELOPMENT SERVICES REPORT

11.1 AMENDMENT 13 TO LOCAL PLANNING SCHEME 21 AND MODIFIED BROADWATER STRUCTURE PLAN PRECINCT 2 (WESTERN CELL) - CONSIDERATION FOR ADOPTION FOR FINAL APPROVAL

SUBJECT INDEX:	Town Planning Schemes and Amendments
STRATEGIC OBJECTIVE:	Our natural environment is cared for and enhanced for the enjoyment of the community and visitors.
BUSINESS UNIT:	Strategic Planning and Development
ACTIVITY UNIT:	Strategic Planning and Development
REPORTING OFFICER:	Principal Strategic Planner - Louise Korovesi
AUTHORISING OFFICER:	Director, Planning and Development Services - Paul Needham
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Location Plan Attachment B Existing and Proposed Zoning Attachment C Endorsed Broadwater Structure Plan (Precinct 2 - Western Cell) Attachment D Modified Broadwater Structure Plan (Precinct 2 - Western Cell) Attachment E Schedule of Submissions Attachment F Schedule of Modifications

PRÉCIS

The Council is requested to consider adopting for final approval proposed Scheme Amendment 13 to Local Planning Scheme 21 (LPS21), which seeks to include approximately 11 hectares of land that is currently zoned and structure planned for urban purposes within the 'Conservation' zone. Modifications to the endorsed Broadwater Structure Plan (Precinct 2 – Western Cell) are also proposed that reflect changes to land use sought through the amendment.

The land the subject of the amendment forms part of the landholdings collectively known as 'Nilgup Park'. Areas within Nilgup Park have significant environmental values, including wetlands and associated vegetation afforded protection by the Environmental Protection (Swan Coastal Plain Lakes) Policy 1992 (EPP) and stands of WA Peppermint Trees that form habitat for the endangered Western Ringtail Possum. The amendment area is also contiguous with land that is already zoned 'Conservation' and includes part of Lake Nilgup and The Broadwater (both of which are EPP wetlands). The intent of the amendment and associated modifications to the Broadwater Structure Plan is to retain and protect in perpetuity these important environmental features for conservation purposes through a more appropriate 'Conservation' zoning and inclusion in the Department of Parks and Wildlife Nature Conservation Covenant Programme.

The proposal was advertised for 42 days ending 2 December 2015. Of the seven submissions received, no objections were raised. Officers are recommending that the amendment and proposed modified Broadwater Structure Plan are adopted for final approval, with an additional modification relating to the rezoning of Lot 8004 Higgins Drive and Lot 8009 Clematis Way, Broadwater from 'Residential' to 'Reserve for Recreation' (in response to a request raised in a submission from the Department of Parks and Wildlife), and referral to the Western Australian Planning Commission.

BACKGROUND

The proposal comprises a scheme amendment and associated modifications to the Broadwater Structure Plan (Precinct 2 – Western Cell) and relates to a number of landholdings collectively known

as 'Nilgup Park'. The location of the subject land is shown at Attachment A. Although zoned and structure planned for urban purposes, the land remains undeveloped.

The land is mostly flat, with some gentle undulation, and is partially cleared which reflects its historic use for agriculture. It also contains wetlands and remnant vegetation (WA Peppermint Trees) that provide habitat for the endangered Western Ringtail Possum. The original homestead is located on Lot 50 with other farm buildings and infrastructure located within the subject landholdings.

A firebreak is located along the boundary of the subject land with existing residential development and public open space. In addition to the existing firebreak, cleared land separates existing residential development from scattered stands of remnant vegetation.

Each component of the proposal is outlined below under appropriate subheadings.

Scheme Amendment

The scheme amendment proposes to rezone -

1. Lot 9009 Beachfields Drive and portion of Lot 1 Bussell Highway from 'Residential R20' to 'Conservation' and 'Reserve for Recreation'.
2. Portion of Lot 50 Bussell Highway from 'Residential R20' and 'Reserve for Recreation' to 'Conservation'.
3. Portion of Lots 0 and 30 Bussell Highway from 'Residential R20', 'Tourist' and 'Reserve for Recreation' to 'Conservation'.
4. Portion of Lot 9008 Kooljak Road from 'Residential R20' and 'Reserve for Recreation' to 'Conservation' and 'Reserve for Recreation'.
5. Portion of Lot 176 Bussell Highway from 'Conservation' to 'Reserve for Recreation'.

The existing and proposed zoning maps are provided at Attachment B.

Proposed Modified Broadwater Structure Plan (Precinct 2 – Western Cell)

The endorsed Broadwater Structure Plan (Precinct 2 – Western Cell) applies to the western portion of the Broadwater locality (bound by Bussell Highway, Cookworthy Road and Travellers Well Street) and designates the land for residential, tourist, conservation and public open space purposes (Attachment C). The proposed modified structure plan is provided at Attachment D.

The key modifications proposed are as follows -

1. Designating land currently shown as 'Residential' as 'Conservation' (approximately 11 hectares);
2. Identifying new areas of public open space (approximately 1.5 hectares);
3. Designating approximately 2 hectares of public open space as 'Conservation';
4. Designating land currently shown as 'Tourist' (approximately 7,885m²) as 'Conservation'.
5. Modifying the road and dual use path network in response to proposed land use changes.

The property has been in the same ownership for many years and the owners have a strong association with, and affinity for, the land. The owners wish to preserve and protect the environmental values of the land, especially as these relate to Lake Nilgup and remnant native vegetation. Although the intent is for the proposed 'Conservation' zoned land to be retained in private ownership, protection, rehabilitation and management arrangements will be secured through the DPaW Nature Conservation Covenant Programme. The programme will support, and have input into such matters as: areas to be rehabilitated; rehabilitation measures; fauna surveys/management

plans and ongoing management measures (including the preparation and implementation of a fire management plan, as stated as a new condition on the modified structure plan).

The proposal will facilitate the subsequent creation of three conservation lots. It is intended to subdivide and amalgamate Lots 176, 30, 0, 9008 and 9009 to form one conservation lot, with the balance of Lots 50 and 1 as separate conservation lots. Lot 50 includes the existing homestead with an identified building envelope. The modified structure plan removes the opportunity to develop additional dwellings.

The intent of the proposal is to retain urban cells identified within Lots 9008, 50 and 1 where they are clearly suitable for development (within cleared areas and adjacent to the existing road network and service infrastructure). The modified road and dual use path network provide for connectivity to the adjoining land to the east (that is zoned for urban development and subject to the Broadwater Structure Plan - Precinct 1). Excluding the land the subject of the proposal, the undeveloped areas within the Broadwater Structure Plan Precincts 1 & 2 could deliver approximately 305 residential lots.

The 'Tourist' zoned site was originally identified during the preparation of the Broadwater Structure Plan because at that time the landowners intended to establish a private 'conservation park' on the adjoining landholdings. This is no longer an aspiration of the landowners. The City's *Local Tourism Planning Strategy* does not include any reference to this site, and there does not appear to be any other strategic rationale for retaining the site for tourism purposes. Condition 2 on the endorsed Broadwater Structure plan has, therefore, been removed as it related specifically to the approval of a private 'conservation park'. Notwithstanding this, the proposed conservation covenant will address all matters relating to the management of the ongoing conservation area.

In terms of public open space provision, the proposed modifications would result in a net reduction of approximately 0.5ha. Given that the proposal intends to reallocate approximately 11 hectares of undeveloped residential land for conservation purposes, the reduction in POS provision is considered to be very minor. Public open space is retained in the northwest portion of Lot 9009 as per the endorsed structure plan as it is identified for drainage purposes. New areas of public open space proposed within Lots 176 and 1 will consolidate existing and proposed open space area, including cleared areas for passive/active recreational uses.

A Drainage Concept Plan was endorsed as part of the Broadwater Structure Plan. This provided information on catchment areas, basin storage capacities, 100yr flood routes etc and identified the location of major drainage basins. Drainage basin locations are retained within Lots 9009 and 9008 on the modified structure plan, in accordance with the Drainage Concept Plan. Future residential development within the balance of Lot 1 will be directed to an existing detention basin in accordance with the Drainage Concept Plan.

STATUTORY ENVIRONMENT

The *Planning and Development Act 2005* outlines the relevant considerations when preparing and amending local planning schemes. The relevant provisions of the Act have been taken into account in preparing this amendment. The key elements of the statutory environment with respect to the proposal are set out in the endorsed Broadwater Structure Plan (Precinct 2 – Western Cell). The modified structure plan identifies land for residential, tourist, conservation and public open space purposes.

The proposed modified structure plan was prepared to facilitate and guide urban development in the locality by: identifying residential planning codes to regulate the future density of residential development; creating conservation areas and buffers to the Broadwater wetlands; providing adequate areas of active and passive public open space and urban bushland; and creating a legible pedestrian and road network. It is considered that the proposed modifications retain the intrinsic

values of the endorsed Broadwater Structure Plan and in doing so, will facilitate the protection of remnant vegetation and habitat that could otherwise have been lost as a result of urban development, delivering a better outcome in terms of conservation objectives for the Broadwater locality generally.

RELEVANT PLANS AND POLICIES

The key policy implications for consideration of the proposed amendment are set out in the Western Australian Planning Commission's *Statement of Planning Policy No. 1 State Planning Framework*; *Statement of Planning Policy No. 2 Environment and Natural Resources Policy*; *Environmental Protection (Swan Coastal Plain Lakes) Policy 1992*; *City of Busselton Draft Local Planning Strategy*; *State Planning Policy 3.7 Planning in Bushfire Prone Areas / Guidelines for Planning in Bushfire Prone Areas 2015* and *Local Planning Policy 9B Bushfire Protection Provisions*. Each is addressed below under appropriate subheadings.

Statement of Planning Policy No. 1 State Planning Framework

SPP1 sets out (amongst other things) key environmental principles to guide the way in which planning decisions are made. A key statement relevant to the consideration of this proposal is that planning should promote the conservation of ecological systems and the biodiversity they support including ecosystems, habitats, species and genetic diversity.

Statement Planning Policy No. 2 - Environment and Natural Resources Policy

The purpose of SPP2 is to guide the land use planning and decision making of local governments and the Western Australian Planning Commission in protecting, conserving and enhancing the natural environment.

General measures set out in SPP2 of particular relevance to the consideration of this proposal are -

- Actively seek opportunities for improved environmental outcomes including support for development which provides for environmental restoration or enhancement; and
- Support conservation, protection and management of native remnant vegetation where possible, to enhance soil and land quality, water quality, biodiversity, fauna habitat, landscape, amenity values and ecosystem function.

Of particular relevance to this proposal, SPP2 sets out that planning strategies, schemes and decision making should (amongst other things) -

- Consider mechanisms to protect, manage, conserve and enhance wetlands of importance, Ramsar-listed wetlands and wetlands identified in any relevant Environmental Protection Policy, such as the Swan Coastal Plain Lakes EPP (see below); and
- Assist in establishing a comprehensive, adequate and representative conservation system throughout the State for flora, fauna habitat, landscapes, waterways, estuaries and wetlands.

Environmental Protection (Swan Coastal Plain Lakes) Policy 1992

Environmental Protection Policies (EPPs) are policies developed under the *Environmental Protection Act 1986* and have the force of law. EPPs are developed to establish environmental values and quality objectives for a particular environment or component of the environment. The purpose of this EPP is to protect the environmental values of lakes (wetlands) on the Swan Coastal Plain. Unless authorised by the Environmental Protection Authority, it is an offence to fill, drain, excavate, pollute or clear lakes identified by the policy.

Draft Local Planning Strategy

The draft Local Planning Strategy (LPS) sets out the long term (25yrs +) strategic planning direction for the City and provides the overarching, strategic rationale for decisions relating to the planning and development of the District. The draft LPS establishes an urban growth area framework that identifies current growth areas (land mostly already identified and zoned in Local Planning Scheme 21) and medium-term growth areas (10 – 15yrs+) that will require rezoning and structure planning before development can occur. Broadwater is one of ten current growth areas (such as Dunsborough Lakes, Vasse and Yalyalup) and an important element of the draft LPS is to support a continued supply and choice in urban land supply commensurate with projected population growth.

Population projections and residential land supply/demand models that underpin the draft LPS urban growth areas framework indicate that, even with the reduction in urban land in the Broadwater locality proposed by this amendment, there is sufficient zoned and structure planned land to accommodate desirable urban growth for at least the next 15 years.

The draft LPS also identifies the need to plan for environmental change and risk, especially in the context of predicted sea level rise and the associated risk of coastal inundation and inland flooding arising from climate change. In this regard, the coastal wetland chain that extends from Dunsborough through Broadwater to the Vasse-Wonnerup estuaries (identified in the draft LPS to remain as rural and reserved land) has an important natural drainage and floodwater storage function that will assist in flood inundation management.

This aspect was also a relevant consideration during the preparation of the current endorsed Broadwater Structure Plan (Precincts 1 & 2) in setting aside flood-prone land from development.

Local Planning Policy 9B Bush Fire Protection Provisions, State Planning Policy 3.7 Planning in Bushfire Prone Areas and Guidelines for Planning in Bushfire Prone Areas 2015

Local Planning Policy 9B (LPP 9B) addresses bush fire protection issues associated with development and subdivision, and guides decision making in relation to town planning scheme amendments and applications for approval of structure plans/development guide plans.

The land the subject of the amendment is designated '*Urban – Not Prone to Bush Fire*' pursuant to the City's bush fire prone area mapping. The adjoining '*Conservation*' zoned land is not subject to the bush fire prone area mapping, probably because it contains a large open water body ('The Broadwater').

The City's LPP 9B provides additional guidance to the provisions of the WAPC's current Guidelines for Planning in Bushfire Prone Areas (2015). The Guidelines determine standards for assessment of planning proposals in bushfire prone areas, and the requirement to identify bush fire risk at the structure plan stage to identify if the location is suitable for development and what safeguards are needed.

In this case, the intent of the proposal is to identify areas for rehabilitation within the new conservation area as part of the DPaW Nature Conservation Covenant Programme. The covenant is likely to include rehabilitation measures such as revegetation and as such a fire management plan will need to be prepared, approved and implemented as part of that process. This will be addressed at the subdivision stage - an approach supported by the Department of Fire and Emergency Services.

FINANCIAL IMPLICATIONS

There are no direct financial implications arising from the recommendations of this report.

Long-term Financial Plan Implications

Nil.

STRATEGIC COMMUNITY OBJECTIVES

The proposal is considered to be consistent with the following objectives of the City's *Strategic Community Plan 2013 – 'Our natural environment is cared for and enhanced for the enjoyment of the community and visitors.'*

RISK ASSESSMENT

An assessment of the potential implications of implementing the Officer Recommendation has been undertaken using the City's risk assessment framework. The assessment identified 'downside' risks only, rather than upside risks as well. The implementation of the Officer Recommendation will involve adopting the draft scheme amendment for final approval and referring it to the Western Australian Planning Commission. In this regard, there are no significant risks identified.

CONSULTATION

Pursuant to section 48A of the *Environment Protection Act* and section 81 of the *Planning and Development Act 2005* the amendment was referred to the EPA, which advised it had no advice or recommendations to provide.

The amendment was advertised for public consultation for 42 days from 2 November 2015 to 6 January 2016. Seven government agency submissions were received and no objections were raised (Attachment E is the Schedule of Submissions). The Department of Parks and Wildlife has requested that consideration be given to rezoning Lot 8004 Higgins Drive, Broadwater (Reserve 48244) from 'Residential' to 'Reserve for Recreation'. This is discussed further under the Officer Comment section following.

OFFICER COMMENT

In considering the proposal, the key element for consideration is balancing urban land supply needs with conservation objectives for the Broadwater area.

The objective of the scheme amendment and modified Broadwater Structure Plan is to protect and retain in perpetuity the significant environmental values evident within Nilgup Park. The proposal will place the whole of Lake Nilgup and its associated vegetation, along with stands of WA Peppermint Trees that form habitat for the endangered Western Ringtail Possum, within the 'Conservation' zone; with ongoing protection, rehabilitation and management arrangements (including fire management) to be secured through the DPaW Nature Conservation Covenant Programme.

The amendment area is contiguous with land already zoned and reserved for conservation and recreation purposes that includes part of Lake Nilgup and The Broadwater. The adjoining land also forms part of an 'environmental corridor' of reserved land that links the Nilgup Park, Broadwater and New River wetlands with the Ramsar-listed Vasse-Wonnerup estuaries, all of which are EPP wetlands.

Population projections and residential land supply/demand models that underpin the draft LPS urban growth framework indicate that, even with a reduction of developable urban land in the Broadwater locality proposed by this amendment, there is sufficient zoned and structure planned land to accommodate desirable urban growth for at least the next 15 years. The draft LPS also proposes the timely commencement of planning processes for medium-term growth urban areas so that market

choice and supply in residential estates can be managed and maintained through that timeframe, commensurate with projected population growth.

In this regard, officers are of the view that the amendment will not have a material impact on urban land supply needs. The proposal presents a unique, landowner-driven opportunity to secure additional conservation zoned land in a locality that contains some of the most important environmental values and qualities in the District.

The Department of Parks and Wildlife has requested that consideration be given to rezoning Lot 8004 Higgins Drive, Broadwater (Reserve 47860) from 'Residential' to 'Reserve for Recreation' in recognition of the fact that: it is identified on the current Broadwater Structure Plan (Precinct 2 – Western Cell) and also on the proposed modified structure plan as public open space; the lot has already been created as a Reserve for Recreation and transferred to the State via a previous planning approval (therefore the land is in public ownership and the change in zoning would *not* trigger any potential claim for injurious affection); and it is zoned 'Residential' in LPS21, which is effectively an anomaly. Officers note that Lot 8009 Clematis Way, Broadwater (Reserve 48244) is also subject to the same circumstances. Inclusion of these two lots in the scheme amendment, and their rezoning from 'Residential' to 'Reserve for Recreation', would serve to correct the anomaly and has therefore been included as part of the Officer Recommendation.

CONCLUSION

Officers are recommending that Amendment 13 to Local Planning Scheme No. 21 be adopted for final approval, with an additional modification relating to the rezoning of Lot 8004 Higgins Drive and Lot 8009 Clematis Way, Broadwater as described in the previous section of this report.

OPTIONS

Should the Council not support the Officer Recommendation the Council could –

1. Resolve not to adopt the amendment for final approval and provide a reason for such a decision.
2. Resolve to adopt the amendment for final approval, subject to further modification(s).

Officers consider that there are no substantive issues that would support either option.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The implementation of the Officer Recommendation will involve referral of the Scheme Amendment documents to the Western Australian Planning Commission. This will occur within 21 days of the resolution.

Council Decision and Officer Recommendation**C1602/029**

Moved Councillor G Bleechmore, seconded Councillor P Carter

That the Council:

1. In pursuance of Part V of the *Planning and Development Act 2005*, adopts Amendment No. 13 to the City of Busselton Local Planning Scheme No. 21 for final approval, for the purposes of:
 - a. Rezoning Lot 9009 Beachfields Drive and portion of Lot 1 Bussell Highway, Broadwater from 'Residential R20' to 'Conservation' and 'Reserve for Recreation'.
 - b. Rezoning portion of Lot 50 Bussell Highway, Broadwater from 'Residential R20' and 'Reserve for Recreation' to 'Conservation'.
 - c. Rezoning portion of Lots 0 and 30 Bussell Highway, Broadwater from 'Residential R20', 'Tourist' and 'Reserve for Recreation' to 'Conservation'.
 - d. Rezoning portion of Lot 9008 Kooljak Road, Broadwater from 'Residential R20' and 'Reserve for Recreation' to 'Conservation' and 'Reserve for Recreation'.
 - e. Rezoning portion of Lot 176 Bussell Highway, Broadwater from 'Conservation' to 'Reserve for Recreation'.
 - f. Amending the Scheme Map accordingly.
2. Pursuant to r.53 of the Planning and Development (Local Planning Schemes) Regulations 2015, resolves to endorse the Schedule of Submissions at Attachment E prepared in response to the public consultation undertaken in relation to Amendment No. 13.
3. Pursuant to r.50(3) of the Planning and Development (Local Planning Schemes) Regulations 2015, resolves to support the modification to draft Amendment No.13 shown in the 'Schedule of Modifications' at Attachment F, prepared to address issues raised in submissions received in response to public consultation.
3. Pursuant to deemed provision 20(2)(e) of the Planning and Development (Local Planning Schemes) Regulations 2015 recommends that the Western Australian Planning Commission adopts the modified Broadwater Structure Plan Precinct 2 (Western Cell).
4. Pursuant to r.53 and r.55 of the Planning and Development (Local Planning Schemes) Regulations 2015 resolves to provide draft Amendment No. 13 to the City of Busselton Local Planning Scheme No. 21, to the Western Australian Planning Commission with a request for the approval of the Hon. Minister for Planning.
5. Pursuant to r.56 of the Planning and Development (Local Planning Schemes) Regulations 2015, should directions be given that modifications to draft Amendment No. 13 are required, these modifications are to be undertaken accordingly, on behalf of the Council, unless they are considered by Officers to be likely to significantly affect the purpose and intent of the draft Amendment, in which case the matter shall be formally referred back to the Council for assessment and determination.

CARRIED 8/0**EN BLOC**

12. ENGINEERING AND WORKS SERVICES REPORT

Nil

13. COMMUNITY AND COMMERCIAL SERVICES REPORT**13.1 ARTGEO RESIDENT ARTISTS LEASE STUDIO 1**

SUBJECT INDEX:	ArtGeo
STRATEGIC OBJECTIVE:	A City where the community has access to quality cultural, recreation, leisure facilities and services.
BUSINESS UNIT:	Community Services
ACTIVITY UNIT:	Community Services
REPORTING OFFICER:	Manager, Community Services - Maxine Palmer
AUTHORISING OFFICER:	Director, Community and Commercial Services - Naomi Searle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Nil

PRÉCIS

The two stables located at the rear of the Old Courthouse Courtyard at the ArtGeo Cultural Complex ("the Complex") have been used as artists' studios since the 1980s. One of the stables (Studio 2) was recently leased to two artists for a nine month period to the 30 September 2015. Subsequently two applications were received from the remaining stable (Studio 1).

The purpose of this report is to provide the Council with the details of each of the two applications for Studio 1, outcomes of the public notice advertising the preferred proponent Mr. Sam Beard and recommendations for the terms and conditions of the lease.

BACKGROUND

The Complex comprises the ArtGeo Gallery, the Old Courthouse and Gaol Cells, the old Stables and Fodder Room, the Police Sergeants' Cottages and the Woodturners' shed. These buildings are located on three different parcels of land that make up the Complex.

Studio 1 (Stable 1) and Studio 2 (Stable 2) are located at the rear of the courtyard and form part of the Old Courthouse buildings, as shown hatched on attachment A. The Old Courthouse is located at Lot 361 and the Stables and Courtyard on Lot 453, Queen Street Busselton, which is crown land vested with the City for the purpose of "Community and Cultural Purposes".

The Stables have been artists' studios since the Arts Council commenced using the building at the end of the 1980s. Various arrangements have been in place over the years for hire or lease of the spaces. Current rents are \$60 per week for Studio 1 (\$104 per m²) and \$100 per week for Studio 2 (\$231.81 per m²). The recent market valuation (attachment B), dated 11 September 2015 indicated that the current rents were in line with the market place.

On the 4 June 2015, the City called for Expressions of Interest (Eoi) from artists seeking studio space for a period of up to twelve months. The Eoi ran for a period of 14 weeks closing on the 14 September 2015.

Only two formal submissions were received for Studio 2 from the current tenants Namaya Fox and Nalda Hoskins. Their leases expired on 30 September 2015, and they remained in occupation on a month by month basis. On 9 December 2015, Council resolved (C1512/354) to:

1. Enter into a lease, subject to the Minister for Lands approval, with Namaya Fox and Nalda Hoskins for the occupation of Studio 2, on a portion of Reserve 35361, being Lot 453, Deposited Plan 194423, Volume LR3115 Folio 243, 4 – 6 Queen Street, Busselton as shown hatched on Attachment A, subject to the terms and conditions of the lease including the following:
 - a) a term of 9 months commencing 1 January 2016;
 - b) weekly rent to be \$100 inclusive of GST and outgoings;
 - c) the tenant to be responsible for telephone and internet consumption charges applied to the leased premises;
 - d) the retail sale of items by the tenant to be prohibited from the Studio and the requirement for any sales to be transacted through the ArtGeo Courthouse; and
 - e) other terms and conditions appropriate to the use of the Studio.

Later in December, two proposals were received for Studio 1. One from Patrica Lee, a theatre performance artist, dancer, author and textile/visual artist. The other from Sam Beard, a visual artist, photographer and musician, who at the time was planning to partner with Chris Desira, a writer, zine maker and amateur librarian in a collaboration called the Beach City Artists. The details of each of the applications are in this report.

Mr. Sam Beard and Mr. Chris Desira were selected as the preferred proponents and the disposition was advertised for a period of 14 days in accordance with the section 3.58 of the Local Government Act. The advertising closed on 3 February 2016 and no submissions were received. However, on 28 January, notification was received from Sam Beard, that Chris Desira could no longer enter into a lease due to personal reasons, but Sam was still very committed to leasing the studio as a sole artist.

STATUTORY ENVIRONMENT

Section 3.58 of the Local Government Act 1995 (LGA) relates to the disposal of property by a local government and disposal is defined to include leasing.

Local Governments are compliant with the LGA if the procedure under section 3.58(3) is followed. This requires the publishing of prior notice to the local public of the proposed disposition which describes the property concerned, gives details of the proposal and invites submissions to be made before a specified date, not less than two weeks after the notice is first given. Any submissions received before the date specified in the notice must be considered and if a decision is made by the council or a committee, the decision and the reasons for it must be recorded in the minutes of the meeting at which the decision was made.

Section 3.58(4) of the LGA requires that the disposition includes either a valuation not more than six months old or a declaration by resolution that a valuation older than 6 months is considered a true indication of the value at the time of the disposition. A formal valuation of Studios 1 and 2 was obtained on the 11 September 2015 (see Attachment B).

Studio 1 is located on a part of Reserve 35361, being Lot 453, Plan 182761, Volume LR3013 Folio 834, 4 Queen Street, Busselton. The land is vested with the City with the power to lease for any term not exceeding 21 years, subject to the consent of the Minister for Lands, for the designated purpose of "Community and Cultural Purposes".

RELEVANT PLANS AND POLICIES

The provision of resident artist opportunities at the Complex is in line with the ArtGeo Cultural Complex Business Plan 2014/15 – 2018/19 and the designated purpose of the land for community and cultural purposes.

FINANCIAL IMPLICATIONS

The current rent amount to lease Studio 1 is \$60 per week inclusive of GST and outgoings. A market rental value of between \$57.69 to \$62.46 per week (inclusive of GST and outgoings) was provided by an independent valuer on the 15 September 2015. This rental amount is in line with the recent market valuation and therefore it is recommended that the terms remain unchanged but is adjusted by CPI annually.

Long-term Financial Plan Implications

The recommended rental income supports the achievement of revenues forecast in the Long Term Financial Plan for the Complex.

STRATEGIC COMMUNITY OBJECTIVES

The request to enter into a lease with the Mr. Sam Beard is consistent with the following City of Busselton Strategic Priorities:

- 2.1 A City where the community has access to quality cultural, recreation, and leisure facilities and services.
- 2.2 A City of shared, vibrant and well planned places that provide for diverse activity and strengthen our social connections.
- 2.3 Infrastructure assets that are well maintained and responsibly managed to provide for future generations.

RISK ASSESSMENT

There are no identified risks of medium or greater associated with the officer recommendation, with the recommendation serving to mitigate the risks associated with there not being a lease in place.

CONSULTATION

City Staff have kept the proponents informed about the process and consulted with them on their submissions.

The disposition was advertised for a period of 14 days in accordance with the section 3.58 of the Local Government Act. The advertising closed on 3 February 2016. No submissions were received.

OFFICER COMMENT

Two proposals were received to lease Studio 1 at the ArtGeo Cultural Complex. These have been independently assessed by Officers using a selection criteria matrix developed over a number of years for the Resident Artist leases. The details of the assessment follow;

Submission 1

Patricia Lee is a theatre performance artist, dancer, author and textile/visual artist. She is trained in textile arts and studied pottery, textiles, mosaics, silk and fabric painting, has performed and danced for many years in Manjimup and Busselton and written and self-published three books. Patricia

proposed to use the studio for a new initiative, "Mermaid Theatre Arts," to produce costumes and props for local community performances including the Fringe Festival and produce a body of work connecting the arts with the local marine environment and its mythical possibilities. Patricia's proposal had strong local links and provides opportunity for collaboration and connection with other Cultural Precinct stakeholders. However, Patricia indicated she would be away travelling and there was a concern the studio could look like a prop and costume store room (similar to the Acting Up cottage) when not in use. Patricia has been offered rehearsal space in the Acting Up studio and Officer's recommend Patricia collaborates with them to use their space which would fill her needs and help to increase the activation of the cottage during daytime hours. This could be by a sublease arrangement with permission from the City.

Submission 2

Originally this submission was from Sam Beard and Chris Desira, who volunteer at the ArtGeo Cultural Complex. Sam is a visual artist, photographer and musician. He studied visual arts, contemporary craft and business at the South West Institute of Technology (SWIT) in Busselton and is studying for a Bachelor of Art from Edith Cowan University (ECU) South West Campus. He has exhibited at Bunbury Regional Art Gallery, Donnybrook, Margaret River and ECU. Chris Desira is a writer, zine maker and amateur librarian. His zines combine writing, illustration, ink work, painting and image collage. Sam and Chris proposed a number of projects for use of the studio. These included:

- A Busselton History Art book, which tells the history of Busselton through the history of the Courthouse and juxtaposes historic and modern photography of the same places and scenes.
- The people's typewriter which anyone can write in at the studio to develop a free form poem written by the hundreds of people which will then be scanned and published.
- A graffiti board/paper which visitors can draw onto with supplied art equipment with a view to producing an exhibition for the community by the community.
- Visitor portraits
- Artists prints of high quality works in various sizes and price ranges to enable a higher level of public purchase of locally made imagery.
- Podcasts of visitor interviews, poems, readings and recordings of acoustic music about what's going on in the space and;
- Guest artists.

Sam and Chris also planned how they would market and promote the studio and their projects using online media, local newspapers and by collaborating with other community, youth and arts initiatives.

On 28 January, during the advertising of the public disposition, notification was received from Sam Beard that due to personal reasons Chris Desira had to withdraw from their partnership and the proposed lease. Sam is still committed to lease the studio as a solo artist and to achieve the projects proposed above. Given that no submissions were received for either party in response to advertising the disposition, Officers recommend Studio 1 is still leased to Mr. Sam Beard as a solo artist.

The current rent amount to lease Studio 1 is \$60 per week inclusive of GST and outgoings. A market rental value of between \$57.69 to \$62.46 per week (inclusive of GST and outgoings) was provided by an independent valuer on the 15 September 2015. This rental amount is in line with the recent market valuation and therefore it is recommended that the terms remain unchanged but is adjusted to add CPI on 1 July 2016.

The existing leases provide that the tenants shall not operate a retail business from the studios. The tenants may sell their artwork but only through the Courthouse and not direct to the public. This enables the complex to earn a small commission to contribute to the cost of facilities available to the artists and their audience. It is therefore proposed that the provisions of the new lease include a

similar restriction, as occurred for Studio 2. Should the tenants conduct any direct retail sale from the Studio this would constitute an actionable breach.

CONCLUSION

Whilst both applications offered a number of benefits Sam Beard scored higher in the selection criteria, due to the extent of new and varied mediums, the higher degree of interactive projects proposed and his links with SWIT, ECU and local youth. These ideas support the ArtGeo Business Plan goals to:

- Promote and tell the story of the heritage-listed site in engaging, contemporary ways.
- Identify innovative and engaging ways to implement new initiatives and vibrant arts, entertainment, audience development and event opportunities and
- Engage with the local community and visitors to the complex to find ways to encourage repeat visitation and a strong attachment to the place.

Sam is an emerging young artists who will bring something completely different to the complex. For these reasons, Mr. Sam Beard is recommended as the preferred proponent. The disposition was advertised for a period of 14 days in accordance with the section 3.58 of the Local Government Act. At the time Chris Desira was also listed as a preferred proponent, however he had to withdraw due to personal reasons. The advertising closed on 3 February 2016 and no submissions were received for either party.

It is therefore recommended Studio 1 is leased to Mr. Sam Beard for a period of nineteen months, commencing on or before 1 March 2016. This term would keep the annual lease renewal program to an October commencement date and avoid the necessity to seek new tenants in such a short time period.

OPTIONS

1. Council can resolve to select Patricia Lee as the preferred proponent and re-advertise the proposed disposition or;
2. Council can resolve not to enter into a lease with either party at this stage and re-advertise the premises at the current market rent.
3. Council can resolve to enter into a different term of lease with Mr. Sam Beard.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

A lease would be forwarded to the Minister for Lands for preapproval following the Council's decision. It is anticipated that signing of the lease would be on or before the 1 March 2016

Council Decision and Officer Recommendation

C1602/030

Moved Councillor G Bleachmore, seconded Councillor P Carter

That the Council:

1. Enter into a lease, subject to the Minister for Lands approval, with Mr. Sam Beard for the occupation of Studio 1, on a portion of Reserve 35361, being Lot 453, Deposited Plan 194423, Volume LR3115 Folio 243, 4 – 6 Queen Street, Busselton as shown hatched on Attachment A, subject to the terms and conditions of the lease including the following:
 - a) a term of 19 months commencing 1 March 2016;

- b) weekly rent to be \$60 inclusive of GST and outgoings;
- c) weekly rent to be increased by CPI annually
- d) the tenant to be responsible for telephone and internet consumption charges applied to the leased premises;
- e) the retail sale of items by the tenant to be prohibited from the Studio; and
- f) other terms and conditions consistent with the City's existing Studio leases

CARRIED 8/0

EN BLOC

14. FINANCE AND CORPORATE SERVICES REPORT

Nil

15. CHIEF EXECUTIVE OFFICER'S REPORT**15.1 REVISED BUSSELTON FORESHORE MASTERPLAN AND MODIFIED BUSSELTON FORESHORE STRUCTURE PLAN - CONSIDERATION AFTER PUBLIC CONSULTATION**

SUBJECT INDEX:	Busselton Foreshore Masterplan
STRATEGIC OBJECTIVE:	A City of shared, vibrant and well planned places that provide for diverse activity and strengthen our social connections.
BUSINESS UNIT:	Major Projects
ACTIVITY UNIT:	Major Projects
REPORTING OFFICER:	Major Projects Officer - Mersina Robinson Strategic Projects Officer - Tracey King Principal Strategic Planner - Louise Korovesi
AUTHORISING OFFICER:	Chief Executive Officer - Mike Archer
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Existing Masterplan Attachment B Revised Busselton Foreshore Masterplan Attachment C Busselton Foreshore Upgrade Stage 3 Masterplan Attachment D Endorsed Busselton Foreshore Development Guide Plan Attachment E Modified Busselton Foreshore Structure Plan Attachment F Public Consultation Proposed Revised Busselton Foreshore Masterplan

PRÉCIS

The Council is requested to formally adopt a revised Busselton Foreshore Masterplan following community consultation. Minor changes to the endorsed Busselton Foreshore Development Guide Plan (now to be known as a 'Structure Plan', reflecting charged terminology set out at State level) are also proposed that reflect the revised Busselton Foreshore Masterplan.

Community consultation on proposed revisions to the Busselton Foreshore Masterplan ended on 31 January 2016 and based on feedback received, it is considered that there is broad community support. Proposed modifications to the Busselton Foreshore Structure Plan are minor and, especially given the outcomes of the Masterplan consultation, separate consultation regarding the related changes to the Structure Plan is not considered necessary.

Officers are recommending that: the revised Busselton Foreshore Masterplan be adopted; and that the proposed modified Busselton Foreshore Structure Plan be referred to the Western Australian Planning Commission for endorsement.

BACKGROUND**Busselton Foreshore Masterplan**

The proposed revisions to the Busselton Foreshore Masterplan (BFMP) are required in order to provide an alternative strategy for the Council to deliver the remainder of the redevelopment in a timely and cost effective manner (as referenced in the report presented to the Council at its 9 December Meeting - Item 15.1).

Proposed modifications to the BFMP are:

- Realignment of Foreshore Parade West around the Busselton Tennis Club;
- Deferral of the relocation of the Busselton Tennis Club to the Barnard Park Active Sport Precinct (in the short term) to enable fast tracking of redevelopment of the Central Core Activities Precinct;
- Reduced commercialisation of the Foreshore; and
- Provision for more car parking.

A copy of the existing Masterplan is at Attachment A and the revised Masterplan is at Attachment B.

Busselton Foreshore Structure Plan

The current Structure Plan was adopted by the Council in October 2014 and subsequently endorsed by the WA Planning Commission in November 2014 (Attachment C). Proposed modifications to the Structure Plan are:

- Realignment of Foreshore Parade West around the Busselton Tennis Club;
- Reduction in the number of sites identified for short stay accommodation from 5 to 3 (sites 8 and 9 are amalgamated into a single site and site 10 is included in the Busselton Jetty precinct as a Commercial Centre, with land use permissibilities in accordance with Table 1). This represents a 2,219m² reduction in total short stay accommodation site area.
- Provision for additional car parking;
- Consequential, minor changes to the written Structure Plan provisions; and
- Minor updates to the text to ensure consistency of the nomenclature of the Structure Plan with the *Planning and Development (Local Planning Schemes) Regulations 2015* (i.e. DGPs are now called Structure Plans).

The revised Busselton Foreshore Structure Plan is provided at Attachment D.

STATUTORY ENVIRONMENT

The key elements of the statutory environment with respect to this proposal are set out in the relevant objectives, policies and provisions of the *City of Busselton Local Planning Scheme 21*, the *Planning and Development (Local Planning Schemes) Regulations 2015* and the *Land Administration Act 1997*.

The Department of Lands has advised that the proposed modifications will not affect the land rationalisation process, as the intent of the adopted BFMP is not being materially altered.

The Department of Planning has confirmed that corresponding changes to the endorsed Busselton Foreshore Structure Plan are also required, requiring the approval of the Western Australian Planning Commission. This will follow consideration and adoption of the revised BFMP and Busselton Foreshore Structure Plan by the Council.

Pursuant to the *Planning and Development (Local Planning Schemes) Regulations 2015*, a structure plan may be amended by the WAPC at the request of the local government. The Regulations also provide scope for an amendment to a structure plan *not* to be advertised, if in the opinion of the local government and the WAPC, the amendment is of a minor nature.

RELEVANT PLANS AND POLICIES

The key policies relevant to the proposal are the *Busselton Foreshore Masterplan* and the *Busselton Foreshore Structure Plan*. Each is addressed below under appropriate subheadings.

Busselton Foreshore Masterplan

The BFMP is a strategic document that provides detailed guidance for the planning and development of the Busselton Foreshore extending between King Street and Ford Road and was prepared in parallel with Amendment No.173 to the City's previous District Town Planning Scheme No. 20. The amendment rezoned the Site to 'Special Purposes (Busselton Foreshore)' to facilitate the redevelopment consistent with the Masterplan.

Busselton Foreshore Structure Plan

The endorsed Busselton Foreshore Structure Plan relates to the 'Special Purposes (Busselton Foreshore)' zone that extends from West Street to Geographe Bay Road. The Plan provides guidance on land use, building heights and floor areas that reflect the BFMP.

FINANCIAL IMPLICATIONS

The financial implications as a result of adopting a revised BFMP have previously been detailed in a funding strategy for the foreshore redevelopment, as presented in Item 15.1, at the 9 December 2015 Council meeting.

At that time, the City was awaiting advice on the success or otherwise of an application to Royalties for Regions *Growing the South* fund for a \$4.5 million contribution towards the Hotel - Short Stay Tourism Accommodation Precinct. To date, no announcement has been made with regards to this funding.

Officers continue to identify external funding sources to contribute towards this project and an application will be submitted to the Australian Government *National Stronger Regions Fund*, Round 3, for a \$3 million investment towards the redevelopment of the Centre Core Activities Precinct. Applications for this program close on 15 March 2016, with announcements anticipated July 2016.

In the event that one or both of these applications are not successful, Council will have the option to revisit the foreshore funding strategy and at that time determine if these works will be deferred until such time as another opportunity for funding is identified, or reallocate funding priorities.

Long-term Financial Plan Implications

Provisional allocations for future development of the foreshore have been incorporated into the City's LTFP which currently includes a further \$7.5 million from external funding sources. The City's contribution for the finalisation of the project, anticipated at this stage to be completed in 2021, is approximately \$15.71 million, which is comprised of \$12 million of borrowings and \$3.7 million of municipal funds.

STRATEGIC COMMUNITY OBJECTIVES

The City of Busselton Strategic Community Plan 2013 (*adopted by Council 27 February 2013, reviewed April 2015*) identifies the following community objectives relevant to the Busselton Foreshore Development:

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

2.2: A City of shared, vibrant and well-planned places that provide for diverse activity and strengthen our social connections.

The Busselton Foreshore Project has been identified previously as the City's highest "local" priority project by the Council.

RISK ASSESSMENT

The risks for adopting a revised BFMP have previously been identified as: (1) reputational; should the revised plan not meet the needs of user groups of the foreshore; (2) political, should community perception be that the revised plan does not reflect aspirations of the community at large; and (3) financial, in that any decision relating to an alternate funding and delivery strategy for this multi-million dollar project carries a financial risk.

Comprehensive stakeholder consultation and widespread community information and advertising has been undertaken to mitigate associated reputational and political risks. Financial risk has been mitigated to some degree by careful consideration of alternative funding and delivery options for the remainder of the redevelopment works, with identification of and applications to external funding programs, and allocations in the City's Long Term Financial Plan.

CONSULTATION

Preliminary consultation with key stakeholders and user groups regarding the proposed modifications to the BFMP commenced in November 2015, prior to the revised plan being presented to Council. Communication with these specific groups, which includes South West Development Commission, Busselton Tennis Club, Busselton Croquet Club, Barnard Park User Group and past members of the Busselton Foreshore Reference Group (BFRG) has been ongoing.

The lessees of The Goose, Equinox and proponents for the future family restaurant/microbrewery were individually contacted. Letters of support have been received from all three proprietors for the redevelopment of the Central Core Activities Precinct in accordance with the revised Masterplan to support the City's application to NSRF; subject to Council adoption of the plan.

Discussions continue with sporting groups regarding the future development of club facilities within the Barnard Park Sporting Precinct, allowing the City to work with relevant clubs to progress to more detailed design.

Advertising for broad public feedback for the revised BFMP commenced soon after the 9 December 2015 Council decision. This consisted of the information being made available on the City's external website, advertising in the 30 December 2015 and 13 January 2015 editions of "Council for Community" and prominently featured in a two page feature focusing on the City's Major Projects in the 27 January 2015 edition of the Busselton Dunsborough Mail (Attachment E outlines the consultation programme undertaken).

Additionally, information was prominently displayed at the City's Customer Information Centre (CIC) and both the Busselton and Dunsborough Libraries. The CIC and Library staff report that there has been interest in the static displays and information flyers, with only one query fielded in relation to proposed additional parking.

To date, one email has been received, querying detail on the proposed elements of the children's play areas and generally congratulatory of the works completed to date.

No other correspondence has been received by the City; however Officers have taken note of a letter published in the local press questioning the reduction for commercial opportunity on the Foreshore.

On 19 January 2016, staff briefed representatives from the Department of Lands (DoL) regarding the proposal to proceed with a modified BFMP after consideration of public feedback. Representatives

from DoL could foresee no issue with the proposal in relation to the land rationalisation processes or existing agreements and were in principle supportive of the rationale and modifications.

The Department of Planning staff have informally advised that advertising the proposed modified Busselton Foreshore Structure Plan may be waived because there has already been consultation and there is broad community support for the revised BFMP and the changes to the Structure Plan reflect the proposed changes to the Masterplan. It should be noted, though, that this is informal advice only and does not bind the WAPC.

OFFICER COMMENT

The proposed modifications to the BFMP have been advertised in a variety of ways to ensure comprehensive consultation with key stakeholders and the wider community. As a result of feedback received, it is considered that there is broad community and key stakeholder support for the proposed revision.

Minor changes to the endorsed Busselton Foreshore Structure Plan are also proposed that reflect the changes to the revised Busselton Foreshore Masterplan. These changes are necessary to ensure that the relevant planning framework (i.e. the Structure Plan) will reflect and support the Council's strategic vision, set out in the Masterplan.

CONCLUSION

Officers are recommending that the revised Busselton Foreshore Masterplan be adopted and the proposed modified Busselton Foreshore Structure Plan be referred to the Western Australian Planning Commission for endorsement.

OPTIONS

Should the Officer Recommendation not be supported, the following options could be considered –

1. Seek further information on any particular matter before making a decision.
2. Resolve to adopt the proposed revised Busselton Foreshore Masterplan and proposed modified Busselton Foreshore Structure Plan, subject to further modification(s).

The assessment did not reveal any substantive issue or reasonable grounds that would support either option.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Implementation of the Officer Recommendation will involve the provision of advice of the Council resolution to the Western Australian Planning Commission within one month.

Council Decision and Officer Recommendation

C1602/031

Moved Councillor G Bleachmore, seconded Councillor P Carter

That the Council:

1. Adopts the revised Busselton Foreshore Masterplan shown at Attachment B.
2. Resolves that the proposed amendments to the Busselton Foreshore Structure Plan are minor for the following reasons:

- (i) the amendments are consistent with proposed changes to the Busselton Foreshore Masterplan and do not materially alter the intent of the Structure Plan.
 - (ii) proposed changes to the revised Busselton Foreshore Masterplan have been subject of consultation and have the broad support of the community.
3. Recommends that the Western Australian Planning Commission approves the revised Busselton Foreshore Structure Plan (at Attachment D) without modification(s).

CARRIED 8/0

EN BLOC

15.2 COUNCILLORS' INFORMATION BULLETIN

SUBJECT INDEX:	Executive Services
STRATEGIC OBJECTIVE:	Governance systems that deliver responsible, ethical and accountable decision-making.
BUSINESS UNIT:	Executive Services
ACTIVITY UNIT:	Executive Services
REPORTING OFFICER:	Reporting Officers - Various
AUTHORISING OFFICER:	Chief Executive Officer - Mike Archer
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Dunsborough and Districts Country Club - Letter of Appreciation
	Attachment B Pam Luff - Dunsborough Art Society Exhibition - Letter of Appreciation
	Attachment C Dunsborough Bay Yacht Club - Letter of Appreciation
	Attachment D Dunsborough Bay Yacht Club - Photo
	Attachment E The Busselton Art Society (Inc) - Certificate of Appreciation

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

15.2.1 Current Active Tenders

RFT15/15 UNDERWATER OBSERVATORY – CONCRETE CONDITION INSPECTION & REPORTING

The City of Busselton invited tenders for the inspection of and reporting on the structural integrity of the Busselton Jetty Underwater Observatory (UWO). The purpose is to identify any areas of deterioration and vulnerability in the structure, in order to implement future maintenance strategies. The Tender was advertised on the 10 October 2015, with the closing date on 10 November 2015. Five tender submissions were received by the City and are currently under evaluation. It is anticipated that the Tender evaluation process will be concluded in February 2016 and the assessment report presented to the CEO by early March to allow for award of the contract before the end of March. The value of the contract will not exceed \$350,000, and therefore falls within the CEO's delegated authority.

RFT 16/15 CONSTRUCTION OF LANDFILL CELL 1 AT THE DUNSBOROUGH WASTE FACILITY

The City of Busselton invited tenders for the Construction of Cell 1 at the Dunsborough Waste Facility located on Western Cape Drive. These works are to follow the bulk earthworks for Cell 1 recently completed under RFT 02/15. Construction of Cell 1 under RFT 16/15 involves the installation of associated leachate drainage and treatment infrastructure. The Tender was advertised on 24 October 2015 and closed on 01 December 2015. The Tender evaluation process was completed and the outcome of the evaluation panel presented to Council on 9 December 2015. The Council endorsed

the recommendation report to award tender RFT 16/15 – Construction of Landfill Cell 1 at Dunsborough Waste Facility to WBHO Infrastructure Pty Ltd for the total contract sum of \$1,063,838.35 (exclusive GST). Award of this Contract is subject to final minor contract commercial negotiations currently underway with WBHO.

RFT 17/15 OLD BUTTER FACTORY FIRST FLOOR COMPLIANCE

The City of Busselton invited tenders for the Old Butter Factory First Floor Compliance refurbishment works. The purpose of the works is to ensure the Old Butter Factory remains structurally compliant and operational for current and future users. The Tender was advertised on 31 October 2015 and closed on 19 November 2015. Only one tender submission was received. The panel completed the tender evaluation process and agreed that the one submission received satisfies the requirements of the City and presents value for money. However, as the value of this submission was above the City's initial budget for the works, additional funding was requested via a report presented to Council (C1512/361). The Council endorsed the recommendation to approve additional funds, increasing the budget for this project to \$187,000.00 Ex GST. The value of the contract did not exceed \$350,000, and therefore falls within the CEO's delegated authority. The Contract resulting from RFT17/15 was awarded to Innovest Constructions on 01 February 2016, for a value of \$134,056.00 EX GST. Works are scheduled to commence on site mid-February 2016.

RFT 19/15 CONSTRUCTION OF THE NEW TRANSFER STATION AT BUSSELTON WASTE FACILITY

The City of Busselton invited tenders for the construction of the new transfer station at the Busselton Waste Facility. The project includes construction of a new state of the art multifunctional facility, comprised of a community recycling drop-off area, light and heavy vehicle multi-tiered drop-off area for putrescible waste, as well as associated stormwater drainage and road access infrastructure. The Tender was advertised on 26 December 2015 with an initial closing date for submissions of 29 January 2016. Due to a number of technical queries from prospective tenderers the closing date has been extended to 26 February 2016. The value of the contract is likely to exceed the CEO's delegated authority and will have to be awarded by Council. It is anticipated that the evaluation will be completed and a report presented to Council no later than April 2016.

2016

RFT 01/16 CITY OF BUSSELTON CORPORATE UNIFORM PROVISION

The City of Busselton has invited tenders for the provision of the City's corporate uniforms. The successful supplier will supply the City's corporate wardrobe as required for a period of three years. The Tender was advertised on 16 January 2016 with a closing date for submissions of 11 February 2016. The value of the contract will not exceed \$350,000, and therefore falls within the CEO's delegated authority. It is anticipated that the evaluation will be completed and a report presented to the CEO in February.

RFT 02/16 VASSE SPORTING PRECINCT STAGE 1 – SUPPLY & LAY TURF

The City of Busselton has invited tenders for the supply and installation of roll-on turf for Stage 1 of the sporting oval located in the new sports precinct under development in Vasse. The turf installation is scheduled to take place following completion of the preliminary works which are being managed in conjunction with the relevant developer. The Tender was advertised on 16 January 2016 and closed on 02 February 2016. Five conforming tender submissions and two alternative tender submissions were received. The value of the contract will not exceed \$350,000, and therefore falls within the CEO's delegated authority. It is anticipated the Tender evaluation will be completed and a recommendation presented to the CEO in February 2016.

15.2.2 Dunsborough and Districts Country Club – Letter of Appreciation

Correspondence has been received from the Dunsborough and Districts Country Club and is available to view in Attachment A.

15.2.3 Pam Luff - Dunsborough Art Society Exhibition - Letter of Appreciation

Correspondence has been received from Pam Luff and entrant to the Dunsborough Art Society Exhibition and is available to view in Attachment B.

15.2.4 Dunsborough Bay Yacht Club - Letter of Appreciation

Correspondence has been received from the Dunsborough Bay Yacht Club and is available to view in Attachment C & D.

15.2.5 The Busselton Art Society (Inc) - Certificate of Appreciation

Correspondence has been received from The Busselton Art Society (Inc) and is available to view in Attachment E.

Council Decision and Officer Recommendation

C1602/032 Moved Councillor G Bleachmore, seconded Councillor P Carter

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

- 15.2.1 Current Active Tenders
- 15.2.2 Dunsborough and Districts Country Club – Letter of Appreciation
- 15.2.3 Pam Luff - Dunsborough Art Society Exhibition - Letter of Appreciation
- 15.2.4 Dunsborough Bay Yacht Club - Letter of Appreciation
- 15.2.5 The Busselton Art Society (Inc) - Certificate of Appreciation

CARRIED 8/0

EN BLOC

ITEMS CONSIDERED BY SEPARATE RESOLUTION

At this juncture, in accordance with Clause 5.6 (3)(a) & (b) of the Standing Orders, those items requiring an Absolute Majority or in which Councillors had declared Financial, Proximity or Impartiality Interests were considered.

10.5 Finance Committee - 4/02/2016 - BUDGET AMENDMENT - VEGETATION CLEARING AROUND BRIDGES TO PROTECT FROM FIRE

SUBJECT INDEX:	Budget Planning and Reporting
STRATEGIC OBJECTIVE:	Infrastructure assets are well maintained and responsibly managed to provide for future generations.
BUSINESS UNIT:	Engineering and Facilities Services; Operations Se
ACTIVITY UNIT:	Engineering and Works Services
REPORTING OFFICER:	Engineering Management Accountant - Stephen Wesley
AUTHORISING OFFICER:	Director, Engineering and Works Services - Oliver Darby
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	Attachment A Main Roads Tuart Drive Bridge Works Complete Letter Attachment B Email from Roads to Recovery stating that the City can use the left over money

This item was considered by the Finance Committee at its meeting on 4 February 2016, the recommendations from which have been included in this report.

PRÉCIS

This report seeks to amend the City's Bridge Maintenance Budget by applying unspent Federal Government grant monies for the purpose of vegetation clearing to mitigate risk of damage to bridges due to fire.

BACKGROUND

The "Keelty Report" stemming from the February 2011 WA bushfires made a number of recommendations to mitigate bushfire risk. In accordance with Recommendation 30, MRWA inspected all known timber bridges in WA and assessed the risk posed by fire. MRWA recommended that vegetation be cleared to a radius of 10 meters either side of all bridges especially those in rural areas, constructed from timber.

Based on this recommendation City Officers reviewed its stock of bridges and priorities them based on the risk posed to road users should the bridge be destroyed or access be impeded by fire. A staged plan was then devised for the clearing of vegetation surrounding all City bridges over a number of years. To this end, a request was in the process of being prepared to seek an increase to the current Bridge Maintenance budget over the five years to facilitate these works.

The City has 31 bridges that require vegetation clearing with 24 of these constructed out of timber, 9 of which have been identified by MRWA and City technical staff as requiring priority vegetation clearing. Vegetation clearing was subsequently carried out of seven of these bridges last financial year with the remaining three having been cleared this year. To this end, there remain 22 bridges that are yet to be cleared of vegetation around their perimeter. The estimated cost of these works is within the range of \$210,000 to \$230,000 based on existing tendered rates.

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

Bridge Asset Management Plan

FINANCIAL IMPLICATIONS

The City budgets in the order of \$ \$190,000 per annum for the preventative maintenance of its bridges. These maintenance responsibilities are tied to the receipt of external funding from both the State and Federal Governments for major bridge renewal and improvement works.

One of these major projects carried out earlier in the year was on the Tuart Drive Bridge. These works were undertaken by the Main Roads Bridge Repair team and were fully funded by the Federal Government from a Special Bridge Grant totaling \$645,000. This program is a special arm under the widen Roads to Recovery Program.

These works were recently completed at a final cost of \$284,679. Upon removing the bridge deck it was found that the bridge was not in need of the extensive maintenance first thought, from initial inspections. To this end, the bridge works came in under budget by \$360,321. These monies now remain in the City's Roads to Recovery 5 year funding pool.

Advice has been sought from the Roads to Recovery Program Administrator, who has formally advised that the City can use the left-over money for the sole purpose of Bridge Maintenance activities. A condition of the funding is that it must be fully spent by 2019, representing the completion of the current 5 year funding pool.

They also advised strongly that this money should not be used to replace any existing bridge maintenance funded by the City from its own source. This would have the potential to jeopardise future funding from the State and Federal Governments under their 10 year bridge renewal program conditions. As mentioned previously there is a requirement for Local Governments to expend a certain level of its own source funds to qualify for external bridge funding.

It is recommended that a budget adjustment be made to assign a further \$360,321 to the City's Bridge Maintenance Budget, with a corresponding revenue budget for the same amount, with a large portion of these monies to be used to complete vegetation clearing around the remaining 22 bridges at an estimated cost of \$210,000 - \$230,000.

It is further recommended that any unspent maintenance monies as at 30 June 2016 be carried forward into 2016/17. These remaining funds will complement next year's bridge maintenance budget and will be used for other bride related works, namely the installation of guard rails on various yet to be determined bridges. These works will be guided by the City's Bridge Asset Management Plan.

This budget adjustment will have no financial implications on the City's overall financial position, and have no impact on net municipal funds.

STRATEGIC COMMUNITY OBJECTIVES

Nil

RISK ASSESSMENT

A per the recommendations made in the Keelty Report, if vegetation clearing is not conducted within the recommended radius of a bridge than that bridge is susceptible to damage or destruction in the event of fire.

CONSULTATION

City Officers have liaised with the Federal Governments Roads to Recovery Program Administrator and the Main Roads Bridge Coordinator.

OFFICER COMMENT

Nil

CONCLUSION

City Officers seek Councils approval to use the left over money from the Tuart Drive Bridge Project to undertake various Bridge Maintenance activities, primarily the clearing of vegetation around bridges to mitigate the risk of damage from bushfires. To this end, a budget amendment is sought to record this change in resourcing.

OPTIONS

The Council could allow the money to be returned to the Federal Government via the funding pool when it ceases in 2019 and not utilise it in bridge maintenance works as recommended.

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**C1602/033**

Moved Councillor P Carter, seconded Councillor R Reekie

ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED

That the Council:

1. Endorses an amendment to the 2015/16 budget to enable a transfer of \$360,321 of unspent capital funds from Bridge Construction Accounts, namely:
 - Credit account string grant revenue (541.A9999.1241.0000);
 - Debit account string grant revenue (541.A0017.1221.0000);to Bridge Maintenance Accounts, namely:
 - Debit account string expenditure (541.A9999.3280.0000);
 - Credit account string expenditure (541.A0017.3280.0000)to mitigate fire risk to Council Bridges; and
2. Approves any unspent funds being carried over in the 2016/17 financial year for Bridge Maintenance Asset Management purposes.

CARRIED 8/0**BY ABSOLUTE MAJORITY**

10.6 Finance Committee - 4/02/2016 - MEELUP REGIONAL PARK 2015-16 BUDGET AMENDMENT

SUBJECT INDEX:	Environmental Management Plans, Impact Studies and Reports
STRATEGIC OBJECTIVE:	Our natural environment is cared for and enhanced for the enjoyment of the community and visitors.
BUSINESS UNIT:	Environmental Services
ACTIVITY UNIT:	Environmental Services
REPORTING OFFICER:	Manager, Environmental Services - Greg Simpson
AUTHORISING OFFICER:	Director, Planning and Development Services - Paul Needham
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	Attachment A Bike Trails and Rehab Units A2

This item was considered by the Finance Committee at its meeting on 4 February 2016, the recommendations from which have been included in this report.

PRÉCIS

An assessment of Meelup Regional Park Management Zone 6, has identified the need to prepare an Asbestos Management Plan and to carry out an investigation of other contaminants of potential concern that may be present on the site. This report recommends the transfer of \$30,000 from the Waste Management Facility and Plant Reserve to the Meetup Consultancy account 425-11170-3260, to facilitate the preparation of an asbestos management plan and to develop a detailed site investigation plan.

BACKGROUND

In January 2014, Council resolved (resolution C1401/013) to support in principle the establishment of a mountain bike trail network within Meelup Regional Park Management Zone 6 (the Site), with the approach to the management of the network amongst other requirements, being that a working group is formed to complete detailed design, implementation plans and costing for the development of the first stage of a mountain bike trail network , including the ongoing maintenance and management of the network, identifying and secure funding, securing necessary environmental approvals, and to brief, inform or consult the Meelup Regional Park Management Committee and Council regarding the outcomes of that work before the commencement of on ground works.

In April 2015, Council amended its 2014 -2015 Budget and allocated \$20,000 for the purpose of undertaking a Preliminary Site Investigation of the former waste disposal site within Management Zone 6 and to prepare applications to the relevant government agencies and consult with the adjoining land manager Water Corporation for approval to establish a mountain bike trail network in Meelup Regional Park.

An application to clear vegetation for construction of some sections of the mountain bike trails has been submitted to the Department of Environmental Regulation (DER) and advice from the DER indicates that the City's application is in the final stages of assessment.

The Preliminary Site Investigation was also carried out to assess potential contamination within Management Zone 6, resulting from former waste disposal landfill activities and to identify/recommend an approach which is discussed later in this report, to manage potential contamination at the Site, and allow for the development of a mountain bike trail facility within the impacted area.

STATUTORY ENVIRONMENT

Section 6.8 of the Local Government Act 1995 refers to expenditure from the municipal fund not included in the annual budget.

Meelup Regional Park is Reserve 21629, and is Crown Land over which the City has a management order. The reserve purpose is 'Conservation and Recreation'.

Contaminated Sites Act 2003 provides for the identification, recording, management and remediation of contaminated sites.

Health Act 1911 and the relevant guidelines developed thereunder and administered through the Department of Health (WA) provide guidance for the investigation, remediation and management of asbestos-contaminated sites, based on Australian and international best practise tailored to Western Australian conditions.

RELEVANT PLANS AND POLICIES

The park is managed by City of Busselton in accordance with the Meelup Regional Park Management Plan (2010); approved by both the Council and the Minister for Lands. The Plan emphasizes the importance of conservation values in managing the Park, but also clearly supports a range of recreational uses of the Park;

In January 2014, Council resolved (resolution C1401/013) to note the Meelup Regional Park Mountain Bike Facility Trails Master Plan and Zone 6 Mountain Bike Management Plan prepared by the Cape Mountain Bikers Inc as guiding and background documents for the development of a mountain bike trail facility.

The Council has a policy relating to Waste Management Facility and Plant Reserve – Management of year end position adopted in March 2013. This policy seeks to ensure that any waste related surplus/deficit is transferred to or from the Waste Management Facility and Plant Reserve. The basis of this is to ensure that any surplus and/or associated fees and charges related to waste activities are used for future waste related purposes.

Waste management increasingly requires effective long-term financial planning and vision. While operating a waste site, long term planning considerations need to be given to the following:

- **The costs associated with post closure management;**
- Plant and equipment;
- The development of new airspace through the construction and/or expansion of new cells / cell areas;
- Securing a future site for a new waste facility once the landfill area has been exhausted;
- Investment in technology to reduce landfilling;
- Education.

Clearly, dealing with a former waste disposal landfill facility in this manner falls under post closure management of a waste site.

FINANCIAL IMPLICATIONS

The Preliminary Site Investigation recommends the preparation of an asbestos management plan and a more detailed site investigation to determine if there are other contaminants of potential concern that may require future remediation.

In order to maintain the integrity of Council's financial reporting, this report recommends an amendment to Council's 2015-16 Budget for the transfer of \$30,000 from the Waste Management Facility and Plant Reserve to the Meetup Consultancy account 425-11170-3260, to facilitate the preparation of an asbestos management plan and to conduct a detailed site investigation.

The purpose of the Waste Management Facility and Plant Reserve is –

To fund the acquisition of additional waste plant, waste facility infrastructure, waste related consultancy services and post closure management.

The proposed expenditure is associated with post-closure management of a former waste facility.

The City is currently seeking requests for quote (RFQ) to undertake the work, and anticipate the costs will be in the vicinity of \$30,000. Amendment of the budget ahead of the finalisation of the RFQ process will allow work to commence as soon as possible after quotes have been assessed, rather than having to await a subsequent budget amendment process.

Long-term Financial Plan Implications

The future works that may need to be undertaken within Management Zone 6 are expected to be identified as part of the preparation of an asbestos management plan and by conducting further site investigation. This process will identify the long term financial implications associated with the remediation of the former waste disposal landfill.

STRATEGIC COMMUNITY OBJECTIVES

The proposal is considered as relating to Key Goal Area 5 – Cared for and Enhanced Environment and Community Objective 5.1 - Our natural environment is cared for and enhanced for the enjoyment of the community and visitors.

RISK ASSESSMENT

An assessment of the potential implication of implementing the officer recommendation has been undertaken using the City's risk assessment framework. The assessment sought to identify 'downside' risks only rather than 'upside' risks and risks are only identified in this report where the risk, following implementation of controls has been identified, is medium or greater.

<i>Risk</i>	<i>Controls</i>	<i>Consequence</i>	<i>Likelihood</i>	<i>Risk Level</i>
Public inadequately protected from exposure to waste materials.	Develop and implement site remediation to ensure barriers are in place to intercept human exposure pathways.	Major	Rare	Medium

The key risk identified without some form of remediation or management, is activity within the former waste disposal areas, that causes disturbance of asbestos containing materials (ACM) and increased release of airborne asbestos fibres, with potential to effect on site and off site human health receptors.

CONSULTATION

As required by the January 2014 Council decision, a Meelup Mountain Bike Trails Working Group formed and met regularly throughout 2014 to progress the establishment of a mountain bike trail network within Meelup Regional Park management zone 6. The Working Group consist of the Meelup Regional Park Environment Officer, a City Officer and a nominee of the Meelup Regional Park Management Committee all representing the City of Busselton, two representatives from Cape Mountain Bikers Incorporated, and a representative from the Dunsborough and Districts Country Club Inc, who incidentally has not been able to attend meetings on a regular basis but is kept informed of the working groups progress.

The Cape Mountain Bikers Inc representatives on the working group are keen to progress the development of the mountain bike trail network within Meelup Regional Park, however further progress is dependent on securing the necessary DER approvals and the development of a plan to manage ACM and other contaminates of potential concern (COPC) within Management Zone 6.

OFFICER COMMENT

The Preliminary Site Investigation has confirmed the Site should be considered to be a potentially contaminated site, based on the presence of historic community waste landfill areas and the identification of ACM within the landfill areas.

As an interim response to the identification of ACM, an emu bob/hand picking of ACM has been undertaken in Management Zone 6 Site and further hand picking will be undertaken should ACM be identified.

To facilitate the development of the mountain bike trails network, management of ACM is required to reduce the possibility of ACM being disturbed and potentially affecting human health. Given the nature and potential volume of waste material deposited in the landfill areas, it is likely that in-situ treatments (i.e. coverage of ACM impacted soils at the current surface with clean fill) will be the primary approach to achieve the end land use, being revegetation of the impacted areas in a manner that also accommodates the development of a mountain bike trail facility.

This approach would require the preparation of an Asbestos Management Plan for the management of soil disturbance activities to protect the health and safety of site workers, site users, off-site residents and the general environment from adverse impacts resulting from disturbance of ACM material at the Site.

It is also recommended that a more detailed site investigation be undertaken to assess the risk posed to site users or environmental receptors in relation to other COPC associated with waste disposal in Management Zone 6. At present no empirical data is available to assess this risk. The objectives of further investigations would include confirming the presence or absence of chemicals of potential concern, the lateral and vertical extent of contamination (if present), assess potential risks to human health and environmental receptors and determine whether additional management actions are required to manage the site soils.

Council endorsement of the officer recommendation will enable the preparation of an asbestos management plan and the development of a more detailed site investigation of other COPC. However, it should be acknowledged that parts of the detailed site investigation such as the implementation of a sampling analysis quality plan which may involve seasonal sampling of ground water to establish the presence or absence of other COPC.

While the more detailed site investigations may need to be conducted over one or more years, it is intended that the Asbestos Management Plan will demonstrate to both the Department of Health

and DER that the potential risks to human health and environmental receptors can be adequately addressed by remediation with the associated site works being undertaken during the 2016-2017 financial year.

The proposed Mountain Bike Trail alignment also traverses a section of Water Corporation managed Reserve which is effectively an easement for the future installation of a water supply line. This easement also crosses through the former waste landfill areas. The Water Corporation have indicated their support for the proposed mountain bike trail alignment to access Water Corporation land and have indicated that they would like to formalize this support through a formal agreement between Water Corporation and the City. Further discussion with the Water Corporation will determine if the water supply easement can be realigned so that it does not cross through the former waste landfill area.

CONCLUSION

In order to manage potential contamination at the Site that will allow for the development of a mountain bike trail facility, this report recommends that Council endorse an amendment to the 2015-16 Budget by way of a transfer of funds from the City's Waste Management Facility and Plant Reserve for the post closure management of potential contamination within Management Zone 6, resulting from former waste disposal landfill activities.

OPTIONS

Council may resolve not to endorse the officer recommendation to amend the 2015-16 Budget to enable the preparation of an asbestos management plan and to undertake a detailed site investigation, however, the risk of release of airborne asbestos fibres, with potential to effect on site and off site human health receptors would remain.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The 2015-16 Budget will be amended immediately on endorsement of the officer recommendation. The preferred timeline for the drafting and lodgment of an asbestos management plan to the Departments of Health and Environmental Regulation in June 2016.

Council Decision / Committee Recommendation and Officer Recommendation

C1602/034 Moved Councillor R Bennett, seconded Councillor G Bleechmore

ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED

That the Council amend the 2015-16 Meelup Consultancy budget (Account 425-11170-3260-9650) from \$15,180 to \$45,180 (i.e. +\$30,000) with this additional expenditure being funded from a transfer from the Waste Management Facility and Plant Reserve, to facilitate the preparation of an asbestos management plan and to develop a detailed site investigation plan.

CARRIED 8/0

BY ABSOLUTE MAJORITY

16. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

17. CONFIDENTIAL REPORTS

Nil

18. PUBLIC QUESTION TIME

Nil

19. NEXT MEETING DATE

Wednesday, 9 March 2016

20. CLOSURE

The meeting closed at 5.33pm.

THESE MINUTES CONSISTING OF PAGES 1 TO 57 WERE CONFIRMED AS A TRUE AND CORRECT RECORD ON WEDNESDAY, 9 MARCH 2016.

DATE: 09/03/16

PRESIDING MEMBER: 