

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 AUGUST 2016

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MINUTES

MINUTES OF A MEETING OF THE BUSSELTON CITY COUNCIL HELD IN MEETING ROOM ONE, COMMUNITY RESOURCE CENTRE, 21 CAMMILLERI STREET, BUSSELTON, ON 24 AUGUST 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 Terry Best
Cr John McCallum
Cr Rob Bennett
Cr Paul Carter
Cr Robert Reekie
Cr Gordon Bleechmore

Officers:

Mr Mike Archer, Chief Executive Officer
Mr Oliver Darby, Director, Engineering and Works Services
Mr Anthony Rowe, Acting Director, Planning and Development Services
Mrs Maxine Palmer, Manager Community Services
Mr Matthew Smith, Director, Finance and Corporate Services
Mr Martyn Glover, Executive Director
Miss Hayley Barge, Administration Officer, Governance

Apologies

Mrs Naomi Searle, Director, Community and Commercial Services

Approved Leave of Absence

Nil

Media:

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

Public:

8

3. PRAYER

The prayer was delivered by Pastor Craig Rodger of Dunsborough Church of Christ.

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**Council Decision****C1608/209**

Moved Councillor G Bleechmore, seconded Councillor J McCallum

That Leave of Absence be granted to Councillor Terry Best for the 28 September 2016 Council Meeting.

CARRIED 9/0**7. PETITIONS AND PRESENTATIONS****Petition -**

A petition relating to spectator fees at the Geographe Leisure Centre was presented which stated:

“Recently I’ve had an altercation with the GLC about the payment of spectator fees at my child’s school swimming lessons. By corresponding with the City of Busselton they have noted that the “council will monitor to see if our charging regime meets with community expectations”. After speaking to a number of people it is in my opinion that it does not meet with community expectations. Why should we have to pay to show the children our support by being there. We have paid for the swimming lessons, we are there for 45 minutes at the most and don’t even use the facilities. What are we paying \$1 for then? This is a public pool for anyone of the public to use, there is no reason at all for a \$1 spectator fee to be charged.”

Council Decision**C1608/210**

Moved Councillor R Bennett, seconded Councillor P Carter

That the petition be received and referred to the CEO to prepare a report to the Council or a Committee.

CARRIED 9/0

Presentations -

Mrs Cecily Hancock addressed the Council in accordance with Section 6.1 of the Standing Orders as a party with an interest in Item 11.2. Mrs Hancock was generally not in agreement with the Officer Recommendation.

Mrs Donna Gabbott addressed the Council in accordance with Section 6.1 of the Standing Orders as a party with an interest in Item 11.2. Mrs Gabbott was generally not in agreement with the Officer Recommendation.

Mr Peter Tyrell addressed the Council in accordance with Section 6.1 of the Standing Orders as a party with an interest in Item 11.2. Mr Tyrell was generally in agreement with the Officer Recommendation.

8. DISCLOSURE OF INTERESTS

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

- Cr Grant Henley in relation to Agenda Item 13.1 - Community Sport and Recreation Facilities Fund: Small Grant Applications Winter
- Cr John McCallum in relation to Agenda Item 13.1 - Community Sport and Recreation Facilities Fund: Small Grant Applications Winter

The Mayor advised that in accordance with the Local Government (Rules of Conduct) Regulations 2007 this declaration would be read out immediately before Item 13.1 was discussed.

9. CONFIRMATION AND RECEIPT OF MINUTES**Previous Council Meetings****9.1 Minutes of the Council Meeting held 10 August 2016****Council Decision****C1608/211**

Moved Councillor J McCallum, seconded Councillor T Best

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

CARRIED 9/0

Committee Meetings9.2 Minutes of the Finance Committee Meeting held 4 August 2016**Council Decision****C1608/212** Moved Councillor G Bleechmore, seconded Councillor P Carter

- 1) That the minutes of the Finance Committee Meeting held 4 August 2016 be received.
- 2) That the Council notes the outcomes from the Finance Committee Meeting held 4 August 2016 being:
 - a) The Finance Committee Information Bulletin - June 2016 item is noted.
 - b) The List of Payments Made - June 2016 item is presented for Council consideration at item 10.1 of this agenda.
 - c) The Financial Activity Statements - Period Ended 30 June 2016 item is presented for Council consideration at item 10.2 of this agenda.
 - d) The Asset Management Plans item is presented for Council consideration at item 10.3 of this agenda.
 - e) The Application for Exemption from Rating - Australasian Conference Association Limited item is presented for Council consideration at item 10.4 of this agenda.
 - f) The general discussion item on Geographe Leisure Centre Benchmarks is noted.

CARRIED 9/0

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

C1608/213 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 - 4/08/2016 - LIST OF PAYMENTS MADE - JUNE 2016
- 10.2 Finance Committee - 4/08/2016 - FINANCIAL ACTIVITY STATEMENTS - PERIOD ENDED 30 JUNE 2016
- 10.3 Finance Committee - 4/08/2016 - ASSET MANAGEMENT PLANS
- 10.4 Finance Committee - 4/08/2016 - APPLICATION FOR EXEMPTION FROM RATING - AUSTRALASIAN CONFERENCE ASSOCIATION LIMITED
- 11.1 FUTURE MANAGEMENT OF UNALLOCATED CROWN LAND, INCLUDING RESPONSE TO PETITION - LOTS 142, 143 AND 144 HILLS ROAD, DUNSBOROUGH
- 12.1 RFT15/16 STREET AND DRAIN CLEANING SERVICES
- 12.2 EXPANSION OF PRESCRIBED WASTE COLLECTION AREA IN EAGLE BAY AND YALLINGUP
- 15.1 COUNCILLORS' INFORMATION BULLETIN

CARRIED 9/0

EN BLOC

10. REPORTS OF COMMITTEE

10.1 Finance Committee - 4/08/2016 - LIST OF PAYMENTS MADE - JUNE 2016

SUBJECT INDEX:	Financial Operations
STRATEGIC OBJECTIVE:	An organisation that is managed effectively and achieves positive outcomes for the community.
BUSINESS UNIT:	Financial Services
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 - June 2016

This item was considered by the Finance Committee at its meeting on 4 August 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 May 2016, 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.

Long-term Financial Plan 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

C1608/214 Moved Councillor G Bleechmore, seconded Councillor P Carter

That the Council notes payment of voucher numbers M113014 – M113175, EF046652 – EF047256, T007257 – T007264, and DD002784 – DD00813; together totaling \$15,506,001.62.

CARRIED 9/0

EN BLOC

10.2 Finance Committee - 4/08/2016 - FINANCIAL ACTIVITY STATEMENTS - PERIOD ENDED 30 JUNE 2016

SUBJECT INDEX:	Budget Planning and Reporting
STRATEGIC OBJECTIVE:	An organisation that is managed effectively and achieves positive outcomes for the community.
BUSINESS UNIT:	Financial Services
ACTIVITY UNIT:	Financial Services
REPORTING OFFICER:	Strategic Financial Plan Accountant - Stuart Wells Financial Accountant - Ehab Gowegati
AUTHORISING OFFICER:	Director, Finance and Corporate Services - Matthew Smith
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Financial Activity Statements - June 2016

This item was considered by the Finance Committee at its meeting on 4 August 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 30 June 2016.

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

NA

OFFICER COMMENT

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

- Statement of Financial Activity

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

- Net Current Position

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

- Capital Acquisition Report

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

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

- Infrastructure

- Reserve Movements Report

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

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

COMMENTS ON FINANCIAL ACTIVITY TO 30 JUNE 2016

Comments on the financial activity and a brief explanation of variances are provided below. Please note that comments for the June month end relate to the full year.

Operating Activity

- Operating Revenue

As at 30 June 2016, there is a variance of -10.3% in total operating revenue, with the following categories exceeding the 10% material variance threshold:

Description	Variance %	Variance \$000's
Operating Grants, Subsidies and Contributions	+12%	+\$483
Interest Earnings	+39%	+\$802
Non-Operating Grants, Subsidies and Contributions	-32%	-\$11,708
Profit on Asset Disposal	+88%	+\$14

Operating Grants, Subsidies and Contributions (+\$483K)

The current variance on operating grants, subsidies and contributions is primarily attributable to:

- Office of the CEO revenue is favourable to budget by +\$40k. This is mainly attributable to +\$38k revenue received for the CapeRoc project allocations and management studies and +\$2k silver funding sponsorship for the Busselton Skate park opening (Sunday 13th December 2015).
- Environmental Planning Administration is favourable to budget by +\$59k. This is mainly attributable to a grant received in June for \$50k for the revitalisation of Geographe Waterways. This has been restricted for use in the 2017 financial year.
- Operations Services Works revenue is favourable to budget by +\$67k. This is mainly attributable (\$65k) to reimbursement of workers compensation funds which offsets expenditure that has already been incurred.
- Financial Services revenue is favourable to budget by +\$71k. This is attributable to the receipt of an unbudgeted distribution from the Local Government Insurance Scheme (LGIS) for the 2015 scheme member dividend. A total of \$6m was redistributed to members, with the City's share amounting to +\$37k. The City also received from LGIS an additional +\$24k in insurance recoup claims attributable to the Busselton Hockey Club and the Busselton Horse and Pony Club. These funds were then on-forwarded to these community groups to offset expenditure already incurred. The remaining +\$11k is for the receipt of funds associated with parental leave payments. This additional revenue also offsets expenditure already incurred by the City.
- Fire Prevention Services revenue is favourable to budget by +\$138k. This is mainly attributable to the receipt of unbudgeted revenue on the finalisation of the 2014/15 DFES reconciliation of +\$66k and +\$60k received as an advance for the first quarter of 2017 that has been restricted for use in the new financial year.
- Civic and Administration Centre revenue is favourable to budget by +\$189k. This is attributable to a contribution by BCG towards costs associated with the building design, as per contract negotiations. The final amount was negotiated and agreed with BGC in June.

- Geographe Leisure Centre is favourable to budget by +\$33k. This is mainly attributable to the receipt of \$25k from DLGC to conduct the Recreation and Community Centres Vacation Care Sustainability Project. As this project will be undertaken in FY16/17, the monies have been restricted at year end.
- Rubbish Sites Development favourable to budget by +\$26k. This is due to the creation of charges in June to other regional councils for the recovery of costs relating to the investigation into a Regional Waste Facility. These monies are transferred to the Waste Reserve.
- Transport Fleet Management favourable to budget by +\$25k, consisting of LGIS/Zurich good driver rebate +\$11k, funding for Heavy Duty Diesel Mechanic apprentice by Rio Tinto +8\$k and re-imburement for fuel levy +\$6k.
- Legal and Compliance Services revenue favourable to budget by +\$21k, consisting of re-imburement of legal fees +\$9k, which relates to pre-payment of potential legal costs which was ultimately not required and which will be refunded, and parenting leave payments +\$12k, which are offset against expenditure.
- Miscellaneous Bridge maintenance is below budget expectations by -\$180k. Fifty percent of the funds were received in May (\$180k), with the remaining work and funding anticipated to be carried over into next financial year.
- Other combined variances of -\$6k.

Interest Earnings (+\$802K)

The current variance on interest earnings is primarily attributable to:

- Late payment interest of +\$40k.
- Instalment plan interest of +\$1k.
- Interest on Municipal funds of -\$96k.
- Interest on reserve funds of +\$247k. The reserves balance currently includes \$12.8m loan funds for the Administration building redevelopment which is yet to be utilised. Due to the higher than anticipated balance at this time, interest earned has exceeded budget projections. It is noted of the \$248k in additional interest, \$130k is attributable to the Civic and Administration Centre Construction Reserve. A further \$50k in additional interest is attributable to the Waste Reserve which has incurred less expenditure than budget, resulting in a higher than budgeted interest being earned.
- Interest on restricted funds of +\$610k. This relates to interest on airport funds which is not budgeted for. The Airport grant agreement requires these funds be applied towards the Airport project.

Non-Operating Grants, Subsidies and Contributions (-\$11,708K)

The current variance on non-operating grants, subsidies and contributions is primarily attributable to:

- The Airport Development has an unfavourable variance of -\$10,000k. The budgeted receipt for FY15/16 was not received and has been carried forward into the 2016/17 budget year.
- Busselton Foreshore had a favourable variance of +\$3,020k. \$1,480k was budgeted in 2015/16 to be received from Royalty for Regions for ongoing foreshore works. \$4,500k was received in June 2016. Of the total receipt, \$301k was applied against works already undertaken in 2015/16 with the remaining work relating to the grant budgeted to be carried out in 2016/17.
- Foreshore East – Youth Precinct Community Youth Building and SLSC had an unfavourable variance of -\$2,900k. These monies were expected to be received as a grant from Lotterywest in the 15/16 financial year. Confirmation has been received from Lotterywest that \$2,800k will be received in the 2016/17 financial year and this amount has been carried over into the 2016/17 budget.
- Bridges construction program projected revenue is under budget by -\$645k. This is attributable to;
 - Federal funding of -\$288k towards the Queen Street Bridge design and preliminary works, which has been delayed pending the Busselton Traffic Study. Although some work has commenced the grant will not be claimed this financial year;

- Works valued at \$304k for the Metricup Road Bridge were postponed to next year due to an unacceptable impact on tourist traffic. Both these projects will be carried forward and completed in the 16/17 financial year.
- Railway House receipts from BJECA are under budget by -\$642k. The budget included \$875k for receipts from BJECA during the 2015/16 financial year. Of this amount, \$232k was received and a further \$473k has been budgeted to be received in 2016/17.
- Donated Asset receipts are under budget by -\$250k. Donated assets are received as a consequence of new subdivisions. While staff endeavour to estimate the value of donated assets which will be received in the financial year, the outcome has no impact on the cash position. This variance is attributable to;
 - Donated Assets – Parks and Gardens -\$753k
 - Donated Assets – Drainage -\$108k
 - Donated Assets – Roads -\$94k
 - Donated Assets – Footpaths and Cycleways +\$471k
 - Donated Assets – Buildings +\$235k
- Multi Community Sporting Facility is under budget by -\$271k. The budget included 50% of a proposed grant from CSRFF would be received in the 2015/16 financial year. As the grant was not received the full expected value of the grant amounting to \$542k has been budgeted in 2016/17. Work has not yet commenced.
- Other -\$20k.

Profit on Asset Disposals (+\$14K)

The current variance remains attributable to book profits on the sale of assets. It should be noted that this is an accounting book entry, and has no direct impact on the surplus/deficit position.

▪ Operating Expenditure

As at 30 June 2016, there is a variance of -1% in total operating expenditure, with the following categories exceeding the 10% material variance threshold:

Description	Variance %	Variance \$000's
Materials and Contracts	-12%	-\$1,812
Insurance Expenses	-10%	-\$74
Other Expenses	-15%	-\$461
Loss on Asset Disposal	+1,800%	+\$1,239

Materials and Contracts (-\$1,812K)

The materials and contracts operating expenditure category comprises a wide range of expenditure types. The current variance is attributable to both favourable and adverse variances (of varying magnitudes) across a range of diverse activities. The material variances are as follows:

- **Information Technology**
Information technology has a favourable variance of -\$110k compared to the year to date budget. This is mainly attributable to lease contracts (\$90k) not being awarded for audio visual equipment, photocopiers and other equipment relating to the new administration building. These amounts have not been carried over but have been re-budgeted in 2016/17.
- **Busselton Jetty**
Busselton Jetty contractor costs are under the year to date budget by -\$525k. The works planned for this financial year (as per the 50 year maintenance plan) consist of steel pier and superstructure corrosion protection assessment and repairs, handrail repainting, pile wrapping, light globe replacement and a \$110k contingency repair. A portion of these works have been re-budgeted into the 2016/17 financial year. As Jetty works are funded from the Jetty Reserve, this variance did not impact on the City's year end net financial position.
- **Building Maintenance**
The scheduled building maintenance budget is underspent by -\$172k. This is attributable to;

- Asbestos Removal underspent by -\$88k. This has no impact on municipal funds as it is funded from reserves.
- Other combined underspent amounts of -\$84k. These relate to maintenance of a number of buildings in the budget for 2015/16 and are savings against budget.
- **Provence and Vasse Newtown – Parks and Gardens**
Contractor costs are underspent by -\$362k. Provence Estate maintenance is under budget by -\$233k as public open space areas within the estate are yet to be handed over and therefore the maintenance of this area is not yet the responsibility of the City. There is also a favourable variance for contractor costs totaling -\$128k attributable to Vasse Newtown with some of this offset by City employee costs. A portion of the allocated budget is funded from the specified area rates and this draw down can only occur if expenditure is within the specified areas.
- **Airport Operations**
Contractor costs are under budget by -\$123k. This is predominantly the result of de scoping work as a result of the airport development project and also reducing spend to offset reductions in revenue against budget for the airport to ensure the final net current position for the airport is close to budget at the end of the year.
- **Transport/Fleet Management**
Materials and Contractor costs are under budget by -\$214k. This is mostly the result of cheaper fuel prices than anticipated in the budget.
- **Refuse Sites**
Refuse Sites materials and contracts are under budget by -\$98k. This is offset by overspends against refuse sites in other areas of the budget. Additionally, as refuse sites are funded from the waste reserve there is no impact on the City's year end net financial position.
- **Bridge Maintenance**
Bridge maintenance materials and contract are under budget by -\$198k. This is offset by reductions in revenues received under Operating Grants, Subsidies and Contributions.
- **Other**
Other combined variances for the month total -\$10k.

Insurance Expenses (-\$74K)

The current variance associated with insurance expenses is attributable to:

- Property insurance of -\$9k.
- Plant insurance premiums of -\$47k.
- Public liability insurance of -\$14k.
- Other general insurance costs of -\$4k.

The variance has remained the same as with May and is a saving against budget for 2015/16 in respect of insurance premium costs.

Other Expenditure (-\$461K)

The variances associated with other expenditure are attributable to:

- Members of Council expenses of -\$85k. This variance is made up of savings from a number of different accounts;
 - Mayor and deputy mayor allowances -\$2k;
 - Elected members refreshment and functions -\$9k;
 - Elected members conference and training expenses -\$13k;
 - Elected members election and poll expenses -\$5k;
 - Gifts and presentations -\$4k
 - Elected members sitting fees -\$7k;
 - Presentation on termination policy -\$6k;
 - International relationships and sister city -\$23k;
 - Presentations on termination policy -\$6k.

- Others combined -\$10k
- Community services administration expenses of -\$205k. This variance is attributable to;
 - Events, marketing and promotions is -\$196k below year to date budget. MERG Marketing funds which have not been expended as the MRBTA recharge campaign was halted due to amalgamation of GBTA/AMRTA and regional branding. Council has resolved to transfer the \$196k from the commercial and industrial differential marketing funds into the Airport Marketing Reserve specifically for the marketing and support of the Airport development project, as per the MERG report to Council dated the 8th June 2016);
 - Events sponsorships (differential rates) of -\$9k. This relates to events that have been funded through the events sponsorship programme that either have not yet been held, or have been cancelled.
- Winderlup Court Aged Housing amounting to -\$58k. This variance is mainly attributable to the payout on resident funded unit -\$55k. The budget anticipated paying out one of the resident funded units, however this was not required. There is no impact to municipal funding as the payment is made from restricted cash (soon to be the aged housing Reserve).
- Public relations expenses of -\$38k. This is attributable to catering -\$13k, advertising Council pages -\$8k, community consultations and surveys -\$8k, public relations account -\$11k and long service contributions to other Local Government Authorities +\$7k. These were savings against the budget for the full year.
- Planning administration expenses of -\$52k. This is mainly attributable to the façade refurbishment subsidy account -\$44k and advertising (public/statutory) account being -\$6k below the year to date budget. With regard to the façade refurbishment, there were no suitable applications received in the first round fitting the requirements for funding. Letters have been sent out calling for a second round of applications. This was unable to be resolved in the 15/16 financial year.
- Office of the CEO was underspent by -\$25k. This is mainly attributable to underspend against Caperoc resulting from -\$23k not spent relating to Tourism Directional Signage. This has been re-budgeted in 2016/17.
- Other combined variances totalling +\$2k.

Loss on Asset Disposal (+\$1,239K)

The variance in loss on asset disposal mainly represents the write off of the old administration building. It should be noted that this is a book entry only, and has no direct impact on the surplus/deficit position.

Capital Activity

Capital Revenue

As at 30 June 2016, there is a variance of -70% in total capital revenue, with the following categories exceeding the 10% material variance threshold:

Description	Variance %	Variance \$000's
Transfer from Restricted Assets	-87%	-\$46,489
Transfer from Reserves	-40%	-\$10,582

Transfer from Restricted Assets (-\$46,489K)

The budget anticipated \$45,933k would be drawn down against restricted assets by June 30 relating to the Airport Development Project. As at 30 June 2016, expenditure for the Airport Development Project was \$1,244k (\$907k exclusive of City employee costs – 'the recoverable amount'). The drawdown against the restricted cash occurred in June resulting in a -\$45,026 variance. The remaining amount for the airport development has been re-budgeted in 2016/17.

Other restricted asset variances between actual and budget are:

- Unspent Loans - \$611k
- Community & Rec Facilities - \$1,468k
- Deposits/Bonds \$ 728k
- Others - \$ 240k

Unspent Loans and Community and Recreation Facilities variance relates mainly to spend that was budgeted that did not occur that has been re-budgeted or carried over to FY16/17.

The City of Busselton does not budget for deposit and bond refunds/payments, as these monies have no impact on the Municipal funding surplus or deficit. Actual payment of these funds to June 30 has resulted in a \$728k variance against budget.

Transfer from Reserves (-\$10,582K)

The variance is attributable to the following reserves;

- Civic and Administration Centre Construction Reserve - \$2,994k
- Waste Management Facility and Plant Reserve - \$5,049k
- Jetty Maintenance Reserve - \$ 564k
- Building Reserve - \$ 320k
- Plant Replacement Reserve - \$ 383k
- Long Service Leave Reserve - \$ 245k
- Road Asset Renewal Reserve - \$ 152k
- Infrastructure Development Reserve - \$ 460k
- Others (Combined) - \$ 385k

The vast majority of these variances have been caused by budgeted work not yet having been carried out by June 2016. In many instances the work has been re-budgeted or carried over into 2016/17.

▪ Capital Expenditure

As at 30 June 2016, there is a variance of -54% in total capital expenditure, with the following categories exceeding the 10% material variance threshold:

Description	Variance %	Variance \$000's
Land and Buildings	-68%	-\$20,142
Plant & Equipment	-27%	-\$675
Furniture and Equipment	-81%	-\$1,801
Infrastructure	-72%	-\$51,078
Transfers to Restricted Assets	+407%	+\$7,365

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

In respect of Restricted Assets, an overview of the year to date financial performance is provided as follows:

Transfers to Restricted Assets (+\$7,365K)

The favourable financial year to date variance of approximately +\$7,365k is primarily attributable to:

- Receipt of government grant for Foreshore, of which +\$4,198 has been restricted and will be spent in 2016/17
- Receipts from MRWA for bridgework that has been carried over to 2016/17 and equal to +\$714k,
- The receipt of developer contribution payments in excess of budget totalling +\$366k.
- The receipt of unbudgeted interest associated with the Airport funds of +\$609k.
- The receipt of bond and deposit payments totalling approximately +\$1,122k.
- Other combined amounts totalling +\$356k.

The performance in this category generally does not impact on the closing surplus/deficit position. Most of the amounts as noted above have been restricted and are budgeted to be spent in 2016/17.

CONCLUSION

The Net Current Position as at 30 June 2016 of \$1.2m is \$1.6m lower than 31 May 2015. The final surplus of \$1.2m included carryovers of \$0.6m, resulting in a net surplus after carryovers of \$0.6m. This is considered satisfactory, with a small surplus closing position being appropriate as at the close of the financial year.

Concerning capital, a number of major projects are ongoing over a number of financial years. These projects, most notably the Busselton foreshore, airport development and civic and administration building have been carried forward into the 2016/17 financial year. Funding is available to complete these projects.

OPTIONS

The Council must receive the monthly financial activity statement, however, has the option of passing additional resolutions in response to the information provided if thought necessary.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Not applicable.

Council Decision / Committee Recommendation and Officer Recommendation

C1608/215 Moved Councillor G Bleechmore, seconded Councillor P Carter

That the Council receives the statutory financial activity statement reports for the period ending 30 June 2016, pursuant to Regulation 34(4) of the Local Government (Financial Management) Regulations.

CARRIED 9/0

EN BLOC

10.3 Finance Committee - 4/08/2016 - ASSET MANAGEMENT PLANS

SUBJECT INDEX:	Asset Management
STRATEGIC OBJECTIVE:	Transport options that provide greater links within our district and increase capacity for community participation.
BUSINESS UNIT:	Engineering and Facilities Services
ACTIVITY UNIT:	Engineering and Facilities Services
REPORTING OFFICER:	Asset Coordinator - Dan Hall
AUTHORISING OFFICER:	Director, Engineering and Works Services - Oliver Darby
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Car Parks Asset Management Plan Attachment B Signage Asset Management Plan

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

PRÉCIS

The purpose of this report is to present for adoption, the Carparks Asset Management Plan (CAMP) and Signage Asset Management Plan (SAMP).

This report recommends that the Council adopts asset management plans for Carparks and Signage as guiding documents for the ongoing renewal, upgrade and new expenditure of the City of Busselton carpark and signage portfolios.

BACKGROUND

In June 2013, the Council adopted a suite of corporate planning documents in order to comply with the State Governments Integrated Planning Framework. These documents were; a Strategic Community Plan and a Corporate Business Plan, supported and informed by key resourcing and informing plans, namely Asset Management Plans, a Long Term Financial Plan and a Workforce Plan. Falling out of such planning each year will be each local government's Annual Budget. This framework is commonly referred to as Integrated Planning.

Under the guidance of the framework, asset management plans are required to be formulated. These plans are to outline relevant information about each asset class such as location, size, value; condition and timing and cost of replacements/renewals of existing infrastructure.

Whilst these asset management plans are ultimately required to be completed for all City infrastructure assets, it is being done in a staged manner, starting with the major asset classes first. Plans for Roads, Buildings and Parks and Gardens were adopted in June 2013 and the Drainage and Footpaths and Cycleways Asset Management Plans were adopted in June 2014. The CAMP and SAMP have been developed in 2016 and are presented within this report for adoption.

In between the formulation of the asset management plans asset staff have also been heavily involved in implementing fair value for infrastructure assets. This involved a large amount of data collection and liaison with the City finance team as well as the City's financial auditors.

STATUTORY ENVIRONMENT

The *Local Government Act 1995* S5.56 (1) requires the Local Government to develop a "plan for the future" and further detail in relation to this requirement is provided in regulation 19 of the *Local Government (Administration) Regulations*. The Local Government is required to have a corporate

business plan linking to long term financial planning that integrates asset management, workforce planning and specific council plans (informing strategies) with a strategic plan.

RELEVANT PLANS AND POLICIES

The data from Asset Management Plans is incorporated into the Long Term Financial Plan and in this way informs the Corporate Business Plan and Annual Budget.

FINANCIAL IMPLICATIONS

The plans provide the Council with information pertaining to any “funding gaps” that may exist within the relevant asset category, i.e. situations whereby what has been spent historically is less than what is required into the future.

Expenditure was also scrutinised in terms of the amount being spent historically on renewing the existing assets as opposed to new and upgraded assets. Renewal of existing assets is critical in ensuring the maximum life is achieved from the assets in the most cost effective manner.

No immediate backlog of required renewals for carparks or signs has been identified at this stage. Recommendations have been made within the plans around the need to maintain renewal expenditure on historical and planned levels.

Car Parks

The City is currently, responsible for 132 off road carparks, with a total pavement area of 234,619m², providing approximately 4,146 parking bays, (which includes some 223 boat and trailer bays and seventy restricted mobility (ACROD) bays). The network has a current replacement value of \$10.17M (based on reconstruction of seal, pavement and sub-base, only, on a like for like basis) and a condition based depreciated fair value of \$8.3M.

These carparks are classified in to various functions or hierarchies and each can be further classified on type, usage and location. There are two principal construction types those being sealed and unsealed (or gravel) car parks.

In addition to these carparks, there are six private carparks, (803 bays), which the City manages in terms of parking restrictions, these are not owned or maintained by the City and are excluded from the asset portfolio and registered purely for information. These include; Busselton Central Shopping Centre South, Busselton Central Shopping Centre North, Busselton New Woolworths, Busselton Old Woolworths, Seymour Boulevard Dunsborough and Dunsborough Central Shopping Centre.

Similarly, there are nine carparks, (254 bays), provided by The Department of Parks and Wildlife, (DPaW). These are open for public use, but not maintained or owned by the City, these include: Nagilgi cave, Canal Rocks carpark, Gunyulgup Bay Headland, Rabbits carpark, Kabbijgup Beach, Sugarloaf Rock Nature Reserve carpark and lookout, Cape Naturaliste south, Cape Naturaliste north and Cape Naturalist Lighthouse carpark (and access roads).

The predicted average annual expenditure required for renewal of the existing car park portfolio (that the City is responsible to maintain) over the initial ten year period (2016/17 – 2025/26) is only \$58,752. However this increases to an average annual expenditure of \$183,756 over the predicted thirty year period (2016/17 – 2045/46) this represents 1.8% p.a. of the total replacement value of \$10.17M.

The current annual budget for renewal of carparks is calculated at \$200,000 p.a. plus CPI (Consumer Price Index , based on current allocation in LTFP for car parks). When measured against the predicted

renewal requirements over a thirty year period (\$183,756 p.a.), gives a minor surplus of \$16,244 per annum over the thirty years. This is based on the assumption that the current LTFP allocation of \$200,000 p.a. (plus CPI) remains in place.

Predicted expenditure for renewals as outlined above however does not include any allowance for expansion and upgrade of the asset group .i.e. new and expanded carparks. This is on the basis that the figures are provided for a renewal on a like for like basis.

The calculations shown above (current budget \$200,000 p.a. less required annual renewal \$183,756 p.a.) demonstrate that the City does not currently need to increase its annual car park funding in order to sustainably manage its carpark renewal funding at the current service levels. This is based on renewal of the existing asset base.

New Carparks

New carparks are a mix of formalisation of areas which have naturally evolved into parking areas; as well as where a need has been identified.

The total funding required for potential new parking is \$130,000 at this point in time. A list of proposed new car parks is provided in Table 1, below.

The proposed new carparks identified in Table 1 below are provided as a starting point for future planning activities. Adoption of the asset management plan does not commit the Council to undertaking these works, rather provides an initial list of new car parks that can be built on over time.

Table 1: Proposed New Carparks

Location	Approx. number of bays	Responsibility/Funding/Approx. cost
Koolijak Road, adjacent to playground	10	COB \$30,000
Geographe Bay Road/ Mann St	5	COB \$15,000
Geographe Bay Road/ Quindalup old disused tennis court	10	COB \$25,000
Geographe Bay Road/Tulloch St, formalise sandy pull in	10	COB \$30,000
Geographe Bay Road/Grove Street, formalise and seal	10	COB \$30,000
Grace Court, formalise sandy indent.	5	COB \$15,000
Total Additional Funding Required	Total	\$130,000

Carparks Upgrades

The total upgrade work identified within the CAMP that may require funding is outlined in Table 2 below, (excluding those works identified as funded via other sources such as Busselton foreshore, Airport and Meelup Regional Park).

These are potential upgrades to existing formalised carparks are a mix of semi-formal unsealed parking areas as requiring major upgrade.

Similarly to the New Car Parks, adoption of the asset management plan does not commit the Council to undertaking these works, rather provides an initial list that can be built on over time.

Table 2: Carpark Upgrades

CARPARK	WORK REQUIRED	COMMENT	PRIORITY SCORE	BASIC COST	POSSIBLE FUNDING
ALBERT STREET CAR PARK	RECONSTRUCT AND UPGRADE	significant stripping and patch work some edge erosion requires a/o and line marking, recon and install rain gardens for improved drainage	128	\$58,700	COB
AMBERGATE RESERVE	RECONSTRUCT AND SEAL	requires recon and formalisation with traffic management devices to prevent anti-social behavior, grade in meanwhile	34	\$90,000	COB
FORTH STREET	FORMALISE, RECONSTRUCT AND SEAL	Ave gravel depth 150+. formalise, kerb and seal	34	\$73,000	COB
HARNETT STREET	FORMALISE, RECONSTRUCT AND SEAL	could do with sealing, average gravel depth 110	30	\$33,900	COB
KING STREET FORESHORE	UPGRADE	Meandering cracking to most, multiple ph. and patches very rough uneven surface. upgrade and reseal	128	\$58,000	COB
RIEDLE PARK	RECONSTRUCT AND SEAL	some loose mixed with mulch, park recently upgraded and area reduced, needs acrod bay, formalising and sealing, and layback kerb to entry	18	\$30,000	COB
WONNERUP BOAT RAMP TOILET BLOCK	RECONSTRUCT AND SEAL	Ave gravel depth only 50mm and uneven requires top up scrape and roll. Has 3m asphalt apron to road. seal req (This is a small area)	17	\$18,000	COB
MARGARET STREET FORESHORE	RECONSTRUCT AND SEAL	ave gravel depth 150+, should be sealed	26	\$52,200	COB
Total				461,800	

The total potential new and upgrade works for carparks is \$591,800 (\$130,000 plus \$461,800 Table one plus Table two). This amount of \$591,800 is separate to the existing renewal budget. The implementation of all of these new and upgrade / expansion works can be delivered through the parking reserve account over time to cover new and upgrade / expansion expenditure.

It is proposed that these potential new and upgrade works be noted as part of the adoption of the CAMP and be considered on a case by case basis as part of the annual budget deliberations. This will provide the Council with the opportunity to assess these potential new and upgraded works in line with all other potential new infrastructure works.

Officers over the next twelve months will be developing a more formalised car park strategy. This will include the new and major upgrade items identified within Tables one and two to form a car parks forward capital works plan.

Signage

The City of Busselton is responsible for maintaining an approximate total of 5,950 signs at an estimated replacement value of \$2.3M, and a condition based depreciated fair value of \$1.8M.

This total number of signs includes such signs as parking, dog control and other City regulatory signs, tourist directional, footpath and cycleway signage, street and road name signage and warning and hazards signage.

The City has historically spent \$191,577 p.a. (2013/14 -204/15) on signage renewal activities. Signage expenditure is generally allocated within other areas. For example, replacement of road signs may be undertaken and costed against a particular road or area rather than a specific signage renewal account.

Renewals have been determined by assessing the condition of the various signs, their expected useful life and the cost of replacement.

This provides a prediction on the timing and cost of renewal works based on the current assessed condition. This is valuable when predicting over a period of time as it identifies the most critical works (according to condition) as a priority and the likely cost per annum.

This also allows the asset management plan to provide financial information into the LTFP in the form of a schedule of works.

Chart one below shows the predicted expenditure for signage renewals over a period of twenty years. These figures include the labour cost of installation also. This is done on the basis of the City’s own internal stall undertake the bulk of signage renewal. The replacement cost also assumes a new post will be required upon each renewal – this may not always be the case, however has been included this way to provide an indication of the potential total cost.

Chart 1 also shows how the predicted works are grouped as the various condition ratings are used to determine the timing of the renewals. The twenty year average for signage renewals is \$180,013 p.a. This represents an annual amount of 7.8% of the overall replacement value of \$2.3M. This percentage is high in relative terms with other assets; however can be attributed to the shorter useful life of ten years for signage compared to twenty five to eighty years for other assets.

Chart 1: Signage 20 Year Renewal Costs



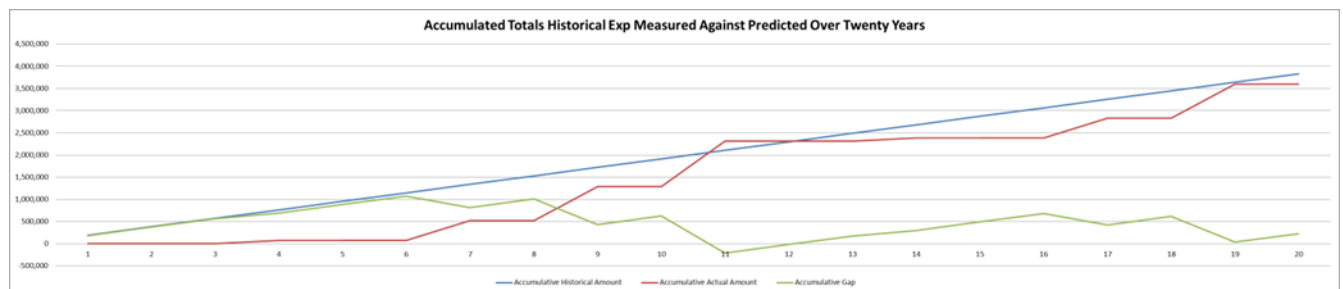
Chart 2 below shows the predicted accumulated renewal expenditure over twenty years measured against the historical average to determine if any renewal gaps exist.

The blue line in the chart represents the historical average of \$191,577 p.a. accumulated over twenty years. The red line represents the accumulated renewal requirements as predicted by the asset management plan. This is an average of \$180,013 p.a. over the twenty year period; however the line reflects the peaks and troughs in expenditure as they occur within the asset management plan.

A simple comparison (\$191,577 vs \$180,013) between the two averages indicates that an ongoing allocation of the historical average would cover the twenty year renewal requirements for signs. How this relationship works on a year by year basis (taking into account the aforementioned peaks and troughs) is shown via the green line in the chart.

The green line shows the relationship between the red and blue line on an annual basis. If the green line moves below zero at any point it shows that a funding gap exists at that point in time. Although the green line dips below zero at year eleven, it recovers to be above the line in year twenty.

Chart 2: Accumulated Totals Historical Expenditure Measured Against Predicted Over Twenty Years



The annual renewal expenditure grows to \$211,000 after fifty years. This indicates that whilst levels of renewal expenditure will suffice over the initial twenty years; over time level of service decisions will need to be made or level of renewal increased. As an example of a level of service decision, if the signs were to be replaced on an eleven year cycle (as opposed to ten), then the fifty year average is reduced to \$186,000 p.a. – which falls within existing levels of renewal.

The first five years of the asset management plan consists of the renewal of all condition five (Very Poor / Remove) and Condition four (Poor) signs. The condition five signs will be replaced first and condition four signs will be replaced second. This provides an initial five year renewal average of \$14,691 p.a.

The first five years will also include the ongoing programmed rationalisation of duplicated, superseded and obsolete signage. This will be undertaken as a means of monitoring and managing any over proliferation of signs that may occur over time.

Long-term Financial Plan Implications

Car Parks

The City currently provides \$200,000 p.a. (plus CPI) for car parks renewal within the LTFP. There has also been general provision made within the LTFP for new and major upgrade expenditure via the parking reserve. Adoption of the CAMP will not bind the Council to any of the New and Major Upgrade works and outlined within the plan. It will however provide the opportunity for these to be assessed over time and possibly funded via this reserve account.

This required average however, increases to an average annual expenditure of \$183,756 over the predicted thirty year period (2016/17 – 2045/46). The annual LTFP funding also funds new and major upgrade works as they are required.

In order to provide a linkage with the City's Long Term Financial Plan, the data is also assessed over a period of ten years. This is undertaken to provide an overview of any short term implications of the asset management plan.

Signage

Chart 3: Signage 10 Year Renewal Costs

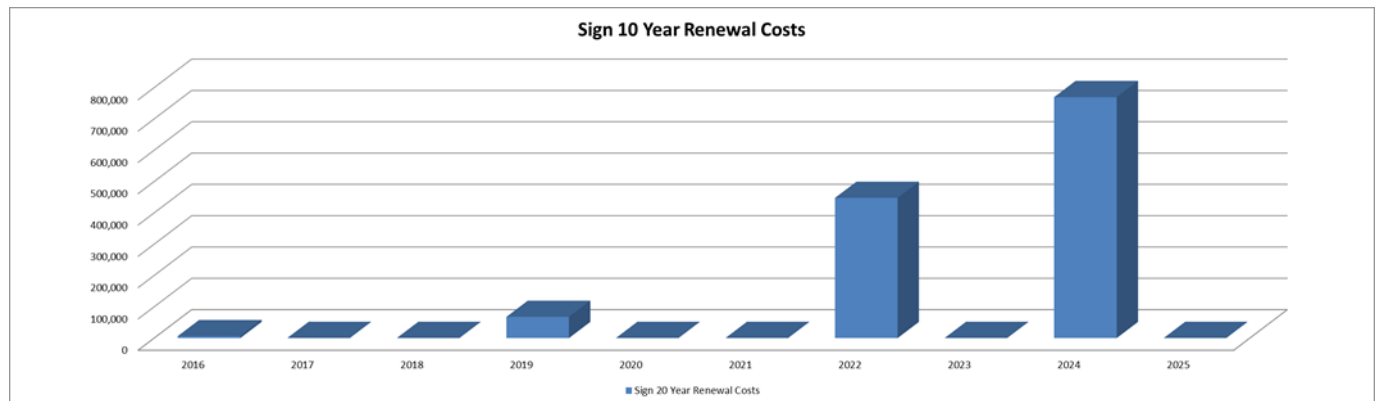


Table 3 below shows the figures for the first ten years of the asset management plan and shows an average amount of \$129,042 p.a. This is less than the comparative figure of \$180,013 p.a. over twenty years. The ten year percentage of overall replacement cost per annum is 5.59%.

Table 3: Signage Ten Year Renewal Costs

	1	2	3	4	5	6	7	8	9	10	Total	Ave
Year	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025		
Signage Renewal	5,989	0	0	67,463	0	0	447,668	0	769,297	0	1,290,418	129,042

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 2 – ‘Well Planned, Vibrant and Active Place’ and more specifically Community Objective 2.3 - ‘Infrastructure assets that are well maintained and responsibly managed to provide for future generations’.

RISK ASSESSMENT

An assessment of the potential implications of not implementing the officer recommendation and adopting the asset management plans has been undertaken using the City’s risk assessment framework.

The table below shows identified risks where the residual risk, once controls have been identified, as ‘medium’ or greater;

<i>Risk</i>	<i>Controls</i>	<i>Consequence</i>	<i>Likelihood</i>	<i>Risk Level</i>
Increase in asset Funding Gaps due to decrease in levels of renewal.	Ongoing allocation of adequate renewal funding.	Financial Operations	Likely	Major

CONSULTATION

Nil.

OFFICER COMMENT

The asset management plans are prepared in the context of core asset management working towards advanced asset management planning. The initial plans have been undertaken to meet minimum organisational and legislative requirements for financial planning and reporting. This is referred to as the “core” approach and provides basic technical management outputs such as statements on current levels of service, forward replacement programs and associated cash flow projections based on historical performance.

Advanced asset management involves engaging with the community to discuss and agree on alternative levels of service, applying analysis to individual assets and implementation of improvements identified in core planning.

Some elements of advanced asset management have been able to be incorporated in this initial process, such as discussion on alternative levels of service and applying analysis to individual assets.

Other advancements such as integration with mapping software and GPS technology has been trialed and used for the SAMP and the CAMP. This is part of an overall asset management improvement program which aims to make asset information more accessible to the whole organisation. Asset Information for different assets such as parks and gardens, buildings, roads, car parks etc. will also be able to be displayed together, making it easier to view how these assets link and work together.

Carparks

The CAMP outlines a number of strategies to address the condition of its carpark assets by:-

- Maintaining current renewal budgetary funding at existing levels plus CPI,
- Considering as part of annual budget deliberations, new and major upgrade carparks funded via the parking reserve account;
- Continued monitoring of the carpark network;
- Rationalising the network according to use to provide for both reduced costs and maintenance efficiency; and
- Continuing to fund special carpark projects via alternative funding sources such as special projects and the Meelup Regional Parks nodes programme.

By implementing the recommendations within the plan, the Council will be able to maintain and improve its carpark network at the levels required by both the standards and the levels of service identified in the CAMP.

Signage

The Signs Asset Management Plan has been developed through a combination of desktop analysis, condition assessments and staff knowledge and is a building block for the ongoing management of the City of Busselton’s signage network.

Whilst this is the first iteration of the City of Busselton’s Signage Asset Management Plan, elements of asset management are already being undertaken for signage assets. This includes adherence to minimum standards for sign planning and implementation, basic levels of service in terms functionality and appearance; and scheduled renewal as time and resources allow.

What hasn’t been done to this point, and what the plan covers, is to quantify all the signs under City of Busselton management and provide guidance on required ongoing renewal expenditure. This quantification of the signs allows the City to be more targeted with replacement and renewal of signs, which will complement existing scheduled renewal programs.

CONCLUSION

Whilst no immediate backlog of required renewals for carparks or signs has been identified at this stage, it is important that current levels of renewal, allocation of resources and ongoing review and update continue to be carried out for these assets. This will ensure that no backlog of works is created for these assets into the future.

Funds for upgrade to existing and new carparks can be funded via the car park reserve account, should the Council implement any of these works as outlined within the CAMP. It is proposed that these potential new and upgrade works be noted as part of the adoption of the CAMP and considered on a case by case basis as part of the annual budget deliberations. This will provide the Council with the opportunity to assess these potential new works in line with all other potential new infrastructure works.

The CAMP and SAMP will be reviewed on a three yearly cycle which will allow time for improvements to be made whilst ensuring that reviews are undertaken with sufficient regularity. All other asset plans are reviewed on a three yearly cycle also.

OPTIONS

Council could choose not to adopt the asset management plans at this juncture; however this may hinder the City's integrated planning compliance.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The implementation of the Asset Management Plans would be effective immediately upon adoption of the officer's recommendation.

Council Decision / Committee Recommendation and Officer Recommendation

C1608/216 Moved Councillor G Bleechmore, seconded Councillor P Carter

1. That the Council adopts the individual asset management plans for Carparks (CAMP) and Signage (SAMP).

CARRIED 9/0

EN BLOC

10.4 Finance Committee - 4/08/2016 - APPLICATION FOR EXEMPTION FROM RATING - AUSTRALASIAN CONFERENCE ASSOCIATION LIMITED

SUBJECT INDEX:	Exemptions and Appeals
STRATEGIC OBJECTIVE:	Governance systems that deliver responsible, ethical and accountable decision-making.
BUSINESS UNIT:	Financial Services
ACTIVITY UNIT:	Financial Services
REPORTING OFFICER:	Rates Coordinator - David Whitfield
AUTHORISING OFFICER:	Director, Finance and Corporate Services - Matthew Smith
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Nil

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

PRÉCIS

An application for an exemption from rating was received from Australasian Conference Association Limited and acts as bare trustee for the Seventh-day Adventist Church (Western Australian Conference) and on the basis of the application details recommends that the request for an exemption be granted.

BACKGROUND

The Australasian Conference Association Limited purchased the property situated at 61 Duchess Street Busselton as bare trustee for the Seventh-day Adventist Church (Western Australian Conference) which settled on 29th February, 2016. A second hand clothing shop is run by the local Seventh-day Adventist Church under the banner of Adventist Development and Relief Agency (ADRA) Australia which is the charitable and humanitarian arm of the Seventh-day Adventist Church in Australia and a not for profit organisation.

Documentation provided in support of the application includes:

- General correspondence giving an overview of the operations of Australasian Conference Association Limited.
- ATO Notice of endorsement for charity tax concessions for Adventist Development and Relief Agency Australia Ltd.
- ATO Endorsement as deductible gift recipient- endorsement relates to ADRA Australia National Fund.
- Copy of Business Registration for Adventist Development and Relief Agency Australia Ltd trading as ADRA Australia.
- Copy of Certificate of Registration of a Company – Adventist Development and Relief Agency Australia Ltd.
- Quarterly Financial Report for 2013/2014, 2014/2015 and 2015/2016 (July – September 2015 and October – December 2015).

STATUTORY ENVIRONMENT

Section 6.26 of the Local Government Act provides broad definitions for rateable and non-rateable land. Moreover, Section 6.26 (2) (g) states that land is not rateable if it is “used exclusively for charitable purposes”.

RELEVANT PLANS AND POLICIES

Council's Rating Policy makes no specific mention to the provision of rating exemptions.

FINANCIAL IMPLICATIONS

The property located at 61 Duchess Street Busselton, as from 29th February, 2016, is wholly owned by Australasian Conference Association Limited as bare trustee for the Seventh-day Adventist Church (Western Australian Conference) trading as ADRA Australia. The 2016-2017 annual rates are \$3279.77 and granting of the rates exemption as sought would result in approximately this amount of revenue being foregone in future years.

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

That Council by not approving the application for rate exemption may be required to defend its decision if the matter were to be appealed by the applicant to the State Administrative Tribunal and that legal costs may be incurred as a result.

<i>Risk</i>	<i>Controls</i>	<i>Consequence</i>	<i>Likelihood</i>	<i>Risk Level</i>
Legal costs may be incurred in defending Council's decision if the application is declined.	Applicant may lodge a further application with Council or may appeal the decision via the State Administrative Tribunal	Insignificant	Likely	Medium

CONSULTATION

N/A

OFFICER COMMENT

In accordance with Section 6.26 (2) (g) of the Local Government Act, which states that land is not rateable if it is land used exclusively for charitable purposes, the application need only be considered in two parts – these being firstly; is the use itself "charitable"?, and secondly if the use is considered to indeed be charitable then; is the property being used exclusively for such use?

In considering the first part i.e. is the operations of Seventh-day Adventist Church (Western Australia Conference) – ADRA Australia both current and previous legal opinions have been consistent in defining a charitable purpose; as follows:

"The expression "charitable purposes" may be satisfied if the land is exclusively for one of the following purposes:

1. The relief of poverty;
2. The advancement of education;
3. The advancement of religion; and
4. Other purposes beneficial to the community."

The property houses a second hand clothing shop and is run and operated completely by volunteer labour, both church and local community members. 25% of the surplus generated funds are distributed to ADRA's Sydney office to assist in funding its operational support whilst the remaining 75% from the surplus generated funds is distributed to local people in need or other local charities including recent donations to:

- Local people in need (via food vouchers and support of relevant local agencies)
- Busselton YouthCARE
- Busselton Hospice
- Busselton Women's Refuge
- WA Prison Fellowship
- Royal Flying Doctor Service
- ADRA Australia (National and international charity programs)

Therefore, the above use could be considered a charitable use in light of the abovementioned definition of charitable purposes. On the basis of the information supplied in the application, consideration needs to be given that the services provided are targeted at families and individuals on a low income and not for profit groups that could meet the requirements of both #1, "the relief of poverty" and #4 "other purposes beneficial to the community" of the 4 charitable purposes listed above.

The second part in the consideration of the application is the question of the property's "exclusive use" as a charitable purpose.

The property is owned by Australasian Conference Association Limited as bare trustee for the Seventh-day Adventist Church (WA Conference) operating under the banner of Adventist Development and Relief Agency (ADRA). The property is only used for the purposes described above. Therefore the use is exclusively charitable.

Should this application for exemption from rating be successful, the applicant will subsequently be advised that if the usage of the property should alter such that the requirements for eligibility for rate exemption are no longer met, then the rate exemption will be cancelled and rates and charges will become applicable from the date of such change.

CONCLUSION

In light of the details provided by Australasian Conference Association Limited, the registered proprietor, and referencing the application to various legal opinions available for similar applications in other municipalities it is considered that the applicant is providing a charitable purpose to the City of Busselton community and that the provision of such services from 61 Duchess Street Busselton is considered to be an exclusive use.

OPTIONS

The Council may decline the application for rate exemption on the basis that it considers Australasian Conference Association Limited – ADRA Australia is not providing a charitable purpose to the community or that such charitable use relating to the property is not considered an exclusive use.

Should the application be declined for either of the above reasons Australasian Conference Association Limited – ADRA Australia has the option to appeal the matter via the State Administrative Tribunal. This action as a result will require the Council to defend its position and may incur legal costs.

Based on legal evidence and opinion to date it is likely that the Tribunal would uphold the appeal in favour of Australasian Conference Association Limited – ADRA Australia.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The exemption from rating may take effect from the date of receipt of the original application being the 16th March 2016.

Council Decision / Committee Recommendation and Officer Recommendation

C1608/217 Moved Councillor G Bleechmore, seconded Councillor P Carter

That the Council:

1. In accordance with Section 6.26(2) (g) of the Local Government Act declare Australasian Conference Association Limited – ADRA Australia be declared exempt from rating on the basis that the property located at 61 Duchess Street Busselton is being used exclusively for a charitable purpose, with the effective date being the date of application of 16th March 2016.

CARRIED 9/0

EN BLOC

11. PLANNING AND DEVELOPMENT SERVICES REPORT

11.1 FUTURE MANAGEMENT OF UNALLOCATED CROWN LAND, INCLUDING RESPONSE TO PETITION - LOTS 142, 143 AND 144 HILLS ROAD, DUNSBOROUGH

SUBJECT INDEX:	Strategic Land Review
STRATEGIC OBJECTIVE:	A City where the community has access to quality cultural, recreation, leisure facilities and services.
BUSINESS UNIT:	Strategic Planning and Development Services
ACTIVITY UNIT:	Strategic Planning and Development
REPORTING OFFICER:	Senior Strategic Planner - Helen Foulds
AUTHORISING OFFICER:	Director, Planning and Development Services - Paul Needham
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Locality Plan Attachment B Tenure Plan Attachment C Petition Attachment D Zone/Reserve Plan

PRÉCIS

The City of Busselton is in receipt of a request for advice from the Department of Lands (DoL) relating to a number of land parcels under consideration for inclusion into the South West Native Title Settlement negotiations. These are parcels that have been identified by the Department of Lands as having potential to be included into the Noongar Land Estate (NLE) as a part of the South West Settlement agreement for the full and final surrender of Native Title claims in the South West of Western Australia. With the exception of several identified lots on Hills Road in Dunsborough subject of this report, the City has already provided its advice to DoL.

Whilst the City was considering the most recent request for advice from DoL, however, a petition was received from local residents requesting that specific land parcels, Lots 142, 143 and 144 Hills Road, Dunsborough, be vested with the City as a reserve for conservation.

The subject land parcels have a number of environmental constraints, namely containing a Threatened Ecological Community (Vulnerable), Environmentally Sensitive Area and are potential habitat for threatened fauna species. Given the use and development of land in the NLE is subject to all relevant Commonwealth and State Laws and policies, it is considered that these environmental values will need to be protected and freehold tenure with the NLE would not be of any significant value.

City Officers recommend that the Council supports the petition and to seek the land be vested as a Reserve for 'Landscape Protection' with a management order issued to the City; whilst advising the DOL of the reasons for this decision due to the environmental constraints and community interest. Note that a as reserve for 'Conservation' specifically should be managed by DPAW, but the 'Landscape Protection' is seen as being consistent with the understanding of the petitioners input.

BACKGROUND

Lots 142, 143 and 144 Hill Road, Dunsborough are located in the vicinity of Gibney Street and Naturaliste Terrace, behind the Dunsborough Anglican Church (refer to Attachments A and B). The land parcels are undeveloped, vegetated Unallocated Crown Land (UCL), surrounded by other land of various tenure and zone/reserve classifications.

Hills Road itself is not constructed and is also well vegetated, although a cleared track has been used for some time as pedestrian access between the residential properties located on Norfolk Street to

the north and Gibney Street to the south. Infrastructure for the sewer network runs the length of the road reserve, connecting Norfolk Street properties, and stormwater drainage infrastructure across the north end of the road reserve, feeding into the nearby Lot 173 to the north east. The land parcels on the opposite side of Hills Road form Reserve 37044, with a Management Order to the City of Busselton for the designated purpose of 'Community Centre', with power to lease. Lot 141 currently contains the Naturaliste Children's Community Centre, a not-for-profit community playgroup centre. Reserve 37044 adjoins other Reserves to the east and north, with varying purposes for drainage infrastructure and recreation, providing vegetation linkage through the locality and amenity for local residents.

Unallocated Crown Land (UCL) is land which is Crown Land which has neither a designated purpose nor a designated management body, meaning that the Department of Lands ('DoL') is the effective land manager on behalf of the State Government. It should be noted that the capacity of DoL to actively manage UCL is usually very limited, and some other agencies have some specified management responsibilities in some instances, including the City in relation to some infrastructure that may have been developed on UCL, which would often constitute 'otherwise unvested facilities' – in comparison with many other non-Metropolitan areas, there is not much UCL in the City.

The UCL parcels are known to contain a Threatened Ecological Community (listed as 'Vulnerable'), being Jarrah/Marri woodland on sandy clay soils of the southern Swan Coastal Plain, and is also listed as an Environmentally Sensitive Area, where no clearing exemptions would apply. The vegetated lots are adjacent to a larger extent of bushland which increases fire risk, however the understory is likely to be highly disturbed, with a medium to high weed load on the vegetation edges and alongside tracks. The overstorey appears to be intact and is therefore significant as it may provide potential habitat for Carnaby's Black Cockatoo. In areas of significant understory, it is also likely habitat for threatened ground dwelling mammals such as the quenda (Southern Brown Bandicoot). Western Ringtail Possum might use the area but this would not likely be primary habitat. Vermin, including foxes and cats that might prey on vulnerable species are likely in the area.

In accordance with the City of Busselton *Standing Orders Local Law 2010*, a petition (a copy of the petition is attached at Attachment C) relating to the conservation of land on Hills Road in Dunsborough was presented to the Council at the meeting of 8 June 2016, which stated:

"We, as electors within the City of Busselton, request that the Council preserves the native bushland on Lots 142 – 144 Hills Road, Dunsborough, by seeking the creation of a conservation reserve over this land to be managed by the City."

The Council resolved that the petition "be received and referred to the CEO to prepare a report to the Council or a Committee."

Prior to receiving the petition, the City of Busselton received a request from DoL to provide advice regarding the subject land in terms of the potential for the land to become part of negotiations between the State Government and the South West Aboriginal Land and Sea Council (SWALSC) for the settlement of native title claims in the South West.

To provide some general background, the WA Government entered into a 'Heads of Agreement' with SWALSC to commence negotiations for the full and final surrender of Native Title claims in the South West of Western Australia. The establishment of the Noongar Land Estate (NLE) under the South West Settlement (SWS) agreement intends to provide a significant opportunity for the Noongar community to achieve sustainable economic, social and cultural outcomes. The NLE will comprise of UCL and Unmanaged Reserves subject to various conditions being met and standard statutory approvals, clearances etc.

It is intended that post settlement the land will be transferred as freehold however, SWALSC/Noongar Boodja Trust will have the opportunity to select the land at a lesser tenure, being Reserve with Power to Lease, Reserve or Leasehold as the process moves forward.

The allocation of land to the NLE is subject to all relevant State laws and policies including the *Land Administration Act 1997*, the *Mining Act 1978*, the *Transfer of Land Act 1893*, and the *Planning and Development Act 2005*. Additionally, all use and development of the land in the NLE is subject to all relevant Commonwealth laws and policies. In general, the SWALSC/Trustee will be treated like any other land holding entity.

The full land assessment process includes DoL's statutory obligation to consult with local government. Local government comments may be passed onto the SWALSC/Trustee to enable well founded decision making prior to accepting the land for inclusion into the NLE. The information sought from the City of Busselton includes:

1. Any future proposals for the land identified. If so, in what timeframe?
2. Any known land management issues (contamination, vermin etc.).
3. Any other relevant comments.

The City is yet to provide advice to DoL with regard to these specific land parcels, and once the petition was received, it clearly would have been inappropriate to do so until such time as the petition had been formally considered by the Council.

STATUTORY ENVIRONMENT

The following legislation is relevant with respect to this matter:

- The *Land Administration Act 1997* defines UCL and the process for designating reserves.
- The *Land Administration (Land Management) Regulations 2006* provides for the management of State land (including UCL).

Attachment D demonstrates the zone and reserve allocation over the area as provided for by *Local Planning Scheme No. 21*. The UCL parcels as well as the land parcels on which the Anglican Church are located are identified as "Special Purposes" Zone for "Community Purposes". Land to the south west and the north east are identified as "Public Purposes" Reserves, also for "Community Purposes".

RELEVANT PLANS AND POLICIES

There are no current plans or policies that relate to this proposal.

FINANCIAL IMPLICATIONS

Costs to the City for the acceptance of a management order over these parcels would be limited to maintaining firebreaks. There is no City infrastructure currently located within the parcels, nor is there a proposal for this to take place. Minimal maintenance of the land parcels is anticipated.

Long-term Financial Plan Implications

Nil

STRATEGIC COMMUNITY OBJECTIVES

The Officer Recommendation is consistent with community objective 2.1 of the City's *Strategic Community Plan 2013*, which is – “A City where the community has access to quality cultural, recreation, and leisure facilities and services.”

RISK ASSESSMENT

An assessment of the potential implications of the Officer Recommendation has been undertaken using the City's risk assessment framework. The assessment identified 'downside' risks only. The implementation of the Officer Recommendation will involve advice of the Council resolution to the Department of Lands and to the organiser of the petition. No significant risks have been identified.

CONSULTATION

DoL have advised that records indicate that these lots were identified as 'surplus to requirements'. The lots appear to have been subdivided many years ago as residential lots by the Crown, but never released and instead retained for civic purposes. In previous advice to DoL dated April 2003 regarding the subject lots, the City stated, 'Council has insufficient land stocks in this region for the purpose of community amenities and it is therefore essential that these lots be retained and vested in the Council for this purpose'.

In a letter accompanying the petition, petitioners stated that the management of the land by the City as a Reserve would be in the interests of the local community for the following reasons:

- This area of remnant vegetation provides habitat to a number of locally endemic and Federally protected fauna species, including the Western Ringtail Possum and Carnaby's Black Cockatoo. The conservation of this bushland will contribute to the maintenance of ecological corridors which are essential for the preservation of these animals.
- The character of 'Old Dunsborough' relies on the retention of native bushland within residential areas, which provides idyllic streetscapes and attractive outlooks. This is an experience which is highly sought after by both residents and holiday makers. Significant areas of bushland have recently been lost in this area as a result of subdivision and other developments.
- Residents within this area are strongly interested in conserving the natural assets of the area and being involved in the management of this land.

OFFICER COMMENT

At this stage of the South West Native Title Settlement negotiations, the land being identified for inclusion is generally being requested as freehold, however lesser forms of tenure, or the potential for co-management (with the City or other agencies) could be an option. However, the Strategic Land Review project has made it clear that there is very little usable UCL available in the City of Busselton within accessible locations that may serve the purpose as freehold land available for the NLE. The Hills Road parcels are well located within the Dunsborough townsite, making it more suited to community/cultural purposes.

The intended future use of specific land parcels that are identified through the Native Title process is not known with much degree of certainty at this stage. The most appropriate form of tenure for this land would engage outcomes that address cultural and environmental issues.

City Officers understand that land identified as part of the South West Native Title negotiations can potentially be transferred into trust as part of this settlement while retaining a 'conservation' purpose. With reference to the *Perth and Peel Green Growth Plan for 3.5 million* (strategic environmental assessment), where land has been identified simultaneously for commitment for 'conservation' purposes under this Plan and also by SWALSC (or are under review by SWALSC for selection) as part of Native Title negotiations, such land will be offered to the Noongar Boodja Trust as reserves under the *Land Administration Act 1997* with Management Orders solely vested in the Trust that have Noongar Cultural and Social benefits and Conservation in the purpose. If this course of action is acceptable to all parties over the Hills Road parcels, this may form a suitable response to the environmental constraints that are present.

Whilst the potential benefits in recommending the land as part of the NLE in freehold have been considered and are acknowledged, certainty of protection of the environmental values cannot necessarily be guaranteed. The importance of the land to the local community has been expressed and the notion of retaining the land for ecological linkages and habitat protection is considered to be a significant aspect.

City Officers therefore recommend in the first instance that the Council supports the petition, whilst advising the DoL of the relevant environmental constraints and community interest and as such the inclusion of the land into the NLE as freehold is not supported. Further, it is recommended that the City seek to have the land parcels vested as a Reserve for 'Landscape Protection' and a management order issued to the City. The petitioners will also be advised of the Council's decision.

CONCLUSION

The Officer Recommendation therefore suggests that the Council supports the petition and to seek the land be vested as a Reserve for 'Landscape Protection' and a management order issued to the City; whilst advising the DOL of the reasons for this decision due to the environmental constraints and community interest.

OPTIONS

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

1. To acknowledge the petition, but support the inclusion of the Hills Road UCL parcels, into the South West Native Title Settlement negotiations as freehold land, acknowledging the environmental constraints over the land; or
2. To not support the petition or inclusion of the land into Native Title negotiations, such that the land will retain its Unallocated Crown Land designation and continue to be administered by the Department of Lands.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Implementation of the Officer Recommendation will involve providing advice of the Council resolution to the Department of Lands and the petitioners. This will occur within one month of the resolution made by the Council.

Council Decision and Officer Recommendation

C1608/218

Moved Councillor G Bleechmore, seconded Councillor P Carter

That the Council:

1. Advise the Department of Lands that the City of Busselton does not support the inclusion of

Lots 142, 143 and 144 Hills Road, Dunsborough into the negotiations for the Native Title Settlement due to the relevant land management issues and environmental constraints associated with the land parcels and the level of community interest in maintaining this land for these values;

2. Advise the Department of Lands that the City wishes to seek the land be vested as a Reserve for 'Landscape Protection' and a management order issued to the City; and
3. Advise the petitioners of the Councils response to this matter, thanking them for bringing the matter of the importance of the land parcels to the local community to the attention of the Council.

CARRIED 9/0

EN BLOC

12. ENGINEERING AND WORKS SERVICES REPORT

12.1 RFT15/16 STREET AND DRAIN CLEANING SERVICES

SUBJECT INDEX:	RFT15/16
STRATEGIC OBJECTIVE:	Infrastructure assets are well maintained and responsibly managed to provide for future generations.
BUSINESS UNIT:	Operations and Works Services
ACTIVITY UNIT:	Operations Services
REPORTING OFFICER:	Engineering Technical Officer - Raelene Lamb
AUTHORISING OFFICER:	Director, Engineering and Works Services - Oliver Darby
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Confidential Tender Evaluation Attachment B Confidential Panel Consensus Score Sheet Attachment C Confidential Tender Evaluation and Recommendation Report

Attachment A is confidential under Section 5.23 - 2(c) of the Local Government Act 1995 in that it deals with “a contract entered into or which may be entered into, by the local government”. Copies have been provided to Councilors, the Chief Executive Officer and Directors Only.

PRÉCIS

The Council is requested to consider the tenders received in response to Request for Tender RFT15/16 – Street and Drain Cleaning Services. This report recommends that Council award a contract pursuant to RFT15/16.

BACKGROUND

This Contract is for the provision of street and drain cleaning services within the City of Busselton boundary.

Works are required at various specified frequencies and hours of operation and include, (but are not limited to), the following:

- Sweeping of roads; footpaths; car parks and off-road bicycle paths;
- Eduction of drainage pits and jetting of drainage lines; and,
- Eduction of gross pollutant traps.

Tenders received in response to RFT15/16 were assessed by a Tender Evaluation Panel which comprised of the following City Officers:-

- | | |
|------------------|---|
| • Matthew Twyman | Maintenance & Construction Coordinator |
| • Cobus Botha | Legal Services Coordinator |
| • Raelene Lamb | Engineering Technical Officer (Panel Chair) |

The Tender Evaluation Panel finalised its assessment and prepared an evaluation report for Council’s consideration which is discussed in more detail in the officer comment section of this report. Based on this evaluation report it is recommended that Council award a contract pursuant to RFT15/16 in accordance with the officer recommendation.

STATUTORY ENVIRONMENT

Part 4 — Provision of goods and services of the Local Government (Functions and General) Regulations 1996 requires, among other things, as follows:

Regulation 11(1) - subject to certain exceptions (which in this instance do not apply) before a local government enters into a contract for another person to supply goods or services if the consideration under the contract is, or is expected to be, more, or worth more, than \$150 000 apply. In particular,

Regulation 14 (2a) - if a local government is required to invite a tender the local government must, before tenders are publicly invited, determine in writing the criteria for deciding which tender should be accepted.

Regulation 18(4) – the local government is to assess tenders that comply with the requirement specified in the invitation for tender, by means of a written evaluation of the extent to which each tender satisfies the tender selection criteria, and then decide which tender would be most advantageous to the local government to accept.

RELEVANT PLANS AND POLICIES

The following Council policies have relevance to the Tender process.

Policy 239 – Purchasing:

The procurement process complies with this policy.

Policy 049/1 – Regional Price Preference:

The Regional Price Preference was applied to this tender.

Policy 031 – Tender Selection Criteria:

The procurement process complies with this policy.

FINANCIAL IMPLICATIONS

The application of appropriate selection criteria via the tender process has contributed to ensuring that the successful tenderer is offering the "best value" with respect to the provision of street and drain cleaning services within the City of Busselton.

Prices submitted under this tender show a two percent (2%) reduction in programmed works and a six percent (6%) increase in hourly rates, compared to the existing service tender RFT10/12 for street and drain cleaning services

Since the award of RFT10/12, the CPI-All Groups Perth has increased by six percent (6%).

The costs of services within this tender are provided for in capital works and operational budgets for each financial year. Purchasing under this contract will be in accordance with these adopted budgets.

STRATEGIC COMMUNITY OBJECTIVES

The officer recommendation of this report reflects and is consistent with the City of Busselton's strategic objectives.

Well Planned, Vibrant and Active Places

- *Infrastructure assets that are well maintained and responsibly managed to provide for future generations.*

RISK ASSESSMENT

The objective of this tender is to select a suitably qualified Contractor who best demonstrates the ability to provide efficient street and drain cleaning services across the City of Busselton.

The risk has been categorized as a low (L5, unlikely with minor operational consequences). The risk has been assessed in this manner because the successful contractor has historically demonstrated the ability to deliver on the services as identified in the Tender document.

The provision of referees and financial profile information further reinforces the City's confidence in the appointment as the Contractor is well-established, has the financial capacity to fulfil the contract and the risk of insolvency is low.

CONSULTATION

RFT15/16 Street and Drain Cleaning Services was advertised in the West Australian newspaper on 9th July and on the City of Busselton tenders web site page between the 12th and 25th July 2016. The closing date for submissions was 25th July 2016 at 2.00pm.

OFFICER COMMENT

Tenders were checked for completeness and compliance and tenders that were not submitted at the place, or by the delivery method and within the time specified in RFT15/16, or failed to satisfy the relevant compliance criteria, were rejected. All compliant tenders were evaluated using information provided in RFT15/16 and in the submissions received from tenderers. Clarifications sought from some of the tenderers were also taken into account, as well as such other information considered necessary in order to evaluate the tenderers against the selection criteria. The Evaluation Panel scored each compliant tenderer against the qualitative criteria as specified in RFT15/16.

A scoring and weighting system was used as part of the assessment of the qualitative criteria, allocating points and weightings to those criteria which are considered key to meeting the City's requirements and objectives. The weighting given to various criteria indicate the relative degree of importance that the City places on each of the weighted criterion. The extent to which a tender demonstrates greater satisfaction of each of these criteria resulted in a greater score, with the aggregate score of each tender used as one of the factors in the final assessment of the tenders against the selection criteria and in the overall assessment of best value for money for the City.

The proposed successful tenderer has been recommended by the Tender Evaluation Panel, reflecting on the following Qualitative Criteria:

- **Relevant Experience:** 5% - highlighting each tenderers relevant market related work specific experience, substantiated by current and relevant referees.
- **Key Personnel Skills and Experience:** 5% - clearly showing staffing and employer based relevant skill levels and training.
- **Tenderers Resources:** 10% - highlighting the company's ability to provide the required work gear and hardware, as well as staffing resources to accommodate additional and unforeseen frequency and schedule issues.
- **Demonstrated Understanding:** 20% - details of proposed methodology to achieve the requirements of the Specification including scheduling, delivery and training of personnel.

The Tendered price was given the following weighting (and was assessed in conjunction with the Qualitative Criteria detailed in “Part 6 – Tenderer’s Offer” of this Request for Tender);

Criteria	Weighting
Tendered price	60%

From all the information presented by each respondent, a further consideration was entertained as to whether the detail presented within the total submission reflected current and commercial standards of professionalism, substantiated by good referees and sound financial backing to accommodate immediate and future work flow needs and actions.

Based on this methodology the Tender Evaluation Panel recommends that the tender from B & B Street Sweeping Pty Ltd represents the best value for money option for the City as it demonstrates the contractor’s ability to execute the requirements of the proposed contract with fully qualified staff and resources, at a competitive price.

CONCLUSION

This report seeks the Council’s endorsement of the officers’ recommendation to award the contract resulting from RFT15/16 to B & B Street Sweeping Pty Ltd.

OPTIONS

The Council may consider the following option:

The Council may choose not to accept the officers’ recommendation to award the contract to the preferred tenderer and not award any tender.

Given the statutory requirements to seek public tenders for this work, the City would then need to either:

- (a) Seek alternative tenders by re-advertising, or;
- (b) Appoint a contractor on the WALGA Preferred Supplier Panel.

Both alternatives would result in a delay to appointment of a contractor, resulting in the delay of critical works and there is no guarantee that a better value outcome could be achieved.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The award of the Street and Drain Cleaning tender to the successful tenderer will be announced immediately, should the Council endorse the officers’ recommendation. They will receive formal written notification within seven (7) days of Council’s decision. The unsuccessful tenderers will also be notified within this timeframe.

Council Decision and Officer Recommendation

C1608/219 Moved Councillor G Bleachmore, seconded Councillor P Carter

That the Council:

1. Award the RFT15/16 Street and Drain Cleaning Services to B & B Street Sweeping Pty Ltd ITF B & B Street Sweeping Trust for a period of three (3) years with an option of two (2), one (1) year extensions, under the same terms and conditions as the initial period, subject to the Principle’s approval in accordance with the tender.

CARRIED 9/0

EN BLOC

12.2 EXPANSION OF PRESCRIBED WASTE COLLECTION AREA IN EAGLE BAY AND YALLINGUP

SUBJECT INDEX:	Waste Management
STRATEGIC OBJECTIVE:	Environment and climate change risks and impacts are understood and managed.
BUSINESS UNIT:	Waste and Fleet Services
ACTIVITY UNIT:	Waste and Fleet Services
REPORTING OFFICER:	Manager, Waste and Fleet Services - Vitor Martins
AUTHORISING OFFICER:	Director, Engineering and Works Services - Oliver Darby
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Overall Waste Collection Extension Attachment B Eagle Bay Garbage Collection Attachment C Wildwood Rd Garbage Collection Attachment D Wyadup Rd Garbage Collection Attachment E Overhanging Trees Attachment F Tea Tree Rise

PRÉCIS

The City has received four separate requests from rural residential areas to extend the prescribed area for waste collection.

In accordance with the City's Waste Collection Policy, each area has been surveyed for public support, a financial analysis has been performed and road safety has been considered. This report recommends the addition of three new areas to the City's prescribed area for waste collection.

BACKGROUND

The City has received requests to extend the existing prescribed waste collection area from four areas within the district that are not currently serviced. These areas are Carnarvon Castle Drive in Eagle Bay (request from 4 residents); Butterly Rd/Bayfield Court area (including Butterly Rd, Bayfield Court and Zamia Grove) in Yallingup (request from 11 residents); and Sainsbury Loop area (including Sainsbury Loop, House Glen, Brazier Cove, Marron Rise and Karli Rise in Injidup (request from 10 residents).

Whenever new housing is built in an area zoned "residential" such an area is automatically included in the prescribed area for waste collection (weekly rubbish collection and fortnightly recycling collection) and all owners of dwellings in the area are charged accordingly for the rubbish and recycling services on their annual rates.

However, this is not the case for "rural residential" areas. Such areas do not receive waste services automatically and do require support to be demonstrated from the affected streets' residents before they can be brought in. This is because when an area is incorporated into the waste collection prescribed area all properties with dwellings are charged for the service, not only those who are in favour of it.

In accordance with Council policy, upon request for waste collection services by interested residents in rural residential areas, the City assesses the viability of the extension of the existing prescribed collection area to include the requested area in line with financial and operational (safety) criteria and undertakes consultation of other residents within the same area to ascertain the level of support for the proposed expansion.

STATUTORY ENVIRONMENT

Waste Avoidance and Recovery Act

The WARR Act provides the City with a discretion to determine from time to time which premises or areas within its district are to be supplied with waste services (prescribed area).

Currently the City's prescribed area is determined and defined under the City's Refuse Collection Service Policy.

Should Council wish to expand the prescribed area, the process requires a policy amendment in terms of which the Prescribed Antea Maps (as referred to in the policy) are amended to incorporate the extended collection area.

While it should be noted that the City is not bound to provide collection services to specific areas by any legislative requirements, by providing waste collection services within a prescribed collection area – and by considering the expansion of the waste collection prescribed area on the basis of its financial and operational viability and the community's expectations, the City fulfills the requirements of the Act and the Policy.

RELEVANT PLANS AND POLICIES

The City's Council Policy 211/2 "Refuse Collection – Service Policy" was introduced to provide provision for waste collection services to properties outside Residential zoning, i.e. Rural Residential.

The policy sets out various criteria to be assessed in order to determine the viability of such a service to these areas: demand for the service, cost of provision of the service, income potential from annual charges and operational requirements. As part of the operational requirements, the suitability of roads for waste collection is also taken into account, involving turnaround points for the truck, the width of sealed roads and safety issues involving the truck stopping near bends.

The proposed expansion areas have been deemed viable in accordance with the applicable Council Policy criteria, as detailed in the Officer Comment section below.

FINANCIAL IMPLICATIONS

The financial implications associated with the recommendations in this report involve balancing the cost of providing the services with the revenue from the annual charges from the services, in both cases in marginal (additional) terms.

On the basis of the number of additional (82) properties to be serviced within the proposed expansion area at \$159 charge per property per year, the additional revenue is expected to amount to \$13,038 for the full financial year.

On the basis of the additional collection times required to service the proposed expansion area, the estimated cost amounts to approximately \$8,100 per year, which includes plant charge out rates, internal depreciation charges, wages and overheads.

The break-down of the financial analysis for each collection area request are detailed in the Officer Comment section below.

In summary, the estimated additional revenue will offset the cost of additional wages, truck time, fuel, and depreciation/equipment wear and tear, imposed during the year for the provision of extra service required in these areas.

Long-term Financial Plan Implications

There are no impacts on the long term financial plan, should the recommendation in this report be endorsed.

STRATEGIC COMMUNITY OBJECTIVES

The officer recommendation of this report reflects and is consistent with the City of Busselton's strategic objective:

5.3 Environment and climate change risks and impacts are understood and managed.

RISK ASSESSMENT

The recommendations within this report are aimed at providing waste collection services for residents, on the condition that the services are financially viable and that the roads are suitable for the waste collection trucks. As the required community support level of 75% has been obtained in each instance, as financial viability has been demonstrated for the areas mentioned and road safety has been addressed, no medium or greater risks were identified.

CONSULTATION

In accordance with the City's Waste Collection Policy, each area has been surveyed for public support which has resulted in the minimum required support level of 75%, as required in the policy. The survey was in the form of a letter sent to every property owner.

The details of the survey outcomes for each area are provided in the officer comments section. On the basis of the survey undertaken the proposed expansion is in line with the policy requirements and community's expectations.

OFFICER COMMENT

To the extent that the City intends to be responsive to community expectations, it is desirable for the City to provide waste collection services to residents wherever possible. Financial viability and the suitability of roads for the waste collection vehicles are the main limiting factors in providing this service for all residents.

The four areas surveyed in this report (all "rural residential" areas) are: Carnarvon Castle Drive in Eagle Bay; Butterly Rd/Bayfield Court area (including Butterly Rd, Bayfield Court and Zamia Grove) in Yallingup; and Sainsbury Loop area (including Sainsbury Loop, House Glen, Brazier Cove, Marron Rise and Karli Rise in Yallingup. The map with the proposed expansion areas is provided in Attachment A to illustrate the additional route required to be travelled by the waste collection trucks.

Each area was assessed on the basis of the applicable criteria in accordance with the relevant Council policy: demand for the service, cost of provision of the service, income potential from annual charges and operational/safety requirements.

Eagle bay, Carnarvon Castle Drive

Part of this road is already collected by the waste trucks. Currently they travel as far as Vixen Close before turning around and going back (see map in Attachment B).

The extension of Carnarvon Castle Drive would affect only four residents which is also the number of dwellings in the area of interest. All four requested the City to provide the service and are in favour

of having the waste collection extended to the end of the street. This support rate of 100% indicates that there is significant demand for the service.

The financial analysis comparing the cost of provision of the service with the income potential from annual charges indicates that it would be just short of viable to service this area. However, there are a potential 16 more houses to be built in the area and only 1 additional property needs to have a house built to recover the difference. Due to the fact that all of the rest of Eagle Bay has waste collection, we are recommending that Council approves waste collection to the end of Carnarvon Castle Drive.

The financial analysis as follows:

- Provision of service Costs: Route takes 5 mins to drive at 30 km/h + average additional time of 4 bins x 15 sec each = 6 mins total corresponding to 312 minutes or 5.2 hours per year (for 52 weeks). Total cost = \$734.1 per year [Cost per hour is \$141.19/hr including wages, plant charges, depreciation and overheads]
- Potential Income: 4 properties, refuse collection charge \$159/yr for 2016-17. Total revenue = \$636 per year.
- At this stage the difference between service costs and potential income is slightly unfavourable by \$ 98.19 per year.

In regards to the operational/safety requirements, there are no additional issues such as unsuitability of the roads for waste collection. The entire road is sealed and kerbed, and a *cul de sac* turnaround exists at the end of the road.

Yallingup, Butterly Road/Bayfield Court

This area includes Butterly Rd and the associated roads of Bayfield Court and Zamia Close (see map in Attachment C).

On April 11, 2015 a group of 11 residents petitioned the City for waste collection and in turn the City conducted a formal survey of all landowners with dwellings in the area. Out of the 30 surveys sent, a total of 28 responses were received, 24 being in favour of waste collection and 4 against. This shows a support rate of 85% by respondents. This support rate indicates that there is a reasonable demand for the service.

In order to service this whole area, the operational/safety assessment undertaken flagged one potentially major issue. Due to the higher speed limit and winding roads the junction of Commonage Road and Wildwood Road would allow only poor visibility from all directions when trucks turn right from Commonage Road into Wildwood Road. In fact, this junction has been assessed by Main Roads as requiring clearing in order to improve visibility.

The clearing has since been undertaken in accordance with the appropriate permit, now allowing visibility to be improved to the appropriate standard. Waste collection can now be safely introduced in the proposed area.

The financial analysis has also indicated that it is worthwhile for the City to provide this service:

- Provision of service Costs: Route takes 21 mins to drive at 30 km/h + average additional time of 30 bins x 15 sec each = 28.5 mins per week total, corresponding to 1,482 minutes or 24.7 hours per year (for 52 weeks). Total cost = \$3,487.39 per year [Cost per hour is \$141.19/hr including wages, plant charges, depreciation and overheads]
- Potential Income: 30 residences, Refuse Collection Charge of \$159/yr for 2016-17. Total revenue = \$4,770 per year.

Due to the issues described below there are two exceptions to the proposed expansion within Butterly Road/bayfield Court area: properties located in Dell Retreat and properties along Wildwood Road.

Dell Retreat runs off Butterly Rd and was also surveyed for waste collection. Unfortunately, there is no turnaround for trucks at the end of Dell Retreat. This has required the City to offer waste collection services there on the condition that residents had to wheel their bins to Butterly Rd for presentation.

Because of this, this particular area was treated separately in respect to the survey used to determine the residents' support for the service.

The outcome of the Dell Retreat residents' survey was that the condition for residents to wheel their bins to Butterly Rd for presentation was not acceptable for many residents. The survey for Dell Retreat received 6 responses out of 16 surveys sent, only 2 of which were in favour of waste collection and 4 against; a support rate of just 33% of respondents (or 12.5% of all 16 dwellings). It is therefore recommended that the City does not provide waste collection services for Dell Retreat.

Officers have further investigated other alternatives for residents on Dell Retreat, these being the construction of an appropriate turn around or a communal bin location.

A turnaround constructed in an appropriate location along Dell Retreat would cost in the region of \$75,000 and would require access into one of the private properties. This is due to the topography of the area, as the road is built on the side of a hill. Due to the costs this is not recommended by officers. A communal bin location is a further possibility. A specific location could be determined with the land owners where their bin would be located permanently. This would be a location suitable for the bin truck to access where residents would take their waste as opposed to having to wheel bins to that location. The only disadvantages of this system would be the permanent location of bins and potential illegal waste dumping. In order to proceed with this option it will be recommended that further consultation with residents on Dell Retreat take place.

Concerning the properties directly located on Wildwood Road the City is unable to provide a waste collection service there due to road safety considerations. The conclusion of the assessment undertaken is that it is not safe for the truck to stop on Wildwood Road, due to the higher speed limit of 80kmh, the winding nature of the road and the short sight distances in both directions, associated with the presence of roadside vegetation.

In conclusion, in respect to the Yallingup, Butterly Road area, this Report recommends that the Council approve waste collection to start in the affected area of Butterly Road, Bayfield Court Zamia Grove, except on Dell Retreat and along Wildwood Road.

Injidup, Wyadup Road

This area incorporates Sainsbury Loop, House Glen, Brazier Cove, Karli Rise and Marron Rise (see map in Attachment D). The City has received a request, on behalf of 10 residents in these streets to provide a waste collection service and in turn the City conducted a formal survey of all property owners. This survey received 37 responses out of the 37 surveys sent. Out of the 37 responses, 29 were in favour of waste collection and 8 against, a support rate of 78% (the same percentage of the total dwellings in the area). This support rate achieved the minimum required figure of 75%.

The area has been visited and assessed for financial viability, and it has been demonstrated that it is financially viable to provide the service to these streets:

- Provision of service Costs: Route takes 25 mins to drive (from Wildwood Rd turnoff) at 30kmh + average additional time of 37 bins x 15 sec each = 34.25 mins, corresponding to 1,781 minutes or 29.7 hours per year (for 52 weeks). Total cost is \$141.19/hr = \$4,190.98 per year.
- Potential Income: 37 bins, Refuse Collection Charge \$159/yr for 2016-17. Total revenue = \$5,883 per year.

The density of the dwellings along Butterly Rd, Bayfield Court, Sainsbury Loop, House Glen, Brazier Cove, Marron Rise and Karli Rise is consistent with the density of dwellings in rural residential areas previously approved for waste collection by the City, with no operational issues to report.

A group of residents in the Wyadup area not covered by the above streets also requested the City for a waste collection service. This group included residents in Cape Clairault Road, Wyadup Road, Injidup Springs Road and Tea Tree Rise.

The City officer assessed the suitability of the area for collection and concluded that the streets are not suitable for waste collection trucks according to the reasons below.

Both Cape Clairault Road and Wyadup Road end in carparks which in summer, when the car parks are likely to be full, will be extremely difficult for the trucks to turn around in. Additionally, Cape Clairault Road contains a heavy overhanging canopy of trees which would need to be severely pruned back for the passage of waste collection trucks, and this would significantly detract from the ambience of the area (see picture in Attachment E).

Tea Tree Rise does not have a turnaround for trucks (the road terminates in a gravel track which is subject to being washed away on a regular basis – see picture in Attachment F); and

Even if the car parks were deemed as suitable for trucks to turn around in and the pruning of the trees along Cape Clairault Road was undertaken, there are only 6 residences along Cape Clairault Road and Wyadup Road which could be serviced by the trucks, and it is not financially viable to provide a service to this number of dwellings in view of the additional time taken to deliver the service.

There are 6 potential residential addresses to be collected. A financial assessment of the area is based on the measurement of 10 minutes per week being added to the waste collection route for Injidup, and the current costs of \$141.19/hour (including wages, plant charges, depreciation and overheads).

Provision of service costs = 10 mins/week = 8.7 hours/yr x \$141.19/hr = \$1,223.65/yr.
Income potential = 6 x \$159/yr = \$954/yr.

This demonstrates that waste collection for the Cape Clairault Rd area would run at a financial loss, in addition to being operationally unviable and it is, therefore, not recommended.

CONCLUSION

The introduction of a waste collection scheme for the areas recommended is likely to be well received by most of the residents and is financially viable for the City. Therefore it is highly recommended.

OPTIONS

The Council may decide not to approve waste collection for some or all of the areas proposed, in which case residents will continue to be required to take their own waste to Busselton Transfer Station or Dunsborough Waste Facility for disposal.

The Council might approve waste collection for some or all of the areas that are not recommended, in which case a number of issues in respect to the operational and financial viability of the services will need to be addressed.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

This resolution could be implemented within one month of being approved by the Council.

Council Decision and Officer Recommendation**C1608/220**

Moved Councillor G Bleechmore, seconded Councillor P Carter

That the Council:

1. Approve all properties on Carnarvon Castle Drive for inclusion on the prescribed area register of roads for waste collection.
2. Approve all properties on Butterly Road, Bayfield Court and Zamia Grove for inclusion on the prescribed area register of roads for waste collection.
3. Approve all properties on Sainsbury Loop, House Glen, Brazier Cove, Karli Rise and Marron Rise for inclusion on the prescribed area register of roads for waste collection.
4. Not approve any of the properties on Dell Retreat and complete further consultation on support for or against a communal bin location.
5. Not approve any of the properties on, Wildwood Road, Cape Clairault Road, Wyadup Road, Injidup Springs Road and Tea Tree Rise for inclusion on the prescribed area register of roads for waste collection.

CARRIED 9/0**EN BLOC**

14. FINANCE AND CORPORATE SERVICES REPORT

Nil

15. CHIEF EXECUTIVE OFFICER'S REPORT**15.1 COUNCILLORS' INFORMATION BULLETIN**

SUBJECT INDEX:	Councillors' Information
STRATEGIC OBJECTIVE:	Governance systems that deliver responsible, ethical and accountable decision-making.
BUSINESS UNIT:	Executive Services
ACTIVITY UNIT:	Governance Services
REPORTING OFFICER:	Reporting Officers - Various
AUTHORISING OFFICER:	Chief Executive Officer - Mike Archer
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Planning Applications Recieved 16 July - 31 July
	Attachment B Planning Applications Determined 16 July - 31 July
	Attachment C Department of Water - South West Non Potable Urban Water Strategy
	Attachment D Business South West - Local Government Authority 6 Monthly Report

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**15.1.1 Planning and Development Statistics**

Attachment A is a report detailing all Planning Applications received by the City between 16 July, 2016 and 31 July, 2016. 37 formal applications were received during this period.

Attachment B is a report detailing all Planning Applications determined by the City between 16 July, 2016 and 31 July, 2016. A total of 38 applications (including subdivision referrals) were determined by the City during this period with 37 approved / supported and 1 refused.

15.1.2 Current Active Tenders**2016 TENDERS****RFT03/16 BUSSELTON JETTY PAINTING**

The City of Busselton invited tenders for the provision of painting services for the Busselton Jetty, including all handrails, the Interpretive Centre building and Under Water Observatory building. The successful supplier will be contracted to supply these painting services for a period of three years. The tender was advertised on 16 April 2016 with a closing date of 10 May 2016. Three (3) tender

submissions were received. The value of the contract did not exceed the CEO's delegated authority. The evaluation was completed and the contract resulting from this RFT awarded to Higgins Coating.

RFT04/16 KOOKABURRA CARAVAN PARK MANAGEMENT AGREEMENT

The City of Busselton invited tenders for the provision of Management Services for the Kookaburra Caravan Park. The successful supplier will be contracted to supply these services for a minimum period of three years. The tender was advertised on 14 May 2016 with a closing date of 14 June 2016. Five (5) tender submissions were received. The evaluation has been completed and the contract resulting from this tender awarded by Council to BCP Contractors Pty Ltd.

RFT05/16 BUSSELTON FORESHORE REDEVELOPMENT: DESIGN, SUPPLY & INSTALLATION OF UTILITY SERVICES

The City of Busselton invited tenders for the construction of the Busselton Foreshore Utilities. This includes the design, supply and installation of sewer, potable water, reticulated water, gas & telecommunications infrastructure for the next stage of the Busselton Foreshore development. The tender was advertised on 28 May 2016 with an original closing date of 30 June 2016. The closing date was extended to 6 July 2016. Four tender submissions were received. The value of the contract is expected to exceed the CEO's delegated authority. The evaluation has been completed and a recommendation report presented to the Council as part of this agenda.

RFT06/16 BUSSELTON FORESHORE PARADE WEST: PROVISION OF CONSTRUCTION SERVICES

The City of Busselton invited tenders for the construction of Foreshore Parade West on the Busselton Foreshore. The tender was advertised on 28 May 2016 with a closing date of 30 June 2016. Six (6) tender submissions were received. The value of the contract is not expected to exceed the CEO's delegated authority. It is anticipated the evaluation will be completed and a recommendation report presented to the CEO in August 2016.

RFT07/16 PEST AND WEED CONTROL SERVICES

The City of Busselton invited tenders for the provision of Pest and Weed Control Services, including urban and rural pest and weed control on road verges, drainage sumps, cycle-ways, footpaths, kerb-lines, bridges, parks, ovals and other various infrastructure managed by the City. The successful Contractor will be required to provide the required services to the City for a period of two years, with the option of two one year extensions, to be exercised at the discretion of the City. The tender was advertised on 11 June 2016 with a closing date of 28 June 2016. Five (5) tender submissions were received. The evaluation has been completed and the contract resulting from this tender was awarded by Council to Busselton Pest and Weed Control.

RFT09/16 AUDIO VISUAL FIT OUT – CITY OF BUSSELTON NEW CIVIC & ADMINISTRATION BUILDING

The City of Busselton invited tenders for the Audio Visual Fit-out for the new City of Busselton Administration and Civic Building. The functional requirements of this tender include the design, supply and installation of audio visual technologies for the Council Chambers, Council Civic reception/gallery, function hall and up to six meeting rooms. The tender was advertised on 11 June 2016 with a closing date of 29 June 2016. Four (4) tender submissions were received. The value of the contract did not exceed the CEO's delegated authority. The evaluation has been completed and the contract resulting from this tender awarded to Redfish Technologies Pty Ltd.

RFT10/16 SUPPLY AND INSTALLATION OF OFFICE WORKSTATIONS TO THE CITY OF BUSSELTON ADMINISTRATION AND CIVIC BUILDING

Following an Expressions of Interest (EOI 02/16) process for making a preliminary selection among prospective tenderers, the City of Busselton invited tenders for the Supply and Installation of Office Workstations to the City of Busselton Administration and Civic Building. Nine (9) respondents were considered to be capable of satisfactorily supplying the goods/services and were subsequently shortlisted as acceptable tenderers:

Company	Location
CabiCo Pty Ltd	Bunbury
Design Farm	Perth
Innerspace Commercial Interiors Pty Ltd	Perth
UCI	West Perth
Haworth	Perth
Zenith Interiors (WA) Pty Ltd	Perth
Burgtec	Balcatta
Castledex	Osborne Park
Schiavello (WA) Pty	Perth

On 20 June 2016, under delegated authority, the CEO proceeded to invite the shortlisted tenderers to formally submit tenders. The tender closing date was 12 July 2016 and 7 tenders were received. The CEO has a specific delegation in relation to award of this tender, subject to it not exceeding the approved budget for these goods/services (refer Council Resolution C1605/111). It is anticipated that the evaluation process will be concluded and a preferred tenderer appointed by September 2016.

RFT11/16 AIRSIDE D & C CONTRACTOR

Following an Expressions of Interest (EOI 01/16) process for making a preliminary selection among prospective tenderers, the City of Busselton invited tenders for the Airside D & C Contractor (Design and Construction of Airside Infrastructure at Busselton Margaret River Regional Airport). Ten (10) respondents were considered to be capable of satisfactorily supplying the goods/services and were subsequently shortlisted as acceptable tenderers;

Company	Location
Downer EDI Works Pty Ltd	Perth
Densford Civil Pty Ltd	Perth
CPD Contractors Pty Ltd	Perth
Ertech Pty Ltd	Perth
Fulton Hogan Construction Pty Ltd	South Australia
Georgiou Group Pty Ltd	Perth
BCG Contracting Pty Ltd	Perth
BMD Constructions Pty Ltd	Perth
WBHO Infrastructure Pty Ltd	Perth
NRW Pty Ltd	Perth

On 16 June 2016, under delegated authority, the CEO proceeded to invite the shortlisted tenderers to formally submit tenders. NRW Pty Ltd, Fulton Hogan Construction Pty Ltd and Densford Civil Pty Ltd have since advised that, for commercial reasons, they will not be submitting a tender. A tender briefing and site inspection was held at the Airport on 27 June 2016 which was attended by the remaining eight tenderers. The tender closed 4 August 2016. The value of the contract is expected to exceed the CEO's delegated authority under Delegation Ref 3L (refer to Council Resolution

C1606/140). It is anticipated the evaluation will be completed and a recommendation report presented to the Council in September 2016.

RFT12/16 SUPPLY AND INSTALLATION OF LOOSE FURNITURE ITEMS FOR THE CITY OF BUSSELTON ADMINISTRATION AND CIVIC BUILDING

The City of Busselton invited tenders for the Supply and Installation of Loose Furniture for the new City of Busselton Administration and Civic Building. The tender was advertised on 25 June 2016 with a closing date of 15 July 2016. The value of the contract is expected to exceed the CEO's delegated authority. It is anticipated the evaluation will be completed and a recommendation report presented to Council in September 2016.

RFT13/16 BUSSELTON MARGARET RIVER REGIONAL AIRPORT: AVIATION ENGAGEMENT CONSULTANT

The City of Busselton invited tenders for the Busselton Margaret River Regional Airport: Aviation Engagement Consultant. The objective of this tender is to appoint a specialist Airline Consultant to work with the Busselton Margaret River Regional Airport (BMRRRA) Airline Engagement Working Group (AEWG) to develop an approach to attracting and securing an airline(s) in time for the completion of the BMRRRA Development Project, and to assist in the mitigation of identified risk within this area. The tender was advertised on 29 June 2016 with a closing date of 28 July 2016. The CEO has a specific delegation in relation to award of this tender (refer to Council Resolution C1606/140). It is anticipated the evaluation will be completed and a recommendation report presented to the CEO in late August 2016.

RFT14/16 BUSSELTON FORESHORE DEVELOPMENT: JETTY WAY PEDESTRAIN LINK EXPOSED AGGREGATE CONCRETE

The City of Busselton invited tenders for the construction of Jetty Way Pedestrian Link Exposed Aggregate Concrete on the Busselton Foreshore. Jetty Way pedestrian link walkway (incorporating the Jetty train tracks between the Jetty and Railway House) will be located between Foreshore Parade and the Busselton Jetty abutment. The tender was advertised on 2 July 2016 with a closing date of 2 August 2016. Three tenders were received. The value of the contract is expected to exceed the CEO's delegated authority. The evaluation will be completed and a recommendation report presented to Council in September 2016.

RFT15/16 STREET & DRAIN CLEANING SERVICES

The City of Busselton invited tenders for the provision of Street and Drain Cleaning Services. This RFT replaces RFT 08/16. The successful Contractor will be required to provide the required services to the City for a period of three years, with the option of two one year extensions, to be exercised at the discretion of the City. The tender was advertised on 9th July, with a closing date of 25th July. Five tenders were received. The value of the contract is expected to exceed the CEO's delegated authority. It is anticipated the evaluation has been completed and a recommendation report presented to the Council as part of this agenda.

15.1.3 Department of Water – South West Non Potable Urban Water Strategy

Correspondence has been received from the Department of Water and is available to view in Attachment C.

15.1.4 Business South West – Local Government Authority 6 Monthly Report

Correspondence has been received from Business South West and is available to view in Attachment D.

Council Decision and Officer Recommendation

C1608/221 Moved Councillor G Bleechmore, seconded Councillor P Carter

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

- 15.1.1 Planning and Development Statistics
- 15.1.2 Current Active Tenders
- 15.1.3 Department of Water – South West Non Potable Urban Water Strategy
- 15.1.4 Business South West – Local Government Authority 6 Monthly Report

CARRIED 9/0

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.

13. COMMUNITY AND COMMERCIAL SERVICES REPORT

13.1 COMMUNITY SPORT AND RECREATION FACILITIES FUND: SMALL GRANT APPLICATIONS WINTER

SUBJECT INDEX:	Leisure Services
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:	Community Development Coordinator - Jeremy O'Neill
AUTHORISING OFFICER:	Director, Community and Commercial Services - Naomi Searle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Geographe Bay Yacht Club Application Attachment B City of Busselton Application Attachment C Dunsborough and Districts Country Club Application

DISCLOSURE OF INTEREST	
Name/Position	Grant Henley, Councillor
Item No./Subject	13.1 - Community Sport and Recreation Facilities Fund: Small Grant Applications Winter
Type of Interest	Impartiality Interest
Nature of Interest	I am a member of the Geographe Bay Yacht Club an applicant for the Community Sport and Recreation Facilities Fund.

DISCLOSURE OF INTEREST	
Name/Position	John McCallum, Councillor
Item No./Subject	13.1 - Community Sport and Recreation Facilities Fund: Small Grant Applications Winter
Type of Interest	Impartiality Interest
Nature of Interest	I am a member of Dunsborough and Districts Country Club an applicant for the Community Sport and Recreation Facilities Fund.

PRÉCIS

Each year Local Government Authorities are required to rate and prioritise the Community Sport and Recreation Facilities Fund (CSRFF) submissions received within their municipality.

In June 2009 several changes were made to the CSRFF program including the introduction of the Small Grant Round, which has a different timeline to standard grant round. Small Grant applications must be submitted by local government authorities to Department of Sport and Recreation (DSR) by 31 August 2016. The purpose of this report is to meet the CSRFF criteria by outlining the submissions received for projects within the City for this current funding round and request that Council rates and ranks these applications prior to forwarding to DSR for final consideration.

BACKGROUND

DSR administers the CSRFF program, with the purpose of providing State Government financial assistance to Local Government Authorities and local community groups (up to one third of the total capital cost), to develop well-planned facilities for sport and recreation.

In June 2009 several changes were made to the CSRFF program to improve the level of support the Western Australian Government provides to the sporting community. Of particular note is the introduction of the Small Grant Round, which has a different timeline to standard grant rounds. Small Grant Applications must be submitted to DSR from Local Government Authorities by the end of March and August each year. In 2015/2016 the maximum total project cost for the Small Grant Round was increased from \$150,000 to \$200,000.

This requires local governments to assess and prioritise applications prior to submission. In order to assist with the evaluation of submissions and to ensure projects are viable and appropriate, DSR has developed “Key Principles of Facility Provision”. Accordingly, each submission is to be assessed against those criteria.

Under the provision, Local Government Authorities are required to rate and prioritise local submissions using the following guide;

RATE	DESCRIPTION
A	Well planned and needed by the municipality
B	Well planned and needed by the applicant
C	Needed by the municipality, more planning required
D	Needed by the applicant, more planning required
E	Idea has merit, more preliminary work needed
F	Not recommended

Submissions for the current funding round closed for submission to Local Governments on Friday, 29 July 2016. Following this date, each Local Government Authority is required to assess and prioritise the applications before forwarding all documentation to the South West Office of the DSR no later than 31 August 2016.

During October and November 2016 local applications (along with others received throughout the State) will be evaluated and ranked by relevant State Sporting Associations and the CSRFF Assessment Panel, prior to the outcome being announced by the Minister for Sport and Recreation. Funds for successful applications will become available around December 2016.

Three (3) applications were received for the winter small grants round as follows:

1. *Geographe Bay Yacht Club (Inc) – Upgrade of Junior Club rooms, Sail Training Centre and Boat Storage facilities (Portion of Lot 4539 King Street, Reserve 17319, Busselton)*
2. *City of Busselton – Geographe Leisure Centre / Naturaliste Community Centre Strategic Review and Masterplan (Reserve 29933, Busselton and Reserve 43008, Dunsborough)*
3. *Dunsborough and Districts Country Club (Inc)– Two (2) New Tennis Courts (Reserve 34894, Dunsborough)*

STATUTORY ENVIRONMENT

Nil

RELEVANT PLANS AND POLICIES

Social Plan 2015-2025. A key goal of this plan is to “create needed, quality, sustainable recreation and leisure facilities and services for our community.”

The Geographe Leisure Centre (GLC) Asset Management Plan identifies the master plan project as a key future strategy and includes the matching funding allocation. The master plan project is also identified in the City of Busselton’s Corporate Plan and GLC Business Plan.

FINANCIAL IMPLICATIONS

Three (3) applications have been received for consideration in the current round of funding.

The application from the Geographe Bay Yacht Club Inc. (GBYC) is for the upgrade of junior club rooms, sail training centre and boat storage facilities on Reserve 17319 and has a total project cost of \$198,833 (ex GST). The GBYC did not seek any additional funding for this project from the City of Busselton as part of the 2016/17 Community Bids program.

The application from the City of Busselton is for the Geographe Leisure Centre / Naturaliste Community Centre strategic review and masterplan and has a total project cost of \$71,390 (ex GST). A financial commitment for this project was identified in the GLC Asset Management Plan and has been included in the City’s Buildings and Facilities budget for 2016/17, which was considered by the Council at its special (budget) meeting of 21 July 2016.

The application from the Dunsborough and Districts Country Club Inc. (DDCC) is for the development of two (2) new hard tennis courts on Reserve 34894 and has a total project cost of \$166,653 (ex GST). DDCC have been recommended for a cash commitment from the Council to the value of \$50,000 (ex GST) in the 2016/17 adopted budget as part of the 2016/17 Community Bids Programme.

Albeit already funded through the 2016/17 adopted budget, a summary of the financial implications for Council in respect to the capital costs of these three projects, should they proceed as planned, is as follows:

	Project	Cost
1	Geographe Leisure Centre / Naturaliste Community Centre - Strategic Review and Masterplan	\$47,593
2	Dunsborough and Districts Country Club Inc. – 2 New Hard Courts	\$50,000
	TOTAL FINANCIAL IMPLICATIONS	\$97,593

Long-term Financial Plan Implications

Nil

STRATEGIC COMMUNITY OBJECTIVES

This matter aligns with the City of Busselton Strategic Community Plan 2013 and principally with the following strategic goal:

Caring and Inclusive Community

- 1.3 A community that supports healthy, active ageing and services to enhance quality of life as we age.

Well Planned, Vibrant and Active Places

- 2.1 A City where the community has access to quality cultural, recreation and leisure facilities and services.
- 2.2 Infrastructure assets that are well maintained and responsibly managed to provide for future generations.

RISK ASSESSMENT

An assessment of the potential risks of implementing the Officers recommendation was undertaken, and as a result, no risks were rated as 'medium' or above were identified.

CONSULTATION

Consultation has taken place between Officers of the City and staff from the South West Office of DSR in regards to the funding submissions received and application to be submitted by the City. Consultation has also taken place between City Officers assessing the application and the Coordinator from the Geographe Leisure Centre and the key contacts from the GBYC and DDCC respectively.

OFFICER COMMENT

Geographe Bay Yacht Club (Inc.) –Upgrade of junior club rooms, sail training centre and boat storage facilities -Total Project Cost \$198,883

The application for an upgrade of junior club rooms, sail training centre and boat storage facilities has been submitted by the GBYC.

The GBYC's existing junior clubroom and boat storage facilities are over 50 years old. The building contains asbestos materials, steel support beams are badly corroded and the building has deteriorated to a point where it is well and truly past its "use by" date. Ongoing maintenance on the facilities is costly and amounts to little more than band-aid treatment. The Boat Storage facilities are poor quality and have no doors and do not give adequate weather or security protection for the GBYC's training boats and equipment. The project on completion will provide the following facility improvements:

- Boat and Equipment Storage

The new boat and equipment storage building will be used to securely store the six new 'Tackers' junior training yachts the GBYC has recently purchased, along with six 420 Class training yachts, plus other sailing dinghies and equipment owned by the club and used for sail training. Improved security and protection from the weather will extend the working life of the boats and reduce ongoing maintenance costs.

- Sail Training Centre

The GBYC has recently become an accredited Australian Sailing 'Discover Sailing Centre'. It is the only Club in the South West Region with the equipment and registered trainers able to offer junior sail training, under the nationally accredited "Tackers" training program.

The expansion of the Club's sail training programs requires a new Sail Training Centre facility, to deliver high quality off-water theory and rules training to program participants (both member and non-member), and enable elite level coaching to be offered to GBYC members and visiting clubs. This Training Centre will also be used by the Naturaliste Sports and Game Fishing Club and the Geographe Outriggers Club, who share the GBYC leased area, but currently have no facilities for member training sessions, guest speakers and other training.

- Junior Club rooms

The current junior club rooms are ageing, poor condition both structurally and aesthetically and are not “fit-for-purpose”. A new junior club room facility will provide a boost for the social aspects of GBYC’s junior sailing program.

This project will provide a much needed facility upgrade to cater for the GBYC’s current training, junior membership and storage needs, as well as provide some potential of an expansion of membership in the future. Due to the Sail Training Centre being nationally accredited, this project will have broad benefit across the district and entire south west region. It is recommended that this project be assessed as a ‘high’ priority and that it is a (A) Well planned and needed by the municipality and number two (2) priority of the three applications received for consideration.

City of Busselton Application – Geographe Leisure Centre and Naturaliste Community Centre (NCC) Strategic Review and Master Plan - Total Project Cost \$71,390

The proposed project, which is the subject of this application, is the development of a collective strategic review and masterplan for the Geographe Leisure Centre (GLC) and Naturaliste Community Centre (NCC).

The GLC in Busselton and the NCC in Dunsborough are popular and well used recreation and leisure facilities, however like most centres of their kind operation is heavily subsidised by the ratepayers of the City. A major challenge for the City is to maintain the operating deficits of both centres at a sustainable level whilst providing local employment, affordable contemporary standard facilities and relevant and accessible services to enable the City to contribute towards a sustainable economic and social future for the community.

Whilst not pre-empting the result and direction of the master planning exercise, there is a documented need for additional hard court playing space in Busselton and Dunsborough and long term pool space in Busselton. The NCC master plan will also consider the current and planned outdoor court space in Dunsborough.

In 2015 the City of Busselton undertook a major extension and renovation to portions of the GLC. These works included the construction of a new gymnasium, crèche, health suites, meeting room and cycle room. To keep the facility modern and compliant to relevant standards there has also been an upgrade to the foyer and wet and dry change rooms.

Whilst no significant facility upgrade or addition has occurred at the NCC, a full service review was conducted in 2012. This review was in response to two separate community consultation processes identifying a need for a change in centre operations and community priorities.

Prior to any further changes at these facilities there is an identified need to plan for future facility developments and operational changes. The scope of the project (in relation to both the GLC and the NCC) will be as follows:

- Review of the Centre’s operations to identify opportunities and potential changes to the current method of operation to identify efficiencies;
- Assess the current and likely future needs of the local community and identify priorities for any future upgrading or modifications to the Centre’s facilities;
- Assess the feasibility of any proposed upgrading or modifications to the Centres and develop a Master Plan to guide the future development of the Centres for the next 10-15 year period including cost estimates and staging options;

- Conduct an energy audit to identify opportunities to save costs and reduce energy consumption and emissions.

To ensure that any future operational changes or facility developments are conducted in a planned and considered way it is imperative that the City of Busselton undertake a strategic review and master planning process. This project, a strategic review and masterplan for the Geographe Leisure Centre and Naturaliste Community Centre, will be the first step in that process.

It is recommended that this project be assessed as a 'high' priority and that it is a (A) Well planned and needed by the municipality and number three (3) priority of the three applications received for consideration.

Dunsborough and Districts Country Club (Inc.) – Two (2) New Hard Tennis Courts -Total Project Cost \$166,653

The application for the development of 2 new hard tennis courts has been submitted by the DDCC.

The DDCC is currently in an exciting new phase of planning and development; in particular the planning and development of 2 new hard courts adjacent to the existing four (4) tennis courts.

The need for more courts at the DDCC was established through increasing demand for more playing space from a variety of sources including increased club membership, growth in junior coaching, greater usage of the facility by local schools and a spike in the general public usage (visitors to the region and local community non-club members).

All sporting sections at the DDCC (inclusive of Bowls, Tennis, Croquet, Golf and Mountain Biking) are growing to the extent that there are now over 800 members. Tennis section membership has trebled over the past three (3) years (from 35 to 108) and there is a further sixty (60) juniors participating in coaching and regional pennant competitions.

Increased player participation is monitored through a variety of measures including the DDCC's court booking/hire sheets, increased junior coach feedback and the increasing number of players "sitting off" during Saturday social tennis (court capacity is exceeded over 71% of the playing time available). During the months of October through until April there are regularly 8 -10 players "sitting off" during Saturday social tennis (members and non-members). Junior coaching occurs five (5) evenings per week which is causing court overload issues as Club members also play social tennis Tuesday and Thursday afternoons.

There are no other public tennis courts available in the Dunsborough/Yallingup district, so all the demand is focussed on the current four club courts. A number of times during the week this can mean anywhere between 20 – 28 players queueing to use the courts. Currently, priority is given to Club members, the junior coach and then members of the public. The Club has a well-established record for developing all the various sporting facilities which are importantly supported by a sustainable maintenance program.

One of the core objectives of the CSRFF program is to *"increase the level physical activity in the community."* This project will meet these objectives by providing much needed additional playing space for club members, junior programs and for the public to play tennis, as well as provide some potential of an expansion of tennis membership in the future. When comparing this application against other applications submitted, this project was considered higher due to the project's ability to directly meet the core objective of the CSRFF program.

It is recommended that this project be assessed as a 'high' priority and that it is a (A) Well planned and needed by the municipality and number one (1) priority of the three applications received for consideration.

CONCLUSION

The three applications received for the 2016/17 CSRFF Small Grants funding round show sound reasoning and justification, as such it is recommended that Council adopts the Officers Recommendation to allow the projects to proceed should funding from DSR be forthcoming.

OPTIONS

The Council could decide not to support any or all of the applications received for the 2016/17 CSRFF Small Grants funding.

The Council could decide to rate and rank the three applications received in an alternative order.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

DSR, South West Office staff will be advised in writing of the Council's decision prior to the end of August 2016 when the full contents of the application are forwarded to their regional office in Bunbury.

Council Decision and Officer Recommendation

C1608/222

Moved Councillor P Carter, seconded Councillor G Bleechmore

That the Council:

1. Submits the Dunsborough and Districts Country Club's (Inc.) Application – Two (2) New Hard Tennis Courts to the Department of Sport and Recreation's Community Sport and Recreation Facilities Fund and rates the Application as a priority 'A' project, ranked number 1;
2. Submits the Geographe Bay Yacht Club (Inc.) –Upgrade to Training Room and Boat Storage facilities to the Department of Sport and Recreation's Community Sport and Recreation Facilities Fund and rates the Application as a priority 'A' project, ranked number 2.
3. Submits the City of Busselton's Application – Geographe Leisure Centre and Naturaliste Community Centre (NCC) Strategic Review and Master Plan to the Department of Sport and Recreation's Community Sport and Recreation Facilities Fund and rates the Application as a priority 'A' project, ranked number 3;

CARRIED 9/0

15.2 AWARD OF TENDER RFT 05/16 FOR THE BUSSELTON FORESHORE DEVELOPMENT: DESIGN, SUPPLY AND INSTALLATION OF UTILITY SERVICES

SUBJECT INDEX:	Busselton Foreshore Infrastructure+
STRATEGIC OBJECTIVE:	Infrastructure assets are well maintained and responsibly managed to provide for future generations.
BUSINESS UNIT:	Major Projects
ACTIVITY UNIT:	Major Projects
REPORTING OFFICER:	Executive Director - Martyn Glover
AUTHORISING OFFICER:	Chief Executive Officer - Mike Archer
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	Attachment A Confidential Utilities Services Plan Attachment B Confidential Tender Evaluation Sheet

Attachment A is confidential under Section 5.23 - 2(c) of the Local Government Act 1995 in that it deals with "a contract entered into or which may be entered into, by the local government". Copies have been provided to Councilors, the Chief Executive Officer and Directors Only.

PRÉCIS

The Council is requested to consider the tenders received in response to Request for Tender RFT05/16 for Busselton Foreshore Development: Design, Supply and Installation of Utility Services. The tender has now closed and tender submissions have been received and evaluated. This report summarises the submissions received and recommends that Council awards RFT05/16 – Busselton Foreshore Development: Design, Supply and Installation of Utility Services Contract to Leeuwin Civil Pty Ltd, in accordance with the tender evaluation panel recommendation.

BACKGROUND

The City of Busselton's 2016/17 Capital Works Program includes provision for the installation and replacement of utility services including sewer, water, gas and telecommunications conduits to the area of foreshore bound by Queen Street to the west, Milne Street to the east and Marine Terrace to the south (see attached plan A). The purpose of the works is to provide new and appropriate utility services to existing and proposed developments within the foreshore area including the Equinox, the Goose, Railway House, the Youth and Community Building, Milne Street Pavilion and the hotel sites.

STATUTORY ENVIRONMENT

Section 3.57 of Local Government Act 1995 requires "A local government to invite tenders before it enters into a contract of a prescribed kind under which another person is to supply goods and services".

Part 4 (Tenders) of the Local Government (Functions and General) Regulations 1996 require that tenders be publicly invited for such contracts where the estimated cost of providing the total service exceeds \$150,000.

Compliance with the Local Government Act 1995 section 3.57 is required in the issuing and tendering of contracts.

RELEVANT PLANS AND POLICIES

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

FINANCIAL IMPLICATIONS

The total budget for the Design, Supply and Installation of Utility Services at Busselton Foreshore is \$1.2 million (Cost Centre C3140).

To date \$301,073.00 has been spent on electrical transformer equipment, leaving a balance of \$898,927.00.

Leeuwin Civil submitted the most advantageous tender assessed by the evaluation panel.

The tender contract value is under the budget allowed. The tendered amount does not include any funds for potential contingencies/variations which might amount to up to 25% of the contract, due to all works being below the ground surface and the City only having limited knowledge of this substrate. There is a \$300,000 provision for connection to utilities in the Milne Street Pavilion Project (Cost Centre B9593) which will be utilized to provide the contingency at \$220,000.00 should it be required.

It is expected that any variation will be paid from the existing budget, authorised by the Superintendent.

Long-term Financial Plan Implications

STRATEGIC COMMUNITY OBJECTIVES

The installation of the Utility Services to the Busselton Foreshore Area is consistent with following the City of Busselton's Strategic Objectives:

2. Well planned, vibrant and active places;
- 2.3 Infrastructure assets are well maintained and responsibly managed to provide for future generations.

RISK ASSESSMENT

An assessment of the potential implications of implementing the Officer's recommendation has been undertaken using the City's risk assessment framework. The assessment sought to identify 'downside' risks only rather than 'upside' risks and where the risk, following implementation of controls has been identified as medium or greater are included below.

<i>Risk</i>	<i>Controls</i>	<i>Consequence</i>	<i>Likelihood</i>	<i>Risk Level</i>
Delay of materials from a third party. Equipment is supplied by a sub-contractor. The worst impact would be a delay in materials delaying the completion of the project.	Early award to the contractor. Included in the contract scope and project timeline. Delay would be at contractor's risk. Liquidated damages may be imposed for delays that cause loss to the City.	Medium	Unlikely	Medium
The contractor fails to complete the installation by the end of December.	Weekly project meetings to monitor progress. Liquidated damages may be imposed for delays	Medium	Possible	Medium

	that cause loss to the City.			
The costs associated with the construction is over the Council endorsed budget due to variations to the contractors scope of work	Tender contract terms & conditions; Weekly project meetings to monitor progress and provision of a contingency budget.	Medium	Likely	Medium
The contractor fails to construct the utilities in accordance with the design.	Contract is a design and construct and Contractor will be monitored to confirm that design is being adhered to at appropriate hold points.	High	Unlikely	Medium
The installed utilities fail to meet the requirements of the City's expectations.	The Contractor's designer is required to provide professional indemnity insurance.	High	Unlikely	High

CONSULTATION

RFT05/16 was advertised in the West Australian newspaper on 28 May 2016; the Council for Community pages in the Busselton Dunsborough Mail editions on 1 June 2016; and the City of Busselton tenders website page on Monday 30 May 2016. The closing date for submissions was 6 July 2016 at 2.00pm.

OFFICER COMMENT

The City issued Request for Tender documents to forty-two (42) potential Respondents and received a total of four (4) submissions from; Leeuwin Civil, Firedam Civil, APH Contractors, and BCP Group.

The tender assessment was carried out by a tender review panel consisting of Chris Shaw - Project Coordinator (Panel Chair), Martyn Glover – Executive Director, and Sophia Moore - Contracts and Tendering Officer. A copy of all documentation was provided to each member of the tender review panel for assessment.

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

The tender required applicants to address the specified qualitative and quantitative criteria, and complete a pricing schedule for the contract.

The qualitative criteria assessed and weightings applied were as follows:

- Relevant Experience 20%
- Key Personnel Skills & Experience 20%
- Tenderer's Resources 15%
- Demonstrated Understanding 15%

The Tendered price was given a weighting of 30%.

The preferred tenderer has been recommended on the basis of a complete tender evaluation in accordance with the above.

The attached confidential Tender Evaluation and Recommendation report (Attachment B) provides the detailed evaluation outcome.

In Summary, the final ranking demonstrated that the tender from Leeuwin Civil Pty Ltd represents the best value for money option for the City

CONCLUSION

The tender evaluation panel have completed their assessment in line with the City's tender process and Officers now recommend the Council award Busselton Foreshore Development: Design, Supply and Installation of Utility Services to Leeuwin Civil Pty Ltd.

OPTIONS

The Council may consider the following alternate options:

1. The Council chooses not to accept the Officers Recommendation and award the Tender to an alternative tenderer. In the view of the Officer's this could result in a Tender being awarded to a tenderer that has not presented the "best value" for money offer.
2. The Council may choose not to accept the Officers Recommendation and not award the tender. This would mean going back out to tender, resulting in significant delays to the contract award and potential significant delays to the development of the Busselton Foreshore.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The award of the tender can be made immediately after the Council has endorsed the Officer's recommendation. Subject to finalisation of a number of administrative requirements, the successful tenderer will receive formal written notification within seven (7) days of the resolution. All unsuccessful tender applicants will also be notified at this time.

Council Decision and Officer Recommendation

C1608/223

Moved Councillor J McCallum, seconded Councillor C Tarbotton

ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED

That the Council:

1. Endorses the outcomes of the evaluation panel's assessment in relation to Tender RFT05/16 for Busselton Foreshore Development: Design, Supply and Installation of Utility Services which has resulted in the tender submitted by Leeuwin Civil Pty Ltd being ranked as the best value for money.
2. Delegate authority to the CEO to award the contract resulting from Tender RFT05/16 to Leeuwin Civil Pty Ltd, subject to negotiations over the final price sum.

CARRIED 9/0

BY ABSOLUTE MAJORITY

At this time the Mayor requested Councillors indicate the acceptance of a late item for consideration. The Council indicated their acceptance with a show of hands.

12.3 RESTRICTED ACCESS VEHICLE - WEST STREET

SUBJECT INDEX:	Restricted Access Vehicles
STRATEGIC OBJECTIVE:	Infrastructure assets are well maintained and responsibly managed to provide for future generations.
BUSINESS UNIT:	Engineering and Facilities Services
ACTIVITY UNIT:	Design and Survey
REPORTING OFFICER:	Design and Survey Coordinator - Justin Smith
AUTHORISING OFFICER:	Director, Engineering and Works Services - Oliver Darby
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Nil

PRÉCIS

This report seeks the Council's support for Busselton Civil & Plant Hire's (BCP) application for a Restricted Access Vehicle (RAV) permit on City roads, to allow the transportation of fill material on West Street, Busselton.

BACKGROUND

Support of the Council is required for a Restricted Access Vehicle (RAV) permit when the applicant requires more than 100 trips in one year and/or more than six return trips in any week or part thereof.

The application has successfully secured the contract to transport approximately 100,000m³ of fill material into Lot 17, West Street, Busselton. A preliminary estimate indicates that this volume would require 2,000 Restricted Access Vehicle return trips, alternatively this could be replaced with 4,000 semi-trailer return trips within a 3 month timeframe.

Once the Council has endorsed this application the applicant must then lodge a further application with Main Roads Western Australia (MRWA) for their approval.

The remaining roads required to gain access are already listed on the Main Roads Western Australia's (MRWA) Restricted Access Vehicle network.

STATUTORY ENVIRONMENT

Road Traffic (Vehicle) Act 2012, the Commissioner of Main Roads is responsible for granting road access to Restricted Access Vehicles

Road Traffic (Administration) Act 2008 - Section 132 Road authority may recover expenses of damage caused by heavy traffic

RELEVANT PLANS AND POLICIES

Policy 140/3 - Roads - Extra Mass Permit Conditions:

The report complies with the policy requirements

FINANCIAL IMPLICATIONS

The Council's adopted 2016/17 Fees and Charges include a Heavy Haulage condition request application fee of \$735.00, to be paid by the applicant.

Long-term Financial Plan Implications

STRATEGIC COMMUNITY OBJECTIVES

The officer recommendation in this report reflects and is consistent with the City of Busselton's strategic objective:

Well planned, Vibrant and Active Places

- *Infrastructure assets that are well maintained and responsibly managed to provide for future generations.*

RISK ASSESSMENT

The risk has been categorized as Low (L5, unlikely with minor operational consequences). The risk has been assessed in the manner due to the City's ability to monitor the road condition and the transport operations.

<i>Risk</i>	<i>Controls</i>	<i>Consequence</i>	<i>Likelihood</i>	<i>Risk Level</i>
Excessive road wear	Monitoring	Minor	Unlikely	L5

CONSULTATION

No consultation has been undertaken as part of this report. West Street is a Distributor road which is generally expected to cater for significant volumes of traffic.

The overall proposal is to reduce the traffic volume and therefore reduce the potential effects.

OFFICER COMMENT

If this application for support is refused it may result in the applicant reverting to using semi-trailers to carry out the cartage activity. This will involve a significantly greater number of vehicle movements due to the lesser carrying capacity of the semi-trailers.

Semi-trailers are classified as an 'as of right' vehicle which enables cartage on City roads 24 hours per day 7 days per week without seeking support from MRWA or the City.

Therefore it is recommended the application for cartage using Restricted Access Vehicles be supported, subject to specific conditions imposed as outlined in the Officer Recommendation, thus reducing the overall vehicle movements required for the cartage activity.

The suggested laden route would comprise of Strelly Street, Fairlawn Road, Frederick Street and West Street to the site. The unladen route would comprise of West Street, Barlee Street and Strelly Street. These routes would minimize the locations that are difficult to negotiate and may potentially conflict with opposing traffic such as turning left at the Barlee Street/Strelly Street junction.

CONCLUSION

The support for the Restricted Access Vehicle cartage allows for a significant reduction in the overall number of vehicle movements.

OPTIONS

1. The Council may determine to support the officer recommendation.
2. The Council may choose not to support the officer recommendation for the usage of Restricted Access Vehicles on West Street, Busselton.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The notification of support of this application will be sent within 1 week.

Council Decision and Officer Recommendation

C1608/224 Moved Councillor J McCallum, seconded Councillor C Tarbotton

That the Council endorses:

1. The application from Busselton Civil & Plant Hire in relation to the use of West Street, Busselton for use by Restricted Access Vehicles subject to the following conditions;
2. The road infrastructure is visually inspected by a suitably experienced City Officer to establish the current condition of the road. The road will be re-inspected after the cartage activity to assess and quantify any damage that may have been caused;
3. That the applicant be made aware of the Road Traffic (Administration) Act 2008 - Section 132 Road authority may recover expenses of damage caused by heavy traffic;
4. The Restricted Access Vehicle approval issued by Main Roads WA include the standard condition 'CA07 – All operators must carry written approval from the LG authority permitting use of the road'.

CARRIED 9/0

11.2 DA16/0503 APPLICATION FOR PLANNING CONSENT FOR A MARKET AT LOT 202 DUNN BAY ROAD, DUNSBOROUGH

SUBJECT INDEX:	Development/Planning Applications
STRATEGIC OBJECTIVE:	A City of shared, vibrant and well planned places that provide for diverse activity and strengthen our social connections.
BUSINESS UNIT:	Development Services & Policy
ACTIVITY UNIT:	Statutory Planning
REPORTING OFFICER:	Planning Officer - James Fletcher
AUTHORISING OFFICER:	Director, Planning and Development Services - Paul Needham
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Location Plan Attachment B Development Plans Attachment C 2015 Approval Attachment D Schedule of Submissions

PRÉCIS

The Council is asked to consider an application seeking approval for a Market on Lot 202 (No.24) Dunn Bay Road, Dunsborough (“the site”). The proposed development takes the form of an open sided roof structure, with market ‘stalls’ operating out of a series of converted sea containers.

The planning proposal has been placed before Council due to the volume of public submissions received raising concern with the development and, more particularly, the nature of the issues that require consideration in determining the application. The key matters for consideration are amenity and design issues.

It is considered that the proposal is inconsistent with the relevant planning framework and is recommended for refusal. The key reasons for that are that the design is considered to be inconsistent with basic urban design principles that should be applied to development of the site, and that it is unlikely that the development could be managed in a manner consistent with the maintenance of reasonable amenity for nearby residents and other nearby development.

BACKGROUND

Lot 202 (No.24) Dunn Bay Road, is bound by Dunn Bay Road to the north-west, Seymour Boulevard to the south-west, Chieftain Crescent to the south-east and Lot 200 Dunn Bay Road (Bay Village Resort) to the north-east. A location plan is provided in **Attachment A**.

Under Local Planning Scheme 21 the site is zoned ‘Special Purposes – Mixed Use’ and is subject to Special Provision 49. Special Provision 49 in respect to commercial uses states that:

“Land-use permissibility shall be the same as for the ‘Business’ Zone...”

The development proposal is for twenty four shipping containers to be used as a market (including, but not exclusively, food outlets) along Seymour Boulevard, with car parking, landscaping and open-sided roofed structure over much of the site. Development plans are provided in **Attachment B**.

General hours of operation have been indicated as Friday and Saturday 4pm-10pm, with a potential reduction to 4pm-9pm in the winter months. Further twilight markets during the summer have been indicated as a possibility between the hours of 6pm-10pm. The applicant has advised that the market component of the development is unlikely to operate outside of the afore mentioned hours, however the food components of the development will have the option of opening for breakfast, lunch and dinner from 7am subject to market forces and demand.

Under the Scheme this fits within the use class of 'Market' which is a 'D' use (i.e. discretionary, with or without consultation, depending on whether consultation is considered to be appropriate given the particular circumstances) in the Business Zone. In this case, it was considered that consultation occur before the application is determined.

A previous application for this site was approved by Council in November 2015, with modified plans which were different in an aesthetic/stylistic, but not in terms of the basic layout, subsequently being approved under delegated authority; a copy of the modified plans approved at that time are provided at **Attachment C**.

STATUTORY ENVIRONMENT

The key elements of the statutory environment that relate to the proposal are set out in Local Planning Scheme No.21.

The site is zoned 'Special Purpose-Mixed Use'. Special Provision 49 also relates to the site -

No.	PARTICULARS OF LAND	ZONE	SPECIAL PROVISIONS
SP49	Lot 202 Dunn Bay Road, Dunsborough	Special Purpose – Mixed Use	<p>1. Land-use permissibility shall be the same as for the 'Business' Zone, other than as varied by point 2 below.</p> <p>2. The Council may approve the use of up to, but no more than, 75% of any future accommodation units developed on-site with no restriction of length of stay. The remainder of the accommodation units shall be subject to length of stay restrictions limiting occupancy to no more than 3 months in any 12 month period.</p> <p>For the purpose of this provision 'accommodation unit' means any tourist accommodation unit, grouped dwelling unit, multiple dwelling unit or other unit used for overnight accommodation or as a place of residence.</p>

As Special Provision 49 states that "land permissibility shall be the same as for the 'Business' Zone, the objectives and policies of the 'Business' Zone effectively apply. The objectives of that Zone are as follows -

- (a) To provide for conveniently-located shopping and other service associated commercial activities to service each centre's catchment area, as determined by the relevant planning framework.
- (b) To maintain and reinforce the viability of existing commercial centres, including those supporting adjoining agricultural areas.

Policies of the 'Business' zone relevant to this application are -

- (a) To encourage the provision of retail and other business services and associated development to add to the strength and diversity of existing centres.

- (b) As far as is practical and appropriate to allow market forces to influence the location of retail and office uses within existing centres with minimal intervention by the local government.
- (c) To allow residential development only where it is a component of commercial development.
- (d) To utilise and strengthen the existing town centres of Busselton and Dunsborough as the primary retail and commercial centres of the City by active discouragement of any new “out of town” shopping centres other than neighbourhood shopping centres, convenience stores and the like.
- (e) The consolidation of land to assemble larger land parcels suitable for integrated development or redevelopment is encouraged and supported. Fragmentation of land, unless it is part of an overall plan for integrated development or redevelopment, will generally not be supported.

In considering the application, the Council needs to consider the ‘Matters to be considered’ set out in clause 67 of the *Planning and Development (Local Planning Schemes) Regulations 2015*, particularly relevant considerations in relation to this application are the following –

- (a) *the aims and provisions of this Scheme and any other local planning scheme operating within the Scheme area;*
- (b) *the requirements of orderly and proper planning including any proposed local planning scheme or amendment to this Scheme that has been advertised under the Planning and Development (Local Planning Schemes) Regulations 2015 or any other proposed planning instrument that the local government is seriously considering adopting or approving;*
- (g) *any local planning policy for the Scheme area;*
- (h) *any structure plan, activity centre plan or local development plan that relates to the development;*
- (m) *the compatibility of the development with its setting including the relationship of the development to development on adjoining land or on other land in the locality including, but not limited to, the likely effect of the height, bulk, scale, orientation and appearance of the development;*
- (n) *the amenity of the locality including the following –*
 - (i) *environmental impacts of the development;*
 - (ii) *the character of the locality;*
 - (iii) *social impacts of the development;*
- (u) *the availability and adequacy for the development of the following –*
 - (i) *public transport services;*
 - (ii) *public utility services;*
 - (iii) *storage, management and collection of waste;*
 - (iv) *access for pedestrians and cyclists (including end of trip storage, toilet and shower facilities);*
 - (v) *access by older people and people with disability;*
- (w) *the history of the site where the development is to be located;*
- (x) *the impact of the development on the community as a whole notwithstanding the impact of the development on particular individuals;*

- (y) any submissions received on the application;
- (zb) any other planning consideration the local government considers appropriate.

RELEVANT PLANS AND POLICIES

Assessment of the parking needs for the development has been made based on the *City's Local Planning Policy 8A: Carparking Provisions*. The applicable parking rate for Business Zoned properties in the Busselton and Dunsborough CBD's is 4 car parking bays per 100m² Net Lettable Area (NLA). The NLA does not include service areas, toilets or general thoroughfare areas of a building. The total NLA has been determined to be approximately 700m², which generates the need for 28 bays. The development plan indicates 10 bays onsite, including 1 disabled bay, resulting in a shortfall of 18 on-site parking bays.

The Car Parking Provisions Policy and Scheme 21 include provisions for the option of a payment of cash-in-lieu of the shortfall of parking bays where considered appropriate by the City

The applicant is seeking that the cash-in-lieu be accepted by Council. The City's current cash-in-lieu payment figure is \$10,214.62 per bay. This amounts to a total figure of \$183,863.16 if cash-in-lieu is to be provided.

The City is embarking upon Dunsborough townscape upgrade works which will expand current parking along Seymour Boulevard.

FINANCIAL IMPLICATIONS

This application may result in financial implications in respect to the payment of cash-in-lieu of required parking bays.

Long-term financial plan implications

Nil

STRATEGIC COMMUNITY OBJECTIVES

The recommendation of this report reflects Community Objectives 2.2 and 3.1 of the Strategic Community Plan 2013, which are –

- 2.2 A City of shared, vibrant and well planned places that provide for diverse activity and strengthen our social connections.
- 3.1 A strong, innovative and diversified economy that attracts people to live, work, invest and visit.

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 identifies 'downside' risks only, rather than 'upside' risks as well. Risks are only identified where the individual risk, once controls are identified, is medium or greater. No such risks were identified.

CONSULTATION

The proposal was referred to adjoining landowners of the proposed development site and was also advertised in the local newspaper for a period of 14 days.

A total of 24 submissions have been received from the general public. Issues raised highlight concerns with the proposal for the following reasons -

- Visual appearance of the proposal.
- Detrimental impact of the proposed market on existing businesses.
- Inadequate provision of parking and that the proposal will impact on availability of existing parking in the town centre.
- The proposal is not keeping with the atmosphere and character of Dunsborough
- Concern with impact of the proposal on neighboring residential properties on Chieftain Crescent.
- The potential noise resulting from the proposed development.

Submissions received in support of the proposed development raise the following points -

- The proposed markets will utilise local products and produce.
- Economic opportunities for local producers, suppliers and artisans will be provided.
- The Dunsborough town centre will benefit from further activation.
- Opportunities for varying forms of entertainment will be available.
- The proposed development will be family friendly.

The points raised in the submissions are discussed further below and specific consideration of each of the submissions is given at **Attachment D**.

OFFICER COMMENT

The fundamental questions around land-use and car parking relating to this site and development of a market or similar were addressed and considered when the Council determined the earlier application relating to the site. As that application was approved, there is not seen to be any need to re-assess those considerations in any detail. It is, however, considered clear that a development that consists of a market, including food premises, is fundamentally appropriate on this site. What is not considered appropriate, however, is the form and layout of the development proposed. It should, however, be noted that the broad concept of a market development, that provides an opportunity for small-scale and start-up enterprises to sell from a site in the Dunsborough Town Centre, and provide some additional vibrancy, especially in the evening, is seen as very desirable; but not in the form proposed, on the site in question. The reasons for that are described in more detail below.

Firstly, the open-sided roof structure will result in the internals of the development being highly visible from Dunn Bay Road and Chieftain Crescent – and whilst when the development is operating and busy it may present in an interesting and even attractive way, when not operating or busy, it will not be development that would be widely understood to be attractive. Unfortunately, any attempt to address that issue through greater screening of the development (which has been proposed to some degree) would exacerbate a further problem with the proposed development, which is that the development does not interact with or provide any active frontage to Seymour Boulevard. Rather than having shop or retail premises opening onto Seymour Boulevard, which would be the reasonable urban design expectation in a location like this, and which was achieved with the earlier proposal for the site, this proposal would result in either the ‘back’ of a series of sea containers facing Seymour Boulevard, or alternatively a wall, or the closed ‘fronts’ of sea containers when the development is not operational.

The shape and open-sided nature of the proposed roof structure will also effectively act to ‘funnel’ noise from the proposal in the direction of residential properties on the other side of Chieftain Crescent. The layout and design more generally, especially the light-weight nature of the proposed roof structure, will in any case provide very limited noise absorption or reflection capacity which, given the nature of the proposed use of the site (i.e. use by sometimes significant numbers of people, often at night, and with live music potentially being provided at some times), will create a very significant risk of unacceptable levels of noise impact, both to residential properties on the

other side of Chieftain Crescent, but also to short-stay occupants of the adjoining tourism development. That is in significant contrast to the earlier proposal, which involved construction of solid, concrete/masonry walls separating the development from the adjoining tourism development and from residential properties on the other side of Chieftain Crescent.

Some of the design issues set out above could, potentially, be addressed through re-designing the proposal so that the sea containers and the development in general was located within a much more substantial building, with walls that screen the internal layout from the street, providing much greater noise mitigation, and perhaps entry points to both Dunn Bay Road and Seymour Boulevard. That would, however, represent a fairly fundamental change to the proposal, and, in large part, when the market was not actually operating, would result in blank walls and gates or similar facing both Dunn Bay Road and Seymour Boulevard. In a town centre location, though, a fundamental urban design principle, if not the most fundamental principle, is to provide an active street frontage to the most important frontages; frontages that engage with the street and create an interactive and interesting and comfortable pedestrian environment. Given that a development that is very similar in land-use terms and that would provide for an attractive and active frontage to both Dunn Bay Road and Seymour Boulevard has recently been approved for this site, though, there is not seen to be much value in seeking to identify or negotiate changes to the proposal that might address those design issues - because doing so would likely result in a development the likes of which has already been approved, and which the proponent has indicated will not go ahead for commercial reasons.

The assessment outlined above may, for some, result in questions being asked as to what might be appropriate alternative development concepts for this site, as well as what might be an appropriate location for a relatively low-cost/investment market development in the Dunsborough Town Centre? Firstly, it is clear that the City's view was that the earlier proposal for the site was appropriate, so that is obviously one alternative development concept that would be acceptable from a planning perspective. An alternative approach to development of the site could include a more mixed-use development, consisting of commercial premises at ground and perhaps first floor level, with short stay and/or residential development on upper floors, with verandahs or awnings over most or all of the Dunn Bay Road and Seymour Boulevard frontages. A number of such developments have occurred in and are proposed for similar sites in the Dunsborough Town Centre.

A relatively low-cost/investment market development in the Dunsborough Town Centre may be appropriate on a site further away from the centre of the Dunsborough Town Centre, close enough to be *part* of the Town Centre and not create a separate activity node, but not in the very *centre* of the town. In such a location an active frontage is less critical, and so the internals of the development can be screened from the street, especially when the development is not actually operational. A useful example that Councillors will be familiar with is perhaps the location of the Fremantle Markets relative to the main South Terrace 'Cappuccino Strip' in Fremantle, being located at the far end and moving away from the most important street frontage locations. There are other, similar examples that could be cited.

CONCLUSION

It is recommended that the Council refuse the development because the design is considered to be inappropriate in the location.

OPTIONS

The Council could –

1. Approve the proposal subject to conditions (if a Councillor is minded to support this option, officers can provide draft conditions); or

2. Defer consideration of the application, pending resolution of detailed issues (which the Council should seek to identify if pursuing this option).

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The proponent will be advised of the Council decision within two weeks of the Council meeting.

OFFICER RECOMMENDATION

That the Council resolve that application DA16/0503 submitted for development on Lot 202 (No.24) Dunn Bay Road, Dunsborough is considered by the Council to be inconsistent with Local Planning Scheme No. 21 and is refused, for the following reasons –

1. It is contrary to orderly and proper planning;
2. It is incompatible with its setting;
3. It will have unacceptable impacts on the amenity of the locality, in particular of noise impacts on existing and potential residential and short-stay accommodation development, and is inconsistent with the character of the locality; and
4. The design and layout of the development is inconsistent with urban design principles that should be applied to development in town centre locations.

Note: Councillor Bleechmore proposed an Alternative Motion for Council consideration that would defer the item.

Council Decision and Alternative Motion

C1608/225

Moved Councillor G Bleechmore, seconded Councillor J McCallum

That Council Resolve:

- 1) To defer a decision on the proposed development application until the applicant has provided the following additional and supplementary information:
 - a) Noise Impact Assessment completed by a suitably qualified Acoustic Engineer along with a Noise Management Plan detailing measures to be implemented that demonstrates that noise can be maintained to an acceptable level at the boundary of the residential properties located east of the site and the tourist development located at the site's northern boundary.
 - b) Details for buildings facing Dunn Bay Road and Seymour Boulevard to ensure the development is compatible with the amenity of its setting, and in this context that it represents a high architectural standard. The details should include:
 - external cladding of the buildings(sea containers) - the materials, colours, textures and projections to be used – verandas may be provided extending over the footpath road verge;
 - activation of Dunn Bay Road and Seymour Boulevard frontages through the use of facing windows doorways, lighting, and artwork;
 - external signage – location and dimensions; and
 - screening, and materials used, for the Bin Storage Area as viewed from Chieftain Crescent.
 - c) Details either, accepting a contribution of \$183, 863.16 in lieu of the shortfall in the provision of onsite parking bays, or reciprocal arrangements for the onsite parking

shortfall that are certain.

- d) Details of screening to adequately screen the Bin Storage Area as viewed from Chieftain Crescent.
- e) The Bin Storage Area is to be amended so as not to be less than 10m² in area or 1m² per bin (whichever is greater) with a minimum internal dimension of 3.5m.
- f) Details of stormwater and surface water drainage. Stormwater to be retained for use and/or infiltration within the lot at a rate of 1m³ per 40m² of impervious area.
- g) Details of bin wash facilities to be provided.
- h) A Landscape Plan.
- i) Details of vehicular crossovers.
- j) Details of bicycle parking facilities. The details shall include, as a minimum, the location, design and materials to be used in their construction.

CARRIED 9/0

16. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

17. CONFIDENTIAL REPORTS

Nil

18. QUESTIONS FROM MEMBERS

Nil

19. PUBLIC QUESTION TIME

Nil

20. NEXT MEETING DATE

Wednesday, 14 September 2016

21. CLOSURE

The meeting closed at 6.12pm.

THESE MINUTES CONSISTING OF PAGES 1 TO 76 WERE CONFIRMED AS A TRUE AND CORRECT RECORD ON WEDNESDAY, 14 SEPTEMBER 2016.

DATE: _____ PRESIDING MEMBER: _____