

I hereby certify that the Minutes of the Ordinary Council Meeting held are a true and accurate record of the proceedings contained therein.

Shire President

Date



SHIRE OF WYNDHAM | EAST KIMBERLEY

MINUTES
ORDINARY COUNCIL
MEETING

26 September 2017

DISCLAIMER

Members of the Public are advised that recommendations to Council contained within this Agenda and decisions arising from the Council meeting can be subject to alteration.

Applicants and other interested parties should refrain from taking any action until such time as written advice is received confirming Council's decision with respect to any particular issue.

Signed on behalf of Council



CARL ASKEW

CHIEF EXECUTIVE OFFICER

NOTES

- 1. Councillors wishing to make alternate motions to officer recommendations are requested to provide notice of such motions electronically to the minute taker prior to the Council Meeting.**
- 2. Councillors needing clarification on reports to Council are requested to seek this from relevant Officers prior to the Council meetings.**

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**SHIRE OF WYNDHAM EAST KIMBERLEY
ORDINARY COUNCIL MEETING AGENDA
KUNUNURRA COUNCIL CHAMBERS
TO BE HELD ON 26 SEPTEMBER 2017 AT 5:00PM**

1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

Members of the Public are advised that recommendations to Council contained within this Agenda and decisions arising from the Council meeting can be subject to alteration. Applicants and other interested parties should refrain from taking any action until such time as written advice is received confirming Council's decision with respect to any particular issue.

Members of the Public are also advised that everyone attending Council Meetings, be they members of the public, staff or Councillors, are bound by the Meeting Procedures Local Law 2016.

The Commissioner declared the meeting open at 5.00pm

**2. RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE
(PREVIOUSLY APPROVED)**

| | |
|--|------|
| Commissioner R Yuryevich | SWEK |
| Chief Executive Officer C Askew | SWEK |
| Director Corporate Services V Lawrence | SWEK |
| Director Infrastructure D Klye | SWEK |
| A Director Community Development Jennifer Ninnette | SWEK |
| Executive Assistant K Williams | SWEK |
| | |
| P Bracegirdle | SWEK |
| B Horwitz | SWEK |
| F Heading | SWEK |
| M Davidson | SWEK |
| S Sibly | SWEK |
| S McLachlan | SWEK |
| | |
| S Dessert | |
| E Petherick | |
| D Pearce | |
| D Spackman | |
| M Dear | |
| J Spragg | |
| Keith Wright | |
| Donna Aladdin | |
| Rob Storey | |
| Vivian McEvoy | |

3. DECLARATION OF INTEREST

- Financial Interest
Nil
- Impartiality Interest

| Councillor/ Officer | Item | Title | Description of Interest |
|--------------------------------|-------------|--|------------------------------------|
| C Askew | 12.02.1 | Delegations Register | Impartiality |
| C Askew | 12.03.3 | Community Lease – Lake Kununurra Golf Club | Impartiality |
| C Askew | 12.03.6 | Community Lease Ord River Sports Club | Impartiality |
| C Askew | 12.03.7 | Self- Supporting Loan –Ord River Sports Club | Impartiality |
| C Askew | 16.1 | New Gym Equipment | Impartiality |

| | | | |
|------------|---------|--|--------------|
| J Ninyette | 12.03.6 | Community Lease Ord River Sports Club | Impartiality |
| J Ninyette | 12.03.7 | Self- Supporting Loan –Ord River Sports Club | Impartiality |
| V Lawrence | 16.1 | New Gym Equipment | Impartiality |

- Proximity Interest

Nil

4. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

5. PUBLIC QUESTION TIME

1. The proposed Fixed Jetty (Option 2) for the Wyndham Boat Launching Facility shows navigational hazard markers, positioned 20m apart along the structure's length. Will these be the only indicators and physical barriers that prevent vessels from colliding with the submerged part of the jetty structure?
2. Currently vessels that are caught by strong winds and/or tides are pushed against the floating (above waterline) structure. Will the Shire accept liability for damage to vessels that are pushed by tide and/or wind to collide with the submerged sections of a fixed jetty?
3. The current pontoon jetty is 19 years old. How much has the Shire spent on the maintenance of this jetty (excluding the boat ramp) in the past 5 years? Please exclude the cost of any assessments or reports in this figure

David Klye the Director for Infrastructure provided the following response

1. For land based structures, The Western Australian Department of Transport recommend the installation of a blue marker light unless the structure is sufficiently lit by street lighting or down lighting. Should a submerged structure be constructed the lighting will extend to the end of the structure indicating its presence.
2. The Shire cannot be responsible for vessels that have not been properly secured.
3. Shire records indicate that \$59,988 has been spent by the Shire on maintenance of the Wyndham boat ramp and pontoon over the last 5 years. This amount excludes money spent on surveys, assessments and reports.

6. APPLICATIONS FOR LEAVE OF ABSENCE

7. PETITIONS

8. CONFIRMATION OF MINUTES

OFFICER'S RECOMMENDATION

That Council confirms the Minutes of the Ordinary Council Meeting held on 22 August 2017

Note: The Minutes of the Ordinary Council Meeting held on 22 August 2017 are provided under separate cover via www.swek.wa.gov.au

COUNCIL DECISION

Minute No: 26/09/2017-11783

Commissioner resolved:

That Council confirms the Minutes of the Ordinary Council Meeting held on 22 August 2017

Carried 1/0

9. ANNOUNCEMENTS BY THE PERSON PRESIDING WITHOUT DISCUSSION

The Commissioner advised of the closure of the Bankwest Facility in Wyndham and that a letter has been forwarded to the relevant Bankwest Department responsible for its closure. The letter seeks to receive clarification on the reasons for closure and request further community explanation and consultation, including advice as to alternate options for Bankwest customers

The Commissioner advised that Virgin Airlines will be stopping the Monday flight from the flight schedule for the period of the wet season and that he had written to Virgin to request a reinstatement of the service.

The Commissioner announced that the ballot papers from the Western Australian Electoral Commission for the Shire of Wyndham East Kimberley Local Government Postal Election have been delivered. He urged all residents and ratepayers to have their say completing and returning their ballot papers.

The Commissioner announced that in line with the previous council resolution the recording of Council Meetings will commence as a trial in October, with as a significant saving from the allocated budget.

10. MATTERS FOR WHICH THE MEETING MAY BE CLOSED

11. DEPUTATIONS / PRESENTATIONS / SUBMISSIONS

12. REPORTS

12.1. MATTERS ARISING FROM COMMITTEES OF COUNCIL

12.1.1. Consideration of Recommendations Contained Within the Minutes of the Audit (Finance and Risk) Committee Meeting of 21 August 2017

| | |
|---------------------------------|---|
| DATE: | 26 September 2017 |
| AUTHOR: | Director Corporate Services |
| RESPONSIBLE OFFICER: | Carl Askew, Chief Executive Officer |
| ASSESSMENT NO: | Various - As Detailed in the Minutes of the 21 August 2017 Audit (Finance and Risk) Committee meeting |
| FILE NO: | Various - As Detailed in the Minutes of the 21 August 2017 Audit (Finance and Risk) Committee meeting |
| DISCLOSURE OF INTERESTS: | Nil |

VOTING REQUIREMENT

Simple Majority

COMMITTEE'S RECOMMENDATION 1

That Council, with reference to Item 7.2 "Standing Item - Sundry Debtors" as detailed in the 21 August 2017 Audit (Finance and Risk) Committee Minutes, accept that the actions being undertaken by the administration in regard to sundry debtors including sundry debts in legal process are sufficient and appropriate.

COUNCIL DECISION

Minute No: 26/09/2017-11784

Commissioner resolved:

That Council, with reference to Item 7.2 "Standing Item - Sundry Debtors" as detailed in the 21 August 2017 Audit (Finance and Risk) Committee Minutes, accept that the actions being undertaken by the administration in regard to sundry debtors including sundry debts in legal process are sufficient and appropriate.

Carried 1/0

VOTING REQUIREMENT

Simple Majority

COMMITTEE'S RECOMMENDATION 2

That Council, with reference to Item 7.5 "*Standing Item - Rates Debtors*" as detailed in the 21 August 2017 Audit (Finance and Risk) Committee Minutes, accept the report that the actions being undertaken by the administration in regard to rates debtors, including rates debts in legal process are sufficient and appropriate.

COUNCIL DECISION

Minute No: 26/09/2017-11785

Commissioner resolved:

That Council, with reference to Item 7.5 "*Standing Item - Rates Debtors*" as detailed in the 21 August 2017 Audit (Finance and Risk) Committee Minutes, accept the report that the actions being undertaken by the administration in regard to rates debtors, including rates debts in legal process are sufficient and appropriate.

Carried 1/0

VOTING REQUIREMENT

Simple Majority

COMMITTEE'S RECOMMENDATION 3

That Council, with reference to Item 7.3 "*Standing Item - Leases*" as detailed in the 21 August 2017 Audit (Finance and Risk) Committee Minutes, note the Confidential Lease Schedule and the New and Renewal Lease Schedule attached to the Agenda of the 21 August 2017 Audit (Finance and Risk) Committee Meeting.

COUNCIL DECISION

Minute No: 26/09/2017-11786

Commissioner resolved:

That Council, with reference to Item 7.3 "*Standing Item - Leases*" as detailed in the 21 August 2017 Audit (Finance and Risk) Committee Minutes, note the Confidential Lease Schedule and the New and Renewal Lease Schedule attached to the Agenda of the 21 August 2017 Audit (Finance and Risk) Committee Meeting.

Carried 1/0

VOTING REQUIREMENT

Simple Majority

COMMITTEE'S RECOMMENDATION 4

That Council, with reference to Matters Behind Closed Doors Item 8.1 “*Update on the Recovery of Outstanding Rates - Assessments A2574, A2569 and A411*” as detailed in the 21 August 2017 Audit (Finance and Risk) Committee Minutes, notes:

- 1. That negotiations are continuing with the relevant administrators and ratepayer representatives of assessments A2574 and A2569 and a further updated report will be included in the next Audit (Finance and Risk) Committee Agenda; and**
- 2. That Officers conduct an inspection of the property before commencing the process required to sell the property of a deregistered company for assessment A411 and a further updated report will be included in the next Audit (Finance and Risk) Committee Agenda.**

COUNCIL DECISION

Minute No: 26/09/2017-11787

Commissioner resolved:

That Council, with reference to Matters Behind Closed Doors Item 8.1 “*Update on the Recovery of Outstanding Rates - Assessments A2574, A2569 and A411*” as detailed in the 21 August 2017 Audit (Finance and Risk) Committee Minutes, notes:

- 1. That negotiations are continuing with the relevant administrators and ratepayer representatives of assessments A2574 and A2569 and a further updated report will be included in the next Audit (Finance and Risk) Committee Agenda; and**
- 2. That Officers conduct an inspection of the property before commencing the process required to sell the property of a deregistered company for assessment A411 and a further updated report will be included in the next Audit (Finance and Risk) Committee Agenda.**

Carried 1/0

VOTING REQUIREMENT

Simple Majority

COMMITTEE'S RECOMMENDATION 5

That Council, with reference to Item 7.1 "*Regulation 17 Status*" as detailed in the 21 August 2017 Audit (Finance and Risk) Committee Minutes, accept the report and note the Regulation 17 Action Status Schedule attached to the Agenda of the 21 August 2017 Audit (Finance and Risk) Committee Meeting.

COUNCIL DECISION

Minute No: 26/09/2017-11788

Commissioner resolved:

That Council, with reference to Item 7.1 "*Regulation 17 Status*" as detailed in the 21 August 2017 Audit (Finance and Risk) Committee Minutes, accept the report and note the Regulation 17 Action Status Schedule attached to the Agenda of the 21 August 2017 Audit (Finance and Risk) Committee Meeting.

Carried 1/0

VOTING REQUIREMENT

Simple Majority

COMMITTEE'S RECOMMENDATION 6

That Council with reference to Item 7.4 "*Standing Item - Insurance Claims*" as detailed in the 21 August 2017 Audit (Finance and Risk) Committee Minutes, accept the report to Council that the actions being undertaken by the administration in regard to insurance claims in progress and the Confidential Insurance Claims Register are no longer reported to the Audit (Finance and Risk) Committee.

COUNCIL DECISION

Minute No: 26/09/2017-11789

Commissioner resolved:

That Council with reference to Item 7.4 "*Standing Item - Insurance Claims*" as detailed in the 21 August 2017 Audit (Finance and Risk) Committee Minutes, accept the report to Council that the actions being undertaken by the administration in regard to insurance

claims in progress and the Confidential Insurance Claims Register are no longer reported to the Audit (Finance and Risk) Committee.

Carried 1/0

PURPOSE

To consider the recommendations from the Audit (Finance and Risk) Committee made at its meeting held on 21 August 2017.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Leader - plan and provide direction through policy and practices
Regulator - enforce state legislation and local laws

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

The background and details supporting the recommendations are contained in the Audit (Finance and Risk) Committee meeting minutes of 22 May 2017.

STATUTORY IMPLICATIONS

Various - detailed within the Minutes of the 21 August 2017 Audit (Finance and Risk) Committee meeting.

POLICY IMPLICATIONS

Various - detailed within the Minutes of the 21 August 2017 Audit (Finance and Risk) Committee meeting.

FINANCIAL IMPLICATIONS

Various - detailed within the Minutes of the 21 August 2017 Audit (Finance and Risk) Committee meeting.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2012-2022

Goal 1: Strong leadership and governance that underpins a more strategic approach to community engagement, regional development and organisational sustainability

Objective 1.4: Business innovation, efficiency and improved services

Strategy 1.4.1: Ensure legislative compliance and follow best practice principles in planning and service delivery

Strategy 1.4.3 : Maintain Council's long term financial viability

RISK IMPLICATIONS

Various - detailed within the Minutes of the 21 August 2017 Audit (Finance and Risk) Committee meeting.

COMMUNITY ENGAGEMENT

Various - detailed within the Minutes of the 21 August 2017 Audit (Finance and Risk) Committee meeting.

COMMENTS

Various - detailed within the Minutes of the 21 August 2017 Audit (Finance and Risk) Committee meeting.

ATTACHMENTS

Nil

12.2. CHIEF EXECUTIVE OFFICER

12.2.1. Delegations Register 17/18

Carl Askew declared an impartiality interest as Chief Executive Officer is the delegate for the majority of delegations in the 2017/18 register

| | |
|---------------------------------|--|
| DATE: | 22 August 2017 |
| AUTHOR: | Senior Officer Governance |
| RESPONSIBLE OFFICER: | Carl Askew, Chief Executive Officer |
| FILE NO: | PL.02.1, CM.07.1 |
| DISCLOSURE OF INTERESTS: | Carl Askew declares an impartiality interest in this item as he is the delegate for the majority of the delegations within the Delegations Register 2017/18. |

VOTING REQUIREMENT

Absolute majority

OFFICER'S RECOMMENDATION

That Council adopt the revised Delegations Register for the 2017/2018 financial year.

COUNCIL DECISION

Minute No: 26/09/2017-11790

Commissioner resolved:

That Council adopt the revised Delegations Register for the 2017/2018 financial year with amendments made to Section 5 and 8.

Carried 1/0

Comment: In supporting the officer's recommendation the Commissioner noted two wording amendments to Delegation 8 Disposal of Property and Delegation 17 contract variations.

PURPOSE

The aim of delegated authority is to assist with improving the time taken to make decisions within the constraints allowed by the relevant legislation.

A Register of delegations is to be kept and reviewed at least once every financial year.

NATURE OF COUNCIL'S ROLE IN THE MATTER

The *Local Government Act 1995* provides for Council to delegate to the Chief Executive Officer exercise of certain powers or the discharge of any of its duties under the Act.

The *Local Government Act 1995* further provides that the Chief Executive Officer may delegate any of their powers to another employee, this is to occur once the delegations to the CEO are adopted. These sub-delegations will be in writing and included in the final Delegations Register.

In accordance with other legislation, Council may not be able to delegate the responsibility for appointing authorised persons to the Chief Executive Officer. In these instances, appointment of authorised persons must be approved directly by Council. Although these authorisations do not have delegated authority, they are included in this Register for ease of reference and review.

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

Most recently, the Delegations Register for 2016/17 was amended by Council on 31 Jan 2017:

COUNCIL DECISION

Minute No: 31/01/2017-11584

Commissioner resolved:

That Council adopt the amended Delegation #52 (as attached).

Carried 1/0

STATUTORY IMPLICATIONS

Local Government (Functions and General) Regulations 1996

POLICY IMPLICATIONS

Nil.

FINANCIAL IMPLICATIONS

Amendment to Delegation #8 adds GST to the value of land requiring public tender or auction on disposal and adds GST to the value of gifts or donations of property capable of being disposed of, gifted or donated.

Furthermore, the authority and power to dispose of property by other means than public tender or auction has been added for cases for which the disposition is used to purchase other property. This effectively provides for the purchase of property up to \$75,000 in value using proceeds from the disposal of property without public auction or public tender for such property. This is consistent with regulation 30(3)(b) of Local Government (Functions and General) Regulations 1996.

The change is effectively the adding of GST to these amounts to be consistent with the convention applied to other amounts in this Delegation.

Amendment to Delegation #7 reflects the establishment of pre-qualified supplier panels, and the use of tender exempt arrangements which the CEO is authorised to approve up to \$500,000. This provides for the use of WALGA contracts, Common Use Arrangement (CUA), pre-qualified supplier panels or Request for Quotation (RFQ) which follow failed tender attempts.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2012-2022

Goal 1: Strong leadership and governance that underpins a more strategic approach to community engagement, regional development and organisational sustainability

Objective 1.4: Business innovation, efficiency and improved service

Strategy 1.4.1: Ensure legislative compliance and follow best practice principles in planning and service delivery

RISK IMPLICATIONS

Risk: Failure to comply with legislative requirements leading to damage of reputation and/or Financial loss.

Control: Review policies and procedures in accordance with review schedule.

COMMUNITY ENGAGEMENT

The Shire of Wyndham East Kimberley's CP/GOV-3100 Community Engagement Policy has been considered in relation to this item.

No community engagement is required.

COMMENTS

Revisions to the register represent minimal changes to two delegations, one of which (#8) provides for consistency to that delegation whilst improving the robustness of the wider register. The addition of the ability to dispose of property for the purpose of acquiring other property improves flexibility in procurement whilst being consistent with relevant Regulations.

The other delegation (#7) brings delegated powers in line with the extent of current legislation, improving clarity around the use of a full suite of procurement methods.

ATTACHMENTS

Attachment 1 - Delegations Register 1718 AUG 2017_Draft

12.2.2. Standing Item- Outstanding Actions from Previous Council Resolutions

| | |
|---------------------------------|-------------------------------------|
| DATE: | 26 September 2017 |
| AUTHOR: | Executive Assistant |
| RESPONSIBLE OFFICER: | Carl Askew, Chief Executive Officer |
| DISCLOSURE OF INTERESTS: | Nil |

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council notes the report - Outstanding Actions from Council Resolutions.

COUNCIL DECISION

Minute No: 26/09/2017-11791

Commissioner resolved:

That Council notes the report - Outstanding Actions from Council Resolutions.

Carried 1/0

PURPOSE

To report to the Council on the progress and provide comment on outstanding actions from Council resolutions.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Leader - plan and provide direction through policy and practices

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

At each meeting of Council, resolutions are made which require actions to be taken by officers to implement those resolutions. This monthly update advises the Council as to the status of the implementation of resolutions.

STATUTORY IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Not applicable as referenced in individual reports presented to the Council.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2012-2022

Goal 1: Strong leadership and governance that underpins a more strategic approach to community engagement, regional development and organisational sustainability

Objective 1.4: Business innovation, efficiency and improved services

Strategy 1.4.1: Ensure legislative compliance and follow best practice principles in planning and service delivery

RISK IMPLICATIONS

Nil

COMMUNITY ENGAGEMENT

No community engagement is required.

COMMENTS

This report includes actions from the July 2017 Council resolutions (Attachment 1). Attachment 2 summarises all other actions that are outstanding from previous Council resolutions.

ATTACHMENTS

Attachment 1 - Council Action Register Current

Attachment 2 - Outstanding Actions from Previous Council Resolutions

12.2.3. Celebrity Tree Park, Tree Planting, Removal and Upkeep

| | |
|---------------------------------|-------------------------------------|
| DATE: | 26 September 2017 |
| AUTHOR: | Manager Community Services |
| RESPONSIBLE OFFICER: | Carl Askew, Chief Executive Officer |
| FILE NO: | CR.06.3 |
| DISCLOSURE OF INTERESTS: | Nil |

VOTING REQUIREMENT

Simple majority

OFFICER'S RECOMMENDATION

That Council endorse the reviewed Policy CP/GOV-3101 Celebrity Tree Park Tree Planting, Removal and Upkeep Policy.

COUNCIL DECISION

Minute No: 26/09/2017-11792

Commissioner resolved:

That Council endorse the reviewed Policy CP/GOV-3101 Celebrity Tree Park Tree Planting, Removal and Upkeep Policy.

Carried 1/0

PURPOSE

For Council to endorse the reviewed Policy CP/GOV-3101 Celebrity Tree Park Tree Planting, Removal and Upkeep.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Provider - provide physical infrastructure and essential services.

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

At the 26 August 2014 Ordinary Council Meeting it was resolved that a policy be created to outline entitlement for a tree planting ceremony as well as procedures for the removal of honours.

COUNCIL DECISION

Minute No. 10522

Moved: Cr B Robinson

Seconded: Cr G Taylor

That Council:

- 1) Does not approve the reinstatement of the Rolf Harris plaque which has recently been stolen and removes the plinth which held the plaque;**
- 2) creates a clear record which is to be filed in council records highlighting the reasons why Council will not reinstate the plaque; and creates a policy which outlines entitlement for a tree planting ceremony as well as procedures for the removal of honours, such as in the Rolf Harris case.**

Carried Unanimously 9/0

Accordingly, Council Policy *CP/GOV-3101 Celebrity Tree Park Tree Planting, Removal and Upkeep* was prepared to apply to all trees planted and plaques erected in honour of a person or significant event, at Celebrity Tree Park, and outlines:

- the methodology for deciding who or what event is eligible to have a tree planted and a plaque erected.
- what circumstances may require the removal of the plaque, the process for the removal of the Shire honour and
- the process for the upkeep of trees planted and plaques erected in honour of a person or event.

Prior to the policy being created, it was at the CEO's discretion in consultation with the Shire President to decide who can plant a tree at Celebrity Tree Park.

Trees, with plaques and plinths, have been planted for a range of categories including regal and viceregal representatives, entertainers and personalities, elected heads of State, corporate/ business representatives, Ministers, local identities and sports people. Trees have also been planted to commemorate events such as the Sydney Olympic torch relay, the September 11 terror attacks in the USA, the Bali bombings, the Asian tsunami disaster, the Kimberley Writers Festival and the opening of the Goomig Farmlands M1 irrigation channel.

The Celebrity Tree Park concept was originally developed as a joint initiative between the Shire and Rotary. Over time, the ongoing management and upkeep of the trees, plaques

and plinths has been managed more by the Shire. The Policy therefore also gives greater responsibility and formalises the role of Rotary in the upkeep of the Park.

Policy *CP/GOV-3101 Celebrity Tree Park Tree Planting, Removal and Upkeep* was adopted by Council at the Ordinary Council Meeting held on 18 November 2017 and has now been reviewed in accordance with the policy review schedule.

STATUTORY IMPLICATIONS

Nil

POLICY IMPLICATIONS

The adopted revised *CP/GOV-3101 Celebrity Tree Park Tree Planting, Removal and Upkeep Policy* will replace the existing Policy.

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Strategic Community Plan 2012-2022

Goal 3: Protection and enhancement of lifestyle values, community facilities and the environment to provide safe and inviting communities

Objective 3.4: Protection and enhancement of community facilities

Strategy 3.4.1: Manage, maintain and upgrade public parks and amenities to ensure they meet community need and are accessible to people of all ages and abilities

RISK IMPLICATIONS

Risk: Failure to comply with legislative requirements leading to damage of reputation and/or financial loss.

Control: Review policies and procedures in accordance with review schedule.

COMMUNITY ENGAGEMENT

The Celebrity Tree Park concept is a joint initiative between the Shire of Wyndham East Kimberley and Rotary. No community engagement is required.

COMMENTS

Officers have reviewed the policy in accordance with the policy review schedule and recommend only minor amendments to formatting of the policy in line with the Shire of Wyndham East Kimberley Corporate Style Guide.

ATTACHMENTS

Attachment 1 - Reviewed Council Policy *CP/GOV-3101 Celebrity Tree Park Tree Planting, Removal and Upkeep*

12.3. COMMUNITY DEVELOPMENT

12.3.1. Trails Master Plan

| | |
|---------------------------------|----------------------------------|
| DATE: | 26 September 2017 |
| AUTHOR: | Coordinator Recreation Leisure |
| RESPONSIBLE OFFICER: | A/Director Community Development |
| ASSESSMENT NO: | NIL |
| FILE NO: | RC.05.2 |
| DISCLOSURE OF INTERESTS: | NIL |

VOTING REQUIREMENT

Simple majority

OFFICER'S RECOMMENDATION

That Council:

- 1. Notes the submissions received on the draft Trails Master Plan contained in Attachment 1 and thanks the respondents for their feedback.**
- 2. Adopt the revised Trails Master Plan as contained in Attachment 2.**

COUNCIL DECISION

Minute No: 26/09/2017-11793

Commissioner resolved:

That Council:

- 1. Notes the submissions received on the draft Trails Master Plan contained in Attachment 1, and the late submission received from the Department of Water and Environmental Regulation.**
- 2. Adopt the revised Trails Master Plan as contained in Attachment 2, with amendments to identify the Department of Water and Environmental Regulation as the management body for Reserve 50425, being portion of the Kununurra Water Reserve.**

Carried 1/0

PURPOSE

For Council to consider submissions received on the draft Trails Master Plan and endorse the Trails Master Plan for future development of the identified trails within the document.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Provider - provide physical infrastructure and essential services

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

The Shire engaged TRC Tourism in early 2017 to develop a Trails Master Plan (refer Attachment 1) to assist the Shire establish a sustainable and strategic approach to providing recreational trails for the use of residents and visitors in the region.

The purpose of the Trails Master Plan is to:-

- Review the Shire's existing trails networks.
- Provide an evidence based strategic approach for future development of trails and tracks within the Shire.
- Provide an evidence based strategic approach for the future development of integrated pathways for bike and pedestrian users that links key destinations, open space and residential areas within the town sites of Kununurra and Wyndham.

The draft Trails Master Plan aims to consolidate the further development, and sustainable management of walking and cycling trails in and near the population centres of Kununurra and Wyndham.

At the Ordinary Council Meeting of 18 July 2017 the draft Trails Master Plan was endorsed for the purpose of community consultation.

COUNCIL DECISION

Minute No: 18/07/2017-11728

Commissioner resolved:

That Council request the Chief Executive Officer to advertise for 28 days the draft Shire of Wyndham East Kimberley Trails Master Plan for community comment.

Carried 1/0

The community were invited to provide comment on the draft Trails Master Plan between the 17 July and 9 September 2017 by submissions to the Coordinator Recreation Leisure, Community Consultation page located on the Shire website, completion of feedback forms

developed for the Community Forums in Wyndham and Kununurra and Community Market stall in Kununurra.

A total of 8 submissions were received on the draft Trails Master Plan, and the feedback provided by the community and stakeholders on the Trails Master Plan and its actions has been captured in the attached table with responses (refer Attachment 1).

Council is now requested to note feedback received and the relevant changes made to the document and consider adoption of the revised Trails Master Plan.

STATUTORY IMPLICATIONS

Draft Shire of Wyndham East Kimberley Local Planning Strategy

The draft Shire of Wyndham East Kimberley Local Planning Strategy aims to:-

- (enable) the growth and development of tourism and tourism-related opportunities that are appropriate, sensitive and integrated into the natural landscape.
- Facilitate accessible, safe, walkable town centres that provide environmental, economic, social and lifestyle opportunities and benefits.
- Preserve the values of natural resources by managing the impacts of land use and development on the environment.
- Ensure planning decisions value and respect multi-cultural heritage.

Lake Kununurra Foreshore and Aquatic Use Plan

The Shire's Lake Kununurra Foreshore and Aquatic Use Plan sets out plans for the management, conservation, recreational and tourism use of the lake and foreshore, and identified proposals for an extended walking and cycling trail network, the development of bird hides, jetties and areas for canoes/kayaks and hire and tour facilities.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The adopted 2016/17 Budget included an expenditure budget of \$70,000.00 for the development of a Shire of Wyndham East Kimberley Trails Master Plan; this expenditure was offset with an income budget of \$25,000.00. The \$25,000.00 was received by the Shire from a LotteryWest grant.

Cost estimates are provided in the draft Trails Master Plan for the design, construction and maintenance of the proposed trail development. Future trails funding will need to be considered by Council during the preparation and adoption of its Annual Budget. The Shire could potentially seek funds from a number of funding sources that may be available for promotion, capital and maintenance works of the proposed trail developments.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2012-2022

Goal 3: Protection and enhancement of lifestyle values, community facilities and the environment to provide safe and inviting communities.

Objective 3.1: A broad range of lifestyle opportunities and activities are available for East Kimberley residents

Objective 3.4: Enhancement of community facilities

Objective 3.5: An active outdoor lifestyle is encouraged and promoted

Strategy 1.1.2 : Improve planning processes to ensure broader engagement and identification of relevant issues from all parties.

Strategy 2.2.4 : Enhance and expand tourism opportunities in the East Kimberley and improve access to significant tourism destinations.

Strategy 2.3.2 : Plan, design and budget for sustainable infrastructure.

Strategy 3.4.3 : Ensure Shire facilities are planned and managed to meet community needs

Strategy 3.5.3 : Increase access to the lake, gulf and rivers, including boat ramps, according to demand usage and safety considerations.

RISK IMPLICATIONS

Lack of a planned approach to project design and approvals resulting in increased cost and poor delivery.

Failure to adopt the Trails Master Plan may compromise future developments and upgrades of the trails networks within the region.

COMMUNITY ENGAGEMENT

Engagement has taken place in accordance with the Shire's Community Engagement Guidelines and included:

- Community forums held in Wyndham on 15 August and Kununurra on 17 August. The community forums involved the public exhibition and presentation of the draft Trails Master Plan. The presentation provided an overview of the Trails Master Plan and the proposed developments.
- Public notice of the draft Trails Master Plan for community comment was advertised on local Community Notice Boards.
- Publicly available draft copies
 - Copies were available for public review at Wyndham Shire Office, Kununurra Shire Office, Kununurra Community and School Library and from the Shire's website.
- Public notice of the draft Trails Master Plan on the Shire's Facebook page and shared on community pages.
- Public notice of the draft Trails Master Plan on the Shire news feed and Community Consultation page of the Shire's website
- The Draft Trails Master Plan being presented to the Stakeholders Advisory Group on 21 August.
- A market stall held at Kununurra Markets on Saturday 26 August.

COMMENTS

A number of changes have been made to the draft Trails Master Plan in light of the submissions received, as outlined below, and the revised document is provided at Attachment 2.

The draft document (as advertised) was prepared in May 2017, and since this date there have been significant changes to the responsibilities of State Government agencies and the amalgamation of a number of departments which has had an effect on both departmental titles and responsibilities. Changes have therefore been made throughout the document to reflect current government department names.

Two additional maps have been included in the amended document, a map (page 16) depicting the trails located within the region of the East Kimberley and refers to information captured in Table 3 of the document. A map (page 29) outlining the proposed trails within the town site of Kununurra. Additional information regarding unofficial trails in the region has been added to Table 3 (page 20). This information addresses the future need for further investigation of numerous unofficial trails in the region. Other minor changes have been made in the document as recommended and captured within the comments/responses in Attachment 1.

As mentioned above and in the final report, the purpose of the Trails Master Plan is to review the Shire's existing trails network and provide an evidence based strategic approach for the future development of trails, tracks and integrated pathways for bike and pedestrian uses that link key destinations, open space and residential areas within the town sites of Kununurra and Wyndham. The Master Plan aims at consolidation, further development and sustainable management of the walking and cycling trail network and mountain biking opportunities in and near the population centres of Kununurra and Wyndham.

As noted in the report the Shire recognises that there are a number of unauthorised/unofficial trails within the Kununurra, Wyndham and the surrounding areas. These unauthorised trails are well utilised by various user groups and members of the community without the approval of the land manager/owner. Future consideration to formalise these trails needs to be addressed and this may be done by forming a steering group which could consist of relevant government agencies, land manager/owners, community groups and other relevant stakeholders who could work through numerous issues such as land tenure. As a consequence, and in order to recognise this additional work, Council could consider amending the title of the Plan to reflect the intent to initially focus on the Kununurra and Wyndham town sites and surrounding areas.

ATTACHMENTS

Attachment 1 - Schedule of submissions on draft SWEK Trails Master Plan.

Attachment 2 - Revised draft Shire of Wyndham East Kimberley Trails Master Plan

12.3.2. Employment of Club Development Officer

| | |
|---------------------------------|----------------------------------|
| DATE: | 26 September 2017 |
| AUTHOR: | Coordinator Recreation Leisure |
| RESPONSIBLE OFFICER: | A/Director Community Development |
| FILE NO: | RC.09.05 |
| DISCLOSURE OF INTERESTS: | Nil |

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council endorse the employment of a Club Development Officer for an initial period of 12 months in accordance with the terms and conditions outlined in the proposal from the Department of Local Government, Sport and Cultural Industries and authorise the CEO to sign the funding agreement.

COUNCIL DECISION

Minute No: 26/09/2017-11794

Commissioner resolved:

That Council endorse the employment of a Club Development Officer for an initial period of 12 months in accordance with the terms and conditions outlined in the proposal from the Department of Local Government, Sport and Cultural Industries and authorise the CEO to sign the funding agreement.

Carried 1/0

PURPOSE

To advise Council of the request by the Department of Local Government, Sport and Cultural Industries to enter into a funding agreement to employ a Club Development Officer for an initial period of 12 months.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Provider - Provide physical infrastructure and essential services

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

On 25 May 2017 Department of Local Government, Sport and Cultural Industries (DLGSC) Kimberley Regional Manager met with the Shire to discuss the potential for the Shire to manage the Kununurra Club Development Officer role under a new funding agreement. The Department of Local Government, Sport and Cultural Industries have requested that the Shire submit an Expression of Interest to manage the position due to the dissolution of the Kununurra Community Resource Centre.

The position was originally approved by the Minister to be managed by the Kununurra Community Resource Centre for a 12 month period with associated funding of \$40,000. This funding has now been approved by the Minister to be reallocated to the Shire of Wyndham East Kimberley should Council agree to manage the position.

Club Development Officer Positions are generally managed by Local Governments however the role within the East Kimberley in recent times has been managed by the Community Resource Centre after the position was made redundant by the Shire in 2014/15.

The employment of a Club Development Officer on the equivalent to a 0.6FTE will complement the current Shire's Recreation Team. The Shire's support of the Club Development Officer's role is by way of providing resources to operate as a separate entity within the Shire office. These resources will include a workstation, a separate telephone number, answering machine, personal computer, smart phone, the use of the Shire's pool vehicles as required, uniforms and associated administration costs.

STATUTORY IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The facilitation of the Club Development Officer position would require a Shire contribution, both in kind and a budget allocation.

- For a collective population less than 25,000 people a cash contribution of 25% of the Department of Local Government, Sport and Cultural Industries (DLGSC) funding amount is required (i.e. DLGSC - \$40,000.00, Local Government - \$10,000.00)
- In-kind contributions will be recognised up to the value of \$5,000.00

At this stage there has been no allocation of funds towards the Club Development position in the 2017/18 budget. Discussions between the Director of Corporate Services and Director of Community Development have supported the DLGSC proposal and have indicated that there is capacity within the existing Community Development salary budget (based upon vacancies to date) to meet the "pro rata" \$10,000 employment cost of the Club Development

Officer for the 2017/18 year with the balance of the initial period of 12 months being considered as part of the 2018/19 Budget.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2012-2022

Goal 1: Strong leadership and governance that underpins a more strategic approach to community engagement, regional development and organisational sustainability

Objective 1.2: Alignment of regional and local priorities with other agencies and community groups

Strategy 3.5.2: Encourage cooperation between sporting groups and assist them in building capacity

RISK IMPLICATIONS

Nil

COMMUNITY ENGAGEMENT

No community engagement is required.

COMMENTS

Club Development Officers span across metropolitan and regional Western Australia, supporting sport and active recreation clubs to be sustainable and to deliver diverse opportunities for people to participate in physical activity in their local community in a safe and welcoming environment.

The program is a partnership with the Department of Local Government, Sport and Cultural Industries and local governments. The aim, through the Club Development Framework is to create a collaborative approach to club development by connecting State Sporting Associations, Regional Sport Associations, local government and community organisations to provide leadership, education and training.

The Shire acknowledges that the Club Development Officer plays an important role within the community. The role assists clubs in relation to governance issues, best practices, volunteer management, management and administration of KidSport funding and to help build greater club capacity and sustainability.

It is anticipated that this role will develop and implement strategies which are focused on capacity building so that sustainability is built into all components of the project and therefore its outcomes will continue past the life of the proposed funding agreement. A fully functioning and supported Club Development Officer position can only assist in improving the local club fabric and support opportunities for both participants, administrators and volunteers to be actively involved in their community.

ATTACHMENTS

Attachment 1 - Expression of Interest Club Development Role

Attachment 2 - Email from DLGSC detailing expected Shire financial contribution

Attachment 3 - Email from DLGSC confirming Ministerial approval of position funding

12.3.3. Community Lease - Lake Kununurra Golf Club

C Askew declared an impartiality interest as a member of the Lake Kununurra Golf Club

| | |
|---------------------------------|----------------------------------|
| DATE: | 26 September 2017 |
| AUTHOR: | Manager Community Services |
| RESPONSIBLE OFFICER: | A/Director Community Development |
| ASSESSMENT NO: | A4993 |
| FILE NO: | CP.07.7 |
| DISCLOSURE OF INTERESTS: | Nil |

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

1. That Council authorise the Chief Executive Officer to:
 - a. offer a 21 year lease to the Lake Kununurra Golf Club for Lot 312 on Deposited Plan 210825 and Lot 734 on Deposited Plan 217489, being portion of Reserve 29167, off Victoria Highway, Kununurra as detailed in Attachment 1, subject to the approval of the Minister for Lands.
 - b. offer a licence for non-exclusive use of Lot 3002 on Plan 046759, part Reserve 41812, and Lot 692 on Plan 188509, part Reserve 29167.

COUNCIL DECISION

Minute No: 26/09/2017-11795

Commissioner resolved:

1. That Council authorise the Chief Executive Officer to:
 - a. Offer a 21 year lease to the Lake Kununurra Golf Club for Lot 312 on Deposited Plan 210825 and Lot 734 on Deposited Plan 217489, being portion of Reserve 29167, off Victoria Highway, Kununurra as detailed in Attachment 1, subject to the approval of the Minister for Lands.
 - b. Offer a licence for non-exclusive use of Lot 3002 on Plan 046759, part Reserve 41812, and Lot 692 on Plan 188509, part Reserve 29167.

Carried 1/0

PURPOSE

To inform Council of the intent to offer a lease to the Lake Kununurra Golf Club (LKGC) for Lot 312 on Plan 210825 and Lot 734 on Plan 217489, being portion of Reserve 29167, off Victoria Highway, Kununurra, subject to the approval of the Minister for Lands.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Leader- plan and provide direction through policy and practices.
Provider - provide physical infrastructure and essential services.

BACKGROUND

The Lake Kununurra Golf Club is located on Reserve 29167, off Victoria Highway. The Clubs previous 21 year lease for the site expired on 30 June 2012; with the Club operating as a tenant at will since this date.

The LKGC has a proud history and was established in 1965 as a nine (9) hole course. The Clubs origins date back to 1961 when the Ord River Diversion Dam was commenced and the town of Kununurra established. The existing course, clubhouse and all facilities have been completed by the hard work of the members, volunteers and considerable support from the business community of Kununurra. The Club is currently debt free and has around 100 active members.

The recommendations of Officers regarding a number of community leases that were due to expire were reported to the 22 November 2011 Ordinary Council Meeting where Council resolved as follows:-

Minute No. 9626

Moved: Cr K Torres

Seconded: Cr D Ausburn

1) That Council request the Chief Executive Officer to enter into negotiations with the following clubs with a view to determining their ongoing requirements in relation to their respective lease areas:

- a) Kununurra Race Club over Reserve 30290**
- b) Lake Kununurra Golf Club Inc over Reserve 29167 and a portion of Reserve 41812**
- c) Wyndham Turf Club over Reserve 24857, Reserve 32816 and Reserve 36818**
- d) Kununurra Speedway Club over Reserve 41793**
- e) Kununurra Water Ski Club over portion of Reserve 29297 and a portion of Reserve 41812**

2) That Officers write to each club to request that a long term business plan be supplied, in order to assist Council to decide the term of the lease offered.

3) That Officers write to the Minister for Lands to seek in principle approval to enter into a lease over the abovementioned reserves with the relevant community groups for a minimum term of 10 years.

Carried Unanimously 8/0

Officers began the process of meeting with the Club in 2011 to discuss the preparation of a new lease, however negotiations lapsed over a period of time.

On 6 August 2015 Officers met with representatives of the Lake Kununurra Golf Club to commence negotiations for a new lease. At this time the Club requested a 21 year lease and were informed of the requirement for the development of a Strategic Plan as per Council Policy CP/PMG 3780 Leasing of Council Managed Reserve Land - Community. LKGC provided their Strategic Plan 2015-2036 to the Shire on 20 October 2015.

Officers continued to work with LKGC representatives in early 2016 in developing the lease:

- 17 February: LKGC were provided with a draft lease, the Club were also requested to provide a list of all buildings fixtures and fittings.
- 23 February: The Club responded with several queries regarding the lease, these were discussed and relevant changes made.
- 22 March: The reviewed copy was returned to LKGC 1 April: LKGC advised that they were satisfied with the reviewed lease.

Following this review, several items were raised by individual Councillors. These concerns were that:

1. The onsite sewerage system for the PumpHouse Restaurant is located on the lease site. This was investigated and the following information is presented:
 - a. There is a septic system installed in the southern corner of lot 692
 - b. This septic system was approved by the Shire.
2. Designated parking for the PumpHouse Restaurant is located on lot 692.
3. Lot 692 was created to allow for the construction of a future road. This is critical should the existing bridge over the channel becomes decommissioned as this would remove any formal access to the PumpHouse Restaurant. There is an existing "access track" however this is not a formal road. The Golf Course Club would also be without formal access however as the Course abuts Victoria Highway, the Golf Club technically has access to their site while the PumpHouse Restaurant would not.

Based on this information, the draft lease was amended to remove Lot 692 from the lease and authorise LKGC use of this Lot through the issuing of a licence over Lot 692.

More recently progress has been impeded by an issue of Native Title Disposition over Reserve 46172, Lots 842 and 843 on Deposited Plan 220974 (formerly, Lakeview Drive) relating to the existing levee bank/access road which transects Reserve 29167.

The Department of Planning, Lands and Heritage has advised that the Native Title Disposition has now been resolved, and a variation of the existing Management Order has been finalised and received by the Shire. This now allows the process concerning the new community lease to be progressed to Council.

STATUTORY IMPLICATIONS

Land Administration Act 1997

The *Local Government Act 1995* provides for leasing under *section 3.58 Disposing of Property* and the *Land Administration Act 1997* provides for the leasing of Crown reserves for one or more purposes of public interest.

The original Reserve 41793 was reserved under the *Land Administration Act 1997* (LAA) for the purpose of 'Recreation (Golf Course)'.

The Shire holds the management order for this reserve with power to lease for a maximum of 21 years, subject to consent from the Minister for Lands.

POLICY IMPLICATIONS

The lease will be in accordance with Council Policy *CP/PMG-3780 Leasing of Council Managed Reserve Land-Community*.

FINANCIAL IMPLICATIONS

The Lake Kununurra Golf Club currently pay a rental of \$110.00 including GST per annum. This will be increased to \$500.00 per annum increasing by CPI annually on the execution of the Lease.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2012-2022

Goal 3: Protection and enhancement of lifestyle values, community facilities and the environment to provide safe and inviting communities.

Objective 3.4: Protection and enhancement of community facilities

Objective 3.4.3: Ensure Shire facilities are planned and managed to meet community needs

Objective 3.5: An active outdoor lifestyle is encouraged and promoted

Strategy 3.5.2: Encourage cooperation between sporting groups and assist them in building capacity

RISK IMPLICATIONS

Non-compliance with the Department of Local Government, Sport and Cultural Industries advisory standards and regulations.

COMMUNITY ENGAGEMENT

Engagement has taken place in accordance with the Shire' Community Engagement Guidelines and includes:

- Open communication with the Lake Kununurra Golf Club throughout the lease negotiation process.

COMMENTS

The Club originally provided the Shire with a copy of their Strategic Business Plan 2015 – 2036 in October 2015. The plan provided an executive summary; history; mission and vision for the club. The plan also outlined the clubs strategies and objectives for both short and long term goals and the clubs overall sustainability. each goal; membership trends and financial summary; Strength Weakness Opportunities and Threats analysis; management structure; and review process.

Officers considered that the Lake Kununurra Golf Club had met the requirements for a business plan, and are pleased with the quality of the plan that has been provided. The plan shows that the club have looked at future growth ideas and plans, volunteer management, financial management and membership growth.

Therefore in accordance with Council Policy *CP/PMG-3780 Leasing of Council Managed Reserve Land-Community* it is proposed to offer the Club a lease term of 21 years.

The Community Lease for the LKGC will also contain an environmental clause in which the club will be required to develop and implement a vegetation management plan for the removal of weeds and the planting of regional native plant species. The plan must also include the removal of pest species including Neem, Leucaena and Calotropis.

ATTACHMENTS

Attachment 1 - Draft Lease - Lake Kununurra Golf Club

Attachment 2 - Lease and Licence Plan

12.3.4. Recreation Space Action Plan

| | |
|---------------------------------|----------------------------------|
| DATE: | 26 September 2017 |
| AUTHOR: | Manager Community Services |
| RESPONSIBLE OFFICER: | A/Director Community Development |
| FILE NO: | CS.09.11 |
| DISCLOSURE OF INTERESTS: | Nil |

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council endorse the Shire of Wyndham East Kimberley Recreation Space Action Plan 2017-2021

COUNCIL DECISION

Minute No: 26/09/2017-11796

Commissioner resolved:

That Council endorse the Shire of Wyndham East Kimberley Recreation Space Action Plan 2017-2021

Carried 1/0

PURPOSE

For Council to endorse the Shire of Wyndham East Kimberley Recreation Space Action Plan 2017-2021.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Leader - plan and provide direction through policy and practices.

BACKGROUND

The Shire of Wyndham East Kimberley endorsed the "Recreation Space Strategy", at the Ordinary Meeting of Council on the 29 March 2016.

The provision of Recreation Space remains a priority for the Shire of Wyndham East Kimberley. A number of recreational and play spaces are provided both in Wyndham and Kununurra at a significant ongoing cost, with this provision based on the recognition of the high level of benefit this space and its associated facilities provide.

The difficulty in providing recreation space is that, despite the fact it would be nice to provide services and facilities to please everyone, the community's needs and wants have to be balanced with the costs of construction and ongoing maintenance. To do this effectively a Recreation Space Action Plan has been developed that considers the expectations of the community, the associated costs, and best practice for this service provision. The Action Plan will ensure that services are provided efficiently and the community gains maximum benefit from the Shire's investment.

The Recreation Space Action Plan and associated Recreation Space Strategy will provide a sound platform on which decisions relating to the location and composition of parks and play spaces are based. The Action Plan will provide the guidelines to assist in the prioritisation of projects and delivery of key local initiatives that will improve and beautify existing parks and open spaces. It is envisaged that improvements to existing play spaces will encourage increased usage and participation from community members.

The next phase in the planned delivery of recreation space is the adoption by Council of the "Recreation Space Action Plan 2017-2021". The Recreation Space Action Plan has been developed with direct input from the Shire's Infrastructure Management Team, as to the development and implementation of realistic and cost effective programs, for the upgrading of parks and open spaces. Emphasis was placed on the current usage of sites, development potential, play equipment provision and the long term maintenance requirements of each site.

STATUTORY IMPLICATIONS

There are no statutory implications associated with this report.

POLICY IMPLICATIONS

There are no policy implications associated with this report.

FINANCIAL IMPLICATIONS

\$200,000 was allocated in the 2016/17 budget to leverage support funding (external grants) and deliver priority recommendations from the Action Plans informed by this Strategy. This funding was not utilised, with recurrent funding of \$200,000 allocated in the 2017/18 budget to leverage further funding opportunities and undertake works.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2012-2022

Goal 3: Protection and enhancement of lifestyle values, community facilities and the environment to provide safe and inviting communities.

Objective 3.4: Protection and enhancement of community facilities.

Strategy 3.4.1: Manage, maintain and upgrade public parks and amenities to ensure they meet community need and are accessible to people of all ages and abilities.

RISK IMPLICATIONS

Risk: Lack of a planned approach to project design and approvals resulting in increased costs and poor delivery.

Action: Development of a Recreation Space Action Plan to provide guided and planned approach.

COMMUNITY ENGAGEMENT

Engagement has taken place in accordance with the Shires Community Engagement Guidelines and includes:

- The Draft Recreation Space Strategy was advertised on the Shire's website and Facebook page from January to March 2016. Feedback from the Draft Strategy was utilised in the development of the Recreation Space Action Plan 2017-2021.
- Open community consultation forums in both Wyndham and Kununurra, for community input and feedback towards the development of the action plans.

COMMENTS

Following the endorsement of this Recreation Space Action Plan, the Plan will facilitate the delivery of works focussed on the upgrade of identified parks/play spaces in both Wyndham and Kununurra.

The Recreation Space Action Plan will determine the works required to ensure that the Shire's recreation spaces meet the guidelines listed in the Recreation Space Action Plan.

The two documents have been separated for two reasons, firstly, this ensures that action plans are not developed based on a Strategy that is not supported by Council; and secondly, that this will allow the Action Plan to be updated annually whilst the Strategy will be reviewed biennially, and should remain largely unchanged.

In fully determining the extent of works to be undertaken extensive consultation has also taken place with the Shire's Infrastructure Directorate, which is responsible for the delivery of the Action Plans schedule of works. It is envisaged that this coordinated approach will lead to the development of infrastructure that is both well placed and well used.

ATTACHMENTS

Attachment 1 - Draft Shire of Wyndham East Kimberley Recreation Space Action Plan 2017-2021

12.3.5. Community Lease - Kununurra Water Ski Club

| | |
|---------------------------------|----------------------------------|
| DATE: | 26 September 2017 |
| AUTHOR: | Manager Community Services |
| RESPONSIBLE OFFICER: | A/Director Community Development |
| ASSESSMENT NO: | A7566 |
| FILE NO: | CP.07.15 |
| DISCLOSURE OF INTERESTS: | Nil |

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council authorise the Chief Executive Officer to offer a 21 year lease to the Kununurra Water Ski Club for Part Reserve 29297, Lot 551 on Deposited Plan 410547, Millington Drive Kununurra, as detailed in Attachment 1, subject to the approval of the Minister for Lands.

COUNCIL DECISION

Minute No: 26/09/2017-11797

Commissioner resolved:

That Council authorise the Chief Executive Officer to offer a 21 year lease to the Kununurra Water Ski Club for Part Reserve 29297, Lot 551 on Deposited Plan 410547, Millington Drive Kununurra, as detailed in Attachment 1, subject to the approval of the Minister for Lands.

Carried 1/0

PURPOSE

To inform Council of the intent to offer a lease to the Kununurra Water Ski Club for part Reserve 29297, being Lot 551 on Deposited Plan 410547, Millington Drive, Kununurra as detailed in Attachment 1, subject to the approval of the Minister for Lands.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Leader- plan and provide direction through policy and practices

BACKGROUND

The Kununurra Water Ski Club is located on a portion of Recreation Reserve 29297 of adjoining foreshore Reserve 41812, located via Millington Drive, Kununurra. The clubs previous 21 year lease for their site expired on 30 June 2013, and the Club has remained as a tenant at will since this date.

In November 2011 a report was presented to Council in which seven (7) existing community leases that were due to expire within the next 9 to 18 months were noted for actioning relating to the issue and execution of a new lease. The Kununurra Water Ski club was one of the leases in question and as such would require a new lease to be developed through consultation with the club.

The recommendations of Officers regarding a number of community leases that were due to expire were reported to the 22 November 2011 Ordinary Council Meeting where Council resolved as follows:-

Minute No. 9626

Moved: Cr K Torres

Seconded: Cr D Ausburn

1) That Council request the Chief Executive Officer to enter into negotiations with the following clubs with a view to determining their ongoing requirements in relation to their respective lease areas:

- a) Kununurra Race Club over Reserve 30290**
- b) Lake Kununurra Golf Club Inc over Reserve 29167 and a portion of Reserve 41812**
- c) Wyndham Turf Club over Reserve 24857, Reserve 32816 and Reserve 36818**
- d) Kununurra Speedway Club over Reserve 41793**
- e) Kununurra Water Ski Club over portion of Reserve 29297 and a portion of Reserve 41812**

2) That Officers write to each club to request that a long term business plan be supplied, in order to assist Council to decide the term of the lease offered.

3) That Officers write to the Minister for Lands to seek in principle approval to enter into a lease over the abovementioned reserves with the relevant community groups for a minimum term of 10 years.

Carried Unanimously 8/0

Officers commenced lease negotiations with the Kununurra Water Ski Club in February 2015, and the discussions have been ongoing since that time. The main delay in finalising the lease since this time has been the requirement for a survey to be undertaken to create a

new land parcel (now Lot 551 on Deposited Plan 410547) for the expanded lease area, and to delineate the minimum 10 metre wide foreshore area to be licenced (portion of Lot 550 on DP 410547) in conjunction with the lease.

A copy of this survey plan, showing Lot 551 and indicating the proposed portion of Lot 550 to be licenced (shown cross-hatched) is provided at Attachment 2. This plan will be incorporated as Annexure A to the lease document.

It is envisaged that this situation can be rectified to the satisfaction of all parties in the 2017/18 year, with a new Community Lease executed.

STATUTORY IMPLICATIONS

Land Administration Act 1997

The *Local Government Act 1995* provides for leasing under *section 3.58 Disposing of Property* and the *Land Administration Act 1997* provides for the leasing of Crown reserves for one or more purposes of public interest.

Reserves 29297 and 41812 are reserved under the *Land Administration Act 1997* (LAA) for the purpose of 'Recreation' and 'Foreshore and Recreation' respectively. The Shire holds the management order for each of these reserves, both with power to lease for a maximum of 21 years, subject to consent from the Minister for Lands.

POLICY IMPLICATIONS

The lease will be in accordance with Council Policy *CP/PMG-3780 Leasing of Council Managed Reserve Land-Community*.

FINANCIAL IMPLICATIONS

The Kununurra Water Ski Club currently pay a rental of \$110.00 including GST per annum. This will be increased to \$500.00 per annum increasing by CPI annually on the execution of the Lease.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2012-2022

Goal 3: Protection and enhancement of lifestyle values, community facilities and the environment to provide safe and inviting communities.

Objective 3.4: Protection and enhancement of community facilities

Objective 3.4.3: Ensure Shire facilities are planned and managed to meet community needs

Objective 3.5: An active outdoor lifestyle is encouraged and promoted

Strategy 3.5.2: Encourage cooperation between sporting groups and assist them in building capacity

RISK IMPLICATIONS

Non-compliance with the Department of Local Government and Communities advisory standards and regulations.

COMMUNITY ENGAGEMENT

Engagement has taken place in accordance with the Shire' Community Engagement Guidelines and includes:

- Open communication with the Kununurra Water Ski Club throughout the lease negotiation process.

COMMENTS

The Club originally provided the Shire with a copy of their Strategic Business Plan 2012 – 2017 on 18 September 2012. The original plan provided an executive summary; mission, vision and committee list; short term goals (1 – 6 years), long term goals (7+ years), and strategies and objectives for each goal; membership trends and financial summary; Strength Weakness Opportunities and Threats (SWOT) analysis; management structure; and review process.

Officers considered that the Kununurra Water Ski Club had met the requirements for a business plan, and were pleased with the quality of the plan that has been provided. The plan shows that the club have looked at future growth ideas and plans, volunteer management, financial management and membership growth.

Therefore in accordance with Council Policy *CP/PMG-3780 Leasing of Council Managed Reserve Land-Community* it is proposed to offer the Club a lease term of 21 years, subject to an updated Business Plan being lodged with the Shire.

ATTACHMENTS

Attachment 1 - Draft Lease - Kununurra Water Ski Club

Attachment 2 - New Lease and Licence Area plan

12.3.6. Community Lease - Ord River Sports Club

C Askew declared an impartiality interest as a member of the Ord River Sports Club

J Ninyette declared an impartially interest as a committee member of the Ord River Sports Club

| | |
|---------------------------------|----------------------------------|
| DATE: | 26 September 2017 |
| AUTHOR: | Manager Community Services |
| RESPONSIBLE OFFICER: | A/Director Community Development |
| ASSESSMENT NO: | A1160 |
| FILE NO: | CP.07.3 |
| DISCLOSURE OF INTERESTS: | Nil |

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council authorise the Chief Executive Officer to offer a 21 year lease to the Ord River Sports Club for Lot 2313 Chestnut Avenue Kununurra as detailed in Attachment 1, subject to the following:-

- a. The Ord River Sports Club utilise the self supporting loan facility made available by the Shire to erect a new roof structure over the existing main roof.**
- b. The approval of the Minister of Lands.**

COUNCIL DECISION

Minute No: 26/09/2017-11798

Commissioner resolved:

That Council authorise the Chief Executive Officer to offer a 21 year lease to the Ord River Sports Club for Lot 2313 Chestnut Avenue Kununurra as detailed in Attachment 1, subject to the following:-

- a. The Ord River Sports Club utilise the self supporting loan facility made available by the Shire to erect a new roof structure over the existing main roof.**
- b. The approval of the Minister of Lands.**

Carried 1/0

PURPOSE

To inform Council of the intent to offer a lease to the Ord River Sports Club for Lot 2313 Chestnut Avenue Kununurra, subject to the approval of the Minister for Lands.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Leader- plan and provide direction through policy and practices

BACKGROUND

The Ord River Sports Club is located on Lot 2313 Chestnut Avenue, Kununurra. The previous lease expired on 28 April 2009; the Club has operated as a tenant at will since this date.

At the Ordinary Council Meeting 31 May 2016 Council considered two officer's recommendations relating to the proposed lease for the Ord River Sports Club as follows:-

COUNCIL DECISION

Minute No: 11365

That Council:

- 1. Revoke Minute No 10865 of the 24 March 2015 Ordinary Council Meeting:**

“That Council directs the Acting Chief Executive Officer to:

- 1. Include in the lease terms that the lease rental fee should be set at \$500.00 plus GST for the first 12 months of the lease; and that the subsequent lease rental fee will be in accordance with an independent valuation.*
- 2. Include in the Lease terms that the lease rental will be reviewed after a 12 month period and then subsequently every 3 years.”*

OFFICER'S RECOMMENDATION

That Council:

- 1. Request the Chief Executive Officer to write to the Ord River Sports Club Inc. in response to the Club's email dated 16 April 2016 detailing that in accordance with Council Policy CP-3560 Leasing of Council Managed Reserve Land - Community:**

- a. The Ord River Sports Club Inc. must complete the following itemised roof maintenance actions as outlined in Attachment 3 - 1.1.1, 1.2.1, 1.2.2, 1.2.3, 1.3.1, 1.4.1, 1.4.2, 2.1.1, 2.4.1, 2.4.2, 3.1.1, 3.1.2, 3.2.1, 3.2.2, 3.3.1, 3.3.2, 3.4.1, 3.5.1, 3.5.2, 3.5.3, 4.1.1, 4.1.2, 4.2.1 to ensure there is no water ingress prior to signing the proposed lease.**
- b. The Shire of Wyndham East Kimberley will complete the following itemised roof structural actions as outlined in Attachment 3 - 2.2.1, 2.3.1. Damaged ceiling tiles (items 3.1.3, 3.2.3, 3.3.3, 3.4.2, 4.1.3, 4.2.2) will be replaced on receiving confirmation from Ord River Sports Club Inc. of their completion of outstanding roof maintenance actions.**
- c. The Shire will not accept responsibility for the building structure, or ongoing maintenance costs within the proposed lease.**
- d. Rent for the proposed lease will be set at \$500.00 plus GST per annum, indexed for CPI (Perth) and reviewed every three years.**
- e. Rates concession options for the term of the lease will not be included in the lease.**
- f. The Shire will not accept responsibility for the Car Park area or access roads within the lease.**
- g. The Lease is to include a clause reserving the Lessor's right to terminate the lease if this termination is deemed by Council to be of significant community benefit.**

2. Subject to the above inclusions, compliance with all terms within the draft lease, and approval from Department of Lands, authorise the Chief Executive Officer and Shire President to execute a lease with the Ord River Sports Club Inc.

A foreshadowed motion to the Officer's Recommendation above was put as follows:-

That recommendation 2, point 1 (d) be amended to read.

Rent for the proposed lease will be based on a valuation of fair market rent with a CPI rent review conducted annually, and a market review to be undertaken every five years at the cost of the Lessee, with a CPI rent review to be conducted all other years for the term of the lease.

The foreshadowed motion was lost.

An amendment to the motion to remove point g regarding the inclusion of the termination clause was then put as follows:-

COUNCIL DECISION

Minute No: 11367

That Council:

- 1. Request the Chief Executive Officer to write to the Ord River Sports Club Inc. in response to the Club's email dated 16 April 2016 detailing that in accordance with Council Policy CP-3560 Leasing of Council Managed Reserve Land - Community:**
 - a. The Ord River Sports Club Inc. must complete the following itemised roof maintenance actions as outlined in Attachment 3 - 1.1.1, 1.2.1, 1.2.2, 1.2.3, 1.3.1, 1.4.1, 1.4.2, 2.1.1, 2.4.1, 2.4.2, 3.1.1, 3.1.2, 3.2.1, 3.2.2, 3.3.1, 3.3.2, 3.4.1, 3.5.1, 3.5.2, 3.5.3, 4.1.1, 4.1.2, 4.2.1 to ensure there is no water ingress prior to signing the proposed lease.**
 - b. The Shire of Wyndham East Kimberley will complete the following itemised roof structural actions as outlined in Attachment 3 - 2.2.1, 2.3.1. Damaged ceiling tiles (items 3.1.3, 3.2.3, 3.3.3, 3.4.2, 4.1.3, 4.2.2) will be replaced on receiving confirmation from Ord River Sports Club Inc. of their completion of outstanding roof maintenance actions.**
 - c. The Shire will not accept responsibility for the building structure, or ongoing maintenance costs within the proposed lease.**
 - d. Rent for the proposed lease will be set at \$500.00 plus GST per annum, indexed for CPI (Perth) and reviewed every three years.**
 - e. Rates concession options for the term of the lease will not be included in the lease.**
 - f. The Shire will not accept responsibility for the Car Park area or access roads within the lease.**

2. **Subject to the above inclusions, compliance with all terms within the draft lease, and approval from Department of Lands, authorise the Chief Executive Officer and Shire President to execute a lease with the Ord River Sports Club Inc.**

Lost 3/5

The Officer's Recommendation was then put as follows; this motion was also lost.

COUNCIL DECISION

Minute No: 11368

That Council:

1. **Request the Chief Executive Officer to write to the Ord River Sports Club Inc. in response to the Club's email dated 16 April 2016 detailing that in accordance with Council Policy CP-3560 Leasing of Council Managed Reserve Land - Community:**
 - a. **The Ord River Sports Club Inc. must complete the following itemised roof maintenance actions as outlined in Attachment 3 - 1.1.1, 1.2.1, 1.2.2, 1.2.3, 1.3.1, 1.4.1, 1.4.2, 2.1.1, 2.4.1, 2.4.2, 3.1.1, 3.1.2, 3.2.1, 3.2.2, 3.3.1, 3.3.2, 3.4.1, 3.5.1, 3.5.2, 3.5.3, 4.1.1, 4.1.2, 4.2.1 to ensure there is no water ingress prior to signing the proposed lease.**
 - b. **The Shire of Wyndham East Kimberley will complete the following itemised roof structural actions as outlined in Attachment 3 - 2.2.1, 2.3.1. Damaged ceiling tiles (items 3.1.3, 3.2.3, 3.3.3, 3.4.2, 4.1.3, 4.2.2) will be replaced on receiving confirmation from Ord River Sports Club Inc. of their completion of outstanding roof maintenance actions.**
 - c. **The Shire will not accept responsibility for the building structure, or ongoing maintenance costs within the proposed lease.**
 - d. **Rent for the proposed lease will be based on a valuation of fair market rent with a CPI rent review conducted annually, and a market review to be undertaken every five years at the cost of the Lessee, with a CPI rent review to be conducted all other years for the term of the lease.**
 - e. **Rates concession options for the term of the lease will not be included in the lease.**
 - f. **The Shire will not accept responsibility for the Car Park area or access roads within the lease.**
 - g. **The Lease is to include a clause reserving the Lessor's right to terminate the lease if this termination is deemed by Council to be of significant community benefit.**

2. **Subject to the above inclusions, compliance with all terms within the draft lease, and approval from Department of Lands, authorise the Chief Executive Officer and Shire President to execute a lease with the Ord River Sports Club Inc.**

Further discussions on the terms of the proposed lease of Lot 2313 Chestnut Avenue, Kununurra to the Ord River Sports Club occurred at the 14 June 2016 Councillor Briefing.

In further meetings with the Ord River Sports Club in August 2017 the clubs new Community Lease was discussed as was the issue of the buildings failing roof. At this time the club also raised the existing stipulations from Council concerning the issuing of a new community lease and the repairs that would be required to buildings main roof area to rectify existing issues. The club also highlighted to Shire staff that all contractors (three) who quoted on repair works to the building's roof area could not/would not guarantee the roof's integrity during the wet season. Given this situation and the significant expenditure required in repairing the roof the club has decided to undertake a full roof replacement. To this end the club has requested to access a self-supporting loan facility provided by the Shire in the 2017/18 budget to assist in undertaking the roof replacement before the wet season arrives.

STATUTORY IMPLICATIONS

Land Administration Act 1997

Reserve 33112 is reserved under the *Land Administration Act 1997* (LAA) for the purpose of Sporting Club and Associated Activities.

The Shire holds the management order for this reserve with power to lease for a maximum term of 21 years, subject to consent of the Minister for Lands.

Local Government Act 1995

Under section 3.58 of the *Local Government Act 1995* (LGA), the leasing of land is included as a form of disposal of property and is required to be undertaken in accordance with this section of the LGA.

However, there are exemptions from the requirements outlined in regulation 30 of the *Local Government (Functions & General) Regulations 1996*, which states that a disposition of land is an exempt disposition if –

- (i) the land is disposed of to a body, whether incorporated or not -
- (ii) the objects of which are of a charitable, benevolent, religious, cultural, educational, recreational, sporting or other like nature; and
- (iii) the members of which are not entitled or permitted to receive any pecuniary profit from the body's transactions;"

As such, the proposed lease to the Ord River Sports Club Inc. is considered to be an exempt disposition.

POLICY IMPLICATIONS

The lease will be in accordance with Council Policy *CP/PMG-3780 Leasing of Council Managed Reserve Land-Community*.

FINANCIAL IMPLICATIONS

The annual lease fee for this property will be set at \$500.00 per annum, excluding GST, indexed for CPI as per Council Policy *CP/PMG Leasing of Council Managed Reserve Land-Community*.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2012-2022

Goal 3: Protection and enhancement of lifestyle values, community facilities and the environment to provide safe and inviting communities.

Objective 3.4: Protection and enhancement of community facilities

Objective 3.4.3: Ensure Shire facilities are planned and managed to meet community needs

Objective 3.5: An active outdoor lifestyle is encouraged and promoted

Strategy 3.5.2 : Encourage cooperation between sporting groups and assist them in building capacity

RISK IMPLICATIONS

Non -compliance with the Department of Local Government and Communities advisory standards and regulations.

COMMUNITY ENGAGEMENT

Engagement has taken place in accordance with the Shire' Community Engagement Guidelines and includes:

- Open communication with the Ord River Sports Club throughout the lease process.

COMMENTS

The Club has provided the Shire with a Business Plan (Attachment 2), therefore in accordance with Council Policy *CP/PMG-3780 Leasing of Council Managed Reserve Land-Community* it is proposed to offer the Club a 21 year lease. It should be noted that the Clubs Business Plan was formulated in 2014 and may require amendments to reflect today's operating environment.

The lease contains a clause requiring the Club as a condition precedent to substantially commence all requirements relating to the buildings roofed areas to be undertaken by the

Club. Council Officers are fully supportive of the clubs position in opting to erect a new roof structure over the existing roof structure as against undertaking repairs that can not be guaranteed by local suppliers. The Ord River Sports Club will be required to provide the Shire with engineering certification re the main roof's structural integrity when all works are completed.

The lease contains an additional clause for the portion of the property that is used for commercial purposes and highlights that this portion of the leased area is exempt from the application of the Shires Rates Assistance Grant.

ATTACHMENTS

Attachment 1 - Copy of Lease Document

Attachment 2- Copy of Business Plan

12.3.7. Self-Supporting Loan - Ord River Sports Club Inc.

C Askew declared an impartiality interest as a member of the Ord River Sports Club

J Ninyette declared an impartiality interest as a committee member of the Ord River Sports Club

| | |
|----------------------------------|---|
| DATE: | 26 September 2017 |
| AUTHOR: | Director Corporate Services |
| REPORTING OFFICER: | Vernon Lawrence - Director Corporate Services |
| DECLARATION OF INTERESTS: | Nil |

OFFICER'S RECOMMENDATION

That Council approve a Self-Supporting Loan of \$50,000 repayable over a five year term to the Ord River Sports Club Inc. on the following conditions:

- 1. That a lease agreement is concluded to the satisfaction of the Council and the WA Treasury Corporation provides the necessary borrowings for the self-supporting loan;**
- 2. A 'Deed of Loan' for the period of loan repayments is prepared and executed as contractual evidence for repayment of the loan;**
- 3. For each year of the loan an independently audited end of year financial statement must be supplied to the Shire;**
- 4. The Ord River Sports Club will reimburse the Shire for the costs associated with the loan including any advertising costs, Deed of Loan preparation costs, any stamp duties payable and any fees as prescribed in the Fees and Charges approved in the 2017/18 Annual Budget.**

COUNCIL DECISION

Minute No: 26/09/2017-11799

Commissioner resolved:

That Council approve a Self-Supporting Loan of \$50,000 repayable over a five year term to the Ord River Sports Club Inc. on the following conditions:

- 1. That a lease agreement is concluded to the satisfaction of the Council and the WA Treasury Corporation provides the necessary borrowings for the self-supporting loan;**
- 2. A 'Deed of Loan' for the period of loan repayments is prepared and executed as contractual evidence for repayment of the loan;**
- 3. For each year of the loan an independently audited end of year financial statement must be supplied to the Shire;**

The Ord River Sports Club will reimburse the Shire for the costs associated with the loan including any advertising costs, Deed of Loan preparation costs, any stamp duties payable and any fees as prescribed in the Fees and Charges approved in the 2017/18 Annual Budget.

Carried 1/0

PURPOSE

The purpose of this report is to provide a recommendation to Council for a self supporting loan to be made to the Ord River Sports Club Inc. for purposes of the construction of a tropical roof over the existing roof structure to prevent water damage to the property.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Provider - provide physical infrastructure and essential services

BACKGROUND

The existing roof on the Ord River Sports Club (ORSC) building is the original roof that was constructed more than 30 years ago. During a 2015 storm event the roof leaked to the extent that damage of approximately \$250,000 was incurred to the ORSC fixtures and fittings. Repairs were subsequently carried out but the roof still leaks and it poses an unacceptable risk for the ORSC. The design of the roof does not allow for the adequate release of water and pooling occurs.

Local builders have provided advice that a repair to the roof to prevent leaking will not be guaranteed by them unless extensive works are carried out. These works will involve the stripping of the roof and gutters, repairs to the underlying support structures and replacing

them where necessary. This is an expensive process. A more cost effective option is to cover the existing roof with a new tropical roof with the correct pitch.

The ORSC has approached Council for a self-supporting loan to fund this project. They have completed the application form and supplied the necessary documentation. The Shire has provided for the provision of a self-supporting loan in its annual budget for an amount of \$50,000.

STATUTORY IMPLICATIONS

In accordance with the *Local Government Act 1995*:-

6.20. Power to borrow

- (1) *Subject to this Act, a local government may —*
- (a) *borrow or re borrow money; or*
 - (b) *obtain credit; or*
 - (c) *arrange for financial accommodation to be extended to the local government in ways additional to or other than borrowing money or obtaining credit,*

to enable the local government to perform the functions and exercise the powers conferred on it under this Act or any other written law.

- (2) *Where, in any financial year, a local government proposes to exercise a power under subsection (1) (power to borrow) and details of that proposal have not been included in the annual budget for that financial year —*
- (a) *unless the proposal is of a prescribed kind, the local government must give one month's local public notice of the proposal; and*
 - (b) *the resolution to exercise that power is to be by absolute majority.*
- (3) *Where a local government has exercised a power to borrow and —*
- (a) *it does not wish to proceed with the performance of the function or the exercise of the power for which the power to borrow was exercised; or*
 - (b) *after having completed the performance of the function or the exercise of the power for which the power to borrow was exercised, any part of the money borrowed, credit obtained or financial accommodation arranged has not been expended or utilized,*

the local government may resolve to expend the money or utilise the credit or financial accommodation for another purpose if one month's local public notice is given of the proposed change of purpose.*

** Absolute majority required.*

- (4) *A local government is not required to give local public notice under subsection (3) —*

- (a) *where the change of purpose has been disclosed in the annual budget of the local government for the relevant financial year; or*
 - (b) *in such other circumstances as are prescribed.*
- (5) *A change of purpose referred to in subsection (3) is to be disclosed in the annual financial report for the year in which the change occurs.*

6.21. Restrictions on borrowing

- (1) *Where, under section 6.20(1), a regional local government borrows money, obtains credit or arranges for financial accommodation to be extended to the regional local government that money, credit or financial accommodation is to be secured only —*
- (a) *by the regional local government giving security over the financial contributions of the participants to the regional local government's funds as set out or provided for in the establishment agreement for the regional local government; or*
 - (b) *by the regional local government giving security over Government grants which were not given to the regional local government for a specific purpose; or*
 - (c) *by a participant giving security over its general funds to the extent agreed by the participant.*
- (1a) *Despite subsection (1)(a) and (c), security cannot be given over —*
- (a) *the financial contributions of a particular participant to the regional local government's funds; or*
 - (b) *the general funds of a particular participant, if the participant is not a party to the activity or transaction for which the money is to be borrowed by, the credit is to be obtained for, or the financial accommodation is to be extended to, the regional local government.*
- (2) *Where, under section 6.20(1), a local government borrows money, obtains credit or arranges for financial accommodation to be extended to the local government that money, credit or financial accommodation is only to be secured by giving security over the general funds of the local government.*
- (3) *The Treasurer or a person authorised in that behalf by the Treasurer may give a direction in writing to a local government with respect to the exercise of its power under section 6.20(1) either generally or in relation to a particular proposed borrowing and the local government is to give effect to any such direction.*
- (4) *In this section and in section 6.23 —*
- general funds** *means the revenue or income from —*
- (a) *general rates; and*

- (b) *Government grants which were not given to the local government for a specific purpose; and*
- (c) *such other sources as are prescribed.*

POLICY IMPLICATIONS

The self-supporting loan will be made in accordance with Council Policy *CP/FIN-3215 Self-Supporting Loans*.

FINANCIAL IMPLICATIONS

There are no financial implications as the loan is self-supporting.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2012-2022

Goal 3: Protection and enhancement of lifestyle values, community facilities and the environment to provide safe and inviting communities.

Objective 3.4: Protection and enhancement of community facilities

Strategy 3.4.3: Ensure Shire facilities are planned and managed to meet community needs

Objective 3.5: An active outdoor lifestyle is encouraged and promoted

Strategy 3.5.2 : Encourage cooperation between sporting groups and assist them in building capacity

RISK IMPLICATIONS

There is a risk that the loan may not be repaid in full. The Shire officers have conducted an inspection of the financial records and consider this risk to be within acceptable limits.

COMMUNITY ENGAGEMENT

Shire officers do not consider that any community engagement is necessary.

COMMENT

Self-supporting loans made by the Shire are governed by the Council Policy *CP/FIN-3215 Self-Supporting Loans*. The Policy sets out the application requirements, the assessment process, the term of the loan, the approval requirements and fees. These are dealt with below.

1. Application Requirements

1.1. *The applicant must lease/occupy land or buildings owned or vested in the Shire of Wyndham East Kimberley. **The ORSC is in the process of concluding a lease with the Shire. The success of this application is dependent on the lease being signed and approved by Council.***

1.2. *The loan can only be used for the construction and/or acquisition of capital assets. **The application satisfies this criterion as the addition of a tropical roof over the existing roof is clearly capital in nature.***

1.3. *All Self-Supporting Loan applicants shall provide the following information for assessment:-*

1.3.1. *The Shire's Self-Supporting Loan Application (Appendix A to this Policy) completed in full. **Satisfied.***

1.3.2. *Audited financial statements for 3 (three) years to demonstrate the ability to repay the loan. **Satisfied.***

1.3.3. *Statement demonstrating alternative funding options have been investigated prior to seeking the Shire's assistance and the reasons why they weren't successful. **Satisfied.***

1.3.4. *Statements demonstrating the need for the loan together with a business plan for the construction and/or capital acquisition which is to include detailed costings and an overall budget. **Satisfied.***

1.3.5. *Forward financial plans to cover the term of the loan which are certified by a Certified Practising, Chartered or similarly qualified and experienced Accountant. **Satisfied.***

1.3.6. *Certificate of incorporation. **Satisfied.***

1.3.7. *Statements of satisfactory past payment history from at least three (3) principal suppliers, the Shire may be included where such history exists. **Satisfied.***

1.3.8. *Minutes from the meeting that the motion for a self-supporting loan was put to. **Satisfied.***

2. Assessment of Applications

2.1. *The assessment of applications will be undertaken by the Coordinator Financial Management and the Director Corporate Services who will then*

put a recommendation to the Audit (Finance and Risk) Committee for consideration by the Council on the outcome. The application has been assessed by the Director Corporate Services based on the information submitted. It is proposed that the report goes directly to Council rather than the Audit (Finance and Risk) Committee for two reasons. Firstly, the next Audit (Finance and Risk) Committee meeting will be in November and there is a time constraint on the ORSC to get access to the funding so the works can commence before the onset of the “wet” season. Secondly, the composition of the Audit (Finance and Risk) Committee and the Council is the same and the Committee will be in essence be making a recommendation to itself.

2.2. Matters that are to be considered include:-

- a) The current number of self-supporting loans the Shire may have. **Nil.***
- b) The Shire’s Long Term Financial Plan and forecast debt financing capacity across the prospective life of a requested loan. **The Shire has forecast over the Long Term Financial Plan that there will be no additional debt.***
- c) Regulated borrowing limits as determined by WA Treasury Corporation. **The borrowing limit with WA Treasury Corporation is the amount of any capital that is outstanding at any point in time and as such does not have a facility it can procure a new loan from. Any new borrowings will be assessed on its individual merits by the WA Treasury Corporation.***
- d) Debt Service Coverage Ratio (calculated as annual surplus before interest expense and depreciation divided by annual debt service payments) meets the required Department of Local Government Standard. Below is the indicator which is used by the WA Treasury Corporation in considering loan applications from the Shire:-*
 - i. Standard is NOT met if ratio is less than two (2)*
 - ii. Basic Standard if ratio is between two (2) and five (5)*
 - iii. Advance Standard if greater than five (5)*

The Shire has an audited Debt Service Coverage Ratio for 2015/16 of 2.1 that meets the Basic Standard criteria. The 2016/17 ratio per the draft financial statements is 5.97.

e) *Annual budget and current financial position of the Shire.* **The annual budget and financial position of the Shire is that it is stable and can meet all its short and long term obligations. All reserves are adequately funded and the asset stock is in a condition to continue providing services over the Long Term Financial Plan forecast period without any major financial requirements.**

f) *Compliance with legislative requirements associated with borrowing monies in accordance with section 6.20 of the Local Government Act 1995.*

1.3. Assessment of Applications will be based on:-

- 1.3.1. Perceived ability for the loan repayments to be made on time and for the loan to be paid in full at the end of the loan period.* **The ORSC included as part of their application a projected cash flow statement. The cash flow statement is supported by a letter from Kununurra Accounting Services that states that they have examined the basis of preparation as being consistent with their plans. The cash flow statement has been examined as part of the assessment process and found to be reasonable in the light of the Shires knowledge of the organisation and past results reported.**
- 1.3.2. Benefit to the wider community.* **As the ORSC is a significant community organisation it has clear benefits for the wider community as the utilisation of the building will be enhanced.**
- 1.3.3. The community organisation that is applying for the loan must have been in existence for 5 years and can clearly demonstrate a stable and / or increased membership.* **The ORSC was incorporated on 20 September 1961. The membership base is currently 635 and while it fluctuates in cycles the trend over the last 6 years from 2012/13 (480) is positive.**
- 1.3.4. The life of the capital asset acquisition or development exceeds the life of the self-supporting loan.* **The life of the loan is proposed to be a five year term in terms of the policy as it is \$50,000 or less. The asset created will have a useful life well in excess of this period.**
- 1.3.5. Whether all other funding options have been fully exhausted.* **As part of their submission the ORSC indicated that they have**

not been able to secure alternate finance from organisations approached as the lease with the Shire is not in place.

3. Term of Loan

3.1. *Shall not exceed the term of any existing lease agreement. **There is currently no lease agreement. The granting of this loan will be conditional upon the successful implementation of a lease agreement. The proposed term of the lease agreement will be 21 years. The acceptance of and signing of the lease will satisfy this condition.***

1.2. *The term of the loan should be less than or equal to the half-life of the capital asset acquisition or development being undertaken. This enables the community base organisation sufficient time to set aside a cash reserve for future refurbishment or replacement. If the term of the loan is longer than half-life of the capital asset acquisition or development being undertaken the organisation is to demonstrate how it will fund future refurbishment or replacement whilst still servicing the loan. **The life of a roof structure is likely to be in excess of 20 years which is at least four times the proposed loan term and so this condition is satisfied.***

4. Approval Requirements

The following is proposed as the Officer's Recommendation:

4.1. *The Council endorse the granting of a Self-Supporting Loan to the Ord River Sports Club Inc in the amount of \$50,000 repayable over a five year term; and*

4.2 *The loan is granted on the conditions that a lease agreement is concluded to the satisfaction of the Council and the WA Treasury Corporation provides the necessary borrowings for the self -supporting loan; and*

4.3. *A 'Deed of Loan' for the period of loan repayments is to be prepared and executed as contractual evidence for repayment of the loan; and*

4.4. *For each year of the loan an independently audited end of year financial statement must be supplied to the Shire; and*

4.5 *The Ord River Sports Club will reimburse the Shire for the costs associated with the loan including any advertising costs, Deed of Loan preparation costs, any stamp duties payable and any fees as prescribed in the Fees and Charges approved in the 2017/18 Annual Budget.*

ATTACHMENTS

Attachment 1 - CP/FIN-3215 Self Supporting Loans.

12.3.8. Provision of External Certification Service

| | |
|---------------------------------|--------------------------------|
| DATE: | 26 September 2017 |
| AUTHOR: | Senior Building Surveyor |
| RESPONSIBLE OFFICER: | Director Community Development |
| FILE NO: | DB.06.1 |
| DISCLOSURE OF INTERESTS: | Nil |

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council:

- 1. Supports the provision of a Certification Service for all Classes of buildings in addition to the legislated mandated provision of Certification of Uncertified Class 1 and Class 10 structures.**
- 2. Pursuant to section 6.16 of the Local Government Act 1995 adopts the following fees in the 2017/2018 budget for the purpose of provision of a Certification Service**
 - a. Certificate of Design Compliance (CDC - BA3) - 0.09% of Estimated Value of Construction (Minimum \$300)**
 - b. Certificate of Construction Compliance (CCC - BA17) - Minimum \$400 (includes 1st hour) then \$150 per hour thereafter.**
 - c. Certificate of Building Compliance (CBC - BA18) - Minimum \$400 (includes 1st hour) then \$150 per hour thereafter.**
- 3. Endorse the advertising of the amended fees and charges for the additional Certification Service, as per the section 6.19 of the Local Government Act 1995.**

COUNCIL DECISION

Minute No: 26/09/2017-117800

Commissioner resolved:

That Council:

1. Supports the provision of a Certification Service for all Classes of buildings in addition to the legislated mandated provision of Certification of Uncertified Class 1 and Class 10 structures.
2. Pursuant to section 6.16 of the Local Government Act 1995 adopts the following fees in the 2017/2018 budget for the purpose of provision of a Certification Service
 - a. Certificate of Design Compliance (CDC - BA3) - 0.09% of Estimated Value of Construction (Minimum \$300)
 - b. Certificate of Construction Compliance (CCC - BA17) - Minimum \$400 (includes 1st hour) then \$150 per hour thereafter.
 - c. Certificate of Building Compliance (CBC - BA18) - Minimum \$400 (includes 1st hour) then \$150 per hour thereafter.

Endorse the advertising of the amended fees and charges for the additional Certification Service, as per the section 6.19 of the Local Government Act 1995.

Carried 1/0

PURPOSE

For Council to consider the proposal, make necessary delegations pursuant to the Building Act 2011 and adopt a new fee structure for the provision of a Certification Service for all Classes of buildings in addition to the legislated mandated provision of Certification of Uncertified Class 1 and Class 10 structures.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Regulator - enforce state legislation and local laws.

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

In April 2012, the implementation of the WA Building Act 2011 and the WA Building Regulations 2012 brought a change to the building approval process from that which had been undertaken under the former *Local Government (Miscellaneous Provisions) Act 1960* and the *Building Regulations 1989*.

The change to the former building legislation was aimed at bringing WA building control in line with the national reforms, to increase efficiency in the WA building system and to improve the standard of construction of building within the state.

Key elements of the building reform package included:

1. All buildings are to be legislated, including those owned by the Crown,
2. A competitive building assessment service will be offered by the private sector,
3. Nominated permit issuing Authorities (local authority, state government or special authority) to manage risk, audit processes, issue permits and occupancy permits,
4. Process for assessment and approval of building works carried out without approval (retrospective) introduced,
5. Nationally agreed accreditation framework for building surveyors and registration requirements for industry practitioners.

The major change generated from the Building Act reform was the separation of the process of certifying compliance with the buildings standards from the administrative process of issuing permits. Private certification was introduced, removing the sole role of local government as the building licence assessor.

The provisions of the Building Act 2011 Section 145A (2) allows local governments the option to provide a building certification service for all classes of structures in addition to the legislated requirement to provide a certifications service for Class 1A (dwellings) and Class 10 structures (outbuildings and minor structures associated with dwellings).

The provision of a building certification service for Class 1B and Class 2 to Class 9 structures (all commercial structures) by the Shire under the Building Act 2011 will be an extension to the current service of assessing uncertified building applications (Class 1A and Class 10 structures) and issuing approval for construction of, or occupation of buildings.

The statutory fee structure set out by the Building Regulations 2012 outlines fees the Shire can charge for certain building approval services. The Act does not set fees to be charged for additional services, such as determining uncertified commercial applications, being predominantly office, warehouses, retail shops and factories, or determine fees for certification of compliance for structures which were built without approval.

It is proposed that applicants will be able to engage the Shire to provide the following additional certification services, and enable the Shire the ability to charge for that service at a comparable rate to that utilised in both the local government and private sector.

1. Certificate of Design Compliance (BA3)
2. Certificate of Construction Compliance (BA17)
3. Certificate of Building Compliance (BA18)

The current practice for Commercial Class 1B and Class 2 to Class 9 structures is for the owner or builder to engage a Private Certifier to assess the plans and provide the applicable certificates. Generally these Certifiers are located either in the Perth and regional areas or in the Eastern States and as such possess limited knowledge of specific building requirements within the East Kimberley region. Certification of the completed structures often involves either extensive photographic evidence to be taken during the construction phase and/or the engagement of a certifier to visit the site, including travel and accommodation costs in addition to the professional fees.

In some cases, this office has been providing a service beyond its usual scope by assessing the application, providing an inspection/photographic service for the purpose of issue of the Certificates of Construction Compliance and Building Compliance to facilitate occupancy/use of the structures at a charge which is below the current commercial rate.

If established, the local government can offer this certification service to anyone that requests it. For example, this service can be offered to an applicant intending to build in another local government area or even to another local government authority. As this is not a prescribed service, the local government can charge a market based fee.

This office currently has a reciprocal certifying agreement with the City of Karratha for the purpose of provision of Certificates of Design Compliance (BA3) for property that is either in the ownership or vested to the Shire of Wyndham East Kimberley. It should be noted that officers engaged/employed by the Shire due to conflict of interest cannot certify Shire structures to be constructed on Shire managed land.

The basic stages to establishing a certification service include:

1. Determining the 'domestic mandate', ie whether the provision of the service in the local government authority area is likely to result in any relevant duplication of services under section 3.18 of the Local Government Act 1995.
2. Employment of a registered building surveyor (either Level 1 or Level 2).
3. Ensure that appropriate staff have the required authorisations and delegations.

In consideration of these stages it is advised that that:

- The proposal is not a duplication of the existing service - but an extension to enable commercial certifications to be undertaken at a comparable market rate, and that there are no local businesses offering a similar service for certification.
- The Shire currently employs a Building Surveying Practitioner Level 1.
- Staff authorisations and delegations are currently in place where required.

STATUTORY IMPLICATIONS

WA Building Act 2011

145A Local government functions

1. *A local government that is a permit authority, when referring an uncertified application under section 17(1), is not limited to referring the uncertified application to a building surveyor who is employed by the local government.*
2. *A local government may issue a certificate that complies with section 19, 56 or 57 and that is signed by a building surveyor who is employed by the local government, whether or not -*
 - (a) *the building or incidental structure that is the subject of the application is,*

- (b) *or is proposed to be, located in the local government's district; or the applicant is an owner or occupier of land in the local government's district.*

WA Building Regulations 2012
Local Government Act 1995
Local Government (Miscellaneous Provisions) Act 1960 (repealed)
Building Regulations 1989 (repealed)

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

There is uncertainty at this stage in regard to the exact budgetary implications that provision of this Certification Service would have on the Shire.

The provision of this Certification Service will enable the Shire to charge a market rate for this service and these additional funds may be applied to support the building control function of the Shire.

The implementation of the Statutory Fees and Private Certification has had a negative impact on the Shire's budget since 2012, however the extent is difficult to determine due to the fluctuations in the construction industry over the same period (2012 to 2017) and the addition of the State of WA issuing permits for Department of Housing works as the State Permit Authority.

It is envisaged that the Certification Service may reinstate the assessment fees for Commercial structures within the Shire which have been assessed by Private Certifiers from 2012 to 2017.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2012-2022

Goal 1: Strong leadership and governance that underpins a more strategic approach to community engagement, regional development and organisational sustainability

Objective 1.4: Business innovation, efficiency and improved services

Strategy 1.4.1 : Ensure legislative compliance and follow best practice principles in planning and service delivery

Strategy 1.4.2 : Improve the efficiency and productivity of Shire services

Strategy 1.4.3 : Maintain Council's long term financial viability

Strategy 1.4.4 : Deliver cost effective and efficient corporate services

RISK IMPLICATIONS

Risk: Inability to deal with an increased volume of applications for Certification for all Classes of buildings.

Control: Ensure Certification of Uncertified Class 1A and Class 10 structures is prioritised in order to meet the legislated requirement.

COMMUNITY ENGAGEMENT

No community engagement is required.

COMMENTS

This proposed service is in addition to the mandated building services provided by the Shire. Delivery of mandated services shall take priority over this additional service provision.

As the Certifier position is currently a sole position, upon application for the additional certification service, an appraisal shall be made as to the current workload and an estimated timeframe shall be given to the applicant for the certification. The applicant may then have the option of either agreement to that timeframe or to pursue an external certification provider.

Benchmarking of other Local Government certification fees is provided as Attachment 1 . The fees proposed for adoption are based as a median range fee and for ease of calculation.

ATTACHMENTS

Attachment 1 - Comparison of Proposed Rates to other Local Authorities and Private Sector

12.4. CORPORATE SERVICES

12.4.1. Monthly Statement of Financial Activity for the Period Ended 31 August 2017

| | |
|---------------------------------|--|
| DATE: | 26 September 2017 |
| AUTHOR: | Financial Accountant |
| RESPONSIBLE OFFICER: | Vernon Lawrence, Director Corporate Services |
| FILE NO: | FM.09.20 |
| DISCLOSURE OF INTERESTS: | Nil |

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council receives the monthly financial report as at 31 August 2017.

COUNCIL DECISION

Minute No: 26/09/2017-117801

Commissioner resolved:

That Council receives the monthly financial report as at 31 August 2017.

Carried 1/0

PURPOSE

For Council to receive the monthly financial report for the period ended 31 August 2017.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Regulator - enforce state legislation and local laws

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

Council is to prepare monthly financial reports as required by the *Local Government (Financial Management Regulations) 1996*.

At the 18 July 2017 Ordinary Council Meeting, the Council resolved the following:

COUNCIL DECISION

Minute No: 18/07/2017-11742

Commissioner resolved:

That the Council, in accordance with Regulation 34(5) of the Local Government (Financial Management) Regulations 1996, approves the materiality level for monthly reporting to be set at +/- 10% and +/- \$20,000 at account level and +/- 10% and +/- \$100,000 at financial statement level.

Carried 1/0

These materiality levels have been applied in the preparation of this report.

STATUTORY IMPLICATIONS

Local Government Act 1995, Section 6.4.

Local Government (Financial Management) Regulations 1996, Regulation 34.

POLICY IMPLICATIONS

No policy implications apply in the preparation of the report.

FINANCIAL IMPLICATIONS

Monthly financial reporting is a primary financial management and control process; it provides the Council with the ability to oversee the Shire's financial performance against budgeted target.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2012-2022

Goal 1: Strong leadership and governance that underpins a more strategic approach to community engagement, regional development and organisational sustainability

Objective 1.4: Business innovation, efficiency and improved services

Strategy 1.4.1 : Ensure legislative compliance and follow best practice principles in planning and service delivery

RISK IMPLICATIONS

Strategic Risk: Failure to comply with legislative requirements leading to damage of reputation and/or financial loss.

COMMUNITY ENGAGEMENT

The Shire of Wyndham East Kimberley's CP/GOV-3100 Community Engagement Policy has been considered in relation to this item.

No community engagement is required.

COMMENTS

Comments in relation to budget to actual variances are included as a note in the Financial Report attached.

ATTACHMENTS

Attachment 1 - Monthly Financial Report - 31 August 2017.

12.4.2. Review of Policy CP/FIN-3214 Sundry Debt Collection

| | |
|---------------------------------|--|
| DATE: | 26 September 2017 |
| AUTHOR: | Coordinator Financial Operations |
| RESPONSIBLE OFFICER: | Vernon Lawrence, Director Corporate Services |
| FILE NO: | FM.07.2 |
| DISCLOSURE OF INTERESTS: | Nil |

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council adopt the amended policy CP/FIN-3214 Sundry Debt Collection

COUNCIL DECISION

Minute No: 26/09/2017-117802

Commissioner resolved:

That Council adopt the amended policy CP/FIN-3214 Sundry Debt Collection

Carried 1/0

PURPOSE

For the Council to review the amendments to Council Policy *CP/FIN-3214 Sundry Debt Collection* in relation to sundry debt collection of fees and charges.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Leader - plan and provide direction through policy and practices

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

On 11 August 2015 The Audit (Finance and Risk) Committee reviewed and recommended to Council that it adopt Council Policy *CP/FIN-3214 Sundry Debt Collection*.

On 25 August 2015 the Council adopted the current Council Policy *CP/FIN-3214 Sundry Debt Collection*.

STATUTORY IMPLICATIONS

Local Government Act 1995 – Part 6, Division 4, Section 6.12 - Power to defer, grant discounts, waive or write off debts.

Local Government Act 1995 - Part 6, Division 4, Section 6.13 - Interest on money owing to local governments.

Local Government Act 1995 - Part 6, Division 4, Subdivision 2, Section 6.16 - Imposition of fees and charges.

Magistrates Court (Civil Proceedings) Act 2004 – Part 2, Section 12 – Pre-Judgement interest may be awarded.

Civil Judgements Enforcement Act 2004 – Part 2, Section 8 – Interest on judgement sums.

Civil judgements Enforcement Regulations 2005 – Part 2, Section 4 - Interest on unpaid amount of judgement sum.

Fines, Penalties and Infringement Notices Enforcement Act 1994.

POLICY IMPLICATIONS

To adopt revised policy CP/FIN 3214 Sundry Debt Collection with amendments in accordance with the policy review schedule.

FINANCIAL IMPLICATIONS

There are no direct financial implications associated with this matter.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2012-2022

Goal 1: Strong leadership and governance that underpins a more strategic approach to community engagement, regional development and organisational sustainability

Objective 1.4: Business innovation, efficiency and improved services

Strategy 1.4.3 : Maintain Council's long term financial viability

RISK IMPLICATIONS

Risk: Failure to comply with legislative requirements leading to damage of reputation and/or financial loss.

Control: Review policies and procedures in accordance with review schedule.

COMMUNITY ENGAGEMENT

The Shire of Wyndham East Kimberley CP/GOV-3100 Community Engagement Policy has been considered in relation to this item.

No community engagement is required.

COMMENTS

Policy CP/FIN-3214 Sundry Debt Collection has been reviewed in accordance with the policy review schedule. Particular amendments have been incorporated into the amended policy to reflect current debt collection procedures and legislative requirements.

ATTACHMENTS

Attachment 1 - Revised Policy CP/FIN 3214 Sundry Debt Collection - track changes

Attachment 2 - Revised Policy CP/FIN 3214 Sundry Debt Collection - Draft

12.4.3. Proposed Changes to the Policy CP/FIN-3217 Regional Price Preference

| | |
|---------------------------------|--|
| DATE: | 26 September 2017 |
| AUTHOR: | Director Corporate Services |
| RESPONSIBLE OFFICER: | Vernon Lawrence, Director Corporate Services |
| DISCLOSURE OF INTERESTS: | Nil |

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council endorse the following changes to Council Policy *CP/FIN-3217 Regional Price Preference* by increasing the price preference percentage given to Regional Business in assessing their submission as follows;

1. For paragraph 3.2 (a) - increase the percentage from 5% to 10% and the maximum price reduction from \$25,000 to \$50,000; and
2. For paragraph 3.2 (b) - increase the percentage from 2.5% to 5% and the maximum price reduction from \$25,000 to \$50,000; and
3. For paragraph 3.2 (c) - increase the percentage from 5% to 10% and the maximum price reduction from \$25,000 to \$50,000.

COUNCIL DECISION

Minute No: 26/09/2017-117803

Commissioner resolved:

That Council endorse the following changes to Council Policy *CP/FIN-3217 Regional Price Preference* by increasing the price preference percentage given to Regional Business in assessing their submission as follows;

1. For paragraph 3.2 (a) - increase the percentage from 5% to 10% and the maximum price reduction from \$25,000 to \$50,000; and
2. For paragraph 3.2 (b) - increase the percentage from 2.5% to 5% and the maximum price reduction from \$25,000 to \$50,000; and

For paragraph 3.2 (c) - increase the percentage from 5% to 10% and the maximum price reduction from \$25,000 to \$50,000.

Carried 1/0

PURPOSE

The purpose of this report is to consider changing the percentages in section 3.2 of Council Policy *CP/FIN-3217 Regional Price Preference* from 2.5% to 5% and from 5% to 10% and the maximum price reductions from \$25,000 to \$50,000.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Leader - plan and provide direction through policy and practices

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

Council Policy *CP/FIN-3217 Regional Price Preference* was adopted at the Ordinary Council Meeting held on 30 August 2017.

COUNCIL DECISION

Minute No: 11467

Moved: Cr K Wright

Seconded: Cr E Bolto

That Council:

- 1. After considering the public submissions, adopts the new Council Policy CP/FIN-3217 Regional Price Preference.**
- 2. Requests the CEO, or their delegate to provide Statewide notice that the Council has adopted the Policy in accordance with the legislation, noting that the Policy cannot be applied until the Statewide notice has occurred.**
- 3. Endorses the creation of a Regional Price Preference Reserve to be established in accordance with legislative requirements as part of the 2016/17 Budget process that will hold initial funds of \$200,000.**
- 4. Requests the CEO or their delegate to ensure that appropriate operating processes are implemented that will record those quotes and tenders that are accepted at a higher dollar amount than would generally be accepted in the absence of this Policy, and utilise the funds that will be held in the newly established Regional Price Preference Reserve.**
- 5. Request the CEO of their delegate to review the Council Policy CP/FIN-3217 Regional Price Preference during the 2017/18 Budget process and report back to the Council on the utilisation and cost of the Policy.**
- 6. Adopts the revised CP/FIN-3204 Purchasing.**

Carried 7/0

STATUTORY IMPLICATIONS

The Council's Regional Price Preference Policy is to comply with the Local Government (Functions and General) Regulations 1996, particularly Part 4A.

POLICY IMPLICATIONS

If the Council adopts the proposed amendments to Council Policy *CP/FIN-3217 Regional Price Preference* the policy will have to change to reflect these changes.

FINANCIAL IMPLICATIONS

The Shire has a Regional Price Preference Reserve of \$200,000. It is considered that any changes to the percentages in the Council Policy *CP/FIN-3217 Regional Price Preference* will be adequately funded from this reserve.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2012-2022

Goal 1: Strong leadership and governance that underpins a more strategic approach to community engagement, regional development and organisational sustainability

Objective 1.4: Business innovation, efficiency and improved services

Strategy 1.4.1 : Ensure legislative compliance and follow best practice principles in planning and service delivery

Strategy 1.4.2 : Improve the efficiency and productivity of Shire services

Strategy 1.4.4 : Deliver cost effective and efficient corporate services

RISK IMPLICATIONS

Risk: Inability to deliver levels of service expected by the community.

Control: Current budget and service levels.

Risk: Failure to comply with legislative requirements leading to damage of reputation and/or financial loss.

Control: Review policies and procedures in accordance with review schedule.

COMMUNITY ENGAGEMENT

The Shire of Wyndham East Kimberley's CP/GOV-3100 Community Engagement Policy has been considered in relation to this item and no engagement is considered necessary.

COMMENTS

The *CP/FIN 3217 Regional Price Preference Policy* (RPP) is up for review in terms of the Council decision adopted 30 August 2016.

During the period since adoption, the policy was implemented on only one contract -T08-16/17. Had the RPP not been applied the contract would have been awarded to Quality Traffic Management at a price of \$11,963.75 with a value for money rating of 65.17. Highway Traffic without the RPP had a price of \$16,227 and a value for money score of 64.47. With the RPP it had an adjusted price of \$15,415.65 and a value for money score of 65.50. The Shire based on the contract assessment is expending \$4,263.25 more than it would have but for the RPP. This difference in theory should come out of the RPP reserve and allocated to the ledger numbers where the work is performed. As this contract is a schedule of rates contract and the tender evaluation is based on a scenario, the allocation from the reserve has not been done. Any allocation from the reserve will be determined at the time the reserves are reconciled during the year end process so that amounts can be posted to relevant ledger accounts where there has been actual expenditure.

At the moment the RPP for construction contracts is 2.5% and for goods and services 5% up to maximum price reductions of \$25,000. The legislation permits the Shire to double these amounts to 5% and 10% respectively up to a maximum price reduction of \$50,000. The table attached shows the impact that should the rates have doubled in the 16/17 year for all the tenders, the overall result would have been the same.

The question is whether the 2.5% and the 5% be amended in the policy and if so to what value. Based on the data for the 16/17 year and the fact that the reserve will remain substantially intact at year end, it is the opinion of the Senior Procurement Officer and myself that the rates be adjusted up to the 5% and 10% thresholds and the maximum price reductions increased from \$25,000 to \$50,000. This may well allow local business to benefit on tenders issued in the remainder of 17/18 financial year.

ATTACHMENTS

Attachment 1 - *CP/FIN 3217 Regional Price Preference Policy*.

12.4.4. List Of Accounts Paid From Municipal Fund and Trust Fund

| | |
|---------------------------------|--|
| DATE: | 26 September 2017 |
| AUTHOR: | Creditors Officer |
| RESPONSIBLE OFFICER: | Vernon Lawrence, Director Corporate Services |
| FILE NO: | FM.09.5 |
| DISCLOSURE OF INTERESTS: | Nil |

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

| | |
|--|------------------------|
| That Council receives the listing of accounts paid from the Municipal and Trust funds, being: | |
| Municipal EFT 129722 - 130033 (01 Aug -31 Aug 2017) | \$ 3,505,847.58 |
| Municipal cheques 51609 - 51628 (03 Aug - 31Aug 2017) | \$ 113,133.23 |
| Trust cheques 1060 - 1074 (04 Aug - 31 Aug 2017 | \$ 4,800.50 |
| Trust EFT 501443 - 501452 (01 Aug – 31 Aug 2017) | \$ 10,036.90 |
| Payroll (02 Aug - 30 Aug 2017) | \$ 738,230.21 |
| Direct bank debits (01 Aug - 29 Aug 2017) | \$ 113,678.40 |
| TOTAL | \$ 4,485,726.82 |

COUNCIL DECISION

Minute No: 26/09/2017- 117804

Commissioner resolved:

That Council receives the listing of accounts paid from the Municipal and Trust funds, being:

| | |
|--|------------------------|
| Municipal EFT 129722 - 130033 (01 Aug -31 Aug 2017) | \$ 3,505,847.58 |
| Municipal cheques 51609 - 51628 (03 Aug - 31Aug 2017) | \$ 113,133.23 |
| Trust cheques 1060 - 1074 (04 Aug - 31 Aug 2017 | \$ 4,800.50 |
| Trust EFT 501443 - 501452 (01 Aug – 31 Aug 2017) | \$ 10,036.90 |
| Payroll (02 Aug - 30 Aug 2017) | \$ 738,230.21 |
| Direct bank debits (01 Aug - 29 Aug 2017) | \$ 113,678.40 |
| TOTAL | \$ 4,485,726.82 |

Carried 1/0

PURPOSE

To present the listing of accounts paid from the Municipal Fund and Trust Fund in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996*.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Regulator - enforce state legislation and local laws.

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

In accordance with Council's Delegations Register 2016/17 which was adopted by the Council on the 30 August 2016, the Council has delegated to the CEO the exercise of its power under regulations 12 and 13 of the *Local Government (Financial Management) Regulations 1996* to make payments from Municipal Fund and Trust Fund.

STATUTORY IMPLICATIONS

Local Government Act 1995 – section 5.42

Local Government (Financial Management) Regulations 1996 – Regulations 5, 11, 12, 12(1)(a) and 13.

POLICY IMPLICATIONS

Sub-delegation 12 “Payments from the Municipal Fund and Trust Fund” applies subject to compliance with *Council Policy CP/FIN-3204 Purchasing*.

FINANCIAL IMPLICATIONS

Ongoing management of the Shire’s funds by providing the Council with sufficient information to monitor and review payments made.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2012-2022.

Goal 1: Strong leadership and governance that underpins a more strategic approach to community engagement, regional development and organisational sustainability.

Objective 1.4: Business innovation, efficiency and improved services.

Strategy 1.4.1 : Ensure legislative compliance and follow best practice principles in planning and service delivery.

Strategy 1.4.3 : Maintain Council’s long term financial viability.

RISK IMPLICATIONS

Strategic Risk: Failure to comply with legislative requirements leading to damage of reputation and/or financial loss.

Controls: Annual Financial Audit.

Annual Compliance Return to Department of Local Government.

COMMUNITY ENGAGEMENT

No community engagement is required.

COMMENTS

In accordance with statutory requirements, each payment from the Municipal Fund or the Trust Fund is to be noted on a list compiled each month showing: the payee's name, amount of payment, date of payment and sufficient information to identify the transaction. The list is to be presented to the Council at the next ordinary meeting of the Council following the preparation of the list and is to be recorded in the minutes of the meeting at which it is presented.

ATTACHMENTS - Item 12.4.2

Attachment 1 - List Of Accounts Paid August 2017

12.5. INFRASTRUCTURE

12.5.2. Wyndham Boat Ramp Planning Concept

| | |
|---------------------------------|-------------------------------------|
| DATE: | 26 September 2017 |
| AUTHOR: | Manager Engineering Services |
| RESPONSIBLE OFFICER: | David Klye, Director Infrastructure |
| FILE NO: | GS.02.1 |
| DISCLOSURE OF INTERESTS: | Nil |

VOTING REQUIREMENT

Simple Majority

OFFICER'S RECOMMENDATION

That Council;

- 1. Receive the Wyndham Boat Launching Facility Planning and Concept Design Report;**
- 2. Acknowledge the Community engagement highest voted concept is Option 1: Floating Pontoon option;**
- 3. Adopt Option 2: Fixed Sloping Jetty option as the preferred redevelopment option for the Wyndham Boat Launching Facility; and**
- 4. Endorse continued future application submissions to the Recreational Boating Facility Scheme in subsequent financial years with co-contributions from the Shire to progressively redevelop the Wyndham Boat Launching Facility.**

COUNCIL DECISION

Minute No: 26/09/2017-117805

Commissioner resolved:

That Council;

- 1. Receive the Wyndham Boat Launching Facility Planning and Concept Design Report;**
- 2. Acknowledge the Community engagement highest voted concept is Option 1: Floating Pontoon Option;**
- 3. Adopt Option 1: Floating Pontoon Option as the preferred redevelopment option for the Wyndham Boat Launching Facility subject to confirmation of whole of life costs over required 25 design life and associated maintenance costs.**
- 4. Endorse continued future application submissions to the Recreational Boating Facility Scheme in subsequent financial years with co-contributions from the Shire to progressively redevelop the Wyndham Boat Launching Facility.**
- 5. Clarify the Department of Transports requirements in relation to a management plan for Option 1.**

Carried 1/0

Comment: The Commissioner noted the Officers report and attachments and determined to amend the Officers recommendation by selecting option 1 the Floating Pontoon Option as the preferred option subject to further investigation into whole of life costs and further amendment of maintenance requirements.

PURPOSE

To receive the Wyndham Boat Launching Facility Planning and Concept Design Report and the Community engagement preferred concept Option 1: Floating Pontoon option.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Advocator - advocate and support initiatives on behalf of the community and Kimberley

Leader - plan and provide direction through policy and practices

Provider - provide physical infrastructure and essential services

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

An item to consider Recreational Boating Facilities scheme - Grant Funding was presented to Council at the June 2016 Ordinary Council Meeting where Council resolved:

COUNCIL DECISION

Minute No: 11419

Moved: Cr B Robinson

Seconded: Cr N Perry

That Council;

- 1) Note the terms of the Recreational Boating Facilities Scheme Funding Agreement,
- 2) Authorise the Shire President and the Chief Executive Officer to execute the Funding Agreement grant offer of \$60,000 under the Recreational Boating Facilities Scheme from the Department of Transport for the Wyndham Boat Launching Facility Planning and Feasibility Study, and
- 3) Allocate \$20,000 in the 2016/2017 Budget as a co-contribution to the grant.

Carried 9/0

STATUTORY IMPLICATIONS

The recommendation of this report has been prepared in accordance with The *Local Government Act 1995*, Sections 3.57, 6.15 and 9.49B, and in accordance with the *Local Government (Functions and General) Regulations 1996*, Regulation 11(1).

POLICY IMPLICATIONS

There is no policy implication associated with this report.

FINANCIAL IMPLICATIONS

The Wyndham Boat Launching Facility planning and concept design report was funded from contributions the Recreational Boating Facilities Scheme - Round 21 and co-contribution from the Shire in 2016-17 financial year.

The progressive redevelopment of the Wyndham Boat Launching Facility will be funded from successful Recreational Boating Facilities Scheme contributions with co-contributions from the Shire in successive financial years from the appropriate operating account.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2012-2022

Goal 1: Strong leadership and governance that underpins a more strategic approach to community engagement, regional development and organisational sustainability

Goal 2: Greater returns from regional investment to ensure sustainable provision of appropriate physical and social infrastructure

Goal 3: Protection and enhancement of lifestyle values, community facilities and the environment to provide safe and inviting communities.

Objective 2.3: Assets are appropriate for their intended purpose and factor in whole of life costing and maintenance

Objective 3.4: Enhancement of community facilities

Objective 3.5: An active outdoor lifestyle is encouraged and promoted

Strategy 2.3.2: Plan, design and budget for sustainable infrastructure

Strategy 3.4.3: Ensure Shire facilities are planned and managed to meet community needs

Strategy 3.5.3: Increase access to the lake, gulf and rivers, including boat ramps, according to demand usage and safety considerations

RISK IMPLICATIONS

Risk: Inability to fund the infrastructure gap.

Control: All funding applications to include life cycle costs.

Risk: Boat ramps are not compliant with the standards resulting in potential damage to users property.

Control: Review of boat ramp conditions and decommissioning non viable locations and renew viable locations.

Risk: Lack of maintenance and renewal of infrastructure resulting in inadequate level of Service.

Control: Quantify and address asset management maintenance and renewal gap in the Asset Management Plan and Long Term Financial Plan.

Risk: Loss of funding through non-compliance with contractual requirements.

Controls:

- Project Manager addresses contractual requirements.
- Administrative assistance provided to Project Managers.

COMMUNITY ENGAGEMENT

Engagement has taken place in accordance with the Shire's Community Engagement Guidelines and has included:

1. Fact Finding / Lessons Learned Public meetings held in Wyndham and Kununurra;
2. Presentation of the design concept options to Stakeholders Advisory Group meeting; and
3. The advertising of the Concept Design Options for Public comment for a minimum period of 30 days, on the Shire's "Have your Say" web page. A total of seven (7) community responses were received.

COMMENTS

The Shire of Wyndham East Kimberley's application for grant funding to conduct planning and concept design studies for the redevelopment of the Wyndham Boat Launching Facility was approved in Round 21 (2016) of the Department of Transport's Recreational Boating Facilities

Scheme (RBFS) program. The study included maritime engineering, topographic and hydrographic survey, and a desktop Aboriginal heritage review.

The existing Wyndham Boat Launching Facility is located in the Cambridge Gulf in Wyndham. The Wyndham Boat Launching Facility provides the only access for recreational boat users to the Cambridge Gulf area. This area experiences annual flooding, extremes in tidal movement ranging in excess of 8m and tidal currents, which can exceed 3 knots. The existing boat launching facility is at the end of its service life, and facility users have raised concerns with its usability and function.

The community were engaged early in the study to obtain feedback on the existing facility and to seek their views on what they would like included in the concept design options. Engagement was carried out by onsite meetings in Wyndham and Kununurra, targeted to interest stakeholder groups and through a questionnaire.

Four (4) concept design options were developed in conjunction with upgrades to the landside trailer parking area; that is:

1. Option 1: Floating Pontoon Option.
2. Option 2: Fixed Sloping Jetty Option.
3. Sheltered boat ramp located at an alternative site considering:
 - 3.1. Option 3: Sloped Revetments Option; or
 - 3.2. Option 4: Sheet Pile Side Walls Option.

All four (4) options were presented to the Stakeholder Advisory Group March 2017 meeting, and then released to the community for their comment and ranking of their preferred option. This consultation was conducted through a questionnaire published on the Shire's "Have your Say" website page. The community feedback has ranked Option 1: Floating Pontoon Option, first.

The Community consultation feedback voted Option 1: Floating Pontoon option as first preference and Option 1: Floating Pontoon received the highest number of votes for the following reasons:

1. The existing pontoon has performed adequately in this environment. However, it is near the end of its design life and requires replacement. A new pontoon can be provided with enhanced features (e.g. fenders, bollards, and lighting).
2. The floating pontoon option was the preferred option from all stakeholder consultations.
3. Is the second lowest capital expenditure estimate of the options considered.

Department of Transport's suggested selection is Option 2: Fixed Sloping Jetty option for the following reasons:

1. Recreational Boating Funding System Guidelines require boat launching facilities to be designed in accordance with Australian Standard (AS) 3962 (Guidelines for design of Marinas), and for service and durability to AS 4997 (Guidelines for the design of Maritime Structures). These are for sites below the 25th parallel of latitude. For cyclonic sites or very high tides, such as Wyndham, Department of Transport expects the facilities to survive a cyclonic storm although it need not be serviceable under those conditions. The Codes specifically call for a 25 year life of structures. The Department of Transport have the view that the floating option will have a shorter

life, perhaps ten to fifteen years, than the twenty-five to forty years of Option 2: Fixed Sloping Jetty. Department of Transport will require a guaranteed design life of 25 years as stipulated by the Codes. In addition, Department of Transport are suggesting that they will require their approval of an appropriate management plan for Option 1: Floating Pontoon during storm events, and will require the Shire to take full responsibility in relation to undertaking any remedial works needed on the floating structure which may result from storm or debris damage.

2. Is the lowest capital expenditure estimate of the options considered.

From the qualitative multi-criteria analysis conducted for the different concept options, there are a number of aspects that will need to be taken into account by the Shire for options 1 and 2:

1. Option 1 will not meet the tranquillity requirements of the Guidelines for design of Marinas, which states boat launching ramps should be located in a sheltered environment and from waves larger than 0.2m. The Guidelines for design of Marinas also provides recommendations on the acceptable wave period and wave height to provide a 'good' wave climate for an acceptable environment for boat launching ramps. Currently, the boat launching ramp design is based on a wave height of 1.3m and a peak wave period of 4.3 seconds, based on a 1 year event from recorded information. These values are much higher than the recommended limitations in the Guidelines for design of Marinas, and the impact of these will be much greater on a floating structure (causing it to move and wobble) compared to a fixed structure. It is recognised that majority of the ramp users are local regular recreational boaters which are accustomed to the strong tidal currents and waves that occur at the boat ramp. The strong tidal currents and waves are more of a concern to inexperienced users.
2. Option 1 will be susceptible to damage from debris and may not satisfy the required 25 year design life required by the Codes and the Recreational Boating Funding System Guidelines.
3. Option 2 may encourage estuarine crocodiles climbing and resting on the jetty.

Maintenance costs at year 15 have been estimated for Options 1 and 2:

1. Option 1 at \$541,000.
2. Option 2 at \$100,000.

The maintenance cost for Option 1 is estimated to be 5 times greater than Option 2 over a 15 year cycle.

The landside concept layout was looked upon as being favourable by most stakeholders. In order to reduce capital expenditure the Shire may consider the following:

1. Reducing the parking area paved with concrete paving blocks by potentially using gravel road base.
2. Minimise the area lighting in the parking bays.

Overall, to ensure the Shire fully satisfies the Recreational Boating Funding System Guidelines to provide a guaranteed design life of 25 years as stipulated by the Codes, and provides a least capital and maintenance cost option to the community, the recommended selection for redevelopment of the Wyndham Boat Launching Facility is Option 2: Fixed Sloping Jetty option.

ATTACHMENTS

Attachment 1 - Wyndham Boat Launching Facility Concept Report

13. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

13.1. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

14. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

**15. URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY
DECISION**

16. MATTERS BEHIND CLOSED DOORS

COUNCIL DECISION

Minute No: 26/09/2017-117806

Commissioner resolved:

For the meeting to move into camera with officers to remain at 5.35pm

Carried 1/0

The meeting moved into camera at 5.35pm

16.1 NEW GYM EQUIPMENT - KUNUNURRA LEISURE CENTRE

C Askew declared an impartiality interest as a member of the Leisure Centre

V Lawrence declared an impartiality interest as a member of the Leisure Centre

| | |
|---------------------------------|--------------------------------|
| DATE: | 26 September 2017 |
| AUTHOR: | Coordinator Recreation Leisure |
| RESPONSIBLE OFFICER: | Director Community Development |
| FILE NO: | RC.09.01 |
| DISCLOSURE OF INTERESTS: | Nil |

This item is to be considered behind closed doors as per the *Local Government Act 1995*:

5.23. Meetings generally open to public

(2) *If a meeting is being held by a council or by a committee referred to in subsection (1)(b), the council or committee may close to members of the public the meeting, or part of the meeting, if the meeting or the part of the meeting deals with any of the following —*

- (a) *a matter affecting an employee or employees; and*
- (b) *the personal affairs of any person; and*
- (c) *a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting; and*
- (d) *legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting; and*
- (e) *a matter that if disclosed, would reveal —*
 - (i) *a trade secret; or*
 - (ii) *information that has a commercial value to a person; or*
 - (iii) *information about the business, professional, commercial or financial affairs of a person, where the trade secret or information is held by, or is about, a person other than the local government; and*
- (f) *a matter that if disclosed, could be reasonably expected to —*
 - (i) *impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law; or*
 - (ii) *endanger the security of the local government's property; or*
 - (iii) *prejudice the maintenance or enforcement of a lawful measure for protecting public safety; and*
- (g) *information which is the subject of a direction given under section 23(1a) of the Parliamentary Commissioner Act 1971; and*
- (h) *such other matters as may be prescribed.*

(3) *A decision to close a meeting or part of a meeting and the reason for the decision are to be recorded in the minutes of the meeting.*

COUNCIL DECISION

Minute No: 26/09/2017-117807

Commissioner resolved:

That Council:

- 1. Endorse the process for Shire Officer to seek quotes for the acquisition of gym equipment for the Kununurra Leisure Centre in the amount of no more than \$120,000 (excluding GST).**
- 2. Authorise the Chief Executive Officer to give, in accordance with Section 6.20 of the *Local Government Act, 1995*, one month's local public notice of its intention to apply for a loan from Western Australian Treasury Corporation for no more than \$120,000 to finance the acquisition of the new gym equipment.**
- 3. Approve the disposal of non-functional gym equipment currently kept in storage at the Kununurra Leisure Centre.**
- 4. Approve the transfer of \$15,000 from Plant and Equipment Kununurra Swimming Complex gym equipment purchases and \$2,000 from the Gym Equipment Maintenance - Kununurra Leisure Centre budgets to loan repayments for the new loan to finance the cost of acquisition in the 2017/18 year.**
- 5. Make an abridged version of the confidential report (excluding commercial quotations) available in the minutes**

Carried 1/0

PURPOSE

For Council to endorse recommendations to seek quotations as per Council Policy for the supply of gym equipment for the Kununurra Leisure Centre. For Council then to borrow \$120,000 to fund the acquisition of the gym equipment.

NATURE OF COUNCIL'S ROLE IN THE MATTER

Provider - provide physical infrastructure and essential services

BACKGROUND/ PREVIOUS CONSIDERATIONS BY COUNCIL/ COMMITTEE

Currently there are 27 pieces of gym equipment at the Kununurra Leisure Centre excluding free weights. The equipment ranges in age and varying degrees of condition, from good to poor. Some of the equipment is well over 15 years old and requires daily maintenance from staff to ensure it is meeting basic safety requirements for use by members and guests. A recent gym equipment service conducted by Matrix Fitness identified that 12 pieces of equipment are in poor working order due to age and ongoing usage, that figure equates to approximately 45% of the current fitness equipment that does not meet the basic requirements for safe and prolonged use in a commercial gym.

It is recommended that the Shire replace the gym equipment that has reached its end of lifespan. The current fitness equipment has endured substantial use with an average of 15,000 people visiting the gym every year and in this regard it is prudent that the Shire minimise the risk of injury to members and guests. Fitness Australia's best practice model is to replace commercial gym equipment every 4 to 5 years.

There are two decisions to make. Firstly there is an investment decision - do we acquire the equipment or not. Secondly, there is the financing decision - if we acquire the equipment how do we finance it. The investment decision is dealt with in the "Comments" section and the financing aspects are dealt with in the "Financial Implications" section below.

A figure of \$24,000 has been allocated in the 17/18 budget towards gym equipment purchase and maintenance, this figure comprises of \$15,000 that has been allocated in the 17/18 budget to purchase new gym equipment and a further \$9,000 has been allocated to Gym Equipment Maintenance. This figure would be allocated towards lease costs and be augmented by other budgetary savings at the centre.

A further figure of \$20,000 has also been allocated to Kununurra Leisure Centre for Building Modifications, these modifications are/were intended to allow 24 hour access for gym members and guests. However with the current condition of some of the gym equipment it would not be Best Practice to allow gym use while the facility is unattended.

STATUTORY IMPLICATIONS

1 6.8. Expenditure from municipal fund not included in annual budget

- (1) *A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —*
- (a) *is incurred in a financial year before the adoption of the annual budget by the local government; or*
 - (b) *is authorised in advance by resolution*; or*
 - (c) *is authorised in advance by the mayor or president in an emergency.*
- (1a) *In subsection (1) —*
additional purpose means a purpose for which no expenditure estimate is included in the local government's annual budget.
- (2) *Where expenditure has been incurred by a local government —*
- (a) *pursuant to subsection (1)(a), it is to be included in the annual budget for that financial year; and*
 - (b) *pursuant to subsection (1)(c), it is to be reported to the next ordinary meeting of the council.*

2 6.20. Power to borrow

- (1) *Subject to this Act, a local government may —*
- (a) *borrow or re-borrow money; or*
 - (b) *obtain credit; or*
 - (c) *arrange for financial accommodation to be extended to the local government in ways additional to or other than borrowing money or obtaining credit, to enable the local government to perform the functions and exercise the powers conferred on it under this Act or any other written law.*

- (2) *Where, in any financial year, a local government proposes to exercise a power under subsection (1) (power to borrow) and details of that proposal have not been included in the annual budget for that financial year —*
- (a) *unless the proposal is of a prescribed kind, the local government must give one month's local public notice of the proposal; and*
 - (b) *the resolution to exercise that power is to be by absolute majority.*

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The main financial implication to be considered other than cost, is whether the Shire would lease the equipment, purchase it outright with Shire funds or finance the equipment over the expected useful life. Each of these options has their own merits. Initial quotes have been obtained from two suppliers who have given options for both leasing and outright purchase. A third quote was received from a supplier that provided two purchase only options.

The details of each of the offers are confidential information. For purposes of transparency it is assumed that the cost of replacing the equipment will be no more than \$120,000.

The capital expenditure to refit the gym with new equipment is substantial, with the Shire not in the position to currently undertake this capital expenditure as there has been no provision in the 2017/18 Budget to fund this. The 2017/18 budget has allocated \$15,000 for the purchase of new gym equipment and \$9,000 for gym equipment maintenance. This is insufficient for the Shire in this financial year to consider the acquisition of the equipment using Shire funds only including funding the amount from reserves.

The second option is to lease the equipment. By leasing the equipment the expenditure changes in nature from capital expenditure to operating expenditure. Should the equipment be able to be installed by the end of the calendar year, the leasing costs would be two payments to be made before the end of the financial year. These payments will be able to be accommodated in the current year's budget if the amount provided for the purchase of new gym equipment of \$15,000 was utilised and the remainder of the funds needed used from the gym maintenance account of \$9,000. The ongoing funding for the future years would need to be budgeted in the relevant years.

Three further issues relating to the lease option need to be considered. Firstly, whether the suppliers will take our old equipment as a trade-in on the new equipment. The current equipment is not in a condition where any trade value could be negotiated. Secondly, the equipment does not become the property of the Shire after the last lease payment. We would have the option to continue to lease the equipment at the same lease payments. There is no option to acquire the goods at the end of the lease. Thirdly, the lease payments have been determined on the basis of an approximate 15% residual. The significance of this is that the finance costs used in determining the lease payment are therefore approximately 5%. While this is a fairly good rate for asset financing it needs to be compared with the Shires cost of capital.

The last option is to purchase the equipment outright utilising loan finance. An indicative loan of \$120,000 from Western Australian Treasury Corporation is in the Attachments. The bi-annual repayments are \$15,869.87. This is marginally cheaper in dollar terms than the leasing route but the equipment will belong to the Shire after the lease period with no other costs involved. The indicative interest rate is 2.54% which is much lower than the

approximately 5% of the leasing option. The repayments can be funded from the current budget allocations for the current year. Future years can be funded in the annual budget process.

Should the decision of Council be to go ahead and acquire the equipment it is recommended that the acquisition be funded by loan finance. The loan repayments for the 2017/18 year can be funded from the budget allocations detailed above. Future loan repayments be budgeted in the future annual budgets as a normal part of the budgeting process. The utilisation of loan finance is consistent with the financial strategies in the long term financial plan as it is the acquisition of new equipment that has a long useful life.

STRATEGIC IMPLICATIONS

Strategic Community Plan 2012-2022

Goal 3: Protection and enhancement of lifestyle values, community facilities and the environment to provide safe and inviting communities.

Objective 1.4: Business innovation, efficiency and improved services

Objective 2.3: Assets are appropriate for their intended purpose and factor in whole of life costing and maintenance

Objective 3.1: A broad range of lifestyle opportunities and activities are available for East Kimberley residents

Objective 3.4: Enhancement of community facilities

RISK IMPLICATIONS

Non replacement of aged equipment exposes the Shire to liability and risk

Aged equipment is a risk to clients and staff

Recent audit/service of gym equipment highlighted the increased potential for equipment failure and the likelihood of injury.

COMMUNITY ENGAGEMENT

No community engagement is required.

COMMENTS

The Kununurra Leisure Centre provides a fully equipped, air-conditioned gym that caters for a range of ability and fitness levels. The gym has been viewed by management as a “community gym” and as such, efforts have been made to ensure the equipment purchased and the gym layout cater for all demographics from limited mobility, non-exercising individuals to people with very high fitness levels. The gym is well utilised with over 15,000 members or guests visiting the gym during the 16/17 financial year.

An extension of the gym facilities took place in 12/13 budget; the extension took the floor space from 153 square metres to 287 square meters and included a single entry point at reception area purchase of additional gym equipment.

Since the expansion, the Shire has purchased a number of pieces of new gym equipment to replace equipment that was approximately 12 years old. The Shire has spent approximately \$61K on gym equipment predominantly in the 12/13 and 14/15 budget periods however some of the original pieces of equipment remain in use today. As mentioned above a significant portion of the equipment is now in poor working order and needs to be replaced.

After some market research, leasing is the preferred options of most commercial gyms to replace their equipment. Purchasing the equipment outright with Shire funds in upgrading to the latest equipment on the market is a significant cost, but it can be financed as indicated above. Without a proper replacement program in place, gyms are often left with aging equipment, which no longer meet the needs of the members and guests and can create liability issues as the equipment becomes more susceptible to failure. Proper maintenance contracts with suppliers may prolong the life of the equipment and reduce such potential liability.

The fitness industry is continually getting more advanced and technological noting that, in fact, machines can become obsolete in only a number of years. New technology is driving different equipment design and function. The mix of equipment in a gym changes with time as more research into fitness trends and healthy lifestyles takes place. It is imperative that this gets evaluated periodically. Equipment should be replaced on a 4 or 5 year cycle for the gym to maintain an acceptable level of service to the community and its members. Continually equipping your gym with the correct mix of the latest machines will help keep your members content and potentially increase the membership base.

A justification for the proposal to proceed, is to demonstrate that the additional funding required of \$8,000 to fund the acquisition either on the lease or the loan finance options annually can be done by increasing the membership. What is required is the recruitment of 12 new 12 month centre memberships and retaining them over the useful life of the assets. Shire officers are confident that with new modern equipment this can be achieved.

ATTACHMENTS

Attachment 1 - Kununurra Leisure Centre Equipment Report 23-6-2017.

Attachment 2 - *Removed*

Attachment 3 - Loan schedule.

COUNCIL DECISION

Minute No: 26/09/2017-117808

Commissioner resolved:

For the meeting to move out of camera

Carried 1/0

The meeting moved out of camera at 5.44pm.

17. CLOSURE

The Commissioner declared the meeting closed at 5.45pm