
Shire of Kalamunda

General Services Committee

Minutes for 10 October 2011

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MINUTES

1.0 OFFICIAL OPENING

1.1 The Chairman opened the meeting at 6.30pm and welcomed Councillors, Staff and Bob Emery, Councillor elect.

2.0 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

2.1 Attendance

Councillors

Donald McKechnie	(Shire President)	North Ward
Sue Bilich		North Ward
Margaret Thomas		North Ward
Allan Morton		South West Ward
Noreen Townsend		South West Ward
Frank Lindsey		South East Ward
Carol Everett		South East Ward
Geoff Stallard		South East Ward
Martyn Cresswell	(Chairman)	North West Ward
Dylan O'Connor		North West Ward
Justin Whitten		North West Ward

Members of Staff

James Trail	Chief Executive Officer
Rhonda Hardy	Director of Corporate Services
Kevin O'Connor	Director of Community Development
Mahesh Singh	Director of Engineering Services
Darrell Forrest	Manager Governance
Peter Hayes	Manager Business and Strategy
Steve McKay	Manager Property and Procurement
Michelle Clark	Executive Assistant
Meri Comber	Minute Secretary

Guest

Bob Emery Councillor Elect

Members of the Public

Nil

Members of the Press

Nil

2.2 Apologies

Councillors

Maureen Robinson	South West Ward
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2.3 Leave of Absence Previously Approved

Nil.

3.0 PUBLIC QUESTION TIME

A period of not less than 15 minutes is provided to allow questions from the gallery on matters relating to the functions of this Committee. For the purposes of Minuting, these questions and answers are summarised.

3.1 Nil.

4.0 PETITIONS/DEPUTATIONS**4.1 Bus Shelter Outside Villa Maria, Lesmurdie Road, Lesmurdie**

A petition, signed by 37 residents, was tabled at the meeting. The petition requests that Council have the bus shelter outside Villa Maria, Lesmurdie Road, Lesmurdie replaced immediately as it is now six months since it was removed due to damage. The Chief Executive Officer noted that an order for a new shelter has been placed and this matter will soon be resolved.

5.0 APPLICATIONS FOR LEAVE OF ABSENCE

5.1 Nil.

6.0 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

6.1 That the Minutes of the General Services Committee Meeting held on 12 September 2011 are confirmed as a true and correct record of the proceedings.

Moved: **Cr Carol Everett**

Seconded: **Cr Noreen Townsend**

Vote: **CARRIED UNANIMOUSLY (11/0)**

7.0 ANNOUNCEMENTS BY THE PERSON PRESIDING WITHOUT DISCUSSION

7.1 The next Citizenship Ceremony will be held on Wednesday 26 October 2011 at 7.30 pm in the Function Room.

7.2 The Service Clubs Meeting is scheduled for 9 November 2011 at 5.00 pm in the Function Room. For catering purposes could Councillors please let the Executive Assistant to the Chief Executive Officer know if they will be attending.

8.0 MATTERS FOR WHICH MEETING MAY BE CLOSED

8.1 Nil.

9.0 DISCLOSURE OF INTERESTS**9.1 Disclosure of Financial and Proximity Interests**

- a. Members must disclose the nature of their interest in matters to be discussed at the meeting. (Sections 5.60B and 5.65 of the *Local Government Act 1995*.)
- b. Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting. (Sections 5.70 and 5.71 of the *Local Government Act 1995*.)

9.1.1 Nil.

9.2 Disclosure of Interest Affecting Impartiality

- a. Members and staff must disclose their interest in matters to be discussed at the meeting in respect of which the member or employee had given or will give advice.

9.2.1 Item 128 Proposed Access Arrangements over Ledger Road Reserve No. 27154, Gooseberry Hill – Optus Mobile Pty Ltd.

Cr Justin Whitten declared an interest affecting impartiality in this item as Optus is a major client of his employer.

10.0 REPORT TO COUNCIL

Please Note: declaration of financial/conflict of interests to be recorded prior to dealing with each item.

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

123. Creditors' Accounts Paid During the Period 31 August to 29 September 2011

Previous Items	N/A
Responsible Officer	Director Corporate Services
Service Area	Finance
File Reference	FI-CRS-002
Applicant	N/A
Owner	N/A

Attachment 1 Creditor Payments during the period 31 August to 29 September 2011 – Page 1

PURPOSE

1. To receive creditors' accounts paid during the 31 August to 29 September 2011 (Attachment 1).

BACKGROUND

2. It is a requirement of the *Local Government (Financial Management) Regulations 1996 (Regulation 12)* that a list of Creditors' Accounts paid is compiled each month.
3. The report is required to show payee's name, the amount of the payment, the date of the payment, and sufficient information to identify the transaction.

DETAILS

4. Accordingly, the list of creditors paid during the period 31 August to 29 September 2011 (Attachment 1).

STATUTORY AND LEGAL IMPLICATIONS

5. Nil.

POLICY IMPLICATIONS

6. Nil.

PUBLIC CONSULTATION/COMMUNICATION

7. Nil.

FINANCIAL IMPLICATIONS

8. Nil.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

9. *Shire of Kalamunda Strategic Plan 2009 - 2014*
- 5.5.2 Provide financial services to support Council's operations and to meet sustainability planning, reporting and accountability requirements.

Sustainability Implications

Social implications

10. Nil.

Economic Implications

11. Nil.

Environmental Implications

12. Nil.

OFFICER COMMENT

13. Nil.

COMMITTEE RECOMMENDATION TO COUNCIL (GS 123/2011)

1. That the list of creditors paid during the period 31 August to 29 September 2011 (Attachment 1) be received by Council in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996 (Regulation 12)*.

Moved: **Cr Margaret Thomas**

Seconded: **Cr Geoff Stallard**

Vote: **CARRIED UNANIMOUSLY (11/0)**

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

124. Monthly Financial Statements for the Period ending 31 August 2011

Previous Items	N/A
Responsible Officer	Director Corporate Services
Service Area	Finance
File Reference	FI-SRR-006
Applicant	N/A
Owner	N/A

Attachment 1 Statement of Financial Activity for the period ending 31 August 2011 – Page 27

PURPOSE

1. To receive the draft monthly financial statement reports for the period ending 31 August 2011.

BACKGROUND

2. Attached are the monthly Statement of Financial Position (Balance Sheet), Rate Setting Statement and Statement of Comprehensive Income for the period ending 31 August 2011. These have been prepared in accordance with the requirements of *Local Government (Financial Management) Regulations 1996 (Regulation 34)*.
3. It is also a requirement of the Regulations that each financial year the local government adopts a percentage or value to be used in statements of financial activity for reporting material variances.

DETAILS

4. As part of the Budget adoption process, Council agreed to report variances of 5% or \$5,000, whichever is greater, within the monthly Financial Activity Statement.
5. Refer to the comments relating to the above mentioned variances in the report.

Financial Commentary

Operating Revenue

6. (a) Rates: Rating income of \$23,307,351 is 97.7% of the total budget and exceeds the anticipated Revenue to 31 August 2011 by \$327,000. Interim and back rating will account for the additional Rate revenue required.

- (b) Fees & Charges: The revenue to 31 August 2011 of \$7,155,186 is what would be expected given a large percentage of the fees and charges were levied with the rates. The variance between the actual and the month budget is due to the Budget being phased evenly over the 12 months when the billing occurs in August 2011. This highlights a problem in how the 12 month Budget has been constructed and will need to be addressed either by accurate phasing or monthly accrual accounting.

In particular the Budget Revenue from rubbish removal was distributed equally over the twelve months, however in reality the Revenue is generated in July/August when Rates notices are issued. Rubbish removal revenue to 31 August 2011 was \$6,426,713 against a budget of \$1,093,818.

- (c) Interest Earnings: The Actual \$2,075 compares to Budget month to date variance of \$118,800 is significant. Again this is due to the Budget phasing process as well as there was little chance to earn interest as the cash position of the Shire up until the end of August was very tight. Careful management of cash flow and cash resources was required.
- (d) Other Revenue: The Actual \$5,721 compares to Budget month to date variance of \$24,886 is significant. This relates to Fines and Penalties and is a timing issues with fewer fines and penalties received over the two months to August 2011 compared to Budget.

Operating Expenditure

7. Generally operating expenditure is at an acceptable level when compared to Budget (Budget \$7,815,105 – Actual \$6,812,622) with the major saving in Employee Costs. This can be accounted for in some part by there being only four pay periods with September carrying three pay periods. It is expected these savings will be absorbed over the year.
8. Insurance Expenses: Again the excess expenditure highlights the error in budget distribution with premiums being brought to account at the beginning of the year as against the budget allocation of equal amounts over the twelve months.

Capital Expenditure

9. Capital Expenditure is at a low level to 31 August 2011 and over the ensuing months major projects will commence.

2011/2012 Municipal Budget

10. It has become apparent that the distribution of the Budget in two areas needs addressing and this will be carried out over the next month for presentation to the Budget Review meeting:

The two areas of concern are:

- (1) Monthly distribution – as has been presented in relation to “Fees and Charges” and “Insurance Expenses”.
- (2) Allocation between “Materials and Contracts”, “Employment Costs” and “Utility Charges”.
- (3) The Rate Setting Statement reflects the amount to be reallocated as a separate line item as part of the Budget Review.

Neither of the above impact on the overall integrity of the Budget, but impact on the “Operating Statement by Nature and Type”.

Operating Statement by Program Variations to Budget

Operating Revenue

Governance

11. Minor allocations required.

General Purpose Funding

12. The excess Rates Revenue as previously mentioned is the major factor in this program. The General Purpose Funding budget to 31 August 2011 is \$23,733,680 against the year to date actual of \$ 23,133,355. This difference is again distribution.

Law Order Public Safety

13. Receipt of unbudgeted Grants (as at 31 August) totalling \$35,000 is the major impactor.

Health

14. Annual accounts have been rendered in September and the budget August. This will be corrected next month.

Education and Welfare

15. Grants and Contributions make up the difference.

Community Amenities

16. This is the Program which Rubbish Removal Revenue falls and the same reasoning as previous relevant (Distribution over the whole year.)

Recreation and Culture

17. An additional \$142,000 over year to date Budget has been achieved.

Transport

18. The actual exceeds the Budget by approximately \$700,000 and the receipt of a Grant (Road Grants) is the major contributor.
Grant Revenue was Budgeted at \$335,544 and Revenue to 31 August is \$1,071,173.

Economic Services

19. In line with Budget Expectation.

Other Property and Services

20. In line with Budget Expectation.

Operating Expenditure

Governance

21. Savings against the Budget are generally in "Employment Costs".

General Purpose Funding

22. The problem on this program is the revaluation costs of \$165,000 which have not been allowed for in the Budget. The account was paid in 2010/2011 and treated on that year as paid in advance. There are monies in the reserve fund created for this purpose which will be transferred in this Financial Year.

Community Amenities

23. The Budget for this Program is \$1,768,315 against an Actual (year to date) of \$1,026,500 giving a saving of \$742,000. This can be accounted for in costs not bought to account at the month end relating to waste collection and disposal (Generally approximately \$300,000 per month).

Recreation and Culture

24. There are savings against budget throughout this Program and can be accounted for by invoices not processed. The Acting Manager Finance and the Director Community Development will report any discrepancies.

Other Property and Services

25. The Business Units in this area should generally clear to other Programs. This does not appear to be occurring and the Acting Manager Finance will undertake a thorough check to ensure that these allocations occur.

STATUTORY AND LEGAL IMPLICATIONS

26. Nil.

POLICY IMPLICATIONS

27. Nil.

PUBLIC CONSULTATION/COMMUNICATION

28. Nil.

FINANCIAL IMPLICATIONS

29. Nil.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

30. *Shire of Kalamunda Strategic Plan 2009 - 2014*

5.5.2 Provide financial services to support Council's operations and to meet sustainability planning, reporting and accountability requirements.

Sustainability Implications

Social implications

31. Nil.

Economic Implications

32. Nil.

Environmental Implications

33. Nil.

OFFICER COMMENT

34. Nil.

COMMITTEE RECOMMENDATION TO COUNCIL (GS 124/2011)

1. That the monthly financial statements which comprise the Statement of Financial Position, Statement of Comprehensive Income by Nature and Type, Statement of Comprehensive Income by Program, Rate Setting Statement, and Operating Budget Variance Analysis for the period ending 31 August 2011 be received.

Moved: **Cr Margaret Thomas**

Seconded: **Cr Allan Morton**

Vote: **CARRIED UNANIMOUSLY (11/0)**

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

125. Debtors and Creditors Reports for the Period ending 28 September 2011

Previous Items	N/A
Responsible Officer	Director Corporate Services
Service Area	Finance
File Reference	FI-CRS-002
Applicant	N/A
Owner	N/A
Attachment 1	Summary of Debtors for the period ended 28 September 2011 – Page 31
Attachment 2	Summary of Creditors for the period ended 28 September 2011 – Page 34

PURPOSE

1. To receive a monthly report on debtors and creditors.

BACKGROUND

2. Attached are the reports detailing aged debtors (Attachment 1) and creditors (Attachment 2) as at 28 September 2011.
3. Council has requested reports detailing outstanding debtors and creditors on a monthly basis.

DETAILS

Debtors

4. The total of \$395,253 debtor accounts was outstanding as at 28 September 2011.
Particular items affecting the outstanding balances are:
5. The total outstanding in the category of 90+ days for the month of September 2011 was \$199,732.
Major debtors in this category are shown at attachment 2 to this report.
6. The total outstanding in the category of 60+ days for the month of September 2011 was \$55,952.
Major debtors in this category are shown at attachment 2 to this report
7. The total outstanding in the category of 30+ days for the month of September 2011 was 60,892.
Major debtors in this category are shown at attachment 2 to this report.

-
8. The total outstanding in the category for the month of September 2011 was \$78,677.
 9. The terms of payment given to a debtor are 30 days from date of invoice.

Creditors

10. Payments totalling \$5,826,152.02 were made during the month of September 2011.
11. Standard payment terms are 30 days from the end of month, with local business and contractors on 14 day terms.
12. Invoices showing as outstanding greater than 60 and 90 days are the result of the original invoice documentation not being received by Finance.
13. All contractors, trades and suppliers are advised of the Shire's preference to pay by Electronic Funds Transfer (EFT) for efficiency and cost savings.

STATUTORY AND LEGAL IMPLICATIONS

14. Nil.

POLICY IMPLICATIONS

15. Nil.

PUBLIC CONSULTATION/COMMUNICATION

16. Nil.

FINANCIAL IMPLICATIONS

17. Nil.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

18. *Shire of Kalamunda Strategic Plan 2009 - 2014*
 - 5.5.2 Provide financial services to support Council's operations and to meet sustainability planning, reporting and accountability requirements.

Sustainability Implications

Social implications

19. Nil.

Economic Implications

20. Nil.

Environmental Implications

21. Nil.

OFFICER COMMENT

22. The Forrestfield United Soccer Club Inc. was given approval by Council at the meeting on 20 June 2011 to defer payment of the Loan and Reserve Hire charges until December 2011. Council should note that while this arrangement is in place, the Shire is currently meeting the Loan repayments.

COMMITTEE RECOMMENDATION TO COUNCIL (GS 125/2011)

1. That the outstanding debtors (Attachment 1) and creditors (Attachment 2) reports as at 28 September 2011 be received.

Moved: **Cr Margaret Thomas**

Seconded: **Cr Donald McKechnie**

Vote: **CARRIED UNANIMOUSLY (11/0)**

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.**126. Rates Debtors Report for the Period ending 29 September 2011**

Previous Items	N/A
Responsible Officer	Director Corporate Services
Service Area	Finance
File Reference	FI-DRS-004
Applicant	N/A
Owner	N/A

Attachment 1 Summary of Outstanding Rates for the period ended 29 September 2011 - Page 35

PURPOSE

- To receive a report on rates debtors as at 29 September 2011.

BACKGROUND

- Attached is the report detailing rates debtors as at 29 September 2011 (Attachment 1).

DETAILS**2011/2012 – Rates Due Billing**

- The due date for the payment of Rates and Services was on the 12 September 2011 both for 'payment in full' and for the first of the four instalment option and also the first of the two instalment option.

Assessments – Analysis 2011/2012 (comparison with 2010/2011)

	2011/2012	2010/2011 <i>(as at 31.10.2010- comparable time after due date)</i>
Paid in Full	9,558	10,371
On 4 x Instalments	1,672	1,283
On 2 x Instalments	7,331	6,560

**2011/2012 – Rate & Services – Collections
(since Rate Notice Issue – 8 August 2011)**

- | | |
|---|------------------|
| Total amount levied 2011/2012 including Rate, Emergency Services Levy and Refuse Levies | \$34,417,217.17. |
| Total "collection" to date | \$17,727,457.51 |

Rates – analysis as at 29 September 2011

5.	Rate Levies 2011/2012	\$23,565,591.68
	Total "collection" to date	\$11,099,059.68
	Total outstanding to date	\$12,466,532.00

2011/2012 – Other Rate MattersTelephone Calls:

6. The volume of telephone calls has been down on last year. The trend has pointed towards 80% of the calls being directly related to the high rise in rate levies for this year and queries on the Valuation as a result of the 1 July 2011 "Revaluation".

2010/2011 – Legal Action

7. This process has now progressed to the Property Seizure and Sale Order stage. There are 37 outstanding debts totalling \$101,373.02 that have been referred to the Bailiff for a Property Seizure and Sale Order.
8. The Shire has had notification that a "notice of intent" to seize' property has been issued by Baycorp (Bailiff) on about 4 debts and another 3 have come back as 'unable to contact the ratepayer'. A full title search will follow on these properties to establish the Finance Lender and a letter of Rates & Services 'default' will be sent to the Mortgager in order for them to arrange payment.

Innovations

9. The Shire has developed and designed an extraction report incorporating MS Word merge capabilities to enable the production of "automated" standard letters and notices which were previously produced by hand. This has increased accuracy and dramatically reduced the processing time of the manual processes used in the past.

STATUTORY AND LEGAL IMPLICATIONS

10. Nil.

POLICY IMPLICATIONS

11. Nil.

PUBLIC CONSULTATION/COMMUNICATION

12. Nil.

FINANCIAL IMPLICATIONS

13. Nil.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

14. *Shire of Kalamunda Strategic Plan 2009 - 2014*
5.5.2: Provide financial services to support Council's operations and to meet sustainability planning, reporting and accountability requirements.

Sustainability Implications

Social implications

15. Debt collecting processes contain the risk of bringing negative publicity to the Shire.

Economic Implications

16. Effective collection of all outstanding debtors leads to enhanced financial sustainability for the Shire.

Environmental Implications

17. Nil.

OFFICER COMMENT

18. Nil.

COMMITTEE RECOMMENDATION TO COUNCIL (GS 126/2011)

1. That the rates debtors report as at 29 September 2011 (Attachment 1) be received.

Moved: **Cr Margaret Thomas**

Seconded: **Cr Geoff Stallard**

Vote: **CARRIED UNANIMOUSLY (11/0)**

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.
127. Department of Sport and Recreation – Kids Sport Program

Previous Items	Nil
Responsible Officer	Director Community Development
Service Area	Community Development
File Reference	FI-FAG-005
Applicant	Shire of Kalamunda
Owner	Shire of Kalamunda
Attachment	Attachment 1 – Sport for all information sheet – Page 36

PURPOSE

1. To consider amending the Shire of Kalamunda 2011-2012 Budget to incorporate additional funding and expenditure for the provision of the Kids Sport Program.

BACKGROUND

2. The Department of Sport and Recreation has recently announced a new initiative "Sport for all" (Attachment 1). The program has been allocated \$20 million over the course of the next four years and consists of the following components:
 - Nature Play
 - Club Talk
 - Community Volunteers
 - Kids Sport
3. In September 2011, the Shire submitted an application to the Department of Sport and Recreation for \$58,000 in external funding to assist in the provision of the Kids Sport Program.
4. Kids Sport provides subsidised club membership fees up to the value of \$200 per child for a season of sport. All sporting codes are included within the program, providing they are affiliated with a State Governing Body.
5. The first round of Kids sport vouchers will be available in targeted localities for the 2011/12 summer sports season.
6. Eligibility requirements include the following:
 - Parents/Guardians must have a Health Care Card or Pension Card
 - The participant is to be aged between 5 - 18 years
 - Primary place of residence must be in the Shire of Kalamunda
7. The Shire has since received notification that the funding application for \$58,000 has been successful.

-
8. Council is requested to consider making an amendment to the 2011/12 budget to incorporate an additional \$58,000 income and expenditure for the provision of the Kids Sport Program.

DETAILS

9. The Department of Sport and Recreation will work in partnership with local government, community organisations, community professionals (such as school teachers, doctors, police, social workers and local area coordinators) and community clubs in targeted locations to identify the kids that should benefit from Kids Sport.
10. Under the program, kids who cannot afford to join a club will be helped with a subsidy of up to \$200 (in the form of membership vouchers), which will go directly to the sport or recreation club. The kids will be identified by a range of professionals within a number of specially chosen local government areas.
11. The program has a number of positive objectives, in particular:
- Kids who are part of the community are less likely to damage that community
 - Kids who are physically active do better at school
 - Encourage kids to join sporting clubs to provide positive environments and role models
 - Assist Clubs which are the glue that keep many communities together
12. In terms of the application process, essentially eligible participants will complete the application form and provide it to the Shire, the voucher would then be validated and sent back to the participants. They would then attend a local sporting clubs registration day and provide the voucher. The sporting club would then invoice the Shire for the number of vouchers they have received.
13. The Shire's application for \$58,000 in funding includes provision for 250 vouchers at \$200 each and administration set up costs.

STATUTORY AND LEGAL IMPLICATIONS

14. Amendments to the Shire's Annual Budget are to be authorised by resolution (absolute majority required) *S 6.8 (1)(b) Local Government Act 1995*.

POLICY IMPLICATIONS

15. Nil.

PUBLIC CONSULTATION/COMMUNICATION

16. Consultation has been undertaken with the Department of Sport and Recreation with the view to developing a partnership for the provision of the Kids Sport Program.
17. Feedback was also sought from summer sporting clubs regarding the need and capacity to cater for additional members if the program was successful.

FINANCIAL IMPLICATIONS

18. The increase in grant revenue is offset equally by an increase in operating expenditure.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

19. Nil.

Sustainability Implications

Social Implications

20. Nil.

Economic Implications

21. Nil.

Environmental Implications

22. Nil.

OFFICER COMMENT

23. The Department of Sport and Recreation have committed \$20 million over four years to a range of projects to increase the number of kids connecting to the community through sport and recreation.
24. The amendment reflects the amount of grant funding to be received and expended, for improved budgeting and reporting purposes.

COMMITTEE RECOMMENDATION TO COUNCIL (GS 127/2011)

That Council:

1. Pursuant to section *S 6.8 (1)(b) Local Government Act 1995*, amends the Shire of Kalamunda 2011/2012 Budget to include income and expenditure for the Kids Sport Program of \$58,000.

Moved: **Cr Carol Everett**

Seconded: **Cr Noreen Townsend**

Vote: **CARRIED UNANIMOUSLY/ABSOLUTE MAJORITY (11/0)**

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

Cr Justin Whitten declared an interest affecting impartiality, he left the room at 6.35pm and returned at 6.37pm he was not present for the vote.

**128. Proposed Access Arrangements over Ledger Road Reserve
No. 27154, Gooseberry Hill - Optus Mobile Pty Ltd**

Previous Items	OCM 46/2011 – 18 April 2011
Responsible Officer	Director Community Development
Service Area	Community Development
File Reference	LD-01/042
Applicant	Optus Mobile Pty Ltd
Owner	Shire of Kalamunda / State Government
Attachment 1	Site of Proposed Optus Mobile Phone Tower, Ledger Road Reserve 27154 – Page 38

PURPOSE

1. To consider access arrangements over Reserve No. 27154 Ledger Road, Gooseberry Hill between the Shire of Kalamunda and Optus Mobile Pty Ltd.

BACKGROUND

2. Optus Mobile Pty Ltd proposed to establish a Mobile Phone Tower in Ledger Road Reserve No. 27154 in Gooseberry Hill, a crown land reserve of which the Shire of Kalamunda has control through a management order. There was significant community opposition to the proposed mobile phone tower due to its close proximity to a Primary School and at its meeting held on 18 April 2011 Council refused the application by Optus Mobile Pty Ltd and unanimously resolved (OCM 46/2011):
 1. *That Council recommends to the WA Planning Commission that the application dated 26 October 2010 for a mobile phone tower at Lot 622 (42) Ledger Road, Gooseberry Hill, be refused for the following reasons.*
 - a. *Council's Local Planning Policy DEV 26 – Radio, Television and Communication Facilities/Masts requires mobile phone towers to be at least 500m from sensitive land uses. The proposed mobile phone tower shall be 170m from Gooseberry Hill Primary School, which constitutes a 66 per cent reduction in required 500m distance.*
 - b. *The significant community objection to a possible unacceptable impact on the health of the local community with respect to radiation emissions from the proposed mobile phone tower.*
 - c. *The likely impact on the amenity of the locality as it is visually intrusive in the bushland setting by virtue of its location, height and appearance.*

-
3. The Western Australian Planning Commission subsequently overturned the Shire's refusal and approved the application, subject to conditions, including that an Environmental Management Plan is to be approved by the Shire of Kalamunda on advice from the Department of Environment and Conservation and the Department of Water.
 4. Representatives acting on behalf of Optus Mobile Pty Ltd have now contacted the Shire seeking to formalise access and easement arrangements over Reserve No. 27154. An Environmental Management Plan has yet to be submitted.

DETAILS

5. Property Logistics acting on behalf of Optus Mobile Pty Ltd have advised that it is Optus' intention to have the area they require for the proposed Mobile Phone Tower excised from Reserve No. 27154 and subsequently enter into a lease direct with the State Government. This effectively by passes the Shire of Kalamunda by removing the land Optus requires from the management order under Council's control.
6. Notwithstanding the above, Optus has advised that they will need to gain access to the site and wish to enter into a Deed of Agreement for Access with the Shire of Kalamunda. The Deed specifies that Optus will pay the Shire \$5,000 per annum for access (increased by 3% pa) for 20 years.
7. There is no legal requirement for Optus to enter into an agreement with the Shire for access. In addition, Optus seeks to establish an easement over a part of the access to protect their interest in the fibre optics and power cabling that need to be trenched to the construction site. The plan (Attachment 1) shows the approximate location of the proposed tower and the existing access track over which an easement will be established.
8. Optus has agreed to pay for the legal costs of preparing the Deed of Agreement for Access and pay reasonable costs for the Shire to have the Deed reviewed.
9. The construction and trenching may have an impact on public access for a period of time, resulting in some loss of amenity for the community. Once the tower is constructed Optus advises that it would need access two to six times a year, with no anticipated hindrance to public access. Optus has agreed to maintain the access track in good and safe trafficable condition.

STATUTORY AND LEGAL IMPLICATIONS

10. There are no statutory or legal implications in respect to this matter.

POLICY IMPLICATIONS

11. DEV26 – Radio, Television and Communication Transmission Facilities/Masts.
ENV7 – Protection of the Environment.

PUBLIC CONSULTATION/COMMUNICATION

12. A level of public consultation occurred as a consequence of the original planning application by Optus Mobile Pty Ltd. No external consultation is considered necessary in respect to the issue of access arrangements. It is recommended that Optus Mobile Pty Ltd inform local residents and the Gooseberry Hill Primary School of their intentions and timeline for construction of the tower.

FINANCIAL IMPLICATIONS

13. Optus is offering \$5,000 per annum for 20 years (increasing 3% per annum) for access over the Ledger Road Reserve, returning \$134,352 over 20 years. Optus will also bear the maintenance cost of the access track.
14. The land excised by Optus Mobile Pty Ltd and leased from the State Government will become rateable and attract local government rates accordingly.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS**Strategic Planning Implications**

15. *Shire of Kalamunda Strategic Plan 2009 – 2014:*
- Goal 1 – COMMUNITY DEVELOPMENT – A strong sense of community
- 1.3.1 Manage the effective promotion, planning and usage of recreational spaces, services and facilities.
- Goal 3 - NATURAL ENVIRONMENT – Protection of natural resources from the impact of unsustainable development
- 3.3.3 Implement effective land management practices that take into consideration environmental objectives of vegetation conservation, pest management and the control of invasive weeds.

Sustainability ImplicationsSocial implications

16. Public access to the Reserve is not expected to be hindered as a consequence of the access or easement arrangements. Some inconvenience may occur during the construction phase of the mobile phone tower proposal.

Economic Implications

17. The siting of the mobile phone tower may enhance mobile communication within the Shire and have flow on effect to business.

Environmental Implications

18. Issues in respect to environmental management can be addressed by the Shire through the proposed Environmental Management Plan to be prepared by Optus Mobile Pty Ltd.

OFFICER COMMENT

19. The Shire will have an influence on the proposed Environmental Management Plan. Issues to be considered in the Environmental Management Plan are the minimisation of damage from construction access, asbestos containment (if necessary), dieback protection area management and the impact of improving vehicle access and installation of cable to the site.
20. Council will need to consider whether accepting a Deed of Agreement of Access and associated access fees would be in the best interests of the whole of the Shire of Kalamunda and its residents.
21. One approach could be to “dedicate” the funds generated from the “access rights fee” (\$5,000 pa increased 3%pa) towards project works in the Ledger Road Reserve. This could be achieved by Council:
- Consenting to the entering into a Deed of Agreement for Access between the Shire of Kalamunda and Optus Mobile Pty Ltd in respect to access over Ledger Road Reserve No. 27154, Gooseberry Hill.
 - Authorising the Chief Executive Officer or his nominee to negotiate the terms of the Deed of Agreement for Access with Optus Mobile Pty Ltd.
 - Agreeing to annually allocate for the term of the Deed, an amount equivalent to the annual access fee towards projects dedicated for the Ledger Road Reserve.
 - Inviting the Friends of Ledger Road Reserve group’s participation in any projects funded via the Deed under the coordination of the Shire’s Environmental Section and such participation be formalised by way of a Memorandum of Understanding.
22. Council’s refusal of the proposed mobile phone tower was partially based the strong objection raised by the local community, particularly due to the proximity of the mobile phone tower to the Gooseberry Hill Primary School. The location significantly conflicted with Council’s Policy requiring that such facilities should not be located within 500 metres from sensitive areas such as residential areas, child care centres and schools.

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23. Under the circumstances Council may consider it objectionable to accept funds associated with a proposal to which it strongly opposed.
 24. Based on the Council's earlier refusal of the application and the level of community objection to the proposal, it is recommended that Optus Mobile Pty Ltd be advised that Council does not wish to enter into a Deed of Agreement for access to the site.
 25. It is suggested that Council request Optus Mobile Pty Ltd to prepare and distribute an information package for local residents, user groups of Shire facilities on the Reserve and the Primary School outlining the scope of works for the mobile phone tower, the timeframe for construction, the potential health implications associated, and a point of contact within Optus where residents may address any concerns or queries.

Cr Justin Whitten declared an interest affecting impartiality, he left the room at 6.35pm.

COMMITTEE RECOMMENDATION TO COUNCIL (GS 128/2011)

That Council:

1. Refuse to enter into a Deed of Agreement for Access between the Shire of Kalamunda and Optus Mobile Pty Ltd in respect to access over Ledger Road Reserve No. 27154, Gooseberry Hill due to Council's and community opposition to the location of the proposed mobile phone tower
2. Requests Optus Mobile Pty Ltd to prepare and distribute an information package for local residents, user groups of Shire facilities on the Reserve and the Primary School outlining the scope of works for the mobile phone tower, the timeframe for construction, the potential health implications associated, and a point of contact within Optus where residents may address any concerns or queries.

Moved: **Cr Margaret Thomas**

Seconded: **Cr Carol Everett**

Vote: **CARRIED UNANIMOUSLY (10/0)**

Cr Justin Whitten return to Chambers at 6.37pm.

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.

129. Awarding of Tender - Supply of Crushed Ferricrete/Laterite Material (T1122)

Previous Items	GS 89/2011; OCM 84/2011
Responsible Officer	Director Engineering Services
Service Area	Engineering Services
File Reference	AD-TEN-004
Applicant	N/A
Owner	N/A

Confidential Attachment 1 Summary of Tender Prices for the Supply of Crushed Ferricrete/Laterite Material
 – Under Separate Cover
Reason for Confidentiality: *Local Government Act 1995*
S5.23(2)(c) – “ a contract entered into, or which may be entered into, by the local government which relates to a matter to be discussed at the meeting.”

Confidential Attachment 2 Evaluation of Tender Submissions for Compliance Criteria and Qualitative Criteria
 – Under Separate Cover
Reason for Confidentiality: *Local Government Act 1995*
S5.23(2)(c) – “ a contract entered into, or which may be entered into, by the local government which relates to a matter to be discussed at the meeting.”

PURPOSE

1. To consider awarding the Tender for the Supply of Crushed Ferricrete/Laterite Material (T1122).

BACKGROUND

2. At the 20 June 2011 Ordinary Council Meeting, Council considered the tender for the Supply of Crushed Ferricrete/Laterite Material, and resolved as follows:
 1. *That pursuant to Regulation 18 (5) of the Local Government (Functions and General) Regulations 1996 Council declines to accept any tender.*
 2. *That tenders for the supply and delivery of crushed Ferricrete/Laterite be recalled with greater emphasis on the following Tender Selection Criteria:*
 - a. *Quality – size of product and certification that product is dieback free.*
 - b. *Supply –quantity and delivery timelines.*
 - c. *Price.*

-
3. Accordingly, the Tender for the Supply of (T1122) was readvertised with a modified selection criteria in the West Australian on Saturday 6 August 2011, and closed at 2.00pm on 23 August 2011.

DETAILS

4. Two tender submission were received from:
- B & J Catalano Pty Ltd
 - Vinci Gravel Supplies Pty Ltd
5. A Summary of Tender Prices for the Supply of Crushed Ferricrete/Laterite Material is shown in (Confidential Attachment 1).
6. An Evaluation of Tender Submissions for Compliance Criteria and Qualitative Criteria is shown in (Confidential Attachment 2).

STATUTORY AND LEGAL IMPLIMENTIONS

7. The Tender is undertaken in accordance with the statutory requirements of Section 3.57 of the *Local Government Act 1995* and Part 4 of the *Local Government (Functions and General) Regulations 1996*.

POLICY IMPLICATIONS

8. Nil.

PUBLIC CONSULTATION/COMMUNICATION

9. The Tender was advertised as per the statutory requirements.

FINANCIAL IMPLICATIONS

10. The Tender price is within the budget allocation for Engineering Construction and Maintenance projects.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

Engineering Works Construction and Renewal

11. To construct new works infrastructure in a timely and cost-effective manner. Renew and upgrade the Shire's roads, drainage and pathways infrastructure, through the use of construction crews and contractors.

Engineering Works Maintenance

12. Maintain the Shire's roads, road shoulders and verges, signs, car parks, drainage and pathways infrastructure, through the use of maintenance crews and contractors.
13. *Shire of Kalamunda Strategic Plan 2009-2014*
- Goal 2 – BUILT ENVIRONMENT – An integrated built environment.
- Outcome 2.1 – Improved asset management to meet community needs today and in the future.
- Outcome 2.3 - Long term viability of infrastructure and facilities.

Sustainability ImplicationsSocial implications

14. Nil.

Economic Implications

15. Nil.

Environmental Implications

16. Nil.

OFFICER COMMENT

17. Both contractors have supplied quality materials to the Shire in the past and have worked well with the Shire Operations for the delivery of materials.
18. B & J Catalano Pty Ltd and Vinci Gravel Supplies Pty Ltd do not have formal quality assurance certification. However, they would be providing material certification to measure that the products meet the required specification in the tender.
19. The prices submitted by B & J Catalano Pty Ltd are the lowest for the supply at their quarry and delivered at Depot.
20. Vinci Gravel Supplies Pty Ltd has provided lowest prices for the supply and delivery of the materials at various locations within the site. Vinci Gravel Supplies have provided a price based with CPI increases for year two and three rather than a fixed price as requested in the Tender.

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21. The Shire has developed its own capacity to transport bulk materials, which will be further strengthened when two additional trucks with trailers will be purchased as budgeted in the current financial year. The bulk of material used will be purchased as supply only or delivered at Shire's depot in Walliston. On rare occasions, the contractor may be asked to deliver the material on site.
 22. During 2010/11, the Shire procured approximately 13,500 Tonnes of gravel out of which approximately 95% was either transported by the Shire trucks or delivered to the Shire's Depot. Less than 5% was delivered directly on work sites. An analysis based on last year's gravel supplies and rates offered by the two suppliers is shown in (Confidential Attachment 1).
 23. In view of the above, B & J Catalano's tender is considered to be the most advantageous for the Shire.

The Chief Executive Officer requested that, since an error had been detected in one of the confidential attachments this item be deferred to the Ordinary Council Meeting to ensure that corrected information could be circulated to all Councillors.

A Councillor requested clarification be given at the Ordinary Council Meeting regarding the possibility of terminating the contract for non-performance and confirmation of the "Dieback free" status of the material.

OFFICER RECOMMENDATION (GS 129/2011)

That Council:

1. Awards B & J Catalano Pty Ltd the Tender for the Supply of Crushed Ferricrete/Laterite Material (T1122), for the period of three years from the date of signing documentation with an option to extend a further two 12 month periods based on an annual CPI increase for Perth from the preceding 12 months as per tendered prices in the (Confidential Attachment 1).

There being no Mover for the Officer Recommendation to Council, it LAPSED.

Cr Margaret Thomas proposed a motion that the item be deferred to the Ordinary Council Meeting to allow for circulation of an amended Attachment.

COMMITTEE RECOMMENDATION TO COUNCIL (GS129/2011)

1. That this item be deferred to the October 2011 Ordinary Council Meeting.

Moved: **Cr Margaret Thomas**

Seconded: **Cr Donald McKechnie**

Vote: **CARRIED UNANIMOUSLY (11/0)**

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.**130 High Wycombe Library – Reinstatement of the Building**

Previous Items	N/A
Responsible Officer	Director Engineering Services
Service Area	Engineering Services
File Reference	WS-02/018
Applicant	N/A
Owner	N/A
Attachment 1	Structural Condition Report – Marra and Associates – Page 39

PURPOSE

1. To consider reinstatement of High Wycombe Library on Markham Road, High Wycombe following the damage caused by a car accident.

BACKGROUND

2. On 30 July 2011, the High Wycombe Library was hit by a vehicle, causing damage to the rear of the building.
3. Marra and Associates, Structural Engineers were engaged to assess the damage and recommend reinstatement options.

DETAILS

4. Marra and Associates have reported that there is no impact on the structural integrity of the building and the damage is repairable. Copy of the report appears at (Attachment 1).
5. Marra and Associates have provided a preliminary estimate of approximately \$95,000 ex GST for the reinstatement works.

STATUTORY AND LEGAL IMPLICATIONS

6. Nil.

POLICY IMPLICATIONS

7. Nil.

PUBLIC CONSULTATION/COMMUNICATION

8. Nil.

FINANCIAL IMPLICATIONS

9. The total cost of the damage is estimated as follows:

Item	Cost
Making safe on the day of accident	\$3,000
Structural assessment	\$5,885
Estimated cost of building repairs	\$95,000
Estimated cost of reinstatement of furniture and fittings	\$5,000
Estimated cost to replace IT Gear	\$3,150
Project Management and Administration (15%)	\$14,250
Total	\$126,285

10. There will be costs associated with the replacement of Telstra infrastructure, however these cannot be determined until the building is repaired and Telstra can identify what is working and what is not.
11. An insurance claim will be lodged and the majority of the above costs are expected to be reimbursed by the insurance company. The insurance claim will include the making safe on the day, structural assessment, cost of building repairs, project management and administration. Furniture, fittings and IT Gear (contents) are not covered under the insurance policy.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

12. *Shire of Kalamunda Strategic Plan 2009-2014*

Goal 2 – BUILT ENVIRONMENT – An integrated built environment.

Outcome 2.1 – Improved asset management to meet community needs today and in the future.

Outcome 2.3 - Long term viability of infrastructure and facilities.

Strategy 2.3.2 - Maintain, refurbish or upgrade existing infrastructure to encourage increased utilisation and extension of asset life

Sustainability Implications

Social Implications

13. Nil.

Economic Implications

14. Nil.

Environmental Implications

15. Nil.

OFFICER COMMENT

16. Once authorised, reinstatement work is expected to take six to eight weeks.

A Councillor queried why contents are not covered on this library's insurance policy and wondered if this was the case with other Shire buildings. The Chief Executive Officer stated that the situation would be investigated to ensure that adequate contents insurance is in place.

COMMITTEE RECOMMENDATION TO COUNCIL (GS 130/2011)

That Council:

1. Notes the Structural Condition Report from Marra and Associates.
2. Authorises reinstatement work to proceed at an estimated cost of \$95,000, with the total cost of the project estimated at \$126,285.

Moved: **Cr Dylan O'Connor**

Seconded: **Cr Justin Whitten**

Vote: **CARRIED UNANIMOUSLY / ABSOLUTE MAJORITY (11/0)**

11.0 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

11.1 Nil.

12.0 QUESTIONS BY MEMBERS WITHOUT NOTICE

12.1 Nil.

13.0 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

13.1 Nil.

14.0 URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY DECISION

14.1 The Chairman gave his best wishes to those Councillors involved in elections during the coming weekend.

15.0 MEETING CLOSED TO THE PUBLIC

15.1 Nil.

16.0 CLOSURE

There being no further business, the Chairman declared the meeting closed at 6.55pm.

I confirm these Minutes to be a true and accurate record of the proceedings of this Council.

Signed: _____
Chairman

Dated this _____ day of _____ 2011