
Shire of Kalamunda

Corporate & Community
Services Committee

Minutes for 9 July 2012

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MINUTES

1.0 OFFICIAL OPENING

1.1 The Chairman opened the meeting at 6.39pm and welcomed Councillors and Staff.

2.0 ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE PREVIOUSLY APPROVED

2.1 Attendance

Councillors

Donald McKechnie	(Shire President)	North Ward
Sue Bilich		North Ward
Allan Morton	(Deputy Shire President)	South West Ward
Justin Whitten		South West Ward
John Giardina		South East Ward
Frank Lindsey		South East Ward
Martyn Cresswell	(Chairman)	North West Ward
Bob Emery		North West Ward
Dylan O'Connor		North West Ward

Members of Staff

James Trail	Chief Executive Officer
Clayton Higham	Director Infrastructure & Planning
Rhonda Hardy	Director Corporate & Community Services
Darrell Forrest	Manager Governance
Travis Moore	A/Manager Community Development
Rajesh Malde	Manager Financial Services
Warwick Carter	Manager Economic Property & Procurement
Andrew Fowler-Tutt	Manager Development Services
David Tomlinson	Coordinator Statutory Planning
Peter Hayes	Manager Business and Strategy
Sam Assaad	Manager Infrastructure Operations
Michelle Clark	Executive Assistant
Donna McPherson	Minutes Secretary

Members of the Public 2

Members of the Press 1

2.2 Apologies

Margaret Thomas	North Ward
Noreen Townsend	South West Ward

2.3 Leave of Absence Previously Approved

Geoff Stallard

South East Ward

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 Nil.

5.0 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

5.1 That the Minutes of the Corporate and Community Services Committee Meeting held on 11 June 2012 are confirmed as a true and accurate record of the proceedings.

Moved: Cr Bob Emery

Seconded: Cr Donald McKechnie

Vote: **CARRIED UNANIMOUSLY (9/0)****6.0 ANNOUNCEMENTS BY THE PERSON PRESIDING WITHOUT DISCUSSION**

6.1 Nil.

7.0 MATTERS FOR WHICH MEETING MAY BE CLOSED**7.1 Item 57. Consideration of Tenders – Provision of Cleaning Services to Various Buildings and Facilities (RFT1202)**

Attachment 2 Summary Score Table – Combined Totals of Qualitative Score and Price Score.

Confidential – *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 and which relates to a matter to be discussed at the meeting."*

Attachment 3 Summary Pricing Score Table

Confidential – *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 and which relates to a matter to be discussed at the meeting."*

7.2 **Item 58. Consideration of Lease Dispute at Zig Zag Centre Café, Kalamunda**

Attachment 2 Recommended Action

Confidential – *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 and which relates to a matter to be discussed at the meeting."

8.0 DISCLOSURE OF INTERESTS

8.1 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*.)

8.1.1 Nil.

8.2 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.

8.2.1 Nil

9.0 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.**50. Creditors' Accounts Paid During the Period - 30 May – 26 June 2012**

Previous Items	N/A
Responsible Officer	Director Corporate and Community Services
Service Area	Finance
File Reference	FI-CRS-002
Applicant	N/A
Owner	N/A
Attachment 1	Creditor Payments during the period – 30 May – 26 June 2012

PURPOSE

1. To receive creditors' accounts paid during the period – 30 May – 26 June 2012 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 - 30 May – 26 June 2012 (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*
Strategy 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 (C&C 50/2012)

That Council:

1. Receives the list of creditors paid during the period – 30 May – 26 June 2012 (Attachment 1) in accordance with the requirements of the *Local Government (Financial Management) Regulations 1996 (Regulation 12)*.

Moved: **Cr Dylan O'Connor**

Seconded: **Cr Frank Lindsey**

Vote: **CARRIED UNANIMOUSLY (9/0)**

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.
51. Monthly Financial Statements for the Eleven Months to 31 May 2012

Previous Items	N/A
Responsible Officer	Director Corporate and Community Services
Service Area	Finance
File Reference	FIR-SRR-006
Applicant	N/A
Owner	N/A
Attachment 1	<p>Statements of Financial Activity for the eleven months to 31 May 2012 incorporating the following:</p> <ul style="list-style-type: none"> • Statement of Comprehensive Income by Program • Statement of Comprehensive Income by Nature and Type • Rate Setting Statement including net current funding position • Statement of Financial Position • Statement of Equity • Statement of Cash flows • Schedule of Reserve Accounts Balances • Investment Schedule

PURPOSE

1. To provide Council with financial reports on the activity of the Shire of Kalamunda with indications of performance against adopted budget.

BACKGROUND

2. The Statement of Financial Activity (Attachment 1), incorporating various sub-statements, has been prepared in accordance with the requirement of the *Local Government Act (1995)*, *Local Government (Financial Management) Regulations 1996* (Regulation 34).

DETAILS

3. The *Local Government Act (1995)* requires Council to adopt a percentage or value to be used in reporting variances against Budget. Council adopted on 25 July 2011 the reportable variances of 5% or \$5,000 whichever is greater.
4. The adopted percentage on value is applied at Program level and where applicable for the commentary and detail is provided.

Financial Commentary

Statement of Comprehensive Income by Nature and Type for the Eleven Months to 31 May 2012

5. This Statement reveals a net result of a surplus of \$5,739,374 against a revised Budget for the same period of \$6,101,521.

Revenue

6. Total Revenue is under budget by \$261,808. This is made up as follows:
- Overall rates are under budget by \$117,961 or 0.49% of the revised budget. The interim rates revenue forecast has been over estimated although there will be a minor clawback in the month of June.
 - Contributions, Reimbursements and Donations are lower than budget by \$416,408. The main areas under budget are Human Resources \$279,955, Recreation Services \$104,000 and Engineering Works (construction) \$66,000 offset by higher amounts received in Development Services \$19,893.
 - Fees and Charges are slightly higher by \$65,424 with the variance coming from various operational units with marked increases noted in Health & Rangers by \$20,000 and Development Services by \$23,000.
 - Interest earnings are over budget by \$189,627, of which \$80,000 relates to the accrual of interest from the Smoke Bush Development and \$81,230 in the area of rates.
7. Other revenue is under budget by \$104,618 substantially coming from the Building and Planning services as a result of a penalty charge which is in the hands of the Fines & Enforcement Registry ("FER") while other areas are principally timing differences.

Expenditure

8. Total expenses are under budget by \$1,136,143 summarised as follows:
- "Employment Costs" are just under by \$44,007 as a result of a few positions being vacant.
 - "Materials and Contracts" \$918,383 under budget in various operational units. Finance will be working closely with the operational areas to determine how much of the variance is savings or a timing difference. This process will ensure that all costs for 2011/12 are brought to account.
 - Other expenditure is below budget by \$281,911.

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9. The interest expense is slightly higher than budget by \$37,639, due to interest now being accrued monthly in accordance with best practice accrual accounting conventions and is based on loan schedules.
 10. Depreciation, although a non-cash cost is tracking slightly above budget at \$113,817. This relates mainly in the building and infrastructure assets categories.

Non-Operating Grants

11. Non-Operating Grants are under budget by \$1,372,610. This component is made up of:
 - Chipping Drive which is being acquitted and will be invoiced in June for approximately \$486,000.
 - \$439,000 due from State Government on various road projects.
 - Balance is made up of FAGS final instalment due in June.

Profit on Asset Disposals

12. The profit on disposal of assets, principally:
 - Welshpool Road Development (Smoke Bush Estate) 25 lots have been realised so far with three being sold in the month.
 - 21 Andrews Street.
 - 43 Boonooloo Road.has exceeded budget expectations by \$147,910, with profit as at the 31 May of \$3,898,569.

Statement of Comprehensive Income by Program for the Eleven Months to 31 May 2012

13. The overall results comments are as above and generally each Program is within accepted budget except for Recreation and Culture and Transport for income and Community Amenities in expenditures, all these are under budget. Finance is investigating whether this is a timing issue or otherwise.

Rate Setting Statement for the Eleven Months to 31 May 2012

14. This Statement compares the actual to date with the Annual Budget.
15. The results to 31 May 2012 reveal a surplus of \$1,528,018. There is, however, Capital Expenditure to be undertaken of approximately \$2.42 million outstanding (after taking into account deferred works).

16. Net transfers to/from Reserves has increased by \$1,059,618 from the April amount of \$4,413,126 mainly due to the additional sale of lots in the Smokebush Estate and interest generated in the investment accounts resulting in a closing balance of \$5,472,745 available. The current balance is higher than the budget amount of \$2,897,269 as drawdowns have not been done for capital expenditure incurred. Finance will be performing a reconciliation in June and make the necessary transfers.

Investments as at 31 May 2012

17. A total of \$18.9 million is in term deposits or online saving accounts and includes the overdraft facility of which \$971,173 had been utilised as of May 2012.

The above is made of:

- Municipal Funds \$3,408,830.
- Reserve Funds \$5,457,126 of which approximately \$2,828,000 will be drawn to Municipal accounts for Capex funding.
- The difference between the Cash Back Reserves amount of \$5,457,126 and the amount reported in the Equity Statement of \$5,472,745 is \$15,619 which is a timing difference on interest calculations.
- Trust Monies \$10,067,070 and includes amounts for Public Open Space of \$2,129,011.

Average interest rates on term deposits have been in excess of 5.5% but these are now starting to come down to approximately 4.8% on renewals as the RBA cut another 25 basis points on the cash rate which is now sitting at 3.5%.

All deposits met the Investment Policy requirements and are no longer than 120 days.

Statement of Financial Position as at 31 May 2012

18. This Statement (formally known as the "Balance Sheet") reveals the net current asset position of \$3,287,357 less the following restricted cash assets:

• Loan – Equipment	\$1,050,000
• Reserve Accounts	\$5,472,745
• Unspent Grants (Est)*	\$ 505,533
	<u>\$7,028,278</u>

*Un-spent Grants are made up as follows:

Abernethy Road Construction	\$373,333
Mundaring Weir Road Construction	\$110,400
Healthy Communities Initiative Project	\$8,000
Woodlupine Nature – Playspace	\$5,000
Youth Urban Art Project	\$8,800

19. As Elected Members are aware, the premise behind the Budget is the Sale of Land and the use of part of these funds to fund the previous year (2010/2011) deficit of \$1,481,865. As at 31 May , the cash flow position of the Shire was as follows:

Net Current Position	\$3,287,357
Less restricted cash assets	\$(7,028,278)
Less 2010/11 Deficit	<u>\$(1,481,865)</u>
Unrestricted Cash (Estimated)	<u><u>\$(5,222,786)</u></u>

20. Further Current Assets which would generate additional cash holdings are:

Rates Debtors	\$1,117,867 (Est)
Other Debtors	\$350,900 (Est)
Grants outstanding	\$2,423,920 (Est) *
Transfers from Reserves for Capital expenditure	<u>\$2,828,000</u>
Additional cash holding to be realised	<u><u>\$6,720,687</u></u>

*Grant Outstanding are:

Federal Assistance Grants Scheme	\$1,049,000
Community Care HACC/CAC Funding	\$100,000
Chipping Drive Road Construction – Federal Grant	\$483,000
State Govt – Various road recoupment of expenditure	\$439,920
Cash in Lieu – Forrestfield Bowling Club	\$135,000
Cash in Lieu – Fleming Reserve	\$90,000
MSRF - Ray Owen Basketball Association	\$50,000
Green Room	\$36,000
Lesmurdie Tennis Club – MSRF	\$41,000

Thus giving theoretical cash holding of \$1,497,901 which would be required to fund future works and services if the Shire can realise these cash assets.

This would be required to pay the following estimated expenses:

Operating Expenses	\$3,950,429
Less Creditors Outstanding at year end	\$3,470,858
Less Non Cash (Depreciation)	<u>\$771,947</u>
	<u>\$(292,377)</u>
Capital Expenditure (Est)	<u>\$2,417,106</u>
	<u>\$2,124,729</u>
Less Budget Adjustments	
Deferred Works (Est)	\$1,011,217
Other Adjustments and potential savings (Est)	<u>\$500,000</u>
	<u><u>\$613,512</u></u>

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21. It can be seen from the above that the Shire will be in a positive cash position of \$884,389 which is a direct reflection of the estimated deferred works and estimated potential savings at the 30 June 2012. The above estimation is subject to operating and capital expenditure happening as planned and major grants being received in full as all these will have an impact on the cash flow. If any budget overruns or unexpected issues arise this will also have an impact on the forecasted expenditure figures.
22. Close monitoring of costs will still be essential during June to ensure the Shire is fiscally balanced at year end and there will not be a deficit.

STATUTORY AND LEGAL IMPLICATIONS

23. The *Local Government Act 1995* and the *Local Government (Financial Management) Regulations*.

POLICY IMPLICATIONS

24. Nil.

PUBLIC CONSULTATION/COMMUNICATION

25. Nil.

FINANCIAL IMPLICATIONS

26. Nil.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

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

Sustainability Implications

Social Implications

28. Nil.

Economic Implications

29. Nil.

Environmental Implications

30. Nil.

OFFICER COMMENT

31. All comments are contained within the “Details” area of this report.

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 51/2012)

That Council:

1. Receives the monthly financial statement for the period ended 31 May 2012, which comprises:
 - Statement of Financial Position
 - Equity Statement
 - Statement of Comprehensive Income by Nature and Type
 - Statement of Comprehensive Income by Program
 - Rate Setting Statement including net funding position
 - Reserve Balances Statement
 - Statement of Cash Flows
 - Investment Schedule

Moved: **Cr Frank Lindsey**

Seconded: **Cr Bob Emery**

Vote: **CARRIED UNANIMOUSLY (9/0)**

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.**52. Debtors and Creditors Reports for the Period Ended 31 May 2012**

Previous Items	N/A
Responsible Officer	Director Corporate and Community Services
Service Area	Finance
File Reference	FI-CRS-002
Applicant	N/A
Owner	N/A
Attachment 1	Summary of Debtors for the period ended 31 May 2012
Attachment 2	Summary of Creditors for the period ended 31 May 2012

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 31 May 2012.
3. Council has requested reports detailing outstanding debtors and creditors on a monthly basis.

DETAILS**Debtors**

4.
 1. Forrestfield United Soccer Club – the fortnightly direct debit instalments are still in place. Further discussions have been held between the Club Committee and Shire Officials
 2. Main Roads WA – awaiting advice regarding the outstanding debt.

Creditors

5.
 - Payments totalling \$3,473,355 were made during the month of May 2012. Standard payment terms are 30 days from the end of month, with local business and contractors on 14 day terms.
 - Invoices showing as outstanding greater than 60 and 90 days are the result of the original invoice documentation not being received by Finance.

- 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

6. Nil.

POLICY IMPLICATIONS

7. Nil.

PUBLIC CONSULTATION/COMMUNICATION

8. Nil.

FINANCIAL IMPLICATIONS

9. Nil.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

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

Sustainability Implications

Social Implications

11. Nil.

Economic Implications

12. Nil.

Environmental Implications

13. Nil.

OFFICER COMMENT

14. Nil.

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 52/2012)

That Council:

1. Receives the outstanding debtors (Attachment 1) and creditors (Attachment 2) reports for the period ended 31 May 2012.

Moved: **Cr Dylan O'Connor**

Seconded: **Cr Allan Morton**

Vote: **CARRIED UNANIMOUSLY (9/0)**

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

53. Rates Debtors Report for the Period Ending 31 May 2012

Previous Items	N/A
Responsible Officer	Director Corporate and Community 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 31 May 2012

PURPOSE

1. To receive a report on rates debtors for the period ending 31 May 2012.

BACKGROUND

2. Attached is the report detailing rates debtors for the period ending 31 May 2012 (Attachment 1).

DETAILS

Debt Recovery

3. Debt Recovery (stage 3) - this stage involves the issue of Property Seizure & Sale Orders (PS&SO) with Dun & Bradstreet.
4. All of the 48 outstanding debts that remain with Dun & Bradstreet have all had Judgement entered against them.
5. Added each week are those debts that have defaulted on payment arrangement.

STATUTORY AND LEGAL IMPLICATIONS

6. Nil.

POLICY IMPLICATIONS

7. Nil.

PUBLIC CONSULTATION/COMMUNICATION

8. Nil.

FINANCIAL IMPLICATIONS

9. Nil.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

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

Sustainability Implications

Social Implications

11. Debt collecting processes contain the risk of negative publicity for the Shire.

Economic Implications

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

Environmental Implications

13. Nil.

OFFICER COMMENT

14. The rate of collection of outstandings for the period to the end of May 2012 is 2.82%. It is forecasted to be at around 2% by 30 June 2012.

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 53/2012)

That Council:

1. Receives the rates debtors report for the period ended 31 May 2012 (Attachment 1).

Moved: **Cr Frank Lindsey**

Seconded: **Cr Dylan O'Connor**

Vote: **CARRIED UNANIMOUSLY (9/0)**

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.**54. Falls Farm Advisory Committee Terms of Reference – Deputy Representation**

Previous Items	N/A
Responsible Officer	Director Corporate & Community Services
Service Area	Community Development
File Reference	
Applicant	N/A
Owner	N/A
Attachment/s	

PURPOSE

1. To consider the appointment of deputy representatives for members of the Falls Farm Advisory Committee ("FFAC").

BACKGROUND

2. At the FFAC meeting of 15 February 2012 a request was put forward for Council to give consideration to allowing representative groups of Council Advisory Committees to have provision for deputy representation at a time of member absence.
3. The current membership for the FFAC is as follows:

Name	Representing
Cr John Giardina	Councillor Delegate
Cr Geoff Stallard	Deputy Councillor Delegate
Iris Jones	Lesmurdie & Districts Community Association Inc.
John Kenny	Lions Club of Lesmurdie
Pauline Tonkin	Community Representative
Joan Saunders	Tranquil Oasis (Comfort & Relaxation)
Gail Goodall	U3A WA Inc – Lesmurdie Hills Region
Robyn Slarke	Dharmapala Buddhist Centre

DETAILS

4. Further to the FFSC meeting correspondence was forwarded to the Shire from the President of the Lesmurdie & District Community Association Inc. ratifying the request for the provision of a deputy.
 5. The correspondence from the Lesmurdie & District Community Association stated:
"... It is felt important that we have a Deputy who can attend meetings if our representative Iris Jones is unable to attend for whatever reason. Ideally this Deputy should be able to vote on our behalf at meetings..."
 6. As per the Terms of Reference for the FFAC, the Committee may comprise:
Membership
 - 4.1 A total membership of up to eight (8) members, all of whom shall be appointed by Council for a term of two (2) years unless Council elects to reappoint any or all members for a further term.
 - 4.2 Membership shall include preferably one (1) representative from each user group of the facility or other interested people.
 - 4.3 In accordance with the Local Government Act 1995, a minimum of three (3) persons must be appointed to the Committee.
 - 4.4 A Councillor shall be appointed to the Advisory Committee and is empowered to rule that any matter under consideration is to be referred, via the appropriate Committee, to Council for a decision.
 - 4.5 The Advisory Committee may second individuals on sub-committees and work groups, but secondments cannot be made to the main Committee.
 - 4.6 The appointment of any person who is absent without leave for more than three (3) consecutive meetings shall lapse and that person will need to seek Council reappointment to continue on the Committee for the duration of its term.
 - 4.7 The Presiding Person and Deputy Presiding Person shall be appointed from the body of the Committee.
 7. The following addition to the membership component of the FFAC Terms of Reference is proposed to accommodate the request for provision of a deputy:
 - 4.8 User groups with representatives on the Advisory Committee may nominate a deputy that only has provision to attend meetings and vote when the key representative is absent.
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-
8. The Lesmurdie & District Community Association have put forward Mr Peter Goodall as a nomination to be a deputy at the FFAC.

STATUTORY AND LEGAL IMPLICATIONS

9. Appointments are made in accordance with Section 5.11A of the *Local Government Act 1995*.

POLICY IMPLICATIONS

10. Policy CTEE3, Management and Advisory Committees – Representation, Review and Procedures.

PUBLIC CONSULTATION/COMMUNICATION

11. Shire staff have undertaken a preliminary consultation by manner of the discussion that took place with members present at the Falls Farm Advisory Committee meeting of 15 February 2012.

FINANCIAL IMPLICATIONS

12. Nil.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

13. *Shire of Kalamunda Strategic Plan 2009-2014*
- 1.3 The community has access to a diverse range of recreational opportunities.
- 2.3 Long term viability of infrastructure and facilities.

Sustainability Implications

Social implications

14. The objectives of the Shire's Management/Advisory Committees are as follows:
- To advise Council on matters pertaining to the facilities.
 - To provide opportunity for users to meet and communicate common and particular interests of the facility.
 - To examine proposals for development from a community perspective and in accordance with Council policies and practices.

Economic Implications

15. Nil.

Environmental Implications

16. Nil.

OFFICER COMMENT

17. The nomination for Mr Peter Goodall to be the Lesmurdie & Districts Community Association's deputy representative on the FFAC will enable representation, inclusive of voting rights; only on the occasions when the key representative is unable to attend.
18. Agenda items of the Shire's facility based Advisory Committees are significantly biased towards building or ground maintenance items. Given this, the Shire intends to undertake a review of all Advisory Committees from September 2012 to establish whether they remain relevant.
19. The pending review of all Advisory Committees, inclusive of a significant consultation process will enable a further assessment of the Terms of Reference for each. The need or otherwise for provision of a deputy within the membership of each can also be determined.

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 54/2012)

That Council:

1. Approves the nomination for Mr Peter Goodall to be the deputy representative on the Falls Farm Advisory Committee.
2. Endorses the following addition to the "Membership" component Falls Farm Advisory Committee Terms of Reference:
 - 4.8 User groups with representatives on the Advisory Committee may nominate a deputy that only has provision to attend meetings and vote when the key representative is absent.

Moved: **Cr John Giardina**

Seconded: **Cr Frank Lindsey**

Vote: **CARRIED UNANIMOUSLY/ABSOLUTE MAJORITY (9/0)**

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

55. Proposal for the Development of a New Skate Facility in Forrestfield

Previous Items	N/A
Responsible Officer	Director Corporate & Community Services
Service Area	Community Development
File Reference	
Applicant	N/A
Owner	N/A
Attachment 1	Federation Gardens (Hartfield Park)
Attachment 2	Hartfield Park Recreation Centre Car Park
Attachment 3	Morrison Oval (Hartfield Park)
Attachment 4	Reid Oval (Hartfield Park)

PURPOSE

1. To seek approval from Council to progress the design and construction of a skate park facility within the Hartfield Park Recreation Reserve.

BACKGROUND

2. At the Ordinary Council Meeting of November 2011 a petition was presented, comprising 150 signatures, seeking the development of a skate park in Forrestfield, including potential options for location and design.
3. At the Ordinary Council Meeting of February 2012, Council resolved the following:

“That Council:

 1. *Notes the report on the Forrestfield Skate Park petition.*
 2. *Requests a report be presented on the audit of the Shire’s skate park facilities.*
 3. *Requests that Cash-in-lieu and external funding options be further explored to access the potential for raising funds needed to build a new skate park.*

DETAILS

4. An audit of the Shire’s skate park facilities is yet to be undertaken however, the need for a more suitable skate park facility in Forrestfield has been identified by Council, as a high priority.
5. The existing skate park in Forrestfield was built in 1997 and is located on Hale Road at Hartfield Park.

-
6. The Hartfield Park Masterplan outlined a number of key projects to guide the future development of the Reserve. The need to review the sustainability of the skate park at the existing site given its poor location was highlighted.
 7. As detailed previously to Council, the existing skate park is poorly located with trees and fencing obstructing the line of sight between the park and Hale Road. Consequently it provides limited passive surveillance and could be unsafe to participants because of lack of exposure.
 8. In addition, the overall condition of the skate park is poor due to natural debris from surrounding trees and numerous occurrences of graffiti and vandalism at the site.
 9. The previous report regarding the development of a skate park in Forrestfield presented three options based on the petition presented:
 1. Hartfield Park – Hale Road (existing skate park)
 2. Pioneer Park
 3. Federation Gardens (within Hartfield Park)
 10. Pioneer Park has been deemed as an inappropriate site, predominantly due to its isolated location and the need for greater planning regarding the extent of its future use as a sport and recreation facility as it is situated on a former tip site.
 11. Given queries over two of the three sites put forward through the youth driven petition, further assessment of potential sites has been undertaken and the following four sites are presented for consideration:
 1. Federation Gardens (Hartfield Park) (Attachment 1)
 2. Hartfield Park Recreation Centre Car Park (Attachment 2)
 3. Morrison Oval (Hartfield Park) (Attachment 3)
 4. Reid Oval (Hartfield Park) (Attachment 4)An assessment of the merits of each site has been undertaken and the positives and negatives of each of the sites are presented below.
-

12. Federation Gardens

Positives	Negatives
<ul style="list-style-type: none"> • Excess availability of space 	<ul style="list-style-type: none"> • Hidden location and lack of passive surveillance may lead to potential security/safety risks. • Distance and proximity to other facilities • Consideration to "Bush Forever" and potential restrictions. • Proposed Foothills Water proofing site

13. Hartfield Park Recreation Centre Car Park

Positives	Negatives
<ul style="list-style-type: none"> • Good proximity to Recreation Centre • Good accessibility to public transport • High passive surveillance • Located on main road 	<ul style="list-style-type: none"> • Loss of car parking bays (approximately 60) • Limited potential to relocate lost parking bays.

14. Morrison Oval

Positives	Negatives
<ul style="list-style-type: none"> • Good accessibility to public transport • High passive surveillance • Located on main road 	<ul style="list-style-type: none"> • Space limitations • Reconfiguration of playing fields necessary • Reconfiguration of car parking • Reliant upon Department of Environment and Conservation approval to clear bushland.

15. Reid Oval

Positives	Negatives
<ul style="list-style-type: none"> • Good proximity to Recreation Centre • Good accessibility to public transport • Medium passive surveillance • Located further back from main road 	<ul style="list-style-type: none"> • Space limitations • Consideration to playing fields and club rooms necessary • Hidden location to some degree

16. In considering the four options, Morrison Oval is deemed the most suitable option given its accessibility, high passive surveillance and a moderate impact on the existing landscape in contrast to the other three options. Should approval for Morrison Oval via the "Department of Environment and Conservation" be significantly protracted or opposed, Reid Oval is deemed to be the most suitable second option.

STATUTORY AND LEGAL IMPLICATIONS

17. Nil.

POLICY IMPLICATIONS

18. Nil.

PUBLIC CONSULTATION/COMMUNICATION

19. Shire staff has met with the two young residents who submitted the petition seeking the development of a skate park in Forrestfield to outline the process.
20. A follow up meeting was conducted onsite at Hartfield Park to review and discuss a range of site options and Morrison Oval was deemed as the preferred site by youths with Reid Oval put forward as another alternative within Hartfield Park.
21. Dawson Park was put forward as an additional site option. Its location on the outskirts of Forrestfield and closer to the Fleming Reserve Skate Park were viewed as negatives in contrast to the four options presented.
22. Pending support for the design and construction of a skate park at a designated Forrestfield site, a more comprehensive consultation will be undertaken with the two youths and a broader population of local youth interested in the skate park development.

-
23. The Shire has consulted with the Department of Sport & Recreation to reaffirm that skate facility developments, when in the context of a regional sporting facility and/or plan can be deemed eligible for Community Sport & Recreation Facilities Fund (“CSRFF”) consideration.

FINANCIAL IMPLICATIONS

24. The costs associated with the design and development of the skate facilities are yet to be determined. As a guide, the skate park development at Fleming Reserve cost \$398,000 in 2010/11. In considering the Fleming Reserve skate park development and for the purpose of the proposed Forrestfield skate park, a notional figure of \$400,000 has been applied to assist in determining budgetary requirements. This amount is inclusive of external funding opportunities.
25. Pending approval through the 2012/13 budgetary process, every effort will be made to seek external funding sources to minimise Council’s contribution. Options to be pursued will include:
- Cash-in-lieu – the use of Cash-in-lieu funds for the development of a skate park is acceptable under the Department of Planning’s Guidelines. There is currently \$220,000 available for the Forrestfield area and all of these available funds are being sought for the project.
 - Other External Funds – the Department of Sport & Recreation’s CSRFF Annual Grants (for which one third of a project cost can be sought), will be pursued. Local Governments are required to confirm a two thirds contribution. An additional \$46,667 contribution will be required through municipal funds.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

26. *Shire of Kalamunda Strategic Plan 2009-2014*
- 1.5.1 Facilitate a coordinated approach to identifying and meeting the needs of young people, maximising partnerships and financial opportunities.

Sustainability Implications

Social Implications

27. Young people are an important part of any local community, representing the future generation of community leaders. The provision of appropriate youth facilities based on need, such as skate parks is integral to the successful integration of young people in our community.

Economic Implications

28. Nil.

Environmental Implications

29. Nil.

OFFICER COMMENT

30. In recent times, skate park design has moved towards locating skate parks in highly visible, prominent locations rather than being hidden from the public eye. This is endorsed by the principles of Liveable Neighbourhoods in addition to the Crime Prevention Through Environmental Design (CPTED) guidelines of which location and passive surveillance can lead to a reduction in the fear and incidence of crime such as graffiti and vandalism.
31. In considering the original petition inclusive of sites put forward, Shire staff have reviewed and considered four sites located within the Hartfield Park Recreation reserve:
1. Federation Gardens (Hartfield Park)
 2. Hartfield Park Recreation Centre Car-park
 3. Morrison Oval (Hartfield Park)
 4. Reid Oval (Hartfield Park)
32. In considering the four options, Morrison Oval is deemed the most suitable option given its accessibility, high passive surveillance and a moderate impact on the existing landscape in contrast to the other three options.
33. The Hartfield Park Masterplan identifies the opportunity to clear the area of bushland on the corner of Hale Road and Hartfield Road (which encompasses the existing skate park) for the development of two new soccer fields within Morrison Oval.
34. The Shire has submitted a request to the Department of Environment and Conservation ("DEC") to seek permission to clear the area, as it is classified as "Bush Forever". A grid search (conducted by an independent environmental consultant) revealed no declared rare fauna and large amounts of degraded bush, therefore supported attempts to clear this area. The approval process is lengthy and negotiations commenced in June 2011, and are continuing.
35. If Morrison Oval is deemed to be the most suitable site for a new skate park development, the clearing of the bushland (if approved by the DEC) and removal of the existing skate park will be undertaken immediately prior to the construction timeframe of a new skate park facility.

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36. Concerns were raised by the mother of the two youths that submitted the petition in relation to the significant traffic flow on Hale Road and therefore the specific location on the preferred Morrison Oval site aligns with Hartfield Road.
 37. Before final confirmation of the Morrison Oval site it is proposed consultation will be undertaken with nearby residents along Hartfield Road to establish views on the proposed location.
 38. Following approval from the DEC to clear the area of bushland on the corner of Hale Road and Hartfield Road external funding applications can be pursued. The outcome from the DEC is expected in the latter part of July 2012.
 39. Pending Council's support funding applications to the Minister for Planning (Cash in Lieu funds) and Department of Sport & Recreation (CSRFF) will be progressed.
 40. Subsequent reports will be submitted to Council detailing outcomes of the applications and any necessary budgetary amendments which are likely to apply to the 2013/2014 budget. This is due to the approval process for the CSRFF applications not being forthcoming until at least April 2013.
 41. It should be noted Reid Oval is considered to be the most suitable second option. It is located in close proximity to the Recreation Centre and has a degree of passive surveillance, due to proximity to Centre car park and Hale Road.
 42. It is suggested the Reid Oval site can be considered further should approval for the preferred Morrison Oval site through DEC be significantly protracted or opposed. If this option is to be considered, there are no DEC approval requirements, however further consultation will need to be undertaken with the Junior Football Club to ensure the location is agreeable.
 43. Should the Reid Oval site require further consideration due to negative circumstances surrounding the Morrison Oval site, a report will be presented to Council with a similar approach to seek funding.

COMMITTEE RECOMMENDATION TO COUNCIL (C & C 55/2012)

That Council:

1. Endorses the preferred site of Morrison Oval (Hartfield Park Recreation Reserve), adjacent to Hale Road and Hartfield Road, as identified for a skate park in Forrestfield.

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2. Pending approval from the Department of Environment and Conservation to remove bushland on the corner of Hale Road and Hartfield Road:
 - a. Supports an application to the Minister for Planning to utilise Cash-In-Lieu funding of \$220,000 for the development of a skate park in Forrestfield.
 - b. Submits for consideration within the 2013/2014 budget, \$46,667 towards the development of a skate park in Forrestfield.
 - c. Supports a Community Sport & Recreation Facilities Fund (CSRFF) application to the Department of Sport & Recreation seeking one third (\$133,333) of the total estimated cost (\$400,000) for the development of a skate park in Forrestfield.

 3. Requests a further report detailing outcomes of both the Cash In Lieu and Community Sport & Recreation Facilities Fund (CSRFF) applications to then enable appropriate budget provision, inclusive of external sources within the 2013/2014 financial year.

Moved: **Cr Justin Whitten**

Seconded: **Cr Allan Morton**

Vote: **CARRIED UNANIMOUSLY (9/0)**

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.
56. Referral from the City of Swan for a Proposed Mobile Phone Tower - Lot 501 Adelaide Street, Hazelmere

Previous Items	N/A
Responsible Officer	Director Development and Infrastructure Services
Service Area	Development Services
File Reference	OR-IGR-038
Applicant	Aurecon Pty Ltd
Owner	Panache Investments Pty Ltd
Attachment 1	Locality Plan (City of Swan area)
Attachment 2	Locality Plan (Shire of Kalamunda area)
Attachment 3	Site Plan and Enlarged Site Plan
Attachment 4	Elevation
Attachment 5	Optus Environmental EME Report

PURPOSE

1. To consider a planning application referred to the Shire for comment by the City of Swan ("the City") for a mobile phone tower ("the tower") on Lot 501 Adelaide Street, Hazelmere. Refer to Attachments 1 to 4.

BACKGROUND

2. The property abuts the boundary with the Shire and is approximately 260m from residential areas comprising part of the 'Jacaranda Springs Estate', 190m from the Hillview Golf Course and opposite a Regional Reserve (Parks and Recreation) within the Shire.
3. The property falls within the 'Hazelmere Clause 32 Precinct' under the Metropolitan Region Scheme and therefore, the application will ultimately be determined by the Western Australian Planning Commission ("the Commission").
4. The City is yet to indicate what its recommendation to the Commission will be.

DETAILS

5. The proposed development includes the following:
 - A 36.3m high monopole (mast) to accommodate six panel antennas.
 - An equipment shelter which will store cable trays to accommodate the electronic equipment, air conditioning units, back up sealed batteries and electrical cabling.

- Security (cyclone) fencing around the perimeter of the compound.
- Existing trees are proposed to be retained to screen the facility.

STATUTORY AND LEGAL IMPLICATIONS

6. The proposed tower falls outside of the Shire's area therefore the provisions of Local Planning Scheme No. 3 ("the Scheme") and Local Planning Policy DEV26 – Radio, Television and Communication Facilities/Masts ("the Policy") do not apply. The City will base its recommendation to the Commission on its Local Planning Scheme No. 17.
7. As the property falls within the 'Hazelmere Clause 32 Precinct' under the Metropolitan Region Scheme, the application will be determined by the Commission. Council is to provide the City with comments, and subsequently the City will provide the Commission with its recommendation.
8. If the Commission refuses the development, or imposes conditions that are not acceptable to the applicant, there is a Right of Review (appeal) to the State Administrative Tribunal. The Commission will be the respondent to any appeal.

POLICY IMPLICATIONS

Telecommunications (Low-impact Facilities) Determination 1997

9. The proposed mobile phone tower is not defined as being a low impact facility under the *Telecommunications (Low-impact Facilities) Determination 1997* due to its height. Therefore planning approval is required to be obtained.

State Planning Policy No. 5.2 – Telecommunication Infrastructure

10. State Planning Policy No. 5.2 – Telecommunication Infrastructure (SPP 5.2) stipulates when planning approval is required to be obtained for telecommunication infrastructure when determined not to be low impact under the *Telecommunications (Low Impact Facilities) Determination 1997*.
11. Section 2.3 of SPP 5.2 requires all carriers to comply with the Australian Communications Authority's *Radiocommunications (Electromagnetic Radiation - Human Exposure) Standard (2003)*.

PUBLIC CONSULTATION/COMMUNICATION

12. The proposal is being advertised by the City to all landowners within a 200m radius of the proposed tower's location, for 21 days in accordance with its Council Policy No. Pol-C-059 – Telecommunication (Mobile Phones) Facilities Policy.

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13. As the property where the tower is proposed to be located abuts the boundary with the Shire, Council are being given opportunity to provide comment.
 14. The only properties within the Shire which fall within 200m of the proposed tower's location are the Hillview Golf Course and Regional Reserve opposite.

FINANCIAL IMPLICATIONS

15. Nil.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

16. Nil.

Sustainability Implications

Social implications

17. It should be noted that when other such applications have been advertised by the Shire residents have expressed concerns regarding potential health implications around the location of the proposed tower, particularly in relation to its proximity to residential areas.

Economic Implications

18. Nil.

Environmental Implications

19. Nil.

OFFICER COMMENT

20. The proposed tower falls outside of the Shire's area therefore the provisions of the Scheme and the Policy do not apply, however they can be used as a guide by Council in determining its response to the City.
21. Council has not supported mobile phone tower applications previously because of non-compliance with the requirements of the Policy, specifically that mobile phone towers are not to be located within 500m from sensitive areas that include residential, schools and other similar uses as determined by Council.
22. The proposed tower will be approximately 260m from residential areas comprising part of the 'Jacaranda Springs Estate' within the Shire.

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23. The City forwarded an Optus Environmental EME Report for the proposed tower, which confirms that the tower will comply with the Australian Communications and Media Authority regulatory requirements with respect to electromagnetic energy exposure levels. Refer to the Optus Environmental EME Report (Attachment 5).
 24. The Optus Environmental EME Report concludes that electromagnetic energy levels from the proposed tower are estimated to be 0.32% of the Australian Radiation Protection and Nuclear Safety Agency at 1.5m above ground level.
 25. Having regard to the comments outlined in points 21 and 22 of the report it is recommended that Council objects to the proposal.

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 56/2012)

That Council:

1. Advises the City of Swan that it objects to the proposal for a mobile phone tower at Lot 501 Adelaide Street, Hazelmere for the following reasons:
 - a. Shire'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 260m from the residential area, which constitutes a 48 per cent reduction in the minimum 500m distance.

Moved: **Cr John Giardina**

Seconded: **Cr Sue Bilich**

Vote: For

Cr John Giardina
Cr Frank Lindsey
Cr Allan Morton
Cr Sue Bilich
Cr Martyn Cresswell

Against

Cr Justin Whitten
Cr Bob Emery
Cr Dylan O'Connor
Cr Donald McKechnie

CARRIED (5/4)

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

This item was considered at 14.0 on the agenda in order to allow discussion on the confidential attachments.

57. Consideration of Tenders – Provision of Cleaning Services to Various Buildings and Facilities (RFT1202)

Previous Items	
Responsible Officer	Director Development & Infrastructure Services
Service Area	Engineering Services – Building Maintenance
File Reference	
Applicant	Shire of Kalamunda
Owner	Shire of Kalamunda
Attachment 1	Building and Public Toilet list. Location details, map and cleaning frequencies.
Attachment 2	Summary Score Table – Combined Totals of Qualitative Score and Price Score. Confidential – <i>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 and which relates to a matter to be discussed at the meeting."</i>
Attachment 3	Summary Pricing Score Table Confidential – <i>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 and which relates to a matter to be discussed at the meeting."</i>

PURPOSE

1. To consider tenders for the cleaning of selected Shire buildings and facilities (Attachment 1) for a two year period with the option for the Council to extend the contract for a further two 12 month period on the same terms and conditions, at the discretion of the Council.

BACKGROUND

2. The tender was advertised in The West Australian on Saturday 21 April 2012 and on the Shire's website.
3. Thirty-six suppliers registered to receive copies of the tender. 12 submissions were received.
4. All 12 companies that submitted a tender were represented at a mandatory site meeting and briefing tour of some of the Shire facilities to be cleaned which was conducted on the 3 May 2012.

DETAILS

5. The tender specifications are clearly detailed as to what is required to be carried out daily, weekly, fortnightly, monthly, quarterly, six monthly and annually to each of the sites where the cleaning services are required. Building floor plans of all facilities were also provided to assist with the process.
6. The tenderers were advised that a selection criteria would be used when selecting the tenders comprising of a "Compliance Criteria" and "Qualitative Criteria" and that the contract would be awarded to the tenderer that best demonstrates quality products at a competitive price.
7. The tender closed at 2.00 pm on Tuesday 15 May and there were two Shire officers present at the opening of the tenders.
8. Regulation 18 of the *Local Government (Functions and General) Regulations 1996*, states that tenders
- ...are to be assessed by the local government by means of a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept and it is to decide which of them it thinks it would be most advantageous to the local government to accept."*
9. A Tender Evaluation Panel assessed each submission based on the following criteria:
- | | |
|--------------------|-----|
| Qualitative | |
| a. Experience | 15% |
| b. Skills | 25% |
| c. Methodology | 20% |
| Price | |
| d. Price | 40% |

An arithmetic calculation is then applied to the raw scores to obtain the weighted score. A combined total for each tenderer is provided (Attachment 2).

The summaries have been prepared for the purposes combining the scores to determine the most advantageous tenders based on ranked score weighted on the overall qualitative criteria comprising of 60% on demonstrated abilities as described (parts a, b & c).

A total weighting of 40% based on price components of the submitted tender (part d).

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10. The prices submitted by each tenderer are shown (Attachment 3).
The table shows that Dominant Property Group offered the lowest base price overall of \$340,704. This is largely due to lower tendered annual cleaning hours as compared to other tenderers.
11. It was noted that the highest scoring tenderer submitted a tender which shows an increase of 10% in the annual base cleaning hours (in comparison to), the submitted hours by the current cleaning contractor, the aforementioned Dominant Property Group who submitted a tender of 11,453 cleaning hours, (not inclusive of any special requests or public holidays). The highest scoring tenderer tendered 12,579 cleaning hours.
12. The current award base hourly rate (Fair Work Australia) for a permanent full time employee is between \$17.05 and 18.58 per hour (Level 1 vs Level 3).

STATUTORY AND LEGAL IMPLICATIONS

13. Nil.

POLICY IMPLICATIONS

14. Policy PUR1 – Purchasing policy has been followed.

PUBLIC CONSULTATION/COMMUNICATION

15. Consultation has been conducted with key stakeholders and users of the facilities being cleaned as well as Shire facility managers to ensure an agreed level of service.
16. The tender process is open to public scrutiny. The tenders were opened in the presence of two Shire officers separate and different to the officers who carried out the assessment of the tenders. No representatives from any of the tenderers or members of the public were present.

FINANCIAL IMPLICATIONS

17. The base contract price is \$404,904.19 (excluding GST) and is not inclusive of special cleans, emergency cleans or anticipated consumables.
18. Based on a projection of the requirements for special cleans, emergency cleans and consumables, it is estimated that an additional \$65,000 will be required.
19. Projected expenditure for 2011/12 is \$470,000 (based on actual expenditure to end of May 2012 of \$431,162).

STRATEGIC AND SUSTAINABILITY IMPLICATIONS**Strategic Planning Implications**

20. Nil.

Sustainability ImplicationsSocial Implications

21. Nil.

Economic Implications

22. The expenditure for this tender has been allocated as part of the overall Building Maintenance budget for the 2012/2013 budget period.

Environmental Implications

23. All consumable products used to clean the Shires facilities are considered to be environmentally safe cleaning products such as bio-degradable and non-corrosive solutions. All cleaning activities are to be managed in a way to avoid or minimise the potential for air, water and soil pollution.
24. The contractors are required to re-cycle materials such as cardboard in re-cycle bins that are provided.

OFFICER COMMENT

25. The tenders received were assessed against the selection criteria. Throughout the tendering process, the staff have been assisted by a consultant whom carried out a "probity audit" ensuring that due process was followed at all times by the staff assessing the submitted tenders.
26. Reference checks were carried out on the four highest ranked tenderers as well as the current cleaning contractor. Whilst all had "good" to "excellent" references, there is confidence that the highest ranked tender has the ability to carry out the works required in a more than acceptable manner.
27. DMC Cleaning demonstrated in their tender submission, that their experience, skills and past performance was significantly better than all other tenderers. This was reflected in the difference in the qualitative scores which indicate that there is a significant lower risk of cost overruns and well as an improved level of service.
28. After adding the weighted price scores, DMC Cleaning's total weighted score continued to remain significantly above that of the next most advantageous tenderer (90.91 vs. 81.94 respectively) (Attachment 2 – for all tenders submitted).

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29. DMC Cleaning submitted the second lowest base price of all the tenderers. Additional to this was that in the price summary, as rated on the base service levels, a scenario or test was devised including anticipated or additional unscheduled cleaning service requirements, mark-up value of annual cost of consumables as well as projected applicable discounts to payment terms and projected over the year for an annual estimated cost. DMC Cleaning still was the second lowest price. The competing lowest priced tenderer based on dollar value alone, appeared to be cost effective however there was a difference of some 1126 cleaning hours difference between the two on the base level of cleaning time allowed for. This would reduce the level of services or time spent cleaning the buildings.
30. The highest scoring tenderer; DMC Cleaning is the preferred tenderer through the assessment phase of the post tender process.
31. It was noted that if DMC Cleaning is awarded the contract then a settlement discount of 2% will apply if account is paid within 21 days, 2.5% if account is paid within 14 days or 3% if account is paid with 7 days. This was not applied in any of assessment scoring or tables to ensure parity on base rates with all other tenderers. This would be considered an additional cost benefit to the tendered price of the contract if these payment terms are established and met. DMC offered one of the most advantageous discount structures as submitted in addition to their base tendered price.

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 57/2012)

That Council:

1. Accepts the recommendation of the Tender Assessment Panel to appoint DMC Cleaning as preferred tenderer for the provision of cleaning services to Shire Buildings and Facilities at the base contract price of \$404,904.19 (excluding GST).

Moved: **Cr Donald McKechnie**

Seconded: **Cr Bob Emery**

Vote: **CARRIED UNANIMOUSLY (9/0)**

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

This item was considered at 14.0 on the agenda in order to allow discussion on the confidential attachments.

58. Consideration of Lease Dispute at Zig Zag Centre Café, Kalamunda

Previous Items	N/A
Responsible Officer	Director Corporate & Community Services
Service Area	Economic Property & Procurement Services
File Reference	
Applicant	N/A
Owner	N/A
Attachment 1	Copy of letter from Mr Kelly
Attachment 2	Recommended Action Confidential – <i>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 and which relates to a matter to be discussed at the meeting."</i>

PURPOSE

1. To consider issues of dispute raised between the owner of the Zig Zag Café and the Shire of Kalamunda, due to the state of the building.

BACKGROUND

2. The Shire entered into a lease with Mr Anthony Kelly for a site at the Zig Zag Cultural Centre commencing 17 September 2011.
3. Mr Kelly has brought numerous defects to the Shire's attention and these matters have been referred to the builder and architect to resolve during the defects period.
4. Mr Kelly states that issues relate to
 - the sewerage odour;
 - air-conditioning;
 - maintenance of the decking;
 - uneven flooring;
 - door locks;
 - fire alarm;
 - awnings; and
 - bi-fold doors.

Mr Kelly believes these issues have had a negative impact on his ability to trade.

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5. Mr Kelly also raised issues in respect to the impact of the Cultural Centre restructure, activation of the space and marketing, however these have been dismissed by staff as they do not form part of the lease.
 6. Shire staff have inspected the site and confirmed the defects listed exist.

DETAILS

7. The Lease between the Shire and Mr Kelly allows for Mr Kelly to raise a dispute, which he has in relation to the state of the building and the building not being fit for purpose.

STATUTORY AND LEGAL IMPLICATIONS

8. Provisions of lease between Shire of Kalamunda and Mr Anthony Kelly.

POLICY IMPLICATIONS

9. Nil.

PUBLIC CONSULTATION/COMMUNICATION

10. Nil.

FINANCIAL IMPLICATIONS

11. Mr Kelly is seeking exemption from paying six months' rent which would equate to lost income to the Shire.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS

Strategic Planning Implications

12. Nil.

Sustainability Implications

Social Implications

13. Nil.

Economic Implications

14. The Shire would not receive some rental income.

Environmental Implications

15. Nil.

OFFICER COMMENT

16. Mr Kelly's complaint is considered to be legitimate to the extent the building is defective. The extent to which this has affected his business is difficult to quantify without seeking external expert consideration. Due to the cost involved in quantifying the claim in the context of the amount, external advice has not been pursued.
17. Mr Kelly's proposal is for the Shire to waive the first six months of rent. This is on the basis he would not pursue any further claims against the Shire for the state of the building to date, pursuant to the Shire progressing with its best endeavours to rectify the problem.
18. In the interests of finalising the matter, it is considered an offer which would include legal agreement not to pursue further claims against the Shire is a recommended outcome.
19. A proposed response to the claim is outlined in (Attachment 2).

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 58/2010)

That Council:

1. Delegates the Chief Executive Officer to follow the recommended action as set out in (Attachment 2).

Moved: **Cr Donald McKechnie**

Seconded: **Cr Bob Emery**

Vote: **CARRIED UNANIMOUSLY (9/0)**

Declaration of financial / conflict of interests to be recorded prior to dealing with each item.
59. Lot 8 (10), 9 (12) and 10 (14) Central Mall, Kalamunda – Proposed Office and Shop Unit Development

Previous Items	N/A
Responsible Officer	Director Planning and Development Services
Service Area	Planning and Development Services
File Reference	BR-02/012
Applicant	Marocchi Engineering Group
Owner	Cagen Holdings Pty Ltd
Attachment 1	Locality Plan
Attachment 2	Site Plan
Attachment 3	Elevations
Attachment 4	Internal Ground Floor Plan
Attachment 5	Internal Upper Floor Plan
Attachment 6	Photograph of the Existing Retail Building on Subject Property
Attachment 7	Photograph of the Proposed Development's Location (Looking South Along Barber Street)
Attachment 8	Photograph of the Proposed Development's Location (Looking North Along Barber Street)
Attachment 9	Kalamunda Townsite Improvement Plan

PURPOSE

1. To consider an application to build a two storey office and shop unit development at Lot 8 (10), 9 (12) and 10 (14) Central Mall, Kalamunda. Refer to the Locality Plan (Attachment 1), Site Plan (Attachment 2), Elevations (Attachment 3), Internal Ground Floor Plan (Attachment 4) and Internal Upper Floor Plan (Attachment 5).

BACKGROUND

2. The subject site area is 3,552sqm in aggregate, zoned District Centre, has direct vehicular access from Barber Street via two separate crossovers, pedestrian access from Central Mall via an internal access way, and contains a retail building which is to be retained fronting onto Central Mall to the east and associated car parking to the west. Surrounding properties contain shops and associated car parking. Refer to the photograph of the existing retail building on the subject property (Attachment 6), the photographs of the proposed development's location looking south along Barber Street (Attachment 7) and looking north along Barber Street (Attachment 8).

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3. The property is identified on the Kalamunda Townsite Improvement Plan (KTIP) as being an “Area of poor amenity” meaning that future development on the property is to address key issues outlined on the KTIP. Refer to the KTIP (Attachment 9).
 4. The proposal was initially considered at the Planning Services Committee on 5 December 2011. The Committee resolved to defer the item so that the provision of a cash in lieu payment for car parking be looked at in more detail and a new amount be provided for consideration.
 5. At the Ordinary meeting of Council on 19 December the applicant tabled a request for the application to be withdrawn. The Chairman withdrew the application and no vote was taken.
 6. The applicant has recently requested that the matter be re-presented to the Council for consideration. The applicant has also clarified the retail floor space component of the development and made a suggestion for potential cash in lieu payment for parking bays and, if accepted by Council, a payment plan for the monies.

DETAILS

7. Details of the application are as follows:
 - The premises will contain seven ground floor shop units and eight offices on the second level.
 - The tenants, and therefore hours of operation for which, are yet to be confirmed.
 - Vehicular access to the property is proposed to be gained via a single crossover from Barber Street which will abut the south (side) boundary and allow for two way vehicle movement. The existing crossover which abuts the north (side) boundary is proposed to be removed.
 - Pedestrian access to the premises is proposed via an internal access way from Barber Street, and to the upper storey via three separate stairways.
 - The building will be constructed of concrete tilt-up panels.
 - A canopy verandah roof is proposed along the street frontage to allow for sheltered pedestrian movement along Barber Street.
 - Signage is proposed along both the front and rear facades.
 - The street façade will consist of stone cladding features, Colorbond wall sheeting, a large number of windows and window shade awnings.

STATUTORY AND LEGAL IMPLICATIONS

8. Under Local Planning Scheme No. 3 (“the Scheme”) the use classes Office and Shop are listed as ‘P’ uses in the District Centre zone, meaning the uses are permitted providing the uses comply with the relevant development standard and requirements of the Scheme.
9. In considering an application for planning approval, the Scheme requires the Shire to have due regard to the compatibility of the development within its settings; the preservation of the amenity of the locality; the likely effect of the height, bulk, scale, orientation and appearance of the proposal; whether the proposed means of access and egress from the property are adequate; and any other planning consideration the local government considers relevant.
10. Under the Scheme, the following car parking standards apply for the uses Office and Shop (existing and proposed):

Scheme Parking Requirements	Aggregate Net Lettable Area (NLA)	Car Bays Required	Car Bays Provided
Shop (proposed) 7 bays per 100sqm of Net Leasable Area	556m ²	39	
Shop (existing)	885m ²	62	
Office - 4 bays per 100sqm of NLA	691m ²	28	
Total Car Bays:		129	48

11. The development will displace approximately 47 parking bays.

12. Under the Scheme, the following requirements apply for development on properties zoned District Centre:

Site Requirements	Required/Permitted	Proposed
Primary Street Setback	0m	0m
Side setbacks	0m	0m (From North Boundary) 6m (From South)
Rear Setback	0m	55.7m
Site Coverage (Includes Existing Development)	100%	40%
Plot Ratio (Includes Existing Development)	1.5	0.6

13. If Council refuses the development, or imposes conditions that are not acceptable to the applicant, there is a Right of Review (appeal) to the State Administrative Tribunal.

POLICY IMPLICATIONS

Kalamunda Townsite Improvement Plan

14. The purpose of KTIP is to provide guidance on the design of new private and public buildings and spaces within the Kalamunda Town Centre, to achieve an enhanced urban environment, to improve the experience of the town for pedestrians, and to reinforce and build upon Kalamunda's established character.
15. The KTIP also provides design principles relating to land use in the context of place-making and urban design, particularly mixed use and commercial development.
16. Each street within the Policy Area has been defined as a "Primary", "General Commercial" or "Green Street", with specific requirements attached to each frontage type. Mead Street and Canning Road are defined as being a "General Commercial Street".

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17. The attributes of new development on a General Commercial Street are as follows:
- Moderate to high level of activation.
 - Mix of shops, offices and other commercial tenancies at ground floor level. Residential lobbies are also acceptable.
 - General commercial and residential uses permitted above ground floor level.
 - At ground floor level, the facades of buildings shall address the street with a commercial shop front, primary business entrance and/or residential lobby.
 - Front setback may be a minimum of nil, up to a maximum of 3m, however the setback will be determined after consideration of the front setbacks of any adjoining existing buildings.
 - Any front setback area to be landscaped to a high standard with soft and hard treatments in a manner appropriate to the site's location and context.
 - Pedestrian shelter, through provision of an awning over the front door, must be provided as a minimum requirement.
 - Car parking shall not be located between the building and the street boundary.
 - The number and width of vehicle crossovers to each site shall be minimised, and sharing with adjoining properties encouraged.

The development generally complies with the principles outlined in the KTIP.

Parking Issues

Proposed parking

18. If Council was to approve the proposal there would be a shortfall of 81 car bays provided on site based on current Scheme standards. It should be noted that the calculation for parking on the existing building was based on the current parking ratio contained in the Scheme. The parking ratio used when the existing shops were developed under then Town Planning Scheme No. 1 was one bay per 9.5m² of floor area.

Parking Study, Kalamunda Town Centre (the Study)

19. A consultant was commissioned to undertake a parking study with a view to develop a strategy to manage parking provision in the Kalamunda Town Centre. The Study was received by the Shire in October 2011.

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20. Amongst other recommendations and findings, the study concludes:
- Current parking demand is less than the number of parking bays provided in the study area. Average parking occupancy (based on observations made in Thursdays and Saturdays) indicate between 30-35% occupancy. The subject sites had an average occupancy of 32% and maximum occupancy of 72%.
 - For commercial/ office development, up to 20% of parking bays can be provided as reciprocal arrangement provided that supporting data is provided.

Reciprocal Parking

21. The Scheme allows consideration for a lesser amount of prescribed parking taking into account the nature of the proposed development, including hours of operation and abutting land uses. The development is speculative to the extent that specific occupancy has not been identified. As such, it is assumed that all the floor space has the potential to be occupied during the same hours.
22. The study states that for commercial / office and retail developments up to 20% of parking can be considered as a reciprocal arrangement provided that supporting comparative survey data is provided.

Cash in lieu of Parking

23. The Scheme allows for consideration for a lesser amount of prescribed parking subject to the applicant contributing to the acquisition and development of land for public parking.
- The Scheme sets out method of calculating the cost per parking bay, including the cost of providing the land and the construction costs. This may include, but not be limited to:
- The market value of the land required for the parking bay and necessary access and manoeuvring space.
 - Improvements, including paving, kerbing, drainage, landscaping, crossovers and lighting.
24. The Scheme allows the Council the discretion to apply a greater or lesser requirement than that stipulated as the minimum. In doing so, Council must form the opinion that proposed use is likely to demand a greater or lesser need for parking having due regard to the scale and nature of the intended use.

Proposed Parking

25. Taking into account existing development, the overall parking requirement is 129 bays, with 48 being provided; leaving a shortfall of 81 bays (refer to point 10 of this Report).
26. It is considered that the current parking ratio for Shops of 7 bays per 100m² of NLA is too conservative and that a more appropriate ratio would be 5 bays per 100m² of NLA. This revision is based on the observations and recommendations in the Study. As such, the parking requirement could be considered as follows:

Existing:	Floor space	Parking Bays
Shops (@5 bays/100M ²)	885m ²	44
Proposed		
Shops (@ 5 bays/100m ²)	556m ²	28
Offices (@4 bays/100m ²)	691m ²	28
Total bays required		100

On this basis, there would be a 52 bay shortfall.

27. The Scheme allows cash in lieu for parking to contribute to the cost of acquisition and construction of public car parking. In this instance it is considered appropriate that the cash in lieu be for the construction cost only. There is land in the Kalamunda town site that is already under the care and control of the Shire and has been identified for public parking in the Local Planning Scheme and draft Old Road Board Street Block Master Plan where the payment may be expended.
28. Construction costs, including earthworks, pavement, asphalt, kerbing, drainage, landscaping, lighting and footpaths are approximately \$100/ m².
29. Each bay, including manoeuvring area, requires 25 sqm, as such, each bay would cost \$2,500. Based on a shortfall of 52 parking bays, the total cash in lieu of parking contribution would be \$130,000.

PUBLIC CONSULTATION/COMMUNICATION

30. Policy DEV41 – Framework for assessing requests for variations to the number of car parking bays.
31. The principles set out in the above Policy have been used to guide the comments and observations set out in the Parking Issues section of this report.

FINANCIAL IMPLICATIONS

32. Consideration of payment of cash-in-lieu for parking. Monies received would be used for the provision of public parking in the Town Centre.

STRATEGIC AND SUSTAINABILITY IMPLICATIONS**Strategic Planning Implications**

33. The property falls within the Kalamunda Town Centre which operates as an 'Activity Centre' in Directions 2031 and Beyond, accommodating a range of commercial uses including showroom activities.

Sustainability ImplicationsSocial Implications

34. Development of this site in accordance with the KTIP and the Planning and Urban Design Guidelines is of significant strategic importance, and will set the pattern for future developments and the long term sustainability of business in the future.

Economic Implications

35. Development for commercial purposes will allow for employment opportunities.

Environmental Implications

36. A tree identified as "Significant landmark tree to be conserved" was removed prior to consideration of the application. If approved, the development should include trees appropriate for provision of shade within the car park.

OFFICER COMMENT

37. From a planning perspective, the application is worthy of support as it meets the objectives of the Kalamunda Townsite Improvement Plan and could serve as a catalyst for similar proposals.
38. The Parking Study commissioned by the Shire has given comment and guidance suggesting that the current parking provisions for retail floor space is too conservative for a town centre. The Scheme standard for retail development is applied uniformly but does not take into account a number of factors for the District Centre, such as on street parking, public parking areas, reciprocal use parking, public transport and multi-purpose visits.
39. Monies obtained for the construction cost of bays in the overall shortfall can be expended on identified public parking areas.

40. Future proposals in the town centre, particularly those with a shortfall in the prescribed provision of parking bays, will be determined on merit and this proposal should not be seen as setting a precedent.

OFFICER RECOMMENDATION (C&C 59/2012)

That Council:

1. Approves the application received on 28 September 2011 for Shops/Offices on Lot 8 (10), 9 (12) and 10 (14) Central Mall, Kalamunda, subject to the following conditions:
 - a. The provision and maintenance of a total of 48 car spaces including a minimum of one (1) disabled bay. The parking area is to include the provision of shade trees.
 - b. No loading or unloading of vehicles is to occur that interferes with the parking of vehicles in the car park by visitors and employees. All car parking bays in the car park are to be made available at all times for the parking of vehicles by employees and visitors.
 - c. All car parking bays and vehicle access ways being line marked, sealed and drained prior to the occupation of the building and maintained thereafter to the satisfaction of Council's Director Engineering Services.
 - d. The provision of a cash in lieu payment for fifty two parking bays of \$130,000. The payment shall include the cost of providing paving, kerbing, drainage, landscaping, crossovers and lighting. Fifty per cent (50%) of the cash in lieu component shall be paid at practical completion of the development with the balance paid 12 months thereafter.
 - e. Provision of a colours and textures schedule in accordance with the palette adopted in the Kalamunda Town Centre Improvement Plan.

Moved: **Cr Donald McKechnie**

Seconded:

Vote: **LAPSED**

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 59/2012)

That Council:

1. Defer the Item until Council has:
 - a. Finalised the Master Plan for Old Road Board Block, bounded by Canning Road, Mead Street, Central Road and Burt Street; and
 - b. Identified whether any surplus land will exist within the super block for parking purposes, over and above that required for the anticipated new developments.

Moved: **Cr Frank Lindsey**

Seconded: **Cr John Giardina**

Vote: For

Cr John Giardina
Cr Frank Lindsey
Cr Dylan O'Connor
Cr Sue Bilich
Cr Martyn Cresswell

Against

Cr Allan Morton
Cr Justin Whitten
Cr Bob Emery
Cr Donald McKechnie

CARRIED (5/4)

10.0 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

10.1 Nil.

11.0 QUESTIONS BY MEMBERS WITHOUT NOTICE

11.1

12.0 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

12.1 Nil.

13.0 URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY DECISION

13.1 Nil.

14.0 MEETING CLOSED TO THE PUBLIC

14.1 Meeting Closed to the Public

That the meeting go behind closed doors to consider Item 57 – Consideration of Tenders – Provision of Cleaning Services to Various Buildings and Facilities (RFT1202) and Item 58 – Consideration of Lease Dispute at Zig Zag Centre Café, Kalamunda – both of which have confidential attachments and are deemed confidential under Section 5.23(2)(c) of the *Local Government Act 1995*.

Moved: **Cr Donald McKechnie**

Seconded: **Cr Justin Whitten**

Vote: **CARRIED UNANIMOUSLY (9/0)**

The meeting closed to the public at 7.38pm.

14.2 **Item 57 Consideration of Tenders – Provision of Cleaning Services to Various Buildings and Facilities (RFT1202)**

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 57/2012)

That Council:

1. Accepts the recommendation of the Tender Assessment Panel to appoint DMC Cleaning as preferred tenderer for the provision of cleaning services to Shire Buildings and Facilities at the base contract price of \$404,904.19 (excluding GST).

Moved: **Cr Donald McKechnie**

Seconded: **Cr Bob Emery**

Vote: **CARRIED UNANIMOUSLY (9/0)**

14.3 **Item 58 Consider of Lease Dispute at Zig Zag Centre Café, Kalamunda**

COMMITTEE RECOMMENDATION TO COUNCIL (C&C 58/2012)

That Council:

1. Delegates the Chief Executive Officer to follow the recommended action as set out in (Attachment 2).

Moved: **Cr Donald McKechnie**

Seconded: **Cr Bob Emery**

Vote: **CARRIED UNANIMOUSLY (9/0)**

14.3 Meeting Opened to the Public

That the meeting open to the public after going behind closed doors to consider Item 57 – Consideration of Tenders – Provision of Cleaning Services to Various Buildings and Facilities (RFT1202) and Item 58 – Consideration of Lease Dispute at Zig Zag Centre Café, Kalamunda – both of which have confidential attachments and are deemed confidential under Section 5.23(2)(c) of the *Local Government Act 1995*.

Moved: **Cr Justin Whitten**

Seconded: **Cr Allan Morton**

Vote: **CARRIED UNANIMOUSLY (9/0)**

The meeting closed to the public at 7.44pm.

15.0 **CLOSURE**

There being no further business, the Chairman declared the meeting closed at 7.44pm.

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

Signed: _____
Chairman

Dated this _____ day of _____ 2012