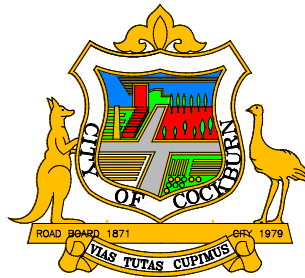


CITY OF COCKBURN



SPECIAL COUNCIL MEETING

AGENDA PAPER

FOR

TUESDAY, 23 JUNE 2015

CITY OF COCKBURN

SUMMARY OF AGENDA TO BE PRESENTED TO THE SPECIAL COUNCIL MEETING TO BE HELD ON TUESDAY, 23 JUNE 2015 AT 6:30 PM

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CITY OF COCKBURN**AGENDA TO BE PRESENTED TO THE SPECIAL COUNCIL
MEETING TO BE HELD ON
TUESDAY, 23 JUNE 2015 AT 6:30 PM**

1. **DECLARATION OF MEETING**
2. **APPOINTMENT OF PRESIDING MEMBER (If required)**
3. **DISCLAIMER (To be read aloud by Presiding Member)**

Members of the public, who attend Council Meetings, should not act immediately on anything they hear at the Meetings, without first seeking clarification of Council's position. Persons are advised to wait for written advice from the Council prior to taking action on any matter that they may have before Council.

4. **ACKNOWLEDGEMENT OF RECEIPT OF WRITTEN DECLARATIONS OF FINANCIAL INTERESTS AND CONFLICT OF INTEREST (by Presiding Member)**
5. **APOLOGIES & LEAVE OF ABSENCE**
6. **PUBLIC QUESTION TIME**
7. **DECLARATION BY COUNCILLORS WHO HAVE NOT GIVEN DUE CONSIDERATION TO MATTERS CONTAINED IN THE BUSINESS**
8. **(SCM 23/06/2015) - PURPOSE OF MEETING**

The purpose of the meeting is to consider:

- (a) adoption of the Ground Lease between the City of Cockburn and the West Australian Land Authority trading as LandCorp which will allow the City to undertake the Regional Physical Activity & Education Centre ("RPAEC") development whilst the land is under the ownership of LandCorp;
- (b) endorsement of the preferred tenderer for the RPAEC Aquatic Pools

and Filtration System;

- (c) endorsement of the preferred tenderer for the RPAEC Geothermal Bores; and
- (d) endorsement of the Third Bin Trial.

9. COUNCIL MATTERS

9.1 (SCM 23/06/2015) - COCKBURN CENTRAL WEST - LEASE FROM LANDCORP TO CITY OF COCKBURN (5517531 & 6006139) (D ARNDT) (ATTACH)

RECOMMENDATION

That Council, subject to the land being transferred in Freehold Title from the Western Australian Planning Commission (WAPC) to the Western Australian Land Authority (LandCorp), enter into a Lease Agreement for the land contained in a portion of Lot 54 and a portion of Lot 9504 Beeliar Drive, Cockburn Central (as identified in Attachment 2) on the following terms and conditions:

- (1) **Commencement Date** – The date on which LandCorp becomes the registered proprietor of the land;
- (2) **Term of Lease** – The earlier date of:
 - 1. a period of 50 years; or
 - 2. the date on which in one or more parcels is vested as Crown Land.
- (3) **Rental Amount** - \$1.00 per annum (if demanded by LandCorp)

and otherwise in accordance with the Draft Agreement shown in Attachment 1, subject to any minor amendments required being included to the satisfaction of the Chief Executive Officer.

COUNCIL DECISION

Background

The Western Australian Planning Commission (WAPC) is the current owner of the land, bounded by North Lake Road, Midgegooroo Avenue, Beeliar Drive and Poletti Road Cockburn Central and have reached an

arrangement whereby the ownership of the land will be transferred to LandCorp on 22 June 2015.

LandCorp has obtained conditional subdivision approval from WAPC to amalgamate the various landholdings and re-subdivide the land in accordance with the approved local structure plan. The subdivision includes the creation of the area of the land required for the City's Regional Physical Activity Centre (RPAEC) (portion of Lot 9504 Beelias Drive) and the associated car parking areas (portion of Lot 54).

Although the bulk subdivisional earthworks have been completed the subdivision is not expected to be completed until early 2016. It is only on completion of the subdivision that the separate titles for the portion of Lot 9504 and portion of Lot 54 will be created. These landholdings would then be transferred back to the Department of Land Services, who has agreed to issue the City with management orders over the land, which would enable the development and ongoing operation of the RPAEC by the City and its development partner the Fremantle Football Club (FFC).

The City and the FFC however require early access to the subject land to commence the construction of the RPAEC and oval concurrent with the subdivision civil works being undertaken by LandCorp.

As both the City of Cockburn and the FFC will be making a considerable financial investment into this project, it is necessary for both the City of Cockburn and the FFC to have long term security of tenure of the land in place from commencement of the development. A fifty (50) year lease provides this security.

LandCorp has agreed to grant this lease conditional upon the lease and any subleases being surrendered when the subject reserves are created and replacement Crown leases entered into. The replacement Crown leases are expected to commence in March 2016.

Submission

N/A

Report

The purpose of this report is for Council to consider and endorse the attached lease agreement (refer Attachment 1) which has been negotiated between the parties with assistance from both parties' solicitors.

The relevant land parcels, portions of Lot 9504 and Lot 54 the subject of the proposed lease are shown on the subdivision plan to be transferred to the Crown as reserves for the purpose of community purpose and public purpose infrastructure (refer Attachment 2).

Lot 54 and Lot 9504 Beeliar Drive, Cockburn Central are currently owned by the Western Australian Planning Commission (WAPC) (Land). It is anticipated that the Land will be transferred to LandCorp on the 22 June 2015. The execution of the Lease is subject to the transfer and the Council resolution to enter into this lease.

The lease would then enable the City to progress the development of the RPAEC through the various agreements as follows:

▪ **Sub-Lease to FFC until Land is Vested**

The sub lease to the FFC is required to give long term security of tenure to the FFC in the unlikely event that the land is not vested as a Crown reserve with a management order to the City.

▪ **Building Contract**

The building contract is for the construction of the facility.

▪ **Development Agreement to Construct & Fit-Out**

The development agreement between the City and the FFC is required to enable the joint construction of the facility and oval.

▪ **Crown Lease and Oval License to FFC**

Once the land is vested with the City, the City will become the head lessor. The sub-lease will be surrendered and a lease between the City and the FFC for the facility will be entered into. A separate license for the oval will also be required at this stage.

All future agreements listed above will be the subject of further reports to Council.

Strategic Plan/Policy Implications

Infrastructure

- Community infrastructure that is well planned, managed, safe, functional, sustainable and aesthetically pleasing.
- Partnerships that help provide community infrastructure.

Community & Lifestyle

- People of all ages and abilities to have equal access to our facilities and services in our communities.

Budget/Financial Implications

Funds required for the preparation and execution of the lease can be drawn from current budget allocations.

Legal Implications

N/A

Community Consultation

N/A

Attachment(s)

1. Draft Lease
2. Sketch of the primary lease area & RPAEC details

Advice to Proponent(s)/Submissioners

N/A

Implications of Section 3.18(3) Local Government Act, 1995

Nil

9.2 (SCM 23/06/2015) - TENDER NOS. RFT23/2014 AND 24/2014 - CONSTRUCTION SERVICES (POOLS) AND POOL FILTRATION AND HYDRAULIC SYSTEMS- COCKBURN REGIONAL PHYSICAL ACTIVITY AND EDUCATION CENTRE, COCKBURN CENTRAL WEST (C100213) (D ARNDT) (ATTACH)

RECOMMENDATION

That Council:

- (1) endorse Commercial Aquatics Australia Pty Ltd as the nominated Preferred Tenderer for both Tender No. RFT 23/2014 – Construction Services (Pools) and Tender No. RFT 24/2014 - Pool Filtration and Hydraulic Systems, Cockburn Regional Physical Activity Centre, Cockburn Central West, for the combined guaranteed maximum lump sum price of \$12,482,868.20 GST Inclusive (\$11,348,062.00 GST Exclusive) and
- (2) advise the preferred Main Building Contractor of the Cockburn Regional Physical Activity Centre (Brookfield Multiplex Constructions Pty Ltd) of Council's endorsement of Commercial Aquatics Australia Pty Ltd as nominated preferred tenderer for the Pool Construction and Pool Filtration/Hydraulics Systems.

COUNCIL DECISION**Background**

The City of Cockburn (The Principal), in conjunction with project partners, the Fremantle Football Club (FFC); required the services of a qualified and experienced Pool Construction Contractor for the construction of eight (8) pools and a qualified and experienced Pool Filtration and Hydraulic Systems Contractor at the Principal's Cockburn Regional Physical Activity and Educational Centre (RPAEC). This proposed new sporting complex will be located within the Cockburn Central West (CCW) Precinct and will be bounded by Beeliar Drive, Midgegooroo Avenue, Poletti Road and North Lake Road, Cockburn Central, Western Australia.

The facility will be a fully integrated, state of the art sporting complex that will cater for a full range of aquatic, indoor and outdoor sports which will be provided to the Cockburn Community and the wider population. The facility will also provide an elite training facility and administrative accommodation to the FFC that meets or exceeds the benchmark of rival Australian Rules Football clubs and may provide an educational training facility for Curtin University's students and teachers.

Contracts for Pool Construction and Pool Filtration/Hydraulics Systems (collectively the Pool Works) were separately tendered by the Principal. Once a preferred Tenderer for the Main Building Contract was identified, Brookfield Multiplex Constructions Pty Ltd participated in the review of tenders received for the Pool Works; and selection of the preferred tenderer(s) for the Pool Works. Following award of the Main Building Contract Brookfield Multiplex Constructions Pty Ltd will enter into a subcontract with the preferred Pool Works tenderer(s) (as subcontractor(s) to the Main Building Contractor).

The main building contract works will be procured using a modified traditional tendering process leading to a Guaranteed Maximum Price (GMP).

The scope of the Pool Construction Works include but are not limited to the structures, finishes and accessories including co-ordination with associated services for the following pools:

1. Outdoor 52m by 22.5m (9 lane) heated Community swimming pool, with an integrated 2m wide moveable boom to allow varying locations to provide two 25m pools or 30m long water polo field plus goals;
2. Indoor 25m by 18m (8 lane) heated leisure/lap swimming pool;
3. Indoor 15m by 10m heated 'learn to swim' pool;

4. Indoor zero depth entry to 600mm depth leisure pool, splash pad and water play;
5. Indoor 15m by 13m warm water (hydrotherapy) pool with an additional entry ramp;
6. Indoor 10m by 10m heated spa pool;
7. Indoor 10m by 6.3m heated exercise pool; and
8. Indoor 14m by 6.5m chilled exercise and recovery pool.

The scope of the Pool Filtration and Hydraulics Systems Works includes, but is not limited to:

Pumps, filtration and sanitation systems for the above pools; and filtration for water slides (water slides to be provided by others).

A two-stage tendering process was undertaken for the Pool Construction Services only:

Stage 1 - Expression of Interest (EOI)

Stage 1 is the EOI Stage and was publically open to all capable legal entities in Australia and from around the world that have accepted the principles of the Conditions of Responding.

Following the close of the EOI, Respondents were evaluated and a shortlist of "Acceptable Tenderers" determined. The Principal then proceeded to the issuing of a restricted/private Request for Tender (RFT) which will allow the respondents deemed Acceptable Tenderers to lodge a priced submission for the Pool Construction works.

Stage 2 – Request for Tender (RFT)

Stage 2 is the RFT Stage and was issued only to those Respondents who submitted Responses, were selected by the Evaluation Panel at the completion of Stage 1 and deemed "Acceptable Tenderers".

Expression of Interest number EOI 12/2014 – Construction Services (Pools), Cockburn Regional Physical Activity and Education Centre, was advertised on Saturday 12 July 2014 in the Local Government Tenders section of "The West Australian" newspaper. It was also displayed on the City's E-Tendering website between the Saturday 12 July 2014 and Thursday 14 August 2014 throughout Australia and New Zealand.

A mandatory briefing was held on Monday 28 July 2014 from 10am to 12noon at NS Projects' office, Suite 4, Level 1, 437 Roberts Road, Subiaco, Western Australia. The mandatory briefing saw the attendance of nine interested parties. All three respondents attended the mandatory briefing.

Responses closed at 2:00pm (AWST) Thursday 14 August 2014 and three (3) submissions were received from:

	Company Name
1	Mercav Constructions Pty Ltd
2	Commercial Aquatics Australia Pty Ltd
3	Neptune Swimming Pools Pty Ltd

The evaluation process resulted in the following respondents being deemed "Acceptable Tenderers":

- Mercav Constructions Pty Ltd,
- Commercial Aquatics Australia Pty Ltd, and
- Neptune Swimming Pools Pty Ltd

These respondents were invited to tender for the Pool Construction Services of the new Regional Physical Activity and Education Centre (RPAEC), Cockburn Central West under a restricted/private request for tender process.

The private Request for Tender number RFT 23/2014 – Construction Services (Pool Works), Cockburn Regional Physical Activity and Education Centre, was issued to the acceptable tenderers via the City's E-Tendering website on Thursday 27 November 2014.

Submission

RFT 23/2014 (Pool Construction Works)

Tenders closed at 2:00 p.m. (AWST) on Tuesday 20 January 2015 and three (3) tender submissions were received from:

1. Commercial Aquatics Australia Pty Ltd
2. Mercav Constructions Pty Ltd
3. Neptune Swimming Pools Pty Ltd

Tender number RFT 24/2014 – Pool Filtration and Hydraulic Systems (Supply and Installation – Eight Pools), Cockburn Regional Physical Activity and Education Centre, was advertised on Saturday 6 December 2014 in the Local Government Tenders section of "The West Australian" newspaper. It was also displayed on the City's E-Tendering website between the Saturday 6 December 2014 and Tuesday 20 January 2015 throughout Australia and New Zealand.

RFT 24/2014 (Pool Filtration and Hydraulics Systems Works)

Tenders closed at 2:00 p.m. (AWST) on Tuesday 20 January 2015 and three (3) tender submissions were received from:

1. Swimplex Aquatics Pty Ltd
2. Commercial Aquatics Australia Pty Ltd
3. Walter J Pratt Pty Ltd

Report

Compliance Criteria – RFT 23/2014 and RFT 24/2014

COMPLIANCE CRITERIA	
(a)	Compliance with the Conditions of Tendering (Part 1) of this Request
(b)	Compliance with the Specification (Part 2) contained in the Request.
(c)	Compliance with Sub-Contractors Requirements and completion of Section 3.3.3.
(d)	Compliance with Qualitative Criteria requirements and completion of Section 3.4.2.
(e)	Compliance with Fixed Price and completion of Section 3.5.2.
(f)	Compliance with and completion of the Price Schedule (including Breakdown of Lump Sum) <u>in the format provided in Part 4.</u>
(g)	Compliance with ACCC Requirements and completion of Appendix A.
(h)	Compliance with Building Code 2013 Requirements and completion of Appendix B
(i)	Acknowledgement of any Addenda issued.

Compliant Tenderers

RFT 23/2014 (Pool Construction Works):

Commercial Aquatics Australia and Neptune Swimming Pools deemed compliant and evaluated.

Mercav Constructions failed to provide the Tenderer's Offer form, a response to the Qualitative Criteria and Part 4 – Price Schedule as part of their submission and were deemed non-compliant and not evaluated.

RFT 24/2014 (Pool Filtration and Hydraulics Systems Works):

All three (3) Tenderers were deemed compliant and evaluated.

Evaluation Criteria

	Criteria – RFT 23/2014	Weighting
A	Tenderer's Key Personnel	20%
B	Methodology	10%
	Tendered Price	70%
	Total Weighting:	100%

	Criteria – RFT 24/2014	Weighting
A	Relevant Experience of Company & Personnel	25%
B	Company Profile	10%
C	Tenderer's Resources	15%
D	Methodology	5%
E	Occupational Safety and Health	5%
	Tendered Price	40%
	Total Weighting:	100%

Tender Intent/ Requirements

The City of Cockburn (The Principal), in conjunction with project partner the Fremantle Football Club (FFC); requires a qualified and experienced Pool Construction Contractor and a qualified and experienced Pool Filtration and Hydraulic Systems Contractor for the construction of the Cockburn Regional Physical Activity and Educational Centre (RPAEC). This proposed new sporting complex will be located within the Cockburn Central West (CCW) Precinct and will be bounded by Beiliar Drive, Midgegooroo Avenue, Poletti Road and North Lake Road, Cockburn Central, Western Australia.

The facility will be a fully integrated state of the art sporting complex that will cater for a full range of aquatic, indoor and outdoor sports which will be provided to the Cockburn Community and the wider population. The facility will also provide an elite training facility and administrative accommodation to the FFC that meets or exceeds the benchmark of rival Australian Rules Football clubs and may provide an educational training facility for Curtin University's students and teachers.

Evaluation Panel

The tender submissions for RFT 23/2014 and RFT 24/2014 were evaluated by:

	Name	Title	Representing
1	Daniel Arndt	Director , Planning & Development	City of Cockburn
2	Adrian Lacquiere**	Recreation Services	City of Cockburn
3	Brad Paatsch	General Manager Strategic Projects	Fremantle Football Club
4	David Trotter	Senior Cost Planner	Brookfield Multiplex
5	Steve McDonald	Senior Project Manager	NS Projects P/L
6	Mike McGrath	Senior Associate	DWP Suters
7	Marcus Lightfoot	Principal Engineer	Calibre Consulting
8	Scott Parrott	Director	WT Partnership
	Advisory Role		
1	David Ockenden	Regional Director, Construction & Development	Brookfield Multiplex
	Probity/Compliance		
1	Gary Ridgway	Contracts Specialist	City of Cockburn

**** Chairperson**

Scoring Table - Combined Totals

RFT 23/2014 (Pool Construction Works)			
Tenderer's Name	Percentage Score		
	Cost Evaluation	Non-Cost Evaluation	Total
		70%	30%
Commercial Aquatics Australia Pty Ltd **	70.00%	24.13%	94.13%
Neptune Swimming Pools Pty Ltd	50.76%	23.06%	73.82%

**** Recommended Submission**

RFT 24/2014 (Pool Filtration and Hydraulics Systems Works)			
Tenderer's Name	Percentage Score		
	Cost Evaluation	Non-Cost Evaluation	Total
		40%	60%
Commercial Aquatics Australia Pty Ltd **	38.68%	47.54%	86.21%
Swimplex Aquatics Pty Ltd	40.00%	44.70%	84.70%

RFT 24/2014 (Pool Filtration and Hydraulics Systems Works)			
Tenderer's Name	Percentage Score		
	Cost Evaluation	Non-Cost Evaluation	Total
	40%	60%	100%
Walter J Pratt Pty Ltd	29.79%	42.44%	72.23%

**** Recommended Submission**

Evaluation Criteria Assessment

The tender assessment period involved the evaluation panel completing a detailed review of all compliant Tenders

The Design Team assessed the proposed alternative design solutions to determine whether these changes could be integrated into the facility. The endorsed design alternatives were then shortlisted with the associated cost discounted from the associated Tenderer's initial tendered price to arrive at a preferred Tenderer.

RFT 23/2014 (Pool Construction Works)

Tenderer's Key Personal

Commercial Aquatics scored slightly higher given the recent experience of their project management team and key personnel however both tenderers demonstrated that their key personnel had the experience and skills to undertake and complete the project.

Methodology

Commercial Aquatics scored higher than Neptune Swimming under the methodology as they outlined a more detailed approach for the construction of the pools. Whilst both demonstrated a good understanding of the construction methodology required, Commercial Aquatics demonstrated this slightly better in their submission.

RFT 24/2014 (Pool Filtration and Hydraulics Systems Works)

Relevant Experience of Company and Personnel

All tenders demonstrated they had the experience to complete the works however Commercial Aquatics scored better than Swimplex Aquatics and Walter J Pratt due to their recent experience in delivering similar projects.

Company Profile

All tenders demonstrated sufficient detail in outlining their company's ability to deliver these works and scored similar.

Tenderer's Resources

Commercial Aquatics overall received the highest score under the company profile with stronger scores being given particularly under their key personnel identified and their ability to better demonstrate their contingency measures. Swimplex Aquatics and Walter J Pratt scored very similar with Walter J Pratt marked slightly better with the key personnel identified given their experience.

Methodology

Commercial Aquatics and Swimplex Aquatics better demonstrated their understanding of the critical issues that may arise and provided appropriate resolutions and contingencies to deal with these issues. Commercial Aquatics and Swimplex Aquatics also outlined a better understanding of the programming and duration of works compared to Walter J Pratt.

Occupational Safety and Health

All tenderers adequately demonstrated their process around Occupational Safety and Health.

Summation

Commercial Aquatics Australia Pty Ltd was selected as the Preferred Tenderer for this project and advised accordingly on Wednesday 18 March 2015 so as to finalise the design of the Cockburn Regional Physical Activity and Education Centre and to achieve an agreed guaranteed maximum price (GMP) for the main building and pools construction works; and agreement on the terms and conditions with the main building works preferred tenderer, Brookfield Multiplex Constructions Pty Ltd.

Commercial Aquatics Australia Pty Ltd included a number of alternatives within their tender some of which were accepted and accounted for in the final tender sums. These adjustments include alternative filtration systems, an alternative boom and plant room redesign. Additionally, as a result of the redesign exercise, further adjustments were agreed to confirm that the final tender sum reflects the final design scheme for the building. All of the adjustments have been agreed by the Project Team and represent good value for the City of Cockburn.

The evaluation panel recommends that Council endorses the selection of Commercial Aquatics Australia Pty Ltd as the preferred tenderer for tender numbers RFT 23/2014 and RFT 24/2014 as being the most advantageous and value for money submissions to the City of Cockburn. The recommendation is based on the recommended tenderer assessed as having the capability, appropriate plant and equipment, experience, key personnel, subcontractors and proposed methodology that will meet the City of Cockburn requirements as articulated in the specification.

Strategic Plan/Policy Implications

Infrastructure

- Community facilities that meet the diverse needs of the community now and into the future.
- Community infrastructure that is well planned, managed, safe, functional, sustainable and aesthetically pleasing.

Community & Lifestyle

- People of all ages and abilities to have equal access to our facilities and services in our communities.

A Prosperous City

- Sustainable development that ensures Cockburn Central becomes a Strategic Regional Centre.
- Creation and promotion of opportunities for destination based leisure and tourism facilities.

Budget/Financial Implications

The Pools Construction and Pools Hydraulics and Filtration tendered prices fit within the overall project budget for the construction works. The price of \$11,348,062.00 GST Exclusive will be identified in the Main Builders Contact under the GMP and will be drawn from CW 4449.

Legal Implications

Section 3.57 of the Local Government Act 1995 and Part 4 of the Local Government (Functions and General) Regulations 1996 refers.

Community Consultation

N/A

Attachment(s)

The following Confidential Attachments are provided under a separate cover:

1. Compliance Assessments;
2. Consolidated Evaluation Scores; and
3. Tendered Prices

Advice to Proponent(s)/Submissioners

Those who lodged a tender submission have been advised that this matter is to be considered at the 23 June 2015 Special Council Meeting.

Implications of Section 3.18(3) Local Government Act, 1995

Nil.

9.3 (SCM 23/06/2015) - TENDER NO. RFT02/2015 - GEOTHERMAL BORE CONSTRUCTION SERVICES - REGIONAL PHYSICAL ACTIVITY AND EDUCATION CENTRE AT COCKBURN CENTRAL WEST (A LACQUIERE) (ATTACH)

RECOMMENDATION

That Council:

- (1) endorse Alpine Nominees Pty Ltd, trading as Drilling Contractors Australia, as the nominated Preferred Tenderer for Tender No. RFT 02/2015 – Geothermal Production and Injection Bores (Drilling, Construction and Testing), Cockburn Regional Physical Activity and Education (RPAEC), Cockburn Central West, for the tendered lump sum of \$3,516,867.20 GST Inclusive (\$3,197,152.00 GST Exclusive); and
- (2) advise the preferred Main Building contractor of the RPAEC (Brookfield Multiplex Constructions Pty Ltd) of Council's endorsement of Drilling Construction Australia as nominated preferred tenderer for the Geothermal Bore Construction Services.

COUNCIL DECISION

Background

The development of the Regional Physical Activity and Education Centre (RPAEC) at Cockburn Central allowed for the provision for a geothermal production and injection bores as the major environmental sustainability initiative.

As part of the design process, a number of heating systems for the pools were assessed by the design team which included:

- Conventional Gas Boilers,
- Geothermal,
- Co-generation,
- Air Source Heat Pumps (ASHP) and
- Ground Source Heat Pumps (GSHP).

The outcome of this analysis was that Geothermal was the preferred option that provided the best overall value to the City. The following criteria formed the basis of this assessment:

- System Capital Costs
- Energy Implications
- Carbon Impact
- Operational Impacts
- End of Life Requirements
- Net Financial Value

The geothermal bore and heat exchange system will provide a significant benefit in reducing the operational costs of heating the pool spaces in the facility. It is proposed that a geothermal bore be constructed at a depth of 900m to 1,100m into the Yarragadee aquifer which is reinjected after the heat is extracted through a heat exchanger. This is a closed circuit loop system, meaning no water is extracted from the ground at any time.

The geothermal system is estimated to produce an annual saving of \$435K per year compared to traditional boilers and also provide a 72% reduction in greenhouse gases or a saving of 492 Tonnes of CO₂ per annum.

The efficiency of geothermal heating is now being explored and already implemented by a number of other Local Government aquatic managed facilities. These include:

- Beatty Park Leisure Centre (\$3.2M)
- Fremantle Leisure Centre (\$1M)
- Craigie Leisure Centre (\$1M)
- Cannington Leisure Centre (\$3.8M)
- Riverton Leisure Centre (under construction \$3.2M)

- Mandurah Regional Aquatic Centre (under construction)

Tender Number RFT 02/2015 Geothermal Production and Injection Bores (Drilling, Construction and Testing) for RPAEC at CCW was advertised on Saturday 14 February 2015 in the Local Government Tenders section of “The West Australian” newspaper and closed at 2:00pm (AWST) on Tuesday 17 March 2015. The tender was also displayed on the City’s e-tendering website.

Submission

Tenders were called for the Geothermal Production and Injection Bores (Drilling, Construction and Testing) for RPAEC at CCW and advertised on Saturday 14 February in the Local Government Tenders section of “The West Australian” newspaper and closed at 2:00pm (AWST) on Tuesday 17 March 2015. The following four submissions were received:

Tenderer’s Name	Date and Time Tender Received
Adams Drillers Registered Business Name: KH Adams & Sons Pty Ltd	17/03/2015 – 10:25am
JSW Australia Pty Ltd	17/03/2015 – 12:33pm
Drilling Contractors of Australia Registered Business Name: Allpine Nominees Pty Ltd	17/03/2015 – 12:44pm
Connector Drilling Pty Ltd	17/03/2015 – 12:44pm

Report

a. Compliance Criteria

Criteria Ref.	Description
A	Compliance with the Conditions of Tendering (Part 1).
B	Compliance with the Class 3 WA Water Well Drillers Licence (Clause 1.10.12) contained in this Request.
C	Compliance with the Specification (Part 2) contained in this request
D	Compliance with Sub-Contractors requirements and completion of Section 3.3.3 .
E	Compliance with Financial Position requirements and completion of Section 3.3.5 .
F	Compliance with Insurance Requirements and completion of Section 3.3.6 .
G	Compliance with Qualitative Criteria and completion of Section 3.4.2 .
H	Completion of Section 3.4.2-C (vi) – Statement of Personnel

Criteria Ref.	Description
I	Completion of Section 3.4.2-C (vii) - Plant and Equipment Details
J	Compliance with Fixed Price and completion of Section 3.5.2.
K	Compliance with and completion of the Price Schedule (including Breakdown of Lump Sum) <u>in the format provided in Part 4.</u>
L	Compliance with Occupational Safety and Health Requirements & completion of Appendix A.
M	Compliance with ACCC Requirements and completion of Appendix B.
N	Compliance with Building Code 2013 Requirements and completion of Appendix C.
O	Addendum No.1

b. Compliant Tenders

The most critical section of compliance related to the Tenders outlining their Plant and Equipment proposed to undertake the works in accordance with the specification. Only one tenderer (Drilling Contractors of Australia) were acknowledged as having the appropriate plant and equipment that met the minimum standards of the specifications. Under Section 3.4.2-C (vii) (Item C1.15) the minimum pull-back capacity specified is 70 tonnes which provides a 35% contingency on the maximum string weight. Drilling Contractors of Australia offered either an ADS 1500 or a Midway Skytop to undertake the works with both rigs accommodating pull back capacities of 100 tonnes with a contingency of 48% each. Both these are deemed acceptable in accordance with the specification. Connector Drilling offered a T130 rig with a pull-back capacity of 59 tonnes, providing about 15% contingency however is non-compliant with the specification. Adams Drillers offered an Atlas Copco RD 20 rig with a pull-back capacity of 54 tonnes which has a contingency of just 4% which is non-compliant with the specification. JSW outlined claims to have a pull-back capacity of 70 tonnes for its nominated Atlas Copco RD 20XC rig. The manufacture's specification shows a pull-back capacity of 54 tonnes (as for the Adams Drillers rig), which would only allow a contingency of 4%.

Further to the drilling rigs, tenderers we also required to specify mud cleaning systems in section 3.4.2-C (vii) (Item C5.3). JSW were the only non-compliant tenderer as they nominated an AMC SCU mud cleaning system capable of 0 to 150 L/min (equates to a minimum of 2.5 L/s) which does not comply with the minimum flow-rate of 35 L/s required in the tender.

c. Evaluation Criteria

Tenderers were assessed against the following criteria:

Evaluation Criteria	Weighing Percentage
(A) Relevant Experience of Company and Personnel	30%
(B) Company Profile	5%
(C) Tenderer's Resources	5%
(D) Methodology	10%
(E) Occupational Safety and Health	5%
(F) Sustainability Experience	5%
Tendered Price	40%
Total Weightings	100%

d. Tender Intent / Requirements

The City of Cockburn (The Principal), in conjunction with project partners, the Fremantle Football Club (FFC) is seeking the services of a qualified, experienced and Class 3 certified Water Well Drilling Contractor to drill, construct and test geothermal production and injection bores as part of the construction of a new state of the art Regional Physical Activity and Education Centre (RPAEC) at Cockburn Central West (CCW). A water supply of circa 40 L/s at 48°C is required for heating the swimming pools and water slides at the RPAEC.

This proposed new sporting complex will be located within the CCW precinct and will be bounded by Beeliar Drive, Midgegooroo Avenue, Poletti Road and North Lake Road, Cockburn Central, Western Australia.

Construction of the RPAEC is expected to commence in July 2015, with completion in March 2017. The drilling, construction and testing of the bores will be concurrent with commencement of the main building works and Tenderers are advised that the geothermal bores site will be separated from but wholly within the Main Building Works Contractor's site.

Rockwater Pty Ltd has been engaged as the Geothermal Bores Consultant through WSP Group who is the RPAEC Project's Mechanical Engineer. The RPAEC Project Manager is NS Projects Pty Ltd and they will be the Superintendent for the proposed Geothermal Bores Contract and Rockwater will be the Superintendent's Representative for the drilling, construction and testing programme.

e. Evaluation Panel

The tender submissions were evaluated by the following people:

Name	Position & Organisation
Mr Daniel Arndt	Director, Planning & Development City of Cockburn
Mr Adrian Lacquiere	Coordinator, Recreation Services City of Cockburn
Mr Steve McDonald	Senior Project Manager NS Projects
Mr Scott Parrot	Director WT Partnership
Mr Steven McGuigan	Senior Mechanical Engineer WSP
Mr Grant Bolton	Principal Director Rockwater
Mr Mike McGrath	Principal Architect Sandover Pinder/Suters Architects
Mrs Caron Peasant (Compliance)	Contracts Officer City of Cockburn

f. Scoring Table

The below table represents the scoring of the four tender submissions from a Qualitative Criteria and Cost perspective. The assessment panel evaluated the Qualitative Criteria for each tender's submission in the absence of any tender values and then consolidated.

Tender's Name	Percentage Scores		
	Qualitative Criteria Evaluation	Cost Evaluation	Total
	60%	40%	100%
Drilling Contractors of Australia Registered Business Name: Alpine Nominees Pty Ltd	30.01%	40.00%	70.01%

Drilling Contractors of Australia were the lowest priced tenderer and therefore the panel having reviewed their submission have concluded that Drilling Contractors Australia offers the best value for money, have the experience and capacity to complete the works in accordance with the specification.

Strategic Plan/Policy Implications

Infrastructure

- Community infrastructure that is well planned, managed, safe, functional, sustainable and aesthetically pleasing.
- Facilities that promote the identity of Cockburn and its communities.

A Prosperous City

- Sustainable development that ensures Cockburn Central becomes a Strategic Regional Centre.
- Investment in the local economy to achieve a broad base of services and activities.
- Creation and promotion of opportunities for destination based leisure and tourism facilities.

Budget/Financial Implications

The project budget allocation for the Geothermal Bore installation was \$3.2M. The recommendation to appoint Drilling Contractors of Australia is in line with the budget set for these works.

From an operational cost perspective the geothermal heating system will save \$434,720 in gas usage when compared to the traditional gas fired boilers as outlined below.

Heating Option	Estimated Annual Units	Estimated Annual Cost
Gas (Boilers)	13,820 GJ	\$525,160
Gas (Geothermal)	2,380 GJ	\$90,440

The payback period based on these figures is approximately seven years. Although the geothermal heating has the highest capital cost, the large energy saving and estimated payback period of 7 years means the geothermal option provides the most economical benefit

Legal Implications

Section 3.57 of the Local Government Act 1995 and Part 4 of the Local Government (Functions and General) Regulations 1996 refers

Community Consultation

N/A

Attachment(s)

The following Confidential Attachments are provided under separate cover:

1. Compliance Criteria Assessment;
2. Consolidated Evaluation Sheet; and
3. Tendered Prices

Advice to Proponent(s)/Submissioners

The Proponent(s) and those who lodged a submission on the proposal have been advised that this matter is to be considered at the Special Council Meeting held on the 19 September 2013.

Implications of Section 3.18(3) Local Government Act, 1995

Nil.

9.4 (SCM 23/06/2015) - IMPLEMENTATION OF THIRD BIN (GREEN WASTE) TRIAL (167/002 & 167/003) (C SULLIVAN) (ATTACH)

RECOMMENDATION

That Council approve the implementation of the Third Bin (Green Waste) Trial in 2015/16 in accordance with the Implementation Plan attached to the Agenda.

COUNCIL DECISION

Background

The City of Cockburn currently operates a two bin system for residential properties, each of 240 litre capacity. The green top or MSW (Municipal Solid Waste) bin is serviced weekly and the contents of this bin are delivered to the South Metropolitan Regional Council's (SMRC) Waste Composting Facility (WCF).

The organic (27.6%) and green waste (31.2%) components are removed (58%) and processed into compost. The residue (42%) is landfilled. The 2015/16 gate price for MSW at the SMRC is proposed to be \$232.80/tonne.

Currently all 240 litre bin users deposit their lawn clippings and garden waste in the MSW bin. Whilst green waste is a suitable material for the WCF, it is an expensive option (\$232/tonne) when the compost produced by the WCF has no commercial value as a consequence of the contaminants (glass) within the mixed waste from which it is extracted.

The yellow top bin or the Recycle Bin is also serviced weekly. This bin is delivered to the SMRC's Materials Recovery Facility (MRF) where the co-mingled recyclables are separated (85%) and the contaminating residual (15%) is landfilled. The 2015/16 gate fee is proposed to be \$65/tonne.

The City's Waste Management Strategy and the WA Waste Authority targets have a clear focus to improve environmental outcomes by the reduction of waste to landfill. The proposed Third Bin (Green Waste) Trial is a method to help achieve this outcome. To that end, an area in Hamilton Hill has been selected as being of a suitable size and demographic composition to give a reasonable indication of the results of the trial, as well as being of a size that can be managed from a practical implementation aspect. A map of the selected area is included as part of Attachment 1.

Submission

N/A

Report

A number of Councils in metropolitan Perth have implemented a green waste bin (refer to Attachment 2) with results indicating improved waste management by reduction of waste to landfill and also reduction in contamination levels of waste received.

It has long been known that the preferred model in waste management is separation at source to improve recycling capture and recovery, and minimise contamination. This method relies on the bin user having the responsibility and knowledge to correctly separate their waste.

The proposed trial seeks to introduce a third or green waste (GW) bin to provide source separation for green waste (lime green top), co-mingled recyclables (yellow top) and general rubbish (red top). In this arrangement, the kitchen organics or putrescibles would still be placed in the red top bin (MSW) and consequently that bin must still be serviced weekly. The recycling bin will still be collected weekly and the green waste bin is proposed to be a fortnightly service.

As the lime green top GW bin is 240 litre collected fortnightly, the trial will incorporate a 140 litre red top MSW bin. This reduced MSW bin size is possible as the current MSW average bin weight is 17.2Kgs based on recent audit results.

The trial is also a valuable opportunity for public education on source separation in the home. The "In Your Kitchen Recycling" Trial was carried out in the City between March and October 2014. The program

raised awareness of better separation of waste and improved recycling capture as evidenced by the results of the resident surveys.

The proposed trial builds on this past program by introducing a recycling tub, compost caddy and compostable bags for the residents in the trial area to use in their homes. The role of the Education Officers is critical to gaining the cooperation of the home owners and the details of the educational campaign are described in Attachment 1. The results of the trial will give an indication of the uptake and improved recycling outcomes of this initiative so the effectiveness can be assessed for the future operations.

A number of parameters are proposed to be measured during the proposed trial and reported to Council following completion so decisions can be made on City-wide implementation in the future. A resident survey will be conducted post completion to gain insight into the perceptions of the residents on the success of the implementation and benefits gained.

The trial also offers an opportunity to provide a more tailored service to seniors, pensioners, persons with mobility impairment or the single person households who do not produce the volume of recycling that others do. This trial includes the option of a 140 litre yellow top recycling bin.

Strategic Plan/Policy Implications

City of Cockburn Waste Management Strategy.

Growing City

- To grow our City in a sustainable way by: using land efficiently, protecting the natural environment and conserving biodiversity.

Leading & Listening

- Effective and constructive dialogue with all City stakeholders.
- Effective advocacy that builds and manages relationships with all stakeholders.
- Quality customer service that promotes business process improvement and innovation that delivers our strategic goals.

Environment & Sustainability

- A community that uses resources in a sustainable manner.
- Community and businesses that are supported to reduce resource consumption recycle and manage waste.

Budget/Financial Implications

At the Ordinary Council Meeting of 11 June 2015, Council adopted the Budget for 2015/16. Part of the operational budget (Waste Services)

was an allocation of \$200,000 for the Third Bin (Green Waste) Trial from the Waste Collection Reserve.

The estimate of the total cost of the trial has now progressed based on the selected area and scope of works – refer to Attachment 3. Allowing for contingency and revised educational and bin supply costs the total could be approximately \$324,000.

The trial will not be commencing until October 2015 so by the time of the mid financial year review a budget variation can be presented to Council by which time a more accurate total cost will be known.

Legal Implications

The existing SMRC Project Participants Agreements require all green waste and recycling material to be delivered to the SMRC.

Community Consultation

Extensive public consultation will be carried out prior to the bin trial being implemented – refer to Attachment 1 for details of the proposed education, notification and auditing plans.

Attachment(s)

1. Implementation Plan
2. Data from Other Councils
3. Cost and Delivery Program

Advice to Proponent(s)/Submissioners

N/A

Implications of Section 3.18(3) Local Government Act, 1995

Nil

10. (SCM 23/06/2015) - RESOLUTION OF COMPLIANCE (SECTION 3.18(3), LOCAL GOVERNMENT ACT 1995)

RECOMMENDATION

That Council is satisfied that resolutions carried at this Meeting and applicable to items concerning Council provided services and facilities, are:-

- (1) integrated and co-ordinated, so far as practicable, with any provided by the Commonwealth, the State or any public body;
- (2) not duplicated, to an extent Council considers inappropriate, services or facilities as provided by the Commonwealth, the State or any other

body or person, whether public or private; and
(3) managed efficiently and effectively.

COUNCIL DECISION

11. CLOSURE OF MEETING

GROUND LEASE

Western Australian Land Authority

City of Cockburn

Ref: MAS:SKB:150160
Doc Ref.: 5341047_5.docx

Level 6, Wesfarmers House
40 The Esplanade
Perth WA 6000
T: (08) 9482 7499
F: (08) 9481 0861
W: www.landcorp.com.au

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GROUND LEASE

PARTIES:

Name:	City of Cockburn	City
Address:	9 Coleville Crescent Spearwood Western Australia	

Name:	Western Australian Land Authority trading as LandCorp	LandCorp
Address:	Level 6 40 The Esplanade Perth Western Australia	

BACKGROUND

- A. LandCorp is or is entitled to be the registered proprietor of the Land pursuant to a contract for sale with the Western Australian Planning Commission.
- B. From the date LandCorp becomes the registered proprietor of the Land, LandCorp will grant a lease to the City on the terms and conditions of this Lease.
- C. Landcorp acknowledges that the City and FFC will enter into the Development Agreement for the purpose of developing the RPAEC Land and consents to the City and FFC developing the RPAEC Land in accordance with the Development Agreement.
- D. Landcorp consents to the City granting FFC access to the RPAEC Land in accordance with the Development Agreement for FFC to undertake the FFC Fitout Works and the Oval Works in accordance with the Development Agreement.
- E. The parties acknowledge that Landcorp intends vesting the Land in the Crown, however that vesting may not occur until after the construction of the RPAEC, completion by FFC of the FFC Fitout Works and completion by FFC of the FFC Oval Works.
- F. To permit FFC to use and occupy the FFC Area and the Primary AFL Oval prior to vesting of the Land, Landcorp consents to the City granting to FFC the Facility Sublease and the Oval Sublease.

OPERATIVE PART

LandCorp leases to the City the Property for the Term subject to the observance and performance of the City's Covenants.

1 DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

"**Associates**" means any employee, agent, consultant, contractor, licensee or invitee.

"**Balance Areas**" means the area of the Parent Lots excluding the Land.

"**Bore Infrastructure Works**" means the construction and installation of bore infrastructure (including underground infrastructure) relating to or associated with the supply of bore

water to the Primary AFL Oval and to other areas of the Land, including the construction and installation of bores, bore pumps, iron filters, pipes, valves, meters, irrigation, reticulation, cables, wires, conduits, globes, fixtures, fittings, posts, poles, drains, sheds, gutters, downpipes, ducts and safety signs.

"Building Area" means the area shown as the building area on the plan annexed in Annexure B.

"Business Day" means a day on which trading banks are open for business in Perth, Western Australia.

"Car Park Land" means that part of Lot 54 on Plan 9782 being part of the land in Certificate of Title Volume 1398 Folio 114 shown as the Car Park Land on the plan annexed in Annexure A.

"City's Covenants" means all or any of the covenants and agreements contained in or implied by this Lease to be observed and performed by the City.

"City's Employees, Agents and Visitors" means each of the City's employees, agents, contractors, licensees, customers and other visitors and any other person who at any time is on the Property with the consent of the City (including FFC and FFC's employees, agents, contractors, licensees, customers and other visitors and, when the RPAEC is complete, the general public).

"Commencement Date" means the date of commencement of the term of this Lease as stated in the Schedule.

"Contamination" refers to the Property and means:

- (a) the condition of having a substance present in, on, under or over the Property at above background concentrations that presents, or has the potential to present, a risk of harm (whether directly or indirectly) to human health, the environment or any environmental value (where the words used have the same meaning as in the CSA);
- (b) Pollution of the Property;
- (c) environmental harm to the Property (within the meaning given by the EPA);
- (d) any condition of the Property adverse to the environment or any environmental value (as those terms are defined by the EPA); and
- (e) any condition applying to the Property which is now or in the future defined by any statute or other law as constituting contamination, pollution, environmental harm or any similar concept.

"CSA" means the Contaminated Sites Act 2003 (WA).

"Default" in relation to the City means any breach of or non-compliance with any of the City's Covenants.

"Delivery Agreement" means the document titled "Delivery Agreement Cockburn Central West Regional Physical Activity and Education Centre" dated [INSERT] 2014 between LandCorp and the City.

"Development Agreement" means the development agreement entered into between the City and FFC, or to be entered into between the City and FFC, for the development of the Land.

"EPA" means the Environmental Protection Act 1986 (WA).

"**Existing Facilities**" means any buildings, structures, fixtures, fittings, apparatus and improvements which are in existence and located upon the Property at the Commencement Date which have not been brought onto the Property by the City or FFC and which the City and FFC is not permitted to remove from the Property at any time.

"**Expiry Date**" means the expiry date of the Term mentioned in the Schedule.

"**Facility Lease**" means a lease to FFC of the FFC Area in the form attached at Annexure 12 to the Development Agreement.

"**Facility Sublease**" means, if the RPAEC Land is not vested before the commencement date of the Facility Lease, a sublease from the City to FFC of the FFC Area on substantively the same terms as the Facility Lease.

"**FFC**" means the Fremantle Football Club Ltd (ACN 066 055 249).

"**FFC Area**" means those parts of the RPAEC and/or the Building Area to be allocated for FFC's exclusive use and occupation.

"**FFC Fitout Works**" means all works, acts, matters and things necessary to fitout the FFC Area in the RPAEC as FFC's head office, administration centre and primary training base.

"**FFC Oval Works**" means all works, acts, matters and things necessary to construct, install and create an Australian Rules Football oval, being the Primary AFL Oval, including:

- (a) sub soil works;
- (b) laying grass and turf;
- (c) landscaping;
- (d) installing fixtures, fittings, infrastructure, plant, equipment and furnishings including partitioning, signs, irrigation, reticulation, goal posts, fencing, cameras, lighting, light towers, poles, seating, netting, dugouts, benches, walkways, ramps and synthetic surface; and
- (e) installing any fixtures, fittings, infrastructure, plant, equipment and furnishings on the RPAEC Land relating to or associated with the supply of bore water to the RPAEC Land including the Bore Infrastructure Works.

"**Improvements**" means improvements of a capital nature effected or carried out by the City, FFC and their respective Associates upon the Property and which become fixtures.

"**Land**" means the land mentioned in the Schedule.

"**LandCorp's Remedies**" means all or any of the rights, powers and remedies contained or implied in this Lease exercisable by LandCorp against the City.

"**Landgate**" means the Western Australian Land Information Authority established under the Western Australian Land Authority Act 1992 (WA).

"**Local Government Law**" means:

- (a) the Building Act 2011 (WA);
- (b) the Local Government Act 1995 (WA);
- (c) the Local Government (Miscellaneous Provisions) Act 1960 (WA);
- (d) the Planning and Development Act 2005 (WA); and
- (e) the "planning scheme" (as that term is defined in the Planning and Development Act) that is in force in respect of the Land from time to time.

"Local or Public Authority" means any governmental, semi-governmental, statutory, local or public authority including without limitation the Department of Environmental Protection, the Western Australian Planning Commission, the Water Corporation, the Main Roads Department, and every and any other board, person or authority whatsoever now or at any time in the future exercising under any present or future act of Parliament (Federal or State) any control or jurisdiction over or power in connection with the Property and/or the owner or occupier of the Property and/or in connection with any Permitted Use now or hereafter carried on upon the Property and every officer or person acting under the authority of such local or public authority or under the authority of any such act or By-law.

"Materials" includes plant, equipment, machinery, apparatus, facilities, goods, stores, supplies and raw materials.

"Outgoings" means the total amount expended by or on behalf of LandCorp or assessable against or payable by LandCorp to any Local or Public Authority or supplier of services to the Property or assessable on the City including provisions and adjustments appropriate for any part of a period to which the assessment relates in respect of the Property including any additions to the Property (and not otherwise the direct responsibility of the City within the terms of this Lease or otherwise) and includes GST but only to the extent that the LandCorp is not entitled to receive an input tax credit for that GST including the following:

- (a) all rates, charges and levies payable to the Local Council, Water Authority or other Local or Public Authority assessed in respect of the Property (including excess water);
- (b) all Land Tax, Vermin Tax, Metropolitan Region Improvement Tax or any similar tax and other taxes, rates, charges and assessments and other outgoings of like nature now or hereafter charged upon the whole or any part of the Property or otherwise chargeable against or to LandCorp whether Governmental, semi-Governmental, municipal or otherwise; and
- (c) all charges for garbage, waste disposal, gas, electricity, telephone and other utilities and services.

"Oval Area" means the area shown as the oval area on the plan annexed in Annexure B.

"Oval Lease" means a lease to FFC of the Primary AFL Oval in the form attached to Annexure 11 of the Development Agreement.

"Oval Sublease" means, if the Oval Area is not vested before the Commencement Date, a sublease from the City to FFC of the Primary AFL Oval on substantively the same terms as the Oval Lease.

"Parent Lots" means the land to be transferred from the Western Australian Planning Commission to LandCorp pursuant to a Contract for Sale dated [x] being:

- (a) Lot 55 on Diagram 13057 being the whole of the land in Certificate of Title Volume 2712 Folio 677;
- (b) Lot 1 on Diagram 13057 being the whole of the land in Certificate of Title Volume 1766 Folio 285;
- (c) Lot 53 on Plan 9782 being the whole of the land in Certificate of Title Volume 565 Folio 150A;
- (d) Lot 54 on Plan 9782 being the whole of the land in Certificate of Title Volume 1398 Folio 114;

- (e) Lot 9504 on Deposited Plan 57009 being the whole of the land in Certificate of Title Volume 2704 Folio 963; and
- (f) Lot 804 on Deposited Plan 35222 being the whole of the land in Certificate of Title Volume 2227 Folio 42.

"Parties" means the City and LandCorp.

"Permitted Use" means the use mentioned in the Schedule.

"Plant and Equipment" means all items of plant and equipment installed or brought upon the Land before or during the Term by the City which are not fixtures and which shall be removed by the City at the expiration, cessation or determination of this Lease subject to the City making good any damage caused by such removal.

"Pollution" has the same meaning as that expression is given in the Environmental Protection Act 1986 (WA).

"Post Contamination" means Contamination that satisfies each of the following sub-clause (a) to (c) below inclusive:

- (a) did not exist prior to the Commencement Date;
- (b) does not arise out of any Contamination that did exist prior to Commencement Date; and
- (c) is not, and does not arise out of any, Contamination caused by LandCorp or LandCorp's employees, agents, contractors or invitees (other than the City or the City's Employees, Agents and Visitors) at any time (whether before or after the Commencement Date).

"Primary AFL Oval" means that part of the Oval Area shown as the "primary AFL oval" on the plan annexed in Annexure B.

"Prior Contamination" means Contamination that satisfies any one or more of sub-clauses (a), (b) or (c) below:

- (a) did exist prior to the Commencement Date;
- (b) arises out of any Contamination that did exist prior to Commencement Date; or
- (c) at any time is, or arises out of any, Contamination caused by LandCorp at any time (whether before or after the Commencement Date).

"Property" means the following:

- (a) the Land;
- (b) LandCorp's fixtures and fittings (if any) affixed to the Land including any building or other structure and all fences including the Existing Facilities (if any); and
- (c) the benefit of the rights and subject to the encumbrances, exceptions and reservations mentioned in the certificate of title to the Land.

"Prudent Industry Practices" means in relation to the activities on the Land generally the best practices, methods and acts, as varied from time to time, that are commonly used by skilled and experienced operators in relation to the Permitted Use in Australia.

"Remediation" and "Remediate" has the same meaning as that expression is given in the CSA and includes the management of any contaminated site.

"Rent" means the rent mentioned in the Schedule.

"**RPAEC**" means the Regional Physical Activity and Education Centre and associated car parking to be constructed upon the RPAEC Land by the City for use by the community and associated tenants and sporting clubs.

"**RPAEC Land**" means that part of the Parent Lots for the construction and operation of the RPAEC and the Primary AFL Oval and surrounds, shown as the RPAEC Land on the plan annexed in Annexure A.

"**Schedule**" means the schedule to this Lease.

"**State**" means the State of Western Australia.

"**Sublease**" means either or both the Facility Sublease and the Oval Sublease as the context of this Lease so requires.

"**Term**" means the term commencing on the Commencement Date and expiring on the Expiry Date mentioned in the Schedule.

"**Work**" includes works labour and services by experts, consultants, employees, agents and contractors in relation to design, surveying, construction, engineering and other fields relating to the installation or construction of any buildings or other Improvements on the Land.

1.2 Interpretations

- (a) Words importing the singular number shall include the plural and vice versa.
- (b) Where the day or the last day for doing an act or on which an entitlement is due to arise is a Saturday, Sunday or public holiday or bank holiday within the meaning of the Public and Bank Holidays Act 1972 the day or last day for doing the act or on which the entitlement arises shall for the purposes of this Lease be the next following day that is not a Saturday, Sunday or a public holiday or bank holiday.
- (c) References to institutes, associations, bodies and authorities whether statutory or otherwise shall in the event that any institute, body, association or authority ceases to exist or is reconstituted, renamed or replaced or its powers or functions are transferred to any other institute, association, body or authority be deemed to refer respectively to the institute, association, body or authority established or constituted in place thereof or as nearly as may be succeeds to the powers or functions of the institute, association, body or authority referred to.
- (d) Unless application is mandatory by law any statute, proclamation, order, regulation or moratorium present or future shall not apply to this Lease so as to abrogate, extinguish, impair, diminish, fetter, delay or otherwise prejudicially affect any rights, powers, privileges, remedies or discretions given or accruing to LandCorp.
- (e) The word "corporation" shall include all bodies corporate or incorporated associations and the word "person" shall include "corporation".
- (f) "Person" includes a natural person, firm, corporation, partnership, joint venture, an unincorporated body or association, authority or other body corporate.
- (g) When two or more persons are parties to this Lease, the covenants on their part shall bind and be observed and performed by them jointly and each of them severally.

- (h) References to any statute shall include all amendments for the time being in force and any other statute enacted in substitution for and the regulations, by-laws, rules or orders for the time being made under that statute.
- (i) Except for any headings in the Schedule headings of clauses shall not affect the interpretation of this Lease.
- (j) The provisions of the Schedule constitute part of this Lease.
- (k) If an act must be done by a corporation, the act can be done by its officers, employees and agents.
- (l) A party includes the party's executors, administrators and permitted assigns.
- (m) A document, including this Lease, includes any variation or replacement of it.
- (n) "Including" and similar expressions are not words of limitation.
- (o) References to the whole of any matter or thing shall include references to part of any such matter or thing.
- (p) References to any statute shall include all amendments for the time being in force and any other statute enacted in substitution for and the regulations, by-laws, rules or orders for the time being made under that statute provided that references to statutes in the definition of "Contamination" in clause 1.1 are references to those statutes as at the date of this Lease.
- (q) In the interpretation of this Lease, no rules of construction apply to the disadvantage of any party because that party was responsible for the drafting of this Lease or any part of this Lease.

2 CAPACITY OF THE CITY AND FFC

- (a) The parties acknowledge and agree that the City enters into this Lease only in its capacity as the developer of the Property and not in its capacity as a Local Government. Accordingly, this Lease does not diminish the City's rights and powers, or fetter any discretion, that the City has under any Local Government Law.
- (b) The parties acknowledge and agree that the covenants and agreements in this Lease confer benefits on FFC, despite FFC not being named as a party, and the provisions of section 11 of the *Property Law Act 1969 (WA)* apply despite FFC not being a party to this Lease.

3 RENT AND OUTGOINGS

- (a) The City must, if demanded, pay the Rent to LandCorp on or prior to the Commencement Date and each anniversary of the Commencement Date.
- (b) The City must pay and discharge all Outgoings actually incurred by LandCorp as and when due, calculated on a daily basis throughout the Term and any period of holding over together with telephone connection charges and rents. All such charges must be paid to LandCorp within 14 days of invoice by LandCorp to the City.
- (c) Where any Outgoings relate to the supply of electricity, gas, telephone or other services and such supply is separately metered to the Property, the City must pay such Outgoings as and when due. Where any Outgoings include Outgoings with

respect to other property, the City shall pay a proportionate amount of such Outgoings calculated in the ratio that the area of the Property bears to the total area of the property to which such assessment of outgoings relate.

4 MAINTAIN AND REPAIR PROPERTY

- (a) The City must at its own expense maintain, replace, repair and keep the Property including all buildings and other structures (including the Improvements) in good, clean, substantial and tenantable repair and condition and must ensure compliance with all legislation. Fair wear and tear and (provided that LandCorp's indemnity under any insurance policy for the time being in force shall not have been vitiated or avoided by any act or neglect of the City or the City's Employees Agents and Visitors) damage by fire, storm, tempest or act of God are excepted.
- (b) The City must keep the Property cleaned, drained, in a sanitary condition and clear of rubbish and debris and shall store all garbage, rubbish and refuse in a proper and hygienic manner within the Property and attend to its expeditious disposal.
- (c) The City must not burn any garbage, refuse or rubbish except in incinerators approved by any Local or Public Authority for that purpose.
- (d) The City must keep all drains, pipes, water and sewerage connections on or appurtenant to or connecting with the Property in good and substantial repair and condition and cleaned, drained and in a sanitary condition and clear of all rubbish and debris.

5 INSURANCE

- (a) The City must at its cost effect and keep in force at all times during the Term the following policies of insurance with an insurer reasonably acceptable to LandCorp:
 - (i) a Public Liability Policy including cover against liability to any person for any reason arising in or about the Property for an amount of indemnity of not less than TWENTY MILLION DOLLARS (\$20,000,000) for each and every occurrence for public liability claims;
 - (ii) Workers Compensation Insurance in accordance with the Workers Compensation Legislation of Western Australia; and
 - (iii) a policy covering loss or damage to the Property or any adjoining property or injury to any person as a result of any activity by the City or the City's Employees, Agents and Visitors on or near the Land;
- (b) The City must if required by LandCorp within thirty (30) days from the date of LandCorp's request produce to LandCorp a current certificate of currency in respect of any policy of insurance required pursuant to clause 5(a).
- (c) The City must comply with all the terms, warranties and conditions of the insurance policies effected in relation to the Property or for public liability or any other insurance or the requirements of the insurer relating to the policy and the Property in respect of insurance taken out by the City or by LandCorp and in respect of which LandCorp has advised the City of the terms and not do or fail to do any act, matter or thing that may cause the premium to be increased or cause the insurance to be prejudiced or liable to be cancelled or avoided or whereby

any claim on the policy may be reduced or payment withheld either in whole or in part.

- (d) If the City subleases all or any part of the Property with the consent of LandCorp, this clause will be satisfied with respect to the part of the Property subleased if the sublessee effects the insurances outlined in this clause. For the avoidance of doubt, the parties agree that if the City's builders or their Associates or LandCorp or its Associates (while accessing the Property under the Delivery Agreement) effect one or more of the insurances to be effected by the City pursuant to clause 5(a), the City will be deemed to have satisfied clause 5(a) with respect to those parts of the Property or those activities covered by and subject to those insurances.

6 PAY COSTS

- (a) The City must pay to LandCorp all of LandCorp's reasonable costs, fees and expenses which may be payable, expended, incurred or sustained by LandCorp in respect of or incidental to:
 - (i) any exercise or enforcement of the LandCorp's Remedies where the City is in default;
 - (ii) any breach of or failure of the City to observe and perform the City's Covenants; and
 - (iii) the withdrawal of any caveat claiming an interest in the Property and lodged over the Property pursuant to this Lease where the Lease is terminated.
- (b) The Parties will bear their own costs of and incidental to the preparation, negotiation, finalisation and execution of this Lease.
- (c) The City must pay all duty assessed in respect of this Lease (if any).

7 ENTRY ON PREMISES

- (a) The City will permit LandCorp or its employees, agents or contractors to enter the Property with or without tools, machines and materials at all reasonable times subject to giving reasonable notice to the City, except in the case of an emergency when no notice need be given, to inspect the Property and ascertain whether the City is observing and complying with the City's Covenants.
- (b) In exercising any powers under this clause LandCorp must observe the security practices adopted by the City.
- (c) In exercising its rights under clause 7(a), LandCorp must:
 - (i) not cause any undue interference to the occupation or use of the Property by the City or FFC; and
 - (ii) make good any damage caused to the Property by the exercise of those rights.

8 ALTERATION OR ADDITIONS TO PROPERTY

The City must not make or allow to be made any addition or alteration to the Property except in accordance with any structure plan issued by any Local or Public Authorities.

9 DELIVER NOTICES

- (a) The City must promptly deliver to LandCorp copies of all notices, orders or summonses relating to or which could relate to the Property received by the City from any person or any Local or Public Authority.
- (b) The City must give to LandCorp prompt notice in writing of any accident, defect or want of repair to any part of the Property and of any circumstances likely to be or cause any danger, risk or hazard to the Property or any person on the Property of which the City is aware.

10 LIABILITY AND INDEMNITY

- (a) Subject to clause 10(b), notwithstanding the existence of any policy or policies of insurance in the name of LandCorp or of LandCorp and any other person including the City or that the City or any other person may hold a licence, permit or authority from any Local or Public Authority, the City hereby indemnifies and agrees to keep indemnified LandCorp from and against all damage, sums of money, costs, charges, expenses, actions, claims and demands which may be sustained or suffered by LandCorp, or recovered or made by the City (or any other person) against LandCorp arising out of or in connection with:
 - (i) loss or damage to the Property or the adjoining or nearby property caused by the City or any of the City's Employees Agents and Visitors PROVIDED THAT the City shall not be responsible for any damage caused by the act, neglect or default of LandCorp or its employees, agents or contractors or of those LandCorp permits to enter upon or use the Property (other than the City or the City's Employees, Agents and Visitors);
 - (ii) any injury the City or such other person may sustain (including the general public) when on, using or entering or near the Property or any appliance connected with the Property PROVIDED THAT the City shall not be responsible for any damage caused by the act, neglect or default of LandCorp or its employees, agents or contractors;
 - (iii) any work carried out by or on behalf of the City or the City's Employees Agents and Visitors under this Lease or for the Permitted Use; and
 - (iv) Contamination or Pollution of the Property or any land or groundwater adjoining or near the Property and of the air generally above the Property caused by any act or omission of the City or the City's Employees Agents and Visitors.
- (b) The City is not liable to indemnify LandCorp with respect to any loss, damage, cost or expense for which LandCorp is liable pursuant to the terms of the Delivery Agreement.

11 COMPLY WITH ACTS

The City must comply with and observe all present and future laws, statutes, legislation, regulations and by-laws and the requirements and orders of all Local or Public Authorities affecting the Property or relating to the Permitted Use.

12 NOT TO INCREASE RISKS OF DAMAGE

- (a) The City must keep all heat, power and light appliances and installations guarded or otherwise maintained in a safe manner so as not to increase any risk of fire or other damage to the Property.
- (b) The City must promptly report in writing to LandCorp any occurrence or omission which may give rise to damage to or destruction of the Property.

13 NOT TO CARRY ON OFFENSIVE ACTIVITIES

- (a) Notwithstanding that the City may hold a licence or authority from a Local or Public Authority, the City must not carry on or permit to be carried on at the Property:
 - (i) any noxious, noisome or offensive activity nor anything which may be a nuisance, an annoyance or objectionable or cause damage or loss to LandCorp or the owners or occupiers of any adjoining property or any other person; or
 - (ii) any activity which is illegal.
- (b) Notwithstanding that the City may hold a licence or authority from a Local or Public Authority LandCorp must not cause or contribute to any Contamination or Pollution on or from the Property which will give rise to any common law or statutory liability.

14 USE OF PROPERTY

- (a) The City must use the Property solely for the Permitted Uses in accordance with Prudent Industry Practices and shall not permit or suffer the same to be used for any other purpose without the prior written consent of LandCorp.
- (b) The City must keep in force, or ensure that its Associates, its builders (or the builders' Associates), FFC or FFC's Associates keep in force, all licences and permits required by law for the Permitted Use upon the Property.
- (c) The City must carry on the Permitted Uses upon the Property in accordance with the requirements of all Local and Public Authorities including all environmental approvals and requirements.
- (d) LandCorp acknowledges and agrees that the City may grant:
 - (i) access to the RPAEC Land to one or more builders and their Associates to, among other things, undertake works to develop and construct the RPAEC, the Primary AFL Oval and surrounds and undertake the Bore Infrastructure Works;
 - (ii) access to the Car Park Land to one or more builders and their Associates to, among other things, undertake works to developer and construct car parking;
 - (iii) access to the RPAEC Land to FFC to allow FFC and one or more of its builders and its Associates to, among other things, undertake the FFC Fitout Works, the FFC Oval Works and the Bore Infrastructure Works;
 - (iv) a sublease of the FFC Area to FFC on the terms of the Facility Sublease for FFC to use and occupy the FFC Area on the terms and conditions of

- the Facility Sublease (provided that the City is not released from its obligations under this Lease as a result of such Facility Sublease);
- (v) a sublease of the Primary AFL Oval to FFC on the terms of the Oval Sublease for FFC to use and occupy the Oval Area on the terms and conditions of the Oval Sublease (provided that the City is not released from its obligations under this Lease as a result of the Oval Sublease);
 - (vi) access to the Property and the RPAEC to the City's Associates to carry out such works, inspections, enquiries, activities or any other acts, matters or things at or on the Property or in the RPAEC that is associated or connected with or incidental to the Permitted Use; and
 - (vii) access to any area of the Property as and when the area becomes practically complete to the general public and the Associates, customers and visitors of the City and FFC to use and enjoy.

15 COST OF LESSEE'S OBLIGATIONS

Unless this Lease provides otherwise, anything which must be done by the City under this Lease, whether or not at the request of LandCorp, must be done at the cost of the City.

16 NOT TO ASSIGN THE PROPERTY

- (a) Other than as permitted in clauses 16(b) and 16(c), the City must not assign, sub-let, licence, mortgage, charge, encumber or part with possession of the Property or this lease or any estate or interest in the Property or mortgage, charge or otherwise encumber any Plant and Equipment without first obtaining the written consent of LandCorp (which will not be unreasonably withheld or delayed).
- (b) LandCorp acknowledges and agrees that it has consented to:
 - (i) access to the RPAEC Land by FFC and one or more of its builders and its Associates in accordance with the Development Agreement;
 - (ii) the grant by the City to FFC of the Facility Sublease and the Oval Sublease; and
 - (iii) each other grant of access to the RPAEC Land and/or Car Park Land provided for in clause 14(d),and no further consent or approval is required from LandCorp to any of those access rights or grants provided that the City is not released from its obligations in this Lease as a result of those rights or grants.
- (c) The City is entitled to assign the benefit of this Lease, sub-lease (other than in respect of the Subleases) or grant a licence in respect of any part of the Land to a related body corporate (as defined in Section 50 of the Corporations Act) subject to the City remaining (between the City and LandCorp) solely liable under this Lease and the assignee, sub-lessee (other than FFC) or licensee entering into a deed of covenant or assignment with LandCorp agreeing to comply with the terms of this Lease.
- (d) If LandCorp consents to the assignment or sub-lease of this Lease under this clause that consent will be subject to:

- (i) in the case of an assignment of this Lease, the City at the City's expense withdrawing any subject to claim caveat lodged by the City against the title to the Land;
- (ii) except in respect of the Subleases, the City procuring the execution by such sub-lessee, assignee or transferee of a sub-lease assignment or transfer of this Lease to which LandCorp is a party in such form as LandCorp or its Solicitors shall reasonably approve;
- (iii) except in respect of the Subleases, all moneys then due or payable under this Lease having been paid and there not being any existing unremedied breach of the City's Covenants;
- (iv) except in respect of the Subleases, the City paying to LandCorp all proper costs, charges and expenses incurred by LandCorp of and incidental to any enquiries which may be made by or on behalf of LandCorp as to the responsibility, solvency, fitness and suitability of any proposed sub-Lessee assignee or transferee; and
- (v) if the proposed assignee is a corporation, LandCorp may as a condition of LandCorp's consent to the assignment require that the covenants by the assignee contained in the Lease of covenant be guaranteed by the directors and principal shareholders of the corporation or other appropriate security unless the City can demonstrate that the assignee has sufficient financial resources to enable it to properly carry out all of the City's Covenants.

17 CAVEATS

- (a) The City must not lodge any absolute Caveat to protect the interest of the City under this Lease. The City may lodge a subject to claim caveat against the certificate(s) of title for the Land to protect the City's interest under this Lease.
- (b) By its execution of this Lease the City irrevocably appoints LandCorp to be the true and lawful Attorney for the City in its name or on its behalf to sign and lodge a withdrawal of any absolute Caveat registered by the City against the certificate of title for the Property at any time and to sign and lodge a withdrawal of any other Caveat registered by the City against the certificate of title for the Property on the determination of the Term or any period of holding over.
- (c) The City must promptly withdraw any caveat lodged by the City which LandCorp requires be removed to enable:
 - (i) LandCorp to lodge any dealing or to effect the subdivision of the Land from the Parent Lots provided that the City may lodge a further caveat immediately following such dealing or subdivision; or
 - (ii) the vesting in clause 41 to occur.

18 AGENTS

All acts and things which LandCorp is required or empowered to do under this Lease may be done by LandCorp or the solicitor, agent, contractor or employee of LandCorp.

19 COVENANTS BY LANDCORP

LandCorp covenants with the City (to the intent to bind the registered proprietor for the time being of the Land) that subject to the City duly observing and performing the City's Covenants the City may peaceably hold and enjoy the Property during the Term without any interruption or disturbance by LandCorp or any person claiming under or in trust for LandCorp.

20 OWNERSHIP OF IMPROVEMENTS AND PERSONAL PROPERTY

If the City, FFC or their Associates erect, construct, install, attach, affix, establish, provide or bring any Improvements or personal property upon the Property for use or incorporation in or in connection with any Permitted Use, then all such Improvements and personal property will remain the property of the City, FFC or their Associates (as applicable) absolutely notwithstanding any form or extent of annexure to the Land.

21 DEFAULT

- (a) If the City commits any default and fails to remedy the default within 21 days after notice from LandCorp requiring the default to be remedied, LandCorp may enter the Land with necessary Materials and labour and execute repairs or works to the Property to remedy the default.
- (b) The City shall pay to LandCorp on demand all reasonable costs and expenses incurred by LandCorp pursuant to the exercise of its powers under this clause.
- (c) Acceptance of any moneys by LandCorp after default by the City will be without prejudice to the exercise by LandCorp of the powers conferred upon LandCorp under this Lease and shall not operate as an election by LandCorp either to exercise or not to exercise any of LandCorp's rights, powers or privileges.
- (d) No consent or waiver expressed or implied by LandCorp to any default of the City is to be construed as a consent or waiver to or of any other default.

22 EXCLUSIONS OF PROPERTY LAW ACT

Sections 80 and 82 of the Property Law Act 1969 are excluded from this Lease.

23 TERMINATION AND RIGHT OF RE-ENTRY - MATERIAL DEFAULTS

- (a) If:
 - (i) there is a breach of any of the Essential Terms specified in clause 37;
 - (ii) the City being a company enters into liquidation whether voluntary or involuntary (except for the purpose of amalgamation or reconstruction approved by LandCorp such approval not to be unreasonably withheld) or a receiver or manager of the City or an Administrator is appointed;
 - (iii) if the City enters into an arrangement or composition for the benefit of the City's creditors or not being a company assigns the City's estate or enters into a deed of arrangement for the benefit of the City's creditors (provided always that any deed of assignment or deed of arrangement made under the Bankruptcy Act 1966 and any act or actions by or against the City or the City's property which is or may be deemed to be

an act of bankruptcy under the Bankruptcy Act 1966 will be excluded from the operation of this clause);

- (iv) any person other than the City, FFC or an approved sub-lessee, assignee, licensee or transferee shall be in occupation or possession of the Property;
- (v) the interest of the City in this Lease shall be taken in execution; or
- (vi) the City repudiates this Lease,

each being a "**Material Default**", then LandCorp may give the City a default notice specifying the Material Default and requiring the Material Default to be remedied within a period of not less than 20 Business Days, or such longer period as may reasonably be required to remedy the Material Default having regard to the nature of the Material Default.

(b) Subject to clause 25, if:

- (i) a default notice is given under clause 23(a) and a Material Default is not remedied within the time period specified in the default notice; or
- (ii) the City repudiates this Agreement,

then if Landcorp wishes to terminate this Lease, it must issue a further notice to the City after the expiry of the period the subject of the default notice or the City's repudiation of the Lease (**Intended Termination Notice**), advising that Landcorp may terminate the Lease if the default the subject of the Intended Termination Notice is not remedied to LandCorp's reasonable satisfaction within a further 20 Business Days after the date the City receives the Intended Termination Notice.

- (c) If the default the subject of the Intended Termination Notice is not remedied to LandCorp's reasonable satisfaction, Landcorp may terminate this Lease and possess the Property by notice to the City (which notice will be effective immediately) but without prejudice to LandCorp's Remedies and without relieving the City from liability for moneys accrued up to such determination or for any breach of the City's Covenants antecedent to such determination.
- (d) Except in respect of a Material Default, Landcorp may not terminate this Lease in respect of any other default of the City's Covenants.
- (e) Nothing in this clause 23 otherwise prevents, restricts or limits Landcorp exercising any rights to specific performance of this Lease or damages for breach of this Lease in relation to either:
 - (i) a Material Default; or
 - (ii) any other breach or default by the City of any of the City's Covenants that is not a Material Default.

24 RIGHTS AND DUTIES ON TERMINATION - LEASE EXPIRY

- (a) Subject to clause 24(b) and clause 25, the provisions of this clause will apply in respect of any termination of this Lease by expiry through effluxion of time or cessation.

- (b) This clause (except clause 24(c)(v)) will not apply if the Land is vested as Crown Land for the purpose of a Crown Reserve.
- (c) At the Expiry Date or cessation of the Lease, the City will, unless LandCorp otherwise agrees in writing, at the City's own expense:
 - (i) remove from the Land the Plant and Equipment;
 - (ii) remove from the Land all other Improvements other than Improvements of a capital nature effected by LandCorp;
 - (iii) in the case of structural Improvements such as machinery pits, tunnels and sub-surface structures, such structures shall be removed entirely and the Land compacted in accordance with generally accepted prevailing engineering standards;
 - (iv) deliver up possession of the Property to LandCorp in a clean, tidy state free from rubbish and debris consistent with the City's Covenants; and
 - (v) ensure that all Post Contamination whether on or below the surface of the Land or in the Property is Remediated or removed or otherwise contained as reasonably required by the Department of Lands or any other relevant Local or Public Authority and in accordance with clause 27.
- (d) Subject to the written approval of LandCorp, the City may leave any surface or sub-surface structures in place on the Land upon the termination of this Lease.
- (e) The Land shall be returned to LandCorp upon the termination of this Lease in a condition consistent with the natural surface level of the Land at the Commencement Date and with all areas of excavation compacted in accordance with generally accepted prevailing engineering standards.
- (f) The City's obligations under this clause shall survive the expiration or other termination of this Lease.
- (g) Upon termination of this Lease LandCorp shall be entitled to re-enter the Property. For the purposes of re-entry LandCorp or LandCorp's appointed agent or servant will have power to open by any means any door, gate or fastening for the purpose of resuming possession of the Property.

25 EFFECT OF TERMINATION ON SUBLEASES - DIRECT LEASE TO FFC

Without limiting any of FFC's rights under section 81 of the *Property Law Act 1969 (WA)*, upon termination of this Lease for any reason (except due to the vesting in clause 41), LandCorp and FFC must, if requested by FFC, enter into a lease (or leases) of the property the subject of the Subleases on the same terms as the Subleases, with LandCorp as lessor and the City as lessee.

26 DEVELOPMENT

During the Term the City must only carry out any Work on the Land on the following basis:

- (a) Work may be carried out for the purposes connected with the Permitted Use and not for any other purposes;
- (b) the City must ensure that all Work shall be carried out:
 - (i) with all proper care, skill and diligence;

- (ii) in accordance with Prudent Industry Practices;
- (iii) in compliance with all applicable laws and regulations and the requirements of all relevant Local or Public Authorities;
- (iv) in a proper and workmanlike manner; and
- (v) using Materials which are in good condition and suitable to the purpose for which they are intended.

27 ENVIRONMENTAL

- (a) Notwithstanding any other provision of this Lease, the City is not responsible for any Prior Contamination.
- (b) LandCorp agrees that it will be liable for Remediation of any Prior Contamination to the extent required under the provisions of the CSA.
- (c) Notwithstanding any other provision of this Lease, LandCorp is not responsible for any Post Contamination.
- (d) The City agrees that it will be liable for Remediation of any Post Contamination to the extent required under the provisions of the CSA.
- (e) The City releases and discharges LandCorp from all claims whatsoever in relation to the Post Contamination on the Property.
- (f) The City is fully responsible and liable for all investigations, Remediation (whether insitu clean up, removal or disposal of Post Contamination) and all other costs whether direct or indirect associated with Post Contamination on the Property.
- (g) The City agrees it will comply with all present or future laws in relation to the removal, containment or Remediation of any Post Contamination on the Property.
- (h) For the purposes of the provisions of this Lease relating to termination, the City must ensure that on termination of this Lease the City will:
 - (i) remove, contain or otherwise deal with any Post Contamination as reasonably required by LandCorp and in accordance with the requirements of any Local or Public Authority; and
 - (ii) deliver up the Property in a condition consistent with the performance of the City's obligations under this Lease.
- (i) The City must promptly inform LandCorp if it becomes aware of or suspects the presence of Contamination on the Property.

28 HOLDING OVER

If the City with the consent of LandCorp remains in possession of the Land after the expiration of the Term then the City will remain as a monthly tenant subject to the City's Covenants and that tenancy will determine at the expiration of one (1) month's notice given by either Party to the other at any time.

29 NO WARRANTY

- (a) The terms, covenants, conditions and provisions contained in this Lease expressly or by statutory implication cover and comprise the whole of the agreement between the Parties and it is expressly agreed and declared that no further or other terms, covenants or provisions whether in respect of the Property or otherwise will be deemed to be implied herein or to arise between the Parties by way of collateral or other agreement.
- (b) To the extent that any one or more of the provisions herein contained is prohibited by any applicable law including the Competition and Consumer Act 2010 (Cth) such provisions and each of them will to such extent be ineffective without invalidating or modifying the remaining provisions of this Lease which will continue in full force and effect as if the provisions so prohibited had not been included.

30 RELEASE

- (a) Subject to clause 29(c), the City:
 - (i) agrees to occupy, use and keep the Property at the risk of the City; and
 - (ii) releases, to the full extent permitted by law, LandCorp from any liability for loss of or damage to fixtures or personal property of the City where such loss or damage arises out of the state of the Property or the City's occupation or use of the Property.
- (b) The obligations of the City under this clause continue after the expiration or earlier determination of this Lease in respect of any act, matter or thing occurring before the expiration or earlier determination of this Lease.
- (c) This clause does not apply to any loss or damage for which LandCorp is liable pursuant to the terms of the Delivery Agreement.

31 EXCLUSION OF PREVIOUS AGREEMENTS

The covenants and agreements contained or implied in this Lease comprise the entire agreement between the Parties and the Parties agree that no other covenants warranties or agreements in respect to the Property or otherwise apply to this transaction by reason of any promise, oral statement, representation, warranty, covenant or undertaking given or made by LandCorp or its agents or employees on or prior to this Lease becoming enforceable by any party.

32 EXERCISE OF REMEDIES

- (a) LandCorp may exercise LandCorp's Remedies in respect of any default notwithstanding any previous neglect, waiver or laches by LandCorp in respect of the City's Covenants or the exercise of LandCorp's Remedies and without any proof of default and (unless expressly provided in this Lease or in any statute) without any demand or the continuance of any default.
- (b) No waiver by LandCorp of any breach of the City's Covenants will be construed as a general waiver and such waiver will relate only to the particular breach or non-observance in respect of which it is made.

33 STATUTORY POWERS

The powers, rights and discretions given to or conferred upon LandCorp under any statute will (except to the extent inconsistent with the terms and provisions of this Lease) be in addition to LandCorp's Remedies.

34 NOTICE, DEMAND OR CONSENT

Any notice or other communication, request, demand, consent or approval to or by a Party:

- (a) must be in writing addressed as shown below:

Company: City of Cockburn
Address: 9 Coleville Crescent, Spearwood WA 6163
Facsimile: (08) 9411 3333

Company: LandCorp
Address: Level 6
40 The Esplanade
Perth WA 6000
Facsimile: (08) 9481 0861

or to any other address, facsimile number or person most recently specified in writing by a party to the sender;

- (b) must be signed by the sender or its solicitors or agents or if a company by an officer of the company or under the common seal of the company or signed by its solicitors or agents;
- (c) is deemed to be given by the sender and received by the addressee:
- (i) if given by delivery in person, when delivered to the addressee;
 - (ii) if sent by post and if posted from an address within Australia to an address within Australia, on the third Business Day from and including the date of posting but if posted by post from outside Australia or posted to an address outside Australia then on the sixth Business Day from and including the date of posting; or
 - (iii) if sent by facsimile transmission, on production of a transmission report by the facsimile machine by which the facsimile message was transmitted which indicates that the facsimile message was transmitted in its entirety to the facsimile number of the recipient,
- but if the delivery receipt or transmission is or is deemed to be on a day which is not a Business Day it is deemed to be given on the next succeeding Business Day; and
- (d) can be relied upon by the addressee and the addressee is not liable to any other person for any consequence of that reliance if the addressee reasonably believes it to be genuine, correct and authorised by the sender.

35 APPLICABLE LAW

- (a) This Lease shall be governed by the law of Western Australia.

- (b) Each party submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in Western Australia and any court that may hear appeals from any of those courts for any proceedings in connection with this Lease, and waives any right it may have to claim that those courts are an inconvenient forum.

36 SEVERABILITY

If any part of this Lease is or becomes void or unenforceable then that part shall be severed from this Lease to the intent that all parts of this Lease that shall not be or become void or unenforceable shall remain in full force and effect and be unaffected by any severance.

37 ESSENTIAL TERMS

- (a) The covenants by the City herein mentioned to pay the Outgoings in respect of the Property and the provisions of this Lease with the headings "Maintain and Repair Property", "Insurance", "Alteration or Additions to Property", "Liability and Indemnity", "Comply with Acts", "Use of Property", "Development" and "Not to Assign the Property" are essential terms of this Lease (**Essential Terms**) and any breach of any of those Essential Terms shall be regarded by LandCorp and the City as a fundamental breach by the City of this Lease.
- (b) LandCorp's entitlement to recover damages will not be prejudiced or limited if:
- (i) the City abandons or vacates the Property;
 - (ii) LandCorp elects to re-enter the Property or determine this Lease, subject to Landcorp complying with its obligations under clause 23; or
 - (iii) LandCorp accepts the City's repudiation of this Lease, subject to Landcorp complying with its obligations under clause 23.
- (c) LandCorp will be entitled to institute proceedings to recover damages either before or after any of the events or matters referred to in clause 37(b).
- (d) Any conduct by LandCorp to mitigate damages shall not of itself constitute acceptance of the City's breach or repudiation or a surrender by operation of law.

38 RELEASE OF LANDCORP

The term "LandCorp" as used in this Lease so far as the covenants or obligations of LandCorp are concerned shall be limited to and mean only the registered proprietor for the time being of the Land and in receipt of the rents and profits of the Land at the time in question and if LandCorp's interest therein is assigned or transferred in any way (other than by way of security only) LandCorp (and in the case of any subsequent assignments or transfers other than by way of security only the then assignor or transferor) shall be automatically freed and discharged from and after the date of such assignment or transfer from all personal liability for the performance of any covenant or obligation on the part of LandCorp under this Lease (either present or future).

39 GOODS AND SERVICES TAX

- (a) For the purposes of this clause, the following terms apply:
- (i) "GST" has the meaning given in Section 195-1 of the GST Act;

- (ii) "GST Act" means A New Tax System (Goods and Services Tax) Act 1999 and any legislation substituting or amending that Act;
 - (iii) "GST Law" has the meaning given in Section 195-1 of the GST Act;
 - (iv) "Tax Invoice" has the meaning given in Section 195-1 of the GST Act; and
 - (v) "Taxable Supply" has the meaning given in Section 195-1 of the GST Act.
- (b) Any amounts payable by the City to LandCorp under this Lease (but not including the purchase price under the Contract or the Deposit) are exclusive of GST.
 - (c) The City agrees to pay additional to the value of payments set out in this Lease any GST payable in respect of such payments. Where GST has been applied LandCorp shall provide a Tax Invoice prior to the City being required to pay any GST.
 - (d) A written statement given to the City by LandCorp of the amount of GST that LandCorp is liable to pay on a Taxable Supply made or to be made under this Lease is conclusive between the parties except in the case of an obvious error.
 - (e) Subject to clause 39(c), the City must pay to LandCorp the amount of the GST that the City is liable to pay under this Lease:
 - (i) at the same time; and
 - (ii) in the same manner,
 as the City is obliged to pay for the Taxable Supply.
 - (f) Where a Taxable Supply is not separately supplied to the City, the liability of the City for any amount for GST, in relation to that Taxable Supply, is determined on the same basis as the City's proportion of that Taxable Supply is determined.

40 WESTERN AUSTRALIAN PLANNING COMMISSION CONSENT

If for any reason this Lease requires by Law the approval of the WAPC, then this Lease is made expressly subject to and is conditional upon the granting of the approval of the WAPC. If required by law, the City must at its cost apply for approval of this Lease within three (3) months of the date of execution of this Lease.

41 VESTING OF LAND

LandCorp will use its best endeavours to:

- (a) subdivide the Land from the relevant Parent Lots;
- (b) following subdivision of the Land from the relevant Parent Lots, vest the Land in the Crown; and
- (c) liaise with the Department of Lands and Landgate to ensure that any application to create a Crown Reserve for the Land and any management order to be issued in respect of the Land are lodged at Landgate at the same time that Landgate vests the Land in the Crown (by approving the deposited plan relating to the Land),

as soon as reasonably practicable after the Commencement Date.

42 REGISTRATION OF LEASE

- (a) If the City requests:
 - (i) the parties will sign 2 additional copies of this Lease in registrable form; and
 - (ii) LandCorp will produce any issued duplicate certificate(s) of title for the Land at Landgate together with a letter authorising the City or its solicitors to lodge the Lease for registration against the title for the Land,

and the City may, at its cost (including lodgement and production fees), lodge the Lease for registration against the certificate(s) of title for the Land.

- (b) If required to vest the Land pursuant to clause 41, the City must prepare, execute and produce at a joint lodgement or settlement advised to the City by LandCorp a registrable surrender of the Lease registered against the certificate(s) of title for the Land.
- (c) Upon the expiry or determination of this Lease, the City must prepare, execute and deliver to LandCorp a registrable surrender of the Lease registered against the certificate(s) of title for the Land.

43 REGISTRATION OF SUBLEASES

- (a) If FFC requests:
 - (i) Landcorp will provide its consent to the Subleases to enable the Subleases to be registered at Landgate; and
 - (ii) if required, LandCorp will produce any issued duplicate certificate(s) of title for the Land at Landgate together with a letter authorising the City or its solicitors to lodge the Subleases for registration,

and FFC may, at its cost (including lodgement and production fees), lodge the Subleases for registration at Landgate.

- (b) If required to vest the Land pursuant to clause 41, FFC must prepare, execute and produce at a joint lodgement or settlement advised to the City by LandCorp a registrable surrender of the registered Subleases.
- (c) Upon the expiry or determination of this Lease or the Subleases, FFC must prepare, execute and deliver to the City a registrable surrender of the registered Subleases.

44 VARIATION

- (a) This Lease may only be varied by deed, signed by the City and Landcorp.
- (b) The City and Landcorp may not vary this Lease without FFC's consent, which consent must not be unreasonably withheld or delayed.

45 PERFORMANCE OF DELIVERY AGREEMENT

- (a) The City and LandCorp must promptly do all things necessary to undertake their respective commitments identified in the Delivery Agreement.

- (b) Without limiting clause 45(a) the City must comply with clause 4.11.6 of the Delivery Agreement before commencing any work on the Land by fencing the Land or otherwise delineating the Land in a manner approved by LandCorp (acting reasonably) to prevent unauthorised access to the Balance Areas by the City or the City's Employees, Agents and Visitors.

SCHEDULE

1 LAND

The RPAEC Land and the Car Park Land.

2 TERM OF LEASE

Term commencing on the Commencement Date and expiring on the Expiry Date.

3 COMMENCEMENT DATE

The later of:

- (a) the date on which LandCorp becomes the registered proprietor of the Land; and
- (b) the date on which the City has paid to LandCorp the amount referred to in clause 5.2 of the Delivery Agreement,

being _____.

The parties authorise LandCorp or LandCorp's solicitors to insert this date once known.

4 EXPIRY DATE

The earlier of:

- (a) the date which is 50 years after the Commencement Date; and
- (b) the date on which the Land in one or more parcels is vested as Crown Land.

5 PERMITTED USE

- (a) Developing and constructing the RPAEC, the Primary AFL Oval and surrounds and any other works in connection with the RPAEC on the RPAEC Land.
- (b) Developing and constructing car parking on the Car Park Land.
- (c) Undertaking the FFC Fitout Works and FFC Oval Works.
- (d) Upon practical completion of works on the RPAEC Land and/or Car Park Land, entering into possession of, occupying and using the Property and the RPAEC in all respects.
- (e) Upon practical completion of works on the RPAEC Land and/or Car Park Land, allowing the general public and any other person to use and enjoy the Property and the RPAEC for their proposed or intended use.
- (f) Upon practical completion of the FFC Oval Works, allowing the City and FFC to draw water from the resulting bore(s) as installed (subject to compliance with necessary licences).
- (g) Undertaking such works, inspections, enquiries, activities or any other acts, matters or things at or on the Property or in the RPAEC that is associated or connected with or incidental to the acts referred to in paragraphs (a) to (f) above.

(h) The City granting the Facility Sublease and the Oval Sublease to FFC.

6 RENT

\$1.00 per annum (if demanded by LandCorp).

Executed as a deed on _____ 2015.

The COMMON SEAL OF THE CITY OF
COCKBURN was hereunto affixed in the
presence of:

Signature of Mayor

Signature of Chief Executive Officer

Name of Signatory (print)

Name of Signatory (print)

Date: _____

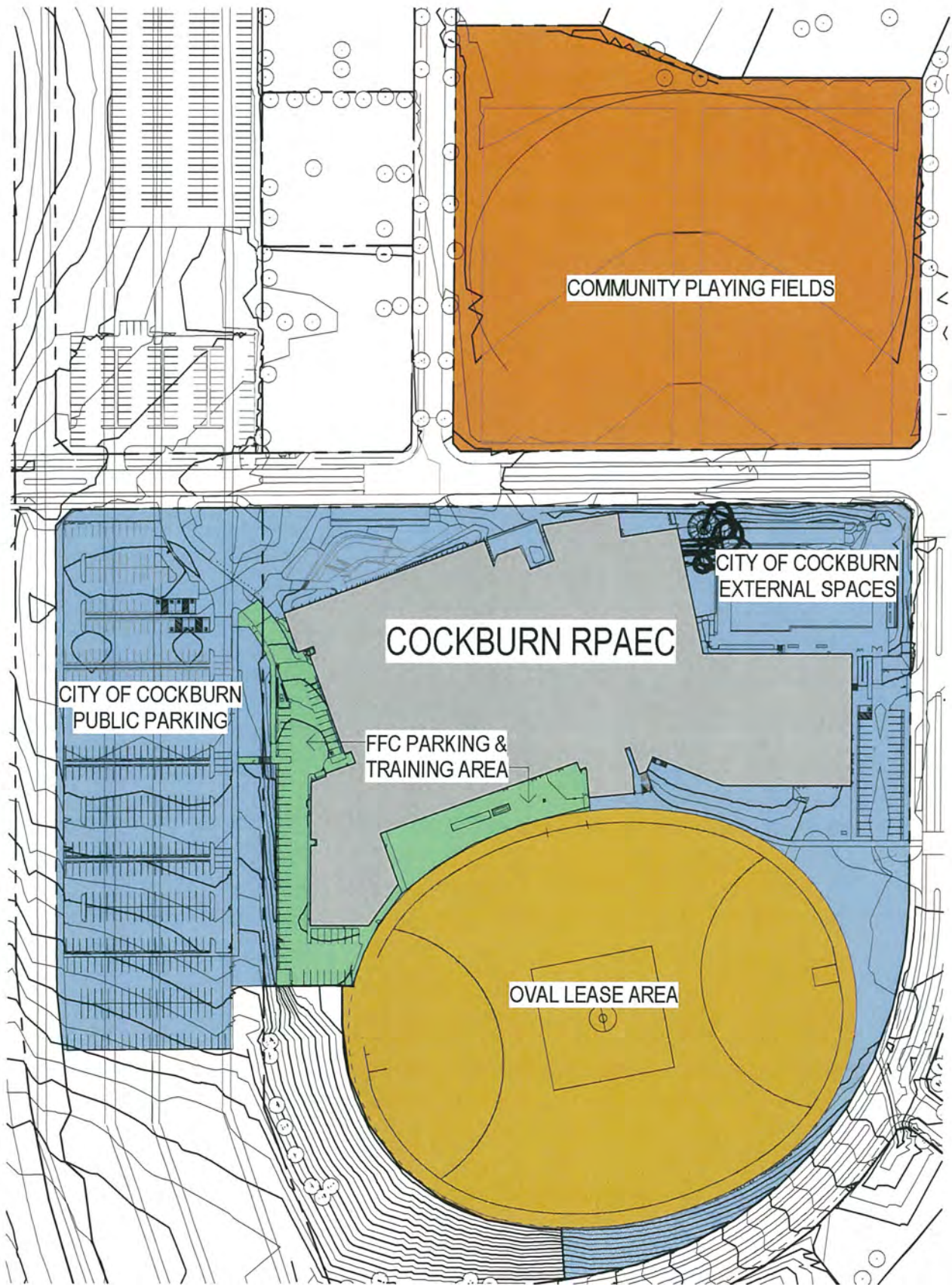
SIGNED on behalf of the **WESTERN AUSTRALIAN LAND AUTHORITY** by person(s) authorised by its
Board in accordance with Section 45(2)(b) of the Western Australian Land Authority Act 1992.

Authorised Officer

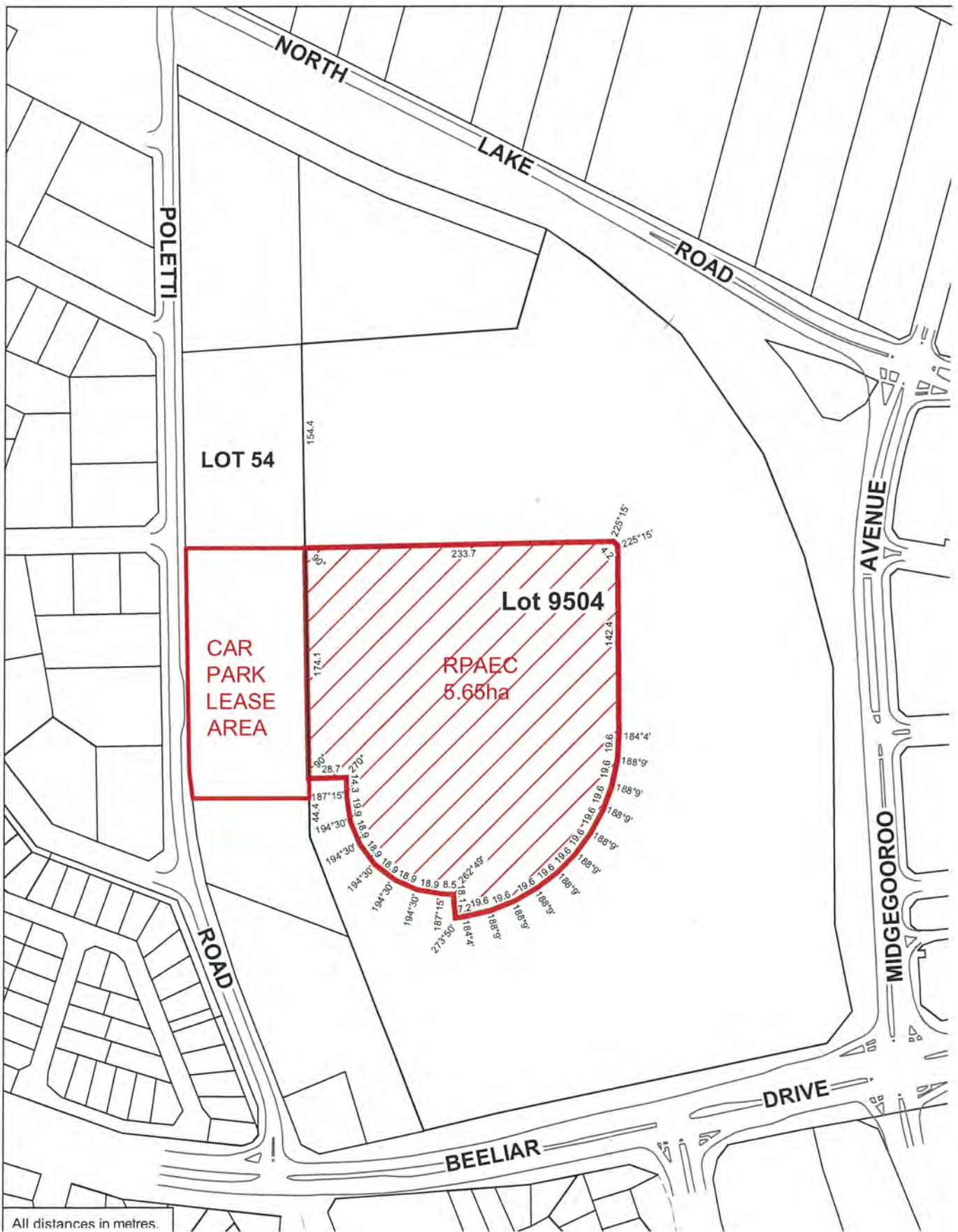
Authorised Officer

Date: _____

ANNEXURE A – PLAN OF RPAEC LAND AND CAR PARK LAND



ANNEXURE B –PLAN OF BUILDING AREA, OVAL AREA AND PRIMARY AFL OVAL





THIRD BIN TRIAL

IMPLEMENTATION PLAN



JUNE 2015

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INTRODUCTION

The City of Cockburn currently operates a two bin system for residential properties, each of 240l capacity. The green top or MSW (Municipal Solid Waste) bin is serviced weekly and the contents of this bin are delivered to the South Metropolitan Regional Council's (SMRC), Waste Composting Facility (WCF). Here the organic (food scraps, 27.6%) and green waste (garden waste, 31.2%) components are removed (58%) and processed into compost. The residue (42%) is landfilled. The 15/16 gate price for MSW at the SMRC is proposed to be \$232.80/tonne.

The yellow top bin or the Recycle Bin is also serviced weekly. This bin is delivered to the SMRC's, Materials Recovery Facility (MRF) where the co-mingled recyclables are separated (85%) and the contaminating residual (15%) is landfilled. The 15/16 gate fee is proposed to be \$65/tonne.

The bulk verge greenwaste collected in the City's biannual service is delivered to the SMRC's, Green Waste Facility. The proposed 15/16 Green Waste gate fee is \$78.10.

Currently all 240ltr bin users deposit their lawn clippings and garden waste in the MSW bin. Whilst green waste is a suitable material for the WCF, it is an expensive option (\$232/tonne) when the compost produced by the WCF has no commercial value as a consequence of the contaminants within the mixed waste from which it is extracted.

It has long been known that the preferred model in waste management is separation at source to improve recycling capture and minimise contamination. This method relies on the bin user having the responsibility and knowledge to correctly separate their waste.

This trial seeks to introduce a third or green waste (GW) bin to provide source separation for green waste (lime green top), co-mingled recyclables (yellow top) and general rubbish (red top). In this arrangement, the kitchen organics or putrescibles would still be placed in the red top bin (MSW) and consequently that bin must still be serviced weekly. The recycling bin will still be collected weekly and the green waste bin is proposed to be a fortnightly service.

As the lime green top GW bin is 240lt collected fortnightly, the trial will incorporate a 140ltr red top MSW bin. This reduced MSW bin size is possible as the average current MSW average bin weight is 17.16Kgs.

Removing GW from the MSW bin will;

- Reduce the tonnages to the WCF and therefore reduce costs.
- Recover an uncontaminated resource for the production of premium" rather than, agricultural grade compost.
- Improve recovery rates to meet the State Waste Strategy targets of 50% by 2015 and 60% by 2020. 12/13 metropolitan MSW recovery rate was 39%.

OBJECTIVE

The deployment of a third lime green top or garden waste only bin is proposed for a sample size of 1,200 properties in the Hamilton Hill area for a 12 month period commencing in October 2015.

The trial will target residential properties and preclude multi-residential and residential developments where green waste generation is low.

Residents that are senior and/or mobility impaired or single person households will have an option for a 140lt yellow top recycle bin.

The roll out of the trial will coincide with an extensive promotion and education program which will include door knocking and bin tagging. Bin tagging involves inspecting bins and tagging the bin with a thank you or advice on which products have contaminated the respective bins.

The contents of the GW truck will be audited, recorded and benchmarked against;

- Trial tonnages compared to other Councils 3rd bin data,
- Percentage weight changes to the MSW and recycle bins,
- Savings to the City from diverting GW away from the SMRC.
- Diversion of material from the MSW bin to the recycle bin (cost reduction).
- Variations to the bulk GW verge collection in the trial area.

The trial will conclude with a resident's feedback survey, the results of which will be analysed and reported to Council. A decision can then be made on future implementation across the City if the benefits can be proven.

DEFINE THE TRIAL AREA

An area in Hamilton Hill that one truck can service in a day (1203 properties) has been nominated - refer to the plan in Appendix B.

Ideally this will allow comparison with the volumes collected from the Recycle and the MSW bins from similar rounds as well as the bulk verge GW collection service for auditing purposes.

PROVISION OF PLANT AND DRIVER

To guarantee service collection, the next available side arm truck will be withheld from the next replacement trade. This will involve requesting the Facilities and Plant Manager to advise the supplier (Hino) that it is the City's desire to withhold the first available trade, as this was not part of the replacement tender.

To avoid the employment of an additional driver, one of our existing employees will be requested to work his RDO on the required day. While this attracts overtime, it is more economical than employing an additional driver for 12 months.

Description	Annual Collection
Labour Cost \$75x9.5x2x26	\$37,050
Plant Cost \$80x9.5x26	\$19,760
Total Cost	\$56,810

Vehicle depreciation for 12 months is valued at \$20,000.

PRE-TRIAL NOTIFICATION

All households within the trial area will receive a pre-trial package outlining the principle and objectives of the City's new direction in waste. It will clearly outline how and when the 3 bins are to be used. The package will detail again the suitable products for each bin and a calendar for bin presentation dates. This package will include advice on the City's intentions to visit homes individually to explain the proposal and to deliver the free kitchen compost packs, (complete with the compostable bags) and recycling tubs.

Four(4) moveable banners can be created and placed strategically *"City of Cockburn Staff are door knocking this area to explain the trial changes to our waste service"*.

A workshop will be held with the Hamilton Hill Community Group to commence the education and consultation. At least two Waste Officers will attend/deliver the workshop to explain the trial and its objectives/provide information etc, answer questions and hand out the Kitchen Tub/caddy Packs. This will be a positive way to engage with the community involved and seek their feedback on the proposal.

Similarly, the Executive, Elected Members, Customer Service and drivers will be briefed on the proposal. An online information source will be developed by our Web Administrator as well as electronic promotion of the program through Facebook and other social media platforms.

A survey will be conducted at the conclusion of the trial to canvas feedback about the perceptions on the success of the trial, the education provided, how it was provided and any other comments regarding the trial. A voluntarily survey (Survey Monkey) would be easiest to manage from an administrative point of view.

BIN ORDER AND SUPPLY

- The recycle bin will remain unchanged, though a 140ltr yellow top bin will be offered to seniors, mobility impaired and single occupants of large residential properties.
- The dark green lid of the current 240ltr MSW bin will be replaced with a lime green lid to become the 240ltr GW bin; and
- A new 140ltr red top bin for MSW will be delivered to residential properties within the trial.

Our supplier (Mastec) has provided a quote on the supply and delivery of the following equipment with CoC Logos:

Number required	Colour	Size in Litres	Unit Cost	Total
1,300	Red	140	\$50	\$65,000
50	Yellow	140	\$50	\$2,500
1,300	Lime Green	Lids for 240lt	\$11	\$14,300
2,600	Lime Green	Pins for 240lt	\$0.50	\$1,300
Total				\$83,100

BIN DELIVERY

Components –In-House	Cost
Truck	\$120
Fuel	\$50
Staff 2 x 8.5hrs x \$75/hr	\$1,275
Total Daily cost	\$1,445
8 Days to Deliver 1,200	\$11,560

In delivering the bins, it is important that no properties are missed and that those who are not eligible do not receive bin are not included. Residents in the Trial area will be advised to leave their MSW bin out after the last Wednesday collection before the Trial commencement date. The bins should be delivered at the beginning of the week leading up to the first week's presentation to account for any logistical issues that may arise. Lids will be stickered closed advising of commencement date. The info packs would be delivered to the residents prior to the bin delivery week to avoid confusion (refer to Appendix A).

INFORMATION PACK FOR TRAIL PARTICIPANTS

- Education and promotion,
- Objectives of the 3rd bin,
- The benefits and reason,
- The use of all 3 bins
- Advise that there is no extra charge
- When do they present – Provide a fortnightly calendar.
- Create a red lid bin poster/flyer to complement the existing flyers.
- Amend the green lid bin flyer.
- Refer to the Website and the FAQs



EDUCATION OFFICER'S ROLES (EO)

Education – Waste bin auditing will occur immediately and intensively for the first 2 fortnights that the GW bin is presented. The auditing will occur prior to the collection of the bins every Wednesday and continue until contamination rates are zero. The EOs will provide feedback to all residents either with positive (with a thank you/positive tag) and a contamination tag (additional education, incentives and advice).

When residents continually contaminate the GW bin, a bin/door tagging process will advise them of the contamination. A letter will follow to acknowledge their efforts to “do the right thing” as well as to encourage them to continue trying to separate their waste correctly using the three bins. This will be followed by a formal letter after 2 consecutive contaminated bins. 3 consecutive contaminated bins will result in the removal of the GW bin.

The budget to allow for EOs to visit every home (in pairs for safety), to consult with the owners of contaminated GW bins. This may have to occur during the day or after hours 4.30-6.30pm

<u>No. of EO teams (2/team)</u>	<u>Time allowed per household per Team</u>	<u>No. H'holds per hr</u>	<u>Total time for 300 h'holds</u>	<u>Comments</u>
1 Team (2 EOs)	5mins/h'hold	12/hr	25hrs	This is likely to be the maximum time required to perform the audits: <ul style="list-style-type: none"> • Inspect each bin • Accurately record contamination items to allow for easy transcription at the office • Include a well-structured Field Data Sheet • Consider whether it would be possible to have an electronic version for recording audits e.g. on an iPad or similar vs the time taken to transcribe • Includes the time taken to walk to next lot of bins
2 Teams (4 EOs)	"	24/hr	12.5hrs	
3 Teams (6 EOs)	"	36hr	8.3 (8.25)hrs	
1 Team (2 EOs)	2.5min/hhold	24/hr	12.5hrs	We think that this won't be enough time for auditing given the comments above
2 Teams (4 EOs)	"	48/hr	6.25hrs	
3 Teams (6 EOs)	"	72/hr	4.2hrs	
1 Team (2 EOs)	3min/hhold	20/hr	15hrs	This may be the most likely time taken (or between 3-5mins) Could average out to 3mins but likely to be longer in the beginning.
2 Teams (4 EOs)	"	40/hr	7.5hrs	
3 Teams (6 EOs)	"	60/hr	5hrs	

Given the times above, it's practical to audit using 8 teams initially to quickly cover the 1,200 trial area in the first 2 fortnights.

After the first month the auditing levels can be more detailed. The budget allows for 6 casuals for 2 days/week and engaging the City's Waste Education Officer and a Part Time Environment Officer when needed. The same casuals must be available each week to avoid the need to retrain staff weekly. All staff must be well presented and wear "Recycle Right" high visibility vests.

The EOs shall audit all 3 bins at all properties in the Trial area for the first two months to provide feedback to occupants and monthly routine checks for the remainder of the year.

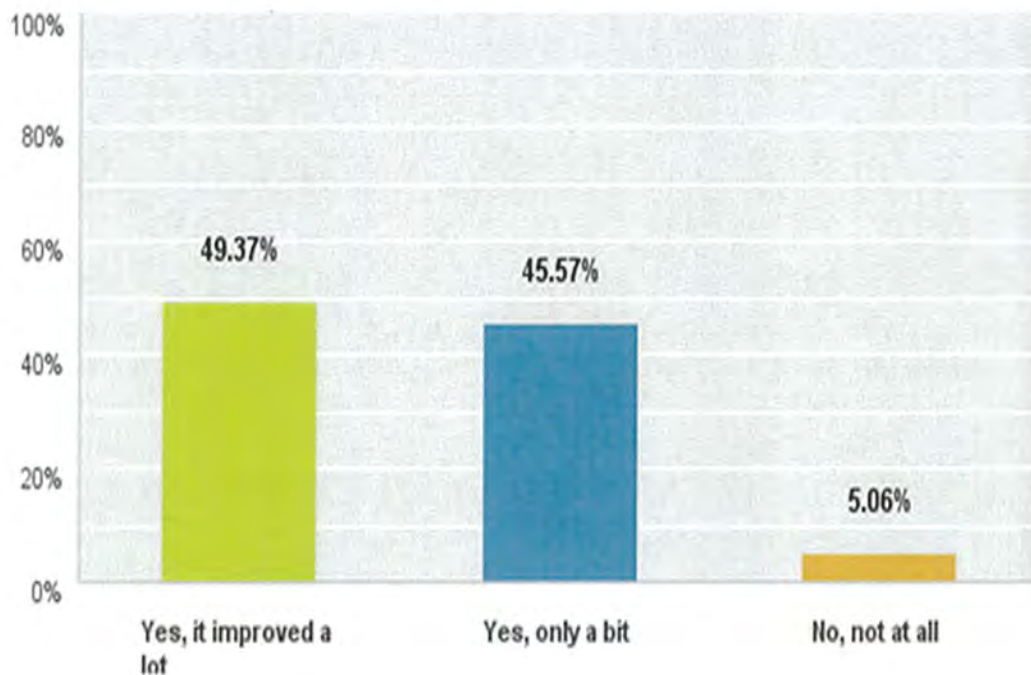
Residents should be advised that EOs will be monitoring the resident's bins throughout that year. The audit will involve examining surface contents of each of the three bins and providing feedback/advice on contamination - 'bin/door tagging'. Bin Audits will involve two officers operating together (safety) to inspect trial household bins.

EO's to also promote consumer awareness of excessive plastic packaging and single-use plastic – reduce, reuse, then recycle.

Component	Rate	Cost	Total
CoC Waste Ed Officers	2x\$119/hr@8days	\$1,904	
Casual Waste Ed Officers	6x\$36/hrx8hrs/day	\$1,728	
Staff Cost for 1 week		\$3,632	
Staff Cost for 1 st FN	\$3,632 x 2		\$7,264
Ongoing Auditing FN			
CoC Waste Ed Officers	2x\$119/hr@6Hrs/day	\$1,428	
Casual Waste Ed Officers	2x\$36/hrx6Hrs/Day	\$432	
Total	24 Weeks	\$1,860	\$44,640

IN YOUR KITCHEN WASTE SEPARATION PACKS

It has been proven conclusively that the most successful Waste Education Programs involve direct personal contact with the household occupants. This strategy will be deployed in this Trial even though the cost of doing so is high. The recent "In Your Kitchen Trail" produced very positive results for "Separation at Source".



Improvements in waste separation behaviour after the Trial

This initiative will continue to roll out in 15/16 targeting the 3rd Bin Trial area initially. This will involve the purchase and delivery of:

Quantity	Product	Rate	Cost
1,200	Recycle Tubs	\$3.40	\$4,800
1,200	7Ltr Compost Caddies	\$6.21	\$7,452
20,000	8Ltr Compostable Bin Liners 3,200/carton	\$304.91/Ctn	\$2,135
Total			\$14,387
Delivery Packs	2staff @ 8.5Hrs/day x 5 days @ \$65/hrs	\$65/hr	\$5,525



During the delivery of the recycling tubs, compost caddies and compostable bags, EOs will advise about correct use of the new three bins system. The EOs will also take the opportunity to advise about wrapping organic kitchen waste in newspaper, washing **ALL** plastics packets and other best practice separation habits.

GW SIDE ARM TRUCK

The driver of the fortnightly GW collection is to monitor the hopper camera of every lift. Any bin containing contamination is to be identified, recorded and tagged appropriately.

Side arm collection truck to deliver all GW 240lt kerbside collected loads to Henderson Waste Recovery Park (HWRP), advising the weighbridge of cost code/budget number.

TIPPING CHARGES

It is estimated that a truck load would have about 8t per load and 3 loads per day, which gives a total of 24t at \$50 per tonne or \$1,200 per day. Over the period of the trial this gives a total of \$31,200.

SCREENING, SORTING, AUDITING AND RECORDING

At the HWRP the Driver will be directed to unload the GW onto the concrete hardstand in front of the workshops.

The GW will be spread with an excavator to allow a HWRP General Hand to remove plastic, glass and other contaminants. All the contaminants will be placed in separate bins and the bins weights recorded at the end of the day. The data will be monitored

over time to assess emerging trends. The bulk verge GW tonnage for the spring collection will be recorded and compared to pre-trial periods.

GW PROCESSING

The GW from the 3rd bin trial will be processed as normal using our on-site contractor (current rate is \$25/tonne). The cost of processing the trial areas GW bin would be 24tonne/fortnight (25x24x 26) or \$15,600

Green Waste Processing



Component	Rate	Calculation	Cost
General Hand	26/hr (+12.5%)O/H	\$29.25@1hr/loadx3loadsx26weeks	\$2,281
Excavator 14T	\$48/hr	3hrs x 26 weeks	\$3,744
Plant Operator	\$28/hr (+12.5%)O/H	\$31.50 x 1Hr/Load x 3Loads x 26 Weeks	\$2,457
Supervisor	\$32/hr (+12.5%O/H	\$36/hr x 26 weeks	\$936
Total			\$9,418

TRAIL OUTCOME

The success of the 3rd bin trial will be determined using the following measures;

- Trial tonnages compared to other councils 3rd bin data,
- Percentage weight changes to the MSW and recycle bins,
- Savings to the City from diverting GW away from the SMRC's WCF.
- Diversion of material from the MSW bin to the recycle bin (cost reduction).
- Variations to the bulk GW verge collection in the trial area.

APPENDIX A

Cost Implications and Finance

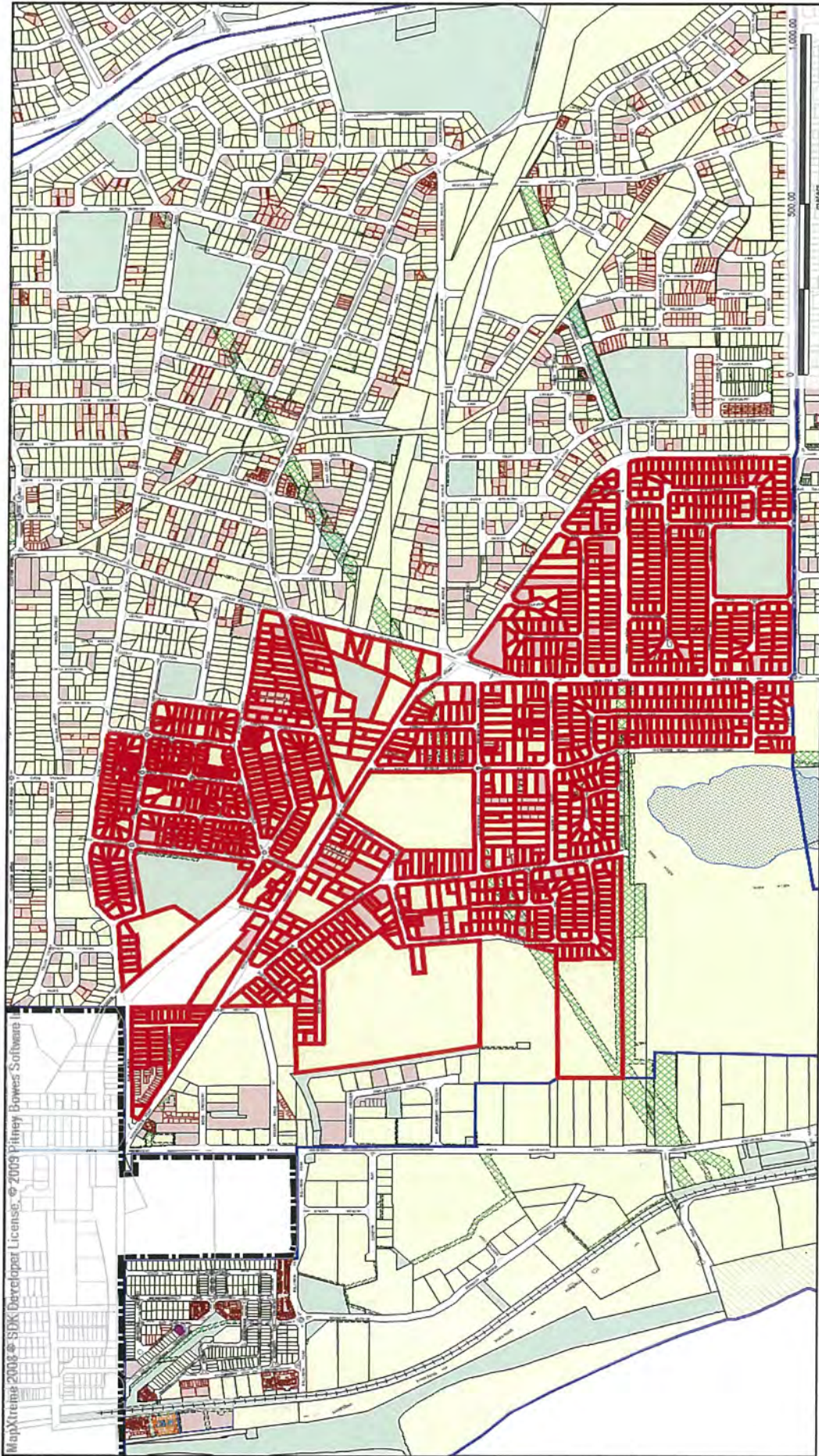
The attached spreadsheet identifies the cost associated with the Trial. These costs will require Council approval and be funded from the Waste Collection Reserve.

Project Timelines

Refer to the attached spreadsheet

APPENDIX B

Plan of Trial Area



Third Bin Trial Area – Hamilton Hill – 1,203 Properties

Local Government	Bin Configuration	Contamination Rate	Bulk Verge Impact	Diversion from MSW Bin	Success Rating – Disposal Cost
Bayswater City 92720688 Bihn Lumung – 3 rd bin is a GREENWASTE BIN	240 MSW Wkly 240 REC Fort 240 G/W Fort Commenced 1998	8% Plastic rocks steel. Best outcome is 5%. Education and media promotions. Enforcement via letters if hopper camera identifies contamination. Letters written. 3 offences - bin removed.	Skip bins provided in lieu of bulk verge. 5,000 tonnes pa. Commenced 1986. Only large limbs and trunks placed in skips, otherwise all hard waste.	5,000 tonnes pa collected in the G/W bin. Reduction significant. 20,000 tonnes MSW pa.	7.5 Cleanaway deliver to EMRC @\$60/T uncontaminated.
City of Bunbury Allen McGeoch 97927733. 3 rd bin is an ORGANICS BIN.	240 MSW Fort 240 REC Fort 240 ORG Wkly 3rd year since introduction	4-6% Contamination is mostly overflow from MSW bin. 2 Education Officers (EO). Bin contamination is recorded by a driver. The following week it is inspected by the EO-letter written. 3 strikes and the bin is removed.	2 GW/2 Junk. 20-25% reduction in GW set out tonnages as a result of the organics bin. Compost sold for \$40/t. Will soon become cost neutral.	43% of MSW diverted to the organics bin. Audit Results – 65% GW, 20% food, 10% paper & cardboard, 5% contamination.	9.5. \$22/t – subsidised be CoB should be \$32/t. Landfill-\$50/t
City of Nedlands Jaminda Mendes 92733583. 3rd bin is a GREENWASTE BIN	240 MSW Wkly 240 REC Fort 240 G/W Fort	10-15%. Plastic and plastic pots. Education and media promotions. Enforcement via letters if hopper camera identifies contamination. Letters written. 3 offences - bin removed.	2 combined junk/gw collections /year. 700 tonnes gw pa. No change or reduction to G/W tonnages	2,000 tpa diverted from the MSW bin and landfill. Nedlands lots are average 700m2.	7-8 Perth Waste. Collection trans & disposal included in lift rate.
Town of Cottesloe Darryl Manteiro 9285 5000. 3rd bin is a GREENWASTE BIN	120 MSW Wkly 240 REC Fort 240 G/W Fort Commenced Nov 13	8-10% Mostly overflow from MSW bin, plastic, glass, large limbs. GW bins were not supplied to multi-unit developments – Single res only – 2,560 in all. Education only - no compliance officer. Option to charge \$20 for the bin to be emptied as a MSW bin.	2GW/2 Junk. 400tpa down to 250tpa	35% increasing to a rate of 50% now. Large lot sizes.	9.5 Contractor – Perth Waste
Town of Cambridge Jackie Dixon 9347 6002 3rd bin is a GREENWASTE BIN.	120 MSW Wkly 240 or 360 REC Fort 240 G/W Fort	18-20% Plastic bags and overflow from MSW bin. Voluntary participation \$70/bin/yr Introduced 12/13. Large lots No enforcement. Full page ads.	GW tonnes have gone up 20t/collection. The residents need to know that smaller branches can be cut to fit in the GW 3 rd bin.	1,800 tpa diverted from the MSW bin. Prior to implementation 75% MSW 25% Rec. Post 3 rd bin introduction 57% MSW 29% Rec 14% GW	7-8. 50% of residents have taken up the 3rd bin. Contractor – Perth Waste

	Fortnight Costs	June	July	August	September	October	November	December	January	February	March	April	May	June	July	August	September	October	
3 Bin Trial Costs and Delivery Program																			
Determine Trial Area																			
Advise Hino Hold onto Trade - Depreciation Cost	\$ 20,000																		
Order Bins																			
Prepare Pre-Trial Information																			
Purchase "In Your Kitchen" Kits	\$ 14,387																		
Update Website																			
Distribute Pre-Trial Information																			
Order Bins, Lids and Bin Lid Stickers	\$ 83,100																		
Deliver Bins and Replace Lids	\$ 11,560																		
Employ/Train casual staff first 2 fortnight presentation.	\$ 7,264																		
Deliver "In Your Kitchen" kit	\$ 5,525																		
New Waste Truck Arrives																			
Create Auditing & Recording Sheets																			
1st Third Bin Collection Date						5/09/2015													
Side Arm Collection Commences	\$ 56,810																		
Side Arm Delivery to HWRP \$60-\$55 Levy=\$5 cost	\$ 3,120																		
Commence Sorting and Recording	\$ 9,418																		
Education Officers Audit and Education Program	\$ 44,640																		
Process Greenwaste	\$ 15,600																		
Resistant Residents/ bin collection/compliance	\$ 5,000																		
Contingency	\$ 50,000																		
Compare Results Bulk GW/MSW/Variations																			
Prepare Report Lessons learned - Plan to roll out																			
Total	\$ 326,424																		