



City of Cockburn
Ordinary Council Meeting
Addendum Agenda

For Thursday, 8 November 2018

CITY OF COCKBURN

SUMMARY OF ADDENDUM AGENDA TO BE PRESENTED TO THE ORDINARY COUNCIL MEETING TO BE HELD ON THURSDAY, 8 NOVEMBER 2018 AT 7:00 PM

	Page
21. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY MEMBERS OR OFFICERS.....	4
21.1 KAREL AVENUE DUPLICATION FUNDING AGREEMENT	4

CITY OF COCKBURN**ADDENDUM AGENDA TO BE PRESENTED TO THE
ORDINARY COUNCIL MEETING
TO BE HELD ON THURSDAY, 8 NOVEMBER 2018 AT 7:00
PM****21. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY
MEMBERS OR OFFICERS****21.1 KAREL AVENUE DUPLICATION FUNDING AGREEMENT**

Author(s)	C Sullivan
Attachments	1. Karel Avenue Upgrade Concept Plan (CONFIDENTIAL) 2. E-mail 23 March 2018 from JAH to City of Cockburn (CONFIDENTIAL)

RECOMMENDATION

That Council

- (1) advises Main Roads Western Australia that the City approves construction of the northern and southern sections of the Karel Avenue duplication works as outlined in the report;
- (2) provides funding of up to \$3m in the FY 2019-2020 budget for the provision of the southern section of the Karel Avenue duplication; and
- (3) delegate authority to the Chief Executive to enter into a legal agreement with Jandakot Airport Holdings (JAH) to recover the cost of the southern section, with the City's contribution to be carried at \$1.0M.

TO BE CARRIED BY AN ABSOLUTE MAJORITY OF COUNCIL

Background

At the Ordinary Meeting of Council on 14 December 2017, Council considered a report on the proposed upgrade of Karel Avenue (2017/Minute No. 0051) as part of the Main Roads WA (MRWA) project to duplicate and expand the crossing of the Roe Highway and freight rail corridor.

Council resolved as follows:

That Council

- (1) *brings forward from 2025/26 to 2018/19 a funding allocation within the adopted Long Term Financial Plan of \$2.00M in municipal funding specifically for the section of Karel Avenue duplication between Farrington Street and the Roe Highway Reserve and includes this within the next review of the Long Term Financial Plan due next year;*
- (2) *authorise City officers to enter into an agreement with the Main Roads WA for the delivery of the project based on a contribution of \$2.00M of municipal funds from the Roads & Drainage Infrastructure Reserve with the delivery of the project entirely by Main Roads WA;*
- (3) *authorise the Chief Executive Officer to enter dialogue with Jandakot Airport Holdings on the duplication of Karel Avenue from the Rail Reserve to the intersection of Berrigan Drive and Karel Avenue; and*
- (4) *include this project in the capital works program to be developed for the 2018-19 Municipal Budget.*

A budget allocation of \$2.0M was subsequently approved by Council as part of the current 2018/19 budget. MRWA advertised an Expression of Interest to identify proponents to make a detailed tender submission. This process led to three proponents being selected for invitation to submit a tender.

Subsequent to the Council decision the Chief Executive Officer also engaged with Jandakot Airport Holdings (JAH) to resolve a cost sharing arrangement for the southern section of Karel Avenue (i.e. from the boundary of the airport to the edge of the rail bridge). These negotiations led to an in principle arrangement, a copy of which is at Attachment 2, which allowed MRWA to include this in the scope of works for their tender.

Submission

N/A

Report

The report to the December 2017 Ordinary Meeting of Council describes the scope of works of the project and the three sections that have been priced separately as part of the tender submission. Further dialogue was held with JAH on a joint funding approach for the section mentioned above on the basis of the City contributing \$1.0M and the

balance of the funding provided by JAH. In order to simplify the funding arrangements for the project, the City would manage the funding agreement with MRWA and a Deed of Agreement put in place between the City and JAH.

At a meeting at the MRWA on 1 November 2018, the tender price for the project was explained; broken down into its discrete packages as per the concept layout of the MRWA project shown in Attachment 1.

The \$2M previously approved by Council for the northern section is sufficient to meet the project cost requirements and allow for potential contingencies. The City has requested a modification to be negotiated for the inclusion of a U turn facility in the central median south of the intersection with Dimond Court. The scope was raised to provide an alternate crossing from the area for residents in the event of congestion in peak times.

Based on previous discussions with JAH, the City contribution for this section is to be capped at \$1.0M with any variations paid by JAH. This would require a legal agreement to be signed between the two parties and hence MRWA would be only dealing with the City as the other funding contributor. The City would make the contract payments during the project and then recover the contribution from JAH as outlined in Attachment 2.

Strategic Plans/Policy Implications

Moving Around

Reduce traffic congestion, particularly around Cockburn Central and other activity centres.

Improve connectivity of transport infrastructure.

Economic, Social & Environmental Responsibility

Create opportunities for community, business and industry to establish and thrive.

Leading & Listening

Ensure sound long term financial management and deliver value for money.

Strengthen our regional collaboration to achieve sustainable economic outcomes. Ensure advocacy for funding and promote a unified position on regional strategic.

Budget/Financial Implications

The current budget has an allocation of \$2.0M for the section of Karel Avenue from Farrington Road to the Roe Highway reserve. An allocation of \$3m for the southern section is required for the FY19/20 budget.

Legal Implications

The City's lawyers would be required to draft a legal agreement to define the funding contributions between JAH and the City including repayment terms for the contribution from JAH.

Community Consultation

This public consultation has already begun with meetings between the City officers, the MRWA and local residents. A petition was received by the City and the MRWA from local residents concerned about noise and traffic congestion which has been responded to with assistance from the local State Member for Jandakot. The provision of the U turn pocket will address access issues raised by residents.

Risk Management Implications

To not proceed to confirm the contributions from the City and JAH to the project funding would seriously diminish the scope of work to only the bridge widening and associated works over the Roe Highway reserve and the freight rail corridor. The benefits to the wider community of duplication of Karel Avenue from Farrington Road to the intersection of Berrigan Drive including a double lane roundabout to access the JAH land would be lost.

Advice to Proponent(s)/Submitters

MRWA and JAH have been advised that this matter is to be considered at the 8 November 2018 Ordinary Council Meeting.

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

Nil