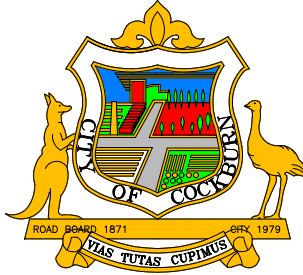


# **CITY OF COCKBURN**



**ORDINARY COUNCIL**

**AGENDA PAPER**

**FOR**

**THURSDAY, 10 FEBRUARY 2011**

# CITY OF COCKBURN

## SUMMARY OF AGENDA TO BE PRESENTED TO THE ORDINARY COUNCIL MEETING TO BE HELD ON THURSDAY, 10 FEBRUARY 2011 AT 7:00 PM

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	Page
1. DECLARATION OF MEETING .....	1
2. APPOINTMENT OF PRESIDING MEMBER (IF REQUIRED) .....	1
3. DISCLAIMER (TO BE READ ALOUD BY PRESIDING MEMBER) .....	1
4. ACKNOWLEDGEMENT OF RECEIPT OF WRITTEN DECLARATIONS OF FINANCIAL INTERESTS AND CONFLICT OF INTEREST (BY PRESIDING MEMBER) .....	1
5. APOLOGIES AND LEAVE OF ABSENCE .....	1
6. ACTION TAKEN ON PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE .....	1
7. PUBLIC QUESTION TIME .....	1
8. CONFIRMATION OF MINUTES .....	1
8.1 (OCM 10/2/2011) - ORDINARY COUNCIL MEETING - 09/12/2010 .....	1
9. WRITTEN REQUESTS FOR LEAVE OF ABSENCE .....	2
10. DEPUTATIONS AND PETITIONS .....	2
11. BUSINESS LEFT OVER FROM THE PREVIOUS MEETING (IF ADJOURNED) .....	2
12. DECLARATION OF COUNCILLORS WHO HAVE NOT GIVEN DUE CONSIDERATION TO MATTERS IN THE BUSINESS PAPER .....	2
13. COUNCIL MATTERS .....	2
13.1 (OCM 10/2/2011) - MEMBERSHIP OF THE GRANTS & DONATIONS COMMITTEE (CR/G/006) (D GREEN) .....	2
14. PLANNING AND DEVELOPMENT DIVISION ISSUES .....	4
14.1 (OCM 10/2/2011) - DETAILED AREA PLANS FOR PORT COOGEE (STAGE 3A AND 3B, STAGE 3B, STAGE 2C LANEWAY LOTS, AND BEACHPOINT (LOT 749 PERLINTE VIEW)) - PREPARED BY: TAYLOR BURRELL BARNETT - PROPONENT: AUSTRALAND (PS/A/001) (M SCARFONE) (ATTACH) .....	4
14.2 (OCM 10/2/2011) - PROPOSED MODIFICATION TO AUSTRALIAN MARINE COMPLEX: TECHNOLOGY PRECINCT STRUCTURE PLAN - LOCATION: VARIOUS LOTS BOUNDED BY FROBISHER AVE, ROCKINGHAM AND RUSSELL ROADS, MUNSTER - OWNER: LANDCORP AND VARIOUS PRIVATE LANDOWNERS - APPLICANT: THE PLANNING GROUP (SM/M/004) (R COLALILLO) (ATTACH) .....	8

14.3	(OCM 10/2/2011) - NOMINATION OF ELECTED MEMBER FOR ALCOA LONG TERM RESIDUE MANAGEMENT STRATEGY STAKEHOLDER REFERENCE GROUP - APPLICANT: CITY OF COCKBURN (SM/L/005) (A TROSIC) .....	16
14.4	(OCM 10/2/2011) - CONSENT FOR EASEMENT OVER RESERVE 30861, LAKE COOGEE, MUNSTER - OWNER: STATE OF WESTERN AUSTRALIA - APPLICANT: COCKBURN CEMENT LTD (3300016) (K SIM) (ATTACH) .....	21
14.5	(OCM 10/2/2011) - PROPOSED DRAFT BRANCH CIRCUS DISTRICT STRUCTURE PLAN LOCATION: VARIOUS LANDHOLDINGS BETWEEN HAMMOND ROAD AND BRANCH CIRCUS, SUCCESS - OWNER: VARIOUS LANDOWNERS - APPLICANT: CITY OF COCKBURN (SM/M/024) (R SERVENTY) (ATTACH) .....	27
14.6	(OCM 10/2/2011) - CITY OF COCKBURN RESPONSE TO CITY OF FREMANTLE PUBLIC TRANSIT CORRIDOR PLANNING STUDY (SM/M/053) (A TROSIC / C CATHERWOOD) (ATTACH) .....	32
15.	FINANCE AND CORPORATE SERVICES DIVISION ISSUES.....	42
15.1	(OCM 10/2/2011) - LIST OF CREDITORS PAID - NOVEMBER 2010 AND DECEMBER 2010 (FS/L/001) (N MAURICIO) (ATTACH) .....	42
15.2	(OCM 10/2/2011) - STATEMENTS OF FINANCIAL ACTIVITY AND ASSOCIATED REPORTS - NOVEMBER 2010 AND DECEMBER 2010 (FS/S/001) (N MAURICIO) (ATTACH).....	44
15.3	(OCM 10/2/2011) - OBJECTION TO DIFFERENTIAL RATES - COCKBURN CEMENT (3411123; FS/T/006) (S DOWNING) (ATTACH) .....	48
15.4	(OCM 10/2/2011) - ADVERTISING A COMMERCIAL DEVELOPMENT - COUNCIL OWNED LAND - PORTION OF LOT 9000 YANGETUP ROAD, YANGETUP (3318030) (S DOWNING) (ATTACH) .....	55
15.5	(OCM 10/2/2011) - REVIEW OF BUSINESS PLAN 2010/11 AND BUDGET REVIEW PERIOD ENDING 31 DECEMBER 2010 (5402) (S DOWNING) (ATTACH) .....	61
15.6	(OCM 10/2/2011) - DONATION - QUEENSLAND'S PREMIER'S FLOOD RELIEF APPEAL (CR/G/001) (S DOWNING).....	71
16.	ENGINEERING AND WORKS DIVISION ISSUES.....	73
16.1	(OCM 10/2/2011) - TENDER NO. RFT23/2010 - DESIGN AND PROJECT MANAGEMENT SERVICES (CIVIL WORKS) CELL 7 CONSTRUCTION - HENDERSON WASTE RECOVERY PARK (RFT23/2010) (L DAVIESON) (ATTACH).....	73
16.2	(OCM 10/2/2011) - AMENDMENTS TO BULK VERGE COLLECTION SERVICE FOR 2011/12 (ES/W/001) (L DAVIESON).....	80

	<b>Page</b>
17. COMMUNITY SERVICES DIVISION ISSUES.....	85
18. EXECUTIVE DIVISION ISSUES.....	85
19. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN .....	85
20. NOTICES OF MOTION GIVEN AT THE MEETING FOR CONSIDERATION AT NEXT MEETING .....	85
21. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY COUNCILLORS OR OFFICERS .....	85
22. MATTERS TO BE NOTED FOR INVESTIGATION, WITHOUT DEBATE .....	86
23. CONFIDENTIAL BUSINESS .....	86
24. (OCM 10/2/2011) - RESOLUTION OF COMPLIANCE (SECTION 3.18(3), LOCAL GOVERNMENT ACT 1995) .....	86
25. CLOSURE OF MEETING .....	86

**CITY OF COCKBURN****AGENDA TO BE PRESENTED TO THE ORDINARY  
COUNCIL MEETING TO BE HELD ON  
THURSDAY, 10 FEBRUARY 2011 AT 7:00 PM**

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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 AND LEAVE OF ABSENCE**
6. **ACTION TAKEN ON PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**  
Nil
7. **PUBLIC QUESTION TIME**
8. **CONFIRMATION OF MINUTES**
  - 8.1 **(OCM 10/2/2011) - ORDINARY COUNCIL MEETING - 09/12/2010**

**RECOMMENDATION**

That Council: adopt the Minutes of the Ordinary Council Meeting held on Thursday, 9 December 2010, as true and accurate record.

**COUNCIL DECISION**

**9. WRITTEN REQUESTS FOR LEAVE OF ABSENCE**

**10. DEPUTATIONS AND PETITIONS**

**11. BUSINESS LEFT OVER FROM THE PREVIOUS MEETING (If adjourned)**

Nil

**12. DECLARATION OF COUNCILLORS WHO HAVE NOT GIVEN DUE CONSIDERATION TO MATTERS IN THE BUSINESS PAPER**

**13. COUNCIL MATTERS**

**13.1 (OCM 10/2/2011) - MEMBERSHIP OF THE GRANTS & DONATIONS COMMITTEE (CR/G/006) (D GREEN)**

**RECOMMENDATION**

That Council appoints Councillor \_\_\_\_\_ to the Grants and Donations Committee.

**TO BE CARRIED BY AN ABSOLUTE MAJORITY OF COUNCIL**

**COUNCIL DECISION**

**Background**

The Committee was established in 2005, with the primary function to make recommendations to Council regarding budgeted allocations of grants, donations and sponsorships, following the assessment of

applications from individuals and organisations against the criteria established by Council.

### **Submission**

Clr Limbert has expressed an interest in being appointed as a member to the Committee.

### **Report**

Following the resignation of Clr O'Brien from Council, there is a vacancy on the Committee which Council may wish to fill with a replacement Councillor.

### **Strategic Plan/Policy Implications**

#### **Lifestyle and Aspiration Achievement**

- To foster a sense of community spirit within the district generally and neighbourhoods in particular.

### **Budget/Financial Implications**

N/A

### **Legal Implications**

Sec. 5.10 of the Local Government Act, 1995 refers.

### **Community Consultation**

N/A

### **Attachment(s)**

N/A

### **Advice to Proponent(s)/Submissioners**

N/A

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

Nil.

**14. PLANNING AND DEVELOPMENT DIVISION ISSUES**

**14.1 (OCM 10/2/2011) - DETAILED AREA PLANS FOR PORT COOGEE (STAGE 3A AND 3B, STAGE 3B, STAGE 2C LANEWAY LOTS, AND BEACHPOINT (LOT 749 PERLINTE VIEW)) - PREPARED BY: TAYLOR BURRELL BARNETT - PROPONENT: AUSTRALAND (PS/A/001) (M SCARFONE) (ATTACH)**

**RECOMMENDATION**

That Council:

- (1) approve the Detailed Area Plans presented for Stages 3A and B, Stage 3B, Stage 2C (laneway lots), Port Coogee, North Coogee, prepared by Taylor Burrell Barnett for Australand, pursuant to the provisions contained under Clauses 6.2.15.5 and 6.2.15.8 of the City of Cockburn Town Planning Scheme No. 3;
- (2) approve the Detailed Area Plan presented for Beachpoint (Perlente View), Port Coogee, North Coogee, prepared by Taylor Burrell Barnett for the Building Development Group, pursuant to the provisions contained under Clauses 6.2.15.5 and 6.2.15.8 of the City of Cockburn Town Planning Scheme No. 3; and
- (3) advise the applicant accordingly.

**COUNCIL DECISION**

**Background**

This report deals with four Detailed Area Plans (DAP's) for various locations within the Port Coogee project area.

The DAPs for stage Stage 3A and B deal with the area bounded by Orsino Boulevard to the east, Caledonia Loop to the north, Medina Parade to the west and Coromandel Approach to the south.

Stage 2C is bounded by Orsino Boulevard to the west, Leonidas Road to the east, an R80 zoned development site to the north and two R40 zoned lots to the South. Beachpoint (Perlente View) is located at the southern end of the project area and is bounded by Perlente View to the



west and north west, Orsino Boulevard to the north east and Cockburn Road to the south east. Please see Attachment 1 (Location Plan) for further details with regard to the location of each DAP.

The DAP's apply to a range of lots varying in size and orientation. The densities applicable to the lots range from R30 to R80 and include R35 and R50 sizes lots.

### **Submission**

The attached DAP's address amongst matters:

- Key elements to be considered in the design of dwellings.
- Dwelling setback requirements, including the extent to which parapet walls can be erected on side boundaries.
- Dwelling height.
- Access and garage requirements.

Where the DAP's do not refer to an alternate standard, the applicable standard is that prescribed in the Residential Design Codes (R-Codes) or the City's Town Planning Scheme No. 3 and/or Policies.

### **Report**

The DAP's the subject of this report provide a site-specific layer of planning information, to be considered in the design and development of the lots within the respective stages. Presentation of the DAP's to the City is by the planning consultant for Port Coogee. Following an initial assessment, several minor changes have been made to a number of the DAP's. The changes follow discussion of alternate requirements for a particular Stage (or lots within) for the purpose of achieving more desirable outcomes. The information is consistent with the content of the Revised Local Structure Plan adopted by SAT in May (2010), most notably the various densities that apply across the Port Coogee project.

The Revised Local Structure Plan referred to above, removes references to a maximum number of storeys with Building Height Plan. On 11 September 2008 and 16 December 2009 respectively, a DAP's for Stages 3A and B and Stage 3B were adopted by Council. These DAP's made reference to height in storeys consistent with the previous structure plan and as such are required to be updated to reflect the current situation. In addition minor modifications to design provisions have been adopted and reference is made to the most current version of the Residential Design Codes of Western Australia. These minor modifications bring the DAP's into line with those adopted by Council at its November 2010 meeting.

The DAP for Stage 2C Laneway Lots is similar in nature to the DAP adopted by Council at its November 2010 meeting, for stage 10B1 (Laneway Lots). The DAP allows for a tight residential streetscape, with setbacks reflective of those approved for the western side of Orsino Boulevard.

With regard to the DAP for 'Beachpoint' several meetings have been held with the developer over the past 6 – 12 months to ensure an appropriate design response is facilitated for this prominent lot. In addition to the standard DAP considerations such as dwelling setback, design considerations and access, the 'Beachpoint' DAP provides specific maximum building heights for each lot, consistent with the Revised Local Structure Plan, it facilitates multiple dwellings on two prominent corner lots and ensure adequate visitor parking is provided.

In relation to the multiple dwellings sites, being lots 100 and 105, it is important to note, the DAP permits a plot ratio of 1:1.25, in lieu of the 1:1 plot ratio indicated in Table 4 of the R-Code. The increased plot ratio allows for additional flexibility in the development of these key site, however built form will remain restricted to the three dimensional building envelope created by this DAP. Any proposal for multiple dwellings on either lot will be assessed not only in terms of plot ratio but also compliance with DAP and R-Code provisions relating to height, setbacks, orientation, fenestration, vehicle access and car parking.

### Conclusion

The finalised DAP's provide detailed controls for small lot development as identified in the Structure Plan for the stages in question. It is, therefore, recommended the DAP's be approved by Council.

The approval of the DAP's is in accordance with the provisions of 6.2.15 of the scheme. It is noted the process for adopting a DAP includes consultation where a DAP may affect landowners other than the owner of the land subject of the plan. In the case of the subject DAP's, Australand owns the majority of surrounding land. Additionally and more importantly, the design and development of dwellings controlled by the DAP's will be as envisaged and reflective of the Structure Plan. Bearing these points in mind, consultation has not occurred.

Clause 6.2.15.8 provides scope for a DAP to be amended should this be necessary in the future.

### **Strategic Plan/Policy Implications**

Policy APD31 'Detailed Area Plans'

### **Demographic Planning**

- To ensure the planning of the City is based on an approach that has the potential to achieve high levels of convenience and prosperity for its citizens.
- To ensure development will enhance the levels of amenity currently enjoyed by the community.

### **Lifestyle and Aspiration Achievement**

- To foster a sense of community spirit within the district generally and neighbourhoods in particular.

### **Governance Excellence**

- To conduct Council business in open public forums and to manage Council affairs by employing publicly accountable practices.

### **Budget/Financial Implications**

N/A

### **Legal Implications**

Town Planning Scheme No. 3  
Planning and Development Act 2005

### **Community Consultation**

The DAP's have not been the subject of consultation.

### **Attachment(s)**

1. Location/Revised Local Structure Plan
2. Stage 3A and 3B
3. Stage 3B
4. Stage 2C Laneway Lots
5. Beachpoint – Perlinte View

### **Advice to Proponent(s)/Submissioners**

The proponent has been advised that this matter is to be considered at the 10 February 2011 Council Meeting.

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

Nil.

**14.2 (OCM 10/2/2011) - PROPOSED MODIFICATION TO AUSTRALIAN MARINE COMPLEX: TECHNOLOGY PRECINCT STRUCTURE PLAN - LOCATION: VARIOUS LOTS BOUNDED BY FROBISHER AVE, ROCKINGHAM AND RUSSELL ROADS, MUNSTER - OWNER: LANDCORP AND VARIOUS PRIVATE LANDOWNERS - APPLICANT: THE PLANNING GROUP (SM/M/004) (R COLALILLO) (ATTACH)**

**RECOMMENDATION**

That Council:

- (1) adopts the Schedule of Submissions prepared in respect of the proposed modification to the Australian Marine Complex Technology Precinct Structure Plan;
- (2) adopts the modified Australian Marine Complex Technology Precinct Structure Plan, subject to the addition of a notation requiring that future development and land uses within the 'Research and Development' precinct on the southern boundary of the future public open space reserve be compatible and sympathetic to the reserve; and
- (3) advise the Western Australian Planning Commission, the Department of Environment and Conservation, the proponent and submissioners of Council's decision accordingly.

**COUNCIL DECISION**

**Background**

The existing Australian Marine Complex - Technology Precinct Structure Plan ("Structure Plan") was approved by Council on 17 July 2006 and endorsed by the Western Australian Planning Commission ("WAPC") on 8 September 2006. A locality plan is provided in Attachment 1, while the existing Structure Plan is provided as Attachment 2.

In mid 2008 the Planning Group at the request of LandCorp submitted a request to modify the Structure Plan in order to rationalise land uses and the road network to facilitate a more legible framework for future subdivision and development. A further key aspect of this was a

proposal to relocate the proposed public open space ("POS") area further west towards Lake Coogee.

Consideration of the modifications was deferred by Council mainly in response to concerns regarding relocation of the proposed POS area. The proponent has now undertaken additional investigations specifically in respect of the POS issue, and has requested the matter again be considered by Council for a final decision. This is the purpose of this report.

### **Submission**

N/A

### **Report**

Council at its Ordinary Meeting held on 12 February 2009 considered the proposal to modify the Structure Plan and resolved to:

- (1) *defer its determination of the proposed amended Structure Plan for the Australian Marine Complex - Technology Precinct;*
- (2) *direct Council staff to organise a workshop between Elected Members, the applicant (including their consultants) and officers to discuss in further detail the full ramifications of the proposed amendments to the Structure Plan; and*
- (3) *advise the applicant accordingly.*

The stated reasons for this decision were:

- Concern regarding the visibility and accessibility of the new location of the POS;
- Concerns over environmental issues for the nearby Lake Coogee including nutrient run off and concerns over using fertiliser and ground water for irrigation of the POS;
- Concerns as to whether the City could achieve a fully functioning, active oval including change room and other facilities.

A workshop was subsequently held with Elected Members on 20 April 2009, which included the applicant and Council officers to discuss the proposed modifications in further detail. Following the workshop, the proposed modifications were again presented back to Council for consideration at its meeting on 14 May 2009. At that meeting, Council resolved to:

- (1) *defer the adoption of the proposed amended Structure Plan (dated April 2009) for the Australian Marine Complex Technology Precinct;*

- (2) *advise the proponent that it would be prepared to favourably consider a revised Structure Plan which shows:*
1. *The public open space being retained in the location shown on the currently approved Structure Plan (i.e. south western corner of the intersection of Frobisher Avenue and Button Street).*
  2. *Note 9 being modified to advise that any subdivision, land use and development of the former South Coogee Agricultural Hall (Lot 48 Rockingham Road) and the former South Coogee Primary School (Lot 4897 Russell Road) sites shall not only ensure the protection of culturally significant buildings but also any mature trees.*
  3. *Note 5 being modified to advise that whilst direct vehicle access to Rockingham Road is not permitted from properties abutting Rockingham Road it will still be permitted to the former South Coogee Agricultural Hall (Lot 48 Rockingham Road) site.*

The main reasons for the above decision are summarised as follows:

- Council's Strategic Plan on Infrastructure Development clearly states Council's intention "to Construct and Maintain Parks and Bushland Reserves that are convenient and safe for public use and do not compromise Environmental Management".
- Considering the concerns of the DEC and the City's Environment Department, it would be appropriate to keep the POS area in its currently approved location away from Lake Coogee.
- Potential problems with maintenance of a sports oval adjacent to Lake Coogee with nutrient run off should be avoided rather than "managed" when it becomes a problem.
- Given the high public exposure provided by the Stock Road/Rockingham Road junction immediately to the north and the Stock Road/Russell Road intersection to the south, these amendments to the Plan will provide attractive features to enhance the amenity of the area.

A full copy of the Council minutes relating to the above item is included as Attachment 3 to this report.

#### Current Proposal

Following the previous decisions of Council, LandCorp reconsidered its position with respect to the location of the POS. In September 2010, the applicant advised the City that LandCorp have accepted the amendments required for Notes 5 and 9 as previously resolved by Council. However it has maintained LandCorp's preference for the POS area to be relocated west of McGrath Road adjoining the Lake Coogee reserve area.

The applicant states that the relocated POS offers a better design and land use outcome for the following reasons:

- The POS will be consolidated with the Wetland Enhancement Area;
- The proposed location will result in the Special Consideration Area proposed to maintain high value remnant vegetation, being consolidated to the west of the realigned McGrath Road;
- The revised location will maximise utilisation by future residents given the improved accessibility to the site from the residential interface to the north;
- The POS maintains the same area as the existing South Coogee Reserve;
- The orientation of the revised location is north-south which is more appropriate for the intended future use of the oval for Australian Rules Football (as per the City's Sport and Recreation Strategic Plan);
- The reserve will not be located next to a major road thereby reducing the potential safety conflict between a reserve and major road; and
- The proposed location of the reserve is generally outside both the Environmental Protection Policy Buffer and the Waste Water Treatment Plant buffer (although this buffer falls over part of the reserve) which is a better outcome for the potential users of the facility.

In view of the above, the applicant has resubmitted to the City its proposal to modify the existing Structure Plan and relocate the POS area. The current proposal includes the amendments to Notes 5 and 9 requested by Council in its previous consideration of the modified Structure Plan. The applicant has proposed an additional amendment to the modified Structure Plan by designating the southern portion of the relocated POS reserve for 'Research and Development' purposes. The applicant advises that the modification has been included to reflect the need for POS reserve to correspond with the size of the existing reserve it is replacing and the City's previous advice on the proposed use of the reserve. The additional land resulting from the reserve boundary modification is proposed to be designated Research and Development consistent with adjoining areas. The modified Structure Plan is included as Attachment 4 to this report.

#### Proposed Relocation of Public Open Space Reserve

The major impediment to the adoption of the modified Structure Plan relates to the proposed relocation of the POS reserve. Council in its decision to defer its approval of the modified Structure Plan raised concerns in relation to the environmental impacts of relocating the POS

area adjacent to Lake Coogee and the existing corner site providing a more visible and accessible location for the POS than the revised location.

The proposed location of the POS has been reassessed by the City's Environment and Parks Services. Both departments are supportive of the proposed location as it provides greater opportunity for rehabilitation and maintenance works in conjunction with the adjoining Lake Coogee wetland area. In particular, the relocation offers better buffering potential and allows the City to have more control over the site to ensure that appropriate management is undertaken to protect the adjacent wetland.

Despite support from City officers, the Department of Environment and Conservation ("DEC") have reviewed the proposal and maintain its objection to the proposed relocation of the POS. The details of the latest comments provided by the DEC are discussed in the 'Consultation' section of this report.

The area which is identified within the current Structure Plan for POS purposes (corner of Button Street and Frobisher Avenue) is approximately 5m below the level of Rockingham Road. Therefore the potential visual benefit of providing a POS area adjacent to Rockingham Road is considered minimal given the differences in levels which exist.

In terms of accessibility, the major entry into the Structure Plan area will be from the south via Russell Road. In this regard, the revised location is considered to provide greater accessibility, albeit marginal. Although the existing POS location is adjacent to the Rockingham Road reserve, no direct access will be permitted. Appropriate signage will ensure that the whereabouts of the revised POS location will be easily identified by road users and pedestrians alike.

#### Sport and Recreation Strategic Plan

The City's Sport and Recreation Strategic Plan identifies that the existing South Coogee reserve is utilised by one social soccer team in winter and as a third option cricket ground in summer. The plan indicates that the present situation will change in the future with the reserve being used as a third option Australian Rules Football ground, while continuing its use as a third option cricket ground in the summer.

The role of the future POS, regardless of its preferred location, will not be detrimental to any sporting club or association as it is not dedicated to any one club as it will continue to be used as a spare ground or 'overflow' venue for Australian Rules Football and cricket.



The City's Recreation Services have confirmed that a north-south orientation is better suited to the oval's future intended use of Australian Rules Football. The size of the proposed oval will also adequately cater of cricket purposes and soccer, should it be required.

### Southern Portion of Revised POS Area

The addition of a 'Research and Development' area on the southern portion of the future POS reserve is notionally supported by City Officers as it has the potential to provide uses which are complimentary to the adjacent POS reserve. Its future development will need to be sympathetic to the adjacent wetland and POS areas. It is therefore recommended that this be reflected in the Structure Plan notations.

### Consultation

The modified Structure Plan was readvertised for comment for a period of 21 days. Four submissions were received in total, one from the DEC objecting to the proposal and three from separate surrounding landowners which support the modified configuration of the Structure Plan subject to certain additional elements being considered. The DEC and landowner submissions that were received are set out and addressed in detail within the Schedule of Submissions attachment to this report (Attachment 5).

The DEC's submission states that some of the concerns which it raised when it was consulted in 2008 have been adequately addressed by the proponent. However it considers that the benefits of co-locating the POS adjacent to the existing wetland and Lake Coogee are outweighed by the increased risk to the ecological health of the Lake and associated wetland and therefore maintain their opposition to the proposed POS relocation.

Notwithstanding the DEC's concerns, City officers are supportive of the proposed relocation on the basis that (on balance) it provides for a better outcome from an environmental management perspective. Particularly as the revised location offers better buffering potential and allows the City to have more control over the site to ensure that appropriate management is undertaken to protect the wetland. Furthermore an appropriate vegetated buffer will be established between the reserve and Lake Coogee. This buffer will be vegetated with locally native species and a hard edge, in the form of a path, will be constructed to prevent grass penetrating into the bushland.

City officers advise that only drainage design conforming to Water Sensitive Urban Design requirements will be approved in order to protect the wetland. The oval will also be cantered away from the wetland to ensure that during periods of high rainfall, water will be

directed away from the wetland to drainage swales in the northeast of the reserve. An appropriate management plan will need to be submitted and approved by the City prior to any subdivision or development works being undertaken. Discussions with the proponent have confirmed that proposed management measures will include initiatives currently used by the City's Parks Services. These initiatives include soil amendments to assist nutrient retention, lysimeters to monitor nutrients to ensure no nutrients flow past the root zone and leaf tissue analysis to ensure only required nutrients are delivered to turf via folia spray.

Despite its non-support of the POS relocation, the DEC has provided a series of recommendations and conditions which should be imposed should Council resolve to approve the POS relocation. City officers have reviewed the recommendations of the DEC and are supportive of their intent, noting that many of the requirements would already form part of any future subdivision or development approval process undertaken by the City.

Given the above, no further modifications to the proposed Structure Plan are recommended as a result of the advertising process.

### Conclusion

It is recommended that Council approve the proposed Structure Plan modification subject to an additional notation requiring future development and land uses within the 'Research and Development' on the southern boundary of the future POS reserve to be compatible and sympathetic to the POS reserve.

Approval of the modified Structure Plan is recommended on the basis that it addresses the issues previously raised by Council and City officers. It is considered that the modified Structure Plan will facilitate a better located and functional POS for the locality. The additional justification and support for the relocation of the POS presented by the applicant is also supported by City Officers.

### **Strategic Plan/Policy Implications**

#### **Demographic Planning**

- To ensure the planning of the City is based on an approach that has the potential to achieve high levels of convenience and prosperity for its citizens.

#### **Infrastructure Development**

- To construct and maintain parks and bushland reserves that are convenient and safe for public use, and do not compromise environmental management.

**Natural Environmental Management**

- To conserve, preserve and where required remediate the quality, extent and uniqueness of the natural environment that exists within the district.

**Budget/Financial Implications**

N/A

**Legal Implications**

N/A

**Community Consultation**

Affected landowners and relevant servicing authorities were sent letters inviting them to comment on the proposed modifications to the Structure Plan. Advertising of the proposal resulted in the receipt of three submissions, which are addressed in the Schedule of Submissions attachment to this report (Attachment 5).

**Attachment(s)**

1. Locality Plan
2. Existing Structure Plan
3. Copy of 14/05/09 OCM Minutes
4. Proposed Modified Structure Plan
5. Schedule of Submissions

**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 10 February 2011 Council Meeting.

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

Nil.

**14.3 (OCM 10/2/2011) - NOMINATION OF ELECTED MEMBER FOR ALCOA LONG TERM RESIDUE MANAGEMENT STRATEGY STAKEHOLDER REFERENCE GROUP - APPLICANT: CITY OF COCKBURN (SM/L/005) (A TROSIC)**

**RECOMMENDATION**

That Council:

- (1) endorse \_\_\_\_\_ as the Elected Member representative on the Alcoa Long Term Residue Management Strategy Stakeholder Reference Group; and
- (2) note the membership of Andrew Trosic, Manager Strategic Planning as a technical officer on the Alcoa Long Term Residue Management Strategy Stakeholder Reference Group.

**COUNCIL DECISION**

**Background**

This item went before Council on 9 December 2010, where it was decided that since an election for a new Elected Member will be undertaken in January 2011 to fill a vacancy within the Central Ward, it was agreed it would be appropriate that this item be deferred until the February 2011 Ordinary Council Meeting. This would allow the current Elected Members and newly Elected Member the opportunity to consider nominating for the Alcoa Long Term Residue Management Strategy Stakeholder Reference Group.

Alcoa of Australia ("Alcoa") maintains an important industrial presence immediately south of the City of Cockburn ("City"), within the Town of Kwinana. This is specifically Alcoa's alumina refinery (located at the northern end of the Kwinana Industrial Area), and its associated residue disposal area (located approximately 4km directly east inland of the refinery). The residue disposal area represents a significant allocation of land (approximately 580 ha), due to the large amounts of residue by-product which are generated through the refining process to produce alumina and ultimately aluminium.

Alcoa have recently announced a review and update to its Long Term Residue Management Strategy ("LTRMS"). This is an important strategic document, in that it informs both government and the community about Alcoa's long term residue planning and management strategies. This is particularly important for Alcoa's Kwinana residue disposal area, given the degree to which land use changes (and pressure for change) are occurring in the peripheral area surrounding the residue disposal area.

In addition to Alcoa's Environmental Improvement Plan working group which the City has formal membership on, a new independently chaired Stakeholder Reference Group is being formed to participate in the LTRMS strategic review and update process. Alcoa has invited the City to have formal representation on the Stakeholder Reference Group, both an Elected Member and technical officer. The purpose of this report is to endorse an Elected Member for membership on the Stakeholder Reference Group of the LTRMS.

### **Submission**

N/A

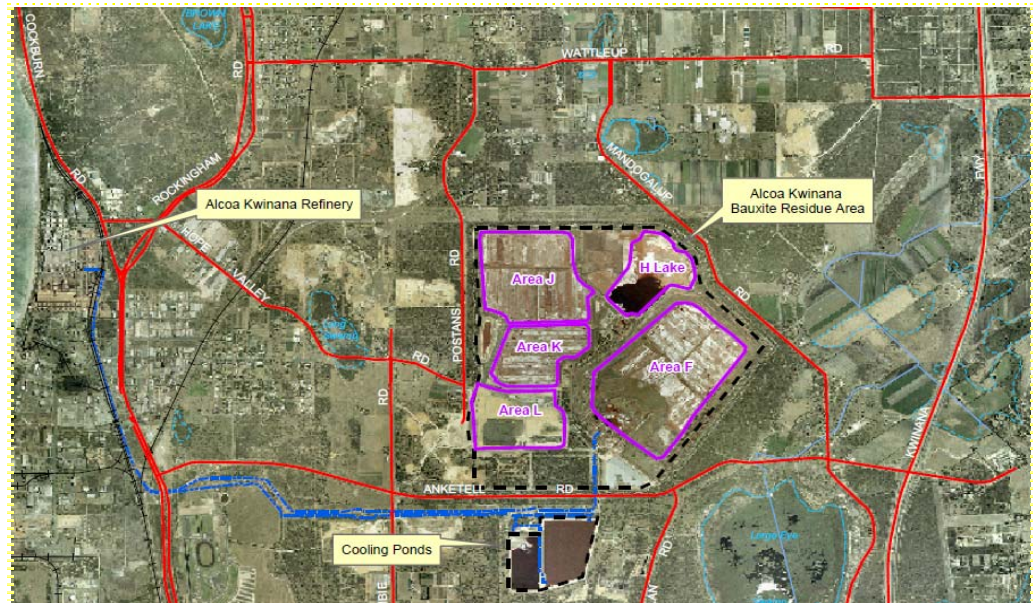
### **Report**

#### Overview of Residue Management

Residue (or tailings) remains after the component of value is extracted from an ore body in minerals processing. In terms of alumina refining, as every six tonnes of bauxite makes two tonnes of alumina, and every two tonnes of alumina makes one tonne of aluminium, there is significant generation of residue in the process of converting bauxite ore into aluminium metal.

For this reason Alcoa's refinery operations must coexist with a nearby and accessible residue disposal area. In terms of the Kwinana refinery, the operating residue disposal area is located immediately east inland of the refinery, comprising a land area of approximately 580 ha. It is bound by an existing Western Power transmission line to the north; Mandogalup Road and Bush Forever Site to the east; Anketell Road to the south and; Abercrombie Road and Postans Road to the west. Its closest northern boundary is approximately 890 m from the City's southern boundary.

A location plan is provided following:



The residue product itself is made up of two components of roughly equal quantity - sand and mud. Much of the sand is reused for construction of, and within the residue drying areas. The residue mud is dried in layers, with layers incrementally built up with mud to create residue stacks.

In Western Australia the low grade of the bauxite ore, compared with bauxite from other locations around the world, makes sustainable residue management (by sheer size and volume) a significant challenge. Factors influencing sustainable residue management issues include:

- The size of the residue disposal area.
- The location in respect of neighbouring properties.
- Dust.
- Visual amenity.
- Community perceptions.
- The extent and restrictions associated with buffers to residue disposal areas.

These issues have a clear impact on many different stakeholders, all of who rely on a strategic approach to residue management which stakeholders have the opportunity to be involved in. This strategic approach is represented through the LTRMS.

### The Long Term Residue Management Strategy

Alcoa has a Long Term Residue Management Strategy for each of its refineries. These are designed to inform both government and the

community about Alcoa's long term residue planning and management strategies, including:

- the location of future residue drying areas.
- the proposed final land form for residue drying areas
- how environmental risks associated with residue storage will be managed.

The LTRMS also addresses plans for closure/rehabilitation of parts of the residue areas; future land use options and opportunities for the residue areas after closure and; current research into residue management and reuse.

Alcoa have recently announced a review and update to its LTRMS for the Kwinana refinery. As part of this a new independently chaired Stakeholder Reference Group is being formed to participate in the LTRMS strategic review and update process. Alcoa has invited the City to have formal representation on the Stakeholder Reference Group, both an Elected Member and technical officer.

#### The Need for the City's Involvement in the Long Term Residue Management Strategy Stakeholder Reference Group

At the 11 November 2010 Ordinary Meeting, Council considered a report dealing with the Draft Outer Metropolitan Perth and Peel Sub-regional Strategy ("Draft Strategy"). This Draft Strategy has been produced to guide, at a local level, implementation of growth targets established through the new Perth and Peel Strategic Plan titled 'Directions 2031 and Beyond'. A significant aspect to Directions 2031 and the Draft Strategy is identifying areas within existing settlement patterns in which to accommodate new residential growth. This is part of the objective towards achieving a more compact settlement form for the metropolitan area.

Within the City of Cockburn, the area coinciding with the City's Southern Suburbs District Structure Plan Stage 3 was identified for urban development within the Draft Strategy. However, the City has become recently aware that the Western Australian Planning Commission ("WAPC") is unlikely to support residential development within a portion of the Southern Suburbs Stage 3 land, as a result of buffer concerns associated with industry located to the southwest. This is specifically the area land precinct bound by Wattleup Road, Frankland Avenue Reserve, future Rowley Road and existing Rural zoned properties.

While the City does not wish to advocate for the urbanisation of any land which has potential impacts from buffers, it was expressed in the report to Council that previous planning within the Southern Suburbs

Stage 3 area had always focussed on facilitating residential development in the area. This has indeed lead to 'Urban' zonings under the Metropolitan Region Scheme and the City's Town Planning Scheme No. 2 being instigated.

To depart from this approach and not permit residential development in a portion of the Southern Suburbs Stage 3 area was a decision of the WAPC which the City has raised concerns regarding.

It is noted that the decision has been made by the Kwinana Air Quality Buffer ("KAQB") Steering Committee of the WAPC, who have in turn advised the WAPC. It needs to be noted that Alcoa have no formal representation on the KAQB Steering Committee. Accordingly, the City's concerns have been raised directly within the KAQB Steering Committee, with a request that any decision on a buffer be undertaken in close consultation with the City, affected landowners and other stakeholders. Elected members will be kept informed about what this request of the WAPC leads to.

Despite the current issue concerning the Southern Suburbs Stage 3 area, it is clear that land use changes (and pressures for change) are occurring within the peripheral land surrounding Alcoa's residue disposal area. To ensure that the City and Alcoa can align their respective planning such as to avoid conflicting planning situations, it is an important opportunity for the City to be involved in the Long Term Residue Management Strategy Stakeholder Reference Group. This Stakeholder Reference Group offers the real potential for the City to undertake an active involvement in the LTRMS strategic review, which will undoubtedly influence planning for the surrounding areas of both the City and the Town of Kwinana.

It is therefore recommended that the City endorse an Elected Member to sit on the Long Term Residue Management Strategy Stakeholder Reference Group.

### **Strategic Plan/Policy Implications**

#### **Demographic Planning**

- To ensure the planning of the City is based on an approach that has the potential to achieve high levels of convenience and prosperity for its citizens.

#### **Lifestyle and Aspiration Achievement**

- To identify community needs, aspirations, expectations and priorities for services that are required to meet the changing demographics of the district.



**Governance Excellence**

- To conduct Council business in open public forums and to manage Council affairs by employing publicly accountable practices.

**Budget/Financial Implications**

N/A

**Legal Implications**

N/A

**Community Consultation**

N/A

**Attachment(s)**

N/A

**Advice to Proponent(s)/Submissioners**

The proponent has been advised that this matter is to be considered at the 10 February 2011 Council Meeting.

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

Nil.

**14.4 (OCM 10/2/2011) - CONSENT FOR EASEMENT OVER RESERVE 30861, LAKE COOGEE, MUNSTER - OWNER: STATE OF WESTERN AUSTRALIA - APPLICANT: COCKBURN CEMENT LTD (3300016) (K SIM) (ATTACH)**

**RECOMMENDATION**

That Council:

- (1) as the holder of the Management Order for Reserve 30861, gives consent for a Crown easement to be established to protect the existing shell sand pipeline, in favour of Cockburn Cement Ltd, subject to Cockburn Cement Ltd granting a non-exclusive access easement (easement in gross) over Lot 28 McGrath Road, Munster (in order to connect Reserve 30861 Lake Coogee to McGrath Road); and
- (2) having care control and management of the road reserve (proposed Fremantle-Rockingham Controlled Access Highway),

also enter into an agreement with the State of Western Australia and Cockburn Cement Ltd to ensure that the shell sand pipeline is relocated away from Lake Coogee prior to the construction of the Controlled Access Highway if and when such occurs.

## COUNCIL DECISION

### Background

Council previously considered a request from Cockburn Cement Ltd seeking Council consent to create an easement within Reserve 30861 (Lake Coogee) in order to protect the existing shell sand pipeline which services the Cockburn Cement operations. Council considered the request at its meeting held on 8 July 2010 and resolved as follows:

*That Council:*

- 1. as the holder of the Management Order for Reserve 30861, does not give its consent for a Crown easement to be established to protect the existing shell sand pipeline in favour of Cockburn Cement Ltd.; and*
- 2. write to the Department of Environment and Conservation requesting they investigate what management practices or conditions could be imposed upon Cockburn Cement Ltd in order to protect Lake Coogee and its environs from the discharge of shell sand originating from the flushing of Cockburn Cement Ltd's shell sand pipeline Cockburn Cement has for many years operated a dual pipeline that connects their Munster plant with an inlet/outlet facility at Woodman Point. The purpose of this report is to formalise easements and other arrangements in relation to this dual pipeline.*

The proponent has again requested the matter be considered by Council, in light of additional information which has been provided. This is the purpose of this report.

### Submission

Cockburn Cement Ltd has provided additional written information to the City of Cockburn in response to Council's resolution of 8 July 2010.

They have requested Council again consider the matter in light of the additional information which has been provided.

## Report

Following the Council decision of 8 July 2010, an on-site meeting took place between Council officers and representatives of Cockburn Cement Ltd. The length of the existing shell sand pipeline from McGrath Road to a point approximately 160m west of Lake Coogee was inspected. Decommissioned and current flushing points were identified by the Cockburn Cement representative.

In this respect, the Cockburn Cement representatives acknowledged that there had been spills in the past which had resulted in the destruction of native vegetation. The impact of these past practices were obvious (and remain so today) at the southern end of Lake Coogee. Cockburn Cement has now decommissioned the flushing points at this location.

A written response to the issues raised by Elected Members and Council officers at the site meeting has now been submitted by Cockburn Cement. Following contains a response to the specific issues raised in Council's decision of 8 July 2010:

*Issue 1 – It is contended that there have been many instances of major Shellsand spills emitting a sludge metres into the air at the south end and middle of the west side of the lake.*

Cockburn Cement at the site meeting acknowledged that there have been incidents in the past, and that the last discharge was on 11 June 2006. This discharge was from a now decommissioned flushing point at the southern end of the pipeline near Lake Coogee.

*Issue 2 – Spills have occurred due to Cockburn Cement having a blockage in its pipeline.*

Cockburn Cement state that the pipeline on occasions has blockages. To ensure that the shell sand is available to the Munster Plant, Cockburn Cement needs to clear the blockage by flushing the pipe at flushing point locations. It is now standard procedure for Cockburn Cement to notify DEC and the City when a flushing event is to occur. Flushing events only occur in daylight hours. Prior to any flushing event a bund is constructed to contain all flushing material. The flushing material will then be removed off site.

*Issue 3 – What appropriate actions can be imposed by the EPA or DEC to ensure no spills or discharges occur at anytime.*

Cockburn Cement contends that because their flushing policy stipulates that they advise both DEC and the City before they undertake any flushing event, there is no need to refer this matter to the DEC or EPA. They further contend that this stance is supported in that they are following best environmental practice when undertaking a flushing event.

*Issue 4 – Management practices of the pipeline*

At the site meeting Cockburn Cement revealed that the shell sand slurry is highly abrasive and that regular testing to gage the thickness of the pipeline wall is undertaken. Cockburn Cement undertake this monitoring and have also constructed most of the pipeline above ground level to minimise corrosion caused by contact with the soil medium. It was noted by Council officers on-site however that there were places where soil had been allowed to build up and come into contact with the underside of the pipe. This was clearly causing corrosive impacts on the pipeline, and Cockburn Cement provided undertaking to address this issue immediately.

*Issue 5 – Groundwater*

Cockburn Cement has undertaken to commission studies to determine if there is any potential for the collection of shell sand slurry in the temporary basins to have an adverse impact on the groundwater.

If the results of the impact study indicate that there are potential risks, then Cockburn Cement will seek advice from the City and DEC and put in place appropriate procedures to mitigate this risk.

Other issues covered under the Reason for Decision heading of the 8 July 2010 Council resolution which haven't been addressed in Cockburn Cement's submission relate to the inability for pedestrians and cyclists to easily access the Lake Coogee area. To address this, Officer's Recommendation 1 will establish an easement across Cockburn Cement's freehold land located at Lot 28 McGrath Road. This is important because at this time there is no legal right for the public to gain access to the south east corner of Lake Coogee across Lot 28.

The easement sought by Cockburn Cement is granted by the State of Western Australia. There is however an important role for the Council to have in this situation, as the Department of Lands will not endorse the creation of such an easement without the consent of Council who is the managing body of the reserve. Council therefore need to be

satisfied that in granting its consent that all issues associated with the existing shell sand pipeline can be managed.

In terms of considering the possible relocation of the pipeline, this is unachievable considering the current topography, the future Fremantle-Rockingham controlled access highway and existing landownership.

However, the officer's recommendation point (2) includes a requirement that a separate agreement be entered into between the State of Western Australia, Cockburn Cement and the City of Cockburn. This agreement will ensure that if and when the future Fremantle-Rockingham Controlled Access Highway is constructed, Cockburn Cement will be required to relocate the pipeline away from Lake Coogee.

The draft agreement initially prepared by Minter Ellison was referred to the City's solicitors for review. The amendments suggested by McLeod's have been incorporated into the proposed agreement.

A search of other property affected by the Cockburn Cement pipeline shows that between the subject land and the Munster Plant the pipeline is located either within road reserves or Cockburn Cement freehold land. Property traversed by the pipeline between the subject land and the Woodman point facility is either owned by Water Corporation, within road reserves or within the Woodman Point reserve. Water Corporation's Lot 20 is encumbered by an Easement in favour of Cockburn Cement Limited.

Cockburn Cement has given an undertaking to negotiate an access easement to follow the existing asphalt path along the northern boundary of Lot 28 McGrath Road. This path which continues into Reserve 30681 provides access to Cockburn Cement for the maintenance of the pipeline, as well as providing access for the general public to the reserve. This is an important link as there is limited access to the southern end of Lake Coogee. The easement envisaged would allow legal access to the general public but not to the exclusion of Cockburn Cement.

### Conclusion

Council officers from Environmental Services, Strategic Planning and Land Administration have considered the issues raised by Council at its meeting held on 8 July 2010. Officers have also met with representatives of Cockburn Cement Ltd and considered the submission made by Cockburn Cement in relation to the concerns raised by Council and officers.

In this respect, Cockburn Cement has provided information and undertakings that will help prevent any adverse impacts on the vegetation and water quality in and surrounding Lake Coogee associated with the shell sand pipeline. As such it is recommended that Council give consent for endorsement of an easement in favour of Cockburn Cement Ltd for the existing shell sand pipeline.

### **Strategic Plan/Policy Implications**

#### **Demographic Planning**

- To ensure development will enhance the levels of amenity currently enjoyed by the community.

#### **Infrastructure Development**

- To provide an appropriate range of recreation areas that meets the needs of all age groups within the community.

#### **Lifestyle and Aspiration Achievement**

- To foster a sense of community spirit within the district generally and neighbourhoods in particular.

### **Budget/Financial Implications**

N/A

### **Legal Implications**

*Land Administration Act 1997*

### **Community Consultation**

N/A

### **Attachment(s)**

Plan of proposed easement.

### **Advice to Proponent(s)/Submissioners**

The Proponent has been advised that this matter is to be considered at the 10 February 2011 Council Meeting.

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

Nil.

**14.5 (OCM 10/2/2011) - PROPOSED DRAFT BRANCH CIRCUS DISTRICT STRUCTURE PLAN LOCATION: VARIOUS LANDHOLDINGS BETWEEN HAMMOND ROAD AND BRANCH CIRCUS, SUCCESS - OWNER: VARIOUS LANDOWNERS - APPLICANT: CITY OF COCKBURN (SM/M/024) (R SERVENTY) (ATTACH) ★**

**RECOMMENDATION**

That Council:

- (1) endorse the Draft Branch Circus District Structure Plan (“Draft District Structure Plan”) for the purposes of providing a guiding document to inform the preparation of future Local Structure Plans within the District Structure Plan area;
- (2) advertise the Draft District Structure Plan for a period of 30 days, with advertising to be undertaken generally in accordance with the procedural requirements established under Clause 6.2.8.1 of City of Cockburn Town Planning Scheme No. 3; and
- (3) following advertising, consider the Draft District Structure Plan for endorsement as a guiding document in light of submissions or further information received during the advertising period.

**COUNCIL DECISION**

**Background**

The purpose of this report is to consider the Draft Branch Circus District Structure Plan for endorsement for public advertising.

The Draft District Structure Plan provides guidance for the preparation of Local Structure Plans over the subject land by prescribing land uses, the local street network and local parks. It is based upon achieving an appropriate response to the environmental characteristics of the land, as well as providing a mixture of residential densities based around a highly permeable neighbourhood design.

The Draft District Structure Plan has been prepared on Liveable Neighbourhoods design principles, and allows for future development of the land for urban purposes in a co-ordinated manner. It is

recommended that Council endorse the Draft District Structure Plan for endorsement for public advertising.

### **Submission**

N/A

### **Report**

#### Branch Circus Draft District Structure Plan

In order to facilitate proper and orderly planning across the undeveloped portion of Development Area 13 (Branch Circus), the City of Cockburn ("City") has prepared a Draft District Structure Plan. In preparing the Draft District Structure Plan, regard has been given to achieving an appropriate guiding framework which balances the environmental characteristics of the land with objectives for urban development. The Draft District Structure Plan is based upon Liveable Neighbourhoods, the requirements of City of Cockburn Town Planning Scheme No. 3 ("Scheme") and associated planning policy.

The Draft District Structure Plan is provided within the attachment to this report and includes the following components:

1. A Draft District Structure Plan report;
2. The Draft District Structure Plan;
3. Associated technical reports regarding district drainage, servicing, fire safety and wetland issues.

The Draft District Structure Plan provides guidance for the future development of Local Structure Plans, prescribing land uses, the movement network, arrangement of residential densities and open space provision. In contrast to other District Structure Plans prepared and adopted by the City, the Branch Circus Draft District Structure Plan is less conceptual in nature and provides more detailed guidance from which Local Structure Plans need to be based. This greater level of detail is required due to the highly fragmented nature of land ownership and the complex array of environmental features needing to be appropriately managed as part of future urban development.

Local Structure Plans will therefore seek to refine the detail of the Draft District Structure Plan further, and be accompanied with locally focussed technical reports (covering the full range of issues including water, flora, fauna, acid sulphate soils, contamination, fire safety, traffic etc).



## Subject Land

The Draft District Structure Plan relates to the area of land bound by Hammond Road to the east, the Metropolitan Region Scheme ("MRS") 'Parks and Recreation' reserve to the north, Branch Circus to the west and the Bartram Road Buffer Lakes to the south.

The subject land is zoned 'Development' pursuant to the Scheme, and is included within Development Area 13. The associated Development Area 13 requirements are provided following:

1. Structure Plan adopted to guide subdivision, land use and development.
2. To provide for Residential development.
3. Land Uses classified on the structure plan apply in accordance with clause 6.2.6.3.

The Draft District Structure Plan represents the last remaining large greenfield area within Development Area 13, and also falls within Development Contribution Area 1 – Success North. This identifies contributions from development of land to widening and upgrading of Hammond Road between Beeliar Drive and Bartram Road, Success.

The Draft District Structure Plan area is zoned 'Urban Deferred' under the MRS. Once finally endorsed by Council (after advertising) the Draft District Structure Plan will form the basis of an application to the Western Australian Planning Commission to lift the urban deferment under the MRS.

## Design Principles

The urban structure proposed by the Draft District Structure Plan is based upon a robust movement network, which will safely accommodate pedestrians, cyclists and vehicles. The proposed road network and urban structure is also based upon maximising solar orientation principles for resulting lots, through roads being orientated in traditional north south and east west axis.

The Draft District Structure Plan provides for a variety of housing choices, through the allocation of a range of densities. The public open space strategy adopted by the Draft District Structure Plan, seeks to balance environmental, recreational and drainage objectives through an integrated open space, conservation and drainage network. As it currently stands the Draft District Structure Plan has been able to achieve an arrangement of a minimum 10% open space across all land holdings, which is a critical design aspect given the need to appropriately respond to environmental characteristics while also achieving viable development potential.

### Comparison With Previous Draft District Structure Plan

The City previously prepared a 2008 Draft District Structure Plan which was advertised in July/August 2008. The Draft District Structure Plan made a number of assumptions about future reclassifications and changes to the alignment of two major wetlands within the subject land. Due to a number of submissions providing further information in relation to these assumptions, the City was required to undertake a comprehensive reassessment of wetlands to the satisfaction of the Department of Environment and Conservation ("DEC"). This would have a significant impact on the design assumptions made regarding the original 2008 Draft District Structure Plan, and accordingly it was also required to be comprehensively redesigned following determination of the wetland issues.

The wetland reclassification has now been undertaken by the DEC resulting in new wetland requirements for the subject land. This has primarily resulted in a need to increase the area set aside for wetland buffers within public open space. The new Draft District Structure Plan has been prepared according to this requirement, with wetlands now considered appropriately addressed in light of the decision of the DEC. While there has been a reduction in the area prescribed for urban development, densities have been increased to still achieve dwelling targets for the land.

### Statutory Planning Framework

The Scheme details several Development Areas which require the preparation of Local Structure Plans in order to coordinate future subdivision and development. These Local Structure Plans are adopted under the statutory process prescribed by Clause 6.2 of the Scheme, which results in Local Structure Plans (once adopted) forming part of the Scheme.

In areas of highly fragmented land ownership it is often difficult to coordinate individual Local Structure Plans without some form of broader district framework in which to guide planning. This is overcome through the preparation of District Structure Plans to act as 'guiding documents' for future structure planning processes. This is the purpose of this Draft District Structure Plan for the Branch Circus precinct.

### Conclusion

It is recommended that Council endorse the updated Draft District Structure Plan for the purposes of community consultation. Officers are of the view that it now adequately responds to the site characteristics of the land, and provides a robust guideline to help in the preparation of

future Local Structure Plans. It is recommended that the Draft District Structure Plan be advertised for community consultation for 30 days, following which the Draft District Structure Plan will be presented back to Council for formal endorsement in light of submissions and further information which may be received during advertising.

### **Strategic Plan/Policy Implications**

#### **Demographic Planning**

- To ensure development will enhance the levels of amenity currently enjoyed by the community.

#### **Lifestyle and Aspiration Achievement**

- To foster a sense of community spirit within the district generally and neighbourhoods in particular.

#### **Natural Environmental Management**

- To ensure development of the district is undertaken in such a way that the balance between the natural and human environment is maintained.

### **Budget/Financial Implications**

The Draft District Structure Plan falls within Development Contribution Area 1 – Success North. This identifies contributions from development of land to widening and upgrading of Hammond Road between Beeliar Drive and Bartram Road, Success.

Once adopted, future Local Structure Plans will be prepared prior to subdivision taking place. Such future subdivision and development will also be subject to the recently endorsed Scheme Amendment No. 81 dealing with community based infrastructure contributions.

### **Legal Implications**

As mentioned, it is proposed to consider the Draft District Structure Plan as a guiding document. It is important this distinction is made from a Local Structure Plan, given the way in which the Scheme deals with a Local Structure Plan as an extension to the statutory requirements of the Scheme.

### **Community Consultation**

Once adopted as a draft, it is recommended that District Structure Plan be advertised for a period of 30 days. Advertising is to be undertaken generally in accordance with the procedural requirements established under Clause 6.2.8.1 of the Scheme.

**Attachment(s)**

Draft Branch Circus District Structure Plan – January 2011.

**Advice to Proponent(s)/Submissioners**

N/A

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

Nil

**14.6 (OCM 10/2/2011) - CITY OF COCKBURN RESPONSE TO CITY OF FREMANTLE PUBLIC TRANSIT CORRIDOR PLANNING STUDY (SM/M/053) (A TROSIC / C CATHERWOOD) (ATTACH)**

**RECOMMENDATION**

That Council:

- (1) note the City of Fremantle's Transit Corridor Alignment Study and provides the following comments in response:

Consideration should be given to the broader subregional context before making any decision concerning future transit. In this regard, there is a clear priority and opportunity for regions of local governments (such as that represented by Fremantle, Cockburn and Melville) to think strategically in terms of justifying a business case for light rail investment. Council therefore believes that it is quite opportune for the Cities of Cockburn, Fremantle and Melville to consider funding a detailed study which will look to ascertain the feasibility of a light rail transit solution within the region represented by these local governments. This is ultimately a piece of work which will influence State and Federal Government decision making regarding investment in alternative transit systems. With the South West Corridor about to become home to the largest integrated health campus in the southern hemisphere as well as other major developments at Fremantle, Cockburn Coast, Cockburn Central, Murdoch Activity Centre, Murdoch University and Booragoon, there is strong impetus to undertake a study as soon as possible. This will also allow the findings of such a study to be used to support a submission on the soon to be released Draft Public Transport Strategy for Perth, considering the competition for light rail which will be generated by projects including the Knowledge Arc in the central city;

- (2) in regard to Option A - Marine Terrace/Freight Rail Route (Freight Reserve Option) makes the following comments:

1. The positives given for this route, with the exception of the faster transit times, have short to medium term effects only.
2. It is noted that the minimal impact on retail trade also translates as a negative impact. Essentially while this is a short term positive, it becomes a significant long term negative associated with this alignment.
3. The freight rail route results in at least half of the surrounding walkable catchment being unavailable for development (comprising coastal reserve, ocean and maritime industrial development). Accordingly it is highly doubtful that such a route would be considered viable for investment in transit services, and would most likely fail for further consideration on this point alone. Ideally, a rapid transit system will not only be an effective transit mode, but will also foster significant redevelopment of the surrounding 400 m to 800 m walkable catchments. This is particularly pertinent in light of the objectives of Directions 2031 which seeks to create urban consolidation opportunities around high quality activity centres and transit modes.
4. The significance of the negative impacts is markedly higher compared to the significance of the positive impacts.
5. All of the negative impacts, with the exception of the narrow reserve and design issues for operation, have long term impacts that are not likely to be overcome as the transit route operates.
6. Overall, given the impacts provided by the study, this route option does not appear to represent a good long term alternative.
7. Should Option A (Marine Terrace/freight rail route) be proceeded with, there is a concern that this may propose a route through the Cockburn Coast area which is not reflective of work being undertaken to date. In this respect, Landcorp (with representation from both the Cities of Cockburn and Fremantle) are currently working on an Integrated Transport Plan for the Cockburn Coast development. From the work completed to date, a central-coast focussed transit route is evolving into the most optimal for the project. This currently indicates the

route leaving the Cockburn Coast area northwards in the vicinity of Daly Street/Douro Road intersection. It is unclear as to whether this would have the potential to integrate with a freight line option as proposed in Option A;

(3) in regard to Option B - Hampton/Cockburn Roads (Road Running Route) makes the following comments:

1. The positives given for this route all have significant longer term effects.
2. Concerns are raised regarding the statement which forms part of this option as follows - "the route would be easy to serve with buses and may not make a strong case for a new transit system". This seems to indicate a leaning towards a particular mode of transit, which is contrary to statements in the study that it refrains from selecting a transit mode.
3. The difficulty with providing right hand turns and the need to share lanes along the café strip are not insurmountable issues and could also be considered as positive impacts in terms of encouraging public transport over private transport. The 'bustle' created by such arrangements in activity centres could also be viewed as a significant benefit, slowing traffic down so that opportunities for business exposure are maximised. These are the types of impacts that could be desirable to build into the Cockburn Coast activity centre.
4. The other negative impacts have short to medium term effect only. Therefore, given the impacts provided by the study, this route option appears to represent a much better longer term alternative than Option A, albeit there are some short to medium impacts.
5. Of main concern however is the impact on Hampton Road itself. Currently the Department of Planning in conjunction with Main Roads WA are progressing a west of Stock Road study to consider the future implications from a traffic network view as part of various decisions being currently considered in terms of road infrastructure investment. This study has indicated Hampton Road needing to be retained and specifically widened for north south vehicle movement purposes as part of all options for future traffic growth. This indicates some significant barriers for it to accommodate dedicated or shared transit

into the long term future; and

- (4) in regard to the Cockburn Coast development, advises that Landcorp are undertaking preparation of a draft Integrated Transport Plan to support their draft concept plan and more detailed draft local structure plans for the Cockburn Coast area. These plans are yet to be formally lodged with the City of Cockburn for the necessary approvals; however the Cities of Cockburn and Fremantle and other government agencies continue to have input into the designs and assumptions to date. The most recent information Landcorp has provided indicates a preference towards moving the “spine” of the development area from Cockburn Road further west, which is more central through the development area. If this scenario were to progress for Cockburn Coast, this would not connect with either Option A or B currently indicated. It would seem however highly suited to integrating with the option identified north south via South Terrace into the middle of Fremantle.

## COUNCIL DECISION

### Background

The City of Fremantle has recently released a study which aims to identify a potential public transit corridor linking Fremantle Railway Station to the future urban development area to the south known as Cockburn Coast. Through identifying a preferred future public transit corridor, it is intended that actions and decisions (especially in relation to planning and development) can be better informed to ensure nothing is done in the short term which may jeopardise a long term objective for public transit. It is also envisaged that such will be an important step in advocating for better public transit within the region.

The City of Fremantle has undertaken some initial high level transport and planning analysis and has developed two broad options for the corridor. These were released for public comment in late 2010. This consultation accordingly aims to identify the following from the local community:

1. The level of support for public transit through Fremantle.

2. Any preference for a particular public transit corridor alignment.
3. The level of support for Council to potentially advocate to the relevant government authorities on this issue.

The purpose of this report is to respond to City of Fremantle's study, recognising the implications such a study may have on future planning for the Cockburn Coast area (which exists within the City of Cockburn) as well as strategic ambitions to secure light rail transit within the South West Corridor of Perth.

### **Submission**

N/A

### **Report**

City of Cockburn officers recently met with staff from City of Fremantle to discuss their study and proposed transit routes. Both Cities acknowledged any alignment through City of Fremantle would need to complement any transit corridors proposed through the development of Cockburn Coast, as well as a broader transit system which may be identified for the South West subregion.

In relation to the City of Fremantle's study, there are a number of points which have implications both on future transit planning for the Cockburn Coast development, and strategic planning for future transit within the South West subregion. These points are discussed following.

#### City Of Fremantle Transit Study - Officer Comments

The City of Fremantle study looks at two potential corridor alignments for public transit:

- Option A: Marine Terrace/freight rail route (Freight Reserve Option)
- Option B: Hampton/Cockburn Roads (Road Running Route)

The study makes commentary on the positive and negative aspects of each route, and a brief mention is made regarding what is considered the cost impacts of both.

The ability of these corridors to accommodate either a bus rapid transit (BRT) or a light rail transit (LRT) system has been considered in the study. The study does not make recommendations as to the preferred transit mode however.

An overview of each potential route is given below, including the 'positives' and 'negatives' stated for each in the City of Fremantle study.



Option A: Marine Terrace/freight rail route*Positives*

1. No need for private land acquisition
2. No need to remove street trees or on street parking
3. Minimal impact on retail trade during construction or operation
4. Probably have reduced construction costs, due to existing reserve and limited utilities along the reserve
5. Faster transit times due to no shared running.

*Negatives*

1. A greater disconnect between the transit system and existing commercial/residential areas.
2. Potential to exacerbate the rail barrier between Fremantle and its beachfront.
3. Visual amenity impacts on the heritage listed Round House.
4. Narrow reserve past the Round House and Maritime Museum, which may require land acquisition from various government agencies and potential encroachment on the Bathers Beach reserve.
5. Design issues to resolve concerning operation of passenger and freight rail in a single reserve.
6. No station directly servicing the hospital.

*Additional negatives as viewed by City of Cockburn officers*

1. Limited ability to foster true redevelopment potential of surrounding land, due to half of the potential walkable catchment being unavailable for development (being existing coastline and beach area).
2. Of critical importance, concern that this route option may propose a route through the Cockburn Coast area which is not reflective of work being undertaken to date. In this respect, Landcorp (with representation from both the Cities of Cockburn and Fremantle) are currently working on an Integrated Transport Plan for the Cockburn Coast development. From the work completed to date, a central-coast focussed transit route is evolving into the most optimal for the project. This currently indicates the route leaving the Cockburn Coast area northwards in the vicinity of Daly Street/Douro Road intersection. It is unclear as to whether this would have the potential to integrate with a freight line option as proposed in Option A.

The positives given for this route, with the exception of the faster transit times, have short to medium term effects. It is noted that the minimal impact on retail trade also translates as a negative impact. Essentially while this is a short term positive, it becomes a significant long term negative impact.

The significance of the negative impacts are stark compared to the significance of the positive impacts. All of the negative impacts, with the exception of the narrow reserve and design issues for operation, have long term impacts that are not likely to be overcome as the transit route operates. Particularly the negative impacts identified in relation to integration with the Cockburn Coast development and the ability for a transit system to foster redevelopment of surrounding land are considered to make this option unfeasible. Accordingly, Option A is not considered to represent a viable long term public transit corridor.

### Option B: Hampton/Cockburn Roads

#### *Positives*

1. More people within a walking catchment of each station and a stronger activation of existing development.
2. More readily connects to a potential eastern transit corridor.
3. Natural inclusion of a station servicing the hospital.
4. General consistency with the Cockburn Coast District Structure Plan.

#### *Negatives*

1. Potential loss of car parking and street trees.
2. Difficulty in providing right hand turning lanes at intersections.
3. Need to share lanes between transit vehicles and cars for at least the café strip, thus slowing transit vehicles to car speed.
4. The route would be easy to serve with buses and may not make a strong case for a new light rail transit system.
5. It would probably need utility trenches to be relocated, which would be expensive.
6. Potential impact on retail trade during construction.

#### *Additional negatives as viewed by City of Cockburn officers*

1. Significant impact on Hampton Road itself. Currently the Department of Planning in conjunction with Main Roads WA are progressing a west of Stock Road study to consider the future implications from a traffic network view as part of various decisions being currently considered in terms of road infrastructure investment. This study has indicated Hampton Road needing to be retained and specifically widened for north

south vehicle movement purposes as part of all options for future traffic growth. This indicates some significant barriers for it to accommodate dedicated or shared transit into the long term future.

The positives given for this route all have significant long term effects. The study notes the Public Transport Authority has stated support for the use of a street running reserve with a prioritised bus service.

One of the negatives given is the statement that "the route would be easy to serve with buses and may not make a strong case for a new transit system". This seems to indicate a leaning toward a particular mode of transit and contrary to statements in the study that it refrains from selecting a transit mode.

The difficulty with providing right hand turns and the need to share lanes along the café strip are not insurmountable issues and could also be considered as positive in terms of encouraging public transport over private transport. The 'bustle' created by such arrangements in activity centres could also be viewed as a positive, slowing traffic down so that opportunities for business exposure are maximised.

The main negative impact however concerns what role Hampton Road will have to play into the future. With the removal of the Fremantle Eastern Bypass from the Metropolitan Region Scheme, and with growing freight and non-freight traffic on already congested roads, it is likely Hampton Road will come under increasing pressure into the future. Any proposal which seeks to remove capacity from this road, such as through adding dedicated public transit, would be unlikely to succeed. Currently the Department of Planning in conjunction with Main Roads WA are progressing a west of Stock Road study to consider the future implications from a traffic network view as part of various decisions being currently considered in terms of road infrastructure investment. This study has indicated Hampton Road needing to be retained and specifically widened for north south vehicle movement purposes as part of all options for future traffic growth. This indicates some significant barriers for it to accommodate dedicated or shared transit into the long term future.

### Cockburn Coast Development

As noted above, Option B (Hampton/Cockburn Roads) route appears to be the most consistent with the Cockburn Coast District Structure Plan. This option also appears to present the most significant and longer term benefits of the two proposals.

In saying this however, there is concern that either route may 'lock in' a choice which is yet to be fully informed by a more detailed integrated

transport plan for the Cockburn Coast development. In this respect, Landcorp (with representation from both the Cities of Cockburn and Fremantle) are currently working on an Integrated Transport Plan for the Cockburn Coast development area. From the work completed to date, a central-coast focussed transit route is evolving into the most optimal for the project. This currently indicates the route leaving the Cockburn Coast area northwards in the vicinity of Daly Street/Douro Road intersection. It is unclear as to whether this would have the potential to integrate with either Option A or B as it is currently presented.

### Strategic Context

In terms of future investment in transit, it is the view of officers that light rail should be the targeted form. While bus transit does currently exist, the pressures starting to be felt in terms of moving people around the South West subregion are such that a paradigm shift in thinking is needed - from buses to light rail. This is considered to reflect the technologies of light rail investment, which is considered to feasibly create a very robust second tier transit system to help support the primary first tier heavy rail system for the City. For this reason officers believe the focus of future investment should be directed towards light rail transit, which is in keeping with what leading cities from around the world have and continue to be doing.

This technology comes at a cost however, at it is realistic to acknowledge that government investment will be targeted only on projects which represent a clear strategic outcome for the City (both in terms of moving people and fostering development). In this regard, there is a clear priority for regions of local governments (such as that represented by Fremantle, Cockburn and Melville) to think and act strategically in terms of justifying a business case for light rail investment. While the City of Fremantle study is a very pragmatic and strategic step in the right direction, it is clear that further work needs to be done collaboratively between the Cities of Cockburn, Fremantle and Melville in this regard.

Officers believe that it is opportune for the Cities of Cockburn, Fremantle and Melville to consider funding a detailed study which will look to ascertain the feasibility of light rail transit within the region represented by these local governments. This is ultimately a piece of work which will influence State and Federal Government decision making regarding investment in alternative transit systems. With the South West Corridor about to become home to the largest integrated health campus in the southern hemisphere as well as other major developments at Fremantle, Cockburn Coast, Cockburn Central, Murdoch Activity Centre, Murdoch University and Booragoon, there is strong impetus to undertake a study as soon as possible. This will also

allow the findings of such a study to be used to support a submission on the soon to be released Draft Public Transport Strategy for Perth, considering the competition for light rail which will be generated by projects including the Knowledge Arc in the central city.

Considering the Federal Government's recently released 'Our Cities' discussion paper, key themes are raised in terms of public transport, with examples cited as to where the Federal Government has chosen to take a more active role in funding (e.g. Gold Coast light rail system). Considering Federal Government investment as being crucial to light rail technology, there is a clear need to be aware of the bedded strategic imperatives underpinning any decision of investment in this regard.

It is therefore recommended that Council respond to the City of Fremantle's study based on the issues raised through this report.

### **Strategic Plan/Policy Implications**

#### **Demographic Planning**

- To ensure development will enhance the levels of amenity currently enjoyed by the community.

#### **Lifestyle and Aspiration Achievement**

- To deliver our services and to manage resources in a way that is cost effective without compromising quality.

#### **Transport Optimisation**

- To ensure the City develops a transport network that provides maximum utility for its users, while minimizing environmental and social impacts.

### **Budget/Financial Implications**

Key recommendation concerns Council entering into a dialogue with the Cities of Fremantle and Melville to consider funding a detailed study which will look to ascertain the feasibility of light rail transit within the region represented by these local governments. This will have a financial implication associated with it, however this will be the subject of future decision of Council.

### **Legal Implications**

N/A

### **Community Consultation**

The City of Fremantle advertised their study in late 2010. The consultation included an on-line survey and a community workshop. Results will be compiled in a report to their Council.

### **Attachment(s)**

1. Option A: Marine Terrace/freight rail line
2. Option B: Hampton/Cockburn Roads
3. Directions 2031 Strategic Plan Figure 11 - Possible key public transport connections

### **Advice to Proponent(s)/Submissioners**

N/A

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

Nil.

## **15. FINANCE AND CORPORATE SERVICES DIVISION ISSUES**

### **15.1 (OCM 10/2/2011) - LIST OF CREDITORS PAID - NOVEMBER 2010 AND DECEMBER 2010 (FS/L/001) (N MAURICIO) (ATTACH)**

#### **RECOMMENDATION**

That Council receive the List of Creditors Paid for November 2010 and December 2010, as attached to the Agenda.

#### **COUNCIL DECISION**

### **Background**

It is a requirement of the Local Government (Financial Management) Regulations 1996, that a List of Creditors be compiled each month and provided to Council.

**Submission**

N/A

**Report**

The list of accounts for October 2009 is attached to the Agenda for consideration. The list contains details of payments made by the City in relation to goods and services received by the City.

**Strategic Plan/Policy Implications**

**Governance Excellence**

- To conduct Council business in open public forums and to manage Council affairs by employing publicly accountable practices.

**Budget/Financial Implications**

N/A

**Legal Implications**

N/A

**Community Consultation**

N/A

**Attachment(s)**

List of Creditors Paid – November & December 2010.

**Advice to Proponent(s)/Submissioners**

N/A

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

Nil.

**15.2 (OCM 10/2/2011) - STATEMENTS OF FINANCIAL ACTIVITY AND ASSOCIATED REPORTS - NOVEMBER 2010 AND DECEMBER 2010 (FS/S/001) (N MAURICIO) (ATTACH) ★**

**RECOMMENDATION**

That Council receive the Statements of Financial Activity and associated reports for November 2010 and December 2010, as attached to the Agenda.

**COUNCIL DECISION**

**Background**

Regulations 1996 prescribes that a local government is to prepare each month a Statement of Financial Activity.

Regulation 34(2) requires the Statement of Financial Activity to be accompanied by documents containing:-

- (a) details of the composition of the closing net current assets (less restricted and committed assets);
- (b) explanations for each material variance identified between YTD budgets and actuals; and
- (c) any other supporting information considered relevant by the local government.

Regulation 34(4)(a) prescribes that the Statement of Financial Activity and accompanying documents be presented to Council within 2 months after the end of the month to which the statement relates.

The regulations require the information reported in the statement to be shown either by nature and type, statutory program or business unit. The City has chosen to report the information according to its organisational business structure, as well as by nature and type.

Financial Management Regulation 34(5) requires Council to annually set a materiality threshold for the purpose of disclosing budget variance details. To this end, Council has adopted a materiality threshold variance of \$100,000 for the 2010/11 financial year.



## Submission

N/A

## Report

As a consequence of no meeting being held in January, Council is required to receive the financial statements for the months of both November and December at the February meeting. However, this report is only addressing the December results, being the most current and relevant.

The City had a closing budget position of \$49.7M for December, \$4.9M higher than the forecast ytd budget of \$44.8M. This result reflects the continuing outperformance of the budget by several key revenue sources and general underspending of operating budgets.

The full year revised budget is currently forecasting a surplus of \$0.43M, versus the balanced annual budget adopted last June (nil surplus or deficit). Budget adjustments made throughout the year have contributed to this as outlined in Note 3 of the financial report. However, the budget will be returned to a balanced position via the mid-year budget review.

### Operating Revenue

Income streams for the Waste Services Unit continue to outperform the budget. Commercial revenue from the Henderson Waste Recovery Park is \$1.2M ahead of budget at \$6.3M, whilst the waste services levy has yielded an extra \$450k for Waste Collection. However, the additional levy is needed to cover higher operating costs for junk collection and the take up of trailer passes.

Interest earnings are also performing well (\$0.9M ahead of budget) due to increased investment rates courtesy of the rise in the official cash rate. Earnings on Reserve funds in particular are well above budget (by \$0.6M) due to the current holding being far greater than that forecast in the preparation of the annual budget. However, the additional interest on Reserves is quarantined within the Reserves and hence does not impact the overall budget position.

Property rating income is also showing a strong result, ahead of the ytd budget by \$0.8M. This can be attributed to the continuing strong development within the City.

### Operating Expenditure

Operating expenditure is generally running well within budget for most business units of the City (\$3.5M below YTD). Some of this is due to a lag in the receiving of accounts or delays in receiving the goods or services. Employee costs are also lagging behind (by \$1.3M) as several new and existing positions remain vacant. This is expected to abate somewhat as positions become filled over the coming months.

One area exceeding budget is the State Landfill Levy (by \$0.8M). This has eventuated as a consequence of higher revenues received for commercial waste through the landfill. This has been addressed in the mid-year budget review.

Specific details of the material variances within each Business Unit are shown in the Variance Analysis section of the financial report.

### Capital Program

The City's capital budget is showing an overall underspend of \$4.6M on a YTD basis against a budget of \$12.7M. However, when committed orders are factored in, there is no real variance. This indicates that the works have been scoped and are progressing, albeit behind cash flow projections.

The overall underspend includes some outstanding major plant acquisitions (\$1.0M) and the City's roads resurfacing program which is yet to commence (\$0.9M). The majority of the underspend is spread out across the capital program with very few triggering the \$100k material variance threshold.

### Cash & Investments

Council's cash and current/non-current investment holdings increased to \$93.6M (from \$92.1M in November). This figure peaked for the year in mid-December at \$98.7M after the cashflow from the second/third instalment for property rates.

Of this total cash and investment holding, \$41.9M represents the City's cash reserves, whilst another \$4.7M is held for other restricted purposes such as bonds and capital contributions. The balance of \$46.6M represents the working capital required to fund the City's operations and the municipal funded portion of the capital program over the remainder of the financial year.

## Description of Graphs and Charts

There is a bar graph tracking Business Unit operating expenditure against budget. This provides a very quick view of how the different units are tracking and the comparative size of their budgets.

The Capital Expenditure graph tracks the ytd capital spend against the budget. It also includes an additional trend line for the total of ytd actual expenditure and committed orders. This gives a better indication of how the capital budget is being exhausted, rather than just purely actual cost alone.

A liquidity graph shows the level of Council's net current position (adjusted for restricted assets) and trends this against previous years. This gives a good indication of Council's capacity to meet its financial commitments over the course of the year.

Council's overall cash and investments position is provided in a line graph with a comparison against the ytd budget and the previous year's position at the same time.

Pie charts included show the break-up of actual operating income and expenditure by nature and type and the make-up of Council's current assets and liabilities (comprising the net current position).

## **Strategic Plan/Policy Implications**

### **Governance Excellence**

- To conduct Council business in open public forums and to manage Council affairs by employing publicly accountable practices.

### **Budget/Financial Implications**

Material variances identified of a permanent nature (ie. not due to timing issues) may impact on Council's final budget position (depending upon the nature of the item). These will be assessed and considered for inclusion in the mid-year budget review.

### **Legal Implications**

N/A

### **Community Consultation**

N/A

**Attachment(s)**

Statements of Financial Activity and associated Reports – November 2010 and December 2010.

**Advice to Proponent(s)/Submissioners**

N/A

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

Nil.

**15.3 (OCM 10/2/2011) - OBJECTION TO DIFFERENTIAL RATES - COCKBURN CEMENT (3411123; FS/T/006) (S DOWNING) (ATTACH)**

**RECOMMENDATION**

That Council:

- (1) allow in part the objection by amending the rate record in relation to land owned by Cockburn Cement Limited, as shown in the attachment to the Agenda, by inserting Cement Works after the current description Special Industrial, so that land would be described as Special Industrial – Cement Works;
- (2) disallow the second part of the objection by retaining the current rates for 2010/11; and
- (3) seek approval of the Minister for Local Government to consolidate the land valuation methodology as Gross Rental Value over all of the land as listed in the attachment to the Agenda.

**COUNCIL DECISION**

**Background**

The City of Cockburn has adopted a differential rating structure which it applies to all properties in the City. This structure has been in place for

the last twenty years and is reviewed on a regular basis for relevance. Part of the review was to determine how Cockburn Cement was rated given the wide variety of landholdings the cement/lime producer had in the City. Changes were made to the differential rating structure applied to Cockburn Cement for the 2010/11 rating year.

The City has received a notice of objection from Cockburn Cement Ltd, objecting to the implementation of the differential rating system as it applies to their properties. This report deals with that objection.

## Submission

N/A

## Report

The City of Cockburn applies a series of differential rates to all 37,874 properties in accordance with Section 6.33 of the Local Government Act 1995 as noted below:

### 6.33 *Differential general rates:*

- (1) *A local government may impose differential general rates according to any, or a combination, of the following characteristics:*
  - [a] the purpose for which the land is zoned under a local planning scheme in force under the Planning and Development Act 2005;*
  - [b] the predominant purpose for which the land is held or used as determined by the local government;*
  - [c] whether or not the land is vacant land; or*
  - [d] any other characteristic or combination of characteristics prescribed.*
- (2) *Regulations may:*
  - [a] specify the characteristics under subsection (1) which a local government is to use; or*
  - [b] limit the characteristics under subsection (1) which a local government is permitted to use.*
- (3) *In imposing a differential general rate a local government is not to, without the approval of the Minister, impose a differential general rate which is more than twice the lowest differential general rate imposed by it.*

The City reviewed the characteristics of the lots of land associated with Cockburn Cement. It arrived at the following conclusion for the land valued under the Gross Rental and Unimproved Valuation methodology respectively:

A differential general rate was imposed on Cockburn Cement land containing the factory according to the following combination of characteristics:

1. The predominant purpose for which the land was held or used was determined to be Special Industrial;
2. The land was considered to have further characteristics of being not vacant land;
3. As such, the differential general rate applied was Special Industrial/Not Vacant – GRV, which is a rate of 12¢ in the dollar for GRV valuations.

A differential general rate was imposed on Cockburn Cement land in the clean air buffer surrounding the factory according to the following combination of characteristics:

1. The predominant purpose for which the land was held or used was determined to be Special Industrial;
2. The land was considered to have further characteristics of being vacant land;
3. As such, the differential general rate applied was Special Industrial/Vacant – UV, which is a rate of 3¢ in the dollar for UV valuations.

Under Section 6.33 of the Local Government Act, the Council can elect to chose any or a combination of characteristics being land zoned under the Planning and Development Act 2005 or the predominant purpose for which the land is held or used as determined by the local government authority. The land, subject of the objection, which Cockburn Cement occupies traverses a range of land characteristics, which are summarised below:

- Land controlled by a State Agreement Act – Cement Works (Cockburn Cement Limited) Agreement Act 1971;
- Vacant Land;
- Kwinana Air Quality Buffer Land;
- Land zoned as development land (part under the Buffer and part not under the buffer);
- Quarry land (used and current) from which Cockburn Cement extract raw materials for the manufacturing process;
- Land on which a cement/lime factory is constructed;
- Pipeline land (from receival point on Cockburn Sound to the factory in Munster);

- Land on which sand is received and washed from Cockburn Sound is located and a building to facilitate this process is constructed;
- Land under the planning control of the City of Cockburn Town Planning Scheme No.3;
- Land under the planning control of the WAPC's Hope Valley/Wattleup Redevelopment Act 2000.

A detailed list of lots of land is provided in the attachments.

It was determined that a generic title for the land summarising the unique nature of the overall facility be incorporated into the property description to coincide with the aim of the State Agreement Act. The generic title was Special Industrial. Industrial because of the overall nature of the facility and Special because of unique one off facility in the City of Cockburn. No other property or group of properties is described in this manner.

Subsequent to the change in description of the characteristics of the land for Cockburn Cement, the Department of Local Government approved an increase to 0.5¢ in the dollar rather than 3¢ for all properties valued using the unimproved valuation methodology. Prior to the Department agreeing to an increase greater than the one approved, they wanted to see 'specific and targeted consultation' with Cockburn Cement. The Local Government Act does not require targeted consultation and the application to increase the UV rate to 3¢ had the backing of similar approvals granted for another Council.

Cockburn Cement Limited has objected to the imposition of differential rates as allowed for under Section 6.76 of the Local Government Act 1995.

*Grounds of Objection:*

(1) *A person may, in accordance with this section, object to the rate record of a local government on the ground –*

*[a] that there is an error in the rate record –*

- (i) with respect to the identity of the owner or occupier of any land; or*
- (ii) on the basis that the land or part of the land is not rateable and;*

*or*

*[b] if the local government imposes a differential general rate, that the characteristics of the land recorded in the rate record as the basis for imposing that rate*

*should be deleted and other characteristics substituted.*

- (2) *An objection under subsection (1) is to –
  - [a] *be made to the local government in writing within 42 days of the service of a rate notice under section 6.41;*
  - [b] *identify the relevant land; and*
  - [c] *set out fully and in detail the grounds of objection.**
- (3) *An objection under subsection (1) may be made by the person named in the rate record as the owner of land or by the agent or attorney of that person.*
- (4) *The local government may, on application by a person proposing to make an objection, extend the time for making the objection for such period as it thinks fit.*
- (5) *The local government is to promptly consider any objection and may either disallow it or allow it, wholly or in part.*
- (6) *After making a decision on the objection the local government is to promptly serve upon the person by whom the objection was made written notice of its decision on the objection and a statement of its reason for that decision.*

Given that there were no errors in the rate record as noted in section 6.76 (1) (a) (i) and (ii), Cockburn Cement's objection came under section 6.76 (1) (b) of the Local Government Act, that is:

- (b) *if the local government imposes a differential general rate, that the characteristics of the land recorded in the rate record as the basis for imposing that rate should be deleted and other characteristics substituted.*

Their objection in full is attached.

You will note from the detailed objection, they are seeking that the characteristics be amended on a lot by lot basis rather than the more generic approach taken by the City. In reviewing the characteristics proposed, it would appear that there is not a cement/lime manufacturing facility on the land under objection. In addition, the objector is seeking that the City reinstate the former (lower) rate consistent with other industrial land types in the Improved Industrial – Large differential rating category.



The City sought legal advice on the objection lodged by Cockburn Cement Limited and the legal advice is also appended in the confidential attachment to this report.

Dealing with objections from ratepayers in accordance with section 6.76(5) and (6) of the Local Government Act 1995, the City must undertake the following process:

- (5) *The local government is to promptly consider any objection and may either disallow it or allow it, wholly or in part.*
- (6) *After making a decision on the objection the local government is to promptly serve upon the person by whom the objection was made written notice of its decision on the objection and a statement of its reason for that decision.*

The land owned by Cockburn Cement Limited has been subject to two forms of valuation, that is Gross Rental Value and Unimproved Value. The latter methodology has been used for valuing rural land, once a predominant land use in the City of Cockburn, whereas, the former methodology is used for urban/industrial types land. It is clear that the multiple land valuation methodologies have added to the complexity of valuing and rating the cement works. Given there is no rural activity of any sort on the Cockburn Cement land, the need for an Unimproved Value is now no longer needed. The City will then apply to the Minister for Local Government for one value methodology over the whole of the land as it has for much of the former market garden land of Munster, Beeliar and Spearwood as they convert from rural/market garden to urban.

### Conclusion

As noted above, the landholdings owned by Cockburn Cement Limited are varied but the over-riding land characteristic that would describe what the purpose is of all of the land is cement works. This is similar to the title of the governing State Agreement Act – Cement Works (Cockburn Cement Limited) Agreement Act 1971.

The characteristics of each lot could then be summarised as Special Industrial – Cement Works, rather than the generic characteristic of Special Industrial. This then would form an overall characteristic for all land as all land is held under the purposes of the cement works.

Section 6.76 (5) of the Local Government Act then allows for the Council to disallow the objection or allow it, wholly or in part.

The objection should be allowed in part, in that the characteristics of the land should be amended by including Cement Works into the characteristics description for each lot alongside the Special Industrial as this provides greater clarity of what the land is used for. All lots should now be described as Special Industrial – Cement Works. The request to issue an amended rates notice containing a lower rate in the dollar is disallowed as it is not within the scope of section 6.76.

If the objector does not concur with the decision of Council, they are entitled to have the State Administrative Tribunal review the matter under section 6.77 of the Local Government Act 1995.

### **Strategic Plan/Policy Implications**

#### **Governance Excellence**

- To conduct Council business in open public forums and to manage Council affairs by employing publicly accountable practices.
- To provide effective monitoring and regulatory services that administer relevant legislation and local laws in a fair and impartial way.
- To develop and maintain a financially sustainable City.

#### **Budget/Financial Implications**

There are no financial implications from allowing the objection in part. The City amended the rate in the dollar as noted in the report for the 2010/11 rates assessment when the Department of Local Government only approved an increase of 0.5¢ in the dollar rather than the 3.0¢ Council sought approval for. The funds paid by Cockburn Cement totalling \$300k were returned when the Department's approval was provided some two months after rates notices were issued.

There is no implication for the Budget surplus.

#### **Legal Implications**

Local Government Act 1995, Sections 6.33, 6.76 and 6.77.

#### **Community Consultation**

N/A

**Attachment(s)**

1. Letter of Objection from Minter Ellison Solicitors on behalf of Cockburn Cement.
2. Letter of advice from McLeods Solicitors on behalf of the City of Cockburn (provided under separate confidential cover).

**Advice to Proponent(s)/Submissioners**

The Proponent(s) who lodged a submission has been advised that this matter is to be considered at the 10 February 2011 Council Meeting.

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

Nil.

**15.4 (OCM 10/2/2011) - ADVERTISING A COMMERCIAL DEVELOPMENT - COUNCIL OWNED LAND - PORTION OF LOT 9000 YANGEBUP ROAD, YANGEBUP (3318030) (S DOWNING) (ATTACH)**

**RECOMMENDATION**

That Council:

- (1) advertise an Expressions of Interest on the portion of Lot 9000 Yangebup Road (south of Beeliar Drive) to determine the level of interest in the current commercial property market for development based on one or more of the following options:
  1. A development wholly owned by Council.
  2. A development partially owned by Council.
  3. A sale of the land.
  4. A ground lease.
  5. Other options that a proponent could propose.
- (2) request for a report be prepared for the Audit and Strategic Finance Committee tabling the options and responses received from the Expressions of Interest process, together with an independent analysis of the said options in the form of a Business Plan; and
- (3) arrange a briefing and workshop for Elected Members on the outcome of the Expressions of Interest.

**COUNCIL DECISION****Background**

The Council owns 11.49 hectares of land at Lot 9000 Yangebup Road, Yangebup. The land straddles both sides of Beeliar Drive and Durnin Avenue. The subject property is currently zoned 'Development' with the land on the south side of Beeliar Drive (6.24 hectares) designated a local centre zone whilst the land on the north side of Beeliar Drive is designated residential on the approved structure plan for the area. The land formerly off Yangebup Road before the link to Stock Road along Beeliar Drive was completed in 2010.

The City has considered the land on the southside of Beeliar Drive suitable for a Local Shopping Centre and has received an approach from one of the three supermarket operators about the development of the site as a local shopping centre.

A confidential report was presented to the Audit and Strategic Finance Committee on 18 November 2010 for two major landholdings, one of which was this piece of land on Yangebup Road and the other being land earmarked at Wentworth Parade, Cockburn Central, for the GP Super Clinic, Integrated Health Facility and Civic Library. The Committee's recommendations were as follows:

*to arrange a briefing and workshop for Committee Members to address the proposed framework outlined in the Officer's report and recommendations, as soon as practicable at the Chief Executive Officer's discretion, and to address:*

1. *business case assumptions;*
2. *options and projections; and*
3. *a risk analysis of the information supplied in the Report titled "City of Cockburn Landholdings".*

In order to facilitate a briefing and workshop of Elected Members, it was believed appropriate that the land at Yangebup Road (south of Beeliar Drive) be formally advertised by way of Expressions of Interest so as to provide Council with actual proposals for the land rather than potential ideas and estimates of income and expenditure only (albeit based on estimates provided by valuers, quantity surveyors and supermarket operators). This would enable Council officers to assess, analyse and then have a third party prepare an independent report on

the proponents, business case assumptions, options and projections and the relevant risk analysis using real numbers rather than projections.

As to the GP Super Clinic, Council approved in December 2010 for the City to go to tender for the construction of the facility on Wentworth Parade. Once the tenders have been received, the officers will go through a similar process to produce a report and an independent analysis and then provide Elected Members with a briefing and Workshop so as to further explain the investment the City will be making in the facility. This in turn will provide Elected Members with a better opportunity to critically assess both projects using the officers' assessment supported by an independent analysis.

### **Submission**

N/A

### **Report**

The size of the land, as the attached map indicates, is approximately 6.24ha. and is in a figure '7' shape (inclusive of the road reserve comprising of Durnin Avenue (south). The land on the northern side of Beeliar Drive has been designated residential and is not currently under active consideration for action although a draft subdivision plan has been prepared as a discussion document. It is noted that the residential land to the north of Yangebup Road and the Land on the western side of Watson Road is being developed for single residential housing.

### The Act and Regulations

The Local Government Act 1995 Section 3.58 requires the Council to advertise for Expressions of Interest when proposing to undertake commercial dealings with land. This then will allow a formal advertising process to commence where the City could view how the market place considers the land should be developed in conjunction with Council's officers. Subsequent to any formal proposal to deal with the land is submitted to Council a business plan will be prepared under section 3.59 of the Local Government Act. This in turn will be presented to Council.

Under the Act, the Council would canvass a number of options in relation to the commercially zoned land:

1. Leave the property undeveloped until at later point in time. The land is currently vacant land with a small amount of bush (not environmentally significant) and to date has been used as a

dumping/storage ground for sand/materials whilst the City has undertaken road construction activities in the area. There are parks to the east at Visko Park and one to the west, an oval/cricket facility off Watson Road.

2. Ground Lease – The Council could propose a ground lease to any potential developer of a commercial facility. This would leave Council as owner of the land with no capital requirement to invest in a commercial development. This would provide a risk free return for the life of a ground lease with the potential for any development to revert back to Council at the conclusion of the ground lease. A ground lease would vary from twenty to fifty years. This type of agreement would not prevent Council from disposing of the land at some future stage with a secured tenant in place. Any proposed tenant would require some form of guarantee from the anchor tenant of the commercial development. This option would make the land rateable versus its current status as non-rateable.
3. Sell the land for a one off capital gain – The land could be sold to a third party. Council has a current valuation on the land but this would be updated as part of any report back to Council. Council could invest the proceeds or expend as per council policy. As part of the Business Plan, financial comparisons would be provided to see if this is a viable option. Initial analysis would indicate that Council would obtain a better income stream from not disposing of the land. This option would make the land rateable versus its current status as non-rateable.
4. Develop the commercial land using one of the following options:

[a] Wholly by Council

Development by Council would provide greater control of the outcome of the project, design, architecture and potentially tenants, if wholly developed by Council itself. The primary demand for design outcome would come from the anchor tenant, who would have specific needs. Regardless of design, there would be a need to maintain commercial facility and as such a sinking fund would be required to be established to meet the needs of the facility. The source of the funds would come from the surplus income generated by rent less capital and recurrent outgoings.

The capital cost of the project would be dependent on the size of the facility. The cost would be \$16.5m to \$33m depending on the final size of the development.

[b] Equity partner, major or minor

The Council could seek an alternative whilst retaining a stake in the development by seeking to have a smaller equity stake. This would reduce Council's capital outlay up front but still provide for capital appreciation over time from both the land and the buildings.

The issue out of the last option is whether Council should be a retail/shopping centre landlord with its myriad of issues. Clearly, the second option of taking a partner would enable Council to seek an experienced shopping centre developer and manager to significantly mitigate these risks and issues. The other risk is the return on capital invested. An independent report would be commissioned to evaluate the risk/reward scenario. The preference of Council to date has been to build office type buildings as against retail but as noted this risk could be minimised and managed.

One issue canvassed is whether there is a need for more shopping centres in the City of Cockburn? The City's Local Commercial Strategy already identifies the site as a local shopping centre. The attached map indicates the range of local shopping and sub-regional shopping centres in the City. The interest from the commercial property market to date would indicate a definitive yes.

This site would suit a local shopping centre with an anchor tenant being one of the big three shopping centre operators being Woolworths, Coles and IGA (Metcash). There appears to be little or no interest of ALDI or Costco coming to WA at this stage. A prospective commercial shopping centre developer would need to provide justification if they sought to build beyond formal local shopping centre guidelines of 5,000 sq.m.

### Conclusion

There is a clear indication of support for the development of this parcel of land for a commercial development, most probably a supermarket accompanied by speciality shops, service station and other retail/office developments. The competition for land appears to be intense and the City should avail itself of the current developments in the marketplace. The final structure and design will be subject to the market and then to Council.

## **Strategic Plan/Policy Implications**

### **Demographic Planning**

- To ensure the planning of the City is based on an approach that has the potential to achieve high levels of convenience and prosperity for its citizens.
- To ensure development will enhance the levels of amenity currently enjoyed by the community.

### **Employment and Economic Development**

- To plan and promote economic development that encourages business opportunities within the City.

## **Budget/Financial Implications**

There are no direct budget implications from the advertising of the Expressions of Interest other than the cost of advertising estimated at \$1,000. There will be substantial financial implications if the project proceeds.

## **Legal Implications**

Local Government Act Section 3.58 and 3.59.

## **Community Consultation**

N/A

## **Attachment(s)**

1. Location map of Lot 9000 Yangebup Road, Yangebup – highlighting the southern part of the lot suitable for development.
2. Local Commercial Strategy Map - shopping centres in the City of Cockburn.

## **Advice to Proponent(s)/Submissioners**

N/A

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

Nil



**15.5 (OCM 10/2/2011) - REVIEW OF BUSINESS PLAN 2010/11 AND BUDGET REVIEW PERIOD ENDING 31 DECEMBER 2010 (5402) (S DOWNING) (ATTACH) ★**

**RECOMMENDATION**

That Council:

- (1) receive the Business Plan Review for 2010/11;
- (2) amend the Municipal Budget for 2010/11 as set out in the Schedule of Budget amendments, as attached to the Agenda.

**TO BE CARRIED BY AN ABSOLUTE MAJORITY OF COUNCIL**

**COUNCIL DECISION**

**Background**

Section 33A(1) of the Local Government (Financial Management) Regulations 1996 requires Council to review its annual budget between 1 January and 31 March in each year.

Council adopted its annual Business Plan at the Ordinary Council Meeting in June 2010. In accordance with Policy SC34 *Budget Management*, a formal report on the progress of the Plan is to be presented at the February 2011 Ordinary Council Meeting.

**Submission**

N/A

**Report**

Business Plan Review 2010/11

The attached Business Plan Review outlines the progress made in achieving Council's business activity plan and program budgets for the FY 2010/11. The review identifies that the operational income and expenditure forecasts are running close to expectations. There has also been considerable progress in achieving the program objectives of each of the City's Business Units.

The capital works program is progressing, but with year-to-date expenditure being behind projections on a cash basis. The majority of capital works will still be delivered as per the Budget. Further details on the Business Plan are available in the attachment.

#### Mid-Year Budget Review

A detailed report on the review of the Municipal Budget for the period 1 July 2010 to 31 December 2010 is attached to the Agenda. The report sets out details of all proposed changes and a brief explanation as to why the changes are required. All forecasts are post allocation of ABC cost charges or income recoveries. A list of significant revenue and expenditure items are noted below with a detailed budget reference linking to the attached schedules.

#### Rating Income

There is additional income from interim rating for this budget review. The City is still benefiting from growth in housing starts and limited land release for housing. There has been some new subdivision work in the commercial and industrial parts of the Cockburn Commercial Park as well as Phoenix Business Park being rated for the first time. The estimate for additional rating income is \$200,000 for the balance of the financial year.

#### Interest Income

Interest rates on deposit funds with major financial institutions have been maintained at around 6% pa. Overall this will add approximately \$200,000 to the Municipal Fund interest income account. However, interest in Reserve funds was under budgeted by approximately \$700,000 primarily due to higher balances in Reserves including Waste Management (Disposal and Collection), Land Development and POS Land. Interest from reserves will increase and will go directly to the Reserve fund, unfortunately not impacting of the budget surplus for 2010/11.

#### Planning Fees

Income derived from planning applications is currently significantly ahead of budget. Given a solid second half of the financial year, an additional \$200,000 income is expected from planning fees.

#### Waste related income

Land fill income will increase by an estimated \$2m but will be offset by a increase in the landfill levy paid to the State Government. The

Landfill Levy will increase from \$3.5m to \$5.5m for 2010/11 up from \$1m in 2009/10. Sales of landfill gas have been budgeted to increase by \$40,000 from \$295,000 to \$335,000. Sales in the Recycling Shop have also been budgeted to increase by \$50,000 from \$100,000 to \$150,000. However, sales of iron and non-ferrous metals have been budgeted to decrease. The impact of this is \$120,000.

Overall the landfill is budgeted to produce a surplus for 2010/11 after all expenditure (including landfill levy) and transfers to reserves of \$364,000. After the above amendments to income and expenditure, the landfill is still on track to produce a budgeted surplus of \$364,000. Cost savings from the new contractor are hard to project until they have the relevant equipment on site.

Waste Collection Levy income will be higher by \$340,000 resulting from higher interim rates. These funds will be quarantined in the Waste Collection Reserve and in part used to fund future costs by minimising future levy increases. It is stressed that waste collection does not directly impact the municipal fund as all waste collection costs and income are quarantined in the Waste Collection Reserve.

#### *Major Expenditure Items*

##### By-Election

The cost of the by-election is expected to be \$15,000. The cost will be funded from the Municipal Elections Reserve.

##### Elected Member Training

An amount of \$12,500 has been provided to fund further training of Elected Members who opt to complete the Diploma training after the initial training program met with much success.

##### Sister City

Provision of \$17k to provide costs to cover the Yueyang Sister City visit.

##### Staff Wellness Program

An amount of \$15,000 has been provided to fund the staff wellness program which is to allow staff to join the gym at the South Lake Leisure Centre. This is primarily aimed at Depot staff so as to improve physical fitness.

### Customer Call Centre

A amount of \$17,000 has been provided to fund additional operating hours in the City's Call Centre for the weekend (contractor).

### Health Services

A Budget has been set up to fund the removal of unwanted materials of private land. The expenditure to date has been \$67,000. The primary cost was for the removal of the house on Cross Street with the relevant bank underwriting the cost.

### Strategic Planning

Additional income of \$34,000 has been achieved from the structure fees. This has been offset by higher advertising costs of \$5,000 for structure plans, \$20,000 for costs associated with the developer contributions plan and its preparation, legal advice, consultation and advertising. There is also extra consumables for the departments A0 plotter/printer. A further \$98,000 is no longer required for the Phoenix Centre Revitalisation Plan (\$90,000) and Coolbellup Town Centre Plan (\$8,000) and has been reallocated to updating the Local Activities and Commercial Centres Strategy which was originally written in 2002.

### Land Administration

Lower costs for developing land at 174 Ely Street (\$15,000), Lot 101 Beeliar Drive (\$4,985), Lot 72 Bellier Place and Lot 65 Erpingham Street (\$20,000). These funds go back into the Land Development Reserve.

The market based rents for Naval Base Shacks has resulted in higher income of \$199,000 all of which is quarantined in the Naval Base Shacks Reserve. An amount of \$15,000 is being sought from the Reserve to fund the new management framework for the Shacks.

### Park Construction and Maintenance

Dog Stations – there has been no requests or need identified - \$10,000. Lighting request at Atwell Waters has been completed with a surplus of \$13,000.

North Coogee Master Plan and groyne development will be delayed pending the application of funds to the Department of Transport in April 2011. It is expected this could proceed in 2012 if the application was successful. The funds in the current budget total \$666,000. It is recommended that they be quarantined pending the outcome of the application. Other projects appear to be on target, although the \$1m

for the Bibra Lake Master Plan is pending approval for Aboriginal Heritage.

### Environmental Management

Additional funds are sought to further control midges (\$20k), complete rabbit proof fencing at Denis De Young Reserve (\$8k), State of Environment Report (\$5k), further work for firebreaks on Kramer Reserve in Banjup (\$15k). This is offset by vegetation mapping no longer required this year (\$21k), emission reductions (\$15k). There is also an end to green energy through Western Power/Synergy (\$80k). Other forms of greenhouse savings are being considered which will provide Council with better value for its investment.

### Facilities Management and Maintenance

A number of savings to existing capital projects have been identified in the first six months of the financial year:

- Admin Centre car park works \$17k
- Refurbishment of Coogee Beach toilets \$10k
- Operation Centre Security Fence \$15k
- Rangers Office – Floor treatments \$7k
- Naval Base Laundry upgrade (\$65k sufficient)- \$20k
- Native Ark (verandah repairs)- \$25k

These savings are offset by additional costs for:

- Administration Centre water supply - \$83k
- Santich Park redevelopment \$50k

### Plant Maintenance

Plant costs are higher for three park trailers as additional requirements were identified. The added cost is \$45k and will be funded from the Plant Replacement Reserve.

### Road Construction and Maintenance

There has been a significant reappraisal of the cost to complete the Spearwood Avenue extension from Sudlow to Barrington. The additional cost will amount to \$1.9m. The cost will be partly met by the MRWA – MRRG for \$1.667m (achieved by delaying and re-allocating the funds for the Beeliar Drive (Hammond to Dunraven)) and a further \$246k from the Council through a series of adjustments to existing budgets. The City in discussion with the MRRG to seek its approval for the reallocation of funds from the approved Beeliar Drive project to Spearwood Avenue. Both projects still rate high in the assessment methodology used by the MRRG. Council will be kept advised of the outcome of the discussions.

The cost increase to the Spearwood Avenue extension is for additional work at the intersection include:

- Fencing \$100k
- Crash barrier - \$70k
- Environmental offset imposed by the Federal Government - \$560k
- Street lighting - \$290k,
- Retaining wall construction - \$800k and
- Utility services relocation - \$170k
- Traffic Signal - \$148k.

#### Summary of Capital Expenditure to 31 December 2010

Program	Fully yr Budget	Ytd Spend & Commitment	YTD %	Full yr Spend Est	%
Roads	11,699,384	\$3,150,356	27%	\$8,699,384	87%
Drainage	856,000	153,850	18%	\$500,000	58%
Footpaths and Bikepaths	938,228	234,092	25%	\$938,000	100%
Parks Hard	4,209,268	1,344,738	32%	\$3,188,700	75%
Parks Soft	532,495	135,914	26%	\$374,704	70%
Waste Management	3,893,560	35,168	1%	\$1,000,000	26%
Freehold Land	1,861,597	264,122	14%	\$964,000	24%
Buildings	9,308,481	3,694,863	40%	\$7,300,000	78%
Furniture & Equipment	0	70,798	0%	\$100,000	100%
Computers	297,500	116,423	39%	\$297,500	100%
Plant & Machinery	5,358,104	4,139,000	77%	\$5,358,104	100%
Crown Land Acquisition	350,000	0	0%	0	0%
Total Capital Expenditure as at 31 Dec 2010	\$39,304,617	\$13,339,323	34%	\$28,720,392	73%

#### *Comment*

#### Plant and Machinery

The plant and machinery replacement program is expected to be completed in the second half of the financial year

#### Buildings and Facilities

- Coolbellup Hub – Finalised, the City is now reviewing final costs and commitments to determine final cost/surplus. Subject to security measures after recent attacks.

- Regional Recreation Facility Hammond Rd - Finalised, the City is now reviewing final costs and commitments to determine final cost/surplus. Subject to security measures after recent attacks.
- Operations Centre Upgrade – Designs being finalised and tender being prepared. Construction to commence in 2011/12.
- Administration Centre – Energy efficiency measures. This item for \$400,000 still being considered to ensure best value.
- Poore Grove – Stage 1 – To be completed in February 2011. Should run to budget of \$2m to \$2.1m. M/F Funds for Stage 2 of \$1.4m remain unspent together with State Government's grant of \$1.25m.
- Santich and Anning Parks – Work due to be completed in 2010/11.
- GP Super Clinic and Success Library – Work to commence prior to June 2011, subject to Council approving tender.

### Roads

#### MRRG Road Construction:

- Spearwood Avenue (Sudlow to Barrington) – Proceeding in 2011 but at a bigger cost including MRRG funds earmarked for Beeliar Drive plus additional M/F's.
- The Beeliar Drive (Hammond to Dunraven) program will be deferred to 2011/12, where it will be funded from the Municipal Fund and then refunded from the MRRG in 2012/13 (subject to MRWA approval and funding availability).

#### State Black Spot Program

All three projects progressing in 2011 and should be completed in 2010/11.

#### Roads to Recovery Program

Two of the major projects proceeding in 2010/11:

- Spearwood Ave (Hamilton to Cockburn) and Spearwood Ave (Stock to Doolette) (commence in May 2011).
- The third major R2R project – Cutler Rd (Prinsep to Chiefly) will also proceed in 2010/11 but will require an additional \$105k on the original \$568k budget.

#### Federal Black Spot Program

This project, being the traffic lights at the corner of Spearwood Ave and Barrington Road has been completed but at a higher cost of \$148k on the original budget of \$128k.

### Resurfacing Program

This program valued at \$951k is continuing and will be completed in 2011.

### General Road Construction Program

The four major projects:

- Hammond Road (Russell to Bartram 2<sup>nd</sup> carriageway) \$2m – To be deferred to 2011/12. Currently designing project and consulting utility providers. To be fully funded from Developer Contributions. No environmental approvals or offsets required.
- Plantagenet/Grandpre (new road for subdivision) - \$450k. subject to tender should be completed by June 2011.
- Rodd Place (Extend road, modify drainage and enhance POS) \$230k – No longer proceeding so as to fund Spearwood Ave additional costs.
- Russell Rd (Freeway/Ashendon) - Construct dual carriageway \$517k – This project is proceeding but with an amended budget of \$717k. Scope of civil works expanded and now funding street lights as well (not included in original budget estimate).

The other projects are all moving forward to completion.

### Footpaths and Bikepaths

This program should be completed in the second half of the financial year.

### Parks

After the quarantining of the North Coogee Management Plan, Groyne work totalling \$666,000 (pending an application to the Department of Transport), the forecast is to complete 90% of the scheduled program \$4.33m. The \$1.2m allocated to the Bibra Lake Management Plan in 2010/11 should be mostly expended if approval for Aboriginal Heritage is granted in March 2011. For the Environment Management Capital Program, it is anticipated that it will be completed in the second half of the financial year

### Waste Management

At this stage, the major project being Cell 7 Construction should be awarded around June/July 2011. Funding of the \$2m will be delayed to July 2011 with funds returned to the Reserve. The other major project being the relocation of infrastructure in readiness for Cell 7 totalling \$600,000 and should be 50% completed by June 2011. Other projects are progressing.



## Land Development

The major project in Land Development is the completion of the civil works for the Grandpre 30 lot sub-division. Subject to Council approval of a tender, the contractor should be on site in May 2011 with about 30% of the \$1.5m expended.

This year will see the sale and settlement of:

- Lot 174 Ely Street (4 lots) - \$450k,
- Lot 183 Southwell Cres - \$1.1m,
- Lot (4 lots) - \$681k,
- Lot 3 Yangebup Road (in part) - \$240k,
- Kent St (1 lot to Water Corp) - \$220k.

Currently working on:

- Lot 237 Dacre Court (3 Lots),
- Lot 61 Gumina Place (2 Lots),
- Lots 485 & 459 Bourbon Street (3 Lots).

All proceeds will go to the Land Development Reserve as per Council Policy on disposal of surplus land.

Land on Progress Drive (next to Adventure World) should be finalised and settled this financial year, but all proceeds to go to the Bibra Lake Reserve Fund for future projects to rehabilitate the Lake as per Council resolution.

Crown land acquisition will not occur as the land is no longer required but is retained in case Homeswest do not concur with the City's plan.

## New Items

As this is a mid-year budget review no new items are presented for consideration.

## Municipal Budget position as at 31 December 2010

Based on the attached budget amendments, the City's municipal budget position(excluding waste management) for 2010/11 is projected to 30 June 2011 as follows:

Projected Budget Position at adoption of 2010/11:

Budget as at 1 July 2010	Balanced
Budget	

Surplus prior to Mid-Year Review	\$264k
Mid-Year Budget Review – Additional Rev (Fav.)	\$600k
Mid-Year Budget Review – Additional Costs (Unfav)	\$305k

New Projected Budget Position for 2010/11:  
After Mid-Year Budget Review \$0.558m

As per Council Budget Policy any surplus goes to the Community Infrastructure Reserve to fund community infrastructure.

### **Strategic Plan/Policy Implications**

#### **Governance Excellence**

- To conduct Council business in open public forums and to manage Council affairs by employing publicly accountable practices.

#### **Budget/Financial Implications**

A number of amendments to the Budget are recommended.

#### **Legal Implications**

Section 33A(1) of the Local Government (Financial Management) Regulations 1996 requires Council to review its annual budget between 1 January and 31 March in each year.

#### **Community Consultation**

N/A

#### **Attachment(s)**

1. Business Plan Review 2010/11.
2. Schedule of Budget amendments.

#### **Advice to Proponent(s)/Submissioners**

N/A

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

Nil.

**15.6 (OCM 10/2/2011) - DONATION - QUEENSLAND'S PREMIER'S FLOOD RELIEF APPEAL (CR/G/001) (S DOWNING)****RECOMMENDATION**

That Council donate \$10,000 to the Queensland's Premier's Flood Relief Appeal.

**COUNCIL DECISION****Background**

The Council established an emergency relief fund several years ago to cater for sudden and dramatic emergencies. A suggestion has been made that a donation should be made to the Queensland Flood Relief Appeal Fund from the City's emergency relief fund.

**Submission**

N/A

**Report**

The 2010/11 Annual Budget has set aside \$10,000 in the emergency relief fund.

There is no set of guidelines currently in place to direct officers in donating funds for disbursement from the emergency relief fund and as such all such appeals for funds are presented to Council for its consideration.

Unlike a range of other donations the Council makes to varying community groups, not-for-profit organisations and individuals which are predicated on clear and concise set of guidelines, donations from the Emergency Relief Fund arise because of major disasters which to date have not been categorised. Other donations made by Council which could be considered disasters include:

- Black Saturday Bush Fires in Victoria 2009 - \$30,000
- Toodyay Bush Fire 2010 - \$10,000
- Portugese Landslide City of Funchal - \$5,000

There are varying reports about the extent of damage and the number of homes affected with the AMP economist, Dr Shane Oliver indicating a \$30 billion price tag for fixing homes and businesses across Queensland. At present, the Federal Government has swung into action by making cash payments of \$1,000 per adult and \$400 per child to flood affected victims, \$25,000 for businesses, deploying 1,000 Centrelink staff to Queensland and the Army to assist in the clean-up. (All payments are means tested).

To date, the Premier's Flood Appeal has raised \$185m (effective 29 January 2011) with the business sector contributing an additional \$31M in response to an appeal from the Prime Minister.

The recommendation is to donate \$10,000 to the Queensland's Premier's Flood Appeal. The Carnarvon Flood Appeal has not been considered as it appears to have been contained and limited in its overall damage. The Lord Mayor of Perth, Ms Lisa Scaffidi launched a flood relief appeal and this has now exceeded \$1M. No consideration has been given to the Victorian flood appeal as the insurance issue does not appear to be as big a problem, with the Victorian Government stating in the Financial Review (25/1/11) that they are "well insured".

### **Strategic Plan/Policy Implications**

#### **Governance Excellence**

- To conduct Council business in open public forums and to manage Council affairs by employing publicly accountable practices.

### **Budget/Financial Implications**

The City has a specific fund to cater for emergency relief totalling \$10,000 and a further general donations budget of \$150,000 of which \$110,000 has been spent or committed.

### **Legal Implications**

N/A

### **Community Consultation**

N/A

### **Attachment(s)**

N/A

**Advice to Proponent(s)/Submissioners**

N/A

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

Nil.

**16. ENGINEERING AND WORKS DIVISION ISSUES****16.1 (OCM 10/2/2011) - TENDER NO. RFT23/2010 - DESIGN AND PROJECT MANAGEMENT SERVICES (CIVIL WORKS) CELL 7 CONSTRUCTION - HENDERSON WASTE RECOVERY PARK (RFT23/2010) (L DAVIESON) (ATTACH)****RECOMMENDATION**

That Council accept the joint tender submitted by IW Projects/Bowman and Associates (Alternative No. 3) for Tender RFT 23/2010 - Design and Project Management Services (Civil Works) Cell 7 Construction, for a lump-sum value of \$290,000 GST Exclusive.

**COUNCIL DECISION****Background**

The City of Cockburn has operated the HWRP in Rockingham Road, Henderson since 1990. Stage 1 (Cells 1,2 &3) was completed in 2000. Cell 4 was granted approval in 2000, Cell 5 was granted approval in Feb 2004 and Cell 6 was granted approval in October 2007. In 2010 staff applied for and received a Works Approval for Cell 7 (refer to map attached).

The HWRP provides an essential service to the Kwinana Industrial strip and many other commercial and domestic users where metropolitan landfill capacity is limited. It is estimated that HWRP will attract, on average around 150,000 tonnes of refuse per year over the next ten years. Accordingly, a minimum design capacity for Cell 7 is 950,000m<sup>3</sup> or 807,000 tonnes of waste.

The City of Cockburn (the Principal) is seeking the services of a qualified and experienced Civil Works Design and Project Management

Consultant to undertake the design, documentation and project management of the construction of Cell 7.

The scope of services includes:

1. Designing of a lined Cell 7 suitable to accept Class II and III waste.
2. Preparation of draft tender documentation and evaluation of tender submissions; and evaluation report.
3. Supervision of the construction of Cell 7.
4. Provision of a Quality Assurance Construction Report and 'As Constructed' Drawings/Plans.
5. Designing and supervising the relocation of existing and/or construction of new leachate infrastructure.
6. Advising on the alterations to Cells 1, 2 and 3 storm water drainage.
7. Advising on the realignment of the service road around the proposed Cell 7 footprint.
8. Advising on the sampling, testing and removal of any contaminated soil beneath existing infrastructure.
9. Advising on the relocation of existing and/or construction of new wash down bay and pond, bore water dam, quick fill emergency pump house and standpipe, fencing and power lines; if relocation and/or construction is necessary.

The proposed Contract shall be in force for a period of two (2) years from the date of award of the Contract, with a Principal instigated option to extend for up to a further twelve (12) months to allow for any variations to the construction completion date and defects liability period.

The Principal's expectation is that the Contract will commence in March 2011 and the construction of Cell 7 be completed by 30 June 2012.

### **Submission**

Four (4) tender submissions were received for RFT 23/2010 from:

1. I W Projects
2. Cardno WA
3. URS Australia
4. GHD Pty Ltd.

I W Project submitted a conforming tender and 3 alternative tenders.

*Alternative Tender 1* – is submitted as a joint tender by both IW Projects and Bowman and Associates who are two specialist waste management consulting companies.

*Alternative Tender 2* – is submitted by IW Projects. This alternate tender proposes a lump sum fee in exchange for .the percentage fee stipulated in the contract document.

*Alternative Tender 3* – is submitted as a joint tender by both IW Projects and Bowman & Associates. This alternate tender proposes a lump sum fee in exchange for .the percentage fee stipulated in the contract document.

Cardno WA, URS Australia and GHD P/L have requested modifications to the General Conditions of Contract if successful.

## Report

### Evaluation Criteria

<b>Evaluation Criteria</b>	<b>Weighting Percentage</b>
Demonstrated Experience	25%
Skills and Experience of Key Personnel – Tenderer's	25%
Skills and Experience of Key Personnel – Sub Contractors	15%
Interpretation, Methodology & Implementation	15%
Tendered Price	20%
<b>TOTAL</b>	<b>100%</b>

### Evaluation

The tender submissions were evaluated by:

1. Lyall Davieson - Waste Manager (CoC)
2. Jadranka Kiurski - Manager of Engineering (CoC)
3. Brendan Doherty - Manager of Engineering Services (SMRC)
4. Michael Haynes - Recovery Park Coordinator (CoC)

Mrs Jadranka Kiurski has previously been involved in the design and development of Cells 4, 5 & 6 at HWRP in her role as Project Engineer and Project Manager for the City. Mr Davieson and Mr Haynes are currently engaged in the management of the facility and have considerable experience in the waste industry.

Brendan Doherty is the Manager Engineering Services at the SMRC and was included on the panel as an independent assessor given his industry experience, landfill design and project management experience.

Each member of the panel individually assessed each submission and scored the bid against the selection criteria advertised. The scores were combined and are provided as follows:

Tenderer's Name	Percentage Scores		
	Non Cost Evaluation	Cost Evaluation	Total
	80%	20%	100%
<b>I W Projects/Bowman (Alternative No.1)**</b>	<b>71.69%</b>	<b>17.6%</b>	<b>89.29%</b>
Cardno WA	66.69%	20%	86.69%
URS Australia	69.56%	13.73%	83.30%
I W Projects	66.22%	14.93%	81.15%
GHD Pty. Ltd.	63.06%	7.33%	70.40%

**\*\* Recommended Submission**

The IW Projects/Bowman & Associates combined bid was assessed as representing the best capacity to undertake the service as they were scored highest in the non-cost evaluation criteria by each member of the panel. The rationale for this assessment is further detailed in the report.

#### Demonstrated Experience

All of the tenderers have experience in the construction and project management of landfill cells.

URS and IW Projects/Bowman & Assoc scored highest as their landfill design and project management work was extensive, recent and local. Specific details were identified in their respective bids with the following points of note:

- URS have completed bioremediation cells in Karratha and Northampton and the project management of Cell 7 at Cardup for West Australian Landfill Services.
- IW Projects successfully designed and Superintended the City's Class III Cell 6 construction. IW Projects have also designed a number of Class III Cells at Dardanup for Transpacific.
- Bruce Bowman has project managed the construction of four class II landfill cells for Perth landfills including West Australian Landfill Services (South Cardup Landfill), Mindarie Regional Council's (Tamala Park Landfill) and the City of Cockburn's (HWRP).

Cardno and GHD identified only one local and recent project, though could demonstrate landfill cell design and project management work in the eastern states.



### Skills and Experience of Key Personnel – Tenderer's

The I W Projects/Bowman & Assoc submission was a clear leader in this criterion (collectively evaluated at 20.94%) for the following reasons:

- Both companies are specialist waste management consulting companies.
- Together they offer a wealth of knowledge in landfill cell design and landfill construction supervision in Western Australia and work exclusively in the waste management industry.
- The work will be spread across a team of 5 being the 2 company principals, an environmental engineer, a surveyor and a draftsman.
- They have allocated 1174 hrs for this project the majority of which will be split between Watkins and Bowman.

Cardno personnel's skills and experience was assessed highly (collectively 19.69%) by the panel with the following points of differentiation:

- Proposed a team of 7
- Project to be led by John King (Project Director). John has extensive experience in waste management, though will only contribute 18 of the total 1,183 hrs allocated on this project.
- Cardno's Landfill Design Engineer (122 hrs) appears to have the credentials however has only designed one landfill cell in NSW in 2000. The majority of his experience appears to be in drainage and wastewater management.
- The Cardno CAD Drafter (493 hrs) and the Site Supervisor (336 hrs) have no previous experience with landfill drafting or landfill project supervision listed on their respective CV's.

URS and GHD have the majority of their landfill specialists in the eastern states. The panel viewed that the design and project management function would be best delivered by waste specialists living in WA.

### Skills and Experience of Key Personnel – Sub-Contractors

Submissions either did not identify sub-contractors or those that were provided generally had a relevant skill set to effectively supplement those lacking by the contractor. There was little differentiation by the panel members.

### Interpretation, Methodology & Implementation

The interpretation, methodology and implementation proposals presented by each of the tenderers were thorough. Overall, the most

preferred and concise analysis was evaluated by the panel to be IW Projects.

### Cost

Cardno have provided the cheapest price for delivery of the service. The tender sought prices expressed as a percentage of the total cost of the final construction of Cell 7 (refer to Percentage fees - Page 2). The evaluation has been conducted based on an estimated cost of \$4M. Based on this total cost, Cardno's fee will be approximately \$220,000. By comparison, IW Projects/Bowman & Assoc fee would be approximately \$292,000. IW Projects/Bowman & Assoc was the next best tender submission.

The tender also sought hourly rates in the event that additional works were contemplated. These rates are identified in page 3 of the attachments. Councillors will note that the schedule of rates proposed by IW Project / Bowman & Assoc are substantially lower than all other bids.

### Summation

Ultimately, the City's final cost will be linked to the total cost of the project. The project is however complicated by a number of challenges that will test the design and delivery of this project as follows:

- The liner for Cell 7 must join Cells 1,2 & 3 – further complicated by the different liners used under each cell;
- The capping of cells 1,2 & 3 will be impacted by the construction of Cell 7 – further complicated by different capping systems;
- Our requirement to landfill over cells 1,2 & 3 will generate some design issues;
- Establishing a common leachate collection system for cells 1,2,3&7 will present a design challenge
- The transfer of leachate across this site from Cells 4,5&6 may also be necessary.
- Design of batter slopes to enable rationalisation of landfill heights across cells 1,2,3&7.
- Preparation of final capping surface to accommodate future land use opportunities.

The quality of the design will dictate the ultimate cost of the project and in this instance, the bid prepared by IW Project / Bowman & Assoc demonstrates the necessary expertise to deliver the outcomes required and their methodology suggests that they have a clear understanding of what the City is trying to achieve on the site. They are small operators and will generally be working directly on the project themselves thus the City will receive good continuity in their advice and service delivery. They have a working knowledge of the site which

whilst not an essential criteria, will be advantageous in the delivery of Cell 7 given the complexities alluded to in this report.

IW Projects/Bowman & Assoc bid has been assessed by 4 industry professionals and the combined score identifies it as the most advantageous tender for the City, albeit at an increased cost against the lowest bid. The evaluation panel have recommended that Council award the Contract to IW Projects / Bowman & Assoc on that basis.

There is the possibility that the complexity in design will manifest itself in variations during construction. Under that scenario, the design and project management consultant would also benefit. To mitigate this risk somewhat, officers would recommend that Alternative 3 provided by IW Projects/Bowman & Assoc be adopted. This alternative proposes a lump sum fee for the design and project management service of \$290,000 (excl GST). Whilst this is below the estimated fee incorporated in the evaluation, by adopting the lump sum the City minimises risk for both itself and the contractor and enables the contractor to focus on delivering the most cost efficient cell design and construction.

### **Strategic Plan/Policy Implications**

#### **Infrastructure Development**

- To construct and maintain community facilities that meet community needs.

#### **Natural Environmental Management**

- To ensure development of the district is undertaken in such a way that the balance between the natural and human environment is maintained.
- To manage the City's waste stream to achieve sustainable resource management, in an environmentally acceptable manner.

### **Budget/Financial Implications**

Costs for the service delivery have been budgeted Under CW 1930. As the service will likely extend over the next FY there will be a requirement to make provision in the 2011/12 budget also.

Costs for the service have been identified in the report. The project is funded from the Waste Disposal reserve and will not have any net impact on the budget.

### **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)**

Attachments 1-4 are provided under separate confidential cover:

1. Tender Evaluation Sheet - Combined
2. Percentage Fees
3. Schedule of Rates – Additional Services
4. Schedule of Rates – Additional Services Sub-Contractors
5. Map of Henderson Waste Recovery Park
6. Cell configuration

### **Advice to Proponent(s)/Submissioners**

Tenderers were advised in the Tender Validity Extension Letter that the issue would be included in the 10 February Council Meeting.

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

Nil.

## **16.2 (OCM 10/2/2011) - AMENDMENTS TO BULK VERGE COLLECTION SERVICE FOR 2011/12 (ES/W/001) (L DAVIESON)**

### **RECOMMENDATION**

That Council

- (1) support the alteration to the Bulk Verge Collection Program from 3 greenwaste collections and 1 junk collection p.a. to 2 green waste collections and 2 junk collections p.a. for a one year trial to be conducted throughout the 2011/12 financial year;
- (2) approach the SMRC with the proposal to trial the amendments to the verge collection service for a 1 year period commencing in July 2011; and
- (3) ensure that all marketing and communication mediums (including the waste calendars produced by the SMRC) are amended to accurately reflect the amendments to the junk and green waste collections.

**COUNCIL DECISION****Background**

Traditionally the bulk verge collection program consists of three greenwaste collections and one junk collection annually over five zones. Whilst the number of verge collections is prescribed by our agreement with the SMRC (the recipient of our green waste), the City determines the manner in which waste is collected and by what means. Currently the service is provided by contract although it is our intention to conduct the service in-house in the 2011/12 financial year.

Recently the City altered the bulk verge collection to 11 zones over a 40 week period throughout the year to enable the service to better accommodate growth in our district. As part of our broad service review, we believe that amending the service to increase the number of junk collections at the expense of 1 green waste collection may result in a better and more valuable service to the community.

**Submission**

The Waste Services Unit proposes to amend the verge collection service to 2 green waste collections and 2 junk collections p.a. for a one year trial throughout the City of Cockburn (excluding rural properties).

**Report**The Proposal

In 2010/11 the bulk verge waste calendar identified greenwaste collections throughout a 10 week period commencing on 5 July, 7 February and 18 April. The 10 week junk collection for this year commenced on 13 September (refer to the Table below).

Area	Green Waste 1 2010	Junk and Whitegoods/ Metals	Green Waste 2 2011	Green Waste 3 2011
Week Starting				
1	5 July	13 September	7 February	18 April
2	12 July	20 September	14 February	2 May
3	19 July	11 October	21 February	9 May

Area	Green Waste 1 2010	Junk and Whitegoods/ Metals	Green Waste 2 2011	Green Waste 3 2011
Week Starting				
4	26 July	18 October	28 February	16 May
5	2 August	25 October	7 March	23 May
6	9 August	1 November	14 March	30 May
7	16 August	8 November	21 March	7 June
8	23 August	15 November	28 March	13 June
9	30 August	22 November	4 April	20 June
10	6 September	29 November	11 April	27 June
11	Rural Collection will be week starting 27 <sup>th</sup> September 2010			

The proposal is to replace the greenwaste round commencing 7 February (unfavourable time to prune) with a junk collection and then balance the calendar to alternate between greenwaste and junk collections throughout the year as detailed below.

Area	Junk and Whitegoods 1 2011	Green Waste 1 2011	Junk and Whitegoods 2 2012	Green Waste 2 2012
Week Starting				
1	4 July	12 September	6 February	16 April
2	11 July	19 September	13 February	30 April
3	18 July	10 October	20 February	7 May
4	25 July	17 October	27 February	14 May
5	1 August	24 October	5 March	21 May
6	8 August	31 October	12 March	28 May
7	15 August	7 November	19 March	4 June
8	22 August	14 November	26 March	11 June
9	29 August	21 November	2 April	18 June
10	5 September	28 November	9 April	25 June
11	Rural Collection will be week starting 26 <sup>th</sup> September 2011			

### Justification

The proposal to reconfigure the bulk verge calendar was driven by:

1. Resident requests for 2 junk collections.
2. Low greenwaste volumes for 2 of the 3 greenwaste collections.
3. A heavily patronised junk collection.
4. A desire to spread the junk collection volumes more evenly over the year given the City's intention to undertake this service in late 2011.

A total of 2265 tonnes of green waste was collected in 2009/10 which is a 6% decrease from the 2008/09 green waste tonnages of 2409. A total of 1770 tonnes of junk waste was collected in 2009/10 which was a 32.5% increase on 2008/09 figure of 1335 tonnes. When you consider that the green waste tonnages are distributed over 3 collections per annum it is clear that there is a greater need to balance the disposed tonnages in order to achieve efficiencies in our collection operation. We believe that amending the configurations of the collection will achieve this outcome.

The potential disadvantages of amending the service are:

1. Greenwaste volumes may increase per collection which will subsequently increase the service times and completion of each area.
2. Despite our marketing and communication strategies, not all residents read the relevant information and could become confused by further changes to the program.
3. Trailer passes may become more fully utilised by those residents who have enjoyed 3 annual greenwaste collections.

#### Agreement with SMRC

Whilst it is anticipated that the green waste volumes generated annually through the 3 collections will not be significantly impacted by the reduction to 2, the number of green waste collections is prescribed in the RRRC Project Participants Agreement which the City is party to.

In 2000 a supplementary Deed was entered into between the member Councils of the SMRC RRRC project which, amongst other things, sought to standardise the waste collection service for the member Councils. Clause 5.2 of that Deed stipulates that 3 green waste collections (specifically Clause 5.2 (d)) should be established in each district. Whilst there are formal mechanisms to seek to amend the Deed of Agreement between the member Councils, it would preferable to do so only after the amendments to the service have been trialled and broad benefit can be demonstrated. A trial is therefore being proposed. The City cannot however institute the trial without receiving support from other member Councils of the SMRC.

Staff have had some initial discussions with the CEO of the SMRC, Mr Stuart McCall who has indicated that he would be happy to present a proposal to trial an amendment to the service for a 1 year period to the SMRC Council for consideration. The resolution seeks to formalise this approach.

### Impact on Trailer Passes

Staff have been tracking presentation of trailer passes as means of monitoring the value of this service. Below is an analysis of the trailer passes redeemed from 1 August 2009 to 31 July 2010. These figures indicate that only 31.2% of residents utilise HWRP and 5.5% of that 31.2% of the community utilise the 6 tip passes provided.

Pass Number		Percentage
1	16649	31.20%
2	12568	23.50%
3	9624	18.00%
4	6786	12.70%
5	4775	8.90%
6	2956	5.50%
Total Passes Redeemed	53,359	

Assuming that this trial is supported by Council, the City will continue to monitor the tip pass presentation to determine if patronage and frequency of use are impacted.

### **Strategic Plan/Policy Implications**

#### **Lifestyle and Aspiration Achievement**

- To facilitate and provide an optimum range of community services and events.
- To deliver our services and to manage resources in a way that is cost effective without compromising quality.
- To identify community needs, aspirations, expectations and priorities for services that are required to meet the changing demographics of the *district*.

#### **Natural Environmental Management**

- To manage the City's waste stream to achieve sustainable resource management, in an environmentally acceptable manner.

### **Budget/Financial Implications**

It is anticipated that a second junk collection will cost more than a greenwaste service due to the greater collection and disposal costs. A second junk collection could attract up to 20% more junk waste if residents have 2 opportunities to participate. In addition, it can be expected that this second junk service may be patronised by residents who would have otherwise utilised a trailer pass to dispose of their



bulky waste. These matters would be considered as part of the budget process in preparation for the 2011/12 financial year, however the City anticipates that the cost increase would be limited to approximately \$70,000 (projected to increase from \$820,000 to \$890,000).

### **Legal Implications**

Formalising this service in future years will require support by member Councils of the SMRC RRRC Projects and an amendment to the RRRC Project Participants Agreement.

### **Community Consultation**

N/A

### **Attachments**

N/A

### **Advice to Proponent(s) Submissioners**

N/A

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

Nil.

## **17. COMMUNITY SERVICES DIVISION ISSUES**

Nil

## **18. EXECUTIVE DIVISION ISSUES**

Nil

## **19. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil

## **20. NOTICES OF MOTION GIVEN AT THE MEETING FOR CONSIDERATION AT NEXT MEETING**

## **21. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY COUNCILLORS OR OFFICERS**

**22. MATTERS TO BE NOTED FOR INVESTIGATION, WITHOUT DEBATE**

**23. CONFIDENTIAL BUSINESS**

**24 (OCM 10/2/2011) - 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**

**25. CLOSURE OF MEETING**