



TAMALA PARK
Regional Council

Meeting of Council

AGENDA

**Thursday 12 February 2015,
6:00pm**

Town of Victoria Park

99 Shepperton Road, Victoria Park

TAMALA PARK
REGIONAL COUNCIL
(TPRC)
COMPRISES THE
FOLLOWING
COUNCILS:

Town of Cambridge
City of Joondalup
City of Perth
City of Stirling
Town of Victoria Park
City of Vincent
City of Wanneroo

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TAMALA PARK REGIONAL COUNCIL

Councillors of the Tamala Park Regional Council are advised that the ordinary meeting of Council will be held in the Council Chambers at the Town of Victoria Park, 99 Shepperton Road, Victoria Park on Thursday 12 February 2015 at 6:00pm.

The business papers pertaining to the meeting follow.

Your attendance is requested.

Yours faithfully



TONY ARIAS
Chief Executive Officer

MEMBERSHIP

OWNER COUNCIL	MEMBER	ALTERNATE MEMBER
Town of Cambridge	Cr Louis Carr	
City of Joondalup	Cr John Chester Cr Tom McLean	
City of Perth	Cr Janet Davidson OAM JP	Cr Jim Adamos
City of Stirling	Mayor Giovanni Italiano JP Cr David Michael Cr Terry Tyzack Cr Rod Willox AM JP	Cr Elizabeth Re
Town of Victoria Park	Mayor Trevor Vaughan	
City of Vincent	Cr Joshua Topelberg	
City of Wanneroo	Cr Dianne Guise Cr Brett Treby	Cr Frank Cvitan Cr Hugh Nguyen

PRELIMINARIES

1. OFFICIAL OPENING

DISCLOSURE OF INTERESTS

2. PUBLIC STATEMENT/QUESTION TIME

3. APOLOGIES AND LEAVE OF ABSENCE

4. PETITIONS

5. CONFIRMATION OF MINUTES

Council Meeting – 11 December 2014

5A. BUSINESS ARISING FROM THE MINUTES

6. ANNOUNCEMENTS BY CHAIRMAN (WITHOUT DISCUSSION)

7. MATTERS FOR WHICH MEETING MAY BE CLOSED

8. REPORTS OF COMMITTEES

Audit Committee Meeting – 12 February 2015

9. ADMINISTRATION REPORTS AS PRESENTED (ITEMS 9.1 – 9.18)

9.1 BUSINESS REPORT – PERIOD ENDING 4 FEBRUARY 2015

Report Information

Reporting Officer: Project Coordinator

File Reference: N/A

Recommendation

That the Council RECEIVE the Business Report to 4 February 2015.

Voting Requirements

Simple Majority

Report Purpose

To advise Council of matters of interest not requiring formal resolutions.

Relevant Documents

Appendix: Staging Plan

Background

The business of the Council requires adherence to many legislative provisions, policies and procedures that aim at best practice. There are also many activities that do not need to be reported formally to the Council but will be of general interest to Council members and will also be of interest to the public who may, from time to time, refer to Council minutes.

In the context of the above, a Business Report provides the opportunity to advise on activities that have taken place between meetings. The report will sometimes anticipate questions that may arise out of good governance concerns by Council members.

Comment

1. Civil Construction - Status

The following table provides an overview of the progress of current civil works:

Stage	Lots	Commenced Construction	Practical Completion Date	Works Status	Titles
6B	25	18 Aug 2014	14 November 2014	100% complete	Issued Jan 2015
13A	37	20 October 2014	27 March 2015	50% complete	March 2015
13B	45	24 November 2014	24 April 2015	25% complete	May 2015
14	62	19 January 2015	5 June 2015	5% complete	June 2015

2. Bulk Earthworks - Status

Stage 14 -18 earthworks in the Catalina Central Cell are now complete allowing for the ongoing civil construction of Stages 14-18.

The earthworks design for Phase 1 of the Catalina Beach cell (Western Precinct) has recently commenced. Construction is due to commence in April 2015, initially consisting of vegetation clearing and UXO searching (unexploded ordinance). Prior to any earthworks onsite a UXO (unexploded ordinance) search is required to be undertaken, as the area is part of a former army artillery range and may contain unexploded ordinance.

Following UXO searching the Phase 1 earthworks will be undertaken over approximately 60% of the site. A mitigation strategy has been prepared and the works are proposed to be undertaken during winter to reduce adverse impacts on Mindarie residents.

3. Landscape works – Status

The following table provides an overview of the progress of current landscape works to date:

Stage	Commencement of Construction	Original Practical Completion Date	Works Status
Aviator Boulevard Stage 2 Drainage Reserve	8 December 2014	20 February 2015	50% Complete
Stages 3-5 & 7-8 Streetscapes	20 January 2015	27 February 2015	10% Complete

Planning approval for the Marmion Avenue entry signage was received on 3 February 2015. The Marmion Avenue entry landscape and signage works can now proceed which will have a significant impact on the Project's entry.

Detailed design for the Stages 11 and 13 public open space areas has been lodged for approval from the City of Wanneroo. Works are anticipated to commence in March 2015.

4. Housing Construction

The following table provides an overview of the current progress of housing construction to date:

Stage	Under Construction	Completed	Total
Stage 1	2	30	32
Stage 2	2	29	31
Stage 3	4	37	41
Stage 4	3	39	42
Stage 5	15	47	62
Stage 6A	1	5	6
Stage 6C	3	0	3
Stage 7	30	31	61
Stage 8	42	5	47
Stage 9	36	0	36
Stage 10	12	0	12
Stage 11	10	0	10
Total	166	223	389

5. Waste Management Program

Instant Waste Management is providing monthly reports identifying recycling achieved from waste collected from the Catalina Estate. The latest report identifies 97 participating building sites with a waste recovery rate of 95% (by weight) being achieved. To the end of December 2014 a total of 1882 tonnes of waste has been recycled through the Waste Management Program.

6. Lot 1 – TPRC/ABN Development

Marketing and selling of the apartments is complete with all 25 contracts of sale having been accepted. Construction works on the apartments commenced on 20 June 2014. The roof cover is now complete on all apartments. Externally the final texture coat and paint is underway while internally ceilings have been installed.

7. Builders Display Village

Planning approval has been obtained for the second Catalina Builders Display Village which is expected to open in February 2016. 22 out of 23 lots within the Display Village have been sold to builders. Titles have now issued which will allow builders to commence construction of their homes in February / March 2015.

8. Telethon Home

Revised design plans and a marketing plan have been received for the Telethon charity Home. These documents are now being reviewed by the TPRC and Satterley.

9. Neerabup Road Underpass

Main Roads WA has recently tendered the extension of the Mitchell Freeway which closed in December 2014. The tender included a Bus Underpass under Neerabup Road adjacent to the Freeway for public transport to the Clarkson Train Station. This underpass is required under the Tamala Park Local Structure Plan and it has been proposed that the TPRC would be responsible for funding the extra over cost to construct it.

Current indications are that the cost to include the Bus Underpass is likely to exceed previous TPRC consultant estimates. Main Roads WA is working to a tight timeframe to appoint a preferred contractor, however at this point in time Main Roads WA has not been able to provide written correspondence due to tender confidentiality requirements. The TPRC and the SPG are in discussions with Main Roads WA regarding this item to obtain further information before a recommendation is made to the Management Committee Meeting in March or Council meeting in April.

9.2 STATEMENTS OF FINANCIAL ACTIVITY FOR THE MONTHS OF NOVEMBER & DECEMBER 2014

Report Information

Reporting Officer: Chief Executive Officer

File Reference: 12.66.401.0

Recommendation

That the Council RECEIVE and NOTE the Statements of Financial Activity for the months ending:

- **30 November 2014; and**
- **31 December 2014.**

Voting Requirements

Simple Majority

Report Purpose

Submission of the Statement(s) of Financial Activity required under the Local Government Act.

Relevant Documents

Appendix:

- Statement of Financial Activity for 30 November 2014;
- Statement of Financial Activity for 31 December 2014.

Local Government Act/Regulation

- Local Government Act 1995: Sect 6.4(1): Financial Report Required
- Local Government (Financial Management) Regulations 1996: Regulation 34 Composition of Report
- Local Government (Financial Management) Regulations 1996: Regulation 34 (5) Material Variance Reports [10%]
- Local Government (Audit) Regulations 1996: Regulation 14 Compliance Audit Item

Background

It is a mandatory requirement that the Council receives, reviews and records in the Regional Council's public minutes a statement of financial activity showing annual budget estimates and the figures for budget estimates, income and expenditure and variances at the end of each month. The report is also to show the composition of assets and other relevant information.

Comment

The detailed Statements contained in the Appendices reflect the budget proposals and direction adopted by the Council.

Variations at 31 December 2014 exceeding 10% were experienced in relation to the following:

Interest Earnings	Interest earnings exceed budget predictions as a result of timing of maturity of investments.
Other Revenue	The positive variance relates to additional interest from late settlements.
Depreciation	The positive variance relates to timing and will adjust in coming months.
Employee Costs	The positive variance relates to timing and will adjust in coming months.
Insurance	The negative variance relates to timing of premiums and will adjust in coming months.
Materials and Contracts	The positive variance relates to timing of payments and will adjust in coming months.
Utilities	The positive variance relates to timing of payments and will adjust in coming months.
Income Sale of Lots – Subdivisions	The positive variance is a result of substantial settlements in October/November but is expected to adjust in coming months.
Land Production Cost	The positive variance relates to timing of payments and deferral of some works and will adjust in coming months.

The information in the appendices is summarised in the tables following.

Financial Snapshot as at 31 December 2014

TAMALA PARK REGIONAL COUNCIL
FINANCIAL SNAPSHOT
FOR THE PERIOD ENDING 31 DECEMBER 2014

	2014-15 ADOPTED BUDGET	2014-15 YTD BUDGET	2014-15 YTD ACTUAL	VARIANCE		VARIANCE %
				FAVOURABLE	UNFAVOURABLE	
REVENUE	\$	\$	\$	\$	\$	%
Interest Earnings	951,446	534,037	708,308	174,271	-	32.63%
Profit/(loss) on Disposal Of Asset	6,869	6,869	-	-	(6,869)	-100.00%
Proceeds From Sale of Assets	-	-	38,182	38,182	-	0.00%
Other Revenue	10,480	8,590	12,926	4,336	-	50.48%
	\$968,795	\$549,496	\$759,416	\$216,789	(\$6,869)	
LESS EXPENDITURE						
Depreciation	(17,983)	(8,812)	-	8,812	-	100.00%
Employee Costs	(713,586)	(349,658)	(272,381)	77,277	-	22.10%
Insurance	(16,900)	(8,281)	(12,967)	(4,686)	-	-56.59%
Materials and Contracts	(439,950)	(215,429)	(85,718)	129,711	-	60.21%
Other	(175,438)	(87,766)	(81,573)	6,193	-	7.06%
Utilities	(6,000)	(2,940)	(456)	2,484	-	84.49%
Book Value of Assets Written Back	34,131	34,131	-	(34,131)	-	-100.00%
Depreciation Written Back	17,983	8,988	-	(8,988)	-	-100.00%
Capital Items	(69,000)	(66,000)	(65,303)	697	-	1.06%
Members Equity						
-Income Sale of Lots - Subdivisions	61,890,849	16,137,652	27,990,017	11,852,365	-	73.45%
-Income Other - Subdivisions	-	-	6,466	6,466	-	0.00%
-Land Production Costs	(48,455,839)	(21,402,212)	(11,731,101)	9,671,111	-	45.19%
-Contributions Returned	(31,422,562)	(16,000,000)	(14,000,000)	2,000,000	-	12.50%
	(\$19,374,295)	(\$21,960,327)	\$1,746,984	\$23,707,311	\$0	
Total Change in Equity	(\$18,405,500)	(\$21,410,831)	\$2,506,400	\$23,924,100	(\$6,869)	

Balance Sheet Summary as at 31 December 2014

**TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014**

	Actual 2013/14 \$	Actual 2014/15 \$	Variance \$	Variance %
Current assets				
Cash and cash equivalents	40,413,398	42,783,182	2,369,784	5.86%
Trade and other receivables	735,068	614,587	(120,481)	-16.39%
Total current assets	41,148,466	43,397,769	2,249,303	5.5%
Non-current assets				
Inventories	1,818,182	1,818,182	0	0.00%
Property, plant and equipment	140,116	167,238	27,122	19.36%
Total non-current assets	1,958,298	1,985,420	27,122	1.38%
Total assets	43,106,764	45,383,189	2,276,425	5.28%
Current liabilities				
Trade and other payables	587,695	330,598	257,097	43.75%
Provisions	76,228	76,228	0	0.00%
Total current liabilities	663,923	406,826	257,097	38.7%
Non-current liabilities				
Provisions	16,261	16,261	0	0.00%
Total non-current liabilities	16,261	16,261	0	0.0%
Total liabilities	680,184	423,087	257,097	37.8%
Net assets	42,426,580	44,960,102	2,533,522	6.0%

9.3 LIST OF MONTHLY ACCOUNTS SUBMITTED FOR THE MONTHS OF NOVEMBER & DECEMBER 2014

Report Information

Reporting Officer: Chief Executive Officer

File Reference: 12.66.401.0

Recommendation

That the Council RECEIVE and NOTE the list of accounts paid under Delegated Authority to the CEO for the months of November and December 2014:

- **Month ending 31 November 2014 (Total \$2,020,919.95)**
- **Month ending 30 December 2014 (Total \$16,087,603.91)**
- **Total Paid - \$18,108,523.86**

Voting Requirements

Simple Majority

Report Purpose

Submission of payments made under the CEO's Delegated Authority for the months ending 30 November 2014 and 31 December 2014.

Relevant Documents

Appendix:

- Cheque Detail for November 2014;
- Summary Payment List for November 2014;
- Cheque Detail for December 2014;
- Summary Payment List for December 2014.

Local Government Act/Regulation

- Local Government Act 1995: Sect 5.42 - Delegation given for Payments
- Local Government (Financial Management) Regulations 1996: Regulation 13(1) - Monthly Payment list required
- Local Government (Audit) Regulations 1996: Regulation 13 - Compliance Audit Item

Background

A list of accounts paid under delegation or submitted for authorisation for payment is to be submitted to the Council at each meeting. It is a specific requirement of Regulations that list state the month (not the period) for which the account payments or authorisation relates.

Comment

Payments made are in accordance with authorisations from Council, approved budget, TPRC procurement and other relevant policies. The December payment includes the \$14M distribution to member local governments.

Payments are reviewed by TPRC Accountants Haines Norton following completion of each months accounts.

9.4 PROJECT FINANCIAL REPORT – DECEMBER 2014

Report Information

Reporting Officer: Chief Executive Officer

File Reference: 12.66.401.0

Recommendation

That the Council RECEIVE the Project Financial Report (December 2014) submitted by the Satterley Property Group.

Voting Requirements

Simple Majority

Report Purpose

To consider the Project Financial Report for December 2014 submitted by the Satterley Property Group.

Policy Reference

N/A

Local Government Act/Regulation

N/A

Previous Minutes

Council Meeting – 21 August 2014 (Item 9.6 - Project Budget 2014/2015)

Financial/Budget Implications

Review of Project Financial Report for December 2014.

Relevant Documents

Appendix: Letter from Satterley Property Group dated 23 January 2015 with Financial Report

Background

At its meeting of 21 August 2014 the Council approved the Project Budget 2014/2015 (August 2014), submitted by the Satterley Property Group, as the basis of financial planning for the 2014/2015 TPRC budget.

KRA 4.8 of the Development Managers Key Performance Indicators; Financial, requires the preparation of monthly financial reports.

Comment

The Satterley Property Group has prepared a Financial Report for December 2014 for the Project. The report has been prepared on a cash basis and compares actual expenditure to approved budget expenditure for the period up to 31 December 2014 and is attached at Appendix 9.4.

The Financial Report identifies the following main areas of variance:

1. Settlement revenue was \$28.4M which is \$11.8M ahead of budget, the variance in settlement revenue is attributed to 40 lot settlements more year to date.
2. Expenditure is \$10.6M under budget, due to savings and deferred payments in the following areas:
 - Lot Production \$4.9M;
 - Landscape \$2.0M;
 - Contingency and Rates /Taxes-\$2.0M.

It is expected these will adjust to more closely reflect budget over coming months.

3. Lot Sales Value was \$12.6M below budget due to 46 lot sales less year to date.

9.5 SALES AND SETTLEMENT REPORT – PERIOD ENDING 4 FEBRUARY 2015

Report Information

Reporting Officer: Project Coordinator

File Reference: N/A

Recommendation

That the Council RECEIVE the Sales and Settlements Report to 4 February 2015.

Voting Requirements

Simple Majority

Report Purpose

To advise the Council of the status of sales, settlements and sales releases.

Policy Reference

N/A

Local Government Act/Regulation

Local Government Act 1995: Sect 3.58 – Disposal of Property.

Previous Minutes

N/A

Financial/Budget Implications

Income under this matter will be posted under item I145011 Income on Lot Sales of the TPRC 2014/2015 Budget.

Budget Amount:	\$61,890,849
Received to Date:	\$27,990,017
Balance:	\$33,900,832

Background

The Sales and Settlement Report provides the Council with a status update of sales and settlements for the Project.

The Staging Plan provided under Appendix 9.1 identifies the extent of the Stage boundaries referenced within the report.

Comment

The following table provides a summary of the Sales and Settlement position for lots released to date:

STAGE	LOTS RELEASED	SOLD	STOCK	SETTLED
Stages 1 – 5, 6A, 6C, 7-9A	380	380	0	380
Stage 9B	31	30	1	30
Stage 10	30	28	2	28
Stage 11A	49	46	3	44
Stage 11B	15	15	0	14
Stage 12A	25	17	8	15
Stage 12B	24	24	0	18
Stage 13A (Public)	27	22	5	0
Stage 13A (Builders)	10	10	0	0
Stage 13B (Public)	29	23	6	0
Stage 6B (Display Vge)	24	22	2	0
Stage 13B (Builder)	16	10	6	0
Stage 14 (Public)	17	6	11	0
TOTAL	677	633	44	529

The Stage 14A public release was held on 17 January 2015. To date there have been six sales within this stage.

Titles issued on 19 January 2015 for Stage 6B, comprising 25 lots. Stage 6B contains the second Builders Display Village and the proposed Telethon charity home lot. Settlements in this stage are anticipated to commence on 9 February 2015.

Competition Analysis

The table below provides a summary of land available and sales at competing developments in the northern corridor for the month of December 2014.

COMPETING ESTATE	NET SALES (Dec 14)	SIZE RANGE	PRICE RANGE	STOCK
Trinity	22	345 - 569	\$198,000 - \$276,000	23
Amberton	11	225 - 472	\$195,000 - \$278,000	21
Alkimos Beach Joint Venture	9	300 - 739	\$182,500 - \$350,000	35
Catalina	25	288 – 562	\$238,000 - \$400,000	50
Eden Beach	3	280 – 604	\$277,000 - \$425,000	24
Shorehaven	59	300 – 510	\$198,000 - \$276,000	64

The market is continuing to slow with the highest demand being for the more affordable smaller lots. Notwithstanding the SPG is reporting that many new purchasers have entered the market in January, however are still in the early stages of the buying process. Shorehaven achieved the strongest sale results, which 53 of the 59 lots reportedly being sold direct to builders. Satterley Property Group representatives will be in attendance to present the Sales and Settlement Report.

9.6 LOCAL GOVERNMENT COMPLIANCE AUDIT FOR YEAR ENDED 31 DECEMBER 2014

Report Information

Reporting Officer: Chief Executive Officer

File Reference: 13.127.229.0

Recommendation

That the Compliance Audit Return for the TPRC for the year ended 31 December 2014 be ADOPTED, RECORDED in the minutes, CERTIFIED and SENT to the Executive Director of the Department of Local Government, in accordance with the Local Government Act and Regulations.

Voting Requirements

Simple Majority

Report Purpose

To submit for adoption the TPRC Local Government Compliance report for the year ended 31 December 2014.

Relevant Documents

Appendix: Compliance Audit Return for Tamala Park Regional Council 2014.

Policy Reference

TPRC Audit Charter: Duties and Responsibilities of Audit Committee Clause 6 - To review the statutory compliance return and make a recommendation on its adoption to the Council.

Local Government Act/Regulation

- Local Government Act 1995: Section 7.13 Minister may require Compliance Audit
- Local Government (Audit) Regulations 1996: Regulation 13-15 Audit items and Procedure

Previous Minutes

Council Meeting – 20 February 2014 (Item 9.6 - Local Government Compliance Audit for Year Ended 31 December 2012)

Financial/Budget Implications

Nil

Background

The Minister for Local Government has required that all Local Governments complete a Compliance Return in reference to the statutory obligations of Councils, Council Members, and the Local Government. The Compliance Return requires answers to specific questions which seek performance answers and comments relative to specific provisions of the Local Government Act and Regulations.

The Compliance Return is one of the tools to assist Local Governments and the Minister to understand how the local government is functioning and to promote a minimum standard of response to the statutory obligations set down in legislation.

The Compliance Audit is to be:

- Conducted for the period 1 January to 31 December each year;
- Presented to the Council at a meeting of the Council;
- Adopted by the Council;
- Recorded in the minutes of the meeting at which it is adopted; and
- A certified copy with the relevant section of the Council minutes and any additional information explaining or qualifying the Compliance Audit is to be submitted to the Executive Director (DLGRD) by 31 March.

Comment

The Compliance Return (Appendix 9.6) is broken down into the following parts:

- Commercial Enterprises by Local Governments
- Delegation of Power/Duty
- Disclosure of Interest
- Disposal of Property
- Finance
- Local Government Employees
- Official Conduct
- Tenders for Providing Goods and Services

Some items mentioned in the return are not relevant to operations of the TPRC for the return period. These have been noted 'N/A'. There was no adverse finding in reference to the Compliance Audit for the year ended 31 December 2014.

The Audit Committee is to consider the Local Government Compliance Audit Return at its meeting on 12 February 2015. An update of the Audit Committee's considerations will be provided at the Council meeting.

The TPRC Compliance Audit Return for the year ended 31 December 2014 is recommended for Council adoption and referral to the Executive Director of the Department of Local Government, in accordance with the Local Government Act and Regulations.

9.7 PROJECT BUDGET 2014/2015 – MID YEAR REVIEW

Report Information

Reporting Officer: Chief Executive Officer

File Reference: 12.26.894

Recommendation

That the Council:

- 1. RECEIVE the Mid Year Review of the Project Budget (August 2014) for the 2014/2015 financial year submitted by the Satterley Property Group.**
- 2. ACCEPT that the Satterley Property Group has achieved Key Performance Indicator - Financial Management 4.5 Monitor the performance against the Approved Project Budget requiring the completion of a six monthly review of the approved Project Budget.**

Voting Requirements

Simple Majority

Report Purpose

To consider a report on the mid year review of the Project Budget (August 2014) for the 2014/2015 financial year.

Policy Reference

N/A

Local Government Act/Regulation

N/A

Previous Minutes

Council Meeting – 19 December 2013 (Item 9.3 - Project Cashflow Review 2013/2014)
Council Meeting – 21 August 2014 (Item 9.6 - Project Budget 2014/2015)

Financial/Budget Implications

Review of approved Project Cashflow (August 2014) for the 2014/2015.

Relevant Documents

Appendix: SPG correspondence Catalina Mid Year Review of the Project Budget (dated 21 January 2015)

Background

At its meeting of 21 August 2014 the Council resolved to approve the Project Budget 2014/2015 (August 2014), submitted by the Satterley Property Group (SPG), as the basis of financial planning for the TPRC budget 2014/2015.

The approved Development Managers Key Performance Indicators (June 2014), KPI - Financial Management 4.5 *Monitor the performance against the Approved Project Budget* requires the Development Manager to complete a six monthly review of the approved Project Budget to meet the KPI. The Satterley Property Group (SPG) has completed a Mid Year Review of the Project Budget 2014/2015 (August 2014) to satisfy KPI 4.5.

Comment

The SPG Mid Year Review of the Project Budget (August 2014) for the 2014/2015 financial year addresses the following;

1. Operations for Financial Year Ending 2015 (FYE2015).
2. Review of FYE2015.
3. Key Risks for achieving FYE2015 Budget
4. Review of Financial Year Ending 2016 (FYE2016)
5. Assumptions
6. Cash Requirement, Capital Return and Profit Distributions

The SPG Mid Year Review correspondence is attached at Appendix 9.7.

Project Budget (August 2014)

The SPG Mid Year Review indicates that the Project Budget (August 2014) assumptions and predictions for the 2014/2015 financial year are generally still appropriate. However, the SPG Mid Year Review predicts a number of variations which are summarised below:

Residential Lot Income	-\$3.15M	Reduced due to 11 less settlements for Stages 12 and 13.
Direct selling costs	-\$0.81M	Decreased due to reduced uptake of fencing and landscaping rebates, lower GST, project management fees and selling commission in line with reduced lot income.
Landscaping	-\$0.62M	Decreased as a result of deferral of some landscaping costs to FYE16.
Infrastructure costs	-\$1.36M	Decreased as a result of deferral of the Neerabup Rd Maroochydore Way Intersection works and of Western pump station costs to FY16.
Lot production/ Bulk earthworks	-\$4.2M	Decreased largely as a result of deferral of Western Cell earthworks costs and Western cell Stage 25 lot production costs to FY16.
Administration	-\$0.39M	Decreased largely as a result of reduced rates and taxes.
Indirect Consultants	-\$0.3M	Decreased largely as a result of partial deferral of Eastern Cell subdivisional design and Western Cell foreshore design to FYE16.
Contingency	-\$0.83M	Decreased as a result of unused contingency over the FYE15.

The SPG Mid Year Review forecasts lot sales for FYE2015 of 240 lots, a reduction of 15 lots when compared to the Project Budget (August 2014).

The following table shows the key outcomes predicted for FYE 2015 in terms of Income, Development Costs, Distributions, Cash Position and variances to the December Review.

	Project Budget 2014/2015 (August 2014)	SPG December 2014 Review	Variance
Gross Income	\$56.58M	\$54.25M	-\$2.33M
Development Costs	\$42.91M	\$35.29M	-\$7.62M
Distributions	\$31.00M	\$31.00M	\$0.00M
Cashflow	\$13.67M	\$18.96M	+\$5.29M

The SPG Mid Year Review forecasts less Income and lower Development Costs resulting in a net cashflow of \$18.96M for the year to 30 June 2015, which is \$5.29M greater than the Project Budget (August 2014). The Distribution to member local governments remains unchanged at \$31M, \$14M has already been distributed, with the balance to made in June 2015.

The SPG Mid Year Review identifies five key risks to achieving budget outcomes:

- Not achieving budgeted sales;
- Settlements forecast not being achieved in FYE2015;
- Construction delays resulting in delays in titles issuing;
- Achieving budgeted sales prices;
- Higher sales fallover rates resulting in delayed settlements.

At this stage these matters pose a low risk, however, they are actively being pursued to minimise potential exposure to the TPRC and will continue to be closely monitored.

The SPG Mid Year Review (dated 21 January 2015) of the Project Budget (August 2014) has been used as the basis of financial planning for the review of the TPRC Budget 2014/15 which is also reported in this Agenda Item 9.7.

Project Cashflow 2015/16

The SPG has also reviewed the Project Cashflow 2015/16 (August 2014) for financial planning and information purposes. It is not intended to be endorsed by the Council at this time.

The following table shows the key outcomes predicted for FYE 2016 in terms of income, development costs, distributions, cash position and variances to the December Review.

	Project Cashflow 2015/16 (August 2014)	SPG December Review 2014	Variance
Gross Income	\$52.08M	\$54.93M	+\$0.85M
Development Costs	\$35.11M	\$35.65M	-\$0.54M
Distributions	\$22.00M	\$26.00M	+\$4.00M
Cashflow	\$16.97M	\$17.28M	+\$0.31M

There are no significant variances predicted to the Project Cashflow 2015/16 (August 2014), however, it is noted that distributions to member local governments is predicted to be \$26.00M for FYE 2016 which is \$4.00M greater than previously predicted.

These forecasts should only be considered as a general guide for the Project Cashflow 2015/16, detailed planning and review is underway to more precisely determine the assumptions underlying the cashflow.

Conclusion

The SPG Mid Year Review reflects the current position in relation to major budget assumptions such as lot yield, sales rates, development costs, escalation, GST and contingency. It has adopted a conservative approach to sale rates given current market conditions.

It is considered to provide a more accurate forecast of the Project Budget (August 2014) for the 2014/2015 financial year. It provides a sound basis for the Catalina project for the balance of the financial year 2014/2015 and should be used as the basis of financial planning for the 2014/2015 TPRC budget.

It is recommended that the Council accept that the Satterley Property Group has achieved Key Performance Indicator - Financial Management 4.5 Monitor the performance against the Approved Project Budget requiring the completion of a six monthly review of the approved Project Budget.

SPG representatives will be in attendance to provide further information of the SPG Mid Year Review.

9.8 TPRC 2014/2015 BUDGET REVIEW

Report Information

Reporting Officer: Chief Executive Officer

File Reference: 13.127.229.0

Recommendation

That the Council ADOPT the Budget Review with the variations for the period 1 July 2014 to 30 June 2015 as detailed in the Budget Analysis Worksheet attached to Appendix 9.8.

Voting Requirements

Absolute Majority

Report Purpose

To consider the review of the TPRC Budget for the 2014/2015 financial year in accordance with the Local Government (Financial Management) Regulations 1996, Regulation 33A .

Policy Reference

N/A

Local Government Act/Regulation

- Local Government Act 1995
- Local Government (Financial Management) Regulations 1996: Reg 33A

Previous Minutes

- Council Meeting – 21 August 2014 (Item 9.7 – Draft TPRC Budget –2014/2015)
- Council Meeting – 21 February 2013 (Item 9.7 - TPRC Budget Review – 1 July 2012 to 30 June 2013)

Financial/Budget Implications

Review of variances of TPRC 2014/2015 budget.

Relevant Documents

Appendix:

- Statement of Financial Activity;
- Statement of Surplus/Deficit;
- Statement of Closing Funds; and
- Budget Analysis Worksheet.

Background

A budget review is conducted annually by comparing actual revenue and expenditure as at 31 December to budget estimates and forecasting predicted revenue and expenditure to 30 June.

The Local Government (Financial Management) Regulations 1996, Regulation 33A, requires that a Regional Local Government conduct a budget review between 1 January and 31

March in each financial year. A copy of the review and determination is to be provided to the Department of Local Government within 30 days of the adoption of the review.

At its meeting of 21 August 2014 the Council resolved to adopt the Budget for the Tamala Park Regional Council for the year ending 30 June 2015, and adopted a 10% or \$5,000 variance whichever is the greater for the reporting of material variances identified in the annual budget review.

Comment

A review of the approved TPRC budget for 2014/2015 has been undertaken in accordance with the Financial Management Regulations. The TPRC budget review also took account the SPG Mid Year review of the Project Budget (August 2014), Item 9.8 of this agenda.

It also is based on the latest sales/settlement information, construction program, expenditure estimates and the major project risks.

The worksheets attached at Appendix 9.8 detail the actual expenditure, year to date, projected actual and expected variances. These are presented in a summary form below based on main groupings.

A summary of the main income and expense groupings is listed below;

	Annual Budget 2014/15	Projected Estimates to 30/06/2015	Variance Projected Estimates to Budget \$	Variance Projected Estimates as % of Budget
Total Income - Operating	1,020,909.00	1,169,090.00	148,181.00	0.15
Total Expenses - Operating	-1,369,857.00	-1,289,578.00	80,281.00	-0.06
Net operating Deficit	-348,948.00	-120,488.00	228,462.00	-0.65
Income - Members Equity				
Proceed Sale of Lots	61,890,849.00	59,816,308.00	-2,074,541.00	-3.35%
Other Income Sale of Lots	0.00	6,466.00	6,466.00	0.00%
Total Income - Members Equity	61,890,849.00	59,822,774.00	-2,068,075.00	-0.03
Expense - Members Equity				
Consultancy	-150,000.00	-150,000.00	0.00	0.00
Property Admin & Approvals	-15,000.00	-15,000.00	0.00	0.00
Mtce Services - Land (Incl. Selling and Marketing Expenses)	-6,011,587.00	-6,318,981.00	-307,394.00	0.05
Land Development Costs	-42,279,252.00	-34,808,554.00	7,670,698.00	-0.18
Total Expense - Members Equity	-48,455,839.00	-41,092,535.00	7,363,304.00	-0.15
Subtotal	13,435,010.00	18,730,239.00	5,295,229.00	0.39
Other Items				
Contribution Refund	-422,562.00	-422,562.00	0.00	0.00%
Capital Returns	-3,300,000.00	-3,300,000.00	0.00	0.00%
Capital Expenditure	-69,000.00	-69,000.00	0.00	0.00%
Profit Distributions	-27,700,000.00	-27,700,000.00	0.00	0.00%
Opening Surplus	40,484,543.00	40,484,543.00	0.00	0.00%
Closing Net Surplus/ Deficit	22,079,043.00	27,602,734.00	5,523,691.00	0.25

1. Income

Investment Income

Interest from investment was predicted to be \$951,446 for 2014/2015, however, interest earnings are now expected to be \$1,100,000 as a result of the investment principal being higher.

Sales Income

Sales Income was budgeted at \$61,890,849, however, based on the SPG Mid Year review of the Project Budget (August 2014) and in light of the latest sales/settlement information sales income is now forecast at \$59,816,308.

The major reason for the variance is due to 11 less settlements predicted in Stages 12 and 13 in 2014/2015.

2. Administration

There are a number of items with material variances of expenditure within Administration item (TPRC operating budget), which are identified in the Budget Analysis Worksheet. These have no significant impact on the TPRC budget or on the TPRC operation.

3. Consultant Expenses

There are no material variances of expenditure within Consultant Expenses.

4. Property Development Services

The following key variations are anticipated for Property Development Services items:

1. Direct Selling Expenses – (- \$2.90M) Savings of GST payable under Margin Scheme;
2. Sales and Marketing – (- \$0.08M) Savings of expenditure.

5. Land Development Costs

The following key variations are anticipated for Land Development Costs items:

Residential Lot Income	-\$3.15M	Reduced due to 11 less settlements for Stages 12 and 13.
Direct selling costs	-\$0.81M	Decreased due to reduced uptake of fencing and landscaping rebates, lower GST, project management fees and selling commission in line with reduced lot income.
Landscaping	-\$0.62M	Decreased as a result of deferral of some landscaping costs to FYE16.
Infrastructure costs	-\$1.36M	Decreased as a result of deferral of the Neerabup Rd Maroochydore Way Intersection works and of Western pump station costs to FY16.
Lot production/ Bulk earthworks	-\$4.2M	Decreased largely as a result of deferral of Western Cell earthworks costs and Western cell Stage 25 lot production costs to FY16.
Administration	-\$0.39M	Decreased largely as a result of reduced rates and taxes.
Indirect Consultants	-\$0.3M	Decreased largely as a result of partial deferral of Eastern Cell subdivisional design and Western Cell foreshore design to FYE16.
Contingency	-\$0.83M	Decreased as a result of unused contingency over the FYE15.

6. Surplus Brought Forward 2014

The 2013/2014 Annual Financial Statement reports a surplus amounting to \$40,484,543. The 2014/2015 adopted Annual Budget states a surplus of \$40,484,543 which represents nil variance.

Summary

The review of the 2014/2015 Annual Budget reveals:

1. Interest on investments to increase by \$148,554.
2. Income from sale of land and other related income will decrease by \$2,068,075.
3. Subdivisional costs will decrease by \$7,363,304.
4. Net Surplus for 2014/2015 is expected to increase by \$5,523,691.

The review of the TPRC budget 2014/2015 shows the TPRC can meet all cashflow obligations for 2014/2015. To date there has been no call upon local authority funds to meet any operating or capital expenditure. This position is expected to continue in 2014/2015.

The Audit Committee is to consider the TPRC 2014/2015 Budget Review at its meeting on 12 February 2015. An update of the Audit Committee's considerations will be provided at the Council meeting.

9.9 TENDER AND ALLOCATION PROCEDURE - MEDIUM DENSITY LOTS

Report Information

Reporting Officer: Project Coordinator

File Reference: 1.88.246

Recommendation

That the Council:

1. **APPROVE** the Tender and Allocation Procedure for Medium Density Lots (January 2015), prepared by the Satterley Property Group.
2. **REQUEST** the Satterley Property Group to review the Tender and Allocation Procedure for Medium Density Lots (January 2015), in twelve months and provide a report to Council.

Voting Requirements

Simple Majority

Report Purpose

To consider the Tender and Allocation Procedure for Medium Density Lots (January 2015), prepared by the Satterley Property Group.

Policy Reference

N/A

Local Government Act/Regulation

Local Government Act 1995: Sect 3.58 – Disposal of Property.

Previous Minutes

Council Meeting – 15 December 2011 (Item 9.8 Stage 1 Land Release to Private Purchasers)

Financial/Budget Implications

Expenditure under this matter will be incurred under the following budget item:-

Item E145216 (Direct Selling Expenses):

Budget Amount:	\$5,312,407
Spent to Date:	\$ 992,721
Balance:	\$4,319,686

Relevant Documents

Appendix: SPG letter dated 29 January 2015: Tender and Allocation Procedure for Medium Density Lots

Background

In October 2011 the Council approved the Tender Procedure for Medium Density Lots, which outlined the sale method, allocation procedure and selection criteria. The allocation method involved the use of Put Options to the successful builders.

At its meeting of 10 April 2014, the Council approved the Lot Sale & Release Strategy (March 2014) which outlines the sales and lot release strategy proposed by the Satterley Property Group for 2014/2015.

The Sales and Lot Release Strategy (March 2014) addressed the following components:

- Lot Sale and Release Methods;
- Timing, size and configuration of Release Stages;
- Sale Method builder releases;
- Sale Method public releases.

The Sales and Lot Release Strategy (March 2014) reiterated the lot sale method for builder allocation lots would be by the use of Put Options. The use of Put Option Deeds was considered beneficial to the Council and builders. Put Option Deeds provide flexibility to builders to market and pre-sell house and land packages without the need to commit funds with the up-front purchase of lots. The TPRC is provided with security of sales by the option to compel builders to purchase any lots which are not sold by the designated date.

At its meeting of 11 December 2014, the Council approved Terms/Conditions and Incentives for the sale of Builders Allocation Lots, recommended by SPG and requested the Satterley Property Group to provide Council with a status report on Put Options for builder allocation lots, for the February 2015 meeting, outlining options and recommendations.

Comment

In accordance with Council's request of 11 December 2014, the Satterley Property Group (SPG) has reviewed issues associated with the Put Options for builder allocation lots and recommended Council approve a revised Tender and Allocation Procedure for Medium Density Lots. A copy of the SPG's correspondence dated 29 January 2015 and the revised Tender and Allocation Procedure for Medium Density Lots (January 2015), are attached under Appendix 9.9.

The SPG still considers that Put Options are a superior method of allocation for the TPRC as they provide a stronger incentive for builders to successfully market house and land packages. However, builders are aware that they incur a significant liability when entering into Put Options with multiple lots and are therefore cautious about entering into Put Options in the present market. On most other Satterley projects lots are being sold by the Hold Allocation process due to reluctance by builders to enter into Put Options.

The Satterley Property Group has advised that it presently uses the following two methods of builder allocations on other projects, which it recommends should be applied to Catalina;

Put Option Allocations

Put Options are a contract between the Seller and a Builder which can require the Builder (at the Seller's option) to purchase contracted lots if they have not been sold to the public within an agreed period of time. The lots are marketed by the Builder as House and Land packages and sold to the public on the condition the Purchaser enters into a building contract with the Builder. This method has been used for all builder releases to date at Catalina. It

recommends that Put Option Allocation be used for lots that do not have a mandatory 2 storey requirement.

Hold Allocations

The Hold Allocation procedure consists of the Seller placing lots on hold for a builder for an agreed period of time. Placing the lot on hold for a builder provides the builder sufficient confidence to prepare detailed house and land costings and actively market the house and land packages to the public.

Builders are incentivised to actively market the house and land packages by being offered additional allocations once all of the lots in their allocation are sold. If a builder is not successful in selling a building contract for the lots in their allocation then the remaining lots can be allocated to the next highest ranked builder who is yet to receive an allocation. It recommends that Hold Allocation be used for lots that do have a mandatory 2 storey requirement.

The revised Tender and Allocation Procedure for Medium Density Lots (January 2015) reflects the use of Put Option Allocations and Hold Allocations, as outlined above by the SPG.

The key principles of the approved Tender Procedure for Medium Density Lots (October 2011) are reiterated in the revised Tender and Allocation Procedure for Medium Density Lots (January 2015) recommended by the SPG and are as follows;

- All lot allocations are offered via a public tender process.
- It is proposed that allocations comprise 3 to 10 lots.
- Evaluation of tenders will be based on the building brand's ability to meet the Selection Criteria.
- Selection Criteria
 - Experience in Medium Density Design and Construction Weighting 25%
 - Capacity to Meet Market Demand Weighting 20%
 - Building Design Weighting 15%
 - Sustainability Credentials Weighting 15%
 - Innovation Weighting 15%
 - Financial Capacity Weighting 10%
- In the event of any lot parcels being unallocated then the Satterley Property Group will make a further recommendation to the TPRC, which may include re-tendering the remaining lots for sale by public release where appropriate.
- Builders must meet a minimum score of 65% for the selection criteria to eligible for an allocation.
- Builders must participate in the Catalina Waste Management Program for the lots allocated.

The revised Tender and Allocation Procedure for Medium Density Lots also proposes that the option period for Put Option Allocations is extended from 12 weeks to 16 weeks to provide the builders with sufficient time to market the house and land packages and prepare the necessary documentation. The hold period for Hold Allocations is 12 weeks.

Conclusion

At present the use of Put Options through builder allocation process represents a significant portion of lots sold at Catalina. If builders declined to support Put Options at Catalina, this could affect the sales program. The revised Tender and Allocation Procedure for Medium Density Lots (January 2015), recommended by the SPG, reflects current market conditions and provides for the use of Put Option Allocations and Hold Allocations and is supported.

It is recommended that the Satterley Property Group be requested to review the Tender and Allocation Procedure for Medium Density Lots (January 2015), in twelve months and provide a report to Council.

9.10 SUSTAINABILITY ACCREDITATION – CATALINA PROJECT

Report Information

Reporting Officer: Project Coordinator

File Reference: 2.161.333.0

Recommendation

That the Council:

1. **RECEIVE** the Satterley Property Group report on EnviroDevelopment and Green Star Community certification, dated 23 January 2015.
2. **APPROVE** to proceed with UDIA EnviroDevelopment certification for the Catalina Project and engage an appropriate consultant to prepare and lodge the necessary reports to achieve accreditation for all six elements at an estimated cost of \$68,500.

Voting Requirements

Simple Majority

Report Purpose

To consider a report on EnviroDevelopment and Green Star Community accreditation for the Catalina project.

Relevant Documents

Appendix: SPG letter dated 29 January 2015: Sustainability Accreditation. EnviroDevelopment and Green Star Community accreditation guidelines.

Policy Reference

N/A

Local Government Act/Regulation

N/A

Previous Minutes

- Council Meeting – 10 April 2014 (Item 9.6 Sustainability Initiatives Plan)
- Council Meeting – 21 August 2014 (Item 9.8 Sustainability Accreditation – Catalina Project)

Financial/Budget Implications

Expenditure for this matter will be posted under Item E145441 Sustainability Assessment System.

Budget Amount:	\$60,000
Received to Date:	\$ Nil
Balance:	\$60,000

Background

At its meeting of 10 April 2014 the Council requested the Satterley Property Group to provide a report to Council on the total costs of achieving EnviroDevelopment or Green Star Community certification, likely accreditation level and benefits to the Project.

At its meeting of 21 August 2014 the Council noted an updated report on the total costs of achieving EnviroDevelopment or Green Star Community certification, likely accreditation level and benefits to the Project was being prepared for Council's consideration. This was based on the fact that, the benefits to the Project in achieving certifications was not easily quantifiable and that on-going discussions with both the Urban Development Institute of Australia and Green Building Council of Australia regarding certification to more precisely determine costs, likely outcomes in terms of rating and timing was in progress.

Comment

The Satterley Property Group (SPG) has prepared a report and recommendation (Appendix 9.10) regarding accreditation requirements, likely accreditation level and benefits to the Project, potential costs for EnviroDevelopment and Green Star Communities, for the Catalina Project. The following is a summary of SPG's advice.

EnviroDevelopment

EnviroDevelopment is an Urban Development Institute of Australia (UDIA) initiative launched in 2006 that recognises projects that achieve sustainability outcomes and is well received nationally, with over 80 certified projects to date. EnviroDevelopment is a national rating tool which provides independent verification of a project's sustainability performance. EnviroDevelopment recognises those projects that achieve exceptional sustainability outcomes.

The EnviroDevelopment program is underpinned by the National Technical Standards which sets out criteria for assessment and supporting documentation requirements. The certification process is rigorous and designed to assess project initiatives across six areas - ecosystems, waste, energy, materials, water and community.

The EnviroDevelopment accreditation process involves an assessment of 38 best practice benchmarks across the six sustainability elements.

In the northern corridor only Alkimos has received accreditation for all six elements, with the Trinity and Shorehaven projects, having received accreditation for three elements and one element respectively.

Based on discussions with UDIA EnviroDevelopment (WA) it is likely that the Catalina Estate could achieve up to five elements, *Energy, Water, Materials, Community and Ecosystem*. At this stage the advice is that the project may not be able to achieve the Materials element.

A summary of the EnviroDevelopment accreditation principles/requirements is attached as Appendix 9.10.

Green Star Communities

In 2009 the Green Building Council of Australia (GBCA) launched a national scheme able to assess and certify the sustainability of community projects, Green Star Communities (GSC).

The GSC is a relatively new sustainability accreditation process in WA but well recognised within eastern Australia. GSC rates the potential of developments across six categories including *Liveability, Economic Prosperity, Environment, Design, Governance and Innovation*. The GSC accreditation benchmarks projects in three categories; *Best Practice, Australian Excellence and World Leadership*.

GSC is based on built form principles being applied to the land development industry with some items very difficult for the project to monitor and assess such as greenhouse gas emissions, peak electricity and green buildings. To date GSC has been applied to predominately building projects.

The Alkimos Beach project, a joint venture between LandCorp and Lend Lease is the only known estate in the northern corridor currently seeking Green Star accreditation.

The GSC accreditation process involves an assessment of 38 best practice benchmarks across the six sustainability categories with a panel awarding points to each category. A score between 45-59 is 4 Star (Best Practice) a score of 60-74 is 5 Star (Australian Excellence) and a score of above 75 is 6 Star (World Leadership). GreenStar aims to recognise and reward best practice and above.

A summary of the GSC accreditation principles/requirements is attached as Appendix 9.10.

Key Benefits of Accreditation

The key benefits of achieving either accreditation is that it recognises the sustainability/environmental credentials of the Project and by receiving independent accreditation the TPRC can verify meeting its goals and objectives. It also provides a comparison of best practice against other projects in the northern corridor and Australia wide. The accreditation allows the use of the elements in marketing the estate as a sustainable environment.

In the case of GSC it would be possible to benchmark the Catalina internationally. However, based on discussions with GSC it is unlikely that the Catalina Estate could achieve 6 Star (World Leadership), given its location and nature of the project.

Costs of Accreditation

EnviroDevelopment certification the following fees would apply;
Accreditation fee of \$17,500 for a 12 month licence;
Registration fee of \$1,000;
Annual renewal fee of \$3,500;
Consultant fee for technical reports estimated at \$50,000;
The estimated costs to achieve EnviroDevelopment accreditation for the project would be approximately \$68,500.

Green Star Communities certification the following fees would apply;
Accreditation fees of \$35,000 (ex GST) for local government projects. An allowance of
Consultant fee for technical reports estimated at \$100,000;
The estimated costs to achieve Green Star Communities for the project would be approximately \$135,000.

Satterley Property Group Recommendation

The SPG believes there are benefits in the Catalina Project receiving sustainability/environmental accreditation. It has recommended the UDIA EnviroDevelopment certification on the basis it is well recognised in the West Australian property sector as a bench mark for

environmental excellence, cost effective with a clear and easily identifiable logo. Satterley Property Group recommend EnviroDevelopment as the preferred approach.

SPG recommends that EnviroDevelopment accreditation be pursued for all six elements at a cost of \$68,500 and that a consultant is appointed to prepare the submission on behalf of the TPRC.

Conclusion

There would be benefits to the Catalina project in achieving accreditation of its sustainability from independent and credible organisations such as UDIA or Green Building Council of Australia.

The benefits in Catalina Project receiving sustainability /environmental accreditation include the following;

- Capacity to measure the outcomes against TPRC objectives;
- Benchmarks project against other similar Western Australian and Australian projects, and international in the case of GSC;
- Leads to ongoing review and modification to maintain and improve accreditation;
- Demonstrates that Best Practice is being delivered;
- Use of accreditation for marketing purposes;

Both accreditation systems involve substantial costs, including certification fees and the engagement of specialised consultants to prepare the necessary technical reports and significant resources from the TPRC to achieve maximum accreditation.

The GSC is based on built form principles being applied to the land development industry with some items very difficult for the project to monitor and assess such as greenhouse gas emissions, peak electricity and green buildings. Whereas the EnviroDevelopment program is focused on land development projects and therefore more relevant for the Catalina Project.

It is recommended that the SPG recommendation to seek the UDIA EnviroDevelopment certification for the Catalina Project is supported.

9.11 CATALINA LOCAL JOB CREATION STRATEGY

Report Information

Reporting Officer: Project Coordinator

File Reference: 1.88.246

Recommendation

That the Council:

1. **APPROVE** the Catalina Local Job Creation Strategy (January 2015) prepared by the Satterley Property Group.
2. **ACCEPT** that Satterley Property Group has achieved Key Performance Indicator item 2.3 – Development of Strategies to Develop Local Job Creation Initiatives, for 2014.

Voting Requirements

Simple Majority

Report Purpose

To consider the Catalina Job Creation Strategy (January 2015) prepared by the Satterley Property Group, as required by the Development Managers Key Performance Indicators.

Policy Reference

N/A

Local Government Act/Regulation

N/A

Previous Minutes

Council Meeting – 26 June 2014 (Item 9.12 - Development Managers – Key Performance Indicators)

Relevant Documents

Appendix: SPG Local Job Creation Strategy (January 2015)

Background

At its meeting of 26 June 2014 the Council approved Development Managers Key Performance Indicators, dated June 2014. Key Performance Indicator, Achievement of Agreed Development Program and Agreed Project Plans 2.3 – Development of strategies to achieve local job creation initiatives, requires five year forward plans and next year detailed plans to be submitted by May each year.

In accordance with the Development Managers Key Performance Indicators, the Satterley Property Group has submitted the Catalina Local Job Creation Strategy - September 2014, for the Council's consideration to satisfy the KPI. A copy of the Strategy is attached under Appendix 9.11.

Comment

The Catalina Local Job Creation Strategy (January 2015) proposes strategies and actions to deliver job creation initiatives in the Short Term (1 year) and Medium Term (5 years) at the Catalina Estate. The scope and purpose of the Strategy is to:

- Utilise existing infrastructure and services, in particular the Clarkson District Centre, to provide job opportunities for local residents;
- Create long term job opportunities within Catalina through the planning and provision of commercial, mixed use, educational sites and home base business development;
- Maximise local employment opportunities during the civil construction, landscaping and built form development at Catalina.

The Strategy recognises that Catalina is an infill site located in close proximity to substantial infrastructure and services, and that it will be predominantly residential with some commercial, retail, business, education and community facilities.

The Strategy identifies the Tamala Park Local Structure Plan (LSP) as providing the framework to guide future development of the Catalina Project. The LSP contains an Economic and Employment Strategy (Pracsys, 2009) which identified the framework and opportunities for economic development and employment for the Project.

Existing Employment Opportunities

The Strategy identifies the majority of new jobs being generated from existing employment centres, due to its proximity to services and local job hubs; this reflects the predominant zoning and infill nature of the project. The identified existing employment centres are:

- The Clarkson District Centre is located on the north-eastern corner of Neerabup Road and Marmion Avenue and primarily consists of the Ocean Keys Shopping Centre. Other uses include the Clarkson Youth Centre, mixed use, bulky goods and residential land;
- Joondalup City Centre, a large employment centre with a target of 100,000m²;
- Wanneroo Town Centre, a large employment attractor with over 30,000m²;
- The Meridian Park Industrial Estate is located on Flynn Drive in Neerabup approximately four kilometres east of the future Mitchell Freeway. Upon completion of the Neerabup Road extension in 2017 Meridian Park will provide an employment opportunity for Catalina residents;
- The Mindarie Marina provides job opportunities for Catalina residents, particularly in the western precinct;
- The Mindarie, Clarkson and Somerly Primary Schools as well as the Clarkson High School provide an employment opportunity for teachers, administration and maintenance staff; and
- The Mindarie Regional Council landfill site provides a wide range for employment opportunities relating to the landfill operations.

Job Creation through Land Use Planning

The Strategy identifies land use planning as the key to long term job creation within the Catalina development. The vision for commercial development within the land use planning is outlined under the Tamala Park LSP.

- Local Centres

Stage 11 (Central Cell) has a site with the potential to accommodate 400 square metres of retail as well as the opportunity for other complimentary uses such as childcare.

A Local Centre zone is also included within the Western Cell. This zone is located adjacent to the higher density R80-R100 site. There is an opportunity to provide a built form response for both the residential and commercial land.

- Neighbourhood Centre

The Neighbourhood Centre is located in the Eastern Cell with provision for 3,300m² of retail space under the LSP. Consideration is being given to relocating the centre with frontage to Connolly Drive and / or Neerabup Road to provide a more visible and vibrant centre. Further economic analysis will be required to determine the best location and form for the Neighbourhood Centre.

- Mixed Use

The LSP identifies 8.2 hectares of Mixed Use zoned land primarily located along Aviator Boulevard in the Eastern Cell and along Neerabup Road in the Central Cell. The Mixed Use zoning provides flexibility for both commercial and residential uses in these locations and has the potential to create job opportunities with good access to public transport.

Any residential housing in mixed use zones should require a design that is adaptable for future alternative mixed uses which may become viable. The design should ensure that future adaption can be completed at reasonable cost. Australian Standard 4299-1995 Adaptable Housing should be considered in the design of residential housing in mixed use zones. The availability of the NBN to mixed use zones will also ensure that small businesses will have high speed internet access to meet business needs.

- Home Based Business

It is estimated that Home Based Businesses will operate in approximately 10% of all dwellings at Catalina, creating an additional 260 jobs within the Catalina development.

- Primary School Site

The LSP includes a primary school site in the Central Cell. The school site will provide employment for teachers, administration and maintenance staff. The primary school will also assist in activating the Central Precinct Local Centre by providing a destination point and attracting regular traffic to the site.

- NBN High Speed Broadband

The TPRC has agreed to provide facilities for the provision of high speed broadband via NBN Co. This high speed internet service provides affordable broadband access to small businesses enabling uses such as high quality video conferencing and the ability to send large files to customers and suppliers. The importance of the NBN is that it allows businesses to operate sufficiently from home in a home/occupation

scenario, or for the conversion of residential uses located in the mixed use zoning to a businesses use.

The Strategy indicates the timing and related estimates of job creation numbers are provided for in the following table.

Job Creation Site	Estimated Delivery of Site	Estimated Job Creation Date	Estimated Employment
West Local Centre	2018	2019	8
Central Cell Local Centre Site	2015	2016	13
Eastern Cell Neighbourhood Centre Site	2017	2019	110
Mixed Use	2017 - 2021	2018 - 2022	approx 167
Home Based Businesses	2015	2015	260
School	2021	2022	20
Total Employment			578

Delivery of Job Creation Sites

The strategy identifies the importance of not only providing the appropriate zonings for employment but also the need to provide delivery models to ensure they are created and are sustainable.

Development Employment at Catalina

The development and construction of the Project has been identified as a contributor to employment in the locality. A number of the workforce currently carrying out earthworks, civil works, landscaping and building currently reside in close proximity to the project. The strategy recognises the potential to promote employment opportunities to Catalina residents, particularly in relation to maintenance works, front landscaping and boundary fencing.

2014/2015 Plans

The Strategy identifies the following initiatives to be implemented in FY2015 as part of the one year plan:

1. Existing Job Creation Facilities

- Offer Ocean Keys Shopping Centre and potentially other local businesses the opportunity to promote jobs and business opportunities to Catalina residents;
- Keep the Public Transport Authority informed on progress of the Catalina development to increase the likelihood of a bus service being provided upon completion of the Connolly Drive / Aviator Boulevard intersection.

2. Local Job Creation Through Land Use Planning Within Catalina

- Determine the method of delivery for the Central Precinct Local Centre site;
- Commence urban design of the Eastern Precinct Neighbourhood Centre and Mixed Use zone;

- Enter into an agreement with the Department of Education to determine the location of the Primary School site and the estimated timing of delivering the site;
- Consult with at least 4 retailers and other commercial users regarding site locations and methods of delivery.

3. Job Creation Through Development At Catalina

- Encourage TPRC contractors to promote job opportunities to Catalina residents;
- Deliver the annual development program to ensure ongoing civil, landscaping and building works.

Five Year Plan 2015 - 2019

The following initiatives are to be implemented from FY2015 to FYE2019 as part of the five year plan:

1. Existing Job Creation Facilities

- Offer Ocean Keys Shopping Centre retailers and other local businesses the opportunity to promote jobs and business opportunities to Catalina residents;
- Offer businesses within the Meridian Industrial Development the opportunity to promote jobs and business opportunities to Catalina residents;
- Work with the PTA to ensure a bus service is implemented providing a service to the Clarkson Train Station and local employment centres.

2. Job Creation Through Land Use Planning Within Catalina

- Review commercial operations and complete Local Structure Plan amendment for the western and eastern precincts;
- Deliver central precinct Local Centre site;
- Continue discussions with the Department of Education regarding the primary school;
- Determine method of delivery for the eastern precinct neighbourhood centre site and mixed use sites;
- Consult with retailers and other commercial users regarding site locations and methods of delivery.

3. Job Creation Through Development At Catalina

- Promote job opportunities with TPRC contractors to Catalina residents;
- Promote local businesses to Catalina residents;
- Deliver the development program to ensure ongoing civil, landscaping and home construction.

Conclusion

The Strategy provided by SPG recognises that the Catalina Project is predominantly residential. It also recognises that it is located within areas of substantial infrastructure with good access to major employment areas.

The Strategy does identify opportunities and proposes to maximise employment opportunities within the Catalina Project. Based on the Strategy is estimated that 578 jobs could be created within the Catalina Project. Based on an estimate of 578 jobs this results in

an Employment Self Sufficiency (ESS) ratio of 22%, which is high given the Catalina Project is predominantly residential.

It is recommended that the Council approve the Catalina Local Job Creation Strategy (January 2015) prepared by the Satterley Property Group; and accept that the Development Managers Key Performance Indicators (June 2014), 2.3 – Development of Strategies to Develop Local Job Creation Initiatives, requiring a five year forward plan and next year detailed plan to be submitted by May every year has been achieved by the Catalina Local Job Creation Strategy (September 2014) provided by the Satterley Property Group.

9.12 WASTE MANAGEMENT TENDER

Report Information

Reporting Officer: Project Coordinator

File Reference: 1.88.246

Recommendation

That the Council:

1. **ACCEPT** the Instant Waste Management tender dated 15 January 2015, for the Catalina Waste Management Program in accordance with Tender 13/2014 for a two year term until February 2017, with an option to extend it a further 12 months to April 2018 at the absolute discretion of the TPRC.
2. **AUTHORISE** the Chairman and CEO to sign and affix the TPRC common seal to the Contract.

Voting Requirements

Simple Majority

Report Purpose

To consider Tender submissions received for the Waste Management Program Tender.

Relevant Documents

Appendix: SPG: Catalina Waste Management Program, Tender Evaluation (**Confidential Attachment**)

Available for viewing at the meeting: Earthcare Recycling and Instant Waste Management Tender Submissions

Policy Reference

TPRC Procurement Policy

Local Government Act/Regulation

Local Government Act 1995: Sect 3.57 – Provision of goods and services.

Previous Minutes

Council Meeting – 15 December 2011 (Item 9.6 Sustainability Initiatives Plan)

Financial/Budget Implications

Expenditure under this matter will be incurred under the following item:-

Item E145216 (Direct Selling Expenses):

Budget Amount:	\$5,312,407
Spent to Date:	\$ 992,721
Balance:	\$4,319,686

Background

At its December 2011 meeting the Council approved the Sustainability Initiatives Plan (SIP) which included a program to recycle building construction waste material with an approved budget of \$2,000 per lot.

In February 2013 the Council accepted a tender from Instant Waste Management (IWM) tender for the Catalina Waste Management Program for a two year term, expiring February 2015. The IWM proposal involved builders waste from within Catalina being collected and transported offsite by IWM to its operations centre in Bayswater, for processing and preparation for re-use. The two year contract term expires in February 2015.

Waste is collected by undertaking 3 to 4 cleans of building sites using bobcats, with all waste deposited in large capacity skip or hook bins. IWM also undertook regular meetings with builders to raise awareness of the program, coordinate operations and encourage participation.

Since commencement of the scheme IWM has reported 97 participating building sites with a waste recovery rate of 95% (by weight) being achieved. To the end of December 2014 a total of 1882 tonnes of waste has been recycled through the Waste Management Program.

The TPRC advertised a call for tenders in December 2014, for the establishment of a Waste Management Program for the Catalina Estate to collect, sort, store and reuse builder's waste material to the Catalina project for a 2 year term, with potential for a one year extension at the discretion of the TPRC.

Comment

At the conclusion of the tender period on 23 December 2014, one tender submission had been received in response to the tender from Instant Waste Management (IWM).

Instant Waste Management (IWM) is one of Western Australia's largest waste service providers and offer waste collection and disposal services for residential and commercial waste, secure & hazardous waste, construction waste and site cleanups and recycling services.

IWM tender proposal seeks to extend the current Catalina Waste Management Program which involves a recycling program that facilitates all forms of builders waste generated from within Catalina being collected and transported offsite by IWM to its operations centre in Bayswater, for processing and preparation for re-use.

Waste is proposed to be collected by undertaking 3 to 4 cleans of building sites using bobcats, with all waste deposited in large capacity skip or hook bins. IWM prefer this method as it occupies less space on construction sites and allows for builders to participate with the program without having to modify their existing work practices.

In addition to the efficiency of processing, IWM's offsite facility presents further benefits to the Catalina Estate including a reduced potential for operations of the program to impact residents of the Estate, avoidance of the need to obtain statutory approvals or licenses and avoidance of the risk of large stockpiles of unused recycled material near to the site.

The IWM's tender proposal requires a contribution from the TPRC in the form of a builders rebate to ensure commercial competitiveness in comparison to conventional waste disposal methods.

IWM have provided the option for a reduced rebate payable to builders due to increased landfill levies making the Program more competitive since it commenced in 2013. A summary of the increase in landfill rates is shown in the table below, showing a significant increase from 1 January 2015.

IWM has advised they have existing rates agreed with most leading builders in Perth. They have advised they would apply the same rate for Catalina as agreed for all other sites they are working on. IWM have also advised they will not charge the TPRC or builders any additional costs associated with administering the Catalina Waste Management Program.

The SPG considers that there is scope to reduce the rebate to builders from \$900 per dwelling to \$600 per dwelling and has recommended that the TPRC implement the following rebate arrangement, payable to participating builders upon completion of construction:

Existing Stage Releases 1-13:	\$900 + GST per lot
Stage 14 and future stage releases to 30 June 2016:	\$750 + GST per lot
Stage releases from 1 July 2016 to 12 February 2017:	\$600 + GST per lot

IWM's tender was assessed by SPG against the selection criteria contained within the tender document, in accordance with the guidance provided by the TPRC Procurement Policy. A copy of the SPG Waste Management Program - Tender Evaluation Report is attached under Appendix 9.12 (**Confidential Attachment**).

The key objectives of the Evaluation Process were to:

- a. Make a recommendation, to the TPRC, as to the tender that represents best value for money;
- b. Ensure the assessment of responses is undertaken fairly according to the predetermined selection criteria;
- c. Ensure adherence to the TPRC Procurement Policy; and
- d. Ensure that the requirements specified in the tenders are evaluated in a way that can be measured and documented.

The evaluation of the tender undertaken by Satterley resulted in a score of 78% attributed to IWM's tender submission. On the basis of IWM's tender receiving a strong rating following the evaluation of its tender, SPG recommends acceptance of IWM's tender proposal for a period of two years, with potential for a one year extension at the discretion of the TPRC.

The IWM's tender proposal requires a contribution from the TPRC in the form of a builders rebate to ensure commercial competitiveness in comparison to conventional waste disposal methods.

CONCLUSION

The proposal by IWM is essentially to continue the existing Waste Management Program at Catalina. The existing Waste Management Program is continuing to work well and is well regarded in the housing and land development industries. IWM expects to recycle more than 90% of all waste material collected from Catalina building sites.

The TPRC office has reviewed the IWM's tender submission and SPG's evaluation report, and is satisfied an accurate assessment of the submission against the selection criteria has been undertaken. IWM's waste management program proposal is considered to present a value for money outcome, in accordance with the objectives of the Council's Procurement Policy.

The costs associated with accepting IWM's tender submission is within the approved TPRC budget.

IWM's submission presents a waste management method that is innovative within the Western Australia's land development industry. The proposal presents the opportunity to develop a system that captures builders waste without requiring builders to modify work practices and deliver it to a leading high capacity recycling facility for processing and preparation for reuse.

9.13 MEDIA CONSULTANCY SERVICES TENDER

Reporting Officer: Project Coordinator

File Reference: 1.88.246

Recommendation

That the Council:

1. **ACCEPT** the Carat tender (dated 23 December 2014) for media consultancy services in accordance with Tender 10/2014 (Media Consultancy Services, dated December 2014).
2. **AUTHORISE** the Chairman and the CEO to sign and affix the TPRC common seal to the Contracts.

Voting Requirements

Simple Majority

Policy Reference

TPRC Procurement Policy

Local Government Act/Regulation

Local Government Act 1995: Sect 3.57 – Provision of goods and services.

Previous Minutes

N/A

Financial Implications

Expenditure for marketing services will be incurred under the following item:-

Item E145218 (Sales & Marketing):

Budget Amount:	\$629,180
Spent to Date:	\$176,772
Balance:	\$452,408

Expenditure will be accommodated within the above item.

Relevant Documents

Appendix: SPG Media Consultancy Services, Tender Evaluation Report (**Confidential Attachment**).

Available for viewing at the meeting: Tender Document 10/2012: Media Consultancy Services; and Carat Tender Submission.

Background

The TPRC advertised a call for tenders in the West Australian newspaper on 6 December 2014, for the provision of Media Consultancy services to the Catalina project for a 2 year term, with potential for a one year extension at the discretion of the TPRC.

Comment

At the conclusion of the tender period one tender submission had been received in response to tender 10/2012, from Carat.

Carat's tender was assessed by SPG against the selection criteria contained within the tender document, in accordance with the guidance provided by the TPRC Procurement Policy. A copy of the SPG Media Consultancy Services - Tender Evaluation Report is attached under Appendix 9.13 (**Confidential Attachment**).

The key objectives of the Evaluation Process were to:

- a. Make a recommendation, to the TPRC, as to the tender that represents best value for money;
- b. Ensure the assessment of responses is undertaken fairly according to the predetermined selection criteria;
- c. Ensure adherence to the TPRC Procurement Policy; and
- d. Ensure that the requirements specified in the tenders are evaluated in a way that can be measured and documented.

The evaluation of tenders undertaken by Satterley resulted in a score of 78% attributed to Carat's tender submission. In its assessment SPG has noted that Carat is an approved media buying agency under the Common Use Agreement (CUA) with the State Government, and has access to the CUA rate of media purchasers, which is highly competitive in comparison to the non CUA market rate of 5%.

The CUA rate is applicable for all of the TPRC's media purchasing costs, and therefore Carat has an improved competitive position.

On the basis of Carat's tender receiving a strong rating following the evaluation of its tender, SPG recommends appointment as project Media Consultants for a period of two years, with potential for a one year extension at the discretion of the TPRC.

The TPRC office has reviewed the Carat tender submission and SPG's evaluation report, and is satisfied an accurate assessment of the submission against the selection criteria has been undertaken. Carat's service proposal is considered to present a value for money outcome, in accordance with the objectives of the Council's Procurement Policy. The evaluation reports were reviewed by the Council's Probit Advisor (Stantons International), who has confirmed they represent sound procurement practice.

9.14 PHASE 1 PUBLIC ART TENDER

Report Information

Reporting Officer: Project Coordinator

File Reference: 1.88.246

Recommendation

That the Council:

1. **ACCEPT** the Leanne Bray Tender (dated 25 November 2014) for the design, fabrication and installation of two public artworks within Phase 1 Catalina Project in accordance with Tender 9/2014 (Public Art Commission, dated December 2014) for a \$136,364 + GST.
2. **AUTHORISE** the Chairman and the CEO to sign and affix the TPRC common seal to the Contracts.

Voting Requirements

Simple Majority

Report Purpose

To consider the Public Art Implementation Plan submitted by the Satterley Property Group dated January 2013, to guide the delivery of public art within the Phase 1 Area.

Policy Reference

TPRC Procurement Policy

Local Government Act/Regulation

Local Government Act 1995: Sect 3.57 – Provision of goods and services.

Previous Minutes

TPRC Council meeting; 11 October 2012 (Item 9.9 – Public Art Strategy)

Financial/Budget Implications

Expenditure under this matter will be incurred under the following items:-

Item E145209 (Land Develop – Landscape):

Budget Amount:	\$6,610,083
Spent to Date:	\$1,229,423
Balance:	\$5,380,660

Relevant Documents

Appendix (all Confidential Attachments):

- Public Art Tender Recommendation
- Public Art Tender Assessment
- Public Art Tender Review Committee Scores

- Concept Designs – Leanne Bray

Background

In October 2012, the Council approved the Catalina Public Art Strategy, prepared by Artsource, which provided high level guidance for the concept and location of public art within the Catalina Estate.

The Strategy analysed the site, stakeholders and historical and geographic context of the project and identifies key narratives recommended to be reflected in the production of public art within the Estate. It also nominated public art funding set at 5% of the project budgets allowances for landscape works.

At its meeting of February 2013 the Council approved the Phase 1 Public Art Implementation Plan (PAIP) dated January 2013, submitted by the Satterley Property Group for the implementation of public art within Phase 1 of the Estate.

The PAIP recommended the following key steps for the implementation of public art at Catalina;

1. Agreement of a budget and key locations for Phase 1 public art.
2. Development and distribution of a public art brief.
3. Pre-selection of artwork concepts.
4. Presentation of concepts and selection of an artist.
5. Detailed design.
6. Seek approval from the City of Wanneroo.
7. Construction.
8. Documentation.
9. Review.

The PAIP which depicts landscaping areas within the Phase 1 area and recommended locations for the siting of public art shown together with a description of each piece and responsibility for its implementation.

Comment

In accordance with the Phase 1 Public Art Implementation Plan (PAIP) the TPRC advertised a call for tenders for the design, fabrication and installation of two pieces of public art in the Catalina Stage 4 Park. At the conclusion of the tender period, six tender submissions were received.

All tenders were opened and recorded at the TPRC offices. All tenderers submitted the required information. A Selection Panel was formed consisting of:

- Denise Tamou, Coordinator Heritage, Museum and Art, City of Wanneroo
- Luke Aitken, Project Coordinator, Tamala Park Regional Council
- Shane Caddy, Director, Emerge Associates and
- Brenton Downing, Project Director, Satterley Property Group

The key objectives of the Evaluation Process were to:

- a. Make a recommendation, to the TPRC, as to the tender that represents best value for money;
- b. Ensure the assessment of responses is undertaken fairly according to the predetermined selection criteria;

- c. Ensure adherence to the TPRC Procurement Policy; and
- d. Ensure that the requirements specified in the tenders are evaluated in a way that can be measured and documented.

The first stage of the tender assessment was held on 10 December 2014. Tenders were assessed against the following selection criteria being:

1. Experience Undertaking Similar Projects (25%)
2. Approach to Work (25%)
3. Artistic Merit & Appropriateness to Catalina Project (25%)
4. Cost (25%)

A copy of the tender assessment is attached with scores summarised in the table below.

Based on the selection criteria Leanne Bray, Andrew Kay and Ken Sealey were the highest ranked tenders and were requested to provide a presentation to the Selection Panel on 13 January 2015.

In both Pre-Selection Stage Criteria and the presentation the Selection Panel ranked Leanne Bray highest followed by Andrew Kay and then Ken Sealey.

Leanne Bray's concept designs, are attached Appendix 9.14 (**Confidential Attachment**). The tender proposes two free standing pieces of artwork which work within the concept of bush and beach. The main artwork at the corner of Seadler Street and Elsbury Approach takes the shape of a furling leaf. It is proposed at 3,500 mm in height and width with variable depth and is to be constructed out of a stainless steel framework. Once the artwork has been assembled it is proposed to be powder coated with the option to add a phosphorescent additive that produces a shimmering aqua colour at night. During the day the artwork would provide an interesting shadow as the sunlight moves through the laser cut sections.

The secondary artwork at the corner of Stain Way and Elsbury Approach is proposed to use the same circular theme with rich colour that is eye catching and engaging. It is proposed the piece will use digitally printed glass in the central section. Waterjet-cut metal is proposed around the outside of the disc. The artwork is proposed to be 2,200 mm high by 2,200 mm wide and 300 mm deep.

The TPRC office has reviewed the tender submissions and the Selection Panel evaluation report, and is satisfied an accurate assessment of the submission against the selection criteria has been undertaken. Leanne Bray's proposal is considered to present a value for money outcome, in accordance with the objectives of the Council's Procurement Policy. The evaluation reports were reviewed by the Council's Probity Advisor (Stantons International), who has confirmed they represent sound procurement practice.

The proposed Tender is consistent with the Council approved 'Catalina Public Art Strategy' and the 'Phase 1 Public Art Implementation Plan'. The proposed Tender works are also budgeted in the TPRC 2014/2015 Budget.

The tender evaluation process has been reviewed by the Council's probity advisor (Stantons International), which has advised it represents a sound and robust process which has been fair and equitable to all parties.

9.15 LOCAL GOVERNMENT REFORM – EFFECT ON TPRC - **CONFIDENTIAL**

CONFIDENTIAL

**9.16 FRONT LANDSCAPING SERVICES TENDER – EXTENSION OF CONTRACT -
CONFIDENTIAL**

CONFIDENTIAL

9.17 APPOINTMENT OF COMMITTEE MEMBER – CEO PERFORMANCE REVIEW COMMITTEE – LATE ITEM

Report Information

Reporting Officer: Chief Executive Officer

File Reference: 13.45.884.0

Recommendation

In accordance with the provisions of the Local Government Act 1995, the following Council member is elected to the CEO Performance Review Committee to replace Cr Joshua Topelberg:

Existing Members:

1. *Cr Joshua Topelberg (resigned)*
2. *Cr Janet Davidson*
3. *Cr Giovanni Italiano*
4. *Cr Brett Treby*
5. *Cr Terry Tyzack*
6. *Cr Trevor Vaughan*

New Member:

Cr

Voting Requirements

Absolute Majority

Report Purpose

To elect a replacement member to the CEO Performance Review Committee following Cr Joshua Topelberg's resignation.

Relevant Documents

Appendix: Nil

Policy Reference

N/A

Local Government Act/Regulation

Local Government Act 1995

Previous Minutes

N/A

Financial/Budget Implications

N/A

Background

The CEO Performance Review Committee comprises six members for the purpose of:

- a. Reviewing the Chief Executive Officer's performance in reference to the CEO employment contract;
- b. Reporting on each review to the Council to satisfy the provisions of the Act and Regulations;
- c. Developing key result areas for the forthcoming 12 month period; and
- d. Reviewing any other relevant matters in the Chief Executive Officer's contract or in the process for annual review.

Comment

The TPRC has been advised that Cr Joshua Topelberg has resigned as a City of Vincent representative to the Tamala Park Regional Council. The City of Vincent has appointed Cr John Carey as the new representative to the Tamala Park Regional Council.

Cr Topelberg was a member of the CEO Performance Review Committee.

A new member will need to be elected from the existing members to replace Cr Topelberg.

**9.18 APPOINTMENT OF COMMITTEE MEMBER – MANAGEMENT COMMITTEE –
LATE ITEM**

Report Information

Reporting Officer: Chief Executive Officer

File Reference: 13.45.884.0

Recommendation

In accordance with the provisions of the Local Government Act 1995, the following Council member is elected to the Management Committee to replace Cr Joshua Topelberg:

Existing Members:

1. *Cr Joshua Topelberg (resigned)*
2. *Cr Dianne Guise*
3. *Cr Giovanni Italiano*
4. *Cr Tom McLean*
5. *Cr Brett Treby*
6. *Cr Rod Willox*

New Member:

Cr

Voting Requirements

Absolute Majority

Report Purpose

To elect a replacement member to the Management Committee following Cr Joshua Topelberg's resignation.

Relevant Documents

Appendix: Nil

Policy Reference

N/A

Local Government Act/Regulation

Local Government Act 1995

Previous Minutes

N/A

Financial/Budget Implications

N/A

Background

At its meeting of 19 August 2010 the Council approved the establishment of a Management Committee, comprising six members.

The Management Committee was established to progress and monitor the Project. In order for the Project to run in a timely and efficient manner the Management Committee has been delegated authority to manage and to make decisions. This recognises the need for expedient decision making to achieve program/milestones and the commercial sensitivities that will arise from such a business venture.

Comment

The TPRC has been advised that Cr Joshua Topelberg has resigned as a City of Vincent representative to the Tamala Park Regional Council. The City of Vincent has appointed Cr John Carey as the new representative to the Tamala Park Regional Council.

Cr Topelberg was a member of the TPRC Management Committee.

A new member will need to be elected from the existing members to replace Cr Topelberg.

10. ELECTED MEMBERS MOTIONS OF WHICH NOTICE HAS BEEN GIVEN
11. QUESTIONS BY ELECTED MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN
12. URGENT BUSINESS APPROVED BY THE CHAIRMAN
13. MATTERS BEHIND CLOSED DOORS
14. GENERAL BUSINESS
15. FORMAL CLOSURE OF MEETING

APPENDICES