



TAMALA PARK
Regional Council

Meeting of Council

AGENDA

Thursday 16 April 2015, 6:00pm
City of Vincent
244 Vincent Street, Leederville

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 City of Vincent, 244 Vincent Street, Leederville on Thursday 16 April 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	Mayor John Carey	
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 – 12 February 2015

5A. BUSINESS ARISING FROM THE MINUTES

6. ANNOUNCEMENTS BY CHAIRMAN (WITHOUT DISCUSSION)

7. MATTERS FOR WHICH MEETING MAY BE CLOSED

8. REPORTS OF COMMITTEES

Management Committee Meeting – 12 March 2015

9. ADMINISTRATION REPORTS AS PRESENTED (ITEMS 9.1 – 9.13)

9.1 BUSINESS REPORT – PERIOD ENDING 9 APRIL 2015

Report Information

Reporting Officer: Project Coordinator

File Reference: N/A

Recommendation

That the Council RECEIVE the Business Report to 9 April 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
13A	37	20 October 2014	27 March 2015	100% complete	Issued 30 March 2015
13B	45	24 November 2014	24 April 2015	85% complete	May 2015
14	63	19 January 2015	5 June 2015	50% complete	June 2015

2. Bulk Earthworks - Status

An application for planning approval for earthworks for Phase 1 of the Catalina Beach Precinct (Western Precinct) was lodged with the City of Wanneroo on 12 March 2015. Due to a change in the City of Wanneroo's planning approval requirements the plan is currently being revised to only show bulk earthworks and not the finished levels of the proposed lots. It is expected to be re-lodged in early April.

Prior to clearing the land, approval is required from the Department of Environment Regulation (DER). The appropriate application and documentation has been lodged for this approval and was advertised for public submissions on 23 March 2015 with submissions closing on 13 April 2015. Following the DER making a decision on the permit an appeals period will then be advertised. In the event the approval is delayed there is scope to reduce the earthworks package to a smaller section to ensure earthworks do not extend into summer when conditions are unfavourable.

Following the clearing permit being obtained, vegetation clearing will be undertaken to enable UXO (unexploded ordinance) searching, which is required prior to any earthworks, as the area is part of a former army artillery range and may contain unexploded ordinance.

The Phase 1 earthworks are proposed to be undertaken over approximately 40% of the site. A mitigation strategy has been prepared to reduce potential adverse impacts on Mindarie residents. A letter and FAQ sheet will be provided to nearby Mindarie residents prior to the commencement of earthworks.

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
Stage 11 Public Open Space	13 March 2015	12 June 2015	10% Complete
Stage 13 Public Open Space	30 March 2015	5 June 2015	10% Complete

4. Housing Construction

The following table provides an overview of the progress of housing construction to date. Homes are now being completed in stages 9 and 10.

Stage	Under Construction	Completed	Total
Stage 1	0	32	32
Stage 2	2	29	31
Stage 3	0	43	43
Stage 4	1	44	45
Stage 5	4	56	60
Stage 6A	0	6	6
Stage 6B	2	0	2
Stage 6C	4	0	4
Stage 7	5	57	62
Stage 8	7	43	50
Stage 9	32	6	38
Stage 10	19	2	21
Stage 11	44	0	44
Stage 12	2	0	2
Total	122	318	440

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 105 participating building sites with a waste recovery rate of 95% (by weight) being achieved. To the end of March 2015 a total of 2,203 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 is on target for completion in August 2015.

7. Builders Display Village

22 out of 23 lots within the second Catalina Display Village have been sold to builders, with 22 of these now settled. House plans have been received from 8 builders to date, with the first homes now under construction.

The Display Village is planned for opening in February 2016.

8. Telethon Home

Building plans for the home have been lodged with the City of Wanneroo for planning approval. Telethon proposes to commence construction in early April with completion by October 2015.

9. Access to Beach from Catalina Beach Precinct

The TPRC's Catalina Beach landholding in Mindarie is located approximately 600 metres from the coast. Access to the beach is currently available to pedestrians via informal paths through Bush Forever land foreshore reserve; however no vehicle access is available.

The TPRC is investigating options to provide an access road to the beach to the west of the site to provide a safe swimming beach for Catalina and other residents who live in the locality. An initial risk assessment by Surf Life Saving WA (SLSWA) has determined a safe swimming beach to the west of the TPRC's landholding. The SLSWA report states:

The future development of infrastructure that supports beach access and recreational activity into the Catalina development and foreshore will provide an opportunity to recreate at a local beach that is considered relatively 'friendly' to a range of coastal aquatic activity. The development of a node and infrastructure at this location will provide an alternative area to recreate with a range of future prevention and rescue services in place.

The development of this area will bridge a gap in services between those provided at Mullaloo in the south and Quinns Beach in the north. In addition, with supporting awareness and education programs and the development of a node with associated infrastructure at Catalina, more swimmers are likely to use this stretch of beach rather than the more hazardous Clayton's beach immediately to the north. This will also serve to separate non compatible activities from Clayton's beach such as surf board riding and swimming.

Potential facilities at the beach may include a SLSWA outpost, small kiosk and change rooms.

A site inspection was undertaken by the TPRC and City of Wanneroo officers on 15 January 2015. It was generally agreed at the meeting that there was merit to providing beach access. It was agreed the TPRC would review potential road alignments to the coast to minimise the impact on native vegetation.

The City of Wanneroo is also investigating the potential for a horse beach adjacent to the proposed swimming beach. The City of Wanneroo has requested the TPRC's position on their support for a horse beach in this location. The TPRC has indicated concerns with the potential conflict of uses and has not provided support for a horse beach to date.

9.2 STATEMENTS OF FINANCIAL ACTIVITY FOR THE MONTHS OF JANUARY & FEBRUARY 2015

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:

- **31 January 2015; and**
- **28 February 2015.**

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 31 January 2015
- Statement of Financial Activity for 28 February 2015

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.

Variances at 28 February 2015 exceeding 10% were experienced in relation to the following:

Interest Earnings	Interest earnings exceed budget predictions as a result of higher investment principal.
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.
Other	The negative variance relates to timing of Councillor payments and will adjust over 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, savings and deferral of some works and will adjust in coming months, but will remain under budget.

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

Financial Snapshot as at 28 February 2015

TAMALA PARK REGIONAL COUNCIL
FINANCIAL SNAPSHOT
FOR THE PERIOD ENDING 28 FEBRUARY 2015

	2014-15 ADOPTED BUDGET	2014-15 YTD BUDGET	2014-15 YTD ACTUAL	VARIANCE		VARIANCE %
				FAVOURABLE	UNFAVOURABLE	
REVENUE	\$	\$	\$	\$	\$	%
Interest Earnings	951,446	691,151	948,709	257,558	-	37.27%
Other Revenue	10,480	8,590	12,927	4,337	-	50.49%
	\$961,926	\$699,741	\$961,636	\$261,895	\$0	
LESS EXPENDITURE						
Depreciation	(17,983)	(11,684)	-	11,684	-	100.00%
Employee Costs	(713,586)	(463,832)	(363,866)	99,966	-	21.55%
Insurance	(16,900)	(10,985)	(12,967)	-	(1,982)	0.00%
Materials and Contracts	(439,950)	(285,773)	(131,501)	154,272	-	53.98%
Other	(175,438)	(89,416)	(116,719)	-	(27,303)	0.00%
Utilities	(6,000)	(3,900)	(456)	3,444	-	88.31%
Capital Items	(69,000)	(66,000)	(65,303)	697	-	1.06%
Members Equity						
-Income Sale of Lots - Subdivisions	61,890,849	29,352,028	37,576,022	8,223,994	-	28.02%
-Income Other - Subdivisions	-	-	9,362	9,362	-	0.00%
-Land Production Costs	(48,455,839)	(29,924,739)	(14,331,376)	15,593,363	-	52.11%
-Contributions Returned	(31,422,562)	(16,000,000)	(14,000,000)	2,000,000	-	12.50%
	(\$19,426,409)	(\$17,504,301)	\$8,563,196	\$26,096,782	(\$29,285)	
Total Change in Equity	(\$18,464,483)	(\$16,804,560)	\$9,524,832	\$26,358,677	(\$29,285)	

Balance Sheet Summary as at 28 February 2015

TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL POSITION
AS AT 28 FEBRUARY 2015

	Actual 2013/14 \$	Actual 2014/15 \$	Variance \$	Variance %
Current assets				
Cash and cash equivalents	40,413,398	49,990,956	9,577,558	23.70%
Trade and other receivables	735,068	390,296	(344,772)	-46.90%
Total current assets	41,148,466	50,381,252	9,232,786	22.4%
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	52,366,672	9,259,908	21.48%
Current liabilities				
Trade and other payables	587,695	257,469	330,226	56.19%
Provisions	76,228	76,228	0	0.00%
Total current liabilities	663,923	333,697	330,226	49.7%
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	349,958	330,226	48.5%
Net assets	42,426,580	52,016,714	9,590,134	22.6%

9.3 LIST OF MONTHLY ACCOUNTS SUBMITTED FOR THE MONTHS OF JANUARY & FEBRUARY 2015

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 January and February 2015:

- **Month ending 31 January 2015 (Total \$913,132.68)**
- **Month ending 28 February 2015 (Total \$1,836,589.75)**
- **Total Paid - \$2,749,722.43**

Voting Requirements

Simple Majority

Report Purpose

Submission of payments made under the CEO's Delegated Authority for the months ending 31 January 2015 and 28 February 2015.

Relevant Documents

Appendix:

- Cheque Detail for January 2015
- Summary Payment List for January 2015
- Cheque Detail for February 2015
- Summary Payment List for February 2015

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.

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

9.4 PROJECT FINANCIAL REPORT – FEBRUARY 2015

Report Information

Reporting Officer: Chief Executive Officer

File Reference: 12.66.401.0

Recommendation

That the Council RECEIVE the Project Financial Report (February 2015) submitted by the Satterley Property Group.

Voting Requirements

Simple Majority

Report Purpose

To consider the Project Financial Report for February 2015 submitted by the Satterley Property Group.

Policy Reference

N/A

Local Government Act/Regulation

N/A

Previous Minutes

N/A

Financial/Budget Implications

Review of Project Financial Report for February 2015.

Relevant Documents

Appendix: Letter from Satterley Property Group dated 25 March 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 February 2015 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 28 February 2015 and is attached at Appendix 9.4.

The Financial Report identifies the following main areas of variance:

1. Settlement revenue was \$38.1M which is \$7.8M ahead of budget; the variance in settlement revenue is attributed to 24 lot settlements more year to date.
2. Expenditure is \$16.60M under budget, due in the main to savings and deferred payments in the following areas:
 - Lot Production \$8.6M;
 - Landscape \$2.0M;
 - Contingency and Rates / Taxes-\$2.6M.

The Satterley Property Group Financial Report provides greater details on the variations. It is expected these will adjust to more closely reflect budget over coming months, however, expenditure is predicted to be under budget for FYE 15.

3. Lot Sales Value was \$11.6M below budget due to 45 lot sales less year to date.

It is expected that Lot Sales Value will be under budget for FYE 15, however, the planned distribution to member local governments will not be affected. Satterley Property Group representatives will be in attendance to outline potential implications for FYE 16.

9.5 SALES AND SETTLEMENT REPORT – PERIOD ENDING 9 APRIL 2015

Report Information

Reporting Officer: Project Coordinator

File Reference: N/A

Recommendation

That the Committee RECEIVE the Sales and Settlement Report to 9 April 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:	\$62,962,077
Received to Date:	\$38,060,000
Balance:	\$24,902,077

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	RELEASE DATE	LOTS RELEASED	LOT SIZES	SOLD	STOCK	SETTLED
Stages 1 – 5, 6A, 6C, 7-9A	NA	380	NA	380	0	380
Stage 9B	Nov 2013	31	225-330	31	0	30
Stage 10	Feb 2014	30	300-562	29	1	28
Stage 11A	Mar 2014	49	295-490	46	3	46
Stage 11B	Apr 2014	15	223-368	15	0	14
Stage 12A	May 2014	25	295-463	21	4	16
Stage 12B	July 2014	24	225-490	23	1	18
Stage 13A (Public)	Aug 2014	27	288-450	24	3	0
Stage 13A (Builders)	Sep 2014	10	174-225	10	0	0
Stage 13B (Public)	Oct 2014	29	295-450	25	4	0
Stage 6B (Display Vge)	Sep 2014	23	225-505	22	1	22
Stage 13B (Builder)	Oct 2014	16	225-300	10	6	0
Stage 14A (Public)	Jan 2015	17	295-450	15	2	0
Stage 14B (Public)	Feb 2015	19	274-450	6	13	0
Stage 14 (Builder)	March 2015	20	224-323	0	20	0
TOTAL		715		657	58	554

The Stage 14 builder release tender closed on 26 March 2015. The release consisted of 20 lots within five allocations. Two tenders were received with all 20 lots being allocated between these two builders. A recommendation has been included in this Agenda for this release.

For the month of March there were a total of 8 net sales and 3 settlements. Offers have been received on a further 13 lots which are expected to be accepted in April.

The Stage 14C public release, consisting of 7 lots, is proposed to be released to the market on 18 April 2015.

Titles issued for Stage 13A, comprising 27 lots, on 30 March with settlements due to commence on 20 April 2015.

Satterley Property Group representatives will be in attendance to present the Sales and Settlement Report.

Competition Analysis

The table below provides a summary of sales at competing developments in the northern corridor for the financial year up to 29 March 2015. Catalina has achieved consistent sales across the financial year.

Estate	Sales												YTD total	Size Range (m2)	Price Range (\$)
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun			
Brighton	0	0	0	0	0	0	0	9	7				16	225-464	180,000 - 219,000
Eden Beach	8	25	18	27	35	3	5	2	15				138	296-558	275,000-425,000
Catalina	10	23	22	16	19	25	18	18	12				163	228-490	238,000 - 355,000
Alkimos Beach	35	13	25	26	16	9	15	22	26				187	280-581	208,000-297,000
Amberton	13	15	21	19	34	11	9		25				147	228 - 552	193,000 - 307,000
Shorehaven	19	10	11	10	33	59	14	10	8				174	217 - 772	220,000-390,000
Trinity	24	22	40	19	10	22	20	16	11				184	286-505	206,000 - 283,000
TOTAL	109	108	137	117	147	129	81	77	104				1009		

A summary of available stock as at 29 March is provided in the table below. The table shows that Eden Beach has the most expensive pricing, followed by Catalina. Catalina had a sound lot mix available with the exception of a shortage of 15 metre and 7.5 metre frontage lots. 7.5 metre lots have since been supplied to the market as part of the Stage 14 builder release. Additional 15 metre frontage lots will be supplied as part of the Stage 15A public release which is scheduled for May 2015.

Estate	300sqm Price (\$)	375sqm Price (\$)	450sqm Price (\$)	7.5m Front	10m Front	12.5m Front	15m Front	Other Sizes	Stock @ month end	Comments (e.g. New Releases, Products, Incentives, Presentation of Estates, Marketing, etc)
Brighton	180,000	200,000	220,000		10	1		11	22	
Eden Beach	285,000	322,000	360,000		3	6	4	7	20	New release in April. \$7,000 Summer Campaign has ended.
Catalina	249,000	296,000	338,000		11	14	2	12	39	
Alkimos Beach	218,000	330,000	280,000	5	16	7	1	9	38	Includes builder sales. \$10,000 rebate end 10th April.
Amberton	195,000	243,000	269,000	1		1	12	11	25	
Shorehaven	255,000	285,000	306,000	18	11	2	1	17	49	Includes builder sales. \$120,000 giveaway promotion.
Trinity	206,000	237,000	270,000	1		6	15	10	32	
TOTAL				25	51	37	35	77	225	
% of Stock				11%	23%	16%	16%	34%		

9.6 ANNUAL MARKETING PLAN 2015 - 2016

Report Information

Reporting Officer: Project Coordinator

File Reference: 1.88.246

Recommendation

That the Council:

- 1. APPROVE the Annual Marketing Plan (March 2015), prepared by the Satterley Property Group.**
- 2. ACCEPT that the Development Managers Key Performance Indicators (June 2014), Marketing 3.2 – Annual Marketing Plan, requiring the preparation of the Annual Marketing Plan by March each year has been ACHIEVED.**
- 3. ADVISE the Satterley Property Group that marketing expenditure particularly in relation to Telethon promotions and advertising will be reviewed as part of TPRC budget preparation for 2015/2016 and will be monitored in line with market conditions and the requirements of the project.**

Voting Requirements

Simple Majority

Report Purpose

To consider the Annual Marketing Plan (March 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 – 10 April 2014 (Item 9.7: Catalina Annual Marketing Plan – March 2014)
- Council Meeting – 19 June 2014 (Item 9.12: Development Managers – Key Performance Indicators - 2014).

Relevant Documents

Appendix: Annual Marketing Plan (March 2015)

Financial/Budget Implications

Expenditure under this matter will be incurred under item E145218 (Marketing):

Budget Amount:	\$817,214
Spent to Date:	\$130,304
Balance:	\$686,910

Background

At its meeting of 20 February 2014, the Council approved the Catalina Strategic Marketing Plan 2014 prepared by the Satterley Property Group. The Catalina Strategic Marketing Plan 2014 established the vision and key themes of marketing for the Catalina Estate and strategies for achieving brand development and market positioning. The Strategic Marketing Plan is reviewed every two years.

The Catalina Strategic Marketing Plan 2014 covered the following matters:

- It builds on the approved estate name – Catalina;
- Outlined the vision for Catalina project, including images and themes;
- Outlined brand strategy, positioning and target audiences;
- Identified general action areas to address the Catalina vision and brand strategy;
- Provided an update of current trading conditions with commentary on current property market conditions, population growth, consumer confidence, land sales activity and rental rates;
- Included an updated SWOT and competitor analysis.

The approved Development Managers Key Performance Indicators (June 2014), Key Performance Indicator, Marketing 3.2, requires the preparation of an Annual Marketing Plan by March each year. In accordance with the Development Managers Key Performance Indicators 2014, the Satterley Property Group has prepared and submitted the Annual Marketing Plan (March 2015) for the Council's consideration to satisfy the KPI 3.2 (Appendix 9.6).

Comment

The purpose of the Annual Marketing Plan (AMP) is to provide a 12 month outlook of market conditions and identify key marketing activities for the forthcoming year, to assist in meeting the FYE16 sales targets. The AMP provided by the SPG contains the following components:

- Review of 2014/2015 marketing activities;
- Key Marketing Objectives;
- Key Marketing Initiatives for 2015/2016;
- Recommended Marketing budget for 2015/2016.

Marketing Activities and Results

The SPG has provided an analysis of sales and marketing activities occurring over the April 2014 to March 2015 period. This analysis indicates a slowdown in sales activity throughout the year with enquiries and registration numbers down on the previous year.

Sales Catchment Areas

The AMP identifies key sales catchment areas by plotting purchaser addresses, which indicates the following:

- 26.7% of purchasers residing within 10km of Catalina;
- 39.7% of purchasers residing within 20km of Catalina;
- 33.6% of purchasers residing more than 20km from Catalina.

The analysis indicates that over 66% of sales were derived from purchasers residing within 20km of the Estate, which supports marketing actions/strategies targeted towards local communities within the Cities of Joondalup and Wanneroo.

Key Marketing Objectives

The key marketing objectives identified in the Annual Marketing Plan (March 2015) are as follows:

- Lead generation and achieving sales targets;
- Continued support to the Sales Office and promotion of the Display Village;
- Leverage off the strength of the Satterley brand;
- Leveraging on site assets including proximity to the coast, infrastructure and amenities and the wide choice of lots being created;
- Develop strategy and brand for the Western and Eastern Precincts;
- Leveraging marketing opportunities for Telethon Home 2015.

Key Marketing Initiatives

Key marketing initiatives recommended by the SPG are identified below:

1. Estate Campaigns

Estate campaigns will promote stage land releases and the Builders Display Village and Sales Village precinct. Preferred media for estate campaigns is in the form of local press advertising, regional press advertising and online advertising.

2. Creative and Message Refresh

The AMP recommends retention of Catalina's brand concepts and style guide, however a refresh of advertising messaging is recommended on the back of the market research currently being conducted.

3. Builders Display Villages 1 and 2

Promotion of the existing Builders Display Village with signage, collateral such as brochures and a display village guide. Promotion of the new Builders Display Village currently under construction and due to open February 2016.

4. Permanent Sales Office

Promotion of the permanent Sales Office by local press advertising and regional press advertising and online advertising and to provide sales aids to sales representatives.

5. Market Research

The AMP recommends market research actions be undertaken in the form of purchaser profiling, geo-mapping (purchasers and registrations of interest) and analysis. A buyers'

analysis and review campaign has recently been carried out and will inform marketing direction.

6. Telethon Home

Leverage off the agreed marketing campaign provided by Telethon through signage and increased PR.

Marketing Expenditure

The AMP provides budget recommendations for key marketing initiatives, which are summarised in the table below:

DESCRIPTION	BUDGET 14/15	BUDGET 15/16
Brand Development (Market Research)	\$147,000	\$130,000
Sales Office & Builder Relations	\$32,000	\$20,000
Collateral (Estate Brochures and Folders)	\$100,000	\$66,000
Advertising and Direct Marketing	\$140,500	\$403,250
Signage	\$50,000	\$140,000
Website	\$2,100	\$10,000
Promotions	\$50,000	\$50,000
Public Relations	\$10,000	\$20,000
Sales & Marketing Contingency (5% all items)	\$27,580	\$36,750
Total	\$579,180	\$876,000

The SPG's recommendation for marketing expenditure shows a significant increase from the previous year. The most significant increase is in the area of Advertising and Direct Marketing, which proposes an additional \$250,000 over the Budget 14/15. This includes \$150,000 (made up of advertising, signage and PR) to support the Catalina Telethon Charity Home promotion. One benefit of the Catalina Telethon Charity Home proposal was the additional marketing benefits and exposure which was valued in excess of \$500,000 and to leverage off opportunities detailed in Catalina Telethon Charity Home promotion.

The additional marketing/advertising expenditure over FY 14/15 requires further justification and review in conjunction with the TPRC Budget for FY 15/16.

Current Market and Trading Conditions

The SPG has provided a discussion of current trading conditions within the AMP, which includes commentary on the state of the national economy, local property market, growth and interest rates, land and rental stock levels and housing demand.

The SPG's view is that following strong sales results and growth in 2013/14, the most recent releases have softened in line with the overall market.

Conclusion

The Annual Marketing Plan (March 2015) is consistent with the Catalina Strategic Marketing Plan 2014 approved by Council in February 2014 in terms of strategies, vision and marketing activities. The AMP provides details of sales and marketing initiatives to be undertaken in the next 12 months to achieve marketing objectives that are consistent with the strategies in the approved Overall Strategic Marketing Plan.

The AMP outlines marketing activities for the forthcoming year that support current project actions and initiatives, with a focus on the following elements:

- Support of stage land releases;
- Promotion of the Builders Display Village;
- Leveraging off Telethon; and
- Promotion of Catalina Sales Office and sales precinct.

The Annual Marketing Plan (March 2015) prepared by the Satterley Property Group is considered to satisfy the requirements of Key Performance Indicator: Marketing 3.2 – requiring the preparation of an Annual Marketing Plan by March each year.

The recommended marketing expenditure is considered high given the number of lots proposed for sale in 2015/2016 is substantially lower than 2014/2015. As a result it is considered that all components should be reviewed as part of TPRC budget preparation for 2015/2016 and be monitored in line with market conditions and the requirements of the project.

At its meeting of 12 March 2015 the Management Committee considered the report on the Annual Marketing Plan (March 2015) prepared by the Satterley Property Group, advising as follows:

1. APPROVE the Annual Marketing Plan (March 2015), prepared by the Satterley Property Group.
2. ACCEPT that the Development Managers Key Performance Indicators (June 2014), Marketing 3.2 – Annual Marketing Plan, requiring the preparation of the Annual Marketing Plan by March each year has been ACHIEVED.
3. ADVISE the Satterley Property Group that marketing expenditure particularly in relation to Telethon promotions and advertising will be reviewed as part of TPRC budget preparation for 2015/2016 and will be monitored in line with market conditions and the requirements of the project.

9.7 INTEGRATED URBAN DESIGN AND LANDSCAPE DESIGN CONSULTANCY TENDER – CATALINA EASTERN PRECINCT

Report Information

Reporting Officer: Project Coordinator

File Reference: 1.88.246

Recommendation

That the Council ACCEPT the proposal submitted by Urbis in accordance with Tender 01/2015 (Integrated Urban Design and Landscape Design Consultancy Tender) for a fee of \$129,795 (excl GST).

Voting Requirements

Simple Majority

Report Purpose

To consider the Integrated Urban Design and Landscape Design Consultancy tender for the Catalina Eastern Precinct (Catalina Grove).

Relevant Documents

Appendix: SPG Memorandum – Evaluation of Integrated Urban Design Consultancy Tender (**Confidential Attachment**)

Available for viewing at the meeting:

- Integrated Urban Design and Landscape Design Consultancy Tender 01/2015
- Urbis Tender Submission (**Confidential**)
- Hames Sharley Tender Submission (**Confidential**)

Policy Reference

N/A

Local Government Act/Regulation

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

Financial/Budget Implications

Expenditure under this matter will be incurred under the following item EI45208 - Consultants (Planning) of the 2014/2015 Budget:

Budget Amount:	\$775,894
Spent to Date:	\$336,251
Balance:	\$439,643

Background

The purpose of the Integrated Urban Design and Landscape Design Consultancy is to undertake a strategic design review of the design principles and land-use recommendations embodied in the Tamala Park Local Structure Plan (2006). Given the time since the Tamala

Park Local Structure Plan was formulated it is considered appropriate to review the planning and design parameters and relevance to market conditions.

The Integrated Urban Design and Landscape Design Consultancy will inform the detailed design process for the Catalina Grove Precinct utilizing best practice and current economic and market analysis. The Integrated Urban Design and Landscape Design Consultancy is proposed to be completed in four months.

The consultant will be required to:

1. Review the Vision, Objectives and Principles for the precinct with consideration of the approved Tamala Park Local Structure Plan.
2. Undertake economic and market analysis for apartment and mixed use development for the site and to inform the urban design and built form outcomes to produce a quality development demonstrating the best urban design and development practice.
3. Determine the appropriate location and size for the Neighbourhood Activity Centre, including provision of an initial concept plan.
4. Integrate the landscape, public realm and open space with the built form to create an urban environment that is contemporary, legible and climate responsive.
5. Prepare a Precinct Plan that identifies best practice urban design and landscaping together with an appropriate implementation strategy to assist in the future built form and public realm outcomes of the Catalina Grove Precinct.

Scope of Works

This scope of work included the following:

Project Review

- Review of Tamala Park Local Structure Plan and background planning reports;
- Review of the objectives and implementation principles for the Catalina Grove Precinct;
- Review the project's site and contextual analysis including but not limited to, the relationship between the Clarkson railway station and the coast; climatic conditions, site topography and regional context;
- Review the Neerabup Road Bus Underpass impact on the Clarkson Railway Station and Catalina Grove Precinct;
- Review and identify best practice examples of similar projects to inform the design direction and potential for innovative and leading edge approaches such as lot orientation, built form outcomes, typologies and densities;
- Examine the public open space and public realm opportunities for integration with the urban form including legibility along the significant social/pedestrian/cycle linkage that extends predominantly east west through the whole site and connects the coast to the Clarkson Station;
- Review and assess the issues and opportunities in driving and achieving the density coding and design direction;
- Liaison with the City of Wanneroo and Department of Planning; and
- Review of relevant City of Wanneroo Planning Policies relevant to the urban form and development.

Market Analysis

- Review site context and demographics;
- Population and demographics;

- Diversity statistics (country of birth, disability status, socio-economic index for areas)
- Labour force statistics
- Employment by industry sector
- Residents employed locally versus those employed externally
- New dwelling approval activity and dwelling preferences
- Review of infrastructure and attributes that affect the site i.e. access to beach, public transport
- Residential demand and supply;
 - Future dwelling demand requirement focusing on future demand drivers for medium to high density housings and how these may be integrated into the site
 - Details on lot mix focusing on the percentage mix of apartment product and single residential development
- Retail demand and supply;
 - Review size and location of NAC
 - Review size/form and location of Mixed Use zoned land

Comment

A call for tenders for integrated urban design services, for the Catalina Eastern Precinct (Catalina Grove) was advertised on 18 February 2015. At the conclusion of the tender period, two tender submissions had been received from the following groups:

- Hames Sharley; and
- Urbis.

All tenders were opened and recorded at the TPRC offices. Both tenders were compliant with the tender documentation. The limited number of tenders received is a result of the specialised nature of the work and services required.

An evaluation panel to assess the two tenders was formed consisting of:

- Brenton Downing, Project Director, Satterley Property Group
- Luke Aitken, Project Coordinator, Tamala Park Regional Council

The key objectives of the Evaluation Process were to:

1. Make a recommendation, to the TPRC, based on the Tender selection criteria;
2. Ensure the assessment of responses is undertaken fairly according to predetermined criteria;
3. Ensure adherence to the Procurement Policy; and
4. Ensure that the requirements specified in the Tenders are evaluated in a way that can be measured and documented.

The initial assessment of the tenders was carried out individually by the two panel members. The panel members then met on 24 March 2015 and again on 26 March 2015 at the TPRC's offices. The scores of each assessor were provided and discussed. Following this the panel agreed to a consensus score for each of the selection criteria.

Tenders were assessed against the following selection criteria being:

1. Track record and experience of the company (20%)
2. Capability (30%)

- 3. Methodology (30%)
- 4. Fees (20%)

A copy of the evaluation is attached at Appendix 9.7 (SPG Memorandum – Evaluation of Integrated Urban Design Consultancy Tender) with scores and assessment summarised in the table below.

Selection Criteria								
	1		2		3		4	Total
	Ranking (0-10)	Weighting (20%)	Ranking (0-10)	Weighting (30%)	Ranking (0-10)	Weighting (30%)	Fee Weighting (20%)	
Urbis	7.5	15%	8.5	25.5%	8	24%	15.1%	79.6%
Hames Sharley	6.5	13%	7	21%	8	24%	20%	78.0%

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

Both submissions are considered to comply with the commercial terms and selection criteria, while demonstrating benefits to the planning of Catalina Grove. The Urbis proposal although a higher price has demonstrated superior experience and capabilities to carry out the tasks in the tender and ultimately has achieved the highest ranking and is therefore recommended for a fee of \$129,795 (excl GST).

9.8 STAGE 14 BUILDERS ALLOCATION LOTS TENDER

Report Information

Reporting Officer: Project Coordinator

File Reference: 1.88.246

Recommendation

That the Council:

1. **APPROVE** the allocation of Lot Parcels A and E to Affordable Living Homes and Lot Parcels B, C and D to Delstrat Group, subject to the conditions of Tender 02/2015.
2. **APROVE** that in the event that any of the Lot Parcel allocations in Recommendation 1 are not accepted by builders, that the Lot Parcel allocation be offered to the other builder, subject to the conditions of Tender 02/2015.
3. **APPROVE** that in the event that Lot Parcel allocations in Recommendations 1 and 2 (above) are not accepted by Affordable Living Homes or Delstrat Group, that the lots be disposed of by Private Treaty in accordance with Section 3.58(3) and (4) of the Local Government Act 1995.
4. **AUTHORISE** the CEO and Chairman to sign and seal relevant Put Option Deed documentation.

Voting Requirements

Simple Majority

Report Purpose

To consider the Stage 14 Builders Allocation tender.

Policy Reference

N/A

Local Government Act/Regulation

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

Previous Minutes

Council Meeting – 10 April 2014 (Item 9.8 Sales and Lot Release Strategy).

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:	\$62,962,077
Received to Date:	\$38,060,000
Balance:	\$24,902,077

Relevant Documents

Appendix: Satterley Property Group Letter dated 31 March 2015 with Stage 14 Builders Allocation Tender Report (**Confidential Attachment**)

Background

At its meeting of 10 April 2014, the Council approved the Lot Sales & Release Strategy (March 2014), which recommended the sale of Stage 14 lots via a combination of builder allocations with Put Option Deeds and public release. Stage 14 comprises 61 lots of which 20 builders allocation lots were proposed to be allocated in five parcels. It is anticipated that titles will be issued in June 2015 for Stage 14. The pricing of the builders' lots was in accordance with the project budget.

In accordance with the Lot Sale and Release Strategy, Stage 14 was advertised via public tender from 12 March 2015 to 26 March 2015.

Comment

At the conclusion of the tender period two tender submissions had been received from the following groups:

- Affordable Living Homes; and
- Delstrat Group.

The tender assessment was undertaken by the Satterley Property Group (SPG) in accordance with the approved selection criteria, which is summarised as follows:

SELECTION CRITERIA		
No.	Description	Weighting
1	Experience in Medium Density Design and Construction	25%
2	Capacity to meet Market Demand	20%
3	Building Design	20%
4	Sustainability Credentials	15%
5	Innovation	10%
6	Financial Capacity	10%

Both tenders meet the minimum 65% score for selection and the commercial terms. Affordable Living Homes scored the highest score 74.5%, with Delstrat Group scoring 66.5%.

On the basis of the evaluated scores and the allocation process stipulated within the tender document, the SPG recommends the following allocation.

Tenderer	Tender Parcel (A,B,C,D,E)	Lots	Price
Affordable Living	A	4 Lots	\$902,000
Delstrat Group	B	5 Lots	\$1,074,000
Delstrat Group	C	4 Lots	\$914,000
Delstrat Group	D	4 lots	\$906,000
Affordable Living	E	3 lots	\$642,000
Total			\$4,438,000

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 is fair and equitable to all parties.

The TPRC office has carried out an independent review of the SPG evaluation of tenders and confirmed it is a fair and accurate assessment of the tender submissions. The key objectives of the Evaluation Process were to:

1. Make a recommendation, to the TPRC, based on the Tender selection criteria;
2. Ensure the assessment of responses is undertaken fairly according to predetermined criteria;
3. Ensure adherence to the Procurement Policy; and
4. Ensure that the requirements specified in the Tenders are evaluated in a way that can be measured and documented.

It is recommended that the allocation for the Stage 14 builder’s lot tender be awarded as follows:

- Lot Parcels A and E to Affordable Living;
- Lot Parcels B, C and D to Delstrat Group.

In the event that any of the Lot Parcel allocations recommended above are not accepted by the builders, then the Lot Parcel allocation be offered to the other builder, subject to the conditions of Tender 02/2015.

The SPG has also recommended that if any of the allocations are not taken up by Affordable Living Homes or Delstrat Group that they are placed on the market for sale to the general public by Private Treaty in accordance with Section 3.58(3) and (4) of the Local Government Act 1995.

**9.9 CATALINA CENTRAL DESIGN GUIDELINES – CENTRAL PRECINCT
PROPOSED MODIFICATIONS**

Report Information

Reporting Officer: Project Coordinator

File Reference: 1.88.246

Recommendation

That the Council:

- 1. APPROVE the modification to Catalina Central Design Guidelines – Single Residential Lots, (November 2011) for the Central precinct by removing the mandatory two-storey building height requirement on lots 288, 312 and 317 fronting Aviator Boulevard, subject to replacing the mandatory two-storey requirement on three lots elsewhere within the central and eastern portions of the Central Precinct.**
- 2. DECLINE to approve the proposed two-storey rebates for lots 274, 289, 295, 296, 305 and 306 along Aviator Boulevard, recommended by the Satterley Property Group.**
- 3. ADVISE the Satterley Property Group that it is prepared to review the position in relation to Recommendation 2 in three months if sales interest still remains low for the subject lots.**

Voting Requirements

Simple Majority

Report Purpose

To consider proposed changes to the Catalina Central Design Guidelines – Single Residential Lots.

Policy Reference

N/A

Local Government Act/Regulation

N/A

Previous Minutes

N/A

Financial/Budget Implications

Expenditure under this matter would be incurred under item E145216 (Direct Selling Expenses):

Budget Amount:	\$2,829,250
Spent to Date:	\$1,702,281
Balance:	\$1,126,969

Relevant Documents

Appendix: SPG Two-Storey Housing Recommendation and Plan

Background

At its meeting of 15 December 2011 the Council approved the Catalina Central Design Guidelines – Single Residential Lots, (November 2011) for the Central precinct.

The Design Guidelines – Single Residential Lots sets out the Mandatory requirements and provides recommendations on design elements which assist in achieving good dwelling design.

The Design Guidelines aim to:

- Respond to the climate and conditions on and surrounding the lot;
- Include high quality design detailing to create an attractive character and contemporary appearance;
- Incorporate principles of environmental design and energy and water conservation;
- Contribute to community safety and security.

The Design Guidelines also mandate building height (two-storey) on a number of residential lots, including a number of corner lots on the northern side of Aviator Boulevard.

On 11 October 2012 the Council removed the requirement for mandatory two storey development to 9 lots fronting Neerabup Road. This followed a recommendation from the SPG on the basis that the lots were located in the most affordable area and that the requirement of two-storey was a cost imposition. At the time it was also noted that a number of other areas in the Central Precinct would have mandatory two storey requirements.

Comment

There are 9 mandatory two-storey lots located along Aviator Boulevard which have been marketed for sale for some time, six since May 2014, with limited sales interest to date. The SPG believes the main reason these lots are not selling is the additional cost of building a two-storey residence is not resulting in commensurate additional value of the two storey residence.

The SPG has recommended the removal of the mandatory two-storey building height requirement on 3 lots along the northern side of Aviator Boulevard. The SPG also notes the three lots have an irregular shape of the lots, due to truncations, which poses additional constraints. The SPG believes the removal of the two storey requirement will make the lots more appealing to potential purchasers.

In addition the SPG has recommended that a two-storey rebate of \$20,000 be offered on five of the lots and a \$10,000 rebate on one lot; provided a two-storey home is commenced within nine months of settlement. The SPG believes the \$20,000 rebate represents the difference between the additional costs of \$65,000 to build two-storey against the added value of approximately \$45,000 to a two-storey residence.

The Design Guidelines nominate relatively few lots as mandatory two-storey building in the central and eastern portions of the Central Precinct, particularly when compared with the western portion of the Central Precinct (refer Plan Appendix 9.9). The reason for this is that this area was the most affordable within the Central Precinct and therefore the potential cost imposition on potential purchasers which affects affordability should be limited. Any further

reduction in the mandatory two-storey building lots will affect the integrity of the strategy in the Design Guidelines to promote variety of builtform, particularly housing height. It is considered that should Council support the removal of mandatory two-storey building requirements for the three lots along Aviator Boulevard they should be replaced elsewhere within the central and eastern portions of the Central Precinct where the lots may have greater marketing appeal.

The importance of maintaining the diversity of building form, including two-storey building, is particularly important along Aviator Boulevard (the Greenlink) which serves as the Estate's main circulation route and an integral part of the Project.

The lots in question are located opposite recent earthworks and project stockpiles of limestone, mulch and topsoil and therefore have not been presented in a highly desirable manner. The pricing of the lots to date has not reflected the presence of earthworks and project stockpiles. However, the presentation for these lots is to change shortly with significant planned landscaped areas, including the Stage 11 Park (currently under construction) and continuation of verge landscaping along Aviator Avenue. The Project stockpiles of limestone, mulch and topsoil are also to be substantially reduced over the next few months. The current works program will enhance the sales appeal of the lots in the coming months.

Whilst the lots are located on Aviator Boulevard they will have an attractive outlook over the Stage 11 Park, verge landscaping along Aviator Avenue and the future Primary School site and therefore are considered well located.

It should be noted that six of the lots are located within Stages 11 – 12 and have been titled four months and three of the lots are located in Stage 13A where titles only issued on 30 March 2015.

Whilst the SPG recommendation to provide a two-storey rebate of \$20,000 and \$10,000 may achieve the sale of these lots and potentially see construction of two-storey dwellings it is considered premature at this stage, given the programmed works over the coming months should provide an enhanced outlook that will result in a significantly better marketing position. It should also be noted that it is not uncommon for projects such as Catalina to hold lots for varying periods.

It is recommended that the Council agree to support the removal mandatory two-storey building requirement for the three lots along Aviator Boulevard subject to the lots being replaced elsewhere within the central and eastern portions of the Central Precinct where the lots may have greater marketing appeal. This would be subject of a separate report to Council. It is further recommended that Council not agree to the proposed two-storey rebates at this time and review the position in three months if sales interest is still low.

9.10 CATALINA - NEERABUP ROAD UNDERPASS

Report Information

Reporting Officer: Project Coordinator

File Reference: 1.88.246

Recommendation

That the Council:

- 1. AGREE to fund the Neerabup Road dual lane Bus Underpass connecting the Catalina development to the Clarkson Train Station, as outlined in Main Roads WA letter dated 8 April 2015 to a sum of \$2,096,934 (excl GST) and detailed in the plans at Appendix 9.10.**
- 2. APPROVE the funding of the Neerabup Road underpass being brought forward In the Catalina Project Forecast (2012-2029) to FYE 2017.**

Voting Requirements

Simple Majority

Report Purpose

To consider the recommendation to fund a dual lane Bus Underpass for Neerabup Road as per the requirement of the Tamala Park Local Structure Plan.

Policy Reference

N/A

Local Government Act/Regulation

N/A

Previous Minutes

Council Meeting – 21 August 2014 (Item 9.1 Business Report)

Financial/Budget Implications

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

Item E145210 Infrastructure (Neerabup Road Greenlink Underpass).

The budget under the Neerabup Road Greenlink underpass line item is for \$4,960,000 to be spent FYE 2018.

Relevant Documents

Appendix:

- SPG letter dated 26 March 2015: Catalina Neerabup Road Underpass Recommendation
- Letter from Main Roads WA dated 8 April 2015

Background

The Tamala Park Local Structure Plan includes a notation for a Neerabup Road underpass connecting the Catalina development to the Clarkson Train Station which is to be funded by the TPRC. The purpose of the underpass is to provide a direct bus connection to the Clarkson Train Station for Catalina residents along the Aviator Boulevard (Greenlink) and to provide pedestrian access to the Bus and Train Station (refer Plans Appendix 9.10).

At its meeting held 21 August 2014 the Council was provided an update on the Neerabup Road Bus Underpass as part of the Business Report. The update informed Council of the potential to construct the Neerabup Road Bus Underpass as part of the Mitchell Freeway extension, which includes works to Neerabup Road from Connolly Drive.

The advice at the time of the meeting was that works would be completed in 2016/2017 at a construction cost of approximately \$2,000,000 payable in 2016/2017. The proposal required capital funding by TPRC in FYE 17 instead of FYE 18. There were significant savings predicted in constructing the underpass as part of the Mitchell Freeway works rather than when Neerabup Road is completed in FYE 18.

SPG/TPRC negotiations with Main Roads WA (MRWA) resulted in the Bus Underpass works being included as an option in the tender for the Mitchell Freeway.

MRWA has determined the tender for the works on the Mitchell Freeway, with the preferred tender's price for a dual lane Bus Underpass costing the TPRC \$2,016,283 and a single lane Bus Underpass for \$1,887,886, plus a 4% MRWA management fee.

Comment

The TPRC's project engineer Cossill and Webley has reviewed the design and costing from MRWA and confirmed that the pricing is in line with guides used by structural engineers for the relevant works.

Cossill and Webley also advises that if the opportunity to construct the Bus Underpass as part of the Mitchell Freeway Extension is not taken up at this time, the cost to construct the underpass will be far greater once Neerabup Road is constructed.

The potential cost saving of \$128,397 for a single lane underpass is minor when considered against the potential long term benefits including greater flexibility, larger future capacity and greater safety of a dual lane underpass.

The Neerabup Bus Underpass is an obligation to the TPRC under the Tamala Park Local Structure Plan. Whilst the current proposal would bring forward the capital funding of the underpass, it would be in the TPRC's interest. It would be disruptive to the community and more expensive to the TPRC to undertake the underpass once Neerabup Road is constructed.

It is recommended that the TPRC agree to Main Roads proposal to fund a dual lane Bus Underpass to the value of \$2,096,934 (excl GST) as detailed in the plans at Appendix 9.10.

9.11 DEVELOPMENT MANAGERS – KEY PERFORMANCE INDICATORS – 2014 -
CONFIDENTIAL ITEM

CONFIDENTIAL

9.12 LANDSCAPE CONSTRUCTION AND MAINTENANCE TENDER – EXTENSION OF CONTRACT - CONFIDENTIAL ITEM

CONFIDENTIAL

**9.13 MITCHELL FREEWAY EXTENSION TENDER - SITE COMPOUND LEASE –
CONFIDENTIAL ITEM**

CONFIDENTIAL

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