

Memorandum

To: Councillors
From: Peter Clarke
Subject: Notice of an Ordinary Council Meeting
Date: 19 June 2015

NOTICE OF AN ORDINARY COUNCIL MEETING

Dear Council Member,

The next Ordinary Meeting of the Shire of Nannup Council will be held on Thursday, 25 June 2015 in the Council Chambers, Nannup commencing at 4.15 pm.

Schedule for 25 June 2015:

3.15 pm Information Session

Note: Katie Drummond, Recreation Officer DSR will be presenting a report to Council on her activities to date.

Note: Bret Howson will be in attendance to display the proposed pavers for the Mainstreet project.

4.15 pm Meeting commences

Note: Heather Walford will be in attendance to report on the activities of the Nannup Visitor Information Service as part of the requirements of the Contract between Council and "A Taste of Nannup" for the provision of this service.

Note: Sergeant Simon Bickers, the new Officer In Charge (OIC) of the Nannup Police Station will be in attendance, primarily to introduce himself to Councillors and also provide to Council of his priorities for policing in Nannup.

7.00 pm Dinner at the Nannup Hotel



PETER CLARKE
CHIEF EXECUTIVE OFFICER



Shire of
Nannup
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Agenda

Council Meeting to be held
on Thursday 25 June 2015
Commencing at 4.15pm

A g e n d a

1. **DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**
2. **RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE**
(previously approved)

At the January 2015 Council meeting, Council resolved to approve Cr Longmore's Leave of Absence for this June 2015 Ordinary Council Meeting.

3. **RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**
4. **PUBLIC QUESTION TIME**
5. **APPLICATIONS FOR LEAVE OF ABSENCE**
6. **PETITIONS/DEPUTATIONS/PRESENTATIONS**

Heather Walford will be in attendance to report on the activities of the Nannup Visitor Information Service as part of the requirements of the Contract between Council and "A Taste of Nannup" for the provision of this service.

Sergeant Simon Bickers, the new Officer In Charge (OIC) of the Nannup Police Station will be in attendance, primarily to introduce himself to Councillors and also provide to Council of his priorities for policing in Nannup.

7. **DECLARATIONS OF INTEREST**

The Shire President will read out any declarations received relating to financial, proximity or impartiality interests and ask for any further declarations to be made.

Members should make any declarations at the start of the meeting but may declare an interest before the resolution of any agenda item.

8. **CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**

Ordinary Council Meeting

That the Minutes of the Ordinary Council Meeting of the Shire of Nannup held in Council Chambers on 28 May 2015 be confirmed as a true and correct record.

Special Council Meeting

That the Minutes of the Special Council Meeting of the Shire of Nannup held in Council Chambers on 18 June 2015 be confirmed as a true and correct record.

9. MINUTES OF COUNCIL COMMITTEES

9.1 Bush Fires Advisory Committee Meeting (BFAC)

That Council receive the Minutes of the BFAC meeting held 4 May 2015.

9.2 Warren Blackwood Alliance of Councils (WBAoC)

That Council receive the Minutes of the WBAoC meeting held 2 June 2015.

10. ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

11. REPORTS BY MEMBERS ATTENDING COMMITTEES

12. REPORTS OF OFFICERS

Agenda No.	Description	Page No.
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**13. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY
DECISION OF MEETING**

13.1 OFFICERS

13.2 ELECTED MEMBERS

**14. MEETING CLOSED TO THE PUBLIC
(Confidential Items)**

14.1 MATTERS FOR WHICH THE MEETING MAY BE CLOSED

**14.2 PUBLIC READING OF RESOLUTIONS THAT MAY BE MADE
PUBLIC**

**15. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS
BEEN GIVEN**

16. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

17. CLOSURE OF MEETING

COMMUNITY & DEVELOPMENT SERVICES

AGENDA NUMBER:	12.1
SUBJECT:	Revocations and modifications to various Local Planning Policies
LOCATION/ADDRESS:	Generally applies throughout the district
FILE REFERENCE:	ADM 9
AUTHOR:	Steve Thompson - Consultant Planner
REPORTING OFFICER:	Peter Clarke - Chief Executive Officer
DISCLOSURE OF INTEREST:	Edge Planning & Property receive payment for planning advice to the Shire and declare a Financial Interest (section 5.70 of the Local Government Act 1995)
PREVIOUS MEETING:	Various, given the item relates to 15 Local Planning
REFERENCE:	Policies proposed to be revoked or modified
DATE OF REPORT:	15 June 2015
ATTACHMENTS:	12.1.1: - Recommended revoked policies 12.1.2: - Recommended modified policies

SUMMARY:

To seek Council support to revoke and modify various Local Planning Policies.

At the May 2015 Ordinary Meeting Councillors raised a number of queries in relation to the proposed revocation and modification to the Local Planning Policies and in view of these queries, resolved the following:-

9192 STEER/SLATER

That this item lay on the table and be resubmitted to the 25th June 2015 Ordinary Council meeting for consideration.

CARRIED 8/0

Councillors were requested to provide their queries/concerns for consideration by Council's Consultant Town Planner and Cr Mellema submitted a number of queries which have been addressed/clarified to Cr Mellema and included in the attachments.

BACKGROUND:

The purpose of this report is to seek Council support to revoke various Local Planning Policies (LPPs) and support the public advertising of various draft modified LPPs.

The Council has 20 LPPs which deal with a variety of planning topics. Most LPPs are relevant and are used routinely by the Shire administration.

There has been no comprehensive review of various LPPs for a number of years. The below summarises the current final adopted LPPs including whether the LPP should be retained with no change, modified or revoked.

No.	Title	Recommendation	Comments
1	Cut & Fill and Retaining Wall	Modify	Update to reflect changes to the Residential Design Codes of WA and remove landscaping plan requirements which are better suited to a separate policy.
2	Private Stormwater Drainage Connections to Council's Drains	Modify	Extend scope of policy from only the "Askino Estate" to include other urban, residential and associated subdivision/development near the Nannup townsite.
3	There is no LPP 3		
4	Bed & Breakfast	Modify	Various components are a Health policy. Simplify "General Issues and Requirements".
5	Consultation	Modify	Remove requirement to produce a schedule of submissions in all cases, delete requirement to consider list of issues in "Consideration of submissions" as covered by the <i>Shire of Nannup Local Planning Scheme No. 3 (LPS3)</i> , modify consultation levels in Schedule 1, delete requirement to consult on subdivision referrals and remove non-planning documents.
6	Standard Development Conditions & Grounds of Refusal and Subdivision Comments	Revoke	Subdivision conditions are now covered in the Western Australian Planning Commission's Model Subdivision Conditions Schedule.
7	Special Rural Zone Fencing Standards	Modify	Modify to ensure compliance with LPS3 and extend to include Special Residential lots.
8	Nannup Main Street Heritage Precinct	Modify	Minor administrative changes.
9	Relocated Dwellings	Revoke	This is a Building policy.
10	There is no LPP 10		
11	Development in Flood Prone Areas	Modify	Update to reflect gazetted Scheme Amendment 14 with change to clause 6.2.1.2 of LPS3, update to reflect adoption of a precautionary approach to flood risk as set out in the draft Local Planning Strategy and recent decisions of the Council including resolution 9120 on 24 April 2014.
12	Chalet Development in Agriculture, Agricultural Priority 1 & 2, Cluster Farming, Coastal Landscape and Special Residential Zones	Modify	Broaden scope from chalets to include other forms of tourist accommodation, shorten title, simplify policy requirements and delete requirement requiring rezoning for 5 or more chalets.
13	Car Parking and	Modify	Remove the requirement for sealing crossovers from

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	Vehicular Access		sealed roads for most development outside of the Nannup townsite, include a maximum subsidy/rebate amount for new crossovers and minor administrative changes.
14	Mobile Shop/Temporary Premises/Street Stall	Revoke	This is a Health policy.
15	Dedication of Road Access	Modify	Minor administrative changes.
16	Temporary Caravan Parks and Camping Ground	Revoke	This is a Health policy.
17	Subdivisional Guidelines	Revoke	This is a Works policy.
18	Signs and Advertisements	Retain & no change	Granted final adoption on 26 July 2012. Monitor.
19	Heritage Conservation	Retain & no change	Council recently reviewed and granted final adoption.
20	Developer and Subdivider Contributions	Retain & no change	Monitor changes to State Planning Policies.
21	Bush Fire Management	Retain & no change	Monitor changes to State Planning Policies, Regulations and Guidelines.
22	Outbuildings	Retain & no change	Council recently granted final adoption.

As outlined above, it is recommended that 5 LPPs be retained with no change, 10 LPPs be modified and 5 LPPs be revoked. Of the recommended 5 LPPs to be revoked, 4 are recommended to be added to the Policy Manual as Health, Building or Works policies, with only LPP 6 not included in the Policy Manual.

Following on from above, Attachment 12.5.1 sets out recommended policies to be revoked while Attachment 12.5.2 outlines recommended modifications to current adopted policies. Attachment 12.5.2 does not include LPPs where no changes are proposed.

COMMENT:

It is recommended that the Council revoke five LPPs. LPP's 9, 14, 16 and 17 are not planning issues, however they are recommended to be included in the Policy Manual as Health, Building or Works policies. LPP 6 is now superfluous and should be revoked.

A portion of LPP 4 Bed & Breakfast is also recommended to be added to the Policy Manual as a Health policy.

Of the ten LPPs where modifications are recommended, most of the changes outlined in Attachment 12.5.2 are not substantive changes but are generally administrative in nature. Modifications include updating to reflect changes to legislation, State Planning Policies and State Government department names, seeking a consistent structure/format to LPPs, changing "Manager Development Services" to "Chief Executive Officer" under policy owner, and extend delegations to include "Development Services Officer".

The modified draft policies are considered appropriate to be publicly advertised for community and stakeholder comment. If Council agrees, submissions will be invited using various methods. It is proposed to consult widely for a six week period by the Shire administration writing to and inviting comments from a wide range of stakeholders and government agencies, placing public notices and details in local papers on multiple occasions, placing details on the Shire website and information being available at the Shire office. Following the close of the consultation period, the Council and the Shire administration will consider the submissions and determine whether the modified policies are suitable for final adoption.

There is a need, in time, to prepare additional LPPs to address current and emerging issues. Suggested policies to be drafted in the next few years include residential development and design (requires the Minister for Planning approving Amendment 16), landscaping plan/re-vegetation requirements, sea container/relocated storage units, stormwater management – builds on LPP 1 and 2, ancillary accommodation (granny flats) and second and multiple dwellings on rural lots.

STATUTORY ENVIRONMENT:

Planning and Development Act 2005, LPS3 and various State Planning Policies. Section 2.4 of LPS3 provides the ability to prepare, amend or rescind a Local Planning Policy.

POLICY AND CONSULTATION IMPLICATIONS:

LPPs are non-statutory documents which provide guidance to assist the local government in its decision making. Accordingly, the local government is not bound by the LPPs but is required to have regard to LPPs in determining Planning Applications. Should the Council agree to their public release, the modified draft LPPs will be subject to community and stakeholder consultation.

FINANCIAL IMPLICATIONS:

There are budgeted costs in revoking the LPPs and advertising the modified draft LPPs.

STRATEGIC IMPLICATIONS:

The modified LPPs, if granted final adoption, will assist the decision-making of the local government, inform applicants/landowners of Council requirements and raise community and stakeholder awareness.

RECOMMENDATION:

That Council:

1. Revoke the following Local Planning Policies set out in Attachment 12.1.1 in accordance with clause 2.5 of the *Shire of Nannup Local Planning Scheme No. 3*:
 - i) LPP 6 Standard Development Conditions & Grounds of Refusal and Subdivision Comments;
 - ii) LPP 9 Relocated Dwellings;
 - iii) LPP 14 Mobile Shop/Temporary Premises/Street Stall;
 - iv) LPP 16 Temporary Caravan Parks and Camping Grounds; and
 - v) LPP 17 Subdivisional Development Guidelines.
2. Advertise the revocation of the policies set out in point 1 as required by clause 2.5 of the *Shire of Nannup Local Planning Scheme No. 3*.
3. Support the public release of the following draft modified Local Planning Policies, outlined in Attachment 12.1.2, and require the draft policies to be publicly advertised in accordance with the requirements set out in the *Shire of Nannup Local Planning Scheme No. 3* with an increased advertising period of six weeks:
 - i) LPP 1 Cut & Fill and Retaining Wall;
 - ii) LPP 2 Private Stormwater Drainage Connections to Council's Drains;
 - iii) LPP 4 Bed & Breakfast;
 - iv) LPP 5 Consultation;
 - v) LPP 7 Special Rural Fencing Standards;
 - vi) LPP 8 Nannup Mainstreet Heritage Precinct;
 - vii) LPP 11 Development in Flood Prone Areas;
 - viii) LPP 12 Chalet Development in Agriculture, Agricultural Priority 1 & 2, Cluster Farming, Coastal Landscape and Special Residential Zones;
 - ix) LPP 13 Car Parking and Vehicular Access; and
 - x) LPP 15 Dedication of Road Access.
4. Reconsider the draft modified Local Planning Policies following the close of the public submission period and determine whether or not to adopt the policies with or without modification.
5. Modify the Policy Manual through separating Health and Building policies to have their own headings.
6. Add portion of LPP 4 Bed & Breakfast along with LPP 14 Mobile Shop/Temporary Premises/Street Stall and LPP 16 Temporary Caravan Parks and Camping Grounds to the Policy Manual as Health policies.

7. Add LPP 9 Relocated Dwellings to the Policy Manual as a Building policy.
8. Add LPP 17 Subdivisional Development Guidelines to the Policy Manual as a Works policy.

VOTING REQUIREMENTS: Simple Majority

AGENDA NUMBER:	12.2
SUBJECT:	Nannup Mainstreet Redevelopment
LOCATION/ADDRESS:	Shire of Nannup
NAME OF APPLICANT:	Shire of Nannup
FILE REFERENCE:	WRK33
AUTHOR:	Bret Howson – Consultant Project Manager
REPORTING OFFICER:	Peter Clarke – Chief Executive Officer
DISCLOSURE OF INTEREST:	
DATE OF REPORT:	16 June 2015
ATTACHMENTS:	12.2.1 - Consultation and Communication Plan

BACKGROUND:

At the November 2014 Ordinary meeting of Council it was resolved:

- 1. Endorse the 85% design documentation for the Heart of Nannup – Mainstreet Redevelopment project, subject to any amendments following the information session.*
- 2. Community consultation for the 85% design stage is not required.*
- 3. Final design and specifications are presented to the Council for endorsement once complete.*
- 4. A consultation strategy for the construction works is to be prepared and presented to the Council for consideration*

The final design was complete and was presented to the Council at the April Ordinary meeting of Council; the estimate for construction exceeded the allocated budget. Therefore endorsement of the final design and budget could not be made by the Council at that meeting.

The Council then resolved:

That the Council:

- 1. Request the Chief Executive Officer to review the design and approvals for the construction of Stage 1, being Grange Street to Adams Street, for the Nannup Mainstreet Project, to ensure the construction costs met the budget costs.*

2. *Request the Chief Executive Officer arrange a Council workshop to address all possible savings and the effect they have on the Nannup Mainstreet Project.*
3. *Request a Consultation strategy for the actual works be prepared and presented to the Council for consideration.*

This item is for the council to review and endorse the final design and consider options for the delivery of Stage 1 – Grange Street to Adams Street.

COMMENT:

Overall the design has followed the consultation with the Council and the community. The design was approved by Main Roads at the 85% stage and has been submitted again to Main Roads for final approvals.

The estimated cost of each stage is as follows:

Stage 1, Grange to Adams	\$ 1,697,131
Stage 2, Adams to Cross	\$ 961,798
Stage 3, Cross to Kearney	\$ 1,055,123
<u>TOTAL Project</u>	<u>\$ 3,714,053</u>

At the time of this report, the budget allowance for Stage 1 is approximately \$1,000,000. Clearly there is a different of approximately \$700,000 between the budget allowance and the cost estimate for this stage.

Council staff have reviewed the project and the costs to see if savings can be made to deliver a high quality project for the centre of Nannup.

It is proposed that in order to deliver the full length of Stage 1, from Grange Street to Adams Street, the following amendments and savings has been made:

- Majority of demolition and drainage works to be done by the Shire, mobilisation and accommodation costs can be reduced.
- Deleting the cobblestone drainage, and replacing with mountable kerbing
- Road repairs to be managed by the Shire, either done in-house or day labour contract to a local contractor(s)
- All temporary fencing to be provided by the Shire.
- Majority of traffic management to be done by the Shire
- All landscaping works to be done by the Shire

- All seating, bins and planter boxes to be provided by the Shire

Total cost savings available for Stage 1 = \$ 649,658+GST

Therefore the likely cost estimate for Stage 1 in this option is \$ 1,053,458+GST.

The unit rates used for the cost estimate are recent contract rates from companies and projects in Busselton and Bunbury Shires. There is a possibility for further reductions if the project is direct managed by the Shire, with the Shire staff completing a majority of the demolition and drainage works.

It is the officer's opinion that Stage 1, Grange to Adams can be achieved with the above measures, and with the Shire completing the demolition and the drainage works.

In regards to the actual construction, the main street of Nannup is the community hub for daily business, shopping, and also local and regional events. Therefore the timing of any works in this area needs to be safe and accommodate the important activities in the main street.

Other than daily business, shopping and tourists activities, the following is a list of events which utilise the main street area. Clearly these events cannot be interrupted by any works or restricted access to facilities and businesses.

Event	Date	Comments
Ukulele Festival	27 July	Not in suggested construction period
Flower & Garden Festival	14 – 18 August	Not in suggested construction period
Cinefest Oz	20 -24 August	Not in suggested construction period
Blackwood Classic 250 boat race	27–29 September	100 to 200 people, mostly competitors and support crews along river and caravan park area. Arrive, stay overnight and leave next day.
Festival of Arts	27–29 September	
Camp Doogs	4 – 6 October	No expected issues, Barragup sanctuary area, not in town.
Beautifully Haunted Markets	1 November	50 to 100 people. Event around town hall area.

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Nannup Music Festival	Long weekend in March	5000 to 10000 people. Event around music shell area, however full town event.
Quit Forest Rally	27-29 March	5000 people. Event service and vehicle area for full length of mainstreet. Full town event.

At this stage it is suggested that October 2015 to December 2015 is the optimum time to carry out works in the mainstreet. Weather is an important consideration for the actual start date.

	Aug 15	Sept 15	Oct 15	Nov 15	Dec 15	Jan 16	Feb 16	Mar 16	Apr 16
Good construction time									
Event in Mainstreet									
Christmas / New Year									
Suggested Works									

Carrying out the works in October to December allows sufficient time for:

- Obtaining required approvals
- Confirming funding
- Community consultation
- Purchasing materials
- Arranging contracts
- Establishing site conditions, such as underground services

Attached to this item is the draft Consultation and Communication Plan. The objectives of this plan is to provide a structured approach for consulting with the Council, community and stakeholders, before, during and after the projects construction, the key message is:

The Shire of Nannup is currently experiencing a higher amount of activity due to the completion of Mowen Road and connection to Margaret River Region. This connection is making Nannup more accessible than in past years.

The construction of the new Nannup Recreational Community Precinct will also be a facility for visitors and functions, also providing a centre during local and regional events.

The redevelopment of the mainstreet is a consultative process involving community and local businesses. There is a need for development of clear messages about the project through all consultation. Some of these messages include (but are not limited to) the following:

- 1) What are the immediate issues surrounding the redevelopment of the mainstreet?
 - Safety of pedestrians
 - Out dated infrastructure
 - Appearance (community, visitors, events, traffic etc.).
 - If demolished and rebuilt, disruptions will last for at least 5 months during construction.
 - It is cheaper to construct now than in a few years' time.
- 2) What are the benefits of the redevelopment of the mainstreet?
 - Safe use for pedestrians and vehicles
 - Added new look and new feel to the town centre.
 - Injects new life into the town centre.
 - Provides an opportunity for local business to expand along the Nannup mainstreet.
 - Mostly State Government funded.

The Consultation and Community Plan is attached to this item for the Councils consideration and endorsement.

STATUTORY ENVIRONMENT:

Main Roads WA have the statutory control over 8.2m of Vasse Highway (Warren Road). 4.1m either side of the road centreline. Main Roads WA also have the statutory control of regulatory line marking and signage.

In regards to purchasing statutory regulations, Local government is bound to purchasing by public tender for works or services over the value of \$100,000. The supply of drainage material and brick paving are both likely to exceed \$100,000.

The supply of drainage materials such as pipes and gully pits can be sourced from the WALGA preferred suppliers list of approved companies.

Some of the proposed brick paving and cobble stones for drainage areas are specialist type products and may not be available through the WALGA preferred suppliers list of companies. These products may need to be purchased via public tender.

POLICY IMPLICATIONS:

Council's Consultation Policy Category 6 – Major projects with Shire wide impacts

Shire Local Planning Policy LPP008 – Nannup Mainstreet Heritage Precinct

FINANCIAL IMPLICATIONS:

Original Budget

Item	Budgeted \$	Received \$	Spent \$	Balance \$
R4R Individual 2011/12	15,084	15,084	15,084	0
R4R Regional 2011/12	250,188	250,188	33,528	216,660
SWDC	15,960	15,960	15,960	0
Reserve	142,188	142,188	61,940	80,248
R4R Individual 2012/13	335,468	0	0	335,468
R4R Regional 2012/13	386,188	0	0	386,188
SWDC	4,320	4,320	4,320	0
Main Roads WA	200,000	0	0	200,000
Other Grants TBC	150,000	0	0	150,000
TOTAL	1,499,396	427,740	130,832	1,368,564

Below is the status of each grant:

Available

R4R Regional 2011/12	250,188	250,188	48,528	201,660
Reserve	142,188	142,188	61,940	80,248
Main Roads WA	155,000	0	0	155,000
R4R Individual 2012/13	335,468	335,468	0	335,468
R4R Regional 2012/13	386,188	386,188	0	386,188
TOTAL Available	1,269,032	1,114,032	110,468	1,158,564

At the time of this report, it is suggested that the received funding for this project is \$1,114,000.

Working with the available funding for the project, the following is the balance:

R4R Regional 2011/12	\$ 201,660
Reserve	\$ 80,248
R4R Individual 2012/13	\$ 335,468
R4R Regional 2012/13	\$ 386,188
Main Roads WA	\$ 155,000
TOTAL BUDGET	\$1,158,564

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It would be suggested to remove 10% to allow contingency for unforeseen issues, therefore the "safe" project estimate should not exceed \$1,042,708.

Project Estimate

NANNUP MAINSTREET REDEVELOPMENT								
STAGE 1 - GRANGE ROAD TO ADAM STREET								
					Original Estimate		REVISED	
CIVIL WORKS			No.	Unit	Unit Rate	TOTAL	Unit Rate	TOTAL
1	General / Preliminaries	Mobilisation Insurances, OH&S etc.	1	Item	\$385,900	\$385,900	\$291,200	\$291,200
2	Siteworks, Earthworks & Protection	Demolition, site fencing, adjustments to existing services and buildings	1	Item	\$237,176	\$237,176	\$115,000	\$115,000
3	Stormwater Drainage	Pipework, pits, cobble drainage channel and adjustments to private properties	1	Item	\$277,679	\$277,679	\$155,000	\$155,000
4	Roadworks	Sub-grade, pavement, kerbing, signage and pram ramps	1	Item	\$224,514	\$224,514	\$165,200	\$165,200
						\$1,125,269		\$726,400
PRELIMINARIES								
5	General Preliminaries	Mobilisation, Insurances, OH&S etc included within civil works preliminaries				incl above		
6	Site Establishment	Temporary site fencing, security etc	1	Item	\$2,500	\$2,500	\$ 500	\$ 500
7	Survey & Set-out	Site survey & set-out	1	Item	\$ 2,500	\$2,500	\$15,000	\$15,000

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		including surveyor costs						
8	Traffic Management	Traffic management in accordance with Shire of Nannup Requirements				incl above		
9	Weed Eradication	Weed spray and removal as required	2390	sq m	\$ 0.20	\$ 478	\$0	\$50
10	Demolition	Removal of existing planter boxes and street furniture	1	PS	\$2,500	\$2,500	\$1,250	\$1,250
11	Tree Removal / Pruning	Removal or pruning of existing trees as may be required	1	PS	\$5,000	\$5,000	\$1,000	\$1,000
						\$12,978		\$17,800
EARTHWORKS & GRADING								
12	Earthworks	Box-out of verges and removal of spoil from site	1	PS	\$10,000	\$10,000	\$5,500	\$5,500
13	Fine Grading	Final trim and grading +/- 50mm and compaction for brick paving	2390	sq m	\$1	\$2,390	\$1	\$1,500
						\$12,390		\$ 7,000
HARDSCAPE								
14	Brikmakers 60mm Paving	Supply and install Brikmakers 330x330x60mm Grandpave Paver. Colour: Sea	1310	sq m	\$85	\$111,350	\$85	\$111,350

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		Mist						
15	Brikmakers 60mm Paving	Supply and install Brikmakers 330x165x6 0mm Flagstone Paver. Colour: Sea Mist	18	sq m	\$85	\$ 1,530	\$ 85	\$1,530
16	Brikmakers 80mm Paving	Supply and install Brikmakers 220x110x8 0mm Easipave Paver. Colour: Chert	-	sq m	\$ 96	incl. in civil		
17	Urbanstone 60mm Paving	Supply and install Urbanstone 300x600x6 0mm Paver. Finish: Milled. Colour: Granite Bronze	655	sq m	\$ 180	\$117,900	\$ 95	\$ 62,225
18	Urbanstone 60mm Paving	Supply and install Urbanstone 300x150x6 0mm Paver. Finish: Milled. Colour: Granite Bronze	130	sq m	\$180	\$23,400	\$ 95	\$12,350
19	Eco-outdoor Cobblestone	Supply and install Eco- outdoor 35x35x30m m feature cobbleston e paving. Finish: Bushamme red. Colour: Raven	24	sq m	\$220	\$ 5,280	\$ 220	\$ 5,280

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20	Sealing Pavers	Supply and apply sealant to Urbanstone pavers	3697	sq m	\$10	\$36,970	\$ 10	\$ 36,970
						\$296,430		\$ 229,705
STREET FURNITURE								
21	Custom Seating Type A	Customised bench seats, including stone plinth & timber batten bench	5	PS	\$ 3,500	\$ 17,500	\$ 300	\$ 1,500
22	Custom Seating Type B	Customised bench seats & bike rack, including stone plinth & timber batten bench	1	PS	\$ 4,000	\$ 4,000	\$ 500	\$ 500
23	Custom Seating Type C	Customised timber and HDG steel bench with backing	6	PS	\$4,000	\$ 24,000	\$1,050	\$ 6,300
24	Custom Seating Type D	Customised timber planter and bench seat	5	PS	\$2,500	\$12,500	\$ -	\$ -
25	Rubbish Bin	Woodlands 'Bennelong' 240L bin enclosure, Model:EM2 35	5	ea	\$ 3,295	\$ 16,475	\$1,500	\$ 7,500
26	Custom Bollard	Corten Steel bollard	57	ea	\$ 1,000	\$ 57,000	\$ 141	\$ 8,050
27	White Picket Fencing	Install new white picket fencing to residential lots	22	Lin m	\$ 150	\$ 3,300	\$ 75	\$ 1,650
28	Tree Grates	Supply and install tree grates to existing retained trees, model TBC	6	ea	\$3,500	\$21,000	\$ 1,000	\$ 6,000

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						\$155,775		\$ 31,500
SOFTSCAPE								
29	Tree Planting - Relocating	Relocate existing tree to proposed location	0	ea	\$ 2,500	\$ -		\$1,000
30	Tree Planting - 100Ltr	Supply and install 100Ltr (including tree anchor system)	4	ea	\$385	\$ 1,540	\$ 385	\$ 1,540
31	Shrub Planting - 140mm Pot	Supply and install 140mm Shrub planting to garden beds	778	ea	\$7	\$ 5,446	\$ 0	\$ 300
32	Soil Conditioner	Supply and install soil conditioner to tree pits	4	ea.	\$7	\$ 28	\$ -	\$ -
33	Soil Conditioner	Supply and install 75mm thick imported soil conditioner to garden beds	275	sq m	\$ 4	\$ 1,100	\$ 0	\$ 50
34	Soil Conditioner	Supply and install 50mm thick imported soil conditioner to turf areas	45	sq m	\$3	\$ 135	\$ 1	\$ 50
35	Imported Mulch	Supply and install 75mm thick imported black mulch to garden beds	275	sq m	\$ 5	\$ 1,375	\$ 0	\$ 50
36	Imported Mulch	Supply and install 75mm thick imported black mulch to mulch only areas	75	sq m	\$ 5	\$ 375	\$ 1	\$ 50

**Shire of Nannup
Ordinary Council Meeting Agenda: June 2015**

37	Root Control Barrier	Supply and install linear root control barrier to all trees	11	ea	\$ 45	\$ 495	\$ 35	\$385
38	Turf - Roll-on	Supply and install Kikuyu 'Village Green' roll-on turf	45	sq m	\$ 8	\$ 360	\$ 3	\$128
						\$10,854		\$ 3,553
IRRIGATION								
39	Irrigation Headworks & Connections	Connections to existing system, location of sleeves etc	1	Item	\$12,500	\$ 12,500	\$1,500	\$ 1,500
40	Irrigation to Planting Beds	Supply and install drip irrigation to planting beds and trees	275	sq m	\$50	\$ 13,750	\$ 22	\$ 6,000
						\$ 26,250		\$ 7,500

CONSOLIDATION								
41	Consolidation	Initial maintenance & establishment period	12	weeks	\$ 800	\$ 9,600	\$ -	\$ -
						\$ 9,600		-
CONTINGENCY								
42	Contingency 1			PS \$ 50,000		\$50,000		\$ 30,000
Sub-Total						\$1,403,116		\$1,053,458
GST						\$ 140,312		\$ 105,346

TOTAL ESTIMATE	\$1,053,458
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"SAFE" ESTIMATE	\$1,042,708
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As can be seen above the estimate for works exceeds the officer's "safe" recommended estimate by \$10,750.

STRATEGIC IMPLICATIONS:

2.1 The Big Picture

We will have a sustainable, innovative and equitable economy

Promote innovative ideas and value add to businesses and industry

Work collaboratively with State and Federal Government agencies to improve our economy

Encourage and support more industry, businesses and employment into our Shire

2.2 Tourism/Recreation

Working together to attract people to our amazing Shire

Support tourism providers and promote our district

Marketing and branding of our Shire to promote regional produce and services

3.1 Our Shire and Streetscape

Keep the charm and fabric of our unique shire and upgrade the amenity

Well maintained quality infrastructure for our community and visitors and promote activity

Capture and promote our unique charm and fabric

Maintain our town's distinct look and feel

5.1 Listen

To listen and partner with our community leaders and all our diverse groups

Listen to the people

RECOMMENDATION:

That the Council:

1. Endorse the final design for the construction of Stage 1, being Grange Street to Adams Street, for the Nannup Mainstreet Project.
2. Endorse the Mainstreet Consultation and Communication Plan for Stage 1.

VOTING REQUIREMENTS: Simple Majority

AGENDA NUMBER:	12.3
SUBJECT:	Nannup Recreation and Community Precinct
LOCATION/ADDRESS:	Shire of Nannup
NAME OF APPLICANT:	Shire of Nannup
FILE REFERENCE:	
AUTHOR:	Bret Howson – Consultant Project Manager
REPORTING OFFICER:	Peter Clarke – Chief Executive Officer
DISCLOSURE OF INTEREST:	
DATE OF REPORT:	16 June 2015
ATTACHMENTS:	12.3.1 - Project Works Schedule

BACKGROUND:

At the Ordinary meeting of Council in February 2015, the Council resolved to:

- 1. Receive the February 2015 progress report for the Nannup Recreation Centre Project.*
- 2. Request the Chief Executive Officer include a status report for the Nannup Recreation Centre Project in each Council Information Report.*
- 3. Request the Chief Executive Officer provide a detailed agenda report for the Nannup Recreation Centre Project at the April 2015, June 2015 and September 2015 Ordinary Council meetings,*
- 4. Give Authority for the Chief Executive Officer to agree to variations up to the limit of the variation budget of \$155,000*

This item is to provide the Council with a detailed project report as requested in item 3 of the above resolution of Council.

COMMENT:

At the time of this report, the Nannup Recreation and Community Precinct has reached “lock-up” stage, which is 58% of project completion.

From the April 2015 Council report, the following items have been addressed:

1. Project Budget:

The original contracted price for the construction of the new function room area of the recreation centre is \$1,993,651.00 +GST.

TRADE COMPONENTS		TOTAL (incl GST)	PERCENT COMPLETE	VALUE COMPLETE
1	Preliminaries	\$ 236,931.10	100	\$ 236,931.10
2	Earthwork	\$ 60,000.00	100	\$ 60,000.00
3	Site Work	\$ 46,200.00	10	\$ 4,620.00
4	Concrete Work	\$ 64,400.00	75	\$ 48,300.00
5	Structural Steelwork	\$ 324,500.00	100	\$ 324,500.00
6	Metalwork	\$ 88,000.00	30	\$ 26,400.00
7	Brickwork	\$ 98,200.00	100	\$ 98,200.00
8	Carpentry	\$ 150,700.00	35	\$ 52,745.00
9	Aluminium Windows and Doors	\$ 97,000.00	25	\$ 24,250.00
10	Hardware	\$ 20,900.00	50	\$ 10,450.00
11	Roofing	\$ 66,000.00	100	\$ 66,000.00
12	Drainage and Plumbing	\$ 165,000.00	40	\$ 66,000.00
13	Electrical Services	\$ 312,000.00	40	\$ 124,800.00
14	Mechanical Services	\$ 121,000.00	50	\$ 60,500.00
15	Plasterwork	\$ 34,600.00	100	\$ 34,600.00
16	Suspended Ceilings	\$ 71,800.00	25	\$ 17,950.00
17	Wall and Floor Tiling	\$ 38,500.00	0	\$ -
18	Resilient Finishes	\$ 49,500.00	0	\$ -
19	Glasswork	\$ 6,600.00	0	\$ -
20	Paintwork	\$ 46,750.00	0	\$ -
21	<u>PROVISIONAL SUMS</u>			
21a	Water Corp Headwork Charges	\$ 24,200.00	47	\$ 11,299.40
21b	DoH Effluent Treatment Approvals	\$ 1,650.00	0	\$ -
21c	Western Power Headworks	\$ 59,785.00	0	\$ -
21d	Remote Switch Electric Heaters	\$ 3,300.00	0	\$ -
21e	Signage	\$ 5,500.00	100	\$ 5,500.00
	TOTAL	\$ 2,193,016.10	47%	\$1,273,045.50

The following variations have been approved:

		TRADE COMPONENTS	TOTAL (incl GST)	PERCENT COMPLETE	VALUE COMPLETE
22	S1-RJ	North Sports Hall Entry	\$ 16,067.40	90	\$ 14,460.66
24	SI-003	South Kitchen/Bar Entry	\$ 8,598.74	75	\$ 6,449.06
25	VQR01	Vents on existing sports hall	-\$ 7,152.20	100	-\$ 7,152.20
26	VQR02	Raise floor height	\$ 37,371.21	75	\$ 28,028.41
27	VQR03	Water and fire services	\$ 9,631.42	0	\$ -
28	VQR04	Change to stormwater pipe	-\$ 2,575.00	100	-\$ 2,575.00
29	VQR06	Column lighting	-\$ 31,856.86	60	-\$ 19,114.12
31	VQR08	GPP Ceiling	\$ 4,704.48	0	\$ -
32	VQR09	Eastern gable of existing hall Seniors / Community room	\$ 19,506.30	100	\$ 19,506.30
33	VQR11	lighting	-\$ 1,369.50	0	\$ -
34	VQR13a	Jarraah column cladding	-\$ 25,707.00	0	\$ -
35	VQR14	Deep sewerage	\$ 374.00	100	\$ 374.00
36	VQR15	Door hardware	\$ 2,249.30	0	\$ -
37	VQR18	Connect to deep sewerage	\$ 14,193.30	0	\$ -
38	VQR19	Vinyl flooring	\$ 1,923.90	0	\$ -
39	VQR20	Community space	\$ 20,197.32	0	\$ -
40	VQR21	Jarraah wall cladding	\$ 10,672.20	0	\$ -
TOTAL			\$ 88,536.12	44%	\$ 51,684.22

Further to the original project budget, confirmation has been received that the Shire of Nannup has successfully applied for funding from the Natural Disaster Resilience program and the South West Development Grant Scheme, the details are as follows:

Natural Disaster Resilience Program (NDRP)

The Shire of Nannup has successfully applied for grant funding from the State Emergency Management Committee under their Natural Disaster Resilience Program (NDRP).

The outcomes for the grant are:

- Resilience and capacity is built in the community
- Community volunteer organisations can use the commercial kitchen during emergencies
- Recovery from an emergency can be achieved quickly
- Residents have access to up to date information during an emergency.

The line items submitted to justify this grant amount are below, however the line items are not critical to the grant acquittal. Grant acquittal is based on proof of 50% contribution from the Shire of Nannup and the above four outcomes have been achieved. The grant funding is for \$221,178 from NDRP and a matching \$221,178 from the Shire of Nannup.

Milestones for this grant are:

Milestone	Due Date
Tree felling	May 2015
Quarterly report 1.	July 2015
Installation of rainwater tanks	July 2015
Communication systems	September 2015
Quarterly Report 2.	October 2015
Fit out of building including fire protection	October 2015
Alternative power supply	October 2015
Sanitary and commercial kitchen	October 2015
Signage installed	October 2015
Community information package Program undertaken	October 2015
Final reports.	December 2015

Payment 1 (\$110,589 – 50%) - MAY 2015

- Milestones are agreed
- Funding agreement signed
- Satisfactory evidence of project commencement
- Tax invoice received

Payment 2 (\$110,589 – 50%) - DECEMBER 2015

- Project Complete
- Milestones and objectives achieved
- Project Acquittal
- Tax invoice received.

Original NDRP Funding Grant

Project Management

- | | |
|-----------------------------------|-------------|
| • Consultation Fees PS | \$10,000.00 |
| • Public Information Programme PS | \$ 5,000.00 |
| • Signage PS | \$ 5,000.00 |

Supply and installation of Requisite Fire Protection Equipment including

- | | |
|---|-------------|
| • Fire Resistant Sprinkler System to all roofs | \$52,124.00 |
| • 150mm Fire Service Water Supply from water mains to buildings | \$23,482.00 |

• Fire hydrants	\$ 4,648.00
• Fire extinguishers & fire blankets	\$ 2,137.00
• Smoke detectors	\$ 3,890.00

Supply and installation of Requisite Alternative Power Supply

• Supply & installation of 75k VA Diesel Electricity Generator	\$37,577.00
• Supply & erect Secure Electricity Generator enclosure	\$ 9,765.00

Supply and installation of Alternative Water Supply

• Supply, install & plumb 2 x 15,000lt Supplementary Water Tanks	\$22,916.00
• Supply, install & plumb 2 x Diesel Powered Fire Pumps	\$68,732.00
• Supply & erect Secure Pump House	\$11,626.00

Supply and installation of Requisite Communications Facilities

• Public address system	\$ 8,761.00
• Inter/Intra building communications systems	\$12,242.00
• External communications (telephone lines / two-way radio)	\$ 7,650.00

Supply and installation of Requisite Refugee Facilities

• Provision of associated sanitary facilities	\$63,355.00
• Provision of associated commercial kitchen facilities	\$71,449.00

TOTAL \$420,354.00

Once the Shire received notification of the grant's success, Council officers confirmed the quotations for each of the line items, however compliance with AS1670 (Fire detection, alarms and monitoring) required changes to some of the line items.

The revision of line items to comply with Australian Standards will not affect the grant amount, or the Shire's matching component. The changes are listed below:

Revised NDRP Funding Grant

Project Management

• Consultation Fees PS	\$ 20,000.00
• Public Information Programme PS	\$ 5,000.00
• Signage PS	\$ 5,000.00

Supply and installation of Requisite Fire Protection Equipment including

• Fire Detection and Occupant Warning System	\$ 40,322.00
• 125mm Fire Service Water Supply from water mains to	\$ 21,482.00

buildings	
• Fire hydrants	\$ 16,648.00
• Fire extinguishers & fire blankets	\$ 4,137.00
• Smoke detectors	\$ 3,890.00
Supply and installation of Requisite Alternative Power Supply	
• Installation of 60kVA Diesel Electricity Generator	\$ 3,500.00
• Supply & erect Secure Electricity Generator enclosure	\$ 9,760.00
Supply and installation of Alternative Water Supply	
• Supply, install & plumb 1 x 110,000lt Supplementary Water Tanks	\$ 42,916.00
• Supply, install & plumb 1 x Diesel & 1 x Electric Powered Fire Pump	\$ 68,732.00
• Supply & erect Secure Pump House	\$ 11,626.00
Supply and installation of Requisite Communications Facilities	
• Public address system	\$ 8,761.00
• Inter/Intra building communications systems	\$ 15,242.00
• External communications (telephone lines / two-way radio)	\$ 7,650.00
Supply and installation of Requisite Refugee Facilities	
• Provision of associated sanitary facilities	\$ 63,388.00
• Provision of associated commercial kitchen facilities	\$ 72,300.00
TOTAL	
	\$ 420,354.00

South West Regional Grant Scheme (SWRGS)

The Shire of Nannup has successfully applied for grant funding from Royalties for Regions under their South West Regional Grant Scheme (SWRGS).

The elements for the grant are:

- Rendering of the existing building to ensure the two facilities are aesthetically pleasing and are integrated in the one project
- New doors on the existing building and removing the grated window treatment to renovate and modernise the facility.
- Precinct signage
- Bituminising the road entrance and car parking, kerbing and ensuring safety of pedestrians and traffic
- Car park linemarking and exterior building lighting
- Landscaping, outdoor furniture
- Emergency management considerations.

The grant funding is for \$144,294 from SWRGs, \$131,000 from the Shire of Nannup and \$7,000 from other sources.

Milestones for this grant are:

Milestone	Due Date
Design drawings	May 2015
Completion of all works	September 2015
Official Opening	September 2015

Original SWRG Funding Grant

Project Items	Shire	Other	SWRG	TOTAL
• Car parking, kerbing, linemarking	\$ 14,650.00	\$ -	\$ 50,000.00	\$ 64,650.00
• Site works carpark	\$ 3,800.00	\$ -	\$ -	\$ 3,800.00
• Earthworks for Cancer support garden	\$ 13,300.00	\$ -	\$ -	\$ 13,300.00
• Paving for Garden	-	\$ 4,500.00	\$ 5,000.00	\$ 9,500.00
• Reticulation	\$ 1,800.00	\$ -	\$ -	\$ 1,800.00
• Rendering of Existing building	\$ 10,000.00	\$ -	\$ 30,000.00	\$ 40,000.00
• Exterior Power points installed to building	\$ 1,125.00	\$ -	\$ -	\$ 1,125.00
• Car Park lighting	\$ 12,000.00	\$ -	\$ 2,000.00	\$ 14,000.00
• Preparation of Plans	\$ 2,000.00	\$ -	\$ -	\$ 2,000.00
• Signage	\$ 4,000.00	\$ -	\$ -	\$ 4,000.00
• Upgrade doors to toilet and rooms on existing building	\$ -	\$ -	\$ 10,000.00	\$ 10,000.00
• Drinking fountain	\$ 320.00	\$ 2,500.00	\$ -	\$ 2,820.00
• Bins	\$ -	\$ -	\$ 7,970.00	\$ 7,970.00
• Exterior Seating	\$ -	\$ -	\$ 1,055.00	\$ 1,055.00
• Rainwater tanks, roof sprinklers and pumps	\$ 67,005.00	\$ -	\$ 36,269.00	\$ 103,274.00
• Tree Removal	\$ -	\$ -	\$ 2,000.00	\$ 2,000.00
• Audit	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00
TOTAL	\$ 131,000.00	\$ 7,000.00	\$ 144,294.00	\$ 282,294.00

It is proposed that the Shire of Nannup will direct manage and pay for the works to the carpark and landscaping. The Shire will also be responsible for tree removal and the auditing of this grant. This will not be part of a variation for the Nannup Recreation and Community Precinct contract with BRC Building Solutions.

With the allocation of the Natural Disaster Resilience Program Funding and the South West Development Grant Funding, a number of the existing variations can now covered by this funding, and also some areas of the existing contract can be

improved or upgraded (such as the kitchen area, deep sewerage and water services).

At the time of this report, the inclusion of the above funding gives the following revised contract value:

Original Contract Value:

\$1,993,651.00	\$199,365.10	\$2,193,016.10 Incl GST
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Revised Contract Value:

\$2,582,961.00	\$258,296.10	\$2,841,257.10 Incl GST
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In regards to the maintenance issues which have arisen for the existing building, recommendations have been made to the Chief Executive Officer that some of these may fall under asset management, and not the construction contract. These amounts will be presented to the Council for consideration with recommendation that funds be used from the Asset Management Reserve Account.

The Council has endorsed at the January 2015 Ordinary meeting of Council the following expenditure:

*The quotation from BRC Building Solutions in the sum of **\$50,369 including GST** for works to the Recreation Centre roof is accepted and that these works be funded from the Asset Management Reserve*

At the May 2015 Ordinary meeting of Council, the Council endorsed:

The removal of asbestos and repairs to the western gable on the existing Nannup Recreation Centre building.

Fund the \$7,210.00 (ex GST) for removal of asbestos and repairs to the western gable from the Asset Management Reserve, and to

Request the Chief Executive Officer to transfer \$20,000 from the asset management reserve for the 2015/16 budget considerations, for asset management of the Existing Recreation Centre and Sports Hall.

Additional Asset Management Works:

Upon reviewing the past payments and works, there are two items which have been considered work on the existing building rather than part of the contract of the new building. It is the officer's opinion that these works should be funded from the Asset Management account. This is basically a "housekeeping" issue to ensure the funding is partitioned into the right source accounts.

This work was the construction of a disabled ramp on the northern end of the existing sports hall (\$16,067.40) and disabled entrance to the kitchen bar area of the existing community space (\$8,598.74). This work should be transferred and paid from the Shire's Asset Management account.

It is the officer's recommendation that

- BRC Building Solutions issue deduction variation for Asset Management of existing building of \$22,423.77 +GST.
- BRC issue invoice for asset management works of \$22,423.77+GST to Shire of Nannup.

1. Possible savings from the kitchen and bar areas:

It may be possible to purchase the same high quality kitchen and bar benches and cupboards in a modular configuration, rather than custom made. This still requires research to see if this is viable.

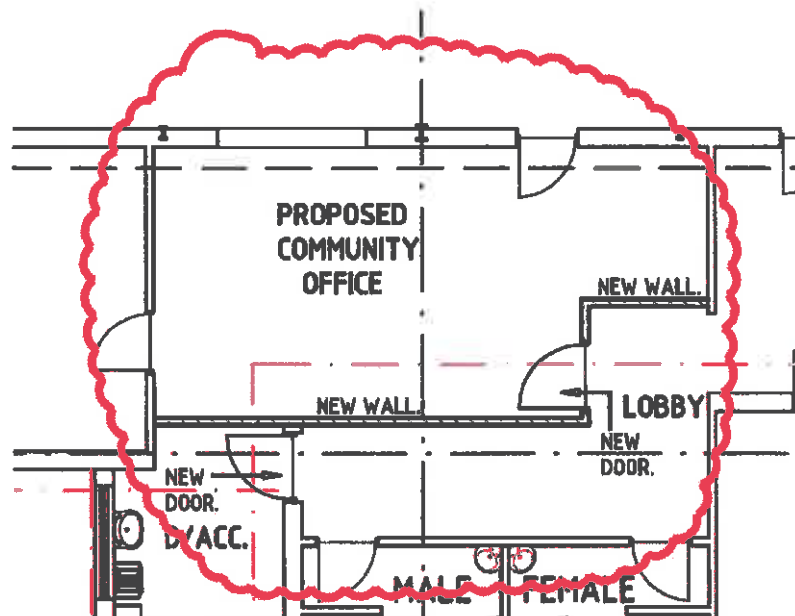
2. Refurbishment of the Seniors/Community Room:

Following discussions with staff, and sport and recreation group members, it will be recommended that the seniors/community room will have the following refurbishments:

- Carpet tiles to the total floor area. The same quality and style as the new function room.
- Will have an operable wall dividing the room in half
- Bar and association facilities will be removed.
- Small kitchenette will be installed, along the wall where the existing sink is located.

3. Community Office:

Following consultations with sport and recreation group members, Councillors and staff members, it was discussed that location of the proposed community office was undesirable as it lacked windows and ventilation. Together with the costs of construction, made the community office in this location a poorly utilised room for cost.



It was considered that the community office can be incorporated in the Community/Seniors space, with the installation of an operable wall, as mentioned in item 4 above.

4. Water Tanks and Pumps:

The Shire has successfully applied for additional funding under the Natural Disaster Resilience Program (NDRP). Water tanks and pumps are provided under this grant funding.

5. Waste Water System:

The Shire has successfully applied for additional funding under the Natural Disaster Resilience Program (NDRP). Connection to deep sewerage is provided under this grant funding. Connecting the entire facility to deep, gravity sewerage will be to the North Street Pump Station.

This would result in greater capacity, and the deletion of the waste system and leach drains which may limit the amount of people/use of the building.

6. Jarrah Cladding to the External Main Columns:

The contract specifications show single piece jarrah timbers as cladding to the external columns. These column are 4.5 to 5.0m long, and locating seasoned jarrah at that length is proving to be very difficult.

Jarrah Cladding of the columns has been deleted. The columns will be treated with clear anodised finish, the same as the steel beams on the roof eaves.

7. Eastern Gable on the Existing Building:

The eastern gable on the existing building is currently lined with asbestos, and there is a requirement to remove sections of this gable to securely bolt the new steel roof beams. The asbestos has been removed and the gable relined to suit, as below:

Reclad the eastern gable of the existing office/change rooms building, this includes:

- Safe removal of all asbestos
- Recladding in CFC Weather board, both sides
- Weather board to be horizontal to match Nailstrip on new building
- Painting to match colour of Nailstrip on existing building

8. Time Delay Variation:

Discussion was held in regards to "time delay variation" from the builder. The contract does not allow for rise and fall, therefore the time delay variation may be the only mechanism to balance additional cost.

This was discussed and it was recommended that, as per the contract, no time delay variations, or rise or fall will be approved by the Shire

STATUTORY ENVIRONMENT:

Legally a Local Government, as a public body, has the responsibility to follow the appropriate processes and to treat all tenderers fairly. The terms and conditions set out in this contract is the standard WALGA contract document and imply that the Shire of Nannup has acted legally and fairly to all tenderers in this case.

Section 3.57(1) of the Local Government Act 1995 requires a Local Government to invite tenders before it enters into a contract for a purchase of a prescribed kind, however Part 4 (Provision of Goods and Services) of the Local Government (Functions and General) Regulations 1996, Regulation 11 states this is only required for purchases worth more than \$100,000 unless Council have delegated otherwise.

The preparation, assessment and award of this tender complies with Part 4 (Provision of Goods and Services) of the Local Government (Functions and General) Regulations 1996 Division 2 – Tendering for Goods and Services.

Variations are being requested from the builder, as the Shire has a current contract for purchasing with BRC Building Solution. However Council Staff are obtaining market quotations as well to ensure variation prices from the builder are within normal market prices.

POLICY IMPLICATIONS:

Council's Consultation Policy Category 6 – Major projects with Shire wide impacts

FINANCIAL IMPLICATIONS:

At the time of this report, the budget for the Nannup Recreation Centre Project is detailed as follows, however the Council can see that some sources of funding have been received and some, whilst confirmed, have yet to be received.

Source	Budget	Confirmed Received	Confirmed Not Received
R4R Regional 2010/11	\$ 205,490.00	\$ 205,490.00	
R4R Individual 2011/12	\$ 140,000.00	\$ 140,000.00	
Department of Sport and Recreation	\$ 660,000.00		\$ 660,000.00
RLCIP Drainage	\$ 30,000.00	\$ 30,000.00	
Lotterywest (includes fit-out \$100,000)	\$ 300,000.00		\$ 300,000.00
Contributions - Golf Club	\$ 100,000.00		\$ 100,000.00
Shire of Nannup Reserves	\$ 618,879.00	\$ 618,879.00	
Anonymous private contribution	\$ 50,000.00	\$ 50,000.00	
Nannup Sport and Recreation Association	\$ 100,000.00	\$ -	\$ 100,000.00
LGEEP Grant	\$ 10,620.00	\$ 10,620.00	
Disability Services Commission	\$ 2,500.00	\$ 2,500.00	
Natural Disaster Resilience Program	\$ 221,178.00		\$ 221,178.00
Natural Disaster Resilience Program	\$ 144,294.00		\$ 144,294.00
Total	\$ 2,582,961.00	\$ 1,057,489.00	\$1,525,472.00

STRATEGIC IMPLICATIONS:

2.2 Tourism/Recreation

Working together to attract people to our amazing Shire

Support tourism providers and promote our district

Marketing and branding of our Shire to promote regional produce and services

RECOMMENDATION:

That the Council:

1. Receive the June 2015 progress report for the Nannup Recreation and Community Precinct Project.
2. Endorse the transfer payment of \$22,423.77+GST from the Asset Management Reserve account, for the construction of a disabled ramp on the northern end of the existing sports hall (\$16,067.40) and disabled entrance to the kitchen bar area of the existing community space (\$8,598.74).

VOTING REQUIREMENTS: Simple Majority

AGENDA NUMBER:	12.4
SUBJECT:	Public Health Bill 2014 – Requirement to Prepare Local Public Health Plan
LOCATION/ADDRESS:	
NAME OF APPLICANT:	Shire of Dardanup
FILE REFERENCE:	
AUTHOR:	Peter Clarke – Chief Executive Officer
REPORTING OFFICER:	Peter Clarke – Chief Executive Officer
DISCLOSURE OF INTEREST:	
DATE OF REPORT	15 June 2015

BACKGROUND:

The CEO of the Shire of Dardanup, Mr Mark Chester, has written to advise that in anticipation that the *Public Health Bill 2014* may eventually be passed by both houses of State Parliament and receive Royal Assent, Mr Chester seek Council's comments regarding the possibility of cost-sharing for the development of a Local Public Health Plan.

COMMENT:

Part 5 of the *Public Health Bill 2014* requires that each local government in WA produces a Local Public Health Plan for its district.

In anticipation that a number of local governments in the South West may have similar public health needs, the Shire of Dardanup suggests the possibility of cost-sharing the development of such a Plan. The generic Plan could then be adopted by each local government with relevant changes. This approach is designed to reduce the resource effort of each local government in complying with the legislation.

Regarding the Bill, the Shire of Dardanup's Environmental Health Services have obtained the following general information from the Department of Health:

- Upon proclamation of the Bill, WA local governments will have between four to seven years to develop a Local Public Health Plan for their district.
- Section 45 of the *Public Health Bill 2014* requires that Local Public Health Plans be "consistent" with the State Public Health Plan. (However, at this stage there is no guarantee that the requirement for State Government to produce a State Public Health Plan will remain in the Bill).
- The Department is still at least 12 months away from releasing any form of guideline for local government on how to develop Local Public Health Plans.

It would seem logical for the Shire of Nannup to participate in cost sharing the development of the Plan once the *Bill* has been proclaimed.

STATUTORY ENVIRONMENT:

In the event that the *Public Health Bill 2014* is proclaimed, then it will be a requirement for the Shire of Nannup to prepare a Local Public Health Plan.

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

The cost sharing arrangement with other local government authorities in the South West will lessen the financial implications in developing the Plan.

STRATEGIC IMPLICATIONS:

Community Strategic Plan 2013-2023 – Strategy 1.1 Promote a Connected, Safe and Healthy Town

RECOMMENDATION

That Council advises the Shire of Dardanup that it is willing to participate in a cost sharing arrangement for the production of generic Local Public Health Plan should the *Public Health Bill 2014* be proclaimed requiring local government authorities to prepare such a Plan.

VOTING REQUIREMENTS: Simple Majority

AGENDA NUMBER:	12.5
SUBJECT:	Tour of Margaret River Road Bike Race – Financial Support
LOCATION/ADDRESS:	
NAME OF APPLICANT:	Tour of Margaret River Cycling Eventures Pty Ltd
FILE REFERENCE:	
AUTHOR:	Peter Clarke – Chief Executive Officer
REPORTING OFFICER:	Peter Clarke – Chief Executive Officer
DISCLOSURE OF INTEREST:	
DATE OF REPORT:	19 June 2015
ATTACHMENTS:	12.5.1 – Margaret River Road Bike Race Trour Map

BACKGROUND:

The Executive Director of the Tour of Margaret River, Mr Neil Fox, has written to Council seeking financial support in the proposed Stage 3 Event of the Tour of Margaret River that will commence and finish in Nannup on Friday, 6 November 2015.

COMMENT:

2015 will mark the 7th running of Australia's only Pro-Am bike race and will see participation numbers grow from 80 teams x 6 riders (480) in 2014 to 100-120 x 6 (up to 720) riders in 2015.

The organisers of the Tour of Margaret River advise that they have chosen Nannup due to its close proximity to Margaret River via the new Mowen Road but mostly for its appealing lush rolling countryside and quiet roads. The organisers also believe that this is a great opportunity to showcase to a large audience what Nannup has to offer.

The proposed Nannup Stage of the Race will see around 1200-1500 riders and supporters descend upon Nannup on the day. Racing will start around 8.00am and finish in Nannup late morning providing great commercial opportunities for local main street and accommodation businesses.

The organisers indicate that they will work with the Shire to conduct a safely managed and executed event by providing comprehensive Traffic and Risk Management Plans for approval.

The 2015 Tour is supported by funding from the Shire of Augusta/Margaret River (\$12,000) and the City of Busselton (\$4,000). The organisers are seeking an additional \$4,000 in sponsorship from the Shire of Nannup for the Stage 3 event of the Tour.

The Tour Organisers did contact Council's Economic and Community Development Officer some months ago regarding the proposed Stage 3 event of the Tour of Margaret River and they were encouraged to apply for Council's Community Grant Funding Program however, they did not submit an application.

STATUTORY ENVIRONMENT:

Requirement to prepare Traffic and Risk Management Plans for potential road closures etc.

POLICY IMPLICATIONS: Nil

FINANCIAL IMPLICATIONS:

No provision for this funding has been identified in the 2015/2016 Budget.

STRATEGIC IMPLICATIONS:

Community Strategic Plan 2013-2023 – Strategy 2.2 Tourism and Recreation – Support Tourism Providers and Promote our District.

RECOMMENDATION:

That Council advises the Tour of Margaret River Bike Race that due to the lateness of their application for funding, and Council's 2015/2016 Budget being set, it is not able to assist in the sponsorship request of \$4,000 on this occasion but Council would welcome a similar request for the 2016/2017 Budget where it would seriously consider the provision of funding.

VOTING REQUIREMENTS: Simple Majority

AGENDA NUMBER:	12.6
SUBJECT:	Regional Grant Scheme funding Nannup Recreation Centre project
LOCATION/ADDRESS:	Nannup Recreation Centre, Warren Rd
NAME OF APPLICANT:	N/A
FILE REFERENCE:	REC 2a
AUTHOR:	Louise Stokes – Economic & Community Development Officer
REPORTING OFFICER:	Peter Clarke –Chief Executive Officer
DISCLOSURE OF INTEREST:	None
DATE OF REPORT:	15 June 2015
PREVIOUS MEETING REFERENCE:	
ATTACHMENT:	12.6.1- Letter of approval, Hon Terry Redman MLA

BACKGROUND:

Funding has been received from the South West Development Commission through their Regional Grant Scheme of \$144,294 towards the Nannup Recreation Precinct project.

As this funding is over \$5,000, Council is required to accept the funding as per Council policy FNC 6.

The Regional Grant Scheme funding includes:

- Rendering of the existing building to ensure that the two facilities are aesthetically pleasing and are integrated in the one precinct,
- New doors on the existing building and removing the grated window treatments to renovate and modernise the facility,
- Precinct signage,
- Bituminising the road entrance and car parking, kerbing and ensuring safety of pedestrians and traffic,
- Carpark line marking and exterior building lighting,
- Landscaping, outdoor furniture, and
- Emergency management considerations

The grant agreement excludes the requested items of bins and outdoor seating.

COMMENT:

This grant offers additional funds to complete the Recreation Centre project.

STATUTORY ENVIRONMENT: Nil.

POLICY AND CONSULTATION IMPLICATIONS:

Council's Consultation Policy Category 6 – Major projects with Shire wide impacts

FINANCIAL IMPLICATIONS:

The total project value is \$282,294. There is a Council contribution of \$131,000 which has already been allocated through other budgets and grants.

STRATEGIC IMPLICATIONS:

The Shire of Nannup Community Strategic Plan 2013- 2023 *Our
Economy Strategy 2.2 – Tourism and Recreation*

RECOMMENDATION:

That Council accept the South West Development Commission Regional Grant Scheme grant of \$144,294 towards the Recreation Centre Precinct project.

VOTING REQUIREMENTS: Simple Majority.

FINANCE & ADMINISTRATION

AGENDA NUMBER:	12.7
SUBJECT:	Write Off of Rates – 16 Carey Street
LOCATION/ADDRESS:	Nannup Shire
NAME OF APPLICANT:	Department of Parks and Wildlife
FILE REFERENCE:	A410
AUTHOR:	Tracie Bishop – Manager Corporate Services
REPORTING OFFICER:	Tracie Bishop – Manager Corporate Services
DISCLOSURE OF INTEREST:	Nil
DATE OF REPORT:	June 2015

BACKGROUND:

At its May 2015 meeting, Council resolved the following:

9201 LORKIEWICZ/LONGMORE

That this Item lay on the table and be resubmitted to the 25th June 2015 Ordinary Council meeting for consideration.

CARRIED 8/0

This follows from previous resolution of Council at its July 2014 meeting where Council resolved the following:

9160 SLATER/STEER

- 1. In accordance with Section 6.76(5) of the Local Government Act 1995 Council allow the objection to the 2013/14 rate notice and agree to class Assessment A410 as non-rateable with effect from 1 July 2013 on the grounds that the property is a public building.***
- 2. In accordance with Section 6.76(5) of the Local Government Act 1995 Council disallow the objection to the 2010/11, 2011/12 and 2012/13 rate notices on the grounds that no valid objection was received relating to those years and that the rates and associated penalty charges remain due and payable.***
- 3. In accordance with Section 6.77 of the Local Government Act 1995 officers notify the Department of Parks and Wildlife that they have the right to appeal the decision to the State Administrative Tribunal within 42 days of service of the notice of the decision.***

CARRIED 5/1

Voting for the motion: Dean, Gilbert, Mellema, Steer and Slater
Voting against the motion; Lorkiewicz.

COMMENT:

Further analysis has now been completed on what the final outstanding amount payable was on the property at 16 Carey Street. At the time of writing this report, the amount outstanding was \$23,177.13 with interest continuing to accrue at a rate of 11% per annum.

This amount is made up of both rates applied to the property, penalty interest applied to outstanding amounts and service charges for the general rubbish and recycling service that the property uses. A breakdown is shown within the table below.

Date	Description	Sub Total	Total
	Balance carried forward	\$ 14.34	\$ 14.34
02/09/2010	Rates Raised	\$ 3,763.04	\$ 3,777.38
02/09/2010	General Rubbish & Recycling Fee	\$ 367.00	\$ 4,144.38
30/06/2012	Penalty interest on outstanding amount at 11% p.a.	\$ 422.39	\$ 4,566.77
28/09/2011	Rates Raised	\$ 4,602.19	\$ 9,168.96
28/09/2011	General Rubbish & Recycling Fee	\$ 394.80	\$ 9,563.76
30/06/2012	Penalty interest on outstanding amount at 11% p.a.	\$ 807.45	\$ 10,371.21
11/09/2012	Rates Raised	\$ 5,043.50	\$ 15,414.71
11/09/2012	General Rubbish & Recycling Fee	\$ 475.00	\$ 15,889.71
30/06/2013	Penalty interest on outstanding amount at 11% p.a.	\$ 1,535.05	\$ 17,424.76
11/09/2013	Rates Raised	\$ 5,078.21	\$ 22,502.97
11/09/2013	General Rubbish & Recycling Fee	\$ 455.00	\$ 22,957.97
06/11/2013	Reval - Property now Non Rateable	-\$ 2,685.16	\$ 20,272.81
30/06/2014	Penalty interest on outstanding amount at 11% p.a.	\$ 1,841.03	\$ 22,113.84
11/08/2014	General Rubbish & Recycling Fee	\$ 485.00	\$ 22,598.84
11/08/2014	Warr Act Waste Management Fee	\$ 28.00	\$ 22,626.84
12/08/2014	Corrections as per Council Resolution	-\$ 1,576.76	\$ 21,050.08
29/05/2015	Penalty interest on outstanding amount at 11% p.a.	\$ 1,663.92	\$ 22,714.00

This analysis identifies that even if Council decide to write off rates payable on the property there will still be an amount payable under *The Local Government Act 1995 Section 6.38* for services provided to the property. The table shown below identifies these charges with penalty interest applied for all outstanding amounts.

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Date	Description	Sub Total	Total
2/09/2010	General Rubbish & Recycling Fee	\$ 367.00	\$ 367.00
30/06/2011	Penalty interest on outstanding amount at 11% p.a.	\$ 40.37	\$ 407.37
28/09/2011	General Rubbish & Recycling Fee	\$ 394.80	\$ 802.17
30/06/2012	Penalty interest on outstanding amount at 11% p.a.	\$ 88.24	\$ 890.41
11/09/2012	General Rubbish & Recycling Fee	\$ 475.00	\$ 1,365.41
30/06/2013	Penalty interest on outstanding amount at 11% p.a.	\$ 150.19	\$ 1,515.60
11/09/2013	General Rubbish & Recycling Fee	\$ 455.00	\$ 1,970.60
30/06/2014	Penalty interest on outstanding amount at 11% p.a.	\$ 216.77	\$ 2,187.37
11/08/2014	General Rubbish & Recycling Fee	\$ 485.00	\$ 2,672.37
11/08/2014	WARR Waste Management Fee	\$ 28.00	\$ 2,700.37
30/06/2015	Penalty interest on outstanding amount at 11% p.a.	\$ 297.04	\$ 2,969.41

The decision now for Council is how they wish to proceed. As acknowledged in May, written correspondence between the Department of Parks and Wildlife suggest that based on advise that they have received from The State Solicitors office it is unlikely that they will be willing to pay any amount for the rates outstanding on the property. However, under the *Local Government Act 1995* as owners and occupiers of Lot 16 Carey Street they are accountable for service charges. This would amount to a payment due of \$2,969.41 being payable as at 30 June 2015.

As per previous month, guidance is now sought as to how Council would like to proceed. While the option of pursuing the non-payment of the total debt through the debt collection process is still available, should this be challenged by DPaW (which needs to be considered based on the State Solicitors advice given) the costs associated with this pursuit and defence may be excessive. It also appears that there is no guarantee that at the end of these actions a positive outcome would be achieved. However the pursuit of non-payment of Service Charges should be one that is considered.

STATUTORY ENVIRONMENT: Nil.

POLICY IMPLICATIONS: Nil.

FINANCIAL IMPLICATIONS:

The financial implication of the officers' recommendation is a reduction in rate revenue of \$20,208 as at 29 May 2015. The costs associated with pursuing non-payment via the legal system are not available at this point in time but considered excessive.

STRATEGIC IMPLICATIONS: Nil.

RECOMMENDATION:

1. That Council amend its earlier decision to disallow objections received from applicant for non-payment of rates raised in the 2010/11, 2011/12 and 2012/13 rates years based on the information received from the State Solicitors officer.
2. That inclusive of Recommendation 1 above, Council continue to pursue payment of all service charges and interest applicable to these service charges currently outstanding.
3. That Council reduce the rate revenue for previous periods of the 2010/11, 2011/12 and 2012/13 rates years and all penalty interest associated with rates raised in these periods.

That Council write to the Department of Parks and Wildlife as soon as practicable advising of this decision.

VOTING REQUIREMENTS: Absolute Majority

AGENDA NUMBER:	12.8
SUBJECT:	Tender of the Nannup Waste Facility
LOCATION/ADDRESS:	Beggars Road, Nannup
NAME OF APPLICANT:	Shire of Nannup
FILE REFERENCE:	HLT 2
AUTHOR:	Tracie Bishop – Manager Corporate Services
REPORTING OFFICER:	Tracie Bishop – Manager Corporate Services
DISCLOSURE OF INTEREST:	Nil
DATE OF REPORT:	10 June 2015

BACKGROUND:

The Local Government Act 1995 S3.57 states:

(1) A local government is required to invite tenders before it enters into a contract of a prescribed kind under which another person is to supply goods or services.

Further, Local Government (Functions and General) Regulations 1996, Division 2 Section 11(1) state:

Tenders are to be publicly invited according to the requirements of this Division before a local government enters into a contract for another person to supply goods or services if the consideration under the contract is, or is expected to be, more, or worth more, than \$100 000

Based on the above legislation and regulation, tenders were recently called for the management of the Nannup Waste Facility from July 2015 for a three year period. This tender closed on the 22 May 2015.

COMMENT:

As a result of the above tender being called, Council received 5 tenders. Three of these were from locally owned businesses. Officers were mindful of the fact that in order to remain transparent and ensure that the correct process was followed there needed to be transparency with all dealings relating to this tender.

Based on the local content of Tenders received, it was considered appropriate by Council's management team that an independent evaluation of the Tenders be undertaken and the Western Australian Local Government Association's (WALGA) Procurement Services Section were engaged to assess the process and evaluate the Tenders. During this process WALGA's Procurement

Consultant raised concerns regarding the evaluation process of this tender. In particular it was identified that the actual Request to Tender document contained anomalies. These anomalies were in the form of inconsistencies within the criteria weighting and it is of WALGA's Procurement Consultants opinion that to continue with this tender in its current form could place the Shire in a position for potential legal dispute.

The original tender documents used were based around previous tenders completed and had been prepared well in advance of the tender being called. Initially it was thought that these documents had been reviewed by the Shire of Manjimup's Waste Department however on enquiry it appears that this was not followed. Once this was noted, the document was reviewed by the Shire of Manjimup's Waste Department and minor issues were identified. The concerns raised now by the WALGA Procurement Consultant were not identified during this review.

Moving forward, it appears that Council has two options:

Option 1

1. Ignore advice given by the Procurement team at WALGA and proceed bearing in mind that to do so may result in a potential legal dispute in the future.

Option 2

- Contact all tenderers and advise that the current tender is no longer valid and that a new tender will be called in the near future
- That Council engages WALGA's Procurement Services Section to assist in the preparation of complying tender documentation and undertake an independent evaluation of the Tenders received.
- The current contractor be offered a month to month extension on the current contract until such time as a new tender can be called, assessed and awarded.

The benefits are that the new tender would comply with regulation, would be assessed completely independently and therefore remain transparent and provide a more equitable process for all prospective tenderers.

STATUTORY ENVIRONMENT: Section 3.57 of the Local Government Act and associated Regulations.

POLICY IMPLICATIONS: Nil.

FINANCIAL IMPLICATIONS:

The financial implication of Officers' recommendation is additional costs associated with re-tendering, securing the services of the Procurement team at WALGA and costs associated with the month to month continuation of the current contractor.

STRATEGIC IMPLICATIONS:

RECOMMENDATION

1. That all tenderers of RFT 01/15 be contacted and advised:
 - a. That this tender has been withdrawn on the advice of the independent evaluation due to technical anomalies contained within the Tender documentation; and
 - b. That a new tender will be finalised as soon as practicable and their involvement with this tender would be welcomed.
2. That the Procurement Team from WALGA be engaged to arrange new tender documentation for the Nannup Waste Facility and to evaluate and advise on a preferred candidate for the new Contract.
3. The current contractor is offered a month to month extension on the current contract until such time as a new tender is advertised, assessed and awarded.

VOTING REQUIREMENTS: Absolute Majority

AGENDA NUMBER:	12.9
SUBJECT:	2015/16 Budget Adoption
LOCATION/ADDRESS:	Nannup
NAME OF APPLICANT:	Shire of Nannup
FILE REFERENCE:	FNC 3
AUTHOR:	Tracie Bishop – Manager Corporate Services
REPORTING OFFICER:	Tracie Bishop – Manager Corporate Services
DISCLOSURE OF INTEREST:	Nil
DATE OF REPORT:	19 June 2015
ATTACHMENTS:	12.9.1 - Budget Schedules 2015/16 12.9.2 – Revised Fees & Charges 2015/16

BACKGROUND:

The 2015/16 Budget is presented to Council for adoption and setting of rating levels.

COMMENT:

Further to the budget workshops and the Draft Budget meeting all changes have been incorporated into this document. The 2015/16 Budget has been prepared to include a 6.29% increase in the rate in the dollar.

A balanced budget with an anticipated \$0 surplus at year end has been prepared and have been converted into the required statutory format for final adoption.

The following recommendations are required by Council to formally adopt the 2015/16 Budget.

STATUTORY ENVIRONMENT: Nil.

Local Government Act 1995 and Local Government (Financial Management) Regulations 1996.

Section 6.2 of the Local Government Act stipulates that no later than 31 August each financial year or such extended time as the Minister allows each local government is to prepare and adopt by absolute majority in the form and manner prescribed a budget for its municipal fund for the financial year ending on the next following 30 June.

POLICY IMPLICATIONS: Nil.

FINANCIAL IMPLICATIONS:

The financial implication is a rate requirement for 2015/16 of \$1,450,786.

STRATEGIC IMPLICATIONS:

The adoption of the proposed 2015/16 budget is the cornerstone of developing the long term financial sustainability of the Shire.

Council's Corporate Strategic Plan was considered when formulating the budget.

RECOMMENDATION:

That the following proposed recommendations be endorsed by Council

Recommendation One – Rate in the Dollar and Minimum rates applied:

That Council impose the following Rates & Charges

Rate Type	Minimum Rate in \$	Rate in \$	Yield
GRV	\$793	0.098339	\$ 752,561
UV	\$1039	0.004155	\$ 698,225
			\$1,450,786

Voting Requirements: Absolute Majority

Recommendation Two – Waste Management Levy

That Council set the following rate under S66 of the Waste Avoidance and Resource Recovery Act 2007 to cover costs associated with management of the Waste Management Facility for 2015/16:

	Rate in the Dollar	Minimum Rate
GRV	0.000324	\$30
UV	0.000082	\$30

Voting Requirements: Absolute Majority

Recommendation Three – Rubbish Service Charges:

That Council set rubbish service charges at \$200 per service for the 2015/16 year and recycling service charge at \$125.00 per service for the 2015/16 year for all users within the Shire of Nannup.

Voting Requirements: Absolute Majority

Recommendation Four – Fees & Charges

That Council adopts the 2015/16 Shire of Nannup Schedule of Fees and Charges as per Attachment 12.9.2

Voting Requirements: Absolute Majority

Recommendation Five – Statutory Compliance:

That Council confirms that it is well satisfied with the services and facilities it provides:

- a) Integrate and co-ordinate, as far as practicable, with any provided by the Commonwealth, State or any other public body;
- b) Do not duplicate, to an extent that the Local Government considers inappropriate, services or facilities provided by the Commonwealth, the State or any other body or person, whether public or private and;
- c) Are managed efficiently and effectively.

In accordance with Section 3.18(3) of the Local Government Act 1995.

Voting Requirements: Absolute Majority

Recommendation Six – Material Variance Reporting 2015/16:

In accordance with Regulation 34(5) of the Local Government Financial Management Regulations 1996 and AASB 1031 Materiality, the level to be used in statements of financial activity in 2015/16 for reporting material variances shall be +/- 10% or \$30,000, whichever is greater.

Voting Requirements: Absolute Majority

Recommendation Seven – Budget Document

That Council adopt the 2015/16 Shire of Nannup budget as presented. Financial implications being a cash budget inflow of \$1,450,786 and represents a 6.29% increase from previous year.

Voting Requirements: Absolute Majority

AGENDA NUMBER:	12.10
SUBJECT:	Budget Monitoring – May 2015
LOCATION/ADDRESS:	Nannup Shire
NAME OF APPLICANT:	N/A
FILE REFERENCE:	FNC 8
AUTHOR:	Robin Prime – Corporate Services Officer
REPORTING OFFICER:	Tracie Bishop – Manager Corporate Services
DISCLOSURE OF INTEREST:	None
DATE OF REPORT:	25 June 2015
ATTACHMENTS:	12.10.1 – Financial Statements for the period ending 31 May 2015 12.10.2 – Table Showing Detailed Variances for 2014/15

BACKGROUND:

Local Government (Financial Management) Regulation 34(1) requires that Council report monthly on the financial activity from all the various operating and capital divisions. Council has adopted a variance threshold of 10% or \$5,000, whichever is the greater on which to report. The statutory statements are appended at Attachment 12.10.1.

Whilst this has resulted in all variances of 10% being identified and reported, it only focuses attention on the performance to the month in question and not the likely outturn at the end of the year.

Monthly reporting draws on the flexibility allowed in the Financial Management Regulations to draw attention to likely under and overspends at the end of the year.

COMMENT:

The gross surplus that is anticipated for the end of this financial year is expected to be \$31,820; this is shown in the table below. This remains consistent with the previous months expected surplus. Most variances have previously been reported however given that we are nearing the end of the year it is considered prudent to repeat.

	(Surplus)/Deficit \$
Gross (surplus)/deficit expected for the year	
Income – under received	\$36,233
Expenditure – underspent	(\$68,053)
Projected surplus at end of the year	(\$31,820)

OPERATING EXPENSES:

Governance: Election Costs:

- Bi-Election Costs were not included in the 2014/15 budget, therefore the \$110 spent is an overspend entirely.
- WALGA and WBAC Subscriptions increased by more than CPI, increasing expenditure by \$3,155.

General Administration: Costs associated with IT and computer maintenance are slightly higher than anticipated. This is as a result of upgrades to operating systems and servers as well as installation of new software. It is anticipated that the higher expenditure within this area will be offset from lower than expected expenses within office equipment budgets.

Law & Public Order:

- The running costs for the Community Emergency Service Officer's vehicle are likely to be higher than budgeted. This is a result of the vehicle being replaced by a new leased vehicle with a higher mileage allowance to reflect the greater distances being travelled. These costs will be offset by up to 80% under the grant arrangements with the Department of Emergency Services.
- There has been significant use of the Busselton Rangers Service in 2014/15 to deal with various dog issues. This is currently showing an expected overspend of \$2,700 but could continue to rise as proceedings are continuing. However, some of this cost will be offset by fines, although these will be received over an extended period with the agreement of the Court.

Housing: Works will be required to improve the property at 29 Carey Street now that it has been vacated by the outgoing CEO. The cost of these works will be funded from the Asset Management Reserve.

Economic Services: The report adopting the 2014/15 budget noted that the income and expenditure profile assumed for the caravan park posed a significant risk of variation because of the proposal to lease the park part way through the year. Income for the year is down on the full year budget by approximately \$106,000 but only \$24,000 lower than the anticipated profile. After adjusting for the stock of goods for resale the expenditure on the park is expected to be \$78,250 lower than the full year budget but close to the assumed profile of \$111,839 and will not show a significant variation. This projection assumes that the net position will be approximately \$24,000 worse than expected.

Governance and Other Property & Services: Insurance costs are expected to be lower than budgeted by approximately \$25,000; this has arisen because there will be fewer employees as the Mowen Road project comes to a close. The reduced number of employees has a consequent impact on the cost of Workers Compensation Insurance.

Governance and General Administration: Recruitment costs of senior posts have resulted in recruitment expenditure being \$7,500 higher than shown in the budget. The budget does not include the cost of recruitment as this is generally funded from savings generated in the period that the post remains vacant.

Other Property & Services:

- Savings will also be achieved from the Manager Infrastructure being on unpaid leave for part of the year. Although this was covered by a temporary appointment the majority of this cost was borne by the Mowen Road project.
- Staff training costs have also been higher than budgeted for. With the recruitment of three new outdoor employees has come the need for additional training to ensure that they are capable and trained for their new positions, this has resulted in an overspend within this area. Additionally from an OH&S perspective there are areas where required skills needed to be updated in order to comply with legislative requirements. At this point in time, it is anticipated that the overspend in this area will be \$6,300.

OPERATING INCOME

General Purpose Revenue: Income from fees and charges will exceed budgets if current income trends continue. Similarly, assuming investment income matches that for 2013/14, income from this source will be \$6,800 lower than budgeted.

Other Property & Services: Increased income of \$28,000 on Private Works will be offset by increased expenditure.

Law & Order: The grant for the SES is \$10,200 lower than expected as a bid for new equipment has not been successful; there will be a nil overall effect on the budget as the budgeted equipment will not now be purchased. Grant funding of

\$19,900 has been received to develop a bridle trail and another \$24,035 for an economic profile of the Shire; this will have a nil effect overall as expenditure within the Community Development budget will increase.

CAPITAL:

Transport: Capital expenditure items are all within allocated budgets. There have been savings in the purchase costs of the loader and tractor, with trade in values being close to expectations. A utility vehicle originally budgeted for in 2014/15 was purchased in 2013/14 and funded by the trade in of other vehicles no longer required; this will save \$40,000 in 2014/15. There will therefore be a saving of \$90,000 at the end of the year that will be offset by a reduced contribution from the Plant and Equipment Reserve. Costs have been incurred in replacing the central server and upgrading five PCs; this cost will be offset by a contribution from the Office Equipment Fund. Grant income for the Mowen Road project will be \$160,000 higher than budgeted and will be fully spent, resulting in no variation against overall expenditure.

Net income for the year is expected to be \$36,233 lower than budgeted. Additional properties being added to the rate base have resulted in higher rates and service charges, generating additional income of approximately \$6,500. Financial Assistance Grants are slightly lower than anticipated but this is offset by the direct roads grant from Main Roads being higher than budgeted.

Attachment 12.10.2 provides a detailed breakdown of income and expenditure incurred to 30 April 2015 and the associated annual budgets. The first two columns show the budget and the income or expenditure to date against each account code. The two columns on the right show the budget remaining for the year and the anticipated income or expenditure at the year end.

The variances shown in the statutory statements at Attachments 12.10.1 and 12.10.2 that are not commented on above result from income and expenditure not being in accordance with the profile adopted for the budgets and are therefore due to timing differences.

STATUTORY ENVIRONMENT:

Local Government (Financial Management) Regulation 34(1)(a).

POLICY IMPLICATIONS: Nil.

FINANCIAL IMPLICATIONS: An anticipated saving at the end of the year of \$31,820.

STRATEGIC IMPLICATIONS: Nil.

RECOMMENDATION:

It is recommended that the Monthly Financial Statements for the period ending 31 May 2015 be received.

VOTING REQUIREMENTS: Simple Majority

AGENDA NUMBER:	12.11
SUBJECT:	Monthly Accounts for Payment - May 2015
LOCATION/ADDRESS:	Nannup Shire
NAME OF APPLICANT:	N/A
FILE REFERENCE:	FNC 8
AUTHOR:	Tracie Bishop – Manager Corporate Services
REPORTING OFFICER:	Tracie Bishop – Manager Corporate Services
DISCLOSURE OF INTEREST:	None
PREVIOUS MEETING REFERENCE:	None
DATE OF REPORT:	15 June 2015
ATTACHMENTS:	12.11.1: - Schedule of Accounts for Payment – May 2015

BACKGROUND:

The Accounts for Payment for the Nannup Shire Municipal Account fund and Trust Account fund to 31 May 2015 as detailed hereunder and noted on the attached schedule, are submitted to Council.

COMMENT:

If Councillors have questions about individual payments prior notice of these questions will enable officers to provide properly researched responses at the Council meeting.

There are two corporate credit cards currently in use. A breakdown of this expenditure in the monthly financial report is required to comply with financial regulations. No transactions have been processed this month.

Municipal Account

Accounts paid by EFT	7146 - 7218	\$251,774.34
Accounts paid by cheque	19783 –19800	\$451,707.06
Sub Total Municipal Account		<u>\$703,481.40</u>

Trust Account

Accounts paid by EFT	\$0.00
Accounts Paid by cheque	<u>\$0.00</u>
SubTotal Trust Account	<u>\$0.00</u>
Total Payments	<u>\$703,481.40</u>

STATUTORY ENVIRONMENT: LG (Financial Management) Regulation 13

POLICY IMPLICATIONS: Nil.

FINANCIAL IMPLICATIONS: As indicated in Schedule of Accounts for Payment.

STRATEGIC IMPLICATIONS: Nil.

RECOMMENDATION:

That the List of Accounts for Payment for the Nannup Shire Municipal Account fund totalling \$703,481.40 in the attached schedule be endorsed.

VOTING REQUIREMENTS: Simple Majority

13. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

13.1 OFFICERS

13.2 ELECTED MEMBERS

**14. MEETING CLOSED TO THE PUBLIC
(Confidential Items)**

14.1 MATTERS FOR WHICH THE MEETING MAY BE CLOSED

14.2 PUBLIC READING OF RESOLUTIONS THAT MAY BE MADE PUBLIC

15. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

16. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

17. CLOSURE OF MEETING



Agenda Attachments

Item	Attach	Title
9	1	Bush Fires Advisory Committee Meeting (BFAC)
9	2	Warren Blackwood Alliance of Councils (WBAoC)
12.1	1	Recommended revoked policies
12.1	2	Recommended modified policies
12.2	1	Consultation and Communication Plan
12.3	1	Project Works Schedule
12.5	1	Margaret River Road Bike Race Tour Map
12.6	1	Letter of approval, Hon Terry Redman MLA
12.9	1	Budget Schedule 2015/16
12.9	2	Revised Fees & Charges 2015/16
12.10	1	Financial Statements for the period ending 31 May 2015
12.10	2	Table Showing Detailed Variances for 2014/15
12.11	1	Schedule of Accounts for Payment – May 2015