



**SHIRE**  
*of*  
**DANDARAGAN**

**MINUTES**

**of the**

**SPECIAL COUNCIL MEETING**

**held at the**

**COUNCIL CHAMBERS, JURIEN BAY**

**on**

**WEDNESDAY 8 AUGUST 2012**

**COMMENCING AT 1.02PM**

*(THIS DOCUMENT IS AVAILABLE IN LARGER PRINT ON REQUEST)*

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| <b>MINUTES FOR SPECIAL COUNCIL MEETING HELD WEDNESDAY 8 AUGUST 2012</b> |
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## 1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

### 1.1 DECLARATION OF OPENING

The presiding member declared the meeting open at 1.02pm and welcomed those present.

### 1.2 DISCLAIMER READING

The disclaimer was not read aloud as there were no members of the public present.

*“No responsibility whatsoever is implied or accepted by the Shire of Dandaragan for any act, omission or statement or intimation occurring during this meeting.*

*It is strongly advised that persons do not act on what is heard at this meeting and should only rely on written confirmation of Council’s decision, which will be provided within fourteen (14) days of this meeting.”*

## 2 RECORD OF ATTENDANCE / APOLOGIES / APPROVED LEAVE OF ABSENCE

|                |                                 |                    |
|----------------|---------------------------------|--------------------|
| <b>Members</b> | Councillor S Love               | (President)        |
|                | Councillor L Short in at 1.04pm | (Deputy President) |
|                | Councillor M Russell            |                    |
|                | Councillor L Holmes             |                    |
|                | Councillor K McGlew             |                    |
|                | Councillor W Gibson             |                    |
|                | Councillor M Sheppard           |                    |
|                | Councillor T Bailey             |                    |

|              |                          |                                  |
|--------------|--------------------------|----------------------------------|
| <b>Staff</b> | Mr T Nottle              | (Chief Executive Officer)        |
|              | Mr I Rennie in at 1.10pm | (Deputy Chief Executive Officer) |

### Apologies

**Approved Leave of Absence**                      Councillor D Kent

## 3 PUBLIC QUESTION TIME

Nil

## 4 PURPOSE OF THE MEETING

The purpose of the meeting is to consider the following:

- Appointment of SuperTowns Project Management Consultants;
- Establishment of SuperTowns Project Reference Group; and


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- Budget Amendment SuperTowns Capital 2012/13

## 5 ORDER OF BUSINESS

### 5.1 ADMINISTRATION

#### 5.1.1 APPOINTMENT OF SUPERTOWNS PROJECT MANAGEMENT CONSULTANTS

|                         |  |
|-------------------------|--|
| Location:               | N/A  |
| Applicant:              | N/A  |
| Folder Path:            | Business Classification Scheme / Corporate Management / Tendering / Quotations     |
| Disclosure of Interest: | Nil  |
| Date:                   | 5 August 2012  |
| Author:                 | Tony Nottle, Chief Executive Officer   |
| Signature of Author:    |  |

#### PROPOSAL

The purpose of this report is to appoint the appropriate consultants to manage and deliver the SuperTowns (ST) program for Jurien Bay and the Shire of Dandaragan.

#### BACKGROUND

In summary:

- Jurien Bay was announced as a ST under the Regional Centres Development Program in July 2011;
- The Shire established a ST Project Team (SPT) and ST Community Reference Group (CRG) in accordance with the ST Framework & Guidelines;
- Shire staff, together with the ST Consultancy Team (SCT) formed the technical group to ensure all plans and documents complied with ST requirements;
- Initial Draft ST Growth Plan was submitted to Department for Regional Development & Lands (RDL) on the due date of 6 March 2012;
- 3 Business cases were developed out of the Plan for the Health & Aged Care Plan, Civic Centre Enhancement Project and the Industry Development Strategy. These were also submitted on the due date of 6 March 2012; and
- Successful funding of \$12.1M announced on 30th May 2012 for part of the City Centre Enhancement Project.

#### COMMENT

As Council will recall at its Special Meeting held on the 14 June 2012 it resolved unanimously that Council:

1. *recognise the proposed funding of \$12,137,850 from the Department of Regional Development & Lands towards the City Centre Enhancement Project;*
2. *endorse the Description of Project as detailed in Section 5 of the Draft Financial Assistance Agreement and proposed*

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- amendments in the attached documentation on the understanding that further detailed design, costing and milestones are still to be developed; and*
3. *authorise the Shire President and the Chief Executive Officer to sign and affix the common seal to the Draft Financial Assistance Agreement to achieve the following project:*
    - i) *Civic Precinct Stage 1 Development*
    - ii) *City Centre Infrastructure Improvement Project (Infill Sewer Stage 1)*

At this same meeting Council also resolved to place the funds that would be received for the program into an Overnight Cash Deposit Facility (OCDF) with Western Australian Treasury Corporation in accordance with the ST Program's requirements.

Since this time, progress has been made on clarifying what was funded for the Civic Centre Enhancement Project and what was not. After finalizing the Financial Assistance Agreement (FAA) the CEO has held various meetings with both government agency representatives and consultancy firms as to the best way forward.

The specific components of the Project are as follows:

1. Visitor and Civic Precinct – Stage 1 Development
  - Development of the Jurien Bay Visitor and City precinct
  - An education component and facilitate business, vocational, online and in person education opportunities.
2. City Centre Infrastructure Improvement Project
  - Infill sewerage (Stage 1)

The Project aims to:

- Improve access to tourist information services;
- Deliver sewerage infrastructure that provides the opportunity for redevelopment of the town centre;
- Provide additional space for community services, resources and facilities;
- Promoting and providing space for small business development;
- Provide increased floor space for expanded Government offices;
- Provide an arts and cultural space and exhibition area;
- Enable the delivery of technology and accommodation to expand community learning resources and facilities for both secondary and mature age students;

Following a request from the CEO the following proposals have been received:

- Landcorp – Proposal to act as Council's Project Managers for the delivery of the entire project. (Doc ID 7165)
- Cardno – Proposal to project manage and deliver (including all

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documentation etc. both the Sewer and Civic Building Projects. (Doc ID 7143)

- Norman Disney & Young – Proposal to project manage and deliver (including all documentation etc.) for the Civic Building Project only. (Doc ID 7455)

*Note: A tender process was not conducted due to the exemptions available under Regulations 11(2)(b) and 11(2)(e) of the Local Government (Functions and General) Regulations 1996.*

In reviewing the requirements of the project and considering Council's preference to employ an internal resource to undertake a number of Project Management duties, it is felt that the proposal from Landcorp adds an unnecessary layer of management that can be done between the Shire's representative and the successful consultancy. At a cost of \$197,822 it is felt that this amount can be invested back into the program and to capacity build the existing administration.

In reviewing the proposals provided by Cardno and NDY, it is the opinion of the author that Council consider both organisations to be involved with the project. This would include Cardno to undertake the Infill Sewer Project (Stage 1) and NDY to carry out the functions required for the Civic Building Project.

Cardno have previously been involved with the preliminary design of the Infill Sewerage Program and completed their report for Council in May 2012.

NDY proposes to partner with Seleeba Adams Architects who have previously worked with Council on the Jurien Bay Administration Building as well as other developments in Jurien Bay such as Jurien Bay Health Centre, Jurien Bay Shopping Centre, Family Resource Centre and the ST Growth Plan process.

The credentials of both organisations include similar projects in other areas, as well as much larger project involvement.

#### CONSULTATION

- Department for Regional Development & Lands (RDL)
- Council
- Senior Staff
- Landcorp
- Cardno
- NDY

#### STATUTORY ENVIRONMENT

Local Government (Functions and General Regulations) 1996 allow Local Governments to procure services without going to tender if:

- a) the supply of the goods or services is to be obtained through the

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Council Purchasing Service of WALGA, (Regulation 11(2)(b)); or  
b) the goods or services are to be supplied by or obtained through  
the government of the State or the Commonwealth or any of its  
agencies, or by a local government or a regional local  
government, (Regulation 11(2)(e)).

**POLICY IMPLICATIONS**

Council Policy 1.15 applies in relation to purchasing.

**FINANCIAL IMPLICATIONS**

Landcorp have offered a Project Management (only) proposal of  
\$197,822.

**Cardno proposal**

|   |                  |
|---|------------------|
| Infill Sewerage Program (Stage 1)         | <b>\$274,000</b> |
| Civic Building Project                    | \$409,000        |
| Plus Architect costs estimated 4% of \$6m | <u>\$240,000</u> |
| Sub Total                                 | <b>\$649,000</b> |

**NDY Proposal**

|                          |                  |
|--------------------------|------------------|
| Civic Building Project * | <b>\$732,100</b> |
|--------------------------|------------------|

*\*Includes provision for temporary accommodation for DEC in  
existing Shire Building.*

As part of the FAA signed with RDL provision has been made to  
ensure these costs are covered as follows:

|   |           |
|---|-----------|
| Infill Sewerage Program (Preliminaries, design, etc.) | \$387,862 |
| Civic Building Management & Consultancy Fees          | \$790,000 |

This will leave \$171,762 to assist with the funding of wages and  
other costs associated with the project.

**STRATEGIC IMPLICATIONS**

Shire Strategic Community Plan (July 2012)

OBJECTIVE 2: Ensure timely provision of essential and strategic  
Infrastructure to ensure investment and growth for the Shire is  
maximised.

| CODE | STRATEGIES | LINKS | TIME<br>FRAME | SCOPE | PARTNERS |
|------|------------|-------|---------------|-------|----------|
|------|------------|-------|---------------|-------|----------|

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|          |   |  |                |            |                              |
|----------|---|--|----------------|------------|------------------------------|
| G1-O2-A1 | Develop Civic Precinct concept in Jurien Bay                                | Town Centre Strategy Plan<br>SuperTowns Growth Plan          | Short - medium | Jurien Bay | CRC<br>DEC<br>Other agencies |
| G1-O2-A6 | Lobby for design and installation in-fill sewerage Jurien Bay and surrounds | SuperTowns Growth Plan<br>Coral Coast Tourism Dev Priorities | Ongoing        | Jurien Bay | Water Corp                   |

### ATTACHMENTS

Circulated with the agenda are the following items relevant to this report:

- SuperTown Project Management Fee Proposal (Landcorp) (Doc Id: 7165)
- SuperTown Project Management & Delivery Proposal (Cardno) (Doc Id: 7143)
- SuperTown Civic Building Project Management & Delivery Fee Proposal (Norman Disney & Young) (Doc Id: 7455)

**(Marked 5.1.1)**

### VOTING REQUIREMENT

Simple Majority

### OFFICER RECOMMENDATION / COUNCIL DECISION


**Moved Cr Bailey, seconded Cr McGlew**

**That Council appoints:**

- 1. Cardno (WA) Pty Ltd to provide design works and project management services for the construction of the Jurien Bay Infill Sewerage Project (Stage 1) only as per the submitted proposal in attachment 5.1.1 (Doc Id: 7143); and**
- 2. Norman Disney & Young to provide design works and project management services for the construction of the Jurien Bay Civic Building Project as per the submitted proposal in attachment 5.1.1 (Doc Id: 7455).**

**CARRIED 8 / 0**

## **5.1.2 ESTABLISHMENT OF SUPERTOWNS PROJECT REFERENCE GROUP**

|                         |  |
|-------------------------|--|
| Location:               | N/A  |
| Applicant:              | N/A  |
| Folder Path:            | Business Classification Scheme / Community Relations / Meetings / SuperTowns Project Reference Group |
| Disclosure of Interest: | Nil  |
| Date:                   | 5 August 2012  |
| Author:                 | Tony Nottle, Chief Executive Officer   |
| Signature of Author:    |                  |

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### PROPOSAL

For Council to establish a SuperTown Project Reference Group to assist the Consultants and Project Manager Strategic Projects (PMSP) in delivering the SuperTowns Program.

### BACKGROUND

In order to deliver the SuperTowns Project it has been suggested that a Project Reference Group (PRG) be established to assist with:

1. Input into design and layout of Civic Building
2. Coordination of community ideas to be fed back to the architect
3. Provide advice on the needs of proposed users (tenants)

It will also be the responsibility of the representatives on the PRG to inform the groups that they represent of the progress of the Project.

### COMMENT

The PRG will carry out an important role for the design and delivery of the SuperTowns Project. While the main focus will be the Civic Building, they will also be informed regarding the Infill Sewer Project.

There is a need for the PRG to have particular representation that is made up of the proposed users, industry, community and Council delegates.

It is therefore proposed that the structure of the PRG consist of representation from:

- Council staff (CEO, PMSP) x 2
- Councillors x 2
- Jurien Bay Community Resource Centre x 1
- Department of Environment & Conservation x 1
- Wheatbelt Development Commission Representative x 1
- Jurien Bay Chamber of Commerce x 1
- Jurien Bay District High School (Principal and VET Coord) x 2
- Jurien Bay Progress Association x 1
- Community Member x 1
- Independent Chairperson x 1

The relationship between the various groups is depicted below.

The Shire will still provide regular updates to the Community in relation to the progress of the SuperTowns Project.





#### CONSULTATION

- Wheatbelt Development Commission
- Senior staff

#### STATUTORY ENVIRONMENT

The proposal to establish the PRG is not to create an official Committee of Council under the Local Government Act 1995, but merely a working group.

As such, minutes will be taken for reference however no delegated authority will be provided to the PRG.

#### POLICY IMPLICATIONS

There is no current policy relevant to this item.

#### FINANCIAL IMPLICATIONS

All estimated costs associated with the governance and administration of this group has been allocated for in the 2012/13 budget. The costs are minimal with Council staff performing the secretarial duties.

#### STRATEGIC IMPLICATIONS

Shire Strategic Community Plan (July 2012)

**OBJECTIVE 2:** Ensure timely provision of essential and strategic Infrastructure to ensure investment and growth for the Shire is maximised.

| CODE | STRATEGIES | LINKS | TIME FRAME | SCOPE | PARTNERS |
|------|------------|-------|------------|-------|----------|
|      |            |       |            |       |          |

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|          |   |  |                |            |                              |
|----------|---|--|----------------|------------|------------------------------|
| G1-O2-A1 | Develop Civic Precinct concept in Jurien Bay                                | Town Centre Strategy Plan<br>SuperTowns Growth Plan          | Short - medium | Jurien Bay | CRC<br>DEC<br>Other agencies |
| G1-O2-A6 | Lobby for design and installation in-fill sewerage Jurien Bay and surrounds | SuperTowns Growth Plan<br>Coral Coast Tourism Dev Priorities | Ongoing        | Jurien Bay | Water Corp                   |

**ATTACHMENTS**

Nil

**VOTING REQUIREMENT**

Simple Majority

**COUNCIL DECISION**

**Moved Cr Russell, seconded Cr Short  
That Council suspend Standing Orders.**


**CARRIED 8 / 0****COUNCIL DECISION**

**Moved Cr Russell, seconded Cr Short  
That Council resume Standing Orders.**

**CARRIED 8 / 0**

*It was agreed that the order of business in the agenda be changed to allow item 5.2.1 to be brought forward and dealt with at this time.*

**5.2 FINANCE****5.2.1 BUDGET AMENDMENT SUPERTOWNS CAPITAL PROJECT 2012/13**

|                         |   |
|-------------------------|---|
| Location:               | N/A   |
| Applicant:              | N/A   |
| Folder Path:            | Business Classification Scheme / Grants and Subsidies / Programs / Capital Assistance |
| Disclosure of Interest: | Nil   |
| Date:                   | 5 August 2012   |
| Author:                 | Tony Nottle, Chief Executive Officer  |
| Signature of Author:    |   |

**PROPOSAL**

For Council to adopt a budget amendment in light of the recent project management proposals (July / August 2012) and signed documentation with the Department for Regional Development & Lands (RDL).

**MINUTES FOR SPECIAL COUNCIL MEETING HELD WEDNESDAY 8 AUGUST 2012**BACKGROUND

Council adopted its budget for the 2012/13 financial year at its meeting held on the 26 July 2012. At the time of budget preparation and adoption it was not known which option Council would consider for the project management of the ST Project or specifically what the costs would be.

Council has received various proposals in relation to the project management and delivery of both the Infill Sewerage Project (Stage 1) and the Civic Building Project.

Council has previously discussed the merits of an “in-house” resource dedicated to the SuperTowns Program and other Royalties for Regions initiatives. This resource would also be responsible for implementing the SuperTown Growth Plan and further developing the existing business cases that were not funded.

COMMENT

Due to the submission of the proposals for the project management and delivery of the ST Program Staff are now in a position to provide a more accurate budget for the 2012/13 year.

Council also resolved at its Special Meeting held on the 14 June 2012 to place the funds provided by RDL (\$12,137,850) into an overnight cash deposit facility with the WA Treasury Corporation in accordance with the Financial Assistance Agreement. These funds are recorded as “Reserve Funds” for the purposes of financial reporting.

Council has established the Jurien Bay City Centre Enhancement Project Reserve (SuperTowns) for the purposes of *“to be used for the fulfilling the requirements, outcomes and achievables identified in the Financial Assistance Agreement for the SuperTowns Development Project Fund – Jurien Bay City Centre Enhancement Project.”*

The budget did not recognize any movement of the money from within the Jurien Bay City Centre Enhancement Project Reserve (SuperTowns) or estimated interest earned as dates and drawdown amounts for a project spanning across two financial years were unknown at the time of adoption.

The proposed budget amendment consists of;

- Creation of drainage asset (sewer)
- Creation of a building asset (Civic Building)
- Transfer from Jurien Bay City Centre Enhancement Project Reserve (SuperTowns)
- Recognition of interest earned with interest to be retained within the Jurien Bay City Centre Enhancement Project Reserve

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(SuperTowns).

Estimated SuperTowns costs for 2012/13 are as follows:

| <u>Component</u>  | <u>Sewerage</u>    | <u>Civic Building</u> | <u>Amount</u>      |
|---|--------------------|-----------------------|--------------------|
| Wages / Employment Costs<br><i>(Includes Shire Special Projects Manager salary package and other in-kind wages of existing staff)</i> | \$80,000           | \$80,000              | \$160,000          |
| Project Management/Design & Preparation Fees<br><i>(Based on Cardno/NDY Estimates, 50% over 2 years)</i>                              | \$137,000          | \$366,050             | \$503,050          |
| Construction Costs<br><i>(Assume 40% upon commencement and during project for both Sewer and Civic Building projects)</i>             | \$1,711,270        | \$2,593,837           | \$4,305,107        |
| <b>Total</b>  | <b>\$1,928,270</b> | <b>\$3,039,887</b>    | <b>\$4,968,157</b> |

**CONSULTATION**

- Manager Corporate Services

**STATUTORY ENVIRONMENT**

Section 6.8(1)(b) of the Local Government Act 1995 allows authorisation of expenditure not included in the Annual Budget provided it is authorised in advance by a resolution of Council. (Absolute Majority required)

As the funds are proposed to be used for the purpose that the Jurien Bay City Centre Enhancement Project Reserve (SuperTowns) Reserve is for, there is no need for a public notification to be given.

**POLICY IMPLICATIONS**

There is no current policy relevant to this item.

**FINANCIAL IMPLICATIONS**

The following budget amendments are required:

**Sewerage Project**

|   |              |
|---|--------------|
| Drainage Asset  | \$1,928,270  |
| Municipal Fund  | -\$1,928,270 |
| Jurien Bay City Centre Enhancement Project Reserve (SuperTowns) | -\$1,928,270 |
| Municipal Fund  | \$1,928,270  |

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**Civic Building Project**

|  |              |
|--|--------------|
| Building Asset   | \$3,039,887  |
| Municipal Fund   | -\$3,039,887 |
| Jurien Bay City Centre Enhancement<br>Project Reserve (SuperTowns) | -\$3,039,887 |
| Municipal Fund   | \$3,039,887  |

**Interest Earned on SuperTowns Funds**

|  |            |
|--|------------|
| Interest Income  | -\$330,000 |
| Jurien Bay City Centre Enhancement<br>Project Reserve (SuperTowns) | \$330,000  |

**STRATEGIC IMPLICATIONS**

Shire Strategic Community Plan (July 2012)

OBJECTIVE 2: Ensure timely provision of essential and strategic Infrastructure to ensure investment and growth for the Shire is maximised.

| CODE     | STRATEGIES  | LINKS  | TIME FRAME     | SCOPE      | PARTNERS                             |
|----------|---|--|----------------|------------|--------------------------------------|
| G1-O2-A1 | Develop Civic Precinct concept in Jurien Bay                                | Town Centre Strategy Plan<br><br>SuperTowns Growth Plan          | Short - medium | Jurien Bay | CRC<br><br>DEC<br><br>Other agencies |
| G1-O2-A6 | Lobby for design and installation in-fill sewerage Jurien Bay and surrounds | SuperTowns Growth Plan<br><br>Coral Coast Tourism Dev Priorities | Ongoing        | Jurien Bay | Water Corp                           |

**ATTACHMENTS**

Nil

**VOTING REQUIREMENT**

Absolute Majority

**OFFICER RECOMMENDATION / COUNCIL DECISION**

**Moved Cr Gibson, seconded Cr Holmes**

**That Council authorise a budget amendment to recognise;**

- 1. the creation of a drainage asset for the amount of \$1,928,270 with a corresponding transfer from the Jurien Bay City Centre Enhancement Project Reserve to Municipal Fund of \$1,928,270;**
- 2. the creation of a building asset for the amount of \$3,039,887 with a corresponding transfer from the Jurien Bay City Centre Enhancement Project Reserve to Municipal Fund of \$3,039,887; and**

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3. interest earned on SuperTowns funds of \$330,000 with these funds to be retained within the Jurien Bay City Centre Enhancement Project Reserve.

**CARRIED 8 / 0**

**COUNCIL DECISION**

Moved Cr Short, seconded Cr Sheppard  
That Council suspend Standing Orders and resume business in sequence of the agenda by addressing item 5.1.2.

**CARRIED 8 / 0**

**COUNCIL DECISION**

Moved Cr Sheppard, seconded Cr Holmes  
Council resumed Standing Orders.

**CARRIED 8 / 0**

**OFFICER RECOMMENDATION / COUNCIL DECISION**

Moved Cr McGlew, seconded Cr Russell  
That Council;

1. establish the SuperTowns Project Reference Group consisting of the following:
  - Council staff (CEO, PMSP or others as required) x 2
  - Councillors x 2
  - Jurien Bay Community Resource Centre x 1
  - Department of Environment & Conservation x 1
  - Wheatbelt Development Commission Representative x 1
  - Jurien Bay Chamber of Commerce x 1
  - Jurien Bay District High School (Principal and VET Coord) x 2
  - Jurien Bay Progress Association x 1
  - Community Member x 1
  - Independent Chairperson x 1
2. appoint Cr's McGlew, Sheppard and Short (proxy) as its representatives on the SuperTowns Project Reference Group.

**CARRIED 8 / 0**

**6 CLOSURE OF MEETING**

The presiding member declared the meeting closed at 1.35pm.

**MINUTES FOR SPECIAL COUNCIL MEETING HELD WEDNESDAY 8 AUGUST 2012**

These minutes were confirmed at a meeting on .....

Signed .....

Presiding person at the meeting at which the minutes were confirmed

Date .....