



SPECIAL COUNCIL MEETING

MINUTES

**A Special Meeting of Council was held
in the Council Chambers, Welcome Road, Karratha,
on Monday, 8 May 2017
to consider the following items:**

- **Management and Promotion of Cossack Tender**
- **City Centre Activation Fund**
- **REAP Public Art Southern Elevation Façade Tender**
- **Early Acquisition of Bulldozer for Seven Mile Waste Facility**

**CHRIS ADAMS
CHIEF EXECUTIVE OFFICER**



No responsibility whatsoever is implied or accepted by the City of Karratha for any act, omission or statement or intimation occurring during Council or Committee Meetings. The City of Karratha disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council or Committee Meetings.

Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council or Committee Meeting does so at that persons or legal entity's own risk.

In particular, and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a license, any statement or intimation of approval made by any member or Officer of the City of Karratha during the course of any meeting is not intended to be and is not taken as notice of approval from the City of Karratha.

The City of Karratha warns that anyone who has any application lodged with the City of Karratha must obtain and should only rely on

WRITTEN CONFIRMATION

of the outcome of the application, and any conditions attaching to the decision made by the City of Karratha in respect of the application.

Signed: 
Chris Adams - Chief Executive Officer

DECLARATION OF INTERESTS (NOTES FOR YOUR GUIDANCE) (updated 13 March 2000)

A member who has a **Financial Interest** in any matter to be discussed at a Council or Committee Meeting, which will be attended by the member, must disclose the nature of the interest:

- (a) In a written notice given to the Chief Executive Officer before the Meeting or;
- (b) At the Meeting, immediately before the matter is discussed.

A member, who makes a disclosure in respect to an interest, must not:

- (c) Preside at the part of the Meeting, relating to the matter or;
- (d) Participate in, or be present during any discussion or decision-making procedure relative to the matter, unless to the extent that the disclosing member is allowed to do so under Section 5.68 or Section 5.69 of the *Local Government Act 1995*.

NOTES ON FINANCIAL INTEREST (FOR YOUR GUIDANCE)

The following notes are a basic guide for Councillors when they are considering whether they have a **Financial Interest** in a matter. I intend to include these notes in each agenda for the time being so that Councillors may refresh their memory.

1. A Financial Interest requiring disclosure occurs when a Council decision might advantageously or detrimentally affect the Councillor or a person closely associated with the Councillor and is capable of being measure in money terms. There are exceptions in the *Local Government Act 1995* but they should not be relied on without advice, unless the situation is very clear.
2. If a Councillor is a member of an Association (which is a Body Corporate) with not less than 10 members i.e. sporting, social, religious etc), and the Councillor is not a holder of office of profit or a guarantor, and has not leased land to or from the club, i.e., if the Councillor is an ordinary member of the Association, the Councillor has a common and not a financial interest in any matter to that Association.
3. If an interest is shared in common with a significant number of electors or ratepayers, then the obligation to disclose that interest does not arise. Each case needs to be considered.
4. If in doubt declare.
5. As stated in (b) above, if written notice disclosing the interest has not been given to the Chief Executive Officer before the meeting, then it **MUST** be given when the matter arises in the Agenda, and immediately before the matter is discussed.
6. Ordinarily the disclosing Councillor must leave the meeting room before discussion commences. The **only** exceptions are:
 - 6.1 Where the Councillor discloses the **extent** of the interest, and Council carries a motion under s.5.68(1)(b)(ii) or the *Local Government Act*; or
 - 6.2 Where the Minister allows the Councillor to participate under s5.69 (3) of the *Local Government Act*, with or without conditions.

INTERESTS AFFECTING IMPARTIALITY

DEFINITION: *An interest that would give rise to a reasonable belief that the impartiality of the person having the interest would be adversely affected, but does not include an interest as referred to in Section 5.60 of the 'Act'.*

A member who has an **Interest Affecting Impartiality** in any matter to be discussed at a Council or Committee Meeting, which will be attended by the member, must disclose the nature of the interest;

- (a) in a written notice given to the Chief Executive Officer before the Meeting; or
- (b) at the Meeting, immediately before the matter is discussed.

IMPACT OF AN IMPARTIALITY CLOSURE

There are very different outcomes resulting from disclosing an interest affecting impartiality compared to that of a financial interest. With the declaration of a financial interest, an elected member leaves the room and does not vote.

With the declaration of this new type of interest, the elected member stays in the room, participates in the debate and votes. In effect then, following disclosure of an interest affecting impartiality, the member's involvement in the Meeting continues as if no interest existed.

TABLE OF CONTENTS

ITEM	SUBJECT	PAGE NO
1	OFFICIAL OPENING	5
2	PUBLIC QUESTION TIME.....	5
3	RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE	5
4	DECLARATIONS OF INTEREST	6
5	COMMUNITY SERVICES	6
5.1	MANAGEMENT AND PROMOTION OF COSSACK TENDER AWARD	7
5.2	CITY CENTRE ACTIVATION FUND.....	13
5.3	REAP PUBLIC ART SOUTHERN ELEVATION FAÇADE TENDER	19
6	STRATEGIC PROJECTS & INFRASTRUCTURE	23
6.1	EARLY ACQUISITION OF BULLDOZER FOR SEVEN MILE WASTE FACILITY..	23
7	MATTERS BEHIND CLOSED DOORS	27
	CONFIDENTIAL ATTACHMENT TO ITEM 5.1 MANAGEMENT AND PROMOTION OF COSSACK TENDER AWARD	27
	CONFIDENTIAL ATTACHMENT TO ITEM 5.3 REAP PUBLIC ART SOUTHERN ELEVATION FAÇADE TENDER	27
8	CLOSURE & DATE OF NEXT MEETING	29

MINUTES

1 OFFICIAL OPENING

The Special Meeting of Council held in the Council Chambers, Welcome Road, Karratha on Monday, 8 May 2017 was declared open at 5.00 pm. Cr Long acknowledged the traditions of the Ngarluma people, on whose land we are gathered here today.

2 PUBLIC QUESTION TIME

Nil.

3 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

Councillors:

- Cr Peter Long [Mayor]
- Cr John Lally [Deputy Mayor]
- Cr Margaret Bertling
- Cr Grant Cucel
- Cr Geoff Harris
- Cr Bart Parsons
- Cr Daniel Scott
- Cr Evette Smeathers
- Cr Robin Vandenberg
- Cr Fiona White-Hartig

Staff:

Chris Adams	Chief Executive Officer
Phillip Trestrail	Director Corporate Services
Mark Casserly	Director Community Services
Ryan Hall	Director Development Services
Simon Kot	Director Strategic Projects & Infrastructure
Linda Phillips	Minute Secretary

Apologies: Cr Garry Bailey

Absent: Nil

Members of Public: Nil

Members of Media: Alicia Perera, Pilbara News

4 DECLARATIONS OF INTEREST

Cr Cucel declared an interest in the following item:

- Financial interest in Item 5.2 City Centre Activation Fund as Cr Cucel owns commercial property in the Karratha central business district.

Cr Harris declared an interest in the following item:

- Proximity interest in Item 5.2 City Centre Activation Fund as Cr Harris leases a business premises next to The Quarter.

Cr Parsons declared an interest in the following item:

- Financial interest in Item 5.2 City Centre Activation Fund as Cr Parsons is the owner of Haybar Pty Ltd which is a successful applicant for funding.

5 COMMUNITY SERVICES

5.1 MANAGEMENT AND PROMOTION OF COSSACK TENDER AWARD

File No:	CM.279
Responsible Executive Officer:	Director Community Services
Reporting Author:	Recreation Facilities Coordinator- Eastern
Date of Report:	18 April 2017
Disclosure of Interest:	Nil
Attachment(s)	1. Confidential –Tender Evaluation Report 2. Request for Tender 30 – 16/17 (RFQ)

PURPOSE

For Council to consider the tender for the Management and Promotion of Cossack Townsite, Tender Number 30 – 16/17.

BACKGROUND

At the Ordinary Council meeting of January, 2017 the Council resolved (153700) to call tenders for the promotion and management of the Cossack historical Townsite.

A request for tender was issued on 4 March, 2017 and tenders closed on Wednesday 5 April, 2017. The scope of work related to the management and promotion of the Cossack Historical Townsite and was divided into two parts:

Part 1 Core services to manage and maintain the precinct.

The core services were to include, but were not limited to the following activities:

- Surveillance over buildings, services and facilities, ensuring they are presented and maintained in a suitable and safe condition for access, use or viewing;
- Routine and operational maintenance, grounds maintenance and cleaning of the precinct;
- Attending to the cleaning and Litter Control and Waste Management of public facilities and general precincts;
- Management of Cossack accommodation and facility bookings;
- Facilitation and assistance with the staging of City run events held at Cossack;
- Liaising with City of Karratha Ranger Services regarding possible infringements from visitors;
- Liaising with the City of Karratha Building Maintenance Services to ensure major repairs and preventative and conservation maintenance works are carried out at appropriate times; and
- Ensuring all promotion material, direction and information signage is legible and well maintained.

Part 2 Additional services to develop, promote and showcase the precinct.

Proposals for additional activities and services to promote and showcase the precinct and the broader region, were to be offered at the discretion of the tenderer. It was noted that:

- The contractor will have access to the kiosk facilities on site. The hours of operation and scope of goods for sale at the kiosk to be at the contractor's discretion. The plan for operations of the kiosk must be outlined in the tender;
- The promotion and marketing of the Cossack Historic Town site, its existing amenities and accommodation options is the responsibility of the contractor. (Note that all revenues generated by the accommodation and other facility bookings and are to be retained by the contractor except for the events listed in Section 2.5.5 of the RFQ); and
- Development and delivery of suitable Tourism products and / or experiences within the precinct or the broader region is encouraged and should be detailed in the tender proposal.

Three tenders were received by the closing date as detailed below:

1. Ngarluma & Yindjibarndi Foundation Limited
2. Engineering Construction Maintenance
3. The Walcott Group

The tenders were evaluated by a three-person panel. The tenders were first assessed for compliance with the tender documents.

The submission received by Engineering Construction Maintenance was deemed non-compliant due to lack of required information and was not considered further in the assessment process.

The remaining two tenders were then assessed against the qualitative criteria that were weighted. The criteria and associated weightings were:

Criteria	Weighting
Relevant experience	20%
Capacity to provide service	20%
Methodology	20%
Price	40%

The Regional Price Preference Policy was applied to both compliant bids:

1. Ngarluma Yindjibarndi Foundation Limited
2. The Walcott Group

A copy of the Evaluation Report is contained within the confidential section of the agenda.

LEVEL OF SIGNIFICANCE

In accordance with Council Policy CG8 - Significant Decision Making Policy, this matter is considered to be of moderate significance in terms of social, economic, environmental and Heritage issues in Council's ability to perform its role.

COUNCILLOR/OFFICER CONSULTATION

Consultation has taken place between panel members in evaluating and analysing the content of each tender submission.

COMMUNITY CONSULTATION

No community consultation is required.

STATUTORY IMPLICATIONS

Tenders were called in accordance with Section 3.57 of the *Local Government Act 1995* and Part 4, Division 2 – Tenders for providing goods or services of the *Local Government (Functions and General) Regulations 1996*.

Tenancy Status

The City of Karratha's current 21-year lease of Cossack Historic Buildings is due to expire on the 30 June, 2017. Council officers have been in negotiation with the relevant government departments for some time with a view to securing freehold Land Tenure of Cossack for the City of Karratha. These negotiations are complex in nature and despite efforts to date a new deed is not likely to be executed before the expiry of the current lease.

There is, however, general support for Council's ongoing management of Cossack. Officers met with Department of Lands and State Heritage Council staff on 4 May and achieved in principle agreement to an extension of the existing lease for a three-year period. This would allow the ongoing operation of Cossack and provide a level of certainty required by these Tenderers. It also allows sufficient time for the more complex land tenure negotiations to be negotiated.

A condition of the original lease was for the (then) Shire of Roebourne to enter into an Agreement with the Heritage Council of Western Australia for the conservation, management and maintenance requirements of the heritage buildings on site. This agreement placed certain responsibilities on the Shire (now City) in return for an annual grant of \$120,000 as a contribution towards the cost of maintenance of the buildings. This separate funding agreement also expires at 30 June 2017. Officers will be requesting that this amount be indexed to represent an up to date financial contribution for any lease extension. This is estimated to be approximately \$186,000.

In summary:

- Council's lease of the Cossack Historical Townsite will expire on 30 June, 2017;
- Council has called tenders for the maintenance and promotion of the Cossack Historical Townsite with an intended start date of 1 July 2017;
- Officers have evaluated the tenders received and are able to recommend a compliant preferred tenderer for award of the contract;
- Council cannot execute a contract for the maintenance and promotion of an asset over which it has no rights or tenure;
- Officers met with Department of Lands and State Heritage Council staff and achieved in principle agreement to an extension of the existing lease for a three-year period;
- Council would then be required to advise the preferred tenderer of the interim tenancy arrangements and reflect this detail in the contract, or continue to maintain the Cossack operation under the current caretaker arrangements;
- The caretakers are employed by the City for a term that expires on 31 August, and would provide one month of handover to the contract managers; and
- The nature of the interim and future tenancy arrangement between the City and the Department of Lands is unlikely to materially affect the contract for maintenance and promotion of Cossack.

POLICY IMPLICATIONS

CG11 – Regional Price Preference and CG12 – Purchasing Policies are applicable.

FINANCIAL IMPLICATIONS

Historically the cost of Cossack Operations is listed in the table below;

	12/13	13/14	14/15	15/16	16/17	Average
Operating Costs	\$563,023	\$519,161	\$744,725	\$455,886	\$529,919	\$562,543
Operating Income	\$209,033	\$166,860	\$160,471	\$163,971	\$176,110	\$175,289
Deficit	\$353,989	\$352,300	\$584,254	\$291,914	\$353,809	\$387,253

The average operating deficit for Cossack operations over the last five years is \$387,253. per annum. This includes an additional \$230,207 spent on responsive maintenance required after Cyclone Christine in the 2014/15 Financial Year.

Note that these figures do not include any promotional or marketing costs for Cossack.

Under the proposed terms of contract, the City of Karratha would maintain the overall responsibility for the Cossack operations and as such would be required to continue to fund the following:

Insurances	\$ 45,000
Maintenance Costs (Estimated)	\$ 70,000
Depreciation	<u>\$ 90,000</u>
	\$205,000

As per this Tender it would also retain some existing streams of Income:

Grant Income (Subject to re-negotiation)	\$120,000	(Heritage Council of WA)
Sundry Donations	\$ 5,000	
City Run Events	<u>\$ 25,000</u>	
	\$150,000	

As such, the City's operating deficit for Tender Part 1 is to be estimated at \$55,000 plus the contract cost of the Tender. Both contract costs for Part 1 and Part 2 are detailed in the attached Tender evaluation report.

Both of these options represent an increase on the average \$387,253 operating deficit over the past five years. Council should consider the expertise and other social advantages that a private contractor may bring to the Operations of Cossack and the improved Tourism facility it is seeking noting that each tenderer has included an amount for marketing and promotions.

Should the Officer's recommendation be adopted, funds would be required to be allocated in the 2017/18 budget to progress this Tender.

STRATEGIC IMPLICATIONS

There are no strategic implications.

RISK MANAGEMENT CONSIDERATIONS

The most significant risk is being unable to secure tenancy rights to Cossack and therefore not being able to execute a contract with the preferred tenderer. A subsequent risk is that the preferred tendered is not prepared to accept the award of the contract under the current tenure arrangements. Note that the tender specification declared the current land tenure situation and the likelihood of an interim arrangement being required.

The final element of risk is that a suitable tenancy arrangement, neither interim nor longer term can be agreed and Cossack is no longer maintained or made available to the community. These matters all rest upon the outcome of negotiations with the state government.

IMPACT ON CAPACITY

There are currently 1.7 FTE staff resources employed at Cossack. A change to contract management would mean that direct staff employment is no longer required and the current fixed term employment arrangements would terminate at the end of July, 2017.

A contact management responsibility would be transferred Community Services (Recreation Facilities) to Corporate Services (Governance and Leasing). The reduced staff supervision requirement on the Recreation Facilities Coordinator (East), will allow more resources to be allocated to potential construction projects within the Wickham Precinct.

RELEVANT PRECEDENTS

There are no relevant precedents related to this matter.

VOTING REQUIREMENTS

Simple Majority.

OPTIONS

Option 1

As per Officer's recommendation.

Option 2

That Council by SIMPLE Majority pursuant to Section 3.57 of the *Local Government Act 1995* RESOLVES to NOT SUPPORT the Officer's recommendation and PROPOSE a substitute Tenderer.

Option 3

That Council by SIMPLE Majority pursuant to Section 3.57 of the *Local Government Act 1995* RESOLVES to NOT SUPPORT the Officer's recommendation and NOT PROPOSE a substitute Tenderer, and continue to manage the Cossack Town site with internal Caretaker staff.

Option 4

That Council by SIMPLE Majority pursuant to Section 3.57 of the *Local Government Act 1995* RESOLVES to NOT SUPPORT the Officer's recommendation and NOT PROPOSE a substitute Tenderer, and RELINQUISH its management responsibilities of the Cossack Historic Town site at the completion of the lease.

CONCLUSION

Current Land Tenure negotiations for Cossack Historic Town Site remain ongoing.

Tender 30-16/17 for the Management and Promotion of Cossack Town site is subject to negotiations and satisfactory land tenure outcomes with State Government and the Heritage Council of WA.

Three tenders were received by the closing date from:

- Ngarluma & Yindjibarndi Foundation Limited
- Engineering Construction Maintenance
- The Walcott Group

All were assessed as per Council's Tender process by a three-person panel.

The cost to Council for Part A of this Tender for the two applicants (NYFL \$424,000 and Walcott Group \$580,000) is above the average nett cost to Council for the last 5 years of \$387,253.

The cost to council for Part B of the Tender for the two applicants (NYFL 21,000 and Walcott Group \$55,000) is an undertaking and expense not currently incurred by Council.

Council should consider the expertise and other social advantages that a private contractor may bring to the Operations of Cossack and the improved Tourism facility it is seeking.

OFFICER'S RECOMMENDATION

Res No : **153788**
MOVED : **Cr White-Hartig**
SECONDED: : **Cr Lally**

That Council by SIMPLE Majority pursuant to Section 3.18 of the *Local Government Act 1995* RESOLVES to:

- 1. NOMINATE** Ngarluma Yindjibarndi Foundation ABN 72 092 430 361 as the preferred Tenderer based on the assessment of the compliance criteria, qualitative criteria and pricing structures offered under RFT 30-16/17 – Management and Promotion of Cossack Historical Town Site;
- 2. AUTHORISE** the Chief Executive Officer to execute a contract with Ngarluma Yindjibarndi Foundation, subject to suitable land tenure arrangements being determined; and
- 3. AUTHORISE** the Chief Executive Officer to execute an extension to the Cossack lease under similar terms and conditions to the existing lease and subject to ongoing funding support from the Heritage Council of WA.

CARRIED

FOR : Cr Long, Cr Bertling, Cr Cucel, Cr Harris, Cr Lally, Cr Parsons, Cr Scott, Cr Smeathers, Cr Vandenberg, Cr White-Hartig
AGAINST : Nil

Cr Cucel declared a financial interest in Item 5.2 City Centre Activation Fund as Cr Cucel owns commercial property in the Karratha central business district.

Cr Harris declared a proximity interest in Item 5.2 City Centre Activation Fund as Cr Harris leases a business premises next to The Quarter.

Cr Parsons declared a financial interest in Item 5.2 City Centre Activation Fund as Cr Parsons is the owner of Haybar Pty Ltd which is a successful applicant for funding.

At 5.05 pm Cr Cucel, Cr Harris and Cr Parsons left the Chambers.

5.2 CITY CENTRE ACTIVATION FUND

File No:	GS.41
Responsible Executive Officer:	Director Community Services
Reporting Author:	Manager Community Services
Date of Report:	1 May 2017
Applicant/Proponent:	Various
Disclosure of Interest:	Nil
Attachment(s)	Karratha City Centre Activation & Funding Deed

PURPOSE

For Council to consider pending applications for funds through the City Centre Activation grant scheme.

BACKGROUND

In February 2016, the City and LandCorp executed the Karratha City Centre Activation & Funding Deed (attached), providing \$450,000 over three years to enable activation of the City Centre. As part of the Deed, \$150,000 for the 2015/2016 financial year was restricted for the purpose of bringing the Red Dog Festival into the City Centre, with the distribution of remaining funds to be mutually agreed between the Parties.

At the September 2016 OCM, Council resolved to establish a competitive grant process to distribute the funds, to ensure funding was made available to the wider community. Officers subsequently developed a grant process including guidelines, application form and assessment criteria and the grant was opened for applications on Friday 28 October 2016.

On 2 February 2017, LandCorp advised Officers that they were unable to provide approval on any applications from that point due to Section 7.5 of the Caretaker Conventions 2017. At that time, it was understood that LandCorp would consider the pending applications as soon as the Caretaker Conventions were lifted. Since this advice, the following applications have been received and endorsed by Council, subject to LandCorp agreement being received:

EVENT	APPLICANT	SPONSORSHIP VALUE ex GST
Karratha City Markets	Haybar Pty Ltd	\$ 27,000
Mother's Day Classic	Tahlia Ferguson	\$ 7,692.38
Ice Skating	Wrapped Creations	\$ 30,000
City to Surf	Activ	\$ 30,000
Karratha City Sundowner	Vicinity Shopping Centres	\$10,000

On 26 April 2017, LandCorp advised Officers of the following:

- The Mother's Day Classic event was approved, given its imminence.
- With the exception of the Mother's Day Classic, further funds under the scheme will only be available in the future if the initiative is supported by the Minister, with timing on that decision unknown.
- No further applications should be accepted until the Minister's decision on the future of the scheme is known.

Whilst the Mother's Day Classic will now proceed, four other applicants remain uncertain of their funding status, with a timeline for a decision by LandCorp unknown. This report seeks Council's position on the matter as it has several options available to it:

1. Do nothing

Council may decide to do nothing and await a decision from LandCorp. It should be noted that this grant was initiated by LandCorp to provide funds to activate the City Centre and any events delivered via this funding are in addition to the City's regular event programming. The temporary event space at the Quarter continues to be available for events and at least one private commercial event is scheduled to be held there this month. Officers consider that this, combined with the City's impending high level of event programming over the next few months, would make this a low risk decision in terms of reputation and community experience.

2. Fund the Events

Council may decide to fund the pending events from municipal funds. This would provide a high level of certainty for event organisers and will allow the events to be delivered as outlined. It should be noted that there are currently no municipal funds budgeted for this funding scheme and Council already has an existing financial commitment to the City's arts and culture program. Any decision to fund the events could provide a boost to Council's reputation in the community.

3. Enforce the Funding Deed

Council may decide to seek Ministerial comment on the status of the scheme and the binding nature of the Funding Deed. The Deed states, in part:

Background, Part (b)

LandCorp has agreed to provide Funding to enable the City to activate the City Centre through certain Events.

Events and Collaboration, Part 3.3

All Events must be mutually agreed in writing between the City and LandCorp prior to:
(b) LandCorp providing the Funding for the respect Event to the City.

Funding, Part 4.2

LandCorp will provide Funding during the Term to those Events that are mutually agreed between the Parties within 30 days of receiving and invoice from the City.

It could be argued that a funding commitment has in fact been made between the Parties via the Funding Deed and that the decision by LandCorp is not whether to fund an event through the scheme, but rather which event or events will be funded. Officers consider this to be a low risk option and one that could result in funding being released. There is a risk however that any request for a Ministerial response will not be received in a timely manner, resulting in events due to be held in the next month or two remaining in jeopardy.

LEVEL OF SIGNIFICANCE

In accordance with Council Policy CG-8 Significant Decision Making Policy, this matter is considered to be of low significance in relation to financial issues.

COUNCILLOR/OFFICER CONSULTATION

Council has previously considered these applications via reports presented in March and April 2017.

COMMUNITY CONSULTATION

No community consultation is required.

STATUTORY IMPLICATIONS

Section 3.18 of the *Local Government Act 1995* applies in this instance.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

To date, \$83,384 of LandCorp funds have been allocated in 2016/2017 (including the Mother's Day Classic). It should be noted that there are currently no municipal funds budgeted for this funding scheme.

STRATEGIC IMPLICATIONS

This item is relevant to the Council's approved Strategic Community Plan 2016-2026 and Corporate Business Plan 2016-2021. In particular, the Operational Plan 2016-2017 provides for this activity:

Our Programs/Services:	1.c.1.2	Community Engagement
Our Projects/Actions:	1.c.1.2.1	Provide grant funding opportunities

RISK MANAGEMENT CONSIDERATIONS

The level of risk in not funding the applications is considered to be low in terms of Council's reputation. There is also a level of financial risk should Council decide to fund some or all of the events itself.

IMPACT ON CAPACITY

There is no impact on capacity or resourcing to carry out the Officer's recommendation.

RELEVANT PRECEDENTS

There are no relevant precedents related to this matter.

VOTING REQUIREMENTS

Simple Majority.

OPTIONS:Option 1

As per Officer's recommendation.

Option 2

That Council by SIMPLE Majority pursuant to Section 3.18 of the *Local Government Act 1995* RESOLVES to NOTE that:

1. Four applications for funding have been approved by Council and are currently awaiting LandCorp consideration; and
2. Await advice from LandCorp once a decision on the scheme is made by the Minister.

Option 3

That Council by SIMPLE Majority pursuant to Section 3.18 of the *Local Government Act 1995* RESOLVES to ALLOCATE funds for the following events as follows:

EVENT	APPLICANT	FUNDING VALUE ex GST
Karratha City Markets	Haybar Pty Ltd	
Ice Skating	Wrapped Creations	
City to Surf	Activ	
Karratha City Sundowner	Vicinity Shopping Centres	

Option 4

That Council by SIMPLE Majority pursuant to Section 3.18 of the *Local Government Act 1995* RESOLVES to INSTRUCT Officers to:

1. _____
2. _____
3. _____

CONCLUSION

LandCorp and the City entered into an agreement to activate the City Centre with LandCorp committing \$450,000 over three years to 2017/2018. Excluding the allocation to Red Dog Relay and Festival in 2015/2016, \$83,384 has been jointly approved for events held in the City Centre with four applications being endorsed by Council subject to LandCorp approval being received.

As LandCorp have now deferred any further approvals for funds until a decision by the Minister is made, it is suggested that a response from the Minister be requested on the status of the Funding Deed.

OFFICER'S RECOMMENDATION

That Council by SIMPLE Majority pursuant to Section 3.18 of the *Local Government Act 1995* RESOLVES to INSTRUCT the CEO to:

1. **ADVISE** the Minister that a financial commitment has been made to the City via the Karratha City Centre Activation and Funding Deed; and
2. **REQUEST** that LandCorp provide a decision with regard to the suitability of the pending events seeking funding under the scheme.

COUNCIL AMENDED RESOLUTION

Res No : 153789
 MOVED : Cr Scott
 SECONDED: : Cr Smeathers

That Council by SIMPLE Majority pursuant to Section 3.18 of the *Local Government Act 1995* RESOLVES to:

1. ADVISE the Minister that a financial commitment has been made to the City via the Karratha City Centre Activation and Funding Deed;
2. REQUEST clarity from LandCorp around the allocation of funding of events under the Karratha City Centre Activation Scheme for 2016/17 and for future events in 2017/18;
3. ALLOCATE funds for planned events as follows:

EVENT	APPLICANT	FUNDING VALUE ex GST
Karratha City Markets	Haybar Pty Ltd	\$3,000 per event up to a maximum of \$21,000
Ice Skating	Wrapped Creations	\$30,000
City to Surf	Activ	\$30,000
Karratha City Sundowner	Vicinity Shopping Centres	\$10,000
	TOTAL	\$91,000

4. ACTIVELY SEEK reimbursement from LandCorp for these funds.

CARRIED

FOR : Cr Long, Cr Bertling, Cr Lally, Cr Scott, Cr Smeathers, Cr Vandenberg, Cr White- Hartig
 AGAINST : Nil
 REASON : Councillors modified the Officer's recommendation as they wanted to seek clarification from LandCorp for funding allocation as per the Karratha City Centre Activation Funding Deed, and to seek reimbursement of funds for events for which a commitment has been made.

At 5.22 pm Cr Cucel, Cr Harris and Cr Parsons re-entered the Chambers.

5.3 REAP PUBLIC ART SOUTHERN ELEVATION FAÇADE TENDER

File No:	CP.509
Responsible Executive Officer:	Director Community Services
Reporting Author:	Community Projects Officer
Date of Report:	3 May 2017
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s)	Confidential - RFT 31-16/17 Evaluation and Recommendation Report

PURPOSE

For Council to consider entering contract negotiations with GAP Art Collective as the preferred Tenderer for RFT 31-16/17 Red Earth Arts Precinct (REAP) Southern Elevation of Building Façade Public Art Commission.

BACKGROUND

This is the second round of submissions for the southern facade major artwork for the Red Earth Arts Precinct after all submissions received in round 1 were rejected.

In February 2017 Council nominated (res 153713) the selection criteria and to call for tenders from the following Red Earth Arts Precinct Artwork Location 3 applicants as recommended by the Public Art Advisory Group as a result of the Expression of Interest process:

- a) Wild by Nature
- b) Tim Macfarlane Reid
- c) Safehaven Studios
- d) GAP Art Collective

Private tenders were received on 20 April, 2017 and the artists presented their proposals to the Public Art Advisory Group (PAAG) on Monday 1 May, 2017.

The PAAG nominate the GAP Art Collective as the preferred Tenderer subject to minor clarifications and contract negotiations:

This respondent's concept offers a dynamic and engaging artwork that is aligned with the iconic nature of the building and fulfils the artwork brief.

The full evaluation of Tenders is contained in the attached Evaluation and Recommendation report. The PAAG's preferences were as follows:

1. GAP Art Collective
2. Safehaven Studios
3. Wild by Nature
4. Tim Macfarlane Reid

The PAAG recommend entering contract negotiations with GAP Art Collective at this stage, prior to entering a contract. The PAAG identify the following items requiring confirmation during the contract negotiation period:

- a) Structural engineering certification and approval by an Alucobond technical representative of the Alucobond layering technique proposed;
- b) Elimination of potential climbable elements (possible minor design amendments);
- c) Confirmation of the aluminium cladding panel size and orientation used as the substructure to the triangular stuck on panels;
- d) Confirmation of water runoff methodology and consideration towards design elements that foster dust collection;
- e) Confirmation of the fixing system, including the potential need for stiffening to the back of the panels by Alucobond technical representative;
- f) Alucobond technical representative to confirm availability of ALL the coloured panels proposed, for the quantities required, in particular the 'TERRA' range; and
- g) Confirmation of the detail information provided above is within the project budget.

LEVEL OF SIGNIFICANCE

In accordance with Council Policy CG-8 Significant Decision Making Policy, this matter is considered to be of low significance in terms of cultural & wellbeing issues.

COUNCILLOR/OFFICER CONSULTATION

Consultation has taken place in accordance with the requirements of the Public Art Management Procedure and through the engagement of the Public Art Advisory Group.

COMMUNITY CONSULTATION

Consultation has previously taken place between Ngarluma Aboriginal Corporation and the City of Karratha regarding this project.

Additionally, community consultation took place on the first Request for Tender submissions received for this project as requested by Council and for the second artwork commission by Brad Jackson for Internal Staircase 1.

Community consultation is to occur following the adoption of the Officer's recommendation in accordance with CE-09 – Community Engagement Policy.

STATUTORY IMPLICATIONS

Request for private Tenders for Artwork Location 3 are to be awarded in accordance with Section 3.57 of the *Local Government Act 1995*.

Whilst the consideration of public art is recognised as being subjective, the processes and procedures behind the recommendation contained within this report are governed by the Public Art Management Procedure and Public Art Policy CS-12.

POLICY IMPLICATIONS

The City of Karratha has commitment to incorporate public art in accordance with CS12 Public Art Policy.

The following policies are applicable;
CG11 – Regional Price Preference Policy;
CG12 – Purchasing Policy; and
CS12 – Public Art Policy.

FINANCIAL IMPLICATIONS

The Karratha Arts and Community Precinct project budget has an allocation of \$470,000 for public art, which is equal to 1% of the construction cost.

The Public Art budget is allocated across the following components;

Project	Estimated Cost ex GST	Status
Artwork Location 1: Amphitheatre shade structure	\$20,000	Selected
Artwork Location 2: Staircase within the main foyer	\$100,000	Selected
Artwork Location 3: Southern wall elevation of building façade	\$250,000	This report
Provisional Sum allowances	\$35,000	Ongoing
Project management	\$65,000	Ongoing
TOTAL	\$470,000	

The Public Art allocation has been budgeted within the Red Earth Arts Precinct Project budget.

STRATEGIC IMPLICATIONS

This item is relevant to the Council's approved Strategic Community Plan 2016-2026 and Corporate Business Plan 2016-2021. In particular, the Operational Plan 2016-2017 provided for this activity:

Our Outcomes:	1.a.	Quality Community Facilities
Our Response:	1.a.1	A full range of city-standard facilities and community infrastructure is provided.
Our Response:	1.a.2	Future facility needs are planned for and developed in line with best practice.
Our Outcomes:	4.b	Continuous improvement and innovation
Our Response:	4.b.1	An environment that supports continuous improvement.

RISK MANAGEMENT CONSIDERATIONS

There are no risk management considerations applicable.

IMPACT ON CAPACITY

There is no impact on capacity or resourcing to carry out the Officer's recommendation.

RELEVANT PRECEDENTS

On 21 September 2015 Council endorsed the public art locations for the Red Earth Arts Precinct.

Council has previously endorsed public art recommendations for a number of facilities including Karratha Airport and Karratha Leisureplex.

VOTING REQUIREMENTS

Simple Majority.

OPTIONS:

Option 1

As per Officer's recommendation.

Option 2

That Council by SIMPLE Majority pursuant to Section 3.18 of the *Local Government Act 1995* RESOLVES to AWARD Tender RFT31-16/17 to the following artists for Artwork Location 3:

Applicant name: _____

Option 3

That Council by SIMPLE Majority pursuant to Section 3.18 of the *Local Government Act 1995* RESOLVES to:

1. NOT PROCEED with the Artwork Location 3 public art commission; and
2. REALLOCATE \$250,000 within the Red Earth Arts Precinct construction budget:

CONCLUSION

This is the second round of submissions for the southern facade major artwork for the Red Earth Arts Precinct after all submissions received in round 1 were rejected.

Four private tender submissions for RFT31-16/17 Red Earth Arts Precinct Southern Elevation Façade Public Art Commission were evaluated by the Public Art Advisory Group. Artists visited Karratha and presented their Tender submission and artwork maquettes to the Group on Monday 1 May, 2017. All four submissions responded well to the brief.

The PAAG nominate GAP Art Collective as the preferred Tenderer and recommend awarding the contract subject to fruitful outcomes related to minor clarifications and contract negotiations:

OFFICER'S RECOMMENDATION

Res No : 153790
 MOVED : Cr Lally
 SECONDED: : Cr Parsons

That Council by SIMPLE Majority pursuant to Section 3.57 of the *Local Government Act 1995* RESOLVES to:

1. NOTE the budget for Artwork 3 as part of the Public Art allowance for the Red Earth Arts Precinct is \$250,000;
2. NOMINATE GAP Art Collective as the preferred Tenderer for RFT 31-16/17 Red Earth Arts Precinct Southern Elevation Façade Public Art Commission; and
3. Subject to clarifications outlined in this report and the outcomes being within Councils Budget allocation, AUTHORISE the Chief Executive Officer to EXECUTE a contract with GAP Art Collective for the provision of public art to the South Elevation Façade of the Red Earth Arts Precinct.

CARRIED

FOR : Cr Long, Cr Bertling, Cr Cucel, Cr Harris, Cr Lally, Cr Parsons, Cr Scott,
 Cr Smeathers, Cr Vandenberg, Cr White-Hartig
 AGAINST : Nil

6 STRATEGIC PROJECTS & INFRASTRUCTURE

6.1 EARLY ACQUISITION OF BULLDOZER FOR SEVEN MILE WASTE FACILITY

File No:	PL.19
Responsible Executive Officer:	Director Strategic Projects & Infrastructure
Reporting Author:	Fleet & Plant Coordinator
Date of Report:	24 April 2017
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s)	Nil

PURPOSE

For Council to consider approving the placement of an early order for the acquisition of a Bulldozer for the Seven Mile Waste Facility and the disposal of the existing Komatsu Bulldozer, plant number P8013.

BACKGROUND

As per Council's ten (10) year plant replacement plan, the bulldozer at Seven Mile Waste facility has been recognised as being due for replacement based on utilisation (8000 hours predicted). Based on this utilisation, the optimum replacement time for this item is September 2017. An allocation of \$837,000 has been included in the 2017/18 Draft Budget along with the disposal income of \$100,000 for the existing Bulldozer. It has been advised by the suppliers that the average lead time for this item is 3 – 4 months from time of order.

Further, it is important to consider the potential added operating expenses related to continued utilisation of the existing Bulldozer beyond the optimum replacement period. This plant is identified as critical to the Seven Mile Waste facility operations as it is used to manoeuvre waste on the tip face and is a backup machine for compaction if the Bomag Refuse Compactor is out of service – any considerable interruption to or downtime can result in a significant loss of valuable landfill air space. It should be noted that historically, a replacement unit is not readily available for hire should the existing one be rendered inoperable.

Subject to Council approval for the funding it is proposed to source the replacement Bulldozer via the WALGA preferred supplier panel of providers. No budget amendment is required as the new Bulldozer would not arrive until the 2017/18 financial year.

LEVEL OF SIGNIFICANCE

In accordance with Council Policy CG-8 Significant Decision Making Policy, this matter is considered to be of moderate significance in terms of environmental issues & Council's ability to perform its role.

COUNCILLOR/OFFICER CONSULTATION

Consultation has taken place between Fleet & Plant Department and Waste Services regarding the impact of not replacing the existing unit in line with the replacement plan.

Consultation also occurred between Fleet & Plant Coordinator and Executive Management Team who supported the recommendation to seek early placement of order.

COMMUNITY CONSULTATION

No community consultation is required.

STATUTORY IMPLICATIONS

In accordance with Section 3.58 of the *Local Government Act 1995*, Council is required by Absolute Majority to approve disposals greater than \$50,000. It is anticipated that the existing Komatsu Bulldozer will be replaced at an estimated sale price of \$100,000.

Should Council agree and in accordance with Section 5.42 of the *Local Government Act 1995*, Council is requested to approve delegation of authority to the CEO in relation to the disposal.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

The recommendation is designed to ensure the least overall expenditure over time by ensuring the Bulldozer is changed out at its optimum time.

The purchase of the Bulldozer will be funded from the Waste Reserve in accordance with the 10-year plant replacement plan and the City's Long Term Financial Plan.

Following are the details of the current Komatsu Bulldozer, as per the 10-year plan optimal change out at 8 years or 8000 hours, whichever occurs first.

Make/Model	Plant No.	Purchase date	Current Engine Hours	Anticipated Engine Hours at Time of Disposal	Budgeted Income	Estimated Written Down Value at time of sale
Komatsu D85EX_15EO Bulldozer	P8013	3/12/2012	6515	8000	\$100,000	\$279,981

STRATEGIC IMPLICATIONS

This item is relevant to the Council's approved Strategic Community Plan 2016-2026 and Corporate Business Plan 2016-2021. In particular, the Operational Plan 2016-2017 provided for this activity:

Our Programs/Services: 4.c.1.6 Fleet and Plant Management

RISK MANAGEMENT CONSIDERATIONS

The level of risk is considered to be moderate to the City in terms of service interruption, environment and compliance.

IMPACT ON CAPACITY

There is no impact on capacity or resourcing to carry out the Officer's recommendation.

RELEVANT PRECEDENTS

Council has previously approved the early acquisition of long lead time plant and equipment in accordance with the 10 Year Plant and Fleet Replacement program. At the Ordinary Meeting in March 2014 Council approved the early acquisition of the Refuse Compactor for Seven Mile Waste Facility.

VOTING REQUIREMENTS

Absolute Majority.

OPTIONS:Option 1

As per Officer's recommendation.

Option 2

That Council by SIMPLE Majority pursuant to Section 3.58 of the *Local Government Act 1995* RESOLVES to NOT support the Officers recommendation and PROPOSES to wait until the 2017/18 budget is released to consider replacement of the Bulldozer.

CONCLUSION

The early order placement of the Bulldozer will provide Waste Services with the appropriate resources to continue services in the safest and most cost effective manner.

OFFICER'S RECOMMENDATION

Res No : 153791
 MOVED : Cr Parsons
 SECONDED: : Cr Cucel

That Council by **ABSOLUTE** Majority pursuant to Section 3.58 and 5.42 of the *Local Government Act 1995* RESOLVES to:

1. **APPROVE** the disposal of P8013 Komatsu Bulldozer;
2. **APPROVE** the delegation of authority to the Chief Executive Officer to accept or decline offers for the disposal of P8013; and
3. **APPROVE** the purchase of the new Bulldozer, as identified in the 10-year Plant Replacement Program, at an estimated cost of \$837,000 and allocate funds in the 2017/18 Budget.

CARRIED

FOR : Cr Long, Cr Bertling, Cr Cucel, Cr Harris, Cr Lally, Cr Parsons, Cr Scott,
 Cr Smeathers, Cr Vandenberg, Cr White-Hartig
 AGAINST : Nil

7 MATTERS BEHIND CLOSED DOORS

CONFIDENTIAL ATTACHMENT TO ITEM 5.1 MANAGEMENT AND PROMOTION OF COSSACK TENDER AWARD

CONFIDENTIAL ATTACHMENT TO ITEM 5.3 REAP PUBLIC ART SOUTHERN ELEVATION FAÇADE TENDER

These matters if disclosed would reveal information about the business, professional, commercial or financial affairs of a person.

8 CLOSURE & DATE OF NEXT MEETING

The meeting closed at 5.30 pm.

The next Ordinary Council meeting is to be held on Monday, 29 May 2017 at 6:30 pm at Council Chambers - Welcome Road, Karratha.

I, Cr Peter Long, Mayor of the City of Karratha, hereby declare on behalf of the Councillors of the City of Karratha that the enclosed Minutes are a true and accurate record of the Special Council Meeting held on Monday, 8 May 2017.

..... Date ____/____/____
Signed