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CITY OF BUSSELTON

MINUTES FOR THE COUNCIL MEETING HELD ON 22 MARCH 2017

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MINUTES

MINUTES OF A MEETING OF THE A MEETING OF THE BUSSELTON CITY COUNCIL HELD IN MEETING ROOM ONE, COMMUNITY RESOURCE CENTRE, 21 CAMMILLERI STREET, BUSSELTON, ON 22 MARCH 2017 AT 5.30PM.

1. DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Presiding Member opened the meeting at 5.34pm.

2. ATTENDANCE

Presiding Member:

Cr Grant Henley Mayor

Members:

Cr Coralie Tarbotton
Cr Ross Paine
Cr Terry Best
Cr John McCallum
Cr Rob Bennett
Cr Robert Reekie
Cr Gordon Bleechmore

Officers:

Mr Mike Archer, Chief Executive Officer
Mr Oliver Darby, Director, Engineering and Works Services
Mr Paul Needham, Director, Planning and Development Services
Mr Cliff Frewing, Director, Finance and Corporate Services
Mrs Maxine Palmer, Manager, Community Services
Miss Hayley Barge, Administration Officer, Governance
Miss Kate Dudley, Administration Officer, Governance

Apologies

Cr Paul Carter
Mrs Naomi Searle, Director, Community and Commercial Services

Approved Leave of Absence

Nil

Media:

"Busselton-Dunsborough Times"
"Busselton-Dunsborough Mail"

Public:

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3. PRAYER

The prayer was delivered by Pastor Nigel Wittwer of Hope Christian Church.

4. PUBLIC QUESTION TIME**Response to Previous Questions Taken on Notice**

Nil

Public Question Time

Nil

5. ANNOUNCEMENTS WITHOUT DISCUSSION**Announcements by the Presiding Member**

Nil

Announcements by other Members at the invitation of the Presiding Member

Nil

6. APPLICATION FOR LEAVE OF ABSENCE

Nil

7. PETITIONS AND PRESENTATIONS**7.1 Petitions**

Nil

7.2 Presentations

Mr Mario Camarri addressed the Council in accordance with Section 6.10 of the Standing Orders as a party with an interest in Item 10.5. Mr Camarri was generally not in agreement with the Committee Recommendation.

8. DISCLOSURE OF INTERESTS

Nil

9. CONFIRMATION AND RECEIPT OF MINUTES**Previous Council Meetings****9.1 Minutes of the Council Meeting held 8 March 2017****Council Decision**

C1703/047

Moved Councillor J McCallum, seconded Councillor T Best

That the Minutes of the Council Meeting held 8 March 2017 be confirmed as a true and correct record.

CARRIED 8/0

Committee Meetings9.2 Minutes of the Capes Region Organisation of Councils (CapeROC) Meeting held 17 February 2017**Council Decision****C1703/048**

Moved Councillor T Best, seconded Councillor J McCallum

- 1) That the minutes of the Capes Region Organisation of Councils (CapeROC) Meeting held 17 February 2017 be received.
- 2) That the Council notes the outcomes from the Capes Region Organisation of Councils (CapeROC) Meeting held 17 February 2017 being:
 - a) CapeROC gives in principle support for \$30,000 to be allocated from next year's budget to employ a suitably qualified consultant to prepare a Capes Regional Trails Strategy and \$15,000 from each Council's budget.
 - b) The general discussion items are noted.

CARRIED 8/09.3 Minutes of the Finance Committee Meeting held 2 March 2017**Council Decision****C1703/049**

Moved Councillor G Bleechmore, seconded Councillor C Tarbotton

- 1) That the minutes of the Finance Committee Meeting held 2 March 2017 be received.
- 2) That the Council notes the outcomes from the Finance Committee Meeting held 2 March 2017 being:
 - a) The Finance Committee Information Bulletin - January 2017 item is noted.
 - b) The List of Payments Made - January 2017 item is presented for Council consideration at item 10.1 of this agenda.
 - c) The Financial Activity Statements - Period Ending 31 January 2017 item is presented for Council consideration at item 10.2 of this agenda.
 - d) The Budget Amendment Request item is presented for Council consideration at item 10.3 of this agenda.

CARRIED 8/0

9.4 Minutes of the Audit Committee Meeting held 2 March 2017**Council Decision****C1703/050**

Moved Councillor G Bleechmore, seconded Councillor J McCallum

- 1) That the minutes of the Audit Committee Meeting held 2 March 2017 be received.
- 2) That the Council notes the outcomes from the Audit Committee Meeting held 2 March 2017 being:
 - a) The Compliance Audit Return item is presented for Council consideration at item 10.4 of this agenda.
 - b) The Conduct of Meeting with Auditor item is noted.

CARRIED 8/0

ITEMS BROUGHT FORWARD AND ADOPTION BY EXCEPTION RESOLUTION

At this juncture the Mayor advised the meeting that with the exception of the items identified to be withdrawn for discussion, that the remaining reports, including the Committee and Officer Recommendations, will be adopted en bloc.

Council Decision / Committee Recommendation and Officer Recommendation

C1703/051 Moved Councillor R Reekie, seconded Councillor C Tarbotton

That the Committee and Officer Recommendations in relation to the following agenda items be carried en bloc:


- 10.1 Finance Committee - 2/03/2017 - LIST OF PAYMENTS MADE - JANUARY 2017
- 10.2 Finance Committee - 2/03/2017 - FINANCIAL ACTIVITY STATEMENTS - PERIOD ENDING 31 JANUARY 2017
- 13.1 BUSSELTON FORESHORE REDEVELOPMENT: LEASE OF LOT 561 ON DEPOSITED PLAN 409945, CROWN LAND TITLE VOLUME 3167 FOLIO 934 (FAMILY RESTAURANT; MICROBREWERY, AND FUNCTION CENTRE)
- 13.2 CSRFF SMALL GRANTS ROUND APPLICATION SUMMER
- 15.1 COUNCILLORS' INFORMATION BULLETIN

CARRIED 8/0

EN BLOC

10. REPORTS OF COMMITTEE

10.1 Finance Committee - 2/03/2017 - LIST OF PAYMENTS MADE - JANUARY 2017

SUBJECT INDEX:	Financial Operations
STRATEGIC OBJECTIVE:	An organisation that is managed effectively and achieves positive outcomes for the community.
BUSINESS UNIT:	Financial Services
ACTIVITY UNIT:	Finance
REPORTING OFFICER:	Strategic Financial Plan Accountant - Stuart Wells
AUTHORISING OFFICER:	Director, Finance and Corporate Services - Cliff Frewing
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A List of Payments - January 2017 

This item was considered by the Finance Committee at its meeting on 2 March 2017, the recommendations from which have been included in this report.

PRÉCIS

This report provides details of payments made from the City's bank accounts for the month of January 2017, for noting by the Council and recording in the Council Minutes.

BACKGROUND

The Local Government (Financial Management) Regulations require that when the Council has delegated authority to the Chief Executive Officer to make payments from the City's bank accounts, that a list of payments made is prepared each month for presentation to, and noting by, Council.

STATUTORY ENVIRONMENT

Section 6.10 of the Local Government Act and more specifically, Regulation 13 of the Local Government (Financial Management) Regulations; refer to the requirement for a listing of payments made each month to be presented to the Council.

RELEVANT PLANS AND POLICIES

NA.

FINANCIAL IMPLICATIONS

NA.

Long-term Financial Plan Implications

NA.

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – 'Open and Collaborative Leadership' and more specifically Community Objective 6.3 – 'An organisation that is managed effectively and achieves positive outcomes for the community'.

RISK ASSESSMENT

NA.

CONSULTATION

NA.

OFFICER COMMENT

NA.

CONCLUSION

NA.

OPTIONS

NA.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

NA.

Council Decision / Committee Recommendation and Officer Recommendation

C1703/052



Moved Councillor R Reekie, seconded Councillor C Tarbotton

That the Council notes payment of voucher numbers M113836 – M113936, EF050224 – EF050645, T007311 – T007315, and DD002982 – DD003008; together totaling \$5,840,590.71.

CARRIED 8/0

EN BLOC

10.2 Finance Committee - 2/03/2017 - FINANCIAL ACTIVITY STATEMENTS - PERIOD ENDING 31 JANUARY 2017

SUBJECT INDEX:	Budget Planning and Reporting
STRATEGIC OBJECTIVE:	An organisation that is managed effectively and achieves positive outcomes for the community.
BUSINESS UNIT:	Financial Services
ACTIVITY UNIT:	Financial Services
REPORTING OFFICER:	Strategic Financial Plan Accountant - Stuart Wells
AUTHORISING OFFICER:	Director, Finance and Corporate Services - Cliff Frewing
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Financial Activity Statements - January 2017  Attachment B Investment Report - January 2017 

This item was considered by the Finance Committee at its meeting on 2 March 2017, the recommendations from which have been included in this report.

PRÉCIS

Pursuant to Section 6.4 of the Local Government Act ('the Act') and Regulation 34(4) of the Local Government (Financial Management) Regulations ('the Regulations'), a local government is to prepare, on a monthly basis, a statement of financial activity that reports on the City's financial performance in relation to its adopted/ amended budget.

This report has been compiled to fulfil the statutory reporting requirements of the Act and associated Regulations, whilst also providing the Council with an overview of the City's financial performance on a year to date basis for the period ending 31 January 2017.

BACKGROUND

The Regulations detail the form and manner in which financial activity statements are to be presented to the Council on a monthly basis; and are to include the following:

- Annual budget estimates
- Budget estimates to the end of the month in which the statement relates
- Actual amounts of revenue and expenditure to the end of the month in which the statement relates
- Material variances between budget estimates and actual revenue/ expenditure/ (including an explanation of any material variances)
- The net current assets at the end of the month to which the statement relates (including an explanation of the composition of the net current position)

Additionally, and pursuant to Regulation 34(5) of the Regulations, a local government is required to adopt a material variance reporting threshold in each financial year. At its meeting of 21 July 2016, the Council adopted (C1607/160) the following material variance reporting threshold for the 2016/17 financial year:

That pursuant to Regulation 34(5) of the Local Government (Financial Management) Regulations, the Council adopts a material variance reporting threshold with respect to financial activity statement reporting for the 2016/17 financial year to comprise variances equal to or greater than 10% of the year to date budget amount as detailed in the Income Statement by Nature and Type/ Statement of Financial Activity report, however variances due to timing differences and/ or seasonal adjustments are to be reported on a quarterly basis.

STATUTORY ENVIRONMENT

Section 6.4 of the Local Government Act and Regulation 34 of the Local Government (Financial Management) Regulations detail the form and manner in which a local government is to prepare financial activity statements.

RELEVANT PLANS AND POLICIES

Not applicable.

FINANCIAL IMPLICATIONS

Any financial implications are detailed within the context of this report.

Long-term Financial Plan Implications

As above.

STRATEGIC COMMUNITY OBJECTIVES

This matter principally aligns with Key Goal Area 6 – ‘Open and Collaborative Leadership’ and more specifically Community Objective 6.3 - ‘An organisation that is managed effectively and achieves positive outcomes for the community’. The achievement of the above is underpinned by the Council strategy to ‘ensure the long term financial sustainability of Council through effective financial management’.

RISK ASSESSMENT

Risk assessments have been previously completed in relation to a number of ‘higher level’ financial matters, including timely and accurate financial reporting to enable the Council to make fully informed financial decisions. The completion of the monthly Financial Activity Statement report is a control that assists in addressing this risk.

CONSULTATION

Not applicable

OFFICER COMMENT

In order to fulfil statutory reporting requirements, and to provide the Council with a synopsis of the City’s overall financial performance on a full year basis, the following financial reports are attached hereto:

- Statement of Financial Activity

This report provides details of the City’s operating revenues and expenditures on a year to date basis, by nature and type (i.e. description). The report has been further extrapolated to include details of non-cash adjustments and capital revenues and expenditures, to identify the City’s net current position; which reconciles with that reflected in the associated Net Current Position report.

- Net Current Position

This report provides details of the composition of the net current asset position on a full year basis, and reconciles with the net current position as per the Statement of Financial Activity.

- Capital Acquisition Report

This report provides full year budget performance (by line item) in respect of the following capital expenditure activities:

- Land and Buildings
- Plant and Equipment
- Furniture and Equipment
- Infrastructure

- Reserve Movements Report

This report provides summary details of transfers to and from reserve funds, and also associated interest earnings on reserve funds, on a full year basis.

Additional reports and/or charts are also provided as required to further supplement the information comprised within the statutory financial reports.

COMMENTS ON FINANCIAL ACTIVITY TO 31 JANUARY 2017

Operating Activity

- Operating Revenue

As at 31 January 2017, there is a variance of -1.51% (-\$970K) in total operating revenue, with the following categories exceeding the 10% material variance threshold:

Description	Variance %	Variance \$000's
Other Revenue	+31%	+\$62
Interest Earnings	+34%	+\$561
Non-Operating Grants Subsidies and Contributions	-27%	-\$1,697
Profit on Asset Disposals	+72%	+\$8

Other Revenue (+\$62K)

- Milne Street Pavillion is +\$29k ahead of budget. This is actually a capital grant that will be journalled across in February to Non-Operating Grants, Subsidies and Contributions against where the budget sits. This is timing in nature only.
- Parking Control is ahead of year to date budget by +\$16k. This variance has increased by 1k over December, continues to track ahead of budget and is indicative of a permanent difference.
- Animal Control is unfavourable against budget by -\$10k. This variance has been fluctuating on a month to month basis and is likely timing in nature.
- Busselton Transfer Station and Dunsborough Waste Facility are favourable against budget by +\$14k. This is due to sales of scrap and recyclable materials currently trending ahead of budget. Any variance is transferred to waste reserve at the end of the year with no impact to overall municipal surplus/(deficit) position.
- Sale of Artworks +\$2k. These amounts result in a liability and expense being paid at a later date to the artist concerned. Therefore timing difference only
- Receipts of unbudgeted long service leave amounting to +\$16k. The amount will be offset by a corresponding expenditure amount at the time the leave is taken, therefore no impact to the overall surplus/(deficit) position.
- Busselton and Dunsborough Cemeteries currently +\$3k ahead of budget due to sale of memorialisation stock. This is expected to be a timing difference only.
- Public Relations sale of number plates are +\$2k ahead of budget. Based on the current trend it is likely this will exceed budget for the full year.

- NCC Standpipe is -\$7k behind budget due to sale of water because of a timing difference. The budget assumed monthly receipts however they will be received bi-annually.
- Other Law, Order and Public Safety, local government act fines and costs is trending below budget by -\$7k. Likely to not meet full year budget targets based on actuals to date.
- Fire Prevention Bush Fire Act Fines and Costs is currently trending -\$6k below budget. Based on this current trend it's unlikely the full year \$45k budget target will be met.

Interest Earnings (+\$561K)

- Interest on municipal funds +\$28k.
- Interest on reserve funds +\$101k.
- Interest on restricted funds +\$377k.
- Late payment interest on rates +\$55k.

Non-Operating Grants, Subsidies and Contributions (-\$1,697K)

- There are a number of items that make up the current year to date variance. All variances are timing related except:
 - Foreshore East Youth Precinct (Skate Park & Adventure Playground). An accrual was raised for a Lotterywest grant in the 2015/16 financial year equal to \$613k. In the 2016/17 financial year only \$480k has been received. This leaves a current budget shortfall of \$133k. The shortfall is subject to ongoing discussions between the City of Busselton and Lotterywest.

Profit on Asset Disposals (+\$8K)

- Sales of the CEO's Toyota Prado +\$12k. It was budgeted to be sold at its book value but +\$12k more than budget was received.
- Fibreglass Water Leeder Tank +4k. This was an insurance receipt received equal to the replacement value of the tank broken, resulting in a profit on sale of +\$4k.
- Offset against this is the sale of a number of items which are yet to occur or items that were budgeted to be sold at a profit and ended up being sold at a loss amounting to -\$8k.

▪ Operating Expenditure

As at 31 January 2017, there is a variance of +4% (+\$1,475K) in total operating expenditure, with the following categories exceeding the 10% material variance threshold:

Description	Variance %	Variance \$000's
Materials and Contracts	+16%	+\$1,382
Utilities	+23%	+\$314
Other Expenditure	+20%	+\$371
Allocations	-13%	-\$146
Loss on Asset Disposals	-1,672%	-\$101

Materials and Contracts (+\$1,382K)

- By directorate, materials and contracts is showing the following variances at 31 January 2017;
 - Engineering and Works Services +\$677k
 - Community and Commercial Services +\$422k
 - Finance and Corporate Services +\$83K
 - Planning and Development Services +\$24k
 - Executive Services +\$71K
- From a natural account perspective the variances are predominantly attributable to contractors +\$485k, Consultants +\$565k and Fuels, Oils and Grease +\$49k. Of those variances it is only Fuel, Oils and Grease that is likely to result in a permanent difference for the full year at this stage if

fuel prices remain stable at current levels. This variance has however continued to reduce over January.

Utilities (+\$314K)

- The predominant variance for utilities relates to water +\$153k and electricity +\$146k. This variance is a timing variance related to the irregular way in which water and electricity invoices are received.

Allocations (-\$146K)

- This activity incorporates numerous internal accounting allocations. The first component is Activity Based Costing (ABC) allocations where allocations are based on actual costs. The second component is the overhead allocations whereby the monthly charges are based on budget. The -\$146k variance is timing variance that reflects an under allocation at 31 January 2017. It is expected this will correct by end of the financial year.

Loss on Asset Disposals (-\$101K)

- The loss on asset disposals relates to numerous items of plant and equipment sold in the first seven months of the financial year. The loss represents the difference between the book value of the assets and the amounts received in cash for those assets sold. The variance of -\$101k is mostly considered permanent as it relates to items that were either budgeted to be sold at a profit or smaller items that were not budgeted to be sold.

Capital Activity

▪ Capital Revenue

As at 31 January 2017, there is a variance of -36% (-\$15,381K) in total capital revenue, with the following categories exceeding the 10% material variance threshold:

Description	Variance %	Variance \$000's
Transfer from Reserves	-20%	-\$3,650
Transfer from Restricted Assets	-55%	-\$11,564
Proceeds from Sale of Assets	-53%	-\$161
Self-Supporting Loans	-13%	-\$6k

Transfer from Reserves (-\$3,650K)

- Timing difference relating to use of the Civic and Administration Centre Construction Reserve (-\$5,400K). Offset by an increase in use of Infrastructure Asset Renewal Reserve (+\$2,000k) for the same period. These are both timing in nature only.
- Community Development contribution reserve (-\$250K). Budget included \$250k spent on Milne Street Pavilion in November which has not yet occurred. This is timing in nature only and will correct by June 2017.

Transfer from Restricted Assets (-\$11,564K)

- Timing difference relating to use of Airport and Foreshore grants -\$18,000k and -\$3,000k relating to the foreshore works. No impact to net current position.
- Movement of Community and Rec Facilities +\$7,323k, Vasse Diversion Drain +\$383k, Drainage held in Restricted Assets +\$211k, Aged Housing +\$846k from restricted assets into reserves. These movements were budgeted to occur in June 2017 but have occurred in October and are timing in nature only. No impact to net current position.
- Bonds and Deposits (+\$671k) not budgeted. Timing in nature only as held on behalf of other entities and individuals.

Proceeds from Sale of Assets (-\$161K)

- Proceeds from sale of assets, includes timing differences of -\$206k and permanent differences of +\$45k. Of the permanent differences, +\$12k relates to additional funds received for sale of Toyota Prado, +\$12k insurance refund for fibreglass water tank, +\$9k for Kawasaki Mule and the remainder being a number of smaller plant items or differences in budgeted proceeds and actuals proceeds received.
- Capital Expenditure

As at 31 January 2017, there is a variance of 39% (+\$31,311K) in total capital expenditure, with the following categories exceeding the 10% material variance threshold:

Description	Variance %	Variance \$000's
Land and Buildings	+40%	+\$7,028
Plant and Equipment	+48%	+\$662
Furniture and Equipment	+79%	+\$1,017
Infrastructure	+72%	+\$27,152
Transfers to Restricted Assets	-516%	-\$3,737

The attachments to this report include detailed listings of the following capital expenditure (project) items, to assist in reviewing specific variances:

- Land and Buildings
- Plant and Equipment
- Furniture and Equipment
- Infrastructure

All capital expenditure variances are considered to be a timing adjustment at this time, with no impact expected against the net current position.

Transfers to Restricted Assets (-\$3,737K)

The transfers to restricted assets budget comprises an estimation of funds that could potentially be received during the financial year, primarily from developer contributions. Due to the nature of the category, the annual budget allocation is spread evenly throughout the financial year. The performance in this activity does not have any direct impact on the surplus/deficit position, as whilst recognised as operating revenue upon receipt, these funds are subsequently quarantined to restricted assets, essentially offsetting the initial transaction. Furthermore, the transfers to restricted assets category also include the payment of bonds and deposits, where no specific budget allocation is made for these funds.

The unfavourable financial year to date variance of -\$3,737k is primarily attributable to the receipt of Cash in Lieu – Parking -\$80k, Bonds and Deposit -\$173k receipt of interest in excess of budget attributable to the airport grant -\$400k and Unspent Loan funds -\$3,028k.

Investment Report

Pursuant to the Council's Investment Policy, a report is to be provided to the Council on a monthly basis, detailing the investment portfolio in terms of performance and counterparty percentage exposure of total portfolio. The report is also to provide details of investment income earned against budget, whilst confirming compliance of the portfolio with legislative and policy limits.

As at 31 January 2017, the value of the City's invested funds totalled \$119.3M, decreasing from \$121.4M as at 1st January. The decrease is due to funds being used for operational purposes, including the Admin Building redevelopment and other major projects.

During the month of January \$6.0M in term deposit funds matured with the deposits closed to meet operational cash requirements.

The balance of the 11am account (an intermediary account which offers immediate access to the funds compared to the term deposits and a higher rate of return compared to the cheque account) increased by \$3.0M with the funds being held to meet future operational cash requirements.

The RBA left official rates on hold during January and February with future rate movements are unclear at this stage.

Please refer to Attachment B for further information.

CONCLUSION

As at 31 January 2017, the City's financial performance is considered satisfactory. Whilst current variances exist in some operational areas, these are primarily due to timing differences, and if not timing are not material in nature or are transactions that have no direct impact on the Net Current Position. Trends identified that could lead to permanent differences will continue to be monitored in future periods to ensure corrective action is taken in a timely manner if required.

Whilst acknowledging capital is presently tracking below year to date budget estimates, this is also seen to be attributable to timing differences at this time. There continues to be no indication at this time of any material cost overruns on any capital items in this year's budget.

OPTIONS

The Council may determine not to receive the statutory financial activity statement reports.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Reports are received as at the date of the relevant Council meeting

Council Decision / Committee Recommendation and Officer Recommendation

C1703/053 Moved Councillor R Reekie, seconded Councillor C Tarbotton

That the Council receives the statutory financial activity statement reports for the period ending 31 January 2017, pursuant to Regulation 34(4) of the Local Government (Financial Management) Regulations.

CARRIED 8/0

EN BLOC

13. COMMUNITY AND COMMERCIAL SERVICES REPORT

13.1 BUSSELTON FORESHORE REDEVELOPMENT: LEASE OF LOT 561 ON DEPOSITED PLAN 409945, CROWN LAND TITLE VOLUME 3167 FOLIO 934 (FAMILY RESTAURANT; MICROBREWERY, AND FUNCTION CENTRE)

SUBJECT INDEX:	Busselton Foreshore Redevelopment
STRATEGIC OBJECTIVE:	A strong, innovative and diversified economy that attracts people to live, work, invest and visit.
BUSINESS UNIT:	Commercial Services
ACTIVITY UNIT:	Economic and Business Development
REPORTING OFFICER:	Economic and Business Development Coordinator - Jon Berry
AUTHORISING OFFICER:	Director, Community and Commercial Services - Naomi Searle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Nil

PRÉCIS

This report recommends Council delegates authority to the CEO to finalise terms and conditions and execute a sub-lease between the City of Busselton and Geographe Bay Brewing Company Pty Ltd, for Lot 561 on Deposited Plan 409945 (Crown Land Title Volume 3167 Folio 934). The purpose of the proposed sub-lease is to facilitate a privately funded commercial hospitality development on Crown land, in accordance with the Busselton Foreshore Master Plan and Development Guide Plan adopted by Council (C1602/031) on 24 February 2016.

BACKGROUND

Following a publicly advertised Expressions of Interest (Eoi) process seeking interest in ground leases of proposed commercial sites on the Busselton foreshore, Officers have progressed negotiations with Council-nominated 'preferred proponents' Credaro Holdings Pty Ltd (ACN 154 831 302) to develop a family restaurant/microbrewery/function centre and cellar door/tourist orientated retail service.

Credaro Holdings Pty Ltd has also established a separate legal entity (Geographe Bay Brewing Company Pty Ltd: ABN 69 169 450 088) to enter contracts with the City of Busselton and to manage the proposed enterprise.

Since early 2015, Officers have worked with the proponents on a draft Development Agreement, which has had several design iterations that have been modified contiguously with amendments to the Busselton Foreshore Master Plan adopted on 24 February 2016. On 10 August 2016, Council considered proposed commercial arrangements to facilitate the development along with a revised architectural design concept and resolved (C1608/207) the following:

- 1) Extends Credaro Holdings Pty Ltd (ACN 154 831 302), as 'preferred proponent' up to 10 August 2017, to progress commercial development of the site notated 'Family Restaurant' in Attachment A to the report;
- 2) Endorses the draft architectural design concept (as shown in Attachment B to the report) as the guide for further design development of the proposed family restaurant/microbrewery/function centre;
- 3) Delegates authority for the CEO to enter into a Development Agreement with Geographe Bay Brewing Company Pty Ltd (ABN: 69 169 450 088) on the terms and conditions outlined in the report;

- 4) Authorises the CEO to advertise an intended disposition of property transaction, being a 1,881m² portion of Reserve 38588 (proposed Lot 561), by leasehold in accordance with Section 3.58 (and, if applicable, Section 3.59) of the Local Government Act 1995 and presents a further report to Council following the closure for public submissions;
- 5) Delegates to the CEO the power to negotiate and authorises the CEO to enter into a new head lease with the Minister for Lands in relation to a portion of Reserve 38558 (proposed Lot 561 approximately 1,881m²) to accommodate the proposed restaurant/microbrewery/function centre/cellar door development, on the terms and conditions outlined in this report.

This report documents the negotiations between the CEO and the proponents and seeks a Council resolution to dispose of Crown land property by means of a 50 year lease in accordance with statutory requirements of s3.58 of the Local Government Act 1995.

STATUTORY ENVIRONMENT

Local Government Act 1995

- In accordance with s9.49B of the Local Government Act 1995, 'Contract Formalities', the Council is required to give authority to make, vary or discharge a contract, effectively binding the local government and other parties to the contract. This report identifies the proposed parties to a future contract and recommends the CEO be authorised to negotiate and enter a Development Agreement and Sub-Lease with Geographe Bay Brewing Company (ABN: 69 169 450 088).
- Subsection 3 of s3.58 of the Local Government Act 1995, states that before agreeing to dispose of property, the local government is required to:
 - (a) give local public notice of the proposed disposition by:
 - describing the property concerned;
 - giving details of the proposed disposition (including names of the parties concerned; the consideration to be received by the local government and the market value of the disposition); and,
 - inviting submissions to be made to the local government before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given
 - (b) consider any submissions made to it before the date specified in the notice and, if its decision is made by the council or a committee, the decision and the reasons for it are recorded in the minutes of the meeting at which the decision was made.

The following proposal was advertised on 18 January 2017 in a local newspaper circulating throughout the district inviting submissions to be made, of which none were received:

1. Description of Property

- (a) **Property:** A 1,842m² portion of Lot 561 (a 1,881m² parcel of land on Deposited Plan 409945 (currently in Order for Dealings with Landgate) and located on Foreshore Parade, Busselton Western Australia 6280.
- (b) **Permitted Use:** Family restaurant; Microbrewery; Function centre and Cellar door/regional merchandise outlet.
- (c) **Background:** The proposed sub-lease is consistent with the land uses identified in the Busselton Foreshore Master Plan adopted by Council on 24 February 2016 and the

Development Guide Plan approved by the Western Australian Planning Commission on 14 April 2016.

2. Details of Disposition

(a) Names of Parties: Sub-Lessor (City of Busselton). Sub-Lessee (Geographe Bay Brewing Company Pty Ltd)

(b) Consideration: The proposed rent to be paid by the Sub-Lessee:

Year 1	\$1 (one dollar) + GST
Year 2	\$41,310 + GST
Year 3	\$63,204 + GST
Year 4	\$85,957 + GST
Year 5 (and onwards)	Previous year's rent adjusted by CPI with market rent reviews to be undertaken on the 6 th anniversary of the Sublease Commencement Date and every five years thereafter.

(c) Lease Term: 50 years (an initial period of 25 years with an option to renew for a further 25 years)

(d) Market Rent Value: \$81,000 per annum (exclusive of GST and outgoings) as determined by a valuation dated 30 November 2016.

City of Busselton Town Planning Scheme

An application for development approval has been lodged by the proponent and has been assessed by the City's planning department. A conditional Development Approval has been granted to the proponent under delegated authority to the Chief Executive Officer.

Land Administration Act 1997

The location of the proposed restaurant/microbrewery/function centre and cellar door is Lot 561 on Deposited Plan 409945, Crown Land Title Volume 3167 Folio 934 requiring compliance with the Land Administration Act 1997, including a Head Lease and approval of sub-lease terms and conditions by the Minister for Lands. The Minister for Lands has offered the City of Busselton an Option to Head Lease the Crown land for a term of up to 50 years with powers to sub-lease. The Option is valid for a 2-year period and is proposed to be exercised at the time of execution of the sub-lease once all conditions precedent are met (including a building permit and liquor licence), so that the lease terms (50 years) commence contiguously.

Liquor Control Act 1988.

A liquor licensing application will need to be approved by the Department of Racing, Gaming and Liquor in accordance with Liquor Control Act 1988. The proponent is well advanced in seeking a licence likely to be submitted in early March and its approval is a condition precedent before the proposed sub-lease can commence.

RELEVANT PLANS AND POLICIES

Busselton Foreshore Master Plan (BFMP)

The BFMP is a strategic document that provides detailed guidance for the planning and development of the Busselton Foreshore extending between King Street and Ford Road. The proposal for a restaurant/microbrewery/cellar door and function centre is consistent with the land uses identified in the BFMP. Council adopted a revised BFMP at its 24 February 2016 meeting (C1602/031).

Development Guide Plan (DGP)

The DGP incorporates statutory controls relating to land use, building heights and floor areas that reflect the BFMP. The DGP is not proposed to incorporate controls relating to more detailed design elements, relying on the BFMP and subsequent documents providing guidance on these matters. The DGP states the following for the subject site:

- Development Location: Tavern/Restaurant/Shop
- Storeys: Two
- Max. height from natural ground level: 10.2m
- Max. building Ground Floor area: 1700m² (the proposed building area is 1,235m² including public toilets integrated into the structure but excluded from the leased area)

The City's planning department has assessed an Application for Development Approval (DA16/0970) and issued a decision for conditional approval to the proponent.

Leases of City Land and Buildings (Policy 248)

The purpose of this policy is to provide a framework and methodology to facilitate responsible and effective utilisation of City owned and controlled land and buildings in a consistent manner that achieves maximum community benefit. The policy states that when assessing a report to lease public land for commercial use, Council should give regard to the following factors including, but not limited to:

- Attracting investment and enhancement of an amenity (e.g. Busselton and Dunsborough foreshores);
- Creation of employment;
- Promotion of tourism;
- Economic return; and
- Impacts on social, economic and environmental outcomes

The policy also states that the term and rent (and other payments) will be negotiated on a case by case basis for commercial leases.

FINANCIAL IMPLICATIONS

Should Council resolve to enter into the Option to Lease Crown land with the Minister for Lands, there will be an option fee of \$500 payable by the City to the Department of Lands. There will also be annual fee of \$1,000pa to the Department of Lands, which will be budgeted in the Finance and Corporate Services (Property management) budget from 2017/18 onward.

Should Council resolve to enter into a sub-lease with Geographe Bay Brewing Company, as per the terms of a Development Agreement to sub-lease, annual revenue of ~\$81,000 plus CPI will be achieved per annum plus market rent review adjustments (in full by year four due to a stepped up approach to rent). This is calculated on a ground lease area of ~1,840m² (excludes 40.52m² of public toilets excised from the Head lease area of 1,881m²) multiplied by an independent valuation amount of \$44 per sqm which was provided to the City on 30 November 2016.

Lease revenues will be directed to the foreshore preservation/maintenance, resulting in a reduced reliance on municipal revenue to fund the Council's commitment to the foreshore maintenance.

Officers have also negotiated a City contribution of \$120,000 (50% payment on commencement of construction and 50% on completion) for the provision of public toilets within the main building with external access. These funds will be sourced from the Major Projects budget in 2017/18 and 2017/19. It is estimated annual cleaning of the public toilets will be approximately \$24k per annum to be budgeted in the Facilities Management budget from 2018/19 onward.

Long-term Financial Plan Implications

The proposed annual expenditure on the Head Lease and revenue streams from the sub-lease are captured in the Long Term Financial plan.

STRATEGIC COMMUNITY OBJECTIVES

Key Goal Area 2:

Well-planned vibrant and active places: An attractive city offering great places and facilities promoting an enjoyable and enriched lifestyle.

- 2.1 A City where the community has access to quality cultural, recreation, leisure facilities and Services
- 2.2 A City of shared, vibrant and well planned places that provide for diverse activity and strengthen our social connections

Key Goal Area 3:

Robust local economy: A strong local economy that sustains existing and attracts new business, industry and employment opportunities.

- 3.1 A strong innovative and diversified economy that attracts people to live, work, invest and visit
- 3.2 A City recognised for its high quality events and year round tourist offerings
- 3.3 A community where local business is supported

RISK ASSESSMENT

Should Council adopt the Officer Recommendation, there are no residual risks rated as medium or high as these risks have been mitigated through provisions within the Agreement to sub-lease effectively transferring these risks to the proponent. These include, for example:

- Not completing the building: A performance bond of \$250,000 is payable to the City upon commencement of the lease, which will enable site remediation should the building be only partially completed;
- A Bank Guarantee is payable to the City for any breaches of lease conditions and to cover any outstanding amounts payable;
- Public Liability Insurance of \$20m is required to protect against claims of personal injury or property damage as a result of business activities;
- Building maintenance: Clauses have been added to the sub-lease requiring internal and external conditions of the building to be well maintained; and,
- Opening hours: Given the strategic location of the site on the foreshore within a highly visited tourist precinct, minimum trading hours (10 hours per day, 7 days per week) have been specified in the sub-lease.

In addition, a Development Approval (DA16/0970) issued under delegated authority to the CEO has included conditions to ensure that prior to construction works commencing, the building meets the requirements of the City's planning policies and a range of other planning matters including, but not limited to, (landscaping, signage, materials, bin storage, servicing areas, fire tanks, public art, floor levels, stormwater management etc) and that the building shall be substantially commenced within two years.

CONSULTATION

Council has previously sought public submissions on the proposed restaurant/microbrewery/function centre/cellar door documented in previous Council Agenda reports (23/07/14 Council meeting). The dominant issues raised have been addressed as follows

- Liquor Licensed premises: the venue has been designed as family orientated restaurant, with alfresco space and reflects functionality of similar venues popular with families throughout the Capes region;
- Parking: the revised BFMP has created additional car-parking bays to the south of the venue and the City is negotiating a contribution of \$200,000 to foreshore parking as part of the sub-lease conditions. Additional parking using Hotel Site 3 on the master plan is being considered by Council,
- Size of the building footprint: The revised concept has progressively reduced in size as follows:
 - Prior to consultation: Lease area 2,100m² (1,700m² building plus 400m² alfresco)
 - Following consultation: Lease are reduced to 1,881m² (1,509m² building; 333m² alfresco, 39m² public toilets)
 - Development application dimensions: [Ground floor (1,021m²); ground floor public ablutions (40.52m²); covered ground floor alfresco (135.79m²); ground floor entry (38m²) reducing ground floor covered areas to 1,235m². The remaining areas of the proposed 1,881m² leased area are landscaped alfresco (468m²) and hard areas.

As described above in the section 'Statutory Environment', Council has most recently (January 2017) invited public submissions in accordance with disposition of property requirements and received no submissions.

Regular briefings and liaison has been undertaken with the Regional Manager (South West) of the Department of Lands with regard to head lease and sub leasing arrangements of the Crown land with a new Lot 561 created in late February 2017.

OFFICER COMMENT

The Busselton foreshore redevelopment project seeks to activate the foreshore with community and recreation facilities, cafes, restaurants, tourism accommodation and entertainment to transform the Jetty precinct onto a major tourism hub for the South West.

The Busselton Foreshore Master Plan and Development Guide Plan have been progressively conceptualized and amended by Council over several years in response to community feedback and a publicly advertised invitation for expressions of interest in commercial development.

Officers have been negotiating with a 'preferred proponent' Credaro Holdings Pty Ltd to develop a two-storey family restaurant, microbrewery, function centre and cellar door facility on a recently excised parcel of land Crown land, which is proposed to be leased to the Council by the Minister for Lands. Council has previously resolved (C1608/207) to authorise the CEO to finalise a Head Lease with the Minister and an 'Option to Head Lease' is anticipated to be executed in mid-March 2017.

Officers are concluding negotiations with the proponent on a draft Agreement to sub-lease, which will include (but not limited to) clauses relating to the following matters:

- Rights of First Refusal at the expiry of the lease term;
- A mutually acceptable Bank Guarantee for breaches and amounts payable;
- Performance Bond for security to complete the works (proposed \$250k);
- Developer contribution to car-parking (proposed \$200k ex-gst) to be paid over a negotiated period and directed to improvements to foreshore public car-parking;

- A Council contribution of \$120k (payable over two financial years) to public toilets built within the structure and to the City's specifications and ongoing maintenance by the City of Busselton;
- A protection of line of sight from the premises, limiting future permanent obstructive vegetation and buildings/structures with an agreed zone;
- Public Liability Insurance (\$20m);
- Repainting every seven years; and,
- Minimum Trading Hours 10 per day, 7 days per week, year round (except Christmas Day, ANZAC Day, Good Friday)

CONCLUSION

The Officer recommendation seeks a Council decision to authorise the CEO to finalise negotiations with Credaro Holdings Pty Ltd and to execute an Agreement to Sub-lease with Geographe Bay Brewing Company Pty Ltd. It also recommends Council dispose of property in accordance with s3.58 of the Local Government Act 1995, by entering a sub-lease of Lot 561 on Deposited Plan 409945, (Crown Land Title Volume 3167 Folio 934) to facilitate a proposed commercial hospitality enterprise identified in the Busselton foreshore master plan.

OPTIONS

Council may elect to not proceed with the proposed new sub-lease and/or amend the draft terms and conditions negotiated by Officers.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

It is anticipated an Option to Head Lease Lot 561 will be executed with the Minister for Lands in mid - March 2017. Should Council support the Officer recommendation, the Agreement to sub-lease will be finalised in late March with the Head Lease and Sub-lease executed once all conditions precedent are finalised (including a liquor licence and building approval).

Council Decision and Officer Recommendation

C1703/054 Moved Councillor R Reekie, seconded Councillor C Tarbotton

That the Council:

- 1) Resolves to sublease, subject to the Minister for Lands' consent, a portion of Lot 561 on Deposited Plan 409945 (Crown Land Title Volume 3167 Folio 934) to Geographe Bay Brewing Company Pty Ltd (ABN: 69 169 450 088) on the following terms and conditions:
 - a) Term:

50 years (an initial term of 25 years with an option to renew for a further term of 25 years).
 - b) Rent:



Year 1	\$1 (one dollar) + GST
Year 2	\$41,310 + GST
Year 3	\$63,204 + GST
Year 4	\$85,957 + GST
Year 5 (and onwards)	Previous year's rent adjusted by CPI with market rent reviews to be undertaken on the 6 th anniversary of the Sublease Commencement Date and every five years thereafter.

- 2) Delegates to the Chief Executive Officer the power to negotiate and authorises the Chief Executive Officer to enter into the sublease on the further terms and conditions as outlined in this report.

CARRIED 8/0

EN BLOC

13.2 CSRFF SMALL GRANTS ROUND APPLICATION SUMMER

SUBJECT INDEX:	Leisure Services
STRATEGIC OBJECTIVE:	A City where the community has access to quality cultural, recreation, leisure facilities and services.
BUSINESS UNIT:	Community Services
ACTIVITY UNIT:	Community Development
REPORTING OFFICER:	Community Development Coordinator - Jeremy O'Neill
AUTHORISING OFFICER:	Director, Community and Commercial Services - Naomi Searle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Dunsborough Cricket Club CSRFF Small Grants Application 
	Attachment B Location of Proposed Cricket Nets Dunsborough Playing Fields 

PRÉCIS

Each year Local Government Authorities are required to rate and prioritise the Community Sport and Recreation Facilities Fund (CSRFF) submissions received within their municipality.

In June 2009 several changes were made to the CSRFF program including the introduction of the small grant round, which has a different timeline to the standard grant round. Applications to the small grant round must be submitted by local government authorities to the Department of Sport and Recreation (DSR) by 31 March 2017. The purpose of this report is to meet the CSRFF criteria by outlining the submission received for a project within the City for this current funding round and request that Council rate the application prior to forwarding to DSR for final consideration.

BACKGROUND

DSR administers the CSRFF program, with the purpose of providing State Government financial assistance to Local Government Authorities and local community groups (up to one third of the total capital cost), to develop well-planned facilities for sport and recreation.

In June 2009 several changes were made to the CSRFF program to improve the level of support the Western Australian Government provides to the sporting community. Of particular note is the introduction of the Small Grant Round, which has a different timeline to standard grant rounds. Small Grant Applications must be submitted to DSR from Local Government Authorities by the end of March and August each year. This requires local governments to assess and prioritise applications prior to submission. Successful Small Grants are required to be acquitted prior to 15 June each year.

In order to assist with the evaluation of submissions and to ensure projects are viable and appropriate, DSR has developed "Key Principles of Facility Provision". Accordingly, each submission is to be assessed against those criteria.

Under the provision, Local Government Authorities are required to rate and prioritise local submissions using the following guide;

RATE	DESCRIPTION
A	Well planned and needed by the municipality
B	Well planned and needed by the applicant
C	Needed by the municipality, more planning required
D	Needed by the applicant, more planning required
E	Idea has merit, more preliminary work needed
F	Not recommended

Submissions for the current funding round closed on Tuesday, 28 February 2017. Following this date, each Local Government Authority is required to assess and prioritise the applications before forwarding all documentation to the South West Office of the DSR no later than 31 March 2017.

During April and May 2017 local applications (along with others received throughout the State) will be evaluated and ranked by relevant State Sporting Associations and the CSRFF Assessment Panel, prior to the outcome being announced by the Minister for Sport and Recreation. Funds for successful applications will become available around August 2017.

One (1) application was received for the current small grants round as follows:

1. *Dunsborough Cricket Club (Inc.) – New Practice Cricket Wickets (Nets)*

STATUTORY ENVIRONMENT

Nil

RELEVANT PLANS AND POLICIES

Social Plan 2015-2025. A key goal of this plan is to “create needed, quality, sustainable recreation and leisure facilities and services for our community.”

The development of new nets at the Dunsborough Playing Fields is consistent with the Council endorsed Active Open Space Planning Recommendations.

FINANCIAL IMPLICATIONS

The application from the Dunsborough Cricket Club (DCC) is for the development of new practice cricket wickets (nets) at the Dunsborough Playing Fields (lot 3003, Dunsborough), and has a total project cost of \$51,570 (ex GST). Due to the timing of the Summer CSRFF Small Grant round, the DCC is proposing to fund up to 2/3 of the total project cost, as a means to expedite the construction of the nets for the 2017/18 summer cricket season. The DCC may look to seek additional funding for this project (up to 1/3 of the total project cost) from the City of Busselton as part of the 2017/18 Community Bids program.

Long-term Financial Plan Implications

Nil

STRATEGIC COMMUNITY OBJECTIVES

This matter aligns with the City of Busselton Strategic Community Plan 2013 and principally with the following strategic goal:

Caring and Inclusive Community

- 1.3 A community that supports healthy, active ageing and services to enhance quality of life as we age.

Well Planned, Vibrant and Active Places

- 2.1 A City where the community has access to quality cultural, recreation and leisure facilities and services.
- 2.2 Infrastructure assets that are well maintained and responsibly managed to provide for future generations.

RISK ASSESSMENT

An assessment of the potential risks of implementing the Officers recommendation was undertaken, and as a result, no risks were rated as 'medium' or above were identified.

CONSULTATION

Consultation has taken place between representatives from the DCC, the Officers of the City and staff from the South West Office of DSR in regards to the funding submission received.

Officers from Community Services met onsite several times with the club. Officers from Engineering, Works and Services were notified of the project at the outset (including the location and project parameters) and their input was requested / provided.

OFFICER COMMENT

Dunsborough Cricket Club (Inc.) –Development of new practice cricket wickets (nets) at the Dunsborough Playing Field -Total Project Cost \$51,570

An application for the development of new practice cricket wickets (nets) at the Dunsborough Playing Fields has been submitted by the DCC.

The DCC proposes to construct a new three bay net facility due to a growth in playing numbers, especially in the junior club, and safety concerns at certain times of the day when using their current facility.

The site selected (see Attachment B) is the best location for a much needed facility in Dunsborough for the following reasons:

- With active playing space at a premium, it will not impact on the use of the oval by soccer, rugby in winter and cricket in summer
- It will not impact on the limestone pedestrian path linking the Dunsborough Playing Fields to Dunsborough Central Business District
- The proposed clearing includes a small cluster of trees that were planted when the oval was reconstructed in 2011, as an effort to increase hydro zoning of non-playing space areas at the reserve, and will not have an environmental impact.

The orientation of the current structures subjects bowlers to the setting sun when practicing. Due to the angle, and brightness and glare of the sun directly behind the batsman, player vision is impaired when a ball is either hit by a batsman or returned by a batsman, posing a safety concern danger players.

Further, due to the number of junior teams that require training time during the week, there is insufficient capacity with the current two net provision, with teams having to train at Dunsborough Primary school where the state of the nets is not fit for purpose. In collaboration with the City of Busselton and DSR, DCC has identified a new area on the Dunsborough Playing Fields that will allow them to build a net facility that meets the safety requirements and playing standards of the growing club. The current nets can also continue to be utilized, particularly in the early evening (with the assistance of sports lighting), when the sun-related glare issues are not as prevalent.

After consultation with all stakeholders involved in cricket in Dunsborough, (coaches, players and parents) there was a general agreement that the current provision of cricket nets in Dunsborough is insufficient and of an inadequate standard to meet the needs of a growing club. The proposal for building new nets was discussed and agreed by both the junior and senior club committees. Other users of the northern oval (soccer club) were informed of the proposal, who were in agreement as

there is no impact on the soccer pitches. Liaison with the City of Busselton at an early stage established the most effective location for the new nets, and an environmental impact assessment was carried out to confirm this.

This project will provide a much needed facility upgrade to cater for the DCC's current and future training needs for both junior and senior clubs, as well as provide some potential of an expansion of membership in the future. It is recommended that this project be assessed as a 'high' priority and that it is (A) Well planned and needed by the municipality.

CONCLUSION

The application received for the 2017/18 CSRFF Small Grants summer funding round shows sound reasoning and justification, as such it is recommended that Council adopts the Officers Recommendation to allow the projects to proceed should funding from DSR be forthcoming.

OPTIONS

The Council could decide not to support the application received for the 2017/18 CSRFF Small Grants summer funding round.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

DSR, South West Office staff will be advised in writing of the Council's decision prior to the end of March 2017 when the full contents of the application are forwarded to their regional office in Bunbury.

Council Decision and Officer Recommendation

C1703/055 Moved Councillor R Reekie, seconded Councillor C Tarbotton

That the Council as part of the 2017/18 CSRFF Small Grants Program supports in principle the development of new practice cricket wickets (nets) at the Dunsborough Playing Fields by Dunsborough Cricket Club as proposed in their application, rating it as 'A' and number one priority for consideration.

CARRIED 8/0

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15. CHIEF EXECUTIVE OFFICER'S REPORT

15.1 COUNCILLORS' INFORMATION BULLETIN

SUBJECT INDEX:	Councillors' Information
STRATEGIC OBJECTIVE:	Governance systems that deliver responsible, ethical and accountable decision-making.
BUSINESS UNIT:	Executive Services
ACTIVITY UNIT:	Governance Services
REPORTING OFFICER:	Reporting Officers - Various
AUTHORISING OFFICER:	Chief Executive Officer - Mike Archer
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Planning Applications Received 16 February - 28 February 
	Attachment B Planning Applications Determined 16 February - 28 February 
	Attachment C State Administrative Tribunal Appeals as at 28 February 2017 
	Attachment D Busselton Primary School - Certificate of Appreciation 
	Attachment E SW Junior Windsurf School - Certificate of Appreciation 

PRÉCIS

This report provides an overview of a range of information that is considered appropriate to be formally presented to the Council for its receipt and noting. The information is provided in order to ensure that each Councillor, and the Council, is being kept fully informed, while also acknowledging that these are matters that will also be of interest to the community.

Any matter that is raised in this report as a result of incoming correspondence is to be dealt with as normal business correspondence, but is presented in this bulletin for the information of the Council and the community.

INFORMATION BULLETIN

15.11. Planning and Development Statistics

Attachment A is a report detailing all Planning Applications received by the City between 16 February, 2017 and 28 February, 2017. 22 formal applications were received during this period.

Attachment B is a report detailing all Planning Applications determined by the City between 16 February, 2017 and 28 February, 2017. A total of 29 applications (including subdivision referrals) were determined by the City during this period with 28 approved / supported and 1 refused / not supported.

15.12. State Administrative Tribunal (SAT) Appeals

Attachment C is a list showing the current status of State Administrative Tribunal Appeals involving the City of Busselton as at 28 February, 2017.

15.13. Busselton Primary School – Certificate of Appreciation

Correspondence has been received from Busselton Primary School and is available to view at Attachment D.

15.14. SW Junior Windsurf School – Certificate of Appreciation

Correspondence has been received from the SW Junior Windsurf School and is available to view at Attachment E.

Council Decision and Officer Recommendation

C1703/056 Moved Councillor R Reekie, seconded Councillor C Tarbotton

That the items from the Councillors' Information Bulletin be noted:

- 15.11. Planning and Development Statistics
- 15.12. State Administrative Tribunal (SAT) Appeals
- 15.13. Busselton Primary School – Certificate of Appreciation
- 15.14. SW Junior Windsurf School – Certificate of Appreciation


CARRIED 8/0

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ITEMS CONSIDERED BY SEPARATE RESOLUTION

At this juncture, in accordance with Clause 5.6 (3)(a) & (b) of the Standing Orders, those items requiring an Absolute Majority or in which Councillors had declared Financial, Proximity or Impartiality Interests were considered.

10.4 Audit Committee - 2/03/2017 - COMPLIANCE AUDIT RETURN

SUBJECT INDEX:	Reporting and Compliance
STRATEGIC OBJECTIVE:	Governance systems that deliver responsible, ethical and accountable decision-making.
BUSINESS UNIT:	Finance and Corporate Services
ACTIVITY UNIT:	Governance Services
REPORTING OFFICER:	Manager Financial Services - Kim Dolzadelli
AUTHORISING OFFICER:	Director, Finance and Corporate Services - Cliff Frewing
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	Attachment A Compliance Audit Return 2016 

This item was considered by the Audit Committee at its meeting on 2 March 2017, the recommendations from which have been included in this report.

PRÉCIS

The Compliance Audit Return (CAR) relating to the activities of the City of Busselton during 2016 has been completed. The return is a statutory obligation and covers a range of requirements under the *Local Government Act 1995* and various Regulations.

The completed Compliance Audit Return is attached to this report for the consideration of the Council. The return is recommended for adoption, after which it will be forwarded to the Department of Local Government and Communities as required by the 31 March 2017.

BACKGROUND

The Department of Local Government and Communities (DLGC) has made available the 2016 Compliance Audit Return (CAR) for completion.

The Local Government Act 1995 Section 7.13 requires a Local Government to complete the Compliance Audit Return in the form specified by the DLGC and return by 31 March.

STATUTORY ENVIRONMENT

Local Government Act 1995

Local Government (Audit) Regulations 1996 Regulations 13, 14 and 15.

14. *Compliance audits by local governments*

- (1) *A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.*
- (2) *After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.*
- (3A) *The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.*

- (3) *After the audit committee has reported to the council under sub regulation (3A), the compliance audit return is to be —*
- (a) *presented to the council at a meeting of the council; and*
 - (b) *adopted by the council; and*
 - (c) *recorded in the minutes of the meeting at which it is adopted.*

15. *Compliance audit return, certified copy of etc. to be given to Executive Director*

- (1) *After the compliance audit return has been presented to the council in with regulation 14(3) a certified copy of the return together with —*
- (a) *a copy of the relevant section of the minutes referred to in regulation 14(3)(c); and*
 - (b) *any additional information explaining or qualifying the compliance audit, is to be submitted to the Executive Director by 31 March next following the period to which the return relates.*
- (2) *In this regulation — certified in relation to a compliance audit return means signed by —*
- (a) *the mayor or president; and*
 - (b) *the CEO.*

RELEVANT PLANS AND POLICIES

N/A

FINANCIAL IMPLICATIONS

Nil

Long-term Financial Plan Implications

Nil

STRATEGIC COMMUNITY OBJECTIVES

The compliance assessment is one of the mechanisms that enables the organisation to ensure that it has governance systems that deliver responsible, ethical and accountable decision-making.

RISK ASSESSMENT

The whole process of the compliance assessment is about identifying risks to the organisation where non-compliant activities have potentially occurred.

CONSULTATION

The questions listed in the compliance return provided by the Department of Local Government and Communities have been responded to by designated council staff responsible for the actions required to comply with the appropriate legislation.

OFFICER COMMENT

The attached Compliance Audit Return demonstrates that the organisation has a good understanding of statutory requirements and has applied the correct interpretation to these requirements. The return covered the organisation's processes and records relating to:

Area of Compliance	# Questions
Commercial Enterprises by Local Governments	5
Delegation of Power / Duty	13
Disclosure of Interest	16
Disposal of Property	2
Elections	1
Finance	14
Local Government Employees	5
Official Conduct	6
Tenders for Providing Goods and Services	25
Total	87

The Authorising Officer notes 100% compliance with respect to the Compliance Audit Return 2016 which is similar to previous years where compliance returns have had a high degree of compliance.

CONCLUSION

It is recommended that the Council adopt the return for submission to the Department of Local Government and Communities.

OPTIONS

The option that would be available to the Council in order to comply with the requirement to lodge the return with the Department of Local Government and Communities by the end of March would be to query any of the responses provided and recommend a different response to the Department prior to adopting the return for submission.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The certified return must be lodged with the Department of Local Government and Communities by 31 March 2017.

Council Decision / Committee Recommendation and Officer Recommendation**C1703/057**


Moved Councillor G Bleachmore, seconded Councillor C Tarbotton

ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED

That the Audit Committee, having reviewed the 2016 Compliance Audit Return, noting 100% compliance, recommends to Council that it adopts the Compliance Audit Return 2016 and authorises the Mayor and Chief Executive Officer to sign the joint certificate.

CARRIED 8/0**BY ABSOLUTE MAJORITY**

10.3 Finance Committee - 2/03/2017 - BUDGET AMENDMENT REQUEST

SUBJECT INDEX:	Budget Planning and Reporting
STRATEGIC OBJECTIVE:	An organisation that is managed effectively and achieves positive outcomes for the community.
BUSINESS UNIT:	Finance and Corporate Services
ACTIVITY UNIT:	Corporate and Financial Services
REPORTING OFFICER:	Manager Financial Services - Kim Dolzadelli
AUTHORISING OFFICER:	Director, Finance and Corporate Services - Cliff Frewing
VOTING REQUIREMENT:	Absolute Majority
ATTACHMENTS:	Attachment A Schedule of Requested Budget Amendments March 2017 

This item was considered by the Finance Committee at its meeting on 2 March 2017, the recommendations from which have been included in this report.

PRÉCIS

This report seeks recommendation of the Finance Committee to Council for the approval of budget amendments as detailed in the attached "Appendix A Schedule of Requested Budget Amendments". Adoption of the Officers recommendation will result in an Amended Budgeted Surplus Position of \$0.

BACKGROUND

Council adopted its 2016/2017 Municipal Budget on Thursday 21 July 2016 with a balanced Budget position. On 14 December 2016 Council considered amendments to the Adopted Budget and by Absolute Majority resolved to accept numerous amendments which resulted in an Adopted Surplus position of \$70,982.

Council is now being asked to consider Budget Amendments for the following Key Areas/Projects:

1. "Busselton Foreshore Site 3 Carpark" project**Background**

Council received a briefing on 8 February 2017 with respect to the "Busselton Foreshore Site 3 Carpark" project with a proposal to bring forward through central works items due to the pending jetty precinct works removing the carpark from this area and the need to replace this carpark space at foreshore. Council was provided two options for consideration, the first being a traditional kerbed and asphalted carpark and the second being an unreinforced grassed surface.

Planned Expenditure Items

Preliminary costings have been undertaken on the various options available and the amount of \$350,000 is sought to undertake the "Busselton Foreshore Site 3 Carpark" project. It is proposed that this expenditure be funded by:

Use of current Surplus Funds	\$70,982
Transfer from the "Community Facilities – Busselton Reserve"	\$180,000
Transfer from the "Infrastructure Development Reserve"	<u>\$99,018</u>
Total	\$350,000

This amount will allow for all options to be finalised with detailed designs, should the full amount not be required than a reduction of the Transfer from the "Infrastructure Development Reserve" would

occur. Please note costings of the 8 February 2017 briefing did not include funds for carpark lighting or landscaping surrounding the carpark.

Proposed Outcome

Provision of additional car parking to facilitate completion of the Busselton foreshore project, by bringing forward this component of works which has previously been identified for construction in the 2017/18 Budget LTFP.

2. “Closed Circuit Television” project

Background

With the completion of the Skate Park at the Busselton Foreshore Youth area, it has been noted there is an increase in antisocial behavior. As part of the management strategy officers have investigated the use of a Closed Circuit Television (CCTV/Web Cams) implementation to assist as a deterrent and capturing visual record of behaviors/crimes. On Wednesday 22 February Council received a briefing on the potential implementation of a CCTV/Web Cams across the East side of the Foreshore, detailing the type of systems and cost of each section.

During the briefing Councilors indicated they are supportive of a staged approach with the first stage including the Skate Park and Busselton Police Station components, totaling \$62,900.

Planned Expenditure Items

To enable the first phase of CCTV deployment capable of integrated expansion into the future where the City sees fit, officers have determined the following items will need to be implemented:

Item	Description	Account	Amount
Skate Park CCTV	Purchase, installation and configuration of Skate Park CCTV/Web Cams system	220-10250-7743-0000	\$53,000
BSN Police Station	Purchase, installation and configuration of Busselton Police Station CCTV monitoring system.	220-10250-7743-0000	\$9,900

It is proposed that this expenditure be funded by:

Transfer from the “Corporate IT System Program Reserve”	<u>\$62,900</u>
Total	\$62,900

Proposed Outcome

The implementation of a CCTV/Web Cams system at the Skate Park and installing a monitoring station at the Busselton Police Station can assist with the management of opportunistic crimes and general antisocial behavior.

3. “Contribution Busselton Rotary Club heritage trail” project

Background

In February 2017, The Rotary Club presented to Council a proposal for heritage trail project, commencing at the Busselton foreshore and encompassing twenty (20) significant heritage listed places / buildings of significance in Busselton.

The Rotary Club would like to commence this project in April 2017, which includes the collection and collation of historical stories and photographs and the design, development and installation of interpretative signage and large plaques.

Due to its historical significance, the City would like to contribute towards the project and as such it is proposed that a budget amendment be created within the 2016/17 budget to meet the tight timeframes of project development.

This item simply is requesting that \$7,000 be reallocated from "City's Youth Services - fit out for the Busselton Youth and Communities Activities building" to "Contribution Busselton Rotary Club heritage trail" project; this will have no impact on the Municipal Budget.

Planned Expenditure Items

Cash contribution to the Busselton Rotary Club to undertake the "heritage trail" project as described above.

It is proposed that this expenditure be funded by:

A \$7,000 funding allocation has been identified in the 2016/17 budget that will not be spent this financial year. These monies were originally allocated as part of the City's 2016/17 Community bids scheme to the City's Youth Services as a means to provide some fit out for the Busselton Youth and Communities Activities building. As the building will not be completed until late in 2017, these funds can be reallocated as part of the 2017/18 budget development process.

Proposed Outcome

The Heritage Trail project consists of the collection and collation of historical stories and photographs and the design, development and installation of interpretative signage and large plaques.

4. "Time to Play" project

Background

The purpose of the grant is for the City of Busselton to facilitate the 'Time to Play' is an Early Years program specifically targeted to the 5 key development domains of the Australian Early Development Census (AEDC). Funding of \$15,000 has been secured through the Department of Local Government and Communities for Program resources/materials, equipment hire, advertising and marketing and facilitation

Planned Expenditure Items

Time to Play program will be implemented via a series of events specifically targeting the Early Years sector (0-6yrs olds) in the Capes region. The program incorporates events and new initiatives to support parents and care givers of children aged 0-6yrs whilst bringing together service providers, agencies and support groups.

Proposed Outcome

The objective of the program is to collaborate in the development and implementation of a community plan that strategically provides a vision and direction for early years' service delivery within our community for 12 months and into the future. It is hoped that the initiative and networks established will remain beyond the tenure of the project, supported by the Capes Early Years Network and local governments.

STATUTORY ENVIRONMENT

Section 6.8 of the Local Government Act refers to expenditure from the municipal fund that is not included in the annual budget. In the context of this report, where no budget allocation exists, expenditure is not to be incurred until such time as it is authorised in advance, by an absolute majority decision of the Council.

RELEVANT PLANS AND POLICIES

There are multiple Plans and Policies that support the proposed Budget Amendments.

FINANCIAL IMPLICATIONS

Budget amendments being sought will result in a decrease of Budget Surplus from \$70,982 to \$0.

Long-term Financial Plan Implications

The Foreshore Car Park project that is the subject of the requested Budget Amendment is currently included in Councils Draft Long Term Financial Plan which was the subject of a workshop with Council held 14 February 2017. Acceptance to bring forward this project will result in amendment to this plan.

STRATEGIC COMMUNITY OBJECTIVES

Well Planned, Vibrant and Active Places

2.1 A City where the community has access to quality cultural, recreation, and leisure facilities and services.

Open and Collaborative Leadership

6.2 Governance systems that deliver responsible, ethical and accountable decision making.

6.3 An organisation that is managed effectively and achieves positive outcomes for the community.

RISK ASSESSMENT

There is a risk to the City, as there is with all projects undertaken, that the final cost could exceed budget. If this looks to be the case Council will be notified so a suitable offset / project scope back can be identified.

CONSULTATION

Council received a briefing on 8 February 2017 with respect to the "Busselton Foreshore Site 3 Carpark" project. Council was provided two options for consideration, the first being a traditional kerbed and asphalted carpark and the second being an unreinforced grassed surface.

The following guidance was given to Officers with respect to this project:

The site 3 carpark to be predominately constructed in a traditional method, being kerbed and asphalted with the southern section to be trialled as a grassed carpark subject to cost benefits being determined. Design to be finalised and signed off by the CEO.

On Wednesday 22 February Council received a briefing on the potential implementation of a CCTV across the East side of the Foreshore, detailing the type of systems and cost of each section.

During the briefing Councilors indicated they are supportive of a staged approach with the first stage including the Skate Park and Busselton Police Station components, totaling \$62,900.

OFFICER COMMENT

The Officer commends these requested Budget Amendments to the Finance Committee for consideration and recommendation to Council.

CONCLUSION

Council’s approval is sought to amend the budget as per the details contained in this report. Upon approval the proposed works will be planned, organised and completed, where works are unable to be completed in the current financial year appropriate carryovers will be included in the Draft 2017/2018 Municipal Budget.

OPTIONS

The Council could decide not to go ahead with any or all of the proposed budget amendment requests.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Should the Officer Recommendation be endorsed, the associated budget amendment will be processed within a month of being approved.

OFFICER RECOMMENDATION

ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED

That the Finance Committee recommends to Council endorsement of the Appendix A Schedule of Requested Budget Amendments, resulting in an Amended Budgeted Surplus Position of \$0.

City of Busselton - Appendix A Schedule of Requested Budget Amendments - Finance Committee Meeting 2 March 2017

Item #	Account	Description	Classification	Current Budget	Proposed Amended Budget	Increase Decrease	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance	Comment
1		Original Budgeted Closing Surplus				0	0	0	0	Actual
2		Amended Budget Closing Surplus				0	0	0	0	Actual
54						(a)	(b)		(a) - (b)	
55	Total Amendments Adopted by Council 14 December 2016				Total Change	(70,982)	(10,742,996)	10,672,004	(70,982)	
56		Previous Surplus Position			Original Surplus Position	0			0	
57		Adopted Amended Surplus Position			Amended Budget Surplus	(70,982)			0	
Proposed Amendments for Consideration March 2017										
58	New	Busselton Foreshore Site 3 Carpark	Capital Expenditure	0	350,000	350,000	0	350,000	279,018	Project bought forward from 2017/2018
59	Reserve	Transfer from the "Community Facilities – Busselton Reserve"	Transfer from Reserve	0	(180,000)	(180,000)	(180,000)	0	99,018	funding requirement
60	Reserve	Transfer from the "Infrastructure Development Reserve"	Transfer from Reserve	0	(99,018)	(99,018)	(99,018)	0	0	funding requirement
61	220.10250.7743.0000	"Closed Circuit Television" project	Capital Expenditure	0	62,900	62,900	0	62,900	62,900	New Project
62	Reserve	Transfer from the "Corporate IT System Program Reserve"	Transfer from Reserve	0	(62,900)	(62,900)	(62,900)	0	0	funding requirement
63	330.10530.3640.000	Donations, Contributions & Subsidies - Reallocation of funds from "City's Youth Services - fit out for the Busselton Youth and Communities Activities building" to "Contribution Busselton Rotary Club heritage trail" project	Reallocation - Existing Budget	225,000	225,000	0	0	0	0	Reallocation of funds from "City's Youth Services - fit out for the Busselton Youth and Communities Activities building" to "Contribution Busselton Rotary Club heritage trail" project
64	330.1530.3280.9816	Community Services - Contractors	Operating Expenditure		15,000	15,000	0	15,000	15,000	"Time to Play" Early Years program
65	330.1530.1239.9816	Community Services Operating Grants & Subsidies	Operating Income		(15,000)	(15,000)	(15,000)	0	0	Successful Grant secured through the Department of Local Government and Communities
66										
67							(a)	(b)	(a) - (b)	
68					Total Change	(356,918)		427,900	70,982	
69					Current Surplus Position	(70,982)			0	
70					Proposed Amended Budget Surplus	0			0	

Note: Councillor Bleachmore proposed an Alternative Recommendation for Committee consideration that would fund the \$99,018 from the "City Car Parking and Access Reserve" as opposed to the "Infrastructure Development Reserve" as recommended by the Officer.

Council Decision and Committee Recommendation

C1703/058

Moved Councillor T Best, seconded Councillor J McCallum

ABSOLUTE MAJORITY DECISION OF COUNCIL REQUIRED

That the Finance Committee recommends to Council endorsement of the Schedule of Requested Budget Amendments, resulting in an Amended Budgeted Surplus Position of \$0.

CARRIED 7/1

Voting:

For the motion: Councillor R Bennett, Councillor T Best, Councillor G Bleechmore, Mayor G Henley, Councillor J McCallum, Councillor C Tarbotton and Councillor R Reekie.

Against the motion: Councillor R Paine.

COMMITTEE RECOMMENDATION

City of Busselton - Schedule of Requested Budget Amendments - Finance Committee Meeting 2 March 2017

Item #	Account	Description	Classification	Current Budget	Proposed Amended Budget	Increase Decrease	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance	Comment
1		Original Budget Closing Surplus				0	0	0	0	Actual
2		Amended Budget Closing Surplus				0	0	0	0	Actual
54							(a)	(b)	(a)-(b)	
55	Total Amendments Adopted by Council 14 December 2016			Total Change		(70,982)	(10,742,986)	10,672,004	(70,982)	
56	Previous Surplus Position			Original Surplus Position		0				
57	Adopted Amended Surplus Position			Amended Budget Surplus		(70,982)				
Proposed Amendments for Consideration March 2017										
58	New	Busselton Foreshore Site 3 Carpark	Capital Expenditure	0	350,000	350,000	0	350,000	279,018	Project bought forward from 2017/2018
59	Reserve	Transfer from the "Community Facilities – Busselton Reserve"	Transfer from Reserve	0	(180,000)	(180,000)	(180,000)	0	99,018	Funding requirement
60	Reserve	Transfer from the "City Car Parking and Access Reserve"	Transfer from Reserve		(99,018)	(99,018)	(99,018)	0	0	Funding requirement
61	220.10250.7743.000	"Closed Circuit Television" project	Capital Expenditure	0	62,900	62,900	0	62,900	62,900	New Project
62	Reserve	Transfer from the "Corporate IT System Program Reserve"	Transfer from Reserve	0	(62,900)	(62,900)	(62,900)	0	0	Funding requirement
63	330.10530.3640.000	Donations, Contributions & Subsidies - Reallocation of funds from "City's Youth Services - fit out for the Busselton Youth and Communities Activities building" to "Contribution Busselton Rotary Club heritage trail" project	Reallocation - Existing Budget	225,000	225,000	0	0	0	0	Reallocation of funds from "City's Youth Services - fit out for the Busselton Youth and Communities Activities building" to "Contribution Busselton Rotary Club heritage trail" project
64	330.1530.3280.9816	Community Services - Contractors	Operating Expenditure		15,000	15,000	0	15,000	15,000	"Time to Play" Early Years Program
65	330.1530.1239.9816	Community Services Operating Grants & Subsidies	Operating Income		(15,000)	(15,000)	(15,000)	0	0	Successful Grant secured through the Department of Local Government and Communities
66										
67							(a)	(b)	(a)-(b)	
68							(356,918)	427,900	70,982	
69							(70,982)			
70							0			

Note: Councillor Ross Paine had given notice that he proposed an Amended Motion, however as the Committee Recommendation was carried, it was not considered.

At this time the Mayor requested Councillors indicate the acceptance of late item 9.5 for consideration.

The Council indicated their acceptance with a show of hands.

9.5 Minutes of the Airport Advisory Committee Meeting held 21 March 2017

Council Decision

C1703/059

Moved Councillor J McCallum, seconded Councillor C Tarbotton

- 1) That the minutes of the Airport Advisory Committee Meeting held 21 March 2017 be received.
- 2) That the Council notes the outcome from the Airport Advisory Committee Meeting held 21 March 2017 being:
 - a) The Busselton Margaret River Regional Airport - Noise Management Plan item is presented for Council consideration at item 10.5 of the late agenda.

CARRIED 8/0

At this time the Mayor requested Councillors indicate the acceptance of late item 10.5 for consideration.



The Council indicated their acceptance with a show of hands.

Voting:

For Acceptance of the Report: Councillor T Best, Councillor G Bleechmore, Mayor G Henley, Councillor J McCallum, Councillor C Tarbotton and Councillor R Reekie.

Against Acceptance of the Report: Councillor R Bennett and Councillor R Paine.

10.5 Airport Advisory Committee - 21/03/2017 - BUSSELTON MARGARET RIVER REGIONAL AIRPORT - NOISE MANAGEMENT PLAN

SUBJECT INDEX:	Busselton Margaret River Regional Airport
STRATEGIC OBJECTIVE:	Infrastructure assets are well maintained and responsibly managed to provide for future generations.
BUSINESS UNIT:	Commercial Services
ACTIVITY UNIT:	Commercial Services
REPORTING OFFICER:	Manager, Commercial Services - Jennifer May
AUTHORISING OFFICER:	Director, Community and Commercial Services - Naomi Searle
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Attachment A Draft Noise Management Plan 2017  Attachment B Submissions - Draft Noise Management Plan 2017 

This item was considered by the Airport Advisory Committee at its meeting on 21 March 2017, the recommendations from which have been included in this report.

PRÉCIS

This report presents the draft Busselton-Margaret River Regional Airport Noise Management Plan (2017) and submissions received following the public consultation period which closed on the 19 March 2017. This report requests the Council acknowledges the submissions and endorses the draft NMP (2017) to be included in the Environmental Review Document to be submitted as part of Public Environmental Review (PER) process to be submitted to the Office of the Environmental Protection Authority prior to 31 March 2017.

BACKGROUND

The concept of a Noise Management Plan (NMP) for the Busselton Regional Airport (BRA) was first initiated in 2009 when environmental consulting firm Strategen was engaged to prepare a NMP. This was in response to the first Fly in Fly out (FIFO) services commencing at the BRA and the need to address the restrictive hours of operations and conditions specified in Ministerial Statement 399 approved by the Minister for the Environment (October 1995). The key elements of Statement 399, that the then Shire of Busselton was looking to revise and seek approval from the Office of the Environmental Protection Authority (OEPA) and Minister for the Environment were;

“4.2 To achieve the objectives of condition 4.1, at all times during the operation of the aerodrome, the proponent shall ensure that noise emissions from the aerodrome activities, including emissions from aircraft using the aerodrome, do not cause noise levels at any residential premises in occupation to exceed an average of 55 dB(A)Ldn or a maximum of 65 dB L a slow, unless a specific variation to the maximum noise level is agreed to by the Minister for the Environment on advice of the Department of Environment and Conservation and following consultation with relevant agencies.”

4.3 Where a variation has been granted by the Minister for the environment, as referred to in condition 4.2, the variation may only apply for operation between 0700 hours and 2200 hours, and the proponent shall ensure that the maximum noise level does not exceed 80 dB La slow and that the number of flights is limited ”

A variation, described in condition 4.3 had been granted by the Minister for the Environment to allow two (2) flights per day between the hours of 0700 and 2200 with aircraft noise to be limited to 80 dB(A) to enable the first Skywest Airlines Fokker100 FIFO operations to commence.

Strategen was engaged to prepare a draft NMP that was presented to the then Airport Advisory Group (AAG). The AAG was a working group made up of community members, three Shire Councillors, and representatives from the Busselton and Dunsborough Chambers of Commerce, Geographe Bay Tourism Association and the Busselton Aero Club.

The draft NMP was further developed by the AAG and in July 2010 a draft plan was presented to the Council for consideration. Furthermore, at this time the AAG was transitioned to an official committee of the Council, the Airport Advisory Committee (AAC), with four nominated Councillors. In October 2010, the newly formed AAC requested City staff to review and update the draft NMP (developed by the AAG) and present a final draft to the Council for endorsement prior to being submitted to the OEPA for consideration. A final draft version of the NMP was presented to the Council for endorsement on 15 December 2010 followed by submission to the OEPA on the 1 February 2011.

A lengthy consultation period occurred with the OEPA, including a public consultation period of four weeks, prior to a final NMP being submitted to the OEPA Board for consideration and referral to the Minister of the Environment; Water for approval. The City of Busselton's Noise Management Plan (June 2012) was approved as part of Ministerial Statement 901 on the 22 June 2012.

In accordance with Condition 4 of Statement 901, the City of Busselton has the opportunity to review and submit proposed amendments or updates to the NMP. In a report presented to the Council at its meeting on 28 August 2013, City Officers presented a number of proposed changes, some were considered minor or not technical in nature and hence did not change the intent of the existing NMP. However, some of the proposed changes to the Hours of Operations were considered material under Condition 4-2 of Statement 901 and were advertised for public comment. Following Council endorsement, City Officers submitted a proposed, amended NMP to the OEPA for review in September 2013.

The OEPA assessment resulted in the proposed material amendments being resubmitted by the City of Busselton as a Section 46 application under the Environmental Protection Act (1986) in March 2014. Following further discussions with the OEPA, the City of Busselton submitted a final revised version of the NMP in December 2014, which came into effect in July 2015.

In June 2015, the State Government committed to funding the upgrade of the BRA. After reviewing a rigorous Business Case submitted by the South West Development Commission in 2013, and considering the views of the Steering Committee appointed by the then Minister for Transport to oversee the development of the Business Case, the Government publicly committed to allocating funding for the redevelopment of the BRA.

The Airport Development Project Team was established soon after the funding announcement and one of the priority approval processes identified for the project was the environmental approvals required from the Minister of the Environment; Heritage. The environmental approvals included the City of Busselton undertaking a review of the NMP (2015) and proposing a number of changes resulting in the draft NMP (2016) that were then advertised for public comment in March 2016. Following Council consideration of the public submissions received and endorsement of the draft

NMP (2016) the City applied to OEPA to amend the proposal description as described in Ministerial Statement 901 and submit the revised draft NMP (2016) that will allow for proposed interstate and international jet air services resulting from the Airport Development Project. Following consultation with the OEPA, a referral was submitted to the OEPA proposing an Assessment of Proponent Information-Category A (API-A) assessment to amend the existing Ministerial Statement and implement the revised draft NMP (2016) in June 2016.

On 30 November 2016, the City was notified that the level of environmental assessment for the BMRRRA Development Project determined by the OEPA was to be a Public Environmental Review (PER). To ensure that the construction activities could proceed in parallel to the PER, the City submitted an application under section 43A (s43A) to amend the previously submitted referral to remove the airside and landside construction components from the submitted referral, thus leaving the future aircraft operational components associated with the Development project subject to assessment through the PER process. The City also submitted an application under section 45C (s45C) application (in accordance with Statement 901 and 1009) to allow the airside and landside construction activities to proceed as the proposed construction activities were unlikely to result in a significant detrimental effect on the environment in addition to, or different from, the effect of the original proposal. The OEPA notified the City on 15 December 2016 that the applications under s43A and s45C had been approved however noting that the s45C approval does not replace any responsibilities the City has in seeking other approvals to implement the changes associated with the Development Project operations subject to the conditions of Ministerial Statements 901 and 1009, including the timing and number of aircraft to remain compliant with the approved Noise Management Plan required by condition 4-1 of Statement 1009.

The determination for a PER referral process for the operational components of the Development Project provided a further opportunity for the City to review the draft NMP (2016) and incorporate comments and feedback received from the community and airport stakeholders resulting in a the draft NMP dated 2017. The 2017 version included changes to the Standard Hours of Operations, Flight Training Guidelines and Noise Amelioration Criteria which were then advertised for public comment for a period of twenty one days. In parallel to the public comment period, the City also conducted four community information sessions for residents situated nearest the Airport and the wider community to attend a presentation on the proposed changes and associated noise modelling contours, to ask any questions and raise any concerns.

For clarity, this report details the proposed changes from the NMP (2015) version as 2016 and 2017 proposed amendments separately.

Proposed NMP amendments 2016 version

The key changes to the NMP (2015) that were incorporated in the draft NMP (2016) version included amendments to the current hours of operations, noise acceptability criteria, noise reduction measures and amelioration. The proposed amendments can be summarised into the following key areas listed below;

Description	Chapter(s) of the NMP	Comments relating to proposed NMP (2016)
Grammatical updates	All	Includes amendments such as airport name change (BRA-BMRRRA), typographical errors, index page update, addition of terms to 'Definitions page' etc These changes do not change the intent of the NMP (2015).
Inclusion of Airport Development Project	Background (p3)	Information relating to the upgrade of the Airport has been added as context in describing the future

information	Objectives for Development (p5)	operations, expansion of infrastructure and objectives including management of aircraft noise.
Standard Operating hours	3.1.3 Standard Hours of Operations (p13-15)	<ol style="list-style-type: none"> 1. Number of operating categories has been reduced from five to three (See Table 3) – Light and General Aviation categories have been combined into one; Open & closed Charter Flights and RPT services have been combined into one category. 2. In combining the Light Aviation and General Aviation categories the requirement for light aviation / Single Engine Aircraft under 2000kg MTOW not to exceed 65dB(A) has been removed. 3. All operating categories have unrestricted operating hours subject to aircraft noise not exceeding 85dB(A) and aircraft >5,700kgs MTOW requiring approval to operate.
Flight Training	3.1.5 Flight Training Guidelines (p19-22)	<ol style="list-style-type: none"> 1. Aircraft type has been amended to include “Single engine aircraft’ under 1500kgs MTOW 2. Single engine aircraft noise emissions has been changed from ‘to be less than 65dB(A)’ to ‘to be less than 85 dB(A)’. 3. Times for flight training operations amended to Mon-Fri 8am – last light; Saturdays, Sundays and Public Holidays 9am -5pm.
Non-Conforming Activities	3.3.2 Approval for Non-Conforming Activity (p25-26)	Based on the assumption that the proposed amendments to the Standard Hours of operations are accepted this section will be deleted.
Methods for determining Noise Impacts and reduction measures	6.2 Noise reduction, Amelioration and Measures (p32-33)	<ol style="list-style-type: none"> 1. Added information relating to the City’s decision to adopt the AS2021;2015 Acoustics – Aircraft noise intrusion – Building siting and construction. 2. Added information on the preparation and use of ANECs and N-contours for the developed Airport.
Noise Acceptability Criterion	6.2.1 Noise Reduction Parameters (p33)	Inserted the acceptability definitions and noise levels detailed in AS2021;2015 Section 2.3 and Table E1.
Noise Amelioration	6.2.2 noise Amelioration as a Noise Reduction Technique (p34)	Inserted the building site acceptability criteria detailed in AS2021;2015 Table 2.1 and Table E1.
Implementation of NMP	9.3 Implementation Priorities (p45)	Deleted this section as originally included to detail the implementation actions of the NMP approved in 2012.

Listed below are the proposed changes incorporated into the draft NMP (2017);

Description	Chapter(s) of the NMP	Comments relating to proposed NMP (2017)
Grammatical updates	All	Includes amendments such as airport name change (BMRRA - BMRA), typographical errors, index page update and additional information providing clarity in some chapters. These changes do not change the intent of the NMP (2015).
Added 'Regular' to Definitions	Definitions (p 4)	Regular is used in some chapters of the NMP and hence definition has been added.
Development Project infrastructure	Background	Updated the scope of infrastructure to be delivered by the Airport Development Project.
Standard Operating hours (Table 2)	3.1.3 Standard Hours of Operations (p13-15)	<ul style="list-style-type: none"> Light and General Aviation category standard hours of operation amended to 'Restricted 0600hrs-2200hrs'
Conditions (Table 2)	3.1.3 Standard Hours of Operations (p13-15)	<ul style="list-style-type: none"> Conditions 'Subject to noise not exceeding 85dB(A)' amended to 'Maximum noise level of 85dB(A)'. The wording has been amended in line with the noise amelioration section whereby an exceedance of 85dB(A) may trigger noise amelioration processes.
Approval for Non-Conforming Activity	Chapter 3.2.4 Approval for Non-Conforming Activity	As restricted hours have been proposed for Light and General Aviation, it is being proposed that this section be maintained as it is currently worded in the NMP (2015) to allow for any general aviation non-conforming activities. This would allow for one-off approvals for aircraft movements outside of the standard hours of operations associated with events (Ironman; 70.3; Busselton Jetty Swim) or visits to Busselton by celebrities / VIPs. The only change to the wording is to include 'The City Chief Executive Officer (or approved delegate)' is authorised and empowered to determine applications for a Non-Conforming Activity ...
Table 9 - Amelioration Assessment Parameters	6.2.3 Process for Amelioration Assessment	Process updated to allow the CEO to determine if amelioration works (budget expenditure) requires Council consideration or within CEO delegation. This step has been updated to provide a faster and more efficient process if possible.
Order of Chapters	Chapters 8 and 4 have been moved in the document.	Original order of chapters was: <ul style="list-style-type: none"> Management of Operational Activities Land Use Planning Noise Assessment and Monitoring Noise Amelioration

		<ul style="list-style-type: none"> • Communication and Consultation • Noise Complaints <p>New order of chapters is:</p> <ul style="list-style-type: none"> • Management of Operational Activities • Noise Complaints • Noise Assessment and Monitoring • Noise Amelioration • Land Use Planning • Communication and Consultation
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The attached draft NMP (2017) highlights the proposed amendments recommended in 2016 in blue and 2017 in green.

STATUTORY ENVIRONMENT

The Noise Management Plan (22 June 2012) was approved by the then Minister for the Environment; Water after review and consideration by the Environmental Protection Authority. Compliance reporting and review of the NMP is defined under Ministerial Statement 1009; Busselton Regional Aerodrome.

As part of the Airport Development Project, the City of Busselton is required to seek environmental approvals for the project in accordance with the Environmental Protection Act (1986) from the Minister for the Environment; Heritage through the assessment processes of the OEPA. Following recent notification from the OEPA, the City is required to complete a Public Environmental Review (PER) level of assessment for the Airport Development Project for the future operational components only which will include the proposed draft NMP (2017).

In accordance with the OEPA's Environmental Impact Assessment framework and guidelines, the OEPA have published an Environmental Scoping Document (ESD) defining the requirements for the City's Environmental Review Document (ERD) to be submitted for public comment as part of the PER process. The ESD details 'Social Surrounds' as the key environmental factor of to be addressed in the ERD. The ESD can be located on the OEPA's website.

The table below lists the OEPA's statutory PER process and assessment timeline as defined in the ESD.

Assessment Milestones	Completion Date
EPA approves Environmental Scoping Document	16 February 2017
City of Busselton submits first draft Environmental Review Document	31 March 2017
EPA provides comment on first draft Environmental Review Document	8 May 2017
City of Busselton submits revised draft Environmental Review Document	22 May 2017
City of Busselton releases Environmental Review Document for public review (six weeks)	29 June 2017
Close of public review period	3 July 2017

EPA provides summary of submissions	4 September 2017
City of Busselton provides response to submissions	25 September 2017
EPA reviews the responses to submissions	23 October 2017
EPA prepares draft assessment report and completes assessment	14 December 2017
EPA finalises assessment report and gives report to the Minister	22 January 2018

Following Council endorsement of the draft NMP (2017) the City will submit a draft Environmental Review Document (ERD) including the draft NMP (2017) and public submissions received to the OEPA for review and comment. The City will have an opportunity to consider any comments from the OEPA prior to submitting the final ERD for assessment.

RELEVANT PLANS AND POLICIES

The BMRRRA operates in accordance with the following: Aviation Transport Security Act 2004, Aviation Transport Security Regulations 2005, CASA MOS 139, Council's Transport Security Plan and City policies and procedures.

This report is in line with the City of Busselton's current Noise Management Plan (2015), Ministerial Statements 901 and 1009 and processes for monitoring and reporting of aircraft movements and proposed changes to update the NMP.

FINANCIAL IMPLICATIONS

The Commercial Services Business unit has an approved operational budget allocated to the maintenance and upkeep of the facility and aviation related services. None of the recommended changes to the NMP are expected to have an additional cost implication to the operational budget.

The Airport Development Project, funded by the State Government and overseen by the Project Governance Committee (PGC) has a budget allocated for the project approval processes, including the environmental approvals being sought.

One of the possible future actions resulting from the approval of the recommended changes to the NMP could be to perform noise monitoring at residential properties in the vicinity of the Airport. As such a budget allocation for noise amelioration has been included in the Airport Development Project and will be considered at the appropriate time.

Long-term Financial Plan Implications

An operational financial model was developed as part of the State Government Business Case proposal which incorporated a 10-year financial plan. The model considered revenues and costs associated with the upgraded facility, including up-front and recurrent capital and ongoing operational expenditure. The model demonstrates that the upgraded facility will be self-sustainable, generating a modest profit into the future, to be transferred into the City's Airport Infrastructure Renewal and Replacement Reserve at the end of each financial year. It should be noted however that the revenue projections were based on Regular Public Transport (RPT) aircraft being able operated beyond the current Standard Hours of Operations as governed through the NMP.

The Long Term Financial Plan (LTFP) is currently based on the current operations, and will require updating to reflect the Development Project, including ongoing operational and capital revenue and expenditure based on the funded project. This work has commenced.

STRATEGIC COMMUNITY OBJECTIVES

This report is consistent with the City of Busselton's Strategic Community Plan (2013) community goals and objectives;

Well Planned, Vibrant and Active Places:

- 2.3 Infrastructure assets that are will maintained and responsibly managed to provide for future generations.

Connected City:

- 4.1 Transport options that provide greater links within our district and increase capacity for community participation.

RISK ASSESSMENT

An assessment of the potential implications of implementing the officer recommendation has been undertaken using the City's risk assessment framework. The assessment identifies 'downside' risks only, rather than 'upside' risks as well. The table below describes identified risks where the residual risk, once controls have been identified, is identified as 'medium' or greater;

<i>Risk</i>	<i>Controls</i>	<i>Consequence</i>	<i>Likelihood</i>	<i>Risk Level</i>
Extending the Hours of Operation causes noise nuisance and complaints requiring noise monitoring and mitigation.	Monitor and assess any increase in aircraft traffic during the extended hours for the potential for noise complaints from the community.	Minor	Unlikely	Medium
NMP Public consultation results in significant public submissions received by the OEPA during the PER statutory public review period which results in the draft NMP (2017) not being approved.	Community information sessions and private meetings held with members of the community on aircraft noise management. NMP public consultation period performed to assess community feedback.	Moderate	Unlikely	Medium

CONSULTATION

Officers will continue to consult with the OEPA, CASA, AirServices Australia, City of Busselton residents and wider community, airport users and stakeholders throughout the environmental approval process and Airport Development Project.

The following activities were performed as part of the public consultation process for the draft NMP (2017);

Who	Forum	Description	Information Provided
Residents in vicinity of the Airport and/or near flight paths including <ul style="list-style-type: none"> Reinscourt 	Invitations issued for community meetings for each area held at community facilities or City offices;	<ul style="list-style-type: none"> NMP flyer listing community information sessions and 'City's public comment webpage ('YourSay') 	<ul style="list-style-type: none"> City's Website 'YourSay' Draft NMP (2017), N70s, LAMAX B737/F100; Information sheet on understanding noise modelling contours

<ul style="list-style-type: none"> • Yalyalup • Kalgup • Yoogarillup 			<ul style="list-style-type: none"> • Information on External websites and agencies for further information.
Community information sessions (All information sessions open to all community members)	<p>Community information session held at the City's Resource Centre specifically relating to the Draft NMP (2017) held at the Busselton Community Resource Centre;</p> <ul style="list-style-type: none"> •Reinscourt Residents Thursday 2/3/17 at 5.30pm •Yalyalup Residents Tuesday 7/3/17 at 5.30pm •All Interested Residents Thursday 9/3/17 at 6pm (held as part of the BMRRR Consultative Group meeting) •Kalgup and Yoongarillup Residents Monday 13/3/17 at 5.30pm. 	<ul style="list-style-type: none"> • Brief background on Draft NMP (2017) • Noise Management Plan review and proposed changes. • Predicted flight movements including day/night splits; • Predicted noise impacts including N-Contours, LAMAX and flight paths • Information on how to comment/make a submission 	<ul style="list-style-type: none"> • City's Website 'YourSay' Draft NMP (2017), N70s, LAMAX B737/F100; • Information sheet on understanding noise modelling contours • Information on External websites and agencies for further information.
Community	Council for the Community (Busselton Dunsborough Mail)	<p>Advertising of the Draft NMP (2017) public comment and Community Information Sessions on the following dates;</p> <ul style="list-style-type: none"> • 22 February • 1 March • 8 March 	<ul style="list-style-type: none"> • Draft NMP (2017) public comment period and City's Website 'YourSay' information • Community Information session dates and registration details • City contact details for further information
Community	Customer Information Centre, Naturaliste Community Centre, Geographe Leisure Centre, Busselton Libraries and Busselton-Margaret River Regional Airport.	<ul style="list-style-type: none"> • Poster - Promoting an Invitation to Information Sessions for Busselton Margaret River Airport Proposed Changes to the NMP 2015 • Draft NMP (2017) with proposed track changes (paper copy). • Predicted noise impacts including 	<ul style="list-style-type: none"> • Draft NMP (2017) public comment period and City's Website 'YourSay' information • Community Information session dates and registration details • City contact details for further information

		N-Contours, LAMAX and flight paths (paper copies) <ul style="list-style-type: none"> Information on how to comment/make a submission 	
Community (Circulation approx. 14,000 residents)	Bay to bay newsletter	<ul style="list-style-type: none"> City Newsletter emailed to City residents containing information relevant to the City of Busselton and the community. 	<ul style="list-style-type: none"> Information on review of the NMP 2015 and invitation to attend information sessions.
Community	City of Busselton 'Your Say' public comment website	<ul style="list-style-type: none"> Draft NMP (2017) showing track changes advertised for 21 days for public comment from 20 February - 19 March 2017. 	<ul style="list-style-type: none"> Draft NMP (2017) with proposed track changes Noise modelling contours including; <ul style="list-style-type: none"> N-contours Lamax contours Flight Paths FAQs

Approximately 1500 Information flyers were sent out to property owners in the residential areas of Reinscourt, Yalyalup, Kalgup and Yoongarillup informing community members of the community information sessions and how to register. The community information sessions were also advertised in the local media. A total of four community sessions were held with the number of attendees for each one listed below.

The draft NMP (2017) was open for public comment on the City of Busselton's 'Your Say' website for 21 days from the 20 February – 19 March 2017 and advertised in the Busselton –Dunsborough Mail - Council for Community pages for public comment.

Community information Sessions

The City held Noise Management Plan Community Information Sessions at the Community Resource Centre on the below dates. While three of the information sessions were targeted to specific community areas, all four sessions were open to the wider community to attend;

Meeting	# Residents attending
Reinscourt Residents - 2 March at 5.30pm	44*
Yalyalup Residents - 7 March at 5.30pm	17
All Interested Residents - 9 March at 6pm (held as part of the BMRRRA Consultative Group meeting)	5 residents (+5 members of BMRRRA Consultative Group)
Kalgup and Yoongarillup Residents - 13 March at 5.30pm	17

* Note – 35 residents registered and 9 residents attended without providing contact details

The Community Information sessions were presented by the Director Community and Commercial Services, Manager Commercial Services, the Stakeholder and Communications Officer and attended by Councilors of the Airport Advisory Committee and one meeting by the Mayor of the City of Busselton.

Public Comment Period

The draft NMP (2017) was advertised for public comment for 21 days between 20 February - 19 March 2017. The following submissions were received from the public comment period;

	Supportive Submissions	Generally Supportive of BMRRA but not night flights	Objections	Total Submissions
City of Busselton Your Say website; City of Busselton email/postal address	78	9	37	124

All submissions received during the public comment period can be viewed in the summary table in Attachment B. Officers have provided a brief response in the summary table at this time.

OFFICER COMMENT

City Officers conducted four Community Information Sessions presenting information on the proposed changes to the draft NMP (2017) and noise modelling contours displaying the projected changes in aircraft noise using N70, N60 night and Lamax contours.

The overriding concern raised across the four Community Information Sessions was in relation to the unrestricted operating hours for Open/Closed charter, RPT and commercial operators and in particular objections to night flights between midnight and 0600 hours. While some community members were totally opposed to night flights, other community members were concerned that the unrestricted criteria could enable more than the projected night flights to occur into the future. At the Reinscourt Community Information Session a request was put to the Officers and Councillors present to consider restricting the hours of operations or to “cap” the number of flights that could occur between the hours of 0000hrs and 0600hrs. Officers have considered the request to cap the number of night flights and believe that a cap of five (5) flights per week would continue to provide the flexibility needed for future operations whilst offering the community some certainty that there will not be unlimited flights between the hours of 0000-0600hrs.

As such, Officers consider that an amendment to the draft NMP (2017) Standard Hours of Operations Table 2 highlighted in bold below can be considered;

Table 2 – Operational Limitations and Approved Parameters

Operator / Aircraft Type	Standard Hours of Operation	Conditions
Emergency Services	UNRESTRICTED	Emergency situations and normal flight patterns <ul style="list-style-type: none"> training flights require approval under the Flight Training Guidelines
Light Aviation/ General Aviation	RESTRICTED 0600hrs – 2200hrs	Maximum noise level of 85dB (A)* Flight Training approval required (only available for aircraft below 1500kg MTOW and flight training conditions apply). Aircraft above 5,700kgs MTOW – City approval required
Open, Closed Charters, RPT/Commercial Operators	RESTRICTED** 0000hrs – 0600hrs **Five flights per week approved between 0000-0600hrs.	Maximum noise level of 85dB (A)* City approval required
* The Aircraft Noise levels identified in this table are maximum noise levels recorded at any residential or other noise-sensitive location when determined as an LA Slow value at any point within 15m of the identified building. Noise levels regularly exceeding this may initiate noise mitigation procedures (Chapter 6.2.3)		
Any application that does not conform to the standard hours of operation or conditions set out in this table is considered a Non-Conforming Activity. Assessment of Non-Conforming Activities will be undertaken using the procedures defined in Section 3.2.4		

There were a number of concerns raised across the sessions regarding flight paths over residential areas such as Yalyalup and Reinscourt, however as flight paths are the responsibility of Airservices Australia and CASA, the City has no jurisdiction in this area and ability to change flight paths. Officers are however consulting with Airservices Australia and will engage flight path designers to investigate options to vary the flight paths to minimise aircraft noise to residential areas in the vicinity of the Airport.

The draft NMP (2017) was advertised for 21 days between the dates of 20 February – 19 March 2017 on the City's Your Say website and Airport website for public comment and in the Council for the Community pages of the Busselton-Dunsborough Mail on the 22 February, 1 March and 8 March 2017.

A total of 124 submissions were received, of which 78 submissions were received from individuals, businesses and tourist operators supportive of the draft NMP (2017) and specifically in allowing for unrestricted hours of operations. A total of 9 submissions were received generally supportive of the Airport Development Project however not supportive of the unrestricted standard hours of operations for Open/Closed Charters, RPT and commercial operators and raised questions or concerns about the flight paths. 37 submissions were received objecting to the draft NMP (2017); these submissions mainly represented residents from the areas of Reinscourt, Yalyalup, Yoongarillup and Kalgup.

A total of 37 objections were received with the following concerns raised summarized in the table below;

	Night flights (0000-0600hrs) only	Flights Paths only	Night flights and flight paths	Other concerns (Vasse Wonnerup Wetlands)
# submissions	31	1	16	6

CONCLUSION

The NMP has been in effect for over five years now and has been subject to one review. With the funding secured from the State Government to upgrade the BMRRRA and the required environmental approval process underway for the project, there is a need to update the current NMP. As such Officers have reviewed the NMP and are proposing amendments to a number of sections, in particular the standard hours of operations, flight training guidelines, noise reduction, amelioration, and noise criterion measures. This report presents the draft NMP (2017), including submissions received following a public comment period of 21 days.

A total of 124 submissions were received during the public comment period. 78 submissions were supportive of the draft NMP (2017) and the proposed changes, including the proposed standard hours of operations. The majority of the supportive submissions were received from businesses within the region with a small number of residents including some from residential areas surrounding the Airport.

37 objections were received with 31 submissions raising objections/concerns with the proposed changes to the unrestricted hours of operations for Open/Closed Charters, RPT and commercial operators. A number of submissions also raised concerns with the flight paths, which are not being proposed to be changed as part of the draft NMP (2017) but were provided throughout the public consultation as information for residents to assess any potential impacts from future aircraft operations. As flight paths and airspace are not the jurisdiction of the City, the City is unable to change the flight paths. However, City Officers are working with Airservices Australia and flight path designers to investigate if the flight paths can be varied to reduce overflying specific areas. This work is ongoing and outcomes will not be known for several months.

As such, the submissions generally raised concerns or objections to the proposed changes for the Standard Hours of Operations and also with regards to flight paths. Specifically, objections raised relate to the operation of night flights between 0000hrs and 0600hrs. While some residents totally object to any flights between these hours, some residents are concerned that the unrestricted hours of operations could enable unlimited night flights for which the impacts have not been modelled.

Officers have considered the community's feedback with regards to night flights and assessed the effect of implementing a "cap" on the number of night flights that can operate in the Open/Closed charter, RPT and commercial operators category and believe that a limit of 5 flights per week operating between the hours of 0000-0600hrs would still provide opportunity and flexibility for interstate and potentially international operations into the future. The addition of a "cap" would also go some way to providing the community some confidence that there would not be unlimited night flights in the future. Officers consider that five flights per week between 0000-0600hrs is an appropriate number as this has been modelled and the projected impacts can be assessed and still allow for flexibility when negotiating with airlines for BMRRRA operations. Hence, Officers are recommending in this report that an amendment be made to the draft NMP (2017) to restrict the standard hours of operations for Open/Closed charter, RPT and commercial operators between 0000-0600hrs and permit a maximum of five flights per week to operate from the BMRRRA between the hours of 0000-0600hrs.

Officers are recommending that Council endorses the draft NMP (2017) with the recommended amendment and that the draft NMP (2017) and public submissions received be included in the Draft Environmental Review Document to be submitted as part of the PER to the Office of the Environmental Protection Authority prior to the 31 March 2017.

OPTIONS

The Council may choose not to support the Officers recommendation and;

1. Endorse the draft NMP (2017) included in Attachment A with no further amendments; or
2. Recommend alternative amendments to the NMP such as no flights permitted between the hours of 0000-0600hrs.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

The draft NMP (2017) will be included in the Draft Environmental Review Document to be submitted to the Office of the Environmental Protection Authority including all public submissions received during the public consultation period prior to the 31 March 2017.

OFFICER RECOMMENDATION

That the Council:

Notes the 124 submissions received by the City of Busselton during the public comment period of 21 days from 20 February – 19 March 2017 of the Draft NMP (2017)

Note: Officers provided a revised recommendation for consideration to endorse the Draft BMRRR Noise Management Plan (2017) including amending the standard hours of operations for Open/Closed Charters, RPT and commercial operators, and for three late submission to be included.

Committee Recommendation and Revised Officer Recommendation

Moved Councillor G Bleachmore, seconded Councillor C Tarbotton

That the Council:

1. Notes the 124 submissions plus 3 late submissions received by the City of Busselton during the public comment period of 21 days from 20 February – 19 March 2017 of the Draft NMP (2017).
2. Endorses the Draft BMRRR Noise Management Plan (2017) in Attachment A including the following amendments to the Standard Hours of Operations; Table 2 - Operational Limitations and Approved Parameters;

Operator / Aircraft Type	Standard Hours of Operation	Conditions
Open, Closed Charters, RPT/Commercial Operators	RESTRICTED** 0000hrs – 0600hrs **Five flights per week approved between 0000-0600hrs.	Maximum noise level of 85dB (A)* City approval required

PROCEDURAL MOTION

Moved Councillor R Bennett, seconded Councillor R Paine

That the Council defer its consideration of Item 10.5 for Council consideration at the next Council Meeting date 12 April 2017.

LOST 2/6

Voting:

For the motion: Councillor R Bennett and Councillor R Paine.

Against the motion: Councillor T Best, Councillor G Bleechmore, Mayor G Henley, Councillor J McCallum, Councillor C Tarbotton and Councillor R Reekie.

Note: As the Procedural Motion was lost the Revised Officer Recommendation was put and carried.

Council Decision / Committee Recommendation and Revised Officer Recommendation

C1703/060

Moved Councillor G Bleechmore, seconded Councillor C Tarbotton

That the Council:

1. Notes the 124 submissions plus 3 late submissions received by the City of Busselton during the public comment period of 21 days from 20 February – 19 March 2017 of the Draft NMP (2017).
2. Endorses the Draft BMRA Noise Management Plan (2017) in Attachment A including the following amendments to the Standard Hours of Operations; Table 2 - Operational Limitations and Approved Parameters;

Operator / Aircraft Type	Standard Hours of Operation	Conditions
Open, Closed Charters, RPT/Commercial Operators	RESTRICTED** 0000hrs – 0600hrs **Five flights per week approved between 0000-0600hrs.	Maximum noise level of 85dB (A)* City approval required

CARRIED 8/0

At this time the Mayor requested Councillors indicate the acceptance of late item 11.1 for consideration.

The Council indicated their acceptance with a show of hands.

11. PLANNING AND DEVELOPMENT SERVICES REPORT

11.1 PUBLIC HEALTH ACT 2016 AUTHORISATIONS

SUBJECT INDEX:	Authorised Delegation of Power/Authority
STRATEGIC OBJECTIVE:	A community where people feel safe, empowered, included and enjoy a sense of good health and wellbeing.
BUSINESS UNIT:	Environmental Services
ACTIVITY UNIT:	Environmental Health
REPORTING OFFICER:	Environmental Health Coordinator - Dimity Hargrave
AUTHORISING OFFICER:	Director, Planning and Development Services - Paul Needham
VOTING REQUIREMENT:	Simple Majority
ATTACHMENTS:	Nil

PRÉCIS

The introduction of the *Public Health Act 2016* facilitates a comprehensive reform of public health regulation in Western Australia, replacing the *Health Act 1911* through a staged implementation process over a 3 – 5 year timeframe. The *Public Health Act 2016* (the Act) received Royal Assent on 25 July 2016 with stages 1 and 2 of the implementation commencing following Royal Assent.

Stage 3 of implementation commenced on 24 January 2017 with activation of key administrative functions of the Act. These administrative functions replace the equivalent framework provided by Part II of the *Health Act 1911* and allow for delegations to local government Chief Executive Officers to administer the Act. This includes designation of appropriately qualified Environmental Health Officers as ‘authorised officers’. The old *Health Act 1911* will be renamed the *Health (Miscellaneous Provisions) Act 1911* and will continue to be the main enforcement tool for local government during stages 3 and 4.

In addition to the above, the *Health (Asbestos Regulations) 1992* has been amended to increase the penalties for offences in accordance with the regulations and allow local government to issue infringement notices for specified offences. The amended legislation provides for delegation to appoint relevant officers as authorised or approved officers for the purposes of Part 2 of the *Criminal Procedure Act 2004*.

BACKGROUND

The *Public Health Act 2016* received Royal Assent on 25 July 2016 with stage 3 coming into effect on 24 January 2017. Currently, a transitional period between the new *Public Health Act 2016* and the old *Health Act 1911* is in effect for approximately 3 – 5 years, until the final stages 4 and 5 are implemented.

Through implementation of stage 3, section 21 of the *Public Health Act 2016* enables local government authorities, referred to as enforcement agencies in the legislation, the power to delegate the duty conferred or imposed on it to administer the Act to the Chief Executive Officer.

Previously, the appointment of Environmental Health Officers was in accordance with the *Health Act 1911* which required appointment to be approved by the Western Australian Department of Health’s Executive Director, Public Health. Transitional provisions of the *Public Health Act 2016* enable

persons who are currently appointed as Environmental Health Officers to be deemed designated as authorised officers for the purposes of the *Public Health Act 1911* and a range of other relevant legislation.

Appointment and designation of new authorised officers (previously Environmental Health Officers) must now be made under the *Public Health Act 2016*. This is the responsibility of local government enforcement agencies by way of powers delegated to the local government Chief Executive Officer to approve appointments. Authorised officers are to be issued with a certificate of authority card, signed by the Chief Executive Officer, under delegation.

The *Health (Asbestos) Regulations 1992* have also been amended to increase penalties for offences under the Regulations and enable local government authorities to issue infringement notices for specified offences. Certificate of authority cards issued under the *Public Health Act 2016* will include wording identifying that the person is an authorized officer appointed to issue infringement notices in accordance with the *Health (Asbestos) Regulations 1992*. This will enable immediate enforcement action for asbestos related offences and provide a deterrent to offenders.

STATUTORY ENVIRONMENT

Public Health Act 2016

Health (Miscellaneous Provisions) Act 1911 (previously *Health Act 1911*)

Health (Asbestos) Regulations 1992

Criminal Procedures Act 2004

Note that the power to delegate under the *Public Health Act 2016* does not require an absolute majority decision of the Council.

RELEVANT PLANS AND POLICIES

Nil.

FINANCIAL IMPLICATIONS

Nil.

Long-term Financial Plan Implications

Nil.

STRATEGIC COMMUNITY OBJECTIVES

This report aligns with the City of Busselton Strategic Community Plan 2013 (revised 2015) as follows:

Key Goal Area 1 – Caring and Inclusive Community – A welcoming, inclusive, healthy and capable community that provides accessible services for all residents.

Key Goal Area 6 – Open and Collaborate Leadership – Governance systems that deliver responsible, ethical and accountable decision making.

RISK ASSESSMENT

An assessment of the potential implications of implementing the Officer Recommendation has been undertaken using the City's risk assessment framework. The assessment identifies 'downside' risks

only, rather than 'upside' risks as well. Risks are only identified in Council reports where the residual risk, once controls are identified, is 'medium' or greater. No such risks have been identified.

CONSULTATION

Consultation has occurred with the Western Australian Department of Health as well as other local government authorities.

OFFICER COMMENT

The new *Public Health Act 2016* has been a long awaited piece of legislation and provides a modern, proactive approach to promoting and regulating public health in Western Australia. The *Health Act 1911* was over 100 years old and very much outdated. It required a reactive, inflexible approach to health regulation.

The *Public Health Act 2016* provides scope to evaluate public health risks affecting individual local areas whilst also providing a risk based regulatory approach. The *Public Health Act 2016* provides a flexible and proactive framework for the regulation of public health including:

- Promoting public health and well-being in the community;
- Helping to prevent disease, injury, disability and premature death;
- Informing individuals and communities about public health risks;
- Encouraging individuals and their communities to plan for, create and maintain a healthy environment;
- Supporting programs and campaigns intended to improve public health;
- Collecting information about the incidence and prevalence of diseases and other public health risks for research purposes; and
- Reducing the health inequalities in public health of disadvantaged communities.

Through delegation, the *Public Health Act 2016* will enable local government Chief Executive Officers to appoint suitably qualified authorised officers immediately upon commencement with the local government authority. This process will alleviate the delay experienced by new Environmental Health Officers under the old legislation in having their appointment authorised by the Executive Director, Public Health of the WA Department of Health. The legislation also details appropriate qualifications required by authorised officers to enable appointment by local government Chief Executive Officers.

The new legislation requires local government authorities to enforce the *Public Health Act 1911*. Authorised officers are responsible for investigating any public health matter within their jurisdiction. Section 30 of the *Public Health Act 2016* requires authorised officers to be issued a certificate of authority card by the Local Government. It is envisaged this certificate of authority card would be signed or approved by the delegate of the Council who it is recommended would be the Chief Executive Officer.

Through this process, regulations under the old *Health Act 1911* are being reviewed and rewritten. As opposed to more than 30 health regulations previously enforced by Environmental Health Officers, 5 modern regulations will be developed within 3 -5 years' time. However, it was identified a need existed to amend the *Health (Asbestos) Regulations 1992* to make this legislation more usable and not wait another 3-5 years until the new regulations were developed and implemented.

Previously the *Health (Asbestos) Regulations 1992* arguably did not provide sufficient enforcement options and subsequent deterrent for non-compliance with the legislation. The amendments provide for the ability to issue infringement notices with increased penalties.

To enable these changes to occur, a local government may appoint a person or class of person to be authorised officers or approved officers for the purposes of Part 2 of the *Criminal Procedure Act 2004*, and these appointments must be in writing. Authorised officers will be the persons who are authorised to issue the infringement notices under the Regulations on behalf of the local government. Approved officers are the persons authorised to extend the period to pay or withdraw an infringement notice but they are not eligible to also be appointed as an authorised officer.

It is intended that Environmental Health Officers be appointed as authorised officers and that both the Director Planning and Development Services and Manager Environmental Services be appointed as an approved officer.

A person appointed by a local government as an authorised person in accordance with the Regulations, must be issued with a certificate, badge or identity card identifying the officer as a person to issue infringement notices under the Regulations. The certificate of authority intended to be issued under section 30 of the *Public Health Act 2016* will provide the necessary identification for this authorised officer.

CONCLUSION

Consideration of these delegations to the Chief Executive Officer to appoint suitably qualified environmental health staff as authorised officers for the purposes of enforcing the *Public Health Act 2016* enables efficient and effective appointment of new staff as authorised officers. This enables new staff to effectively undertake their role ensuring the health and safety of the community.

Delegation under the *Criminal Procedure Act 2004* in relation to issuing infringements for breaches of the *Health (Asbestos) Regulations 1992* enables environmental health staff to respond to and issue penalty for non-compliance with legislation. This course of action also acts as a deterrent for non-compliance. These actions both serve to protect the health of the community from asbestos.

OPTIONS

Council may elect to not delegate power to the Chief Executive Officer enabling appointment of authorised officers or approved officers to enforce the *Public Health Act 2016* and *Criminal Procedure Act 2004*. This action reduces the capacity of Environmental Health Officers to undertake their roles ensuring the health and wellbeing of the community and satisfying Council's obligation to administer the *Public Health Act 2016*.

TIMELINE FOR IMPLEMENTATION OF OFFICER RECOMMENDATION

Should the Officer Recommendation be endorsed, the Chief Executive Officer will be able to approve certificate of authority cards for existing Environmental Health Officers previously appointed under the *Health Act 1911* as well as new Environmental Health staff who commenced with the City of Busselton after implementation of stage 3 of the *Public Health Act 2016* on the 24 January 2017. This will enable all environmental health staff to fully undertake their role as authorised officers for both the *Public Health Act 2016* and *Health (Asbestos) Regulations 1992*.

Council Decision and Officer Recommendation

C1703/061

Moved Councillor C Tarbotton, seconded Councillor J McCallum

That the Council:

1. Delegates to the Chief Executive Officer authority in accordance with section 21 of the *Public Health Act 2016* to designate a person or class of persons as an authorised officer for the purpose and provisions of the *Public Health Act 2016*; and
2. Delegates to the Chief Executive Officer authority for the purpose of Part 2 of the *Criminal*

Procedure Act 2004 to designate a person or class of person as Authorised Officers or Approved Officers for the purpose of Part 2 of the *Criminal Procedure Act 2004*.

CARRIED 8/0

12. ENGINEERING AND WORKS SERVICES REPORT

Nil

14. FINANCE AND CORPORATE SERVICES REPORT

Nil

16. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

17. CONFIDENTIAL REPORTS

Nil

18. QUESTIONS FROM MEMBERS

Nil

19. PUBLIC QUESTION TIME**Mrs Julie Avery**

In relation to item 10.5 Do any Councillors live under or around the flight path?

Response Cr C Tarbotton

I live close to the flight path.

Response Cr G Bleechmore

I live a similar distance from the flight path as Mrs Julie Avery but in the other direction.

Mrs Julie Avery

Are the submissions received available to the public and what airlines will be operating from the airport?

Response Chief Executive Officer

We are currently in negotiations with three airlines.

Response Manager, Commercial Services

127 submissions were received, 81 submission were in support, 37 submissions were objecting and 9 submissions were generally supportive of the development but not for the night flights.

Mrs Julie Avery

Is there any scope for further submissions?

Response Cr G Henley

A late submission from an adjoining land owner would be accepted.

20. NEXT MEETING DATE

Wednesday, 12 April 2017

21. CLOSURE

The meeting closed at 6.21pm.

THESE MINUTES CONSISTING OF PAGES 1 TO 62 WERE CONFIRMED AS A TRUE AND CORRECT RECORD ON WEDNESDAY, 12 APRIL 2017.

DATE: _____ PRESIDING MEMBER: _____