

TAMALA PARK
Regional Council

Meeting of Council

AGENDA

Thursday 18 April 2013

Town of Cambridge, 6.00pm

TAMALA PARK
REGIONAL COUNCIL
(TPRC)
COMPRISES THE
FOLLOWING
COUNCILS:

Town of Cambridge
City of Joondalup
City of Perth
City of Stirling
Town of Victoria Park
City of Vincent
City of Wanneroo

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TAMALA PARK REGIONAL COUNCIL

Councilors of the Tamala Park Regional Council are advised that the ordinary meeting of Council will be held in the Council Chambers at the Town of Cambridge, 1 Bold Park Drive, Floreat at 6.00pm on Thursday 18 April 2013.

The business papers pertaining to the meeting follow.

Your attendance is requested.

Yours faithfully



TONY ARIAS
Chief Executive Officer

MEMBERSHIP

OWNER COUNCIL	MEMBER	ALTERNATE MEMBER
Town of Cambridge	Cr Corinne MacRae	Cr Simon Withers
City of Joondalup	Cr Geoff Amphlett Cr Tom McLean	
City of Perth	TBA	
City of Stirling	Cr Giovanni Italiano (CHAIRMAN) Cr David Michael Cr Terry Tyzack Cr Rod Willox	Cr Stephanie Proud
Town of Victoria Park	Mayor Trevor Vaughan (DEPUTY CHAIRMAN)	Cr David Ashton
City of Vincent	Mayor Alannah MacTiernan	
City of Wanneroo	Cr Frank Cvitan Cr Dianne Guise	Cr Bob Smithson Cr Stuart Mackenzie

NB: Although some Councils have nominated alternate members, it is a precursor to any alternate member acting that a Council carries a specific resolution for each occasion that the alternate member is to act, referencing Section 51 of the Interpretation Act. The current Local Government Act does not provide for the appointment of deputy or alternate members of Regional Councils. The DLGRD is preparing an amendment to rectify this situation.

PRELIMINARIES

1. OFFICIAL OPENING

DISCLOSURE OF INTERESTS

2. PUBLIC STATEMENT/QUESTION TIME

3. APOLOGIES AND LEAVE OF ABSENCE

4. PETITIONS

5. CONFIRMATION OF MINUTES

Council Meeting – 21 February 2013

5A. BUSINESS ARISING FROM THE MINUTES

6. ANNOUNCEMENTS BY CHAIRMAN (WITHOUT DISCUSSION)

7. MATTERS FOR WHICH MEETING MAY BE CLOSED

8. REPORTS OF COMMITTEES

- Management Committee Meeting – 4 April 2013

9. ADMINISTRATION REPORTS AS PRESENTED (ITEMS 9.1 – 9.18)

9.1 BUSINESS REPORT – PERIOD ENDING 11 APRIL 2013

Report Information

Reporting Officer: Chief Executive Officer

File Reference: N/A

Recommendation

That the Council RECEIVE the Business Report to 11 April 2013.

Voting Requirements

Simple Majority

Report Purpose

To advise Council of matters of interest not requiring formal resolutions.

Relevant Documents

Appendix: Nil

Available for viewing at the meeting: Nil

Background

The business of the Council requires adherence to many legislative provisions, policies and procedures that aim at best practice. There are also many activities that do not need to be reported formally to the Council but will be of general interest to Council members and will also be of interest to the public who may, from time to time, refer to Council minutes.

In context of the above, a Business Report provides the opportunity to advise on activities that have taken place between meetings. The report will sometimes anticipate questions that may arise out of good governance concerns by Council members.

Comment

1. Civil Construction - Status

The following table provides an overview of the progress of civil works to date;

Stage	Lots	Commencement of Construction	Original Practical Completion Date	Works Status	Titles
4	48	20th August 2012	15 th February 2013	PC achieved 18 th February 2013	March 2013
5	63	10 th December 2012	27 th June 2013	75% Complete – Works on schedule	June 2013
7	63	2 nd April 2013	20 th August 2013	5% Complete – Works on schedule	September 2013

2. Bulk Earthworks - Status

The following table provides an overview of the progress of civil works to date;

Stage	Commencement of Construction	Original Practical Completion Date	Works Status
8	2 nd April 2013	12 th July 2013	5% Complete – Works on schedule
Marmion Ave Intersection	2 nd April 2013	4 th June 2013	10% Complete – Works on schedule

3. Stage 1 Landscape works – Status

The following table provides an overview of the progress of landscape works to date;

Stage	Commencement of Construction	Original Practical Completion Date	Works Status
1 – Lot 1/ Entry Statement	2 nd July 2012	22 nd October 2012	Deferred pending resolution of Lot 1 Built Form outcome.

4. Stage 4 Titles

Titles were issued on 19 March 2013, approximately 3 weeks behind program due to delays in receiving clearances.

5. Stage 5 Titles

Clearance packages have been submitted to the City of Wanneroo and titles are expected to be issued in May to enable settlements to be achieved in June.

6. Temporary Sales Office

The Temporary Sales Office is fully operational and is continuing to receive good traffic.

7. Housing Construction

To date 9 Builders Homes have commenced construction within the Stage 2 Builders Display Village and 21 private homes are under construction. Two residents have moved into homes within the estate.

8. Waste Management Program

The Council approved a proposal from Instant Waste Management (IWM) to establish and manage a waste management program at its meeting held on 7th February 2013.

Since February, IWM has been working with the SPG and TPRC to formalise operational and administrative procedures, financial management systems and establish reporting arrangements for the commencement of the program.

Information has been forwarded to builders to introduce the program and encourage the participation of builders. Information packs will be issued with all home plan approvals by the SPG.

9. Residents Welcome Day

The first residents welcome day is scheduled for 14th April 2013 and involves a morning tea, update on the project and provision of a welcome pack for purchasers.

9.2 STATEMENTS OF FINANCIAL ACTIVITY FOR THE MONTHS OF JANUARY & FEBRUARY 2013

Report Information

Reporting Officer: Chief Executive Officer File Reference: 12.66.401.0

Recommendation

That Council RECEIVE and NOTE the Statement of Financial Activity for the months ending:

- **31 January 2013; and**
- **28 February 2013.**

Voting Requirements

Simple Majority

Report Purpose

Submission of the Statement(s) of Financial Activity required under the Local Government Act.

Relevant Documents

Appendix: Monthly Statement of Financial Activity for the months ending 31 January 2013; and 28 February 2013 (distributed prior to the meeting)

Available for viewing at the meeting: Nil

Local Government Act/Regulation

- Local Government Act 1995: Sect 6.4(1): Financial Report Required
- Local Government (Financial Management) Regulations 1996: Regulation 34 Composition of Report
- Local Government (Financial Management) Regulations 1996: Regulation 34 (5) Material Variance Reports [10%]
- Local Government (Audit) Regulations 1996: Regulation 14 Compliance Audit Item

Background

It is a mandatory requirement that the Council receives, reviews and records in the Regional Council's public minutes a statement of financial activity showing annual budget estimates and the figures for budget estimates, income and expenditure and variances at the end of each month. The report is also to show the composition of assets and other relevant information.

Comment

The detailed Statements contained in the Appendices reflect the budget proposals and direction adopted by the Council.

Variances at February 2013 exceeding 10% were experienced in relation to the following:

Agenda TPRC Meeting of Council – 18 April 2013

Interest Earnings	Interest earnings are above budget projections as the investment principal is higher than predicted.
Other Revenue	The negative variance due to delay in settlements in Stage 2, 3 and 4.
Employee Costs	The positive variance relates to timing of employee costs.
Materials & Contracts MTC	The positive variance reflects that expenditure is below budget projections.
Materials & Contracts Other	The positive variance due to timing of payments, but also recognises savings to the budget.
Other	The positive variance due to timing of payments, but also recognise savings to the budget.
Professional/Consultant Fees	The variance is due to timing of payments associated with civil design, planning and landscape, which is expected to remain under budget.
Land Production Cost	The variance is due to timing of payments associated with Bulk Earthworks for Stage 8 and Civil works for Stage 5 & 7. Deferral of some works to 2013/14 and substantial savings of works.
Utilities	The positive variance recognises savings to the budget.
Capital Items	The positive variance recognises savings to the budget.

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

Financial Snapshot as at 31 March 2013

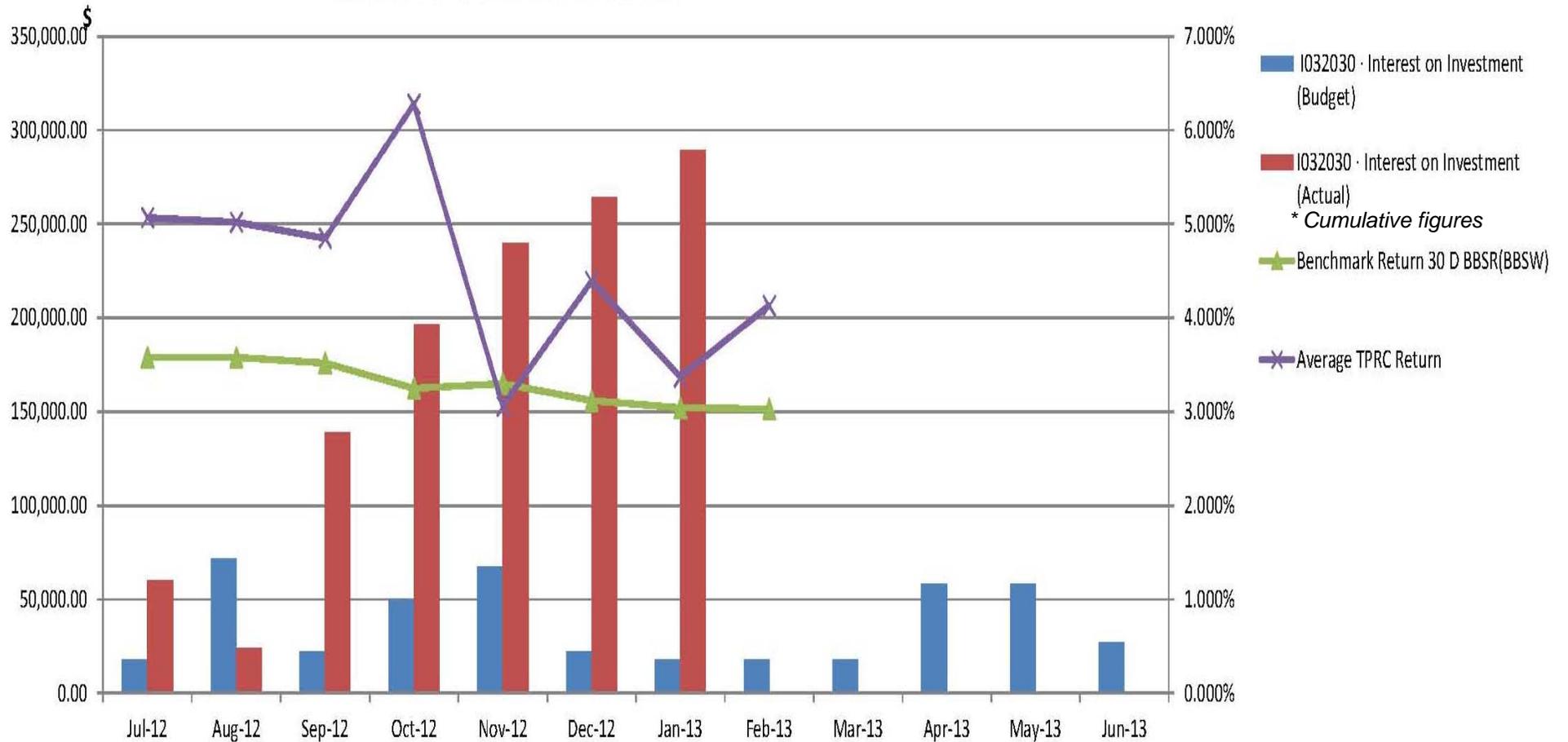
**TAMALA PARK REGIONAL COUNCIL
FINANCIAL SNAPSHOT
FOR THE PERIOD ENDING 31 MARCH 2013**

	2012-13 ADOPTED BUDGET	2012-13 YTD BUDGET	2012-13 YTD ACTUAL	VARIANCE		VARIANCE
				FAVOURABLE	UNFAVOURABLE	
	\$	\$	\$	\$	\$	%
REVENUE						
Interest Earnings	449,000	305,320	342,918	37,598		12.3%
Other Revenue	42,793,252	27,255,822	14,605,227	0	(12,650,595)	-46.4%
	\$43,242,252	\$27,561,142	\$14,948,145	\$37,598	(\$12,650,595)	
LESS EXPENDITURE						
Depreciation	(19,320)	(13,910)	(6,084)	7,826		56.3%
Employee Costs	(620,651)	(433,693)	(351,533)	82,160		18.9%
Insurance	(11,300)	(11,300)	(9,303)	1,997		17.7%
Materials and Contracts MTC	(35,000)	(22,750)	-	22,750		100.0%
Materials and Contracts Other	(371,453)	(268,840)	(166,190)	102,650		38.2%
Other	(136,000)	(99,500)	(84,648)	14,852		14.9%
Professional /Consultant Fees	(763,535)	(577,922)	(241,869)	336,053		58.1%
Land Production Costs	(43,180,311)	(31,236,730)	(17,216,558)	14,020,172		44.9%
Utilities	(11,800)	(8,496)	-	8,496		100.0%
Capital Items	(80,000)	(80,000)	(72,990)	7,010		8.8%
Contribution Refund	(90,000)	-	-	-		0.0%
	(\$45,319,370)	(\$32,753,141)	(\$18,149,175)	\$14,603,966	\$0	
Total	(\$2,077,118)	(\$5,191,999)	(\$3,201,030)	\$14,641,564	(\$12,650,595)	\$0
			\$1,990,969		\$1,990,969	

Balance Sheet Summary as at 31 March 2013

	Feb 28, 13	June 30, 12	\$ Change	% Change	Feb 29, 12
Cash and Investments	10,116,273.86	13,454,148.77	-3,337,874.91	-24.81%	12,894,984.92
Accounts Receivable	1,044,315.59	151,219.29	893,096.30	590.60%	0.00
Other Current Assets (inc Land Held for Resale)	30.00	1,030.00	-1,000.00	-97.09%	1,718,589.09
Total Current Assets	11,160,619.45	13,606,398.06	- 2,445,778.61	-17.98%	14,613,574.01
Fixed Assets	2,165,436.43	2,107,273.34	58,163.09	2.76%	2,133,806.38
Total Assets	13,326,055.88	15,713,671.40	- 2,387,615.52	-15.20%	16,747,380.39
Less Current Liabilities	382,448.25	593,801.12	-211,352.87	-35.59%	53,196.33
Less Long Term Liabilities	9,862.66	9,862.66	0.00	0.00%	13,046.69
Total Liabilities	392,310.91	603,663.78	-211,352.87	-35.01%	66,243.02
Net Assets	12,933,744.97	15,110,007.62	- 2,176,262.65	20.40%	16,681,137.37

TPRC Invested Funds Return



9.3 LIST OF MONTHLY ACCOUNTS SUBMITTED FOR THE MONTHS OF FEBRUARY & MARCH 2013

Report Information

Reporting Officer: Chief Executive Officer File Reference: 12.66.401.0

Recommendation

That the Council RECEIVE and NOTE the list of accounts paid under Delegated Authority to the CEO for the months of February and March 2013:

- **Month ending 28 February 2013 (Total \$3,086,046.86)**
- **Month ending 31 March 2013 (Total \$1,881,254.36)**
- **Total Paid - \$4,967,301.22**

Voting Requirements

Simple Majority

Report Purpose

Submission of payments made under the CEO's Delegated Authority for the months ending 28 February 2013 and 31 March 2013.

Relevant Documents

Appendix:

- Cheque Detail for Month Ending 28 February 2013 and 31 March 2013;
- Summary Payment List for February and March 2013.

Available for viewing at the meeting: Nil

Local Government Act/Regulation

- Local Government Act 1995: Sect 5.42 - Delegation given for Payments
- Local Government (Financial Management) Regulations 1996: Regulation 13(1) - Monthly Payment list required
- Local Government (Audit) Regulations 1996: Regulation 13 - Compliance Audit Item

Background

A list of accounts paid under delegation or submitted for authorisation for payment is to be submitted to the Council at each meeting. It is a specific requirement of Regulations that list state the month (not the period) for which the account payments or authorisation relates.

Comment

Payments made are in accordance with authorisations from Council, approved budget, TPRC procurement and other relevant policies.

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

9.4 PROJECT FINANCIAL REPORT – FEBRUARY 2013

Report Information

Reporting Officer: Chief Executive Officer File Reference: 1.88.246

Recommendation

That the Council RECEIVE the Project Financial Report (February 2013) submitted by the Satterley Property Group.

Voting Requirements

Simple Majority

Report Purpose

To consider the Project Financial Report for February 2013 submitted by the Satterley Property Group.

Policy Reference

N/A

Local Government Act/Regulation

N/A

Previous Minutes

Council Meeting – 21 June 2012 (Item 9.9 - Project Cashflow)

Financial/Budget Implications

Review of Project Financial Report for February 2013.

Relevant Documents

Appendix: Letter from Satterley Property Group dated 2 April 2013
Available for viewing at the meeting: Nil

Background

At its meeting of 21 June 2012 the Council approved the Project Budget 2012/13 (May12), submitted by the Satterley Property Group, as the basis of financial planning for the TPRC Budget 2012/13.

Key Performance Indicators, Financial requires the preparation of monthly financial reports.

Comment

The Satterley Property Group has prepared a Financial Report for February 2013 for the Project. The report has been prepared on a cash basis and compares actual

expenditure to approved budget expenditure for the period up to 28 February 2013 and is attached at Appendix 9.4.

The Financial Report identifies that settlement revenue and expenditure are both below budget. The main areas of variance are summarised below:

1. Settlement revenue is \$10,007,000 under budget, with \$14,300,000 revenue received to date.
2. Expenditure is \$10,300,000 under budget, with under expenditure in the areas of Lot production, Landscape, Infrastructure and Sales and marketing.

The SPG has advised that the shortfall in sales revenue is attributed to the following;

- \$3.2M revenue received in FYE12 ahead of budget;
- \$6.86M revenue due to delay of 38 settlements;

The shortfall in revenue is primarily as a result of delays in settlements for Stage 1B, Stage 3 and Stage 6A lots. Substantial settlements for Stage 4 lots are planned in April 2013. Since preparation of the SPG report additional settlement revenue of \$4,036,815.98 has been received.

In terms of expenditure a major part of the variance to budget can be attributed to the lag in payments for new works. Significant payments were made in March 2013 and this is expected to continue over the coming months will as payments for earthworks and civil works contracts are presented.

9.5 SALES AND SETTLEMENT REPORT – PERIOD ENDING 11 APRIL 2013

Report Information

Reporting Officer: Senior Project Officer

File Reference: N/A

Recommendation

That the Council RECEIVE the Sales and Settlements Report to 11 April 2013.

Voting Requirements

Simple Majority

Report Purpose

To advise the Council of the status of sales, settlements and sales releases.

Policy Reference

N/A

Local Government Act/Regulation

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

Previous Minutes

Nil

Financial/Budget Implications

Income under this matter will be posted under item I145011 Income on Lot Sales. Lot sales up to 31 March 2013:

Budget Amount:	\$41,618,154
Received to Date:	\$14,592,902
Balance:	\$27,025,252

Relevant Documents

Appendix: Staging Plan

Available for viewing at the meeting: Nil

Background

The Sales and Settlement report provides the Council with status report of sales and settlements of lots.

The plan provided under Appendix 9.5 identifies the extent of the Stage boundaries referenced within the report.

Comment

The table below provides a summary of the Sales and Settlement position for lots released to date:

STAGE	LOTS RELEASED	SOLD	ON HOLD	STOCK	SETTLED
STAGE 1A	24	24	0	0	24
STAGE 1B	11	11	0	0	9
STAGE 2A	24	24	0	0	24
STAGE 2B	8	8	0	0	-
STAGE 3A (Builders Release)	31	19	0	12	19
STAGE 3B	12	12	0	0	8
STAGE 4A	34	31	0	3	11
STAGE 4 B (Builders Release)	12	6	2	6	2
STAGE 5	37	37	0	0	-
STAGE 5 (Builders Release)	26	18	0	8	
STAGE 6A	8	8	0	0	5
TOTAL	227	198	2	29	102

Notes

Stage 4 lot titles issued on 19th March 2013 and at the time of writing 13 settlements had been achieved.

Stage 5 lots were released for sale to the public on 12th February 2013, with all lots now contracted.

The Stage 7 public release, comprising 32 lots, is proposed to be released on 18th May 2013. The Satterley Property Group is already receiving strong interest from prospective purchasers in the release.

Tenders for the Stage 2B Builders Allocation Lots closed on the 19th March 2013, to which strong interest was received from builders seeking allocations for all lots. A report regarding the allocation of lots is included within this agenda.

Tenders for the Stage 7 builders release closed on 25th March 2013, to which strong interest was received from builders seeking allocations for all lots. A report regarding the allocation of lots is included within this agenda.

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

9.9 EXTENSION OF SHARED BORE TRIAL TO STAGES 7, 8 & 9

Report Information

Reporting Officer: Senior Project Officer File Reference: 1.88.246

Recommendation

That the Council APPROVE the extension of the Shared Bore Trial to include all traditional lots within Stages 7, 8 and 9.

Voting Requirements

Simple Majority

Report Purpose

To consider a recommendation by the Satterley Property Group to approve an extension of the Shared Bore Trial to include all traditional lots within Stages 7, 8 and 9 of Catalina.

Policy Reference

N/A

Local Government Act/Regulation

N/A

Previous Minutes

- Council Meeting 15th December 2011 - Item 9.6: Sustainability Initiatives Plan (September 2011);
- Council Meeting 21st June 2012 – Item 9.8: Status Report: Non Potable Water Supply System;
- Council Meeting 21st February 2013 – Item 9.13: Sustainability Initiatives Plan

Financial/Budget Implications

Expenditure under this matter will be incurred under the following items:

Item E145211 (Land Development – Lot Production):

Budget Amount:	\$18,701,849
Spent to Date:	\$10,367,757
Balance:	\$ 8,334,092

Relevant Documents

Appendix: SPG Letter dated 21st March 2013: Non Potable Water Scheme – Stages 7, 8 and 9.

Available for viewing at the meeting: Nil

Background

At its meeting held on 21st June 2012, the Council resolved to undertake a Shared Bore trial within Stages 1 and 4 at Catalina with a budget of \$2,500 per lot allocated.

The shared bored arrangement comprises the following components:-

- One bore shared by four lots;
- Reticulation, meters and connections to each lot;
- Easements to protect all shared bore infrastructure; and
- Agreements specifying arrangements for the use, location, maintenance, access, costs and operation of the shared bores.

These arrangements have been progressed for the Stage 4 traditional lots. The trial has not proceeded within Stage 1 due to difficulties in retrospectively seeking purchasers agreements and applying title easements.

At its meeting held on 21st February 2013, the Council resolved to approve the implementation of shared bores to all front loaded lots within Stage 5 and required a review of the Stage 4 Shared Bore trial prior to extending the trial to future stages.

Comment

The TPRC has received a request from the Satterley Property Group (SPG) dated 21st March 2013, for the extension of shared bores to Stages 7, 8 and 9. A copy of the SPG's letter is provided under Appendix 9.9.

The SPG has advised that Stage 4 titles have recently been issued and the construction of dwellings will occur over the next 9 – 18 months. A review of the Stage 4 Shared Bore Trial will therefore not be able to be undertaken until late 2014, by which time the construction of Stages 7, 8 and 9 will have been completed and lots sold.

To facilitate the installation of shared bore arrangements, purchasers need to be advised prior to the purchase of lots and are required to enter agreements at the time sales contracts are executed. Furthermore, easements are required to be applied to lot titles to protect and facilitate the operation of shared bore infrastructure.

In order for shared bores to be installed within Stages 7, 8 and 9 it is therefore necessary for contractual and title arrangements to be made prior to the review of the Stage 4 Shared Bore trial.

Stages 7, 8 and 9 comprise approximately 70 traditional lots. The estimated cost to extend the Shared Bore trial to include these stages is \$175,000 (70 lots @ \$2,500/lot), which is included within the project budget.

The SPG has advised the shared bore initiative has been well received by purchasers and is expected to deliver the intended sustainability benefit of reducing Catalina's demand to the potable water supply system.

The implementation of shared bore infrastructure has not yet occurred in Stage 4 and therefore cannot be measured. However, the Shared Bore initiative has been accepted by purchasers, all components are on track to be delivered within budget and the scheme is expected to deliver the intended sustainability outcome of reducing Catalina's demand on potable water supplies.

In view of the above the SPG's recommendation to extend the Shared Bores Trial to all traditional lots within Stages 7, 8 and 9 is supported.

At its meeting of April 4 2013 the Management Committee considered the proposed extension of the Shared Bore Trial to Stages 7, 8 and 9 and resolved that Council approve an extension of the Shared Bore Trial to include all traditional lots within Stages 7, 8 and 9.

9.10 STAGE 7 SALES PROCEDURE – PRIVATE PURCHASE LOTS

Report Information

Reporting Officer: Chief Executive Officer File Reference: 5.5.564.11

Recommendation

That the Council:

1. **APPROVE** the sale of Stage 7, 28 traditional lots and 4 cottage lots (Plan 2228-188-01) by the Sales Procedure – Private Purchaser Lots Strategy, September 2011, approved by the Council at its meeting held on 13 October 2011, subject to the same sales contract, building incentives and commercial terms.
2. **APPROVE** the disposal of the Stage 7, 28 traditional lots and 4 cottage lots (Plan 2228-188-01) by Private Treaty in accordance with Section 3.58(3) and (4) of the Local Government Act 1995.

Voting Requirements

Simple Majority

Report Purpose

To consider the Sales Procedure for Stage 7 Private Purchaser lots.

Policy Reference

N/A

Local Government Act/Regulation

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

Previous Minutes

Council Meeting - 13 October 2011 (Item 9.7 Sales Procedure – Private Purchaser Lots)

Financial/Budget Implications

Income under this matter will be posted under item I145011 Income on Lot Sales. Lot sales up to 31 March 2013:

Budget Amount:	\$41,618,154
Received to Date:	\$14,592,902
Balance:	\$27,025,252

Relevant Documents

Appendix:

- Satterley Property Group Letter dated 21 March 2013;
- Stage 7 Sale Process Plan 2228- 188-01.

Background

Stage 7 comprises 63 lots, comprised of 28 traditional lots and 35 rear loaded cottage lots. Civil works are currently underway and it is anticipated that titles will issue in August 2013 with settlements commencing in September 2013. Sales are proposed to commence on 18th May 2013.

At its meeting of 21 February 2013 the Council approved the Sales and Lot Release Strategy (February 2013), submitted by the Satterley Property Group.

The Sales and Lot Release Strategy (February 2013) addresses the following components: Sales and Lot Releases of residential lots Stages 7 to 19,

- Lot Sale and Release Methods.
- Timing, size and configuration of Release Stages.
- Sale Method builder releases.
- Sale Method public releases.

The Lot Sales and Release Strategy identified that future private purchaser releases be undertaken from the sales office. This was recommended by the SPG as the project has an established sales office and would result in improved sales contact between the sales professional and purchaser at the time of lot selection.

The Satterley Property Group has now recommended the use of the online registration sales process for Stage 7, as utilised for Stages 1 to 6.

Comment

The Satterley Property Group correspondence recommending the online sales process is attached (Appendix 9.10). It has advised the reasons for revising its recommendation is to prevent campouts at the Sales Office, ensure probity requirements are met and ensure that all potential purchasers have a fair opportunity to purchase a lot.

The online registration sales process involves potential purchasers registering online to nominate preferred lots, the assessment and prioritisation of registrations in order of receipt and compliance with preset terms and criteria and then invitation to purchasers based the prioritisation of registrations.

The concerns raised by Satterley are supported by the TPRC administration. In the current market the potential for campouts is realistic and could potentially raise issues from a probity perspective. It also restricts potential purchasers to those that can attend the Sales Office on the nominated day. The online registration sales process utilised for Stages 1 to 6 has worked well to achieve sales and has been well received by purchasers. The Probity Auditor has also endorsed the online process as it is fair, transparent and accessible.

The use of the online registration sales process Stage 7 traditional lots is supported. It is also proposed that Stage 7 traditional lots be disposed by Private Treaty in accordance with Section 3.58(3) and (4) of the Local Government Act 1995 is supported.

The sales contract, building incentives and commercial terms used in Stages 1 to 6 for private purchasers are proposed to be used for the Stage 7 lots. The Sales Contract and the relevant Special Conditions and Annexures have previously been reviewed by the Council's legal advisors.

At its meeting of April 4 2013 the Management Committee considered the Sales Procedure for Stage 7 Private Purchaser lots and resolved that Council;

1. APPROVE the sale of Stage 7, 28 traditional lots and 4 cottage lots (Plan 2228-188-01) by the Sales Procedure – Private Purchaser Lots Strategy, September 2011, approved by the Council at its meeting held on 13 October 2011, subject to the same sales contract, building incentives and commercial terms.
2. APPROVE the disposal of the Stage 7, 28 traditional lots and 4 cottage lots (Plan 2228-188-01) by Private Treaty in accordance with Section 3.58(3) and (4) of the Local Government Act 1995.

9.11 STAGE 2B BUILDERS ALLOCATION LOTS TENDER

Report Information

Reporting Officer: Senior Project Officer

File Reference: 1.88.246

Recommendation

That the Council:

1. **APPROVE** the allocation of lots 116 - 120 to Homebuyers Centre, in accordance with the terms and conditions of Tender 06/2013.
2. **AUTHORISE** the CEO and Chairman to sign and seal relevant Put Option Deed documentation.

Voting Requirements

Simple Majority

Report Purpose

To consider the Stage 2B Builders Allocation tender.

Policy Reference

N/A

Local Government Act/Regulation

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

Previous Minutes

- Council Meeting – 13 December 2013 (Item 9.13 Stage 2B Design Guidelines, Incentives and Sales Process).
- Council Meeting - 13 October 2011 (Item 9.9 Display Village Lots and Medium Density (Cottage) Lots Tender and Allocation Procedure);

Financial/Budget Implications

Income under this matter will be posted under item I145011 Income on Lot Sales. Lot sales up to 31 March 2013:

Budget Amount: \$41,618,154

Received to Date: \$14,592,902

Balance: \$27,025,252

Relevant Documents

Appendix:

- Satterley Property Group Letter dated 28th March 2013 Stage 2B Builders Allocation Tender Report;
- Plan of Stage 2B Medium Density Lots.

Available for viewing at the meeting: Nil

Background

Stage 2B comprises 14 medium density lots which front Aviator Boulevard. Titles for the Stage 2B lots were obtained in November 2012.

At its meeting held on the 13th December 2012, the Council resolved that lots 116 – 120 were to be allocated as a single package to builders by public tender, via the use of Put Option Deeds previously utilised subject to the same procedures, selection criteria, evaluation process, and terms and conditions. The remainder of the Stage 2B lots were to be sold to public.

The SPG has made a Declaration of Interest – Impartiality to the CEO, consistent with Local Government Act clause 34(c) and the TPRC Code of Conduct (2012).

The TPRC office has carried out an independent evaluation of the tenders, in conjunction with Council's Probity Auditor, which is presented in this report. The Council's Auditor is aware of the Satterley Property Group Declaration of Interest - Impartiality and is satisfied that the procurement and evaluation process has been sound and considered to have delivered a robust and justified decision.

Comment

In accordance with the Council's decision the TPRC advertised the tender for the allocation of lots 116 - 120 as a single lot package on the 5th March 2013. The tender was undertaken in accordance with the approved selection criteria, which is summarised below:-

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

The Put Option Deeds appended to the tender document were similar to those used for the Stage 4 and 5 builders allocation tenders stipulating that the sale of lots allocated to builders must be to private purchasers only.

At the close of the tender period on the 19th March 2013, the TPRC had received two submissions from Content Living and The Homebuyers Centre, seeking allocation of the Stage 2B lots, representing total sales revenue of \$825,000.

The TPRC has undertaken an assessment of both tenders received against the selection criteria and the following table provides a summary of the scores awarded to the individual selection criteria items of each tender.

Tenderer	Selection Criteria No.						Total Score
	1 (25%)	2 (20%)	3 (20%)	4 (15%)	5 (10%)	6 (10%)	
Content Living	15	19	14	9	6	8	71
Homebuyers Centre	22.5	20	16	10.5	7	10	86

The tender assessment confirms both tenders received are compliant and consistent with the commercial terms of the Stage 2B builders allocation tender and achieved scores in excess of the minimum requirement of 65%.

In the assessment of tenders it was noted the tender received from Content Living proposes a \$5,000 increase in the sale price of each lot. Under the terms of the tender lot sale prices are set and price is not included within the selection criteria and is therefore not a valid consideration in the assessment of tenders. Under the terms of the Put Options Deeds the lots are to be sold directly to private purchasers by the TPRC and the builder is not responsible for the purchase of the lots unless they remain unsold after the conclusion of the 12 week option period.

On the basis of the tender submission received from the Homebuyers Centre achieving the highest score of all tenders, it is recommended the TPRC allocate lots 116 – 120 to the Homebuyers Centre.

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

On the basis of the evaluation of tenders and allocation of lots being in accordance with the tender it is recommended the Council allocate lots 116 – 120 to Homebuyers Centre.

9.12 STAGE 7 BUILDERS ALLOCATION LOTS TENDER

Report Information

Reporting Officer: Senior Project Officer

File Reference: 1.88.246

Recommendation

That the Council:

- 1. APPROVE the allocation of Lot Parcels A and B to Content Living, in accordance with the terms and conditions of Tender 07/2013.**
- 2. APPROVE the allocation of Lot Parcel C to The Prime Group, in accordance with the terms and conditions of Tender 07/2013.**
- 3. APPROVE the allocation of Lot Parcel D to BGC, in accordance with the terms and conditions of Tender 07/2013.**
- 4. APPROVE the allocation of Lot Parcel E to The Homebuyers Centre, in accordance with the terms and conditions of Tender 07/2013.**
- 5. APPROVE the allocation of Lot Parcel F to Affordable Living, in accordance with the terms and conditions of Tender 07/2013.**
- 6. AUTHORISE the CEO and Chairman to sign and seal relevant Put Option Deed documentation.**

Voting Requirements

Simple Majority

Report Purpose

To consider the Stage 7 Builders Allocation tender.

Policy Reference

N/A

Local Government Act/Regulation

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

Previous Minutes

Council Meeting – 21 February 2013 (Item 9.8 Sales and Lot Release Strategy).

Financial/Budget Implications

Income under this matter will be posted under item I145011 Income on Lot Sales. Lot sales up to 31 March 2013:

Budget Amount: \$41,618,154
 Received to Date: \$14,592,902
 Balance: \$27,025,252

Relevant Documents

Appendix:

- Satterley Property Group Letter dated 28th March 2013 Stage 7 Builders Allocation Tender Report;
- Plan of Stage 7 Medium Density Lot Packages.

Available for viewing at the meeting: Nil

Background

Stage 7 comprises 63 lots, comprised of 28 traditional lots and 35 rear loaded cottage lots. It is anticipated that titles will be issued in August 2013 with settlements commencing in September 2013.

At its meeting of 21st February 2013, the Council approved the Lot Sale & Release Strategy (February 2013), which incorporated the disposal of 31 Stage 7 medium density lots as builders allocation lots.

The SPG has made a Declaration of Interest – Impartiality to the CEO, consistent with Local Government Act clause 34(c) and the TPRC Code of Conduct (2012).

The TRPC office has carried out an independent evaluation of the tenders, in conjunction with Council's Probity Auditor, which is presented in this report. The Council's Auditor is aware of the Satterley Property Group Declaration of Interest - Impartiality and is satisfied that the procurement and evaluation process has been sound and considered to have delivered a robust and justified decision.

Comment

The tender for the allocation of the Stage 7 builders lots was advertised on the 11th March 2013. The lots were tendered as 6 parcels of between 3 and 8 lots, as depicted on the plan provided under Appendix 9.12. The tender was undertaken in accordance with the approved selection criteria, which is summarised below:-

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

The Stage 7 medium density lots were tendered to builders on the basis of Put Option Deeds as approved by Council for the Stage 3 the Builders Allocation Lots in April 2012, subject to the same procedures, selection criteria and evaluation process, and terms and conditions.

The Put Option Deeds appended to the tender document were similar to those used for the Stage 4 and 5 builders allocation tenders and stipulated that the sale of lots allocated to builders must be to private purchasers only.

At the close of the tender period on the 25th March 2013, 6 tenders had been received. The table below identifies the builders that lodged a tender submission, the lot parcels, preferences of each builder and the sales value of the lot parcels.

The tenders received account for all 31 lots, representing total sales revenue of \$5,526,000.

BUILDER	LOT PARCELS SOUGHT		
	Preference	Parcel	No. of Lots
Affordable Living	1	E	8
	2	F	7
BGC Residential	1	D	4
Capital Works Construction	1	A	4
	2	B	3
	3	C	5
	4	D	4
	5	E	8
	6	F	7
Content Living	1	A	4
	2	B	3
	3	C	5
	4	D	4
	5	E	8
	6	F	7
Homebuyers Centre	1	E	8
	2	F	7
	3	C	5
	4	D	4
The Prime Group	1	E	8
	2	F	7
	3	C	5
	4	D	4
	5	A	4
	6	B	3

The TPRC has undertaken an assessment of all tenders against the selection criteria contained within the tender document and a summary of the weighted scores achieved by each tender for individual selection criteria items is provided in the table below.

Tenderer	Selection Criteria No.						Total Score
	1 (25%)	2 (20%)	3 (20%)	4 (15%)	5 (10%)	6 (10%)	
Affordable Living	15	19	12	9	6	8	69
BGC	17.5	17	14	10.5	8	10	77
Capital Works Construction	12.5	15	12	9	5	6	59.5
Content Living	15	18	14	9	6	8	70
Homebuyers Centre	22.5	20	16	10.5	7	10	86
The Prime Group	15	16	14	9	6	6	66

The tender assessment resulted in all tenders achieving scores in excess of the minimum requirement of 65%, with the exception of the submission received from Capital Works Construction (CWC), which achieved a weighted score of 59.5% and was not considered in the allocation of lots. The tender submission submitted by CWC failed to provide examples of experience in medium density housing, innovation or sustainability features, which is specifically requested under the Selection Criteria. Furthermore in its response to building design the elevation plans provided of the building facade did not match its floor plan or suit the 7.5m product.

On the basis of the evaluated scores and the allocation process stipulated within the tender document, the following allocations of the Stage 7 medium density lot parcels are recommended:-

TENDERER	LOT PARCEL	NO. OF LOTS	SALES VALUE
Content Living	A	4	\$665,000
Content Living	B	3	\$501,000
The Prime Group	C	5	\$915,000
BGC Residential	D	4	\$730,000
Homebuyers Centre	E	8	\$1,448,000
Affordable Living	F	7	\$1,267,000

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

On the basis of the evaluation of tenders and allocation of lots being in accordance with the tender it is recommended the Council allocate; Lot Parcel A and B to Content Living; Lot Parcel C to The Prime Group; Lot Parcel D to BGC Residential; Lot Parcel E to Homebuyers Centre; and Lot Parcel F to Affordable Living.

9.13 DRAFT STRATEGIC COMMUNITY PLAN 2013-2023 AND CORPORATE BUSINESS PLAN 2013-2017

Report Information

Reporting Officer: Chief Executive Officer

File Reference: 4.121.1007.0

Recommendation

That the Council APPROVE the draft Strategic Community Plan 2013-2023 and draft Corporate Business Plan 2013-2017 for circulation to member local governments for review and comment for a period of 30 days.

Voting Requirements

Simple Majority

Report Purpose

To consider the draft Strategic Community Plan 2013-2023 and draft Corporate Business Plan 2013-2017.

Relevant Documents

Appendix:

- Draft Strategic Community Plan 2013-2023;
- Draft Corporate Business Plan 2013-2017

Available for viewing at the meeting: Nil

Policy Reference

N/A

Local Government Act/Regulation

- Local Government Act 1995: S5.5 requires availability of report to be advertised following report adoption by Local Government.
- Local Government (Audit) Regs 1996: Reg 14 Compliance Audit Item.

Previous Minutes

Ordinary meeting of Council (11 October 2007) - Item 8.2: TPRC Annual Report for the year 1 July 2006 to 30 June 2007

Financial/Budget Implications

Expenditure for report preparation, advertising and printing will be incurred under the following items:-

Item E145207 (Land Develop – Land & Special Sites):

Budget Amount:	\$ 708,152
Spent to Date:	\$ 8,000
Balance:	\$ 700,152

Background

The Department of Local Government's Integrated Planning and Reporting Framework, requires all local governments to prepare a Strategic Community Plan and Corporate Business Plan in consultation with its community and stakeholders.

The process to develop the Strategic Community Plan and Corporate Business Plan is prescribed within the Local Government (Administration) Regulations 1996, with further guidance within the Department of Local Government's integrated Planning and Reporting Framework and Advisory Standards. The TPRC Plans meet the required legislative requirements. The Plans are required to be endorsed by the Council by 30 June 2013.

The draft Strategic Community Plan 2013-2023 and draft Corporate Business Plan 2013-2017 are to be made available for public inspection.

Comment

The Department of Local Government's Integrated Planning and Reporting Framework does not exempt Regional Councils from the preparation of a Strategic Community Plan and Corporate Business Plan, notwithstanding that a Regional Council is located within a Local Government area and covered by the relevant Local Government Strategic Community Plan. In the case of the TPRC the City of Wanneroo has prepared and endorsed a Strategic Community Plan and the future community at the TPRC project will be a stakeholder of the City of Wanneroo Strategic Community Plan.

The TPRC has prepared the draft Strategic Community Plan 2013-2023 and draft Corporate Business Plan 2013-2023 consistent with the Department of Local Government's Integrated Planning and Reporting Framework. These Plans set the strategic direction for the TPRC over the next ten years. The Plans has been informed by the following documents;

- Establishment Agreement
- Tamala Park Local Structure Plan
- TPRC Future Plan 2010 -2013
- Other strategies endorsed by the TPRC.

The Plans recognise the TPRC vision for the Tamala Park project "To create an urban centre for choice, sustainability, community and opportunity".

The draft Strategic Community Plan 2013-2023 recognises the extensive consultation undertaken over many years with the community and key stakeholders on the Tamala Park project. The draft Plan positions the TPRC to address the major challenges and opportunities over the next ten years and to therefore, achieve its aspirational objectives.

The draft Strategic Community Plan 2013-2023 identifies 5 themes in order to achieve the TPRC objectives, these are:

1. Built Environment
2. Environment
3. Social
4. Economic
5. Governance & Corporate Accountability

The draft Strategic Community Plan 2013-2023 contains objectives and strategies to achieve the TPRC vision for the Tamala Park project.

The draft Corporate Business Plan 2013-2017 reflects the strategic direction set by the draft Strategic Community Plan 2013-2023 and outlines the five-year program for the TPRC.

In terms of the structure, the draft Corporate Business Plan 2013-2017 has been developed to demonstrate:

- Direct alignment with the draft Strategic Community Plan 2013-2023,
- The Tamala Park Local Structure Plan;
- The Tamala Park Project Cashflow; and
- Legislative requirements;

It is proposed that both the draft Strategic Community Plan 2013-2023 and draft Strategic Community Plan 2013-2023 be referred to the member Local Governments, for review and comment for a period of 30 days.

9.14 PAYMENT OF MUNICIPAL RATES FOR SUBDIVIDED LOTS - LOT 9504

Report Information

Reporting Officer: Chief Executive Officer File Reference: 25.138.1082.0

Recommendation

That the Council:

- 1. APPROVE for the TPRC to manage and pay accounts direct to City of Wanneroo, for Municipal Rates for subdivided lots for Lot 9504 on behalf of the member local governments.**
- 2. APPROVE to continue a funds distribution of capital from TPRC be made to participant local authorities equivalent to the rates levied for the balance of Lot 9504, less rates attributable to the proportion of land leased to MRC.**
- 3. APPROVE the payment in (2) while the rate assessment is based on the calculation method defined in the TPRC Establishment Agreement and if the rate assessment changes, the matter be reconsidered by the Council.**

Voting Requirements

Simple Majority

Report Purpose

To consider whether the TPRC pays Municipal Rates for subdivided lots for Lot 9504 on behalf of the member local governments.

Relevant Documents

Attachment: Plan Lot 9504 on Deposited Plan 52070
Available for viewing at the meeting: TPRC Establishment Agreement

Previous Minutes

N/A

Policy Reference

N/A

Local Government Act/Regulation

Local Government Act - Part 6 Municipal Rating

Background

Part 6 of the Local Government Act deals with the liability for municipal rates. Provisions of the Act allow that land held by a Local Government is not rateable.

In developing the TPRC Establishment Agreement it was decided by participants that a rate equivalent payment should be made to the rateable authority (City of Wanneroo) by the

TPRC when participants completed transfers of the TPD land to the Regional Council. This provision was seen as a pragmatic means of obviating any argument relating to the provisions of parts of the Act.

A resolution was made by the TPRC on 21 February 2008 to the effect that participant local governments should receive a distribution of equity each year equivalent to rates paid by constituent Councils for part Lot 9504 Mindarie, excluding the component of rates paid through the Mindarie Regional Council (MRC).

Since 2008 the TPRC has been making a distribution of equity each year equivalent to rates paid by the member local governments for part Lot 9504 Mindarie, excluding the component of rates paid through the Mindarie Regional Council (MRC).

The obligation to pay rates is with the respective seven member local governments.

Comment

The TPRC has been receiving Municipal Rates for subdivided lots for Lot 9504, on behalf of the member local governments.

While the rateable land is not in ownership of TPRC, it would seem appropriate and consistent with its regional purpose and the Establishment Agreement for the TPRC to manage and pay accounts direct to City of Wanneroo. The alternative is that rate notices are sent to the individual member local governments for payment of their respective shares, and possible reimbursement by the TPRC. This is likely to be cumbersome and time consuming for all parties.

It is proposed that previous arrangement in relation to the balance of Lot 9504 would remain, where the TPRC would make a rate equivalent payment to owners following payment of rates by owners. This would amount to a distribution of equity and could be made at a nominated date in each financial year. Participant Councils would record the transaction as a distribution receipt. TPRC would record the transaction as a distribution of equity.

9.15 MARMION AVENUE INTERSECTION CIVIL & INFRASTRUCTURE WORKS TENDER

Report Information

Reporting Officer: Senior Project Officer

File Reference: 1.88.246

Recommendation

That the Council:

- 1. ACCEPT the submission received from Ertech in response to Tender 04/2013 (Marmion Avenue Intersection Civil Works, dated March 2013) and appoint Ertech as the preferred tender.**
- 2. AGREE to enter into a contract with Ertech to undertake civil construction works to the Marmion Avenue Intersection for a lump sum value of \$2,497,601 (excl GST), subject to the following matters being resolved to the absolute discretion of the TPRC:-**
 - a) Finalisation of a source for the continuous supply of construction water for the duration of the works;**
 - b) Agreement of a suitable location of a site compound;**
 - c) Confirmation from the Water Corporation of timing of the shutdown period for the 700mm Dia Water Distribution Main; and**
 - d) Completion of all underground service relocation works by Optus, Telstra and Atco Gas.**
- 3. AUTHORISE the Chairman and CEO to sign and affix the TPRC common seal to the Contracts.**

Voting Requirements

Simple Majority

Report Purpose

To consider Tender submissions received for the Marmion Avenue Civil and Infrastructure Works Tender.

Relevant Documents

Appendix:

- SPG letter dated 28th March 2013: Catalina, Marmion Avenue Intersection Contract; and
- Cossill & Webley letter dated 27th March 2013 Catalina Marmion Avenue Intersection Civil Works Tender No.04/2013 Report on Tenders

Available for viewing at the meeting:

- Ertech tender submission;
- Georgiou tender submission;
- RJ Vincent tender submission;
- VDM Construction tender submission; and
- WBHO Civil tender submission.

Policy Reference

Procurement Policy

Local Government Act/Regulation

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

Previous Minutes

- Council Meeting – 13 December 2013 (Item 9.24 Marmion Avenue Intersection Construction Contract).
- Council Meeting – 16 February 2012 (Item 9.4 Annual Plan 2012)
- Council Meeting – 21 June 2012 (Item 9.9 Draft 2012/13 Project Budget)

Financial/Budget Implications

Expenditure under this matter will be incurred under the following Budget Items:-

Item E145210 (Land Develop – Infrastructure):
Marmion Avenue/Greenlink Intersection:-

Budget Amount:	\$4,101,561
Spent to Date:	\$ 956,402
Balance:	\$3,145,159

Background

At its meeting held on the 21st June 2012 the Council adopted the Project Budget 2012/13 (May12) which included construction of the Marmion Ave/Greenlink intersection by September 2013.

The SPG has made a Declaration of Interest – Impartiality to the CEO, consistent with Local Government Act clause 34(c) and the TPRC Code of Conduct (2012).

An evaluation of tenders has been carried out by Cossill & Webley (Project Engineers) and reviewed by the TPRC office in conjunction with Council's Probity Auditor, which is presented in this report. The Council's Auditor is aware of the Satterley Property Group Declaration of Interest - Impartiality and is satisfied that the procurement and evaluation process has been sound and considered to have delivered a robust and justified decision.

Comment

The TPRC advertised a call for tenders on the 16th February 2013 for the civil construction and infrastructure works for the Aviator Boulevard and Marmion Avenue intersection works.

Tenderers were required to complete pro-forma rates schedules to provide a lump sum price to complete the works and lodge a written submission addressing all other components of the selection criteria,

At the conclusion of the tender period on the 12th March 2013, five tender submissions had been received from the following companies:-

- Ertech
- Georgiou
- RJ Vincent
- VDM Construction
- WBHO Civil

Tenders were evaluated by the Project Engineers, Cossill and Webley (CW) against the selection criteria contained within the tender document and in accordance with the guidance provided by the TPRC Procurement Policy. A copy of CW's tender evaluation report is attached under Appendix 9.15.

The key objectives of the evaluation process were to:

- a. Make a recommendation, to the TPRC, as to the tender that best represents value for money;
- b. Ensure the assessment of responses is undertaken fairly according to predetermined criteria;
- c. Ensure adherence to the Procurement Policy; and
- d. Ensure that the requirements specified in the tenders are evaluated in a way that can be measured and documented.

The tender required contractors to complete pro-forma rates schedules to provide a lump sum total to undertake the works. Tenderers were further required to provide a written submission addressing the individual items of the selection criteria to demonstrate their experience in undertaking similar works, resources and capacity to complete the works and corporate documentation to demonstrate procedures ensuring appropriate quality, safety and management standards. A breakdown of the selection criteria contained within the tender document with associated weightings is provided in the table below.

SELECTION CRITERIA		
Item No.	Description	Weighting
1	Demonstrated Experience in Similar Projects	20%
2	Availability of Resources and Capacity	10%
3	Organisational and Quality Management	5%
4	Safety and Environmental Management	5%
5	Price	60%

The table below provides a summary of the scores each tender submission achieved in respect of individual selection criteria items under CW's tender evaluation.

Tenderer	Selection Criteria No.					Total Score (%)
	1 (20%)	2 (10%)	3 (5%)	4 (5%)	5 (60%)	
Ertech	14	7	4.5	4.5	60	90
Georgiou	12	8	4.5	4.5	39.6	68.6
RJ Vincent	14	7	4	4.5	52.2	81.7
VDM	8	5	4.5	4.5	47.4	69.4
WBHO Civil	6	5	4.5	4.5	50.4	70.4

CW's tender evaluation rated the submission received from Ertech the highest of all tenders. Ertech's tender submission was the lowest priced tender and received the highest cumulative score of qualitative selection criteria items (items 1 – 4), with the scores awarded by CW for each item being either the highest or second highest of all tenders.

CW has advised that based on a comparison to construction rates from other recent projects within the City of Wanneroo the tender price is competitive in the current environment.

CW has provided further advice in respect of the tenderer Ertech, noting the following:-

- Ertech is a reputable and relatively large civil contractor in the Perth urban development market.
- Ertech has extensive experience in this corridor including construction works along Marmion Avenue at Burns Beach and Connolly Drive Kinross.
- Ertech has an extensive list of equipment and has the capacity to undertake the tendered works.

In its evaluation CW examined qualifications of all tenders assessing direct financial implications to the lump sum and final contract value of tenders. CW has advised that this examination revealed no change in the evaluated ranking of tenderers.

CW's evaluation notes that as Ertech is not the contractor currently undertaking construction works at Catalina, some interface issues will require management. CW has identified that the following items requiring resolution prior to the commencement of the works:-

- Arrangements for the supply of construction water for the duration of the works; and
- The location of a site compound.

Scheduling the commencement of works will also require the Water Corporations confirmation of the shutdown period for the 700mm Di Water Distribution Main and Telstra and ATCO to confirm scheduling of service relocation works. This advice is expected to be received shortly.

CW's tender evaluation has been reviewed by the Satterley Property Group (SPG) which has endorsed its recommendation to award a works contract to Ertech to undertake the Marmion Ave intersection civil construction works.

The TPRC office has reviewed all tenders and CW's Tender Evaluation Report and is satisfied it presents a fair and accurate assessment of the tender submissions against the selection criteria.

On the basis of its submission being rated the highest of all tenders within CW's tender evaluation, it is recommended that TPRC award a works contract to Ertech for civil construction works of the Marmion Avenue Intersection for a lump sum value of \$2,497,601 (excl GST).

The TPRC's probity auditor (Stantons International) has reviewed the tender and procurement process and provided a probity certificate confirming that the tender evaluation process was free from bias or inequity and was undertaken fairly and equitably in accordance with the process described within the tender. No significant issues were identified that would impact the outcome.

Ertech's tender presented the lowest price of all tenders and the Development Manager and Project Engineer has advised its price is competitive in the current market.

Ertech's tender submission demonstrated the company has the experience, resources and capacity to deliver the required works and it is recommended the Council accept it as the preferred tenderer and award it a contract to the value of \$2,497,601 (excl GST), to

undertake the Marmion Avenue intersection civil construction works in accordance with the terms and conditions of tender 04/2013, subject to the following:-

- a) Finalisation of a source for the continuous supply of construction water for the duration of the works;
- b) Agreement of a suitable location for a site compound;
- c) Confirmation by the Water Corporation of the shutdown period for the 700mm Dia Water Distribution Main; and
- d) Completion of all underground service relocation works by Optus, Telstra and Atco Gas.

Costs associated with the construction of the Marmion Avenue and Aviator Boulevard Intersection are \$101,221 under the budgeted amount in the review of the Project Budget which the Council approved on the 13th December 2012.

9.16 APPOINTMENT OF COMMITTEE MEMBER – MANAGEMENT COMMITTEE

Report Information

Reporting Officer: Chief Executive Officer

File Reference: 13.45.884.0

Recommendation

In accordance with the provisions of the Local Government Act 1995, the following Council member is elected to the Management Committee to replace Cr Eleni Evangel:

Existing Members:

- 1. Cr Corinne MacRae**
- 2. Cr Geoff Amphlett**
- 3. Cr Giovanni Italiano**
- 4. Cr Rod Willox**
- 5. Cr Alannah MacTiernan**
- 6. Cr Dianne Guise**

New Member:

- 7. Cr**

Voting Requirements

Absolute Majority

Report Purpose

To elect a replacement member to the Management Committee following Cr Eleni Evangel's resignation as the City of Perth representative to the Tamala Park Regional Council. Note: formal advice is yet to be received from the City of Perth.

Relevant Documents

Appendix: Nil

Available for viewing at the meeting: Nil

Policy Reference

Nil

Local Government Act/Regulation

Local Government Act 1995

Previous Minutes

Nil

Financial/Budget Implications

Nil

Background

At its meeting of 19 August 2010 the Council approved the establishment of a Management Committee, comprising six members.

The Management Committee was established to progress and monitor the project. In order for the Project to run in a timely and efficient manner the Management Committee has been delegated authority to manage and to make decisions. This recognises the need for expedient decision making to achieve program/milestones and the commercial sensitivities that will arise from such a business venture.

Comment

As a result of Cr Evangel's success at the recent 2013 State election, she has resigned as the City of Perth representative from the Tamala Park Regional Council.

In addition, Cr Evangel was a member of the TPRC Management Committee.

A new member will need to be elected from the existing members to replace Cr Evangel.

9.17 EARTHWORKS AND SUBDIVISION WORKS - FIXED RATES TENDER

Report Information

Reporting Officer: Senior Project Officer

File Reference: 1.88.246

Recommendation

That the Council:

1. **ACCEPT the tender (05/2013 Earthworks and Subdivision Works) submitted by R J Vincent for the following;**
 - a. **Stage 8 Subdivision Civil Works for the lump sum value of \$2,596,625.26, excluding GST, subject to obtaining the necessary statutory approvals.**
 - b. **Earthworks and Subdivision Works - fixed rates contract for the award of further stages of work for a period of two years until April, 2015, with an option to extend it a further 12 months to April 2016 at the absolute discretion of the TPRC.**
2. **APPROVE the Award of further stages of works during the term of this contract will be at the absolute discretion of the TPRC and subject to;**
 - a. **Approval of lump sum, in accordance with the tendered rates, contracts by the Council,**
 - b. **Market conditions and Sales Rates,**
 - c. **Ongoing satisfactory performance of the contractor, during the execution of each separable portion of the contract.**
3. **AUTHORISE the Chairman and the CEO to sign and affix the TPRC common seal to the Contracts.**

Voting Requirements

Simple Majority

Report Purpose

To consider Tender submissions received for the Stage 8 Subdivision Civil Works and Earthworks and Subdivision Works - fixed rates contract for a period of two years until 23 April, 2015, with an option to extend it a further 12 months to 23 April 2016.

Relevant Documents

Appendix:

- SPG letter dated 28th March 2013: Catalina – 2 Year Civil Contract + 1 year Option; and
- Cossill & Webley letter dated 25th March 2013 Earthworks and Subdivision Works Tender No.05/2013 Report on Tenders

Available for viewing at the meeting:

- Brierty tender submission
- Downer EDI Works tender submission
- Georgiou tender submission
- RJ Vincent tender submission

Policy Reference

Procurement Policy

Local Government Act/Regulation

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

Previous Minutes

Council Meeting – 23 June 2011 (Item 9.12 Earthworks/Civil Works Tender).

Financial/Budget Implications

Expenditure under this matter will be incurred under the following Budget Items:-

- Item E145211 (Land Development – Lot Production):

Budget Amount:	\$18,701,849
Spent to Date:	\$10,367,757
Balance:	\$ 8,334,092

- Item E145215 (Land Development – Precinct 1 Bulk Earthworks):

Budget Amount:	\$ 5,403,765
Spent to Date:	\$ 3,478,637
Balance:	\$ 1,925,128

- Item E145210 (Land Development – Infrastructure):

Budget Amount:	\$4,101,561
Spent to Date:	\$ 956,402
Balance:	\$3,145,159

Background

At its June 2011 meeting, the Council resolved to accept the tender submitted by R J Vincent for the Phase 1 Bulk Earthworks, Stage 1 Subdivisional Works and the Neerabup Road intersection works, which included fixed rates for earthworks and subdivision works for a period of two years until 30 June 2013.

The two year term of RJ Vincent's civil and earthworks contracts expires on 30th June 2013.

The SPG has made a Declaration of Interest – Impartiality to the CEO, consistent with Local Government Act clause 34(c) and the TPRC Code of Conduct (2012).

An evaluation of tenders has been carried out by Cossill & Webley (Project Engineers) and reviewed by the TPRC office in conjunction with Council's Probity Auditor, which is presented in this report. The Council's Auditor is aware of the Satterley Property Group Declaration of Interest - Impartiality and is satisfied that the procurement and evaluation process has been sound and considered to have delivered a robust and justified decision.

Comment

On the 23rd February 2013, the TPRC advertised a call for tenders from Civil Contractors to undertake Earthworks and Subdivision Works on fixed rates for a period of two years until April, 2015, with an option to extend it a further 12 months to April 2016 for stages of development of the Catalina Estate. The scope and conditions of the tender are similar to the Phase 1 Bulk Earthworks, Stage 1 Subdivisional Works and the Neerabup Road intersection works tender approved by Council in June 2011

The tender included the full extent of works anticipated for the construction of future stages of development including earthworks, retaining walls, roadworks, stormwater drainage, sewerage reticulation, water reticulation, communications, street lighting and underground power facilities. The tender document provides for the award of further separable portions of works for a 2 year period from the initial award based on the fixing of rates, with the option of a further year at the sole discretion of the TPRC.

Tenderers were required to complete pro-forma rates schedules to provide a lump sum price to complete the Stage 8 civil works, with design drawings included for tenderers information with the tender package. Further schedules of rates were included to be completed by tenderers, which included provisional quantities for the following future works stages:-

- a. Bulk Earthworks Package A;
- b. Bulk Earthworks Package B; and
- c. Stage 9 civil works.

Schedules for these works were included with provisional quantities considered indicative of the works for the purpose of comparing pricing amongst tenderers, as detailed design is not complete.

The tender sought written submissions from tenderers addressing all other components of the selection criteria, summarised in the table below.

SELECTION CRITERIA		
Item No.	Description	Weighting
1	Demonstrated Experience in Similar Projects	20%
2	Availability of Resources and Capacity	10%
3	Organisational and Quality Management	5%
4	Safety and Environmental Management	5%
5	Price	60%

At the conclusion of the tender period on the 12th March 2013, four tender submissions had been received from the following:-

- Brierty
- Downer EDI Works
- Georgiou
- RJ Vincent

Tenders were assessed by an assessment panel comprising the following:-

- Wayne Burns (Senior Project Officer, Tamala Park Regional Council)
- Brenton Downing (Senior Development Manager, Satterley Property Group)
- Craig Hansen (Director, Cossill and Webley Engineers), project engineers.

The key objectives of the evaluation process were to:

- a. Make a recommendation, to the TPRC, as to the tender that best represents value for money;

- b. Ensure the assessment of responses is undertaken fairly according to predetermined criteria;
- c. Ensure adherence to the Procurement Policy; and
- d. Ensure that the requirements specified in the tenders are evaluated in a way that can be measured and documented.

The panel met to evaluate the tenders, which was facilitated by a representative of the Council’s Probity Advisor (Mr Kevin Donnelly –Stantons International). A copy of the tender evaluation report prepared by Cossill & Webley Engineers, on behalf of the evaluation panel, is attached at Appendix 9.17.

The table below provides a summary of the scores each tender submission achieved in respect of individual selection criteria items by the evaluation panel. The scores attributed to selection criteria item 5 (Price) were based on a comparison of the pricing of tenders undertaken by CW project engineers, which included clarifications sought from tenderers.

Tenderer	Selection Criteria No.					Total Score (%)
	1 (20%)	2 (10%)	3 (5%)	4 (5%)	5 (60%)	
Brierty	14	7	4	4.5	45	74.5
Downer EDI Works	14	8	5	4.5	42	73.5
Georgiou	16	7	4.5	4.5	51	83
RJ Vincent	18	7	4.5	4.5	60	94

The evaluation of tenders rated the tender submission received from RJ Vincent the highest of all tenders.

RJ Vincent’s tender submission was the lowest priced tender and received the highest cumulative score of the qualitative selection criteria items (items 1 – 4), with scores awarded for each item being either the highest or second highest of all tenders.

CW has advised that based on a comparison to construction rates from other recent projects within the City of Wanneroo and previous pricing of the works by RJ Vincent under its 2 year subdivision and earthworks contract, the tender price is competitive in the current environment.

In its evaluation CW examined qualifications of all tenders assessing direct financial implications to the lump sum and final contract value of tenders. CW has advised that this examination revealed no change in the evaluated ranking of tenderers.

On the basis of its submission receiving the highest or second highest rating of all tenders CW has recommended the TPRC award a works contract to RJ Vincent Stage 8 Subdivision Civil Works for the lump sum value of \$2,596,625.26 excluding GST, and Earthworks and Subdivision Works - fixed rates contract for the award of further stages of work for a period of two years until April, 2015, with an option to extend it a further 12 months to April 2016 at the absolute discretion of the TPRC.

CW's tender evaluation has been reviewed by the Satterley Property Group (SPG) which has endorsed its recommendation to award a works contract to RJ Vincent to undertake the Stage 8 Subdivision Civil Works for the lump sum value of \$2,596,625.26 excluding GST, and Earthworks and Subdivision Works - fixed rates contract.

The TPRC office has reviewed all tenders and CW's Tender Evaluation Report and is satisfied it presents a fair and accurate assessment of the tender submissions against the selection criteria.

The TPRC's probity auditor (Stantons International) has reviewed the tender and procurement process and provided a probity certificate confirming the tender evaluation process was free from bias or inequity and was undertaken fairly and equitably in accordance with the process described within the tender. Stantons has confirmed no significant probity issues were identified that would impact the outcome.

Costs for the construction of the Stage 8 Subdivision Civil Works and Earthworks and Subdivision Works are consistent with TPRC budget estimates.

RJ Vincent has demonstrated that the company has the experience, resources and capacity to deliver the required works over the last two years of the current tender and it is recommended the Council accept it as the preferred tenderer and award it a contract to the Stage 8 Subdivision Civil Works for the lump sum value of \$2,596,625.26 excluding GST, and Earthworks and Subdivision Works - fixed rates contract for the award of further stages of work for a two year period until April, 2015, with an option to extend it a further 12 months to April 2016 at the absolute discretion of the TPRC.

9.18 SUBMISSION ON THE METROPOLITAN LOCAL GOVERNMENT REVIEW PANEL REPORT (MLGRPR)

Report Information

Reporting Officer: Chief Executive Officer File Reference:

Recommendation

That the Council AGREE to lodge a submission on the Metropolitan Local Government Review Panel Report (MLGRPR) opposing Recommendation 11 in accordance with the Draft Submission, dated 19 April 2013, attached in Appendix 9.18.

Voting Requirements

Simple Majority

Report Purpose

To outline a submission on the MLGRPR for the Councils consideration.

Relevant Documents

Appendix: TPRC Submission on MLGRPR
Available for viewing at the meeting: Nil

Policy Reference

Review Panel's Final Report (October 2012)

Local Government Act/Regulation

N/A

Previous Minutes

N/A

Financial/Budget Implications

N/A

Background

In June 2011, the Minister for Local Government appointed a Panel to review the structure and functions of local government in the Perth Metropolitan area and to recommend options to the Minister.

The Review Panel published its Draft Findings in April 2012 and sought comments from the Review Panel and interested parties. The State Government released the Review Panel's Final Report in October 2012 and announced a consultation period ending on 5 April 2012 for the submission of responses.

The Final Report contains 30 recommendations, most of them with significant implications for local governments in the Perth metropolitan area.

Comment

Recommendation 11 of the MLGRPR states;

- '11 The existing Regional Local Governments in the metropolitan area be dissolved, their provisions in the *Local Government Act 1995* be repealed for the metropolitan area and a transitional plan for dissolving the existing bodies in the metropolitan area be developed'.

The focus of the recommendation relates to the provision of waste management services, however, the recommendation for dissolving Regional Councils would apply to the TPRC. The MLGRPR did recognise the functions of the TPRC and stated '*the land development activities of the Tamala Park Regional Council, expected to last another ten years or so, would need to continue under some arrangement*'.

Whilst the MLGRPR does acknowledge that the land development activities of the TPRC would need to continue "*under some arrangement*", there is no reference to safeguards to maintain the financial interests of the seven local government participants. Given the significance of the TPRC landholding and expected financial returns, the TPRC and the member local governments should be concerned with Recommendation 11, in the absence of any stated safeguards to maintain the financial interests of the local government participants.

Recommendation 11 of the MLGRPR does not recognise the unique position of TPRC and its limited tenure. When the land is fully developed, expected in 2025, the TPRC will have completed its Charter and will cease to exist.

A suggested submission on the MLGRPR reflecting the above is attached at Appendix 9.18 for the Councils consideration.

A number of the member local governments have made submissions on the MLGRPR and raised opposition to Recommendation 11 for similar reasons.

10. ELECTED MEMBERS MOTIONS OF WHICH NOTICE HAS BEEN GIVEN
11. QUESTIONS BY ELECTED MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN
12. URGENT BUSINESS APPROVED BY THE CHAIRMAN
13. MATTERS BEHIND CLOSED DOORS
14. GENERAL BUSINESS
15. FORMAL CLOSURE OF MEETING

APPENDICES