

TAMALA PARK
Regional Council

Meeting of Council

AGENDA

Thursday 17 October 2013
Town of Victoria Park, 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 Victoria Park, 99 Shepperton Road, Victoria Park at 6.00pm on Thursday 17 October 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	Cr Jim Adamos	
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	Cr Joshua Topelberg	
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 – 22 August 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

- CEO Performance Review Committee Meeting – 3 October 2013
- Management Committee Meeting – 3 October 2013

9. ADMINISTRATION REPORTS AS PRESENTED (ITEMS 9.1 – 9.11)

9.1 BUSINESS REPORT – PERIOD ENDING 10 OCTOBER 2013

Report Information

Reporting Officer: Senior Project Officer

File Reference: N/A

Recommendation

That the Council RECEIVE the Business Report to 10 October 2013.

Voting Requirements

Simple Majority

Report Purpose

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

Relevant Documents

Appendix: 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 the 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 current civil works to date;

Stage	Lots	Commencement of Construction	Practical Completion Date	Works Status	Titles
7	63	2 nd April 2013	20 th August 2013	PC achieved 29 th August 2013	Oct 2013
8	53	24 th June 2013	22 nd November 2013	65% Complete – Works delayed 1 week	Jan 2014
6C	10	10 th September 2013	19 th November 2013	40% Complete – Works on Schedule	Jan 2014
Marmion Ave Intersection	N/A	12 th August 2013	19 th December 2013	25% Complete – Works on schedule	N/A

2. Bulk Earthworks - Status

The following table provides an overview of the progress of current bulk earthworks to date;

Stage	Commencement of Construction	Practical Completion Date	Works Status
9 - 11	9 th September 2013	17 th February 2014	20% Complete – Works on Schedule
Marmion Ave Intersection (earthworks)	2 nd April 2013	4 th June 2013	PC achieved 27 th August 2013. Delays due to underground service relocation works by service authorities.

3. Stage 1 Landscape works – Status

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

Stage	Commencement of Construction	Original Practical Completion Date	Works Status
Stage 3 & 4 PAWs	16 th August 2013	15 th November 2013	65% Complete – Works on Schedule
Neerabup Road Verge	16 th August 2013	15 th November 2013	65% Complete – Works on Schedule
Stage 6A	16 th August 2013	18 th October 2013	85% Complete – Works on Schedule

4. Stage 5B Titles

Titles for Stage 5B comprising 14 lots were issued on 20th August 2013 and all lots have now settled

5. Stage 7 Titles

Titles for Stage 7 lots have been delayed due to delays in Landgate's processing of documentation. Titles are expected to be received in mid-October.

6. Stage 4 POS

Approval of landscaping plans has been received from the City of Wanneroo. Design adjustments and pre-conditions are currently being addressed and works are anticipated to commence by mid October.

7. Temporary Sales Office

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

8. Housing Construction

To date 23 Builders Homes have commenced construction within the Builders Display Village and 144 private homes are under construction. Based on the uptake of fencing and landscaping packages, approximately 20 residents are estimated to have moved into homes within the estate.

9. Waste Management Program

Instant Waste Management (IWM) is providing monthly reports, identifying recycling achieved from waste collected from the Catalina Estate. The latest report identifies 29 homesites for which builders have signed up to participate with the program.

The SPG is continuing discussions with builders to promote participation with the program.

10. Lot 1 Development

A development agreement has been executed between the TPRC and ABN Group and plans have been lodged with the City of Wanneroo for development approval.

11. Builders Display Village and Catalina Sales Office

Construction of the Sales Office and carpark has commenced in preparation for the opening of the Display Home Village.

9.2 STATEMENTS OF FINANCIAL ACTIVITY FOR THE MONTHS OF JULY & AUGUST 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 July 2013; and**
- **31 August 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 July 2013 and 31 August 2013

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 August 2013 exceeding 10% were experienced in relation to the following:

Agenda TPRC Meeting of Council – 17 October 2013

Interest Earnings	Interest earnings are below budget predictions as a result of maturity of investments but expected to adjust to budget predictions in the next quarter.
Depreciation	The positive variance relates to timing.
Employee Costs	The positive variance is as a result of delaying the appointment of additional TPRC staff.
Insurance	The negative variance relates to timing of payments, this will be adjusted over the coming months.
Other	The negative variance relates to timing of councillor payments which will adjust through the balance of the financial year.
Capital Items	The negative variance relates to timing of payments, this will be adjusted over the coming months.
Income – Sale of Lots	The negative variation is as a result of delays in settlement of lots, this has been adjusted through September 2013 and will be brought back to budget over the next quarter.
Land Production Cost	Deferral of some works and delay in contractor payments expected to be adjusted to budget in the next quarter.

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

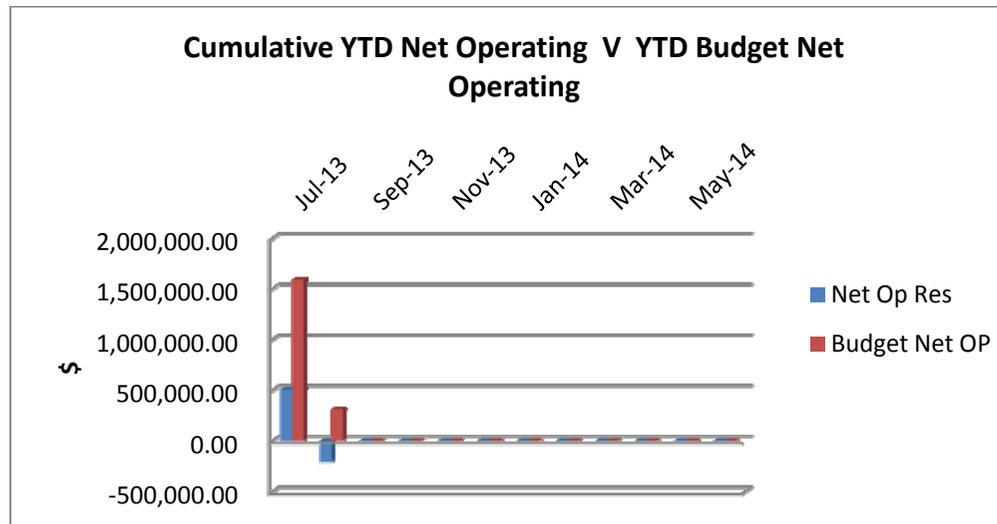
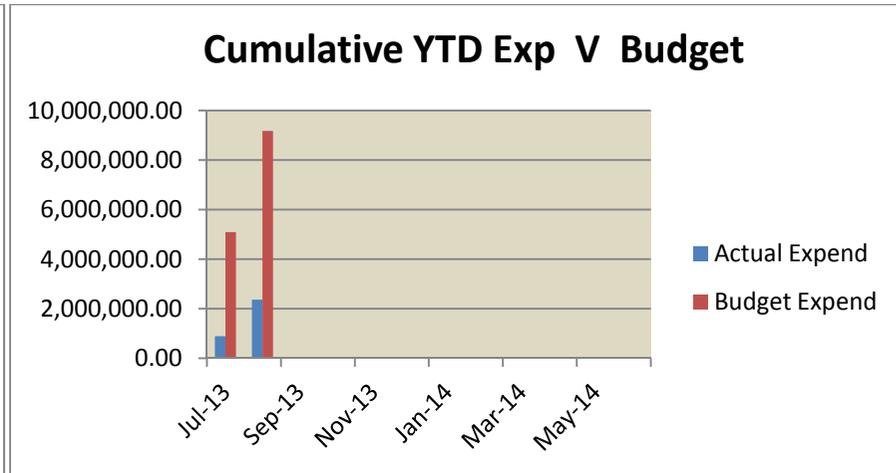
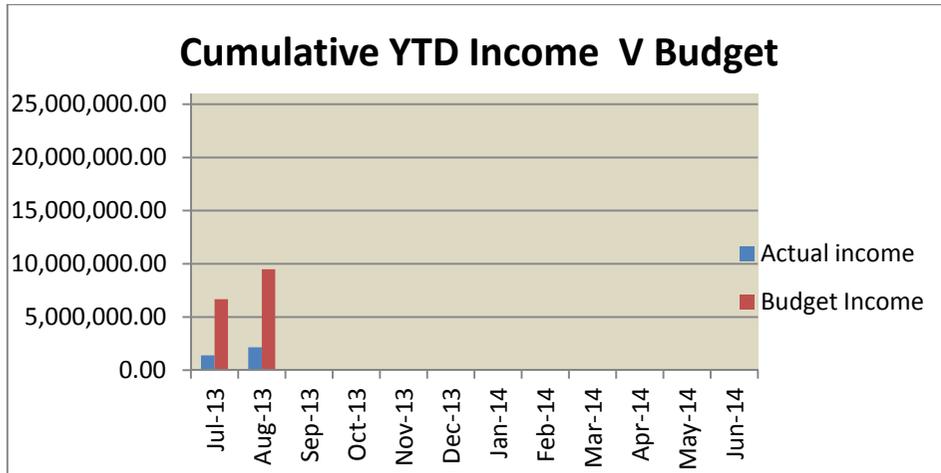
Financial Snapshot as at 31 August 2013

	2013-14	2013-14	2013-14	VARIANCE		VARIANCE
	ADOPTED BUDGET	YTD BUDGET	YTD ACTUAL	FAVOURABLE	UNFAVOURABLE	
REVENUE	\$	\$	\$	\$	\$	%
Interest Earnings	711,090	142,218	116,769	-	25,449	18.00%
Other Revenue	1,890	-	200	200	-	2.00%
	\$712,980	\$142,218	\$116,969	\$200	\$25,449	
LESS EXPENDITURE						
Depreciation	(20,489)	(3,073)	0	3,073	-	30.73%
Employee Costs	(679,975)	(99,930)	(84,821)	15,109	-	15.00%
Insurance	(11,900)	0	(7,651)	-	7,651	76.51%
Materials and Contracts	(348,450)	(52,268)	(51,175)	1,093	-	2.00%
Other	(161,050)	(1,545)	(26,400)	-	24,855	16.09%
Utilities	(10,000)	(1,500)	(861)	639	-	43.00%
Capital Items	(6,000)	0	(4,970)	-	4,970	49.7%
Members Equity						
-Income Sale of Lots - Subdivisions	45,640,484	9,339,129	1,954,482	-	7,384,647	79.00%
-Income Other - Subdivisions	634,349	0	4,596	4,596	-	45.96%
-Professional /Consultant Fees	(100,000)	(10,063)	(35,947)	-	25,884	2.57%
-Land Production Costs	(45,700,319)	(9,003,996)	(2,081,216)	6,922,780	-	77.00%
-Contributions Returned	(10,400,000)	0	0	0	-	0
	(\$11,163,350)	\$166,754	(\$333,963)	\$6,947,290	\$7,448,007	
Total	(\$10,450,370)	\$308,972	(\$216,994)	\$6,947,490	\$7,473,456	

Balance Sheet Summary as at 31 August 2013

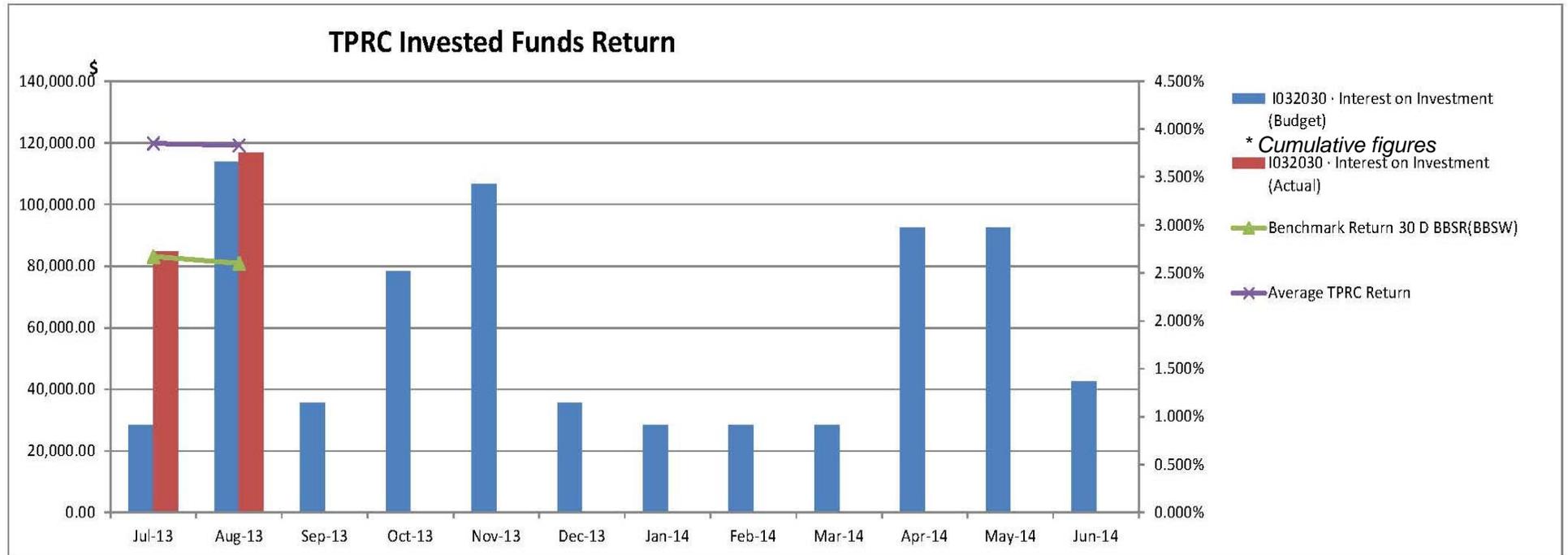
TAMALA PARK REGIONAL COUNCIL
STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2013

	Actual 2012/13 \$	Actual 2013/14 \$	Variance \$	Variance %
Current assets				
Cash and cash equivalents	25,985,602	25,492,679	-492,923	-1.9%
Trade and other receivables	507,774	383,176	-124,598	-24.5%
Total current assets	26,493,376	25,875,855	-617,521	-2.3%
Non-current assets				
Inventories (Land For Resale)	2,000,000	2,000,000	0	0.0%
Property, plant and equipment	164,590	169,560	4,970	3.0%
Total non-current assets	2,164,590	2,169,560	4,970	0.2%
Total assets	28,657,966	28,045,415	-612,551	-2.1%
Current liabilities				
Trade and other payables	314,779	134,857	179,922	57.2%
Provisions	109,418	109,418	0	0.0%
Total current liabilities	424,197	244,275	179,922	42.4%
Non-current liabilities				
Provisions	18,659	18,659	0	0.0%
Total non-current liabilities	18,659	18,659	0	0.0%
Total liabilities	442,856	262,934	179,922	40.6%
Net assets	28,215,110	27,782,481	-432,629	-1.5%



**TPRC Investments Summary
1 July 2013 to 31 August 2013**

	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
I032030 · Interest on Investment (Budget)	28,444.00	113,774.00	35,555.00	78,220.00	106,664.00	35,555.00	28,444.00	28,444.00	28,444.00	92,442.00	92,442.00	42,662.00
I032030 · Interest on Investment (Actual)	84,758.00	116,770.00										
Budget YTD	28,444.00	142,218.00	177,773.00	255,993.00	362,657.00	398,212.00	426,656.00	455,100.00	483,544.00	575,986.00	668,428.00	711,090.00
Actual YTD	84,758.00	201,528.00										
nds												
A01101/02 · Unrestricted At Call	237,939.66	2,728,175.48										
A01103/06/07/09/12/13 · Fixed Term Def	26,271,195.96	22,764,473.55										
9-10	26,509,135.62	25,492,649.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00



9.3 LIST OF MONTHLY ACCOUNTS SUBMITTED FOR THE MONTHS OF AUGUST & SEPTEMBER 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 August and September 2013:

- **Month ending 31 August 2013 (Total \$2,460,180.06)**
- **Month ending 30 September 2013 (Total \$2,917,415.08)**
- **Total Paid - \$5,377,595.14**

Voting Requirements

Simple Majority

Report Purpose

Submission of payments made under the CEO's Delegated Authority for the months ending 31 August 2013 and 30 September 2013.

Relevant Documents

Appendix:

- Cheque Detail for Month Ending 31 August 2013 and 30 September 2013;
- Summary Payment List for August and September 2013.

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 – AUGUST 2013

Report Information

Reporting Officer: Senior Project Officer File Reference: 1.88.246

Recommendation

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

Voting Requirements

Simple Majority

Report Purpose

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

Policy Reference

N/A

Local Government Act/Regulation

N/A

Previous Minutes

Council Meeting – 20 June 2013 (Item 9.6 - Project Budget 2013/2014)

Financial/Budget Implications

Review of Project Financial Report for August 2013.

Relevant Documents

Appendix: Letter from Satterley Property Group dated 26th September 2013

Background

At its meeting of 20th June 2013 the Council approved the Project Budget 2013/2014 (March 2013), submitted by the Satterley Property Group, as the basis of financial planning for the 2013/2014 TPRC budget.

Item 5.4.6 of the Key Performance Indicators; Financial, requires the preparation of monthly financial reports.

Comment

The Satterley Property Group has prepared a Financial Report for August 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 31 August 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 for the financial year to 31st August 2013 is \$7,351,129 under budget with \$1,988,000 revenue received to date.
2. Expenditure is \$5,374,346 under budget, with under expenditure in the areas of Lot production, Landscape, Infrastructure, Finance and Sales and Office Building.

The SPG has advised the shortfall in sales revenue is attributed to delays in the settlement of 34 residential sales. It should be noted however, that of this shortfall 18 can be attributed to lots that settled in FYE13, earlier than the approved project budget anticipated.

The remaining outstanding settlements were located within Stage 2B, Stage 5B, Stage 4 and Stage 6A. Since the preparation of the SPG report, 18 lots have settled with revenue of \$3,547,500 received.

9.5 SALES AND SETTLEMENT REPORT – PERIOD ENDING 10 OCTOBER 2013

Report Information

Reporting Officer: Senior Project Officer

File Reference: N/A

Recommendation

That the Council RECEIVE the Sales and Settlements Report to 10 October 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 of the TRPC 2013/2014 Budget.

Budget Amount:	\$45,640,484
Received to Date:	\$ 4,857,244
Balance:	\$44,330,740

Relevant Documents

Appendix: Staging Plan

Background

The Sales and Settlement report provides the Council with a status update of sales and settlements of all 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	STOCK	SETTLED
STAGES 1 - 4	156	156	0	156
STAGE 2B	5	5	0	0
STAGE 5A	49	49	0	45
STAGE 5B	14	14	0	14
STAGE 6A	8	8	0	7
STAGE 7	32	31	1	0
STAGE 7B	31	31	0	0
STAGE 8	24	24	0	0
STAGE 8B	29	29	0	0
TOTAL	348	347	1	222

Stage 8 Release

The Stage 8 public release took place on 31st August 2013 with SPG receiving 55 registrations for 24 lots. At the time of writing contracts had been signed for all 24 lots.

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

9.6 COUNCIL MEETING SCHEDULE 2014

Report Information

Reporting Officer: Chief Executive Officer File Reference: 13.44.657

Recommendation

1. That the schedule of Council meetings dates be **APPROVED** for 2014 as follows:
 - 20 February 2014 (City of Perth)
 - 10 April 2014 (City of Wanneroo)
 - 19 June 2014 (Town of Cambridge)
 - 21 August 2014 (City of Joondalup)
 - 16 October 2014 (City of Stirling)
 - 18 December 2014 (Town of Victoria Park)
2. That the schedule of meeting dates be **ADVERTISED** as required by the Local Government Act.
3. That the commencement time for meetings BE 6.00pm.
4. That Council meetings be **HELD** on a rotational basis at participant Council premises.

Voting Requirements

Simple Majority

Report Purpose

To set ordinary Council meeting dates for 2014 to facilitate advertising by the LGA.

Relevant Documents

Appendix: Schedule of meetings 2014
Available for viewing at the meeting: Nil

Policy Reference

N/A

Local Government Act/Regulation

- Local Government Act Section 5.25(g)
- Local Government Administrative Regulation 12 - Publication of meetings open to public

Previous Minutes

- Ordinary meeting of Council (11 October 2012) – Item 9.19: Meeting Schedule 2013
- Ordinary meeting of Council (13 October 2011) – Item 9.4: Meeting schedule

2012

- Ordinary meeting of Council (15 October 2009) – Item 9.7: Meeting schedule 2010
- Ordinary meeting of Council (4 December 2008) – Item 9.5: Meeting dates 2009
- Ordinary meeting of Council (6 December 2007) – Item 13.4: Meeting dates 2008
- Ordinary meeting of Council (5 October 2006) – Item 9.5: Meeting dates for 2006/07

Background

Councils are required to advertise dates of all Council and some other classes of meetings where delegated authority of the Council may be exercised. Advertising is required to provide the opportunity for members of the public to attend meetings and be informed about governance of the local authority. Where an advertised meeting date is changed re-advertising is required.

In the case of a Regional Council advertising occurs by publication in a newspaper circulating in the Regional Council area, by publication on the notice board on each of the participant local governments and publication of each of the libraries of the participant Councils.

Comment

Council meetings are mainly held on a Thursday, non-coincident with meetings of the MRC and the North Zone meetings of WALGA. A schedule of meeting dates which satisfies the above criteria is shown in the appendix and is submitted for approval of the Council.

The Council has previously set the time for commencement of meeting of 6.00pm as this seems to suit the convenience of most Council members.

Meetings have previously been held at participant Council premises on a rotational basis. This provides an equal opportunity for each of the Councils to host the Regional Council and the greatest opportunity over a period of 12 months for residents and ratepayers of all of the participant local authorities to attend at least one Council meeting.

9.7 MANAGEMENT COMMITTEE MEETING SCHEDULE 2014

Report Information

Reporting Officer: Chief Executive Officer File Reference: 13.44.657

Recommendation

1. That the schedule of Management Committee meetings dates be **APPROVED** for 2014 as follows:
 - 6 March 2014
 - 29 May 2014
 - 31 July 2014
 - 25 September 2014
 - 27 November 2014
2. That the schedule of meeting dates be **ADVERTISED** as required by the Local Government Act.
3. That the commencement time for meetings BE 5.00pm.
4. That the venues for the 2014 Management Committee meetings be **DETERMINED** at the next Management Committee meeting being held on 5 December 2013.

Voting Requirements

Simple Majority

Report Purpose

To set Management Committee meeting dates for 2014.

Relevant Documents

Appendix: Schedule of meetings 2014 (refer Appendix 9.6)
Available for viewing at the meeting: Nil

Policy Reference

N/A

Local Government Act/Regulation

- Local Government Act Section 5.25(g)
- Local Government Administrative Regulation 12 - Publication of meetings open to public

Previous Minutes

- Ordinary meeting of Council (11 October 2012) – Item 9.20: Management Committee Meeting Schedule 2014
- Ordinary meeting of Council (13 October 2011) – Item 9.4: Meeting schedule

2012

- Ordinary meeting of Council (15 October 2009) – Item 9.7: Meeting schedule 2010
- Ordinary meeting of Council (4 December 2008) – Item 9.5: Meeting dates 2009
- Ordinary meeting of Council (6 December 2007) – Item 13.4: Meeting dates 2008
- Ordinary meeting of Council (5 October 2006) – Item 9.5: Meeting dates for 2006/07

Background

Councils are required to advertise dates of all classes of meetings where delegated authority may be exercised. Advertising is required to provide the opportunity for members of the public to attend meetings and be informed about governance of the local authority. Where an advertised meeting date is changed re-advertising is required.

In the case of a Regional Council advertising occurs by publication in a newspaper circulating in the Regional Council area, by publication on the noticeboard on each of the participant local governments and publication of each of the libraries of the participant Councils.

Comment

Management Committee meetings are mainly held on a Thursday, two weeks prior to the Council meeting and non-coincident with meetings of the MRC and the North Zone meetings of WALGA. A schedule of Management Committee meeting dates which satisfies the above criteria is shown in Appendix 9.7 and is submitted for approval of the Council.

The Committee has previously set the time for commencement of meeting of 5.00pm as this seems to suit the convenience of most Council members.

9.8 STAGE 9 & 10 CIVIL WORKS CONTRACT AWARD

Report Information

Reporting Officer: Senior Project Officer

File Reference: 1.88.246

Recommendation

That the Council:

1. **ACCEPT the Catalina Stage 9 and 10 civil works pricing submitted by R J Vincent (in accordance with approved Tender 5/2013) for the lump sum value of \$4,387,966 (excluding GST), subject to relevant statutory approvals being obtained.**
2. **AUTHORISE the Chairman and CEO to sign and affix the TPRC common seal to the Contract.**

Voting Requirements

Simple Majority

Relevant Documents

Appendix:

- Satterley Property Group letter dated 25th September 2013 – Stages 9 and 10 - Civil Construction Recommendation.
- Cossill and Webley letter dated 23rd September 2013 – Catalina Stages 9 and 10 Civil Works Pricing
- Plan of Subdivision

Report Purpose

To consider the award of a construction contract to RJ Vincent to undertake the Stage 9 and 10 civil construction works.

Policy Reference

N/A

Local Government Act/Regulation

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

Previous Minutes

N/A

Financial/Budget Implications

Expenditure under this matter will be incurred under Item E145211 (Land Development – Lot Production) of the TPRC 2013/2014 Budget:

Item E145211 (Land Development – Lot Production):

Budget Amount: \$22,272,452
 Spent to Date: \$ 1,452,777
 Balance: \$20,819,675

Expenditure is expected to be accommodated within the above item.

Background

At its April 2013 meeting, the Council resolved to accept the tender submitted by R J Vincent for fixed rates for earthworks and subdivisional works for a period of two years until April 2015. The award of further stages of works during the term of the contract is subject to:-

1. Approval of lump sum contracts, in accordance with the tendered rates;
2. Market conditions and Sales Rates; and
3. Ongoing satisfactory performance of the contractor, during the execution of each separable portion of the contract.

At its June 2013 meeting the Council approved the Project Budget 2013/2014 (March 2013), submitted by the Satterley Property Group. The Project Budget assumes construction of Stages 9 and 10 will be undertaken concurrently, commencing in December 2013 to facilitate titles in May 2014 and settlements in June 2014.

The Council further approved the Sales Triggers requiring a closing stock position of less than 35 lots prior to commitment to further stages of civil construction.

Stages 9 and 10 entails 81 lots comprised of 41 traditional and 40 medium density rear loaded lots. The location and extent of Stages 9 and 10 are depicted on the plan provided under Appendix 9.8.

Detailed engineering drawings have been lodged with the Water Corporation and City of Wanneroo for approval, which are expected to be received in October and November respectively.

Comment

The TPRC has received recommendations from the Satterley Property Group (SPG) and the project engineers Cossill and Webley (CW), to award a construction contract to RJ Vincent to undertake the Stage 9 and 10 civil construction works for the lump sum price of \$4,387,966 (excl GST). A copy of the SPG and CW recommendation letters are attached under Appendix 9.8.

The table below provides a breakdown of RJ Vincent's submitted pricing and a comparison to allowances contained within the approved Project Budget.

Item	RJ Vincent Price	Budget Allowance (Incl 5% contingency)	Difference
Stage 9 Civil Works	\$2,838,596	\$3,306,563	\$467,967
Stage 10 Civil Works	\$1,549,370	\$2,209,787	\$660,417
Total	\$4,387,966	\$5,516,350	\$1,128,384

RJ Vincent's price to undertake the Stage 9 and 10 Civil Works is \$1,128,384 below allowances contained within the approved Project Budget. The SPG has advised that allowances under the Project Budget were based on preliminary quantities and the subsequent engineering design of the stages has achieved efficient servicing layouts resulting in savings being achieved predominantly to roadworks, retaining walls and sewerage works.

With regard to the Council's resolution of April 2013, relating to the award of further stages of work, the following comments are provided:-

1. Cossill and Webley has verified RJ Vincent's pricing to be in accordance with the approved tendered rates;
2. In regards to Market Conditions and Sales Rates, at the time of writing of the 349 lots released to market, 346 had been sold, representing 3 lots of available stock currently on the market. A further 10 lots have commenced construction within Stage 6C, bringing the total closing stock position to 13, which satisfies the Stock Sales trigger requirement.
3. RJ Vincent is considered to have completed civil works (Stages 1 – 7) and bulk earthworks (Phase 1, and Stage 5, 7 and 8) under the previous contract awarded to it in June 2011 to a generally acceptable standard.

To date, works awarded under the current construction contract awarded to RJ Vincent in April 2013 are comprised of the Stage 8 and 6C civil works and Stages 9-11 bulk earthworks awarded. These works are are progressing on or ahead of program.

Based on the above the TPRC is satisfied RJ Vincent has performed satisfactorily in fulfilling performance requirements.

The price provided by RJV is within allowances contained within the Project Budget and the SPG's recommendation to accept the prices submitted by R J Vincent and award it a contract to undertake the Stages 9 and 10 civil works for the lump sum amount of \$4,387,966 (excluding GST) is supported.

9.9 CATALINA HOUSING AND BUILT FORM STRATEGY

Report Information

Reporting Officer: Senior Project Officer File Reference: 1.88.246

Recommendation

That the Council:

- 1. RECEIVE the Catalina Housing and Built Form Strategy, September 2013, submitted by the Satterley Property Group, for strategic guidance in delivering housing and built form outcomes within the Catalina project.**
- 2. REQUEST the Satterley Property Group to review the outcomes and strategic direction of the Catalina Housing and Built Form Strategy, September 2013 in 24 months.**
- 3. DETERMINE that the Key Performance Indicator Item 3.6.1, Built Form and Demonstration Housing Strategy, June 2011, requiring the preparation of a Built Form And Demonstration Housing Strategy, June 2012, has been met.**

Voting Requirements

Simple Majority

Report Purpose

To consider the Catalina Housing and Built Form Strategy, September 2013 prepared by the Satterley Property Group, as required by item 3.6.1 of the Development Managers Key Performance Indicators.

Policy Reference

N/A

Local Government Act/Regulation

N/A

Previous Minutes

- Management Committee Meeting – 16th June 2011 (Item 8.3: Built Form and Demonstration Housing Strategy (June 2011)).
- Council Meeting – 13th December 2012 (Item 9.19: Built Form and Demonstration Housing Strategy).

Financial/Budget Implications

N/A

Relevant Documents

Appendix: Catalina Housing and Built Form Strategy (September 2013)

Background

At its meeting of 16th June 2011, the Council accepted the Built Form and Demonstration Housing Strategy (June 2011), submitted by the Satterley Property Group as the basis of more detailed planning and investigation and discussions with relevant stakeholders and market acceptance. The Council further resolved that the strategy should be reviewed in 18 months given the outcomes of the Phase 1 area with its recommendations for the balance of the Project reconsidered.

At its meeting held on 13th December 2012, the Council considered the revised Built Form and Demonstration Housing Strategy (June 2012) provided by the Satterley Property Group and resolved to advise the Satterley Property Group that the following matters required further consideration;

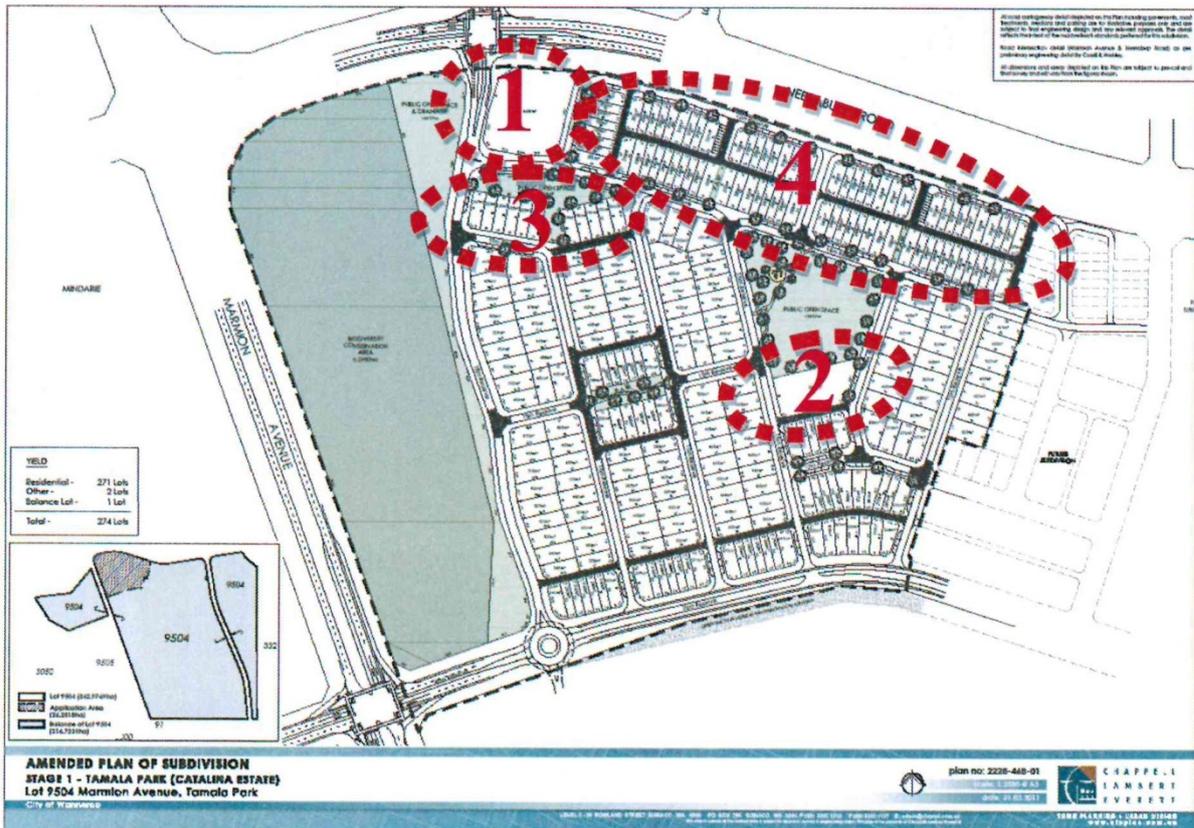
- a) The Strategy should be directed at encouraging a range of housing that meets the existing and future housing needs for the Catalina Project. The Strategy should seek to meet the demand for housing, as well as improving housing mix, affordability, and the availability of housing for those with special needs. It should contain concrete measures to implement these objectives.
- b) The Strategy should articulate a clear framework to help guide TPRC decision making and planning, and should clearly communicate the TPRC's housing-related strategies and objectives. It should provide clarity and certainty about future housing within Catalina.
- c) It should identify potential sites for innovation, demonstration projects and partnering. These sites should be subject to feasibility assessments, negotiation with builders, community housing providers and other levels of government.
- d) It should identify circumstances and criteria where the TPRC may consider contributions towards affordable housing projects, as well as the nature of such contributions.
- e) It should consider in detail the potential and impacts for housing projects being undertaken or managed by not-for-profit housing providers, social housing or community housing providers. The Strategy should provide direction in respect of further options to investigate delivery of such proposals.
- f) The Strategy should include consideration of potential aged persons developments.
- g) The Strategy recommends a contemporary approach to housing but does not demonstrate significant innovation or industry leadership. It does not outline any strategic direction for the Project to pursue alternative approaches worthy of investigation for the delivery of affordable housing.

The Council further resolved that Key Performance Indicator item 3.6.1 requiring the preparation of a Built Form and Demonstration Housing Strategy by June 2012 had not been met and that the above matters were required to be addressed via a revision of the Strategy.

Comment

The Satterley Property Group (SPG) has submitted the Catalina Housing and Built Form Strategy, September 2013 (CHBFS) attached under Appendix 9.9.

The Strategy reviews built form outcomes of the areas identified under the Built Form and Demonstration Housing Strategy (June 2011) shown in the plan below.



The following outcomes are identified to have been achieved:-

- **Area 1** - The Lot 1 Grouped Housing site (4,380m²) has been created and the TPRC has accepted a tender for the development of the site with the objective of creating a distinctive and attractive multi-storey development.
- **Area 2** - Lot 248 is a Grouped Housing site located adjacent to the Stage 4 POS. A tender document is to be prepared for the sale of the site to a builder/developer subject, to design guidelines to achieve a high quality development outcome.
- **Area 3** - The Stage 1B lots (Lots 83 – 88 and 131 – 136) have been sold to the public with design guidelines to achieve a high standard of housing including the designation of mandatory two storey height lots.
- **Area 4** - The medium density lots fronting Neerabup Rd have been predominantly disposed of by public tender to builders for the delivery of affordable cottage houses. Construction of the houses is expected to commence in early 2014.

In addition to the above, the Strategy notes the following achievements:-

- Stage 2 has a variety of single and two storey housing product within the builders display village, including the first 7.5m wide lots developed in a display village in Perth.
- The Sales Office and Information Centre on Lot 174 presents a demonstration housing project with construction due to commence in mid 2013.
- 396 lots have subdivision approval and a wide range of lot sizes suitable for a variety of housing types, including a substantial offering of market based affordable housing is provided for amongst these.

SCOPE AND CONTENT

The Strategy is intended to provide strategic guidance to the TPRC in respect of housing related issues and provide a recommended framework to address these within housing within Catalina. The scope of the document includes the following:-

- To encourage and provide measures for the implementation of a range of housing types to meet the needs of the project, having due regard to demand; housing diversity; special needs housing and housing affordability.
- To clearly define the TPRC's housing related strategies and objectives and provide a framework for decision making and planning to assist in achieving these objectives.
- To identify potential sites for innovation, demonstration project and partnering.
- To identify circumstances and criterion for consideration of TPRC contributions towards affordable housing.
- To consider the potential options and impact of not-for-profit, community or social housing projects.
- To consider the potential for aged persons developments.

OBJECTIVES

The Strategy reviews the Tamala Park Local Structure Plan (LSP79) and provides an analysis of local and regional population growth and housing demand that considers trends in housing demand and supply in Perth, to establish a context for its strategic guidance. Drawing on this analysis, the Strategy identifies the following key objectives:-

Diversity and Choice	<i>To provide for a mixture of lot types for single traditional homes, cottage homes, semi-detached housing, terraced housing, flats, maisonettes and apartments, combining to create a community that is vibrant, self sustaining and varied.</i>
Affordability	<i>To encourage the provision of various forms of affordable housing in the Catalina housing market, including consideration of low cost market housing and subsidised housing.</i>
Mixed Use	<i>To provide opportunities for mixed use development combining residential, commercial and community uses, in strategic locations particularly activity centres.</i>
Sustainability	<i>To facilitate urban design and housing development consistent with the sustainability initiatives and commitments set out in LSP79 and the Catalina Sustainability Initiatives Plan (September 2011).</i>
Built Form	<i>To encourage a high quality and distinct urban vernacular which promotes a distinctive sense of place and terrain responsive housing where appropriate to integrate with the natural landscape.</i>

The objectives seek to address key housing needs revealed in the Strategy's analysis of population growth and housing demand, which indicates continued high demand for single housing driven by the needs of families, and an undersupply of

medium density housing options within the area, particularly in proximity to community services and amenities.

RESIDENTIAL DENSITIES

The Strategy confirms the framework provided by LSP79 to be well suited to the delivery of a wide range of housing products. The Strategy endorses the flexibility of density codings under LSP79, which includes a density range of R30-R60 throughout the Estate and designated R80-R100 density areas within the western and eastern precincts.

Recommendations align with the density codings under LSP79, with higher density housing options recommended in locations that provide greater access to amenities, services and public transport facilities.

HOUSING DIVERSITY - DELIVERY STRATEGIES

The Strategy provides an overview of lot types proposed for Catalina and the housing products these accommodate, which cover a range of housing types from large traditional detached houses to medium density cottage and terraced housing and high density grouped and apartment style housing.

Catalina's proposed product mix of 67% detached houses and 21% semi-detached and townhouses is confirmed to reflect the needs identified by research considered in its analysis of population growth and housing demand. The target of 12% for apartments however is less certain and the Strategy recommends any deficiency in the creation of this product type be taken up by medium density housing types.

It recommends the production of greater diversity in housing options within proximity to services, facilities and public transport. The Strategy identifies high and medium density housing options within proximity to local activity centres and transport linkages within the Western and Central Precincts.

The creation of housing that provides for 'ageing in place' is recommended, with adaptable and intergenerational housing identified as options that are able to be implemented under the prevailing density codings. These housing options are recommended to be provided in locations that allow easy access to community services and transport linkages. Actions for the creation of purpose built aged care housing, including seeking expressions of interest for an aged care facility within the Eastern precinct and the provision of information to purchasers and homeowners are also recommended.

AFFORDABILITY

The Strategy identifies the following options to be available to the TPRC to provide affordable housing:-

- Market BasedProvision of a supply of owner occupied housing at affordable prices through normal market mechanisms.
- Assisted HousingProvision of affordable housing via a shared equity program, involving the sale of land at discounted prices to developers or joint venture schemes to provide affordable housing.
- Social HousingSale of land at discounted prices to the DOH or not-for-profit organisations for the provision of subsidised rental housing.

A discussion of housing affordability within Western Australia is provided, identifying current government schemes and programs to address affordability issues.

The Strategy recognises current WA Department of Housing (DOH) benchmarks for affordable housing being house and land packages under \$360,000 and land under \$190,000 and identifies product types currently produced within Catalina that achieve these benchmarks. The Strategy recommends adopting a target of 10% of all housing within Catalina in the form of product types that are able to be provided within DOH affordability benchmarks. The SPG has advised this target is able to be achieved without compromising projected returns under the Whole of Project Cashflow.

It recommends affordable housing be created in a manner that is dispersed and indistinguishable from other housing. The location of affordable housing is recommended to allow easy access to community facilities and public transport and in a form that facilitates efficient low cost living. The Strategy recommends that due to proximity to the future neighbourhood centre and Clarkson Train Station, the Eastern Cell presents the best opportunities for the provision of affordable housing.

The Strategy recognises that it is not the role or responsibility of the TPRC to subsidise the delivery of affordable housing, particularly where this would adversely impact on commercial returns from the project. The Strategy recommends an emphasis on market based affordable housing together with opportunities for assisted affordable housing using the DOH Shared Equity Program.

It provides criteria to identify and determine opportunities for assisted affordable housing based on locational and built form criteria and a requirement for the DOH to agree to housing being used solely for its shared equity program. The SPG has advised opportunities for assisted affordable housing via the DOH shared equity program will be able to be delivered without compromising projected returns under the Whole of Project Cashflow.

To date, the TPRC has provided affordable housing on a market based approach through efficient subdivision, yields, servicing and housing construction. This approach is consistent with the TPRCs objectives under its Establishment Agreement, which include the balancing of economic, social and environmental issues. The Strategy's recommendation for affordable housing within Catalina to continue to be focussed on a market based delivery model is supported.

SUSTAINABILITY AND BUILT FORM IN HOUSING

The Strategy recognises that sustainability and built form are key elements of Catalina's vision and recommends measures to incorporate and control features of housing within Catalina to adopt sustainability principles and enhance built form outcomes. This is recommended to be pursued in the following ways:-

Planning & Design

Achieved in the integration of land use and transport planning, retention of natural vegetation and habitat, providing diversity and choice, and the planning and design of community amenities and infrastructure.

Subdivision, Building and Construction

Achieved through best practice construction including protection of native flora and fauna, use of sustainable materials and sustainable waste and water management.

Demonstration Projects, Incentives and Information.

The approved Sustainability Initiatives Plan contains a number of incentives to encourage sustainable development, including waterwise landscaping and shared bores to reduce demand on potable water and installation of solar panels.

Consumer behaviour is considered a key element in encouraging sustainability with education and information aimed at influencing the behaviour of residents.

The Strategy notes that the cost of sustainability features and incentives presents limitations to the delivery of further initiatives without adversely impacting the financial viability of the project. The Strategy recommends implementation of sustainability within Catalina continue to be based on the approved initiatives contained within the Sustainability Initiatives Plan and the provision of consumer information.

Two methods for delivering a high quality and distinctive built form are proposed as follows:-

1. The development of Design Guidelines and covenants for each of the three precincts of the project, to ensure a minimum standard of built form is achieved throughout the project; and
2. The identification of important 'landmark' sites for demonstration or partnered building approaches.

In the development and implementation of design guidelines, the Strategy recommends guidelines be developed for each of the three precincts reflecting the following distinct characteristics:-

Western Precinct.....A premium high quality built form reflecting a coastal character.
Central Precinct.....A contemporary suburban character with a focus on conservation reserves and open spaces.
Eastern Precinct A more diverse urban character with a focus on services, amenities and public transport linkages.

The Strategy provides criteria to identify important or 'landmark' sites that justify a more individual approach to built form outcomes, due to high exposure, proximity to key amenities or features, different land uses or other site specific characteristics. The criteria is to be applied in the initial planning phases of precincts to identify sites, with options of site specific design guidelines or partnered building arrangements adopted to achieve specific built form objectives.

The SPG has recommended display home villages be constructed within each of the three precincts to demonstrate built form that reflect the desired character of each precinct. It is noted the current Whole of Project Cashflow makes provision for the construction of a sales office in the Central and Western Precincts only and the SPG has confirmed its strategy is to direct purchasers to the future sales office to be located in the Western Precinct. This strategy will be further considered closer to the development of the Eastern Precinct.

MIXED USE DEVELOPMENT

The Strategy defines mixed use development as development comprising a mixture of two or more land uses within a single building, or multiple buildings of different uses within a development site. The strategy considers the success of existing mixed use development within Clarkson to have been limited, with residential uses dominating, however notes the ability to attract more commercial and entertainment uses may increase as the area matures.

It notes that mixed use development can benefit urban areas by increasing housing, employment, business choice and enhancing the amenity of areas by increasing diversity and vibrancy and recommends adoption within Catalina in strategic locations.

Criterion for locating successful mixed use development is provided based on the following:-

- Market considerations.
- Proximity to high amenity areas and key attractors.
- On street parking.
- Good access and visual exposure.
- A sense of place and identity.

Under LSP79, mixed use development is proposed in the following locations:-

- Central Western Precinct, along Neerabup Road.
- Central Eastern Precinct, adjacent to Neerabup Rd and Connolly Drive.
- Eastern Precinct, along central Greenlink and Neerabup Road.

Of the above locations, the strategy identifies the Eastern Precinct to best satisfy the locational criteria for successful mixed use development.

The Strategy provides a comprehensive list of design criterion including characteristics and features of successful mixed use development, for application in planning, design and development phases. Strategies guide the identification of sites and design of mixed use precincts via the application of the design criteria to provide a clear framework for implementation.

Conclusion

The Catalina Housing and Built Form Strategy (September 2013) provided by the Satterley Property Group provides useful guidance to the TPRC in addressing housing related issues throughout the Catalina Estate.

The Strategy develops objectives for key housing issues to address trends in housing demand identified in its analysis of housing policy and recent housing related research. The housing structure presented in the Strategy provides for a diverse mix of housing options in response to the demonstrated needs of the community and is supported by delivery models to implement these.

The Strategy recommends measures and clear frameworks to implement actions to address aged persons housing, built form and sustainability in housing and the development of mixed use precincts.

A number of the Strategy's key initiatives will be implemented within the Eastern Precinct of the project, which is understandable given the more diverse urban

character of this cell. Due to the current stage of development, initial planning for the Eastern Precinct has not yet progressed and implementation of these strategies is unable to be initiated until this work commences.

The Strategy recommends the delivery of affordable housing with a focus on the market based approach that has been implemented to date to achieve targets for the provision of housing within DOH affordability benchmarks. The Strategy also provides criteria to identify and determine opportunities for assisted affordable housing via the DOH's shared equity scheme.

The SPG has advised the Catalina Housing and Built Form Strategy, September 2013, has been developed within the parameters of the current Whole of Project Cashflow and Project Program and the strategies and recommendations contained within it are able to be implemented in accordance with current project planning.

The Catalina Housing and Built Form Strategy, September 2013, provided by SPG addresses the key housing issues identified by the Council. It is recommended that the Council endorse the Catalina Housing and Built Form Strategy, September 2013, for strategic guidance in planning, designing and delivering housing and built form outcomes within the Catalina project and require a review of the outcomes and strategic direction of the document in 24 months.

It is further recommended that the Council accept that the SPG has Key Performance Indicators, Built Form and Demonstration Housing Strategy, June 2011, requiring the preparation of a Built Form And Demonstration Housing Strategy, June 2012.

At its meeting on 3 October 2013, the Management Committee considered the Housing & Built Form Strategy and resolved that Council:

1. *RECEIVE the Catalina Housing and Built Form Strategy, September 2013, submitted by the Satterley Property Group, for strategic guidance in delivering housing and built form outcomes within the Catalina project.*
2. *REQUIRE a review of the outcomes and strategic direction of the Catalina Housing and Built Form Strategy, September 2013 in 24 months.*
3. *DETERMINE that the Key Performance Indicator Item 3.6.1, Built Form and Demonstration Housing Strategy, June 2011, requiring the preparation of a Built Form And Demonstration Housing Strategy, June 2012, has been met.*

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