

AGENDA

Council Meeting to be held
on Thursday 25 June 2009

Shire of Nannup

NOTICE OF AN ORDINARY COUNCIL MEETING

Dear Council Member,

The next Ordinary Meeting of the Shire of Nannup Council will be held on Thursday 25 June 2009 in the Council Chambers, Nannup commencing at 4.15 pm.

Schedule for 25 June 2009:

3.15 pm	Information Session
4.15 pm	Meeting commences
7.00 pm	Dinner



**SHANE COLLIE
CHIEF EXECUTIVE OFFICER**

A g e n d a

1. **DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**
2. **RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE**
(previously approved)
3. **RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**
4. **PUBLIC QUESTION TIME**
5. **APPLICATIONS FOR LEAVE OF ABSENCE**
6. **PETITIONS/DEPUTATIONS/PRESENTATIONS**

Mr K Bird wishes to make a presentation on the Town Hall.

Ms Joanne Ball wishes to make a presentation regarding Agenda Item 10.1.

7. **CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**

That the Minutes of the Ordinary Council Meeting of the Shire of Nannup held in Council Chambers on 28 May 2009 be confirmed as a true and correct record with the following amendment:

Motion 8199, Draft Cash Budget which was moved by Cr Boulter, seconded Cr Bird (as noted on page 67) occurred prior to Cr Bird leaving the meeting as noted on page 51. The motion was put as per page 67 after Cr Bird had left the meeting.

8. **ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION**
9. **REPORTS BY MEMBERS ATTENDING COMMITTEES**
10. **REPORTS OF OFFICERS**

Agenda No.	Description	Page No.
DEVELOPMENT SERVICES		
10.1	Application for Subdivision referral No. WAPC 139902	3

10.2	Nannup Timber Mill – Unmade/Unnamed Road	7
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FINANCE & ADMINISTRATION

10.3	Royalties for Regions – Regional Group Allocation	10
10.4	Request for Fee Waiver	14
10.5	Local Government Structural Reform Funding	16
10.6	Shared Environmental Officer	19
10.7	Mowen Road Funding Shortfall	23
10.8	Monthly Financial Statements for 31 May 2009	25
10.9	Rates in the Dollar	26
10.10	2009/10 Draft Cash Budget	31
10.11	Councillor Fees & Reimbursements	39
10.12	Proposed Barrage	44
10.13	Nannup Community Communications Survey	46
10.14	Unallocated Funds	54
10.15	Accounts for Payment	56

11. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

- (a) OFFICERS
- (b) ELECTED MEMBERS

12. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**13. QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN****14. CLOSURE OF MEETING**

DEVELOPMENT

SERVICES

AGENDA NUMBER: 10.1

SUBJECT: Application for Subdivision referral No. WAPC 139902

LOCATION/ADDRESS: Lot 118 Dunnet Road

NAME OF APPLICANT: Frederick and Joanne Ball

FILE REFERENCE: A 424

AUTHOR: Ewen Ross – Manager Development Services

DISCLOSURE OF INTEREST:

DATE OF REPORT: 12 June, 2009

Attachments: 1. Location/Zoning Plan.
2. Plan of Subdivision.

BACKGROUND:

Lot 118 Dunnet Road has an area of 4019m² and is occupied by a "Grouped Dwelling" consisting of a dwelling and studio with associated outbuildings (garden shed and double garage) and vegetated. The land slopes steeply from Dunnet Road to the west. Legal access is also provided to Balingup Road via a 1 metre wide access leg.

One of the dwellings on Lot 118 was used as the Nannup Masonic Hall which was converted to a dwelling, our reference A424 dated 23 September 2003 refers. A building permit was issued 24 May 2004 for the conversion of the Masonic Lodge to a dwelling and a studio. A planning application was made 23 September 2008 and planning approval was given 7 October 2008 for a "Grouped Dwelling" including reference to various "tourist" uses.

The Hall is referred to in the Shire's Municipal Inventory (Feb 96) LGA site no: HCWA no 90 1775, as follows:

"3.5.8 Masonic Lodge Circa 1936,

Dunnet Rd, Nannup.

Building of random stone construction with brick quoining. Red corrugated iron roof.

Previous Listing: *HC database SWDA.*

Historical Theme: *Social and civic activities.*

Significance: *Local historical and social.*

Management: *High level of protection."*

Further detail is contained in pages 64 and 65 with the management recommendation, *"High level of protection appropriate; provide maximum encouragement to the owner under the town planning scheme to conserve the significance of the place."*

Access to these lots is via Dunnet Road which only partially bitumen sealed (commencing from Balingup Road) and where the land abuts Dunnet Road, it is unsealed.

COMMENT:

The subdivision seeks to create two (2) lots of 2041m² (Lot 1) and 2005m² (lot 2) respectively for the purposes of "Dwellings". The land is zoned Residential R10/15 under the Scheme where Clause 5.2.3 applies:

5.2.3 Where a split density coding is indicated for a particular area shown on the Scheme Map, development for residential use shall conform to the lower density code, except where the subject land is connected to a reticulated sewerage system, in which case the higher density code is to prevail.

Under the Residential Planning Codes ('R Codes') the minimum lot area is either 875m² (R10) or 580m² (R15). The average lot size under the R Codes is 1000m² (R10) or 666m² (R15). As Clause 5.2.3 of the Scheme provides, the difference in the minimum lot area under the Scheme relates to the provision of sewer. In this regard, the land is not connected to sewer; however, the lot sizes are far in excess of the R Code minimums.

Having regards to the steepness of the land, the positioning of the existing development/infrastructure and the vegetation, the proposed lot sizes are appropriate as any significant increase of yield could result in a very different amenity outcome for the land. It is noted that the shape of the lots and the access leg to Dunnet Road generally follows the contour of the land.

Accordingly the Subdivision is in accordance with the Residential Planning Codes and Local Planning Scheme 3.

An aspect of the Subdivision that will require the consideration of Council relates to the sealing of Dunnet Road to northern corner of the proposed access leg of Lot 1 which connects to Dunnet Road. It has been common practice when considering subdivisions to ensure roads are upgraded, and crossings provided together with contribution towards footpaths. The WAPC has generally accepted this recommendation and made it a condition of subdivision approval.

In this case there is scope to consider that Council has already approved both

the dwelling and studio which have been erected since 2004, and that the application for subdivision for the purpose is as "dwellings," that is it would quite possibly lessen traffic, given previous planning approvals for "tourist use" would be superseded. Given that this application for subdivision is unlikely to increase traffic road upgrading, while considered, is not recommended.

Should Council consider that sealing of Dunnet Road is reasonable, then from the current seal end to the northern corner of proposed lot 1 would need to be sealed and for this to be undertaken or 'bonded' prior to clearance. In addition, should the Council support the Application, it is reasonable to recommend a contribution for the construction of the footpath for Dunnet Road along with incorporating crossover upgrading to both lots.

With regards to the Application for proposed use and development as "dwellings" then there would be minimum requirements. The previous planning approval our reference A424 dated 7 October 2008 would be superseded. It is noted that application for the provision of septic tank and leach drains on lot 1 and the leach drains for lot 2 was applied for in November 2004, and it is understood this has occurred. On-site waste disposal on 2000m² lots is permitted. With regards to the building permit for the studio, confirmation that this meets the Building Code of Australia (BCA) standards as a dwelling should be attained.

The inclusion of the land in the Municipal Inventory does not preclude the Council supporting the Application, as the Subdivision does not appear to impact on the historical nature of the converted Masonic Hall building.

Should Council support the Application, conditions should be imposed relating to fencing and stabilisation between the lots, construction of the battle-axe leg, along with ensuring necessary setbacks between lots for the effluent disposal areas (which from the subdivision plan, indicates that separation would be acceptable).

It is also recommended that a 1 metre wide pedestrian access way be provided along Balingup Road frontage of the (minor) battleaxe leg in order to prevent vehicular access onto Balingup Road.

STATUTORY ENVIRONMENT:

Planning and Development Act 2005 and the Shire of Nannup Local Planning Scheme No. 3.

POLICY IMPLICATIONS: Nil.

FINANCIAL IMPLICATIONS: Nil.

STRATEGIC IMPLICATIONS: Nil.

RECOMMENDATION:

That Council advise the WAPC as follows:

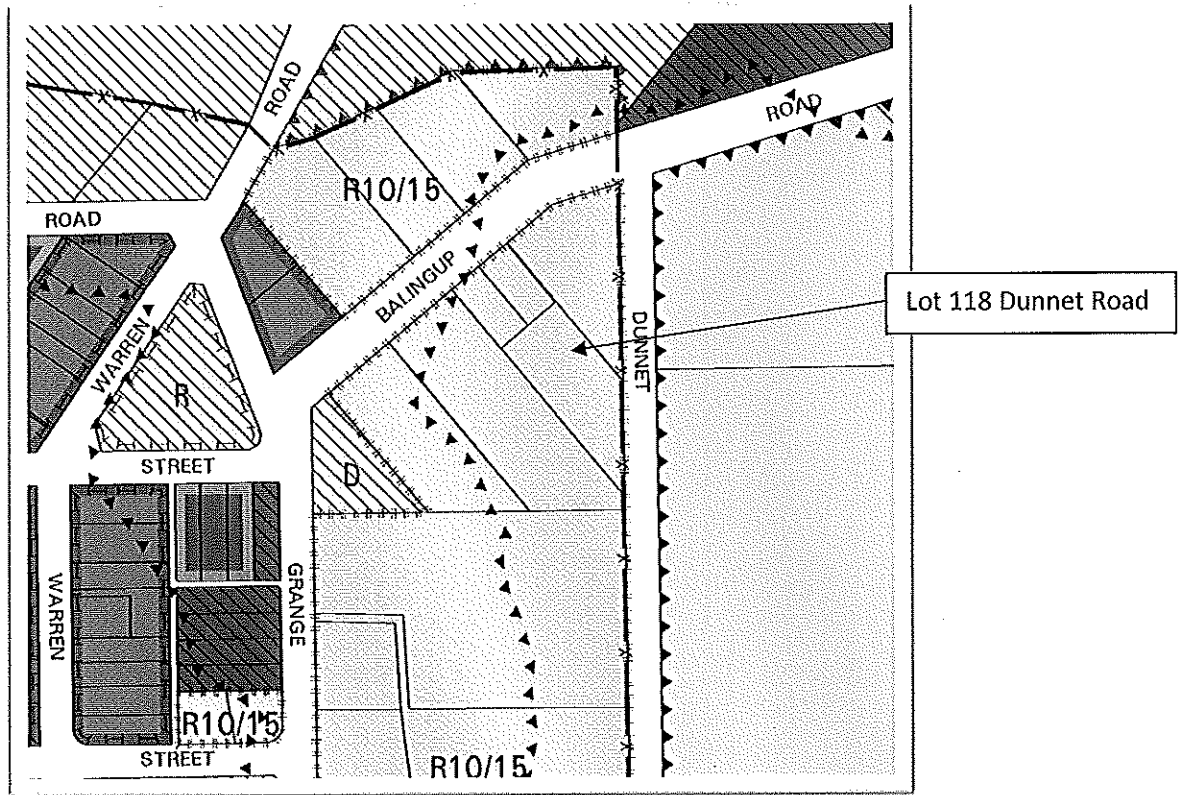
No objection to Subdivision referral No. WAPC 139902 subject to the following conditions:

1. The boundary between Lot 1 and Lot 2 being stabilised at the subdivider's cost to the satisfaction of the Shire of Nannup. Details to be submitted with engineering drawings and approved by the Shire of Nannup, prior to commencement of any works and clearance.
2. A 1 metre wide pedestrian access way being provided along Balingup Road frontage of the (minor) battleaxe leg in order to prevent vehicular access onto Balingup Road. Such land to be shown on the Diagram or Plan of Survey as a pedestrian access way, vested in the Crown and ceded free-of-cost and without any payment of compensation by the Crown.
3. The 'battleaxe access leg' for Lot 1 having access to Dunnet Road being constructed and drained to the specifications and satisfaction of the Shire of Nannup. Details to be submitted with engineering drawings for approval prior to commencement of any works and clearance.
4. Uniform fencing being provided along the boundary of Lots 1 and 2 and being constructed by the subdivider to the specifications and satisfaction of the Shire of Nannup. Details to be submitted with engineering drawings for approval prior to commencement of any works and clearance.
5. The approved "studio" being confirmed as compliant with the BCA as a dwelling.
6. That adequate setback of the effluent disposal areas per the relevant Health legislation prior to clearance.
7. Prior planning approvals are superseded by the approval to subdivide for the purpose of a "Dwellings".

VOTING REQUIREMENTS

EWEN ROSS
MANAGER DEVELOPMENT SERVICES

Zoning/Location Plan



Aerial Photo

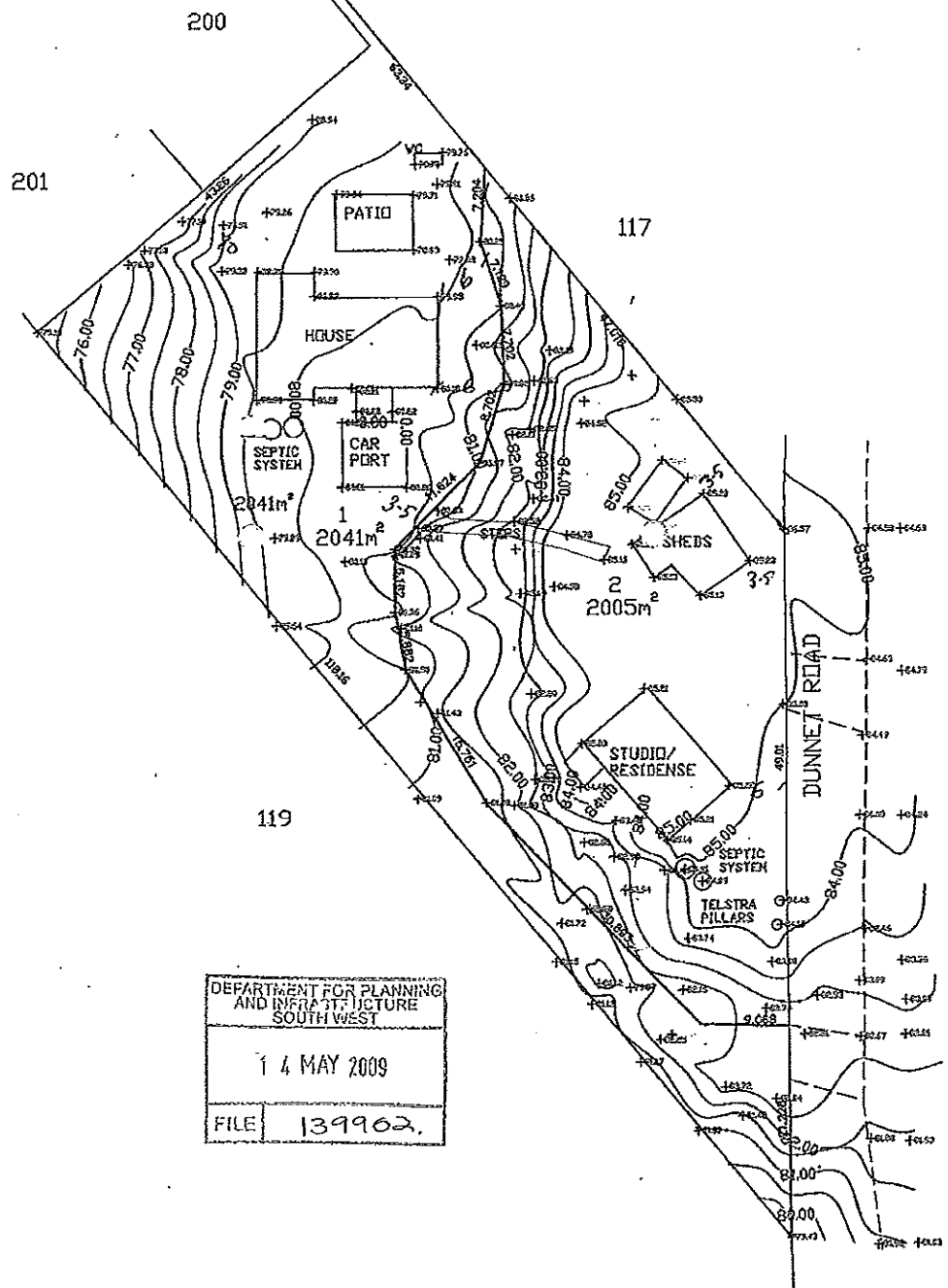


BALINGUP ROAD

PROPOSED SUBDIVISION
LOT 118 DUNNET ROAD
NANNUP

WATER METER
POWER DOME

SCALE 1:500



DEPARTMENT FOR PLANNING AND INFRASTRUCTURE SOUTH WEST	
14 MAY 2009	
FILE	139962.

AGENDA NUMBER: 10.2
SUBJECT: Nannup Timber Mill Unmade/Unnamed Road
LOCATION/ADDRESS: Lots 556, 557, 18, 8276 and 1-12 Warren Road
NAME OF APPLICANT:
FILE REFERENCE: A643
AUTHOR: Ewen Ross, Manager Development Service
DISCLOSURE OF INTEREST:
DATE OF REPORT: 15 June, 2009

Attachments: 1. Location Map.
 2. Minutes of Meeting 22 May 2009.

BACKGROUND:

This issue has been in review since November 2003. In this time Council has made the following resolutions:

February 2004:

That Council support Nannup Timber Processing Pty Ltd endeavours to secure freehold title and prepare a submission to the Department of Planning and Infrastructure outlining the issues noted in this report and additional issues raised in respect of:

1. *Road Access Issues.*
2. *Boundary Rationalisation of Lot 18.*
3. *Existing Mill dwellings including servicing.*
4. *Draft Town Planning Scheme # 3.*
5. *Southern Town Entrance Information Bay.*
6. *Possibility of a portion of land being set aside for community purposes.*
7. *Due regard be given to existing plans for the expansion of light industry.*

April 2006 (in part):

1. *That Council support the option of dedicating "Middle Street" as a road reserve to link Warren Road to Nelson Location 8276 and Lot 18 on the existing Middle Street formation.*
2. *That Council seek cost estimates for the road dedication process and investigate the implications of ongoing management of Middle Street.*
3. *That once cost estimates are sought the issue is to be brought back to a future meeting of Council for further consideration.*

December 2007 (in part):

1. *That Council dedicate "Middle Street" as a road reserve to link Warren Road to Nelson Location 8276 on the existing Middle Street formation and agree to acquire portion of Lot 18 for this purpose in accordance with section 56 of the Land Administration Act 1997.*
2. *That Council initiate road closure proceedings to close section of unnamed road reserve west of lot 5 that links Nelson Location 8276 for the purposes of amalgamation into Lot 18 in accordance with section 58 of the Land Administration Act 1997.*

November 2008:

Recommendation was *"That Council request the Minister for Planning and Infrastructure to close the section of unnamed road reserve west of lot 5 that links Nelson Location 8276 for the purposes of amalgamation into Lot 18 in accordance with section 58 of the Land Administration Act 1997"*.

This motion was withdrawn and Council's action requested was *"to seek a meeting with all stakeholders again including obtaining costing for construction of a road in the present gazetted road reserve"*.

A quote was obtained from WML Consultants to provide an estimate of the cost to develop the unmade/unnamed road, at \$5,000 (GST excl). This estimation was not acted upon as there was no indication that the road would be built and this would be a costly exercise without any commitment to build the road.

A further meeting was held on 22 May 2009 with the Nannup Timber Mill (NTP – Lot 18), Roycrofts (lots 1-12), Pobble Bonk Farm (Location 8276), DPI (Lots 556 and 557) and Council Staff (Minutes attached). The general conclusion from this meeting is that the three landowners (Roycroft, Pobble Bonk Farm and NTP) were not supportive of the legal unmade/unnamed road being closed.

COMMENT:

The compromise of Council taking responsibility for Middle Street and extending it to Pobble Bonk Farm with the NTP contributing towards any future works required to the culvert in Middle Street appeared to be a cost effective option. DPI has surveyed the proposed extension of Middle Street and NTP has paid \$25,515 towards any future works on the culvert.

Without the concurrence of all parties, Council has no option than to accept that the status quo will remain. That is, the unmade/unnamed road provides legal access to Roycroft's and Pobble Bonk Farm. Any agreed access across lots 557 and 18 are matters between the respective land owners, not Council. DPI have

confirmed their position that each lot has legal "road access". The matter of "if" and "when" the unmade/unnamed road is constructed is not resolved. It is unlikely to be scheduled in the foreseeable future and cost would be anticipated to be proportioned to the landowners. On this basis any funds received from NTP for Middle Street culvert works should be returned and previous resolutions with regards this action rescinded.

STATUTORY ENVIRONMENT: Land Administration Act.

POLICY IMPLICATIONS: Nil.

FINANCIAL IMPLICATIONS: Nil.

STRATEGIC IMPLICATIONS: Nil.

RECOMMENDATION:

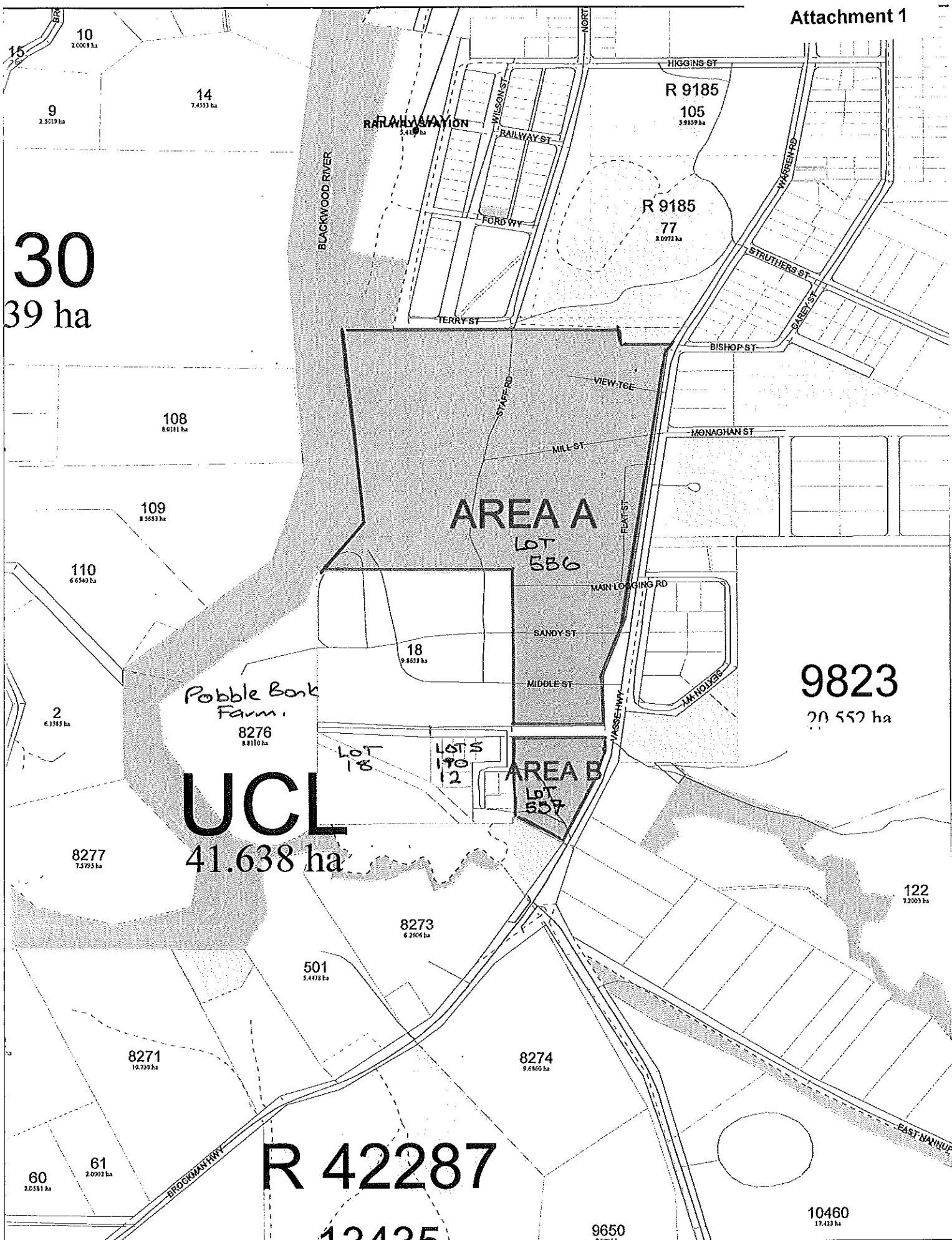
1. That Council:
 - (i) Refund the monies paid by Nannup Timber Processing for the upgrading of the culvert on Middle Street. (\$25,515)
 - (ii) Advises DPI that it no longer supports extension of Middle Street to Location 8276, the closure of the legal unmade/unnamed road, and it supports releasing Nannup Timber Processing from this requirement in connection with the free holding of the title of Lot 556.
 - (iii) Advises the Roycroft's (lots 1-12) and Pobble Bonk Farm (Location 8276) that the status quo remains regarding the unmade/unnamed road.
2. That Council rescind resolutions 7452 and 7845 that supported the closure of the legal unmade/unnamed road and extension of Middle Street.

VOTING REQUIREMENTS:

Absolute majority (5) required for a rescission motion.



**EWEN ROSS
MANAGER DEVELOPMENT SERVICES**



Scale : 1:7851 (Geographical)
 MGA : SW=384648.5E,6236533.4N Zone 50 / NE=386199.5E,6239030.3N Zone 50
 Lat/Long : 115°45'03.093", -34°00'19.717" / 115°46'04.714", -33°58'59.279" H 263mm by W 201mm

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MINUTES OF THE MEETING 22 MAY 2009 REGARDING:

PROPOSED ROAD CLOSURE – NANNUP TIMBER MILL –UNCONSTRUCTED AND UNNAMED ROAD LINKING LOTS 557, 8276, 18 AND LOTS 1-12 WARREN ROAD, NANNUP

Attendance:

Mr Jim Boot, Financial Controller M & B Group

Mr Vince Corlett, Mill Manager – Nannup Timber Process

Mr and Mrs Roycroft - Owner Lots 1-12 Warren Road

Garry Crow, State Land - Department for Planning and Infrastructure

Mr Ray, - Department for Planning and Infrastructure

Julie Anne Harper, Owners Lot 8276 "Pobble Bonk Farm"

Chris Wade, Manager Works, Shire of Nannup

Ewen Ross, Manager Development Services - Shire of Nannup

A proposal had been developed to close the "unnamed road" that provided access to Nelson Locations, Lots 557, 8276, 18 and Lots 1-12 Warren Road. Alternative access was to be provided from Warren Road via Lot 557 to Lots 1-12 Warren Road and a new road being a continuation of Middle Street through Lot 18 to Lot 8276. Access to Lot 18 would remain via Mill Road and the newly formed road. In compensation for the loss of land to form the new road the "unnamed road" would have reverted to the Nannup Timber Processing. There is formal agreement between the Department of Planning and Infrastructure with respects the free holding of Lot 556 to the NTP base upon this proposal that had been agreed in principle.

The position of the Land Owners is:

Mr and Mrs Roycroft – Lots 1-12 Warren Road: They would prefer that they could attain freehold title of Lot 557 and are prepared to purchase or lease the property. (Note: This is freehold to NTP) Alternatively the "unnamed road" is retained and developed and they retain access by agreement across Lot 557.

Nicole Lucey (Not at Meeting) and Julie Ann Harper – Lot 8276: They prefer that the "unnamed road" be retained and developed at some future date, whilst retaining access by agreement across Lot 18 until this occurs.

Nannup Timber Processing:

- a. They no longer support the building of a road through Lot 18.
- b. Would recommend to the board that they “step back” from lot 557.
- c. The “unnamed road” remains.
- d. The \$25,515 for the culvert construction funds are reverted back to NTP.
- e. The land owners and Council support NTP and DPI agrees that the condition of free hold status for Lot 556.

Department of Planning and Infrastructure: Need to ensure that all lots retain a legal access.

Shire of Nannup: The Shire acknowledges that there have been previous agreements with both costs incurred and conditions made regard the free hold status of Lot 556. The issue is not driven by the Shire but recognises a potential saving in development of Middle Street with NTP funding had it occurred. The Shires position is:

- a. It is reluctant to support a road closure without the agreement of the land owners.
- b. It would not direct that the NTP construct a road through Lot 18.
- c. It would support the original proposal had all parties been in agreement.
- d. It acknowledges the need to refund any monies paid for the up-grading of the culvert on the Middle Street extension option unless the NTP agrees to transfers this towards the funding for the construction of the “unnamed road”.
- e. Should the “un-made/named road” remain there is no expectation given that it will be developed in the foreseeable future and there would be an expectation of contributions to its funding particularly if there is additional cost due to impingements from the various lots. This would remain in the current road construction and maintenance plan for the Shire of Nannup.
- f. Any agreements by land owners to transit over other private properties are a matter between the relative land owners and the Shire would not become involved.

**EWEN ROSS
MANAGER DEVELOPMENT SERVICES**

Notes:

1. Regards the NTP and Shire the position requires confirmation with the respective Board and Shire Councilors prior to any agreements.
2. Minutes amended on receipt of email confirmation (Roycroft, Probble Bonk Farm and NTP)

FINANCE & **ADMINISTRATION**

<p>AGENDA NUMBER: 10.3 SUBJECT: Royalties for Regions – Regional Group Allocation LOCATION/ADDRESS: NAME OF APPLICANT: Warren Blackwood Strategic Alliance (WBSA) FILE REFERENCE: FNC 16 AUTHOR: Shane Collie – Chief Executive Officer DISCLOSURE OF INTEREST: DATE OF REPORT: 5 June 2009</p>

Attachments:

1. Draft Project Submission Format.
2. Progress Report/Briefing Paper.
3. Meeting Minutes WBSA 2 June 2009.

BACKGROUND:

Council in February 2009 accepted funding offered under the State Royalties to Regions Program (Country Local Government Fund) 2009/10 to 2011/12 as follows:

2009/10	\$393,491
2010/11	\$302,685
2011/12	\$302,685

As each budget year arrives a decision on the yearly allocation direct to the Shire of Nannup will be made by Council. In the draft budget item contained elsewhere in today's meeting papers there is a recommendation on the allocation of the 2009/10 amount of \$393,491.

Council also resolved in February 2009 that the preferred regional body for the distribution of funds under the State Royalties for Regions Program (Country Local Government Fund) 2009/10 to 2011/12 is the Warren Blackwood Strategic Alliance.

This detail is represented in the following table:

Year	Shire of Nannup Allocation		Regional Group Allocation		Total
2009/10	65%	\$393,491	35%	\$211,880	\$605,370
2010/11	50%	\$302,685	50%	\$302,685	\$605,370
2011/12	50%	\$302,685	50%	\$302,685	\$605,370
Total		\$998,861		\$817,250	\$1,816,110

The Warren Blackwood Strategic Alliance is in the process of determining how it will allocate the regional funds and while not yet finalised there is a fairly clear direction on how the process will operate.

COMMENT:

The purpose of this item is to confirm the project(s) that Council would like to submit for the Regional Group Allocation. The following table represents the overall Regional Group funding allocation 2009/10 to 2011/12.

Year	Manjimup	Bridgetown	Nannup	Boyup Brook	Total
2009/10	\$528,681	\$356,004	\$211,880	\$202,795	\$1,299,360
2010/11	\$755,259	\$508,577	\$302,685	\$289,707	\$1,856,228
2011/12	\$755,259	\$508,577	\$302,685	\$289,707	\$1,856,228
Total	\$2,039,199	\$1,373,158	\$817,250	\$782,209	\$5,011,816

As can be seen Nannup contributes a total of \$817,250 to the pool over three years. Manjimup on the other hand contributes \$2,039,199 in the same time period. The total funding to be allocated over the three year program is just over \$5 million. The funding is required to be used in the following areas:

- Buildings
- Infrastructure – Roads
- Infrastructure – Bridges
- Infrastructure – Drainage
- Infrastructure – Parks, Gardens and Reserves
- Infrastructure – Footpaths and Cycleways
- Infrastructure – Airports
- Infrastructure – Sewerage
- Infrastructure - Other

Informally two projects have been put forward on the basis of what major infrastructure projects are contained in Council's adopted Forward Plan, and where Council has been allocating to reserve for the past few years. These two projects are in priority order the proposed upgrade to the Recreation Centre and the upgrade of the main street in Nannup being Warren Road.

As can be seen in attachments 2 and 3 the philosophy and the general position of the WBSA in respect of allocating the funding is being developed. Politically it is taken as given that no shire will want to receive less than what it is "putting in" to the regional body. It is expected that this is not the intention of the State in the allocation process. It is however the reality given the self interest of the participants who will quite rightly be seeking the best outcome for the communities they represent. It is most unlikely that one or two shires would monopolise the regional funding at the expense of others given the even weighting of voting authority within the WBSA structure.

In the situation that Nannup is in the two major infrastructure projects nominated are expected to cost well in excess of the funding available. The intention then is to seek funding up to the amount "put in" by this shire as a portion of the overall project cost. This is best demonstrated by funding example using the proposed upgrade to the Nannup Recreation Centre. A possible funding scenario for the upgrade is as follows:

Council Reserve (presently available, cash backed)	\$177,000
Royalties for Regions	\$417,250
Federal Government?	\$400,000
Lotteries?	\$400,000
Local Contribution (Clubs/Users)	\$150,000
CSRFF (Department of Sport and Recreation)?	\$772,125
TOTAL:	\$2,316,375

The CSRFF, Federal Government and Lotteries funding has not been investigated at this point and may not eventuate. Council could seek additional funding through the Royalties for Regions program if there is insufficient overall monies to complete the Recreation Centre upgrade, or alternatively could amend its funding request.

At this stage it is recommended that Council formalise its request for the regional funding through the WBSA per the recommendation to this item.

Please note the priorities can be changed in the future with approval through the funding body with the advice being that as long as it is still an approved asset class then it would be acceptable. At the WBSA level it would be expected the same would apply particularly if the dollars sought are unchanged. This is

relevant if the funding required for a project ends up being more or less than nominated at this point.

STATUTORY ENVIRONMENT: Nil.

POLICY IMPLICATIONS: Nil.

FINANCIAL IMPLICATIONS:

As noted in the body of this report. The two projects are unlikely to be construction ready until 2011/12 and it is hence recommended that Council seek to "bank" its 2009/10 and 2010/11 funding until 2011/12. Note that 2010/11 sees an allocation of \$6 million again for Mowen Road which is compatible with holding off on further infrastructure funding until the following year.

Budget allocations of income and expenditure will be required in the year in which the funding is due.

STRATEGIC IMPLICATIONS:

The proposed funding allocations are in accordance with Council's adopted Forward Plan and prior stated project objectives.

RECOMMENDATION:

That Council formalise its request for Royalties for Regions funding through the regional body the Warren Blackwood Strategic Alliance for the years 2009/10, 2010/11 and 2011/12 as follows:

Upgrade to Nannup Recreation Centre	\$417,250
Upgrade to Warren Road	\$400,000

VOTING REQUIREMENTS



SHANE COLLIE
CHIEF EXECUTIVE OFFICER

The Warren Blackwood Strategic Alliance (Inc)

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PEMBERTON WA 6260
Phone (08) 9776 0697
e-mail: goody3@westnet.com.au
ABN 84 209 500 433

ROYALTIES FOR REGIONS

Country Local Government Fund – Regional Funding

Project Submission Format

Attn: Warren Blackwood Shires - CEO's

A Discussion Paper on the matter of allocating regional Royalties for Regions Funding was tabled and endorsed at the Alliance Board meeting of April 7, 2009. It was agreed to request submissions from each local council member for up to two projects for consideration by the Alliance Board. Accordingly, the following project submission pro forma has been developed to assist with the process of determining how funding will be allocated. You are now requested to prepare funding submissions using this pro forma in anticipation of an initial evaluation of submitted projects prior to the next Alliance Board meeting in June.

1. BRIEF PROJECT DESCRIPTION/JUSTIFICATION **(Including aims and objectives)**

Guide: Describe how your project will address the benefits that you have identified above and specify what the project will deliver in tangible terms. The project must demonstrate that it will result in a positive economic, social and/or community return to the Warren Blackwood Region. Projects may be of a joint nature covering a number of shires, using the example of waste management, or more shire specific, such as a Recreation Centre in a particular location.

2. PROJECT TIME LINE

Guide: Provide details of proposed time line for the project and include key milestones. Any project submitted should not be scheduled for implementation beyond the 3 years currently guaranteed by the State Government (to end of 2011/2012 financial year).

3. BUDGET ESTIMATE FOR FUNDS REQUESTED

Guide: Attach document/s that supports the budget estimate such as copies of quotations/estimates for any aspect of the project. Please note that only projects that have not been funded from other sources should be submitted.

4. PROJECT READY

Guide: Explain the state of readiness for the project in terms of planning and implementation with emphasis on the capacity for the project to commence on time.

Tony Goode
Executive Officer

ROYALTIES FOR REGIONS – COUNTRY LOCAL GOVERNMENT FUND

PROGRESS REPORT/BRIEFING PAPER

I have prepared this paper following on from a meeting with the CEO's (The Alliance Working Party) on Monday 25th May at Bridgetown where an initial tabling of projects was discussed. To summarise our position, the Alliance is not yet well placed to prioritise and select regionally based projects and we therefore need to extend the timeframe to conclude our decision making processes.

Overview

In light of the general views expressed by the Alliance Working Party regarding the relatively modest regional nature of the projects submitted to date, I believe that in due course we should nominate at least 4 projects (and possibly up to eight) including at least one from each shire for funding. We should be able to prepare a table of projects funded at a level basically reflecting a reasonable perception of shire "shares" for year one (2009/2010). I accept that we are likely to be "cut some slack" for the first year and in the absence of substantial ready to go regional projects we probably need to compromise.

However, I will recommend that our group works on developing some genuinely regional projects for funding in the outgoing two years. If we are going to be strategic as per our charter, then I think it is incumbent upon us to make a serious attempt at this. I would like to think that we can generate a few good ideas and then be in a position to professionally investigate their viability as projects – even if we are required to provide additional funds for expert advice. This process might take us through to the end of the year. I also realise that there is a view that we should put together a 3 year projection based around working from a local government's share of the total funds available. I do agree that a projection of total funded projects needs to be developed, but I do not think that this is possible in the short term (given that we have not tabled any truly regional projects yet) and we need to move forward with our program for 2009/2010 regardless.

I remain troubled by the thought that we will end up simply apportioning funds rather than making hard decisions based on generating the best outcomes for the region in accordance with the spirit of the State Government's intent. Having said that, given sufficient time and the opportunity to come up with a few smart ideas, we might be able to propose regional projects that de-emphasise a local shire funding analysis. For example (and this is only hypothetical), if a project based around regional recycling was approved and sited in Manjimup, each participating shire would benefit without necessarily reaching for their calculators to see if they had been "short changed." Similarly, a regional environmental project along the lines outlined by Jeremy Hubble (involving switching over to new lighting technologies) might be adopted that encourages a strong regional benefits outcome (and not necessarily be sited anywhere!).

To use an entirely different analogy, consider the State's approach to viewing the Commonwealth's decisions regarding our National Defence. This is one area where States do not generally get caught up in analysing the placement of various forces, they accept the fact that they all benefit from a national strategic deployment. Summing up, I think we are all aware of the difficulty of avoiding parochialism on this matter and personally, I believe that we are capable of taking a broader perspective – consistent with Ministerial directions.

Summary of Projects Table

Shire	Project	Cost
Nannup	Recreation Centre Upgrade: This project was highlighted within a feasibility study commissioned by Council last year to review services offered the community in the recreation / leisure area. The project has not been costed in detail. Council has been annually transferring funds into a reserve for this purpose for some three years.	Portion of \$2.4m
Nannup	Main Street Upgrade: This project has been highlighted by Council and Main Roads WA as being required to address serious drainage issues along Warren Rd, the main thoroughfare through town. The cost of this project has not been looked at in detail to date, and therefore the dollars involved are unknown. Council has likewise been transferring funds into a reserve for this purpose for a number of years.	Portion of \$2m
Manjimup	Regional Recycling Project. Manjimup Landfill installation of weighbridge for regional recycling	\$150,000
Manjimup	Manjimup Airfield Reseal (regional use by RFDS, DEC fire spotting and others).	\$150,000
Manjimup	Pemberton main street redevelopment (contribution towards total \$1.5m) considered to be of regional significance given the volume of tourist traffic which encompasses travel along the Vasse Highway.	\$200,000
Bridgetown	Construction of a new library. A site has been selected and there is a possibility of incorporating a Telecentre. This is a major library with a floor space of around 1000m ² and they therefore hope to be a regional facility – especially attracting usage from Boyup Brook residents.	\$500,000
Bridgetown	Reconstruction of road – Blackwood River Park. The Park is an important aspect of the main street and the Highway which caters for regional traffic. The road will connect with the Brockman Highway near the public art sculpture. The road also serves to access the popular river walk trails.	\$60,000
Boyup Brook	Library Improvements. A new building incorporating a Library with an Administration building is planned and will lead to an upgrade from 55m ² to 87m ² .	Portion of \$178,000
Boyup Brook	Town Drainage project. Involves storm water harvesting, treatment and conservation resulting in changing flows and quality of water into the Blackwood River with consequential regional outcomes. Should improve flow and reduce pollution.	Portion of \$219,000

Comments on the Table

In my opinion the above Summary of Projects Table demonstrates that we may not yet have suitable ready to go regional projects that are sufficiently significant for us to be able to market as providing major regional outcomes. A majority of the projects also have a delayed commencement timeframe extending into next year.

Manjimup have a few additional regional projects and have indicated that if only two are endorsed then they would prefer the Pemberton Main Street Redevelopment to be their priority project, in which case they would seek to upgrade the R for R contribution to \$350,000. Bridgetown-Greenbushes has another project that could also be tabled at short notice in the event that the Alliance agrees to select from a larger pool of projects.

The Nannup projects could not be bought forward without the R for R funding. The Recreation Centre Project has about \$177,000 budgeted for the Reserve Account along with \$60,000 in the Reserve Account for the Main Street Project.

Boyup Brook is also considering the possibility of extending their Airstrip although there has been no formal request yet. The Fire Advisory Committee (Boyup Brook) AGM resolved to ask Council to investigate extending the runway. FESA had fully funded the water re-filling equipment, and the adjoining farmer has given access to the nearby dam. After that facility was provided the water bomber aircraft were upgraded and the new ones can only take a 70% water load. The St John Ambulance volunteers have asked the Shire to investigate the circumstances where an RFDS pilot said he couldn't land at Boyup Brook and so a spinal injury case had to be taken by road to Manjimup.

Other Comments

Another potential issue will be our capacity to expend funds in the specified timeframe and I agree with comments from CEO's recommending that our monitoring of projects should incorporate a progress deadline of around March 2010. Projects that are substantially off track at that point should be taken out of the program and alternative projects brought forward.

There are a number of questions still under consideration by the Department of Regional Development such as; elaborating on the criteria beyond the Local Government Accounting Manual, building infrastructure on non-Local Government property and, most importantly, making provision for project management and administration costs to augment the capacity of the Alliance to implement projects.

Recommendations

Recommendation 1: That the Board agree to defer a decision on prioritising and selecting projects for Royalties for Regions funding for 2009/2010 until the Alliance Working Party has undertaken additional investigation and research.

Recommendation 2: That the Board accepts the view that, whilst projects approved for 2009/2010 may not be entirely satisfactory in terms of regional benefits, the Alliance focus on developing a few major, and clearly significantly regional projects for the outgoing years. Our aim will be to identify, outline, and prepare a cost benefit analysis of potential projects by the end of the Calendar year.

Tony Goode
Executive Officer - Warren Blackwood Strategic Alliance
1 June 2009

DRAFT MINUTES

WBSA BOARD MEETING 5:10 PM 2 JUNE 2009 – MANJIMUP

1. **Present:** Wade DeCampo (Chairman), Shane Collie, Alan Lamb, Tony Goode, Barbara Dunnet, Jeremy Hubble, Louise Kingston, Tim Clynch, Shirley Broadhurst, Brian O'Hare, Roger Downing, Deanna Guimelli (SWDC), Graeme Baesjou (SWDC), Robert Taylor (Guest - Councillor Nannup), Tony Pratico (Deputy Delegate - Councillor Bridgetown-Greenbushes)

2. **Apologies:** Margaret Bird, Brian Moore, Don Punch

3. **Minutes of Previous Meeting:**
 Motion: That the minutes of the meeting on 7th of April 2009 (held in Bridgetown) are accepted as a correct record.

Moved – Barbara Dunnet

Seconded – Louise Kingston

Carried

Report on Business Arising:

Matter: A motion was moved - That the EO prepares a letter to the Premier reiterating our concerns and asking the fundamental question regarding whether the state government genuinely supported a native timber industry. This was completed and has been responded to by the Premier and by the Minister. Further discussion will cover this matter at Agenda Item 9.

Matter: There was a brief discussion centred on consideration of guidelines in relation to the provision of letters of support by the Executive Officer and to that end it was resolved for the EO to frame suitable guidelines. Guidelines were drafted and sent out to members. Barbara Dunnet requested a change to paragraph 3.

Matter: In relation to the Alliance Budget, there was some discussion as to the best funding approach with a suggestion that we should perhaps seek funding on an equal contributions rather than a ratio contribution. The EO was asked to write a paper and review our position for the next meeting. A Discussion Paper was sent out to all members and will be considered as part of Budget deliberations at Agenda Item 8.

Matter: The EO raised the matter of the WBSA becoming an Associate Member of WALGA and this course of action was agreed to by the Board. An application to become a member has been completed and accepted by WALGA.

Matter: A further suggestion from the floor subsequently resulted in the EO being asked to request back up funding from each of the contributing shires on an equal share basis of the projected debt. This option was identified to cover the possibility of the South West Development Commission being unable to provide the shortfall funding. This was done but made redundant by support from SWDC.

Matter: Jeremy Hubble asked that a late letter briefly tabled at our meeting be considered at our next meeting in relation to resource sharing opportunities. This subject forms part of our discussion of Item 6 concerning the role of the Alliance moving forward.

4. Correspondence (as circulated):

Motion: That the Correspondence in was noted and the Correspondence out was approved.

Moved – Shirley Broadhurst Seconded – Louise Kingston Carried

5. Board Composition – Appointments//Resignations:

Motion: That the WBSA Board accepts the resignation of Deanna Guemelli from the position of SWDC Board Delegate and accept the nomination of Don Punch as the SWDC Board Delegate.

Moved – Barbara Dunnet Seconded – Shirley Broadhurst Carried

Motion: That the WBSA Board accept the nomination of Tony Pratico as Deputy Municipal Delegate from the shire of Bridgetown-Greenbushes.

Moved – Louise Kingston Seconded – Wade DeCampo Carried

6. Group discussion on the future role of the Alliance:

- Moving from a purely lobbying to an active role
- Adopting a Resource Sharing model

A comprehensive discussion involving all attendees took place. After the Chairman opened debate on this matter with a summary of our current situation he handed over to Jeremy Hubble for opening remarks. Jeremy noted that the Strategic Plan focussed strongly on lobbying and yet the EO had been asked to do a lot more - covering matters such as funding applications and managing projects. We are clearly evolving beyond the purely lobbying role and it was appropriate to see if the Board as a whole accepted that role. Another aspect of the actual role now being undertaken was illustrated by the Alliance involvement in the reform of Local Government processes such as preparation of a consultancy brief. Jeremy concluded by stating that if we accepted these changes then we needed to revise our Strategic Plan.

Tim Clynych made the point that if we are not prepared to change and fund a revised approach then we should be prepared to make hard decisions about what matters should be dropped off the table. He also noted the advantages that could be realised in regard to the Alliance administering resource sharing services such as NRM (Natural Resource Management) as compared to the current situation whereby one shire was expected to oversee a function on behalf of the region. Tim felt that it was important for the Alliance to get runs on the board to engender broader community support.

Tony Pratico placed emphasis on the potential for the Alliance to bring forward appropriate matters relating to economic development and noted that there are probably many funding opportunities that could be taken up. Barbara Dunnet said that, whilst it seemed that there was a lot happening, she expected the pieces would fall into place. For example, the August 31 deadline in regard to reporting to the government on local government reform would require councils to express opinions which would incorporate the role of the Alliance. Louise Kingston wanted to re-align the Strategic Plan in a way that leads to the creation of a living document. She cited the Value Added Food Precinct Project as a positive example of how the Alliance was repositioning itself. Shane Collie made the point that we should recognize the evolution of the changing views of both State and Federal Governments and their impact on regional bodies.

Brian O'Hare was mindful of creating an additional tier of government. Shirley Broadhurst said that the review of the Strategic Plan back in 2007 did have the effect of forcing us to evaluate our role and she therefore supported a fresh review. Shirley also mentioned that we should capitalise on our new status as a VROC. Roger Downing wanted to ensure that a review of our Strategic Plan flowed through to the appropriate revision of our Constitution and the EO's Job Description. He also wanted all of us to be cognisant of our roles in achieving better promotion of the Alliance and reiterated his view that, in relation to funding decisions, the Alliance was best placed in comparison to other bodies. Deanna confirmed her observation that we were moving towards incorporating service delivery in a hands-on fashion.

Completing the circle of discussion, Jeremy Hubble pointed out that members were now in a position to sell the Alliance on the basis of providing an obvious fiscal benefit. For example, Royalties for Regions is bringing in about \$5 million over the next couple of years and there were also other funding advantages that provide the region with a clearly defined dividend. This means that we no longer have to be sold exclusively on the grounds of somewhat rather nebulous gains derived just from our lobbying activities.

In summary, the Chairman thanked everyone for their participation in this important discussion and concluded that the Board now supported a changing role for the Alliance as a regional body that was moving from a purely advocacy role to one that encompassed a range of actions including that of service provision through the adoption of resource sharing.

Motion: That the EO arranges a workshop to review the Strategic Plan.

Moved – Barbara Dunnet

Seconded – Shirley Broadhurst

Carried

7. Report of Review of Hours of Executive Officer:

This matter was presented by the Chairman and discussed around the table, linking in with previous comments made in respect of Item 6 regarding the future role of the Alliance. In summary, the following points were agreed -:

- Employment Contract extended for 2 years
- The hours of employment increased to 30 hours per week
- The hourly rate be increased via CPI adjustment after 12 months
- The Position Title be changed to Chief Executive Officer

Motion: That the Board accept the Report “Review of Executive Officer Position” and the recommendations from the Report be adopted, with the inclusion of a change of Job Title to Chief Executive Officer.

Moved – Shane Collie

Seconded – Brian O’Hare

Carried

8. Determination of the Alliance Budget for 2009/2010:

The general views expressed were consistent with earlier discussions concerning the future role of the Alliance in terms of recognising the need for funding at an appropriate level commensurate with our enhanced role. Attention then shifted to consideration of the Discussion Paper on the Alliance approach to contributions funding. Whilst differing views were expressed, a general consensus was eventually reached endorsing the recommendation of the Paper that the Alliance Board adopt a ratios option in regard to a general funding approach (as distinct from an equal shares basis) for the Annual Budget.

One of the main factors influencing the revenue side of the Budget was the Royalties for Regions component set aside to cover project management and administration. The Board discussed this aspect and recognised the need to conduct a mid-term review in the event that provision for these funds does not eventuate. Further discussions with the Department for Regional Development on this matter are ongoing.

In regard to the detail of the Budget, Graeme Baeusjou (SWDC) advised that their Board took the position of regarding their pre payment as payment in full for 2009/2010. The Budget tabled showed a SWDC contribution of \$19,552 whereas if their contribution is pegged at their prepayment level (\$15,000) it would result in a contributions shortfall of \$4,552. The CEO advised that this approach was not consistent with earlier discussions with the SWDC and therefore the matter would be taken back to the SWDC. Regardless, the net effect would not be substantial and accordingly the Budget was presented as tabled.

Motion: That the Alliance formally adopts the Budget as tabled.

Moved – Barbara Dunnet

Seconded – Tony Pratico

Carried

9. Discussion/Status of Other Key Regional Identified/Possible Issues inc:

o Royalties for Regions

The CEO’s Progress Report/Briefing Paper was tabled with the Board adopting Recommendation 2 in respect of developing a few major and clearly significantly regional projects for the outgoing years. However, Recommendation 1 relating to projects submitted for the 2009/2010 year was not accepted and resulted in the following position.

The Board reviewed the projects as tabled and endorsed these projects; The Recreation Centre Upgrade (Nannup), Regional Recycling Project (Manjimup), Manjimup Airfield

Reseal (Manjimup), Pemberton Main St Redevelopment (Manjimup), New Library (Bridgetown-Greenbushes), Reconstruction of Road – Blackwood River Park (Bridgetown-Greenbushes) and Library Improvements (Boyup Brook). The CEO will prepare a modified table showing indicative funding based on the agreed allocation approach for dissemination amongst the Working Party before submitting for formal approval at the next Board meeting.

- **Recreation Trails Project (inc TQUAL Grant)**

The CEO reported that there had been a community sub-committee meeting since the last Board meeting and the project was in a holding pattern awaiting funding submission outcomes. He advised that the shire of Boyup Brook had rejected the request for seed funding for a project officer. It was also explained that we now had an opportunity to apply for funding through the Federal TQUAL grant scheme.

After some debate the Board articulated a general policy in respect to the adoption of projects that support from all municipal members was required for the Alliance to agree to undertake projects (one in all in, one out all out). Therefore, in respect of this particular project, the Alliance would in effect deactivate the project unless a positive funding outcome from at least one of the two funding submissions lodged was achieved. It also followed that an application for TQUAL funding would not be pursued.

- **Potential election of Honorary Member – Paul Omodei**

It was agreed to elect Mr Omodei as an Honorary Member and accordingly, the CEO was asked to write a letter extending an invitation to join the Alliance Board.

- **Timber Industry – Native and Plantation**

The CEO reiterated his advice concerning the engagement of the Minister in some sort of process bringing all parties together to formulate a plan to improve the viability of native timber businesses. Louise provided an update on the use of jarrah timber in China and a recently held meeting which was attended by representatives from Industry, FPC, Austrade and the South West Development Commission. It was a very productive meeting and outcomes were to develop some Marketing Material in the short term with the objective to invite a trade delegation to visit the South West region before the end of the year.

Additionally, Louise provided an update on the plantation industry following the recent demise of several MIS companies. Tony Pratico advised of a meeting to be held this week in Manjimup organised by the WA Farmers Federation.

- **Other Issues – No further issues were raised.**

10. Executive Officers Work Report:

Tony noted the work undertaken into researching grants and his involvement in the review of his position. Barbara commented on his work assisting the Chair's application for a position on the Board of the SWDC and asked for broader consideration of future assistance where other Board members were seeking appointments to additional Boards.

11. Finance Report:

The CEO acknowledged the support of the SWDC in prepaying a portion of their 2009/2010 membership fees to assist the Alliance with a projected current year deficit. This injection of funds means that the Alliance is now expected to reach the conclusion of the financial year essentially "square."

12. General Business: None.

13. There being no further business the Chair declared the meeting closed at 7.40 pm.

Next Meeting – Tuesday 4th August 2009 at Nannup at 5:00pm

AGENDA NUMBER: 10.4
SUBJECT: Request for Fee Waiver
LOCATION/ADDRESS:
NAME OF APPLICANT: Nannup Arts Council Inc.
FILE REFERENCE: ADM 30
AUTHOR: Shane Collie – Chief Executive Officer
DISCLOSURE OF INTEREST:
DATE OF REPORT: 9 June 2009

Attachments: 1. Council Policy HAB 2.
 2. Letters from Nannup Arts Council.

BACKGROUND:

The Nannup Arts Council have written to Council seeking a fee waiver for community based art activities to be held in late September 2009. The request relates to the cost of hiring the Town Hall for five days, the Nannup Amphitheatre for a single day and the Recreation Centre for a single day.

COMMENT:

Council Policy HAB 2 (clause 10) is applicable and reads as follows:

“Council will consider the refund or waiver of any hire fees and/or bond payable on a case by case basis with the Chief Executive Officer having delegated authority to refund or waive hire fees and/or bond payable if the amount is less than or equal to one days facility hire.”

As the requested fee waiver is for greater than a single hire event it is submitted to Council for consideration.

Given the community and non profit nature of the hire a fee waiver is supported. Council members may recall that some years ago Council introduced a sliding scale of fees for the hire of the Recreation Centre to accommodate the Arts Council when that facility was the main venue for the Art and Photography exhibition.

Additionally Council members would recall in budget deliberations Council reduced the donation amount for the Arts Council acquisitive prize from \$1,000 to \$500. The second letter attached from the Arts Council makes reference to this where it states that the Arts Council will retain the acquisitive prize at \$1,000 making up the balance from their own funding sources. This in some sense could be seen as a “donation” to Council as Council will still receive a piece of art with a value that may well be higher than perhaps it may have been given that the prize money is \$1,000 as opposed to \$500. The degree that this influences Council (if at all) in its decision on waiving hire fees is completely subjective.

STATUTORY ENVIRONMENT: Nil.

POLICY IMPLICATIONS: Council Policy HAB 2 is applicable.

FINANCIAL IMPLICATIONS:

If a fee waiver was invoked Council would not realise income of \$539.20.

STRATEGIC IMPLICATIONS: Nil.

RECOMMENDATION:

That Council waive hire fees for the Nannup Arts Council for community based art activities to be held in late September 2009 of the cost of hiring the Town Hall for five days, the Nannup Amphitheatre for a single day and the Recreation Centre for a single day totalling \$539.20.

VOTING REQUIREMENTS:



**SHANE COLLIE
CHIEF EXECUTIVE OFFICER**

Use/Hire of Community Facilities

HAB 2

1. Council encourages the self-management of community buildings and will endeavour to provide adequate support to community groups who are eager to maintain and develop community buildings and facilities.
2. The tenure of local controlling committees with their buildings and/or land shall be by way of lease agreement based on the Shire of Nannup Tenancy Agreement Standard Terms and Conditions, with each lease/agreement being endorsed by Council prior to the occupation of any premises. Council is to have regard to the individual circumstances of community groups when finalising any lease/agreement.
3. All facilities must be managed on a financially independent basis and fees, subscriptions, rentals, levies etc; must be sufficient to cover all operational outgoings which should include maintenance required as a result of normal wear and tear, as well as electricity, water and any other utilities.
4. Council reserves the right to provide annual operational grants to managing committees if such expenses are considered to be outside the resources of the organisation, is seen to be in the general interests of the community or is granted to assist an organisation in its establishment.
5. Council, upon receipt of Annual Financial Statements and Building Reports will consider budget allocations for expenses of a non-operational nature such as major repairs, additions or renovations in line with normal annual budget deliberations.
6. Council will undertake an inspection of all community buildings as part of its budget deliberations.
7. Council will not, at the expense of a community based not for profit group, enter into a lease/agreement with any organisation that is considered commercial in nature. If Council does enter into a lease/agreement with an organisation that is considered commercial in nature, commercial arrangements and conditions are to be put in place.

8. In relation to the short term hire of Community facilities, Council's adopted Schedule of Fees and Charges will apply.
9. Community based organisations may apply to Council for a refund of the cost of the hire and/or bond payable of Council facilities after the event or for a waiver of the applicable fees through the hire process.
10. Council will consider the refund or waiver of any hire fees and/or bond payable on a case by case basis with the Chief Executive Officer having delegated authority to refund or waive hire fees and/or bond payable if the amount is less than or equal to one days facility hire.
11. Council and the Chief Executive Officer in applying point 10 above will have regard to the perceived benefits to the community, and what is in the best interests of the community, when determining if any fee or charge should be refunded or waived.

Policy Adopted at a Council Meeting on 17 December 1992.

Policy Reviewed at a Council Meeting on 9 June 1994.

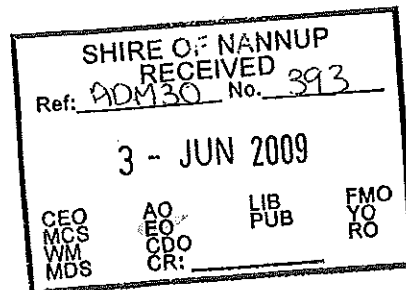
Policy Reviewed at a Council Meeting on 28 February 2002.

Policy Reviewed at a Council Meeting on 23 August 2007.

Policy Reviewed at a Council Meeting on 26 February 2009.

Nannup Arts Council Inc.

ABN: 81 604 855 274
 PO Box 318 Nannup WA 6275
 Email: artsnannup@westnet.com.au



Shane Collie
 Chief Executive Officer
 Shire of Nannup
 PO box 11
 Nannup WA 6275

Dear Sir

The Nannup Arts Council has booked the Town Hall from September 24 to September 28, 2009. Also The Foreshore Park September 27th and Rec Centre 27th September 2009.

We would ask that the fees for these venues be waived as we bring to the people of Nannup a renewed and exciting weekend of Art, orchestral concert, workshops, craft ladies display, and local stalls.

We also ask that you would allow the Arts Council to use your photocopying machine, with of course using our own paper, similar to the arrangement you have with the Music Club.

Looking forward to your reply.

Sincerely

Trish Cato
 Secretary

(Blw) P/copying @ \$0.10
 Town Hall 5 days @ \$45.00
 Foreshore Park 1 day @ 57.20
 Rec Centre. 1 day @ 257.00

225.00

57.20

257.00

\$539.20 *P/copy

Nannup Arts Council Inc.



ABN: 81 604 855 274

PO Box 318 Nannup WA 6275

Email: artsnannup@westnet.com.au

8 June 2009

Shire of Nannup
11 Adam Street
Nannup WA 6275

Dear Sirs

ACQUISITIVE PRIZE – BUDGET SHORTFALL 2009

We understand the Shire is unable to donate the full \$1000 for its Acquisitive Prize this year and has recommended an amount of \$500.

Since the Shire has supported the Art Exhibition successfully for so many years, and the Arts Council would not like to lose the support of the Shire, the committee will donate \$500 from its own funds to keep the prize going for this year.

It will still be marketed as the Shire Acquisitive Prize and the artwork will still fully belong to the Shire.

We trust this decision is acceptable.

Yours Sincerely

Chris Roycroft
Chairperson
Nannup Arts Council

Chris Roycroft
9756 1235

Trish Cato
9756 0775

Geoff Chaucer
9756 0127

AGENDA NUMBER: 10.5
SUBJECT: Local Government Structural Reform Funding
LOCATION/ADDRESS:
NAME OF APPLICANT: Warren Blackwood Strategic Alliance
FILE REFERENCE: ADM 31
AUTHOR: Shane Collie - Chief Executive Officer
DISCLOSURE OF INTEREST:
DATE OF REPORT: 12 June 2009

Attachment: Consultancy Brief, Warren Blackwood Strategic Alliance.

BACKGROUND:

As reported at Council's April 2009 meeting the Minister for Local Government has sought proposal from local governments by 31 August 2009 on voluntary amalgamations. Council have been requested to nominate their preferred regional grouping with an elected member range of between six to nine with an implementation timeframe of July 2011.

Council resolved in April 2009 to seek funding through the Department of Local Government of up to \$10,000 for the development of a structural reform proposal for submission to the Minister for Local Government by the August 2009 deadline. Funding can be used for workshops, staff consultation, community consultation and research/report preparation.

COMMENT:

Prior to submitting the funding application to the Department some informal discussions have been held with surrounding shires given that other shires are facing the same situation and would likely be undertaking the same action. This is the case and as reported via Information Report (May 2009) there is the opportunity to pool resources and in all likelihood receive a far more comprehensive report. Discussions would be required with neighbouring councils in any event hence it makes sense to not duplicate effort.

Informal discussions have been held with the shires of Manjimup (singularly), Donnybrook/Balingup (Singularly) Bridgetown/Greenbushes, Boyup Brook and Manjimup (jointly) and Busselton (singularly). On 15 July 2009 a meeting is scheduled jointly with Busselton, Capel and Augusta Margaret River.

The Warren Blackwood Strategic Alliance (WBSA) shires met in Capel (Peppermint Beach) on Friday 22 May 2009 where the possibility of a joint submission was discussed. This involved the shires of Manjimup, Nannup, Bridgetown/Greenbushes and Boyup Brook. Representatives from the four Warren/Blackwood shires also met with the Minister for Local Government in

Bunbury on 12 June 2009 on this issue, though there was little new information or direction.

It was stated at Council's March 2009 Information Report that if there is any variation proposed in terms of grant submission that would be different to this Council's current resolution it will need to come back to Council for further consideration. While it could be considered that the four shires utilising the same consultant and combining funds to total \$40,000 is not significantly different to the intent of Council's present resolution, to err on the side of caution and transparency a formal resolution would give a joint submission full legitimacy from this Council's perspective.

Note that the even by undertaking a joint submission, other shires are not excluded from structural reform options that may be developed. This is particularly important in Nannup's case as the grouping of the four Warren Blackwood shires is not necessarily the path which the community of Nannup may wish to go down. This point is recommended to be included in Council's resolution to ensure that the work undertaken is not restrictive to the possible disadvantage of Nannup.

A key component of the brief attached is a community consultation strategy which will give Council some direction from its elector base as to what an appropriate grouping of councils may be.

The Minister has also sought as part of the structural reform guidelines that each Council develop a committee to look at the possible options being considered for structural reform – refer the draft consultancy brief attached. It is not advised to do this at the present time with the whole of Council effectively being the body that would consider any structural reform options. Additionally it is clear that a comprehensive report will not be able to be completed by 31 August 2009 (an unrealistic deadline from the start) and that immediately following the Council elections on 17 October 2009 would be the appropriate time to consider if Council wishes to form a separate committee on this matter.

STATUTORY ENVIRONMENT: Local Government Act 1995.

POLICY IMPLICATIONS: Nil.

FINANCIAL IMPLICATIONS:

Estimate of income \$10,000 to be expended in the development of a structural reform proposal.

STRATEGIC IMPLICATIONS: Nil.

RECOMMENDATIONS:

1. That further to Council's April 2009 resolution to seek funding through the Department of Local Government of up to \$10,000 for the development of a structural reform proposal, that Council consent to a joint funding application by the WBSA on behalf of the four shires of Manjimup, Bridgetown/Greenbushes, Nannup and Boyup Brook totalling \$40,000.
2. That Council advise the WBSA that point 4 in the draft consultancy proposal, being the consideration of possible shire groupings outside of the four Warren Blackwood shires, is a condition of this Council's participation in a joint submission.

VOTING REQUIREMENTS:



**SHANE COLLIE
CHIEF EXECUTIVE OFFICER**

WARREN BLACKWOOD STRATEGIC ALLIANCE

Introduction

In February 2009, the Minister for Local Government announced strategies for local government to investigate structural reform of the sector in Western Australia. Subsequently, each local government within the Warren Blackwood region has undertaken preliminary work focussing on developing options for reform within their administrative and governance structures.

On the 22ND of May 2009 at a regional meeting of all Warren Blackwood Shire Council representatives, it was resolved to prepare a joint submission for funding assistance under the auspices of the Warren Blackwood Strategic Alliance (WBSA). The Alliance has been authorised to act on behalf of all municipal members of the Alliance, as confirmed by the attached. Accordingly, this Consultancy Brief - Scope of Works has been prepared in conjunction with an application for funds to assist our regional local governments to further examine their reform options.

The Alliance

The Warren Blackwood Strategic Alliance is an advocacy body that exists primarily to identify and progress regional matters by working with the community and all tiers of government. Geographically, the Alliance consists of the four shires of Bridgetown-Greenbushes, Nannup, Boyup Brook and Manjimup and is an incorporated body with a constitution and Board membership drawn mainly from each of the shire councils, augmented by membership from the South West Development Commission.

The Structural Reform Steering Committee guidelines have been released and a copy of the guidelines are attached, attachment 1. The Alliance is to comply with the Steering Committee guidelines with deadlines as outlined in the attached schedule, attachment 2. There are five (5) stages to the process through to August when the submission is due to be adopted by the four local governments and forwarded to the Minister. Note: given the very short timeframe available to undertake this work, it is anticipated that the tasks listed below after part "(g)" will occur after 31 August 2009. This is particularly important with respect to community consultation in the 4 local government areas whereby it is our intent to provide well developed and detailed options for consideration by the community.

Consultancy Tasks

In an overview sense, this brief contains four main phases; data gathering, concept/analysis, community consultation and decision making. The final report produced by the consultant will also in effect, represent the first main stage of a process that is analogous to that of undertaking due diligence on behalf of each shire. In terms of detail the consultant's task is to facilitate and coordinate the following in liaison with the Alliance Chief Executive Officer and the Project Team:

- a) Review the report undertaken in 2001 "Structural Reform in the Warren Blackwood Sub-Region."

- b) Meet as required with the four participating shires or any other appropriate stakeholders.
- c) Review each shire's current position and assist them in the process of determining their preferred position moving forward. It should be noted that work on Item H (relating to key financial information) of this Brief is expected to be undertaken concurrently and would therefore be available to assist each shire in developing their position. The formative shire views will subsequently be incorporated within the Interim Report prepared for the Minister.
- d) Evaluate and review relevant local government documentation.
- e) Develop a draft or interim Warren Blackwood Local Government Reform Report for the Minister prior to 31 August 2009 outlining shire options including;
 - 1. For each of the four shires to remain as they are.
 - 2. The four shires to amalgamate into a single "Warren Blackwood Council."
 - 3. A combination of smaller amalgamation proposals.
 - 4. Other options including amalgamations with shires or parts of shires outside of the Warren Blackwood region.
 - 5. The consultant to examine where areas of regional compatibility are identified within the South West, initially with a view of existing arrangements established under the Warren-Blackwood Strategic Alliance, and opportunities for this to be expanded.
- f) Prepare a community consultation strategy which includes public meetings to be held in all towns within the region.
- g) Assist the project team to assess the reduction of elected member numbers. That is, analyse each option developed by incorporating a review of the representative makeup of the councils. In the case of a full amalgamation option this entails indicating possible ward boundaries detailing the likely number of Councillors for each ward and therefore the likely representation ratio.
- h) Prepare a realistic timetable to progress implementation.

The above tasks represent the main initial requirements of this Brief. The shires that are involved in reviewing local government reform have a genuine desire to produce well developed options. Furthermore they feel that it is of critical importance to properly present the various options to the community and to achieve this outcome the Brief has been intentionally expanded. Accordingly, a more in depth, comprehensive analysis of the key recommendations identified from the consultants initial assessment is required. This demonstrates the regional Shires' long term commitment to ensuring appropriate reform options are addressed and undertaken for the benefit of the community.

The following tasks, pending completion of the above tasks, represent the consultancy requirements post 31 August 2009:

- A. Hold briefing sessions to update the Warren Blackwood councils on objectives achieved, objectives remaining, and set goals for the next stage.
- B. Develop the four local government's position and collect data relevant to the end submission.
- C. Facilitate elected member and staff workshops and collate information.
- D. Assist the councils to develop a SWOT analysis of the current structure and alternate SWOT of potential partners.
- E. Provide update reports to the project team on the outcome of workshops and public meetings.
- F. Assist the project team in preparing for discussions with potential partners and attend partner meetings as required by the Chief Executive Officer, a minimum of 4 days (one each) will be required with each shire.
- G. Collate town planning and strategic planning data that is relevant to the current and future sustainability of the Shire. This should also include a comparison of major differences (and perhaps the currency of) for the four town planning schemes and the implications in the event of amalgamation options.
- H. Collate and update relevant financial data in respect of preferred structural reform options that result from preferred groupings or combinations of current local governments. In particular, the data examined should include the following -:
 - Comparison of the difference in employment conditions across the four Shires (for instance, if an Enterprise Agreement exists, its currency, its expiry, its conditions, salary levels).
 - Comparison of rating methods across the four Shires and the likely effect on property rates if an average is adopted for GRV and UV.
 - Comparison across each Shire of debt levels, future debt obligations and ratio of debt repayments to rate revenue.
 - Comparison across each Shire for levels of Reserve funding and also what percentage is not committed towards a specific function.
 - Comparison of any restricted assets.
 - Comparison of accrued employee entitlements (current and non-current) and the extent to which cash reserves are held to meet those entitlements. Consideration should also be given to termination payments of staff not retained (e.g. CEO's).
 - Details of any contingent liabilities.
 - Comparison of any charges levied (ie waste, fire, health) and the implications if applied across all.
 - Comparison across each Shire of the condition (and rate of deterioration) of:
 - Sealed Roads
 - Unsealed Roads

- Drains
 - Footpaths
 - Car parks
 - Buildings
 - Bridges
- Details of any pending or possible legal matter that may create a future obligation. Specifically any matter advised to the local governments insurers.
 - Comparison of the current level of grant revenue / subsidies per head of population.
 - Making a general comparison of fees and charges across the board as well as sport, recreation, leisure and tourism facility management practices
- I. Examine relevant Occupational Health and Safety information to provide a general indicator of the organisational culture. LGIS (Local Government Insurance Service) data would provide a historical picture.
- J. Facilitate public meetings and record the public's view on structural reform and any recommendations presented.
- K. Examination of IT systems particularly in relation to the recording and application of rating, records, applications, registers and accounting. Capital or conversion costs need to be identified.
- L. Provide completed Consultancy Report for endorsement by shires with a view to being ready for submission to the Minister.

General Background

Regardless of a local governments view (that they are sustainable) within the supporting documentation to the guidelines, "*Frequently Asked Questions*", page 4, it is suggested that local governments consider amalgamation partners if they feel this would deliver better outcomes and services to their communities.

If boundary changes are preferred to full amalgamation then this option is also open to Council to consider. Stage 1; section 1.2 recommends local governments consider the largest combination of Councils in the first instance.

A decision on Amalgamation or boundary adjustments was due at Stage 3, May/June 2009 in accordance with the Local Government Structural Reform Guidelines. This timeframe is unrealistic and is unable to be met. A task of the project team is to have dialogue with the preferred partners with the objective that an amalgamation may occur.

An internal SWOT analysis of the individual shires is to be done and a SWOT analysis with potential partners. The analysis is needed to make informed decisions on potential partners and the communities involved will require that information to consider.

A reduction to an elected member number between 6 and 9 is required by the Minister and local governments individually and collectively will need to consider this. The project team will be required to investigate the matter by comparing different

sized local governments and making a comment to the four local governments about the matter. Any decision on Councillor numbers for a newly created local government is a decision based on submissions to the Local Government Advisory Board.

Further reduction in numbers can only be effective from the October 2011 elections as the statutory requirements do not allow time to reduce numbers by October 2009 unless the Minister intervenes and develops legislation to enable an earlier change.

Summary of Consultancy Deliverables/Milestones

- Analysis Report for each of the potential options
- Indication of the level of community support for each option
- Anticipated cost benefits for the ratepayers in each shire
- Estimate of the total upfront costs
- Outline of recommended decision making processes
- Realistic timetable to progress implementation (included in Interim Report)
- Interim Report for the Minister (by August 31 2009)
- Final Warren Blackwood LG Reform Report

Project Team

The project team for this consultancy is as follows:

- CEO – Shire of Nannup – Shane Collie
- CEO – Shire of Boyup Brook – Alan Lamb
- CEO – Shire of Manjimup – Jeremy Hubble
- CEO - Shire of Bridgetown-Greenbushes – Tim Clynch
- WBSA CEO – Tony Goode

Consultant Information

The consultant or team of consultants would be expected to have appropriate tertiary qualifications. In addition, they would require:

- An understanding of the roles and responsibilities of local government
- Understanding of local government financial systems
- Strong research base
- Experience in dealing with local governments
- Experience in assessing community attitudes

Consultant(s) are required to provide details of qualifications and experience and their role and time commitment to the project. Details of the proposed methodology should also be provided. The consultants nominated in the submission will be assumed to be those undertaking the work.

The project needs to be undertaken as soon as possible and submission of an interim report is expected by 31 August 2009 unless approval is given by the Minister for Local Government to extend this deadline. The completion timeframe for a final

report will be determined by consultation between the consultant and the Project Team.

The Consultant(s) is to provide a lump sum fee to cover all aspects of the work. Any recommended additions or modifications to the brief are to be costed individually. The Project Team also requires details of hourly rates in the event of any requirements outside the scope of the brief.

Submissions are to be received by 4:00pm Friday 26th June 2009 and should be addressed as per Contact Details below.

Contact Details

The contact for the consultant is the WBSA Chief Executive Officer, Mr Tony Goode:

Telephone: 08 9776 0697

Mobile: 0429083873

Email: goody3@westnet.com.au

Address: P.O Box 389
Pemberton WA 6260

17 June 2009

AGENDA NUMBER: 10.6
SUBJECT: Shared Environmental Officer
LOCATION/ADDRESS:
NAME OF APPLICANT: Warren Blackwood Shires
FILE REFERENCE: ADM 27
AUTHOR: Shane Collie – Chief Executive Officer
DISCLOSURE OF INTEREST:
DATE OF REPORT: 12 June 2009

Attachments: 1. Natural Environment Strategy – Action Targets.
 2. Draft Weed Strategy – Action Targets.
 3. Blackwood Basin Group Media Release.

BACKGROUND:

Council has participated in a Regional Environmental Officer Scheme with the shires of Manjimup and Bridgetown/Greenbushes for the past two years. The program was initially set up with seed funding from the South West Development Commission (SWDC) and a grant extension was obtained to continue funding into 2008/09 through the SWDC albeit it at a reduced level. Entering 2009/10 there is no further SWDC funding available.

In 2007/08 and into 2008/09 the person employed in the position of Environmental Officer, Mr Dion Steven, worked a day per week out of the Nannup Shire Office with the remainder of the time being split between the other two participating shires. The annual contribution required in the initial stages of the program when the funding from the SWDC was active was around \$5,000 per annum.

In reviewing the program the participating shires were encouraged to enter into discussions with the other Warren Blackwood Shire being Boyup Brook to determine if they wished to participate in the program. The Shire of Boyup Brook indicated a few months ago that they would like to participate in the program and have since accessed the services of the Environmental Officer a day per fortnight. What occurred at this stage was it was recognised that the program costs were increasing and that Council was lukewarm in its collective response to some of activities that the position was involved in.

Hence at the administrative level consent was given to reduce the officer time (and resulting cost) to a day per fortnight with Boyup Brook picking up that time. This has been in place for the past few months.

Leading into the 2009/10 financial year Council will now need to determine from a budgetary and benefit sense if it is prepared to continue as a participant in the program and if so to what extent.

COMMENT:

There are four components of the Environmental Officer program that will determine Council's position on the matter:

1. Past performance and achievements.
2. Future duties and position goals.
3. Cost.
4. The desire to allocate resources in this area.

Past performance and achievements:

- A Natural Environment Strategy has been completed (which was not adopted by Council).
- Draft Weed Strategy has been completed.
- Representation on various working groups such as Department of Fisheries Climate Change in the South West Inland and Estuarine Fisheries.
- Review of various State Government documents such as Natural Resource Management Delivery (DAFWA), the review of Environmental Protection (South West Agricultural Zone Wetlands) Policy 1998 from DEC, Draft Whicher Area Surface Water Management Plan (DoW).
- Provision of technical advice on issues such as acid sulphate soils.
- Assist in the visual assessment of perceived dangerous trees (urban and rural).
- Advise on biodiversity issues that may impact the Shire.
- Provide the lead role in the Nannup Feral Pig Action Group.
- Advise on any potential Environmental impacts on new developments.

Future duties and position goals:

Per attachments 1 and 2 targets are contained in these plans. Additionally the position would be involved in the following matters:

- Determine what role Council has in respect of carbon trading and emissions/pollution reduction schemes.
- Water reform including the State imposed requirement for councils to develop water conservation plans.
- Determining how Council can access Natural Resource Management (NRM) funding as well as any other landcare programs.

Cost:

The cost to Council in 2009/10 for the continued employment of the Environmental Officer is \$8,970 for a day per fortnight. This amount is presently contained in the draft 2009/10 budget. Previously with the SWDC funding Council had received the services of the officer for a day per week while contributing \$5,000 per annum.

The desire to allocate resources in this area:

This is the subjective area that Council will need to determine. The position is non statutory in nature however does assist in some of the statutory issues that Council deals with. The indication from Council previously is that it has not been actively supportive of the position and when it comes time to fund the position from solely its own resources the hard decision on support or not needs to be made.

Some of the other factors at play include the following:

- Office space. This is very tight and expected to become even more so.
- Political. It is not seen as either cooperative or regionally helpful for one member of a shared team to pull out of a joint scheme.
- Work of the position. The work of the position will either not be done, or if able absorbed into someone else's workload. For example Council would cease to have any involvement with the Nannup Feral Pig Action Group, weed strategy or NRM funding.
- The real benefit of a day per fortnight, regardless of the position or person. It is very difficult to become involved in much at all when the time allocation is so small.
- The priority for Council at this point in time, and likely well into the future, is Town Planning Services. Resources devoted to other non core areas are effectively reducing Council's ability to undertake its statutory and non statutory role in Town Planning.
- Officer performance is virtually impossible to measure given the shared role and technical nature of the position. This is no reflection on the present incumbent whatsoever. All positions require some degree of management and there is little scope to achieve this which has been recognised by all participating shires.

Circulated separately with today's agenda papers is some of the recent work undertaken by the Environmental Officer being an updated weed strategy, draft officer report and a proposed pest plants local law. The draft officer report has not been included as an agenda item for today's meeting as there is no point if Council is not going to continue with this position. The report recommends the adopting of the weed strategy and a pest plants local law. Having looked

through the documents they appear fine from an academic sense however practical implementation is another issue. Again there would appear to be no point in adopting these reports if they are unable to be reasonably enforced, or Council has no desire to enforce them.

Quite simply without adequate resources allocated in this area, and when the area of Town Planning is a fundamental statutory and high risk area that is under resourced, Council is advised to concentrate on its core business areas and not introduce any new policies, laws or become involved in activities that it cannot support.

STATUTORY ENVIRONMENT: Nil.

POLICY IMPLICATIONS: Nil.

FINANCIAL IMPLICATIONS:

\$8,970 in expenditure would be removed from the 2009/10 financial year budget if the recommendation to this item is adopted.

STRATEGIC IMPLICATIONS: Forward Plan Action item 13.1 (D) states:

"Assess the viability of the ongoing employment of an Environmental Officer."

With the reason being to determine if it is worthwhile continuing with the position, and that the assessment be undertaken and a report be prepared for Council 2008/09. This is that report.

RECOMMENDATION:

That Council discontinue with the position of Environmental Officer removing from the 2009/10 budget per agenda item 10.10 the 2009/10 allocated amount of \$8,970 advising the shires of Manjimup, Bridgetown/Greenbushes and Boyup Brook accordingly.

VOTING REQUIREMENTS:



**SHANE COLLIE
CHIEF EXECUTIVE OFFICER**

Action Targets

This Strategy will set targets to give effect to the Shire's intention to:

- promote sustainable development;
- promote NRM; and
- reduce the impact of resource consumption on the environment and community.

Targets can be “aspirational targets” (long term, usually fifty plus years), “resource condition targets” (that are completed in ten to twenty years), or “management action targets” (that have a one to five year time frame). Targets set need to be specific, measurable, achievable, relevant, and time bound (SMART). These should not be static blueprints, but rather a continually evolving consensus of community views and aspirations. They should be refined as new data, concepts and opportunities arise. There must be an appropriate balance between certainty and flexibility.

Commitment	Timeframe	Indicators of success	Source of funds	Responsible parties
Review all reticulation and watering routines for Shire ovals, parks and gardens and evaluate alternative water sources and water management practices.	2009/10.	Lower rate of water usage per square metre.	Parks & Gardens budget.	Works Manager (WM).
Review all energy use and implement management practices to minimise energy use including development of a 10 year program to install energy efficient lighting and high-rating insulation in public buildings.	2009/10.	Lower costs for energy consumption.		Management Development Services (MDS).
Ensure that new buildings and refurbishments include energy efficient design and materials in accordance with the Building Code of Australia.	Ongoing.			MDS.
Ensure that land use and development protects and enhances the natural environment.	2007/08.	Adoption of this Natural Environment Strategy document.		Regional Environmental Officer (REO).
Plan and manage urban growth, land use and provision of infrastructure to minimise adverse environmental effects.	Ongoing.	Local Planning Policy - Managing the Natural Environment.		MDS.
Support and partner local Land Care Committees.	Ongoing.	NFPAG, BBG, LCDC.		REO.
Develop and implement a Climate Change Impacts and Risk Management Strategy inline with National and State strategies.	2010/11	Climate Change Strategy.		REO.
Investigate and consider	2011/12.	Report to Council, note		REO.

alternative renewable energy sources to power Shire buildings and facilities.		budget consideration aspect.		
Undertake a biodiversity audit of Council controlled land	2010/11.	Reserves Assessment Report.	SWBP matched by funding in kind.	REO.
Identify high valued ecosystems, and prepare strategies to conserve and enhance these high valued ecosystems and habitats to maintain biodiversity.	2011/12.	Quantified targets for protection and retention of native vegetation for consideration during development processes.	SWBP matched by funding in kind.	REO.
Increase community awareness and participation in protection of the environment.	Ongoing.	To be determined.		REO.
Enhance and protect our natural environment and where practicable promote the use of local native vegetation.	Ongoing.	Inclusion of local species lists within developments and in the use of local species in remedial or mitigation requirements.		REO.
Review the policy on Rural Road Verge Vegetation Management and Clearing including for fence line clearing.	2008/09.	Roadside Conservation Policy.		REO.
Develop policies for revegetation following infrastructure works.	2008/09.	Revegetation Policy.		REO.
Develop policies for weed management and eradication.	2009/10.	Weed Management Policy.		REO.

Action Targets

The targets set by this Strategy demonstrate the Shire's intention to:

- promote appropriate "best practice" for integrated weed management on all Shire land within the Shire;
- encourage the inclusion of integrated weed management in the sustainable management of natural resources; and
- develop a risk assessment methodology for determining weed management priorities.

The following sets out actions to achieve the aims and objectives of this Strategy: detailing timeframes; indicators of success; sources of funding (where known); and responsible parties. Targets set are specific, measurable, achievable, relevant, and time bound (SMART). Targets are not static goals, but rather a continually evolving consensus of community views and aspirations. They will be refined as new data, concepts and opportunities arise (adaptive management).

Commitment	Timeframe	Indicators of success	Source of funds	Responsible parties
Review weed lists and Reports on local reserves to assess the weed species that pose an environmental or agricultural threat to the Region.	2010/14	Production of a list of known weeds which is prioritised according to invasiveness and ability to eradicate or control these weeds on Shire managed lands.		Regional Environmental Officer (REO).
Use GPS and Arcview to create up-to-date maps of priority weeds on Shire managed lands.	2012/15	GPS data base of weed occurrence, infestation size, density and associated location maps		REO.
Review current programmes and develop strategies for those undertaking weed management tasks on Shire managed lands.	2012/15	Detailed maps and procedures for staff and contractors. The procedural details may be covered by developing a code of conduct.		REO.
Increase public awareness of the importance of the threats posed by weeds.	Ongoing.	Publicity through articles, pamphlets and information disseminated through mail-outs, news articles and educative materials in nurseries/library/shows. This will also occur through talking to landowners adjacent to public lands in the effort of garnering support/assistance in weed control/eradication.		All staff.
Encourage and support community participation in weed management and control coupled with bush regeneration.	Ongoing.	Actively supporting landcare and friends groups in weed control and rehabilitation works on public land.		REO.
Encourage all land owners/managers to act as "good neighbours" in relation to weeds.	Ongoing.	That landowners will, with appropriate care and permissions, remove weeds that have escaped into public land from their property or remove weeds from public lands that may threaten their land.		REO, All staff.
Encourage appropriate attention to road verges, waterways and other avenues of spread.	Ongoing.	By adopting a code of conduct for works crews on public land and through continual education on weeds of concern and their modes of spread.		REO.
Review the action targets	Annually	Gauge the progress and adapt the targets if new information is available.		REO



Blackwood Basin Group

MEDIA RELEASE

Media Contact: Greg Hales 0429839008

PO Box 231
Boyup Brook WA 6244
(08)9765-1555

BLACKWOOD BASIN GROUP OUT ON A LANDCARE LIMB FOR COMMUNITY

Community landcare is under threat from a proposal being considered by the South West Catchments Council's to manage and deliver all future landcare projects from Bunbury.

Through the Australian Governments 'Caring for our Country' program, the South West Catchments Council (SWCC) and the eight sub-regional landcare bodies it represents, have spent the last four months developing a comprehensive funding proposal worth \$10.4 million for on-ground landcare works across the South West.

In a complete turn-around, the SWCC Management and Staff have proposed a new delivery model that would see them as the sole project proponent and deliverer of the projects from Bunbury, thus leaving the sub-regions that it is supposed to support without funding or hope of a future within our communities.

The proposed option will see SWCC sign a single funding contract with the Australian Government for the Caring for our Country Regional funding, and will manage all projects and employ all staff for the region.

The South West of WA has a proud history of grass-roots community landcare that has achieved substantial improvements in water quality, salinity management, biodiversity and community capacity. This has been facilitated and supported by the local landcare organisations and officers who have worked with the community to ensure funding reaches the ground.

At a special SWCC Association meeting, scheduled for Wednesday 13th May at the DAFWA offices in Bunbury, a vote will be taken on whether or not to adopt the proposal. Blackwood Basin Group (BBG) representatives attending the meeting will totally and unequivocally reject the proposal, and will only recognise the previous model adopted by the SWCC Association that supports sub-regional landcare bodies.

"By voting against the proposal, the Blackwood Basin Group is making a strong stand for the community and its right to local, on-ground landcare," said BBG Program Manager Greg Hales. "The implications of this proposal extend into the social and economic heart of our communities, and will have a significant impact on local offices, their staff and expertise."

Further implications include the potential loss of nationally acclaimed programs such as the BestFarms Environmental Management System run by the BBG over the last six years, which has assisted more than 250 landholders to continually improve environmental resources on their properties.

"To secure just a few jobs in Bunbury, the new proposal being considered will have a significant impact to local landcare offices, their staff and groups that are integral in supporting on-going community landcare." Mr Hales stated. "It is something that the community cannot allow them to do if we want to ensure our farmers and natural resources are here for future generations."

END

AGENDA NUMBER: 10.7
SUBJECT: Mowen Road Funding Shortfall
LOCATION/ADDRESS:
NAME OF APPLICANT:
FILE REFERENCE: R047
AUTHOR: Shane Collie – Chief Executive Officer
DISCLOSURE OF INTEREST:
DATE OF REPORT: 15 June 2009

Attachments: 1. WML Report – Review of Cost to Complete.
 2. WML Report – Progress and Review June 2009.
 3. Register of State Government Lobbyists.

BACKGROUND:

Council members are aware of the estimated shortfall in overall funding to complete Mowen Road. Attachment 1 sees an estimate from WML Consultants of \$16.32 million based on today's dollars as being required to be sourced over and above the present allocation to complete the job.

Clearly this is a significant amount of money and represents a major challenge to Council in being able to source those funds to complete such an important road link. WML have also provided a second report (Attachment 2) analysing the various components of the job undertaken thus far. Both reports are valuable tools in the progression of the job.

COMMENT:

The purpose of this report is to look at methods available to attract the shortfall in funding to enable the job to be completed.

Council has already had discussions with Main Roads and raised the matter with its political representatives. There are pluses and minuses when looking at this matter from the broad perspective. The major minus is that Federal and State Governments are significantly impacted by the global downturn and budget surpluses are likely to be things of the past in the coming years. The major plus is that Federal and State Governments are looking at stimulating the economy and investing in major infrastructure projects like this which support jobs.

Given the wider situation with the economy, the magnitude of the funding required, and Council's limited resources to do much more lobbying than it has already done, it is recommended that external assistance be sought to lobby both the State and Federal Governments to allocate the funding required to complete the job.

STATUTORY ENVIRONMENT:

The funding for this job will be subject to a formal agreement between Council and Main Roads WA. That agreement is presently being drafted by Main Roads WA following the recent local government boundary change which now sees the remaining length of road to be constructed located wholly in the Shire of Nannup.

The funding will still be the subject of State (and possibly Federal) budget deliberations.

POLICY IMPLICATIONS: Council's Purchasing Policy ADM 4 is applicable.

FINANCIAL IMPLICATIONS:

Per the WML Report – Review of Cost to Complete there is an unallocated funding amount in the 2009/10 year allocation of \$60,000. It would be intended to utilise these funds as a maximum upper limit in seeking lobbying assistance to try and attract some or all of the funds required to complete the job.

This funding amount is part of the project allocation and is not sourced from Council monies. The expenditure would be considered part of the project management/administration for the job, which is exactly what it is. The point being that even a portion of the estimated shortfall of \$16.32 million can be attracted by spending up to the unallocated amount of \$60,000 a good result would be achieved.

STRATEGIC IMPLICATIONS:

Council's Forward Plan Action item 12.1 (D) provides Council's commitment to the Mowen Road project.

RECOMMENDATION:

That Council employ the services of a lobbyist/consultant as part of the project management/administration costs of Mowen Road up to the maximum amount of \$60,000 in 2009/10 in order to attract the estimated funding shortfall for the Mowen Road project.

VOTING REQUIREMENTS:

SHANE COLLIE
CHIEF EXECUTIVE OFFICER



WML Consultants Pty Ltd
First Floor, 62 Wittenoom Street Bunbury, WA 6230
PO Box 2023, Bunbury Western Australia 6231
Telephone: (08) 9722 3544 Fax: (08) 9722 3599
Email: wml@wml.com.au Web: www.wml.com.au
ABN 36 092 471 631

Your ref:

Our ref: 3432

22nd April 2009

Chief Executive Officer
Shire of Nannup
PO Box 11
NANNUP WA 6275

Attention: Shane Collie

Dear Shane

**MOWEN ROAD PROJECT
REVIEW OF COST TO COMPLETE**

The current funds to construct Mowen Road between Sues Road and Vasse Highway are \$15.497M, consisting of \$10.725M from the State Government and \$4.772M from the Australian Government. As requested we have reviewed the adequacy of the current funding in light of the works completed to date.

The expenditure to date totals approximately \$7.64M. For this expenditure the following has been achieved:

- Construction of 6.7km of road;
- Clearing of 30km of road alignment;
- Final design for 12km, draft final design for 10km and preliminary design for 10km; and
- Crushing and stockpiling of sufficient base course gravel for a total of 22km of road construction

The work to complete the project consists of:

- Clearing of 2km of road alignment;
 - Construction of the intersection with Vasse Highway and the section of Mowen Road to Barrabup Road;
 - Construction of approximately 27km of road (Mowen and side roads);
 - Crushing and stockpiling of base course gravel for 10km and sub-base gravel for 27km;
 - Completion of road design; and
 - Securing water for construction (possibly through the construction of bores and dams)
-

The estimated cost to complete the project has been based largely on the costs incurred to date. From these costs the following broad rates have been developed:

- Road construction = \$710K/km (including supervision, but excluding the production of pavement materials and clearing);
- Production of pavement materials = \$100K/km; and
- Clearing = \$32K/km

From these rates the following table was developed:

ITEM	QUANTITY	RATE (\$K)	TOTAL
Intersection (Vasse Hwy)	Item		500
Road construction	27km	710	19170
Clearing	2km	32	64
Sub-base	27km	55	1485
Base	10km	45	450
Water	Item		250
Project Management	Item		250
Road maintenance	Item		150
Design	Item		60
Environmental	Item		40
Contingency	Item		1500
TOTAL			23919

In preparing the above the following assumptions were made:

- The method of construction would continue to be by Direct Management;
- The costs tabled are current; no allowance for escalation and inflation has been included; and
- Construction would be over 2 years; if longer then road maintenance and management costs would increase

The estimated total project cost is:

\$7.64M (costs to date)
\$0.26M (estimated costs for next financial year)
\$23.92M (cost to complete road works)
\$31.82M

Therefore, the additional funds are:

\$31.82M
(\$15.5M) [current funding]
\$16.32M



WML Consultants Pty Ltd
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It has been advised the next substantial funding will be in 2010/2011 and will be approximately \$6M. However, it would be good to continue with construction next financial year so the skilled construction team that has been developed to date can be utilised, project momentum is maintained and community expectations are realised. If substantial additional funds cannot be obtained then some additional funds for pre-construction activities such as production of pavement material and the development of water sources would ensure the construction in 2010/2011 can commence as early as possible in the season.

Yours faithfully

Paul Foley
Project Manager

WML Consultants

**Mowen Road Project
Financial Report 16
Period Ending 31st March 2009**

1. Overview

The expenditure to date has been related to project management, design, the development of pit management and roadside management plans, preparation of contract documents, tender assessment, surveying, consultants employed for flora/vegetation studies and dieback surveys, payments to the crushing contractor, contract management, clearing works and road construction.

The first section of road construction from Barrabup Road to St Johns Brook has now been completed. The majority of the road construction expenditure has been collated, so a reasonable estimate of final project costs can be made. The majority of the expenditure during the last six months has been on road construction. There was an over expenditure on construction activities related to rock excavation and wet weather during the project, but these were somewhat offset with a budgeted contingency, a provision for fuel rise and fall that was not be expended, and savings on pavement construction.

2. Expenditure

The estimated total project expenditure to 31st March is \$7.64M.

The pre-construction activities and project management costs, and the road construction costs are reported in the following tables.

Pre-construction and Project Management

These costs have increased marginally since last month with additional road maintenance and project management costs in March.

DESCRIPTION	ORGANISATION	AMOUNT	BUDGET
Project Management	WML	\$120,900	
Contract documentation, tendering and management, and preliminaries to works	WML	\$24,300	
Design	WML	\$77,600	\$95,812.50
Project Management and management overheads	Shire of Nannup	\$19,000	
Project signage, gates for the pits and maintenance, hire of backhoe, traffic management signs	Shire of Nannup	\$26,000	
Maintenance grading	Shire of Nannup	\$52,000	
Traffic control, carting cleared material and clearing.	Shire of Nannup	\$176,140	
Development of pit plans, meetings with DEC, management of field work, setting out of pits, contract management and geotechnical investigation and testing.	Civi Test	\$139,320	
Supervision and traffic control for clearing works	Civi Test	\$42,000	

DESCRIPTION	ORGANISATION	AMOUNT	BUDGET
Flora/vegetation studies	Ekologica	\$20,800	\$20,800
Dieback mapping	Glevan	\$21,000	\$21,000
Survey	BCE	\$74,071	\$74,071
Advice on water	Slade Ag Tech	\$4,180	
Survey	Nannup Surveys	\$15,300	
Crushing of gravel	B&J Catalano	\$1,116,513	\$1,116,513
Clearing of alignment	Worthy Contracting/Carlotta Ag Services	\$313,970	
Clearing of alignment	Leeuwin Civil	\$596,710	
Aboriginal monitors	Brad Goode and Associates	\$2,339	\$2,339
Road maintenance	Leeuwin Civil	\$46,240	
TOTAL		\$2,888,383	

Road Construction

The costs to date have been summarised in the following table.

DESCRIPTION	EXPENDITURE	BUDGET	PERCENTAGE COMPLETED	± BUDGET
Topsoil	\$103,105	\$109,000	100	(\$5,895)
Embankment foundation	\$15,147	\$45,000	100	(\$29,853)
Earthworks	\$874,915	\$618,000	100	\$256,915
Sub-base	\$483,931	\$737,000	100	(\$253,069)
Base	\$489,848	\$743,000	100	(\$253,152)
Sealing (plant only) [Note 1]	\$64,371	\$25,000	100	\$39,371
Culverts	\$157,382	\$83,000	100	\$74,382
Drainage	\$0	\$30,000	0	
Scour protection	\$195,983	\$195,825	100	\$158
Traffic control	\$301,075	\$254,000	100	\$47,075
Tidy up	\$165,712	\$90,000	100	\$75,712
Sign installation	\$2,848	\$6,000	100	(\$3,512)
Supervision	\$572,714	\$514,000	100	\$58,714
Testing	\$46,550	\$38,000	100	\$8,550
Materials	\$537,473	\$579,000	100	(\$41,527)
Fuel rise and fall		\$166,400		(\$166,400)
Contingency		\$216,775		(\$216,775)
Variation 1 – rock	\$314,933	\$0		\$314,933
Variation 2 – soft areas	\$131,759	\$0		\$131,759
Variation 3 – wet weather	\$288,366	\$0		\$288,366
Variation 4 – additional clearing	\$14,938	\$0		\$14,938
TOTAL	\$4,761,050	\$4,450,000		\$311,050

3. Project Funding

The total project funding presented at 16th October 2007 was \$15.5M (\$10.725M State Government [Main Roads] and \$4.772M Australian Government). The total remains unchanged, although Main Roads had advised that \$260K of the 2008/2009 state funding has been allocated to Land Dedication and Main Roads Project Management Costs. The proposed Main Roads funding for the period 2008/2011 is:

2008/2009 = \$2.583M (or \$2.323M when Main Roads costs are deducted)
 2009/2010 = \$0
 2010/2011 = \$6.036M

As advised in earlier reports a large proportion of the Australian Government funds will be required in 2008/2009 and the balance of the state funds (\$1.2M) would not be provided until 2011/2012. The expenditure to date has been deducted from State Government funding and from Australian Government funding. All the State Government funding has now been claimed. The balance of the construction expenditure will be funded from Australian Government monies.

The proposed funding with a possible split between State and Australian Government expenditure is shown in the following table. Note the table has been adjusted since last month to shift unallocated (unspent) money from Year 2 to Year 3

Year 1 (07/08)		Year 2 (08/09)		Year 3 (09/10)		Year 4 (10/11)		Year 5 (11/12)	
SG	AG	SG	AG	SG	AG	SG	AG	SG	AG
\$0.9M	\$0M	\$2.58M	\$4.48M	\$0	\$0.28M	\$6.05M	\$0	\$1.2M	\$0
\$0.9M		\$7.06M		\$0.28M		\$6.05M		\$1.2M	

Notes.

1. All funds are ex GST.
2. SG = State Government (Main Roads)
3. AG = Australian Government (DOTARS)
4. The AG funds are to be spent by Year 3
5. The SG funds may be spent in any year.

The total funding available for Years 1 – 3 is \$8.255M. From this must be deducted the anticipated costs for Year 2, comprising \$2.95M for the anticipated pre-construction and project management costs (an increase of \$50K since last month), \$4.765M for the anticipated final construction costs and \$0.26M for Main Roads costs. The balance of the funding is then \$0.28M. Note this is less than advised last month because of the slightly higher anticipated final construction cost, and higher than anticipated road maintenance costs.

As reported last month there has been some discussion on how best to allocate funding for Year 3. This remaining funding is a part of the Federal Government grant. A requirement of the grant was the money had to be spent by the end of Year 3. There will be some ongoing costs for next year, which can be estimated now:

Road maintenance =	\$60,000
Shire administration =	\$20,000
Project management =	\$20,000
Design =	\$60,000
Main Roads =	<u>\$60,000</u>
TOTAL	<u>\$220,000</u>

The balance of the funds is \$60,000. This money has not been allocated.

4. Project Program

The estimate to construct the section between St Johns Brook (25,500) and Nannup (32,400), for a total length of 6.7km was programmed to be completed by the end of February 2009. Road construction commenced at the beginning of October. The final section of primerseal was completed on 24th March 2009, some 20 days behind program.

5. Anticipated Expenditure

The expenditure for 2007/2008 is summarised in the following table.

2007/2008

Category	Monthly Expenditure (\$K)							
	July to November	D	J	F	M	A	M	J
Project Management	33		11	7	7	5	10	8
Design	7	4	2	3	7	1	12	
Construction*	40	7	17	34	36	14	346	302
SUB-TOTALS	80	11	30	44	50	20	368	310
TOTAL	\$913K							

The actual expenditure for the year to date, and the anticipated expenditure for the next two months of 2008/2009 are shown in the following table.

2008/2009

Category	Monthly Expenditure (\$K)											
	J	A	S	O	N	D	J	F	M	A	M	J
Project Management	8	12	12	14	3	2	3	6	4	5	5	
Design		18		7	3	13				10	10	
Construction and maintenance	910	200	604	1,029	986	917	855	714	407	10	10	
SUB-TOTALS	918	230	616	1,050	992	932	858	720	411	25	25	
TOTAL	\$6,777											
PROJECT TOTAL	\$7,690											

5	Anticipated expenditure
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6. Discussion

The current road construction has now been completed. There has been over expenditure on work related to wet weather, rock, earthworks, supervision, traffic control and tidy up, but savings on sub-base and base course. The job budget had some contingencies, which together with the items that have under expended has resulted in an over expenditure of a little more than \$300K.

The proposed funding for Year 3 of the project (2009/2010) will be \$280K. The proposed expenditure is:

Road maintenance =	\$60,000
Shire administration =	\$20,000
Project management =	\$20,000
Design =	\$60,000
Main Roads =	\$60,000
Unallocated =	<u>\$60,000</u>
TOTAL =	<u>\$280,000</u>

Another report will be prepared that provides more comment on the road construction completed and how the construction may be best delivered in future.

Paul Foley
Project Manager

21st April 2009

MOWEN ROAD PROJECT
PROGRESS AND REVIEW
JUNE 2009



1. Overview

Mowen Road extends from Rosa Brook Road in the Shire of Augusta Margaret River to Vasse Highway in the Shire of Nannup. The scope of this project is to construct Mowen Road from Sues Road to Vasse Highway, in accordance with the Mowen Road Financial Agreement (Draft 1, 5th December 2006, and as amended). The scope is to include the design of the intersection of Mowen Road with Vasse Highway. The scope of the works includes road design, road construction, environmental management, project management and contract management. The works do not include land acquisition and services relocation. The project length is 32.4km, with "0"km at Sues Road in the west and "32.4"km at Vasse Highway in the east.

The Shire of Nannup is managing the project with funding from the State and Federal governments. The duration of the project is from July 2007 to June 2012.

This report provides a summary of the project to date, reviews the major activities undertaken and makes recommendations on how to better undertake future activities.

2. Timeline of Major Events

July 2007 – Shire of Nannup assumes control of the project
October 2007 – WML appointed project managers
November 2007 to September 2008 – design of the section 20km to 32.4km.
November 2007 to September 2008 – preconstruction activities (environmental, materials and water)
February 2008 to July 2008 - Gravel crushing Nannup pit
October 2008 to March 2009 – Construction of the section 25.5km to 32.2km.

3. Project Funding

The total project funding presented at 16th October 2007 was \$15.5M (\$10.725M State Government [Main Roads] and \$4.772M Australian Government). The funding with a split between State and Australian Government expenditure is shown in the following table.

Year 1 (07/08)		Year 2 (08/09)		Year 3 (09/10)		Year 4 (10/11)		Year 5 (11/12)	
SG	AG	SG	AG	SG	AG	SG	AG	SG	AG
\$0.9M	\$0M	\$2.58M	\$4.48M	\$0	\$0.28M	\$6.05M	\$0	\$1.2M	\$0
\$0.9M		\$7.06M		\$0.28M		\$6.05M		\$1.2M	

Notes:

1. All funds are ex GST.
2. SG = State Government (Main Roads)
3. AG = Australian Government (DOTARS)
4. The AG funds are to be spent by Year 3
5. The SG funds may be spent in any year.

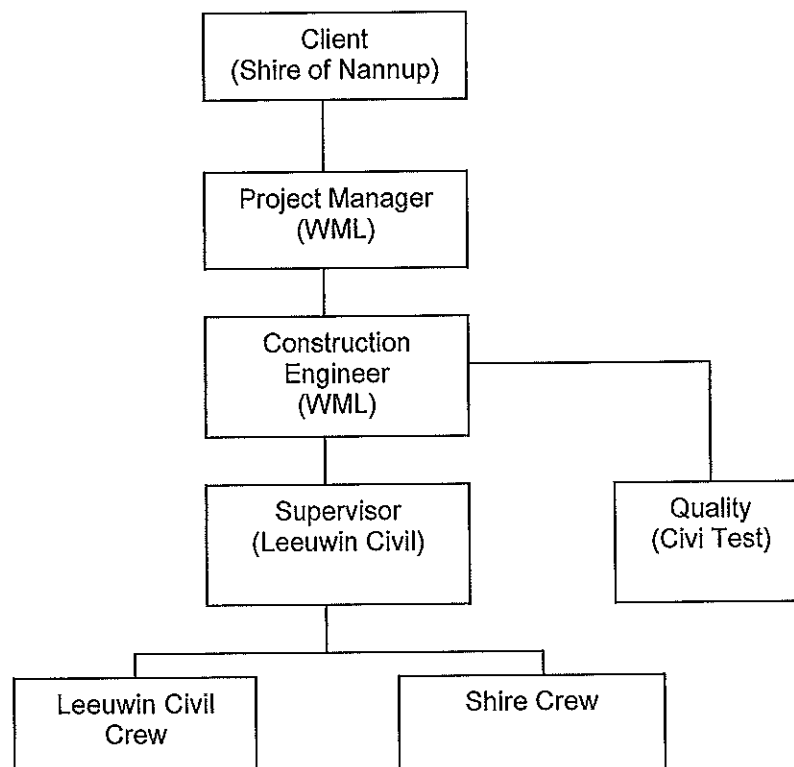
4. Expenditure

The estimated total project expenditure to the end of March 2009 was \$7.64M. This has comprised \$2.89M in pre-construction activities and \$4.76M in road construction. The major components of the pre-construction expenditure were gravel crushing (\$1.1M) and clearing the alignment (\$0.9M).

The cost to complete the first section of construction provided a good basis for estimating the cost to complete the whole project. Assuming future work will be delivered at a similar cost to the just completed work, this indicates there will be insufficient total funds to complete the planned 32km of road construction for the existing funding. It is considered the existing funding will allow a further 7 to 8km of road to be constructed (currently programmed for 2010/2011).

5. Organisational Structure

The organisational structure for the construction phase of the project is shown below.



6. Delivery of the Work

As can be seen in the organisational structure the project was delivered using a 'direct management' approach. The Shire of Nannup engaged resources through competitive processes to deliver various components of the work. The construction work was estimated, but then delivered under an 'actual cost' arrangement. It was considered this approach would allow the Shire to maintain close control of the project, provide flexibility if different conditions were encountered to those anticipated, be cost effective and allow the Shire resources

to be engaged in the work and gain additional road construction skills. These objectives can now be tested as the first section of construction has been completed:

Control of the project

The Shire appointed a Project Manager and Construction Engineer to deliver the road construction. Other resources were then appointed. The Shire's Works Manager acted as the client representative and managed the affairs of the Shire work crew. The Works Manager attended the site meetings and had also participated in every project meeting, so was very familiar with the project. This worked reasonably well.

Flexibility

The project was well planned and well estimated. In spite of this there were some unanticipated events in relation to rock, wet weather and wet materials. Resources were able to be re-deployed to suit. The construction team was able to concentrate on getting the most out of the job rather than arguing over contractual matters such as variations and extensions of time.

Cost effectiveness

Perhaps the best way to comment on cost effectiveness is to compare what may have occurred if the work had been delivered using a competitive tender arrangement. Under that arrangement there would have been a greater allowance for rock, may have been a greater allowance for risk (for wet weather and general 'unknowns') and may have included for accommodation. It is likely there would have been claims for wet weather and possibly for rock (depending on what was allowed for). However, in the competitive tender arrangement savings or 'wins' for the Contractor are not passed onto the Principal. For example, Section 7 details there was an under expenditure of some \$0.5M in pavement construction which would not have been passed on.

The first section of road construction has provided valuable lessons that can be included in future works.

Involvement of Shire

The Shire's crew was involved in the construction. They were a welcome addition and gained much from working with a larger team. For future work the crew's role and period of work should be well defined so they can programme in other activities around the Shire.

7. Review of Construction

7.1 Review Meetings

At the conclusion of the construction of the first section of Mowen Road three review sessions were held. The first was held between the Construction Engineer and the Contractor, Leeuwin Civil. The second was held between the Shire of Nannup's Works Manager and the Shire crew. The third was held between the Project Manager, Project Engineer and the Works Manager. Notes from these meetings are summarised below.

Meeting 1

ITEM 1. FINANCIAL.

The road construction cost of \$4.76M was 7% greater than the estimated cost of \$4.45M. However, there were significant variations in unit rates. These were examined in some detail. The items of over expenditure are described below and then the items of under expenditure.

The items of *over expenditure* are listed below.

Earthworks

The estimated cost was \$618K and the actual cost was \$1,527K.

The major issue was the presence of rock on the job. The estimate did not allow adequately for processing due to a misconception about usability and breakdown during the excavation process. The geotechnical investigation located rock in some of the cuttings and indicated it may be difficult to remove. The rock encountered during crushing of the Nannup Pit was quite weak and this influenced thinking for the road construction. In any case the cost of removing the rock would have to had been allowed for, but a better way would have been developed.

Weather was not adequately allowed for in the estimate as were the follow-on effects of bad weather like the appearance of wet areas and gravelling over clay surfaces to ensure travel safety.

In more detail, the over expenditure on the earthworks can largely be attributed to the following:

Rock

- Picking out boulders was slow work, trying to save cut for filling if required. Look at mobile crusher and screen in future. Could load cut and rock through it, break down rock and then screen off rock for scour protection while dumping rest back into excavation for cutting to fill/spoil. Should be much quicker and more cost effective.
- In practice had to haul boulders, spoil and rehabilitate spoil pits afterwards.

Earthworks

- Cutting benches with grader was slow, difficult and dangerous sometimes. Required excavator sometimes. Need to estimate better next time.
- Under clearing caused problems with topsoil spreading. Need 4 – 4.5m at top of cuts for stockpile and a machine to spread. Situation was potentially unsafe at times.
- Trucks and loader earthworks is slow. Require dozer as well to create loading face. It was costly. Scrapers are more cost effective and quicker.

Wet areas

- In these areas over excavation was required to remove the wet material. The wet material then had to be hauled to spoil areas and spread and rehabilitated afterwards.
- The over excavation had to be backfilled with material that had to be imported and compacted in layers.

- Wet areas can in future be better estimated by pre-identification (the presence of grass trees and paperbarks for example) and by allowing for de-watering.

Weather follow-on effects

- Had to gravel over clay road surface.
- Had to cut open drains in windrows.
- Had to dry wet sub-base material. Base material was relatively dry. Need to look at sub-base stockpile preparation in future.
- There was some loss of momentum due to having to look for different work areas.

Culverts

The estimated cost was \$83K and the actual cost was \$170K.

The over expenditure on the culverts can largely be attributed to the following:

- Detour construction and removal taking machine time. Not included for in estimate.
- Additional traffic control required when working at two culvert sites simultaneously.
- Sand cartage for bedding not allowed for.
- Half width construction slow. Could sometimes not start next half of pipe on the same day when finished at say 15:00 with first half because of traffic safety and working hours.
- Excavation had to be supervised at every culvert. There was no improvement over the construction period.
- Headwall installation, mudding up between pipes and headwalls, scour protection installation and outlet drain excavation was not allowed for adequately in the estimate.

Traffic Control

The estimated cost was \$254K and the actual cost was \$318K.

The over expenditure on traffic control can largely be attributed to the following:

- A longer construction period.
- Traffic control for culverts.
- Additional traffic controllers required to maintain contact in the middle of a section due to the performance of the 5watt radios. No alternative available here. Estimate better.
- Waiting for cars to pass construction vehicles may have bigger time loss implications than anticipated or thought.
- Closing of next section of construction may have significant effect on overall cost.

Tidying and Cleanup

The estimated cost was \$90K and the actual cost was \$164K.

The over expenditure on tidying and cleanup can largely be attributed to the following:

- Raking out of wood from topsoil before being able to spread it. This should have been raked out during the clearing process. Many tree stumps had to be removed that snapped off at ground level.
- Could not leave wood in topsoil due to not being able to grade topsoil without drag marks etc.
- Next jobs need to allow adequately for raking cleared sections beforehand. Also allow for re-clearing, as there is some re-growth evident already.

Personnel

The estimated cost was \$514K and the actual cost was \$600K.

The over expenditure on personnel can largely be attributed to the following:

- Under estimating stick pickers and grader string liners required.
- A longer construction period.

The items of *under expenditure* are listed below.

Sub-base

The estimated cost was \$737K and the actual cost was \$556K.

Base

The estimated cost was \$742K and the actual cost was \$449K.

The under expenditure on the sub-base and base can be attributed to:

- An overestimate of the cost to haul and place the material
- The quality of the material, particularly the base resulting in very little working required
- The skill of the operators in working with pavement layers

Fuel rise and fall

There was an allowance of \$166K for fuel rise and fall, which was not required.

Contingency

There was a contingency of \$217K in the estimate.

ITEM TWO. DESIGN.

The design intent was understood by the Contractor. The quality of the drawings was quite good. There were two wrong levels on the drawings. Better checking of drawings is required next time. Suggested improvements were:

- Culvert bells were protruding into pavement layers for shallow culverts. Needs to be rectified on next design.
- Cutting off bell lengths were not allowed for on design.
- Notification of level changes at certain chainages was a problem once or twice when the Surveyor could not be reached. Look at implementing drawing re-issue or maybe something as simple as a white board in the office.

ITEM THREE. ORGANISATIONAL STRUCTURE

The roles of key personnel were considered to be:

Construction Engineer

- Delivering the project to agreed standards of time, cost, quality and safety.
- Financial management (except for gathering costs on regular basis and measuring work value on a regular basis)
- Design support.

Senior Supervisor

- Supervision of the works
- Supervision of crew(s)
- Resource procurement
- Traffic management

Technical Officer

- Quality management
- Engineering support

Supervisor (Client)

- Client representation
- Materials procurement

ITEM FOUR. WORK CREWS AND TASKS.

All the work crews did not attend the Monday morning start-up meeting at Mowen Springs. This caused problems with the Supervisor having to run around and find and instruct crews. All personnel need to start at same time and same place. Similarly working hours, morning tea and lunch times were not the same for the crews, which resulted in inefficiencies.

Working every Saturday and Sunday was not sustainable for supervisor(s). They needed to rest as well.

ITEM FIVE. PROCUREMENT

It was considered procurement of resources should be the responsibility of the Senior Supervisor. The procurement of materials could be by the Client's Supervisor, but the Senior Supervisor would manage them on site.

ITEM SIX. SURVEYING.

This is the one area where things worked exceptionally well. The Surveyor was commended for his perseverance and hard work and would be recommended for future work.

ITEM SEVEN. TRAFFIC CONTROL.

The system usually worked well and was generally adapted on the spot as required. Problems occurred when some personnel left early without informing anybody at all or arranging it beforehand so appropriate action could be taken.

ITEM EIGHT. INTERFACE WITH THE PUBLIC.

There was lots of positive feedback from the public passing through works. Many asked when the road construction was going further.

ITEM NINE. PRIDE IN THE JOB.

It was agreed by all that it was a job to be proud of. All were happy with the quality of workmanship and with the finished product.

ITEM TEN. JOB REPORTING.

The Contractor felt informed at all times with respect to program/progress and the financial position of the job.

ITEM ELEVEN. SITE OFFICE.

The Mowen Springs site was considered to be well set up and an excellent location. Some allowance should be made on the next job for a compound in an old pit or similar, as Mowen Springs owner would definitely not do it at the same rate next time.

Meeting Two

In summary, it was considered the overall management was excellent and the finished job deserves credit, as all comments received have been very positive. The flexibility to adjust to any situation that arose, and to overcome was also very well handled. Communication between the Shire and WML was very good. The work Civi Test completed before the construction phase and the pit works during construction were very good, but their presence may not be required full-time during construction. The main improvement suggested was to appoint an independent supervisor onsite at least 80% of the time. Traffic control was handled very well early on but became an issue when there were multiple work sites close together and towards the end of the job. In more detail:

ITEM ONE. SUPERVISION AND MANAGEMENT.

- There was miss-communications between various Supervisors causing confusion and time wasting. Sometimes the Supervisor could not be contacted. The size of the job meant that the supervision was spread too thin at times causing delays. Delivery of supervision was perhaps not always handled correctly by the Contractor's second tier supervisor. It was considered the Supervisors were not always acting completely independently.
- It was recommended that one person deal with landholders, as there was some confusion and a variety of promises made.

- Need to be careful when dealing with government departments that the correct information was being provided.

ITEM TWO. CONSTRUCTION.

- The dieback management of gravel stockpiles was a major problem.
- It was considered a number of work processes could be improved, namely grading/mixing material, placing material and then removing (because of incorrect levels), topsoil windrowing and then removal and replacement, the water binding process (in relation to the application of water), spoiling of rock and then carting them back and double handling of material. There was some double or triple handling of material.
- It was considered the trucks and scrapers did not work well together.
- There were times when machines were parked up and the operators were stick flicking.
- There were some different machine standards on the job (in relation to ROPS cabs and beepers).
- Tracking machines from compound each day up to 4kms for tracked machines was time wasting
- Machine operating times needed to be maximised due to the distance to jobs.

ITEM THREE. TRAFFIC CONTROL.

There were some issues with traffic controllers not communicating well with the traveling public (not getting out of vehicles).

ITEM FOUR. DESIGN.

There appeared to be no consideration of alternative roads designs when problems were encountered such as rock or large cut and fills.

Meeting Three

The notes from Meeting One and Meeting Two were reviewed and added to as necessary.

It was considered an independent Senior Supervisor would be required for future works, and each crew should have a 'Supervisor' (or Foreman or Leading Hand).

It was considered as best as possible the working hours should be same for all.

It was considered if a 'direct management' style of delivery was used for future works then there had to a greater accountability for particular tasks (from the Supervisor(s) and crews).

It was considered road closures should be considered for the next to improve the effectiveness of work processes and to reduce the cost of traffic management.

It was acknowledged the management of rock on the job was not handled well. For future works crushing of rock in the cuttings for fill/sub-base and for rock protection should be considered.

7.2 Recommendations

The meetings provided robust and worthwhile comments. Some of the comments were contradictory. However, some clear recommendations were made to improve the delivery of future projects, namely:

SUPERVISION/MANAGEMENT

- An independent (near) full-time Senior Supervisor should be appointed for future work.
- Each crew should have a 'Supervisor' reporting to the Senior Supervisor
- The Supervisors and crews should have clear accountability for delivery of work.

WORKING CONDITIONS

Working hours should generally be the same for all construction personnel. All should attend the kick-off meetings.

CONSTRUCTION ESTIMATE

The experience of the recent construction work needs to be reflected in future estimates in relation to clearing, rock, wet weather, culvert construction, clean up and pavement construction.

DESIGN

Where possible, rock needs to be avoided.

CONSTRUCTION

- When viable rock should be processed in cuts into fill material, sub-base or rock protection as appropriate.
- Scrapers are generally preferable for earthmoving tasks, but trucks could also be considered. Scrapers and trucks should not be working together.
- Work methods need to be efficient, well accepted by the crews, clearly explained to the crews and well supervised.
- Wet areas on the road and wet stockpiled materials need to be identified and treated before the construction work commences.

TRAFFIC MANAGEMENT

Road closures should be considered to reduce the cost of traffic management.

Paul Foley
Project Manager

5th June 2009

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4	Barmac Consulting Pty Ltd	97059073933	14/04/2009
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6	Bernie Masters	21575410959	24/04/2009
7	Burson-Marsteller	23001951515	16/04/2009
8	Carney Associates	90008518545	19/05/2009
9	Christison Ewing and Associates (The NCS Group)	70997483976	01/04/2009
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15	CPR Communications & Public Relations	94064357544	21/05/2009
16	David Utting Communications	65934962748	16/04/2009
17	design RIGHT	82339709074	29/04/2009
18	Diverse Business Services Pty Ltd	75050166615	21/04/2009
19	Economic Futures Australia	60766285016	15/04/2009
20	Elthos Consulting	62129201065	01/06/2009
21	Encycle Consulting Pty Ltd	41129141484	14/04/2009
22	Enhance Corporate Pty Ltd	84095951134	04/06/2009
23	FD Third Person	46071979461	06/05/2009
24	Fremantle Consulting Group Pty Ltd	31076895737	15/04/2009
25	Glenda Marye Bye	65199669950	16/04/2009
26	Glide Pty Ltd	35009338407	19/03/2009
27	Glorfindel Advisory Services	95994119359	31/03/2009
28	Government Relations Australia Advisory Pty Ltd	50082123822	07/04/2009
29	Government Relations Solutions	28125233543	20/04/2009

	<u>Pty Ltd</u>		
30	<u>GRA Everingham Pty Ltd</u>	56131702755	19/05/2009
31	<u>Graham Short Consulting</u>	38012868875	15/04/2009
32	<u>Gramic Pty Ltd</u>	53054291431	16/03/2009
33	<u>Gryphon Management Australia</u>	87109077607	07/04/2009
34	<u>Halden Burns Pty Ltd</u>	48103657290	15/04/2009
35	<u>Hawker Britton Group Pty Ltd</u>	79109681405	23/04/2009
36	<u>Helen and Mike O'Brien</u>	65791217178	29/03/2009
37	<u>Hill & Knowlton</u>	30008401134	30/04/2009
38	<u>HTT Trust</u>	71312847351	20/05/2009
39	<u>InsideOut Strategic</u>	14124392338	15/04/2009
40	<u>Intermediary Consulting</u>	84132834078	15/04/2009
41	<u>Jackson Wells Pty Ltd</u>	16054785456	15/04/2009
42	<u>John Connolly & Partners Pty Limited</u>	50056165827	30/04/2009
43	<u>Kim Beazley and Associates</u>	16677650671	21/04/2009
44	<u>Kim Wilkie and Associates</u>	39830919627	16/02/2009
45	<u>Kreab Gavin Anderson (Australia) Ltd</u>	22003287643	15/04/2009
46	<u>Lindsay Barton</u>	55792126904	03/06/2009
47	<u>LISLANI Pty Ltd</u>	43906100956	01/04/2009
48	<u>Loydell Consulting</u>	42813498620	31/03/2009
49	<u>Macquarie Group Limited</u>	94122169279	15/04/2009
50	<u>Maniki (WA) Pty, Ltd.</u>	19135224421	16/04/2009
51	<u>Mark Croxford</u>	42120665918	15/04/2009
52	<u>Marshall Place Associates Pty Ltd</u>	26088283872	28/05/2009
53	<u>Max Szulc</u>	98686498723	04/05/2009
54	<u>McCourt & Associates</u>	37229441121	16/04/2009
55	<u>Megan Anwyl</u>	13159060561	04/06/2009
56	<u>MEM Pty Ltd</u>	41065112156	13/05/2009
57	<u>Michael Beahan</u>	24069741991	16/04/2009
58	<u>Nayton Communication</u>	93756520841	28/04/2009
59	<u>NCS Communications Pty Ltd</u>	13069933642	25/05/2009
60	<u>Open Door Consulting Pty Ltd</u>	81263896266	15/04/2009
61	<u>Orgasal Projects Pty Ltd</u>	20633521278	26/03/2009
62	<u>Parker & Partners Pty Ltd</u>	22083475683	28/04/2009
63	<u>Patterson Hoffman & Grace (Aust) Pty Ltd</u>	12131640198	16/04/2009
64	<u>Paul Omodei</u>	No A.B.N	21/05/2009
65	<u>Peter Browne</u>	49108134370	13/04/2009
66	<u>Peter Ellery & Associates Pty Ltd</u>	41081728145	07/05/2009
67	<u>Professional Public Relations</u>	16001045450	21/04/2009
68	<u>Profile Ray and Berndtson</u>	38519788465	03/06/2009
69	<u>Purple Communications</u>	37108802366	21/04/2009
70	<u>Q & A Communications Group</u>	66112399765	01/06/2009
71	<u>Res Publica Pty Ltd</u>	63103178258	03/06/2009

72	<u>Richardson Coutts</u>	20126507211	18/05/2009
73	<u>Riley Mathewson Public Relations</u>	97081134698	01/04/2009
74	<u>Robert Chiarolli</u>	12521866123	16/04/2009
75	<u>Rod Rogers</u>	No A.B.N	18/05/2009
76	<u>Ronald Arthur Read</u>	43319507024	18/05/2009
77	<u>Ron Edwards</u>	66521133434	19/03/2009
78	<u>S3- Sustainable Strategic Solutions</u>	72101454694	29/04/2009
79	<u>Santo Santoro Consulting</u>	49574951696	15/04/2009
80	<u>shac Communications</u>	23113749858	29/04/2009
81	<u>Sinclair Thomas</u>	93118990873	01/04/2009
82	<u>Smiles Turner</u>	54066499587	29/04/2009
83	<u>Smithson Planning</u>	46782764220	13/04/2009
84	<u>Springboard Australia Pty Ltd</u>	21102927300	26/03/2009
85	<u>Steven Tweedie</u>	97793351316	06/04/2009
86	<u>The Allen Consulting Group Pty Ltd</u>	52007061930	20/04/2009
87	<u>The Endeavour Consulting Group Pty Ltd</u>	15351458331	15/04/2009
88	<u>The Gary Hardgrave Group Pty Ltd</u>	74130239155	19/03/2009
89	<u>The Honourable James G Clarko Consultancy</u>	41652859598	30/03/2009
90	<u>Theodorsen Consulting</u>	51107758350	01/04/2009
91	<u>timothy Fitz-john Smith</u>	20839234937	17/04/2009
92	<u>Tony Fitzgerald</u>	48866778875	15/04/2009
93	<u>TREVOR HOCKLEY</u>	77085990101	17/04/2009
94	<u>Vincent O'Donoghue</u>	59027294401	22/04/2009
95	<u>wendy pryer</u>	93709196623	16/04/2009
96	<u>W Squared Pty Ltd</u>	69119853351	07/04/2009