

**MINUTES**

**OF THE**

**ORDINARY MEETING OF COUNCIL**

**HELD ON**

**15 FEBRUARY 2011**

**AT 6.30PM IN THE COUNCIL CHAMBERS**

**MELVILLE CIVIC CENTRE**

**DISCLAIMER**

**PLEASE READ THE FOLLOWING IMPORTANT DISCLAIMER BEFORE PROCEEDING:**

Any plans or documents in agendas and minutes may be subject to copyright. The express permission of the copyright owner must be obtained before copying any copyright material.

Any statement, comment or decision made at a Council or Committee meeting regarding any application for an approval, consent or licence, including a resolution of approval, is not effective as an approval of any application and must not be relied upon as such.

Any person or entity who has an application before the City must obtain, and should only rely on, written notice of the City's decision and any conditions attaching to the decision, and cannot treat as an approval anything said or done at a Council or Committee meeting.

Any advice provided by an employee of the City on the operation of written law, or the performance of a function by the City, is provided in the capacity of an employee, and to the best of that person's knowledge and ability. It does not constitute, and should not be relied upon, as a legal advice or representation by the City. Any advice on a matter of law, or anything sought to be relied upon as representation by the City should be sought in writing and should make clear the purpose of the request.

# CONTENTS PAGE

	Item Description	Page Number
<b>URBAN PLANNING</b>		
Nil		
<b>TECHNICAL SERVICES</b>		
<b>T11/3184</b>	Endorsement of the Natural Area Asset Management Strategy (NAAMS) (withdrawn)	14
<b>COMMUNITY DEVELOPMENT</b>		
Nil		
<b>MANAGEMENT SERVICES</b>		
<b>M11/5153</b>	Adoption of the City of Melville Plan for the Future 2011-2015	15
<b>M11/5157</b>	Chief Executive Officer Performance Review	21
<b>CORPORATE SERVICES</b>		
<b>C11/5154</b>	Support for Flood Appeals in Western Australia and Queensland	25
<b>C11/5155</b>	Adoption of the City of Melville Fences Amendment Local Law 2011	30
<b>C11/5158</b>	Renewal of Deed of Access Between City of Melville and Brolo Nominees Pty Ltd and Heslup Pty Ltd	35
<b>C11/5000</b>	Common Seal	40
<b>C11/6000</b>	Investment Statements	43
<b>C11/6001</b>	Schedule of Accounts	58
<b>C11/6002</b>	Financial Statements for November and December 2010	62
<b>LATE ITEMS</b>		
<b>P11/3185</b>	Melville Glades Golf Club Inc. - Memorandum of Understanding	69
<b>C11/5161</b>	Melville Aquatic Fitness Centre Redevelopment C015/10	76
<b>LATE &amp; CONFIDENTIAL ITEM</b>		
<b>C11/5160</b>	Sale of Land to Alchera Living Inc.	86



**MINUTES OF THE ORDINARY MEETING OF THE COUNCIL HELD IN THE COUNCIL CHAMBERS, MELVILLE CIVIC CENTRE, 10 ALMONDBURY ROAD, BOORAGOON, COMMENCING AT 6.30PM ON TUESDAY, 15 FEBRUARY 2011.**

---

**1. OFFICIAL OPENING**

The Presiding Member welcomed those in attendance to the meeting and declared the meeting open at 6:30pm. Mr J Clark the Governance and Compliance Program Manager read aloud the Disclaimer and then His Worship the Mayor, Russell Aubrey, read aloud the Affirmation of Civic Duty and Responsibility.

**Affirmation of Civic Duty and Responsibility**

**I make this Affirmation in good faith on behalf of Elected Members and Officers of the City of Melville. We collectively declare that we will duly, faithfully, honestly, and with integrity fulfil the duties of our respective office and positions for all the people in the district according to the best of our judgement and ability. We will observe the City's Code of Conduct and Standing Orders to ensure the efficient, effective and orderly decision making within this forum.**

**2. PRESENT**

His Worship the Mayor, Russell Aubrey

**COUNCILLORS**

Cr M Reynolds (Deputy Mayor)  
Cr R Subramaniam, Cr C Robartson  
Cr N Pazolli, Cr P Reidy  
Cr A Nicholson, Cr A Ceniviva  
Cr J Barton, Cr G Wieland  
Cr N Foxton  
Cr B Kinnell, Cr C Halton

**WARD**

University  
Bull Creek/Leeming  
Applecross/Mount Pleasant  
City  
Bicton/Attadale  
University  
Palmyra/Melville/Willagee

**3. IN ATTENDANCE**

Dr S Silcox	Chief Executive Officer
Mr M Tieleman	Director Corporate Services
Mr J Christie	Director Technical Services
Ms C Young	Director Community Development
Mr S Cope	Director Urban Planning
Ms K Johnson	Executive Manager Organisational Development
Mr L Hitchcock	Executive Manager Legal Services
Mr T Cahoon	Manager Health & Lifestyle Services
Mr P Prendergast	Manager Planning and Development Services
Mr P Kellick (from 7.30pm to 8.00 pm)	Manager Asset Management
Mr B Taylor	Manager Information, Technology & Support
Mr J Clark	Governance & Compliance Program Manager
Ms C Rourke	Minute Secretary

At the commencement of the meeting there were 18 members of the public in the Public Gallery and 2 members from the Press.

**4. APOLOGIES AND APPROVED LEAVE OF ABSENCE****4.1 APOLOGIES**

Nil

**4.2 APPROVED LEAVE OF ABSENCE**

Nil

**5. ANNOUNCEMENTS BY THE PRESIDING MEMBER (WITHOUT DISCUSSION) AND DECLARATIONS BY MEMBERS****5.1 DECLARATIONS BY MEMBERS WHO HAVE NOT READ AND GIVEN DUE CONSIDERATION TO ALL MATTERS CONTAINED IN THE BUSINESS PAPERS PRESENTED BEFORE THE MEETING.**

Nil

**5.2 DECLARATIONS BY MEMBERS WHO HAVE RECEIVED AND NOT READ THE ELECTED MEMBERS BULLETIN.**

Nil

## 6. QUESTION TIME

### 6.1 Ms R J Armstrong, Canning Bridge

At the Ordinary Meeting of Council held on the 21 December 2010 Ms R J Armstrong submitted one question relating to the Mayor and Councillors supporting proposals as being in the best interests of the City of Melville community. At that meeting these questions were taken on notice. A response in writing has been provided to Ms Armstrong from Mr John Christie, Director Technical Services and the details contained in that response are recorded below:

#### Question 1

*"Please advise if the Mayor and Councillors will support the following proposals as being in the best interests of the City of Melville community for, amongst other positives –*

- beautifying Melville's streetscape*
- providing bird havens*
- taking environmentally positive action.*

*The proposals being to:*

- increase in size of trees planted from 45 litres to 100 litres*
- increase the number of verge trees planted yearly from 250 to 500.*

*Further as blocks in Melville are subdivided and the area remaining for residential trees and gardens is reduced, will the Council consider with each new planning approval a requirement be included that a new street tree to be planted on completion of the residence with follow-up monitoring procedures established by the arboreal section of the City of Melville*

*Please forward a written response to these questions to the address below."*

#### Response

"Thankyou for your suggestion regarding street tree planting for subdivided blocks.

Currently within the City if a street tree is in conflict with proposed development or crossover the street tree is assessed to determined if it is to be retained or requires removal. If it requires removal as per the City's Street Tree Policy the developer is required to replace two trees for every one that is removed with the developer responsible for the associated costs.

The City plants approximately 250 100L street trees per annum. In winter 2010 due to increased demand the City planted 325 100L street trees. The quota for 2011 is approximately 300 trees. The City has recently endorsed a policy to plant 500 street trees during winter 2012.

During 2010 of the 325 requests for street tree planting 90 were for new street trees with the residual 235 trees being replacement trees for tree removal due to development, natural death, storm damage, or conflict with infrastructure ectera.

The City has conducted an audit of its street tree assets and determined that a number of species are reaching the end of their life. The City is being proactive by scheduling a replacement program for these trees.

## 6. QUESTION TIME CONTINUED

As you can appreciate the City is currently undertaking a number of programs to maintain its street tree asset which includes approximately 33,000 trees. Thankyou for your suggestion to incorporate street tree planting as part of the development process however due to the scale of existing street tree planting projects an additional project would not be feasible. “

### 6.2 Mr R Willis, Bull Creek

At the Ordinary Meeting of Council held on the 21 December 2010 Mr R Willis submitted two questions relating to capital works. At that meeting these questions were taken on notice. A response in writing has been provided to Mr Willis from Mr John Christie, Director Technical Services and the details contained in that response are recorded below:

#### Question 1

*“Could you please advise what capital works are outstanding in the Bull Creek Management Plan?”*

#### Response

“As per the information provided in December 2010, Capital Projects have not all been achievable due to competing priorities in other reserves and maintenance resources being diverted to address rehabilitation following fire events etc. Some specific recommendations may not have been completed due to their implementation resting on collaborative actions from other State agencies (Department of Water etc, regarding drainage outlet restoration) and/or are part of a broader project (sign design review and GIS fire mapping).

Recommendation 8.2 - limestone paths are now a preferred material for this type of reserve as the material restricts the movement of dieback. Most of these paths were upgraded with new limestone material in 2009 and access for FESA vehicles is adequate for fire response.

Recommendations relating to signage are on hold until the corporate signage style guide and templates are finalised. This process is underway and a trial of signage styles and designs is being planned in 2011.

Recommendation 2.2 - is ongoing. Amenity planting by some residents still occurs from time to time and we continue to remove these as required.

An additional Capital Works Project is planned for 2011 to upgrade and replace the stairs leading up to Karel Avenue on the Eastern side of Bull Creek Park.”

#### Question 2

*“What are their costs and are they listed on the forward works capital programme for Council consideration in the 2011/2012 Budget. I would have thought the upgrading and surfacing of the inner pathway system is worth some priority especially as it is used by FESA vehicles to put out fires.”*

## 6. QUESTION TIME CONTINUED

### Response

“The forward capital works program for 2011/2012 is still in its first draft form; however no additional capital projects have been included specifically at this stage for Bull Creek reserves. As budget planning progresses in the following months, identification of high priority capital works tasks will be included as required. As per the information provided to you in December 2010, the City has developed a Natural Area Asset Management Strategy (NAAMS) which will guide the review and implementation of all future reserve management plans. Upon adoption of the strategy (proposed to occur in February 2011), the review and re-write of individual reserve plans will commence. The NAAMS will guide any future management actions within the reserves, including ongoing maintenance and larger capital projects. This may result in management recommendations in the current Bull Creek Management Plan not being implemented.”

### 6.3 Mrs N Shackleton, Bicton

#### Question

*“We are seeking assurance from Melville City Council that you will continue to protect Pt Walter and that the community should not need to collect thousands of petition signatures in the future, should a Telco try to have a third attempt. This only serves to antagonise the community against the Council. Will Council please give us such an assurance?”*

#### Response

Mr P Prendergast, Manager Planning & Development Services responded stating that the City has no control over the content or frequency of planning applications submitted for development approval. As such it cannot provide assurances that there will be no further applications submitted in respect of Telecommunications development within the Point Walter Reserve.

The City can, however, assure the community, that all applications for telecommunications development within the Point Walter Reserve will be subjected to a robust planning assessment in accordance with the Local, State and Federal policy framework that exists to guide the consideration of such proposals. Furthermore the community can be assured that the City will undertake effective and meaningful consultation, when and if such development proposals are under consideration.

Whether the Community responds to a consultation exercise via the submission of a petition is a matter for the community itself. The Community can be assured that the City will continue to take into consideration relevant submissions received in response to any consultation exercise undertaken, whatever form those submissions take.

## 6. QUESTION TIME CONTINUED

### 6.4 Mr A Rees, Bicton

#### Question

*“The outcome in relation to the withdrawal of the DA by Telstra is favourable for Pt Walter, however, the same situation exists as was started with given that Policy No. 28-003 – Development of Telecommunication Tower and Associated Infrastructure was adopted by Council on July 16, 2002 over 8 years ago with a 5 year term expiring in July 2007 and listing Pt Walter as a preferred site. Will Council as a matter of urgency review, update and revise, taking into consideration all letters and petitions received in relation to the Point Walter site?”*

#### Response

The following response was provided by Mr P Prendergast, Manager Planning & Development Services.

The City is currently in the process of completing a review of its suite of Planning Policies. The Policy referred to, reference No 28-003 “Development of Telecommunication Towers and Associated Infrastructure”, will be the subject of review in the coming months, with a report to Council anticipated in April 2011.

The City is aware of the community concern regarding loss of amenity in respect of the use of any part of the Point Walter Reserve as a potentially suitable site for the accommodation of telecommunications infrastructure. This will be taken into consideration as part of the policy review process.

**The following public questions (6.5 to 6.13) were presented at the meeting and all related to a possible future application for, or the location of, a telecommunications tower at Point Walter. The Mayor read aloud some of the questions and where they were deemed to be repetitive advised those present that the answers provided to questions 6.3 and 6.4 above were partly applicable to some of these questions and that all of the questions would be taken on notice and responded to in writing. The response provided in each instance would also be recorded in the next Council agenda and minutes.**

### 6.5 Mr D Barrett, Bicton

#### Question

*“Given overwhelming community opposition to phone towers at Pt Walter in 2002 and 2010, will Council now remove Pt Walter from its list of preferred telco sites? If so, when?”*

### 6.6 Ms A Partlon, Bicton

#### Question

*“What measures will Council take to protect and preserve Pt Walter and our public open spaces from further telco applications?”*

## **6. QUESTION TIME CONTINUED**

### **6.6 Ms C Barrett, Bicton**

*“In light of community opposition to phone towers at Pt Walter, will Council upgrade its telecommunications policy to exclude Pt Walter and public open space from it’s list of preferred telco sites?”*

### **6.7 Ms S Taylor-Rees, Bicton**

#### Question

*“On the 9<sup>th</sup> June 2009 Kym Davis was asked by Telstra if Council supported the location of a tower at Pt Walter. It is assumed Council did support the location and thus a Development Application was lodged by Aurecon/Telstra.*

- 1. How was this decision reached and who was involved?*
- 2. Why did Council support this location given the following – past community opposition, a moratorium had been placed on Pt Walter, environmental status of Pt Walter, previous abortive attempts by Telstra, a telecommunications policy that was developed 7 years previously and expired by 2 years and Telstra clearly stating Pt Walter was a contentious site?”*

#### Response

The Chief Executive Officer advised that the question would be taken on notice. The Chief Executive Officer advised that the City is compelled to consider any application brought before it. The application was signed by the Chief Executive Officer in order for the application to be considered and noted that by signing the application it would allow the community consultation process to proceed. If the application was not signed it could have been appealed to the State Administrative Tribunal and taken out of Council’s influence and control.

### **6.8 Ms J Henze, Bicton**

#### Question

*“Will Council now adopt legislation which will protect Pt Walter from future applications of Telstra or other companies to erect infrastructure on this property?”*

### **6.9 M Henze, Bicton**

#### Question

*“What will Council do in order to protect Pt Walter from future infrastructure projects/developments as is/was the case with the Telstra communication tower?”*

**6. QUESTION TIME CONTINUED****6.10 R Buetler & D Buetler, Bicton**Question

*“The City of Melville’s vision is “create a safe, attractive city where the consequences of our actions for future generations are taken in to account”. Where does the erection of a 46m electromagnetic energy emitting blight on the riverside landscape conform to Melville Council’s vision?”*

**6.11 Ms J Pursley, Palmyra**Question

*“Does Melville Council agree that it has a responsibility to protect an A-class reserve located within its district and if so, what measures are being taken to ensure Pt Walter Reserve will be protected for future generations to enjoy and not be subjected to the installation of telecommunication towers?”*

**6.12 Mr T Palmer, Bicton**Question

*“We have an elected Council to represent our wishes by making recommendations to State Government on behalf of the local community. By now it should be blaringly obvious that the proposed Telstra Tower is strongly opposed by the Melville Community not only by residents in the bordering streets, but by all those who enjoy the recreational benefits and who saw the reserve as a major attraction when choosing to live in the City of Melville. What steps can we expect Council to take to ensure our wishes are respected and acted upon to ensure that Point Walter reserve can not be the subject of future applications by Telstra?”*

**6.13 Mrs C Gould, Booragoon**Question

*“Will council give an undertaking to the community to review the current policy pertaining to the development of phone towers within the City, removing Pt Walter as a preferred site and actively discouraging phone towers in sensitive locations?”*

## 6. QUESTION TIME CONTINUED

### 6.14 Mr C Walkley, Bicton

#### Question

*“What criteria determines the number of disability (ACROD) parking bays provided at shopping centres. My question is posed by the provision of three bays at Myaree and only two bays at Woolworths (Stammers)?”*

#### Response

His Worship the Mayor advised the meeting that Mr Walkey’s question would be taken on notice.

## 7. AWARDS AND PRESENTATIONS

Nil

## 8. CONFIRMATION OF MINUTES

### 8.1 ORDINARY MEETING OF COUNCIL – 21 DECEMBER 2010 Min 21 December 2010

#### **COUNCIL RESOLUTION**

At 6.57pm Cr Reynolds moved, seconded Cr Foxtton -

**That the Minutes of the Ordinary Meeting of Council held on Tuesday, 21 December 2010, be confirmed as a true and accurate record.**

At 7.03pm the Mayor submitted the motion which was declared

**CARRIED (10/3)**

Cr Ceniviva requested that the votes be recorded.

For: His Worship the Mayor, Cr Ceniviva, Cr Foxtton, Cr Halton,  
Cr Kinnell, Cr Reidy, Cr Reynolds, Cr Robartson, Cr Wieland  
Cr Subramaniam

Against: Cr Barton, Cr Nicholson, Cr Pazolli

## 8.2 NOTES OF AGENDA BRIEFING FORUM – 1 FEBRUARY 2011

[Notes 1 February 2011](#)

### COUNCIL RESOLUTION

At 7.05pm Cr Subramaniam moved, seconded Cr Foxton -

**That the Notes of Agenda Briefing Forum held on Tuesday, 1 February 2011, be received.**

At 7.06pm the Mayor submitted the motion which was declared

**CARRIED (13/0)**

## 9. DECLARATIONS OF INTEREST

The Members' and Officers' attention was drawn to the provisions of the Local Government Act 1995 regarding disclosures of interest;

### 9.1 FINANCIAL INTERESTS

Nil

### 9.2 DISCLOSURE OF INTEREST THAT MAY CAUSE A CONFLICT

- M11/5157 Dr Shayne Silcox  
Chief Executive Officer

## 10. APPLICATIONS FOR NEW LEAVES OF ABSENCE

- Cr C Halton
- Cr Pazolli
- Cr Subramaniam
- Cr Wieland
- Cr Barton

At 7.07pm Cr Robartson moved, seconded Cr Reidy -

**That the applications for new leave of absence submitted by Cr Halton, Cr Pazolli, Cr Subramaniam, Cr Wieland and Cr Barton on the 15 February 2011 be granted.**

At 7.07pm the Mayor submitted the motion which was declared

**CARRIED (13/0)**

**At 7.08pm Cr Barton left the meeting and returned at 7.09pm.**

**11. IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED**

- **C11/5160 – Sale of Land to Alchera Living (Inc.)**

The matter is confidential in accordance with Section 5.23 (2) (h) of the Local Government Act 1995, legal advice obtained, or which may be obtained, by the Local Government and which relates to a matter to be discussed at the meeting.

**12. PETITIONS**

**12.1 Petition - Change of Use to Light Industry (Seafood Processing, Office, Shop (Fresh Seafood Shop and Takeaway Outlet (Fish and Chip Shop) – Lots 71 and 72 (No.24) Marr Street, Myaree 6154**

A petition signed by 18 residents was received by the City of Melville on Thursday 18 January 2011 The petition reads as follows -

*“We, the undersigned, all being Electors of the City of Melville, do humbly pray that the proposed Sea Food Processing and Fish and Chip Shop be excluded from the above application and standard retail hours (with no Sunday trading) be applied to the retail Sea Food shop on the grounds that:*

1. *Operating hours will negatively impact on the maintenance of residential amenity of Marr Str and surrounding streets.*

<b>Use</b>	<b>Open Times</b>	<b>Days Open</b>
<i>Fresh Food Shop</i>	<i>8am to 6pm</i>	<i>7 days a week</i>
<i>Fish and Chip Shop</i>	<i>12-2pm and 6 to 8pm</i>	<i>7 days a week</i>
<i>Seafood Processing</i>	<i>6pm to 3pm</i>	<i>Monday to Friday</i>
<i>Opening Hours</i>	<i>Monday to Friday</i> <i>Saturday and Sunday</i>	<i>24 hours</i> <i>12 hours</i>

2. *There will be increased commercial traffic in Marr Street and surrounding residential streets. There is no parking for trucks apart from Marr St, and once in Marr St, trucks will use Charleson St and Schacht Crt to get back to Marmion St.*
3. *There will be greatly increased noise levels on Marr St. Such noise will result from, trucks parking with noisy freezer units, the beeping from reversing forklifts and emptying of the rubbish skip.*
4. *Odors from fish and chip frying and from the seafood processing will have a negative impact on the residents surrounding the factory.*
5. *Residential land values will be negatively impacted on Marr St and the surrounding streets.*
6. *This type of noxious industry does not facilitate an acceptable interface between Residential and Mixed Business Frame zonings.*

**12. PETITIONS CONTINUED****OFFICER RECOMMENDATION**

At 7.09pm Cr Robartson moved, seconded Cr Foxton -

**That the petition be acknowledged and considered when assessment of any application for Lots 71 and 72 (No 24) Marr Street Myaree for the purpose of seafood processing and sale, is undertaken.**

Amendment

At 7.10pm Cr Robartson moved, seconded Cr Foxton -

**That the petition bearing 18 signatures be noted and considered during the assessment of the current development application for Lots 71 and 72 (No. 24) Marr Street, Myaree for the purpose of seafood processing and sale.**

At 7.10pm the Mayor submitted the amendment which was declared

**CARRIED (12/1)**

Reason for Amendment

Mr P Prendergast, Manager Planning and Development Services, advised the meeting that the petition in question was received in response to a current development application for Lots 71 and 71 (No. 24) Marr Street, Myaree, reference DA-2010-1298. As such the petition will be taken into consideration as part of the assessment of that application.

**COUNCIL RESOLUTION**

At 7.12pm the Mayor submitted the substantive motion as amended -

**That the petition bearing 18 signatures be noted and considered during the assessment of the current development application for Lots 71 and 72 (No. 24) Marr Street, Myaree for the purpose of seafood processing and sale, is undertaken.**

At 7.13pm the Mayor declared the motion

**CARRIED (13/0)**

### 13. REPORTS OF THE CHIEF EXECUTIVE OFFICER

#### T11/3184 - NOTING OF THE NATURAL AREAS ASSET MANAGEMENT STRATEGY (NAAMS) (REC) (ATTACHMENT)

*The Chief Executive Officer advised the meeting that, in accordance with 2.7 of the City of Melville Standing Orders Local Law 2003, Item T11/3184 - Noting of the Natural Area Asset Management Strategy (NAAMS) would be withdrawn from the agenda. The item was withdrawn in order to allow for additional public comments to be included into the final document and be presented for noting at the Ordinary Meeting of Council on 19 April 2011.*

#### Reasons for Withdrawal

The current version of the Natural Area Asset Management Strategy (NAAMS) attached to this item does not contain amendments relating to the comments received from the Beelihar Regional Park Community Advisory Committee. These comments were previously acknowledged and a revised draft of the NAAMS is being prepared that addresses those comments and suggestions where appropriate; however the current version presented for Council does not include these amendments.

In addition, a late submission has been received from Mr Eddy Wajon on behalf of the Murdoch Branch Wildflower Society of WA, which contains detailed comments and recommendations that could result in further amendments. These are considered to be relevant in the context of the NAAMS and despite them being received three weeks after the close of the consultation period, officers are of the opinion these should be considered. In order to address these adequately, additional time will be required to consider the impact on the NAAMS and make the necessary amendments.

Once these comments and recommendations have been assessed it is intended that a revised NAAMS will be presented for noting at the Ordinary Meeting of Council on 19 April 2011.

This withdrawal will not affect any budget considerations nor result in any detrimental operational management issues within the natural areas of the City.

**M11/ 5153 – ADOPTION OF THE CITY OF MELVILLE PLAN FOR THE FUTURE 2011–2015 (AMREC) (ATTACHMENT)**

Ward	:	All
Category	:	Strategic
Subject Index	:	Strategic Planning
Customer Index	:	City of Melville
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	C08/5013 – Adoption of City of Melville Corporate Plan (15 July 2008)
Works Programme	:	Not Applicable
Funding	:	Not Applicable
Responsible Officer	:	Kylie Johnson Executive Manager Organisational Development

**AUTHORITY / DISCRETION**

**DEFINITION**

<input type="checkbox"/>	Advocacy	<i>when Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	<b>Executive</b>	<b><i>the substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i></b>
<input type="checkbox"/>	Legislative	<i>includes adopting local laws, town planning schemes &amp; policies.</i>
<input type="checkbox"/>	Review	<i>when Council review decisions made by Officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>when Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>

**M11/ 5153 – ADOPTION OF THE CITY OF MELVILLE PLAN FOR THE FUTURE 2011-2015 (AMREC) (ATTACHMENT)****KEY ISSUES / SUMMARY**

- The proposed Plan for the Future 2011 – 2015 is the long term Corporate Plan that activates the Community Plan: People, Places, Participation; and related Plans such as Neighbourhood Plans; Directions from Seniors; and Directions from Young People.
- Council is required under the Local Government Act 1995 (the Act) to endorse by absolute majority decision the proposed Plan for the Future 2011 - 2015, which will replace the Plan for the Future 2008-2012.
- The Plan for the Future 2011 – 2015 contains the organisational vision, values, goals, strategies and informing documents for the period 1 July 2011 to 30 June 2015.

**BACKGROUND**

In accordance with the the Local Government (Administration) Regulations 1996, Sections 19C and 19D the City of Melville is required to make a plan for the future of its district and review it every two years with a major review every four years.

Further requirements of the Local Government (Administration) Regulations 1996, Sections 19C and 19D are outline below;

- A local government is to make a plan for the future of its district in respect of the period specified in the plan (being at least two financial years).
- A plan for the future of a district is to set out the broad objectives of the local government for the period specified in the plan.
- A local government is to review its current plan for the future of its district every two years and may modify the plan; including extending the period the plan is made in respect of.
- A council is to consider a plan, or modifications, submitted to it and is to determine by absolute majority whether or not to adopt the plan, or the modifications, as is relevant.
- If a plan, or modified plan, is adopted by the council then the plan or modified plan is to apply to the district for the period of time specified in the plan.
- A local government is to ensure that the electors and ratepayers of its district are consulted during the development of a plan for the future of the district, and when preparing any modifications of a plan.
- A plan for the future of a district is to contain a description of the involvement by the electors and ratepayers in the development of the plan, and any modifications of the plan.
- After a plan for the future, or modifications to a plan, are adopted, the local government is to give local public notice, which is to contain notification that —
  - a plan for the future of the district has been adopted by the council and is to apply to the district for the period specified in the plan; and
  - details of where and when the plan may be inspected.

**M11/ 5153 – ADOPTION OF THE CITY OF MELVILLE PLAN FOR THE FUTURE 2011-2015 (AMREC) (ATTACHMENT)**

The City of Melville has a current Plan for the Future 2008 – 2012 document which was based on extensive dialogue with City of Melville residents and stakeholders during 2005 and the development of a Community Plan: People, Places, Participation in 2007.

Since that period further resident and stakeholder consultation has occurred which assisted in developing the proposed Plan for the Future 2011-2015. Key consultations in the past two years included the development of four Neighbourhood Plans, Cultural Vitality Plan, Draft Town Planning Scheme, Directions from Seniors, and Directions from Young People. A community wellbeing survey was also conducted in 2009, which has provided further information.

In addition to the consultation with residents and stakeholders there has been consultation with Elected Members through a formal strategic planning review process in 2010, and through the Elected Member Workshop process.

**DETAIL**

There are three phases for review and adoption of the Plan for the Future. This item addresses Phase 1 with Phases 2 and 3 provided for information.

## Phase 1.

The draft Plan for the Future 2011 – 2015 was presented to the Elected Members at a workshop on 28 September 2010. It has been structured to align with the key areas identified in the Community Plan and has five key goals:

- A City for People
- Economic Prosperity
- Environmental Responsibility
- Lead by Example
- Business Excellence

A high level overview of the Plan for the Future [5153 Plan for the Future 2011-2015](#) which outlines goals, strategies and informing documents has now been developed reflecting feedback via consultation and workshops.

Aspects of the Plan for the Future 2011-2015 such as format, colour and layout will be finalised by professional proof readers and graphic designers once any key changes to the content has been adopted by Council.

## Phase 2.

Upon Phase 1 being adopted the Plan of the Future will be advertised for Community comment as required by the Act. A final report inclusive of Community comment will be brought to Council for final adoption.

## Phase 3.

Upon adoption actions that require resourcing and budgeting will be detailed in the organisational annual business planning process. Reporting against the Plan for the Future 2011-2015 will occur annually through to stakeholders.

**M11/ 5153 – ADOPTION OF THE CITY OF MELVILLE PLAN FOR THE FUTURE 2011–2015 (AMREC) (ATTACHMENT)**

**PUBLIC CONSULTATION/COMMUNICATION**

As outlined in the background section of this item, an extensive dialogue process with the community occurred in 2005 involving over nine thousand residents, the result of which was the first Community Plan. The priorities identified in the Community Plan form an integral part of the Plan for the Future. Further consultation has occurred in the past two years through the development of Neighbourhood Plans, Cultural Vitality Plan, Draft Town Planning Scheme, Directions from Seniors, Directions from Young People as well as gaining information through the Community Wellbeing Survey.

**CONSULTATION WITH OTHER AGENCIES / CONSULTANTS**

The Department of Local Government released a Framework and Guidelines document on Integrated Planning and Reporting in October 2010. Although not legislative in nature the framework is considered a best practice document, and our Plan for the Future and Strategic Community Plan framework aligns with the model developed by the Department of Local Government.

Specifically the Department of Local Government Integrated Planning and Reporting Framework and the City of Melville planning process have the following key elements:

<b><i>Department of LG Guideline</i></b>	<b><i>City of Melville approach</i></b>
<b>Strategic Community Plan</b> (10+ year timeframe) Provides the long term view informed by community aspirations.	<b>Community Plan: People Places Participation</b> Details the long term community aspirations for the City of Melville.
<b>Informing strategies</b> That links the Strategic Community Plan aspirations and the Corporate Business Plan.	<b>Plan for the Future 2011- 2015</b> Highlighting the strategies and plans that are in place to achieve the defined goals for success and sustainability – specifically Customer satisfaction and Community Wellbeing.
<b>Corporate Business Plan</b> Activates the Strategic Community Plan and integrates other plans for specific outcomes, and sets out the resource strategies. Reviewed annually to deliver the annual budget.	<b>Annual Business Plans</b> Activate the actions within the plans contained in the Plan for the Future.  Reviewed annually.
<b>Annual budget</b>	<b>Annual Budget</b>

**M11/ 5153 – ADOPTION OF THE CITY OF MELVILLE PLAN FOR THE FUTURE 2011–2015 (AMREC) (ATTACHMENT)**

**STATUTORY AND LEGAL IMPLICATIONS**

All local governments are required to produce a Plan for the Future document under s5.56(1) of the Local Government Act 1995.

**FINANCIAL IMPLICATIONS**

The development of the Plan for the Future 2011 – 2015 document is within operational budgets for 2010/2011. Specific financial implications of the annual business plans that implement the Plan for the Future will be considered as part of the annual business planning and budget process.

**STRATEGIC AND RISK MANAGEMENT IMPLICATIONS**

Implementation of the revised Plan for the Future 2011- 2015 will impact positively and significantly on the City of Melville in the long term. In particular:

- It is outcome based and linked to community aspirations;
- Alignment of Service Area 2011-12 Business Plans to the Plan for the Future will ensure enhanced performance management and reporting against agreed goals and strategies;
- It facilitates more thoroughly cross-team responsibility and involvement in the achievement of outcomes;
- It demonstrates the City of Melville’s awareness of providing programmes and services that meet the needs of its community.

<b>Risk Statement</b>	<b>Level of Risk</b>	<b>Risk Mitigation Strategy</b>
That the Plan for the Future does not comply with legislative requirements	Moderate consequences which are unlikely, resulting in a <b>LOW</b> level of risk	Utilisation of the Department of Local Government Integrated Planning and Reporting Framework during the review of the Plan for the Future

**POLICY IMPLICATIONS**

There is no Council Policy that relates to this matter.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

There are no alternate options as the need for a Plan for the Future document is mandatory.

**M11/ 5153 – ADOPTION OF THE CITY OF MELVILLE PLAN FOR THE FUTURE 2011–2015 (AMREC) (ATTACHMENT)****CONCLUSION**

The high level overview of the Plan for the Future 2011-2015 outlines organisational goals and strategies listed against five Key Result Areas. It uses the general structure of the existing Plan for the Future and has incorporated more recent consultation into its development.

**OFFICER RECOMMENDATION (5153)****APPROVAL**

At 7.14pm Cr Pazolli moved, seconded Cr Robartson -

**That the Council adopt the high level overview of the City of Melville Plan for the Future 2011-2015 5153 Plan for the Future 2011-2015 for the period 1 July 2011 to 30 June 2015 to be advertised for Community comment.**

Amendment

At 7.14pm Cr Pazolli moved, seconded Cr Robartson -

**That the Officer Recommendation be amended to read as follows:**

***That the Council adopt the City of Melville Plan for the Future 2011-2015 5153 Plan for the Future 2011-2015 for the period 1 July 2011 to 30 June 2015.***

At 7.14pm the Mayor submitted the amendment which was declared

**CARRIED (13/0)**Reasons for Amendment

Confirmation has been received from the Department of Local Government that the Plan for the Future document does not require public comment.

Specifically the response from the Officer from the Department of Local Government was that “as the long term corporate plan looks to be the integration of the community based plan and additional community based place planning with Council priorities and local government operations, no further consultation will be necessary”.

Once this Plan for the Future 2011-2015 is adopted we will update the document for the community, which will be based on the current format of the Plan for the Future 2008-2012 document. We will then advertise the new Plan for the Future document to the community.

**COUNCIL RESOLUTION (5153)****ABSOLUTE MAJORITY**

At 7.15pm the Mayor submitted the substantive motion as amended -

***That the Council adopt the City of Melville Plan for the Future 2011-2015 5153 Plan for the Future 2011-2015 for the period 1 July 2011 to 30 June 2015.***

At 7.15pm the Mayor declared the motion

**CARRIED BY ABSOLUTE MAJORITY (13/0)**

**M11/5157 – CITY OF MELVILLE – CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW (REC) (ATTACHMENT)**

Disclosure of Interest

Item No.	M11/5157
Elected Member/Officer	Dr S Silcox
Type of Interest	Interest under Code of Conduct
Nature of Interest	Item relates to Chief Executive Officer's contract of employment
Request	Stay and Discuss
Decision of Council	Not Applicable

Ward	: All
Category	: Operational
Subject Index	: Personnel file
Customer Index	: Not Applicable
Disclosure of any Interest	: No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	: C10/5101 – City of Melville – Chief Executive Officer Performance Review – Council - April 2010
Works Programme	: Not Applicable
Funding	: Not Applicable
Responsible Officer	: Kylie Johnson Executive Manager Organisational Development

**AUTHORITY / DISCRETION**

**DEFINITION**

<input type="checkbox"/>	Advocacy	<i>when Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	<b>Executive</b>	<b><i>the substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i></b>
<input type="checkbox"/>	Legislative	<i>includes adopting local laws, town planning schemes &amp; policies.</i>
<input type="checkbox"/>	Review	<i>when Council review decisions made by Officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>when Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>

**M11/5157 – CITY OF MELVILLE – CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW (REC) (ATTACHMENT)****KEY ISSUES / SUMMARY**

- The Governance Committee has been determined through Council to be the reviewers of the Chief Executive Officer (CEO) performance.
- The Governance Committee will discuss the CEO performance, future expectations and performance criteria, and review the salary package, for recommendation to Council.
- A defined process is proposed for the CEO performance review, as detailed in the agenda item.

**BACKGROUND**

On 20 March 2008 Dr Shayne Silcox commenced in the role of Chief Executive Officer (CEO) at the City of Melville. In accordance with Clause 4.2 of the CEO contract there is to be a Performance Review every 12 months. The last review was conducted in March 2010.

Clause 6.1 of the CEO contract details that there also needs to be a review of remuneration on an annual basis.

It is relevant to note that at the performance review in 2009 there was a Council resolution as follows:

*“THAT THE NEXT CHIEF EXECUTIVE PERFORMANCE REVIEW INCLUDES FEEDBACK FROM THE EXECUTIVE MANAGEMENT TEAM”*

This was incorporated into the process in 2010 and is also proposed in this item.

**DETAIL**

The review process that is recommended will commence once the Council has endorsed the stages to be followed, as per the attachment:

[5157 Chief Executive Officer Performance Review](#).

**PUBLIC CONSULTATION/COMMUNICATION**

There are no public consultation/communication aspects relating to this item.

**CONSULTATION WITH OTHER AGENCIES / CONSULTANTS**

There has been no consultation with any other agencies/consultants at this stage, although there will be future involvement with respect to appointment of a consultant as identified in the proposed process of the CEO review.

**M11/5157 – CITY OF MELVILLE – CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW (REC) (ATTACHMENT)**

**STATUTORY AND LEGAL IMPLICATIONS**

Section 5.38 of the Local Government Act 1995 states the need to review a CEO's performance at least once a year in relation to every year of employment.

Section 5.39 (7) of the Local Government Act 1995 requires a report from the Salaries and Allowances Tribunal with a recommendation as to the remuneration to be paid or provided to a CEO to be taken into account by the local government before entering into, or renewing a contract of employment with a CEO. *Although this section of the Local Government Act does not include salary reviews this information has been included in the comparative salary data for consideration by the Council when assessing salary.*

Section 5.23 (2) of the Local Government Act 1995 states that a meeting by a Council or Committee, or part of a meeting, may be closed to members of the public if a matter affecting an employee is being dealt with.

**FINANCIAL IMPLICATIONS**

The cost of a facilitator to assist with the Performance Review process is within the current operational budget.

**STRATEGIC AND RISK MANAGEMENT IMPLICATIONS**

<b>Risk Statement</b>	<b>Level of Risk</b>	<b>Risk Mitigation Strategy</b>
That the performance criteria for the next twelve months are not determined	<b>Low</b>	Defined process that includes this stage

**POLICY IMPLICATIONS**

There are no policy implications applicable.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

Not applicable as the requirements for a performance review are mandatory.

**CONCLUSION**

The CEO performance review process provides feedback opportunities to the Council and Chief Executive Officer on performance over the past twelve months, and clarifies future expectations, which are to be reflected in the performance criteria of the Chief Executive Officer's Contract.

**M11/5157 – CITY OF MELVILLE – CHIEF EXECUTIVE OFFICER PERFORMANCE REVIEW (REC) (ATTACHMENT)**

An outcome of the process is resolution by the Council in relation to the Performance Criteria and Salary Review for the Chief Executive Officer.

**OFFICER RECOMMENDATION & COUNCIL RESOLUTION (5157)****APPROVAL**

**That the process proposed in Attachment 5157 Chief Executive Officer Performance Review for the Chief Executive Officer performance review be endorsed.**

At 7.16pm the Mayor submitted the motion, which was declared

**CARRIED EN BLOC (13/0)**

**C11/5154 - SUPPORT FOR FLOOD APPEALS IN WESTERN AUSTRALIA AND QUEENSLAND (REC)**

Ward	:	All
Category	:	Operational
Subject Index	:	Council Administration - Donations
Customer Index	:	Lord Mayor's Distress Relief Fund Incorporated and Office of the Premier of Queensland
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	C09/5047 – Support for 2009 Victorian Bushfire Appeal – Ordinary Meeting of Council - February 2009
Works Programme	:	Not Applicable
Funding	:	Chief Executive Officer's Disaster Relief Account - \$10,000
Responsible Officer	:	Dr Shayne Silcox Chief Executive Officer

**AUTHORITY / DISCRETION**

**DEFINITION**

<input type="checkbox"/>	Advocacy	<i>when Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	<b>Executive</b>	<b><i>the substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i></b>
<input type="checkbox"/>	Legislative	<i>includes adopting local laws, town planning schemes &amp; policies.</i>
<input type="checkbox"/>	Review	<i>when Council review decisions made by Officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>when Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>

**C11/5154 - SUPPORT FOR FLOOD APPEALS IN WESTERN AUSTRALIA AND QUEENSLAND (REC)****KEY ISSUES / SUMMARY**

- To seek Council's endorsement to provide financial support to the Queensland Premier's Disaster Relief Appeal and to the Lord Mayor's Distress Relief Fund Gascoyne & Midwest Flood Appeal.

**BACKGROUND**

Prior to Christmas 2010, extensive flooding occurred in Queensland driving communities out of homes and towns across a substantial area of Queensland. Graphic images of flood damage have been provided by media over the past weeks and many interviews with people who have been urgently evacuated from homes. Lives have been lost, houses and possessions destroyed by flooding and all communities in the path of the flood, have suffered significant damage.

At the time of preparing this report the death toll stood at 30 with over 20 people still missing.

In the area surrounding Carnarvon, the Gascoyne River has been flooded and severely affected a substantial area of the Gascoyne and Midwest of Western Australia. The severe damage is confined to property as there has not been loss of life reported. However, many homes, plantations and infrastructure have suffered significant damage that greatly affects the lives of residents.

**DETAIL**

The City of Melville Policy CP-022 Disaster Appeals provides for a maximum amount of \$5,000 to be donated to any one incident or appeal that meets the criteria of the policy. The amount may be varied should the Council so determine. As a National Natural Disaster (Flood), these events qualify for support from the City of Melville as provided in the Council's policy.

The disasters in both States have affected the lives and livelihoods of a large number of people. Many people in the floods path have been required to evacuate their homes leaving their possessions to the effects of inundation. Images of the cleanup task showing furniture and possessions being dumped in streets for removal to a tip site have been aired continually during January. The size of the floods in both States and the effect is overwhelming. It will require months and in some cases years to replace infrastructure and homes that have been made unsafe or washed away and for the normal services to be re-established. People will be unable to return to their homes until each property has been checked for safety.

The initial phase of both events will bring significant media attention for the immediate clean up of homes, farms, factories and streets. However in phase two, the recovery and rebuilding of community infrastructure, roads and facilities will be undertaken by local governments. The size and cost of the rebuilding projects will be substantial and will test the resources of people and organisations.

**C11/5154 - SUPPORT FOR FLOOD APPEALS IN WESTERN AUSTRALIA AND QUEENSLAND (REC)**

This phase is essential to bring each community together and have peoples' lives and wellbeing resume in a normal manner after such a huge upheaval.

Without doubt, the hard work ahead of each affected local government will go largely unnoticed and unrecognised. The requirement to allocated money to the rebuilding of each community has the potential to stall the development plans of every affected local government irrespective of financial support from both State and Federal Governments.

The Council has provided a Delegation No DA-045 to the Chief Executive Officer (CEO) to make a donation on behalf of the Council that is within the policy guidelines of Council Policy CP-022. The CEO has considered that due to the significant loss occasioned in both events, that the Council may wish to vary the amounts donated.

The CEO has been provided another Delegation No DA-025 to permit urgent response to requests by other local governments for secondment of officers to assist in relief and re-establishment work in areas designated as disaster areas. There have been no requests for assistance at this time.

It should also be noted that staff at the City of Melville have been conducting their own fundraising initiatives to contribute funds to the Lord Mayor's Distress Relief Fund Gascoyne & Midwest Flood Appeal.

**PUBLIC CONSULTATION/COMMUNICATION**

No external consultation has been carried out as this matter is covered by Council Policy CP-022 and Delegation DA-045.

**CONSULTATION WITH OTHER AGENCIES / CONSULTANTS**

No consultation has occurred with other agencies or consultants.

**STATUTORY AND LEGAL IMPLICATIONS**

There are no statutory or legal implications in this report.

**FINANCIAL IMPLICATIONS**

An amount of \$5,000 was provided in the Chief Executive Officer's budget for Disaster Appeals. Should the Council resolve to donate an amount of \$5,000 to each appeal, a subsequent budget reallocation will be required.

**C11/5154 - SUPPORT FOR FLOOD APPEALS IN WESTERN AUSTRALIA AND QUEENSLAND (REC)**

**STRATEGIC AND RISK MANAGEMENT IMPLICATIONS**

The City of Melville Plan for the Future refers:

Social - Build a sense of community spirit where people feel part of their neighbourhood (in the context of this item, this is the nation).

Governance - Visible leadership throughout the organisation and in the community.

The environmental impacts of both floods are substantial and difficult to fully assess until the extent of damage is known. However, in both States, a substantial number of plantation and farming properties have been seriously affected that will take months and in some cases where mature trees have been wiped out, years to address and return to the pre-existing state.

<b>Risk Statement</b>	<b>Level of Risk</b>	<b>Risk Mitigation Strategy</b>
Risk of ignoring the major flood events could be regarded as uncaring for the people affected.	Minor consequences which are possible, resulting in a <b>Medium</b> level of risk	Provide a donation within Council Policy to a recognised body.

**POLICY IMPLICATIONS**

The Council Policy CP-022 Disaster Appeals applies in these situations. Both events have been classified as disasters and fall within the scope of this policy.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

The Council may decide to either not provide support to the Queensland Premier's Disaster Relief Appeal and the Lord Mayor's Distress Relief Fund Gascoyne & Midwest Flood Appeal or resolve to provide a different amount to that of the Policy maximum.

**CONCLUSION**

The Council has provided support of \$5,000 to the Victorian Bushfires Appeal in 2009 and has a history of responding to national disasters to support communities in extreme distress. The Council has a policy that identifies circumstances where support may be provided and both of these events are consistent with the intent of the policy.

A Delegation DA-045 authorises the Chief Executive Officer to provide financial support to bona fide national appeals. However as Council may wish to donate a different amount to that delegated to the CEO, the matter has been put forward to Council for consideration.

**C11/5154 - SUPPORT FOR FLOOD APPEALS IN WESTERN AUSTRALIA AND QUEENSLAND (REC)****OFFICER RECOMMENDATION & COUNCIL RESOLUTION (5154)****APPROVAL****That the Council;**

- 1 Directs the Chief Executive Officer to contribute an amount of \$5,000 to the Queensland Premier's Disaster Relief Appeal.**
- 2 Directs the Chief Executive Officer to contribute an amount of \$5,000 to the Lord Mayor's Distress Relief Fund Gascoyne & Midwest Flood Appeal.**

At 7.16pm the Mayor submitted the motion, which was declared

**CARRIED EN BLOC (13/0)**

**C11/5155 – ADOPTION OF THE CITY OF MELVILLE FENCES AMENDMENT LOCAL LAW 2011 (AMREC) (ATTACHMENT)**

Ward	:	All
Category	:	Operational
Subject Index	:	Acts, Statutes and Local Laws
Customer Index	:	City of Melville
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	C10-5142 - Proposed Amendment to the Local Law Relating to Fences - Council Meeting 16 November 2010.
Works Programme	:	Not Applicable
Funding	:	Not Applicable
Responsible Officer	:	Jeff Clark Governance and Compliance Program Manager

**AUTHORITY / DISCRETION**

**DEFINITION**

<input type="checkbox"/>	Advocacy	<i>when Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input type="checkbox"/>	Executive	<i>the substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input checked="" type="checkbox"/>	<b>Legislative</b>	<b><i>includes adopting local laws, town planning schemes &amp; policies.</i></b>
<input type="checkbox"/>	Review	<i>when Council review decisions made by Officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>when Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>

**C11/5155 – ADOPTION OF THE CITY OF MELVILLE FENCES AMENDMENT LOCAL LAW 2011 (AMREC) (ATTACHMENT)****KEY ISSUES / SUMMARY**

- This item refers to the proposed adoption of the City of Melville Fences Amendment Local Law 2011. The matter came before Council at its meeting on 16 November 2010 where it was resolved to advertise the proposed amendment to the Local Law. Council is now required to resolve by absolute majority whether to adopt the proposed Local Law.

**BACKGROUND**

At its Ordinary Council Meeting held on 16 November 2010, Council considered the proposed amendment to the City of Melville Local Law Relating to Fences and resolved –

*That the Council resolves to advertise the amendments to the Local Law Relating to Fences as contained in 5142 Fencing Local Law for public comment, in accordance with the requirements of Section 3.12(3) of the Local Government Act 1995.*

There were two requests for copies of the local law with only one submission received from the Department of Local Government.

**DETAIL**

The proposed City of Melville Fences Amendment Local Law 2011 was advertised in the West Australian on 24 November 2010 and the Melville Times on 30 November 2010. Submissions closed on 17 January 2011.

The Local Law Relating to Fences is derived from powers under the Local Government (Miscellaneous Provisions) Act 1960 and the Dividing Fences Act 1961. Therefore the proposed Local Law falls within the responsibility of two Ministers.

Each local government may be required to make a Local Law defining a “sufficient fence” for the district, should it be directed by the Minister for Commerce. Local governments usually make a Local Law to provide certainty of the definition of a “sufficient fence” in their district without the instruction of the Minister.

***Submission from the Department of Local Government***

The Department of Local Government under cover of an e-mail dated 14 January 2011 commented on the proposed amendment. The Department made suggestions in respect of drafting improvements to ensure standardising the format for Acts and Regulations for purposes of uniformity, consistency and functionality. As such the Department made suggested improvements to the drafting of the amendment in accordance with this standardised format. While a number of formatting amendments have been made to the proposed amendment, few amendments have been made to the content. The City therefore in adopting the proposed amendment is not making material changes to the proposed Local Law compared to that which was originally proposed.

**C11/5155 – ADOPTION OF THE CITY OF MELVILLE FENCES AMENDMENT LOCAL LAW 2011 (AMREC) (ATTACHMENT)**

The Department of Local Government has requested that the City insert a commencement clause advising that the Local Law will come into operation 14 days after the day it is published in the Government Gazette; a definition of the term City to mean the City of Melville; and all defined terms to be in bold and italicised. The Department also requested that a copy of the Local Law be forwarded to the Minister for Commerce for any comments pursuant to the Dividing Fences Act 1961. The Department of Commerce administers the Dividing Fences Act 1961 in Western Australia and is required to be advised of the proposed amendments to the Local Law..

Council is now required to make the local law as proposed or make a local law that is not significantly different from what was proposed. If Council decides to make a local law that is significantly different from what is proposed than under section 3.12(4), the local law-making process must be started again.

After Council has made the local law, the local government is required to publish it in the Government Gazette and submit a copy of it to the Minister for Local Government. After the local law has been published in the Gazette, the local government is to give local public notice:

- stating the title of the local law;
- summarising the purpose and effect of the local law (specifying the day on which it comes into operation); and
- advising that copies of the local law may be inspected or obtained from the local government's office.

Once the local law has appeared in the Government Gazette, the local government is also required to send an explanatory memorandum and copies of the local law to the Joint Standing Committee on Delegated Legislation.

**PUBLIC CONSULTATION/COMMUNICATION**

As required under s. 3.12(3) of the Local Government Act 1995, the City of Melville advertised the proposed local law in the West Australian and the Melville Times.

**CONSULTATION WITH OTHER AGENCIES / CONSULTANTS**

The proposed amendment was sent to the Minister for Local Government on 7 December 2010.

**STATUTORY AND LEGAL IMPLICATIONS**

S. 3.12(4), (5), (6) and (7) of the Local Government Act 1995 (WA).

**C11/5155 – ADOPTION OF THE CITY OF MELVILLE FENCES AMENDMENT LOCAL LAW 2011 (AMREC) (ATTACHMENT)**

**FINANCIAL IMPLICATIONS**

Advertisement costs for the adoption notice and the gazettal fee for the proposed amendments to the City of Melville Fences Amendment Local Law 2011 will not be quantifiable until published in the Government Gazette. There is a budget item for publication in the Government Gazette and to advertise the local laws in Statewide and Local newspapers.

**STRATEGIC AND RISK MANAGEMENT IMPLICATIONS**

The adoption of the proposed amendments to the Fences Local Law will have implications for the City. Adequate local laws allow for protection of members of the community through the regulation of activities in controlled parameters. It is therefore a requirement, that local laws are relevant, easy to understand and adequate.

<b>Risk Statement</b>	<b>Level of Risk</b>	<b>Risk Mitigation Strategy</b>
Risk of not clarifying the role of delegated officers in approving fences may lead to officers acting ultra vires.	A possible risk with a major consequence, resulting in a <b>moderate</b> level of risk.	Formalise the actions of officers acting pursuant to delegation.

**POLICY IMPLICATIONS**

There are no policy implications in respect of the amended Local Law, the subject of this report.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

There are no alternative options presented in this report as Council must determine a standard fence within the City as a minimum requirement.

**CONCLUSION**

The proposed local law will, if Council resolves to adopt it, be gazetted in the Government Gazette and become law 14 days there after.

**OFFICER RECOMMENDATION & COUNCIL RESOLUTION (5155)**

**ABSOLUTE MAJORITY**

At 7.16pm Cr Subramaniam moved, seconded Cr Halton -

- 1. That the Council by an absolute majority in accordance with section 3.12(4) of the Local Government Act 1995 adopts the City of Melville Fences Amendment Local Law 2011 as contained in [5155 Fences Local Law Amendment](#) and affixes the Common Seal; and**

**C11/5155 – ADOPTION OF THE CITY OF MELVILLE FENCES AMENDMENT LOCAL LAW 2011 (AMREC) (ATTACHMENT)**

- 2. That the Council approves the progression of the remaining actions to finalise the publication of the Local Law in accordance with sections 3.12 and 3.15 of the *Local Government Act 1995*.**

At 7.16pm the Mayor submitted the motion, which was declared

**CARRIED BY ABSOLUTE MAJORITY (13/0)**

The Presiding Member advised Elected Members that when dealing with the following Report they act in their Quasi-Judicial capacity which means that they are performing functions which involve the exercise of discretion and require a part of the decision making process be conducted in a Judicial Manner. The judicial character arises from the obligation to abide by the principles of natural justice. This on it's part requires the application of the relevant facts to the appropriate statutory regime.

**C11/5158- RENEWAL OF DEED OF ACCESS BETWEEN CITY OF MELVILLE AND BROLO NOMINEES PTY LTD AND HESLUP PTY LTD (REC)**

Ward : Palmyra/Melville/Willagee  
 Category : Operational  
 Subject Index : Lot 51 Archibald Street, Willagee  
 Customer Index : Brolo Nominees Pty Ltd, Heselup Pty Ltd  
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.  
 Previous Items : U01/0095 – (RC) Deed of Access For Retail Development on Lot 51 (62) Archibald Street, Willagee  
 Works Programme : Not Applicable  
 Funding : Not Applicable  
 Responsible Officer : Jeff Clark  
 Governance and Compliance Program Manager

**AUTHORITY / DISCRETION**

**DEFINITION**

<input type="checkbox"/>	Advocacy	<i>when Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input type="checkbox"/>	Executive	<i>the substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i>
<input type="checkbox"/>	Legislative	<i>includes adopting local laws, town planning schemes &amp; policies.</i>
<input type="checkbox"/>	Review	<i>when Council review decisions made by Officers.</i>
<input checked="" type="checkbox"/>	<b>Quasi-Judicial</b>	<b><i>when Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i></b>

**C11/5158 - RENEWAL OF DEED OF ACCESS BETWEEN CITY OF MELVILLE AND BROLO NOMINEES PTY LTD AND HESLUP PTY LTD (REC)****KEY ISSUES / SUMMARY**

- A request for Council to consider an application for renewal of a Deed of Access by Brolo Nominees Pty Ltd in accordance with a Deed of Access dated 30 May 2001 and a Deed of Assignment of Rights with Heslup Pty Ltd dated 19 July 2001, for a further term of ten years.

**BACKGROUND**

The City entered into a Deed of Access with Brolo Nominees Pty Ltd on 30 May 2001. Under clause 2.1 of the Deed, the City granted to Brolo Nominees Pty Ltd a right of vehicular and pedestrian access and egress to and from Reserve 3940 at all points adjacent to the Reserve's common boundary with Lot 51. The duration was for ten years commencing on 1 January 2001. Under clause 2.3 the City has a discretion to renew the right for a further term of ten years upon application by the parties.

In 2001, Brolo Nominees Pty Ltd sold part of Lot 51 to Heslup Pty Ltd. The parties entered into a Deed of Assignment of Rights to extend the right of access to Heslup Pty Ltd.

On 28 October 2010, Brolo Nominees Pty Ltd wrote to the City requesting an exercise of the extension of the Deed of Access.

On 10 December 2010, Heslup Pty Ltd also made an application for the extension of the right of access for a further term of ten years.

Council is required to consider the application as the Chief Executive Officer does not have delegated authority to approve the extension.

**DETAIL**

In July 2000, Council approved an application for additional retail shops on the subject site. Additional car parking was provided at the rear of the property which required access over Reserve No. 39400 owned by the City of Melville. It was a condition of planning approval imposed upon the development that –

*“The applicant/owner at their full expense seeking and formalising the proposed access over the adjoining Council land to the rear car park area. The applicant to enter into a legal agreement with the Council regarding access to the car parking area over private property if entertained by the Council.”*

The applicant has sought approval from Council for an extension of the further term in order to access the rear car parking in accordance with the original condition of planning approval. In consultation with Planning Services it appears that the extension of the right of access for a further ten years will not interfere with the City's long-term plan for the area.

Whilst there is a Delegation from 2007 to deal with deeds of assignment relating to this property, the Deed of Access is constructed to require a decision of the Council to approve an extension.

**C11/5158 - RENEWAL OF DEED OF ACCESS BETWEEN CITY OF MELVILLE AND BROLO NOMINEES PTY LTD AND HESLUP PTY LTD (REC)**



**PUBLIC CONSULTATION/COMMUNICATION**

The City received an application from Brolo Nominees Pty Ltd on 28 October 2010 requesting the extension of the right of access pursuant to clause 2.3 of the Deed of Access for a further term of ten years. On 10 December 2010, the City also received an application from Hسلup Pty Ltd requesting an extension of the right of access as contained in the Deed. The City advised the applicants that the matter needed to be put before Council for consideration as the original Deed required the approval of the Council to be extended, and this would be at the February 2011 round of Council meetings.

**CONSULTATION WITH OTHER AGENCIES / CONSULTANTS**

The application has been discussed with Planning Services and Technical Services concerning any implication for the extension of the Deed of Access. Both Planning and Technical Services support the application.

**STATUTORY AND LEGAL IMPLICATIONS**

Should the Council resolve to support the application by the parties, a deed of extension would be provided for a further ten years.

**C11/5158 - RENEWAL OF DEED OF ACCESS BETWEEN CITY OF MELVILLE AND BROLO NOMINEES PTY LTD AND HESLUP PTY LTD (REC)****FINANCIAL IMPLICATIONS**

There are no financial implications associated with this report. Costs associated with the preparation of a further Deed of Access would be met by the applicants.

**STRATEGIC AND RISK MANAGEMENT IMPLICATIONS**

There are no strategic or risk management implications associated with this report.

**POLICY IMPLICATIONS**

There are no policy implications associated with this report.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

The Council may refuse the request for extension, however, as the Deed of Access was a condition of planning approval, a refusal would be inconsistent with Council's earlier position.

**CONCLUSION**

The Deed of Access is required to formalise the access to the rear car park over the Reserve. The extension is consistent with the short term plan for the area and it is therefore recommended that Council approve the extension for a further term of ten years.

**OFFICER RECOMMENDATION & COUNCIL RESOLUTION (5158)****APPROVAL****That the Council;**

- 1. Approve the extension of the Deed of Access between the City of Melville and Brolo Nominees Pty Ltd and Heselup Pty Ltd for lot 51 (62) Archibald Street, Willagee for a further term of ten years expiring on 31 December 2020;**
- 2. Recovers all costs associated with the extension of the Deed of Access from the Applicants;**
- 3. Advise the applicants in writing that this extension fulfils the intent of the original deed. Any extensions beyond 31 December 2020 will need to be by agreement and drafting of a new Deed of Access. Failure to enter into a new deed will render the development in breach of the City's Community Planning Scheme;**

**C11/5158 - RENEWAL OF DEED OF ACCESS BETWEEN CITY OF MELVILLE AND  
BROLO NOMINEES PTY LTD AND HESLUP PTY LTD (REC)**

- 4. Authorises the Chief Executive Officer to undertake all the requirements necessary to formalise the Deed of Extension between the parties in accordance with the Council's approval.**

At 7.17pm the Mayor submitted the motion, which was declared

**CARRIED EN BLOC (13/0)**

The Presiding Member advised Elected Members that the Meeting has now moved out of the Quasi-Judicial phase.

**C11/5000 – COMMON SEAL REGISTER (REC)**

Ward	:	All
Category	:	Operational
Subject Index	:	Common Seal Register
Customer Index	:	City of Melville
Disclosure of any Interest	:	No Officer involved in the preparation of this report has a declarable interest in this matter.
Previous Items	:	Standard Item
Works Programme	:	Not applicable
Funding	:	Not applicable
Responsible Officer	:	Bruce Taylor - Manager Information, Technology & Support

**AUTHORITY / DISCRETION**

**DEFINITION**

<input type="checkbox"/>	Advocacy	<i>when Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	<b>Executive</b>	<b><i>the substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i></b>
<input type="checkbox"/>	Legislative	<i>includes adopting local laws, town planning schemes &amp; policies.</i>
<input type="checkbox"/>	Review	<i>when Council review decisions made by Officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>when Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>

**KEY ISSUES / SUMMARY**

This report details the documents to which the City of Melville Common Seal has been applied and recommends that the information be noted.

**C11/5000 – COMMON SEAL REGISTER (REC)**

**BACKGROUND**

Section 2.5 of the Local Government Act 1995 states that a Local Government is a Body Corporate with perpetual succession and a common seal. A document is validly executed by a Body Corporate when the common seal of the Local Government is affixed to it by the Chief Executive Officer, and the Mayor and the Chief Executive Officer attest the affixing of the seal.

**DETAIL**

<b>Register Reference</b>	<b>Party</b>	<b>Description</b>	<b>File Reference</b>
471	City of Melville	Community Planning Scheme No. 5 - Amendment No. 43 - Rezoning Lot 300 (10) Archibald Street, Willagee	2371021
486	City of Melville & Petrossian & Thompson	Transfer of Land 429 Marmion Street Myaree	2388537
488	City of Melville	Community Planning Scheme No. 5 - Amendment No. 57 Rezoning of the Southern Portion of Lot 50 North Lake Road and Lot 109 North Lake Road	2393347
492	City of Melville & Commonwealth of Australia as represented by the Department of Climate Change & Energy Efficiency	Access to Pilot Sea-Level Rise Visualisation Tool - WA - Licence Deed	2395371

**PUBLIC CONSULTATION/COMMUNICATION**

Not applicable.

**CONSULTATION WITH OTHER AGENCIES / CONSULTANTS**

Not applicable.

**C11/5000 – COMMON SEAL REGISTER (REC)****STATUTORY AND LEGAL IMPLICATIONS**

Section 2.5(2) of the Local Government Act 1995.

*The local government is a body corporate with perpetual succession and a common seal.*

Section 9.49. Documents, how authenticated.

*A document, is, unless this Act requires otherwise, sufficiently authenticated by a local government without its common seal if signed by the CEO or an employee of the local government who purports to be authorised by the CEO to so sign.*

**FINANCIAL IMPLICATIONS**

Not applicable.

**STRATEGIC AND RISK MANAGEMENT IMPLICATIONS**

Not applicable.

**POLICY IMPLICATIONS**

Not applicable.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

Not applicable.

**CONCLUSION**

This is a standard report for Elected Members information.

**OFFICER RECOMMENDATION & COUNCIL RESOLUTION (5000)****NOTING**

**That the action of His Worship the Mayor and the Chief Executive Officer in executing the documents listed under the Common Seal of the City of Melville, be noted.**

At 7.17pm the Mayor submitted the motion, which was declared

**CARRIED EN BLOC (13/0)**

**C11/6000 - INVESTMENT STATEMENTS (REC)**

Ward : All  
 Category : Operational  
 Subject Index : Financial Investments and Statements  
 Customer Index : Not applicable  
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.  
 Previous Items : Standard Item  
 Works Programme : Not applicable  
 Funding : Not applicable  
 Responsible Officer : Khris Yeoh - Senior Financial Accountant

**AUTHORITY / DISCRETION**

**DEFINITION**

<input type="checkbox"/>	Advocacy	<i>when Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	<b>Executive</b>	<b><i>the substantial direction setting and oversight role of Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i></b>
<input type="checkbox"/>	Legislative	<i>includes adopting local laws, town planning schemes &amp; policies.</i>
<input type="checkbox"/>	Review	<i>when Council review decisions made by Officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>when Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>

**KEY ISSUES / SUMMARY**

- This report presents the investment statements for the month of December 2010 and recommends that the information detailed in the attachments be noted.
- No new credit events were recorded in relation to Council's Collateralised Debt Obligation (CDO) investments in December 2010.
- Council has not received official notification on the full default of the Starts Cayman Blue Gum CDO.
- When compared to the valuations used as at 30 June 2010, valuations obtained from Denison Financial Advisory as at 31 December 2010 show that:
  - Authorised Deposit-taking Institutions (ADIs) have increased in value by \$75K.
  - CDOs have increased in value by \$2.83m.

**C11/6000 - INVESTMENT STATEMENTS (REC)**

**BACKGROUND**

The City has cash holdings as a result of timing differences between the collection of revenue and its expenditure. Whilst these funds are held by the City, they are invested in appropriately rated and liquid investments.

The investment of cash holdings is undertaken in accordance with Council's Investment of Funds Policy CP-009, with the objective of maximising returns whilst maintaining low levels of credit risk exposure.

**DETAIL**

Summary details of investments held at 31 December 2010 are shown in the table below.

**CITY OF MELVILLE  
STATEMENT OF INVESTMENTS  
FOR THE PERIOD ENDING 31 DECEMBER 2010**

SUMMARY BY FUND	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2010 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
MUNICIPAL RESERVE TRUST CRF	\$ 48,625,610 \$ 44,297,583 \$ 507,764 \$ 173,026	\$ 48,625,610 \$ 24,623,826 \$ 507,764 \$ 173,026	\$ 48,625,610 \$ 27,534,050 \$ 507,764 \$ 173,026	\$ - \$ 2,910,224 \$ - \$ -	0.00% 6.57% 0.00% 0.00%
	<b>\$ 93,603,983</b>	<b>\$ 73,930,226</b>	<b>\$ 76,840,450</b>	<b>\$ 2,910,224</b>	<b>3.11%</b>

SUMMARY BY FUND	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2010 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
ADI CDO BOND TERM DEPOSIT 11AM UNITS (Local Govt Hse)	\$ 5,000,000 \$ 21,220,000 \$ 2,000,000 \$ 61,659,527 \$ 3,493,810 \$ 230,645	\$ 4,830,905 \$ 1,715,338 \$ 2,000,000 \$ 61,659,527 \$ 3,493,810 \$ 230,645	\$ 4,905,855 \$ 4,550,612 \$ 2,000,000 \$ 61,659,527 \$ 3,493,810 \$ 230,645	\$ 74,950 \$ 2,835,274 \$ - \$ - \$ - \$ -	1.50% 13.36% 0.00% 0.00% 0.00% 0.00%
	<b>\$ 93,603,983</b>	<b>\$ 73,930,226</b>	<b>\$ 76,840,450</b>	<b>\$ 2,910,224</b>	<b>3.11%</b>

SUMMARY BY FUND	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2010 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
AA AA- A+ A A- BBB+ CCC CCC- NR UNITS (Local Govt Hse)	\$ 28,196,177 \$ 33,157,161 \$ 3,800,000 \$ 3,000,000 \$ 2,500,000 \$ 1,000,000 \$ 1,500,000 \$ 3,600,000 \$ 16,620,000 \$ 230,645	\$ 28,196,177 \$ 33,139,431 \$ 3,800,000 \$ 3,000,000 \$ 2,379,555 \$ 983,880 \$ 76,950 \$ 376,140 \$ 1,747,448 \$ 230,645	\$ 28,196,177 \$ 33,146,251 \$ 3,800,000 \$ 3,000,000 \$ 2,435,195 \$ 991,270 \$ 553,500 \$ 905,400 \$ 3,582,012 \$ 230,645	\$ - \$ 6,820 \$ - \$ - \$ 55,640 \$ 7,390 \$ 476,550 \$ 529,260 \$ 1,834,564 \$ -	0.00% 0.02% 0.00% 0.00% 2.23% 0.74% 31.77% 14.70% 11.04% 0.00%
	<b>\$ 93,603,983</b>	<b>\$ 73,930,226</b>	<b>\$ 76,840,450</b>	<b>\$ 2,910,224</b>	<b>3.11%</b>

**C11/6000 - INVESTMENT STATEMENTS (REC)**

The following statements detail the investments held by the City. Marketable investments are shown at their estimated market value (Estimated Market Value).

CITY OF MELVILLE STATEMENT OF INVESTMENTS FOR THE PERIOD ENDING 31 DECEMBER 2010											
INSTITUTION / INVESTMENT	RISK of IMPAIRMENT	INVESTMENT TYPE	Current Interest Rate %	S & P RATING	PROPORTION	MAX. PER INSTITUTION POLICY 13-PL-003	FACE VALUE \$	BOOK VALUE AT 30/6/2010 \$	CURRENT EST MARKET VALUE \$	INVESTMENT GAIN / (LOSS) SINCE 30/6/10 \$	
BANKWEST (11AM)		11AM	4.70%	AA	1%	20%	\$1,336,650	\$1,336,650	\$1,336,650	\$0	
WESTPAC (MAXI BONUS 1)		11AM	5.20%	AA-	0%	20%	\$0	\$0	\$0	\$0	
WESTPAC (MAXI BONUS 2)		11AM	5.20%	AA-	0%	20%	\$0	\$0	\$0	\$0	
							<b>\$3,493,810</b>	<b>\$3,493,810</b>	<b>\$3,493,810</b>	<b>\$0</b>	
BANKWEST (TERM)		TERM	5.85%	AA	12%	20%	\$10,859,527	\$10,859,527	\$10,859,527	\$0	
COMMONWEALTH BANK (TERM)		TERM	5.70%	AA	15%	20%	\$14,000,000	\$14,000,000	\$14,000,000	\$0	
SUNCORP METWAY LTD (TERM)		TERM	5.84%	A+	4%	20%	\$3,800,000	\$3,800,000	\$3,800,000	\$0	
ING BANK		TERM	6.32%	A	3%	20%	\$3,000,000	\$3,000,000	\$3,000,000	\$0	
NAB		TERM	5.81%	AA	15%	20%	\$14,000,000	\$14,000,000	\$14,000,000	\$0	
ST GEORGE BANK (TERM)		TERM	5.79%	AA-	4%	20%	\$4,200,000	\$4,200,000	\$4,200,000	\$0	
WESTPAC (TERM)		TERM	6.26%	AA-	13%	20%	\$11,800,000	\$11,800,000	\$11,800,000	\$0	
							<b>\$61,659,527</b>	<b>\$61,659,527</b>	<b>\$61,659,527</b>	<b>\$0</b>	
COMMONWEALTH BANK (BOND)		BOND	6.00%	AA	2%	20%	\$2,000,000	\$2,000,000	\$2,000,000	\$0	
							<b>\$2,000,000</b>	<b>\$2,000,000</b>	<b>\$2,000,000</b>	<b>\$0</b>	
ADELAIDE BANK	Very Low	ADI	5.37%	BBB+	1%	10%	\$1,000,000	\$983,880	\$991,270	\$7,390	
ELDERS RURAL BANK	Very Low	ADI	5.67%	BBB	1%	0%	\$500,000	\$485,200	\$490,300	\$5,100	
MACQUARIE BANK	Very Low	ADI	5.39%	A-	2%	15%	\$1,500,000	\$1,410,105	\$1,448,295	\$38,190	
SUNCORP METWAY LTD	Very Low	ADI	5.33%	A-	1%	15%	\$1,000,000	\$969,450	\$986,900	\$17,450	
WESTPAC BANK	Very Low	ADI	5.09%	AA-	1%	20%	\$1,000,000	\$982,270	\$989,090	\$6,820	
APHEX (GLENELG)	High	CDO	6.70%	NR	2%	0%	\$2,000,000	\$125,600	\$540,000	\$414,400	
BERYL FINANCE GLOBAL BANK NOTE	Early Term.	CDO	0.00%	NR	2%	0%	\$2,000,000	\$1	\$0	-\$1	
BERYL FINANCE GLOBAL BANK NOTE 2	Early Term.	CDO	0.00%	NR	0%	0%	\$450,000	\$1	\$0	-\$1	
CORSAIR (CAYMAN) KAKADU	High	CDO	6.35%	CCC	2%	0%	\$1,500,000	\$76,950	\$553,500	\$476,550	
CORSAIR (CAYMAN) TORQUAY	Very High	CDO	6.55%	NR	2%	0%	\$1,885,000	\$23,000	\$203,392	\$180,392	
ETHICAL LIMITED GREEN	High	CDO	5.95%	NR	1%	0%	\$1,000,000	\$11,000	\$262,900	\$251,900	
HELIUM CAPITAL (ESPERANCE)	High	CDO	6.65%	CCC-	2%	0%	\$1,800,000	\$355,140	\$905,400	\$550,260	
HELIUM CAPITAL (SCARBOROUGH)	High	CDO	6.83%	CCC-	2%	0%	\$1,800,000	\$21,000	\$0	-\$21,000	
MAGNOLIA FLINDERS	Moderate	CDO	6.45%	NR	2%	20%	\$2,000,000	\$988,139	\$1,750,000	\$761,861	
MANAGED ACES CLASS 11A PARKES	Very High	CDO	8.25%	NR	1%	0%	\$1,000,000	\$3,000	\$2,500	-\$500	
MANAGED ACES CLASS 1A PARKES	High	CDO	6.58%	NR	1%	0%	\$1,050,000	\$10,500	\$12,600	\$2,100	
OMEGA CAPITAL CLASS A HENLEY	Moderate	CDO	5.80%	NR	0%	0%	\$385,000	\$82,506	\$320,320	\$237,814	
STARTS (CAYMAN) BLUE GUM	Defaulted	CDO	6.40%	NR	2%	0%	\$1,500,000	\$7,500	\$0	-\$7,500	
ZIRCON FINANCE COOLANGATTA	Early Term.	CDO	0.00%	NR	2%	0%	\$1,500,000	\$9,300	\$0	-\$9,300	
ZIRCON FINANCE MERIMBULA	Early Term.	CDO	0.00%	NR	1%	0%	\$500,000	\$1,700	\$0	-\$1,700	
ZIRCON FINANCE MIAMI	Early Term.	CDO	0.00%	NR	1%	0%	\$850,000	\$1	\$0	-\$1	
							<b>\$26,220,000</b>	<b>\$6,546,243</b>	<b>\$9,456,467</b>	<b>\$2,910,224</b>	
UNITS IN LOCAL GOVT HOUSE		UNITS	0.00%				\$230,645	\$230,645	\$230,645	\$0	
<b>TOTAL FUNDS INVESTED</b>					<b>100%</b>		<b>\$93,603,983</b>	<b>\$73,930,226</b>	<b>\$76,840,450</b>	<b>\$2,910,224</b>	

**DIVERSIFICATION / CREDIT RISK COMPARISON**

CREDIT RISK	PURCHASE PRICE \$	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % AMOUNT IN TOTAL PORTFOLIO POLICY 13-PL-003	Comments
AAA	\$0	\$0	0%	100%	
AA	\$42,196,177	\$42,196,177	55%	80%	
AA-	\$19,157,161	\$19,146,251	25%	80%	
A+	\$3,800,000	\$3,800,000	5%	50%	
A	\$3,000,000	\$3,000,000	4%	50%	
A-	\$2,500,000	\$2,435,195	3%	50%	
BBB+	\$1,000,000	\$991,270	1%	20%	
BBB	\$500,000	\$490,300	1%	0%	
BBB-	\$0	\$0	0%	0%	
BB+	\$0	\$0	0%	0%	
B+	\$0	\$0	0%	0%	
B	\$0	\$0	0%	0%	
CCC+	\$0	\$0	0%	0%	
CCC	\$1,500,000	\$553,500	1%	0%	
CCC-	\$3,600,000	\$905,400	1%	0%	
C	\$0	\$0	0%	0%	
NR	\$16,120,000	\$3,091,712	4%	0%	
UNITS IN LOCAL GOVT: HOUSE	\$230,645	\$230,645	0%	0.1%	Council Decision
<b>TOTAL</b>	<b>93,603,983</b>	<b>76,840,450</b>	<b>100%</b>		

**C11/6000 - INVESTMENT STATEMENTS (REC)**
**DIVERSIFICATION RISK**

INSTITUTION	INVESTMENT TYPE	S & P RATING	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	INSTITUTION PROPORTION	MAX. % WITH ANY ONE INSTITUTION	Comments
BANKWEST (11AM)	11AM	AA	1,336,650	1.74%		20%	
BANKWEST (TERM)	TERM	AA	10,859,527	14.13%	15.87%	20%	
COMMONWEALTH BANK (TERM)	TERM	AA	14,000,000	18.22%		20%	
COMMONWEALTH BANK (BOND)	BOND	AA	2,000,000	2.60%	20.82%	20%	
MACQUARIE BANK	ADI	A-	1,448,295	1.88%		15%	
MACQUARIE BANK (TERM)	TERM	AAA	-	0.00%	1.88%	20%	
NAB	TERM	AA	14,000,000	18.22%	18.22%	20%	
ANZ BANK	TERM	AA-	-	0.00%	0.00%	20%	
ING BANK	TERM	A	3,000,000	3.90%	3.90%	20%	
SAVINGS & LOANS	TERM	AAA	-	0.00%	0.00%	25%	
ST GEORGE BANK (TERM)	TERM	AA-	4,200,000	5.47%	5.47%	20%	
WESTPAC (MAXI BONUS 1)	11AM	AA-	-	0.00%		20%	
WESTPAC (MAXI BONUS 2)	11AM	AA-	-	0.00%		20%	
WESTPAC (MAXI DIRECT)	11AM	AA-	2,157,161	2.81%		20%	
WESTPAC (TERM)	TERM	AA-	11,800,000	15.36%		20%	
WESTPAC BANK	ADI	AA-	989,090	1.29%	19.45%	20%	
ADELAIDE BANK	ADI	BBB+	991,270	1.29%	1.29%	10%	
BENDIGO BANK	ADI	BBB+	-	0.00%	0.00%	10%	
ELDERS RURAL BANK	ADI	BBB	490,300	0.64%	0.64%	10%	
SUNCORP METWAY LTD (TERM)	TERM	A+	3,800,000	4.95%		15%	
SUNCORP METWAY LTD	ADI	A-	986,900	1.28%	6.23%	15%	
DEUTSCHE BANK - CAPITAL GUARANTEED NOTE	CAP	AAA	-	0.00%	0.00%	20%	
CDO - Various	CDO		4,550,612	5.92%	5.92%		Purchased Prior To Policy Change
UNITS IN LOCAL GOVT HOUSE	UNITS		230,645	0.30%	0.30%		
			<b>\$76,840,450</b>	<b>100%</b>	<b>100%</b>		

**MATURITY COMPARISON**

TERM to MATURITY	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % IN ANY ONE YEAR	Comments
MUNICIPAL & TRUST FUNDS				
< 1 year	46,902,729	96%	100%	
< 2 years	-	0%	10%	
< 3 years	-	0%	10%	
< 4 years	-	0%	0%	
< 5 years	2,000,000	4%	0%	CBA Retail Bond
> 5 years	-	0%	0%	
	<b>48,902,729</b>	<b>100%</b>		
RESERVE FUNDS				
< 1 year	18,077,583	66%	100%	
< 2 years	3,061,590	11%	80%	
< 3 years	1,108,792	4%	80%	
< 4 years	1,356,400	5%	40%	
< 5 years	15,100	0%	40%	
> 5 years	3,914,585	14%	20%	Purchased Prior To Policy Change
	<b>27,534,050</b>	<b>100%</b>		

**C11/6000 - INVESTMENT STATEMENTS (REC)**

The values ascribed to Authorised ADIs by the independent financial advisers are based on current market evidence. Current positive improvements in the market, are evident by an increase in valuations. These valuations assume that the City will be required to sell those investments prior to maturity. The City is however a holder to maturity of these investments as there is no need to sell ADIs. There is therefore no reason to expect that any loss will be incurred. Recent repurchases by the issuing banks at their full value supports this view. The City expects that further ADIs will be repurchased by the issuing banks as they reach their call dates over the next 24 months. Since 30 June 2009 \$12,500,000 worth of ADIs had been repurchased by the issuing banks. These had been written down in previous financial years, to a book value of \$12,288,900. A book profit of \$211,100 has therefore been realised.

Due to the absence of an active market for CDOs and the ongoing uncertainty in financial markets, the City adopted a very conservative approach when valuing its CDOs for year end reporting purposes.

Monthly valuations shown for 31 December 2010 were provided by Council's independent financial adviser Denison Financial Advisory. This supports the current positive improvements in the market, evident by the increase in valuations of Council ADIs and CDOs investments. When compared to the valuations used as at 30 June 2010, valuations obtained from Denison as at 31 December 2010 show that:

- ADIs have increased in value by \$74,950.
- CDOs have increased in value by \$2.83 million.

All non Lehman Brothers arranged CDOs continue to pay coupon payments (including albeit some at reduced levels due to the erosion of credit support and therefore underlying capital) and this is expected to continue. As Council has not received official notification on the full default of the Starts Cayman Blue Gum CDO, it continues to receive partial coupon payments. Based on independent advice from a number of sources, the City's policy has been to continue to hold these investments to maturity unless opportunities to sell at realistic values are presented. No realistic offers have been received to date.

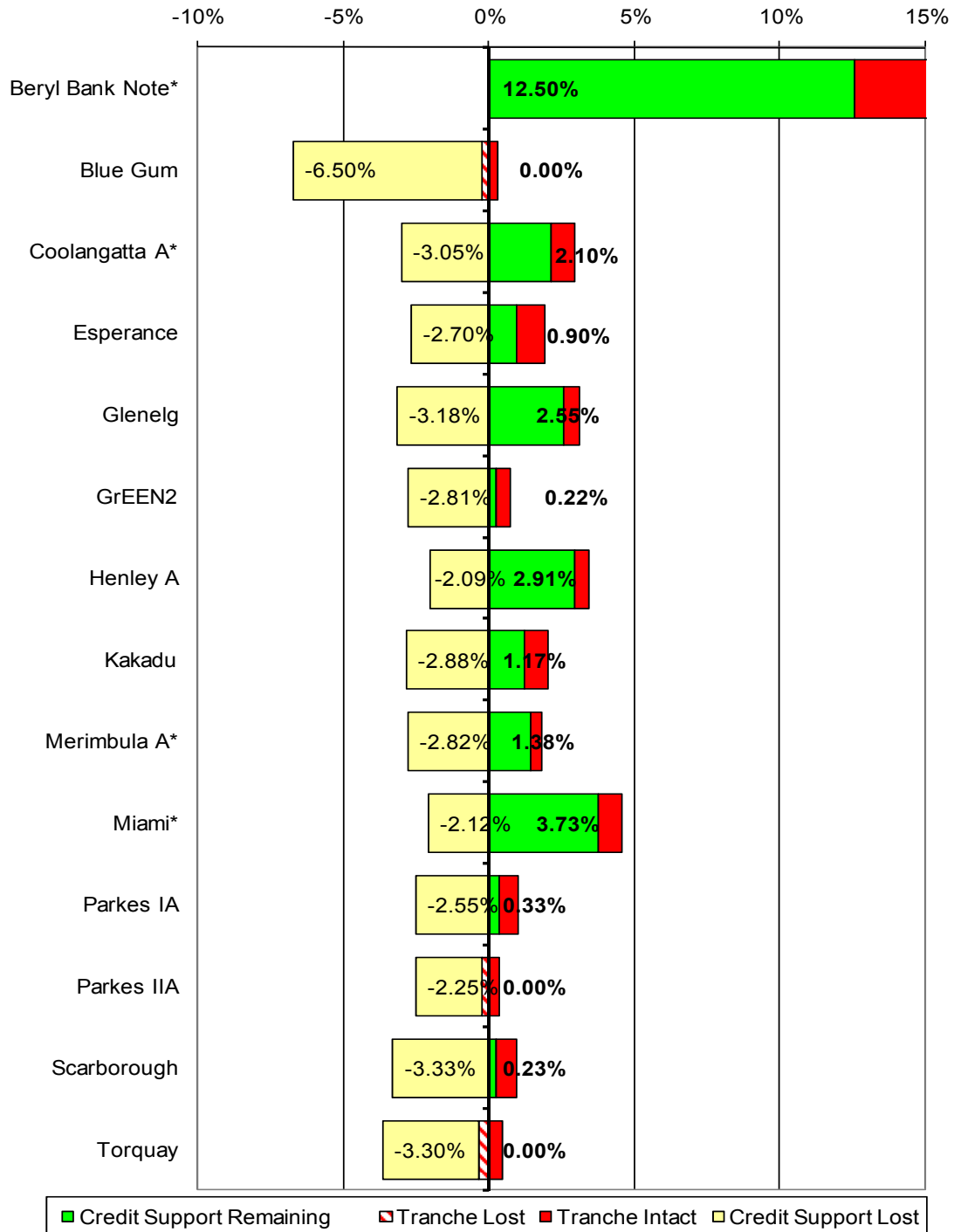
Credit support lost and remaining for Council CDOs are summarised below from Denison as at 30 September 2010. As shown, three CDOs have exhausted their credit support and are in partial default. Four others (marked with an asterisk) have defaulted due to the bankruptcy of Lehman Bros, and their subsequent failure to meet obligations as counterparty. They are shown on the basis of the Lehman Bros position that the termination notices were invalid – if reinstated under a new counterparty, the credit support would be as shown.

It should be noted that the CDOs are structured in such a manner so as to provide for a level of defaults of a number of the entities referenced by the CDOs before there is loss of value at maturity of the CDOs themselves. In light of the extreme downturn experienced in many world economies the risk of defaults of corporations referenced by CDOs owned by the City, has increased significantly. The continuing poor state of the US and European economic situation will no doubt result in still further corporate failures, some of which may be represented in CDOs owned by the City.

Further investment in CDOs is specifically excluded under the current Investment Policy.

**C11/6000 - INVESTMENT STATEMENTS (REC)**

**CDO Credit Support**



Explanation of terms within the graph:

- Credit Support Remaining - Amount of structural support in the CDO not already eroded by credit events or defaults.
- Tranche Lost - Amount of investor's principal (as a % of tranche) lost through credit events eroding subordination and reducing investor's CDO principal investment.
- Tranche Intact - Balance of investor's CDO exposure still intact (i.e. Defaults that have not yet reduced investor's CDO principal investment).

**C11/6000 - INVESTMENT STATEMENTS (REC)**

- Credit Support Lost - Amount of CDO subordination or protection eroded via credit events occurring in the CDO portfolio.

**Credit Ratings and Credit Events**

There were no credit events in December that affected Council's CDO investments.

Twenty credit events impacting Council's CDO investments have now been recorded. The Companies involved are AMBAC Financial, Takefuji, AMBAC Assurance, AIFUL, Tribune, Thomson, Financial Guaranty Insurance Company (FGIC), XL Capital Assurance, Bank TuranAlem, Idearc, Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac), Lehman Brothers, WaMu, Glitnir, Kaupthing, Landsbanki, Chemtura, Abitibi and CIT Group. This has resulted in a loss of \$3.486m to date, as detailed below:

- The total loss (\$1.5m) of the Starts Cayman Blue Gum CDO with a face value of \$1.5m (awaiting official notification).
- The partial loss (\$0.924m) of the Corsair Cayman Torquay CDO with a face value of \$1.885m.
- The partial loss (\$0.592m) of the Helium Capital Scarborough CDO with a face value of \$1.8m.
- The partial loss (\$0.47m) of the Managed Aces Class Parkes IIA CDO with a face value of \$1.0m.

A portion (approximately \$1.3m as at 30 June 2010) of the Risk Management Reserve was created to fund losses arising from Council's investment activities. Where losses exceed the available funds, these will be prorated and deducted across Council's other Reserve Funds excluding the Leave Entitlement and the remainder of the Risk Management Reserve. These Reserve funds are restricted to the payment of employee entitlements and contingent Workers Compensation Insurance Claims.

The impact of these credit events on each of Council's CDOs is shown below.

**C11/6000 - INVESTMENT STATEMENTS (REC)**

<b>CDO Arranger Face Value</b>	<b>No. of Credit Events</b>	<b>Remaining Credit Support before <b>FIRST</b> Loss of Principal</b>	<b>Remaining Credit Support before <b>TOTAL</b> Loss of Principal</b>	<b>Comments</b>
<b>Aphex Glenelg</b> Arranger: Nomura International <b>\$2.0m</b>	<b>6 credit events:</b> Takefuji, AIFUL, Tribune, Thomson, Lehman's, Landsbanki & CIT Group.	3	3.8	
<b>Beryl Finance Global Bank Note</b> Arranger: Lehman Brothers <b>\$2.45m</b>	<b>Nil credit events:</b>	1	N/A	Being terminated due to trustee taking control of underlying security.
<b>Corsair Cayman Kakadu</b> Arranger: J.P. Morgan Australia <b>\$1.5m</b>	<b>9 credit events:</b> AMBAC Assurance, AIFUL, XL Capital Assurance, Freddie Mac, Fannie Mae, Lehman's, WaMu, Kaupthing & CIT Group.	3	5	
<b>Corsair Cayman Torquay</b> Arranger: J.P. Morgan Australia <b>\$1.885m</b>	<b>8.5 credit events:</b> AMBAC Assurance, AIFUL, XL Capital Assurance, Idearc, Freddie Mac, Lehman, WaMu, Glitnir, Kaupthing & CIT Group.	0 (-0.39)	1	Partial loss (49%) of principal has occurred. Very high likelihood of total default.
<b>Ethical Limited Green</b> Arranger: J.P. Morgan Australia <b>\$1.0m</b>	<b>7.5 credit events:</b> AMBAC Assurance, AIFUL, XL Capital Assurance, Idearc, Lehman's, WaMu, Glitnir, Kaupthing & CIT Group.	0.6	1.9	High likelihood of total default.
<b>Helium Capital Esperance</b> Arranger: Merrill Lynch International <b>\$1.80m</b>	<b>2.5 credit events:</b> Idearc, Tribune, Thomson, Lehman's & CIT Group.	1.5	3.2	

**C11/6000 - INVESTMENT STATEMENTS (REC)**

<b>CDO Arranger Face Value</b>	<b>No. of Credit Events</b>	<b>Remaining Credit Support before <b>FIRST</b> Loss of Principal</b>	<b>Remaining Credit Support before <b>TOTAL</b> Loss of Principal</b>	<b>Comments</b>
<b>Helium Capital Scarborough</b> Arranger: Merrill Lynch <b>\$1.8m</b>	<b>7.0 credit events:</b> AMBAC Financial, AIFUL, Idearc, Freddie Mac, Fannie Mae, Tribune, Lehman's, Kaupthing & Landsbanki.	-0.5	1	Partial loss ( <b>32.9%</b> ) of principal has occurred. Very High likelihood of total default.
<b>Magnolia Flinders</b> Arranger: Credit Suisse First Boston <b>\$2.0m</b>	<b>Nil CDO defaults:</b>	N/A	N/A	A "CDO-squared" of four individual standard CDOs.
<b>Managed Aces Class Parkes 1A</b> Arranger: Morgan Stanley <b>\$1.05m</b>	<b>8.0 credit events:</b> AMBAC Assurance, AIFUL, XL Capital Assurance, Freddie Mac, Fannie Mae, Lehman's, WaMu & CIT Group.	1	3	High likelihood of total default.
<b>Managed Aces Class Parkes 11A</b> Arranger: Morgan Stanley <b>\$1.0m</b>	<b>9.0 credit events:</b> AMBAC Assurance, AIFUL, FGIC, XL Capital Assurance, Freddie Mac, Fannie Mae, Lehman's, WaMu & CIT Group.	0 (-0.5)	1	Partial loss ( <b>47%</b> ) of principal has occurred. Very high likelihood of total default.
<b>Omega Capital Class A Henley</b> Arranger: BNP Paribas <b>\$0.385m</b>	<b>6.0 credit events:</b> AMBAC Assurance, Freddie Mac, Fannie Mae, Thomson, Lehman's & CIT Group.	5	5.9	
<b>Starts Cayman Blue Gum</b> Arranger: HSBC Bank USA <b>\$1.50m</b>	<b>10.0 credit events:</b> AMBAC Financial, Bank TuranAlem, Freddie Mac, Fannie Mae, Lehman's, WaMu, Glitnir, Kaupthing, Landsbanki & CIT Group.	Defaulted	Defaulted	Total loss of principal and investment CDO has defaulted. Still awaiting formal notification.

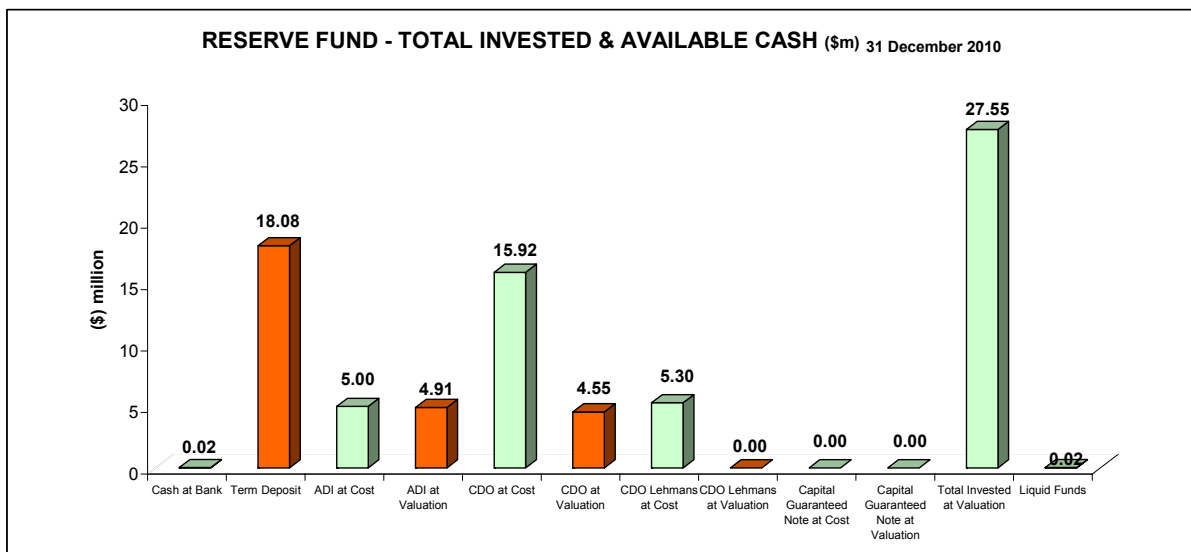
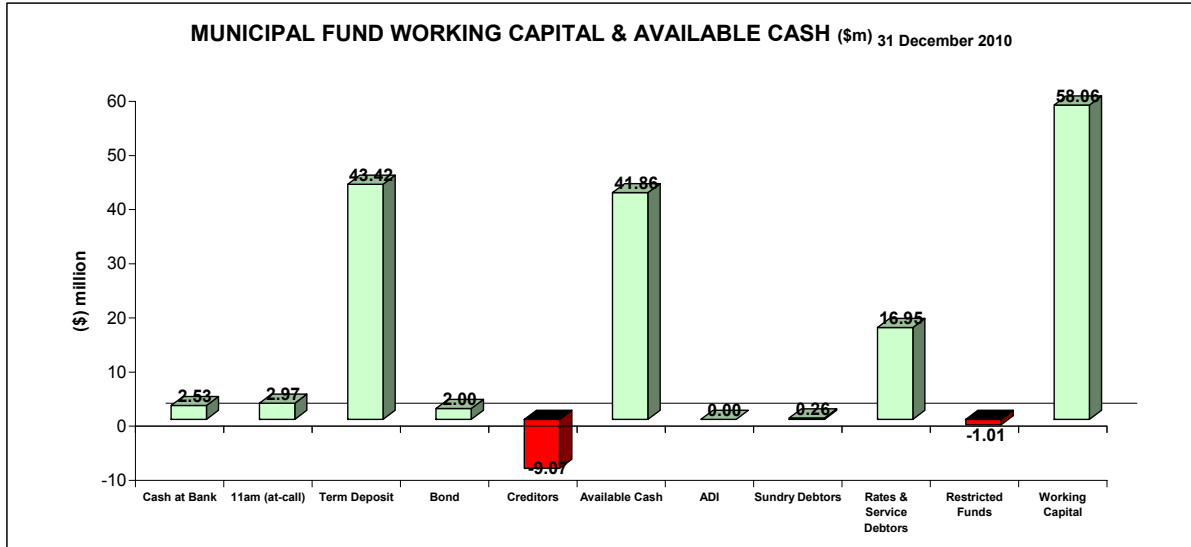
**C11/6000 - INVESTMENT STATEMENTS (REC)**

CDO Arranger Face Value	No. of Credit Events	Remaining Credit Support before <b>FIRST</b> Loss of Principal	Remaining Credit Support before <b>TOTAL</b> Loss of Principal	Comments
<b>Zircon Finance Coolangatta</b> Arranger: Lehman Brothers <b>\$1.50m</b>	<b>8.0 credit events:</b> Ambac Assurance, Aiful, FGIC, Freddie Mac, Fannie Mae, WaMu, Chemtura & Cit Group.	4.7	6.5	Being terminated due to trustee taking control of underlying security.
<b>Zircon Finance Merimbula A</b> Arranger: Lehman Brothers <b>\$0.50m</b>	<b>8.0 credit events:</b> Ambac Assurance, Aiful, FGIC, Freddie Mac, Fannie Mae, WaMu, Chemtura & Cit Group.	2.9	3.7	Being terminated due to trustee taking control of underlying security.
<b>Zircon Finance Miami</b> Arranger: Lehman Brothers <b>\$0.85m</b>	<b>7.0 credit events:</b> Ambac Assurance, Aiful, Thomson, Freddie Mac, Fannie Mae, Abitibi & CIT Group.	8.4	10.1	Being terminated due to trustee taking control of underlying security.

**C11/6000 - INVESTMENT STATEMENTS (REC)**

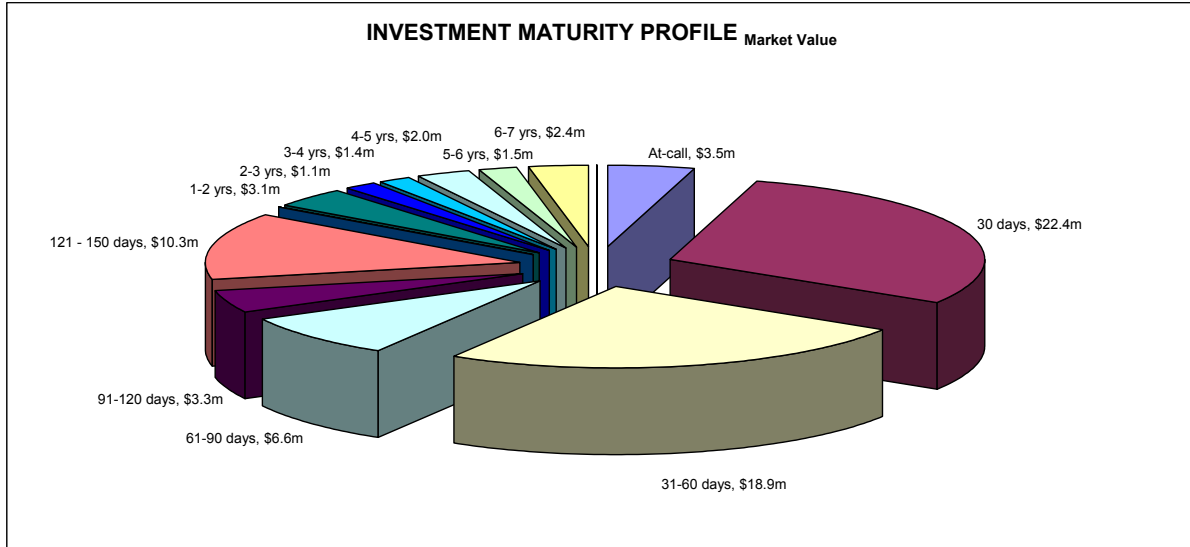
**Net Funds Held**

The graphs below summarise the Municipal Fund working capital and available cash and the funds held in the Reserve Fund at purchase price and last valuation, for December 2010.



**C11/6000 - INVESTMENT STATEMENTS (REC)**

The graph below summarise the maturity profile of Council's investments at market value as at 31 December 2010.



**PUBLIC CONSULTATION/COMMUNICATION**

This report is available to the public on Council's web-site and hard copies of this agenda and attachments are available for viewing at Council's five public libraries.

In addition Council's bi-monthly newsletter, Mosaic, has contained several articles that highlight this issue. Numerous press articles have also been published on this topic.

**CONSULTATION WITH OTHER AGENCIES / CONSULTANTS**

Denison Financial Advisory, the City's current investment Advisor, has reviewed the current investment portfolio and we will be working with them to review the City's investment strategy going forward.

CPG (formerly Grove) Research and Advisory, the City's former investment advisor also reviewed the current investment portfolio.

In 2007 Price Waterhouse Coopers (PWC) were engaged to provide advice in regards to the appropriateness of the City's investment strategy in light of the recent volatility in the credit markets. Following the receipt of their report and further clarification, a revised investment policy was adopted.

The Department of Local Government and Regional Development issued Investment Policy Guidelines during 2008, well after the global financial crisis, and Council's investment policy has been amended to give effect to the guidelines.

**C11/6000 - INVESTMENT STATEMENTS (REC)****STATUTORY AND LEGAL IMPLICATIONS**

The following legislation is relevant to this report:

- Local Government (Financial Management) Regulations 1996 Regulation 19 – Management of Investments.
- Trustee Act 1962 (Part 3)

The legal firm Piper Alderman have been engaged to seek recovery of any losses that may eventually be realised and to seek early termination of the Lehman arranged CDOs, so that Council gains access to the more valuable collateral representing Council's original investments which are held by Trustees for the Lehman Brothers arranged CDOs.

In conjunction with approximately 55 other corporations and local government authorities the City of Melville has engaged litigation funder IMF Australia to seek recovery of book losses from Lehman Brothers Australia. Whilst the decisions taken by the various courts have been positive for the City the legal process is lengthy and it will still be some time before certainty is achieved.

Legal actions are taking place between the United Kingdom (UK) and United States (US) courts as to whose laws should be applied in respect of the Lehman Brothers arranged CDOs, which is subject of an early termination. Lehman Brothers was successful in gaining the right to appeal the current UK judgement in favour of investors to the Supreme Court of England and Wales. This is the highest possible court whose decision will bring finality to the legal process in the UK. A hearing date has been set down for March 2011, four months in the future. It is therefore likely that the legal process will continue for at least another year as the US court has not yet issued its first judgement, which is almost certain to be appealed.

**FINANCIAL IMPLICATIONS**

For the financial year ending 31 December 2010, interest earned on the Municipal and Trust Funds was \$1,400,414 against a budget of \$760,250. This represents a \$640,164 positive variance. Reserve Fund interest earned for the year ending 31 December 2010 was \$1,066,992 against a budget of \$400,000. This represents a positive variance of \$666,992.

Investment earnings received in respect to CDO investments since 1 July 2007 has been \$4.58m and \$2.76m in respect to ADIs.

In accordance with Council's revised Investment Policy any surplus investment returns derived as a result of investing in ADIs & CDOs when compared to Bank Bills or Term Deposits will be transferred to the Risk Management Reserve.

Due to Lehman Brothers entering into Chapter 11 bankruptcy proceedings, the City has not received interest payments on the \$5.3m face value of Lehman Brothers arranged CDOs. At this time we understand that interest on the underlying collateral is being retained by the trustee who has taken control of that collateral.

**C11/6000 - INVESTMENT STATEMENTS (REC)****STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

Council's investment policy was constructed to minimise credit risk through investing in highly rated securities and diversification. The policy also incorporates mechanisms that protect Council's investments from undue volatility risk as well as the risk to reputation as a result of investments that may be perceived as unsuitable by the Community.

No other identifiable strategic, risk and environmental management implications.

Due to the continuing credit market concerns, the risks associated with Council's investment portfolio also increased to levels which are of concern. Whilst Council continues to earn and be paid interest from its non Lehman arranged CDOs, the reassessment by the major rating agencies of their credit risk models used to assess the credit ratings associated with CDO portfolios, has resulted in significant downgrading of CDO investments to credit rating levels that do not meet Council's investment policy.

Due however to the lack of an active market for CDOs, these investments must continue to be held.

The risk of loss due to the default of some of the CDOs is very high whilst the risk of loss due to the default of deposits with banks or ADIs is considered extremely low.

In response to the current market conditions, funds are currently being invested for short periods and only with highly credit rated Australian banking institutions.

**POLICY IMPLICATIONS**

Council Policy CP-009 – Investment of Funds.

The Investment Policy was reviewed and readopted at the Ordinary Meeting of Council held on 15 December 2009 and is considered to represent a low risk approach to investing.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

Not applicable.

**CONCLUSION**

Whilst the situation regarding the CDO investments remains tenuous with the full default of one and the partial default of three other Council's CDO investments, the full impact of the book value devaluation of these investments was accounted for in the previous financial years. Due to the return to more normal credit market conditions, no further material devaluations are expected over the course of the current and future financial years.

As a result of improved book value of previously written down investments, cost savings/efficiencies achieved, alternative revenue generation projects and the strong investment returns that have been realised over the past years, the value of Council's Reserve funds have been restored to in excess of pre global financial crisis levels.

**C11/6000 - INVESTMENT STATEMENTS (REC)**

Council officers in conjunction with Denison's will continue to monitor and report on a monthly basis, the situation regarding CDO investments. Based on independent advice from a number of sources, the City's policy is to continue to hold these investments to maturity unless opportunities to sell at realistic values are presented. No realistic offers have been received to date.

The City also expects that the remainder of the ADIs will be repurchased by the issuing banks as they reach their call dates over the next 24 months.

**OFFICER RECOMMENDATION & COUNCIL RESOLUTION (6000)****NOTING**

**That the Investment Report for the month of December 2010 be noted.**

At 7.18pm the Mayor submitted the motion, which was declared

**CARRIED EN BLOC (13/0)**

**C11/6001 – SCHEDULE OF ACCOUNTS (REC) (ATTACHMENT)**

Ward : All  
 Category : Operational  
 Subject Index : Financial Statement and Investments  
 Customer Index : Not applicable  
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.  
 Previous Items : Standard Item  
 Works Programme : Not Applicable  
 Funding : 2010/2011 Budget  
 Responsible Officer : Khris Yeoh  
 Senior Financial Accountant

**AUTHORITY / DISCRETION**

**DEFINITION**

<input type="checkbox"/>	Advocacy	<i>when Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	<b>Executive</b>	<b><i>the substantial direction setting and oversight role of Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i></b>
<input type="checkbox"/>	Legislative	<i>includes adopting local laws, town planning schemes &amp; policies.</i>
<input type="checkbox"/>	Review	<i>when Council review decisions made by Officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>when Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>

**C11/6001 – SCHEDULE OF ACCOUNTS (REC) (ATTACHMENT)**

**KEY ISSUES / SUMMARY**

This report presents details of the payments made to suppliers for the provision of goods and services for the month of December 2010 and recommends that the Schedule of Accounts be noted.

**BACKGROUND**

Delegated Authority DA-035 has been granted to the Chief Executive Officer to make payments from the Municipal and Trust Funds. This authority has then been on-delegated to the Director Corporate Services. In accordance with Regulation 13.2 and 13.3 of the Local Government (Financial Administration) Regulations 1996, where this power has been delegated, a list of payments for each month is to be compiled and presented to Council. The list is to show each payment, payee name, amount and date of payment and sufficient information to identify the transaction.

**DETAIL**

The Schedule of Accounts for the period ending 31 December 2010, [6001 November 2010](#) & [6001 December 2010](#) including Payment Registers numbers Cheques **197 to 205** and Electronic Funds Transfers **180 - 184** were distributed to the Members of Council on 21 December 2010.

Payments in excess of \$25,000 in the month are as follows:-

<b>Supplier Name</b>	<b>Remittance Number</b>	<b>Remittance Details</b>	<b>Amount</b>
City of Cockburn	E022530	Tip Fees for November 2010	\$133,127.57
CPD Group	E022487 & E022652	Sewer Replacement at Bull Creek & Rebuild Wall at Wireless Hill	\$70,838.90
Dickies Tree Service	E022288 & E022533	Tree Lopping Service	\$133,313.40
Downer EDI Works Pty Ltd	E022441	Road Resurfacing	\$589,555.27
Dowsing Concrete	E022275 & E022494	Concrete Laying Footpaths	\$100,417.85
Earthcare Australia Pty Ltd	E022421	Melville Parkland Construction	\$72,577.37
Fire and Emergency Services Authority WA	E022623	ESL Remittance for December 2010	\$1,509,012.79
Flexi Staff	E022551 & E022318	Staff Hire	\$93,145.82
Glad Commercial Cleaning	Chq 041646	Cleaning Services	\$30,606.85
Hydroquip Pumps	E022329 & E022557	Repairs to Pumps at Various Reserves	\$61,248.00

**C11/6001 – SCHEDULE OF ACCOUNTS (REC) (ATTACHMENT)**

<b>Supplier Name</b>	<b>Remittance Number</b>	<b>Remittance Details</b>	<b>Amount</b>
Joondalup City Roofing Pty Ltd	Chq 041809	Roof Repairs	\$43,203.60
Major Motors Pty Ltd	E022295	Isuzu FVD 1000 Auto	\$203,205.93
Natural Area Management and Services	E022651 & E022484	Natural Management and Services	\$39,170.35
North Lake Electrical Pty Ltd	E022618, E022516 & E022440	Electrical Maintenance	\$29,533.38
Perth Engineering and Maintenance WA Pty Ltd	E022394	Gate Fees for Recycling November 2010	\$105,807.72
RGM Contractors	E022633 & E022462	Revetment Works at Crewe Street and Bicton Jetty	\$26,637.16
Robinson Buildtech	E022301 & E022542	Various Building Maintenance Jobs	\$50,475.89
SGS Australia Pty Ltd	E022514	Third Party Certification to International Standards	\$31,487.50
Southern Metropolitan Regional Council	E022402	MSW Gate Fees and Greenwaste Fees for November 2010. RRRC Loan Repayment for December 2010 Quarter	\$1,034,123.87
Synergy	Chqs 041718 & 041533	Electricity Billing	\$69,054.77
Synergy Plus Operations Pty Ltd	E022554 & E022327	Computer and Internet Service	\$29,287.89
Technology One Pty Ltd	E022495 & E022523	Tech 1 Budgeting Licenses	\$47,934.13
Telstra (Melbourne)	Chqs 041657 & 041805	Phone Billing	\$31,263.26
Total Eden	E022573 & E022355	Watering System Services	\$29,983.73
Tree Amigos Tree Surgeons	Chq 041631	Tree Pruning	\$25,477.10
Western Australian Local Government Association	E022598 & E022405	Advertisements	\$43,170.53
Western Power	Chqs 041524, 041525, 041532 & 041717	Electricity Supply	\$1,636,787.00

**PUBLIC CONSULTATION/COMMUNICATION**

Not applicable.

**CONSULTATION WITH OTHER AGENCIES / CONSULTANTS**

Not applicable.

**C111/6001 – SCHEDULE OF ACCOUNTS (REC) (ATTACHMENT)****STATUTORY AND LEGAL IMPLICATIONS**

This report meets the requirements of the Local Government (Financial Management) Regulations 1996 Regulation 11 - Payment of Accounts, Regulation 12 - List of Creditors and Regulation 13 - Payments from the Trust Fund and the Municipal Fund.

**FINANCIAL IMPLICATIONS**

Expenditures were provided for in the 2010/2011 Budget.

**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

No other identifiable strategic, risk and environmental management implications.

**POLICY IMPLICATIONS**

Management Procedure 1.8 - Certification of Accounts.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

Not applicable.

**CONCLUSION**

This is a regular monthly report for Elected Members information.

**OFFICER RECOMMENDATION & COUNCIL RESOLUTION (6001)****NOTING**

**That the Schedule of Accounts for the period ended 31 December 2010 as approved by the Director Corporate Services in accordance with delegated authority DA-035, and detailed in attachment [6001 November 2010](#) and [6001 December 2010](#) be noted.**

At 7.18pm the Mayor submitted the motion, which was declared

**CARRIED EN BLOC (13/0)**

**C11/6002 – FINANCIAL STATEMENTS FOR NOVEMBER & DECEMBER 2010 (AMREC)  
(ATTACHMENT)**

Ward : All  
 Category : Operational  
 Subject Index : Financial Statements and Investments  
 Customer Index : Not applicable  
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.  
 Previous Items : Standard Item  
 Works Programme : Not applicable  
 Funding : Not applicable  
 Responsible Officer : Khris Yeoh - Senior Financial Accountant

**AUTHORITY / DISCRETION**

**DEFINITION**

<input type="checkbox"/>	Advocacy	<i>when Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	<b>Executive</b>	<b><i>the substantial direction setting and oversight role of Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i></b>
<input type="checkbox"/>	Legislative	<i>includes adopting local laws, town planning schemes &amp; policies.</i>
<input type="checkbox"/>	Review	<i>when Council review decisions made by Officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>when Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>

**KEY ISSUES / SUMMARY**

- This report presents the financial statements for the period ending November & December 2010 and recommends that they be noted by Council.
- No material variances have been identified.
- No debts were written off by Council staff under delegated authority for the months of November & December 2010.

**C11/6002 – FINANCIAL STATEMENTS FOR NOVEMBER & DECEMBER 2010 (AMREC)  
(ATTACHMENT)**
**BACKGROUND**

The Financial Statements for the periods ending November & December 2010 have been prepared and tabled in accordance with the Local Government (Financial Management) Regulations 1996 as amended.

**DETAIL**

The attached reports have been prepared in compliance with the requirements of the legislation and Council policy.

To the end of December 2010, a net operating positive variance of \$3.93m was recorded. A net positive variance of \$2.66m was recorded against capital. The majority of these variances are a result of phasing, as budget responsible officers continue to phase their estimated income and expenditure patterns.

**Variances**

An analysis of the significant variances is included below.

	December Actual \$	YTD Budget \$	YTD Actual \$	Current Commitments \$	Variance \$	Variance %	Annual Budget \$	Annual Revised Bud \$
<b>Revenues</b>								
Governance	95,737	731,712	800,985	(3,636)	65,637	9%	1,380,850	1,422,137
General Purpose Funding	621,968	2,881,749	4,309,983	-	1,428,234	50%	5,479,500	5,479,500
Education & Welfare	192,773	517,789	609,510	-	91,721	18%	1,033,841	1,033,841
Community Amenities	109,697	14,501,150	14,693,581	-	192,431	1%	14,910,850	14,910,850
Recreation and Culture	735,378	4,346,592	3,941,165	-	(405,427)	-9%	8,184,936	8,252,436
Transport	240,043	3,427,307	3,925,441	-	498,134	15%	5,578,277	5,721,277
	2,075,021	29,500,041	31,402,159	(3,636)	1,898,482	6%	39,722,733	39,993,156
<b>Expenses</b>								
General Purpose Funding	(824,145)	(4,842,500)	(2,275,589)	(1,677,979)	888,932	-18%	(5,025,000)	(5,025,000)
Law, Order, Public Safety	(267,195)	(1,795,133)	(1,587,259)	(38,200)	169,674	-9%	(3,497,119)	(3,543,097)
Health	(65,682)	(510,835)	(422,290)	(18,905)	69,640	-14%	(912,131)	(965,721)
Education & Welfare	(538,649)	(2,865,545)	(2,545,739)	(104,130)	215,676	-8%	(5,854,237)	(5,854,237)
Community Amenities	(1,597,565)	(9,158,841)	(7,758,693)	(1,298,691)	101,457	-1%	(17,809,560)	(17,876,560)
Recreation and Culture	(1,861,898)	(12,342,824)	(11,353,335)	(885,143)	104,346	-1%	(24,325,221)	(24,543,143)
Transport	(808,787)	(4,772,594)	(4,143,067)	(350,211)	279,316	-6%	(9,478,996)	(9,498,996)
Other Property and Services	(136,249)	(1,995,406)	(1,713,431)	(107,970)	174,005	-9%	(3,024,740)	(3,024,740)
	(7,177,105)	(47,048,509)	(40,088,318)	(5,021,361)	1,938,830	-4%	(85,123,815)	(85,625,220)

**Revenue**

\$51.42m in Rates have been raised to 31 December 2010. This is compared with a year to date budget of \$51.26m, resulting in a positive variance of \$0.16m.

- Governance: 9% positive variance, due to higher insurance recoups.
- General Purpose Funding: 50% positive variance, due to increases in investment earnings and rates instalment interest.
- Education & Welfare: 18% positive variance, due to incorrectly phased grant funding for HACC and Meals services.
- Community Amenities: 1% positive variance, due to increases in building licence fees.
- Recreation & Culture: 9% negative variance, due to incorrectly phased grant funding for the Melville Aquatic Fitness Centre redevelopment.
- Transport: 15% positive variance, due mainly to increases in grant funding from various road projects.

**C11/6002 – FINANCIAL STATEMENTS FOR NOVEMBER & DECEMBER 2010 (AMREC)  
(ATTACHMENT)****Expenditure**

- General Purpose Funding: 18% positive variance, due to incorrectly phased expenditure for the Attadale South Underground Power project.
- Law, Order, Public Safety: 9% positive variance, due mainly to lower employee costs in community security and various other projects.
- Health: 14% positive variance, due mainly to lower costs in the Inspections and Binge Drinking Awareness projects.
- Education & Welfare: 8% positive variance, due mainly to lower employee costs in Community Development projects.
- Community Amenities: 1% positive variance, due to lower costs in Waste services and various Strategic Urban Planning projects.
- Recreation & Culture: 1% positive variance, due to lower costs in Point Walter Golf and Reserve, Melville Recreation Centre Master Plan and Vandalism & Graffiti project.
- Transport: 6% positive variance, due to lower costs in Street Tree Pruning, Footpath Maintenance, Road Maintenance and various other projects.
- Other Property & Services: 9% positive variance, due to lower recovery of fleet charges.

**Budget Amendments –**

Details of Budget Amendments requested during the months of November & December 2010 are shown in attachment: [6002J November 2010](#) and [6002J December 2010](#).

Minor amendments reflect the transfer of responsibility of a number of cost accounts between service areas and the establishment of budget lines for grants received.

**Rates Collections and Debtors**

Details of Rates and Sundry debtors are shown in attachment 6002L, 6002M and 6002N.

Rates, Refuse & FESA revenues remain unchanged and payments totalling \$2.4 million were received over the course of the month. 15,453 3<sup>rd</sup> instalment notices were issued on 13 December 2010 with payment being due on the 10 January 2011. Rates collection progress is on par with 2009/2010 collections however instalment due dates are later in the 2010/2011 year.

The sundry debtors balance decreased by \$120,000 over the course of the month reflecting outstanding monies collected. The 90+ day's debtor balance increased \$6,600 which is not material.

**C11/6002 – FINANCIAL STATEMENTS FOR NOVEMBER & DECEMBER 2010 (AMREC)  
(ATTACHMENT)**

The following attachments form part of the Attachments to the Agenda.

<b>DESCRIPTION</b>	<b>LINK</b>
Statement of Financial Activity – November & December 2010	<a href="#">6002A November 2010</a> <a href="#">6002A December 2010</a>
Operating Statements by Program – November & December 2010	<a href="#">6002B November 2010</a> <a href="#">6002B December 2010</a>
Representation of Working Capital – November & December 2010	<a href="#">6002E November 2010</a> <a href="#">6002E December 2010</a>
Reconciliation of Net Working Capital – November & December 2010	<a href="#">6002F November 2010</a> <a href="#">6002F December 2010</a>
Notes on Operating Statements reporting on variances of 10% or greater – November & December 2010	<a href="#">6002H November 2010</a> <a href="#">6002H December 2010</a>
Details of Budget Amendments requested – November & December 2010	<a href="#">6002J November 2010</a> <a href="#">6002J December 2010</a>
Summary of Rates debtors – November & December 2010	<a href="#">6002L November 2010</a> <a href="#">6002L December 2010</a>
Graph showing Rates collections – November & December 2010	<a href="#">6002M November 2010</a> <a href="#">6002M December 2010</a>
Summary of general debtors aged 90 days old or greater – November & December 2010	<a href="#">6002N November 2010</a> <a href="#">6002N December 2010</a>
Detail of Debts Written Off for the Month – November & December 2010	Not Applicable

**GRANTING OF CONCESSION OR WRITING OFF DEBTS OWED TO COUNCIL**

Delegation DA-032 empowers the Chief Executive Officer (CEO) to grant concessions and rates off monies owing to the City to a limit of \$10,000 for any one item. The CEO has partially on-delegated this to the Director Corporate Services to write off debts or grant concessions to a value of \$5,000. The delegation is conditioned on the basis that a quarterly report detailing any debts written off is to be submitted to Council.

No debts were written off for the months of November & December 2010.

**C11/6002 – FINANCIAL STATEMENTS FOR NOVEMBER & DECEMBER 2010 (AMREC)  
(ATTACHMENT)****PUBLIC CONSULTATION/COMMUNICATION**

Not applicable.

**CONSULTATION WITH OTHER AGENCIES / CONSULTANTS**

Not applicable.

**STATUTORY AND LEGAL IMPLICATIONS**

Local Government Act 1995 Division 3 – Reporting on Activities and Finance Section 6.4 – Financial Report.

Local Government (Financial Regulations) 1996 Part 4 – Financial Reports  
Regulation 34 of the Local Government (Financial Management) Regulations 1996 as amended in March 2005, requires that:

- (1) A local government is to prepare each month a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail -
  - (a) annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1)(b) or (c);
  - (b) budget estimates to the end of the month to which the statement relates;
  - (c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;
  - (d) material variances between the comparable amounts referred to in paragraphs (b) and (c); and
  - (e) the net current assets at the end of the month to which the statement relates.
- (2) Each statement of financial activity is to be accompanied by documents containing-
  - (a) an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;
  - (b) an explanation of each of the material variances referred to in sub-regulation (1)(d); and
  - (c) such other supporting information as is considered relevant by the local government.
- (3) The information in a statement of financial activity may be shown-
  - (a) according to nature and type classification;
  - (b) by program; or
  - (c) by business unit.

**C11/6002 – FINANCIAL STATEMENTS FOR NOVEMBER & DECEMBER 2010 (AMREC)  
(ATTACHMENT)**

- (4) A statement of financial activity, and the accompanying documents referred to in sub-regulation (2), are to be-
- (a) presented to Council-
    - (i) at the next ordinary meeting of Council following the end of the month to which the statement relates; or
    - (ii) if the statement is not prepared in time to present it to the meeting referred to in subparagraph (i), to the next ordinary meeting of Council after that meeting;
  - and
  - (b) recorded in the minutes of the meeting at which it is presented.
- (5) Each financial year, a local government is to adopt a percentage or value, calculated in accordance with AAS 5, to be used in statements of financial activity for reporting material variances.

The variance adopted by Council at its meeting held on 22 June 2010, which also adopted the 2010/11 Budget, was 10% or \$50,000 whichever is greater.

Local Government Act 1995 Division 4 – General Financial Provisions Section 6.12; Power to defer, grant discounts, waive or write off debts.

**FINANCIAL IMPLICATIONS**

To date no material real variances have been identified. Variances identified are a result of phasing and will be rectified by Budget Responsible Officers on an ongoing basis.

A mid year budget review will take place in January 2011 whereby Budget responsible officers will have an opportunity to review their operations and identify any potential savings or operating efficiencies. This will be reported to Council when completed.

Amendments to the 2010/2011 Budget have been included in the budget amendment reports.

**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

No identifiable strategic, risk and environmental management implications.

**POLICY IMPLICATIONS**

The format of the financial statements as presented to Council and the reporting of significant variances is undertaken in accordance with Council's Accounting Policy CP-025.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

Not applicable.

**C11/6002 – FINANCIAL STATEMENTS FOR NOVEMBER & DECEMBER 2010 (AMREC)  
(ATTACHMENT)**

**CONCLUSION**

The attached reports reflect a positive financial position of the City of Melville for November & December 2010.

**OFFICER RECOMMENDATION & COUNCIL RESOLUTION (6002)  
ABSOLUTE MAJORITY**

At 7.18pm Cr Ceniviva moved, seconded Cr Subramaniam -

1. That the Statements of Financial Activity and the Operating Statements for the period ending November & December 2010 as detailed in the following attachments be noted:

<b>DESCRIPTION</b>	<b>LINK</b>
<b>Statement Of Financial Activity – November &amp; December 2010</b>	<a href="#">6002A November 2010</a> <a href="#">6002A December 2010</a>
<b>Operating Statements By Program – November &amp; December 2010</b>	<a href="#">6002B November 2010</a> <a href="#">6002B December 2010</a>
<b>Representation Of Working Capital – November &amp; December 2010</b>	<a href="#">6002E November 2010</a> <a href="#">6002E December 2010</a>
<b>Reconciliation Of Net Working Capital – November &amp; December 2010</b>	<a href="#">6002F November 2010</a> <a href="#">6002F December 2010</a>
<b>Notes On Operating Statements Reporting On Variances Of 10% Or Greater – November &amp; December 2010</b>	<a href="#">6002H November 2010</a> <a href="#">6002H December 2010</a>
<b>Summary Of Rates Debtors – November &amp; December 2010</b>	<a href="#">6002L November 2010</a> <a href="#">6002L December 2010</a>
<b>Graph Showing Rates Collections – November &amp; December 2010</b>	<a href="#">6002M November 2010</a> <a href="#">6002M December 2010</a>
<b>Summary Of General Debtors Aged 90 Days Old Or Greater – November &amp; December 2010</b>	<a href="#">6002N November 2010</a> <a href="#">6002N December 2010</a>
<b>Detail of Debts Written Off – November &amp; December 2010</b>	Not Applicable

**C11/6002 – FINANCIAL STATEMENTS FOR NOVEMBER & DECEMBER 2010 (AMREC)  
(ATTACHMENT)**

2. That by Absolute Majority Decision the budget amendments, as listed in the Budget Amendment Reports for November & December 2010, as detailed in attachment [6002J November 2010](#) and [6002J December 2010](#), be adopted.

At 7.19pm the Mayor submitted the motion, which was declared

**CARRIED BY ABSOLUTE MAJORITY (13/0)**

**14. LATE ITEMS****LATE ITEM - P11/3185 - MELVILLE GLADES GOLF CLUB (INC.) - MEMORANDUM OF UNDERSTANDING (REC)**

Ward	: Bull Creek/Leeming
Category	: Strategic
Application Number	: Not Applicable
Subject Index	: Property, Land Administration
Customer Index	: Melville Glades Golf Club (Inc).
Property	: Reserve 28600, Lots 453, 492 and 3371, 51 Beasley Road, Leeming (Melville Glades Golf Club) and; Reserve 24826, Lot 753, 11 Dimond Court, Leeming (John Connell Reserve)
Proposal	: Memorandum of Understanding between City of Melville and Melville Glades Golf Club.
Applicant	: City of Melville and Melville Glades Golf Club
Owner	: State of Western Australia, both reserves vested in the City of Melville
Disclosure of any Interest	: No Officer involved in the preparation of this report has a declarable interest in this matter.
Responsible Officer	: Andrew Smith Land and Property Planner
Previous Items	: Not applicable

**P11/3185 - MELVILLE GLADES GOLF CLUB (INC.) - MEMORANDUM OF UNDERSTANDING (REC)**

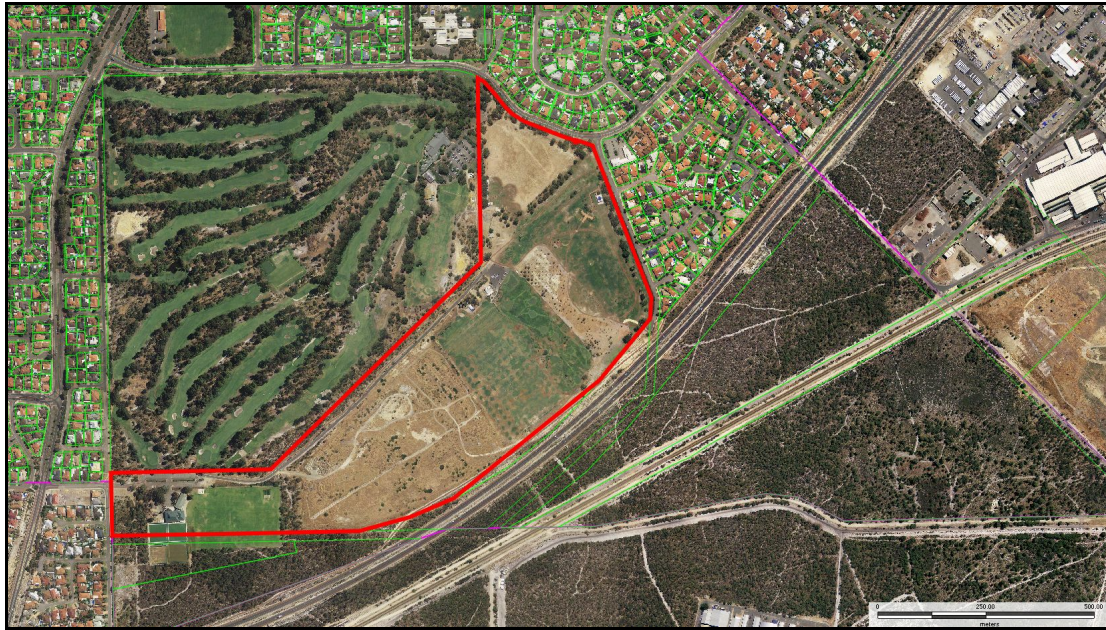
**AUTHORITY / DISCRETION**

<input type="checkbox"/>	Advocacy	<i>when Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	<b>Executive</b>	<b><i>the substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i></b>
<input type="checkbox"/>	Legislative	<i>includes adopting local laws, town planning schemes &amp; policies.</i>
<input type="checkbox"/>	Review	<i>when Council review decisions made by Officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>when Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>

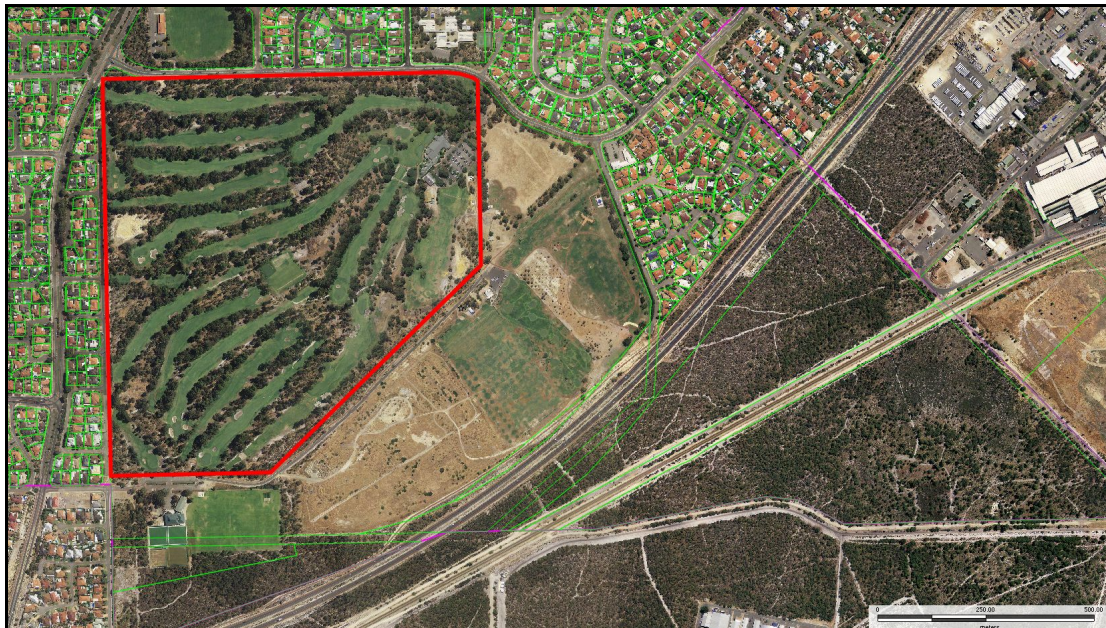
**KEY ISSUES / SUMMARY**

- The City of Melville and the Melville Glades Golf Club (Inc.) (MGGC) have recently held broad discussions in respect to the possible structure planning and integration of the Melville Glades Golf Club and John Connell Reserve as development precinct.
- The Melville Glades Golf Club have expressed an interest in relocation of portion of the golf course to John Connell Reserve, expansion of the current golf facilities to include part of John Connell Reserve or introduction of other more intensive recreational, residential or other land uses to the Melville Glades Golf Club reserve.
- The City has previously considered John Connell Reserve as a site for future intensification of development.
- John Connell Reserve is a former landfill site, however to date no confirmation has been obtained as to the extent, type and depth of any landfill activity that occurred or the extent or location of development that might be able to be sustained on this reserve.
- The City is currently initiating test bores and geotechnical investigations to determine the extent of land fill activity that occurred over John Connell Reserve and what impact (if any) this may have on the potential use of this Reserve.
- Melville Glades Golf Club wishes to further investigate the options available to both parties for the redevelopment, expansion or better integration of these facilities and is requesting the City enter into an initial Memorandum of Understanding in respect to these discussions.
- Any Memorandum of Understanding will have no legal obligation on either party but will enable both parties to form an agreement to enter into further discussions and provide the opportunity to articulate the expectations of both parties in respect to any final outcome/s that might be achieved.

**P11/3185 - MELVILLE GLADES GOLF CLUB (INC.) - MEMORANDUM OF UNDERSTANDING (REC)**



*Image 1 – showing the extent of Reserve 24826, John Connell Reserve*



*Image 2 – showing the extent of Reserve 28600, Melville Glades Golf Club*

**P11/3185 - MELVILLE GLADES GOLF CLUB (INC.) - MEMORANDUM OF UNDERSTANDING (REC)****BACKGROUND**

This matter has not previously been presented to Council for deliberation.

**Scheme Provisions**

MRS Zoning	:	Reserve 24826 – Parks and Recreation. Reserve 28600 – Parks and Recreation.
CPS 5 Zoning	:	Reserve 24826 – Parks and Recreation. Reserve 28600 – Parks and Recreation.
R-Code	:	Not applicable
Use Type	:	Reserve 24826 – Local Open Space. Reserve 28600 – Golf Course.
Use Class	:	Not applicable.

**Site Details**

Lot Area	:	Reserve 24826 – 454,645 sq.m. Reserve 28600 – 677,630 sq.m
Retention of Existing Vegetation	:	Not applicable.
Street Tree(s)	:	Not applicable.
Street Furniture (drainage pits etc)	:	Not applicable.

**PUBLIC CONSULTATION/COMMUNICATION**

Advertising Required:	No
Neighbour's Comment Supplied:	No
Reason:	This matter considers only the entering into of a memorandum of understanding between the MGGC and the City of Melville. Any resultant agreement with respect to potential development activity on either site will require extensive public consultation.

**REFERRALS TO GOVERNMENT AGENCIES**

Required:	Not at this stage
Reason:	Referrals to and involvement of State Government agencies will occur as part of any structure planning process that may be initiated as a result of Council's further consideration of this matter.

**STATUTORY AND LEGAL IMPLICATIONS**

No statutory or legal implications apply to this matter at this stage of discussion.

**P11/3185 - MELVILLE GLADES GOLF CLUB (INC.) - MEMORANDUM OF UNDERSTANDING (REC)****FINANCIAL IMPLICATIONS**

There are no direct financial implications as a result of this report other than any legal costs that may be incurred equally by both parties in developing the Memorandum of Understanding.

Where possible this document will be developed by Council staff with contribution from Council's Executive Manager of Legal Services.

**STRATEGIC, RISK AND ENVIRONMENTAL MANAGEMENT IMPLICATIONS**

There are no strategic or risk management implications with this application.

Future agreement by both parties to initiate development on either or both sites will result in some risk implications.

**POLICY IMPLICATIONS**

Council Policy CP-031 – Asset Management, provides that *“the City is committed to the responsible management of Infrastructure Assets and to deliver Infrastructure Services that meets community expectations of; time, quality, and value for money.*

Whilst the outcomes of any discussions between the City of Melville and the Melville Glades Golf Club are at this stage unknown, the consideration of John Connell Reserve and the function that it provides in the provision of services to the community is a key responsibility of the City.

**COMMENTS**

Melville Glades Golf Club and John Connell Reserve are both State owned lands, operating as reserves under the management control of the City of Melville for the purposes of recreation.

Melville Glades Golf Club is leased to the Melville Glades Golf Club who has developed an 18 hole private golf club known as one of the finest of its types in Western Australia.

In recent years, the Melville Glades Golf club has considered the expansion and redevelopment of their existing facility. Whilst such consideration has been only initial at this stage, expansion of the existing golf course to include an additional nine holes, development of a par three type golf facility, expansion of golf services and junior development facilities as well as the possible introduction of contributory land uses such as residential and/or recreational uses have all been considered.

In recent weeks, the Melville Glades Golf club have held initial discussions with the City of Melville, represented by the Mayor and Chief Executive Officer, in respect to the broader precinct surrounding the Melville Glades Golf Club and the opportunity for a more expansive review of long term land uses in this area.

**P11/3185 - MELVILLE GLADES GOLF CLUB (INC.) - MEMORANDUM OF UNDERSTANDING (REC)**

The City currently manages John Connell Reserve which is known by the Council to be a former land fill site. Whilst aerial photography of John Connell Reserve and historical information in the City clearly indicates that this property was used for land fill purposes, the extent, type and depth of such land fill activities are not known.

John Connell Reserve is identified as a contaminated site in accordance with the prevailing Contaminated Sites legislation and in accordance with this legislation the City has a program for the installation and monitoring of on site and down stream water bores.

Such monitoring is purely focussed on the effects of this property and any previous land fill activity on ground water contamination rather than the extent of land fill activity that took place on the property or the property's ability to sustain other forms of development.

There is no doubt that in the medium term, John Connell Reserve will be considered by Council for improvement, development or activation, however the extent, type and location of such development is at this stage not known.

The interest of the Melville Glades Golf Club in the possible integration of a range of uses across both reserves as part of broader structure planning process provides an ideal opportunity to create a long term vision for this area and to identify how contributory land uses may be able to be introduced to create a more sustainable development model for this area.

Whilst both the Melville Glades Golf Club and the City of Melville are interested in continuing such discussions, it is felt that the entering into of an initial Memorandum of Understanding between the two parties will provide the opportunity for both parties to enter into such discussions aware of the expectations of the other party.

Such agreements do not legally bind either party to the process, however they provide a clear articulation of each party's role and responsibilities when entering such discussions and allow for a positive and mutually beneficial relationship to be established at the commencement of such discussions.

It is anticipated that if these ongoing discussions result in a common agreement being reached in respect to the redevelopment of these two reserves, the matter will require the introduction of a master planning process that will require the extensive involvement of the Council, the Melville Glades Golf Club (Inc.) and the broader community.

The type and location of various land uses able to be sustained in this concept are as yet unknown and only further discussion between both parties will enable these to be fully explored.

**P11/3185 - MELVILLE GLADES GOLF CLUB (INC.) - MEMORANDUM OF UNDERSTANDING (REC)****CONCLUSION**

John Connell Reserve has previously been identified as an area requiring improvement, activation and/or development. The previous use of this reserve as a land fill site will provide challenges to the form and type of development able to be introduced to this location.

Clearly the proximity of the Melville Glades Golf Club (Inc.) to this site suggests that this area could function as a single development precinct with a range of contributory land uses being introduced to those locations able to sustain such development.

The interest in such long term planning for this area by the Melville Glades Golf Club (Inc.) should be recognised by the Council and provides the opportunity to create a clear vision for this area and determine the types of land uses that John Connell Reserve may be able to sustain and are appropriate to introduce.

Melville Glades Golf Club (Inc.) intend on taking this matter to their members on 31 March to consider the broader concept and the entering into of any Memorandum of Understanding.

As such, this item provides the ideal opportunity for the Council to take the lead role in this project and extend this offer to the Melville Glades Golf Club and all other stakeholders in good faith.

**OFFICER RECOMMENDATION & COUNCIL RESOLUTION (3185)****APPROVAL**

At 7.20pm Cr Subramaniam moved, seconded Cr Robartson –

**That the Council;**

- 1. Agrees to entering into a Memorandum of Understanding between the City and the Melville Glades Golf Club with respect to the proposed master planning of John Connell Reserve and the Melville Glades Golf Club, subject to the Melville Glades Golf Club being duly authorised by its membership to enter into the Memorandum of Understanding,**
- 2. Authorises the Mayor and Chief Executive Officer to sign the Memorandum of Understanding on behalf of Council,**
- 3. Notes that any agreement to initiate a master planning process for this area will require the extensive involvement of the Council, the Melville Glades Golf Club (Inc.) and the broader community.**

At 7.23pm the Mayor submitted the motion, which was declared

**CARRIED (13/0)**

**LATE ITEM - C11/5161 - MELVILLE AQUATIC FITNESS CENTRE REDEVELOPMENT  
(CO15/10) (REC) (CONFIDENTIAL ATTACHMENT)**

Ward : City Ward  
 Category : Operational  
 Subject Index : Tenders  
 Customer Index : City of Melville  
 Disclosure of any Interest : No Officer involved in the preparation of this report has a declarable interest in this matter.  
 Previous Items : C10/8032 – Ordinary Meeting of Council held on 18 May 2010  
 Works Programme : Not Applicable  
 Funding : 2010-2011,2011-2012 Financial Year Budget  
 Responsible Officers : Todd Cahoon/Paul Kellick  
 Manager Health & Lifestyle Services/Manager Asset Management

**AUTHORITY / DISCRETION**

**DEFINITION**

<input type="checkbox"/>	Advocacy	<i>when Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	<b>Executive</b>	<b><i>the substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i></b>
<input type="checkbox"/>	Legislative	<i>includes adopting local laws, town planning schemes &amp; policies.</i>
<input type="checkbox"/>	Review	<i>when Council review decisions made by Officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>when Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>

**C11/5161 - MELVILLE AQUATIC FITNESS CENTRE REDEVELOPMENT (CO15/10)**  
**(REC) (CONFIDENTIAL ATTACHMENT)****KEY ISSUES / SUMMARY**

Bollig Design group was appointed in May 2009 to provide architectural services and the engagement and the management of sub-contracts for the redevelopment of Melville Aquatic Centre.

Subsequent to recommendations at the May 2010 meeting of Council the construction tender documentation was prepared by Bollig Design Group for the redevelopment.

As per the agreement with Bollig Design Group they have provided an evaluation, analysis and recommendation of tenders received which additionally have been reviewed by an internal tender evaluation process.

Bollig Design Group are acting in the capacity of Superintendent throughout the project term.

This item recommends the acceptance of a tender for the Melville Aquatic Fitness Centre redevelopment.

**BACKGROUND**

In May 2009 following an invitation for proposal (IFP01/08) from the City's Architectural Panel, Bollig Design Group was selected for the provision of architectural services and the engagement and management of sub-consultants including project administration for the redevelopment of the Melville Aquatic Fitness Centre.

At the 18th May 2010 Ordinary Meeting of Council the following resolution was passed:

**COUNCIL RESOLUTION (8032)****APPROVAL**

- 1) *That the Council approves the calling of tenders for the Stage One Enhancements of Melville Aquatic Fitness Centre works as outlined in this report;*
- 2) *That Council endorses the use of funds held in the Community Facilities Reserve account to fund up to \$2,522,000 that will be reduced by any amount received through the Federal Government Regional and Community Infrastructure Program – Strategic Projects (RLCIP-SP).*
- 3) *That an expression of interest is called for the potential development and/or management of a commercial café and function centre at the entrance of Melville Aquatic Fitness Centre as per Stage Two and any associated reports including funding considerations that are presented to Council for approval;*
- 4) *That the draft site concept plan of Len Shearer Reserve is noted.*

**C11/5161 - MELVILLE AQUATIC FITNESS CENTRE REDEVELOPMENT (CO15/10)  
(REC) (CONFIDENTIAL ATTACHMENT)**

Following the resolution passed by Council in May 2010, Bollig Design Group were directed to prepare tender documentation on behalf of the City.

Upon closure of the tender Bollig Design would then prepare an Evaluation Report and make a recommendation for the City to appoint a contractor for the redevelopment project.

Tenders for the Melville Aquatic Fitness Centre Redevelopment were invited by advertisement in the West Australian on Wednesday 4 November 2010 and closed on Thursday 23 December 2010 at 4.pm.

**Price Schedule**

The Price Schedule forms part of the attachment to the Agenda, which was distributed to the Members of the Contract and Tender Advisory Unit on Tuesday 8 February 2011 and distributed to Elected Members on Friday 11 February 2011 under confidential cover.

**Tender Evaluation Process**

The tenders received were evaluated using a price weighted attribute method and were assigned scores out of 100. The tenders were also scored with price removed to identify qualitative scoring. The tenderer who has achieved the highest score overall and has been recommended.

The Evaluation Report prepared by Bollig Design and the Evaluation Sheet (completed by the Evaluation Panel Members) forms part of the Attachments to the Agenda, which was distributed to the Members of the Contract and Tender Advisory Unit on Tuesday 8 February 2011 and distributed to Elected Members on Friday 11 February 2011 under confidential cover.

The City's Evaluation Committee consisted of the Purchasing & Contracts Coordinator, the Manager Health & Lifestyle Services and the Manager Asset Management.

The criteria for this tender were based on the following specific attributes.

1. Relevant Experience
2. Financial Position
3. Key Personnel Skills and Experience
4. Tenderers Resources
5. Price

**C11/5161 - MELVILLE AQUATIC FITNESS CENTRE REDEVELOPMENT (CO15/10)**  
**(REC) (CONFIDENTIAL ATTACHMENT)****DETAIL**

Number of tenders issued: 26

Number of attendees at mandatory site meeting: 15

Number of submissions received at the closing date and time, 9, as follows:

CPD Group Pty Ltd  
CPD Group Pty Ltd – Alternative Tender  
Gavin Construction  
Lanskey Construction  
Badge Construction  
Landsdown Construction  
BCL Construction  
Northerley Construction  
Briklay Pty Ltd

No late tenders were received.

All submissions were delivered to Bollig Design Group for assessment and completion of an evaluation report. The City's Evaluation Panel has also scrutinised the submissions and unanimously endorses the recommendation from Bollig Design Group. Due to the consultants evaluation report containing commercial in confidence information it has been submitted as a confidential attachment to this item. This action does not preclude tenderers from obtaining feedback relating to their submission on request.

In addition to the Evaluation Report supplied by Bollig it should be noted that Badge Construction are utilising the services (under a sub-contractor arrangement) of an experienced pool builder who has specific experience in the installation of water playgrounds and pool refurbishment projects. This is seen as an advantage that should assist in achieving project completion to the required standard. Badge Construction has also recently completed an Aquamotion Aquatic Centre Refurbishment and Redevelopment (including a children's splash pool) for the City of Wanneroo, completion date March 2009. The company also achieved the MBA 2007 Building Excellence Award for Best Building for Sports & Recreation for a School Gymnasium & Aquatic Centre building project for the Chisholm College in Bedford, completion date January 2007.

The company also holds Environmental AS/NZS ISO 14001:2004 accreditation and is quality assured. Mobilisation time frame from award is stated as seven days.

Applications for a building licence and development approval were submitted in late November and early December respectively and are both well progressed. Planning approval is imminent (Tuesday 15 February) as no major issues have been identified. The building licence has been referred to both Technical Services and Health Services with comments returned and again there are no significant issues.

**C11/5161 - MELVILLE AQUATIC FITNESS CENTRE REDEVELOPMENT (CO15/10)  
(REC) (CONFIDENTIAL ATTACHMENT)**

The building licence will be issued after the development application is approved and the successful building contractor appointed.

**PUBLIC CONSULTATION/COMMUNICATION**

No public consultation is required for this stage of the project.

**CONSULTATION WITH OTHER AGENCIES / CONSULTANTS**

Preparation of tender documentation by Bollig Design Group.

**STATUTORY, LEGAL AND ENVIRONMENTAL IMPLICATIONS**

Section 3.57 of the Local Government Act 1995 states "A Local Government is required to invite tenders before it enters into a contract of a prescribed kind under which another person is to supply goods or services".

Delegation DA-028 deals with Minor Contract variations pre award, selection of next successful tenderer and contract variations post award.

**FINANCIAL IMPLICATIONS**

The budget for the redevelopment of Melville Aquatic Fitness Centre is funded from Capital account 485-85437-7126-000 'Melville Aquatic Redevelopment' which has a total budget of \$5,055,000 (including an allowance for the installation of solar water heating of \$1.1 million).

The City was unsuccessful in obtaining funding through the Federal Government Regional and Community Infrastructure Program – Strategic Projects however has received a \$533,000 contribution from the State Community Sport and Recreation Facilities Fund towards the interactive water playground and solar water heating which has been allowed for in the total budget.

**STRATEGIC AND RISK MANAGEMENT IMPLICATIONS**

There are no negative, strategic and risk management implications identified at this stage that would result from an award to the recommended tenderer, Badge Constructions.

**POLICY IMPLICATIONS**

Procurement of Goods and Services Policy CP-023.

**C11/5161 - MELVILLE AQUATIC FITNESS CENTRE REDEVELOPMENT (CO15/10)  
(REC) (CONFIDENTIAL ATTACHMENT)****ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

No alternate options were identified for this tender.

**CONCLUSION**

The Council is required to consider this tender and the recommendation from the Contract and Tender Advisory Unit because the value of the contract exceeds the \$500,000 limit delegated to the Unit. It is the opinion of the Contract and Tender Advisory Unit that the tender be awarded to Badge Construction. They have relevant experience in specific projects of this nature, demonstrated financial capacity, sufficient resources and offer the lowest price tendered. Supporting references conducted by Bollig Design Group were also positive.

**COUNCIL RESOLUTION**

At 7.30pm Cr Wieland moved, seconded Cr Reidy –

**That the meeting be closed to the public to permit discussion of the confidential attachments in relation to Item: C11/5161 – Melville Aquatic Fitness Centre Redevelopment (CO15/10) covered under Section 5.23 (e) (ii) of the Local Government Act 1995.**

At 7.30pm the Mayor submitted the motion, which was declared

**CARRIED (13/0)**

Two members of the press and 1 member of the public left the meeting.

**EVALUATION PANEL RECOMMENDATION (CO15/10)****APPROVAL**

- 1) That the tender submitted by Badge Construction for the Melville Aquatic Fitness Centre Redevelopment as specified, for the Lump Sum of \$3,673,790.00 excluding GST, including provisional sums, which is subject to approval of a building application and licence for the works, be accepted as the most advantageous .
- 2) That the Manager Asset Management be duly authorised to expend funds in accordance with the above resolution throughout the project term with Bollig Design Group acting in the capacity of Superintendent throughout the project term.
- 3) That the tender be referred to Council for consideration.

**C11/5161 - MELVILLE AQUATIC FITNESS CENTRE REDEVELOPMENT (CO15/10)  
(REC) (CONFIDENTIAL ATTACHMENT)****CONTRACT AND TENDER ADVISORY UNIT RECOMMENDATION (CO15/10)  
APPROVAL**

At 7.32pm Cr Reidy moved, seconded Cr Wieland –

The Contract and Tender Advisory Unit recommends that the tender submitted by Badge Construction for the Melville Aquatic Fitness Centre Redevelopment as specified, for the Lump Sum of \$3,673,790.00 excluding GST, including provisional sums, which is subject to approval of a building application and licence for the works, be accepted as the most advantageous .

Amendment 1

At 7.32pm Cr Reidy moved, seconded Cr Wieland -

**That the Contract and Tender Advisory Unit Recommendation be amended to read as follows:**

***That the Council accepts the tender submitted by Badge Construction for the Melville Aquatic Fitness Centre Redevelopment as specified, for the Lump Sum of \$3,673,790.00 excluding GST, including provisional sums, which is subject to approval of a building application and licence for the works, as the most advantageous .***

At 7.38pm the Mayor submitted the amendment which was declared

**CARRIED (13/0)**

Reasons for Amendment

The recommendation must read as a Council resolution.

Amendment 2

At 7.39pm Cr Pazolli moved, Cr Nicolson seconded -

**That the following be added to the amended Recommendation as point 2 -**

***2. That Council accepts the report and recommendations of the Bollig Design Group.***

At 7.59pm the Mayor submitted the amendment which was declared

**LOST (4/9)**

**C11/5161 - MELVILLE AQUATIC FITNESS CENTRE REDEVELOPMENT (CO15/10)  
(REC) (CONFIDENTIAL ATTACHMENT)****COUNCIL RESOLUTION (5161)****APPROVAL**

At 7.59pm the Mayor submitted the substantive motion as amended -

*That the Council accepts the tender submitted by Badge Construction for the Melville Aquatic Fitness Centre Redevelopment as specified, for the Lump Sum of \$3,673,790.00 excluding GST, including provisional sums, which is subject to approval of a building application and licence for the works, as the most advantageous .*

At 8.00pm the Mayor declared the motion

**CARRIED (13/0)****15. MATTERS FOR WHICH THE MEETING MAY BE CLOSED**

At 8.00pm His Worship the Mayor announced that the meeting would remain behind closed doors to permit discussion on a confidential matter (Item: C11/5160 the Sale of Land to Alchera Living (Inc.) covered under Section 5.23 (2) (h) of the Local Government Act 1995.

**C11/ 5160 – SALE OF LAND TO ALCHERA LIVING (INC) (REC) (CONFIDENTIAL ITEM & ATTACHMENT)****OFFICER RECOMMENDATION & COUNCIL RESOLUTION (5160)****APPROVAL**

At 8.00pm Cr Subramaniam moved, seconded Cr Robartson –

**That the Council:**

- 1 Requires the Chief Executive Officer to advise Alchera Living (Inc) in writing that the Council accepts the offer of Alchera Living (Inc) in principle to purchase the land on Lot 5 Collier Street Applecross being the whole of the land comprised in Certificate of Title Volume 1613 Folio 17 and Lot 603 (18) Hassell Crescent Bull Creek, subject to the Council's requirement to fulfil the provisions of Section 3.59 of the Local Government Act 1995.**
- 2 Requires the Chief Executive Officer to advise Alchera Living (Inc) in writing that the Council is required to receive and consider submissions on the proposed disposition of land, buildings and improvements before making a final decision on the proposed disposition.**
- 3 Requires the Chief Executive Officer to prepare and advertise a business plan for a major land transaction in accordance with Section 3.59 of the Local Government Act 1995 for the purpose of sale of land on Lot 5 Collier Street Applecross being the whole of the land comprised in Certificate of Title Volume 1613 Folio 17 and Lot 603 (18) Hassell Crescent Bull Creek held in fee simple being the whole of the land comprised in Certificate of Title Volume 1620 Folio 728 and any buildings and improvements on Lot 603.**

At 8.00pm the Mayor submitted the motion, which was declared

**CARRIED (13/0)****COUNCIL RESOLUTION**

At 8.01pm Cr Reidy moved, seconded Cr Kinnell –

**That the meeting come out from behind closed doors and the public be invited back into the meeting.**

At 8.02pm the Mayor submitted the motion, which was declared

**CARRIED (13/0)**

**No members of the public or press returned to the meeting.**

**16. EN BLOC ITEMS**

At 8.02pm Cr Reynolds moved, seconded Cr Wieland -

**That the recommendations for M11/5157, C11/5154, C11/5158, C10/5000, C10/6000 and C10/6001 be carried En Bloc.**

At 8.03pm the Mayor submitted the motion which was declared **CARRIED (13/0)**

**17. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil

**18. MOTIONS WITHOUT NOTICE BY ABSOLUTE MAJORITY OF THE COUNCIL**

Nil

**19. CLOSURE**

There being no further business to discuss His Worship the Mayor declared the meeting closed at 8.03pm.