

**TAMALA PARK**  
**Regional Council**

# Meeting of Council

## AGENDA

**Thursday 12 April 2012**  
**Town of Cambridge, 6.00pm**

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

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

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### TAMALA PARK REGIONAL COUNCIL

Councilors of the Tamala Park Regional Council are advised that the ordinary meeting of Council will be held in the Council Chambers at the Town of Cambridge, 1 Bold Park Drive, Floreat at 6.00pm on Thursday 12 April 2012.

The business papers pertaining to the meeting follow.

Your attendance is requested.

Yours faithfully



**TONY ARIAS**  
Chief Executive Officer

### MEMBERSHIP

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

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

**PRELIMINARIES**

**1. OFFICIAL OPENING**

**DISCLOSURE OF INTERESTS**

**2. PUBLIC STATEMENT/QUESTION TIME**

**3. APOLOGIES AND LEAVE OF ABSENCE**

**4. PETITIONS**

**5. CONFIRMATION OF MINUTES**

Council Meeting – 16 February 2012

**5A. BUSINESS ARISING FROM THE MINUTES**

**6. ANNOUNCEMENTS BY CHAIRMAN (WITHOUT DISCUSSION)**

**7. MATTERS FOR WHICH MEETING MAY BE CLOSED**

**8. REPORTS OF COMMITTEES**

- Audit Committee Meeting – 16 February 2012
- CEO Performance Review Committee Meeting – 16 February 2012
- Management Committee Meeting – 22 March 2012

**9. ADMINISTRATION REPORTS AS PRESENTED (ITEMS 9.1 – 9.13)**

## **9.1 BUSINESS REPORT – PERIOD ENDING 31 MARCH 2012**

### **Report Information**

Location: Not Applicable  
Applicant: Not Applicable  
Reporting Officer: Chief Executive Officer      File Reference: N/A

### **Recommendation**

**That Council RECEIVE the Business Report to 31 March 2012.**

### **Voting Requirements**

Simple Majority

### **Report Purpose**

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

### **Relevant Documents**

Appendix: Lifting of Urban Deferred Zoning Plan  
Available for viewing at the meeting: Nil

### **Background**

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

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

### **Comment**

#### **1. Civil Construction - Status**

The following provides a brief outline of progress of Phase 1 key works components to date;

##### **Phase 1 - Bulk Earthworks**

- 100% complete,

##### **Stage 1 Lot Preparation 70% complete;**

- Stage 1 Civil Works – Sewer construction 95% complete.
- Stage 1 Civil Works – Retaining walls 90% complete.
- Stage 1 Civil Works – Stormwater drainage 95% complete.
- Stage 1 Civil Works – Water reticulation 95% complete.
- Stage 1 Civil Works – Gas reticulation 95% complete.
- Stage 1 Civil Works – NBN pit and pipe 10% complete.
- Stage 1 Civil Works – Underground power 15% complete.
- Stage 1 Civil Works – Road construction 10% complete.

**Neerabup Rd intersection Construction**

- Neerabup Rd Intersection Works – Verge grading 80% complete.

**Stage 2**

- Stage 2 Civil Works – Sewer construction 20% complete.

**2. Landscape Construction - Status**

- Detailed design complete and to be lodged with City of Wanneroo.
- Landscape Works anticipated to be tendered from 4 April 2012.

**3. Lifting of Urban Deferred Zoning**

Correspondence has recently been received from the Mindarie Regional Council, confirming the extent of the current operating face of the Tamala Park landfill site, the alignment of the 500m buffer and confirming its support for the TPRC's proposal to lift the urban deferred status of land outside of the buffer. This action is consistent with the Ministerial environmental approval. Refer to Appendix 9.1 for Plan.

The request to rezone the subject land from Urban Deferred to Urban under the Metropolitan Region Scheme is expected to be lodged with the Western Australian Planning Commission by 10 April 2012.

**4. Stage 1 Subdivision Clearances**

Stage 1 subdivision clearance packages have been submitted to all clearance authorities and are expected to be issued 21 April 2012, in order to achieve titles by 31 May 2012.

## **9.2 STATEMENTS OF FINANCIAL ACTIVITY FOR THE MONTHS OF FEBRUARY AND MARCH 2012**

### **Report Information**

Location: Not Applicable  
Applicant: Not Applicable  
Reporting Officer: Chief Executive Officer      File Reference: 12.66.401.0

### **Recommendation**

**That Council RECEIVE and NOTE the Statement of Financial Activity for the months ending 29 February 2012 and 31 March 2012.**

### **Voting Requirements**

Simple Majority

### **Report Purpose**

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

### **Relevant Documents**

Appendix: Monthly Statement of Financial Activity for the month ending 29 February and 31 March 2012

Available for viewing at the meeting: Nil

### **Local Government Act/Regulation**

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

### **Background**

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

### **Comment**

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

Variances at March 2012 exceeding 10% were experienced in relation to the following:

Interest Earnings	Interest earnings exceed budget projections as the investment principal is larger as a result of lower expenditure to date and investment interest rates have been higher than estimated.
Employee Costs	The positive variance relates to employee costs for proposed Project Manager (now appointed).
Materials & Contracts MTC	The positive variance reflects that expenditure is below budget projections, particularly marketing, this is expected to rectify over the next 2-3 months as significant claims are lodged.
Other	The variation is due to payment of Councillor fees which will be balanced May 2012.
Professional/Consultant Fees	The variance is due to timing of payments associated with Stages 1 and 2 civil design but is expected to be under budget.
Lot Production Cost	The variance is due to timing of payments associated with Bulk Earthworks for Phase 1 and Stage 1 Civil works. This will be brought back into budget over the next 2 months.

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

### Financial Snapshot as at 31 March 2012

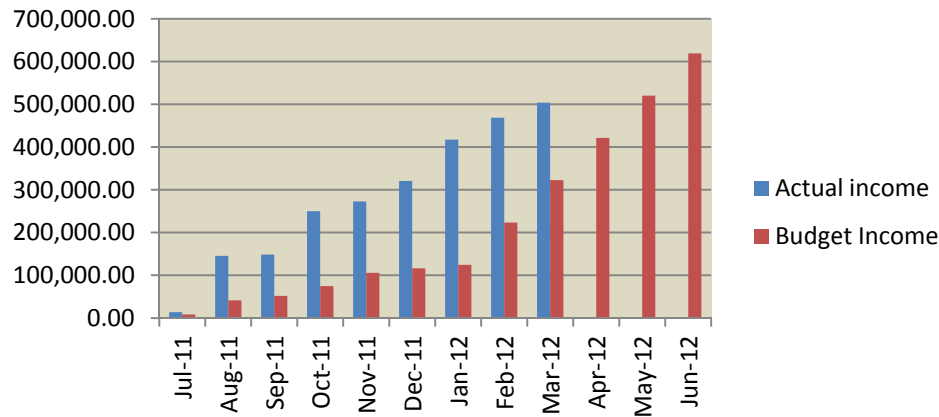
	Jul '11 - Mar 12	YTD Budget	\$ Over/Under Budget	Variance	Annual Budget
<b>Revenue</b>					
Interest Earnings	488,595.32	322,372.00	166,223.32	51.56%	619,000.00
Other Revenue	2,589.99	0.00	2,589.99	0.0%	1,949,943.00
<b>Total Revenue</b>	<b>491,185.31</b>	<b>322,372.00</b>	<b>168,813.31</b>	<b>52.37%</b>	<b>2,568,943.00</b>
<b>Expenses</b>					
Depreciation	0.00	-3,240.00	3,240.00	-100.0%	-4,501.00
Employee Costs	-283,348.86	-406,333.00	122,984.14	-30.27%	-569,370.00
Insurance	-6,228.13	-7,400.00	1,171.87	-15.84%	-7,400.00
Materials & Contracts MTC	-6,687.82	-777,973.00	771,285.18	-99.14%	-1,261,316.00
Materials & Contracts Other	-275,922.95	-163,408.00	-112,514.95	68.86%	-229,958.00
Other	-77,566.37	-118,500.00	40,933.63	-34.54%	-118,500.00
Professional/Consultant Fees	-45,714.46	-334,450.00	288,735.54	-86.33%	-445,000.00
Land Production Cost (Land Held for Resale)	-2,869,130.35	-7,772,487.00	-4,903,356.65	63.09%	-13,249,209.00
Utilities	0.00	0.00	0.00	0.0%	0.00
<b>Total Expenses</b>	<b>-3,564,598.94</b>	<b>-9,583,791.00</b>	<b>6,019,192.06</b>	<b>-62.81%</b>	<b>-15,885,254.00</b>
<b>Unclassified</b>	<b>-16,562.66</b>	<b>0.00</b>	<b>-16,562.66</b>	<b>0.0%</b>	<b>0.00</b>
<b>TOTAL</b>	<b>-3,089,976.29</b>	<b>-9,261,419.00</b>	<b>6,171,442.71</b>	<b>-66.64%</b>	<b>-13,316,311.00</b>



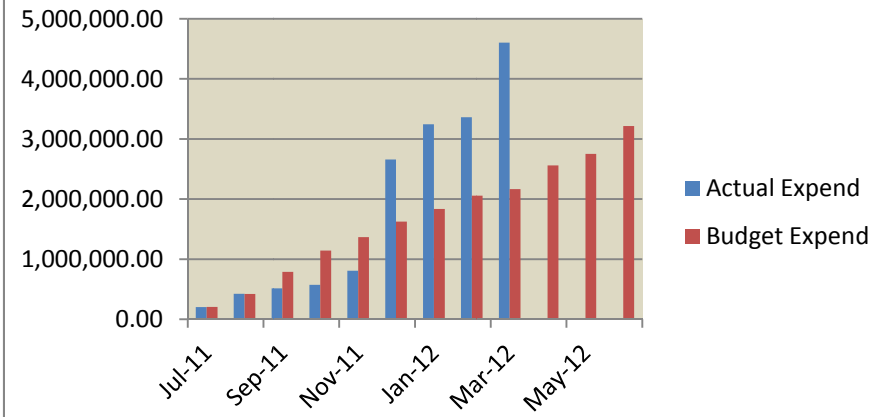
**Balance Sheet Summary as at 31 March 2012**

	<b>Mar 31, 12</b>	<b>June 30, 11</b>	<b>\$ Change</b>	<b>% Change</b>	<b>Mar 31, 11</b>
Cash and Investments	11,554,879.42	14,832,167.37	-3,277,287.95	-22.10%	15,161,262.94
Accounts Receivable	600.00	18,518.59	-17,918.59	-96.76%	0.00
Other Current Assets (inc Land Held for Resale)	2,870,160.35	1,030.00	2,869,130.35	278556.35%	1,030.00
<b>Total Current Assets</b>	<b>14,425,639.77</b>	<b>14,851,715.96</b>	<b>- 426,076.19</b>	<b>-2.87%</b>	<b>15,162,292.94</b>
Fixed Assets	2,133,885.38	2,013,564.88	120,320.50	5.98%	2,018,762.88
<b>Total Assets</b>	<b>16,559,525.15</b>	<b>16,865,280.84</b>	<b>- 305,755.69</b>	<b>-1.81%</b>	<b>17,181,055.82</b>
Less Current Liabilities	15,637.23	100,546.98	-84,909.75	-84.45%	40,594.46
Less Long Term Liabilities	13,046.69	13,046.69	0.00	0.00%	6,918.42
<b>Total Liabilities</b>	<b>28,683.92</b>	<b>113,593.67</b>	<b>-84,909.75</b>	<b>-74.75%</b>	<b>47,512.88</b>
<b>Net Assets</b>	<b>16,530,841.23</b>	<b>16,751,687.17</b>	<b>- 220,845.94</b>	<b>82.64%</b>	<b>17,133,542.94</b>

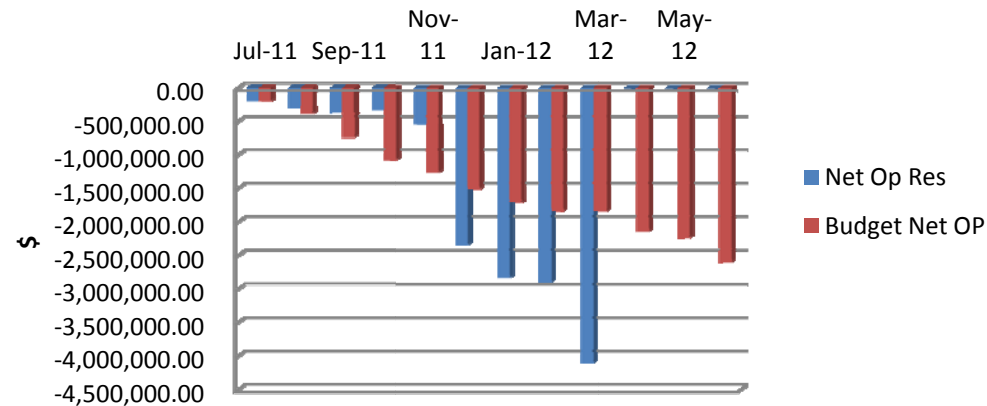
**Cumulative YTD Income V Budget**

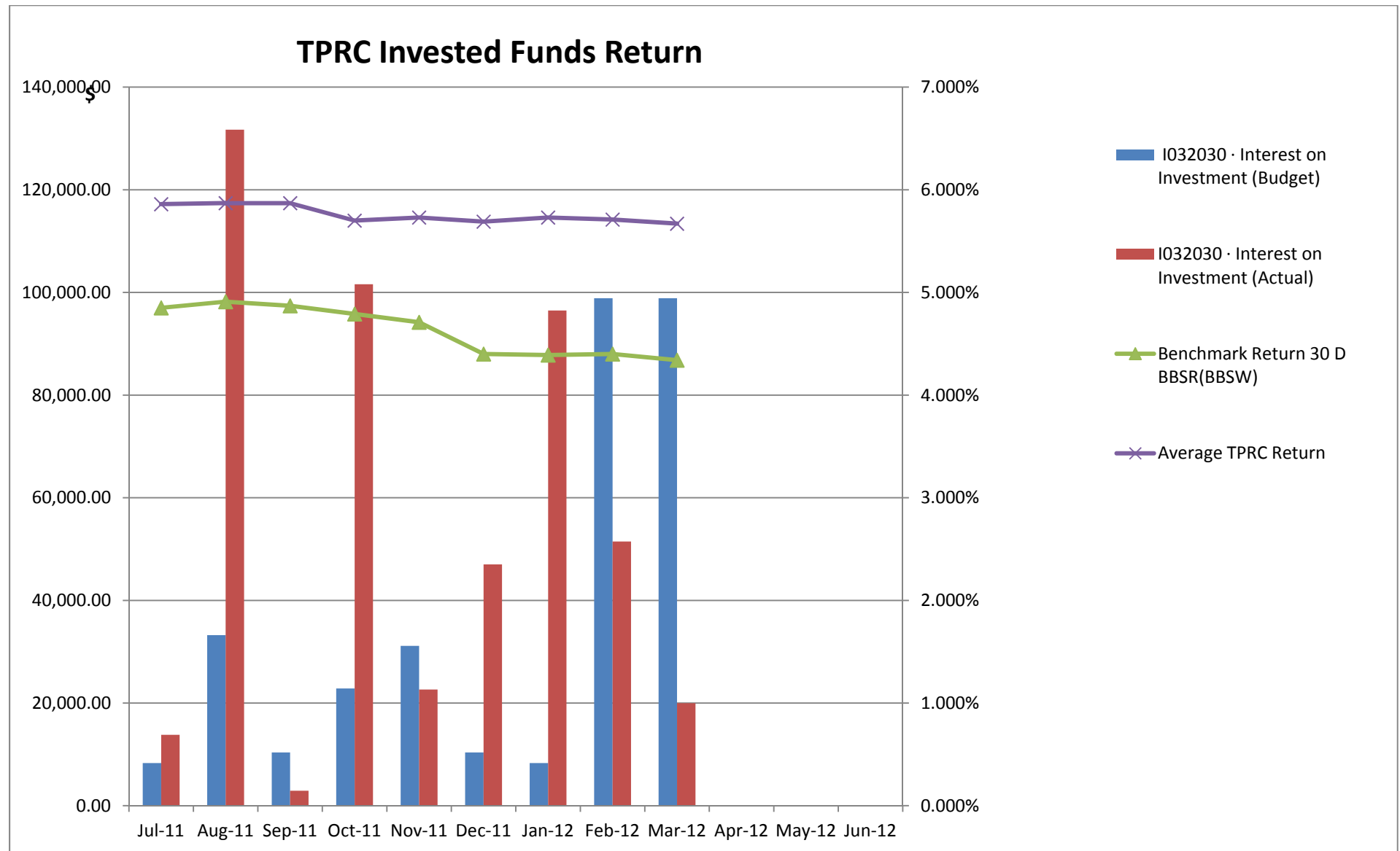


**Cumulative YTD Exp V Budget**



**Cumulative YTD Net Operating V YTD Budget Net Operating**





### **9.3 LIST OF MONTHLY ACCOUNTS SUBMITTED FOR THE MONTHS OF FEBURARY & MARCH 2012**

#### **Report Information**

Location: Not Applicable  
Applicant: Not Applicable  
Reporting Officer: Chief Executive Officer      File Reference: 12.66.401.0

#### **Recommendation**

**That the Council RECEIVE and NOTE the list of accounts paid under Delegated Authority to the CEO for the months of February and March 2012:**

- **Month ending 29 February 2012 (Total \$119,344.02)**
- **Month ending 31 March 2012 (Total \$1,361,207.07)**
- **Total Paid - \$1,480,551.09**

#### **Voting Requirements**

Simple Majority

#### **Report Purpose**

Submission of the list of payments made under the CEO's Delegated Authority for the months ending 29 February and 31 March 2012.

#### **Relevant Documents**

Appendix: Cheque Detail for Month Ending 29 February and 31 March 2012  
Summary Payment List for February and March 2012  
Available for viewing at the meeting: Nil

#### **Local Government Act/Regulation**

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

#### **Background**

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

#### **Comment**

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

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

#### **9.4 PROJECT FINANCIAL REPORT - MARCH 2012**

##### **Report Information**

Location:	Not Applicable	
Applicant:	Not Applicable	
Reporting Officer:	Chief Executive Officer	File Reference: 1.88.246

##### **Recommendation**

**That Council RECEIVE the Project Financial Report (March 2012) submitted by the Satterley Property Group.**

##### **Voting Requirements**

Simple Majority

##### **Report Purpose**

To consider the Project Financial Report for March 2012 submitted by the Satterley Property Group.

##### **Policy Reference**

N/A

##### **Local Government Act/Regulation**

N/A

##### **Previous Minutes**

- Council Meeting – 16 February 2012 (Item 9.6 - Project Financial Report December 2011)
- Council Meeting – 14 April 2011 (Item 9.9 - Project Cashflow)

##### **Financial/Budget Implications**

Review of Project Financial Report for March 2012.

##### **Relevant Documents**

Appendix: Letter from Satterley Property Group dated 2 April 2012  
Available for viewing at the meeting: Nil

##### **Background**

At its meeting of 18 August 2011 the Council approved the Years 1-3 Cashflow, July 2011 and the Project Cashflow, July 2011, submitted by the Satterley Property Group as the basis of project and financial planning for 2011/12.

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

## Comment

The Satterley Property Group has prepared a Financial Report for March 2012 for the Project. The report has been prepared on a cash basis and compares actual expenditure to approved budget expenditure for the period 1 July 2011 to 31 March 2012 and is attached at Appendix 9.4.

The Financial Report details that overall expenditure to 31 March 2012 is \$6,062,162 under budget, with \$3,006,186 spent compared to a budget of \$9,068,349. The main areas of variance are summarised below:

1. Lot production expenditure is \$2,965,057 under budget, with only \$2,514,799 spent to date.
2. Landscape expenditure is \$55,408 over budget, with \$109,108 spent to date. This is due to the bore construction and Neerabup Road landscaping (design) being started ahead of budget.
3. Infrastructure expenditure is \$1,554,553 under budget, with only \$55,625 spent to date.
4. Sales and marketing expenditure is \$659,990 under budget, with only \$93,760 spent to date.

Development expenditure is significantly under budget, however, a major part of the variance to budget can be attributed to the lag in payments for works completed to date. Significant payments were made in early March and the next few months will see a substantial increase in payments for Stages 1 and 2 Civil works already undertaken. It is now anticipated that overall expenditure is likely to be below the project cashflow. This is being quantified and will be reported at the next meeting.

## **9.5 STAGE 1 SALES REPORT**

### **Report Information**

Location:	Not Applicable	
Applicant:	Not Applicable	
Reporting Officer:	Chief Executive Officer	File Reference: 1.88.246

### **Recommendation**

**That Council RECEIVE the Stage 1 Sales Report.**

### **Voting Requirements**

Simple Majority

### **Report Purpose**

To consider a status report on the - Stage 1 Sales Release.

### **Policy Reference**

N/A

### **Local Government Act/Regulation**

N/A

### **Previous Minutes**

N/A

### **Financial/Budget Implications**

Expenditure under this matter will be incurred under item E145218 (Sales & Marketing):

Budget Amount:	\$1,000,000
Spent to Date:	\$ 145,119
Balance:	\$ 854,881

Expenditure will be accommodated within this item.

### **Relevant Documents**

Appendix: Offer to Purchase Spreadsheet; Probity Certificate from Stantons  
Available for viewing at the meeting: Nil

### **Background**

At its meeting of 15 December 2011 the Council resolved to delegate to the Chief Executive Officer the authority to establish the sale time/date for the Stage 1 lots, subject to all the documentation being completed.

Council's legal advisor (McLeods Barristers & Solicitors) finalised its review of the sales documents and the required Power of Attorney (POA) was granted by the member local governments to the TPRC. The POA was to enable pre-sales of the lots, signing of any contracts and compliance with section 3.58(3) of the *Local Government Act 1995*.

### **Comment**

On 10 March 2012 the Stage 1 lots (comprising 24 lots) were released for sale. In accordance with the sale procedure approved by Council the public were to formally register online for the purchase of a lot. The registrations would then be ranked according to the approved criteria. The formal ranking and allocation process was undertaken by the Development Manager and TPRC representatives, in conjunction with the probity adviser. Stantons International (probity advisers) provided a certificate confirming the allocation process was undertaken were transparent and free from bias and made no recommendations to improve the probity process for future sales (refer Appendix 9.5).

At the close of the Registration period 24 registrations to purchase lots had been lodged with the Satterley Property Group. Of these 12 were cash unconditional offers to purchase and 12 were subject to finance offers to purchase. Following the allocation process 20 registrations were successful in achieving nominated lots.

To date 22 offers to purchase lots in Stage 1 have been signed by purchasers. These are identified in the attached schedule detailing the proposed offers to purchase. (Appendix 9.5).

As required under Section 3.58 (2) and (3) of the Local Government Act the TPRC advertised the proposed sales on 21 March 2012 and 31 March 2012, with the period for submissions closing on 4 April 2012 and 14 April 2012, respectively. No submissions have been received to date.

Additional offers to purchase have recently been signed by purchasers on the following lots;

- Lot 93 - \$265,000
- Lot 139 - \$260,000

Arrangements have been made to advertise the proposed sales as required under Section 3.58 (2) and (3) of the Local Government Act.

There are 2 uncommitted lots within Stage 1, Lot 182 - \$280,000 and Lot 199 - \$275,000. The Development Manager is continuing to market the uncommitted lots and a further update will be provided at the meeting.

In terms of the Stage 2 builders display lots contracts, 5 have been signed to date, with the remainder expected during mid April.

The Development Manager will provide an update on sales to date and general sales interest and inquiry.



## **9.6 STAGE 3 MEDIUM DENSITY ALLOCATION - COMMERCIAL TERMS**

### **Report Information**

Location: Not Applicable  
Applicant: Not Applicable  
Reporting Officer: Chief Executive Officer File Reference: 1.88.246

### **Recommendation**

#### **That Council:**

- 1. APPROVE the use of Put Option Deeds, to dispose of Stage 3 medium density builders allocation lots, in accordance with terms outlined in SPG letter dated 29 March 2012.**
- 2. APPROVE the release of Medium Density (Cottage) Lots Tender - Stage 3 lots in accordance with the approved Allocation Procedure.**

### **Voting Requirements**

Simple Majority

### **Report Purpose**

To consider the use of Put Option Deeds for the disposal of the Stage 3 builders allocation medium density lots.

### **Policy Reference**

N/A

### **Local Government Act/Regulation**

N/A

### **Previous Minutes**

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

### **Financial/Budget Implications**

Expenditure under this matter will be incurred under item E145218 (Sales & Marketing):

Budget Amount: \$1,000,000  
Spent to Date: \$ 145,119  
Balance: \$ 854,881

Expenditure will be accommodated within this item.

## **Relevant Documents**

Appendix: Satterley Property Group Letter dated 29 March 2012; Medium Density Lot Allocation Parcels Plan

Available for viewing at the meeting: Development Managers Agreement

## **Background**

At its meeting of 13 October 2011 the Council approved the Medium Density (Cottage) Lots Tender and Allocation Procedure, dated September 2011.

Stage 3 contains 43 medium density lots (cottage lots) which are scheduled to be constructed and titled by November 2012. Satterley Property Group has recommended these lots be offered to builders as 10 parcels of 2 to 8 lots under a public tender process, which are depicted on the attached plan.

Evaluation of tenders will be based on the Building brand's ability to meet the Selection Criteria. The selection criteria is similar to the criteria for the display village lots except for an additional criteria to specifically address experience in medium density design, construction and streetscape and the adjustment of the weighting.

The following selection criteria are proposed;

- Experience in Medium Density Design and Construction – (Weighting 25%)
- Capacity to Meet Market Demand – (Weighting 20%)
- Building Design - (Weighting 20%)
- Sustainability Credentials - (Weighting 15%)
- Innovation - (Weighting 10%)
- Financial Capacity - (Weighting 10%)

The Medium Density (Cottage) Lots Tender process outlined by the Development Manager proposes that each tender will be evaluated against the above criteria and will be based on the Building brand's ability to meet the selection. The allocation of lot parcels will occur immediately post the display home lot allocation.

This approach has been adopted to incentivise builders to take up and display rear lane cottage lots at Catalina. The process also recognises the specific built form and streetscape challenges and objectives relating to this housing type, and enables liaison with builders to assist the achievement of these.

## **Comment**

Tender documentation is scheduled to be prepared by May, and, will reflect the selection criteria and evaluation process of the approved Tender and Allocation Procedure.

The Medium Density Strategy approved by Council indicated that the lots would be sold directly to the successful builders. The Satterley Property Group has recommended the TPRC endorse the use of Put Option Deeds, which are agreements that contractually bind builders to the purchase of Stage 3 medium density lots by a designated date, instead of upfront direct purchase.

The Satterley Property Group considers the use of Put Option Deeds is beneficial to both the Council and builders, as they provide flexibility to allow builders to market and pre-sell house and land packages without the need to commit funds with the up-

front purchase of lots. Further, Put Option Deeds provide the TPRC with security of sales by compelling builders to purchase any lots which are not sold, by a designated date.

The key elements of the Put Option Deed are:

- The deed will be between the TPRC and the Builder.
- The deposit is \$5,000 per lot.
- The price of the lots is subject to approval by TPRC.
- A copy of the Lot Purchase Contract is annexed to the deed.
- The TPRC has the ability to exercise the option (compelling the Builder to purchase).
- The TPRC can set the time period in which the option may be exercised. This would be 30 days prior to issue of title.
- The Builder has the ability to source and present clients to purchase lots from the date of receiving their lot allocation up until the option is exercised.
- Settlement of lots to occur within 21 to 28 days of issue of title providing surety of revenue.

The attached letter from Satterley Property Group (dated 29 March 2011), provides an explanation of Put Option Deeds and the benefits they present.

The use of Put Option Deeds is considered to be favourable under the current market conditions and likely to result in stronger interest from builders for Stage 3 lots. Based on the suggested terms by the SPG there is minimal impact to the approved project cashflow, and they are recommended to be adopted.

## **9.7 STATUS REPORT: NON-POTABLE WATER SUPPLY SYSTEM**

### **Report Information**

Location: Not Applicable  
Applicant: Not Applicable  
Reporting Officer: Chief Executive Officer File Reference: 1.88.246

### **Recommendation**

#### **That Council:**

- 1. RECEIVE the Development Manager's update (dated 12 March 2012) of progress of design and approval of the proposed Catalina non-potable water supply scheme.**
- 2. APPROVE the construction of infrastructure within Stage 2 to future proof the connection of lots to a non-potable water supply scheme.**

### **Voting Requirements**

Simple Majority

### **Report Purpose**

To provide a status update of progress and actions in respect of the proposed Non Potable Water Supply Scheme.

### **Relevant Documents**

Appendix: Letter from SPG dated 12 March 2012  
Available for viewing at the meeting: Satterley Property Group project submission

### **Policy Reference**

N/A

### **Local Government Act/Regulation**

N/A

### **Previous Minutes**

Council Meeting – 15 December 2011 (Item 9.6 Sustainability Initiatives Plan)

### **Financial/Budget Implications**

Item 99.2 (Lot Production):

Budget Amount: \$6,328,871  
Spent to Date: \$ 748,037  
Balance: \$5,580,834

Expenditure under this matter will be incurred under the above item.

## Background

At its December 2011 meeting, the Council approved the Sustainability Initiatives Plan (SIP). The Development Manager recommended Council pursue initiatives directed toward sustainability in Water, including a 3<sup>rd</sup> pipe scheme on the basis these initiatives represented a more desirable outcome to the consumer and enhanced estate presentation.

It was noted at that time that advice was still pending from the Water Authority regarding agreement and pricing arrangements for the proposed scheme.

The Council resolved to adopt the SIP and approve the use of the non-potable water supply system for Stage 1, at an allowance of \$3,500 per lot, which was within the budget allowance of \$5,000 per lot.

## Comment

Following the Council's determination, a reticulation design for Stage 1 was completed and priced, and is being constructed. The quoted cost for full implementation of the Stage 1 reticulation design is \$101,361.70 (incl GST), which is within the approved \$3,500 per lot allowance. The design of the Stage 1 reticulation system is beneficial to servicing lots within future stages.

There are still uncertainties in respect of the structure and feasibility of the proposed scheme, including the lack of any agreement with a service provider; the securing of a water supply source; and the obtaining of necessary approvals.

In view of these uncertainties, the Development Manager has recommended only a minimum extent of infrastructure be constructed within Stage 1 at a reduced cost of \$73,876.55 (inc GST), in order to future proof the connection of lots until such time that the scheme has been further developed and is operational.

It should be noted that some additional costs are expected to be incurred for rework and re-instatement in connecting lots to the scheme at this time, however, final costs are expected to remain well within the \$3,500 per lot allowance.

The Development Manager has provided an update of current actions and progress in respect of work on the proposed scheme, which is provided under Appendix 9.7, and it is noted that a budget for actions to progress the scheme and further future proofing of stages is to be provided by the end of March.

Given the current status of site works, it is recommended that the Council adopt the same approach in implementing future proofing works within Stage 2, for which construction works have recently commenced.

The Council should be aware that the option to defer installation of any reticulation infrastructure within stages exists, however, retrofitting completed stages will result in significant cost increases and disruption.

## **9.8 DELEGATION AUTHORITY**

### **Report Information**

Location: Not Applicable  
Applicant: Not Applicable  
Reporting Officer: Chief Executive Officer      File Reference: 22.21.294.26

### **Recommendation**

**That Council APPROVE the modification to Delegation 32, as shown in the Delegation Register 2011/12.**

### **Voting Requirements**

Absolute Majority

### **Report Purpose**

To request Council to approve modification to the Delegation Register.

### **Relevant Documents**

Appendix: TPRC Delegation Register (updated April 2011)  
Available for viewing at the meeting: Nil

### **Policy Reference**

N/A

### **Local Government Act/Regulation**

N/A

### **Previous Minutes**

- Council Meeting – 15 December 2011 (Item 9.7 - Display Village Lots Tender & Allocation)
- Council Meeting – 24 June 2010 (Item 9.4 - Delegation Authority)
- Council Meeting – 11 February 2010 (Item 9.11 - Delegation Authority)
- Council Meeting – 13 August 2009 (Item 9.5 – Delegation Authority)
- Council Meeting – 9 August 2007 (Item 9.12 – Delegation Authority)

### **Background**

The LGA provides that the Council may delegate powers to the CEO who, in turn, may delegate to other officers.

In 15 December 2011 the Council approved modifications to the Delegation Register 2011/12. The modifications approved by Council to the Delegation Register were required to enable the effective operation of the Tamala Park Regional Council office and more accurately reflect the delegations utilised by other local authorities.

**Comment**

A minor change is proposed to the existing Delegation 32. The proposed modification to the Register are considered necessary in order to enable the efficient day to day operation of subdivision and development works and the lodgment of necessary development plans consistent with the TPRC objectives, strategies and policies.

The proposed modification to the Delegation Register is highlighted at Appendix 9.8.

## **9.10 SALES OFFICE AND INFORMATION CENTRE – BUILDERS BRIEF**

### **Report Information**

Location: Not Applicable  
Applicant: Not Applicable  
Reporting Officer: Chief Executive Officer File Reference: 1.88.246

### **Recommendation**

#### **That Council:**

1. **APPROVE the Builders Brief for the Catalina Sales Office and Information Centre, subject to the following modifications:-**
  - a) **Inclusion of the following sustainability features:-**
    - A building with a minimum 5 star energy efficiency rating;
    - A building which demonstrates sound solar orientation design;
    - Photovoltaic panels (min 1kW); and
    - Sound waste management construction practices.
  - b) **Inclusion of the requirement for a product which reflects the values of the Catalina brand.**
  - c) **Inclusion of the requirement for a quality product which demonstrates best practice in urban design, development practice and innovation.**
  - d) **The selection criteria being modified to include sustainability and innovation criteria.**
2. **AUTHORISE tendering for the design and construction of the Catalina Sales Office and Information Centre, subject to the above modifications being satisfactorily completed.**

### **Voting Requirements**

Simple Majority

### **Report Purpose**

To consider the Sales Office and Information Centre – Builders Brief provided by the Satterley Property Group.

### **Policy Reference**

N/A

### **Local Government Act/Regulation**

N/A

### **Previous Minutes**

N/A

### **Financial/Budget Implications**

Expenditure under this matter will be incurred under item 99.3 – Land & Special Sites:



Budget Amount: \$410,000 (2012/13 budget)  
Spent to Date: \$ 0  
Balance: \$410,000

Please note: expenditure will be accommodated within this item in the 2012/13 financial year.

### **Relevant Documents**

Appendix: Sales Office and Information Centre – Builders Brief (dated 29 March 2012)  
Available for viewing at the meeting: Development Managers Agreement

### **Background**

At its meeting of April 2011 the Council approved the Phase 1 – Display Village Strategy, which set broad principles for the planning of all components of the Display Village including the Sales and Information Centre.

The Sales Office is proposed to be located on Lot 170, which is a 10m x 32m lot which fronts the portion of the future green link to be constructed with Stage 2 at the entry of the estate from Marmion Avenue.

Satterley Property Group have provided a builders brief (Appendix 9.10) to seek tenders for the design and construction of a two storey building, to be utilized as the Sales Office and Information Centres for approximately 5 years, after which it would be converted to a residential home and sold.

### **Comment**

The proposed builders brief provides a description of the physical and functional requirements of the building, together with an identification of normal building features and specifications such as coursings, room and space requirements, materials and finishing standards etc.

An allowance of \$400,000 (incl GST) is stipulated for the full cost of design and construction of the building within the project budget. This amount is considered to be at the higher end of the scale for a structure of the anticipated form and size, however, must satisfy a wider range of functional requirements, including sales and community development functions. Furthermore it is important the building is finished to a high standard to provide an example of the desired housing product within the estate.

The brief is not considered to fully reflect some objectives of the TPRC and the following modifications are recommended:-

- Inclusion of the following sustainability features:-
  - A building with a minimum 5 star energy efficiency rating;
  - A building which demonstrates sound solar orientation design;
  - Photovoltaic panels (min 1kW); and
  - Sound waste management construction practices.
- Inclusion of the requirement for a product which reflects the values of the Catalina brand; and
- Inclusion of the requirement for a quality product which demonstrates best practice in urban design, development practice and innovation.

The brief presently outlines the following selection criteria for the assessment of tenders:-

- Meeting the requirements of the brief 40%
- Value for money 40%
- An existing presence in the Catalina display village 20%

In view of the modifications discussed above, it is considered appropriate for the selection criteria to be amended to include criteria relating to sustainability and innovation.

Following construction of the Sales Office, further costs are expected in its fitout and integration with the display village. The following costs are provided for within the project budget and are expected to be incurred shortly after completion of the Sales Office:-

- Internal fitout of sales features and equipment \$255,000
- Landscaping (incl consultant fees) \$42,500

The Sales Office will provide a focal point for the Display Village and is intended to present a landmark structure that is recognisable to visitors to the estate from its main entry off Marmion Avenue.

Furthermore, the building's construction on a 10m wide medium density cottage lot will provide an example to homebuyers of the potential of this lot type, which features throughout the estates planning.

The proposed Sales Office is a key component of the estates sales and marketing functions and activities and the proposed brief is recommended for approval subject to the modifications detailed above, prior to seeking tenders for its design and construction.

## **9.11 STAGE 1 SUBDIVISION CLEARANCES**

### **Report Information**

Location: Not Applicable  
Applicant: Not Applicable  
Reporting Officer: Chief Executive Officer File Reference: 1.88.246

### **Recommendation**

#### **That Council:**

1. **APPROVE the use of Lot 807 as security by the City of Wanneroo for the outstanding Stage 1 subdivisional works, and the required deed and caveat with the City of Wanneroo.**
2. **AUTHORISE the Chairman and CEO to sign the required deed and caveat with the City of Wanneroo for the outstanding Stage 1 subdivisional works.**

### **Voting Requirements**

Simple Majority

### **Report Purpose**

To consider the use of Lot 807 as security by the City of Wanneroo for the outstanding Stage 1 subdivisional works.

### **Policy Reference**

N/A

### **Local Government Act/Regulation**

N/A

### **Previous Minutes**

N/A

### **Financial/Budget Implications**

Expenditure under this matter will be incurred under item E145218 (Sales & Marketing):

Budget Amount:	\$1,000,000
Spent to Date:	\$ 145,119
Balance:	\$ 854,881

Expenditure will be accommodated within this item.

### **Relevant Documents**

Appendix: Nil  
Available for viewing at the meeting: Nil

## **Background**

On 8 September 2011 the Western Australian Planning Commission approved the Phase 1 subdivision, subject to conditions.

## **Comment**

The TPRC has applied for the clearance of subdivision conditions for Stage 1 from the City of Wanneroo. Given the Stage 1 works are incomplete the TPRC has sought early clearances and proposed the bonding of outstanding subdivisional works. This is normal industry practice and enables titles to be issued in line with the practical completion of subdivision works and undertaken widely within the City of Wanneroo.

The outstanding subdivisional works value is approximately \$1.5M. In lieu of providing a cash bond or bank guarantee, the TPRC has suggested to the City of Wanneroo that security for the outstanding subdivisional works be provided utilising Lot 807. This lot was acquired by the TPRC from MRWA in 2010, comprises 2.0ha and has a market value of \$2.5M.

In order to provide security the TPRC would enter a deed with the City of Wanneroo and agree to a caveat being lodged on Lot 807 recognising its interest. The City of Wanneroo has indicated that it would be agreeable to such an arrangement.

This approach has been used by local authorities with early clearance proposals and is supported as it avoids the need to utilise cash reserves or bank guarantees which are costly and which require extension of finance facilities currently under consideration.

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

# APPENDICES