



AGENDA

WORKS AND SERVICES COMMITTEE

15 April 2015

4.30pm

City of Albany Council Chambers

**CITY OF ALBANY
COMMUNITY STRATEGIC PLAN (ALBANY 2023)**

VISION

Western Australia's most sought after and unique regional city to live, work and visit.

VALUES

All Councillors, Staff and Volunteers at the City of Albany will be...

Focused: on community outcomes

This means we will listen and pay attention to our community. We will consult widely and set clear direction for action. We will do what we say we will do to ensure that if it's good for Albany, we get it done.

United: by working and learning together

This means we will work as a team, sharing knowledge and skills. We will build strong relationships internally and externally through effective communication. We will support people to help them reach their full potential by encouraging loyalty, trust, innovation and high performance.

Accountable: for our actions

This means we will act professionally using resources responsibly; (people, skills and physical assets as well as money). We will be fair and consistent when allocating these resources and look for opportunities to work jointly with other directorates and with our partners. We will commit to a culture of continuous improvement.

Proud: of our people and our community

This means we will earn respect and build trust between ourselves, and the residents of Albany through the honesty of what we say and do and in what we achieve together. We will be transparent in our decision making and committed to serving the diverse needs of the community while recognising we can't be all things to all people.

TERMS OF REFERENCE

(1) Function:

The Works & Services Committee will be responsible for the delivery of the following Clean and Green Objectives contained in the City of Albany Strategic Plan:

- (a) To protect and enhance our pristine natural environment;
- (b) To promote environmental sustainability;
- (c) To promote our region as clean and green.

(2) It will achieve this by:

- (a) Developing policies and strategies;
- (b) Establishing ways to measure progress;
- (c) Receiving progress reports;
- (d) Considering officer advice;
- (e) Debating topical issues;
- (f) Providing advice on effective ways to engage and report progress to the Community ; and
- (g) Making recommendations to Council.

(3) Chairperson: Cr Alan Hortin JP

(4) Membership: Minimum of 4 and a maximum of 7 elected members.

Current Membership: Mayor Wellington, Councillor Hortin JP, Councillor Gregson, Councillor Dowling, Councillor Bowles, Councillor Hollingworth

(5) Meeting Schedule: Monthly

(6) Meeting Location: City of Albany Council Chambers

(7) Executive Officer: CEO or Executive Director Works and Services

(8) Delegated Authority: None

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1. DECLARATION OF OPENING

2. PRAYER AND ACKNOWLEDGEMENT OF TRADITIONAL LAND OWNERS

“Heavenly Father, we thank you for the peace and beauty of this area. Direct and prosper the deliberations of this Council for the advancement of the City and the welfare of its people. Amen.”

“We would like to acknowledge the Noongar people who are the Traditional Custodians of the Land.

We would also like to pay respect to Elders both past and present”.

3. RECORD OF APOLOGIES AND LEAVE OF ABSENCE

Mayor Mayor D Wellington (Member)

Councillors:

Member	A Hortin JP (Chair)
Member	S Bowles (Deputy Chair)
Member	C Dowling
Member	B Hollingworth

Staff:

Executive Director Works and Service	M Thomson
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Meeting Secretary	H Bell
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PA to the ED Works & Services	S Parker
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Apologies:

Member	G Gregson
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4. DISCLOSURES OF INTEREST

Name	Committee/Report Item Number	Nature of Interest

5. REPORTS OF MEMBERS

6. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE Nil

7. PUBLIC QUESTION TIME

8. APPLICATIONS FOR LEAVE OF ABSENCE

9. PETITIONS AND DEPUTATIONS

10. CONFIRMATION OF MINUTES

DRAFT MOTION

VOTING REQUIREMENT: SIMPLE MAJORITY

THAT the minutes of the Works and Services Committee Meeting held on 11 March 2015, as previously distributed, be CONFIRMED as a true and accurate record of proceedings.

11. PRESENTATIONS

12. UNRESOLVED BUSINESS FROM PREVIOUS MEETINGS Nil

WS069: UNDERGROUND POWER PROGRAM, LOCALISED ENHANCEMENT PROJECTS – ALBANY HIGHWAY, YORK STREET TO SANFORD ROAD

File Number (Name of Ward) : ET.COG.1 (Frederickstown)
Land Description : Albany Highway – York Street to Sanford Road
Maps and Diagrams : Locality plan and design drawing attached
Reporting Officer(s) : Co-ordinator, Assets and Finance (S Pepper)
Responsible Officer(s) : Executive Director Works and Services (M Thomson)

Responsible Officer's Signature:



STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the [City of Albany Strategic Community Plan 2023](#) and [Corporate Business Plan 2013-2017](#):
 - a. **Key Theme:** 2. Clean Green & Sustainable.
 - b. **Strategic Objective:** 2.2. To maintain and renew City assets in a sustainable manner.
 - c. **Strategic Initiative:** 2.2.1. Asset management.

In Brief:

- The City is invited to take part in the State Government's Underground Power Program (Localised Enhancement Projects, Round Five) to replace overhead power lines with underground systems on Albany Highway, from York Street to Sanford Road.
- This project has undergone a lengthy development phase culminating in the provision of a design and cost estimate.
- Council consideration is sought as to whether the project should proceed further at this stage.

RECOMMENDATION

WS069: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council:

1. **WITHDRAW** its expression of interest for funding under the Underground Power Localised Enhancement Project, Albany Highway, York Street to Sanford Road.
2. **CONSIDER** the Localised Project Enhancement Project for future submissions and advise Western Power accordingly.

BACKGROUND

2. The Underground Power Program is an initiative by the State Government, administered by the Office of Energy. The program was established in 1996 to improve the standard of electricity supply by addressing the reliability issues in areas with existing overhead power lines. The program offers two types of projects; Major Residential Projects which involve suburban areas, and Localised Enhancement Projects which aim to beautify urban gateways, scenic routes and tourism/heritage centres.
3. Power lines are currently underground at the intersections of Albany Highway/York Street and Albany Highway/Sanford Road, by converting the overhead lines to underground power in this location the gap between these two intersections will be closed.
4. The approximate distance of this project is 500m consisting of around 40 property connections, including a minimal amount of residential properties (see attached design drawings).
5. Funding arrangements are based on 50% from the State Government (up to a maximum of \$500,000) and 50% from the Local Government.
6. In November 2010, the City considered an internal project proposal under this scheme and resolved the following:
 - a. "That Council adopt the proposal to convert existing overhead power lines to underground systems across Albany.
 - b. The Council accept Albany Highway, from York Street to Sanford Road, as the first stage to be completed
 - c. Council commit to raising the funds for this first stage from the general rate base to a minimum of 25% of the total project value to the project.
 - d. That Council include a provision for adjoining property owners to make a contribution of a maximum of 25% of the total project value to the project.
 - e. Council advise staff to proceed with community consultation and complete an expression of interest for round five of the Localised Enhancement projects of the Underground Power Program which will be called later this year
 - f. Council agreed to payment of the non-refundable deposit of \$5,000 if the expression of interest is short-listed."
7. An Expression of Interest was submitted in November 2011 when the State Underground Power Program – Localised Enhancement Project (Round 5) opened. The City was notified in October 2012 that it was successful and a non-refundable deposit of \$5,000 was paid prior to the start of the detailed proposal stage being assessed.
8. Western Power has been liaising with staff since 2012, providing updates of the project design. The City has recently been provided with a cost estimate for the works totalling \$1.1million (\$500,000 State Govt contribution, \$600,000 City of Albany).

DISCUSSION

9. The project has undergone a lengthy development process culminating in a cost estimate. Given the cost and the timing issues associated with the development of the project, the impetus has lost considerable momentum and warrant for the project to proceed at this time is questionable. The following issues are noted:
 - a. The City has only just been furnished with an accurate cost estimate and has not had the opportunity to incorporate the cost into the Long Term Financial Plan. If it were to proceed, this will put pressure on other capital projects within the City;
 - b. The public consultation undertaken 2011 indicated that there was marginal support from adjoining landowners with cost being a deciding factor, there is some risk that there will be opposition from adjoining landowners with respect to any service charge imposed;
 - c. The works will impact on the completion of the Albany Highway Shared Use Path which is funded by the Department of Transport Regional Bicycle Network Scheme.
 - d. The proposal does not allow for LED lighting, and the City are currently working with Western Power to look at possibilities with regard to changing over to LED on the existing lighting network.
 - e. A service charge would need to be applied to adjoining landowners to recover 25% of project cost, as per the previous Council resolution.
10. The project may have considerable merit in some years time, when further enhancements to the CBD in this area become warranted.

GOVERNMENT & PUBLIC CONSULTATION

11. Previous public consultation was completed in 2011. At that time of the 27 landowners contacted (some owning multiple properties) 9 were in support and 4 were not, with 14 not responding at all.
12. Indications were sufficient to proceed with the expression of interest, however it was noted that cost would be a deciding factor.
13. If Council wishes to keep moving forward with this project, it would be prudent to undertake the consultation again and provide accurate costs to determine if there is still sufficient support from affected landowners.

STATUTORY IMPLICATIONS

14. Division 5 and 6, Part 6 of the *Local Government 1995*, deals with the imposition, setting and public advertising of fees and charges. If a service charge is imposed on owners within a defined part of the district for prescribed work/service in relation to the land, the money is to be used within the financial year it is imposed, or placed in a reserve account created for the purpose.

POLICY IMPLICATIONS

15. There are no policy implications.

RISK IDENTIFICATION & MITIGATION

16. The risk identification and categorisation relies on the City's [Enterprise Risk Management Framework](#).

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Financial: <i>Capital cost having an impact on the LTFP and drawing resources from other projects.</i>	<i>Possible</i>	<i>Moderate</i>	<i>Medium</i>	<i>Consider the project in future years and incorporate into the LTFP.</i>
Reputation: <i>Project goes ahead and is not supported by landowners resulting in negative feedback with respect to the imposition of a service charge.</i>	<i>Likely</i>	<i>Major</i>	<i>High</i>	<i>Undertake further consultation prior to any final decision to proceed, or, do not proceed with the project at this time.</i>

FINANCIAL IMPLICATIONS

17. The project estimate of the proposed location on Albany Highway is \$1.1 million. This would consist of the following funding arrangements:
- State Government funding: \$500,000
 - City of Albany: \$600,000
18. In accordance with the November 2010 resolution of Council it was committed to fund (minimum) 25% of the cost from general revenue income, and (up to) 25% contributed by adjoining property owners by way of a service charge.
19. If a service charge is applied, one possible scenario would be to recover the \$300,000 based on an allocation calculated pro rata of road frontage basis.
20. Indicative figures would be as follows (all depending on road frontage):
- a. One off payment ranging from \$1,100 to \$38,600;
 - b. City raises a 6 year loan payments (per annum) would range from \$200 to \$7,100.
 - c. City raises a 10 year loan, payment (per annum) would range from \$130 to \$4,000.
21. Should Council agree to the imposition of a service charge to cover these costs, it must, before introducing the fees or charges, give local public notice of its intention to do so, and the date from which it is proposed the fees or charges will be imposed.
22. The City would be required to raise \$300,000 from general revenue.

LEGAL IMPLICATIONS

23. Should the City agree to the imposition of a service charge, compliance with the specific provisions of the Local Government Act 1995, including Division 5 and 6, Part 6 of the *Local Government 1995*, which deals with the imposition, setting and public advertising of fees and charges would apply.

ENVIRONMENTAL CONSIDERATIONS

24. The introduction of underground power for Albany Highway, York Street to Sanford Road may enable the planting of street trees providing environmental benefits to the City and improvements in visual amenity with the removal of overhead powerlines. However the potential benefits have not been quantified at this stage and may be limited due to the commercial nature of the streetscape and verge treatment options.

ALTERNATE OPTIONS

25. The City may wish to proceed with the project.
26. If so, once the necessary approvals and agreements are in place the works will be managed by Western Power.
27. The City may wish to pursue this project again in future, however it would require another application.

SUMMARY CONCLUSION

28. The Localised Enhancement Project for the undergrounding of power and provision of street lighting for Albany Highway, York Street to Sanford Road is considered, due to cost and timing, unwarranted at this stage.
29. This report recommends that the project not proceed at this time.

Consulted References	:	<i>Local Government 1995</i>
File Number (Name of Ward)	:	ET.COG.1 (Frederickstown)
Previous Reference	:	OCM 16.11.10 ITEM 3.3

WS070: CONTRACT C14036 – PUBLIC INFRASTRUCTURE CLEANING SERVICES

Proponent : City of Albany
Attachments : Nil
Report Prepared by : Manager City Operations (M Richardson)
Responsible Officer : Executive Director Works and Services (M Thomson)

Responsible Officer's Signature:



STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan 2023 and Corporate Business Plan 2014-2018:
 - a. **Key Theme:** 2. Clean, Green and Sustainable
 - b. **Strategic Objective:** 2.2 To maintain and renew City assets in a sustainable manner
 - c. **Strategic Initiative:** 2.2.2 Deliver effective asset maintenance programs

In Brief:

- Tender award for Public Infrastructure Cleaning Services.
- Three complying tenders received with CGS Quality Cleaning being the preferred contractor.
- Contract to commence 1 July 2015.

RECOMMENDATION

WS070: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council:

1. **ACCEPT** the Tender from CGS Quality Cleaning for Contract C14036 Public Infrastructure Cleaning Services, subject to final negotiations; and
2. **AUTHORISE** the Chief Executive Officer to negotiate final terms and conditions prior to entering into a Contract.

BACKGROUND

2. In 2004 the City awarded contract C02061 to Transpacific Cleanaway for the provision of Waste Minimisation Services. Public Infrastructure Cleaning Services was included as part of this contract.
3. The cleaning component of the contract comprises the servicing of the City's public toilets, BBQ's, CBD footpaths and street furniture.
4. The contract has used all options for extension and expires 30 May 2015.

DISCUSSION

5. In line with Councils Strategic Waste Management Plan 2013 the current waste contract has been reviewed to determine the best method of service delivery.
6. The review established that the services delivered in the current contract would be better delivered if the waste and cleaning components are divided to attract offers from specialist contractors in these fields.
7. A new Waste and Recycling Collections Services contract has since been awarded by Council to Transpacific Cleanaway at the 24 February 2015 council meeting.
8. The Public Infrastructure Cleaning Services contract was put out for tender 25 February 2015 with tenders closing 2.00pm 25 March 2015.
9. Tenders were advertised in the West Australian newspaper 25 February 2015 and the Albany Weekender 26 February 2015.
10. A total of twenty documents were issued and three contractors attended a non mandatory briefing session held 5 March 2015.
11. Three contractors, Transpacific Cleanaway, CGS Quality Cleaning and Gecko Evolution Property Services made submissions.
12. Evaluations were conducted by the Executive Director Works and Services, Manager City Operations and Waste Management Operations Coordinator.
13. The tender submissions were evaluated using the weighted attributes methodology. This method scores the evaluation criteria and weights their importance to determine an overall point score for each tender. The criteria are tabled below:

Criteria	% Weight
Cost	40
Relevant Experience	20
Respondents Resources	20
Key Personnel Skills and Experience	15
Corporate Social Responsibility	5
Total	100

14. The following table summarises the tenders and overall evaluation scores applicable to each submission.

Tenderer	Total Evaluation Score
CGS Quality Cleaning	697.70
Transpacific Cleanaway	632.64
Gecko Evolution Property Services	298.71

15. On the basis of the total evaluation score the most suitable company is considered CGS Quality Cleaning.
16. CGS Quality Cleaning presented a very strong submission that scored well due to its cost, a thorough staff training program, a clear explanation of its cleaning quality process and its long standing experience as a specialist cleaner.
17. Transpacific Cleanaway, the incumbent contractor, also presented a strong submission with little deficiency.

18. Gecko Evolution Property Services scored strongly on price but was found deficient in all other aspects of the evaluation criteria. Gecko Evolution Property Services is a newly formed cleaning business based in Barragup.
19. Tender submissions were also benchmarked against a cost to provide the public infrastructure cleaning services “in-house” using City of Albany labour.
20. The contract tenure is 5 years with options for extension of 2 + 2 + 1 year periods.

GOVERNMENT & PUBLIC CONSULTATION

21. Not applicable.

STATUTORY IMPLICATIONS

22. Regulation 11 of the *Local Government (Functions and General) Regulations 1996 (Regulations)* requires Council to publicly tender if the contract is, or is expected to be, more, or worth more, than \$100,000.
23. Regulation 18 of the Regulations outlines a number of requirements relating to choice of tender. Council is to decide which of the acceptable tenders is the most advantageous to Council. It may also decline to accept any tender.
24. Regulation 19 of the Regulations requires Council to advise each tenderer in writing the result of Council’s decision.
25. Voting requirement: **Absolute Majority**.

POLICY IMPLICATIONS

26. The City of Albany Tender Policy and Regional Price Preference Policy are applicable to this item.

RISK IDENTIFICATION & MITIGATION

27. The risk identification and categorisation relies on the City’s Enterprise Risk Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Business Interruption: <i>Non-compliance with contract or business failure</i>	<i>Possible</i>	<i>Major</i>	<i>High</i>	<i>Evaluate contractor business continuity plans and resources’ to ensure implemented through Contract processes.</i>

FINANCIAL IMPLICATIONS

28. The costs associated with providing the cleaning of public infrastructure are budgeted annually within the waste minimisation account. Funds are budgeted for 2014/15 in Account Numbers 37337 and 32012.

LEGAL IMPLICATIONS

29. Not applicable.

ENVIRONMENTAL CONSIDERATIONS

30. Not applicable.

ALTERNATE OPTIONS

31. Council can accept or reject the tenders submitted.

SUMMARY CONCLUSION

32. On reviewing the tender the evaluation team assessed that the CGS Quality cleaning submission offers Council the most competitive service based on cost and qualitative criteria. This report recommends that their tender be accepted.

Consulted References	:	<i>Local Government Act 1995</i>
File Number (Name of Ward)	:	All Wards
Previous Reference	:	OCM 20/01/2004 13.1.1

14. **NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF COUNCIL**
15. **MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN Nil.**
16. **REPORTS OF CITY OFFICERS**
17. **MEETING CLOSED TO PUBLIC Nil.**
18. **CLOSURE:**