



AGENDA

WORKS AND SERVICES COMMITTEE MEETING

Wednesday 13 April 2016

6.00pm

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: *Councillor Sutton*

(4) Membership: *Mayor Wellington, Councillor Stocks, Councillor Smith, Councillor Moir, Councillor Sutton, Councillor Hollingworth, Councillor Shanhun*

(5) Meeting Schedule: 2nd Wednesday of the month

(6) Meeting Location: Council Chambers

(7) Executive Officer: Executive Director Works and Services

(8) Delegated Authority: None

WORKS AND SERVICES COMMITTEE
AGENDA – 13/04/2016

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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

R Sutton (Chair)

Member

A Moir (Deputy Chair)

Member

G Stocks

Member

J Shanhun

Staff:

Executive Director Works and Service

M Thomson

Council Liaison Officer

J Williamson

Minute Secretary

A Paulley

Apologies:

Member

S Smith

Member

B Hollingworth

4. DISCLOSURES OF INTEREST

Name	Committee/Report Item Number	Nature of Interest

5. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

6. PUBLIC QUESTION TIME

7. PETITIONS AND DEPUTATIONS

8. CONFIRMATION OF MINUTES

DRAFT MOTION

THAT the minutes of the Works and Services Committee Meeting held on 9 March 2016, as previously distributed, be CONFIRMED as a true and accurate record of proceedings.

9. PRESENTATIONS

Strategic Waste Management Update (Waste Sustainability Officer, Sonja Parker)

Rural Maintenance Drainage (Manager City Operations, Mike Richardson)

10. UNRESOLVED BUSINESS FROM PREVIOUS MEETINGS

WS103: MEMORANDUM OF UNDERSTANDING - WATERWISE COUNCIL PARTICIPATION RENEWAL

Land Description : City of Albany
Proponent / Owner : City of Albany
Attachments : Memorandum of Understanding (MoU)
Supplementary Information & Councillor Workstation : Water Efficiency Audits 2015 for ALAC and VAC
Report Prepared by : Assets Officer (M Holt)
Responsible Officer : Executive Director Works & 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:
 - a. **Key Theme:** 2.Clean, Green & Sustainable.
 - b. **Strategic Objective:** 2.3. To advocate for and support 'green initiatives' within our region.
 - c. **Strategic Initiative:** 2.3.1. Promote and support effective conservation and environmental management.

In Brief:

- Council support is sought to renew the Memorandum of Understanding (MoU) to continue a partnership with the Water Corporation and the Department of Water to achieve improved water use efficiency across all City of Albany infrastructure.
- The MoU allows access to a range of resources and training to enable City staff to monitor and improve water use efficiency and the develop Water Efficiency Management Plans.
- Having Waterwise status demonstrates the City's commitment to being Clean, Green and Sustainable.

RECOMMENDATION

WS103: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council SUPPORT the commitment to achieve improved water use efficiency through the Waterwise Councils Program through signing the Memorandum of Understanding between Water Corporation and Department of Water and City of Albany.

BACKGROUND

2. In August 2014, Council adopted the Carbon Footprint Reduction Strategy and Action Plan.
3. As part of the Carbon Footprint Reduction Strategy (CFRS), Council made a commitment to improving water use efficiency and the establishment of a Water Efficiency Management Plan (WEMP).

4. In 2015 a MoU was signed by the City of Albany, Water Corporation and the Department of Water following a water audit of the Albany Leisure and Aquatic Centre for Waterwise Aquatic Centre endorsement.
5. Since the MoU was signed, the Albany Leisure and Aquatic Centre has submitted and actioned a WEMP.

DISCUSSION

6. Water is essential for life and with the growing pressures on our water resources from population growth and the effects of climate change.
7. To assist in the reduction of water use for the Council, it is important that the City develop a water management plan that will provide direction for potential water reduction, financial savings, improved efficiency and conservation.
8. In 2008, the City was a part of the International Council for Local Environmental Initiatives (ICLEI) program until it ceased in 2010.
9. The ICLEI program requires extensive resources to complete the set milestones to achieve Waterwise status.
10. The Water Corporation and the Department of Water with support of ICLEI have developed a Waterwise Council Program. The aim of the program is to build a cooperative working relationship between local government and other departments to improve water use efficiency and requires considerably less resources.
11. By updating the MoU for the Waterwise Councils Program, the City will be able to continue to explore the opportunities for potential water and financial savings through improved efficiency and access to Waterwise materials and training.
12. Under the previous MoU, two water audits were conducted for the Albany Leisure & Aquatic Centre and the Vancouver Arts Centre in February 2015. The Vancouver Arts Centre demonstrated that 61% of the building's water usage was through leaks from old toilet systems and vandalism to external tapware. In November 2011, all toilets at the Vancouver Arts Centre were retrofitted with dual flush toilets, internal tapware retrofitted with disabled lever action taps and external taps fitted with anti-vandal taps. Another internal water audit is scheduled to be conducted May 2016.
13. The Albany Leisure and Aquatic Centre was audited in April 2015. The water audit demonstrated that the main water uses are for showers and ablutions (65%), and irrigation (12%). Recommendations from the audit included an upgrade of the old change room (old basketball courts), sub-metering and data logging be fitted to the various key ablution facilities and more staff and patron involvement such as review of maintenance schedules and the display of promotion material on water efficiency. The report also commended the Albany Leisure and aquatic centre that it was well maintained and already quiet water efficient.
14. A Water Efficiency Management Plan (WEMP) was submitted and approved by the Water Corporation in 2015. Actions are continuing to be implemented in coordination with the 10 year forward capital works program. The WEMP will also require to be updated by 31 October 2016 in accordance with the new water efficiency endorsement criteria in order to be re-endorsed and eligibility for recognition.
15. At the completion of the program, the City will be an endorsed Waterwise Council.

GOVERNMENT & PUBLIC CONSULTATION

16. Consultation with Government agencies and the community will occur as the need arises.

STATUTORY IMPLICATIONS

17. Not applicable

POLICY IMPLICATIONS

18. The Council **Environmental Policy** states the City of Albany is committed to ensuring that appropriate responses are undertaken to mitigate potential climate change impacts.

RISK IDENTIFICATION & MITIGATION

19. The risk identification and categorisation relies on the City's Enterprise Risk Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Environment. Inefficient use of water in City facilities having a negative impact on aquifer capacity and local water supplies.	Possible	Moderate	Medium	City engages with other agencies to develop joint strategies to improve water use efficiency through participation in the Waterwise Councils Program.
Finance. Over use of water resulting in higher costs.	Possible	Moderate	Medium	Through participation in the Waterwise Program, develop cost efficient means of using water.
Organisational Operations. MOU not signed and City does not participate in Waterwise Councils Program.	Possible	Moderate	Medium	City continues to utilise best practise, where resources and in house expertise allows.

FINANCIAL IMPLICATIONS

20. The Waterwise Council Program Assessments recommendations will require analysing and prioritising for future budget consideration.

LEGAL IMPLICATIONS

21. Not Applicable

ENVIRONMENTAL CONSIDERATIONS

22. The Community Strategic Plan Objective 2.2 - to maintain and renew city assets in a sustainable manner, which will be adhered to by developing the Carbon Footprint Reduction Strategy, and Environmental Policy for all City facilities and operations.

ALTERNATE OPTIONS

23. Council may decline the participation of the Waterwise Councils Program with the Water Corporation.

CONCLUSION

24. The Waterwise Councils Program will enable the City to develop a water management strategy and will allow the City to accurately measure the City's water use and manage its water consumption efficiently and sustainably.

Consulted References	:	Council Policy - Environmental	
File Number (Name of Ward)	:	EM.EDU.2 (All Wards)	
Previous Reference	:	OCM 20/10/09 Report Item 15.1.1, OCM 15/06/10 Report Item 15.3.1, OCM 17/08/10 Report Item 3.6 and 3.7, OCM 16/11/10 Report Item 3.7, OCM 24.03.15 item WS064.	

WS104: REVISED 5 YEAR GREAT SOUTHERN REGIONAL ROAD GROUP (GSRRG) FUNDING APPLICATION PROGRAM

Land Description	: Road Reserves – various locations
Proponent / Owner	: City of Albany
Attachments	: Revised 5-year GSRRG Funding Application Program
Supplementary Information & Councillor Workstation	: Nil
Report Prepared by	: Co-ordinator, Assets and Finance (S Pepper)
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:
 - 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:** By scheduling maintenance, servicing and renewal in a timely manner that maximises the life and performance of infrastructure.

In Brief:

- City Assets has revised the 2015 adopted five(5) year Great Southern Regional Road Group (GSRRG) funding application program involving State and Federal funding which is sourced through the GSRRG funding pool administered by Main Roads Western Australia.
- Approval is sought to make annual applications for funding for projects as identified in the 5 year program.

RECOMMENDATION

WS104: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council:

(1) NOTE the Revised 5 Year Great Southern Regional Road Group Funding Application Program as tabled; and

(2) APPROVE annual applications for funding in support of the proposed works in accordance with the program.

BACKGROUND

2. The State provides road funds for a number of programs administered by the State Road Funds to Local Government Advisory Committee. The Great Southern Regional Road Group (GSRRG) coordinates an annual application process to determine the distribution of these funds. Currently there are four sources of road funding available through this process.

3. Identified Roads of Regional Significance (as outlines in Roads 2030) are eligible for Road Project Grants. State funding is spread across 10 WA Regional Road Groups and is based on a percentage (27%) of the vehicle licence fee revenue which varies from year to year.
4. Funding provides two thirds (67%) of total project costs with the other third coming from Council's own resources. The GSRRG has also enacted a cap of 20% which limits the amount that any one Council can receive from the funding pool each year.
5. The GSRRG Policy and Procedure Guideline and Project Prioritisation Guidelines govern the assessment of projects put forward for funding. Projects are scored and then ranked into four broad categories – preservation, concluding, continuing, and new projects.
6. State Black Spot Program funds are also allocated to individual Regional Road Groups for distribution. The GSRRG also processes the National Black Spot Program which sources federal funding for complying projects.
7. State Program funding covers two thirds (67%) and the National Program covers all (100%) of total project costs. For the national program crash criteria is required to demonstrate a benefit cost ratio (BCR) of over 2 to comply. For the state program either a BCR or a road safety audit are required to comply.
8. The Great Southern Technical Working Group members each assess the applications and rank them on being the most appropriate and cost effective.
9. Commodity Routes Supplementary Funding (CRSF) is provided for roads which are not Roads of Regional Significance (Roads 2030) but where there is a significant high priority transport task associated with the transport of a commodity.
10. \$2.5m is provided state wide and distributed according to project ranking with no regional constraints. CRSF funding provides two thirds (67%) of total project costs and is limited to a maximum of \$250,000 per submitted project.

DISCUSSION

11. State funding provides a reliable and consistent source of income for maintaining and improving the City's road network. In the current financial year (2015/16) the City of Albany has been allocated \$1.17m for its road network. This is made up of:
 - a. RRG Road Projects - \$700,000;
 - b. State Black Spot Projects - \$102,000; and
 - c. National Black Spot Projects - \$375,000.
12. Funding applications for the 2016/17 financial year have already been submitted (end of July 2015) and combined are likely to total \$1,418,000 as can be seen detailed in the attached program.
13. With the preparation and annual review of the Long Term Financial and Asset Management Plans, a 10 year Forward Capital Works Program has been prepared identifying projects and allocating grant funding and the City's own resources in successive financial years. This information has been collated to provide to Council a listing of proposed projects over the next five years.
14. The projects identified have been recommended as complying with application requirements and assessed as likely to receive funding. However, there is no guarantee that funding will be secured for these projects.
15. RRG Road Projects are the most likely to secure funding as the scoring system more heavily weights traffic volumes and the City is well placed in this regard compared with other Local Government areas in the Great Southern.

16. The State Black Spot funding allocation for the Great Southern has been dramatically reduced in the last couple of years (based on accident statistics) and now equates to approximately \$350k. This funding is aimed at low cost - high benefit safety improvements, for which the City has been reasonably successful in recent years. Each year the City reassesses possible projects and has road safety audits conducted on those short listed as being suitable. With new projects being identified and considered, applications can vary from year to year.
17. Commodity Routes Supplementary Funding is dependent on Heavy Vehicle traffic volumes and freight tonnages. The City has submitted two applications for funding with approval of funding totalling \$205k.

GOVERNMENT & PUBLIC CONSULTATION

18. This document complies with the rules and guidelines governing the Great Southern Regional Road Group allocations for road funding and therefore no additional government consultation has been conducted.
19. This document also complies with the Asset Management Plan – Roads which was adopted at a Special Council Meeting on 25 June 2013 and therefore has been subject to consultation with the community and elected members.

STATUTORY IMPLICATIONS

20. Under section 3.18 of the Local Government Act 1995, the City of Albany is to satisfy itself that the services and facilities it provides are managed effectively and efficiently.

POLICY IMPLICATIONS

21. This document complies with the Council adopted Asset Management Policy, Strategy and Plan – Roads along with the Long Term Financial Plan.

RISK IDENTIFICATION & MITIGATION

22. The risk identification and categorisation relies on the City's Enterprise Risk Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
<i>Financial: Failure to make funding application thereby missing out on state contribution.</i>	<i>Possible</i>	<i>Moderate</i>	<i>Medium</i>	<i>Forward planning through adoption and review of this program reveals funding opportunities.</i>
<i>Financial: Funding application is unsuccessful forcing the City to fund entire project.</i>	<i>Likely</i>	<i>Moderate</i>	<i>High</i>	<i>Defer project & apply for funding in the following year. Project is delayed but budget is not overspent.</i>

FINANCIAL IMPLICATIONS

23. The projected projects and costs are subject to annual revision dependent on the success of funding applications. Projects are consistent with and are factored into the current Long Term Financial Plan.

LEGAL IMPLICATIONS

24. Not applicable.

ENVIRONMENTAL CONSIDERATIONS

25. As part of this commitment any construction works identified in this document will be undertaken in accordance with the Environmental Code of Conduct adopted by Council in 2006.

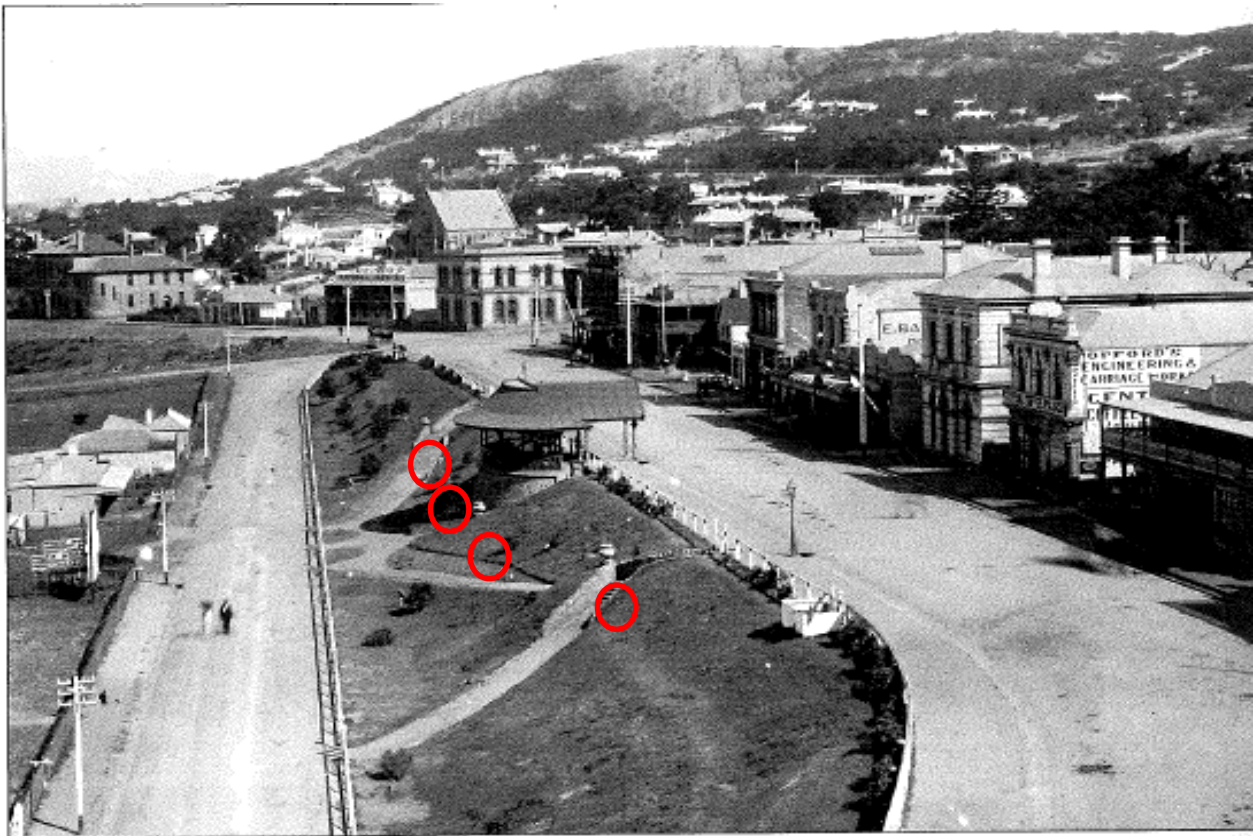
ALTERNATE OPTIONS

26. There are no alternatives associated with this item.

CONCLUSION

27. The approval of the revised 5 Year Forward Capital Works Program will provide the City with a strategic direction for the management of its road assets over the next five year period.

Consulted References	:	Nil
File Number (Name of Ward)	:	GS.PRG.22; GS.PRG.23.
Previous Reference	:	OCM 25.02.14 Item WS026, OCM 24.03.15 item WS066



Photograph showing the landscaped gardens below Stirling Terrace, and the 1898 bandstand built to commemorate Queen

In Brief:

- Stage 1 of Queens Gardens was completed in 2012.
- A draft concept design has now been completed for the remainder of the Queens Gardens.
- A grant of \$10,000 has been successful by the Fredrickstown Progress Association from the Australian Garden History Society “**Restoration Fund for Historic Gardens**” for the supply and installation of historical urns in their original locations and a further contribution to garden works.
- The design has been supported by the State Heritage Council, although only three urns can be re-instated due to the footbridge being over the original location of the fourth.
- Approval is sought for the concept design and proceed with works as budget permits.

RECOMMENDATION

WS105: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council:

- (1) APPROVE the concept design for Queens Gardens.**
- (2) APPROVE the acceptance of \$10,000 from the Australian Garden History Society “Restoration Fund for Historic Gardens”.**

BACKGROUND

2. The Queens Gardens are located on the slopes along Proudlove Parade and are an extension of the recent works undertaken in Stirling Terrace. The gardens have historical significance within Albany.
3. The works are to be undertaken to restore the historical value of the formerly iconic gardens, similar to Stage 1, and to improve slope stability, safety and the general amenity of the gardens.
4. There will be three urns placed at locations identified in the historical photograph from 1898, contained in this report.

DISCUSSION

5. The draft concept design represents formal gardens continuing on from Stage 1, at the York Street end, moving into open grassed formal areas with tree plantings and seating, and into a native garden area with local coastal plants representing the natural history of Albany.
6. The concept has been divided into three stages, with commencement of works for Stage 2A to occur prior to June 2016, to address erosion issues in this area.

GOVERNMENT & PUBLIC CONSULTATION

7. This concept design has been developed in conjunction with the Frederickstown Progress Association and referred to State Heritage and the local Noongar community with feedback received in regard to the urn locations and a request to include native species.
8. A site information session was undertaken on the 3 March 2016 between 4pm and 5pm, for the community to discuss the designs. This was advertised in local newspapers and by letter to proximity residents/businesses.
9. The concept design was out for public comment between the 4 March and 4 April 2016.
10. No submissions were received and one person attended the workshop suggesting lighting for the grassed terraces in stage 2B.
11. The Frederickstown Group is assisting the City with the final planting list, planting works and will be involved in the urn installations.

STATUTORY IMPLICATIONS

12. No implications.

POLICY IMPLICATIONS

13. No implications.

RISK IDENTIFICATION & MITIGATION

14. The risk identification and categorisation relies on the City's Enterprise Risk Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Environment: Erosion due to inadequate plant cover or poor contouring	Likely	Moderate	High	Mulching and contouring of the erosion prone areas as part of the works.
Reputation: Staged works not progressed resulting in expectations not being met by community.	Possible	Moderate	Medium	Leave site as is

Finance: <i>The \$10,000 grant funds will be lost if not spent.</i>	<i>Almost certain</i>	<i>Moderate</i>	<i>High</i>	<i>Further funding sought or funded by Council.</i>
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FINANCIAL IMPLICATIONS

15. \$66,650 is allocated in the current capital works program for 2015/16
16. The grant for \$10,000 will be for the supply and installation of the urns and a contribution to garden works.
17. This should cover majority of works for stages 2A and 2B, with stage 3 being achievable under the City’s operational budget.
18. Further grants will be sought for the works around the wheelchair accessible path and the rotunda in future.

LEGAL IMPLICATIONS

19. No implications.

ENVIRONMENTAL CONSIDERATIONS

20. The proposed works will deal with some ongoing erosion issues at the site.
21. There are no other environmental impacts.

ALTERNATE OPTIONS

22. If Council chooses not to adopt the Queens Gardens Improvement Plan, ongoing maintenance will be undertaken and issues addressed as they arise.

SUMMARY CONCLUSION

23. Further reports will be provided as each stage progresses.

Consulted References	:	<ul style="list-style-type: none"> • <i>Local Government Act 1995</i> • <i>Queens Gardens Improvement Plan</i>
File Number (Name of Ward)	:	PR.DEC.27 (Frederickstown)
Previous Reference	:	<ul style="list-style-type: none"> • <i>2015/2016 City Adopted Budget</i>

WS106: UNDERGROUND POWER PROGRAM, LOCALISED ENHANCEMENT PROJECTS – ALBANY HIGHWAY

File Number (Name of Ward) : ET.COG.1 (Frederickstown)
Land Description : Albany Highway – York Street to Sanford Road section.
Attachments : Artist’s impressions of Albany Highway without underground power lines
Supplementary Information & Councillor Workstation : Nil

Reporting Officer(s) : Executive Director Works and Services (M Thomson)
Responsible Officer(s) : Executive Director Works and Services (M Thomson)

Responsible Officer’s Signature:	
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STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan 2023:
 - a. **Key Theme:** 3. A Connected Built Environment
 - b. **Strategic Objective:** 3.1 To advocate, plan and build friendly and connected communities
 - c. **Strategic Initiative:** 3.1.2 Consistent and connected streetscapes.

Maps and Diagrams:



Current view of over overhead power lines, looking from Sandford Road towards York Street.

In Brief:

- The City has been offered funding through 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.

- The project has had a lengthy development process involving multiple rounds of consultation however project support and funding arrangements have not been finalised due to the reliance on a financial commitment from affected landowners.
- City staff have been tasked to prepare a financial contribution model for consideration.
- It is felt that a contribution model will not be acceptable and as a consequence Council approval is sought to discontinue the project.

RECOMMENDATION

WS106: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council:

- (1) DISCONTINUE the Underground Power Project – Albany Highway between Sanford Road and York Street;**
- (2) ADVISE the Office of Energy that the City of Albany wishes to decline the funding offer through the Underground Power Program, Local Enhancement Projects.**

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. This project has a long development history dating back to 2010 and a comprehensive report concerning was presented to Council in July 2015 at its Ordinary Council Meeting (OCM) which refers.
4. At this meeting the recommendation made by the Works and Service Committee was that Council:
 - i. AUTHORISE expenditure of up to \$1,100,000 and ACCEPT the funding offer of \$500,000 from the Underground Power Program, Local Enhancement Projects for the provision of underground power on Albany Highway between Sanford Road and York Street, Albany.
 - ii. AGREE to the raising a loan up to the value of \$600,000 specific to the project as detailed in this report, subject to compliance with Clause 6.20 of the Local Government Act 1995;
 - iii. NOTE that consideration will be given to the imposing of an appropriate service charge to recover project cost, in part, prior to the 2016/2017 financial year and REQUEST that the Executive Director of Works and Services provide a report providing detailed options for consideration.
5. This recommendation was not accepted at the July 2015 OCM due to it not having an absolute majority of Council. However this decision was revoked and reconsidered at the subsequent August 2015 OCM where it was resolved as per the committee recommendation.
6. In many ways the project is complex as the general precedent of underground power conversions is that affected landowners are required to make some contribution to the capital cost. Naturally this requirement is not easily achieved.

7. The overall project cost is \$1,100,000 with \$500,000 with \$300,000 from City funds and the remaining \$300,000 being recovered through a service charge.
8. Since the August 2015 OCM, further liaison with the funding agency has revealed there is a reluctance for Minister sign off for any funding agreement if it is not confirmed that at least 50% of the affected landowners are willing to contribute to (a portion of) the project cost. The only means of overcoming this is if Council is prepared to fully fund or increase its contribution.
9. Two rounds of community consultation have been undertaken for the project and this revealed support for the project, but a reluctance to contribute to the capital cost. Responses thus far have not indicated a better than 50% response and it is not considered likely that this will increase through further iterations of consultation.
10. Council noted that consideration will be given to the imposition of an appropriate service charge to recover project costs, in part, prior to the 2016/2017 financial year and that the Executive Director of Works and Services provide a report providing detailed options for consideration.
11. Council has not previously considered the matter in the context of fully funding the contribution (i.e. without any landowner contribution).

DISCUSSION

12. There are a number of options available to the Council to recoup a portion of the cost of the Underground Power project – levying a service charge, offering self-supporting loans, or approving an increase the general rate base.

Service Charge

13. The Local Government Act (1995) enables the Local Government to apply a service charge for specific works, services or facilities. Provision of underground electricity is one of the prescribed works listed in the Act.
14. Under a service charge arrangement, there exists a number of possible models which Council may wish to consider:
 - a. Recover 25% of the total project cost applying to each property which has a frontage to the proposed works (in accordance with Council resolution of November 2010). The City can offer a one off payment, 6 year or 10 year repayment options.
 - b. Fully subsidise the contribution from residential properties affected and recover cost from commercial properties. This will result in less cost being recovered, somewhere in the order of 20% (approximately \$240,000).
 - c. Recover 15% or any amount specified by Council and increase the general rate base to cover the additional costs.
15. Under option (a) above, for reference, indicative charges would be as follows (depending on road frontage):
 - a. One off payment ranging from \$9,000 to \$44,000;
 - b. City raises a 6 year loan payments (per annum) would range from \$1,600 to \$8,000.
 - c. City raises a 10 year loan, payment (per annum) would range from \$1,000 to \$5,000.
16. Should Council agree to a service charge, it must 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, as part of the 2016/17 budget process.

Self-Supporting Loans

17. Should affected ratepayers not be able to complete a one off payment, then a self-supporting loan could be offered to provide some financial relief. A legal agreement between the City and the ratepayer would be required and registered against the certificate of title of the property in question, to ensure protection for both parties. Any legal costs would be borne by the City.
18. The use of self-supporting loans may be an excessive administrative burden to Council, as each ratepayer would be required to enter into an agreement, and annual cost recovery processes would be required.

General Rate Base Increase

19. The application of a general rate base increase may not be well received by the community, as the area benefitting this project is limited to Albany Highway between York St and Sanford Road. While the aesthetics of this part of the City will be improved, the local ratepayers would be the only beneficiaries. Any projected rate increase would impact on the long term financial plan.

General Comment

20. Further modelling of financial contributions has revealed that there are a number of properties with significant frontage where the City cannot impose any charge due to underground power being provided from another frontage. This is meant that the charges are increased for the remaining landowners.
21. It is not considered viable under the circumstances to increase any proposed charge to landowners, given there is already some reluctance regarding the cost impost.
22. While the project has significant benefit from a street scape enhancement perspective, it is felt that Council will need to either fully fund or significantly increase its contribution to the balance of the project in order to avoid the consequences of negativity as a result of the imposition of a service charge.
23. Given support for the project has been marginal at best, and due to the complex nature of implementing the project, staff resourcing and so on, it is considered appropriate that the project discontinue. It should be noted however that the opportunity is lost for the funding and there is not likely to be any opportunity for funding in future.
24. Given the City has not materially acted on the previous resolution, and no funding agreement has been finalised, a rescission is not required.

GOVERNMENT & PUBLIC CONSULTATION

25. Two rounds of public consultation have been undertaken on the proposed project. In 2011 during the initial project proposal, of the 27 landowners contacted (some owning multiple properties), 9 were in support and 4 were not, with 14 not responding at all.
26. A second consultation effort was undertaken during June 2015. A public meeting was held with 14 adjacent landowners and City of Albany officers in attendance. There were very few written responses received 4 in total - 2 in support for the project, 2 not in support of the project and one of the responses indicated a willingness to make a contribution.
27. A third mail out could be undertake in order to receive an absolute and definitive response concerning whether landowners would contribute to the project in some form.
28. It is very likely that there will be significant negative responses if a service charge is imposed.

STATUTORY IMPLICATIONS

29. Sections 6.32 and 6.38, Division 5 and 6, Part 6 of the *Local Government 1995*, deal 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

30. Not applicable.

RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Operations and Financial: <i>The City’s Long Term Financial Plan will be compromised, if a service charge is <u>not</u> imposed and higher priority projects may be deferred.</i>	<i>Possible</i>	<i>Major</i>	<i>High</i>	<i>Discontinue with the project as recommended or incorporate a fully funded model into the LTFP.</i>
Reputation: <i>Landowners who do not support the project may provide negative feedback, in respect to the imposition of a service charge.</i>	<i>Likely</i>	<i>Major</i>	<i>High</i>	<i>Either the City fully fund the required contribution or do not proceed with the project as recommended.</i>

FINANCIAL IMPLICATIONS

32. 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

33. 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.

34. As noted in this report, previous projected contributions from individual landowners have increase substantially due to some larger properties within the project area having an underground power supply from another frontage. Under these circumstances imposing a charge would not be appropriate (or allowable).

LEGAL IMPLICATIONS

35. 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 deal with the imposition, setting and public advertising of fees and charges, would apply.

36. Should the Council support the introduction of self-supporting loans to manage the cost recovery, legal agreements would be required to protect the interests of both the ratepayers and Council.

ENVIRONMENTAL CONSIDERATIONS

37. Not applicable.

ALTERNATE OPTIONS

38. Council may wish to fully fund the \$600,000 contribution and consider an allocation in the 2016/2017 budget.

CONCLUSION

39. The Localised Enhancement Project for the undergrounding of power and provision of street lighting for Albany Highway, York Street to Sanford Road, is an opportunity to improve the overall streetscape and amenity at the entrance to the Central Business District.
40. While the project is supported generally from a streetscape enhancement perspective, there is no clear indication about support from affected landowners. If a service charge is imposed to recover a portion of project costs, this presents a risk of an adverse reaction from landowners/ratepayers.
41. This report recommends that the project discontinue.

Consulted References	:	<i>Local Government 1995 – sections 6.32 and 6.38</i>
File Number (Name of Ward)	:	ET.COG.1 (Frederickstown)
Previous Reference	:	OCM 16.11.10 ITEM 3.3, OCM 28.07.15 ITEM WS078, OCM 25.8.15.

WS107: UWA - OLD POST OFFICE – VERANDAH REFURBISHMENT

Land Description : 33-39 (Lot B44) Stirling Terrace, Albany
Proponent / Owner : City of Albany
Attachments : City of Albany Heritage Assets Maintenance and Conservation
Old Post Office
Supplementary Information & Councillor Workstation : Nil
Report Prepared By : Manager City Engineering (D King)
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:
 - 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:** By scheduling maintenance, servicing and renewal in a timely manner that maximises the life and performance of infrastructure.





In Brief:

- The Old Post Office verandah is in urgent need of major restoration works.
- Due to the high profile nature of this project, the purpose of this report is to apprise Council of the issues and note actions to be taken by City staff moving forward in order to expedite the works.

RECOMMENDATION

WS107: RESPONSIBLE OFFICER RECOMMENDATION

THAT Council NOTE the following:

- 1. Advice concerning Heritage and Conservation issues for the Old Post Office (in particular its verandah);**
- 2. The City will explore avenues for funding the refurbishment project, including co-contributions from the University of Western Australia and the Great Southern Development Commission, make applications where applicable and report back to Council;**
- 3. The City will commence approvals processes and documentation of the project in readiness for a future budget allocation.**
- 4. The City will present the project for consideration for funding as a high priority in the 2016/2017 financial year.**

BACKGROUND

2. The Old Post Office (UWA Building) is located on Stirling Terrace at a prominent location at the centre of the original town. It is a three-storey brick and stone structure with ornamental towers and gables, a clay-tiled roof and open verandahs at three levels on the south side. It overlooks the foreshore and harbour.
3. The building has cultural heritage significance as it was the base station of the intercolonial telegraph of 1875, linking Western Australia with Adelaide and the rest of the world. It was originally used as a customs house, post office and telegraph office, and provided a venue for local government meetings, theatrical performances, debates, lectures, concerts, socials and even church services. The site is registered on the WA State Register of Heritage Places – Category A+ to ensure maximum conservation protection.
4. The building is currently leased to the University of Western Australia (UWA). The lease agreement does require the lessee to address major structural issues such as this.
5. In 2014, concerns were raised about the condition of the verandah at the rear of the building.
6. The City had completed some minor works on the verandah to address a termite issue, but it became evident that further works would be required.
7. Advice was sought from a heritage interpretation, and heritage structural engineering consultant to determine what options the City had to attend to the immediate and longer term issues concerning the structure.
8. The verandah has been propped under guidance of the heritage structural engineer to ensure its safety and stability while options could be assessed.

DISCUSSION

9. The heritage consultant had inspected the site, assessed the Old Post Office Conservation Plan and other relevant reports about the condition of the premises and provided two recommendations for the verandah. The two options proposed are to:
 - Option 1 Complete localised conservation and repair work; or
 - Option 2 Remove the verandah completely and undertake a program of reconstruction.
10. On the basis that it was considered to be the most cost effective solution Option 1 was actioned noting the difficulty in construction and the unknown extent of works may result in a risk and unknown costs.
11. Unseasoned jarrah timber for the required repairs was procured and works commenced February 2016 (after giving some time for timber to season prior to installation).
12. Further deterioration became evident during these works which was not listed in the structural report.
13. It is a highly likely that further deterioration will be revealed during this work program if it is to continue.
14. Option 2, to remove and reconstruct the verandah, would address immediate safety concerns, and restore the facility to its original condition, providing a more permanent, long term maintenance solution.
15. A cost estimate has been drawn up by a qualified Quantity Surveyor in line with the recommendations in Option 2. The estimated cost is \$361,000.
16. Given the risks associated with Option 1 concerning unknown deterioration and escalating costs, it is considered more cost effective to discontinue this approach and carry out option 2.
17. The City will submit this project for funding in the 2016/17 budget, however, given the urgent nature of the works, preparations will commence immediately in terms of preparing plans, developing a brief and a tender document and seeking necessary planning approvals to enable the project to proceed without delay.

GOVERNMENT & PUBLIC CONSULTATION

18. As the premises are leased, the current tenants – University of Western Australia and Spectrum Theatre - have been consulted to inform them of the proposed works and will be kept informed as the project progresses.
19. The Heritage Council has been consulted as part of the preparation of the heritage report and formal approvals will be sought.

STATUTORY IMPLICATIONS

20. There are no statutory implications relating to this project.

POLICY IMPLICATIONS

21. There are no policy implications relating this matter.

RISK IDENTIFICATION & MITIGATION

22. The risk identification and categorisation relies on the City's Enterprise Risk Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
<i>Reputation: Impact on the Old Post Office leases</i>	<i>Possible</i>	<i>Moderate</i>	<i>Medium</i>	<i>Ongoing consultation with lessees during the initiation and construction processes.</i>
<i>People Health and Safety: Safety of people within and around the building being compromised due to failure of the structure.</i>	<i>Likely</i>	<i>Severe</i>	<i>High</i>	<i>The site is currently safe with props supporting the structure, however the props are a temporary measure only. Long term stability can be achieved through the refurbishing project being undertaken.</i>

FINANCIAL IMPLICATIONS

23. The estimated cost of the project is \$361,000. The City will present the project in the 2016/2017 budget papers.
24. City staff will explore funding opportunities through Heritage Grants (Heritage Council and Lotterywest) but it is unlikely that funding will be available given that the building is not solely used for community purposes.
25. In advance of budget considerations, City staff will progress project approvals and will develop tender documentation. This work will be undertaken in house utilising existing operational budgets.

LEGAL IMPLICATIONS

26. There are no legal implications relating this item.

ENVIRONMENTAL CONSIDERATIONS

27. Nil

ALTERNATE OPTIONS

28. There are no alternate options proposed. The works are considered to be of an urgent nature.

CONCLUSION

29. The Old Post Office verandah is in urgent need of major restoration works.
30. This report recommends that actions be noted so that preliminary works can be expedited subject to 2016/2017 budget considerations.

Consulted References	:	Old Post Office Conservation Plan 2001; Report of Old Albany Post Office Roof and Front Verandah Restoration 1984; Old Post Office Heritage Report 2016
File Number (Name of Ward)	:	PRO016 (Frederickstown)
Previous Reference	:	N/A

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