



MINUTES

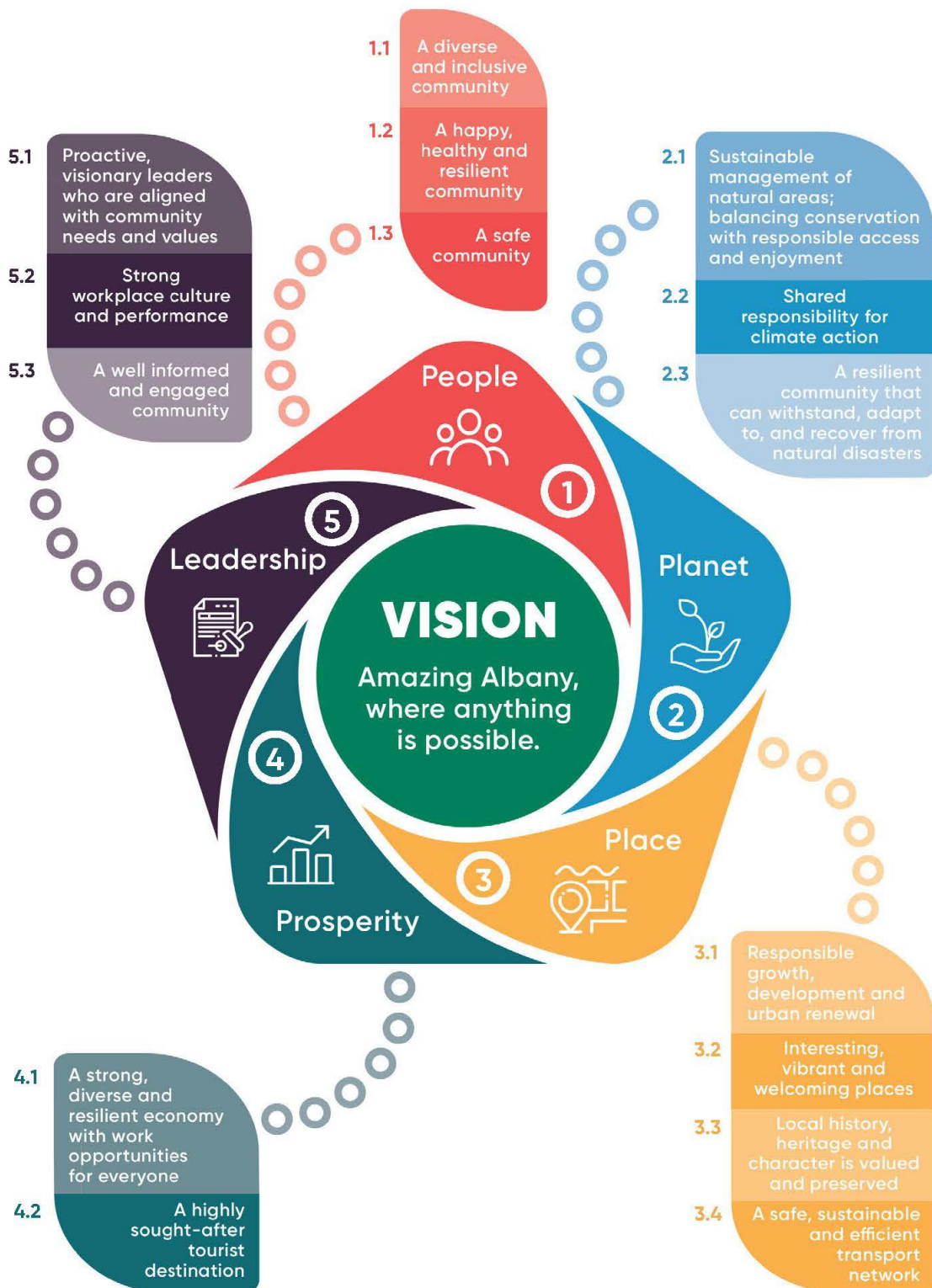
DEVELOPMENT AND INFRASTRUCTURE SERVICES COMMITTEE MEETING

Wednesday 12 February 2025

6.00pm

Council Chambers

The Five Strategic Pillars



Development & Infrastructure Services Committee
Terms of Reference

Functions:

This Committee is responsible for:

- Sustainable management of natural areas, balancing conservation with responsible access and enjoyment.
- Shared responsibility for climate action.
- Responsible growth, development, and urban renewal.
- Creating interesting, vibrant, and welcoming places.
- Valuing and preserving local history, heritage, and character.
- Ensuring a safe, sustainable, and efficient transport network.

It accomplishes this by:

- Developing policies and strategies.
- Creating progress measurement methods.
- Receiving progress reports.
- Considering officer advice.
- Debating current issues.
- Offering advice on effective community engagement and progress reporting.
- Making recommendations to Council.

Membership: Open to all elected members.

Meeting Schedule: Monthly Meeting

Location: Council Chambers

Executive Officers:

- Executive Director Infrastructure, Development & Environment Services
- Manager Development Services
- Manager Engineering & Sustainability

Delegated Authority: None

DEVELOPMENT AND INFRASTRUCTURE SERVICES COMMITTEE
MINUTES – 12/02/2025

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DEVELOPMENT AND INFRASTRUCTURE SERVICES COMMITTEE
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1. **DECLARATION OF OPENING** The Chair declared the meeting open at 6.01pm.

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 past, present and emerging”.

3. **RECORD OF ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE**

Mayor	G Stocks
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Councillors:

Deputy Mayor Councillor	P Terry
Councillor	R Sutton
Councillor	D Baesjou
Councillor	S Grimmer
Councillor	M Traill (Deputy Chair)
Councillor	C McKinley (arrived at 6.04pm)

Staff:

Chief Executive Officer	A Sharpe
Executive Director Infrastructure, Development & Environment	P Camins
Manager Development Services	J van der Mescht
Meeting Secretary	P Ruggera

Apologies:

Councillor	A Cruse (Apology)
Councillor	T Brough (Apology)
Councillor	M Lionetti (Apology)
Councillor	L MacLaren (Apology)

There were no media representatives, and there were 20 members of the public in attendance.

4. DISCLOSURES OF INTEREST

Name	Committee/Report Item Number	Nature of Interest
Nil		

5. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE Nil

6. PUBLIC QUESTION TIME

Conduct of Persons at Meetings: Members of the public attending meetings must be respectful of the Presiding Member, Council and City Officers to ensure the meeting runs efficiently.

Prevention of Disturbance:

- Members of the public are admitted to meetings with the understanding that no expressions of dissent, approval, conversations or other interruptions will take place during proceedings.
- Attendees must:
 - Refrain from interrupting the meeting through approval, dissent or conversation.
 - Conduct themselves appropriately and follow directions if asked to leave.
 - Avoid obstructing access to the meeting or causing disturbances.

Public Question Time. In accordance with clause 4.2 (Procedures for public question time) and clause 8.3 (Where this local law does not apply or is silent) of the *City of Albany Standing Orders Local Law 2014 (as amended)*:

- Public Question Time is limited to 30 minutes, extendable at the discretion of the Presiding Member.
- The Presiding Member may decline to respond to a question if:
 - The same or a similar question was asked at a previous meeting.
 - The question or statement is offensive, unlawful or defamatory. The Presiding Member may request that it be rephrased to ensure that it is appropriate.

Contents of Minutes As per the *Local Government (Administration) Regulations 1996*, regulation 11:

- The minutes of the meeting will include a summary of questions raised during Public Question Time and a summary of the response.

Documents Tabled at Meetings. Documents tabled during Public Question Time or Reports of Members will not be included in the minutes. The minutes will note who tabled the document and will provide a document reference number.

6.03pm Paul O'Donnell, Mira Mar.

Summary of key points:

Mr O'Donnell spoke in support of the Authorising Officer Recommendation DIS426: Albany Heritage Park Link Trails Project – Environmental Offset Requirements.

6.06pm Mark Weller, Collingwood Heights.

Summary of key points:

Mr Weller spoke in support of the Authorising Officer Recommendation DIS426: Albany Heritage Park Link Trails Project – Environmental Offset Requirements.

6.08 pm Abbey O'Donnell, Mira Mar.

Summary of key points:

Miss O'Donnell spoke in support of the Authorising Officer Recommendation DIS426: Albany Heritage Park Link Trails Project – Environmental Offset Requirements.

There being no further speakers the Chair declared Public Question Time closed at 6.11pm.

DEVELOPMENT AND INFRASTRUCTURE SERVICES COMMITTEE
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7. PETITIONS AND DEPUTATIONS Nil

8. CONFIRMATION OF MINUTES

RESOLUTION

MOVED: COUNCILLOR SUTTON

SECONDED: COUNCILLOR GRIMMER

THAT the minutes of the Development and Infrastructure Services Committee meeting held on 13 November 2024 as previously distributed, be CONFIRMED as a true and accurate record of proceedings.

CARRIED 7-0

There was no DIS Committee meeting held in December 2024 due to their being no agenda items.

9. PRESENTATIONS Nil

10. UNRESOLVED BUSINESS FROM PREVIOUS MEETINGS Nil

DIS426: ALBANY HERITAGE PARK LINK TRAILS PROJECT – ENVIRONMENTAL OFFSET REQUIREMENTS

Land Description	: City of Albany Conditional Freehold Lot 172 on Deposited Plan 222002 & Certificate of Title 39/257 and portion of Crown Reserve 2682 Lot 508 on Deposited Plan 64941 & Certificate of Title LR3159/237
Proponent / Owner	: City of Albany and the State of WA
Attachments	: DWER CPS 9182-1 Purpose Permit with Plan and Decision Report DCCEEW 2019-8480 - Decision Notice Proposed environmental offset map
Report Prepared By	: Lands Officer
Authorising Officer:	: Executive Director Infrastructure, Development and Environment

In accordance with Section 3.2(3) of the City of Albany Standing Orders Local Law 2014, Council will consider this report as the first order of business.

STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan or Corporate Business Plan informing plans or strategies:
 - **Pillar:** Planet – We are leaders in sustainability with a shared commitment to climate action and protecting our beautiful, natural environment.
 - **Outcomes:** Sustainable management of natural areas; balancing conservation with responsible access and enjoyment.

Maps and Diagrams:



In Brief:

- Council is required to provide a formal resolution on the proposed environmental offset areas identified for the Albany Heritage Park Link Trails Project.
- Accepting the environmental offset areas will secure the clearing permit and allow the implementation of the trail network construction to commence.

RECOMMENDATION

DIS426: COMMITTEE RECOMMENDATION

MOVED: DEPUTY MAYOR COUNCILLOR TERRY

SECONDED: COUNCILLOR BAESJOU

THAT the Authorising Officer Recommendation be ADOPTED.

CARRIED 7-0.

DIS426: AUTHORISING OFFICER RECOMMENDATION

THAT Council AGREES to;

The surrender, transfer and revestment of Conditional Freehold Lot 172 on Deposited Plan 222002 & Certificate of Title 39/257 to the Crown for an environmental offset pursuant to EPBC 2019/8480 and CPS 9182/1. Additionally, two conservation areas to be set aside as environmental offsets within Class A Reserve 2682 pursuant to EPBC 2019/8480 and CPS 9182/1;

REQUESTS;

The Minister for Lands to include Lot 172 into Class A Reserve 2682 pursuant to section 42(3)(a) of the Land Administration Act 1997; and

REQUESTS;

The Minister for Lands to take all necessary action to set aside two areas for conservation purposes within Class A Reserve 2682, Lot 508 on Deposited Plan 64941 & Certificate of Title LR3159/237, to implement the EPBC/DWER decisions (EPBC 2019/8480 and CPS 9182/1).

BACKGROUND

2. The Albany Heritage Park Link Trails Project (AHPLTP) has been in development for an extended period, with involvement from Council, regional bodies, the community and other stakeholders at multiple stages.
3. In 2015, after approximately two years of community consultation, Council adopted the City of Albany Trails Hub Strategy 2015–2025. In December 2016, Council adopted the Albany Heritage Park Trails Concept Plan, laying the groundwork to ensure that any trail networks developed in the park were well-planned, addressing issues with existing ad-hoc and illegal 'pirate' trails.
4. The trails are a key component of the Mounts Master Plan, which is the strategic blueprint for promoting the Mounts as WA's first regional botanic garden. In 2019 the City of Albany undertook community consultation initiatives in relation to the Mounts Master Plan, where resulting feedback identified that the rationalisation, consolidation and construction of new trails on the Mounts was one of the highest priority projects to community.
5. The AHPLTP aims to rationalise the existing trail network throughout the Albany Heritage Park to mitigate and reduce environmental impacts and remedy user conflict issues. This would be achieved both through construction of best-practice trails and through closure and rehabilitation of existing trails.

6. The development of the Mounts Master Plan follows the Department of Biodiversity, Conservation and Attractions (DBCAs) eight-step framework developed for trails at a national park standard. The design process has incorporated several intensive stages of environmental and heritage assessments. This has shaped the extent and the alignment of the trails into its current iteration, which represents a significant reduction in scale as compared to the original proposal.

Approval Process

7. The process of securing approvals for native vegetation clearing for this project has taken longer than originally anticipated, as outlined below:
- May 2017 - The Albany Heritage Park Trails Concept Plan was referred to the Commonwealth Government, Department of Environment and Energy (DEE), now known as the Department of Climate Change, Energy, the Environment and Water (DCCEEW).
 - October 2017 - The Albany Heritage Park Trails Concept Plan was determined a controlled action.
 - January 2019 - The City of Albany withdrew the referral.
 - 30 July 2019 - The City of Albany referred the updated Link Trail Concept Plan.
 - October 2019 - The Link Trail was determined to be a 'controlled action'.
 - February 2020 - City of Albany staff met with the State Department of Water and Environmental Regulation (DWER) Acting Manager in Perth to review the Albany Heritage Park Trails Concept Plan and to gain an understanding of the clearing permit submission process they expected the City of Albany to follow.
 - 13 February 2020 - City of Albany staff also met with Perth DWER officers and walked the site to present the proposed concept and discuss key issues such as illegal trails and conflict between different users.
 - May 2020 - As part of a strategy to address environmental impacts associated with illegal trail construction and the changing use of the current poorly designed and constructed trail network in the Albany Heritage Park (AHP), it was proposed to construct new walk, ride and dual use trails, collectively known as the 'AHP Link Trails V2'. DWER Clearing Application submitted.
 - August 2020 - Environmental Protection and Biodiversity Conservation Bilateral Assessment submitted.
 - September 2020 - Variation to the proposal accepted.
 - December 2021 - An assessment letter from DWER was received, requiring the City of Albany to provide further information in the form of environmental studies to fulfil the requirements of DWER and DCCEEW (the Request for Information or RFI).
 - Dec 2021 to Dec 2022 - The City of Albany commissioned these studies, many of which had to be carried out at certain times of the year or require longitudinal observation.
 - October 2022 - Variation to the clearing proposal submitted to DWER and DCCEEW to realign the trails to avoid significant habitat areas.
 - November 2022 - Variation to the clearing proposal accepted by DCCEEW.
 - December 2022 - DWER readvertised the revised clearing permit application proposal for public comment.
 - January 2023 - The City of Albany responded to the public comment received.

- January 2023 - The City of Albany sent DWER responses to all of the RFI matters.
- May 2023 - DWER assessed the City of Albany's RFI response, finalising all conditions to be imposed on the clearing permit.
- May 2023 - DWER assessed the 'residual impact' to certain species based on the clearing proposal and issued a further RFI to the City of Albany, requesting detail on how the City of Albany would meet the offset requirement for those impacts.
- May 2023 - The City of Albany entered into an iterative negotiation with DWER to explore offset possibilities both within and outside of the Mounts.
- October 2023 - The City of Albany agreed to permit conditions on specific issues and made a hypothetical offset offer based on the agreement reached with DWER on what would constitute an acceptable offset.
- November 2023 - DWER assessed all documentation and referred their permit determination to DCCEEW for assessment under the Bilateral Agreement.
- December 2023 - Correspondence received from DWER indicated DCCEEW had further requirements for the offset. A meeting was held between the City of Albany, DWER and DCCEEW where the City of Albany agreed to provide an Offset Strategy incorporating all measures required.
- January 2024 - DWER granted a clearing permit with DCCEEW's agreement.
- 29 January 2024 - Correspondence received from the Office of Appeals Convenor, with 9 public appeals enclosures against grant of clearing permit CPS 9182/1 Albany Heritage Park Trails.
- 13 February 2024 – the City of Albany compiled and issued a response to the public appeal enclosures.
- 6 May 2024 - Meeting held with Dr Gary Middle, Chair, Office of the Appeals Convenor.
- 12 August 2024 - Minister's appeal determination: Having considered the information available, including DWER's response to the appeals and the Appeals Committee's report and recommendation, the Minister was satisfied that it was reasonable for DWER to grant the permit and that the conditions set out were appropriate. The Minister, therefore, dismissed the appeals.
- August/September 2024 - DCCEEW clarifications sought from the City of Albany on components of the offset proposal to help determine the final decision on whether or not to approved the controlled action.
- 19 September 2024 - DCCEEW notified the City of Albany that the offset proposal for AHPLTP was deemed adequate for assessment and statutory fees were required to be paid.
- 8 November 2024 - DCCEEW proposed to approve the Proposed Action subject to conditions and invited comment on proposed approval decision.
- 21 November 2024 – the City of Albany responded with comments and follow up meeting (11 December 2024).
- 23 December 2024 - DCCEEW formally granted an approval to the City of Albany (the proponent) in accordance with Part 9 of the *Environment Protection and Biodiversity Conservation Act 1999* and to be undertaken in accordance with the conditions specified in the approval. This approval has effect until 2 January 2050.

Management Measures

8. Following the application of measures to avoid, mitigate and rehabilitate, the environmental impacts associated with the proposal, the following significant residual impacts were expected (as per the DWERs calculations).
9. Loss of 3.16 hectares of native vegetation that provides significant habitat for western ringtail possum.
10. Loss of 3.05 hectares of native vegetation that provides significant foraging habitat for all three species of black cockatoo.
11. The City of Albany identified 8 hectares of native vegetation within City of Albany Conditional Freehold Lot 172 on Deposited Plan 222002, as well as two areas of marri/jarrah forest/peppermint woodland within Reserve 2682 measuring 14ha together, that would be suitable to meet the requirements for environmental offset for the AHPLTP.

Council Engagement

12. As both a standalone trails project and within the broader strategic context, the following list outlines key activities where the trail footprint was endorsed, advertised, or considered by Council:
 - December 2017 – AHPLTP approved by Council as part of the Building Better Regions funding application for the 'Kinjarling Connect 2026' suite of projects.
 - Throughout 2019 – Community survey endorsed by Council to gather feedback on the Draft Mounts Masterplan and AHPLTP, including an opening message from the Mayor.
 - Jan 2020 – Iconic Trails (another name for the AHPLTP) endorsed by Council to include as part of a Great Southern Development Commission regional funding application.
 - Dec 2020 – *Draft Mounts Masterplan* (with AHPLTP as a key implementing strategic project) publicly advertised on the City of Albany website.
 - Mar 2021 – AHPLTP approved by Council to put forward for an election commitment grant (which was successful and the source of the majority of the project's construction funding).
 - 12 July 2021 - *Mounts Master Plan Engagement Report : Community + Stakeholder Feedback* to the Draft Master Plan sent to Councillors, advertised publicly and uploaded onto the City of Albany's website.
 - 24 Aug 2021 Ordinary Council Meeting – Strategic Community Plan endorsed by Council, with the Mounts Masterplan endorsed as an informing strategy.
 - 11 Feb 2023 – Council briefing note on the background of and current status of the AHPLTP, including updated trail detailed design.
 - 12 July 2023 – Council Strategic Briefing session (including new Councillors) on the background of and current status of the AHPLTP, plus offset properties.
 - 25 July 2023 Ordinary Council Meeting – the AHPLTP approved by Council to be leveraged for the Growing Regions Program funding round to contribute to additional amenity/cultural interpretation at the intended Link Trail trailheads and lookouts.
 - 28 Nov 2023 - 2023 – 2027 Corporate Business Plan annual review endorsed (CCS577) with 'Provide implementation of the Mounts Master Plan' listed as a key action under Outcome 3.2 - Interesting, vibrant and welcoming places.

13. Regarding the wider regional context, in May 2020 Council endorsed the Great Southern Regional Trails Master Plan 2020-2029 from Great Southern Centre for Outdoor Recreation Excellence. This Master Plan was developed to guide management decisions and provide a vision of what the trail network across the Great Southern would look like in the future. The AHPLTP was prioritised in this Master Plan as a regionally significant development.
14. There is a timing imperative to accept the environmental offset requirements, to secure the clearing permit and allow work to commence. This Council decision will shape the foundation of the Mounts Master Plan by defining the AHPLTP route and its environmental conditions. The final Mounts Master Plan—incorporating findings from the *Mounts Master Plan Engagement Report: Community + Stakeholder Feedback*—will be presented to Elected Members for consideration and adoption at a future Council meeting.

DISCUSSION

15. As a condition of DWER clearing permit CPS 9182-1 and as detailed in the MCCEEW EPBC 2019/8480 decision in relation to the AHPLTP, the City of Albany is proposing to protect 22 hectares of land within the Albany Heritage Park precinct.
16. Condition 12 of DWER permit CPS 9182-1 requires the City of Albany to transfer Lot 172 on DP 222002 to Reserve 2682 for the purpose of Public Park and Conservation
17. Condition 13 of DWER permit CPS 9182-1 requires The City of Albany to change the purpose of the areas identified within R2682 for environmental offset to include Conservation.
18. Condition 15 of EPBC 2019/8480 decision requires the City of Albany to achieve the offset outcomes specified in the Offset Strategy within 20 years of the commencement of the action (being to construct and maintain a network of single use walk, single use /MTB and shared trails in Albany Heritage Park at Albany, Western Australia).

GOVERNMENT & PUBLIC CONSULTATION

19. As noted under paragraph 7, the community has had multiple opportunities to submit comments on DWER permit CPS9182-1 (including a thorough independent appeals process) and MCCEEW decision EPBC 2019-8480.
20. There is no requirement to undertake government or public consultation with regards to the land tenure actions relating to Lot 172 and portions of Reserve 2682 identified for environmental offset.

State Government consultation – Department of Planning Lands & Heritage

21. The City of Albany has consulted the Department of Planning Lands & Heritage with regards to the best way to meet the requirements of DWER permit CPS9182-1 and MCCEEW decision EPBC 2019-8480.
22. With regards to Lot 172, advice was to surrender the Conditional Freehold land to the State and seek Minister for Lands to include this lot within R2682.
23. With regards to Reserve R2682 identified for environmental offset, various ways to set areas aside for conservation purposes have been identified by DPLH. Actions could include amending the City of Albany's Management Order over R2682 to reference the DWER clearing permit CPS 9182-1 and the MCCEEW decision EPBC 2019/848

STATUTORY IMPLICATIONS

24. Requests to the Minister for Lands to create, change, classify, re-describe or otherwise deal with a Reserve are detailed in Part 4 of the *Land Administration Act 1997*.

POLICY IMPLICATIONS

25. There are no policy implications relating to this item.

RISK IDENTIFICATION & MITIGATION

26. The risk identification and categorisation relies on the City of Albany's Enterprise Risk and Opportunity Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Financial/Reputational <i>There is a risk that by not setting aside the areas conditioned in DWER permit CPS 9182-1 and MCCEEW decision EPBC 2019/8480 the City of Albany will not be able to progress with the Albany Heritage Park Link Trails Project. External funding obligations would not be met.</i>	Almost Certain	Severe	Extreme	Support officer recommendations
Opportunity: <i>To deliver projects that support the Strategic Community Plan 2032 which conserve and enhance the regions natural resources while providing attractive and sustainable parks, playgrounds and reserves.</i>				

FINANCIAL IMPLICATIONS

27. There are no financial implications relating to this item.

LEGAL IMPLICATIONS

28. There is an expectation that the City of Albany will undertake all lands actions detailed in the DWER permit CPS 9182-1 and MCCEEW decision EPBC 2019/8480. Failure to comply may put the City of Albany in breach of the conditions and risk prosecution under the *Environmental Protection Act 1986* and *Environmental Protection and Biodiversity Conservation Act 1999*.

ENVIRONMENTAL CONSIDERATIONS

29. There are no environmental considerations relating to this item. The proposed lands action subject of this report are changes to the land tenure only.

ALTERNATE OPTIONS

30. Council do not accept the offsets and the AHPLTP does not proceed.
 31. Given the exhaustive process there is no other modified alternative.

CONCLUSION

32. As part of the Albany Heritage Park Link Trails Project (AHPLTP) and environmental approvals process, the City of Albany has proposed to protect 22 hectares of bushland as environmental offset.
 33. These proposed environmental offsets now form part of the conditions within DWER clearing permit CPS 9182-1 and MCCEEW decision EPBC 2019/8480 decision.
 34. Council is now required to provide a formal resolution in order for the Minister for Lands to be able to action the proposed changes.
 35. Should Council approve this item the final Mounts Master Plan—incorporating findings from the Mounts Master Plan Engagement Report: Community + Stakeholder Feedback—will be presented to Elected Members for consideration and adoption at a future Council meeting.

Consulted References	:	<i>Land Administration Act 1997</i> <i>Environmental Protection Act 1986</i> <i>Environmental Protection and Biodiversity Conservation Act 1999.</i>
File Number	:	PR.DEC.5
Previous Reference	:	N/A

DIS425: WALGA SUSTAINABLE ENERGY PROJECT

Proponent / Owner	: City of Albany
Attachments	: Commercial in Confidence – Confidential Briefing Note and attachments under separate cover
Report Prepared By	: Climate and Sustainability Project Officer
Authorising Officer:	: Executive Director Infrastructure, Development & Environment

CONFIDENTIAL ATTACHMENT

It is recommended that if discussion is required in regards to details contained within the Confidential Attachment, that the matters are discussed behind closed doors, in accordance with section 5.23(2)(c) & (e)(ii) of the Local Government Act 1995, being: a contract which may be entered into and information that has commercial value.

STRATEGIC IMPLICATIONS

1. This item relates to the following elements of the City of Albany Strategic Community Plan 2032:
 - **Pillar:** Planet. We are leaders in sustainability with a shared commitment to climate action and protecting our beautiful, natural environment.
 - **Outcomes:** Shared responsibility for climate action.
 - **Pillar:** Leadership. A well-governed city that uses resources wisely to meet local needs.
 - **Outcomes:** 5.2 Provide cost effective financial management and value for money
2. This item also relates to the following City of Albany strategic documents:
 - [City of Albany Climate Change Action Declaration](#)
 - [City of Albany Corporate Power Plan](#)

In Brief:

- The City of Albany has an opportunity to continue to participate in the Sustainable Energy Agreement with WALGA and their preferred supplier for a three-year period.
- The first three-year term of the project ends in March 2025.
- WALGA is working on behalf of 52 Local Governments to aggregate participating Members' buying power and lock in preferential pricing.
- The project also supports Members' Climate Change Declaration commitments and renewable energy transition.

RECOMMENDATION

DIS425: COMMITTEE RECOMMENDATION

MOVED: COUNCILLOR TERRY

SECONDED: COUNCILLOR GRIMMER

THAT the Authorising Officer Recommendation be ADOPTED.

CARRIED 5-2

Record of the Vote:

Against the Motion: Councillors Sutton and McKinley

7.02pm

RESOLUTION:

MOVED: COUNCILLOR MCKINLEY

SECONDED: COUNCILLOR GRIMMER

THAT the meeting be re-opened to members of the public.

CARRIED 7-0

6.50pm

RESOLUTION:

MOVED: DEPUTY MAYOR COUNCILLOR TERRY

SECONDED: COUNCILLOR MCKINLEY

THAT the meeting be closed to members of the public in accordance with 4.1 of the City of Albany Standing Orders Local Law 2014 (as Amended), to discuss the following confidential report: DIS425: WALGA SUSTAINABLE ENERGY PROJECT

CARRIED 7-0

DIS425: AUTHORISING OFFICER RECOMMENDATION

THAT Council APPROVE entering into a Sustainable Energy Agreement with the WALGA preferred supplier, as per the Recommendation in the Confidential Briefing Note.

BACKGROUND

3. WALGA established an Energy Purchase Agreement (Phase One) on 1 April 2022, ending on 31 March 2025.
4. The Project is an ACCC-approved buying group of Local Governments that has contracted electricity under a volume aggregated purchasing process.
5. The WALGA Energy Purchase Agreement was established to:
 - a) Aggregate WALGA Members' buying power and lock in preferential pricing; and
 - b) Support Members' Climate Change Declaration commitments and renewable energy transition.
6. The City of Albany, as one of the 48 WALGA Members who opted to participate in the project (Participants), has benefited from the aggregate contract rates and carbon emissions offsets.
7. The City of Albany entered Phase One, opting to purchase 100% NaturalPower from Year One.
8. The project's Phase One term is estimated to save Local Governments a total of \$34 million in expenditures and offset over 120,000 tonnes of carbon.
9. The key objectives of Phase Two of the Sustainable Energy Project are:
 - a) Enhance access to renewable energy for WALGA Members, thereby driving positive climate change outcomes;
 - b) Minimise energy costs to WALGA Members; and
 - c) Evolve supply options and use of new energy technology

DISCUSSION

10. WALGA ran a Request for Quotation (RFQ) for a new contract commencing 1 April 2025. The City of Albany entered an MOU with WALGA allowing the City's contestable energy spend to be represented in this procurement process for the purposes of pricing.
11. The RFQ was overseen by a steering committee and evaluated by a team of WALGA officers, Local Government officers, and independent technical consultants.
12. Technical consultants Ironbark Sustainability analysed the pricing tables (modelled against current consumption data) and delivered recommendations for WALGA's consideration.
13. WALGA also conducted a public Pre-Tender Market Notice process in February 2024 to identify potential respondents to the Phase Two project term.
14. Six submissions were received, of which two were compliant with the mandatory requirement to hold a WA retail electricity licence.
15. The respondents were engaged in discussions to determine eligibility and suitability to be invited into the RFQ.
16. WALGA also met with other companies that could potentially tender existing or future sustainable energy infrastructure projects to offer Power Purchase Agreement contracts into the process.
No other companies were identified with planned or shelf-ready generation projects that would be able to offer a proposal to WALGA for the Phase Two term.
17. A summary of the offers received by WALGA are Commercial in Confidence and are included as an attachment to a separate Confidential Briefing Note.
18. The pricing in the offer is dependent on 100% of Participants agreeing to the contract.
19. WALGA requires notification on or before 7 March 2025 to secure the offer.
20. If 100% contracting of Participants is not achieved for the above rates, the next most advantageous offer will become the fallback position for Contracting. WALGA has modelled this to be approximately 6% more expensive across the project base but will vary according to each Participant's consumption profile.
21. Contractual documentation is to remain confidential but is available to Council under separate cover.

GOVERNMENT & PUBLIC CONSULTATION

22. On 26 August 2021, WALGA secured a Determination from the ACCC. This Determination granted authorisation to the Western Australian Local Government Association from 17 September 2021 to enable Local Governments who are current and future members of a proposed joint renewable energy purchasing group to pool their demand and collectively tender for and negotiate an electricity supply arrangement.
23. The authorisation was granted for 15 years, until 30 September 2036.
24. For the current Phase Two, WALGA obtained consent from the City and 51 other Participants to represent their energy load in the procurement process.
25. WALGA needs the Local Governments to formalise contracts on or before 7 March 2025 to meet the current contracting timelines.

STATUTORY IMPLICATIONS

26. Nil

POLICY IMPLICATIONS

27. Nil

RISK IDENTIFICATION & MITIGATION

28. The risk identification and categorisation rely on the City's Enterprise Risk and Opportunity Management Framework.

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Community <i>There is a reputational risk if the City does not act in accordance with the environmental objectives in the City's Strategic Community Plan, Corporate Business Plan, City of Albany Climate Change Action Declaration, and Corporate Power Plan.</i>	<i>Almost certain</i>	<i>Moderate</i>	<i>High</i>	<i>Manage community expectation through clear and transparent communication and endorse acceptance of recommended offer.</i>
Service Delivery Interruption / Operational <i>WALGA conducted the procurement process on behalf of numerous local governments, and engaged a consultant to analyse data and assess the submissions. If the offer is not accepted by the City, the City will need to conduct procurement at our own time and expense. Additional time spent by officers will detract from service delivery of other program areas.</i>	<i>Almost certain</i>	<i>Minor</i>	<i>High</i>	<i>Endorse acceptance of recommended offer or designate adequate resourcing and expertise to undertake work to secure an alternative contestable energy agreement.</i>
Financial. <i>If the offer is not accepted, there is no guarantee that the City going out to market separately will result in a lower-cost offering for power. There is the risk that the City may pay a higher price, whether for renewable energy or not, without the aggregated buying power of numerous local governments. The City would require the assistance of a technical consultant to evaluate offers, resulting in additional costs to the City.</i>	<i>Likely</i>	<i>Moderate</i>	<i>High</i>	<i>Endorse acceptance of recommended offer. Monitor quarterly cost savings and carbon emissions reductions over the 3-year contract.</i>
Financial. <i>If the offer is accepted by the City but not by some other participating local governments, the City risks paying a higher price for power based on fewer participants in the collective Project.</i>	<i>Possible</i>	<i>Minor</i>	<i>Medium</i>	<i>Nil</i>
Opportunity: Secure cost-effective energy supply with minimised carbon emissions for the next three years.				

FINANCIAL IMPLICATIONS

29. More detailed information regarding financial implications of the offer is contained in the Confidential Briefing Note.

LEGAL IMPLICATIONS

30. Nil

ENVIRONMENTAL CONSIDERATIONS

31. The City of Albany continues to demonstrate leadership in sustainability and a shared commitment to climate action.
32. Council endorsed a revised [City of Albany Climate Change Action Declaration](#) at the December 2023 Ordinary Council Meeting.
33. As part of the Climate Change Action Declaration, the City acknowledges that "Local government plays an important role towards eliminating carbon emissions through our actions and advocating for change within the community."
34. The [City of Albany Corporate Power Plan](#), adopted by Council on 28 February 2023, guides the transition of City-owned and managed buildings to 100% renewable energy by 2030. A key target of the Corporate Power Plan is to negotiate renewable options for contestable energy agreements.

35. The Phase Two offer includes 100% renewable energy that is accredited through the national [GreenPower](#) scheme and meets strict environmental criteria.

ALTERNATE OPTIONS

36. Council may:
- Approve the proposal as recommended; or
 - Choose not to agree to the proposal, resulting in the City being required to procure electricity independent of WALGA in March 2025 once the current contract expires.

CONCLUSION

37. It is recommended that the City enters into Phase Two of the WALGA Sustainable Energy Agreement, noting that:
- The Recommended Offer pricing will apply if 100% of Participants take up the offer.
 - Should the most advantageous offer contingent on 100% collective adoption not be achieved, the next most advantageous offer pricing will apply. This offer is contingent on a 65% minimum take-up.

Consulted References		<ul style="list-style-type: none">• <i>City of Albany Strategic Community Plan 2032.</i>• <i>City of Albany Climate Change Action Declaration.</i>• <i>City of Albany Corporate Power Plan.</i>
File Number	:	ET.PLA.1
Previous Reference	:	SCM023: 10 November 2021

11. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN Nil

12. MEETING CLOSED TO THE PUBLIC

DIS425: WALGA SUSTAINABLE ENERGY PROJECT

13. CLOSURE

There being no further business the Chair declared the meeting closed at 7.07pm.

(Unconfirmed Minutes)

Councillor Malcolm Traill
DEPUTY CHAIR