



MINUTES

Special Council Meeting

Tuesday 29 November 2016

6.30pm

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.

SPECIAL COUNCIL MEETING
MINUTES – 29/11/2016

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1. DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS:

[6:30:03 PM](#) The Mayor declared the meeting open.

2. OPENING PRAYER:

“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. PUBLIC QUESTION AND STATEMENT TIME:

Each person asking questions or making comments at the Open Forum will be **LIMITED** to a time period of **4 MINUTES** to allow all those wishing to comment an opportunity to do so.

[6:30:40 PM](#) **Mr Rob Wright, President, Albany Agricultural Society**

Summary of key points:

- Mr Wright addressed Council regarding the items to be considered by Council this evening.
- Mr Wright expressed his thanks on behalf of the Albany Agricultural Society to City staff for their hard work and cooperation to enable the Albany Agricultural Society to hold a very successful 2016 Albany Show.
- The AAS were confident that the tender process for the new pavilions had been rigorous, and were pleased that the successful tenderer was a local business.
- Mr Wright stated that the construction of a stand-alone office building for the AAS was a better option than the previously proposed refurbished of the ageing Royals Football building, and would minimise maintenance costs going forward.
- Mr Wright stated that the new AAS complex would be a valuable addition for use by the whole community , including hosting external and community events.

[6:37:07 PM](#) There being no further speakers the Mayor declared Public Question Time Closed.

SPECIAL COUNCIL MEETING
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4. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE (PREVIOUSLY APPROVED):

Mayor D Wellington

Councillors:

Breaksea Ward	R Hammond
Breaksea Ward	P Terry
Frederickstown Ward	G Stocks
Kalgan Ward	B Hollingworth
Vancouver Ward	N Mulcahy
West Ward	A Goode JP
West Ward	S Smith
Yakamia Ward	A Moir

Staff:

Chief Executive Officer	A Sharpe
Executive Director Corporate Services	M Cole
Executive Director Economic Development	C Woods
Executive Director Works & Services	M Thomson
Acting Executive Director Development Services	P Camins
Executive Manager Community Services	A Cousins
Minute Secretary	J Williamson

Apologies:

Vancouver Ward	J Shanhun (Apology)
Kalgan Ward	J Price (Apology)
Frederickstown Ward	C Dowling (Apology)
Yakamia Ward	R Sutton (Apology)

5. DECLARATIONS OF INTEREST: Nil.

SCM014: ALBANY AGRICULTURAL SOCIETY DEED OF AGREEMENT & LEASE ARRANGEMENTS – PROPOSED AMENDMENTS TO PREVIOUS AGREEMENTS

- Land Description** : Eastern Precinct
- Reserve 405 Lot 1359 Lockyer Avenue, Centennial Park
 - Lot 305 Lockyer Avenue, Centennial Park
 - Lot 32 North Road, Centennial Park
 - Reserve 23110 No 27-47 North Road, Centennial Park
- Proponent** : Albany Agricultural Society
- Owner** : City of Albany (as freehold or as Management Body of Crown Reserve)
- Attachments** : *Items Attached under CONFIDENTIAL cover, in accordance with section 5.23(2)(c) of the Local Government Act 1995, being a contract which has been entered into:*
- *The Deed of Agreement (executed 18 December 2015)*
 - *Proposed Amended Lease Area*
- Report Prepared By** : Senior Team Leader – Property, Leasing & Customer Service (T Catherall)
Senior Lands Officer (N Crook)
- Responsible Officers:** : Executive Director Corporate Services (M Cole)
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:**
 - 4. A Sense of Community & 5. Civic Leadership
 - 5. Civic Leadership
 - b. **Strategic Objective:**
 - 4.3 To develop and support a healthy inclusive and accessible community.
 - 5.1 To establish and maintain sound business and governance structures.
 - c. **Strategy:**
 - 4.3.2 Encourage and support volunteers and community groups.
 - 5.1.2 Develop informed and transparent decision making processes that meet our legal obligations.

Maps and Diagrams:



In Brief:

- In December 2015, following extensive consultation with the Albany Agricultural Society (AAS), Council endorsed a Deed of Agreement (Deed) as the basis for the Society's continued use, tenure and operations within the Centennial Park Sporting Precinct. This Deed was signed on 18 December 2015.
- The Deed included the future lease arrangements for the AAS new lease area (site of the three proposed buildings) and for use of the Royals Building.
- As a result of detailed design and ongoing negotiations with AAS, variations to the Deed and lease arrangements are proposed to account for improvements to the original agreement. The Centennial Lease Area will be made approximately 1300m² larger to incorporate a new AAS office building, removing the need to proceed with the lease of the Royals building for this purpose and allowing this structure to be demolished. In addition, the AAS have agreed to a shared use arrangement of their toilets and parking areas, to minimise the duplication of infrastructure. The AAS have also agreed to a reduced time period for their priority use of the licensed area of the Stadium building, to meet the expectations of the sporting clubs that will be licensing these areas (Centennial Stadium Inc).
- These revised arrangements are considered to be a better outcome for the precinct overall, in terms of efficient use of land and buildings and has been generally agreed by both the AAS and the Centennial Stadium Inc.
- Council is requested to support the variation to the Deed and lease arrangements, as detailed in this item.

RECOMMENDATION

**SCM014: RESOLUTION
VOTING REQUIREMENT: ABSOLUTE MAJORITY**

**MOVED: COUNCILLOR HAMMOND
SECONDED: COUNCILLOR MOIR**

That Council:

- 1. APPROVE the following variations to the Deed of Agreement between the City of Albany and the Albany Agricultural Society (dated 18 December 2015) and the Centennial Lease as contained in Annexure F of the Deed:**
 - a. A revised Centennial lease area of 1.182ha, as attached to this item and subject to survey;**
 - b. Shared use arrangements for parking and toilet facilities within the AAS Centennial Lease area;**
 - c. The construction of the AAS office within the Centennial Lease area; and**
 - d. The revised priority use arrangements of the licensed area of the Stadium building (which excludes the City of Albany area) by AAS for the Annual Show period (4 days prior and 2 days following).**
- 2. NOTE that the Royals Building Lease as contained in Annexure E of the Deed will not commence.**
- 3. NOTE that the City of Albany will undertake the necessary works to complete the hardstand area to a sealed and kerbed standard;**
- 4. AUTHORISE the reallocation of \$150,000 from Royals Football Club Refit Job No 3828 to contribute to the construction of a new office within the proposed Centennial lease area.**
- 5. Subject to all approvals and licenses being in place, PROCEED with the demolition of the Royals building as soon as possible.**

**CARRIED 9-0
ABSOLUTE MAJORITY**

BACKGROUND

2. The Albany Agricultural Society (AAS) has used Centennial Park East since the 1900's, however a formal licence agreement was only put in place in 1980. The latest licence expired on 31 December 2010 and AAS then occupied the site under holding-over arrangements.
3. On 26 November 2014, the City issued a termination notice to the AAS, with their occupation of the site terminating on 27 November 2015. The City came to an arrangement to permit occupation of the McCormick and Goat Pavilions for an interim period and this concluded on 13 October 2016, with final vacation of the building by 24 October 2016. All of the previous AAS buildings have now been vacated and demolished.
4. At Council's direction, between February 2014 through to December 2015 City staff were involved in intensive negotiations with the AAS. The matter was considered by Council on multiple occasions throughout this period.

5. These negotiations culminated in the consideration of the Deed of Agreement (attached) at Council's meeting held on 15 December 2015. It was resolved by Absolute Majority:

"THAT Council:

1. *ENDORSE the Deed of Agreement (as attached) and the terms therein as the basis for the Albany Agricultural Society's continued use, tenure and operations within the Centennial Park Sporting Precinct;*
 2. *REQUEST that the Deed of Agreement is forwarded as a priority to the Albany Agricultural Society for their endorsement and ask that this Deed is signed on or before Tuesday 22 December 2015;*
 3. *AUTHORISE the Chief Executive Officer to:*
 - a. *Finalise any matters with the Albany Agricultural Society that may arise so as to permit the commencement of works in the Centennial Park Sporting Precinct (Eastern Precinct) in January 2016;*
 - b. *Authorise minor administrative changes to the Deed of Agreement document, though any substantial changes must be presented to Council for further consideration; and*
 - c. *Execute the new lease documents, as detailed in the Deed of Agreement;*
 4. *REQUEST that the Minister of Lands approve the revestment of Lot 1135 on Deposited Plan 208775 as contained on Certificate of Title Volume 546 Folio 156A (Hanrahan Landfill Facility) as a Crown Reserve and issue the management order for this reserve to the City of Albany for waste management purposes.*
 5. *AUTHORISE the amendment of the 2015/2016 Annual budget to reflect the expenditure contained in the Deed of Agreement as follows:*
 - a. *\$852,000 (GST exclusive) for the surrender of the Hanrahan Road Landfill facility to funded from Waste Management Reserve;*
 - b. *\$250,000 (GST exclusive) for site works and drainage as detailed in the Deed of Agreement with the funding source to be determined during the budget review for period ending December 2015."*
6. The Deed of Agreement acts as an over-arching document to direct ongoing dealings with the AAS and sets the terms for the following matters:
- a. The AAS obligations to vacate the Centennial premises and the rights for occupation during the construction period;
 - b. The AAS rights to salvage materials and the obligations the City makes in this regard;
 - c. The surrender of the Crown Grant in Trust over the Hanrahan Landfill Facility and the termination of the City's lease over this land;
 - d. The future lease terms over the Royals building (Royals Lease) and the obligations by both parties to make improvements to this building;
 - e. The future lease terms over the new buildings lease area (Centennial Lease) and the obligations by both parties over the proposed works in this new lease area. This includes details on the financial commitments by both parties; and
 - f. Other general requirements that are consistent with a standard commercial land dealing, such as waivers, disputes, confidentiality, liabilities and warranties etc.

DISCUSSION

7. Since the signing of the Deed of Agreement on the 18 December 2015, the following actions have been achieved in conjunction with the AAS:
 - a. All AAS buildings have been demolished and the AAS office has been temporarily relocated to the Athletics building;
 - b. Consent of the Western Australian Planning Commission (WAPC) for both the proposed leases has been received;
 - c. Funding applications were prepared by the AAS, with the City's assistance, and have been successful;
 - d. Documents have been prepared, signed and lodged with Landgate for the surrender of the Hanrahan Landfill Facility land;
 - e. Design and investigative tasks have been undertaken for the proposed three buildings and the refit of the Royals Building;
 - f. An expression of interest and tender process has been conducted for the construction of the three proposed buildings (pavilions); and
 - g. The City has worked closely with the AAS to assist with the relocation of the Annual Show to the ALAC grounds and Western Precinct.
8. In view of the detailed design of the Eastern Precinct and ongoing negotiations with key stakeholders, it was identified that some amendments to the original Deed and lease arrangements may be necessary. Each change will be addressed in detail.

Centennial Lease Area

9. The Deed and the Centennial Lease contained reference to a 1.048ha lease area along Symers Street and Cockburn Road.
10. It is proposed to amend the lease area such that it extends along Cockburn Road from the intersection of Symers Street and extending towards Lockyer Avenue. The proposed lease area is 1.182ha (subject to survey).
11. The lease area has been revised to minimise the earthworks involved and the associated costs in order to prepare the site for construction of the three buildings. The revised lease area will also result in increased parking facilities around the proposed buildings.
12. In addition, the lease area makes provision for a standalone office building of approximately 250m².
13. The main concern with respect to the proposed lease area is the potential effect it has on the sporting fields and the usable area. The area has been discussed with the affected sporting clubs and no objection has been raised.

Shared Use of Parking

14. It has been proposed that the City have the ability to use the AAS parking areas as required, such that these areas are used on a more regular basis and minimise the need for use of other areas in the precinct for parking during peak periods and/or special events.
15. This arrangement would be as agreed between the two parties and is to be at no cost to the City.

Shared Use of Toilets

16. It is proposed that the City have access to the toilet facilities contained within two of the proposed pavilions.
17. The use of these facilities may be in place of the existing public toilet block along the western boundary of Reserve 405 and the Royals building. Both of these facilities are outdated and in poor condition.
18. It is anticipated that in exchange for the use of the AAS toilet facilities that the City would need to provide consumables, cleaning and security as is the case with other public toilet facilities.

AAS Office & Royals Building

19. Following investigation of the Royals building, it was determined that substantial works would be necessary to bring this building up to standard and may not be the best approach to accommodate the AAS office in the longer term.
20. As such, it has been agreed that the AAS office would be better situated within the Centennial Lease. Provision is made within the proposed amended lease area to accommodate a standalone office building of approximately 250m² floor area.
21. In view of this arrangement, it is now proposed that the Royals building will be demolished as a priority and not leased by AAS.
22. This provides for a much improved planning outcome in respect to the precinct overall as the removal of the Royals building will allow for better use of the green space and greater flexibility. It also gives the opportunity to rationalise assets.

AAS Priority Use

23. The Deed has granted AAS priority use of the Central and Eastern Centennial Precinct areas, including grounds and facilities, for the Annual Show. Under the Deed, use is permitted 10 days prior to the Show and 6 days following.
24. In negotiating the Stadium licence with Centennial Stadium Inc. (CSI) comprising the football clubs (Royals and Sharks), some concerns were raised with the AAS priority use of the Stadium building over the Show period. No concerns were raised with the priority use of the grounds.
25. In view of these discussions, AAS have agreed to minimise the use of the Stadium building to 4 days before and 2 days following the Annual Show. This applies to the area covered by the Stadium licence (i.e. the main function area, toilets and change rooms) and does not include the designated City space (meeting rooms and space on the northern side of the Stadium). This area will remain as 10 days prior and 6 days following as per the Deed. This arrangement will be reflected in the Stadium licence.

Parking Area Use in Peak Sporting Periods

26. In the original Deed, there was a clause which restricted the use of parking areas within the Eastern Precinct during peak sporting periods for AAS meetings and events. This clause was not applied to the Centennial Lease Area because it was envisaged AAS would have their own separate parking areas.
27. The shared use of AAS parking areas has the potential create potential user conflicts between AAS activities and peak sporting periods. The City will work with the AAS to implement communication mechanisms in order to mitigate and minimise impacts.

Documentation

28. To reflect the above changes and new agreements with the AAS, the existing Deed and lease documentation will be varied, subject to Council approval. The variation documents will be executed by both the City and the AAS.
29. In view of the new arrangements for the AAS Office, the Royals Lease will not commence and this document will be void.

GOVERNMENT & PUBLIC CONSULTATION

30. The City has had discussions with the WAPC with regard to the amendment to the Centennial Lease area. This agency has advised that a new approval will be required for any amended lease, however have given an indication that no concerns would be raised.
31. All changes to the original agreements have been extensively discussed and supported by the AAS and the CSI.

STATUTORY IMPLICATIONS

32. Section 136 of the Planning and Development Act 2005 requires the Western Australian Planning Commission grant approval for any lease term exceeding 20 years on part of a freehold lot.

POLICY IMPLICATIONS

33. There are no policy implications relevant to the amendments proposed to the Deed and lease agreements.

RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Financial. <i>If proposed variation not supported, higher earthworks costs associated with developing the original Centennial Lease area will result.</i>	<i>Unlikely</i>	<i>Major</i>	<i>Medium</i>	<i>City staff will work with Council to validate proposed variation.</i> <i>Note: The revised scope of works are necessary to construct within set budgets.</i>
Reputation. <i>Non approval of variation will result in missed opportunities for both the City and AAS.</i>	<i>Unlikely</i>	<i>Moderate</i>	<i>Medium</i>	<i>Seek to negotiate mutually agreeable terms with AAS.</i>

FINANCIAL IMPLICATIONS

35. Under the terms of the Deed, the City is committed to making a financial contribution of \$852,000 plus \$250,000 of in-kind services and works with respect to the site works and drainage infrastructure on the Centennial Lease.
36. The AAS has been successful in obtained Federal funding of \$950,000 from the National Stronger Regions fund for the construction of the three proposed pavilion buildings.

37. The tender to construct the three proposed buildings is addressed as a separate item on the Special Council Agenda.
38. It is proposed that the budget set aside for the refurbishment of Royals (\$150,000) would be reallocated to the construction of the AAS office in the Centennial Lease area.
39. It is expected that there will be a shortfall of funds if an office building is to be constructed within the AAS lease area along Cockburn Road. It is unlikely that the AAS will have sufficient funds to complete the hardstand areas to a sealed and kerbed standard. The City would expect that the hardstand area was completed to a sealed standard, particularly given that the AAS have been successful in obtaining additional funding.
40. It is suggested that Council undertake this work as part of the site works component. The City will incur additional cost of up to \$80,000 however some of this cost will be absorbed within the existing budget allocation. Council, in future, may need to consider some additional funds to be drawn from other relevant accounts through the budget review process to ensure completion.
41. While this is an additional expense in the short term, it is considered that the outcome will be much improved in the longer term for the City and AAS. The liability of the aging Royals building under the earlier lease agreement over the term of the lease is significant and will be eliminated under this arrangement. This is seen as a very significant advantage of this proposed arrangement.
42. Demolition of the Royals building is legitimately considered as being included within the scope of the Centennial Park Sporting Precinct development and will be undertaken as part of the project.
43. The shared use of parking and toilet facilities will minimise the expense associated with the duplication of infrastructure while also providing a broader community benefit.
44. It has been indicated to the AAS that any shortfall in the building costs as a result of the inclusion of a new office will be borne by AAS. It is likely the AAS will need to contribute further funds to ensure that the three pavilions and office building are complete and compliant with the Building Code of Australia.
45. Funds will be required for the demolition of the existing Royals building which can be drawn from the Centennial Park Sporting Precinct project.

LEGAL IMPLICATIONS

46. All variation documentation will be prepared by the City's legal counsel.

ENVIRONMENTAL CONSIDERATIONS

47. There are no direct environmental considerations related to this item.

ALTERNATE OPTIONS

48. Council may:
 - a. Approve the amendments to the Deed and lease, as documented within this report; or
 - b. Make alternate recommendations to the proposed variations; or
 - c. Not support one or more of the proposed variations and default to the original agreement. This may impact other arrangements with the key stakeholders (i.e. AAS and CSI).

CONCLUSION

49. The proposed variations reflect ongoing negotiations with the AAS and the CSI for the future use of the Centennial Park Eastern Precinct. Subject to Council approval, all key stakeholders have agreed to the variations proposed.
50. It is considered that the amendments would facilitate the use and development of the Eastern Precinct in a more cost effective and sustainable manner, with the sharing of infrastructure and the rationalisation of aging assets.
51. It is recommended that Council support the variations to the Deed and Lease arrangements in place with the AAS.

Consulted References	:	Past documentation, correspondence & items to Council <i>Land Administration Act 1997</i>
File Number (Name of Ward)	:	CP.DEC.1; PRO411; PRO412
Previous References	:	<ul style="list-style-type: none"> • OCM 22/07/2014 Item CS011 • OCM 25/02/2014 Item CS008 • OCM 16/07/2013 Item 3.1 • OCM 23/07/2015 Item CSF1777 • OCM 15/12/2015 Item CSF214 • OCM 08/11/2016 Item CSF279

SCM015: TENDER FOR NEW ALBANY AGRICULTURAL SOCIETY PAVILIONS

- Land Description** : Centennial Park Sporting Precinct – Albany Agricultural Society lease site on Cockburn Road.
- Proponent / Owner** : City of Albany as Proponent / Albany Agricultural Society as Owner
- Attachments** : *Items Attached under CONFIDENTIAL cover, in accordance with section 5.23(2)(c) of the Local Government Act 1995, with information which is commercial in confidence:*
- *Confidential Briefing Note -Expression of Interest and Tender Process – Albany Agricultural Society Pavilions*
- Report Prepared By** : Major Projects Coordinator (R Taylor)
- Responsible Officers:** : 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 and Corporate Business Plan 2014 - 2018:
 - a. **Key Theme:** 3: A Connected Built Environment and 5. Civic Leadership.
 - b. **Strategic Objectives:** 3.3: To develop vibrant neighbourhoods which retain our local character and heritage and 5.2 To provide strong, accountable leadership supported by a skilled and professional workforce
 - c. **Strategy:** 3.3.2: Provide proactive planning and building services and 5.2.1 Provider positive leadership that delivers community outcomes.

Maps and Diagrams:



In Brief:

- The City of Albany, on behalf of the Albany Agricultural Society (AAS) conducted a tender process for the construction of pavilions in the Centennial Park – Eastern Precinct.
- Following a joint selection process, the AAS in consultation with City staff has agreed on a preferred contractor.
- The AAS, as the contract Principal has requested that the City of Albany approve the AAS selection of contractor, for the purposes of the AAS engagement of that contractor. The preferred tenderer will then be advised by the parties jointly, so that contractual arrangements can be progressed by the AAS.

RECOMMENDATION

SCM015: RESOLUTION
VOTING REQUIREMENT: SIMPLE MAJORITY

MOVED: COUNCILLOR HAMMOND
SECONDED: COUNCILLOR TERRY

THAT:

1. **The joint evaluation process which included the Albany Agricultural Society and the City of Albany recommending Auspan Group as the preferred Contractor of the Society be NOTED; and**
2. **The Albany Agricultural Society be advised that the City of Albany does not object to the appointment of that Contractor by the Albany Agricultural Society.**

CARRIED 9-0

BACKGROUND

2. Under the Deed of Agreement between the AAS and the City of Albany, the City is required to assist in the conduct of a transparent tender process in conjunction with the AAS for the construction of pavilions in the Eastern precinct of Centennial Park. The tender documents note the City as fulfilling the role of Supervisor under any resulting Contract.
3. Expressions of interest were called for Design and Construct – Albany Agricultural Society Sheds. The result was the shortlisting of 5 suitably experienced contractors to progress to a select (invited) tender.
4. The expression of interest process has enabled a more rigorous analysis of capability and understanding to be undertaken prior to going to tender and receiving firm prices. Hence the weighting on price in the tender is weighted relatively high.
5. The shortlisted building contractors were invited to tender.

DISCUSSION

6. The request for tender opened on 11 October 2016 and closed on 9 November 2016.
7. The City received 4 completed tenders with one contractor withdrawing due to winning another large job in the state.
8. Tenders were subsequently opened, the name of the tenderer/s recorded in the tender register.
9. The standard tender process was applied, ensuring the necessary accountability and transparency when considering submission. The tender was evaluated using the weighted attributes methodology. This method scores the evaluation criteria and weights their importance to determine an overall point score for the tender.

10. Evaluation of Tenders

The tender evaluation panel assessed tenders as a team by marking each criterion out of 10. Criteria and weighting were as follows:

Criteria	% Weight
Cost	60
Key Personnel Skills and Experience	15
Demonstrated Understanding	25
Total	100

The following table summarises the tenderer and the overall evaluation score applicable.

Tenderer	Weighted Score
Auspan	628.77
Tenderer B	517.79
Tenderer C	508.08
Tenderer D	490.36

11. The Albany Agricultural Society, with support from the City will need to continue to negotiate minor terms and scope of works due to some issues concerning the final design of sheds, lease boundary and Albany Agricultural Society offices.

GOVERNMENT & PUBLIC CONSULTATION

12. Not applicable.

STATUTORY IMPLICATIONS

13. Regulation 21 of the Local Government (Functions and General) Regulations 1996 (Regulations) relating to limiting who can tender, and the procedure for expressions of interest.
14. 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. In this case, Council has been asked if it objects to the appointment of a preferred tenderer.
15. Regulation 19 of the Regulations requires Council to advise each tenderer in writing the result of Council's decision
16. In accordance with Section 6.8 (1)(b) of the Local Government Act 1995; "A local government is not to incur expenditure from its municipal fund for an additional purpose except where expenditure – is authorised in advance by resolution. Simple Majority required.
17. In accordance with Section 6.8 (1)(b) of the *Local Government Act 1995*:
"A local government is not to incur expenditure from its municipal fund for an additional purpose except where expenditure – is authorised in advance by resolution. Simple Majority required."

POLICY IMPLICATIONS

18. The City of Albany Tender Policy and Regional Price Preferences Policy are applicable to this item.

RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Reputation <i>If the proposed preferred tender is not endorsed may result in the process of selection being questioned.</i>	<i>Possible</i>	<i>Major</i>	<i>High</i>	<i>City Officers work with Council to address any areas of concern.</i> <i>Note: The proposed preferred tenderer was subjected to a rigorous, transparent review and recommendation process.</i>
Opportunity: <i>There is the opportunity for the preferred tenderer to provide a high quality and cost effective outcome noting the high quality submission.</i>				

FINANCIAL IMPLICATIONS

20. There are no financial considerations for the City. The building works are funded through the City of Albany contribution of \$852,000 and funding that the AAS have received from other sources. The risk of cost overruns on the building project lies with the AAS as the contract Principal.
21. The preferred tenderer is price competitive and it is expected to deliver to AAS expectations.

LEGAL IMPLICATIONS

22. The City must be mindful of the requirements of the Deed of Agreement with the AAS. The buildings will be owned and maintained by the AAS and therefore the contractual risk lies with them as the Principal. The City will be fulfilling the role of Superintendent under the resultant Contract with the preferred tenderer.

ENVIRONMENTAL CONSIDERATIONS

23. There are no direct environmental considerations related to this item.

ALTERNATE OPTIONS

24. There are no alternative options, the City is bound to conduct this process.

CONCLUSION

25. On reviewing the submissions, Auspan Group are deemed the most advantageous tenderer across the evaluation criteria for the construction of the Albany Agricultural Society Sheds within Centennial Park Sporting Precinct, Eastern Precinct. Their tender was well detailed and demonstrated a good understanding of the tender objectives.
26. This report recommends that the tender from Auspan Group be noted as being the preferred tender resulting from the joint evaluation and to advise the Albany Agricultural Society that the City of Albany does not object to their appointment of that contractor.

Consulted References	:	<ul style="list-style-type: none"> • <i>Local Government Act 1995</i> • <i>Local Government (Functions and General) Regulations 1996</i> Council Policy – Purchasing Council Policy – Buy Local (Regional Price Preference)
File Number (Name of Ward)	:	CS.ARG.2 / PRO411
Previous Reference	:	Nil

SCM016: ALBANY AGRICULTURAL SOCIETY BUSINESS PLAN

- Land Description** : Eastern Precinct
- Reserve 405 Lot 1359 Lockyer Avenue, Centennial Park
 - Lot 305 Lockyer Avenue, Centennial Park
 - Lot 32 North Road, Centennial Park
 - Reserve 23110 No 27-47 North Road, Centennial Park
- Proponent** : Albany Agricultural Society
- Owner** : City of Albany (as freehold or as Management Body of Crown Reserve)
- Attachments** : *Items Attached under CONFIDENTIAL cover, in accordance with section 5.23(2)(c) of the Local Government Act 1995, being a contract which has been entered into:*
- *Albany Agricultural Society Business Plan*
- Report Prepared By** : Executive Director Works and Services (M Thomson)
- Responsible Officers:** : 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:** 5. Civic Leadership
 - b. **Strategic Objective:** 5.1 To establish and maintain sound business and governance structures.
 - c. **Strategy:** 5.1.2 Develop informed and transparent decision making processes that meet our legal obligations.

In Brief:

- In December 2015, following extensive consultation with the Albany Agricultural Society (AAS), Council endorsed a Deed of Agreement (Deed) as the basis for the Society's continued use, tenure and operations within the Centennial Park Sporting Precinct. This Deed was signed on 18 December 2015.
- The Deed included a requirement of the Albany Agricultural Society to furnish the City of Albany with its future business plan to enable City staff to have comment.
- The business plan is received.

RECOMMENDATION

SCM016: RESOLUTION

VOTING REQUIREMENT: SIMPLE MAJORITY

MOVED: COUNCILLOR HAMMOND

SECONDED: COUNCILLOR HOLLINGWORTH

THAT the Albany Agricultural Society Business Plan be RECEIVED, NOTING that the business plan is subject to further review by City Officers.

CARRIED 9-0

Maps and Diagrams:



BACKGROUND

2. Report SCM014 provides additional background detail in regards to the negotiations between the Albany Agricultural Society (AAS) and the City of Albany which culminated in the signing of a comprehensive Deed of Agreement on 18 December 2015.
3. Item 3.5 of the Deed of Agreement states:
“AAS shall deliver to the City its future business plan in sufficient detail for the City to provide comment on the sustainability of the development and maintenance of the Centennial Lease Land over the term of the Centennial Lease. The City shall provide its comments and the Parties shall discuss and agree any modifications necessary to ensure the sustainability of the development.”

DISCUSSION

Business Plan

4. The plan has been prepared by an independent consultant with appropriate expertise in business planning.
5. City staff have conducted an initial review, however, a more detailed review will occur and comment will be provided to the AAS in the near future.
6. The intent of the detailed review will be to point out deficiencies (if any) and make suggestions for improvement.

7. While the Deed makes provision for the City to make comment, the City should not necessarily intervene in the business activities of the AAS (or any other group) as this may compromise the City's position if any action needs to be taken in relation to the lease and in particular in relation to the upkeep of infrastructure in future.
8. Notwithstanding the above, the plan addresses sources of revenue, ongoing maintenance and renewal of infrastructure, expenses associated with ongoing administration and, importantly, business risks and measures to mitigate those risks. These elements to the plan are consistent with the expectations of the City. The plan, while it remains subject to review, appears robust and demonstrates a responsible and sustainable approach to business.
9. Subject to the outcome of Council deliberations concerning the future location of AAS offices, the plan will ultimately be required to address ongoing costs associated with maintaining an office. This is not expected to alter the plan significantly.

GOVERNMENT & PUBLIC CONSULTATION

10. Not applicable to this item.

STATUTORY IMPLICATIONS

11. There are no statutory implications relating to this item and the AAS Business Plan.

POLICY IMPLICATIONS

12. There are no policy implications relevant to the AAS Business Plan.

RISK IDENTIFICATION & MITIGATION

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

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Reputation. <i>City makes financial contribution to the AAS which ultimately becomes financially insecure.</i>	<i>Unlikely</i>	<i>Moderate</i>	<i>Medium</i>	<i>Business plan provides a benchmark to make an ongoing assessment of the AAS financial performance, enabling remedies, where necessary, to be actioned.</i>
Opportunity: <i>A review of the AAS business plan gives opportunity for the City to have input and offer suggestions for improvement.</i>				
<i>Ultimately, the City wants the AAS to succeed. An enabler to partnership success is ongoing good teamwork and communications.</i>				

FINANCIAL IMPLICATIONS

14. The purpose of the AAS Business Plan is to demonstrate that the AAS can operate independent of the City of Albany and can maintain their infrastructure for the term of the lease.
15. In future, should the AAS become financially insecure and is not able to maintain its buildings to a satisfactory standard, the City may, under the lease arrangement, initiate actions in order to take over control of the buildings.

LEGAL IMPLICATIONS

16. The Deed of Agreement requires that the AAS provide the City of Albany with a future business plan of sufficient detail to enable the City to make comment. The City may influence the business plan to the extent of that which is agreed, however, the City should not intervene in the AAS's business activities.

ENVIRONMENTAL CONSIDERATIONS

17. There are no direct environmental considerations related to this item.

ALTERNATE OPTIONS

18. Council is not required to make a decision on this matter.

CONCLUSION

19. The City has been furnished with the future business plan of the Albany Agricultural Society (AAS) in accordance with requirements set out in the Deed of Agreement between the parties.
20. It is recommended that the business plan be received, noting that the business plan will be subject to further review.

Consulted References	:	Past documentation, correspondence & items to Council <i>Land Administration Act 1997</i>
File Number (Name of Ward)	:	CP.DEC.1; PRO411; PRO412
Previous References	:	<ul style="list-style-type: none">• OCM 22/07/2014 Item CS011• OCM 25/02/2014 Item CS008• OCM 16/07/2013 Item 3.1• OCM 23/07/2015 Item CSF1777• OCM 15/12/2015 Item CSF214• OCM 08/11/2016 Item CSF279

6. CLOSURE OF MEETING

There being no further business the Mayor declared the meeting closed at [6:45:52 PM](#)



Dennis W Wellington
MAYOR