

minutes

Finance Committee

MEETING HELD ON **MONDAY 3 OCTOBER 2016**

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CITY OF JOONDALUP

MINUTES OF THE FINANCE COMMITTEE MEETING HELD IN CONFERENCE ROOM 2, JOONDALUP CIVIC CENTRE, BOAS AVENUE, JOONDALUP ON MONDAY 3 OCTOBER 2016.

ATTENDANCE

Committee Members

Cr Tom McLean, JP	<i>Presiding Member</i>
Mayor Troy Pickard	
Cr Philippa Taylor	<i>Deputy Presiding Member</i>
Cr Russell Poliwka	
Cr Mike Norman	
Cr John Logan	
Cr Sophie Dwyer	

Officers

Mr Garry Hunt	Chief Executive Officer	
Mr Nico Claassen	Director Infrastructure Services	
Mr Mike Smith	Acting Director Corporate Services	
Mr Brad Sillence	Manager Governance	
Mr Blignault Olivier	Manager City Projects	<i>to 6.07pm</i>
Mr John Byrne	Governance Coordinator	
Mrs Rose Garlick	Governance Officer	

Observers

Cr Russ Fishwick, JP	<i>from 5.47pm</i>
Cr John Chester	

DECLARATION OF OPENING

The Presiding Member declared the meeting open at 5.45pm.

DECLARATIONS OF INTEREST

Nil.

APOLOGIES/LEAVE OF ABSENCE**Leave of Absence previously approved**

Cr Liam Gobbert	29 August to 4 October 2016 inclusive;
Cr Sophie Dwyer	20 October to 24 October 2016 inclusive;
Cr Mike Norman	22 October to 30 October 2016 inclusive;
Cr Sophie Dwyer	6 November to 11 November 2016 inclusive;
Cr Russell Poliwka	7 November to 19 November 2016 inclusive;
Cr John Logan	16 November to 20 November 2016 inclusive.

CONFIRMATION OF MINUTES**MINUTES OF THE FINANCE COMMITTEE HELD ON 10 AUGUST 2016**

MOVED Cr Poliwka **SECONDED** Mayor Pickard that the minutes of the meeting of the Finance Committee held on 10 August 2016 be confirmed as a true and correct record.

The Motion was Put and

CARRIED (7/0)

In favour of the Motion: Cr McLean, Mayor Pickard, Crs Dwyer, Logan, Norman, Poliwka and Taylor.

ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION

Nil.

IDENTIFICATION OF MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

In accordance with Clause 5.2 of the City's *Meeting Procedures Local Law 2013*, this meeting was not open to the public.

PETITIONS AND DEPUTATIONS

Nil.

REPORTS**ITEM 1 UPDATE ON THE 2016-17 CAPITAL WORKS PROGRAM**

WARD	All
RESPONSIBLE DIRECTOR	Mr Nico Claassen Infrastructure Services
FILE NUMBER	105564, 101515
ATTACHMENT	Attachment 1 Capital Works Project Report 2016-17
AUTHORITY / DISCRETION	Information - includes items provided to Council for information purposes only that do not require a decision of Council (that is for 'noting').

PURPOSE

For the Finance Committee to note the update on the *2016-17 Capital Works Program*.

EXECUTIVE SUMMARY

The Capital Works Project Report for the 2016-17 program as at 31 August 2016 is attached (Attachment 1 refers).

It is therefore recommended that the Finance Committee NOTES the report on the Capital Works Projects for 2016-17 as at 31 August 2016 forming Attachment 1 to this Report.

BACKGROUND

At its meeting held on 3 November 2015 (JSC02-11/15 refers), Council resolved, in part to:

“2 *ESTABLISH a Finance Committee to:*

- 2.1 *oversee the progress of the City’s annual capital works program and review of the City’s Five Year Capital Works Program;*
- 2.2 *make recommendations to Council on modifications of capital works projects outside those projects of the Major Projects Committee;*
- 2.3 *make recommendations to Council on the services to be provided by the City and the standards of service delivery being cognisant of industry best practice;”*

DETAILS

The Capital Works Project Report for the 2016-17 program as at 31 August 2016 is provided at Attachment 1.

Issues and options considered

Not applicable.

Legislation / Strategic Community Plan / policy implications**Legislation**

Sections 5.17 and 6.8 of the *Local Government Act 1995*.

A committee cannot make decisions, on behalf of the Council, that require an absolute majority decision (section 5.17 of the *Local Government Act 1995*), in which case, and in accordance with Section 6.8 of the *Local Government Act 1995*, includes approving expenditure not included in the City's Annual Budget. The Finance Committee may only recommend to Council to approve or modify capital works projects.

Strategic Community Plan**Key theme**

Financial Sustainability.

Objective

Major project delivery.

Strategic initiative

Not applicable.

Policy

Not applicable.

Risk management considerations

Not applicable.

Financial / budget implications

Not applicable.

Regional significance

Not applicable.

Sustainability implications

Not applicable.

Consultation

Not applicable.

COMMENT

The Capital Works Project Report for the 2016-17 program provides an update on the capital works activities undertaken as at 31 August 2016.

VOTING REQUIREMENTS

Simple Majority.

Cr Fishwick entered the room at 5.47pm.

MOVED Cr Dwyer SECONDED Cr Norman that the Finance Committee NOTES the report on the Capital Works Projects for 2016-17 as at 31 August 2016 forming Attachment 1 to this Report.

The Motion was Put and

CARRIED (7/0)

In favour of the Motion: Cr McLean, Mayor Pickard, Crs Dwyer, Logan, Norman, Poliwka and Taylor.

Appendix 1 refers

To access this attachment on electronic document, click here: [Attach1agnFIN161003.pdf](#)

ITEM 2 BI-MONTHLY CAPITAL WORKS PROJECT REPORTS

WARD	All
RESPONSIBLE DIRECTOR	Mr Nico Claassen Infrastructure Services
FILE NUMBER	105564, 101515
ATTACHMENT	Attachment 1 Timberlane Park Hall Upgrade Attachment 2 Kingsley Clubrooms Attachment 3 SES Winton Road Attachment 4 MacDonald Park Landscape Master Plan Attachment 5 Ocean Reef Road - Marmion Avenue to Oceanside Promenade Dualling Attachment 6 Ocean Reef Road/ Joondalup Drive Intersection Upgrade Attachment 7 Leafy City Program Attachment 8 Joondalup City Centre Lighting Attachment 9 Admiral Park Flood Lighting Upgrade Attachment 10 Penistone Park Facility Refurbishment Attachment 11 Grove Child Care/Dorchester Hall/ Warwick Hall Attachment 12 Sorrento Beach Enclosure Attachment 13 Warwick Hockey Centre Project Attachment 14 Percy Doyle – Undercroft Extension
AUTHORITY / DISCRETION	Information - includes items provided to Council for information purposes only that do not require a decision of Council (that is for 'noting').

PURPOSE

For the Finance Committee to note the bi-monthly project status reports for capital works projects.

EXECUTIVE SUMMARY

At the Finance Committee meeting held on 10 August 2016 the committee determined which capital works project reports were required and the frequency of reporting. The bi-monthly project reports are attached (Attachments 1-14 refer).

It is therefore recommended that the Finance Committee NOTES the bi-monthly capital works project reports forming Attachments 1 to 14 to this Report.

BACKGROUND

At its meeting held on 10 August 2016 the Finance Committee requested that the following project reports from the *2016-17 Capital Works Program* be provided on a bi-monthly basis:

- Timberlane Park Hall Upgrade.
- Kingsley Clubrooms.
- SES Winton Road.
- MacDonald Park Landscape Master Plan.
- Ocean Reef Road - Marmion Avenue to Oceanside Promenade Dualling.
- Ocean Reef Road/Joondalup Drive Intersection Upgrade.
- Leafy City Program.
- Joondalup City Centre Lighting.
- Admiral Park Flood Lighting Upgrade.
- Penistone Park Facility Refurbishment.
- Grove Child Care/Dorchester Hall/Warwick Hall.
- Sorrento Beach Enclosure.
- Warwick Hockey Centre Project.
- Percy Doyle - Undercroft Extension.

DETAILS

A summary of the projects and their current status is detailed in the bi-monthly project reports forming Attachments 1-14 to this Report.

The following project which required a bi-monthly project report has now been completed and no further reports will be presented to the Finance Committee:

- Timberlane Park Hall Upgrade.

Issues and options considered

Not applicable.

Legislation / Strategic Community Plan / policy implications

Legislation

Sections 5.17 and 6.80 of the *Local Government Act 1995*.

A committee cannot make decisions, on behalf of the Council, that require an absolute majority decision (section 5.17 of the *Local Government Act 1995*), in which case, and in accordance with Section 6.8 of the *Local Government Act 1995*, includes approving expenditure not included in the City's Annual Budget. The Finance Committee may only recommend to the Council to approve or modify capital works projects.

Strategic Community Plan

Key theme

Financial Sustainability.

Objective Major project delivery.

Strategic initiative Not applicable.

Policy Not applicable.

Risk management considerations

Not applicable.

Financial / budget implications

Not applicable.

Regional significance

Not applicable.

Sustainability implications

Not applicable.

Consultation

Not applicable.

COMMENT

The attached capital works project reports provide an update on the activities undertaken in the last two months.

VOTING REQUIREMENTS

Simple Majority.

MOVED Cr Norman SECONDED Cr Logan that the Finance Committee NOTES the bi-monthly capital works project reports forming Attachments 1 to 14 to this Report.

The Motion was Put and

CARRIED (7/0)

In favour of the Motion: Cr McLean, Mayor Pickard, Crs Dwyer, Logan, Norman, Poliwka and Taylor.

Appendix 2 refers

To access this attachment on electronic document, click here: [Attach2agnFIN161003.pdf](#)

ITEM 3 STATUS REPORT ON CITY FREEHOLD PROPERTIES PROPOSED FOR DISPOSAL AND A PROPOSED CROWN LAND ACQUISITION

WARD	All	
RESPONSIBLE DIRECTOR	Mr Garry Hunt Office of the CEO	
FILE NUMBER	63627	
ALT FILE NUMBER	101515	
ATTACHMENTS	Attachment 1	Lot 200 (24), Lot 201 (22) Lot 202 (20) Kanangra Crescent, Greenwood
	Attachment 2	Lot 23 (77) Gibson Avenue, Padbury
	Attachment 3	Lot 803 (15) Burlos Court, Joondalup
	Attachment 4	Lot 1001 (14) Camberwarra Drive, Craigie
	Attachment 5	Lots 900 (57) Marri Road, Duncraig
	Attachment 6	Lot 12223 (12) Blackwattle Parade, Padbury
AUTHORITY / DISCRETION	Information - includes items provided to Council for information purposes only that do not require a decision of Council (that is for 'noting').	

PURPOSE

For the Finance Committee to note the progress towards the disposal of a number of City owned freehold land sites and the proposed acquisition of a Crown land community purpose reserve.

EXECUTIVE SUMMARY

The City's freehold land disposal project initially included 14 sites with two sites being withdrawn from consideration and seven sites having sold (Table 1 below refers).

At its meeting held on 19 April 2016 (CJ062-04/16 refers), Council authorised a public tender process for the disposal of three sites, in addition to noting that Lot 900 (57) Marri Road, Duncraig had previously received Council's authorisation for disposal.

Tenders were called for the purchase of Lot 803 (15) Burlos Court, Joondalup and Lot 23 (77) Gibson Avenue, Padbury with advertising being for 21 days closing on 31 August 2016. A report is being submitted to Council's meeting to be held on 18 October 2016 on the outcome of the tender process.

Demolition of the facility on Lot 1001 (14) Camberwarra Drive, Craigie is being organised and a new certificate of title is expected for Lot 2 (20) Kanangra Crescent, Greenwood within three to four weeks. These properties may be ready for disposal by public tender by late October 2016.

Advice from the Department of Lands (DoL) on the City's proposed acquisition of Lot 12223 (12) Blackwattle Parade, Padbury has had the Minister for Land's approval. Two queries raised by the DoL have received the City's response and therefore a contract of sale is awaited. Updates are being requested on a regular basis.

Table 2 of this Report provides a summarised account of the progress towards the disposal of the remaining freehold sites and the acquisition of Lot 12223 (12) Blackwattle Parade, Padbury.

It is therefore recommended that the Finance Committee:

- 1 *NOTES the status report on the progress of the City's proposed disposal of five freehold land sites;*
- 2 *NOTES a further status report on the progress of the City's proposed disposal of freehold land and proposed acquisition of a Crown land site will be submitted to the Finance Committee meeting to be held on 7 December 2016.*

BACKGROUND

The City's freehold land disposal project initially included 14 sites. Lot 181 (4) Rowan Place, Mullaloo (CJ096-05/12 refers) and Lot 971 (52) Creaney Drive, Kingsley (CJ103-06/14 refers) were withdrawn from sale. The value of the two sites was in the vicinity of \$4.5 million.

Table 1 indicates the seven sites that have sold to-date.

Except for the site that was sold to Masonic Care WA in Kingsley, Council approved the sale of these properties for the development of 'Aged or Dependent Persons' Dwellings' – or unit developments for people over 55 years of age.

Table 1 (GST exclusive)

Property	Date Sold	Sale Price
Lot 200 (18) Quilter Drive, Duncraig	March 2013	\$1,350,000
Lot 766 (167) Dampier Avenue, Kallaroo	March 2013	\$1,055,000
Lot 147 (25) Millport Drive, Warwick	March 2013	\$1,340,000
Lot 613 (11) Pacific Way, Beldon	March 2013	\$ 700,000
Lot 671 (178) Camberwarra Drive, Craigie	March 2013	\$ 828,000
Part Lot 549 (11) Moolanda Boulevard, Kingsley	August 2015	\$1,050,000
Lot 745 (103) Caridean Street, Heathridge	December 2015	\$ 874,000
	TOTAL	\$7,197,000

DETAILS

Table 2

	Property Address	Land Disposals – Current Status
1	<p>Lot 200 (24), Lot 201 (22) and 202 (20) Kanangra Crescent, Greenwood</p> <p>Land Area: 3005m²*</p> <p>Attachment 1 refers</p> <p>*Approximate land area, once the three lots are amalgamated</p>	<p>The deposited plan for the amalgamation of Lot 200 (24), Lot 201 (22) and 202 (20) Kanangra Crescent, Greenwood is 'In Order for Dealings and an application for a new Certificate of Title (CT) was lodged at Landgate on 6 September 2016. The CT for Lot 2 (20) Kanangra Crescent, Greenwood is expected within 2/3 weeks.</p> <p>Documents concerning Council's support for Amendment No. 78 to <i>District Planning Scheme No. 2</i> (DPS2) to recode the amalgamated land from R20 to R40 and restrict the use to 'Aged or Dependent Persons' Dwellings' were forwarded to the Western Australian Planning Commission on (WAPC) on 9 March 2016. On 18 August 2016, the WAPC requested a minor modification to the Scheme maps which the City responded to immediately. The Minister for Planning's approval of the amendment is still awaited.</p> <p>At its meeting held on 19 April 2016, Council authorised the Chief Executive Officer to conduct a public tender to dispose of Lot 2 (20) Kanangra Crescent, Greenwood. On the receipt of the new CT and the Minister's approval of Amendment No. 78 disposal can take place.</p> <p>Contract of sale documents and Request for Tender documents will be prepared for this property to potentially go out to tender in October 2016.</p>
2	<p>Lot 23 (77) Gibson Avenue, Padbury –</p> <p>Land Area: 5,159m²</p> <p>Attachment 2 refers</p>	<p>This site is zoned Residential with a restricted use to 'Aged or Dependent Persons' Dwellings and it has a density code of R40.</p> <p>A private treaty offer was withdrawn related to this property on 17 June 2016. The reason provided by the developer was that the restrictions imposed to retain the large tuart as part of the development design had made a difficult site even more difficult to develop. Lot 23 is constrained by water, drainage and sewer easements.</p> <p>Based on the withdrawal of the offer, a public tender process to dispose of this site was recently conducted with tenders being received up until 31 August 2016. A report on the outcome of the process is being submitted to Council's meeting of 18 October 2016.</p>
3	<p>Lot 803 (15) Burlos Court, Joondalup –</p> <p>Land Area: 4,410m²</p> <p>Attachment 3 refers</p>	<p>This site is zoned Residential with a restricted use to 'Aged or Dependent Persons' Dwellings and it has a density code of R60.</p> <p>Council provided its authorisation to conduct a public tender on this site at its meeting held on 19 April 2016 (CJ062-04/16 refers). This process ran concurrently with Lot 23 (77) Gibson Avenue, Padbury and a report of the outcome will be submitted to Council's meeting of 18 October 2016.</p>

	Property Address	Land Disposals – Current Status
4	<p>Lot 1001 (14) Camberwarra Drive, Craigie</p> <p>Land Area: 2,055m²</p> <p>Attachment 4 refers</p>	<p>This site is zoned Residential with a restricted use to 'Aged or Dependent Persons' Dwellings and has a density code of R40.</p> <p>Council provided its authorisation to conduct a public tender on this site at its meeting held on 19 April 2016 (CJ062-04/16 refers).</p> <p>A contractor has been engaged in order to demolish the building on Lot 1001. A public tender process is proposed to commence during October 2016.</p>
5	<p>Lot 900 (57) Marri Road, Duncraig –</p> <p>Land Area: 1,366m² when amalgamated</p> <p>Attachment 5 refers</p>	<p>Amendment No. 82 was gazetted on 26 August 2016, therefore this property is now zoned Residential with a restricted use to 'Aged or Dependent Persons' Dwellings and has a density code of R40.</p> <p>The Duncraig CHC service will be relocated to the Carine CHC at Lot 159 (487L) Beach Road, Duncraig once the Beach Road facility has been refurbished to accommodate the additional clients. Refurbishment plans are on target and as Council has authorised the disposal of this property, this is likely to take place early in 2017.</p> <p>A Council request is that on disposal of this site, the purchaser is encouraged to retain existing significant trees as part of the development.</p>

		Acquisition – Current Status
1	<p>Lot 12223 (12) Blackwattle Parade, Padbury</p> <p>Land Area: 3,332m²</p> <p>Attachment 6 refers</p>	<p>At its meeting held on 24 June 2014 (CJ104-06/14 refers), Council accepted in principle the Department of Land's (DoL) concessional purchase price of \$88,000 (exclusive of GST) subject to the outcome of a 30-day public advertising period. The DoL advised the City on 13 May 2016 was that the Minister for Lands had approved this acquisition. Since this advice, two queries were raised which have been responded to and therefore a contract of sale is expected in due course. Updates are requested on a regular basis, with the last one being on 9 September 2016.</p> <p>During this acquisition process, the DoL advised that the Department of Planning's (DoP) support was required and the DoP's conditional support was provided. One of the DoP's conditions is that the future sale proceeds from this site are spent on community projects in line with the definition of "Community Purposes" under DPS2.</p> <p>The City's community consultation regarding this matter not only dealt with the proposed acquisition of the site but the consideration of three capital improvement projects for the area. One of these options was Council's preferred project of the installation of traffic lights at the intersection of Walter Padbury Boulevard and Hepburn Avenue, Padbury.</p>

Acquisition – Current Status	
	<p>Advice from the DoP is that projects connected with parking, traffic and pedestrian issues were not considered to fall within the definition of Community Purposes” under DPS2.</p> <p>In accordance with Council’s resolution of 24 June 2014 (CJ104-06/14 refers), the City will now seek clarification from the Minister for Planning and the Minister for Lands regarding the conditions provided to the City on how the proceeds on the proposed disposal of the site should be utilised.</p> <p>At its meeting held on 19 May 2015 (CJ082-05/15 refers), Council requested that an advocacy plan be developed to gain support from the relevant State Government departments to enable the future sale proceeds for this site be utilised on the community's and Council’s preferred project which is to install traffic lights at the intersection of Walter Padbury Boulevard and Hepburn Avenue, Padbury. This plan has now been drafted and will be finalised once the conditions of sale have been received from the Department of Lands.</p> <p>As the City’s ownership of Lot 12223 progresses, Council can be requested to consider a rezoning amendment.</p>

Issues and options considered

As detailed in Table 2.

Multiple Dwellings

It is noted that currently where land is coded R40 or higher, there is the potential for multiple dwellings to be developed in accordance with the provisions of the *Residential Design Codes* (R-Codes). A multiple dwelling is basically defined as one dwelling vertically placed above another dwelling. It is not possible to determine the potential number of multiple dwellings that could be achieved on sites coded R40 or higher.

Legislation/Strategic Community Plan/Policy Implications

Legislation	Sections 3.58 and 3.59 of the <i>Local Government Act 1995</i> , together with the <i>Local Government (Functions and General) Regulations 1996</i> determine how a local government may dispose of property.
Strategic Community Plan	
Key theme	Quality Urban Environment.
Objective	Quality built outcomes.
Strategic initiative	Buildings and landscaping is suitable for the immediate environment and reflect community values.

Key theme	Financial Sustainability.
Objective	Financial diversity.
Strategic initiative	Identify opportunities for new income streams that are financially sound and equitable.
Policy	<i>Asset Management Policy.</i> <i>Sustainability Policy.</i>

Risk management considerations

Disposal of property needs to comply with the requirements of sections 3.58 and 3.59 of the *Local Government Act 1995*, which are designed to ensure openness and accountability in the disposal process.

It is possible that the reserve price as per the market valuations obtained may not be realised and the City needs to determine reserve prices below which it will not sell.

The recommendations for disposal are based on a combination of the best financial return, planning outcomes and community benefit.

Financial / budget implications

Council has agreed that the proceeds from the sale of freehold land are to be transferred to the Joondalup Performing Arts and Cultural Facility Reserve Fund. The balance of the reserve fund on 20 September 2016 was \$12,258,984.

Proceeds achieved from the future sale of Lot 12223 (12) Blackwattle Parade, Padbury are required to be spent on capital/community projects in line with the definition of “Community Purposes” under DPS2.

The associated main expenditure costs related to the City’s disposal of freehold land are legal and settlement fees, advertising costs, valuation costs, land surveying and costs related to subdivision/amalgamations.

Regional significance

Not applicable.

Sustainability implications

The disposal of City freehold land that has been set aside for community use should not be disposed of without there being a nominated purpose addressing a community need.

Concerning the freehold land disposal project to-date, Council has supported the restricted use of aged or dependent persons’ dwellings providing alternative housing choices for the City’s ageing population. The sale proceeds from the eventual disposal of Lot 12223 (12) Blackwattle Parade, Padbury will be used for community projects.

Consultation

Regarding consultation; public auction, public tender and private treaty methods have been used with regard to the City's land disposal project. Advertising is a requirement with all three methods unless, in respect of private treaty, the disposal is exempt under Regulation 30 of the *Local Government (Functions and General) Regulations 1996*.

The statutory public advertising period of 42 days for amendments to DPS2 is the first opportunity for the community to make a submission on proposed land disposals.

The method of community consultation followed during the proposed acquisition of Lot 12223 (12) Blackwattle Parade, Padbury, was conducted in accordance with the City's approved *Community Consultation and Engagement Policy* and *Community Engagement Protocol*.

COMMENT

Public tenders for the disposal of Lot 803 (15) Burlos Court, Joondalup and Lot 23 (77) Gibson Avenue, Padbury were advertised for 21 days closing on 31 August 2016. Advertising was by way of a sign on each site, advertisements in the *West Property* and the *WA Business News* and "posters" being mailed and emailed out to developers, builders and real estate agents.

A report is being prepared for Council's meeting of 18 October 2016 with regard to the outcome of the tender process and should the process prove unsuccessful, the City has a six-month period from Council's determination on the tender process to conduct private treaty negotiations with developers.

Once the facility on Lot 1001 (14) Camberwarra Drive, Craigie is demolished it is available for disposal and this is likely to be during October 2016. Should Amendment No. 78 receive the Minister's approval and a new CT is received for Lot 2 (20) Kanangra Crescent, Greenwood by October 2016, this site can also go out to tender at that time.

The Minister for Lands has approved the City's acquisition of Lot 12223 (12) Blackwattle Parade, Padbury at the concessional rate of \$88,000 exclusive of GST. Once ownership by the City has been progressed, a report can be prepared for Council to consider the site being rezoned to a commercial related zone. In order to adhere to previous Council resolutions, actions concerning the City's utilisation of the sales proceeds have also commenced and State Government agencies will be contacted shortly.

VOTING REQUIREMENTS

Simple Majority.

MOVED Cr Poliwka SECONDED Cr Taylor that the Finance Committee:

- 1 NOTES the status report on the progress of the City's proposed disposal of five freehold land sites;**
- 2 NOTES a further status report on the progress of the City's proposed disposal of freehold land and proposed acquisition of a Crown land site will be submitted to the Finance Committee meeting to be held on 7 December 2016.**

The Motion was Put and

CARRIED (7/0)

In favour of the Motion: Cr McLean, Mayor Pickard, Crs Dwyer, Logan, Norman, Poliwka and Taylor.

Manager City Projects left the room at 6.07pm.

Appendix 3 refers

To access this attachment on electronic document, click here: [Attach3agnFIN161003.pdf](#)

ITEM 4 FACILITY REFURBISHMENTS - WINDERMERE PARK CLUBROOMS AND FALKLANDS PARK

WARD	North	
RESPONSIBLE DIRECTOR	Mr Mike Tidy Corporate Services	
FILE NUMBER	07096	
ALT FILE NUMBER	101515 69317	
ATTACHMENT	Attachment 1	Floor plan Windermere Park clubrooms
	Attachment 2	Floor plan Falklands Park toilet/change room
	Attachment 3	Aerial map location of Windermere Park
	Attachment 4	Aerial map location of Falklands Park
AUTHORITY / DISCRETION	Executive - The substantial direction setting and oversight role of Council, such as adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.	

PURPOSE

For Council to consider the refurbishment of the facilities located at Windermere Park, Joondalup and Falklands Park, Kinross.

EXECUTIVE SUMMARY

At its meeting held on 15 July 2014 (CJ116-07/14 refers), Council received a report that reviewed the City's active reserves and community facilities, in order to provide a guide in regards to priority of refurbishment works across these asset types.

As part of the report the following was recommended in regards to the two facilities:

- Windermere Park Clubrooms, Joondalup - \$250,000 for new heating/cooling system and possible power upgrade (if required). Recommended to be listed in 2021-22.
- Falkland Park toilets/change rooms, Kinross - \$459,635 for the extension of the facility to include kiosk, storage and a larger change room area. Recommended to be listed in 2023-24. This is not listed within the current Five Year Capital Works Program as it is beyond the time period for the program.

Following the decision of Council to include various facilities within Percy Doyle Reserve, Duncraig, it was agreed to bring forward the works at Windermere Park Clubrooms to 2018-19, with works to be predominately a power upgrade along with installation of heating/cooling system.

The Windermere Park Clubrooms and Falkland Park facilities are predominately occupied by the Joondalup Kinross Junior Football Club, which has been operating since 1994. The club now is one of the largest clubs not only in the City of Joondalup, but also the Perth metropolitan area. The club has 896 members across its football age groups.

With the current size of the club and its use of Windermere Park as its primary base, along with the club's increasing use of Falklands Park as a secondary venue, the current facilities at both locations no longer meet their demands/needs. As a result there has been the request to increase the scope of work proposed for Windermere Park Clubrooms, and bring forward the works proposed for Falklands Park.

It is therefore recommended that Council:

- 1 *NOTES that an amount of \$250,000 is listed in the Five Year Capital Works Program in 2018-19 for refurbishment works at Windermere Park Clubrooms;*
- 2 *NOTES that there are no funds listed with the current Five Year Capital Works Program for refurbishment works to the Falklands Park facility;*
- 3 *REQUESTS a further report detailing concept design options and estimated costings to undertake a refurbishment and potential expansion of the Windermere Park Clubrooms, following engagement with key stakeholders of the facility;*
- 4 *DOES NOT AGREE to bring forward the refurbishment project for the Falklands Park facility at this point in time.*

BACKGROUND

Suburb/Location Windermere Park Clubroom 120 Candlewood Boulevard Joondalup WA 6027.
Applicant City of Joondalup.
Owner Crown Land – City of Joondalup Management Order.
Zoning **DPS** Parks and Recreation.
MRS Urban.
Site area 685m²
Structure plan Not applicable.

Suburb/Location Falkland Park 17 Falkland Way Kinross WA 6028.
Applicant City of Joondalup.
Owner Crown Land – City of Joondalup Management Order.
Zoning **DPS** Parks and Recreation.
MRS Urban.
Site area 50,038m²
Structure plan Not applicable.

The Joondalup Kinross Junior Football Club (JKJFC) is one of the largest junior AFL clubs within the metropolitan area. The club has been based at Windermere Park since 1994 and leases the clubrooms on a seasonal basis with the Joondalup Kinross Cricket Club. In addition to leasing the facility at Windermere Park, JKJFC fixtures training and games at other City venues including Falklands Park, Kinross as its nominated secondary ground.

For the 2016 Australian rules football season, it had 896 registered members ranging from its Auskick program to its Year 12 open team. The club does not have a senior Australian rules football team, but has recently established a relationship with the ECU Jets that operate from Windermere Park.

At its meeting held on 15 July 2014 (CJ116-07/14 refers) Council noted the active reserve and community facility review report and the recommendations made that were based on a strategic approach to the future provision of community and sporting facilities and infrastructure works. The intent of this review was to provide a guide to the priority in which City facilities would undertake various refurbishment works in order to inform the Capital Works Program.

As part of the report the following was recommended in regards to the two facilities:

- Windermere Park Clubrooms, Joondalup - \$250,000 for new heating/cooling system and possible power upgrade (if required). Recommended to be listed in 2021-22.
- Falkland Park toilets/change rooms, Kinross - \$459,635 for the extension of the facility to include kiosk, storage and a larger change room area. Recommended to be listed in 2023-24. This is not listed within the current Five Year Capital Works Program as it is beyond the time period for the program.

In April 2015 (CJ061-04/15 refers), as a result of adding the facilities at Percy Doyle Reserve into the facility refurbishment list of future works, priorities were reviewed and Council agreed to the \$250,000 recommended for Windermere Park Clubrooms being rescheduled to 2018-19. No change was made to the recommended year for listing of the funds for the Falkland Park toilet/change rooms works.

Currently listed in the 2018-19 *Capital Works Program* (BCW2552) is the \$250,000 for the Windermere Park Clubrooms for new heating/cooling system and possible power upgrade (if required).

DETAILS

The JKJFC have requested that the scope of works for the refurbishment of Windermere Park Clubrooms be expanded to include additional storage for the facility. Their position is that the current storage is inadequate to meet the needs of a club its size as the club is storing essential equipment within the change room and toilet areas. In addition JKJFC have sought for the refurbishment of the facility located at Falklands Park, Kinross to be brought forward as the usage of the ground is growing and supporting elements within that facility would assist in them operating from that location.

As part of a recent upgrade to the lighting at Windermere Park, the power source to the site was upgraded. The Western Power component of the upgrade was \$23,000, with the cost being site specific. Power upgrade costs can fluctuate greatly depending on the power network, transformer size and power upgrade requirements.

Therefore as part of the refurbishment project listed for 2018-19, a power upgrade is unlikely to be required with the works primarily focussed on the heating and cooling of the clubrooms, which will see surplus funds available from the budgeted amount of \$250,000.

Issues and options considered

The options available for the Council would be:

Windermere Park:

- not agree to expand the scope for works at Windermere Park Clubrooms and only undertake the required heating/cooling works and identify project savings
or
- agree to undertake the planning stages of a refurbishment project including consultation with relevant stakeholders to identify additional works, concept design and cost estimates. Once this process is complete, prepare a report detailing scope of works and budget implications for further consideration.

Falklands Park:

- not agree to bring forward the refurbishment project and leave the project listed in 2023-24 as per the active reserve and community facility review report
or
- agree to bring forward the planning stages of the refurbishment project including consultation with relevant stakeholders to identify additional works, concept design and cost estimates. Once this process is complete, prepare a report detailing scope of works and budget implications for further consideration.

Legislation / Strategic Community Plan / policy implications

Legislation	Not applicable.
Strategic Community Plan	
Key theme	Community Wellbeing.
Objective	Quality facilities – To provide facilities of the highest quality which reflect the needs of the community now and into the future.
Strategic initiative	Support a long-term approach to significant facility upgrades and improvements.
Policy	<i>Requests for New or Capital Upgrades to Existing Community Buildings Policy.</i>

Risk management considerations

The following risks have been identified:

- The current facilities do not meet the needs of the users groups, and therefore could cause issues with storing of equipment in inappropriate areas.
- Adequate City resources to plan and construct additional refurbishment works by 2018-19.
- If the scope of works are increased for the Windermere Park Clubrooms, and the refurbishment works for Falklands Park are brought forward, is the City financially positioned to meet the additional costs.

Financial / budget implications

There are currently no funds listed in 2016-17 or 2017-18 to undertake the planning required for a refurbishment project at either of the sites.

Future financial year impact

Annual operating cost	Any increase to floor space of a facility or adding heating/cooling will increase the annual operating costs to that facility. However in the case of Windermere Park, the facility is leased to two user groups who are responsible for all outgoings for the clubrooms.
Estimated annual income	The City currently receives \$1 (peppercorn) per annum for the lease of Windermere Park Clubrooms. If the floor space is increased the rental will increase proportional based on 0.1% of the capital replacement of the facility as per the City's adopted <i>Property Management Framework</i> .
Capital replacement	The <i>Building Asset Management Plan</i> defines the life of such an asset would be 100 years.
20 Year Strategic Financial Plan impact	Funds are currently listed within the City's <i>20 Year Strategic Financial Plan</i> . This will be impacted if the funding amounts and/or the years listed are adjusted. The estimated net cash impact over the current adopted plan would need to be determined based on the estimated increase to the annual operating costs (once known) for a 20 year period.
Impact year	Funds are currently within the City's <i>20 Year Strategic Financial Plan</i> (2018-19 Windermere Park Clubrooms; 2023-24 Falklands Park toilet/change rooms).

All amounts quoted in this report are exclusive of GST.

Regional significance

There would be minimal regional impact as JKJFC is a locally based club and attracts a large majority of its members from the immediate surrounds.

Sustainability implications

Environmental

All facility refurbishment projects are planned to reduce the impact of the carbon footprint and consider environmental sustainability design features where possible within the project budget.

Social

The projects would include consultation with the existing user groups to ensure that feedback received represents their needs. Furthermore, refurbishment works consider access and inclusion principles with the aim to enhance the amenity of the public space.

Economic

Not applicable.

Consultation

With the exception of the City being approached by the JKJFC, there has been no other consultation undertaken. If it is agreed to undertake the refurbishment projects, consultation with relevant stakeholders will be undertaken.

COMMENT

The Active Reserve and Community Facility review report and the recommendations made were based on a strategic approach for the future provision of community and sporting facilities and infrastructure works. However the intention of the report was to act as a guide, noting that priorities may change between reviews.

The City currently has an expansive building construction works program, and increasing the scope of projects or adding to the list of projects will increase the workload and generally will need to be addressed by increasing resources.

Given the City's extensive capital works program and the current allocation of resources, it is proposed to proceed with the refurbishment of the Windermere Park Clubrooms (with potentially a revised scope) as scheduled, however not proceed with refurbishing the Falklands Park facility at this point in time.

VOTING REQUIREMENTS

Simple Majority.

OFFICER'S RECOMMENDATION

That Council:

- 1 NOTES that an amount of \$250,000 is listed in the *Five Year Capital Works Program* in 2018-19 for refurbishment works at Windermere Park Clubrooms;
- 2 NOTES that there are no funds listed with the current *Five Year Capital Works Program* for refurbishment works to the Falklands Park facility;
- 3 REQUESTS a further report detailing concept design options and estimated costings to undertake a refurbishment and potential expansion of the Windermere Park Clubrooms, following engagement with key stakeholders of the facility;
- 4 DOES NOT AGREE to bring forward the refurbishment project for the Falklands Park facility at this point in time.

MOVED Mayor Pickard SECONDED Cr Logan that Council:

- 1 NOTES that an amount of \$250,000 is listed in the *Five Year Capital Works Program* in 2018-19 for refurbishment works at Windermere Park Clubrooms;**
- 2 NOTES that there are no funds listed with the current *Five Year Capital Works Program* for refurbishment works to the Falklands Park facility and REQUESTS a further report to the Finance Committee on the proposed scope and benefits of refurbishment works for the Falklands Park facility;**
- 3 REQUESTS a further report detailing concept design options and estimated costings to undertake a refurbishment and potential expansion of the Windermere Park Clubrooms, following engagement with key stakeholders of the facility.**

The Motion was Put and

CARRIED (7/0)

In favour of the Motion: Cr McLean, Mayor Pickard, Crs Dwyer, Logan, Norman, Poliwka and Taylor.

Appendix 4 refers

To access this attachment on electronic document, click here: [Attach4agnFIN161003.pdf](#)

ITEM 5 2017-18 COMMUNITY FACILITY REFURBISHMENT PROJECTS

WARD	South
RESPONSIBLE DIRECTOR	Mr Mike Tidy Corporate Services
FILE NUMBER	09631
ALT FILE NUMBER	29528, 02056, 101515

ATTACHMENTS

Attachment 1	Aerial map of Sorrento Tennis Clubroom
Attachment 2	Sorrento Tennis Clubroom floorplan (existing)
Attachment 3	Sorrento Tennis Clubroom concept plan
Attachment 4	Sorrento Tennis Clubroom cost estimate
Attachment 5	Aerial map of Sorrento Football (soccer) Clubroom
Attachment 6	Sorrento Football (soccer) Clubroom floorplan (existing)
Attachment 7	Sorrento Football (soccer) Clubroom concept plans
Attachment 8	Sorrento Football (soccer) Clubroom cost estimate

AUTHORITY / DISCRETION	Executive - The substantial direction setting and oversight role of Council, such as adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.
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PURPOSE

For Council to consider the concept plans, estimated capital costs and recommendations for the 2017-18 community facility refurbishment projects.

EXECUTIVE SUMMARY

Each year the City plans to undertake one or two refurbishments of community and sporting facilities.

The Sorrento Tennis Clubroom is located within the Percy Doyle Reserve on 46 Warwick Road, Duncraig. The facility was constructed in 1981 and consists of a meeting room, office, crèche, merchandise shop, kitchen, bar, toilets and storerooms. A refurbishment of the kitchen was completed in 2011-12. Over the last few years the facility has had minor works such as repainting, new flooring in some rooms and a heating/cooling system in the crèche.

The facility is leased by the Sorrento Tennis Club who has approximately 388 members. The club also leases the 20 adjacent synthetic tennis courts.

The Sorrento Football (soccer) Clubroom is located within the Percy Doyle Reserve on 46 Warwick Road, Duncraig. The facility was constructed in 1980 and consists of a hall, referee room, physiotherapy room, kitchen, bar, toilets, changerooms and storerooms. In 2012-13 the Sorrento Football Club funded a new umpire changeroom and in 2013-14 a new patio area was installed by the City. In 2014-15 the Sorrento Football Club replaced perimeter fencing around the main soccer pitch.

The facility is leased to the Sorrento Football Club who has approximately 620 members. The club also hires the two adjacent soccer ovals on a seasonal basis.

At its meeting held on 21 April 2015 (CJ061-04/15 refers), Council agreed to list the refurbishment of Sorrento Tennis Clubroom at a cost estimate of \$604,605 and the refurbishment of Sorrento Football (soccer) Clubroom at a cost estimate of \$662,906 in 2017-18.

As part of the needs analysis stage of the project, stakeholder consultation was undertaken with the existing user groups who lease each facility (Sorrento Tennis Club and Sorrento Football Club). Considering the feedback from user groups and priorities identified by the City, a scope of works was developed in order to develop concept plans and a cost estimate for each project.

Currently, there is \$604,605 split across 2016-17 and 2017-18 listed in the City's *Five Year Capital Works Program* for the Sorrento Tennis Clubroom refurbishment project. Following concept design and a cost estimate the capital cost for this project is \$504,000 which is within the existing budget allocation.

Currently, there is \$662,906 split across 2016-17 and 2017-18 listed in the City's *Five Year Capital Works Program* for the Sorrento Football (soccer) Clubroom refurbishment project. Following concept design and a cost estimate the capital cost for this project is \$622,000 which is within the existing budget allocation.

It is therefore recommended that Council:

- 1 *NOTES that \$605,000 (total project budget) is currently listed within the City's Five Year Capital Works Program for the Sorrento Tennis Clubrooms and that \$663,000 (total project budget) is currently listed within the City's Five Year Capital Works Program for the Sorrento Football (soccer) Clubrooms;*
- 2 *NOTES that \$73,000 (municipal funds) is currently listed in 2016-17 for detailed design and \$532,000 (reserve funds) is currently listed in 2017-18 for construction within the City's Five Year Capital Works Program for the Sorrento Tennis Clubrooms;*
- 3 *NOTES that \$80,000 (municipal funds) is currently listed in 2016-17 for detailed design and \$583,000 (reserve funds) is currently listed in 2017-18 for construction within the City's Five Year Capital Works Program for the Sorrento Football (soccer) Clubrooms;*
- 4 *APPROVES the proposed refurbishment works at the Sorrento Tennis Clubrooms as detailed in this Report to proceed to the detailed design and tender stage;*
- 5 *APPROVES the proposed refurbishment works at the Sorrento Football (soccer) Clubrooms as detailed in this Report to proceed to the detailed design and tender stage;*

- 6 *BY AN ABSOLUTE MAJORITY DELEGATES to the Chief Executive Officer in accordance with section 5.42 of the Local Government Act 1995 the authority to accept tenders for the Sorrento Tennis Clubroom refurbishment project subject to the price of tenders not exceeding \$532,000, and for the Sorrento Football (soccer) Clubroom refurbishment project subject to the price of tenders not exceeding \$583,000.*

BACKGROUND

Suburb/Location	Percy Doyle Reserve 46 Warwick Road Duncraig WA 6023.
Applicant	City of Joondalup.
Owner	Crown Land – City of Joondalup Management Order.
Zoning	DPS Parks and Recreation.
	MRS Urban.
Site area	190,290m ² .
Structure plan	Not applicable.

Since 2007, the City has undertaken one or two community facility refurbishment projects each year. Refurbishment projects intend to improve the functionality and aesthetics of the facility and are not designed to undertake general maintenance. The scope of each project is generally confined to the following aspects:

- Painting.
- Replacing fixtures and fittings.
- Upgrading external environments – for example building pathways, landscaping around the building and signage.
- Kitchen facilities.
- Floor coverings.
- Toilets and change rooms (including refurbishment or new extensions).
- Storage facilities (extensions to the facility).
- Heating/cooling systems.
- Window treatments.

Major structural changes or modification to a facility that include major extensions and/or reconfigurations of areas are normally classified as a redevelopment project. However, due to part of the Percy Doyle Reserve masterplan project being delayed to 2030-31 and the remainder of the masterplan project being delayed to a future year to be determined, the Sorrento Football (soccer) Clubroom (SFC) project will include a building extension and toilet reconfiguration and the Sorrento Tennis Clubroom (STC) project will include a bar reconfiguration.

At its meeting held on 21 April 2015 (CJ061-04/15 refers), Council agreed to list the refurbishment of STC at a cost estimate of \$604,605 and the refurbishment of SFC at a cost estimate of \$662,906 in 2017-18.

Sorrento Tennis Clubroom

The STC is located within the Percy Doyle Reserve on 46 Warwick Road, Duncraig (Attachment 1 refers). The facility was constructed in 1981 and consists of a meeting room, office, crèche, merchandise shop, kitchen, bar, toilets and storerooms (Attachment 2 refers). A refurbishment of the kitchen was completed in 2011-12. Over the last few years the facility has had minor works such as repainting, new flooring in some rooms and a heating/cooling system in the crèche.

The City is currently undertaking a court resurfacing project at STC to resurface a number of tennis courts. As a result of a successful Community Sporting and Recreation Facilities Fund application this project will also include a number of other works including fencing and court shade shelters.

The facility is leased by the STC who has approximately 388 members. The club also leases the 20 adjacent synthetic tennis courts.

The facility design and layout meets the needs of the user groups well, however the location and size of the existing bar and design of the players area limits the opportunities the club can provide to its members and those who hire the facility. Spectator viewing over the tennis courts from the clubroom is limited and the shower cubicles also need updating to improve privacy.

Other issues at the facility include a lack of internal storage, uneven paving around the facility and inadequate path drainage.

Sorrento Football (soccer) Clubroom

The SFC is located within the Percy Doyle Reserve on 46 Warwick Road, Duncraig (Attachment 5 refers). The facility was constructed in 1980 and consists of a hall, referee room, physiotherapy room, kitchen, bar, toilets, change rooms and storerooms (Attachment 6 refers). In 2012-13 the SFC funded a new umpire change room and in 2013-14 a new patio area was installed by the City. In 2014-15 the SFC replaced perimeter fencing around the main soccer pitch.

The facility is leased to the SFC who has approximately 620 members. The club also hires the two adjacent soccer ovals on a seasonal basis.

The facility design and layout meets the needs of the user groups well, however the existing toilets do not meet current universal access requirements and the main hall, kitchen and change rooms need updating. The existing heating/cooling system needs to be replaced and there is a lack of adequate storage and ACROD parking bays close to the facility. Spectator viewing over the ovals from the clubroom is also limited.

DETAILS

Stakeholder consultation

As part of the needs analysis stage of the project, stakeholder consultation was undertaken with the STC and SFC.

Sorrento Tennis Club

The following items were agreed to be included in the scope of works at the Council meeting held on 21 April 2015 (CJ061-04/15 refers) and were agreed to during consultation with the STC:

- Foyer/players area refurbishment.
- Internal walls render/painting.
- Toilet/change room refurbishment.
- Kitchen/bar refurbishment.
- Paving around clubrooms.
- Internal storage.

Sorrento Football Club

The following items were agreed to be included in the scope of works at the Council meeting held on 21 April 2015 (CJ061-04/15 refers):

- Kitchen/bar refurbishment.
- Toilet/change room refurbishment.
- Main hall refurbishment.
- Internal lighting replacement.
- External storage.
- Verandah extension.
- Replacement of evaporative air-conditioning system in main hall.

The following additional items were identified during consultation with SFC and were included for consideration in the scope of works:

- An upgrade of the electrical layout/wiring works, particularly in the kitchen.
- Improved wheelchair access to the facility (including footpaths and car-parking).
- Conversion and refurbishment of the existing park toilets to a storeroom and park Universal Access Toilet (UAT).

Concept plans and capital cost estimates

A scope of works was developed based on addressing the challenges identified for each facility and stakeholder consultation with the STC and SFC. Facility concept plans were developed based on the scope of works and cost estimates were obtained from an external Quantity Surveyor.

Sorrento Tennis Clubroom

The proposed facility concept plan (Attachment 3 refers) includes a bar extension and refurbishment, reconfiguration of the existing storeroom and construction of a new internal storeroom. The players area and foyer will be refurbished and new ramps for wheelchair access to the facility will be installed. Additional windows and bi-fold doors will be installed along the eastern side of the players area to optimise viewing over the tennis courts from the clubroom. Minor refurbishment works are to be undertaken in the toilets/change rooms. The paving around the facility is to be replaced and path drainage issues resolved.

There is a significant amount of work proposed at the STC and the STC operations will be disrupted during construction. Temporary facilities (for example toilets and change rooms) have been included in the cost estimate to accommodate the STC during construction.

The following is a summary of the items and cost estimate (Attachment 4 refers):

Item	Cost (\$)
Bar refurbishment.	135,000
Players area and foyer refurbishment.	85,000
Bi-fold doors and windows to players area.	74,000
New internal storeroom.	14,000
Toilet/change room refurbishment.	39,000
Paving and drainage works.	62,000
Main entrance paving and ramp works.	47,000
Temporary facilities (required during construction).	48,000
TOTAL	504,000

The cost estimate summary table includes preliminaries and small works margin (20%), professional fees in order to undertake detailed design (12%), design contingencies (5%), building contingencies (5%) and cost escalation to June 2017 (3.84%).

All amounts quoted in this Report are exclusive of GST.

Sorrento Football (soccer) Clubroom

The proposed facility concept plan (Attachment 7 refers) includes reconfiguration and refurbishment of the existing toilets to meet compliance requirements and refurbishment of the main hall (including replacement of the evaporative heating/cooling system), kitchen and change rooms. Additional windows and bi-fold doors will be installed along the eastern side of the clubroom to optimise viewing over the oval from the clubroom. A storeroom extension is to be constructed and the existing storage shed demolished. A verandah extension will be included to match the existing verandah.

An investigation into the existing electrical layout/wiring and new ACROD parking bays and pathways close to the clubroom are also included as part of the scope as they were identified through the stakeholder consultation.

There is a significant amount of work proposed at the SFC and the SFC operations will be disrupted during construction. Temporary facilities (for example toilets and change rooms) have been included in the cost estimate to accommodate the SFC during construction.

The following is a summary of the items and cost estimate (Attachment 8 refers):

Item	Cost (\$)
Internal toilet refurbishment.	97,000
Main hall refurbishment.	75,000
Bi-fold doors to clubroom.	27,000
Verandah extension.	59,000
Kitchen/bar refurbishment.	52,000
Change room refurbishment.	22,000
Replacement of evaporative cooling system to main hall.	39,000
New disabled car parking bays.	29,000
Electrical investigation.	23,000
New store (north side of existing building).	105,000
New store and park UAT (west side of existing building).	54,000
Temporary facilities (required during construction).	40,000
TOTAL	622,000

The cost estimate summary table includes preliminaries and small works margin (20%), professional fees in order to undertake detailed design (12%), design contingencies (5%), building contingencies (5%) and cost escalation to June 2017 (3.84%).

All amounts quoted in this Report are exclusive of GST.

Issues and options considered

Currently, there is \$73,000 listed in 2016-17 for detailed design and \$532,000 in 2017-18 for construction in the City's *Five Year Capital Works Program* for the STC refurbishment project.

Currently, there is \$80,000 listed in 2016-17 for detailed design and \$583,000 in 2017-18 for construction in the City's *Five Year Capital Works Program* for the SFC refurbishment project.

It is important to note that the budget amounts within the City's *Five Year Capital Works Program* were based on estimates from other similar refurbishment projects and average square-metre rates. The figures were not based on any project scoping, concept plans or cost estimates specific for these projects.

Sorrento Tennis Clubroom

The estimated capital cost as provided by the external Quantity Surveyor for this project is \$504,000. As the cost estimate is less than the current amount listed (\$101,000 remaining) in the City's *Five Year Capital Works Program*, there are two options for the project:

- proceed with the project budget at \$605,000
or
- reduce the project budget to \$504,000.

The cost estimate is based on high level concept plans and tender prices may differ following the detailed design stage.

Sorrento Football (soccer) Clubroom

The estimated capital cost as provided by the external Quantity Surveyor for this project is \$622,000. As the cost estimate is less than the current amount listed (\$41,000 remaining) in the City's *Five Year Capital Works Program*, there are two options for the project:

- proceed with the project budget at \$663,000
or
- reduce the project budget to \$622,000.

The cost estimate is based on high level concept plans and tender prices may differ following the detailed design stage.

Legislation / Strategic Community Plan / policy implications

Legislation Not applicable.

Strategic Community Plan

Key theme Community Wellbeing.

Objective Quality facilities.

Strategic initiative

- Support a long-term approach to significant facility upgrades and improvements.
- Understand the demographic context of local communities to support effective facility planning.
- Employ facility design principles that will provide for longevity, diversity, inclusiveness and where appropriate support the decentralising of City services.

Policy Not applicable.

Risk management considerations

All capital projects bring risks in relation to contingencies and over runs against original design. The capital cost estimates are based on high level concept plans and may differ once further detailed designs are undertaken for the projects.

Financial / budget implications

Sorrento Tennis Clubroom

At its meeting held on 21 April 2015 (CJ061-04/15 refers), Council agreed to list the refurbishment project at the STC at a total project cost estimate of \$604,605.

To date, approximately \$7,000 has been spent on this project preparing concept plans and cost estimates.

The following is listed within the City's 2016-17 and 2017-18 *Capital Works Program* for STC:

Account no.	MPP2063
Budget Item	Percy Doyle – Tennis Clubrooms refurbishment
Budget amount	\$605,000
Amount spent to date	\$ 7,000
Balance	\$598,000

The estimated capital cost as provided by the external Quantity Surveyor for this project is \$504,000 (\$94,000 remaining).

Future financial year impact

Annual operating cost The operating cost for the STC is estimated at \$17,750 for 2015-16. This includes maintenance and utilities for the clubroom and sports floodlights.

It is not expected that the proposed refurbishment works would have an impact on the annual operating costs for the facility.

Estimated annual income The income for the STC is estimated at \$16,396 for 2015-16. This includes utilities reimbursement and lease fees.

It is not expected that the proposed refurbishment works would have an impact on the annual income for the facility.

20 Year Strategic Financial Plan impact It is not expected that the proposed refurbishment works would have an impact on the *20 Year Strategic Financial Plan*.

Sorrento Football (soccer) Clubroom

At its meeting held on 21 April 2015 (CJ061-04/15 refers), Council agreed to list the refurbishment project at the SFC at a total project cost estimate of \$662,906.

To date, approximately \$7,500 has been spent on this project preparing concept plans and cost estimates.

The following is listed within the City's 2016-17 and 2017-18 *Capital Works Program* for SFC:

Account no.	MPP2064
Budget Item	Percy Doyle – Soccer Clubrooms refurbishment
Budget amount	\$663,000
Amount spent to date	\$ 7,500
Balance	\$655,500

The estimated capital cost as provided by the external Quantity Surveyor for this project is \$622,000 (\$33,500 remaining).

Future financial year impact

Annual operating cost The operating cost for the SFC is estimated at \$5,118 for 2015-16. This includes maintenance and utilities for the clubroom.

It is estimated that with the proposed refurbishment works the annual operating costs would increase by \$250 to \$5,368. This increase includes additional maintenance and utilities as a result of the storeroom extension.

Estimated annual income The income for the SFC is estimated at \$5,135 for 2015-16. This includes lease fees.

It is not expected that the proposed refurbishment works would have an impact on the annual income for the facility.

20 Year Strategic Financial Plan impact The estimated net cash impact over the current adopted *20 Year Strategic Financial Plan* is estimated to be \$5,004. This is based on the estimated increase to the annual operating costs for a 20 year period (does not include escalation/inflation costs).

All amounts quoted in this Report are exclusive of GST.

Regional significance

Not applicable.

Sustainability implications

Environmental

All facility refurbishment projects are planned to reduce the impact of the carbon footprint and consider environmental sustainability design features where possible within the project budget.

Social

The projects have included consultation with the existing user groups to ensure that feedback received represents their needs. Furthermore, refurbishment works consider access and inclusion principles with the aim to enhance the amenity of the public space.

Economic

Not applicable.

Consultation

Consultation was undertaken with the STC and SFC during the site and needs analysis stage of the project. Information on the consultation has been included in the details and issues/options sections of this Report.

COMMENT

The estimated capital cost for the STC refurbishment project is \$504,000 which is \$101,000 under the existing budget allocation. It is recommended that the existing \$605,000 budget within the City's *Capital Works Program* for the project is not reduced at this time.

The estimated capital cost for the SFC refurbishment project is \$622,000 which is \$41,000 under the existing budget allocation. It is recommended that the existing \$663,000 budget within the City's *Capital Works Program* for the project is not reduced at this time.

The cost estimates for both projects are based on high level concept plans and tender prices may differ following the detailed design stage.

In order to complete construction on these projects in 2017-18, detailed design will need to occur in 2016-17. Currently, there is \$73,000 for the STC refurbishment project and \$80,000 for the SFC refurbishment project listed in 2016-17 for detailed design in the City's *Five Year Capital Works Program*.

VOTING REQUIREMENTS

Absolute Majority.

MOVED Cr Poliwka SECONDED Cr Norman that Council:

- 1** NOTES that \$605,000 (total project budget) is currently listed within the City's *Five Year Capital Works Program* for the Sorrento Tennis Clubrooms and that \$663,000 (total project budget) is currently listed within the City's *Five Year Capital Works Program* for Sorrento Football (soccer) Clubrooms;
- 2** NOTES that \$73,000 (municipal funds) is currently listed in 2016-17 for detailed design and \$532,000 (reserve funds) is currently listed in 2017-18 for construction within the City's *Five Year Capital Works Program* for the Sorrento Tennis Clubrooms;
- 3** NOTES that \$80,000 (municipal funds) is currently listed in 2016-17 for detailed design and \$583,000 (reserve funds) is currently listed in 2017-18 for construction within the City's *Five Year Capital Works Program* for the Sorrento Football (soccer) Clubrooms;
- 4** APPROVES the proposed refurbishment works at the Sorrento Tennis Clubrooms as detailed in this report to proceed to the detailed design and tender stage;

- 5 **APPROVES** the proposed refurbishment works at the Sorrento Football (soccer) Clubrooms as detailed in this Report to proceed to the detailed design and tender stage;

- 6 **BY AN ABSOLUTE MAJORITY DELEGATES** to the Chief Executive Officer in accordance with section 5.42 of the *Local Government Act 1995* the authority to accept tenders for the Sorrento Tennis Clubroom refurbishment project subject to the price of tenders not exceeding \$532,000, and for the Sorrento Football (soccer) Clubroom refurbishment project subject to the price of tenders not exceeding \$583,000.

The Motion was Put and

CARRIED (7/0)

In favour of the Motion: Cr McLean, Mayor Pickard, Crs Dwyer, Logan, Norman, Poliwka and Taylor.

Appendix 5 refers

To access this attachment on electronic document, click here: [Attach5agnFIN161003.pdf](#)

URGENT BUSINESS

Nil.

MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

REQUESTS FOR REPORTS FOR FUTURE CONSIDERATION

Nil.

CLOSURE

There being no further business, the Presiding Member declared the meeting closed at 6.23pm; the following Committee Members being present at that time:

Cr Tom McLean, JP
Mayor Troy Pickard
Cr Philippa Taylor
Cr Russell Poliwka
Cr Mike Norman
Cr John Logan
Cr Sophie Dwyer