

Shire of Exmouth

SPECIAL COUNCIL MEETING

MINUTES



5th December 2019

CONFIRMATION OF MINUTES

I hereby certify that the Minutes and Attachments of the Special Council Meeting held on the 5 December 2019 are a true and accurate record of the proceedings contained therein.

.....
Matthew Niikkula
Shire President
.....
19/12/19
Dated

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MINUTES

Our Vision To be a prosperous and sustainable community living in harmony with our natural environment.

Our Purpose To responsibly provide governance for the whole community in the best interest of current and future generations.

Our Strategic Objectives

- Diversify and grow our economy in a manner that provides year round employment opportunities
- To protect and value our unique natural and built environment as we grow our economy.
- To be a vibrant, passionate and safe community valuing our natural environment and unique heritage
- To provide open transparent, accountable leadership working in collaboration with our community.

1. DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Shire President declared the meeting open at 4.00pm.

The Shire President acknowledged the aboriginal people both past and present, as the traditional custodians of the land on which we meet.

In adhering to both the *Local Government Act 1995*, and the Shire of Exmouth Meeting Procedures Local Law 2015, it is an offense to record the proceedings of this meeting and asked that any recording devices be switched off, including phones.

He advised the meeting will be recorded by the Executive Secretary for the purpose of compiling an accurate record of the minutes only; and the recording will be erased once they are confirmed.

2. RECORD OF ATTENDANCE, APOLOGIES AND APPROVED LEAVE OF ABSENCE

Councillor M (Matthew) Niikkula	Shire President
Councillor B (Ben) Dixon	Deputy Shire President
Councillor G (Gary) Mounsey	
Councillor H (Heather) Lake	
Councillor M (Mark) Lucas	
Councillor A (Anne) McCarrol	
Mr C Woods	Chief Executive Officer
Mr M Richardson	Executive Manager Development Services
Mr M Bird	Executive Manager Commercial and Community
Mr G Coetzee	Executive Manager Corporate Services
Ms M Head	Minute Clerk

Via teleconference

Hugh Walker

Minderoo

GALLERY

Nil

APOLOGIES

Nil

LEAVE OF ABSENCE

Nil

3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

4. PUBLIC QUESTIONS TIME

Nil

5. DECLARATIONS OF INTEREST

Nil

6. APPLICATIONS FOR LEAVE OF ABSENCE

Nil

7. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

Nil

8. ANNOUNCEMENTS/REPORTS OF ELECTED MEMBERS

Nil

9. ANNOUNCEMENTS BY THE PRESIDING PERSON WITHOUT DISCUSSION

Nil

10. PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS

Nil

11. MATTERS ARISING FROM COMMITTEES OF COUNCIL

Due to an administrative oversight, Report 11.1.1 was scheduled in the agenda to appear under the heading Reports of Officers, however should fall under Matters Arising from Committees of Council. The Shire President proceeded through the agenda dealing with this report from the Audit Committee in the first instance.

12.1.2 RISK FRAMEWORK

File Reference:	FM.FI.1
Reporting Officer:	Executive Manager Corporate Services
Responsible Officer:	As above
Date of Report:	3 December 2019
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	1. Risk Management Framework

PURPOSE

To endorse the Risk Management Framework.

BACKGROUND

This report was considered at the Audit Committee meeting held on 28 November 2019 and included in the Agenda for the Ordinary Council meeting held on 28 November 2019. However, due to an Administrative error, the Audit Committee's recommendation was overlooked and not considered by the Council. The report and the Audit Committee's Recommendation have therefore been resubmitted for the Council's consideration and decision.

Regulation 17 of the *Local Government (Audit) Regulation 1996*, requires the CEO to review the appropriateness and effectiveness of a local governments systems and procedures in relation to risk management, internal control and legislative compliance. This review is to be performed not less than once in every 3 financial years.

The Shire engaged Moore Stephens to perform the review and issued their findings in December 2018.

Following receipt of the review of Risk Management, Legislative Compliance and Internal Controls, it has been recommended that the Risk Management Procedures needed to be reviewed. These procedures have been updated with the review's recommendations within the Risk Management Framework.

COMMENT

The review of Risk Management, Legislative Compliance and Internal Controls identified the purpose of risk management procedures as: Procedures and practices to set out a uniform approach to the identification, assessment, management, reporting and monitoring of risks.

Matters that was identified were:

1. Risk management procedures are based on a superseded risk management standard
2. Risk assessment and acceptance criteria within the Policy are not dependent on the context of the risk assessment being undertaken.
3. Risk management procedures are not actively followed across the organisation with risk management activities currently undertaken being largely undocumented.

The recommended improvements were:

1. Risk management procedures and process require review and updating in accordance with the latest Risk Management Standard (ISO 31000:2018)
2. Modification of the risk assessment and acceptance criteria within the Risk Management Procedures will assist in the rating of risks, relevant to the context of the assessment. This would involve use of percentages rather than absolute values when assessing the potential consequences of identified risks and avoid any need to redefine the risk assessment framework for different risk assessment contexts.
3. Implement risk management procedures throughout the organisation.

The attached Risk Management Framework is an updated set of procedures, governance arrangements and structure, that show how risks are being managed.

CONSULTATION

Moore Stephens
LGISWA

STATUTORY ENVIRONMENT

Local Government Act 1995
Local Government (Audit) Regulations 1996

POLICY IMPLICATIONS

NIL

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

This item is relevant to the Councils approved Strategic Community Plan 2030 and Corporate Business Plan 2018-2022

- Leadership: To provide open transparent, accountable leadership working in collaboration with our community.
- 4.1 To provide proactive, collaborative and transparent leadership
 - 4.2 A local government that is respected and accountable.
 - 4.3 To be a champion for our community

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

That the Audit Committee endorses the Risk Management Framework.

AUDIT COMMITTEE RECOMMENDATION

That the Audit Committee endorses the Risk Management Framework.

CARRIED 3/0

CHIEF EXECUTIVE OFFICER RECOMMENDATION

ITEM 12.1.2

That Council notes the Audit Committee Recommendation and resolves to ENDORSE the Risk Management Framework.

COUNCIL RESOLUTION

ITEM 12.1.2

Res No: 02-1219

MOVED: Cr Mounsey

SECONDED: Cr McCarrol

That Council notes the Audit Committee Recommendation and resolves to ENDORSE the Risk Management Framework.

CARRIED 6/0

12 REPORTS OF OFFICERS

12.1.1 FLOURISHING OCEANS – NINGALOO RESEARCH CENTRE SEAWATER SUPPLY

File Reference:	CP.AD.3.2
Responsible Officer:	Chief Executive Officer
Reporting Officer:	Executive Manager Commercial and Community
Date of Report:	4 December 2019
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	<ol style="list-style-type: none"> 1. Proposed Pipeline route 2. Minderoo Flourishing Ocean letter

PURPOSE

This report seeks Council APPROVAL to the Flourishing Oceans arm of Minderoo Foundation (Minderoo) for the proposed pipeline easement to provide essential high quality seawater supply to the Ningaloo Research Centre.

BACKGROUND

At the September 2019 Ordinary Council Meeting Exmouth Council granted approval to enter into a new lease with the Minderoo Foundation Pty Ltd as trustee for the Minderoo Foundation Trust for Lot 300 on Deposited Plan 408720 Murat Road Exmouth for the area commonly known as the Research and Educational area within the Ningaloo Centre.

Res No: 03-0919

Move Cr Lake

Seconded Cr Lucas

That Council APPROVE Minderoo Foundation Pty Ltd (CAN 098 198 684) as trustee for The Minderoo Foundation Trust (ABN 24 819 440 6198) to lease the area commonly known as the Research and Educational area within the Ningaloo Centre, Lot 300 on Deposited Plan 408720 Murat Road as per the terms and conditions of the attached draft lease agreement marked CONFIDENTIAL attachment 1 to this report. Carried 5/0

As stated in the September 2019 report, Minderoo plan to invest some \$2.5m on capital works for the Ningaloo Centre facility. Included in this capital works program is the installation of a direct seawater supply to the Ningaloo Centre facility.

Minderoo have designed a direct seawater pipeline solution (Attachment 1) and are now seeking Shire consent for the proposed pipeline easement on affected lots where the Shire of Exmouth is the primary interest holder of Management Orders over Crown Land Lot 300 on Deposited Plan 408720 (LR3167/393) and Crown Land Lot 303 on Deposited Plan 408720 (LR3167/394).

Minderoo have outlined the critical need for the pipeline as stated in the Flourishing Oceans request letter (Attachment 2), extracts provided below;

"Direct supply of high-quality raw seawater via a flow-through system is essential for establishing a world-class experimental coral aquaria lab at the Ningaloo Research Centre. The proposed lab needs to be sophisticated enough to enable advanced research, and flexible enough to accommodate multiple concurrent experiments of mixed design. This ensures attractiveness and competitive interest from the academic community.

The flexibility and scale required means that alternative methods for delivering seawater to the Centre are not feasible, due to issues in water quality, volume, velocity, and contamination. Coral experiments which mimic the natural reef environment require an ongoing flow of nutrients, which are essential for coral growth and reef formation.

Closed loop or recirculated tank systems strip the water of calcium and carbon, and artificially re-introducing these at later stages interferes with the experiment's ability to mimic the natural environment. In addition, raw seawater demonstrates a natural variability in dissolved nutrient levels (oxygen, trace elements, water acidity) which is unable to be replicated by artificial means. Finally, the level of redundancy required to secure long-term research investments is only achievable via a flow-through system. High-quality seawater supplied via a flow-through system is therefore considered essential to be able to establish an attractive, comprehensive, and cutting-edge research infrastructure offering.

High-quality seawater supply with a flowthrough delivery system is therefore considered essential for the establishment of an attractive and comprehensive research infrastructure offering with the capacity to accurately simulate both naturally occurring and human-influenced water conditions. A regular and guaranteed supply of high-quality raw seawater is integral to experimental and facility design, to successfully be able to support large multifactorial experiments and attract leading marine scientists to the WA coast to refocus research within the Indian Ocean."

Source: Flourishing Oceans Ningaloo Research Centre Seawater Supply letter

COMMENT

The Ningaloo Centre is a \$32 million project funded by the Commonwealth and State Government; Lottery west and the Shire of Exmouth. A key intended purpose of the facility was marine research.

The securing of Minderoo's Flourishing Oceans operation as a long term tenant of the Ningaloo Centre is considered a major achievement for the Exmouth community, expected to deliver a range of long term economic and employment benefits as well as reinforcing Exmouth's reputation as a centre for world class marine research.

As evidenced in attached supporting documentation, the proposed seawater pipeline is considered critical to the required infrastructure of the Ningaloo Centre.

In addition to the Minderoo Research activities, the installation of the proposed direct seawater pipeline will also service and provide financial and operational benefits to the Shire of Exmouth public aquarium facility.

The Shire of Exmouth has supported the installation of a direct sea water pipeline servicing the Ningaloo Centre from early project inception as evidenced in the year 2006 feasibility report stating *"Salt water may be sourced from a bore under the sand dunes or from a pipe through the dunes extending into the Ocean"* (source p10, Ningaloo Ocean and Earth Research Centre Feasibility Study, Doug Mcghie & associates, March 2006).

This report is now seeking Council consent for the proposed pipeline easement to enable the installation of this essential seawater supply infrastructure.

CONSULTATION

Minderoo Foundation Pty Ltd

STATUTORY ENVIRONMENT

Section 144(1)(a) of the Land Administration Act 1997

The Exmouth Council resolution will be subject to Department of Planning, Lands and Heritage approvals.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The installation of a direct seawater supply to the Ningaloo Centre should result in a financial saving to the Shire in the order of \$15,000 per annum to replace current water carriage operations.

STRATEGIC IMPLICATIONS

This item is relevant to the Councils approved Strategic Community Plan 2030 and Corporate Business Plan 2018-2022

Economic:	<u>Diversify and grow our economy in a manner that provides year round employment opportunities</u>
	1.1 A diverse and environmentally aware local economy that can attract business investment and provide employment opportunities
	1.3 Enable the provision of essential infrastructure that will support investment and diversify our economy.
Environment:	<u>To protect and value our unique natural and built environment as we grow our economy.</u>
	2.1 A strong focus on environmental conservation and sustainable management of our natural environment
Social:	<u>To be a vibrant, passionate and safe community valuing our natural environment and unique heritage</u>
	3.1 Explore opportunities to deliver services and facilities that attract and retain people living in the Shire.
Leadership:	<u>To provide open transparent, accountable leadership working in collaboration with our community.</u>
	4.1 To provide proactive, collaborative and transparent leadership

VOTING REQUIREMENTS

Absolute Majority

OFFICER'S RECOMMENDATION**ITEM 12.1.1**

That Council APPROVE the granting of consent to Minderoo for the proposed pipeline easement as detailed in Attachment 1 for the purpose of intake and discharge of seawater with the following conditions;

1. Detailed plans of all above ground infrastructure, inclusive of natural ground level/s, are to be submitted and approved by the local government and the Department of Planning, Lands and Heritage.
2. The development is subject to approval from the Department of Planning, Lands and Heritage.

COUNCIL RESOLUTION**ITEM 12.1.1**

Res No: 01-1219

MOVED: Cr Niikkula

SECONDED: Cr Lucas

That Council APPROVE the granting of consent to Minderoo for the proposed pipeline easement as detailed in Attachment 1 for the purpose of intake and discharge of seawater with the following conditions;

1. Detailed plans of all above ground infrastructure, inclusive of natural ground level/s, are to be submitted and approved by the local government and the Department of Planning, Lands and Heritage.
2. The development is subject to approval from the Department of Planning, Lands and Heritage.

CR DIXON moved the following AMENDED MOTION:

That Council APPROVE the granting of consent to Minderoo for the proposed pipeline easement for the purpose of intake and discharge of seawater with the following conditions;

- 1. Detailed plans of all above ground infrastructure, inclusive of natural ground level/s, are to be submitted and approved by the local government and the Department of Planning, Lands and Heritage.**
- 2. The development is subject to approval from the Department of Planning, Lands and Heritage.**
- 3. Authorise the CEO to negotiate final location that suits both parties, and bring back to Council for resolution.**

SECONDED: Cr Mounsey

CARRIED 6/0

Hugh Walker from Minderoo was linked into the meeting via teleconference at 4.27pm and ended at 4.51pm.

13 ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

14 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

Nil

15 MATTERS TO BE CONSIDERED BEHIND CLOSED DOORS

Nil

16 CLOSURE OF MEETING

The Shire President declared the meeting closed at 4.58pm.