

Shire of Exmouth

SPECIAL COUNCIL MEETING

MINUTES



4 March 2021

CONFIRMATION OF MINUTES

I hereby certify that the Minutes and Attachments of the Special Council Meeting held on the 4 March 2021 are a true and accurate record of the proceedings contained therein.

Matthew Niikkula
Shire President

25/03/2021

Dated

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MINUTES

Our Vision	To be a prosperous and sustainable community living in harmony with our natural environment.
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Our Purpose	To responsibly provide governance for the whole community in the best interest of current and future generations.
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Our Strategic Objectives	<ul style="list-style-type: none"> • 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.
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1. DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Shire President declared the meeting open at 3.11pm.

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

The Shire President advised the gallery 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 the gallery to switch off any recording devices, including phones.

He advised the gallery 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 M (Mark) Lucas	
Councillor A (Anne) McCarrol	
Mr M Richardson	Executive Manager Development Services
Mr M Bird	Executive Manager Commercial and Community
Ms M Head	Minute Clerk

GALLERY

1

APOLOGIES

Councillor H (Heather) Lake
 Mr C Woods Chief Executive Officer
 Mr G Coetzee Executive Manager Corporate Services

LEAVE OF ABSENCE

0

3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

4. PUBLIC QUESTIONS TIME

Nil

5. DECLARATIONS OF INTEREST

Name	Report	Extent of Interest	Type of Interest
Cr Lucas	12.3.4 - Request for Tender – RFT05-2020 Public Jetties and Gangways Exmouth Marina Village	Appointed through an independent process to be the selling agent for this land.	Financial

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

The Shire President, on behalf of Council, extended sincere condolences to the family and friends of the couple who lost their lives in the very tragic accident.

He expressed thanks to the first responders, the Departments, both Police and Fire and Rescue, Shire staff and close friends who assisted in the search.

In respect of the local couple the Shire President lead a minute silence.

10. PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS

Nil

11. MATTERS ARISING FROM COMMITTEES OF COUNCIL

Nil

12. REPORTS OF OFFICERS

The Shire President advised Council that report 12.3.2 Request for Tender – RFT 05-2020 Public Jetties and Gangways Exmouth Marina Village will be discussed first.

Councillor Lucas declared a financial interest in the following report and left the chambers at 3.15pm.

12.3.2 REQUEST FOR TENDER – RFT 05-2020 PUBLIC JETTIES AND GANGWAYS EXMOUTH MARINA VILLAGE

File Reference:	CM.TE.05.2020
Reporting Officer:	Building Surveyor
Responsible Officer:	Executive Manager Commercial and Community
Date of Report:	2 March 2021
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	1. CONFIDENTIAL Evaluation Report

PURPOSE

1. To consider the outcome of the Public Jetties and Gangways Exmouth Marina Village Request for Tender 05-2020.

BACKGROUND

2. At the 25 February 2021 Ordinary Council Meeting the Council requested Shire officers to further investigate and clarify product specifications from tenderers prior to considering the outcome of RFT 05-2020.
3. Specifically, Shire officers were requested to review and make further recommendations relating to;
 - Preferred contractor to confirm pricing as per RFT originally presented,
 - Preferred contractor to provide advice on widening gangways and if possible within existing design, and
 - Preferred contractor to provide variation to pricing based on a wider gangway recommendation.
4. Council owns Lot 72 (1) Marlin Terrace in freehold which has installed Piles to suit eight (8) Jetties and Gangways.
5. Council also has a Management Order on Lot 73 Marlin Terrace for the purpose of marine management with installed Piles to suit one (1) additional Jetty and Gangway.
6. At the Ordinary Council Meeting (OCM) held on the 23 July 2020, Council adopted its annual 2020/21 budget which included an allocation of \$350,000 for the installation of eight (8) Jetties on waterfront property Lot 72 (1) Marlin Terrace. At that time the Shire was not aware of the

additional jetty opportunity held under a separate management order. This additional jetty was included in the Request for Tender process to provide Council with the opportunity to include jetty installations for all nine (9) locations if supported.

7. The Request for Tender assumed contractors would utilise the existing piles and walkway footings to Lots 72 & Lot 73 Marlin Terrace Marina Village Exmouth.
8. The Shire of Exmouth advertised in the West Australian newspaper 21/10/2020 seeking Tenders from suitably experienced and qualified contractors for the design, construct and installation of nine floating pontoons, gangways, security gates and lifting poles and associated mooring collars.

COMMENT

9. A Request for Tender process was undertaken seeking suitably experienced and qualified contractors for the design, construct and installation of nine (9) floating pontoons, gangways, security gates, lifting poles and associated mooring collars.
10. The RFT assumed contractors would utilise the existing piles and walkway footings to Lots 72 and Lot 73 Marlin Terrace Marina Village Exmouth.
11. Tender RFT 05/2020 was advertised in The West Australian on 21 October 2020, the Pilbara News on 21 October 2020, the Shire's website, and on the Shire's & Library's noticeboards from 21 October 2020.
12. Six companies, including one from Exmouth, were forwarded tender documents on request when the tender became available.
13. Six tenders were received by the tender deadline of 2.00pm on 18 November 2020.
14. The tenders were evaluated by a three-person panel of Shire officers comprising:
 - Executive Manager Commercial and Community
 - Building Surveyor
 - Manager Community, Sport and Recreation
15. The tender documents were assessed for compliance against the tender's requirements and against the qualitative criteria that were weighted as follows:

Criteria	Weighting
Relevant Experience	15%
Key Personnel Skills and Experience	5%
Tenderer's Resources	10%
Demonstrated Understanding	10%
Price	60%
16. As per Council request Shire officers have clarified additional information as follows;
 - Standard width of gangways; the preferred contractor has stated there is no standard width and final design depends on the client requirements and typically determined by use including volume of people traffic and equipment used (eg trolleys etc).
 - Cost of widening the gangways from 700mm to 1000mm for 9 jetties would be in the order of an additional \$13,170 plus GST.

- The preferred contractor also reconfirmed pricing as the original quote received dated 18 November 2020 has since exceeded the 90 day validity period. This pricing is included in the revised confidential evaluation report in Confidential Attachment 1.

17. The preferred contractor confirmed in writing that their pontoon and gangway products included in the RFT 05-2020 are designed and built to commercial grade and meet the commercial use specifications as detailed in the RFT documentation.

18. In addition to above Shire officers also sought additional preliminary costs from local contractors for the install of power and water services to the 9 jetties. These additional power and water installation costs are significant and were not included in the original request for tender specifications. The officer recommendation is to award the RFT for the install of gangways and pontoons however not to progress the water and power installation at this time.

19. The confidential tender evaluation report is included as Attachment 1.

CONSULTATION

20. The RFT was publicly advertised via Pilbara News and the West Australian newspapers as per local government regulations.

STATUTORY ENVIRONMENT

21. Local Government Act 1995 s3.57

Local Government (Functions & General) Regulations 1996 Part 4 Division 2

Local Government Act 1995 s5.23 subsection 2

POLICY IMPLICATIONS

22. Policy 2.7 – Procurement Policy

Policy 2.12 – Regional Price Preference Policy

FINANCIAL IMPLICATIONS

23. Within the Shire's list of projects for the financial year 2020/2021, Council had approved an amount of \$350,000 at the OCM of 23 July 2020 to be provided from the Shire's Reserves.

24. The preferred tenderer has supplied a revised installation cost outside the budgeted amount that Council allocated for this project therefore if approved to proceed Council would also need to approve an additional amount as per the officer recommendation in Attachment 1.

25. As a further alternative Council may decide to change the gangway width specification from 700mm to 1000mm at the additional cost of \$13,170 plus GST and would require approval of additional funds to cover this aspect.

RISK MANAGEMENT

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Performance (operational)	Unlikely	Minor	Low	If Council appoints a contractor company with the expertise & experience to undertake this project, then performance issues should be minimised.

Financial	Unlikely	Minor	Low	This project is based on a tender price being financially accepted and known
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ALTERNATE OPTIONS

26. Council may decide not to award a contract for all or part of the nine jetty installations.

STRATEGIC IMPLICATIONS

27. This item is relevant to Council's approved Strategic Community Plan 2030 and Corporate Business Plan 2018-2022

Economic: Diversify and grow our economy in a manner that provides year round employment opportunities

- 1.1 A diverse and environmentally aware local economy that can attract business investment and provide employment opportunities
- 1.2 Facilitate the strengthening and growth of our visitor experience.
- 1.3 Enable the provision of essential infrastructure that will support investment and diversify our economy.

Environment: To protect and value our unique natural and built environment as we grow our economy.

- 2.3 Advocate and promote opportunities for the development of environmentally sustainable essential infrastructure and services

VOTING REQUIREMENTS

28. Absolute Majority

OFFICER'S RECOMMENDATION

ITEM 12.3.2

That Council:

1. Award the contract for Tender 05 -2020 as per the recommendation in the Confidential Evaluation Report – RFT 05-2020;
2. Approve the allocation of additional funds to cover the shortfall of revised RFT cost including recommended widening of gangways to 1000mm;
3. Authorise the Chief Executive Officer to approve variations not exceeding 10% of the project budget; and
4. Record the recommendation for Tender RFT 05-2020 as provided in the Confidential Evaluation Report – RFT05-2020 in the OCM's minutes for the meeting.

COUNCIL RESOLUTION

ITEM 12.3.2

Res No: 02-0321

MOVED: Cr Mounsey

SECONDED: Cr Dixon

That Council:

- 1. Award the contract for Tender 05 -2020 as per the recommendation in the Confidential Evaluation Report – RFT 05-2020;**
- 2. Approve the allocation of additional funds to cover the shortfall of revised RFT cost including recommended widening of gangways to 1000mm;**
- 3. Authorise the Chief Executive Officer to approve variations not exceeding 10% of the project budget; and**
- 4. Tender RFT 05-2020 – Public Jetties and Gangways Exmouth Marina Village as per the recommendation in the Confidential Evaluation Report be awarded to Walcon Marine.**

CARRIED by ABSOLUTE MAJORITY 4/0

Shire President thanked Executive Manager Commercial and Community on behalf of Council for providing the additional information as requested when the report was laid on the table at the Ordinary Council Meeting on 25th February.

Executive Manager Commercial and Community recognised the work by the Building Surveyor for providing the information requested by Council so promptly.

Councillor Mounsey also passed thanks to Building Surveyor for this work with this report.

Cr Lucas returned to the Chambers 3.23pm.

COUNCIL RESOLUTION

Res No: **03-0321**

Due to the complexity of the report Cr Niikkula requested that Council move away from standing orders to allow for a briefing and presentation by Executive Manager Commercial and Community.

MOVED: **Cr Niikkula**
SECONDED: **Cr Mounsey**

CARRIED 5/0

Council move back into standing orders at 4.24pm.

The Shire President thanked Executive Manager Commercial and Community for his presentation.

12.3.1 EXMOUTH WATER PARK – BUILDING BETTER REGIONS FUND

File Reference:	GS.PR.19
Reporting Officer:	Executive Manager Commercial & Community
Responsible Officer:	As above
Date of Report:	3 March 2021
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	1. Confidential Attachment – Design & Project Costings

PURPOSE

That Council:

1. Consider a funding proposal to upgrade the Paltridge Memorial Swimming Pool under Round 5 of the Federal Government's Building Better Regions Fund (BBRF); and
2. Approves Shire of Exmouth funding contribution for Stage 1 of the Exmouth Water Park.

BACKGROUND

3. The Paltridge Memorial Swimming Pool is a major asset for the Shire of Exmouth and a popular and well utilised focal point for the Exmouth community.
4. Located in the heart of the town centre and adjoining the towns' major community precinct of Federation Park, the pool boasts a high-profile frontage onto the town's main street of Maidstone Crescent. This town centre location is considered a major strength and opportunity for the proposed upgrade of the facility to achieve increased use by both visitor and local community.

5. The pool is well utilised by local youth who participate in organised sporting activities including the local swimming and water polo clubs, youth social events, and after school and on weekends with their friends during the hot summer months.
6. It is also used extensively by the Exmouth District High School physical education program with students using the facility to participate in a variety of water-based activities including water polo, underwater hockey and swimming carnivals. It is also the only location in Exmouth where for Department of Education Vacswim classes are held each year.
7. Other youth programs including junior lifeguards and swimming lessons are also held at the pool along with community programs such as the local Swim Around the Cape competition for early morning lap swimmers, the Virtual Rottnest Swim and aqua run fun days.
8. The swimming pool is also used by the Department of Health in Exmouth to run specialised classes for seniors such as water aerobics, which aim to keep seniors active and healthy.
9. Current opening days and hours of the facility are limited to 8 months from mid September through to mid May each year. This is to provide the local community an important service during the hotter summer periods. The facility is closed for the remaining 4 months over the cooler winter months however this is the region's most popular tourism visitation periods when up to 15,000 people may be residing in the town at any one time, a five-fold increase on the permanent resident population.
10. The pool consistently ranks highly by the local community in terms of importance and performance as evidenced in the Shire's Community Perception Surveys conducted in 2018 and 2020 and is widely regarded as an essential thread in the local social fabric providing a focal point for improved interactions between members of the Exmouth community.
11. While the current swimming pool is well utilised, it is 55 years old and operates under a grandfather clause with aging plant and equipment and pipework presenting a significant risk to ongoing operations.
12. If the pipework were to fail, the Shire of Exmouth would be faced with a difficult decision to either spend a significant amount of money to complete the refurbishment and bring the pool back to operational standard or close the pool.
13. Given the cost of refurbishment and complying with current Australian Standards, it is likely that the pool would be closed if funding support could not be secured.
14. At the September 2020 Ordinary Council Meeting, Council endorsed the Shire application to seek grant funding from the WA State Government's Community Sport and Recreation Facility Fund (CSRFF).
15. The CSRFF application assumed a staged approach with the first phase bringing the pool facility up to current Australian Standards by installing a new pump room, wet decks (for the 50m lap pool and children's pool), heating for the children's pool and disability access into the 50m lap pool. The second stage involved the demolition of the existing amenities building and building new changerooms, toilets, manager's offices, storage and a kiosk. Total project cost was \$5,525,000 ex gst.

16. Stage 1 of the upgrade project was costed at \$4,195,000 ex gst. Successful CSRFF notification was received in December 2020 in securing \$750,000 ex gst towards the upgrade project leaving a funding deficit of \$3,445,000 ex gst for this first phase of works.
17. Stage 2 was costed at \$1,330,000 ex gst leaving a total project funding deficit of around an estimated \$4,775,000 ex gst for stages 1 and 2 combined.
18. Shire officers have been investigating additional potential funding sources.
19. The Building Better Regions Fund (BBRF) is an Australian Government funding program which supports investment ready projects that provide economic and social benefits for regional and remote areas. The fund invests in projects located in or benefiting eligible areas outside the major capital cities of Sydney, Melbourne, Brisbane, Perth, Adelaide, and Canberra. The Shire of Exmouth is classified as being eligible for funding as it is situated in a "Very Remote" location.
20. Round Five of the BBRF will provide \$200 million towards eligible projects across Australia. \$100 million has been allocated for tourism-related infrastructure projects under the Infrastructure Projects Stream which supports projects that involve construction of new infrastructure, or the upgrade or extension of existing infrastructure.
21. The Shire of Exmouth is seeking Council endorsement to submit a BBRF grant application for the renovation of existing water facilities plus the addition of proposed new water facilities in order to enhance the Shire of Exmouth's *Paltridge Memorial Swimming Pool* with the intention that the overall facility will be upgraded to become a major local tourism attraction known as the *Exmouth Water Park*.
22. The Shire contracted specialist aquatic facility and visitor attraction consultants to prepare the Exmouth Water Park Business Case including a detailed review of potential visitor users and the addition of new facilities targeting these markets. The redevelopment plans have been revised to transform the facility into the Exmouth Water Park with works to be undertaken in two stages.
23. Round Five of the Building Better Regions Fund (BBRF) closes on 5 March 2021 at 5pm AEDT.

COMMENT

24. Tourism is Exmouth's major economic contributor and employer. The creation of a major built visitor attraction such as the proposed Exmouth Water Park will significantly increase the range of visitor experiences, encourage increased length of visitor stay and spend into the local economy.
25. The need for additional built visitor attractions and experiences are urgently required to complement the appeal of the surrounding natural environment (Ningaloo World Heritage Listed).
26. The proposed visitor attraction Exmouth Water Park will offer an alternate visitor experience/tourism product for use particularly when weather conditions make the surrounding natural marine environment unavailable for visitors and local community to enjoy. This facility will significantly enhance Exmouth destination's reputation and tourism product range as the State's Top Tourism Town.

27. The Exmouth Water Park project is based on the Shire's philosophy that any development must be sustainable. In this context, sustainable means *"the undertaking of those projects that provide the greatest return to the community, whilst recognising the limited resources available to the organisation"*.
28. The project is well aligned to the Shire of Exmouth Strategic Community Plan – Exmouth 2030;

Objective: Economic

Diversify and Grow our economy in a manner that provides year-round employment opportunities.

Outcome 1.2 Facilitate the strengthening and growth of our visitor experience.

Community Priorities:

- 1.2.1 Engage with local, state, national and international stakeholders to build a stronger and sustainable tourism industry,
- 1.2.2 Activate a best practice model for an innovative and unique Exmouth tourist experience,
- 1.2.3 Promote and market tourism initiatives which extend the "peak tourist season",

Outcome 1.3 Enable the provision of essential infrastructure that will support investment and diversify our economy;

Community Priorities;

- 1.3.1 Advocate and lobby for the provision of infrastructure that supports the local economy,
- 1.3.2 Identify opportunities to create multiuse infrastructure and facilities that encourage and diversify the local economy,

Objective: Social

To be a vibrant, passionate and safe community valuing our natural environment and unique heritage.

Outcome 3.1 Explore opportunities to deliver services and facilities that attract and retain people living in the Shire;

- 3.1.1 Advocate, promote and incentivise Exmouth as a preferred place to live and work in the long term,
- 3.1.2 Advocate for the provision of expanded community services.

29. The Exmouth Water Park project is also well aligned to the vision and objectives of the Ningaloo Tourism Advisory Group's (NTAG) two year action plan including;

NTAG Vision; *"To position Ningaloo as Western Australia's number one visitor destination through leadership and investment in new infrastructure, experiences and marketing in order to maximise the sustainable social and economic benefits for the State and local community"*.

Priority Actions;

- 1. Develop Emerging Tourism Experiences – identify and progress the investment in new tourism products and experiences, and
 - 2. Enhancing Amenities – soft and hard infrastructure to enhance the overall tourism offering.
30. Once completed, the enhanced Exmouth Water Park will enable all year operation and target new users markets, in particular, visitors to the region over the peak tourism seasons currently not being catered to.

31. The Shire has prepared an independent review and analysis of the project through the Exmouth Water Park Business Case (Business Case) that includes justification for expansion of the current facility to a major visitor attraction to broaden the market appeal of this land-based water facility.
32. The Business Case recommends undertaking the redevelopment in 2 stages. Stage 1 includes construction of new facilities designed to broaden the facility appeal and to cater to typical visitor market types to the Exmouth destination: a new indoor hydrotherapy pool; increased SCUBA diver markets via a new dive shop; new entry reception and kiosk; designated areas for inflatable water slide attraction for use during school holiday periods; upgrades to the main 50m pool, plant room and pool filtration.
33. Stage 1 project costs are \$9,755,987 ex gst which includes remote region allowances on construction costs and contingency allocation of \$844,763 ex gst.
34. Stage 2 works include the construction of a new learn to swim pool and waterplay splashpad costing at \$4,000,881 ex gst.
35. The enhanced operational business model reflects a significant increase in admission revenue as well as realistic data and assumptions in relation to the long-term financial viability of building, managing and maintaining the water park.
36. If the Exmouth Water Park proposal is endorsed by Council, the Business Case will be used to assist the application to be submitted for the BBRF grant funding for stage 1 of the project.

CONSULTATION

37. The pool upgrade project is strongly supported by the Exmouth community and stakeholders.
38. In preparation for submitting under the BBRF program the Shire of Exmouth has received letters of support from agencies listed below;
 - a. Tourism Western Australia
 - b. Australia's Coral Coast
 - c. Regional Development Australia Gascoyne Midwest
 - d. Gascoyne Development Commission
 - e. Ningaloo Tourism Advisory Group
 - f. Exmouth Chamber of Commerce and Industry
39. In submitting the CSRFF Forward Planning Grant Application for 2021/22, the Shire of Exmouth received 19 letters of support for the upgrade of the Paltridge Memorial Swimming Pool as listed below;
 - g. Royal Life Saving WA
 - h. Leisure Industry of WA
 - i. Exmouth District High School
 - j. WA Department of Education – Swimming and Water Safety
 - k. Swimming WA
 - l. Exmouth Amateur Swimming Club Inc
 - m. Exmouth Water Polo Association
 - n. Exmouth Swim School
 - o. Exmouth Health Service
 - p. Exmouth Dive and Whalesharks Ningaloo

- q. Liv for the Sea
- r. Salty Hearts Freediving
- s. Exmouth Youth Coalition
- t. CentraCare Family Services
- u. Exmouth Seniors and Pensioners Club Inc
- v. Exmouth Christian Fellowship Church Inc
- w. Exmouth Eagles Football Club
- x. Exmouth Eagles Junior Football Club
- y. Scripture Union of WA Inc

40. As further background, a large number of public consultations have been undertaken since an upgrade to Exmouth's public swimming pool facility was first considered by the Shire of Exmouth in 2012. As evidenced by Council minutes from June 2016, in 2015 the design consultant undertook consultation with key stakeholders including the Exmouth Amateur Swimming Club, PCYC and Shire management staff.
41. In addition, the need to improve recreational facilities, including the swimming pool, was identified during focus groups and community surveys undertaken as part of the Shire of Exmouth Strategic Community Plan: Exmouth 2030. This is reflected in community priority 3.3.2: *"Develop, implement and regularly review our recreation and cultural facilities and public open space to ensure they meet the principles of colocation, multi-use and sustainability"*.

STATUTORY ENVIRONMENT

42. The proposed upgrades to the facility will ensure the facility is adhering to all pool regulations. The pool is currently operating under a grandfather clause that enables it to still operate although not meeting current required standards.

POLICY IMPLICATIONS

43. Nil

FINANCIAL IMPLICATIONS

44. The Exmouth Water Park Business Case details the proposed level and range of new and upgraded amenities, historical and potential future attendance, present and future fee structures, present and future income, and present and future operational expenditure for the upgraded Paltridge Memorial Swimming Pool into the intended Exmouth Water Park facility.
45. The Business Case highlights the potential for additional usage of the water facility with particular reference to appealing and attracting tourists visiting the Shire of Exmouth and increasing operations to 12 months per year.
46. Once Stage 1 is completed, the financial modelling work forecasts an annual operating deficit of \$147,261 in year 1 with total revenue increasing to \$402,550 and expenses also increasing to \$549,811 reflecting increased staffing and operational costs. In comparison, the current net operating subsidy adopted within the 2020/21 annual budget was \$260,500 (\$80,000 in revenue and \$380,500 in expenditure and excludes administration overheads and depreciation) which is in line with actual results from the previous year 2019/20. The annual operating deficit is forecast to decrease to around \$153,239 in year 1 following Stage 1 completion and will continue to reduce each year to an annual operating deficit of \$87,958 by year 10 with increases to revenue growing at a greater pace than expense increases.

47. The total project capital cost of the Exmouth Water Park Stage 1 project is estimated at \$9,755,987 ex gst. Under the BBRF Round 5 guidelines, the Shire of Exmouth is eligible for up to 75% of the total project funding (or \$7,316,990 ex gst) being classified as a very remote location. If successful in securing this BBRF funding, combined with the already confirmed \$750,000 ex gst CSRFF funding, then the Shire funding projected deficit would be in the order of \$1,688,996 ex gst.

RISK MANAGEMENT

48. Identified risks implications

Risk	Likelihood	Consequence	Risk Analysis	Mitigation
Performance; If significant capital funding is not secured for the pool upgrade then the future operations of the facility is potentially at risk.	Possible	Major	High	Council's role includes advocating for funding for improved facilities and services on behalf of the Exmouth community. Support for the BBRF and commitment of Shire's own funds to the project will deliver an enhanced and fully compliant aquatic facility.
Financial; the pool upgrade is a priority project requiring significant capital funding. Should Council not support the BBRF application at this time Council will need to consider alternative sources of funding. If immediate repairs to the ageing infrastructure are required Council may need to draw on its own reserves to remedy issues.	Possible	Major	High	Council to consider and support the Exmouth Water Park Business Case that includes detailed capital project budget, life cycle costings and impacts to ongoing operational model and budgets.
Environmental; Exmouth is regarded as one of the state's top tourism destinations attracting an ever-increasing volume of visitors each year placing increased pressures on the surrounding natural marine environments.	Almost certain	Major	Extreme	The addition of a built water based visitor attraction operating during peak visitor seasons will work to alleviate some of the environmental pressures that current visitation levels place on the surrounding natural marine environments.
Reputational; If significant capital funding is not secured for the pool upgrade then the Shire may not be able to afford the upgrades of the pool and may require permanent closure. This would create substantial reputational damage to Shire and Council.	Possible	Major	High	Council support for the BBRF and commitment of Shire's own funds to the project will deliver an enhanced and fully compliant aquatic facility.

ALTERNATE OPTIONS

49. Council may decide to modify or not to support the officer recommendation.

STRATEGIC ALIGNMENT

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

Economic: Diversify and grow our economy in a manner that provides year round employment opportunities

- 1.1 A diverse and environmentally aware local economy that can attract business investment and provide employment opportunities
- 1.2 Facilitate the strengthening and growth of our visitor experience.
- 1.3 Enable the provision of essential infrastructure that will support investment and diversify our economy.

- Environment: To protect and value our unique natural and built environment as we grow our economy.
- 2.2 Strive to achieve a balance between the preservation of our unique environment and the delivery of sustainable economic growth.
 - 2.3 Advocate and promote opportunities for the development of environmentally sustainable essential infrastructure and services
- Social: To be a vibrant, passionate and safe community valuing our natural environment and unique heritage
- 3.1 Explore opportunities to deliver services and facilities that attract and retain people living in the Shire.
 - 3.2 Promote facilities/services that enhance public health and safety.
 - 3.3 Champion self-supporting community clubs and associations.
- 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

51. Absolute Majority

OFFICER'S RECOMMENDATION

ITEM 12.3.1

That Council:

1. APPROVE the allocation of up to \$2.5 million of Shire funding towards Stage 1 of the project (which includes the WA State Government \$750,000 grant) as evidence of confirmed Shire financial commitment subject to a successful BBRF grant outcome, and
2. AUTHORISE the Shire of Exmouth CEO to submit the Exmouth Water Park project funding application under the Building Better Regions Fund Round 5 program.

COUNCIL RESOLUTION

ITEM 12.3.1

Res No: 03-0321

MOVED: Cr Lucas

SECONDED: Cr Mounsey

Cr Niikkula provided the following AMENDED MOTION:

1. **APPROVE the allocation of 25% of the total project cost (up to a maximum \$1.75 million which includes the WA State Government \$750,000 grant) as evidence of confirmed Shire financial commitment subject to a successful BBRF grant outcome; and**
2. **AUTHORISE the Shire of Exmouth CEO to submit the Exmouth Water Park project funding application under the Building Better Regions Fund Round 5 program.**

SECONDED: Cr Dixon

CARRIED 5/0

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

Meeting closed at 4.30pm and thanked everyone for attending.