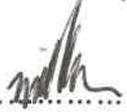




Special Council Meeting Minutes 30th August 2018

CONFIRMATION OF MINUTES

I hereby certify that the Minutes of the Ordinary Council Meeting held on 30 August 2018 are a true and accurate record of the proceedings contained therein.


.....
Matthew Niikkula
Shire President

27/9/2018
.....
Dated

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SPECIAL COUNCIL MEETING 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/ANNOUNCEMENT OF VISITORS

The Shire President declared the meeting open at 4:02pm.

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/APPROVED LEAVE OF ABSENCE

Councillor M (Matthew) Niikkula	Shire President
Councillor G (Gary) Mounsey	Deputy Shire President
Councillor B (Ben) Dixon	
Councillor H (Heather) Lake	
Councillor M (Mark) Lucas	
Councillor G (Gavin) Penfold	
Mr C Woods	Chief Executive Officer
Mr M Bird	Executive Manager Commercial and Community
Mr K Wilson	Executive Manager Corporate Services
Mrs M Head	Minute Clerk

GALLERY

Nil

APOLOGIES

Councillor M (Mark) Lucas

LEAVE OF ABSENCE

Mr K Woodward Deputy Chief Executive Officer

3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

4. PUBLIC QUESTIONS TIME

In accordance with section 5.24 of the Local Government Act 1995, a 15 minute public question time is made available to allow members of the public the opportunity of questioning Council on matters concerning them.

Council Consideration towards Public

When public questions necessitate resolutions of Council, out of courtesy and at the President discretion the matter is to be dealt with immediately to allow the public to observe the determination of the matter (obviates the need for the public to wait an undetermined period of time).

When a matter is listed on the Agenda and member/s of the public are in attendance to observe the determination of the matter, out of courtesy and at the discretion of the President the matter is to be brought forward on the agenda and dealt with immediately to allow the public to observe the determination of the matter (again this obviates the need for the public to wait an indeterminate period of time).

Nil

5. DECLARATIONS OF INTEREST

Item/Description	Name	Nature of Interest	Extent of Interest
15.1 - Chief Executive Officer's annual performance review	Cameron Woods	Financial	The report sets the financial remuneration package for the CEO for the 18/19 financial year. The CEO left the room.

6. APPLICATIONS FOR LEAVE OF ABSENCE

The *Local Government Act 1995* (Section 2.25) provides that a Council may, by resolution, grant leave of absence to a member for Ordinary Council Meetings. A member who is absent, without first obtaining leave of the Council, throughout three consecutive Ordinary meetings of the Council is disqualified from continuing his or her membership of the Council.

Disqualification from membership of the Council for failure to attend Ordinary Meetings of the Council will be avoided so long as the Council grants leave prior to the member being absent. The leave cannot be granted retrospectively. An apology for non-attendance at a meeting is not an application for leave of absence.

Councillor Penfold requested a leave of absence from 7 September 2018 until the 30 September 2018 inclusive.

COUNCIL RESOLUTION**ITEM 6**

Res No: 13 - 0818

MOVED: Cr Dixon

SECONDED: Cr Mounsey

That Council approve the request for leave of absence from Councillor Penfold for the period 7 September 2018 until the 30 September 2018 inclusive.

CARRIED 5/0

7. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

Nil

8. ANNOUNCEMENTS/REPORTS OF ELECTED MEMBERS

Nil

9. ANNOUNCEMENTS BY THE PRECIDING PERSON WITHOUT DISCUSSION

Nil

Councillor Lucas arrived to the Chambers at 4:06 pm

10. PETITIONS, DEPUTATION, PRESENTATIONS AND SUBMISSIONS

Nil

11. MATTERS ARISING FROM COMMITTEES OF COUNCIL

Nil

12. REPORTS OF OFFICERS

COMMERCIAL AND COMMUNITY

12.1 INTER REGIONAL RPT FLIGHT SERVICE – SHIRE OF EXMOUTH INVOLVEMENT IN REQUEST FOR TENDER APPROACH

File Reference:	TT.LI.1
Responsible Officer:	Executive Manager Commercial and Community
Date of Report:	23 August 2018
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	1. City of Karratha letter inviting participation.

PURPOSE

That Council approve the Shire of Exmouth to partner with the City of Karratha and other interested local government authorities to prepare a Request for Tender (RFT) seeking an appropriately qualified airline operator to deliver an effective Regular Public Transport (RPT) air service between participating towns and cities within the North West of Western Australia.

BACKGROUND

The City of Karratha has invited the Shire of Exmouth to participate in the joint investigation of establishing an effective and sustainable RPT air service connecting participating North West localities via a Request for Tender (RFT) approach. This work follows on from earlier discussions driven primarily by member Councils of the Pilbara Regional Council (PRC) that considered a proposal submitted by regional airline operator Aviair.

In August 2017 the Shire of Exmouth committed to a non-binding Memorandum of Understanding (MOU) to explore the potential of developing a binding agreement regarding the development of the proposed Aviair intra-regional air service model.

The PRC then prepared a draft business case based on the Aviair proposal with the findings presented to the PRC in February 2018. A key finding of the PRC review was limited support for a direct procurement arrangement with airline operator Aviair and that a wider, open market approach should be undertaken that invited interest from other potential aviation operators. The City of Karratha has taken the lead role to manage this proposed Request for Tender (RFT) process.

The Shire of Exmouth received correspondence from the City of Karratha on the 12 July 2018 inviting participation in this "Interregional Flight Network Proposal" RFT process and the CEO of the City of Karratha presented to Exmouth Council on this matter on 10 August 2018. Whilst the scope of the services and compliance criteria still requires input and confirmation between local government partners, the City of Karratha has presented the following requirements to indicate the potential scope of service that the air service should provide;

- *“Hold a current RPT licence and associated Airline Operators Certificate;*
- *Have a minimum twin engine 9 seater plane with redundancy capability;*
- *Deliver a minimum of 2-3 weekly return services between the partnering Airports with an ability to expand to new ports as required;*
- *Demonstrate that the Airline has available, qualified pilots to deliver the service;*
- *Own or have access to the necessary infrastructure to provide the services;*
- *Be capable of commencement of services in early 2019;*
- *Specify the assistance required from participating Local Governments to facilitate the service (financial and other) including a requirement to provide a fixed maximum cost to provide the service;*
- *Identify risk/reward sharing alternatives that the Local Governments could potentially pursue (in lieu of a fixed cost arrangement) during the establishment phase of the project; and*
- *Guarantee service operation for a minimum specified duration.”*

Source: City of Karratha letter to Shire of Exmouth July 2018

Each participating local government authority has been asked to commit to the following actions;

- Officer time to assist in the RFT scope development and tender evaluation.
- Commitment to consider a budget allocation towards subsidising the air service over the first 2-3 years of operation with the amount to be contributed determined via the RFT process and level of service to between respective participating airports.
- Commitment to consider waiving of airport aircraft landing and passenger handling fees.

To date, the City of Karratha has advised that the City of Karratha and Shire of East Pilbara have confirmed participation and that decisions from the Shires of Broome and Exmouth are still pending. The Town of Port Hedland and Shire of Ashburton have not supported participation.

This item is now seeking Shire of Exmouth Council support to partner with the City of Karratha to prepare a Request for Tender (RFT) to progress the establishment of an effective inter regional Regular Public Transport (RPT) air service.

COMMENT

Air travel within Western Australia is a significant driver of economic and social development and plays a key role in connecting major regional centres and destinations. Intra state travel within WA is characterised by vast distances between the State’s capital city and North West communities such as Exmouth.

Current RPT air services to Exmouth are limited to one major airline operator linking 12 direct services per week between Perth and Exmouth. In 2017/18 the Perth to Exmouth RPT route carried some 87,084 passengers. Other intrastate routes to and from Exmouth are serviced by charter operators typically on an adhoc basis.

The establishment of an interregional RPT air service connecting Exmouth to other major North West regional centres has merit.

Some of the potential benefits include:

- Improved connectivity for local businesses and government agencies to service customers,
- Improved accessibility between the region's tourism attractions,
- Opportunity for Exmouth community members to access closer medical services via the Hedland and Karratha Health Campuses,
- Safer way to travel through the region, and
- Greater volume of passengers handled through the airport network.

The City of Karratha reports that there is strong support from WA State Government for the proposed interregional flight network. At present this support is in the form of being prepared to provide the regulatory framework and approvals for RPT exclusivity on identified routes, encourage all state government officer travel utilise the service, and assist with procurement and KPI setting and contract conditions as per other regulated route arrangements. State government financial support may also be considered in the future if deemed necessary. If correct, there is value in Exmouth aligning itself to State government interests.

The Shire of Exmouth has conducted preliminary consultation on this matter with the local Exmouth Chamber of Commerce and Industry (ECCI). The ECCI has reserved its decision on whether to fully support the interregional RPT air service and will undertake its own review once more detail of the proposed service is known, eg type of aircraft, frequency and cost of service. The ECCI does support the Shire of Exmouth progressing the concept via the proposed RFT process.

The concept of improved interregional air services to and from Exmouth appears sound and worthy of further investigation. In addition to the operation of new RPT air services the proposed approach may also trigger opportunities to access third party grant funding for upgrade and improvements to Learmonth and Exmouth aerodromes.

The commitment for participating in the RFT process revolves around three requests; officer time, financial subsidy, and waiving of airport fees and charges.

The commitment of officer time to this process is supported. The quantum of financial commitment for the Shire of Exmouth to the latter two aspects is still unknown and will only be determined once the RFT process is completed and the operational and service level model of the potential operator fully understood. Council will be presented with this information for consideration before any formal commitment to the service is made. However if agreeing to proceed with the RFT process Exmouth Council should be prepared to favourably consider the allocating some level of financial assistance to a preferred operator.

There appear a number of clear benefits for the Shire of Exmouth to join the "Interregional Flight Network Proposal" and the officer recommendation is to agree to participate in this Request for Tender process.

CONSULTATION

City of Karratha

Exmouth Chamber of Commerce and Industry, Chairperson

STATUTORY ENVIRONMENT

Nil

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

At this stage the level of financial commitment being sought is unknown and will only be determined once the RFT process is completed and the operational and service levels of the preferred airline operator understood.

A detail financial proposal will be presented for consideration by Council if and when a preferred proponent is selected however an initial financial operational subsidy and the waiving of aircraft landing fees and passenger handling charges may be required.

The officer recommendation is to limit any potential direct financial exposure to the Shire of Exmouth at up to 1% of current Shire rates and to limit ant fee waiver subsidy to a maximum of 24 months commencing 1 July 2019.

STRATEGIC IMPLICATIONS

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.

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.

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

ITEM 12.1

That Council APPROVE the Shire of Exmouth to support the joint investigation of establishing an effective and sustainable RPT air service connecting participating north west localities via a Request for Tender (RFT) approach and;

1. Nominate the Manager of Commercial and Community to the RFT scope development and tender evaluation process;
2. Commit up to a maximum of \$34,000 per annum for a trial operating period not exceeding 24 months in duration;
3. Commit to waiving passenger handling fees and airport landing fees during the 24 month trial period; and
4. Monitor and report back to Council on a quarterly basis the passenger statistics and potential impacts from the service.

In accordance with Clause 17.1 – Suspension of local law, the Shire President suspended Standing Orders to allow for a discussion at 4:25pm.

MOVED: Cr Lake
SECONDED: Cr Dixon

CARRIED 6/0

Executive Manager Commercial and Community gave an in-depth overview of the report to Council.

The Shire President resumed Standing Orders at 4:45pm.

MOVED: Cr Dixon
SECONDED: Cr Mounsey

CARRIED 6/0

COUNCIL RESOLUTION

ITEM 12.1

Res No: 14-0818

MOVED: Cr Penfold
SECONDED: Cr Niikkula

Councillor Mounsey moved to speak against and proposed to amend the motion.

AMENDED MOTION:

That Council APPROVE the Shire of Exmouth to support the joint investigation of establishing an effective and sustainable RPT air service connecting participating north west localities via a Request for Tender (RFT) approach and;

1. **Nominate the Manager of Commercial and Community to the RFT scope development and tender evaluation process;**
2. **Council consider any financial commitment to the proposed inter regional air service once the RFT process is complete and the operational and service levels of the preferred airline operator fully understood;**
3. **Monitor and report back to Council on a quarterly basis the passenger statistics and potential impacts from the service.**
4. **The officer instigates work on a survey to find out who would use the service.**

SECONDED: Cr Lucas

AMENDED MOTION CARRIED 5/1 Cr Lake

13. ELECTED MEMBERS MOTION 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

As the following report was a matter to be considered behind closed doors the Shire President asked the Executive Managers, Minute Taker and gallery and to please leave the Chambers at 4:54pm.

COUNCIL RESOLUTION**ITEM 15.1****Res No: 15-0818****MOVED: Cr Niikkula****SECONDED: Cr Lake**

That Council move Behind Closed Doors at 4:54 pm in accordance with the Local Government Act 1995 section 5.23 (2) (C) (D) and (E) ii:

- **Employment Issue**

CARRIED 6/0

COUNCIL RESOLUTION**ITEM 15.1****Res No: 16-0818****MOVED: Cr Penfold****SECONDED: Cr Mounsey**

That Council return from Behind Closed Doors at 5:40 pm.

CARRIED 6/0

The Shire President read out the behind closed doors resolution to the gallery:

15.1 CHIEF EXECUTIVE OFFICERS ANNUAL PERFORMANCE REVIEW

COUNCIL RESOLUTION**ITEM 15.1****Res No: 17-0818****MOVED: Cr Niikkula****SECONDED: Cr Lucas**

That Council, in accordance with legislative, contractual and policy obligations, endorses the following actions taken by the Chief Executive Officer Performance Review Committee:

- 1. ACCEPT the Chief Executive Officer's 2017-2018 Performance Review findings (Parts A, B and C) as outlined in the Confidential Attachment 1 to this report.**
- 2. APPROVE the Total Reward Package set by the 'Performance Review Committee' for 2018-2019 as Confidential Attachment 2 to this report.**

3. **AMEND the CEO Employment Contract Section 5.3 2 c. adding the words, “family members”.**
4. **WORKSHOP the KPIs between Council and CEO for presentation at the September Ordinary Council Meeting**

CARRIED 6/0

16. CLOSURE OF MEETING

The Shire President closed the meeting at 5.41 pm.