

MINUTES

Annual General Meeting of Electors Wednesday, 8 February 2023

Date: Wednesday, 8 February 2023

Time: 5:30 pm

Location: Civic Centre
McGregor St
Port Hedland

Distribution Date: 17 February 2023

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DISCLOSURE OF FINANCIAL/ IMPARTIALITY/ PROXIMITY INTERESTS

*Local Government Act 1995 – Section 5.65, 5.70 and 5.71
Local Government (Model Code of Conduct) Regulations 2021*

<i>This form is provided to enable members and officers to disclose an Interest in a matter in accordance with the regulations of Section 5.65, 5.70 and 5.71 of the Local Government Act and Local Government (Model Code of Conduct) Regulations 2021</i>			
Name			
Position			
Date of Meeting			
Type of Meeting (Please circle one)	Council Meeting/ Committee Meeting/ Special Council Meeting Workshop/ Public Agenda Briefing/ Confidential Briefing		
Interest Disclosed			
Item Number and Title			
Nature of Interest			
Type of Interest (please circle one)	Financial	Proximity	Impartiality
Interest Disclosed			
Item Number and Title			
Nature of Interest			
Type of Interest (please circle one)	Financial	Proximity	Impartiality

Signature: _____ Date: _____

Important Note: Should you declare a **Financial** or **Proximity Interest**, in accordance with the Act and Regulations noted above, you are required to leave the room while the item is being considered.

For an **Impartiality** Interest, you must state the following prior to the consideration of the item:

“With regard to agenda item (read item number and title), I disclose that I have an impartiality interest because (read your reason for interest). As a consequence, there may be a perception that my impartiality on the matter may be affected. I declare that I will consider this matter on its merits and vote accordingly.”

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Item 1 Opening of Meeting

The Presiding Member is to declare the meeting open at 5:30pm.

Item 2 Acknowledgement of Traditional Owners and Dignitaries

The Presiding Member acknowledges the Kariyarra people as the Traditional Custodians of the land that we are meeting on and recognises their strength and resilience and pays respect to elders past, present and emerging.

Item 3 Recording of Attendance

Important note:

This meeting is being live streamed and audio recorded to facilitate community participation and for minute-taking purposes, which may be released upon request to third parties. In accordance with Section 6.16 of the Town of Port Hedland Local Law on Standing Orders members of the public are not permitted to use any visual or vocal electronic device or instrument to record the proceedings of any meeting unless that person has been given permission by the Presiding Member to do so. Members of the public are also reminded that in accordance with section 6.17(4) of the Town of Port Hedland Standing Orders Local Law mobile telephones must be switched off and not used during the meeting.

3.1 Attendance

Scheduled Present: Mayor Peter Carter
Cr Renae Coles
Cr Jan Gillingham
Cr Ash Christensen
Cr Flo Bennett
Cr David Eckhart

Scheduled for Attendance: Carl Askew (Chief Executive Officer)
Josephine Bianchi (Director Community Services)
Craig Watts (Director Regulatory Services)
Lee Furness (Director Infrastructure Services)
Travis Prue (Manager Financial Services)
Hilary McLean (Governance Officer)
Rhiannon Smith (Governance Support Officer)
Karen Krollig (Governance Support Officer / Minute Taker)

3.2 Attendance by Telephone / Instantaneous Communications

Nil

3.3 Apologies

Cr Jason Keller
 Cr Elmar Zielke
 Deputy Mayor Tim Turner
 Karren MacClure (Director Corporate Services)

3.4 Approved Leave of Absence

Nil

3.5 Disclosure of Interests

Nil

Item 4 Response to Previous Questions

4.1 Response to Questions taken on notice from Annual General Meeting of Electors held on Wednesday 9 February 2022

4.1.1 MR ARNOLD CARTER

A written response was provided to Mr Carter on 16 May 2022, detailing the below:

1. Financial Queries from the Annual Report dated 30 June 2021:

<i>Materials and Contracts</i>		
<i>Budget</i>	<i>Actual</i>	<i>Variance</i>
<i>\$ 000</i>	<i>\$ 000</i>	<i>\$ 000</i>
43,690	13,978	29,712

The Chief Executive Officer provided the following response:

The variance was mainly due to the following factors:

Project	Budget	Actual	Variance	Comment
	\$ 000	\$ 000	\$ 000	
Cyclone Response Expenditure	2,032	0	(2,032)	Budget not required as there was no adverse weather event.
Airport Projects Expenditure	1,042	3	(1,039)	The expenditure was reversed from the liability and moved to revenue as instructed by the auditor.
Spoilbank Project	24,107	122	(23,984)	The agreement for the marina is being finalised. It is expected to be spent in the 2022/23 financial year.

2. You have indicated a credit balance of \$26,868, thereby reducing the actual balance to (1911) which I note is a revaluation balance. Is this posting, correct?

The Chief Executive Officer provided the following response:

Yes, this posting is correct.

Equity - Asset revaluation reserve - Land	\$ 3,046
Equity - Asset revaluation reserve - Buildings	\$23,820

3. Revenue and Expense

Recreation Culture Budgeted income: \$4.75M Actual: \$3M. Why is there such a large discrepancy?

The Chief Executive Officer provided the following response:

Capital Grants had not been fully spent by the end of the 2020-21 financial year. In accordance with Australian Accounting Standard AASB 1058, any unmet performance obligations are to be recognised as a liability by the end of the 2020-21 financial year. Please refer to Note 16, Page 34, 2020-21 Annual Report for the Liability amount.

4. Changes to Airport projects income of \$3903 Budget: \$0. What were these changes?

The Chief Executive Officer provided the following response:

This is an adjustment at the instruction of our external auditors, the amount in Current Liabilities for Airport Projects was moved to revenue as per AASB 108.

5. Interest of \$2454 from reserve funds, where were these funds allocated?

The Chief Executive Officer provided the following response:

Interest earned on term deposits goes back into the Municipal Bank account. The reserve funds are held in term deposits and fund many capital projects, spending of which comes from Municipal before being reimbursed by the Reserve.

6. Sundry Expenses \$3190. Can you provide details on where these funds were spent?

The Chief Executive Officer provided the following response:

Sundry Expenses were made up of the following major items:

Expense	\$ 000
Cost of Sales - Land held for sale (Kingsford Smith	2,067
Elected Members Allowances, training and ICT	428
Emergency Services Levy on ToPH owned properties	171
Expenditure for the Matt Dann	184

7. *Reserves*

Spoil Bank Reserve balance of \$3635 7. Is this figure correct?

The Chief Executive Officer provided the following response:

The balance of the Spoilbank reserve at the end of 2020-21 financial year was \$36.357 Million, which is correct.

8. *Infrastructure*

Depot indicates nil expenditure:

Balance 30 June 2020: \$1,306

Balance 30 June 2021: \$1,251

My understanding is that quite a considerable amount has been spent on this building. I note that the net valuation was in 2018. When do you plan to have a new valuation?

The Chief Executive Officer provided the following response:

The Depot building cost was included in the “Buildings Specialised” category, under Property, Plant & Equipment in the 2020-21 Annual Report (Note 9, Page 22), reflecting the most recent valuation of the building.

Building revaluation is planned to be conducted within the next five years.

All Infrastructure, including depot infrastructure, will be revalued in the 2022-23 financial year.

9. *Rental Income*

Where did the amount of \$924,160 as indicated received for rent come from? Does this include \$41,304 paid for the Airport rental of \$40,380?

The Chief Executive Officer provided the following response:

On an annual basis, the Town recognises \$924,160 lease premium revenue for the prepaid Airport lease premium. This amount is the reduction of the contract liabilities from \$41,304 to \$40,380.

10. Could you please advise what expenditure was incurred at Gratwick Swimming Pool during the financial year 2021 and why is the Pool closed during the Summer months?

The Chief Executive Officer provided the following response:

Expense	\$ 000
Operations	901
Maintenance	102

As the GAC does not have a pool heating system the water temperature is not considered adequate during the cooler winter months, which is the reason why the aquatic component of the facility closes during this time.

11. Borrowings

You indicate repayments on loans for housing and depot amounting to \$1,378. There is no indication of notice that you have received these loans. Expenditure has been incurred on these projects. What funds were utilised; I imagine Reserves?

The Chief Executive Officer provided the following response:

This amount was budgeted for the 2020-21 financial year but was not drawn down, therefore there were no actual borrowing costs. The Town used its own funds on the housing and Depot projects, which will be reimbursed once we draw down the loans.

It has been re-budgeted for the 2021-22 financial year.

12. Capital Commitment

What are the projects that incurred this expenditure of \$4,521(\$,000)?

The Chief Executive Officer provided the following response:

The commitment amount is comprised of mainly the following projects:

Commitment	\$ 000
JD Hardie Multipurpose Courts	93
Finucane Island Boat Ramp Improvement	844
Kerb Renewals	130
Commodity Route Funding	357
Footpath renewal program	84
Landscaping - Cemetery Beach to Koombana Lookout	143
Marapikurrinya Pop ups	192
Tropical low January 2021	256
Prepaid Lease Premuim	924
Classic & Premium collection	140
Shade Structure at Sth Hedland Skate Park	72
Staff Housing Construction and Renewal	140

4.1.2 MS MORAG LOWE

A written response was provided to Ms Lowe on 03 February 2023, detailing the below:

- 1. Early in 2020 I noticed a sum of \$40,000 being allocated to UWA, and I recall asking the Mayor at the time if he was aware of what this was for, to which he informed me it was the Town's contribution to a survey being undertaken. I believe he said the survey was on the status of FIFO workers in Town and the requirements thereof going forward. We are nearly coming up to a year, and it was the Town's contribution to quite a significant figure being contributed by other Pilbara Council's as well. I am just wondering where that research is at because it would be very useful to have access to it now.*

The Director Infrastructure Services has provided the following response:

The University of WA was commissioned to provide a research paper/report in relation to workforce accommodation. The cost of this report was \$45,000. The information provided within the report has been used to inform the Towns Position Statement on Workforce Accommodation Facilities and LPP/05 (links below)

https://www.porthedland.wa.gov.au/Profiles/porthedland/Assets/ClientData/200702_Position_Statement_Workforce_Accommodation_Post_June_OCM.pdf

https://www.porthedland.wa.gov.au/Profiles/porthedland/Assets/ClientData/201216_LPP_05_-_Workforce_Accommodation_FINAL.pdf

LPP/05, in particular 6.2 Commuting Distances. The Towns policy does not support workforce accommodation facilities located within 30 minutes of the townsite boundary, unless these are located within or in close proximity to existing urban populations and commercial centres to support community integration, based on the contents of the report.

- 2. As a continuation of the last answer; I think a budget item that is missing is the amount that the Town actually spends on external consultants. I wonder if that figure is available?*

The Manager of Financial Services has provided the following response:

The total amount spent on Consultants during 2020-2021 was \$4,547,000 and was spread across the organisation.

4.1.3 MS LYNNE TAYLOR

A written response was provided to Ms Taylor on 2 March 2022, detailing the below:

- 1. I would like to know why am I paying \$14,000 a year on rates? Look outside the dome, what you have been doing out there over and over again. You take perfectly good grass out and put perfectly good grass back in, and now it is all dying. I would like to know*

why the footpath stops either side of my place and nothing has been done? Am I invisible around there?

I don't understand why I am paying rates at all. I do not use the bins, I have never received any form of a recycling bin, I pay for my own to be taken away. It's time things change. You have riddled that area of the West End, allowing people to pollute far over the legal limit daily and leaving the drains mosquito ridden daily. They used to flow out to the sea and now they sit there with water in them that continues to be there every day of the year. It's about time someone had to live out there in the West End and see what it's like.

The Director Regulatory Services and Director Infrastructure Services have provided the following response:

The Pier Hotel includes a Caretakers Residence, which is charged an annual waste levy and was provided with a recycling bin in the initial roll out. Contact has been made with Cleanaway to deliver a new recycling bin and recommence service of this on a fortnightly basis.

- 1) The Pier Hotel includes a Caretakers Residence, which is charged an annual waste levy and was provided with a recycling bin in the initial roll out. Contact has been made with Cleanaway to deliver a new recycling bin and recommence service of this on a fortnightly basis.
- 2) BHP (in conjunction with PPA) are managing the greening works within the West End, with maintenance of this to be undertaken by the Town once completed.
- 2) There is no footpath along the frontage of the Esplanade in front of the Pier Hotel as this area has historically been used for carparking as shown in the aerial photo above. A footpath is provided on the opposite side of the Esplanade for pedestrians to use.



- 3) Drains in the West End are treated on a regular basis when they hold water to minimise mosquito breeding. This includes the compensation basins which they drain into depending on the volume of rain received. The Town is currently working with Main Roads to improve the drainage around Wilson Street at the West End.
- 5) DWER licences the emission of dust from the Port and Resource Industry activities. As this is a State agency, the Town has no jurisdiction in relation to dust emissions from DWER licensed premises.

4.1.4 MRS GLORIA JACOB

A written response was provided to Mrs Jacob on 22 February 2022, detailing the below:

1. *In relation to financial reports in the annual report, can you explain in regards to the statement of comprehensive earnings where you have shown expenses relating to materials and contracts? The first page of the report says that you have budgeted \$43.69M for materials and contracts and we have spent \$13.978M. Can you explain the variance?*

The Director Corporate Services has provided the following response:

Because of the required Accounting treatment, the \$24M that we were to pay for the Marina Project last year is included even though the funds are sitting in our reserves, it needs to be shown through the materials and contracts expense line. That explains the variance, because we have to have it budgeted, we should have paid it last financial year before the 30 June 2021, and we didn't. We are hoping to pay it this financial year. You will see that budgeted figure again in the current financial year.

2. *I assume the remaining \$6M is unfinished projects relating to the JD Hardie, youth zone and Skatepark?*

The Director Corporate Services provided the following response:

The remaining budget is not for the unfinished projects. The budgets for those projects appear in the Capital Works Budget. The remaining budget was less than expected as the impact of Covid 19 affected many areas including the inability to secure contractors and materials, thus reducing spending in the area of materials and contracts.

3. *In relation to the audited financial report, showing housing as an income revenue, can you explain how this occurs? Is that rental paid by staff?*

The Director Corporate Services provided the following response:

The revenue was received from LGIS (Local Government Insurer) for damage to fire pumps. The insurance payout was incorrectly coded to housing instead of recreation and culture.

4. *On the expense side of the same cost centre of housing there was a budget of \$3.127M, expended \$1.051M, can you explain what that budget relates to given that it was double the budget of the previous year?*

The Director Corporate Services provided the following response:

The budget for housing was increased for interest on borrowings (that did not occur), and an expected increase in costs due to new housing being built and secured. The onset of Covid 19 impacted the ability to complete these projects in the expected timeline resulting in an underspend to the anticipated budget.

5. *My last question relates to economic services, this I am assuming could be consultancy? – Budgeted for \$1.15M with expenditure being \$2.9M. This is more than double the budgeted item. Is there an explanation for this?*

The Director Corporate Services provided the following response:

An increase in sales of the Kingsford Smith Business Park land resulted in a higher-than-expected cost of sales for the land.

Item 5 Confirmation of Minutes of Previous Meeting

RECOMMENDATION / DECISION**MOVED: CR COLES****SECONDED: CR BENNETT**

That the Minutes of the Annual General Meeting of Electors held on Wednesday 9 February 2022 are a true and correct record.

CARRIED UNANIMOUSLY

Item 6 Annual Report

RECOMMENDATION / DECISION**MOVED: MAYOR CARTER****SECONDED: CR ECKHART**

That the Town of Port Hedland Annual General Meeting of Electors, pursuant to section 5.27 of the *Local Government Act 1995* and regulation 15 of the *Local Government (Administration) Regulations 1996*, receive and note the contents of the Town of Port Hedland Annual Report for the 2021/22 Financial Year, including the Mayor's report, the Chief Executive Officer's Report and the Audited Financial Report for the period ended 30 June 2022.

CARRIED UNANIMOUSLY

Item 7 General Business

7.1 JILLIAN FISHER

Ms Jillian Fisher asked the following question:

I just have a couple of points that I'd like to ask about the annual audit.

- 1. For a population of over 16,000 people and over 7,500 residential dwellings, I'd like to know what happened to the tip shop. It's been on the agenda for a couple of years and I can't see any reference to it, in the Annual Report, and I'd like to see what sort of action has been taken on it.*

The Director of Infrastructure provided the following response:

The CRC, which is the Community Recycling Centre, went out to tender about 18 months ago and it came back more expensive than budget; and so we've scaled back that design and it will be going out to tender in the next few months. As part of that process, we will be looking for somebody local to set up and run a tip shop as part of that project.

Ms Jillian Fisher responded with the following question:

2. *I found something that was published on your website (porthedland.wa.gov.au) from the 26th of March, where it was said that it was selected and awarded the contract in 2021 and the other part which was granted funding for the Department of Water and Environmental Regulation Engagement Program, and funding will be delivered over 2021/22 and 2022/23 Financial Years, so we haven't got that much to wait for the end of this financial year anyway.*

The Director of Infrastructure provided the following response:

As we were unable to deliver the contract, we returned the money.

Ms Jillian Fisher made the following statement and asked the following question:

Oh you returned the money? Okay.

3. *Will there be suitable funding for this in this next budget for a tip shop?*

The Director of Infrastructure provided the following response:

We are currently finalising a new design. It will go out to tender and we'll need to work through if it's too expensive, we may need to descale. We have been talking to groups in town about the possibility of a tip shop, however we're just working through that at the moment. Yes, more will be pending, subject to final design and tender.

Item 8 Closure

There being no further business, the Presiding Member declared the meeting closed at 5:41pm.