



Town of  
**Port Hedland**



# Annual General Meeting of Electors Minutes

Council Chambers, McGregor St, Port Hedland

5:30pm Wednesday 27 March 2019

Distribution Date:  
4 April 2019

**David Pentz**  
Chief Executive Officer

## **Our Vision**

*To be Australia's leading  
Port Town embracing  
community, culture  
and environment*



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**Item 1 Opening of Meeting**

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The Mayor declared the meeting open at 5.30pm.

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**Item 2 Acknowledgement of Traditional Owners and Dignitaries**

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The Mayor acknowledged the traditional custodians, the Kariyarra people, and recognises the contribution of Kariyarra Elders past, present and future, in working together for the future of Port Hedland.

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**Item 3 Recording of Attendance**

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**3.1 Attendance**

Mayor Camilo Blanco  
Deputy Mayor Louise Newbery  
Councillor Julie Arif  
Councillor Richard Whitwell  
Councillor Peter Carter  
Councillor George Daccache  
Councillor Tricia Hebbard  
Councillor Warren McDonogh  
Councillor Telona Pitt

David Pentz	Chief Executive Officer
Robert Leeds	Director Development, Sustainability and Lifestyle
Gerard Sherlock	Director Infrastructure and Town Services
Anthea Bird	Director Corporate and Performance
Josephine Bianchi	Manager Governance
Wendy Barnard	Corporate Support Officer/Minute Taker

Public	4
Media	1
Officers	3

**3.2 Apologies**

Nil

**3.3 Approved Leave of Absence**

Nil

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**Item 4 Response to Previous Questions**

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**4.1 Response to questions taken on notice from the Annual General Meeting of Electors held on 24 January 2018.****4.1.1 Ms Nina Pangahas**

*How much did it cost to terminate positions in 2017?*

The question is assumed to relate to the financial year ended 30 June 2017.

No employees at the Town of Port Hedland were terminated in the financial year ended 30 June 2017. Twelve positions were made redundant during the financial year at an expense of \$603,493. This amount covers time in lieu of notice, redundancy entitlements, relocation and support services. It should be noted that the majority of positions were made redundant via voluntary redundancy.

Accrued leave entitlements were also paid to employees in the amount of \$320,954. However, the costs associated with these entitlements accrued over the term of the employees' service and were not all expensed in the financial year ended 30 June 2017.

**4.1.2 Mr Arnold Carter**

*What was the cost of the most recent upgrade of the South Hedland Aquatic Centre?*

In 2011, a major facility upgrade commenced at the South Hedland Aquatic Centre (SHAC), inclusive of pool retrofit, plant and filtration, pipework, heating and plant building. The pool experienced considerable issues after the upgrade which resulted in regular closures and shut downs as the facility was not able to maintain its compliance. In September 2016, due to major water quality non-compliance issues and corresponding public safety risks, the SHAC was closed to allow for the review and upgrade of the pool filtration, water treatment and mechanical services systems.

In November 2016, the Town engaged Geoff Ninnes Fong and Partners (GNF) to provide a full review and scoping of the technical requirements, and design for the Filtration, Water Treatment (FWT) and Mechanical Services Plant Upgrade for the SHAC.

The documentation for RFT 2017 – 03 South Hedland Aquatic Centre Filtration & Water Treatment Plant and Pool Heating Upgrade was released on Wednesday 18 January 2017.

When the Tender submissions closed at 2.00pm (WST) Thursday 9 February 2017, two (2) submissions were received with one of the tenderers also submitted a non-conforming bid. The tender was awarded on 4 October 2017. The total costs for the works at SHAC was \$1,692,249.65 (excl GST). The budget allocation was \$1,683,000 (excl GST). The project had come in \$9,249.65 over budget.

The table below provides a breakdown of the costs incurred.

Summary of Cost Completion (FY17/18 Only)			
	<i>Excl GST</i>	<i>GST</i>	<i>Incl GST</i>
<i>Design &amp; Documentation</i>	\$17,233.01	\$1,723.30	\$18,956.31
<i>Plant Mechanical Works</i>	\$1,032,562.24	\$103,256.22	\$1,135,818.47
<i>Waverider Removal &amp; Aqua Tower Installation</i>	\$261,147.71	\$26,114.77	\$287,261.88
<i>Pergola Rectification Works</i>	\$89,578.00	\$ 8,957.80	\$98,535.80
<i>General Infrastructure Works</i>	\$111,080.19	\$11,108.02	\$122,198.21
<i>Changing Places Facility</i>	\$180,648.5	\$18,064.85	\$198,713.35
<i>Total Cost</i>	\$1,692,249.65	\$170,398.97	\$1,874,398.02
<i>Total Approved Budget</i>	\$1,683,000.00	\$168,300.00	\$1,851,300.00
<i>Remaining Budget</i>	(\$9,249.65)	(\$924.97)	(\$10,174.62)"

#### 4.1.3 Mr Sam Arif

*On page 3 of the financial report within the Annual Report, can you clarify what the discontinued operations for \$33 million is for in 2016?*

The Town advises that in reference to Note 42 in the 2015/16 Audited Annual Financial Statements, the \$33,223,000 identified as profit on sale of discontinued operations is directly related to the lease of the Port Hedland International Airport. The lease/sale was finalised on Friday, 11 March 2016, and the Port Hedland International Airport operations transferred to the new airport operator. On this date, the Town of Port Hedland derecognised the airport business, including the airport buildings and plant and equipment, consistent with the sale of these assets.

#### Item 5 Confirmation of Minutes of Previous Meeting

##### 5.1 Confirmation of Minutes of the Annual General Meeting of Electors held on 24 January 2018.

#### RECOMMENDATION/DECISION

MOVED: DM NEWBERY

SECONDED: CR CARTER

That the Minutes of the Annual General Meeting of Electors held on 24 January 2018 are a true and correct record.

*CARRIED UNANIMOUSLY*

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**Item 6 Annual Report**

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**6.1 Reports****RECOMMENDATION/DECISION****MOVED: CR ARIF****SECONDED: CR WHITWELL**

That the Town of Port Hedland Mayor's Report, Chief Executive Officer's Report and the Annual Report for the 2017/18 Financial Year be received.

*CARRIED UNANIMOUSLY*

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**Item 7 General Business**

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**7.1 Mr Arnold Carter**

*I noticed you accepted the Annual Report without any reference to the Report of the Mayor or the CEO.*

The Mayor advised that was the way he had chosen to chair the meeting.

*At the Ordinary Council Meeting held on 23 April 2018 it was agreed that the Gratwick Aquatic Centre would be upgraded. I refer to tender 2018-16, which was divided into two components. The first component had an allocation of \$300,000, the second component was to be included in the 2019 budget. This had an estimate of \$500,000 making a total allocation \$800,000.*

*You indicated in your expenditure mid-year review dated 12 February 2019 a budget expenditure of \$905,228 was to be allocated, which is far in excess of the \$800,000. I presume this included the original budget amount of \$500,000, which was in your previous budget.*

*Would you please supply the following information?*

- 1. Were estimates ever received for the first section of the upgrade and have you received a final quote for the completion of this project? If so, what is the final estimate?*
- 2. Why was there such a delay in the construction of the first component of the contract, which was issued in April 2018? Have you received a completion date?*

*In relation to the Port Hedland International Airport, the 2018 budget showed a balance of \$165,827,493.00. Could you please advise what component of this figure is interest received, as it is noted that your 2018/2019 budget comprises of the exact same figure?*

*Is it correct that you do not estimate or include in your budget any alteration to the amount of money in the actual funds in 2018?*

*As commented on in the audit report, when is it anticipated that a financial management committee be appointed for the management of the proceeds from the sale of the Port Hedland International Airport?*

*In the Critical Disclosures portion of the Financial Report it states "We have audited the following critical disclosures in the financial report and we find that there are several discrepancies. Disclosures of key management personnel remuneration and related party transactions are not in accordance with AASB 124 Related Party Disclosures", and the auditor has marked that as a matter of concern. Could you please update me on that disclosure?*

The Mayor advised that a written response to the above questions would be provided to Mr Carter.

## 7.2 Mr Chris Whalley

*Notwithstanding the storm we have just experienced, about six and a half years ago I asked this question of the Town of Port Hedland Council and nothing has happened, so I will ask it again. Can Council do something about the vacant plot of land directly adjacent to the Port Hedland Retirement Centre?*

The Mayor advised that discussion at this meeting can only relate to the Annual General Meeting, general questions should be asked at the Ordinary Council Meeting which will start at 6.30pm.

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## Item 8 Closure

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There being no further business, the Mayor declared the meeting closed at 5.41pm.

CONFIRMATION:

  
\_\_\_\_\_  
MAYOR

  
\_\_\_\_\_  
DATE