



Shire of
Katanning
Heart of the Great Southern

'A prosperous, vibrant and diverse community working together.'

**MINUTES OF A
ORDINARY COUNCIL MEETING**

Dear Council Member

The next Ordinary Council Meeting of the Shire of Katanning will be held on
Tuesday 26 March 2019, in the Shire of Katanning Council Chambers,
52 Austral Terrace, Katanning, commencing at 6:00pm.

DISCLAIMER

The Council of the Shire of Katanning hereby
advises that before taking any action on an application or a
decision of the Council, any applicant or members of the
public should wait for written advice from the Council.

PRESIDING MEMBER _____

DATE SIGNED _____



Table of Contents

Item No.	Item Heading	Page No.
1	Declaration of Opening/Announcement of Visitors	3
2	Record of Attendance	3
3	Response to Previous Public Questions Taken on Notice	4
4	Disclosure of Financial/Impartiality Interest	4
5	Public Question/Statement Time	4
6	Applications for Leave of Absence	5
7	Petitions/Deputations/Presentations	5
8	Confirmation of Minutes of Previous Meetings	5
9	Announcements by Presiding Member Without Discussion	5
10	Reports of Committees and Officers	6
10.1	Executive Manager Infrastructure & Development Reports	6
10.1.1	Development Application – Dwelling House Lot 643 (155) McLeod Street, Katanning	6
10.1.2	Water Corporation Review of Fixed Standpipes	13
10.2	Executive Manager Finance & Administration Reports	18
10.2.1	Schedule of Accounts	18
10.2.2	Monthly Financial Reports	20
10.2.3	2018/19 Budget Review	22
10.2.4	Compliance Audit Return 2018	24
10.3	Executive Manager, Projects and Community Building	26
10.4	Executive Manager, Property & Assets Reports	26
10.5	Chief Executive Officer's Reports	27
10.5.1	Town Hall Council Chambers – Arthur Todd	27
10.6	Advisory Committee Meeting Minutes	29
11	Elected Members Motions	29
12	New Business of an Urgent Nature	29
13	Confidential Item	30
13.1	Offer – Unit 10 Amherst Village	30
14	Closure of Meeting	31

1. DECLARATION OF OPENING/ ANNOUNCEMENT OF VISTORS

The Presiding Member declared the meeting open at 6 pm.

2. RECORD OF ATTENDANCE**PRESENT**

Presiding Member: Cr Liz Guidera - President

Members: Cr John Goodheart – Deputy President
Cr Danny McGrath
Cr Serena Sandwell
Cr Martin Van Koldenhoven
Cr Owen Boxall
Cr Ernie Menghini
Cr Kristy D’Aprile

Council Officers: Julian Murphy, Chief Executive Officer
Lisa Hannagan, Executive Manager Finance and Administration
Alan Lamb, Acting Executive Manager Infrastructure and
Development
Libby French, Manager Finance
Sue Eastcott, Executive Assistant to CEO

Gallery: Matt Collis
Will Collis
Doug Cherry
Karlie Moir

Media:

Apologies: Sam Davis, Executive Manager Projects and Community Building

Leave of Absence:

3. RESPONSE TO PUBLIC QUESTIONS TAKEN ON NOTICE

Nil.

4. DISCLOSURE OF FINANCIAL/IMPARTIALITY INTERESTS

10.5.1 Cr Danny McGrath Disclosure of Interest Affecting Impartiality

5. PUBLIC QUESTION/STATEMENT TIME**Matt Collis Statement**

Mr Collis extended his thanks to the whole Shire Team for an amazingly successful Harmony Festival and wanted to particularly single out the work of Zee, Denise and Tash and all the others that helped organise the event.

Mr Collis stated that in light of the dreadful events in New Zealand our festival was a great advert for harmony and what we can do when we pull together and that there are many places in the world that could learn from Katanning. Mr Collis again thanked everyone and commented that it was a great day, and long may it continue.

Shire President Liz Guidera

Shire President Liz Guidera thanked Mr Collis for his statement.

Doug Cherry Statement.

Mr Cherry stated that he would like to compliment the Shire on the magnificent building. Mr Cherry commented that he knew that there was a lot of input from a lot of people and it ended up magnificent. He commented further that the building is something that people will come to and say that belongs to us.

Shire President Liz Guidera

Shire President Liz Guidera thanked Mr Cherry for his Statement and for his input as one of the community members on the Administration and Civic Project Advisory Group.

6. APPLICATIONS FOR LEAVE OF ABSENCE

Nil.

7. PETITIONS/DEPUTATIONS/PRESENTATIONS

Nil.

8. CONFIRMATION OF MINUTES OF PREVIOUS MEETING**8.1 Ordinary Council Meeting – 26 February 2019
(SEE ATTACHED MINUTES)**

MOVED: CR MARTIN VAN KOLDENHOVEN

SECONDED: CR SERENA SANDWELL

OC199/19 That the minutes of the Ordinary Council Meeting held on Tuesday 26 February 2019 be confirmed as a true record of proceedings.

Voting Requirement: Simple Majority

CARRIED 8/0:

9. ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

Welcome to this new facility, the new Administration and Civic Centre.

This project has taken maybe 12 years to come to fruition from the time it was mooted. Firstly about building and then all the discussion about where it was going to be placed and then to actually being a working building.

I think it shows great leadership and I don't believe it is an easy decision for any Council to make, this kind of decision, to build a building like this as obviously resources in our current environment are always tight but I think it does show incredible confidence in our role as a leading community within this Region for now and into the future. Once again, I will just thank the staff that have made the transition from the old building to the new building so smooth, it has been fantastic.

Thank you to all the staff and volunteers who organised, attended and ran the Harmony Festival. It was a fantastic display of diversity and tolerance which really resulted in Katanning being in the spot light as a positive example of multiculturalism, it puts us in a fortunate position. It's very nice to be acknowledged as a community that is so well known for its tolerance and diversity and it was really was a fantastic Harmony festival

Today we hosted the Grants Commission with Chair Paul Omodei and his representatives. I hope Councillors found it enlightening and gained a greater understanding of the process of allocating Commonwealth funds.

Thank you to the Councillors that attended the Asset Management Workshop today and the Long-term Finance Plan workshop last week, it just an initial look at what is one of our biggest

challenges, which is providing sustainable resourcing for our Local Government and our community for years to come. Thank you very much, we have obviously have got some more work to do but that was a good start.

10. REPORTS OF COMMITTEES AND OFFICERS

10.1 EXECUTIVE MANAGER INFRASTRUCTURE & DEVELOPMENT REPORTS

10.1.1 Development Application – Dwelling House Lot 643 (155) McLeod Street, Katanning

File Ref: A804
Reporting Officer: D Baesjou, Consultant Planner
Report Prepared: 15 March 2019

Issue:

To consider an application for a Dwelling House in the Rural Residential zone. The application for Development Approval requires determination by the Council because the landowner is seeking permission for a zincalume roof.

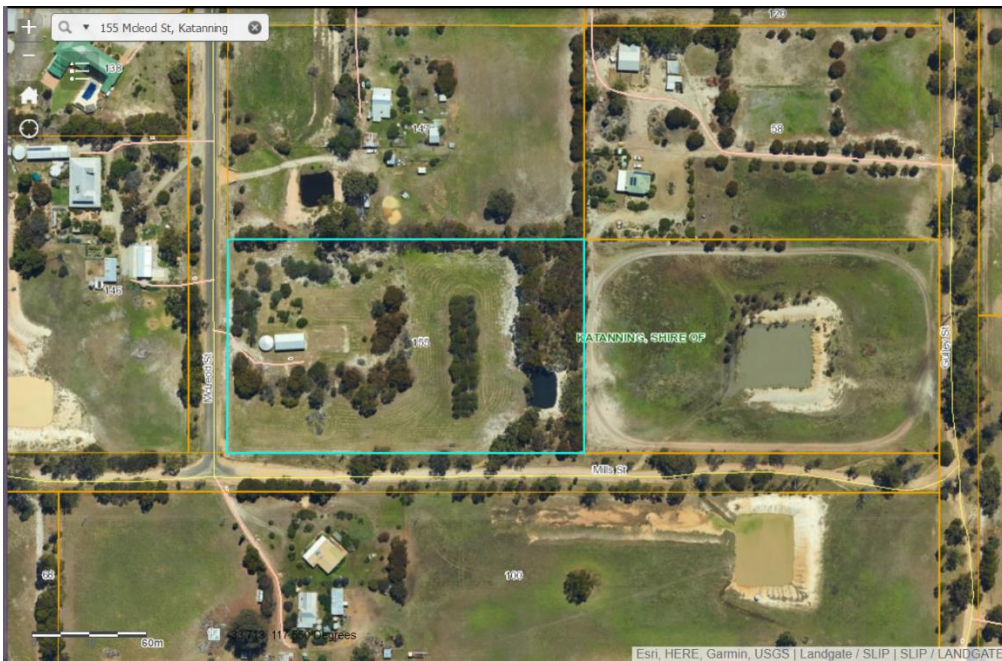


Image of Subject Land – Source: Landgate (Aerial 2017)

Body/Background:

A development application was received on 14 March 2019. The plans show a 12m x 23m four-bedroom, timber framed, brick veneer dwelling.

The property is zoned 'Rural Residential' – Area 2 (RR2) under the Shire of Katanning Local Planning Scheme No. 5 (LPS5). Adjoining land to the west, north and east is zoned RR2. The land to the south of Mills Street is zoned 'Rural'.

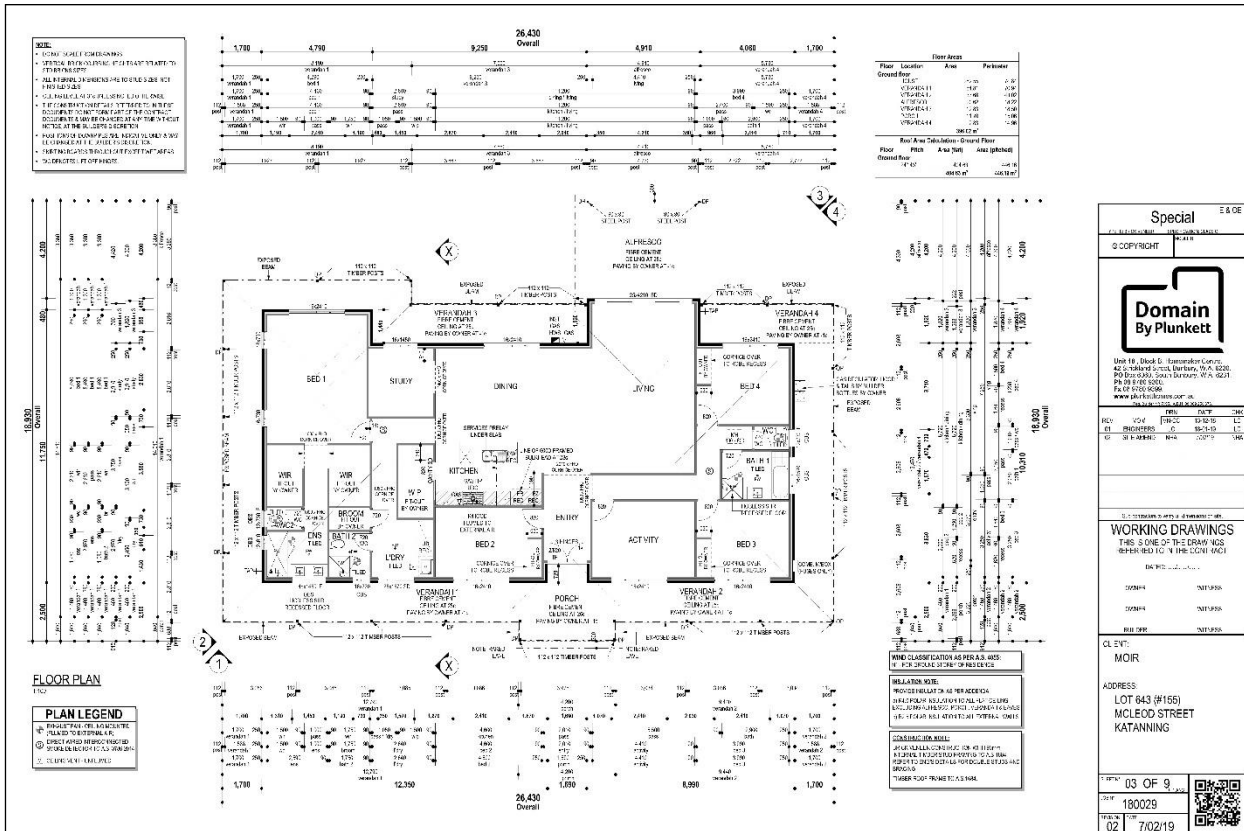
Lot 643 is 2.0236 ha and has frontage to McLeod Street along the western boundary and Mills Street along the southern boundary.

Existing development comprises Outbuildings, including a rainwater tank, vegetated and cleared areas, fences and a small dam.

At its meeting held 28 August 2018 the Council considered a proposal for a second oversized Outbuilding on the subject land – Resolution OC103/18, Item 10.1.3 refers. Conditional Development Approval was granted for the 288m² Outbuilding, which was in addition to the existing Outbuilding of approximately 252m². The approved plans show a fully enclosed, steel-framed structure clad with dark blue colorbond®.



Site Plan



Floor Plan

Special E & OE

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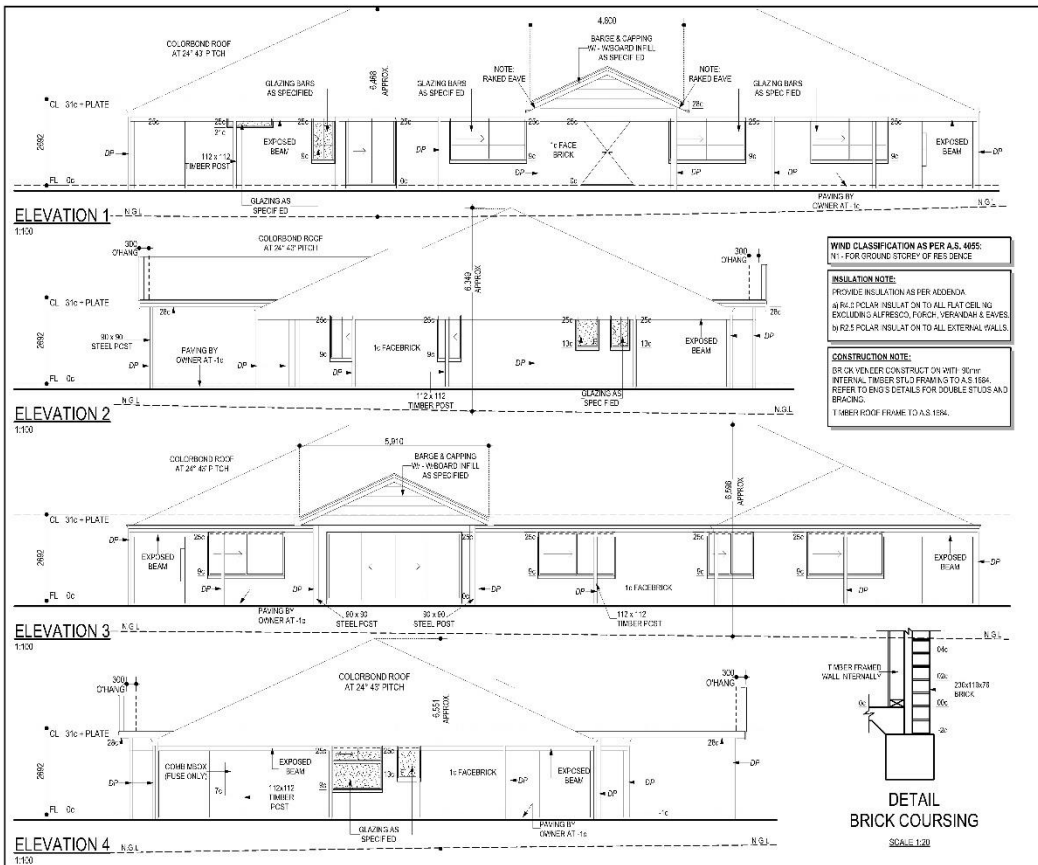
REV: 02/19 DATE: 7/02/19

WORKING DRAWINGS
THIS IS ONE OF THE DRAWINGS REFERRED TO IN THE CONTRACT.

OWNER: MOIR

ADDRESS: LOT 643 (#155) MCLEOD STREET KATANNING

DATE: 03 OF 9
JOB: 180029
REV: 02/19 DATE: 7/02/19



Elevations

Special E & OE

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REV: 02/19 DATE: 7/02/19

WORKING DRAWINGS
THIS IS ONE OF THE DRAWINGS REFERRED TO IN THE CONTRACT.

DATED: 7/02/19

OWNER: MOIR

ADDRESS: LOT 643 (#155) MCLEOD STREET KATANNING

DATE: 04 OF 9
JOB: 180029
REV: 02/19 DATE: 7/02/19

Officer's Comment:

Notwithstanding 'Single House' is listed as 'P' (Permitted) in the Rural Residential zone, Table 3 specifies that the Council's planning approval is required for all development in this zone.

The application was assessed, based on the requirements and procedures set out in LPS5 and the current Planning and Development (Local Planning Schemes) Regulations 2015.

The following Table shows the required and proposed setbacks for the Dwelling.

Minimum Setbacks - Proposed Dwelling, Lot 643 (155) McLeod Road, Katanning			
Boundary	Required Setback	Proposed Setback	Comment/ Assessment
Front/Primary Street [McLeod Rd]	15m	41m	<i>Compliant</i>
Secondary Street [Mills St]	15m	Approx. 28m	<i>Compliant</i>
Northern Side	10m	Approx. 23m	<i>Compliant</i>
Eastern Side/Rear	10m	>210m	<i>Compliant</i>

This proposal satisfies the general provisions set out in Table 3, other than Clause 5 which sets out "Wall and roof colours that are highly-visible or reflective such as unpainted zincalume or off-white colours are not permitted".

The new Scheme came into effect in February 2018. Under the previous Planning Scheme (TPS4), the provisions relating to use of non-reflective material did not apply to this Rural Residential area, being Special Rural 2. Clause 6.7.4.2 a) required Council to have regard to the colour and texture of external materials; it did not preclude zincalume. As a result, there are a number of zincalume and corrugated iron clad Outbuildings and structures in this 'Hobby Farm' precinct.

Clause 34 of LPS5 provides Council with discretion to vary development requirements, if it is satisfied the development is orderly and proper and will not have adverse effects.

The proposed Dwelling is to be located behind the Outbuildings and will be somewhat screened from public view by these structures and the existing vegetation. Reflective materials, such as unpainted zincalume can impact on visual amenity, especially if the development is prominent on the landscape, silhouetted or where neighbouring properties are overlooking. The subject land is relatively flat and it is considered the appearance, size and bulk of the proposed development will have no significant on-going impact on adjoining land. In this case, given the predominantly rural character of the area, the historic use of zincalume type materials, the lot size, topography and extent of planting, the variation (in respect of materials) could be justified. The officer recommendation reflects this position.

Should the Council not wish to exercise its discretion to vary the requirement relating to non-reflective materials the following alternative Condition 1 is offered:

1. Development to be generally in accordance with the approved plans, noting the use of un-painted zincalume or off-white coloured roof material is not permitted.

The subject land is considered to be of sufficient size to accommodate the proposed development. The dwelling is consistent with other nearby development and compatible with land uses in this area.

The proposal is considered to meet the objectives and intent of LPS5, and the specific zone Objectives set out in Table 2:

‘To provide for a range of limited rural and related ancillary pursuits on rural-residential lots where those activities will be consistent with the amenity of the locality and the conservation and landscape values of the land...’.

Development Approval is recommended, subject to conditions.

Statutory Environment:

Shire of Katanning Local Planning Scheme No. 5.

Planning and Development (Local Planning Schemes) Regulations 2015.

The application was evaluated against the matters listed in Clause 67, Part 9 Schedule 2 of Planning and Development (Local Planning Schemes) Regulations 2015. The following Table lists those matters considered relevant to this application, together with planning comments.

Matter	Relevance	Comment
(a) The aims and provisions of this Scheme and any other local planning scheme operating within the Scheme area.	Yes	Development and Use of the subject land for the purpose of Dwelling is consistent with the zone Objectives set out in Table 2 and Clause 9 Aims of the Scheme: (a) Promote and facilitate planned expansion of the townsite; and (b) Community Growth and Diversity – townsite growth.
(b) The requirements of orderly and proper planning.	Yes	Land use is consistent with the Growth Plan and the endorsed Local Planning Strategy.
(m) the compatibility of the development with its setting including the relationship of the development to development on adjoining land or on other land in the locality including, but not limited to, the likely effect of the height, bulk, scale, orientation and appearance of the development.	Yes	This proposal for a variation to allow the use of ‘zincalume’ roof material requires determination by the Council. In terms of compatibility, visual impact and amenity, this proposal is unlikely to have any on-going negative impact on adjoining land.
(n) the amenity of the locality including the following: (i) environmental impacts of the development; (ii) the character of the locality; (iii) social impacts of the development.	Yes	No significant negative impact on amenity in regard to the natural environment or character of the locality given the setting, function and purpose of the zone.
(p) whether adequate provision has been made for the landscaping of the land to which the application relates and whether any trees or other vegetation on the land should be preserved.	Yes	There are areas of Remnant Vegetation and shelter belts on the subject land. Development site is screened. New structure is within existing cleared area It is not expected that existing planting or remnant vegetation will be impacted by this proposal.
(t) the amount of traffic likely to be generated by the development, particularly in relation to the capacity of the road system in the locality and the probable effect on traffic flow and safety.	Neutral	Development unlikely to result in any substantial or unplanned increase in vehicle movements.
(w) the history of the site where the development is to be located;	Neutral	Ongoing use and development of the lots in this well established Hobby Farm/Rural Residential precinct is supported.

The proposal is considered to satisfy relevant planning requirements and to meet the Scheme Aims, as well as the intent of the Katanning Local Planning Strategy.

The subject land is not of historical cultural significance. The site is not recorded in the State Register of Heritage Places, the Municipal Inventory or other Heritage lists. Based on a recent search using the DoPLH online Aboriginal Heritage Inquiry System, it is not listed as a Registered Aboriginal Site or Survey Area.

The subject land is not designated as a Bush Fire Prone Area as identified by the Fire and Emergency Services Commissioner, so is exempt from the requirements of SPP 3.7 and the associated deemed provisions of the Planning Regulations 2015. In any case, the landowner is obligated to comply with the Shire of Katanning Fire Management Requirements (Bush Fire Notice), including provision of a '2.5 metre wide bare earth firebreak immediately inside along all external boundaries'.

Policy Implications:

There are no policy implications for this report.

Financial Implications:

Based on the nominated Development Value of \$320,400 and in accordance with the published schedule of Fees and Charges, the Planning Application Fee is \$1,025.28.

Risk Implications:

This item has been evaluated against the Shire of Katanning's Risk Assessment and Acceptance Criteria.

The risk relates to the potential for the Applicants to exercise their right to apply for a review by the State Administrative Tribunal (SAT) should they be aggrieved by the determination for the proposed Development. Any variation to allow the use of un-painted zincalume is at the discretion of Council and is easily defensible. Therefore the risk is Low, whether or not the Council supports such variation and grants planning approval subject to standard conditions, in accordance with Local Planning Scheme No. 5.

In this case, the perceived level of risk is considered to be "Low (2)" based on the "Minor" consequence (2) of financial impacts and the "Rare" likelihood (1) that the Applicant would challenge the Council's decision on this proposal. The "Low" risk rank is considered acceptable with adequate controls, managed by routine procedures.

Strategic Implications:

Shire of Katanning Strategic Community Plan 2017 – 2027

PRIORITY		BUILT ENVIRONMENT
ASPIRATION	B2	Places for the community to live, work and connect
OBJECTIVE	B2.3	Orderly development (Town Planning)
PRIORITY		ECONOMIC
ASPIRATION	E3	Sustainable economic and population growth
OBJECTIVE	E3.2.2	Ensure land use planning for commercial, industrial and residential development.

Officer's Recommendation/Council Motion:**MOVED: CR KRISTY D'APRILE****SECONDED: CR ERNIE MENGHINI****OC200/19**

That Council grants Development Approval for Lot 643 (155) McLeod Street, Katanning for the purpose of Single Dwelling, subject to the following conditions:

- 1. Development to be generally in accordance with the approved plans, noting the use of un-painted zincalume roof material is approved.**
- 2. Maintenance of parking areas and accessways is the responsibility of the landowner.**
- 3. Stormwater runoff from the new structure to be adequately controlled on-site. Any connection to the district drainage system to be to the satisfaction of the Shire of Katanning, in accordance with Engineering requirements and design guidelines.**

Advice Notes

- I. Construction and siting of any proposed crossover requires prior approval and is to be in accordance with Shire of Katanning specifications and requirements.**
- II. Wastewater is to be managed by way of an approved on-site disposal system**
- III. The property is to be maintained in accordance with the Shire of Katanning Fire Management Requirement Notice, applicable at the time.**
- IV. This Development Approval does not constitute a Building Permit.**
- V. Future use and works to comply with the Building Code of Australia and relevant Health and Environmental statutes.**

Voting Requirement: Simple Majority

CARRIED 8/0:

Cr Kristy D'Aprile spoke for the motion.

10.1.2 Water Corporation Review of Fixed Standpipes

File Ref: WS.RG.1
Reporting Officer: Alan Lamb Acting Executive Manager Infrastructure & Development
Report Prepared: 18 March 2019

Issue:

Water Corporation advised that it will impose the following charges for water supply services to the Shire's fixed standpipes:

80mm standpipe

Detail	Annual service charge	Usage tariff per kilolitre
Local Authority Standpipe - locked and for Shire use only	Nil	\$2.534
Commercial Standpipe	\$4,246.85	\$8.353

50mm Standpipe

Detail	Annual service charge	Usage tariff per kilolitre
Local Authority Standpipe - locked and for Shire use only	Nil	\$2.534
Commercial Standpipe	\$1,658.93	\$8.353

20-25mm Standpipe

Detail	Annual service charge	Usage tariff per kilolitre
Local Authority Standpipe - locked and for Shire use only	Nil	\$2.534
Community standpipe	\$265.41	\$2.534

The current position is that the Shire pays \$257.40 as an annual charge for metered supplied to standpipes and pays \$2.534 per kilolitre for water used.

Fees and charges, set at the time of adopting the 2018/19 budget, include a fee of \$3.20 per kilolitre. A fee of \$20.60 was set for standpipe access cards.

Assuming a full cost recovery was required, water drawn from the 80mm service standpipe on the Kojonup Road near Punchmerup Road would have to be charged out at \$15.936 per kilolitre (the Water Corporation charge made up of the fixed annual charge of \$4,246.85 plus \$8.353 per kilolitre and based on the usage detail provided by Water Corporation for 2017/18 – 560 kilolitres) plus administration costs.

Similarly, the 50mm service standpipe on the Kojonup Road near Nookanellup North Road would cost the Shire (based on detail provided by Water Corporation, annual fixed charge \$1,658.93 plus the usage charge of \$8.353 per kilolitre, and water usage in 2017/18 of 65 kilolitres) more than \$33 per kilolitre indicating a charge in the region of \$35 per kilolitre would be required.

The foregoing highlights that the cost to Council of each kilolitre drawn from a standpipe varies based on the size of the service, which determines the fixed cost, and the number of kilolitres taken.

Body/Background:

It is understood that the intent is to seek to reduce the draw from standpipes to better ensure supply to Water Corporation customers who pay water service and usage charges. Also to attempt to ensure that commercial entities who draw water from standpipes pay at the same rate they would if they were Water Corporation customers (had their own metered service).

Council has one 80mm service standpipe in the Shire depot which is not available to the public. This service is used by the Shire for works and firefighting purposes.

There is another 80mm service standpipe on the Kojonup Road near Punchmirup Road.

There are 50mm service standpipes on:

- Kojonup Road near Nookanellup North Road
- Great Southern Highway near Schultz Road
- Great Southern Highway near Baker Road
- Great Southern Highway near Trimmer Road

There are 20mm service standpipes on the Nyabing Road near Langaweira Road and near Badgebup North Road. The Shire has water tanks (approx. 100kl) at each of these standpipes.

Water Corporation provided the following information on the three supply scenarios in Katanning:

1. **Katanning town supply:** these residential properties connected to the Katanning township scheme are charged at the tiered rates outlined. A service charge of \$265.41 is also payable.
2. **Katanning farmlands supply (i.e. outside Katanning township)** – these rural farming properties receive a “farmlands” supply which generally has flow, pressure or water quality conditions associated with the supply. If they are connected, water is charged at a flat rate of \$2.534 /kL and an annual service charge of \$265.41 per 20mm meter is payable.
3. **Properties with no water services** – These are ‘self-supply’ properties where fixed standpipes are used as a supplementary source of water, charged at the same rate as the farmlands supply, a flat rate of \$2.534 /kL, however no service charge is payable by the users.

Based on the above scenarios, below is a breakdown of the different pricing structures based on 2018\2019 rates. You will notice, that as the volume of water use increases, the costs for rural properties on the farmlands supply and those using standpipes is actually cheaper than the town supply.

Cost to access water – Katanning 2018/19			
Volume of water (Kilolitres)	Katanning Town Scheme (Tiered rate plus Service charge*)	Farmlands connection** (Flat rate \$2.534 / kL plus Service Charge*)	Fixed Standpipe water (Flat rate only \$2.534 / kL)
1	\$ 267.19	\$ 267.94	\$ 2.534
150	\$ 621.66	\$ 645.51	\$ 380.10
300	\$ 1,846.41	\$ 1,025.61	\$ 760.20
550	\$ 5,249.51	\$ 1,659.11	\$ 1,393.70
<p>* 2018/19 service charge for household 20mm meter = \$265.41 ** Our water supply schemes are designed to provide a limited supply of water to customers in farmland areas. Flow rates may be restricted, and continuity of supply cannot be guaranteed. Customers are responsible for maintaining sufficient water storage to cater for potential interruption to supply water for two days.</p>			

Tiered pricing structure for town-based households in Katanning	
Pricing structure	Cost per Kilolitre (2018/19)
550+ kL	\$9.062 per kL
301 - 550 kL	\$5.270 per kL
151 - 300 kL	\$2.375 per kL
0 - 150 kL	\$1.782 per kL
Annual Service charge	265.41

Water Corporation also noted that the “true cost to deliver water to your region would be closer to \$27” per kilolitre.

It should be noted that in the case of Shire usage from standpipes, such as firefighting, the Shire may record the kilolitres used and then claim this back (that is pay nothing for the water used). Further, it was noted that the scheme’s capacity was limited and that it should also be noted that when an area is declared drought affected, by the Department of Water, concessional rates apply and Water Corporation would charge \$2.534 per kilolitre.

This matter has been before Forum and has been the subject of community consultation.

Officer’s Comment:

The matter of Water Corporation’s planned changes to its pricing regime will impact on the Shire Council and community members who use the Shire’s standpipe service.

Council’s options include:

- Do nothing and accept/pass on the new charges
- Reduce all services to 20 to 25mm

- Reduce all services to 20 to 25mm and install tanks to allow for faster filling of mobile tanks.
- Encourage current standpipe users to contact the Department of Water regarding options for alternatives

Do nothing

Absorbing the new charges will impose a burden on all residents via reduced Shire funds to spend on other services. Passing on increased charges would make the cost of water significantly higher than it is now and so would be a burden for affected landholders. It is also likely to push water carting firms out of business.

Reduce service size/ reduce service size and install tanks

Reducing the size of the services to 20 to 25mm is likely to result in a requirement to install water storage tanks at standpipes. These are expected to cost in the vicinity of \$20,000 (100 kilolitre).

These tanks might be expected to be serviceable for 20 years and so the capital cost would be charged to each year of economic life. The annual charge then would be \$1,000 plus maintenance of the tank and standpipe, plus Water Corporation charges.

Using the standpipe on the Kojonup Road near Punchmirup Road, example reducing the service to 20 to 25mm may then result in a cost to Council of \$5.15 per kilolitre (Water Corporation service charge of \$265.41 plus \$2.534 per kilolitre, plus \$1000 per annum for depreciation on the tank plus say \$200 per annum for maintenance, based on annual usage of 560 kilolitres).

Administration costs would need to be added to this and so the full cost recovery charge is likely to be in the order of \$6 to \$7 per kilolitre. The issue would always be the tank refill rate when there is a high demand for water.

A commercial water catering firm indicated they may take 100 kilolitres per day to supply to their customers (mainly for domestic use).

Encourage alternative options

There will be many ways in which this could be done and it appears Department of Water is the contact organization for landholders.

There will be more options and alternatives but it is recommended that this matter be combined with a review of the road hierarchy and put to the community at a workshop style of community meeting. At the recently held Council Forum, it was suggested that the community workshop be held 10 April 2019 in the Leisure Centre's Pioneer room, commencing at 6pm.

Statutory Environment:

Water Services Act 2012.

Policy Implications:

Nil

Financial Implications:

Changes to the Water Corporations pricing regime will see an increase in standpipe water charges – Council may pass on the increased costs to customer or absorb the additional costs.

Risk Implications:

This item has been evaluated against the Shire of Katanning’s Risk Assessment and Acceptance Criteria. The perceived level of risk is considered to be “low”.

Strategic Implications:

Shire of Katanning Strategic Community Plan 2017 – 2027

PRIORITY	BUILT ENVIRONMENT	
ASPIRATION	B1	Infrastructure that meets community need
OBJECTIVE	B1.2	Provide facilities that meet community need.

Officer’s Recommendation/Council Motion:

MOVED: CR KRISTY D’APRILE

SECONDED: CR SERENA SANDWELL

OC201/19 That Council hold a community workshop:

1. To gather community feedback on options for water standpipe services;
2. To also gather community feedback on the Shire road hierarchy review; and
3. The workshop be held in the Katanning Leisure Centre’s Pioneer Room 10 April 2019, commencing at 6pm.

Voting Requirement: Simple Majority

CARRIED 8/0:

Cr Kristy D’Aprile spoke for the motion.

10.2 EXECUTIVE MANAGER FINANCE & ADMINISTRATION REPORTS

10.2.1 Schedule of Accounts (ATTACHMENTS)

File Ref: FM.FI.4
Reporting Officer: Libby French, Manager Finance
Report Prepared: 8/03/2019

Body/Background:

This information is provided to Council on a monthly basis in accordance with provisions of the Local Government Act 1995 and Local Government (Financial Management) Regulations 1996. A Local Government is to develop procedures for the authorisation of, and payment of, accounts to ensure that there is effective security for, which money or other benefits may be obtained.

Below is a summary of the payments made for the financial year:

Month	Cheques 2018/19	EFT Payments 2018/19	Direct Debits 2018/19	Credit Card 2018/19	Payroll 2018/19	Trust 2018/19	Total Payments 2018/19
July	49,856.02	1,304,275.74	263,772.85	8,263.63	328,265.62	1,166.35	1,955,600.21
August	43,071.62	1,677,488.87	266,397.60	-	343,394.41	11,358.67	2,341,711.17
September	59,931.92	730,022.40	202,453.71	-	318,147.13	226.60	1,310,781.76
October	33,516.56	1,433,099.82	303,461.87	-	338,329.85	226.60	2,108,634.70
November	31,679.80	1,313,834.19	326,711.28	-	500,094.12	-	2,172,319.39
December	47,238.94	1,286,575.65	378,902.55	15,990.74	335,876.84	434.00	2,065,018.72
January	85,128.73	1,005,750.38	292,968.54	-	337,673.45	1,902.86	1,723,423.96
February	97,090.14	988,593.68	186,113.98	19,039.64	330,238.84	56.65	1,621,132.93
March	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-
Total	447,513.73	9,739,640.73	2,220,782.38	43,294.01	2,832,020.26	15,371.73	15,298,622.84

Officer's Comment:

The schedule of accounts for the month of February 2019 are attached.

The Finance Forum held on 12 February 2019 gave attending Councillors an opportunity to ask questions regarding the presented accounts paid.

Statutory Environment:

Local Government (Financial Management) Regulations 1996.

Policy Implications:

There are no direct policy implications in relation to this item.

Financial Implications:

Expenditure in accordance with the 2018/19 Annual Budget.

Risk Implications:

This item has been evaluated against the Shire of Katanning's Risk Assessment and Acceptance Criteria. The perceived level of risk is considered to be "Low" risk and can be managed by routine procedures and with current resources.

Strategic Implications:

Shire of Katanning Strategic Community Plan 2017 – 2027

PRIORITY	LEADERSHIP	
ASPIRATION	L2	A collaborative, progressive and resilient local government which is sustainably resourced.
OBJECTIVE	L2.1	Optimise use of shire resources – improve organisational systems.

Officer's Recommendation/Council Motion:

MOVED: CR SERENA SANDWELL SECONDED: CR KRISTY D'APRILE

OC202/19 That Council endorses the Schedule of Accounts as presented, being cheques 42158-42178 totalling \$97,090.14, EFT payments 26975-27186 totalling \$988,593.68, direct payments totalling \$186,113.98, credit card payments totalling \$19,039.64 and trust payments totalling \$56.65 authorised and paid in February 2019.

Voting Requirement: Simple Majority.

CARRIED 8/0:

10.2.2 Monthly Financial Reports (ATTACHMENTS)

File Ref: FM.FI.4
Reporting Officer: Libby French, Manager Finance
Report Prepared: 08 March 2019

Body/Background:

The Local Government (Financial Management) Regulation 34 states that a local government must prepare a statement of financial activity reporting on the sources and applications of funds, as set out in the annual budget for the month.

Variances between budgeted and actual expenditure including the required Material Variances (10% with a minimum value of \$10,000) are included in the variance report.

Officer's Comment:

A variance report is included with the monthly financial statements attachment.

The Finance Forum held on 12 February 2019 gave attending Councillors an opportunity to ask questions regarding the presented financial statements.

Statutory Environment:

Local Government (Financial Management) Regulations 1996.

Policy Implications:

There are no direct policy implications in relation to this item.

Financial Implications:

Monthly Statement of Financial Activity.

Risk Implications:

This item has been evaluated against the Shire of Katanning's Risk Assessment and Acceptance Criteria. The perceived level of risk is considered to be "Low" risk and can be managed by routine procedures and with current resources.

Strategic Implications:

Shire of Katanning Strategic Community Plan 2017 – 2027

PRIORITY	LEADERSHIP	
ASPIRATION	L2	A collaborative, progressive and resilient local government which is sustainably resourced.
OBJECTIVE	L2.1	Optimise use of shire resources – improve organisational systems.

Officer's Recommendation/Council Motion:

MOVED: CR SERENA SANDWELL

SECONDED: CR JOHN GOODHEART

OC203/19 That Council adopts the Statement of Financial Activity for the month ending 28 February 2019, as presented.

Voting Requirement: Simple Majority.

CARRIED 8/0:

10.2.3 2018/19 Budget Review **(ATTACHMENTS)**

File Ref: FM.BU.6
Reporting Officer: Libby French, Manager Finance
Report Prepared: 11 March 2019

Body/Background:

Regulation 33A of the Local Government (Financial Management) Regulations 1996 requires Local Governments to conduct a budget review between 1 January and 31 March each financial year.

Regulation 33A(2) and (3) require the results of the review to be submitted to Council and for Council to consider whether or not to adopt the review, any part of the review or any recommendations made in the review.

Regulation 33A(4) requires that within 30 days after Council has adopted the review a copy of the review and determination is to be provided to the Department of Local Government, Sport and Cultural Industries.

Officer's Comment:

Officers have extensively reviewed the actual performance to budget as at 31 January 2019 and have re-assessed and forecast the expected position as at 30 June 2019. The attached report details the results of that review and includes a list of recommended variations to budget for Council consideration.

The audited closing net current assets at 30 June 2018 was a surplus of \$5,245,655, which is \$40,852 lower than the budgeted surplus. This is attributable to the timing of expenditure at the end of the financial year. The Commonwealth Financial Assistance grant saw an indexation increase for the Shire, resulting in \$48,617 above budget, which offsets the lower than budgeted surplus.

Of note, actual depreciation has increased above the budget. The recommended net increase across multiple accounts is \$692,500, attributable to the significant increase in fair value of infrastructure assets which were revalued at 30 June 2018. The value of roads assets in particular increased \$44.5 million; at the time of budget adoption, this information was not finalised. While this is a significant increase, depreciation is a non-cash item, and does not affect the net position.

Overall, the review has confirmed that the actual performance to 31 January 2019 is close to budget and that after re-forecasting Council can still expect a balanced position at the end of the financial year.

Statutory Environment:

Regulation 33A, 33A(2), 33A(3) and 33A(4) of the Local Government (Financial Management) Regulations 1996 details the requirements for Local Governments to conduct a budget review between 1 January and 31 March each financial year.

Policy Implications:

There are no direct policy implications in relation to this item.

Financial Implications:

The cumulative effect of the proposed variations arising from the mid-year review have no material financial impact on the originally adopted balanced budget.

Risk Implications:

This item has been evaluated against the Shire of Katanning's Risk Assessment and Acceptance Criteria. The perceived level of risk is considered to be "Low" risk and can be managed by routine procedures and with current resources.

Officers have extensively reviewed the actual performance to budget as at 31 January 2019 and have re-assessed and forecast the expected position as at 30 June 2019.

In accordance with Regulation 33A of the Local Government (Financial Management) Regulations 1996 the list of recommended variations to budget is now being submitted for Council consideration.

Strategic Implications:

Shire of Katanning Strategic Community Plan 2017 – 2027

PRIORITY	LEADERSHIP	
ASPIRATION	L2	A collaborative, progressive and resilient local government which is sustainably resourced.
OBJECTIVE	L2.1	Optimise use of shire resources – improve organisational systems.

Officer's Recommendation/Council Motion:

MOVED: CR SERENA SANDWELL

SECONDED: CR KRISTY D'APRILE

OC204/19 That Council adopts the Mid-Year Review as at 31 January 2019 including the proposed variations detailed therein and amend the 2018/19 budget accordingly.

Voting Requirement: Absolute Majority.

Carried by an Absolute Majority 8/0:

Cr Serena Sandwell spoke for the motion.

10.2.4 Compliance Audit Return 2018

File Ref: CV.CM.2
Reporting Officer: Lisa Hannagan, Executive Manager Finance & Administration
Date Report Prepared: 18 February 2019

Issue:

To adopt the Compliance Audit Return for the period 1 January 2018 to 31 December 2018.

Body/Background:

In accordance with the Local Government (Audit) Regulations 1996, Council is required to conduct a compliance audit for the period 1 January 2018 to 31 December 2018 against the requirements of the Compliance Audit Return.

The completed Compliance Audit Return was presented to the Audit (Finance & Risk) Committee for consideration on 12 March 2019.

Following Council adoption, the Compliance Audit Return is to be submitted to the Director General of the Department of Local Government prior to 31 March 2019.

Officer's Comment:

The Compliance Audit Return was considered by the Audit & Risk Committee at its meeting held on 12 March 2019, and recommended that Council adopt the Compliance Audit Return.

Statutory Environment:

Local Government (Audit) Regulations 1996, Regulations 13, 14 and 15.

Policy Implications:

There are no policy implications.

Financial Implications:

There are no financial implications.

Risk Implications:

The Annual Compliance Audit process is considered LOW risk. The Shire is subject to numerous external audits and has established internal audits of critical compliance areas. Shire staff have actively worked to continue progress and ensure processes are well established throughout the organisation.

Strategic Implications:

Shire of Katanning Strategic Community Plan 2017 – 2027

PRIORITY	LEADERSHIP	
ASPIRATION	L2	A collaborative, progressive and resilient local government which is sustainably resourced.
OBJECTIVE	L2.1	Optimise use of shire resources – improve organisational systems.

Officer's Recommendation/Council Motion:

MOVED: CR KRISTY D'APRILE

SECONDED: CR JOHN GOODHEART

OC205/19 That Council adopts the Compliance Audit Return, as attached, for the period 1 January 2018 to 31 December 2018 and submit a certified copy to the Executive Director of the Department of Local Government.

Voting Requirement: Simple Majority

CARRIED 8/0:

Cr Kristy D'Aprile spoke for the motion.

10.3 EXECUTIVE MANAGER, PROJECTS AND COMMUNITY BUILDING REPORTS

10.4 EXECUTIVE MANAGER, PROPERTY & ASSETS REPORTS

10.5 CHIEF EXECUTIVE OFFICER'S REPORTS

Cr McGrath disclosed of interest affecting impartiality to Item 10.5.1 as Arthur Todd does voluntary work for him.

10.5.1 Town Hall Council Chambers – Arthur Todd

File Ref: A2254
Reporting Officer: Julian Murphy, Chief Executive Officer
Date Report Prepared: 21 March 2019

Issue:

To consider a request from Arthur Todd to use of the Council Chambers at the Town Hall to operate his Lost Katanning activities.

Body/Background:

Council has received a letter from Arthur Todd requesting that Council grant him use of the Council Chambers at the Town Hall to operate his Lost Katanning activities. A copy of Mr Todd's letter is attached.

Mr Todd has asked for assistance with the provision of some office furniture and use of the space on a peppercorn rent.

Providing Mr Todd use of the old Council Chambers may be exempt from the requirements of section 3.58 (Disposing of property) of the Local Government Act 1995 if in accordance with the Local Government (Functions and General) Regulations (Reg. 30(2)(e) the lease is for a period of less than 2 years during all or any of which time the lease does not give the lessee the exclusive use of the land.

Officer's Comment:

The Council Chambers at the Katanning Town Hall is in a shared space currently used by the Katanning Visitors Centre. With the completion of the new Shire of Katanning Administration and Civic Building, the old Council Chambers is no longer required for use for Council Meetings.

Arthur Todd operates the Lost Katanning website the purpose of which as described on the website is as follows:

"The Lost Katanning website has been set up by Arthur Todd to preserve the history of Katanning and surrounding districts since its inception. To give an idea of what life was like for those brave people who travelled into the middle of nowhere to set up home, raise a family, and develop Katanning into the thriving community it is today."

(<https://lostkatanning.com/>)

Mr Todd's Lost Katanning activities will compliment the activities of the Katanning Visitor Centre. Should there be any conflict in uses by the two groups, the space has multiple entry doors which could facilitate dividing the spaces for the two groups if required.

Statutory Environment:

Local Government Act 1995, section 3.58 Disposing of property

Local Government (Functions and General) Regulations, Regulation 30 Dispositions of property excluded from Act s. 3.58

Policy Implications:

Nil

Financial Implications:

Reduction in Council's charge for office rental at the Town Hall (Office rental in 2018/19 Schedule of Fees and Charges is \$72 per week).

Strategic Implications:

Shire of Katanning Strategic Community Plan 2017 – 2027

PRIORITY	BUILT ENVIRONMENT	
ASPIRATION	B1	Infrastructure that meets community need
OBJECTIVE	B1.1	Sustainably manage current and future assets and infrastructure

Officer's Recommendation/Council Motion:

MOVED: CR KRISTY D'APRILE

SECONDED: CR SERENA SANDWELL

OC206/19 That Council:

- 1. Agrees to provide the use of the Council Chambers at the Katanning Town Hall to Arthur Todd to operate his Lost Katanning activities for twelve months for a nominal rental; and**
- 2. Authorises the Chief Executive Officer to negotiate and execute a license agreement for the purpose.**

Voting Requirement: Simple Majority

CARRIED 8/0:

Cr Kristy D'Aprile spoke for the motion.

10.6 ADVISORY COMMITTEE MEETING

11. ELECTED MEMBERS MOTION OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

12. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

13. CONFIDENTIAL ITEM**PROCEDURAL MOTION****MOVED: CR SERENA SANDWELL****SECONDED: CR ERNIE MENGHINI****OC207/19 That Council closes the meeting to the public to consider the following item:**

- **Offer – Unit 10 Amherst Village**

CARRIED 8/0:

13.1 Offer – Unit 10 Amherst Village**File Ref:** GV.EL.5**Reporting Officer:** Lisa Hannagan, Executive Manager Finance & Administration**Date Report Prepared:** 14 March 2019**Reason for Confidentiality**

The Officer's Report is confidential in accordance with section 5.23(2)(c) of the Local Government Act because it deals with matters relating to a contract which may be entered into by council.

Officer's Recommendation/Council Motion:**MOVED: CR SERENA SANDWELL****SECONDED: CR DANNY MCGRATH****OC208/19 That Council accepts the offer made by Laurance and Wilma Severin in the sum of \$140,000 for Unit 10 Amherst Village and defer the required financial transactions for a period of 120 days to allow for the sale of the Mr and Mrs Severin's Hill Way property.****Voting Requirement:** Simple Majority

CARRIED 8/0:

Cr Serena Sandwell spoke for the motion.

PROCEDURAL MOTION**MOVED: CR DANNY MCGRATH****SECONDED: CR ERNIE MENGHINI****OC209/19 That Council reopens the meeting to the public.**

CARRIED 8/0

:

14. CLOSURE OF MEETING

The Presiding Member declared the meeting closed at 6.15 pm