



# **AGENDA**

**Special Council Meeting**

**16 August 2022**

**06.00pm**

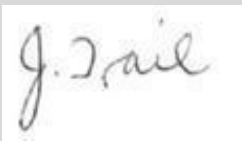
**Kambalda Recreation Centre, Barnes Drive,  
Kambalda**

**SHIRE OF COOLGARDIE**

**NOTICE OF SPECIAL MEETING OF COUNCIL**

Dear Elected Member

The next Special Meeting of Special Council of the Shire of Coolgardie will be held on Tuesday 16 August 2022 commencing at 06.00pm.

A rectangular box containing a handwritten signature in cursive script that reads "J. Trail".

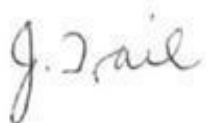
**JAMES TRAIL  
CHIEF EXECUTIVE OFFICER**

**SPECIAL COUNCIL MEETING****16 August 2022**

Welcome to the Special Council Meeting of the Shire of Coolgardie.

The dates, times and locations of the Ordinary Council Meetings for 2022 are listed hereunder.

<u>Day</u>	<u>Date</u>	<u>Time</u>	<u>Venue</u>
Tuesday	January 2022	N/A	-
Tuesday	22 February 2022	6.00pm	Kambalda
Tuesday	22 March 2022	6.00pm	Coolgardie
Tuesday	26 April 2022	6.00pm	Kambalda
Tuesday	24 May 2022	6.00pm	Coolgardie
Tuesday	28 June 2022	6.00pm	Kambalda
Tuesday	26 July 2022	6.00pm	Coolgardie
Tuesday	23 August 2022	6.00pm	Kambalda
Tuesday	27 September 2022	6.00pm	Coolgardie
Tuesday	25 October 2022	6.00pm	Kambalda
Tuesday	22 November 2022	6.00pm	Coolgardie
Tuesday	20 December 2022	6.00pm	Kambalda



James Trail  
Chief Executive Officer

**DISCLAIMER**

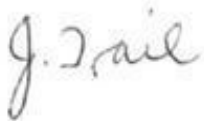
INFORMATION FOR PUBLIC ATTENDING COUNCIL MEETINGS

**PLEASE NOTE:**

**THE RECOMMENDATIONS CONTAINED IN THIS AGENDA ARE OFFICERS RECOMMENDATIONS ONLY AND SHOULD NOT BE ACTED UPON UNTIL COUNCIL HAS RESOLVED TO ADOPT THOSE RECOMMENDATIONS.**

**THE RESOLUTIONS OF COUNCIL SHOULD BE CONFIRMED BY PERUSING THE MINUTES OF THE COUNCIL MEETING AT WHICH THESE RECOMMENDATIONS WERE CONSIDERED.**

**MEMBERS OF THE PUBLIC SHOULD ALSO NOTE THAT THEY ACT AT THEIR OWN RISK IF THEY ENACT ANY RESOLUTION PRIOR TO RECEIVING OFFICIAL WRITTEN NOTIFICATION OF COUNCILS DECISION.**



James Trail  
**CHIEF EXECUTIVE OFFICER**

## COUNCIL MEETING INFORMATION NOTES

1. Your Council generally handles all business at Ordinary or Special Council Meetings.
2. From time to time Council may form a Committee to examine subjects and then report to Council.
3. Generally all meetings are open to the public; however, from time to time Council will be required to deal with personal, legal and other sensitive matters. On those occasions Council will generally close that part of the meeting to the public. Every endeavour will be made to do this as the last item of business of the meeting.
4. Public Question Time. It is a requirement of the Local Government Act 1995 to allow at least fifteen (15) minutes for public question time following the opening and announcements at the beginning of the meeting. Should there be a series of questions the period can be extended at the discretion of the Chairman.

***Written notice of each question should be given to the Chief Executive Officer prior to 2:30pm on the day of the meeting. A summary of each question and response is included in the Minutes.***

***When a question is not able to be answered at the Council Meeting a written answer will be provided after the necessary research has been carried out. Council staff will endeavour to provide the answers prior to the next meeting of Council.***

5. **Councillors** may from time to time have a financial interest in a matter before Council. Councillors must declare an interest and the extent of the interest in the matter on the Agenda. However, the Councillor can request the meeting to declare the matter **trivial, insignificant or in common with a significant number of electors or ratepayers**. The Councillor must leave the meeting whilst the matter is discussed and cannot vote unless those present agree as above.

**Members of staff**, who have delegated authority from Council to act on certain matters, may from time to time have a financial interest in a matter on the Agenda. The member of staff must declare that interest and generally the Chairman of the meeting will advise the Officer if he/she is to leave the meeting.

6. Agendas including an Information Bulletin are delivered to Councillors within the requirements of the Local Government Act 1995, i.e. seventy-two (72) hours prior to the advertised commencement of the meeting. Whilst late items are generally not considered there is provision on the Agenda for items of an urgent nature to be considered.

**Should an elector wish to have a matter placed on the Agenda the relevant information should be forwarded to the Chief Executive Officer in time to allow the matter to be fully researched by staff. An Agenda item including a recommendation will then be submitted to Council for consideration.**

**The Agenda closes the Monday week prior to the Council Meeting (i.e. ten (10) days prior to the meeting).**

The Information Bulletin produced as part of the Agenda includes items of interest and information, which does not require a decision of Council.

7. Agendas for Ordinary Meetings are available in the Coolgardie and Kambalda Offices/Libraries seventy-two (72) hours prior to the meeting and the public are invited to secure a copy.
8. Agenda items submitted to Council will include a recommendation for Council consideration. Electors should not interpret and/or act on the recommendations until after they have been considered by Council. Please note the Disclaimer in the Agenda (page 3).
9. Public Question Time – Statutory Provisions – Local Government Act 1995

Time is to be allocated for questions to be raised by members of the public and responded to at:

- (a) Every ordinary meeting of a council; and
- (b) Such other meetings of councils or committees as may be prescribed

Procedures and the minimum time to be allocated for the asking of and responding to questions raised by members of the public at council or committee meetings are to be in accordance with regulations.

9A. Question Time for the Public at Certain Meetings – s5.24 (1) (b)

**Local Government (Administration) Regulations 1996**

Reg 5 For the purpose of section 5.24(1)(b), the meetings at which time is to be allocated for questions to be raised by members of the public and responded to are:

- (a) every special meeting of a council; and
- (b) every meeting of a committee to which the local government has delegated a power or duty.

Minimum Question Time for the Public – s5.24 (2)

- Reg 6 (1) The minimum time to be allocated for the asking of and responding to questions raised by members of the public at ordinary meetings of councils and meetings referred to in regulation 5 is fifteen (15) minutes.
- (2) Once all the questions raised by members of the public have been asked and responded to at a meeting referred to in sub regulation (1), nothing in these regulations prevents the unused part of the minimum question time period from being used for other matters.

Procedures for Question Time for the Public – s5.24 (2)

**Local Government (Administration) Regulations 1996**

- Reg 7 (1) Procedures for the asking of and responding to questions raised by members of the public at a meeting referred to in regulation 6 (1) are to be determined:
- (a) by the person presiding at the meeting; or
  - (b) in the case where the majority of members of the council or committee present at the meeting disagree with the person presiding, by the majority of members, having regard to the requirements of sub regulations (2) and (3).
- (2) The time allocated to the asking and responding to questions raised by members of the public at a meeting referred to in regulation 6(1) is to precede the discussion of any matter that requires a decision to be made by the council or the committee, as the case may be.
- (3) Each member of the public who wishes to ask a question at a meeting referred to in regulation 6(1) is to be given an equal and fair opportunity to ask the question and receive a response.
- (4) Nothing in sub regulation (3) requires:
- (a) A council to answer a question that does not relate to a matter affecting the local government;
  - (b) A council at a special meeting to answer a question that does not relate to the purpose of the meeting; or
  - (c) A committee to answer a question that does not relate to a function of the committee.

**2. Public Inspection of Unconfirmed Minutes (Reg 13)**

A copy of the unconfirmed Minutes of Ordinary and Special Meetings will be available for public inspection in the Coolgardie and Kambalda Offices/Libraries within ten (10) working days after the Meeting.

**NOTE:****10.3 Unopposed Business**

- (1) Upon a motion being moved and seconded, the person presiding may ask the meeting if any member opposes it.
- (2) If no member signifies opposition to the motion the person presiding may declare the motion in sub clause (1) carried without debate and without taking a vote on it,
- (3) A motion carried under sub clause (2) is to be recorded in the minutes as a unanimous decision of the Council or committee.
- (4) If a member signifies opposition to a motion the motion is to be dealt with according to this Part.
- (5) This clause does not apply to any motion or decision to revoke or change a decision which has been made at a Council or committee meeting.





**Order Of Business**

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**1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS****1.1 WELCOME TO COUNTRY ANNOUNCEMENT**

“The Shire of Coolgardie acknowledges the Traditional Owners of the land, on which we meet and pay our respects to Elder’s past, present and emerging”

**2 DECLARATION OF COUNCIL MEMBERS**

The Shire President to invite Council Members to declare that they have read the agenda and supporting documents and able to make informed decisions on all matters accordingly.

**3 RECORD OF ATTENDANCE / APOLOGIES / APPROVED LEAVE OF ABSENCE****4 DECLARATIONS OF INTEREST****4.1 Declarations of Financial Interests – Local Government Act Section 5.60A****4.2 Declarations of Proximity Interests – Local Government Act Section 5.60B****4.3 Declarations of Impartiality Interests – Shire of Coolgardie Code of Conduct for Council Members, Committee Members and Candidate for Election, Code of Conduct for Employees,****5 PUBLIC QUESTION TIME****6 APPLICATIONS FOR LEAVE OF ABSENCE****7 PETITIONS / DEPUTATIONS / PRESENTATIONS / SUBMISSIONS****8 REPORTS OF COMMITTEES**

## 9 REPORTS OF OFFICERS

### 9.1 Executive Services

#### 9.1.1 MAJOR LAND TRANSACTION AND MAJOR TRADING UNDERTAKING - WORKERS ACCOMMODATION VILLAGE FOCUS MINERALS

**Location:** Lot 2435 on Plan 107089 Crown Reserve 8693 Gnarlbine Road Coolgardie

**Applicant:** Focus Operations Pty Ltd

**Disclosure of Interest:** Nil

**Date:** 13 August 2022

**Author:** James Trail, Chief Executive Officer

#### SUMMARY

The decisions proposed aim to inform the community that the Shire of Coolgardie proposes to lease a portion of Lot 2435 on Plan 107089 currently Crown Reserve 8693 vested in the Shire of Coolgardie to Focus Operations Pty Ltd.

#### BACKGROUND

The Shire of Coolgardie is proposing to Lease a portion of Lot 2435 on Plan 107089 currently Crown Reserve 8693 vested in the Shire of Coolgardie, for up to 150 room workers' accommodation village. The Shire of Coolgardie is proposing to lease the land for 4 years with a further two 4 year options.

Increasingly, local governments are moving away from relying on annual rate increases and rate income alone to sustain the provision of services and facilities. For local governments to address their sustainability challenges, they need to grow their own-source income while limiting exposure risk. Local governments that are financially self-sufficient are more likely to be sustainable across the longer term.

The Shire's proposed lease of land for the proposed worker's accommodation village will further;

- increase its portion of own-source income,
- improve its financial ratios;
- increase the supply of much needed worker accommodation;
- provide greater opportunity to integrate village occupants into community life and the local economy; and
- enable increased local economic growth underpinned by mining activity.

#### COMMENT

Many rural or remote local governments in Western Australia face declining populations. The falling population has led to stagnant or declining housing and land values and lower levels of commercial activity.

The number of households, the value of housing stock, land values and the level of commercial or industrial activity all influence the level of revenue local government is able to extract from its rate base. There is significant disparity between local government capacity to rely on own-source revenue to meet their budget needs.

Local governments that are not financially self-sufficient are less likely to be sustainable across the longer term. In Western Australia, most rural and remote councils (although representing a minority of the

population) are heavily dependent on state government and commonwealth grants. The majority of these local governments receive a large proportion of their revenue from grants - indeed several local governments' entire rate income barely covers the CEO's salary and on costs.

Most government grants are distributed on an annual basis with some certainty, however, there are no guarantees. The grant process is open to political whims of the government of the day, making it difficult for local government to plan for the future. This is why it's important for local governments to develop strong own-source income.

### **Service Delivery Challenge**

With declining capacity to rate, local governments are faced with the sustainability challenge. Smaller populations also impact on the council's ability to collect fees and charges.

The Shire has an ongoing obligation to provide and maintain significant community assets including facilities, roads and waste and water infrastructure. Timely expenditure will ensure the Shire is not contributing to the sector's infrastructure backlog. Providing facilities and infrastructure is not cheap. Local governments also need to maintain a level of amenity and service provision to be competitive in attracting new residents, new businesses, and visitations.

The Shire's rates are raised predominately from the mining sector (over 85%). Increasingly local governments are moving away from relying on rate income and annual rate increases. For local governments to address their sustainability challenges, they need to grow their own-source income while limiting exposure risk.

The Shire economy, like the WA economy is emerging from COVID-19 related restrictions and faces a raft of new challenges in the form of supply chain disruptions, labour shortages and rising costs, punctuated by the 7.6% increase in the Perth Consumer Price Index (CPI) over the year to March 2022. Furthermore, the Shire has undergone a Gross Rental Revaluation, the last one occurring 6 years ago. The revaluation has resulted in gross rental valuations in Kambalda decreasing on average by 10.5% and in Coolgardie on average by 8%. This has implications for "balancing" the way the rate "burden" is shared across the Coolgardie community.

For the Shire to continue to strive to deliver improved and efficient services to the community with costs increasing as a minimum in excess of 7% and a decrease in gross rental values resulting in a decrease in rate revenue (unless the rates in the \$ are accordingly lifted) is impossible without generating other sources of revenue.

The Shire estimates the impact of the 7.6% increase in Perth CPI, increases in insurance, contractors, employee and operational costs to be in excess of \$1.3 million on the Shire annual operating and capital expenditure budget. In order to provide services to the community at the same level as it has done in 2021/2022 simply on rates revenue alone, given an estimated increase of in excess of \$1.3 million, would require a rate increase of in excess of 100% on residential, commercial, generally industry and light industry rate payers. Clearly this is not an action the Council could ever consider.

In order to maintain or increase the level of services to the community, in an environment of escalation costs and decrease in valuation of the majority of residential, commercial, generally industry and light industry properties in the Shire, Council has displayed exceptional leadership in planning for and progressing new revenue generating opportunities. In doing so it was in a unique position to be able to advertise only a 5% increase in the rate in the \$ for residential, commercial, generally industry and light industry rate payers in the Shire generating an estimated revenue increase of only \$81,000. The estimated increase of \$8.5 million in fees and charges associated with workers accommodation, waste facilities and the Kambalda Airport has enabled the Shire to not only improve the level of services to the community but

increase the level of expenditure on renewing and maintaining roads, footpaths, drainage, buildings, and community infrastructure. Furthermore, it has enabled the Council to consider only a 3% increase in the rate in the \$ for residential, commercial, generally industry and light industry rate payers in the Shire generating an estimated revenue increase of \$48,600.

The Shire has worked extremely hard over the past three years to create strong collaborative relationships with the mining sector, connected businesses and industry and the State Government. Consequently, the strength of these partnerships has enabled the Shire to progress revenue generating opportunities to ensure that the residential, commercial, generally industry and light industry rate payers are not burdened with massive rate increases now and into the future.

The Shire’s proposed lease of land for a worker accommodation village will add another income generating asset and increase its portion of own-source income, which will also have a positive effect on its financial ratios.

The Property details are listed in the table below

<b>Current Owner</b>	Crown Reserve 8693 vested in the Shire of Coolgardie. The land Tenure is subject to an application to Freehold ownership to the Shire of Coolgardie
<b>Address</b>	Lot 2435 Gnarlbine Road, Coolgardie, Western Australia
<b>Title Particulars</b>	Portion of Lot 2435 on Plan 107089 Currently Crown Reserve 8693 vested in the Shire of Coolgardie
<b>Total Land Area</b>	Area approximately 2.1 Hectares
<b>Zoning</b>	Zoned rural residential under Local Planning Scheme No 5  Workforce accommodation is an “A” – use under the Scheme, which means by Council determination of the proposal following advertising.



**DISPOSITION OF LAND**

Public notice is required for proposed disposition of property and land, by way of lease, license or sale pursuant to Section s.3.58 and 3.59 of the Local Government Act 1995.

Pursuant to this; the Shire of Coolgardie needs to give public notice of consideration by the Shire Coolgardie to enter into a lease with Focus Operations Pty Ltd with for a portion of Lot 2435 on Plan 107089 Currently Crown Reserve 8693 vested in the Shire of Coolgardie for workers accommodation

The portion of land of Lot 2435 on Plan 107089 Currently Crown Reserve 8693 vested in the Shire of Coolgardie is adjacent to a current workers accommodation village. Power, water and sewerage infrastructure exists on the adjacent site that can be potentially utilised.

Mining companies have approached the Shire seeking available land for workers accommodation. The demand for workers accommodation is at a crisis point. The Shire's investment in facilitating the proposed lease of land will go some way to addressing this crisis, which will further enable local economic growth underpinned by the mining sector.

The purpose of the proposed lease is to facilitate workers accommodation for Focus Operations Pty Ltd.

**KEY TERMS OF THE PROPOSED LEASE**

Lessor: Shire Coolgardie

Lessee: Focus Operations Pty Ltd

Area: Lot 2435 on Deposited Plan 107089 being a portion of the land contained in certificate of title volume LR3132 folio 189

Purpose: Workers Accommodation

Commencement: 1 November 2022

Term: 4 years with a further two options of 4 years ceasing on 31st October 2034

Permissible Use: Workers Accommodation

Consideration: Annual lease payment of \$198,050 and contributions towards sewer and road infrastructure.

Market Valuation: Lease value of between \$158,440 and \$237,660 per annum

Services: All infrastructure and services to be paid by Lessee

**MARKET VALUATION**

In accordance with section 3.58(4)(c) of the Local Government Act 1995, the Shire has obtained the market value of the disposition.

A recent valuation indicates that the market rental value as between \$158,440 and \$237,660 per annum.

**CONSULTATION**

Council Members

State Agencies

Mining Company

**STATUTORY ENVIRONMENT**

Section 3.59 of the Local Government Act 1995 details the process governing Commercial Enterprises by local governments, including Major Land Transactions and Major Trading Undertakings.

For a local government which is not in the metropolitan area, or is not a major regional centre (defined in the LGA as having more than 20,000 population) a Major Land Transaction is defined by the Act to be a land transaction that is not exempt under the Act, and where the total value of:

- a) The consideration under the transaction; and
- b) Anything done by the local government for achieving the purposes of the transaction; is more, or is worth the lesser of, \$2 million, or 10% of the operating expenditure incurred by the local government from its municipal fund in the last completed financial year

For a local government which is not in the metropolitan area, or is not a major regional centre (defined in the LGA as having more than 20,000 population) a Major Trading Undertaking is defined as a trading undertaking that:

- a) in the last completed financial year, involved; or
- b) in the current financial year or the financial year after the current financial year, is likely to involve; expenditure by the local government of the lesser of, \$2 million, or 10% of the operating expenditure incurred by the local government from its municipal fund in the last completed financial year.

The Trading Undertaking means an activity carried on by a local government with a view to producing profit.

Before the Shire enters into a Major Land Transaction or commences a Major Trading Undertaking, it is required to prepare a Business Plan that includes an overall assessment of the proposed Major Trading Undertaking and Major Land Transaction including:

- a) expected effect on the provision of facilities and services by the Shire;
- b) expected effect on other persons providing facilities and services in the district;
- c) expected financial effect on the Shire;
- d) expected effect on the Shire's Plan for the future;
- e) the ability of the Shire to manage the performance of the transactions; and
- f) any other matter prescribed for the purposes of the subsection.

The Local Government Act 1995 also requires the Shire to give state-wide public notice that:

- the Shire proposes to enter into a Major Land Transaction and Major Trading Undertaking described in the notice; and
- a copy of the Business Plan may be inspected or obtained at any place specified in the notice.

The Shire is to make a copy of the Business Plan available for public inspection in accordance with the notice. The Shire is to also publish a copy of the Business Plan on its official website.

Submissions about the proposed land transaction or undertaking may be made to the Shire before a day to be specified in the notice, being a day that is not less than six weeks after the notice is given.

After the last day for submissions, the Shire is to consider any submissions made and may decide by absolute majority to proceed with the undertaking and transaction as proposed or so that it is not significantly different from what was proposed.

Public notice is also required for any proposed disposition of property and land, by way of lease, license or sale pursuant to Section s.3.58 and 3.59 of the Local Government Act 1995.



Section 3.58 of the Local Government Act 1995 states;

(3) A local government can dispose of property other than under subsection (2) if, before agreeing to dispose of the property –

(a) it gives local public notice of the proposed disposition –

- (i) describing the property concerned; and
- (ii) giving details of the proposed disposition; and
- (iii) inviting submissions to be made to the local government

before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given;

In summary, the details of the disposition must be disclosed, including the description of the property in question, the consideration (price) and the market value.

Public comments are to be invited on the proposed disposition and the submissions will be considered by Council after the closing date, should submissions be made.

## **POLICY IMPLICATIONS**

N/A

## **FINANCIAL IMPLICATIONS**

Financial analysis has been undertaken for the option of leasing land for workers accommodation.

The proposed lease indicates that a lease for workers accommodation will include but not limited to:

- Annual lease fee for the portion of land estimated at \$198,000
- Payment of land and sewerage rates
- Payment of fees and charges for disposal of waste
- Contribution towards infrastructure estimated at \$286,000

Additional revenue from the proposed lease of land for workers accommodation will assist the Shire to maintain or increase the level of services to the community, in an environment of escalating costs and decrease in valuation of the majority of residential, commercial, generally industry and light industry properties in the Shire. The Shire has an ongoing obligation to provide and maintain significant community assets including facilities roads and waste and water infrastructure and deliver services.

## **2022/23 Budget**

The Shire has adopted its 2022/23 Annual Budget. The 2022/23 budget concentrates on core services, efficiencies, an extensive array of community initiatives and renewal and maintenance of the Shires many assets.

The 2022/2023 Annual Budget highlights operating revenue of \$26,895,575 compared to \$13,821,180 in 2021/2022 and operating expenditure of \$24,079,858 compared to \$16,728,630 in 2021/2022. Consequently, for the 2022/2023 year the budget operating surplus is \$2,815,717 compared to an operating deficit in 2021/2022 of \$2,907,450. This extraordinary turn around estimated at \$5,723,167 is a direct result of the progression of new revenue generating opportunities. Furthermore, for the first time, the Shire will end up with an estimated positive operating surplus ratio.

The 2022/2023 Annual Budget also highlights an estimated \$7,296,251 net cash provided by operating activities. The significance of this cannot be underestimated. Very few local governments in WA would have a ratio of 74% of rates revenue contributing to the renewal of road, building, footpath, drainage and community infrastructure.

Further highlights of the 2022/2023 Annual Budget include an ambitious estimated capital expenditure programme of \$29.7 million. This includes;

- Renewal Carins Road \$900,000
- Renewal Coolgardie North Road \$400,000
- Renewal Gnarlbine Road \$200,000
- Renewal Ladyloch/Tindals Intersection \$400,000
- Renewal Sharpe Drive Kurrawang \$300,000
- Coolgardie Sewerage Renewal \$1,600,000
- Drainage Renewal \$100,000
- Coolgardie Refuse Site Renewal \$275,000
- Processing Facility for Plastics and Tyres Coolgardie Refuse Site \$4,000,000
- Kambalda Airport Runway Renewal including lighting and fencing \$6,650,000
- EV Charging Station \$100,000
- Completion of Coolgardie Cultural and Community Hub \$\$640,000
- Coolgardie Cultural and Community Hub Fit Out \$150,000
- Tyre Shredder for Coolgardie Refuse Site \$1,000,000
- Completion of Kambalda Workers Accommodation Village \$7,300,000
- Land Development Planning \$80,000
- Repayment of Borrowing estimated at \$1.8 million

Operating Highlights of the 2022/2023 Annual Budget include estimated expenditure of \$10.5 million and increase of \$1.7 million from 2021/2022 ;

- Kambalda Resource Centre operations and activities \$148,000
- Coolgardie Resource Centre operations and activities \$234,100
- Meals on Wheels programme \$60,000
- Law and order and public safety \$244,000
- Provision of Health Services \$480,000
- Provision of mental health and wellbeing \$100,000
- Maintenance aged care accommodation \$127,000
- Provision of waste services \$1,840,000
- Coolgardie Swimming Pool operations and activities \$290,275
- Kambalda Swimming Pool operations and activities \$568,000
- Maintenance Parks, Gardens and Reserves \$1,239,000
- Coolgardie Recreation Centre operations and activities \$429,000
- Kambalda Recreation Centre operations and activities \$1,150,000
- Community Development and Heritage \$403,000
- Road, footpath, verge maintenance \$2,160,000
- Tourism and Area promotion and activities \$592,000

- Economic Development \$470,000

**Direct Community Benefit**

The revenue from the proposed lease for worker's accommodation village will contribute directly to benefit the community. The revenue will not be used to off-set the Shire's overheads or cost of administration. The revenue will be used to maintain and enhance services, community programmes and events and community infrastructure.

**STRATEGIC IMPLICATIONS****A thriving local economy**

Encouraging and attracting new investment and advocating for local employment

**Accountable and effective leaders**

Ensuring the Shire of Coolgardie is well positioned to meet future needs

**An inclusive, safe and vibrant community**

Attracting funding to support the sustainability and growth of our local Community groups

**Effective management of infrastructure, heritage and environment**

Facilitating urban and rural planning and development

**ATTACHMENTS**

1. Disposition of Land Focus Operations Pty Ltd
2. Draft Business Plan Lease of Land - Focus Operations Pty Ltd

**VOTING REQUIREMENT**

Absolute Majority

**OFFICER RECOMMENDATION****That Council**

1. By **ABSOLUTE MAJORITY**, pursuant to s5.42 of the Local Government Act 1995, delegate authority to the CEO to prepare a Business Plan in accordance with s3.59(2), (3) of the Local Government Act 1995, and to advertise the Plan for public comment in accordance with s3.59(4), and to bring the Plan, any public comments, and a recommendation to Council for consideration under s3.59(5) of the Act.
2. By **ABSOLUTE MAJORITY**, pursuant to s5.42 of the Local Government Act 1995, delegate authority to the CEO to prepare a Business Plan in accordance with s3.58(3), (4) of the Local Government Act 1995, and to advertise the Disposition by Local Public Notice for public comment in accordance with s3.58(3), and to bring the Plan, any public comments, and a recommendation to Council for consideration under s3.58(3) (b) of the Act.
3. By **ABSOLUTE MAJORITY** pursuant to s5.42 of the Local Government Act 1995, delegate authority to the CEO to include the following Terms and Conditions for the proposed Lease of a portion of Lot 2435 on Plan 107089 Currently Crown Reserve 8693 vested in the Shire of Coolgardie for workers accommodation:
  - (a) Lessee: Focus Operations Pty Ltd
  - (b) Consideration: Annual lease payment of \$198,050 and contributions towards sewer and road infrastructure estimated at \$286,000, payment of land and sewerage rates, and payment of fees and charges for disposal of waste.
  - (c) Market Valuation: Lease value of between \$158,440 and \$237,660 per annum

**9.1.2 MAJOR LAND TRANSACTION AND MAJOR TRADING UNDERTAKING - WORKERS ACCOMMODATION VILLAGE RANGECON PTY LTD**

**Location:** Lot 2435 on Plan 107089 Reserve 8693 Gnarlbine Road Coolgardie  
**Applicant:** Rangecon Pty Ltd  
**Disclosure of Interest:** Nil  
**Date:** 13 August 2022  
**Author:** James Trail, Chief Executive Officer

**SUMMARY**

To inform the community the Shire of Coolgardie proposes to lease a portion of Lot 2435 on Plan 107089 Currently Crown Reserve 8693 vested in the Shire of Coolgardie to Rangecon Pty Ltd

**BACKGROUND**

The Shire of Coolgardie is proposing to Lease a portion of Lot 2435 on Plan 107089 Currently Crown Reserve 8693 vested in the Shire of Coolgardie for up to 150 room workers accommodation village. The Shire of Coolgardie is proposing to lease the land for 20 years.

Increasingly, local governments are moving away from relying on annual rate increases and rate income alone to sustain the provision of services and facilities. For local governments to address their sustainability challenges, they need to grow their own-source income while limiting exposure risk. Local governments that are financially self-sufficient are more likely to be sustainable across the longer term.

The Shire's proposed lease of land for the proposed worker's accommodation village will further;

- increase its portion of own-source income,
- improve its financial ratios;
- increase the supply of much needed worker accommodation;
- provide greater opportunity to integrate village occupants into community life and the local economy; and
- enable increased local economic growth underpinned by mining activity.

**COMMENT**

Many rural or remote local governments in Western Australia face declining populations. The falling population has led to stagnant or declining housing and land values and lower levels of commercial activity.

The number of households, the value of housing stock, land values and the level of commercial or industrial activity all influence the level of revenue local government is able to extract from its rate base. There is significant disparity between local government capacity to rely on own-source revenue to meet their budget needs.

Local governments that are not financially self-sufficient are less likely to be sustainable across the longer term. In Western Australia, most rural and remote councils (although representing a minority of the population) are heavily dependent on state government and commonwealth grants. The majority of these local governments receive a large proportion of their revenue from grants .- indeed several local governments' entire rate income barely covers the CEO's salary and on costs.

Most government grants are distributed on an annual basis with some certainty, however, there are no guarantees. The grant process is open to political whims of the government of the day, making it difficult for local government to plan for the future. This is why it's important for local governments to develop strong own-source income.

### **Service Delivery Challenge**

With declining capacity to rate, local governments are faced with the sustainability challenge. Smaller populations also impact on the council's ability to collect fees and charges.

The Shire has an ongoing obligation to provide and maintain significant community assets including facilities, roads and waste and water infrastructure. Timely expenditure will ensure the Shire is not contributing to the sector's infrastructure backlog. Providing facilities and infrastructure is not cheap. Local governments also need to maintain a level of amenity and service provision to be competitive in attracting new residents, new businesses, and visitations.

The Shire's rates are raised predominately from the mining sector (over 85%). Increasingly local governments are moving away from relying on rate income and annual rate increases. For local governments to address their sustainability challenges, they need to grow their own-source income while limiting exposure risk.

The Shire economy, like the WA economy is emerging from COVID-19 related restrictions and faces a raft of new challenges in the form of supply chain disruptions, labour shortages and rising costs, punctuated by the 7.6% increase in the Perth Consumer Price Index (CPI) over the year to March 2022. Furthermore, the Shire has undergone a Gross Rental Revaluation, the last one occurring 6 years ago. The revaluation has resulted in gross rental valuations in Kambalda decreasing on average by 10.5% and in Coolgardie on average by 8%. This has implications for "balancing" the way the rate "burden" is shared across the Coolgardie community.

For the Shire to continue to strive to deliver improved and efficient services to the community with costs increasing as a minimum in excess of 7% and a decrease in gross rental values resulting in a decrease in rate revenue (unless the rates in the \$ are accordingly lifted) is impossible without generating other sources of revenue.

The Shire estimates the impact of the 7.6% increase in Perth CPI, increases in insurance, contractors, employee and operational costs to be in excess of \$1.3 million on the Shire annual operating and capital expenditure budget. In order to provide services to the community at the same level as it has done in 2021/2022 simply on rates revenue alone, given an estimated increase of in excess of \$1.3 million, would require a rate increase of in excess of 100% on residential, commercial, generally industry and light industry rate payers. Clearly this is not an action the Council could ever consider.

In order to maintain or increase the level of services to the community, in an environment of escalation costs and decrease in valuation of the majority of residential, commercial, generally industry and light industry properties in the Shire, Council has displayed exceptional leadership in planning for and progressing new revenue generating opportunities. In doing so it was in a unique position to be able to advertise only a 5% increase in the rate in the \$ for residential, commercial, generally industry and light industry rate payers in the Shire generating an estimated revenue increase of only \$81,000. The estimated increase of \$8.5 million in fees and charges associated with workers accommodation, waste facilities and the Kambalda Airport has enabled the Shire to not only improve the level of services to the community but increase the level of expenditure on renewing and maintaining roads, footpaths, drainage, buildings, and community infrastructure. Furthermore, it has enabled the Council to consider only a 3% increase in the rate in the \$ for residential, commercial, generally industry and light industry rate payers in the Shire generating an estimated revenue increase of \$48,600.

The Shire has worked extremely hard over the past three years to create strong collaborative relationships with the mining sector, connected businesses and industry and the State Government. Consequently, the strength of these partnerships has enabled the Shire to progress revenue generating opportunities to ensure that the residential, commercial, generally industry and light industry rate payers are not burdened with massive rate increases now and into the future.

The Shire’s proposed lease of land for a worker accommodation village will add another income generating asset and increase its portion of own-source income, which will also have a positive effect on its financial ratios.

The Property details are listed in the table below

<b>Current Owner</b>	Crown Reserve 8693 vested in the Shire of Coolgardie. The land Tenure is subject to an application to Freehold ownership to the Shire of Coolgardie
<b>Address</b>	Lot 2435 Gnarlbine Road, Coolgardie, Western Australia
<b>Title Particulars</b>	Portion of Lot 2435 on Plan 107089 Currently Crown Reserve 8693 vested in the Shire of Coolgardie
<b>Total Land Area</b>	Area approximately 3.1 Hectares
<b>Zoning</b>	Zoned rural residential under Local Planning Scheme No 5  Workforce accommodation is an “A” – use under the Scheme, which means by Council determination of the proposal following advertising.



**DISPOSITION OF LAND**

Public notice is required for proposed disposition of property and land, by way of lease, license or sale pursuant to Section s.3.58 and 3.59 of the Local Government Act 1995.

Pursuant to this; the Shire of Coolgardie needs to give public notice of consideration by the Shire Coolgardie to enter into a lease with Focus Operations Pty Ltd with for a portion of Lot 2435 on Plan 107089 Currently Crown Reserve 8693 vested in the Shire of Coolgardie for workers accommodation

The portion of land of Lot 2435 on Plan 107089 Currently Crown Reserve 8693 vested in the Shire of Coolgardie is adjacent to a current workers accommodation village. Power, water and sewerage infrastructure exists on the adjacent site that can be potentially utilised.

Mining companies have approached the Shire seeking available land for workers accommodation. The demand for workers accommodation is at a crisis point. The Shire's investment in facilitating the lease of land will go some way to addressing this crisis, which will further enable local economic growth underpinned by the mining sector.

The purpose of the proposed lease is to facilitate workers accommodation for Focus Operations Pty Ltd.

**KEY TERMS OF THE LEASE**

Lessor: Shire Coolgardie

Lessee: Rangecon Pty Ltd

Lease Area: Lot 2435 on Deposited Plan 107089 being a portion of the land contained in certificate of title volume LR3132 folio 189.

Purpose: Workers Accommodation

Commencement: 31<sup>st</sup> October 2022

Term: 20 years commencing on the Commencement Date and expiring on the Expiry Date, unless terminated earlier

Permissible Use: Workers Accommodation

Consideration: Annual lease payment of \$301,870 and contributions towards sewer and road infrastructure.

Market Valuation: Lease value of between \$241,500 and \$362,244 per annum

Services: All infrastructure and services to be paid by Lessee

**MARKET VALUATION**

In accordance with section 3.58(4)(c) of the Local Government Act 1995, the Shire has obtained the market value of the disposition.

A recent valuation indicates that the market rental value as between \$241,500 and \$362,244 per annum.

**CONSULTATION**

Council Members

State Agencies

Mining Company

**STATUTORY ENVIRONMENT**

Section 3.59 of the Local Government Act 1995 details the process governing Commercial Enterprises by local governments, including Major Land Transactions and Major Trading Undertakings.



For a local government which is not in the metropolitan area, or is not a major regional centre (defined in the LGA as having more than 20,000 population) a Major Land Transaction is defined by the Act to be a land transaction that is not exempt under the Act, and where the total value of:

- a) The consideration under the transaction; and
- b) Anything done by the local government for achieving the purposes of the transaction; is more, or is worth the lesser of, \$2 million, or 10% of the operating expenditure incurred by the local government from its municipal fund in the last completed financial year..

For a local government which is not in the metropolitan area, or is not a major regional centre (defined in the LGA as having more than 20,000 population) a Major Trading Undertaking is defined as a trading undertaking that:

- a) in the last completed financial year, involved; or
- b) in the current financial year or the financial year after the current financial year, is likely to involve; expenditure by the local government of the lesser of, \$2 million, or 10% of the operating expenditure incurred by the local government from its municipal fund in the last completed financial year.

The Trading Undertaking means an activity carried on by a local government with a view to producing profit.

Before the Shire enters into a Major Land Transaction or commences a Major Trading Undertaking, it is required to prepare a Business Plan that includes an overall assessment of the proposed Major Trading Undertaking and Major Land Transaction including:

- a) expected effect on the provision of facilities and services by the Shire;
- b) expected effect on other persons providing facilities and services in the district;
- c) expected financial effect on the Shire;
- d) expected effect on the Shire's Plan for the future;
- e) the ability of the Shire to manage the performance of the transactions; and
- f) any other matter prescribed for the purposes of the subsection.

The Local Government Act 1995 also requires the Shire to give state-wide public notice that:

- the Shire proposes to enter into a Major Land Transaction and Major Trading Undertaking described in the notice; and
- a copy of the Business Plan may be inspected or obtained at any place specified in the notice.

The Shire is to make a copy of the Business Plan available for public inspection in accordance with the notice. The Shire is to also publish a copy of the Business Plan on its official website.

Submissions about the proposed land transaction or undertaking may be made to the Shire before a day to be specified in the notice, being a day that is not less than six weeks after the notice is given.

After the last day for submissions, the Shire is to consider any submissions made and may decide by absolute majority to proceed with the undertaking and transaction as proposed or so that it is not significantly different from what was proposed.

Public notice is also required for any proposed disposition of property and land, by way of lease, license or sale pursuant to Section s.3.58 and 3.59 of the Local Government Act 1995.

Section 3.58 of the Local Government Act 1995 states;

(3) A local government can dispose of property other than under subsection (2) if, before agreeing to dispose of the property –

- (a) it gives local public notice of the proposed disposition –
  - (i) describing the property concerned; and

- (ii) giving details of the proposed disposition; and
- (iii) inviting submissions to be made to the local government

before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given;

In summary, the details of the disposition must be disclosed, including the description of the property in question, the consideration (price) and the market value.

Public comments are to be invited on the proposed disposition and the submissions will be considered by Council after the closing date, should submissions be made.

## **POLICY IMPLICATIONS**

N/A

## **FINANCIAL IMPLICATIONS**

Financial analysis has been undertaken for the option of leasing land for workers accommodation.

The proposed lease indicates that a lease for workers accommodation will include but not limited to:

- Annual lease fee for the portion of land estimated at \$301,870
- Payment of land and sewerage rates
- Payment of fees and charges for disposal of waste
- Contribution towards infrastructure estimated at \$436,201

Additional revenue from the proposed lease of land for workers accommodation will assist the Shire to maintain or increase the level of services to the community, in an environment of escalating costs and decrease in valuation of the majority of residential, commercial, generally industry and light industry properties in the Shire. The Shire has an ongoing obligation to provide and maintain significant community assets including facilities roads and waste and water infrastructure and deliver services.

## **2022/23 Budget**

The Shire has adopted its 2022/23 Annual Budget. The 2022/23 budget concentrates on core services, efficiencies, an extensive array of community initiatives and renewal and maintenance of the Shires many assets.

The 2022/2023 Annual Budget highlights operating revenue of \$26,895,575 compared to \$13,821,180 in 2021/2022 and operating expenditure of \$24,079,858 compared to \$16,728,630 in 2021/2022. Consequently, for the 2022/2023 year the budget operating surplus is \$2,815,717 compared to an operating deficit in 2021/2022 of \$2,907,450. This extraordinary turn around estimated at \$5,723,167 is a direct result of the progression of new revenue generating opportunities. Furthermore, for the first time, the Shire will end up with an estimated positive operating surplus ratio.

The 2022/2023 Annual Budget also highlights an estimated \$7,296,251 net cash provided by operating activities. The significance of this cannot be underestimated. Very few local governments in WA would have a ratio of 74% of rates revenue contributing to the renewal of road, building, footpath, drainage and community infrastructure.

Further highlights of the 2022/2023 Annual Budget include an ambitious estimated capital expenditure programme of \$29.7 million. This includes;

- Renewal Carins Road \$900,000
- Renewal Coolgardie North Road \$400,000
- Renewal Gnarlbine Road \$200,000
- Renewal Ladyloch/Tindals Intersection \$400,000
- Renewal Sharpe Drive Kurrawang \$300,000
- Coolgardie Sewerage Renewal \$1,600,000
- Drainage Renewal \$100,000
- Coolgardie Refuse Site Renewal \$275,000

- Processing Facility for Plastics and Tyres Coolgardie Refuse Site \$4,000,000
- Kambalda Airport Runway Renewal including lighting and fencing \$6,650,000
- EV Charging Station \$100,000
- Completion of Coolgardie Cultural and Community Hub \$\$640,000
- Coolgardie Cultural and Community Hub Fit Out \$150,000
- Tyre Shredder for Coolgardie Refuse Site \$1,000,000
- Completion of Kambalda Workers Accommodation Village \$7,300,000
- Land Development Planning \$80,000
- Repayment of Borrowing estimated at \$1.8 million

Operating Highlights of the 2022/2023 Annual Budget include estimated expenditure of \$10.5 million and increase of \$1.7 million from 2021/2022 ;

- Kambalda Resource Centre operations and activities \$148,000
- Coolgardie Resource Centre operations and activities \$234,100
- Meals on Wheels programme \$60,000
- Law and order and public safety \$244,000
- Provision of Health Services \$480,000
- Provision of mental health and wellbeing \$100,000
- Maintenance aged care accommodation \$127,000
- Provision of waste services \$1,840,000
- Coolgardie Swimming Pool operations and activities \$290,275
- Kambalda Swimming Pool operations and activities \$568,000
- Maintenance Parks, Gardens and Reserves \$1,239,000
- Coolgardie Recreation Centre operations and activities \$429,000
- Kambalda Recreation Centre operations and activities \$1,150,000
- Community Development and Heritage \$403,000
- Road, footpath, verge maintenance \$2,160,000
- Tourism and Area promotion and activities \$592,000
- Economic Development \$470,000

### **Direct Community Benefit**

The revenue from the proposed lease for worker's accommodation village will contribute directly to benefit the community. The revenue will not be used to off-set the Shire's overheads or cost of administration. The revenue will be used to maintain and enhance services, community programmes and events and community infrastructure.

### **STRATEGIC IMPLICATIONS**

#### **A thriving local economy**

Encouraging and attracting new investment and advocating for local employment

#### **Accountable and effective leaders**

Ensuring the Shire of Coolgardie is well positioned to meet future needs

#### **An inclusive, safe and vibrant community**

Attracting funding to support the sustainability and growth of our local Community groups

**Effective management of infrastructure, heritage and environment**

Facilitating urban and rural planning and development

**ATTACHMENTS**

1. Disposition of Land Rangecon Pty Ltd
2. Draft Business Plan Rangecon Pty Ltd

**VOTING REQUIREMENT**

Absolute Majority

**OFFICER RECOMMENDATION****That Council**

1. By **ABSOLUTE MAJORITY**, pursuant to s5.42 of the Local Government Act 1995, delegate authority to the CEO to prepare a Business Plan in accordance with s3.59(2), (3) of the Local Government Act 1995, and to advertise the Plan for public comment in accordance with s3.59(4), and to bring the Plan, any public comments, and a recommendation to Council for consideration under s3.59(5) of the Act.
2. By **ABSOLUTE MAJORITY**, pursuant to s5.42 of the Local Government Act 1995, delegate authority to the CEO to prepare a Business Plan in accordance with s3.58(3), (4) of the Local Government Act 1995, and to advertise the Disposition by Local Public Notice for public comment in accordance with s3.58(3), and to bring the Plan, any public comments, and a recommendation to Council for consideration under s3.58(3) (b) of the Act.
3. By **ABSOLUTE MAJORITY** pursuant to s5.42 of the Local Government Act 1995, delegate authority to the CEO to include the following Terms and Conditions for the proposed lease of a Portion of Lot 2435 on Plan 107089 currently Crown Reserve 8693 vested in the Shire of Coolgardie for Workers' accommodation:
  - (a) Lessee: Rangecon Pty Ltd
  - (b) Consideration: Annual lease payment of \$301,870 and contributions towards sewer and road infrastructure estimated at \$436,200, payment of land and sewerage rates, and payment of fees and charges for disposal of waste
  - (c) Market Valuation: Lease value of between \$241,500 and \$362,244 per annum

**9.1.3 MAJOR LAND TRANSACTION AND MAJOR TRADING UNDERTAKING RESERVE R36767  
KAMBALDA WEST - WORKERS ACCOMMODATION VILLAGE**

**Location:** Lot 37 Reserve 36767, 37 Goldfields Highway Kambalda West  
**Applicant:** N/A  
**Disclosure of Interest:** Nil  
**Date:** 13 August 2022  
**Author:** James Trail, Chief Executive Officer

**SUMMARY**

To inform the community the Shire of Coolgardie proposes to develop workers' accommodation on Reserve – R36767 comprising Lot 37 on DP 175817 Goldfields Highway , Kambalda West, Western Australia;.

**BACKGROUND**

Financial modelling has been undertaken for the option of an accommodation village of up to 1500 rooms in Kambalda. The modelling indicates that the workers accommodation village will generate sufficient funds to:

- cover the operating costs;
- leverage additional investment funds; and
- provide a significant dividend to future proof the community.

The workers' accommodation village will provide up to 1500 rooms for employees working in the mining sector. The construction of the village will be paid for by external funding sources. The Shire of Coolgardie will not be borrowing any funds for the project. Any profits made from the operation of the village, additional to contractual matters will be retained by the Shire.

The Shire has engaged with mining companies in regard to take – up of accommodation immediately and into the future. Currently demand far exceeds supply. Intent has been provided for the take – up of rooms for the next 5 years.

Nett profits made from the accommodation village will be used to repurpose and future proof the Shire for the next 10-15 years. An option likely to be considered by the Shire is to establish a Future Fund with with an organisation such as the Goldfields Esperance Community Trust. Under the deed of agreement separate bank accounts would be established with the big four banks. The fund or funds would be independently managed and audited. However, control of the funds and distribution of the funds will be determined by the Shire of Coolgardie.

The purpose of the Business Plan is to:

1. inform the community the Shire of Coolgardie proposes to develop and operate up to a 1500 room worker accommodation village located at Reserve – R36767 comprising Lot 37 on DP 175817 Goldfields Highway , Kambalda West, Western Australia;
2. provide opportunity for the community to consider and make informed submissions on the Business Plan; and
3. satisfy the requirements of Section 3.59 of the Local Government Act 1995.

### Workers Accommodation Village

Part A: Development up to a 1500 room worker accommodation village by the Shire of Coolgardie on the land located at Reserve R36767 comprising Lot 37 on DP 175817 Goldfields Highway , Kambalda West, vested in the Shire of Coolgardie; and

Part B: Letting of worker accommodation village by the Shire of Coolgardie to an operator to be determined by request for tender process

The workers' accommodation village will provide up to 1500 rooms for employees working in the mining sector. The construction of the village will be paid for by external funding sources. The Shire of Coolgardie will not be borrowing any funds for the project. Any profits made from the operation of the village, additional to contractual matters will be retained by the Shire.

The Shire Coolgardie is proposing to;

- Develop up to a 1500 room worker village in stages
- Operate the worker accommodation village to meet the needs of the mining sector
- Engage a suitable skilled and experienced operator to provide the worker accommodation village and services
- Pursue Freehold or Crown Reserve. The site is currently Reserve 36767 (lot 37 on P175817) vested in the Shire of Coolgardie with power to lease for 21 years. DPLH Officers have continued to assist the Shire by undertaking various site investigations regarding the tenure and reserve background and vesting process. The advice and request to pursue Freehold or Crown Lease over Reserve 36767 current purpose of 'Golf Links' to enable workforce accommodation' is consistent facilitating additional uses and development on the site.

A community Open Day will be held at the Kambalda Recreation Centre on Tuesday 13<sup>th</sup> September. Member of the community will be able to attend the open day to ask any questions on the proposed village accommodation along with other projects currently being considered by the Shire. Details will be advertised in the next few days.

### COMMENT

Many rural or remote local governments in Western Australia face declining populations. The falling population has led to stagnant or declining housing and land values and lower levels of commercial activity.

The number of households, the value of housing stock, land values and the level of commercial or industrial activity all influence the level of revenue local government is able to extract from its rate base. There is significant disparity between local government capacity to rely on own-source revenue to meet their budget needs.

Local governments that are not financially self-sufficient are less likely to be sustainable across the longer term. In Western Australia, most rural and remote councils (although representing a minority of the population) are heavily dependent on state government and commonwealth grants. The majority of these local governments receive a large proportion of their revenue from grants.- indeed several local governments' entire rate income barely covers the CEO's salary and on costs.

Most government grants are distributed on an annual basis with some certainty, however, there are no guarantees. The grant process is open to political whims of the government of the day, making it difficult for local government to plan for the future. This is why it's important for local governments to develop strong own-source income.

The Shire prepared a Business Plan for the proposed village in Kambalda that is now under construction. The purpose of the Business Plan was to:

- inform the community the Shire of Coolgardie proposes to develop and operate up to a 200 room worker accommodation village located at Reserve 47229 Lot 562 Salmon Gum Road, Kambalda West, Western Australia;

- provide opportunity for the community to consider and make informed submissions on the Business Plan; and
- satisfy the requirements of Section 3.59 of the Local Government Act 1995.

The Shire held a community information session on Thursday 7<sup>th</sup> October 2021. The submissions on the Business Plan closed in early November 2021.

The Shire received;

1. Hand delivered document on 18<sup>th</sup> October 2021 with 281 names. The document was on a petition cover page addressed to the Shire President requesting that Council accept signatures as individual submissions opposing the Major Land Transactions/ Trading Undertakings : 200 rooms Kambalda, 300 rooms Coolgardie. The 281 names were not on individual submission forms. The following reasons were stated;
  - a. Against FIFO
  - b. Against being in competition to local accommodation providers and business owners
  - c. Money not being generated nor spent in town
  - d. Prefer residential accommodation/development for long-term benefits
  - e. Traffic congestion and location issues
  - f. Ratepayers will be responsible for the \$9million
2. A Petition was tabled at the Ordinary Council Meeting on the 26<sup>th</sup> October 2021 with the same 281 names and for the same reasons opposing the Major Land Transactions/Trading Undertakings. The petition was tabled by Jan McLeod – 83 Kingswood Street Widgiemooltha. Unfortunately, the petition tabled by Jan McLeod was invalid as it was not presented in accordance with the Shire’s Meeting Procedures Local Law 2019. Jan McLeod has been written to and advised that the petition was invalid.
3. 90 individual submissions were received objecting to the accommodation village in Kambalda. Of these it is estimated in excess of 60% were the same people who signed the hand delivered document on the 18<sup>th</sup> October. Most of these submissions also included the following reasons for their objections;
  - a. Against FIFO
  - b. Against being in competition to local accommodation providers and business owners
  - c. Money not being generated nor spent in town
  - d. Prefer residential accommodation/development for long-term benefits
  - e. Traffic congestion and location issues
  - f. Ratepayers will be responsible for the \$9million

Some other major concerns raised were;

- a. Noise
- b. Devaluation of properties
- c. Lack of detail and design
- d. Attracting families to town

At the Ordinary Meeting of Council in November 2021 the following information was made available to the public;

### **Information that was unable to be presented by Creating Communities at the Community Information Session**

- The proposed location of the village close to the shops; hotel; pool etc creates a critical mass of people to support the local businesses. Factual evidence shows that on average workers will spend at least one night eating out – just to break the monotony of the village.
- In town villages create significant local spend of up to \$100 per week by residents – who go to the shops; buy items etc. As they are close to these venues – they aren’t reliant on transport and will happily support them to break the monotony of the village experience.

- People make choices which includes a FIFO lifestyle. Research shows that when asked if they would take up a position if it was residential 90-95% wouldn't and would prefer to stay FIFO. Reasons include partner's work; children moving schools; poor housing choice; short term contracts – not providing options for longer term commitment. Most of the conditions to attract and retain the workforce are set by the employer, not the village operator, so there is little the Shire can do about this.
- FIFO workers support local businesses – mostly for personal care items and other shopping items. The closer they live to local businesses the more they use them. A key opportunity exists for the Shire / village operator to provide local supply contracts to deliver maintenance; grounds; supply of materials etc. Also, workers at the village can be prioritised to be sourced locally. There is a significant number of employees required to run a village.
- FIFO is a reality of work choices to attract and retain skilled employees. While there may be a preference for residential by local residents who have made that choice themselves research shows that the vast majority will not take it up, even if it is provided. FIFO provides a workforce choice for people.
- Pilbara towns certainly used to have the perception that FIFO destroys towns. This has well and truly dissipated since they have experienced it over time and learnt to engage and integrate workers better.
- Treating these people (often with their own families) as outcasts will certainly not do anything to encourage them. What better way to think about moving to a place than to enjoy the experience there? Well, if you provide a good induction, welcome them to the community, involve them in community activities – then it may encourage some of them and their families to relocate. Again, research shows that many FIFO workers do want to be involved in community initiatives, but can be deterred by long hours and the attitudes of some local residents
- There is no evidence at all that house prices will decrease. What may decrease house prices is providing more residential housing. When there is a downturn in the industry there may be a glut of housing. FIFO actually buffers housing price fluctuations. (This is seasonal and less profitable than FIFO with guaranteed bed take up). Also, it may drop the values of housing in the area as it increases supply and if there is any downturn in the market there may be a glut of housing.
- FIFO villages may eventually be underutilized during periods of economic downturn with the boom and bust nature of mining. Consequently, it is easier to relocate temporary facilities than it is for permanent residential housing. Existing villages are out of town which minimises their benefit to the local community for local spend; use of local businesses etc
- It is not true that all money goes out of town. Wages may do however this assumes there is no spend by workers in town (which is false). It also doesn't factor in all the local employment and contracts that can be provided locally to run the village. These additional jobs and contracts don't exist to the same extent for residential housing.
- Villages tend to be very quiet due to having to respect people sleeping at different times. Not like a house where people could have parties; drum kits; whatever
- If FIFO workers were housed residentially near the school – would they suddenly not be labelled as paedophiles because they live in a house? There is no evidence between paedophilia and FIFO workers that the Shire is aware of.

### **Information below was provided to answer a number of issues raised in Submissions**

The village is proposed to be directly across the road from the Kambalda Hotel. Consequently, it shouldn't provide issues of people returning via local streets from the Hotel. It is also important to note the workers are regularly alcohol tested and if they blow over are usually dismissed, or at the very least risk their employment continuing..



- The Village is not proposed to be located across from the school. The footprint of the village including facilities and carpark is not proposed to be located any closer than the boundary fence of the Fire and Emergency Services Building of the Fire Building.
- The Village peak times will be opposite to school times. Furthermore, the school might be able to partner with the village (like in Karratha and Port Hedland) to provide support to the school for training; resources; etc.
- School traffic times and vehicle movements are at different times to those of the traffic to and from the village. The traffic for the Village will also be along Blue Bush Road not Salmon Gum Road. FIFO villages generally are on a 6am to 6pm operation with the majority of workers on day shift not being there when the school is operating and those who are there are eating; sleeping.
- The rooms will have proper sound proofing and block out blinds as per any village. Noise of people in adjoining rooms is more of an issue than venues away from the site. School noise like recess sirens might be an issue for night shifters but unlikely.
- It is not anticipated that the early morning beepers of vehicles will be an issue. It is anticipated that this will be managed by the car parks to be front in; front out (no reverse) like many villages are. Furthermore, it is not anticipated many single vehicles will be parked at the village given 90% of workers will be bused in and out.
- Local businesses and accommodation providers will only be affected if they have existing arrangements with companies to accommodate and provide services to FIFO workers. The Shire President, Deputy President and CEO have met with the Hoteliers to discuss concerns expressed in regard to this issue.
- In conversations between the owners of the two villages and the CEO it has been confirmed the two villages are at full capacity. Furthermore, it was highlighted that the demand for accommodation will continue to far outweigh supply. The conversations also highlighted the need for greater interaction and contribution to the community which would exist with a village located in Town.
- Business Plan estimated net profit over 5 years - \$7.2 million
- Estimated net profit over 6 years - \$10 million
- All nett funds to be placed in a Reserve Fund for future community events, activities, programmes and infrastructure.
- Provide the Shire with seed funding to leverage future Federal and State grants given requirements for Local Governments to match funding provided by State and Federal agencies.
- Would enable goal of rates to be kept to under 2% for the next 5 years
- 92% of Shire's rate revenue or \$8.12 million paid by the Mining Companies, associated contractors and people employed by the mining companies or contractors
- 75% of staff employed in the District work for Mining Companies or associated contractors – estimated at 1740 people
- CEO has met with and/or spoken to Mining General Manager's or Chief Operating Officers on numerous occasions in regard to demand for accommodation
- All have maintained lack of accommodation is critical to their operations
- Willingness of mining companies to take rooms in the proposed Kambalda Village on the basis all nett profits to be set aside for community activities, events, programmes and infrastructure
- CEO met with Executive Director of Compass Group (owners of ESS) to discuss the proposed village and Compass future plans
- CEO spoken to District High School and Kambalda Police
- President, Deputy President and CEO met with local hoteliers
- No applications exist for extension to any accommodation providers in the Shire.
- CEO spoken to senior executive of Civeo

- 5 Senior Executives from companies approached the CEO at Diggers and Dealers asking whether the Shire could assist in the provision of accommodation
- Operating costs in Business Plan based on actual figures of villages currently operating in the Shire including all running costs and utility costs
- Revenue figures based on conversations and meetings between CEO and General Manager's and/or Chief Operating Officers and willingness to take rooms at an agreed price. This is reflected in the revenue figures in Business Plan
- Village is proposed to be leased – consequently if mining downturn occurs village is able to be removed and power, water and sewerage infrastructure remains in place for future potential aged care (or similar) development
- Proposed loan funding is for installation of the village
- Separate Tender Packages (Installation) for water, sewerage, electrical, site works, ancillary works for installation proposed to enable local contractors to tender – estimated value \$4.5 million – based on installation costs of villages currently in the Shire
- Operation of proposed village would be tendered with intent to enable local people to be employed and work at the village – estimated up to 6 full time jobs created – enables local interested parties including hoteliers to tender for operation of village
- No wet mess proposed
- Shire managed village enables reinforcement to operator and mining companies for local businesses to be supported and local residents to be employed wherever possible. This would be written into any legal agreements between the Shire and potential operator and the mining companies.
- Proposed village would have very small carpark given most people staying in village would be arrive and go to site by bus
- Local contractors wherever possible would be engaged for any maintenance required for grounds, water, sewerage and power given at the proposed village given management of village would be under the auspice of the Shire. This could also include Shire staff. This requirement would be included in legal agreement with operator. This expenditure has been included in the business plan financial model.

### Service Delivery Challenge

With declining capacity to rate, local governments are faced with the sustainability challenge. Smaller populations also impact on the council's ability to collect fees and charges.

The Shire has an ongoing obligation to provide and maintain significant community assets including facilities, roads and waste and water infrastructure. Timely expenditure will ensure the Shire is not contributing to the sector's infrastructure backlog. Providing facilities and infrastructure is not cheap. Local governments also need to maintain a level of amenity and service provision to be competitive in attracting new residents, new businesses, and visitations.

The Shire's rates are raised predominately from the mining sector (over 85%). Increasingly local governments are moving away from relying on rate income and annual rate increases. For local governments to address their sustainability challenges, they need to grow their own-source income while limiting exposure risk.

The Shire economy, like the WA economy is emerging from COVID-19 related restrictions and faces a raft of new challenges in the form of supply chain disruptions, labour shortages and rising costs, punctuated by the 7.6% increase in the Perth Consumer Price Index (CPI) over the year to March 2022. Furthermore, the Shire has undergone a Gross Rental Revaluation, the last one occurring 6 years ago. The revaluation has resulted in gross rental valuations in Kambalda decreasing on average by 10.5% and in Coolgardie on average by 8%. This has implications for "balancing" the way the rate "burden" is shared across the

Coolgardie community.

For the Shire to continue to strive to deliver improved and efficient services to the community with costs increasing as a minimum in excess of 7% and a decrease in gross rental values resulting in a decrease in rate revenue (unless the rates in the \$ are accordingly lifted) is impossible without generating other sources of revenue.

The Shire estimates the impact of the 7.6% increase in Perth CPI, increases in insurance, contractors, employee and operational costs to be in excess of \$1.3 million on the Shire annual operating and capital expenditure budget. In order to provide services to the community at the same level as it has done in 2021/2022 simply on rates revenue alone, given an estimated increase of in excess of \$1.3 million, would require a rate increase of in excess of 100% on residential, commercial, generally industry and light industry rate payers. Clearly this is not an action the Council could ever consider.

In order to maintain or increase the level of services to the community, in an environment of escalation costs and decrease in valuation of the majority of residential, commercial, generally industry and light industry properties in the Shire, Council has displayed exceptional leadership in planning for and progressing new revenue generating opportunities. In doing so it was in a unique position to be able to advertise only a 5% increase in the rate in the \$ for residential, commercial, generally industry and light industry rate payers in the Shire generating an estimated revenue increase of only \$81,000. The estimated increase of \$8.5 million in fees and charges associated with workers accommodation, waste facilities and the Kambalda Airport has enabled the Shire to not only improve the level of services to the community but increase the level of expenditure on renewing and maintaining roads, footpaths, drainage, buildings, and community infrastructure. Furthermore, it has enabled the Council to consider only a 3% increase in the rate in the \$ for residential, commercial, generally industry and light industry rate payers in the Shire generating an estimated revenue increase of \$48,600.

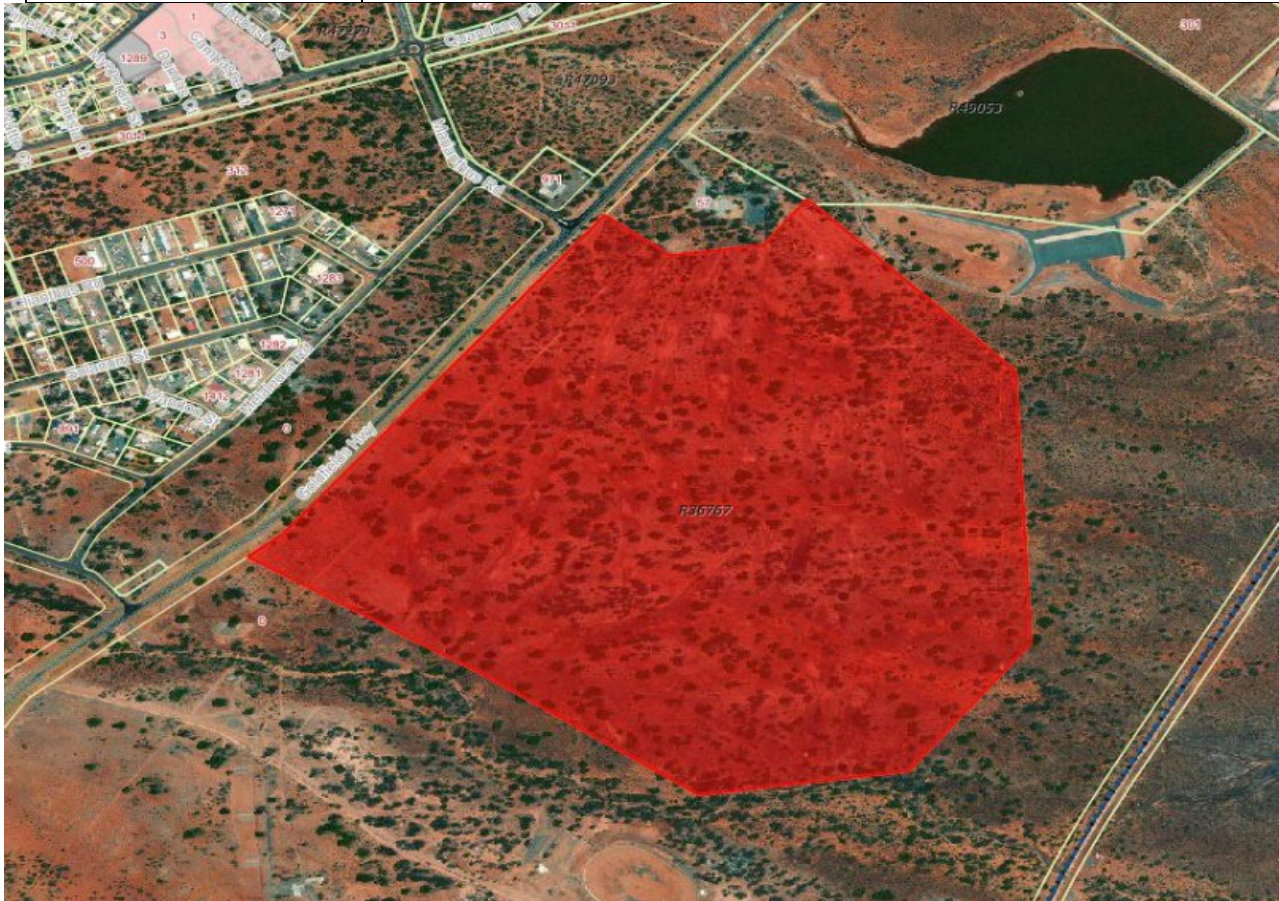
The Shire has worked extremely hard over the past three years to create strong collaborative relationships with the mining sector, connected businesses and industry and the State Government. Consequently, the strength of these partnerships has enabled the Shire to progress revenue generating opportunities to ensure that the residential, commercial, generally industry and light industry rate payers are not burdened with massive rate increases now and into the future.

The Shire's proposed lease of land for a worker accommodation village will add another income generating asset and increase its portion of own-source income, which will also have a positive effect on its financial ratios.

The Property details are listed in the table below

<b>Current Owner</b>	Reserve 36767, Lot 37 on P175817 vested in the Shire of Coolgardie.  The land Tenure is subject to an application to Freehold ownership or Crown Lease to the Shire of Coolgardie
<b>Address</b>	Lot 37 Goldfields Highway Kambalda West
<b>Title Particulars</b>	Lot 36767 on Plan 175817  Currently Reserve 36767 vested in the Shire of Coolgardie

<b>Total Land Area</b>	Area approximately 85 Hectares
<b>Zoning</b>	Zoned Public Open Space under Local Planning Scheme No 5 Management Order purpose to Recreation, Tourism, Community and Workforce Accommodation Workforce resolved by Council in July 2021



### Proposed Accommodation

It is proposed that the provision of workers accommodation will be high quality modular in nature.

One of the points of difference with modular workers accommodation is the use of pre-cast concrete floors, steel framing, and internal plasterboard linings, as well as thermal and acoustic insulation.

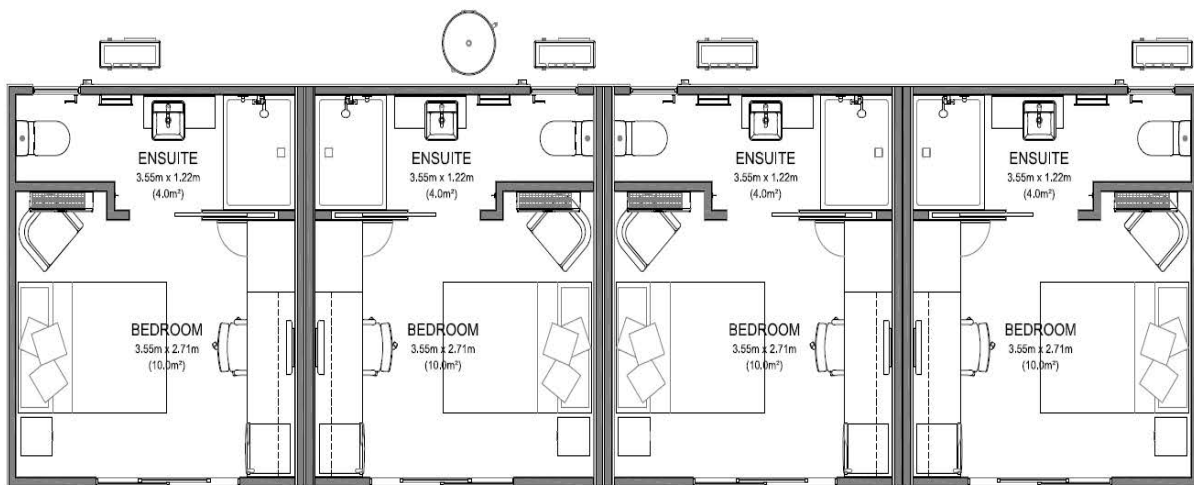
The concrete floors provide an excellent base with an extended design life. The floor is solid under foot, energy efficient, moisture resistant and low maintenance. This with a premium internal fitout and efficient fixtures and fittings delivers an exceptional quality accommodation solution.

Significantly this also means at the end of the life of the need for workers accommodation, an accommodation solution remains for tourism, short stay residential accommodation as well as the ability to easily relocate the modular accommodation into town centres for residential accommodation.

In construction consideration will be given to;

- Steel wall & roof frame system
- Fully engineered pre-stressed concrete floor
- Double or Queen Size Beds
- Thermally and acoustically insulated
- Double insulated wall system between quarters for superior noise dampening

- Colorbond Custom roof cover and exterior cladding installed over waterproof membrane and thermal break
- Fully painted flush plasterboard walls & ceilings
- Powdercoated aluminium windows & barrier screens
- Ensuites with quality ceramic wall and floor tiling
- 4-Star rated chrome mixer taps & shower heads
- Full shower, tiled with pivot glass door
- Reverse cycle inverter A/C units to each room
- Electric heat pump hot water system
- Energy efficient LED downlight fittings throughout
- Full blackout blinds to all rooms for enhanced darkening
- Low maintenance, high quality fixtures and fittings throughout.



## CONSULTATION

Mining Sector

State Government Agencies

Council Members

Architect

Builders

Contractors

## STATUTORY ENVIRONMENT

Section 3.59 of the Local Government Act 1995 details the process governing Commercial Enterprises by local governments, including Major Land Transactions and Major Trading Undertaking.

A Major Land Transaction is defined by the Act to be a land transaction that is not exempt under the Act, and where the total value of:

- a) The consideration under the transaction; and
- b) Anything done by the local government for achieving the purposes of the transaction; is more, or is worth more, than \$2 million.

A Major Trading Undertaking is defined as a trading undertaking that:

- a) in the last completed financial year, involved; or
- b) in the current financial year or the financial year after the current financial year, is likely to involve; expenditure by the local government of more than \$5 million for the purposes of this definition.

The Trading Undertaking means an activity carried on by a local government with a view to producing profit.

Before the Shire enters into a Major Land Transaction or commences a Major Trading Undertaking, it is required to prepare a Business Plan that includes an overall assessment of Major Trading Undertaking and Major Land Transaction including:

- a) expected effect on the provision of facilities and services by the Shire;
- b) expected effect on other persons providing facilities and services in the district;
- c) expected financial effect on the Shire;
- d) expected effect on the Shire's Plan for the future;
- e) the ability of the Shire to manage the performance of the transactions; and
- f) any other matter prescribed for the purposes of the subsection.

The Local Government Act 1995 also requires the Shire to give state-wide public notice that:

- the Shire proposes to enter into a Major Land Transaction and Major Trading Undertaking described in the notice; and
- a copy of the Business Plan may be inspected or obtained at any place specified in the notice.

The Shire is to make a copy of the Business Plan available for public inspection in accordance with the notice. The Shire is to also publish a copy of the Business Plan on its official website.

Submissions about the proposed land transaction or undertaking may be made to the Shire before a day to be specified in the notice, being a day that is not less than six weeks after the notice is given.

After the last day for submissions, the Shire is to consider any submissions made and may decide by absolute majority to proceed with the undertaking and transaction as proposed or so that it is not significantly different from what was proposed.

Public notice is also required for any proposed disposition of property and land, by way of lease, license or sale pursuant to Section s.3.58 and 3.59 of the Local Government Act 1995

## **POLICY IMPLICATIONS**

Nil

## **FINANCIAL IMPLICATIONS**

Financial modelling has been undertaken for the option of an accommodation village of up to 1500 rooms in Kambalda. The modelling indicates that the workers accommodation village will generate sufficient funds to:

- cover the operating costs;
- leverage additional investment funds; and
- provide a significant dividend to future proof the community.

The Shire has engaged with mining companies in regard to take – up of accommodation immediately and into the future. Currently demand far exceeds supply. Intent has been provided for the take – up of rooms for the next 5 years.

Nett profits made from the accommodation village will be used to repurpose and future proof the Shire for the next 10-15 years. An option likely to be considered by the Shire is to establish a Future Fund with with an organisation such as the Goldfields Esperance Community Trust. Under the deed of agreement separate bank accounts would be established with the big four banks. The fund or funds would be independently

managed and audited. However, control of the funds and distribution of the funds will be determined by the Shire of Coolgardie.

It is anticipated the Fund would be established for community programs, events, activities, and infrastructure into the future. Further reports, advice and recommendations will be provided to Council in relation to these matters in due course.

It is proposed that the construction of the workers accommodation village will be two stages.

### **Stage 1**

It is anticipated that stage 1 will include, but not limited to;

- Construction of between 600 and 800 rooms
- Required road, parking and pathway infrastructure
- Genset and Turbine infrastructure and associated installation
- Sewerage, Water and Stabilisation ponds
- Waste Treatment Plant
- Kitchen, Mess Area and Administration to cater for up to 600- 800 people
- Relocation of Nullabor Links Fairway as per concept plan

<b>Estimated Installation Costs</b>	<b>\$</b>	<b>26,620,000</b>
<b>Kitchen Estimate for 600 rooms</b>	<b>\$</b>	<b>11,040,000</b>
<b>WWTP Estimate 1500 rooms</b>	<b>\$</b>	<b>4,400,000</b>
<b>Rooms</b>	<b>\$</b>	<b>27,940,000</b>
<b>Laundries and other Buildings</b>	<b>\$</b>	<b>2,500,000</b>
	<b>\$</b>	<b>72,500,000</b>

### **Stage 2**

It is anticipated that stage 2 will include, but not limited to;

- Construction of remaining up to 700 - 900 rooms
- Remaining road, parking and pathway infrastructure
- Remaining infrastructure and installation for sewerage, water and power
- Additional Kitchen, Mess Area and Administration to cater for remaining up to 700 - 900 people

<b>Estimated Installation Costs</b>	<b>\$</b>	<b>35,750,000</b>
<b>Kitchen Estimate for 900 rooms</b>	<b>\$</b>	<b>14,500,000</b>
<b>Rooms</b>	<b>\$</b>	<b>38,000,000</b>
<b>Laundries and other Buildings</b>	<b>\$</b>	<b>3,750,000</b>
	<b>\$</b>	<b>92,000,000</b>

Estimated Financial Scenario is presented below;

### Statement of Cash Flows

	2022/23	2023/24	2024/25	2025/26	2026/27
	\$000s	\$000s	\$000s	\$000s	\$000s
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
<b>RECEIPTS</b>					
Revenue	4,020,000	24,120,000	24,120,000	60,300,000	60,300,000
<b>Sub-total</b>	<b>4,020,000</b>	<b>24,120,000</b>	<b>24,120,000</b>	<b>60,300,000</b>	<b>60,300,000</b>
<b>PAYMENTS</b>					
Food, Staffing, Cleaning	2,127,453	13,443,693	13,443,693	33,812,925	33,812,925
Utilities	500,438	3,102,630	3,102,630	7,756,576	7,756,576
Other Expenditure	376,500	795,000	795,000	2,178,000	2,178,000
<b>Sub-total</b>	<b>3,004,392</b>	<b>17,341,324</b>	<b>17,341,324</b>	<b>43,747,501</b>	<b>43,747,501</b>
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>1,015,608</b>	<b>6,778,676</b>	<b>6,778,676</b>	<b>16,552,499</b>	<b>16,552,499</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Construction and Installation of Accommodation Village	(72,500,000)	(92,000,000)			
Proceeds from External Sources (No Borrowings)	72,500,000	92,000,000			
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>NET INCREASE (DECREASE) IN CASH HELD</b>	<b>1,015,608</b>	<b>6,778,676</b>	<b>6,778,676</b>	<b>16,552,499</b>	<b>16,552,499</b>
Cash at Beginning of Year	0	1,015,608	7,794,285	14,572,961	31,125,460
<b>Cash &amp; Cash Equivalents at the end of year</b>	<b>1,015,608</b>	<b>7,794,285</b>	<b>14,572,961</b>	<b>31,125,460</b>	<b>47,677,959</b>

The estimated financial scenario's presented shows that the workers accommodation village has capacity to generate funds to:

- cover the cost of operation;
- leverage additional investment funds;
- provide projects, programmes, infrastructure and enhance services that will directly benefit and future proof the community for the next 10-15 years



## 2022/23 Budget

The Shire has adopted its 2022/23 Annual Budget. The 2022/23 budget concentrates on core services, efficiencies, an extensive array of community initiatives and renewal and maintenance of the Shires many assets.

The 2022/2023 Annual Budget highlights operating revenue of \$26,895,575 compared to \$13,821,180 in 2021/2022 and operating expenditure of \$24,079,858 compared to \$16,728,630 in 2021/2022. Consequently, for the 2022/2023 year the budget operating surplus is \$2,815,717 compared to an operating deficit in 2021/2022 of \$2,907,450. This extraordinary turn around estimated at \$5,723,167 is a direct result of the progression of new revenue generating opportunities. Furthermore, for the first time, the Shire will end up with an estimated positive operating surplus ratio.

The 2022/2023 Annual Budget also highlights an estimated \$7,296,251 net cash provided by operating activities. The significance of this cannot be underestimated. Very few local governments in WA would have a ratio of 74% of rates revenue contributing to the renewal of road, building, footpath, drainage and community infrastructure.

Further highlights of the 2022/2023 Annual Budget include an ambitious estimated capital expenditure programme of \$29.7 million. This includes;

- Renewal Carins Road \$900,000
- Renewal Coolgardie North Road \$400,000
- Renewal Gnarlbine Road \$200,000
- Renewal Ladyloch/Tindals Intersection \$400,000
- Renewal Sharpe Drive Kurrawang \$300,000
- Coolgardie Sewerage Renewal \$1,600,000
- Drainage Renewal \$100,000
- Coolgardie Refuse Site Renewal \$275,000
- Processing Facility for Plastics and Tyres Coolgardie Refuse Site \$4,000,000
- Kambalda Airport Runway Renewal including lighting and fencing \$6,650,000
- EV Charging Station \$100,000
- Completion of Coolgardie Cultural and Community Hub \$640,000
- Coolgardie Cultural and Community Hub Fit Out \$150,000
- Tyre Shredder for Coolgardie Refuse Site \$1,000,000
- Completion of Kambalda Workers Accommodation Village \$7,300,000
- Land Development Planning \$80,000
- Repayment of Borrowing estimated at \$1.8 million

Operating Highlights of the 2022/2023 Annual Budget include estimated expenditure of \$10.5 million and increase of \$1.7 million from 2021/2022 ;

- Kambalda Resource Centre operations and activities \$148,000
- Coolgardie Resource Centre operations and activities \$234,100
- Meals on Wheels programme \$60,000
- Law and order and public safety \$244,000
- Provision of Health Services \$480,000
- Provision of mental health and wellbeing \$100,000
- Maintenance aged care accommodation \$127,000
- Provision of waste services \$1,840,000
- Coolgardie Swimming Pool operations and activities \$290,275
- Kambalda Swimming Pool operations and activities \$568,000
- Maintenance Parks, Gardens and Reserves \$1,239,000

- Coolgardie Recreation Centre operations and activities \$429,000
- Kambalda Recreation Centre operations and activities \$1,150,000
- Community Development and Heritage \$403,000
- Road, footpath, verge maintenance \$2,160,000
- Tourism and Area promotion and activities \$592,000
- Economic Development \$470,000

### **Direct Community Benefit**

The revenue from the proposed lease for worker's accommodation village will contribute directly to benefit the community. The revenue will not be used to off-set the Shire's overheads or cost of administration. The revenue will be used to maintain and enhance services, community programmes and events and community infrastructure.

### **STRATEGIC IMPLICATIONS**

#### **A thriving local economy**

Encouraging and attracting new investment and advocating for local employment

#### **Accountable and effective leaders**

Ensuring the Shire of Coolgardie is well positioned to meet future needs

#### **An inclusive, safe and vibrant community**

Attracting funding to support the sustainability and growth of our local Community groups

#### **Effective management of infrastructure, heritage and environment**

Facilitating urban and rural planning and development

### **ATTACHMENTS**

1. **Draft Concept Plan**
2. **Drfaft Business Plan**

### **VOTING REQUIREMENT**

Absolute Majority

**OFFICER RECOMMENDATION****That Council**

1. By **ABSOLUTE MAJORITY**, pursuant to s5.42 of the Local Government Act 1995, delegate authority to the CEO to prepare a Business Plan in accordance with s3.59(2), (3) of the Local Government Act 1995, and to advertise the Plan for public comment in accordance with s3.59(4), and to bring the Plan, any public comments, and a recommendation to Council for consideration under s3.59(5) of the Act.
2. By **SIMPLE MAJORITY**, request the Chief Executive Officer to organise an Open Day on Tuesday September 13<sup>th</sup> 2022 at the Kambalda Recreation Centre, to enable members of the community to ask questions of Council Members, and the CEO on the proposed Project, along with other current similar Projects being undertaken, or proposed by the Shire.

- 10 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING**
- 10.1 Elected Members**
- 10.2 Council Officers**
- 22 CLOSURE OF MEETING**