



# **MINUTES**

of the

**ALL PURPOSE COMMITTEE MEETING**

Held at

on

**17 SEPTEMBER, 2018**

in the

**Councillor's Conference Room**

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**1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**

The Chairman declared the meeting open at 6.30pm welcoming those present.

**2 RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE (PREVIOUSLY APPROVED)**

**IN ATTENDANCE:**

Mayor John Bowler  
Cr Allan Pental  
Cr Deborah Botica  
Cr Laurie Ayers  
Cr Gary Brown  
Cr Suzie Williams  
Cr Glenn Wilson  
Cr Natalie Coxon  
Cr Pam O'Donnell  
Cr Nardia Turner  
Cr Linden Brownley (Entered meeting at 6.43pm)

**MEMBERS OF STAFF:**

Mr John Walker	Chief Executive Officer
Mr Stuart Devenish	General Manager Infrastructure & Environment
Mrs Holly Phillips	General Manager City Living
Mrs Michelle Todd	Manger Governance & Legal
George Workman	Manger Infrastructure Services
Mr Les Morgan	Engineering Services Team Leader
Mr Robert Connor	Engineering Projects Officer
Mr Cheye Hill	Manager Goldfields Oasis
Ms Molly Garbutt-Wilkins	Office Assistant

**VISITORS:**

0

**PRESS:**

0

**APOLOGIES – ELECTED MEMBERS:**

Cr Mandy Reidy

**APOLOGIES – MEMBERS OF STAFF:**

Ms Ivana Castle

Chief Financial Officer

**LEAVE OF ABSENCE:**

Cr Lisa Malicky

**3 PETITIONS/DEPUTATIONS/PRESENTATIONS**

A presentation on Road Safety was made by Mr George Workman, Manager Infrastructure Services.

**4 DECLARATIONS OF MEMBERS' AND OFFICERS' INTEREST**

**4.1 INTEREST AFFECTING IMPARTIALITY CITY OF KALGOORLIE-BOULDER CODE OF CONDUCT**

Nil

**4.2 FINANCIAL INTEREST LOCAL GOVERNMENT ACT SECTION 5.60A**

Cr Suzie Williams declared a financial interest in item 8.1.1, page 2 of the Committee Meeting Agenda for 17 September, 2018.

Cr Nardia Turner declared a financial interest in item 8.3.1, page 15 of the Committee Meeting Agenda for 17 September, 2018.

**4.3 PROXIMITY INTEREST LOCAL GOVERNMENT ACT SECTION 5.60B**

Nil

**5 CONFIRMATION OF MINUTES**

[Minutes of All Purpose Committee Meeting held on 20 August 2018](#)

**MOVED BY: CR LINDEN BROWNLEY**

**SECONDED BY: CR GARY BROWN**

That the minutes of the **All Purpose Committee** meeting held on 20 August 2018 be confirmed as a true record of that meeting.

**CARRIED  
(11/0)**

**6 URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY DECISION**

Nil

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## 7 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

## 8 REPORTS OF OFFICERS

### 8.1 CHIEF EXECUTIVE OFFICER

#### 8.1.1 REQUIRED FLOW RIDER MAINTENANCE

**Responsible Officer:** John Walker  
Chief Executive Officer

**Author:** Cheye Hill

**Disclosure of Interest:** Cr Suzie Williams

Cr Suzie Williams left the room at 7:04pm.

#### VOTING REQUIREMENTS

Simple

#### OFFICER RECOMMENDATION

**MOVED BY:** CR GLENN WILSON

**SECONDED BY:** CR GARY BROWN

That in view of the continuing operating loss of \$130,000 per annum and the need for a further \$50,000 for additional maintenance, the Flow Rider be closed for the remainder of 2018/19 season pending a review as to its long term future at the centre.

#### AMENDMENT

**MOVED BY:** CR LAURIE AYERS

**SECONDED BY:** CR NATALIE COXON

That the matter lie in the table pending the provision of further information on alternative attractions that may be provided and that the matter be then reconsidered.

**CARRIED  
(10/0)**

The amendment was then became the substantive motion and was carried 10/0

#### EXECUTIVE SUMMARY

This report is presented by the Goldfields Oasis Recreation Centre Manager on the required additional maintenance of the Flow Rider for the safe operation of the facility for public use and recommend closing it for the 2018/19 season pending a review.

**BACKGROUND**

The Flow Rider is one of four powered surfing machines in Australia and currently the only operating in Western Australia. It was built and opened for the 2008 summer season.

The strategic purpose of the Flow Rider is to provide a facility that will attract and engage the 14 to 24 year old age groups within the Goldfields region and also as a tourist attraction.

The Flow Rider sees between 3000-3500 individual uses per year, 0.6% of total centre attendees.

Prior to the Flow Rider being commissioned in 2008 council endorsed the additional operating deficit required to provide the attraction, which was estimated to be an additional \$100,000 per annum and since that time due to incrementally rising power costs this has increased to \$130,000 per annum.

Life cycle and capital improvement costs of the Flow Rider were never accounted for and in 2015 a report was delivered to council to consider the ongoing operational and capital investment required to safely and effectively operate the Flow Rider.

Council resolved to suspend any further capital investment pending a further report at its ten year anniversary when critical maintenance would be required for further deliberation as to the future of its operation.

**COMMUNITY STRATEGIC PLAN LINKS**

This report links to the Strategic Community Plan through the Community's Guiding Principles:

- Invest in the children and youth of the community
- Deliver inclusive and accessible sport and recreation

**BUDGET IMPLICATIONS**

Should Council support the recommendation budget savings will be made.

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**REPORT**

There are two areas of the Flow Rider that require immediate maintenance in order for its safe operation. (See attachment)

- The side padding is coming away from the wall and folding onto the ride surface
- The ride surface has significant wear patches where the participants enter the ride.

Two local contractors, Kalgoorlie Canvas and Fiesta Canvas were invited to examine the padding and ride surfaces and submit a quote to fix both the side padding and ride surfaces. Both contractors advised that the repairs and materials required for the Flow Rider were beyond their abilities, that this was highly specialised maintenance.

Further information was supplied after consulting Flow Rider's Head Office in America that the cost of materials and labour to complete the repairs are estimated at \$50,000 and would take a minimum of two weeks work. The repairs would require that the ride surface be removed for the works and then re-installed, a highly specialised procedure.

### **STATUTORY IMPLICATIONS**

There are no statutory implications resulting from the recommendations of this report.

### **POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendations of this report.

### **COMMUNITY ENGAGEMENT CONSULTATION**

No community consultation was considered necessary in relation to the recommendations of the report.

### **ATTACHMENTS**

Photos with Descriptions 

Cr Suzie Williams returned to the room at 7:14pm

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## 8.1.2 GOLDFIELDS MASONIC HOMES REQUEST FOR SUPPORT

**Responsible Officer:** John Walker  
Chief Executive Officer

**Author:** Tracey Luke  
Governance Officer

**Disclosure of Interest:** Nil

### VOTING REQUIREMENTS

Simple

### OFFICER RECOMMENDATION/COMMITTEE RESOLUTION

**MOVED BY:** CR ALLAN PENDAL  
**SECONDED BY:** CR LAURIE AYERS

1. Support Goldfields Masonic Homes request to the State Government for further allocation of land for Killarney Independent Living Retirement Village.
2. Approve the Chief Executive Officer to send a letter to Goldfields Masonic Homes confirming the City's full support for their application to the State Government.

**CARRIED**  
**(11/0)**

### EXECUTIVE SUMMARY

Goldfields Masonic Homes is seeking approval from the State Government for 19ha of land to develop further the Killarney Independent Retirement Village. This land acquisition will allow for a substantial increase in the number of Independent Living Units and is commensurate with demand for quality retirement living in Kalgoorlie-Boulder.

### COMMUNITY STRATEGIC PLAN LINKS

This report links to the Strategic Community Plan through the Community's Guiding Principles:

- Ensure equitable community services for all residents
- Improve our essential services

### BUDGET IMPLICATIONS

There are no financial implications resulting from the recommendations of this report.



## **REPORT**

The application for 19 ha of land by Goldfields Masonic Homes will (if granted) allow for extension of the Killarney Independent Living Retirement Village. A letter received by the City regarding the application to the State Government and plans of the proposed further development of the retirement village are attached for Council to view.

## **STATUTORY IMPLICATIONS**

There are no statutory implications resulting from the recommendations of this report.

## **POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendations of this report.

## **COMMUNITY ENGAGEMENT CONSULTATION**

No community consultation was considered necessary in relation to the recommendations of the report.

## **ATTACHMENTS**

Letter from Goldfields Masonic Homes 

Development Plans K.I.L.R.V 

## 8.2 GENERAL MANAGER – INFRASTRUCTURE AND ENVIRONMENT

### 8.2.1 5 – YEAR STORMWATER DRAINAGE PROGRAM

<b>Responsible Officer:</b>	<b>Stuart Devenish General Manager Infrastructure &amp; Environment</b>
<b>Author:</b>	<b>Les Morgan Engineering Services Team Leader</b>
<b>Disclosure of Interest:</b>	<b>Nil</b>

#### VOTING REQUIREMENTS

Simple

#### OFFICER RECOMMENDATION

That:

1. **\$129,600 be transferred from Account 70128124, Footpath Construction and Reconstruction – Renewal to Account 70118104, Drainage Construction – Expansion in the 2018/2019 Budget;**
2. **\$58,900 be transferred from Account 70128104, Footpath Construction and Reconstruction – Expansion to Account 70118124, Drainage Construction – Renewal in the 2018/2019 Budget;**
3. **Council resolve to endorse the following drainage works construction program for financial year 2018/19:**

<b>Stormwater Drainage Construction Program – 2018/19</b>			
<b>Street</b>	<b>Location</b>	<b>Works to be Carried out</b>	<b>18/19</b>
Gribble Creek	From Hannan to Meldrum	Modify channel & construct flood protection bund along Gribble Creek	\$170,000
Speculation Road	East of Sharp	Upgrade culvert to increase flow & reduce flooding from backwater.	\$ 75,000
Gribble Creek	Speculation Rd - detention basin	Raise flood bunds to prevent overtopping onto Speculation Road and Sharp Road.	\$ 60,000
Hare / Shaw Streets	Intersection	Upgrade existing drainage infrastructure and crossover	\$ 45,000
Mafeking Street	At East Kalgoorlie Primary	Install new drainage system and crossover	\$ 40,000
Boulder Rd – Stage 1	East to Gilberton	Install new main drainage line to connect to existing outlet.	\$200,000
Graeme Street	Numbers 92 – 96	Replace kerb & footpath, reshape verge to protect homes in Graeme.	\$ 25,000
Forrest Street	Number. 100	Replace table drains & crossover to prevent property flooding.	\$ 25,000
Collins Street	IGA	Replacing drainage pipes with higher capacity system.	\$ 5,000
Varden Street	Number 238	Replace kerb & crossover to stop stormwater going into ROW.	\$ 14,000
Ward Street	Number 114	Design & install drainage system to protect properties in Ward.	\$ 40,000
O'Connor Street	Borromei – Gouge St	Install drainage line to connect to existing & protect properties.	\$ 50,000
Boulder Road	Number. 11	Install drainage line to protect property from flooding.	\$ 20,000
Memorial Drive	Number 1	Replace existing pipe.	\$ 20,000
Marshall Street	Tennis Club	Replace undersized pipe.	\$ 10,000
Boulder Road	Numbers 213 – 225	Install new drainage system to protect properties.	\$ 60,000
<b>Total Cost of Works</b>			<b>\$859,000</b>

4. **Subject to 5. below, Council resolve to adopt, as a guide for future budget allocations, the following stormwater drainage construction program – 2019 to 2023:**

Stormwater Drainage Construction Program – 2019 to 2023						
Street	Location	Works to be Carried out	19/20	20/21	21/22	22/23
Boulder Rd – Stage 2	Gilberton to Connelly	Completion of new drainage line construction from Stage 1.	\$390,000			
Charles St	MacDonald to White St	Construct new system to contain 1 in 100 yr flood in road reserve.	\$490,000			
Martin St	Channel near depot	Construct bund parallel to drain to prevent flooding of the depot.	\$ 20,000			
Boulder Rd – Stage 3	Gilberton to Connelly	Construct drainage to connect other side of road to drainage line from Stages 1 & 2.		\$120,000		
Gribble Creek	Vivian to Johnston	Modify channel to reduce extent of flooding at properties along Ck		\$450,000		
Gribble Creek	At the Cemetery	Extend flood bund to stop break out flows from entering cemetery.		\$ 70,000		
Kalgoorlie Golf Course	Channel and Ponds	Widen & deepen channel in Golf Course & bunding around ponds.		\$100,000		
Boulder Rd – Stage 4	Connelly to Roberts	Completion of new main drainage line construction from Connelly St.			\$320,000	
Gribble Creek	Upstream of Johnston St	Modify channel for reduced depth of flow and extend of flooding.			\$200,000	
Gribble Creek	Golf Course – Ray Finlayson	Widen and deepen channel to reduce flooding.			\$220,000	
Colgan Rd	Channel parallel to Colgan Road	Redirect nth - sth channel into channel beside Colgan St to protect land west of Speculation.			\$ 90,000	
Detention Basin – Stage 1	South of racecourse	Increase capacity of the basin to reduce downstream flooding.				\$ 900,000
<b>Total Cost of Works</b>			<b>\$900,000</b>	<b>\$740,000</b>	<b>\$830,000</b>	<b>\$ 900,000</b>

5. That a report be presented to Council annually, immediately prior to budget preparations, to update this rolling 5 year works program, taking into account of any newly identified works, along with a review of priorities, cost estimations and budget allocations.

**COMMITTEE RECOMMENDATION:**

**MOVED BY: CR ALLAN PENDAL**  
**SECONDED BY: CR SUZIE WILLIAMS**

**That:**

1. Note the Officers Recommendation
2. Request that a report be distributed to council prior to the next Ordinary Council Meeting on footpath works to be postponed.
3. Resubmit the Officer Recommendation for consideration at the next Ordinary Council Meeting

**CARRIED**  
**(11/0)**

Cr Linden Brownley left the room at 7:27pm.

**EXECUTIVE SUMMARY**

Stormwater drainage is an important component of the urban road and open space network, which serves many functions including the protection of properties from flooding and the protection of other Council infrastructure from water infiltration leading to accelerated deterioration. Accordingly, it is important that it be renewed or new sections installed at the most cost effective and optimum time for the City.

This reports sets out the recommended approach to maintaining drainage infrastructure to optimise the serviceability and life expectancy of drainage assets. This includes the identification of priority works based on resultant flood relief and protection of infrastructure as well as the current condition of infrastructure. Scores are assigned to rank the works in order of priority. Once identified, the priority works are scheduled over a 5-year period.

A program of drainage works for the current financial year is recommended. The expenditure requires budget amendment to undertake the full extent of proposed works. This can be achieved by re-directing some expenditure from footpath allocations, effectively deferring some footpath works to subsequent years.

Having regard for the above, the recommendation provides for re-allocation of some funds within the current budget from footpaths to drainage works, and the adoption of a 5-year program as a guide for future budget allocations and works priorities, noting that such will be subject to annual review and adjustment.

**COMMUNITY STRATEGIC PLAN LINKS**

This report links to the Strategic Community Plan through the Community's Guiding Principles to ensure a sustainable asset and infrastructure base.

**BUDGET IMPLICATIONS**

This report seeks to reallocate funding from footpaths to drainage in the 2018/19 Financial Year. However, the City's footpath condition rating will not be impacted significantly due to this recommended lowering of capital expenditure. Hence, there are no overall financial or sustainability implications resulting from the recommendations of this report.

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**REPORT****Background**

At its meeting of 28<sup>th</sup> May 2018, Council resolved to “endorse the prioritised flood mitigation measures for Gribble Creek for the purposes of budget allocations.” The City's Engineering Services has also identified drainage works across the City, taking into account matters raised by community members.

This report seeks to establish a 5 year works program to address the above mentioned flood mitigation measures for Gribble Creek and other drainage issues that have been identified within the City.

Engineering Services has formulated a system to rate the condition of stormwater drainage infrastructure, assess the merits of installing new, or upgrading existing stormwater drainage infrastructure and to prioritise these works in a manner that gives weight to those projects that are most beneficial to the community. Accordingly, this report draws on the collected information and seeks to prioritise stormwater drainage capital works in a systematic transparent methodology.

At present the following funds have been allocated to stormwater drainage construction in the 2018/19 Budget:

• Drainage Construction (Expansion)	\$288,000
• Drainage Construction (Upgrade)	\$332,500
• <u>Drainage Construction (Renewal)</u>	<u>\$ 50,000</u>
	Total \$670,500

There are 2 projects contained within this report that are currently under construction as follows:

- The upgrade of existing drainage infrastructure at the intersection of Shaw and Hare Streets, and
- The installation of a new drainage system near East Kalgoorlie Primary School in Mafeking Street.

Both of these projects and associated costs have been included in this report and the recommended program for 2018/19 for completeness.

It should be noted that 2 studies are currently being undertaken in relation to the Gribble Creek Study and that these have not been included in this report. These studies involve the modelling and design of a detention basin upstream from Piccadilly Dam and the hydraulic analysis of the culvert on Meldrum Avenue across Gribble Creek. These will be included in the recommended review of this program prior to annual budget adoption.

### **The Need for Stormwater Drainage Infrastructure**

Rainfall events on natural or undeveloped ground are usually absorbed into the ground, with some excess forming overland runoff to watercourses. However, the City of Kalgoorlie-Boulder is situated on mostly clay subsoils that are relatively impermeable, thereby reducing the usual absorption rate and increasing runoff significantly. The impervious surfaces of urban development also prevent much of this absorption. Surfaces such as roads, parking areas, paved areas and rooftops mean that rainfall rapidly collects and is unable to infiltrate into the ground to the degree of the natural or undeveloped catchment. Therefore, stormwater drainage measures need to be installed for local flood protection from this significantly increased stormwater runoff.

### **Condition Determination**

The condition of stormwater drainage infrastructure in the City of Kalgoorlie-Boulder is determined on a 1 – 5 bases (1 = Excellent / 5 = very poor). It has been devised to enable consistency and transparency and to provide the following:

- The condition of the asset for Asset Management and Integrated Planning and Reporting purposes,
- The creation of capital works programs / financial plans,
- The sections of stormwater drainage that can be repaired through routine maintenance to be identified and repaired, and
- A system that enables more accurate annual budget planning for routine maintenance.

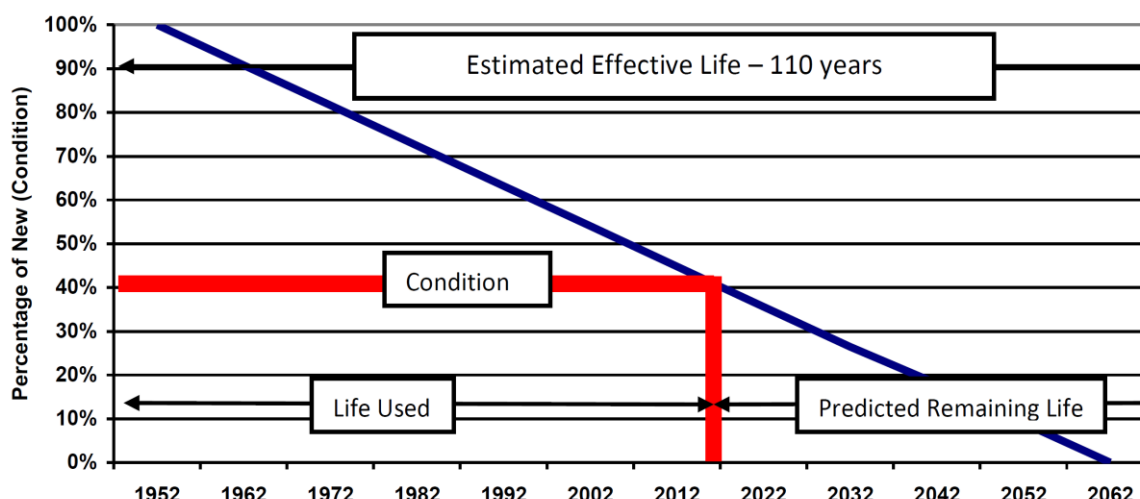
The rating scales and percentage of replacement cost or percentage of new condition are detailed in the table below.

Asset	Rating	% Replacement Cost or % of New Condition
All Urban Stormwater Assets.	1 – Excellent	100%
	2 – Good	80%
	3 – Fair	60%
	4 – Poor	40%
	5 – Very Poor	20%

### Useful Life Determination

By using a known or estimated construction period, combined with the condition rating, a prediction of the useful life of the City’s drainage infrastructure can be ascertained. This is done using a predictive model which combines the construction period, condition and a projection of these to an expected end of life as shown in the example on the next page.

Condition Score = 4 Poor (40% of New)  
 Estimated Construction Date = 1952



% of Life Used = 60%                      Life Used (yrs) = 66 years  
 % of Life Remaining = 40%              Estimated Life Remaining (yrs) = 44 years  
 Estimated Useful Life = 110 yrs        (Life used + Estimated remaining life)

### Required Budget Allocation

One of the important factors of meeting advanced Asset Management practices and the requirements of Integrated Planning and Reporting legislation, is to formulate budgets that are driven by the requirements of the asset class on a whole of life basis.

Analysis has shown that the total cost of replacing the City's drainage network is estimated at \$11,000,000 and that the useful life of the network is around 110 years. This means that the network is depreciating by in the order of \$100,000 per year. To ensure that the City is able to replace or renew deteriorated stormwater infrastructure at the appropriate time and ensure that the network continues to meet its current level of service to the community, this depreciation cost needs to be met annually.

Additionally, a number of locations that do not have adequate stormwater drainage provision or the existing drainage system needs to be upgraded have also been identified.

### Actual Budget Allocation

The City has allocated \$670,500 in 2018/19 for drainage construction. The City's 10 Year Financial Plan allocates between \$515,000 and \$554,000 to Drainage Construction from 2019/20 to 2022/23. The amount allocated is insufficient to undertake the extensive identified works in a reasonable timeframe. Hence, extra funds are needed to close this gap and meet the stormwater needs of the community.

As drainage remediation works are considered to be a high priority to protect property and existing infrastructure, it is deemed appropriate to redirect funds from other works for 2018/19.

Generally, the footpaths within the City are considered to be adequate to meet the short term needs of the community. Therefore, it is recommended that funds allocated to footpath renewal and upgrade works be redirected to meet the drainage construction and renewal funding needs in 2018/19.

### Recommended Budget Allocation

The following table outlines the recommended budget for this program in 2018/19 and the budget allocations for drainage works, as contained in the 10 Year Financial Plan, for the ensuing years. It should be noted that the redirection of footpath funds is only recommended for the 18/19 financial year and that this will be reviewed annually.

Drainage Construction Program – Budget Allocation						
Account	Program	18/19	19/20	20/21	21/22	22/23
70118104	Drainage Construction – Expansion	\$ 288,000	\$ 0	\$ 0	\$ 0	\$ 0
70118114	Drainage Construction – Upgrade	\$ 332,500	\$ 0	\$ 0	\$ 0	\$ 0
70118124	Drainage Construction – Renewal	\$ 50,000	\$ 515,000	\$ 528,000	\$ 541,000	\$ 554,000
70128104	Footpath Construction & Reconstruction – Expansion	\$ 58,900	\$ 0	\$ 0	\$ 0	\$ 0
70128114	Footpath Construction & Reconstruction – Upgrade	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
70128124	Footpath Construction & Reconstruction – Renewal	\$ 129,600	\$ 0	\$ 0	\$ 0	\$ 0
<b>Totals</b>		<b>\$859,000</b>	<b>\$ 515,000</b>	<b>\$ 528,000</b>	<b>\$ 541,000</b>	<b>\$ 554,000</b>

The proposed redirection of funds away from footpaths in 18/19 will result in there still being \$20,000 for the renewal of the paths at Karlkurla Park and \$160,000 for pathway projects identified as part of the Bike Plan.

Given the general overall good condition of the existing footpath network, this is considered acceptable for 1 year, as it should have insignificant impact on the footpath network in terms of level of service and functionality.

However, further recommendations will be made in regards to subsequent drainage and footpath allocations when the annual 10 year Financial Plan review is presented to Council in the future.

### Priority System

Factors taken into consideration for the prioritisation of these works are as follows:

- **Localised Flood Relief** This considers whether the project reduces property flooding and is given a weighting of 2.
- **Protection of Infrastructure** This considers the ability of the proposed work to negate deterioration of existing infrastructure and is given a weighting of 1.
- **Condition** This takes into account the condition of the existing stormwater drainage and is given a weighting of 2.

Using these factors, the works are scored to prioritise and develop the new program. Projects installing new or expanding existing infrastructure are given a condition score of Very Poor as there is no functional stormwater system to meet the needs of the community which equates to an existing stormwater system that is no longer working and would be condition rated similarly.

Factor	Feature	Score	Weight	Priority Score
<b>Localised Flooding Relief</b>	<i>Reduces flooding affecting &gt; 10 properties</i>	5	2	10
	<i>Reduces flooding affecting 5 – 10 properties</i>	4	2	8
	<i>Reduces flooding affecting 3 – &lt; 5 properties</i>	3	2	6
	<i>Reduces flooding affecting &lt; 3 properties</i>	2	2	4
	<i>Reduces flooding of road only or protects pedestrians from flood water</i>	1	2	2
<b>Protection of Infrastructure</b>	<i>Protects road pavement and shoulder / verge / footpath</i>	5	1	5
	<i>Protects road pavement only</i>	4	1	4
	<i>Protects footpath only</i>	3	1	3
	<i>Protects shoulder / verge only</i>	2	1	2
	<i>Protects wearing surface</i>	1	1	1
<b>Condition</b>	<i>Very poor</i>	5	2	10
	<i>Poor</i>	4	2	8
	<i>Fair</i>	3	2	6
	<i>Good</i>	2	2	4
	<i>Excellent</i>	1	2	2

### Priority Scores

The following table lists the estimated costs and assessed priority score of each proposed upgrade, renewal and new installation of stormwater drainage projects.

Street	Location	Works to be Carried out	New Works Cost	Renewal / Upgrade	Priority Score
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				Cost	
Gribble Creek *	From Hannan St to Meldrum Ave	Modify channel and construct flood protection bund along Gribble Creek		\$ 170,000	25
Speculation Rd *	East of Sharp Rd	Upgrade existing culvert to increase flow capacity & reduce flooding from backwater.		\$ 75,000	25
Gribble Creek *	Speculation Road to Detention Basin	Raise flood bunds to prevent overtopping onto Speculation Road and Sharp Road.		\$ 60,000	25
Gribble Creek *	Vivian to Johnston	Modify channel to reduce depth & extent of flooding at properties along Gribble Creek		\$ 450,000	24
Boulder Rd – Stage 1	East to Gilberton	Installation of new main drainage line to connect to existing drainage outlet.	\$ 200,000		25
Boulder Rd – Stage 2	Gilberton to Connelly	Continuation and completion of new main drainage line construction from Stage 1.	\$ 390,000		25
Boulder Rd – Stage 3	Gilberton to Connelly	Construction of drainage lines to connect other side of road to drainage line from Stages 1 and 2.	\$ 120,000		25
Boulder Rd – Stage 4	Connelly to Roberts	Continuation and completion of new main drainage line construction from Connelly St.	\$ 320,000		25
Charles St	MacDonald to White St	Construction of new system to contain 1 in 100 year flood within road reserve.		\$ 490,000	25
Graeme St	Numbers 92 – 96	Replacement of kerb and footpath, reshaping of verge to protect properties in Graeme St.		\$ 25,000	21
Hare / Shaw Sts	Intersection	Upgrading existing drainage infrastructure and crossover		\$ 45,000	21
Mafeking Street	At East Kalgoorlie Primary	Installation of drainage system and crossover	\$ 40,000		19
Forrest St	Number. 100	Replace existing table drains and crossovers to prevent flooding on property.		\$ 25,000	19
Varden St	Number 238	Replacement of kerb & crossover to negate entry of stormwater into rear Right of Way.		\$ 14,000	18
Collins St	IGA	Replacing drainage pipes with higher capacity system.		\$ 5,000	18
Ward St	Number 114	Design and installation of drainage system to protect properties in Ward St.	\$ 40,000		18
O'Connor St	Borromei St – Gouge St	Installation of new drainage line to connect to existing system and protect properties.	\$ 50,000		16
Kalgoorlie Golf Course *	Channel and Ponds	Widen and deepen channel within Golf Course and bunding around ponds.		\$ 100,000	14
Gribble Creek *	At the Cemetery	Extend bund on south side to stop flows entering cemetery.		\$ 70,000	14
Boulder Rd	Number. 11	Installation of drainage line to protect property from flooding.	\$ 20,000		14
Memorial Dr	Number 1	Replace deteriorated existing pipe.		\$ 20,000	14
Marshall St	Tennis Club	Replace existing undersized pipe.		\$ 10,000	14
Boulder Rd	Numbers 213 – 225	Install new drainage system to protect properties.	\$ 60,000		14
Martin St *	Channel near depot	Construct bund parallel to drain to stop flooding of the depot.		\$ 20,000	14
Detention Basin *	South of racecourse	Increase capacity of the basin to reduce downstream flooding.		\$1,500,000	10
Gribble Creek *	Upstream of Johnston St	Modify channel for reduced depth of flow and extend of flooding.		\$ 200,000	10
Gribble Creek *	Golf Course – Ray Finlayson	Widen & deepen channel to reduce flooding.		\$ 220,000	10
Colgan Rd *	Channel parallel to Colgan Road	Redirect channel running north to south into channel running parallel to Colgan St to protect land west of Speculation Rd		\$ 90,000	10
<b>Total</b>			\$1,240,000	\$3,589,000	

Notes:

\* Projects identified through the Gribble Creek Flood Study.

## **Proposed Program**

In formulating the recommended program, Engineering Services began with a spreadsheet that is used continuously to record any drainage issues that are identified or raised from various sources, including the public. This spreadsheet was then analysed to ascertain projects that were suitable for inclusion in the program. The identified projects were then prioritised as shown previously to provide a guide to the development of the program.

However, relatively high cost projects have been spread across the 5 years of the program and other important small jobs were moved forward to enable their completion. Consideration was also given to projects that have been designed and costed as work can start on them as soon as practicable.

The result of this approach is that 16 projects are proposed to be undertaken in the current financial year and 3 projects are proposed to be undertaken in the 2019/20 financial year. Two of the projects proposed in the 2019/20 financial year will require extensive design and planning works and as such Council will not be ready to undertake these projects until the proposed timeframe.

Undertaking 16 drainage construction projects will stretch the resources of the City and as such it is important to note that many of these will be contracted out to ensure completion within the current financial year.

## **Asset Management**

Implementation of this program will mean that funding will be provided to renew Council's stormwater drainage network when it nears the end of its useful life, thereby ensuring that sustainability is maintained.

It is estimated that the projects that involve the installation of new infrastructure will increase the value of Council's drainage network by an estimated \$1,200,000. Using the assessed actual useful life of the drainage network of 110 years, this means that depreciation will increase by approximately \$11,000 per annum. Hence, upon completion of each year of this program a report targeted at the required funds to keep the drainage network in a functional condition will be presented to Council.

## **Social Impacts**

Stormwater drainage works reduces residents' exposure to localised flooding and thereby enhances residential amenity.

## **Environmental Impacts**

From the perspective of the environment, stormwater drainage systems can help channel rubbish and debris into collection facilities and thus enhancing the aesthetic appeal of an area.

## **Conclusion**

The renewal of stormwater drainage infrastructure and the provision of new stormwater drainage infrastructure as contained within this report:

- Is an efficient and effective method of enhancing the level of service that a community enjoys,
- Minimises life cycle costs for other road infrastructure, and
- Enhances the City's sustainability.

### **STATUTORY IMPLICATIONS**

There are no statutory implications resulting from the recommendations of this report.

### **POLICY IMPLICATIONS**

There are no policy implications resulting from the recommendations of this report.

### **COMMUNITY ENGAGEMENT CONSULTATION**

No community consultation was considered necessary in relation to the recommendations of the report.

### 8.3 CHIEF FINANCIAL OFFICER

#### 8.3.1 GOLDFIELDS MASONIC HOMES SELF SUPPORTING LOAN REQUEST

**Responsible Officer:** Ivana Castle  
Chief Financial Officer

**Author:** Ivana Castle  
Chief Financial Officer

**Disclosure of Interest:** Cr Nardia Turner

Cr Nardia Turner left the room at 7:36pm.

#### VOTING REQUIREMENTS

Simple

#### OFFICER RECOMMENDATION

That the Committee recommend to Council approval of a self-supporting loan of \$1,000,000 for Goldfields Masonic Homes to be used to fund the completion of 49 units at Killarney Independent Living Retirement Village for a term of ten (10) years with monthly repayments and interest of approximately \$9,651 and 3.24% respectively.

#### COMMITTEE RECOMMENDATION

**MOVED BY:** CR ALLAN PENDAL  
**SECONDED BY:** CR PAM O'DONNELL

That the Committee recommend to Council approval of a self-supporting loan of \$1,000,000 for Goldfields Masonic Homes to be used to fund the completion of 49 units at Killarney Independent Living Retirement Village for a term of ten (10) years with monthly repayments and interest of approximately \$9,651 and 3.24% respectively, subject to a caveat being lodged over the existing development and that Goldfields Masonic Homes being advised that support for this stage of development does not indicate further financial support in the future .

**CARRIED**  
**(9/0)**

#### EXECUTIVE SUMMARY

The purpose of this report is for the Committee to consider a self-supporting loan request of between six hundred thousand and one million dollars, for Goldfields Masonic Homes (GMH). Goldfields Masonic Homes have a history of supporting the Goldfields in the provision of affordable housing for older citizens, having a total of 61 already established units in the Goldfields.

The request is in relation to the construction of 49 two bedroom units situated on a portion of land at the former Kalgoorlie Golf Club site, on Killarney Street. The original total forecast project cost was \$11,258,950, \$9,808,371 was funded by the

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WA Government's Royalties for Regions program, leaving \$1,450,579 to be raised from other sources. The original forecast made provision for 45 units, 4 units were added to meet demand.

The forecast position as at 12 September 2018 is a reduction of the shortfall within cash requirement to \$1,000,000. This reduction is related to cost savings through efficiencies and a better than expected forecast cash position.

The serviceability of the loan is evidenced by a positive forecast cash flow and the finalisation of a self-supporting loan from the Shire of Coolgardie. GMH have made preference for a 10 year term loan, with the expectation of a strong cash position to support the loan, given 100% occupancy of all existing units and 50%, 90% and 100% occupancy forecast for the new units in 2018-19, 2019-20 and 2020-21 consecutively.

In terms of the potential to raise a security over the loan, the units at Addis Street are freehold, while all other units are not. It is considered that security is not necessary. GMH have no other existing loans at this time.

The impact to the City's financial position in establishing the loan is minimal.

### **COMMUNITY STRATEGIC PLAN LINKS**

This report links to the Strategic Community Plan through the Community's Guiding Principles to ensure equitable community services for all residents.

### **BUDGET IMPLICATIONS**

There are budget implications resulting from the recommendations of this report. A budget line will need to be added for interest, principal and income. The net impact to budget will be zero, as the loan will be re-paid by Goldfields Masonic Homes, with all monies being re-couped.

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## **REPORT**

This report provides information of the request from Goldfields Masonic Homes to enter into a self-supporting loan arrangement with the City of Kalgoorlie-Boulder. An assessment of serviceability, risk and the impact to the City's financial position has been completed to ensure due diligence.

Goldfields Masonic Homes Inc. was established in 2003, its mission is to provide affordable housing to the elderly, specifically citizens aged 65 years and over, in the Goldfields. At present, GMH has 61 already established units in the Goldfields;

- Addis Street Village (opened in 1983) - Twelve (12) single bedroom units (GMH holds freehold over land)
- Collins Street Village (opened in 1980) - Twelve (12) single bedroom units
- Alford Street Village (opened in 1999) - Nine (9) units - 4 single bed and 5 two bed units

- Wilson Street Village (opened in 2002) - Nine (9) units – 4 single bed and 5 two bed units
- Lorna Mitchell Village – located on Forrest Street (opened in 1991) – Thirteen (13) single bed units
- Montana Village – located in Coolgardie (opened in 2007) – Thirteen (13) single bed units

GMH has been working with agency groups and government in the provision of safe, affordable, regional accommodation for an aging population. The attached reports (GMH Business Case Killarney Retirement Living) demonstrate a growing need within the Goldfields region for self-care accommodation for the elderly.

In addition to the above portfolio of accommodation, GMH have 49 units under construction, Killarney Independent Living Retirement Village, located at Killarney Street, Kalgoorlie. As at the 21st of August 2018 of the 49 units 23 have been allocated to eligible singles and couples. The first 29 units will be completed and occupied by early December 2018. The remaining 20 units are forecast to be completed late January, early February of 2019.

Goldfields Masonic Homes received \$9,808,371 in 2016-17 from the WA Government's Royalties for Regions program, the total estimated project cost at the time of submission was \$11,258,950 with the remaining funds of \$1,450,579 to be raised from other sources. Westpac bank was approached to fund the shortfall, however due to their inability to establish any real security against the property, (given that GMH has Management orders over all but one of the properties) and the concern around public perception if they had to foreclose, it was their policy not to borrow to these types of organisations.

It was at this point that GMH approached the City regarding a self-supporting loan, communicating with the CEO, at the time Mr Don Burnett. (Attachment F)

Further to this, the original submission was for the construction of 45 units, an additional 4 were added to the project. The current forecast position of the project to date is that an estimated \$600,000 to \$1,000,000 will be required to complete the 49 units, this is a saving of between \$450,579 to 850,579. These savings are a direct result of the following;

- A reduction of contingencies as the project draws to a close;
- Higher than expected net cash levels through rent and interest earnings ( due to insurances and rates being due in the first half of the year)

The following attachments provide support to the financial stability of the Goldfields Masonic Homes;

- **Audited Financial Statements 30 June 2018**
- **Cash flow forecast** provided by GMH, assumptions used; 25% are couples and 75% singles (the current average across all other units held in GMH's current portfolio)
  1. Actuals provided in first 2016-17 and 2017-18 financial years
  2. 2018-19 - 50% occupancy of new units
  3. 2019-20 – 90% occupancy of new units

- **Supplementary cash flow forecast** has been included, provided by City officers, an extrapolation of what was provided by GMH. This reviews the impact to cash flow in future years when considering loan repayment options over the term of the loans as provided in attachments A through to F. The extrapolation of cash beyond the 2020-21 financial year applies an occupancy of 95%.

A summary of loan options is provided below and in the attachment Cashflow forecast extrapolation.

Loan Options										
Principal (\$)	Term	Timing	Interest (\$)	Repayment (\$)	No. pmts	Interest rate	Annual Cash flow requirements	Cash flow requirements 2018-19 Year 1 (\$) 9 months	Cash available 2018-19 Year 1 (\$)	Cash available after financing costs Year 1 (\$)
1,000,000	10 years	Monthly	158,175	9,651	120	3.24%	115,818	86,863	181,250	94,387
1,000,000	10 years	Quarterly	161,768	29,044	40	3.76%	116,177	87,133	181,250	94,117
1,000,000	10 years	Semi - Annual	166,638	58,332	20	4.55%	116,664	116,664	181,250	64,586

In terms of the impact the loan would have on the City's current financial position, the forecast Debt service ratio for the financial year ending 30 June 2018 is 10.18. The impact to this ratio of adding the \$1,000,000 in additional funding would be a reduction of this ratio by 1.117 points to 9.063. The FHI Technical Specification Report as seen below indicates that a score over 5 is considered high and would return a score of 10/10 toward the My Council FHI scores. Effectively there would be negligible to no impact to the City's financial position.

Table 1: Parameters for the ratio scoring functions.

Ratio Name	Low Ratio	Benchmark Ratio	High Ratio	Minimum Score	Benchmark Score	Maximum Score
Current	0.75	1.00	1.50	0.00	7.00	10.00
Asset Consumption	0.40	0.50	0.75	0.00	7.00	10.00
Asset Renewal Funding	0.50	0.75	1.10	0.00	7.00	10.00
Asset Sustainability	0.75	0.90	1.20	0.00	7.00	10.00
Debt Service Cover	1.00	2.00	5.00	0.00	7.00	10.00
Operating Surplus	0.00	0.01	0.15	0.00	7.00	10.00
Own Source Revenue	0.30	0.40	0.90	0.00	7.00	10.00

Table from MyCouncil FHI Technical Specification Report, Western Australian Treasury Corporation February 2016.

## STATUTORY IMPLICATIONS

Under section 6.20 (2) of *the Local Government Act WA 1995*;

Where, in any financial year, a local government proposes to exercise a power under subsection (1) (power to borrow) and details of that proposal have not been included in the annual budget for that financial year —

(a) unless the proposal is of a prescribed kind, the local government must give one month's local public notice of the proposal, and

(b) the resolution to exercise that power is to be by absolute majority

## **POLICY IMPLICATIONS**


There are no policy implications resulting from the recommendations of this report.

## **COMMUNITY ENGAGEMENT CONSULTATION**


No community consultation was considered necessary in relation to the recommendations of the report.


## **ATTACHMENTS**

17-400 GMH MASTERPLAN REV E 


A\_Loan 5yr Mthly 

B\_Loan 5 yr Qtly 

C\_Loan 5 years semi annual 

D\_Loan 10yr monthly 

E\_Loan 10yrs Quarterly 


F\_Loan 10yrs semi annual 


G\_Final letter to CoK-B re Killarney St village 13-05-15 


Report on the History of Goldfields Masonic Homes 23-08-18 

Audited Financial Statement 30 June 2018 

GMH Business Case Killarney Retirement Living 

Cash flow forecast\_extrapolation\_ckb 

Goldfields Masonic Homes Inc\_Cash flow actuals and forecast 2016-17 to 2019-20  


Letter to Shire Coolgardie with cheque for final payment of loan 07-10-2016 

Cr Nardia Turner returned to the room at 7:46pm.



**9 CONFIDENTIAL ITEMS**

Nil

**10 DATE OF NEXT MEETING**

The next All Purpose Committee Meeting will be on Monday 15 October 2018.

**11 CLOSURE**

There being no further business, the Chairman, Mayor John Bowler , thanked those present for their attendance and declared the meeting closed at 7:46PM