

Point Moore Discussion Paper Community Workshop





Welcome and Acknowledgement of Country

Ross McKim Acting CEO

Agenda

- History, background & actions to date
- Issues facing Point Moore
- Possible options, lease conditions, and new lease process
- Q&A session
- Feedback session
- Next steps

* Please write questions on index cards (1 per card).
Questions will be collected and themed for Q&A session.



History & Background Actions to Date

Mayor Shane Van Styn

History

- Point Moore lease hold area created in mid 1960s because of the State's development of the Port.
- Reserve 25495 vested by way of a management order to the Town of Geraldton on 7 December 1966 for the purpose of:
 - 'Recreation and Leasing of Cottages'
- Originally permitted to stay maximum of 3 months in any twelve month period ("K" Clause)
- "K" Clause removed in 1989.
- Leases currently expiry in two groups 2025 and 2028.
- Currently no provision for new leases.

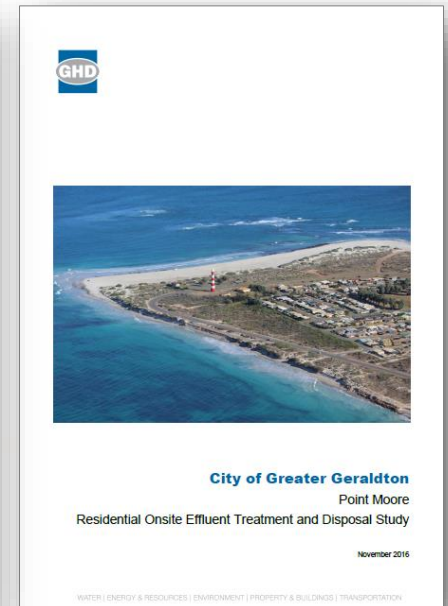
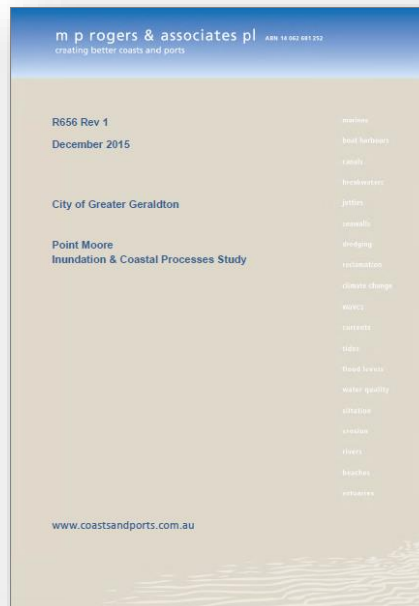
*The City only manages the land on behalf of the State Government. All decisions regarding infrastructure and development must be approved by the State.

Background

State Government said not to renew Point Moore leases due to risk of inundation.

Therefore in 2014 Council resolved not to renew leases until studies were undertaken with respect to the following risks:

- Coastal inundation and erosion
- Impacts of aged septic systems on public health and the environment






Actions to Date

Since receiving both reports the City has contacted various former State Government Departments, Local Government Insurers and obtained legal advice regarding the risks associated with:

- Coastal inundation and erosion
- Public health and environmental impacts
- Waste water/sewage system options, cost and funding
- Cost of water supply replacement (reached end of life) and funding


*State Government responses and advice received will be considered by Council when making a new lease determination at the 26 September 2017 Council meeting.

*Government written responses available on your table and on the City website.



Council's Options

1. Do nothing and lease expires as is.
2. Offer a new lease subject to State paying circa \$40M for new infrastructure.
3. Sign a new 21 year lease.



Workshop Objective

To gather feedback from Point Moore leaseholders and residents on:

- the issues the City is facing; and
- the options or conditions on what could constitute a new lease.

* Note: Workshop results will be submitted to Council to inform their decision making regarding new leases at the 26 September 2017 Ordinary Meeting of Council.



Issues Facing Point Moore

Coastal Inundation and Erosion

Michael Dufour

Acting Manager Engineering Services

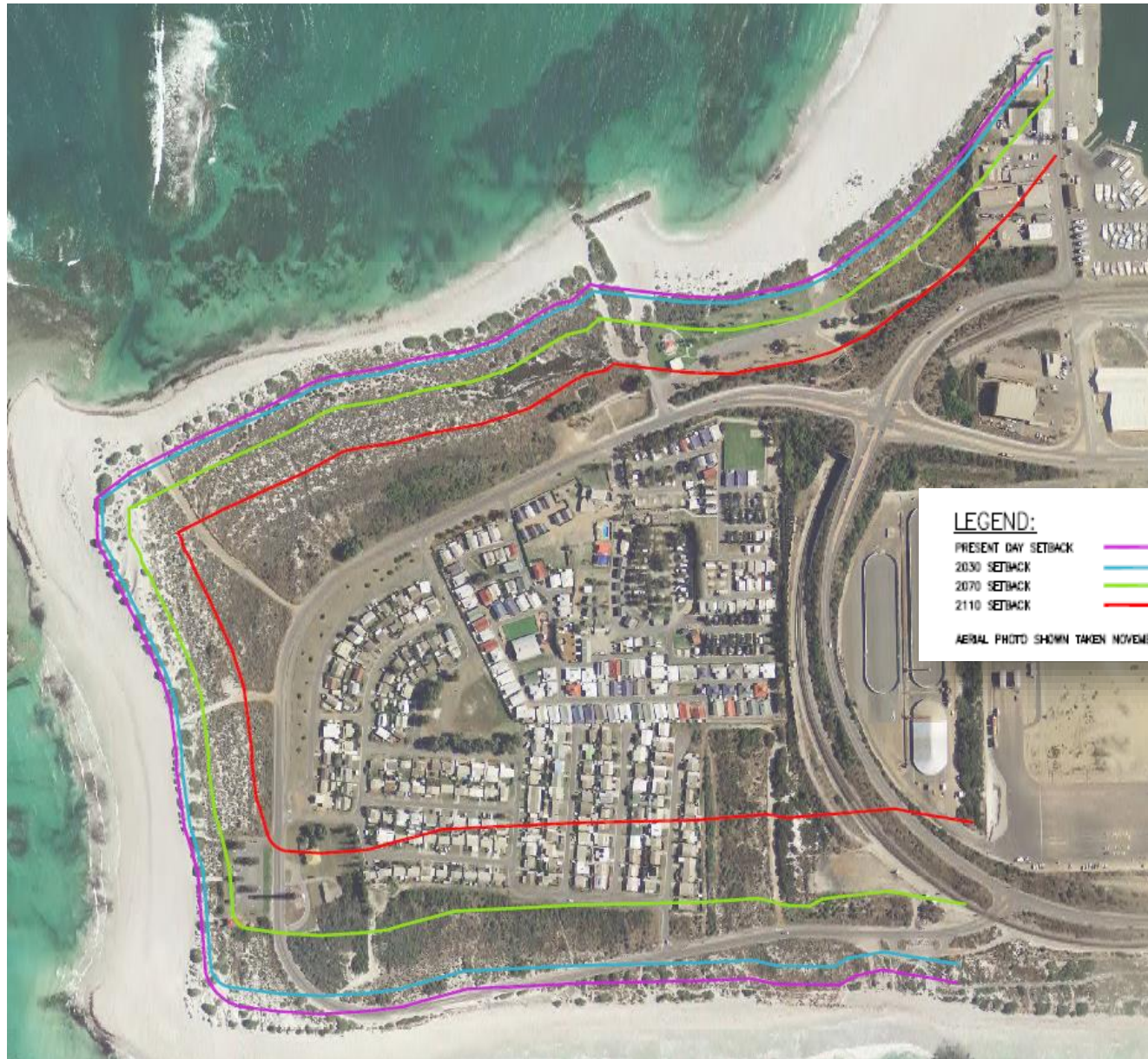
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Coastal Inundation & Erosion

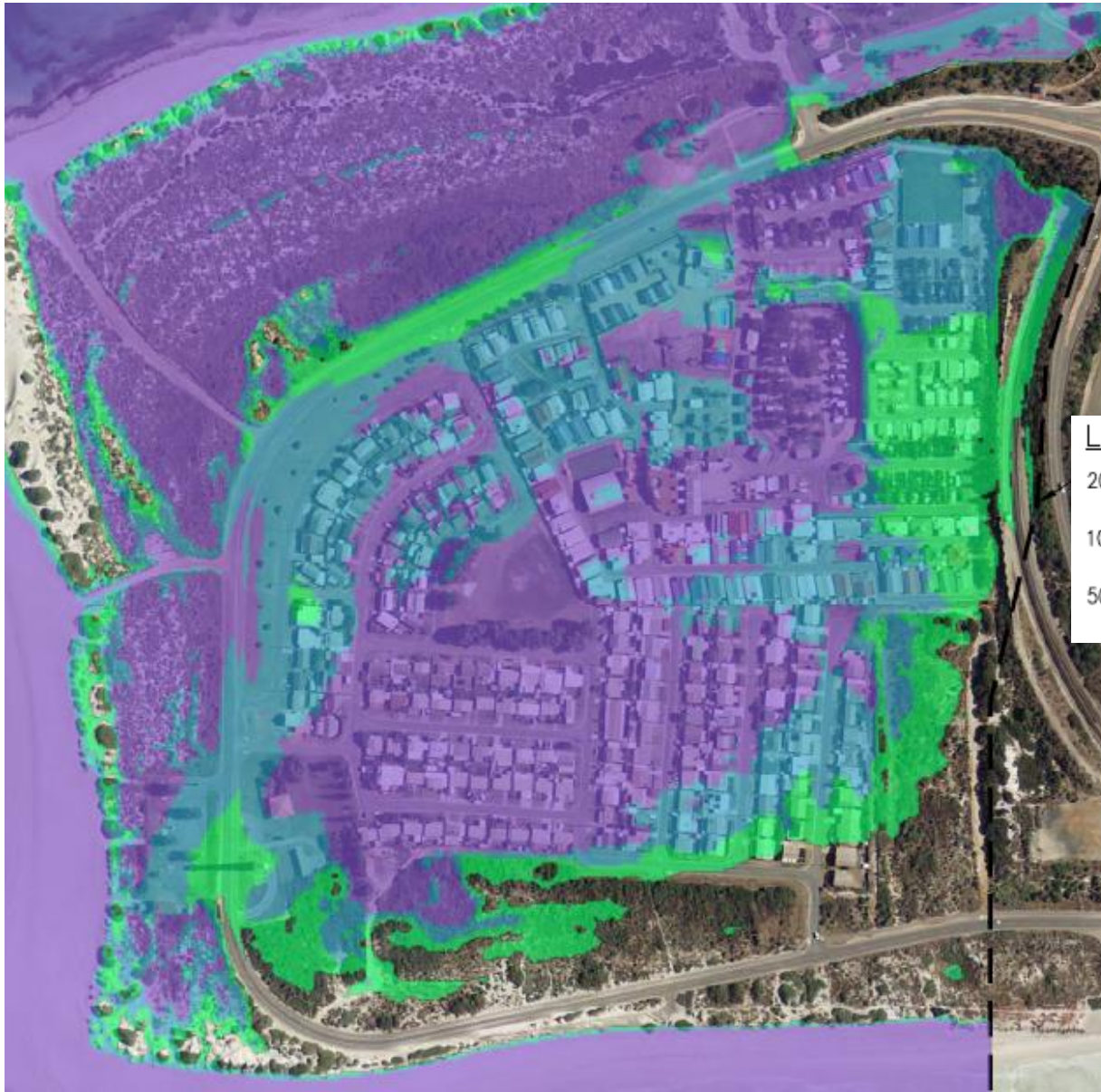
January 2016 - MP Rogers Report Findings:

1. Point Moore is at risk from inundation.
2. Potentially at risk from coastal erosion after 2030.
3. Sea level rise may impact the groundwater level at Point Moore leading to inundation through upwelling.
4. State Government guidelines would prohibit new development in the Point Moore area due to inundation and erosion risk.

Erosion



Inundation – 2030



LEGEND

20Yr ARI EVENT



100Yr ARI EVENT



500Yr ARI EVENT



Combined Erosion and Inundation – 2030





Issues Facing Point Moore

Effluent Treatment and Disposal

Phil Melling

Director Development & Community Services

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Effluent Treatment & Disposal

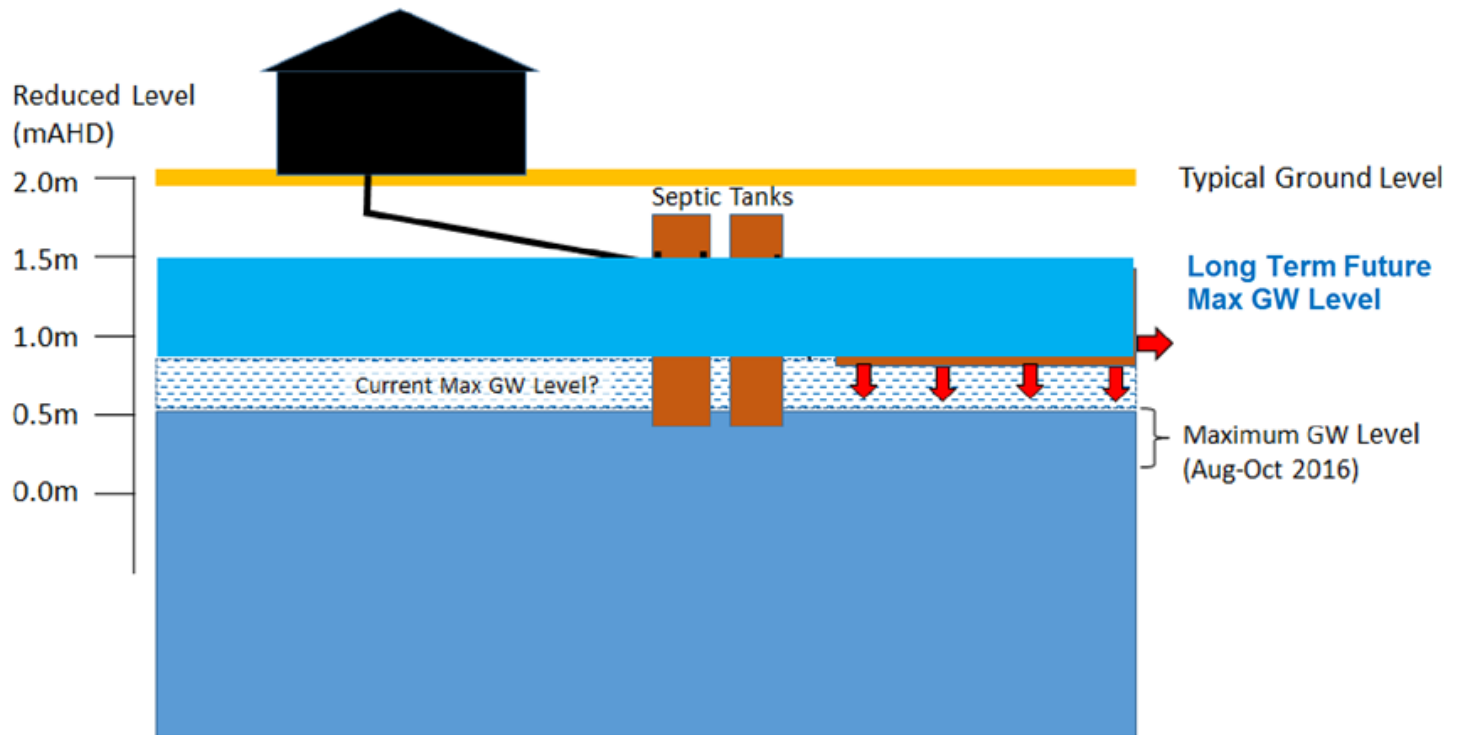
November 2016 GHD Report Findings:


1. The groundwater at Point Moore is contaminated by faecal matter.
2. There is a potential health risk associated with direct contact with groundwater when undertaking land based subsurface activities.
3. Local sea level rise will impact on the effectiveness and compliance of residential onsite septic systems.

Effluent Treatment & Disposal cont...

4. A number of septic systems in Point Moore are in poor condition and require remediation.
5. Onsite systems cannot comply with current standards due to lot size, vertical separation distances, setbacks and groundwater level.
6. If residential properties are to remain at Point Moore for the long term, reticulated waste water system will need to be installed. Which can be expensive and problematic to install within the area.

Typical on-site system at Point Moore





Possible Lease Options

Ross McKim CEO

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Possible Lease Options

1. Don't offer new leases.
2. Offer new leases provided:
Coastal protection works and essential waste/water infrastructure is funded by the State and/or leaseholders:
 - Coastal Protection works: \$20M-\$30M
 - Waste/Water works: \$8.25M-\$14.25M
3. Offer new leases with conditions.

So Who Pays?

Possible Infrastructure Funding Options

1. The State Government
2. The City
3. The leaseholders



The State Government Pays

State Government response to coastal erosion and inundation risk:

- Former Department of Planning – Sufficient evidence not to renew the leases.
- Former Minister for Planning - Sufficient evidence not to renew the leases.
- Former Department of Lands – Increasing risk. Further discussions required on long term planning use post expiry of the leases.
- Former Minister for Lands – Adaptation measures be put in place including non-renewal of leases.

* Currently seeking comment from the new Minister for Dept. of Planning Lands & Heritage

*Government responses available on your table and on the City website.



The State Government Pays cont...

State Government response to the environmental health risk:

1. Build a wastewater reticulation network.
 - Estimated cost: \$6M to \$10M
 - + \$250,000 contribution to WaterCorp
 - + \$1M - \$2M to reinstate bitumen roads
2. Replace water reticulation network.

Current water supply system is at the end of its useful life and will need to be replaced when it fails or if disturbed while installing wastewater reticulation.

 - Estimated cost: \$1M to \$2M

*WaterCorp said it will not fund these works.

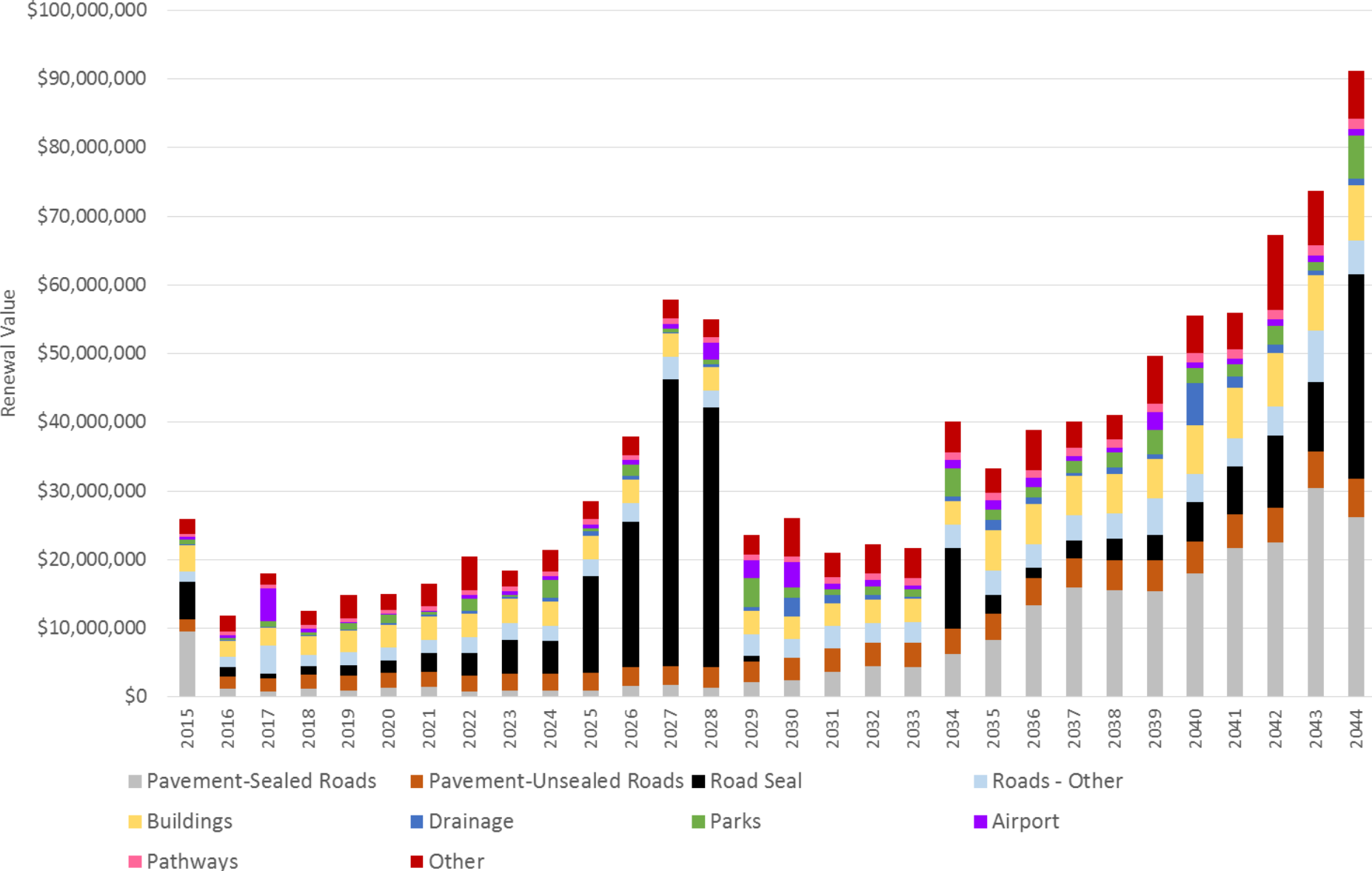
*Watercorp said it will not maintain and operate these utilities.



The City's Financial Position

The City's 10 Year Long-Term Financial Plan and related forward capital expenditure projections currently makes no provision for any Point Moore infrastructure works.

Asset Renewal Backlog



The City's Financial Position cont...

The City doesn't have \$29M - \$45M to fund the preliminary infrastructure works.

Options:

- Increase rates - 6% to 8.5% in addition to the annual Long Term Financial Plan increase of 3.5% per annum.
- Borrow money - debt financing reduces City's capacity to borrow for other priority works in the future.



The City's Financial Position cont...

Construction of reticulated wastewater system and replacement of aged water system does not protect the new infrastructure from coastal erosion or inundation.

You cannot build this infrastructure without protecting it.

New waste/water infrastructure would have to be maintained and operated by the City further increasing costs.

* Beresford Foreshore Protection and Enhancement Works are State Government funded. City's investment is \$1.8 million for amenities only.



The Leaseholder Pays

Overall cost per Leasehold

	Low range	Mid range	High range
Waste/water Infrastructure only	\$70,200	\$96,600	\$123,000
Combined coastal protection & waster/water Infrastructure	\$302,800	\$373,400	\$433,000

Cost per Leasehold per annum

	Low range	Mid range	High range
Waste/water Infrastructure only	\$3,510	\$4,830	\$6,150
Combined coastal protection & waster/water Infrastructure	\$15,140	\$18,670	\$21,650

*Figures based on the premise that waste/water infrastructure will be gifted to Watercorp to operate and maintain.

*Based on a 20 year scenario



Possible New Lease Conditions

* Please write questions on index cards (1 per card).
Questions will be collected and themed for Q&A session.

Possible New Lease Conditions

1. Provide a new lease up to 21 years to 2038 (management order maximum allowable term) and specifically state no lease renewal will be provided.
2. Reference to the Coastal Inundation and Erosion Study be included in the agreement and the report be provided as an annexure.
3. Reference to the Residential Onsite Treatment and Disposal Study be included in the agreement and the report be provided as an annexure.
4. Trigger points be included in the lease with respect to sea level rise, erosion, public health, wastewater, and water supply, which would require leases to be mandatorily extinguished should those trigger points be realised.

Possible New Lease Conditions cont...

5. Leaseholders be required to provide evidence on a XX (e.g.12 month) basis from a licenced plumber that the septic system is in a functional state and good working order.
6. No commercial uses are permitted on the leased land without the consent of the Minister and City.
7. Only owner-occupier (all) aged pensioners be provided a discount on lease fees. *eliminates inequity
8. A demolition and rehabilitation levy to be applied to all leaseholders of approx. \$500/annum.
9. Leases to be extinguished upon the death of the leaseholders.

*Acknowledges social responsibility (affordable housing).

*Reduces social impact and expectation of lease renewal.



Possible New Lease Conditions cont...

10. Lease not to be sublet, transferred, or assigned (existing clause).

*Benefit those who genuinely want to live at Point Moore not investors.

11. Lease fees subject to CPI increases (existing clause)

12. To ensure compliance with all lease conditions leaseholders will be required to provide a bi-annual return certificate of residency.

*This list is not comprehensive. Other conditions may arise from legal advice, insurers advice, etc...



Why Trigger Points?

Leaseholders/potential buyers clearly understand:

- When the risk to life becomes too great for continued habitation.
- When the risk to private and community owned property becomes too great for continued habitation.
- When the risk to environment and public health becomes too great for continued habitation.
- The serious cost implications a catastrophic event would have on residents and the City.

Enables the City/Council to:

- Better manage its risk profile.
- Consider lease extensions.

*Without triggers, leaseholders are expecting Council to carry all the risk.



What could the triggers look like?

Erosion: Undermines Marine Terrace. (see next slides)

Sea Level Rise:

- Water table rises to within XXcm of land surface.
- Point Moore inundates more than XX times per year.

Public Health:

- Level of faecal contamination in ground water reaches CFU/100 mL.
- As defined by the Health Act 1911 (Miscellaneous Provisions) an immediate risk to health is deemed due to insanitary conditions from failing septic systems.

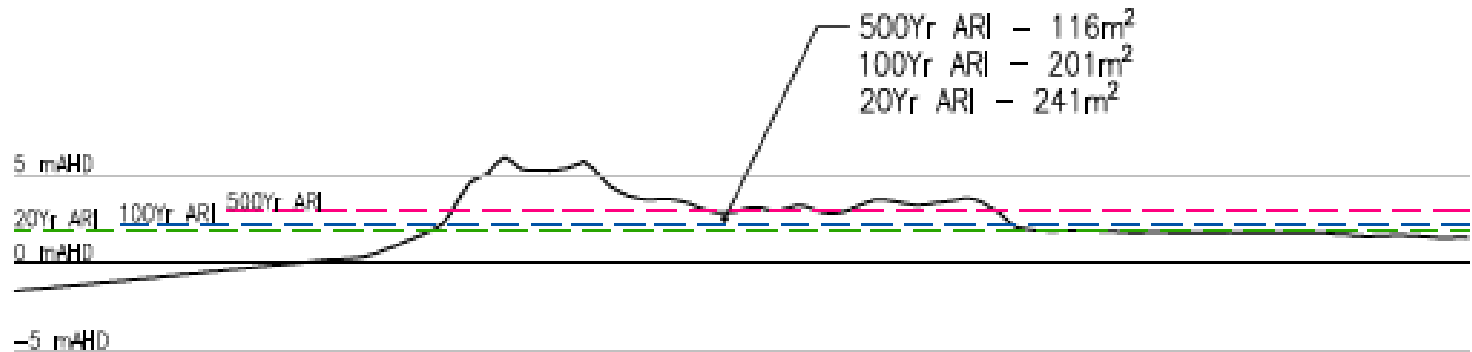
Waste Water: Onsite septic system failure.

Water Supply: System failure.

Trigger points may not even come into effect.

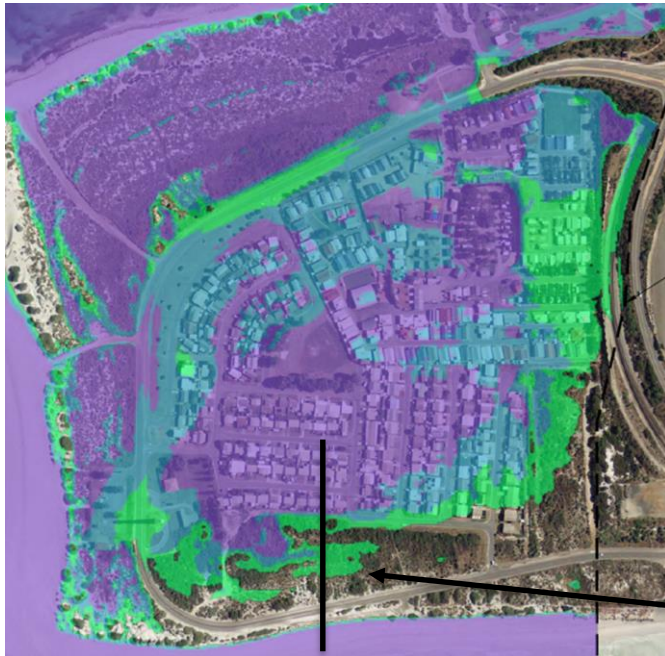
* You will not want to live here if these triggers eventuate.

Erosion and Inundation



PROFILE C

1:2,000 H
1:500 V



PROFILE C



Erosion of Whitehill Road - Drummond Cove



Erosion at Triton Place – Sunset Beach



Possible New Lease Process

To ensure uniformity of lease conditions and expiry dates:

- Lease holders may be required to surrender their current lease within a XX (e.g.12) month period and enter a new lease agreement.
- Should a leaseholder fail to surrender their lease within this timeframe, lease extensions may not be provided beyond the existing term.



Question and Answer Session

Janell Kopplhuber Community Engagement

* Please write questions on index cards (1 per card).
Questions will be collected, themed and answered.

20 minutes



Providing your Feedback

Janell Kopplhuber Community Engagement



At your tables...

Take a few moments to consider what you have heard in the presentation and Q&A session.

On the feedback sheets provided:

1. Tell us your comments or concerns about the lease options(e.g.. no new lease, new lease with conditions, etc...)
2. Tick if you can or if you cannot live with the possible lease conditions and tell us why.
3. Tick if you can or cannot live with the proposed renewal process and tell us why.

*Table consensus is not being sought, rather your personal preferences and concerns.

30 minutes

Next Steps...

1. Workshop results and written responses to your questions will be sent to you by 31 July 2017.
2. Discussion Paper Public Comment period closes 7 August 2017 at 5pm.
3. Workshop results, various group Position Statements and all written submissions will be included in Council agenda item regarding lease renewals.
4. Council to make a lease renewal determination at the 26 September Ordinary Council Meeting.

Thank You