

Shire of Lake Grace



Special Council Meeting

Minutes

21 June 2017

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CONTENTS

1.0	OPENING & ANNOUNCEMENT OF VISITORS.....	4
2.0	ATTENDANCE RECORD.....	4
2.1	PRESENT	4
2.2	APOLOGIES	4
2.3	LEAVE OF ABSENCE PREVIOUSLY GRANTED	4
3.0	PUBLIC QUESTION TIME	4
4.0	DECLARATIONS OF INTEREST	5
4.1	DECLARATIONS OF FINANCIAL INTEREST – LOCAL GOVERNMENT ACT 1995 SECTION 5.60A.....	5
4.2	DECLARATIONS OF PROXIMITY INTEREST – LOCAL GOVERNMENT ACT 1995 SECTION 5.60B.....	5
4.3	DECLARATIONS OF IMPARTIALITY INTEREST – ADMINISTRATION REGULATIONS 1996 SECTION 34C.....	5
5.0	MATTERS FOR CONSIDERATION	6
5.1	TENDER FOR PROJECT MANAGEMENT - WANDRRA FUNDING.....	6
6.0	CONFIDENTIAL BUSINESS – AS PER LOCAL GOVERNMENT ACT S5.23 (2).....	11
6.1	DISPOSAL OF BOGIE TRAILER LG 2378.....	11
6.2	DISPOSAL OF WATER TANKER TRAILER LG 10010	12
6.3	NEWDEGATE PARKS AND GARDENS TENDER ASSESSMENT	12
7.0	CLOSURE.....	13
8.0	CERTIFICATION.....	14

SHIRE OF LAKE GRACE

Minutes of the Special Meeting of Council held at Council Chambers, 1 Bishop Street, Lake Grace, WA on Wednesday, 21 June 2017.

1.0 OPENING & ANNOUNCEMENT OF VISITORS

The Shire President opened the meeting at 4.02 pm.

2.0 ATTENDANCE RECORD

2.1 PRESENT

Cr JF De Landgraftt	Shire President
Cr SG Hunt	Deputy Shire President
Cr LW Armstrong	
Cr DS Clarke	
Cr R Chappell	
Cr RA Lloyd	
Cr AD Marshall	
Cr MG Stanton	
Cr AJ Walker	

In Attendance

Ms D Gobbart	Chief Executive Officer
Ms L Gray	Deputy Chief Executive Officer
Mr P Webb	Manager Infrastructure Services
Ms N Bowman	Governance Officer

Observer/Visitors

Nil

2.2 APOLOGIES

Nil

2.3 LEAVE OF ABSENCE PREVIOUSLY GRANTED

Cr Chappell has been granted leave of absence from Saturday 8 July 2017 to Friday 11 August 2017 inclusive.

3.0 PUBLIC QUESTION TIME

Nil

4.0 DECLARATIONS OF INTEREST

4.1 DECLARATIONS OF FINANCIAL INTEREST – LOCAL GOVERNMENT ACT 1995 SECTION 5.60A

Cr Armstrong declared indirect financial interest in Item 6.3 Newdegate Parks and Gardens Tender Assessment.

4.2 DECLARATIONS OF PROXIMITY INTEREST – LOCAL GOVERNMENT ACT 1995 SECTION 5.60B

Nil

4.3 DECLARATIONS OF IMPARTIALITY INTEREST – ADMINISTRATION REGULATIONS 1996 SECTION 34C


Nil

5.0 MATTERS FOR CONSIDERATION

5.1 TENDER FOR PROJECT MANAGEMENT - WANDRRA FUNDING

Applicant: Internal Report
File No. 0586
Attachments: Shire of Murchison – Request for Quotation
Author: Mr Paul Webb

Disclosure of Interest: Nil
Date of Report: 12 June 2017
Senior Officer: Ms Denise Gobbart


 Manager Infrastructure Services


 Chief Executive Officer

Summary

For Council to consider calling of eQuote for provision of Project Management services for Western Australian Natural Disaster Relief and Recovery Arrangements (WANDRRA) funded re-instatement works in the Shire of Lake Grace.

Background

The administration of the Shire has received confirmation of funding for re-instatement works from Main Roads Western Australia, for \$10,604,882 on Friday 9 June 2017.

Administration sought permission from the Integrated Planning Asset Management Committee on 14 June 2017 and is now seeking permission from Council to tender for Project Management of re-instatement works.

Comment

Now that confirmation of funding has been received, staff are required to progress re-instatement works. The volume of project management and construction works far exceeds internal capacity, and as such temporary engagement of a third party Project Manager is the best way to proceed.

It is proposed that eQuote is called through Western Australian Local Government Association (WALGA) for provision of Project Management services, through the Preferred Supplier Program. By using the Preferred Supplier Program we do not need to publicly invite tenders, thus reducing the timeframe to appoint a Project Manager. WALGA are to be engaged to assist with running the Preferred Supplier Arrangement. This will be at a cost of \$2,524.50 GST Exclusive.

On successfully selecting a suitably qualified and competent Project Manager, the selected Project Manager will be responsible for calling of tender for required services such as provision of machinery, provision of materials and superintendent of works (supervisor). All recoups and justifications for funding will fall under the scope of this position. A general example is provided of a call for Project Management (attached Murchison Request for Quotation).

As the Project Manager will become responsible for calling of tenders to the satisfaction of the Council, this officer is confirming that tenders will comply with Council Policy 3.11 Tenders – Selection Criteria. Tenders for plant and materials called by the Project Manager will require endorsement by Council.

Council do not currently have an assessment criteria for the selection of a Project Manager. The following selection criteria are offered for Councils consideration.

Cost	25%
Key personnel	25%
Organisational experience	25%
Membership with Institute of Engineers	25%

Cost is generally the driving factor in most considerations, however, in this instance the officer believes that this is equal in importance to other considerations. Whilst cost is important, consideration needs to be balanced with the ability of candidates to retain viable quality control over projects in accordance with appropriate engineering standards, and as such, membership to the Institute of Engineers needs to be an integrated factor.

Key Personnel is also important as the project will be past the ability of any one individual. Support and capacity will be required by appropriately qualified, reputable members of a suitable profession.

Organisational experience will need to be demonstrated. Conversation with other local works managers has highlighted failures in third party management in relation to timeliness in construction of projects. This has principally been related by engagement with only one large contractor, rather than a diversity of operational options to ensure that as many operators as feasibly possible are involved in the reconstruction process as is practicably manageable. A defining criteria in managing multiple teams will be past experience. There will be little room for error due to inexperience in this process, and as such demonstration of history of similar works will be required to ensure that the Shire obtains best quality for dollar through this process.

Membership with Institute of Engineers is a defining factor in ensuring compliance with current engineering standards such as the *Australian Road Research Board* (ARRB) guidelines, and an understanding of Shire Policy documents. Council have demonstrated through discussion a high desire to comply with engineering standards in relation to road construction, and have mandated this standard for staff in Policy 5.8 Unsealed Roads – Standards.

Legal Implications

Local Government Act 1995

3.57. Tenders for providing goods or services

- (1) A local government is required to invite tenders before it enters into a contract of a prescribed kind under which another person is to supply goods or services.
- (2) Regulations may make provision about tenders.

Local Government (Function and General) Regulations 1996 – Part 4 Provision of goods and services

11. When tenders have to be publicly invited

- (1) Tenders are to be publicly invited according to the requirements of this Division before a local government enters into a contract for another person to supply goods or services if the consideration under the contract is, or is expected to be, more, or worth more, than \$150,000 unless subregulation (2) states otherwise.
- (2) Tenders do not have to be publicly invited according to the requirements of this Division if -
 - (a) the supply of the goods or services is to be obtained from expenditure authorised in an emergency under section 6.8(1)(c) of the Act; or
 - (b) the supply of the goods or services is to be obtained through the WALGA Preferred Supplier Program; or
 - (c) within the last 6 months —
 - (i) the local government has, according to the requirements of this Division, publicly invited tenders for the supply of the goods or services but no tender was submitted that met the tender specifications or satisfied the value for money assessment; or
 - (ii) the local government has, under regulation 21(1), sought expressions of interest with respect to the supply of the goods or services but no person was, as a result, listed as an acceptable tenderer; or
 - (d) the contract is to be entered into by auction after being expressly authorised by a resolution of the council of the local government; or
 - (e) the goods or services are to be supplied by or obtained through the government of the State or the Commonwealth or any of its agencies, or by a local government or a regional local government; or
 - (ea) the goods or services are to be supplied —
 - (i) in respect of an area of land that has been incorporated in a district as a result of an order made under section 2.1 of the Act changing the boundaries of the district; and
 - (ii) by a person who, on the commencement of the order referred to in subparagraph (i), has a contract to supply the same kind of goods or services to the local government of the district referred to in that subparagraph; or
 - (f) the local government has good reason to believe that, because of the unique nature of the goods or services required or for any other reason, it is unlikely that there is more than one potential supplier; or
 - (g) the goods to be supplied under the contract are —
 - (i) petrol or oil; or
 - (ii) any other liquid, or any gas, used for internal combustion engines; or
 - (h) the following apply —
 - (i) the goods or services are to be supplied by a person registered on the Aboriginal Business Directory WA published by the Small Business Development Corporation established under the Small Business Development Corporation Act 1983; and
 - (ii) the consideration under the contract is \$250 000 or less, or worth \$250 000 or less; and
 - (iii) the local government is satisfied that the contract represents value for money; or
 - (i) the goods or services are to be supplied by an Australian Disability Enterprise; or
 - (j) the contract is a renewal or extension of the term of a contract (the original contract) where —

- (i) the original contract was entered into after the local government, according to the requirements of this Division, publicly invited tenders for the supply of goods or services; and
 - (ii) the invitation for tenders contained provision for the renewal or extension of a contract entered into with a successful tenderer; and
 - (iii) the original contract contains an option to renew or extend its term; and
 - (iv) the supplier's tender included a requirement for such an option and specified the consideration payable, or the method by which the consideration is to be calculated, if the option were exercised; or
- (k) the goods or services are to be supplied by a pre-qualified supplier under Division 3.

12. Anti-avoidance provision for r. 11(1)

- (1) This regulation applies if a local government intends to enter into 2 or more contracts (the contracts) in circumstances such that the desire to avoid the requirements of regulation 11(1) is a significant reason for not dealing with the matter in a single contract.

Policy Implications

Shire of Lake Grace Policy 5.8 Unsealed Roads – Standards

Shire of Lake Grace Policy 5.7 Road Classification

Shire of Lake Grace Policy 3.11 Tenders – Selection Criteria

Consultation

Internal: Denise Gobbart, Chief Executive Officer

External: Western Australian Local Government Association
Ms Dianne Daniels, Chief Executive Officer, Shire of Murchison

Financial Implications

With any approved WANDRRA funding the limit for local government contribution is 1% of Total Rates Levied as per the 2016 WA Local Government Directory or 0.25% of WA's first threshold for the financial year 2016-17. For the Shire of Lake Grace the limit of contribution is \$153,400. A percentage is deducted from each claim until that amount is reached.

The engagement of WALGA to undertake the Preferred Supplier Arrangement eQuote is \$2,524.50 GST Exclusive.

Strategic Implications

Shire of Lake Grace Strategic Community Plan

Economic

- Ec1 Maintain community built infrastructure and provide an effective and efficient transportation network.
- Ec1.1 Maintain efficient, safe and appropriate infrastructure including roads, built and civic infrastructure.

Voting Requirements

Simple majority required.

Integrated Planning Asset Management Committee Recommendation/Resolution

RESOLUTION 12546

Moved Cr Hunt

Seconded Cr Lloyd

That Council;

1. engage a Project Manager from the Western Australian Local Government Association Preferred Supplier Program utilising eQuotes, to manage Western Australia Natural Disaster Relief and Recovery Arrangements expenditure for approved road repair; and,
2. that the following selection criteria apply:

Cost	25%
Key personnel	25%
Organisational experience	25%
Membership with Institute of Engineers	25%

CARRIED 9/0

6.0 CONFIDENTIAL BUSINESS – as per Local Government Act s5.23 (2)

Resolution

RESOLUTION 12547

Moved Cr Chappell
Seconded Cr Clarke

That Council meet behind closed doors at 4.11 pm in accordance with section 3.7 of the Shire of Lake Grace Standing Orders Local Law 2015, and Section 5.23(2)(c) of the Local Government Act 1995.

CARRIED 9/0

These items and any attachments are confidential in accordance with Section 5.23(2)(c) of the Local Government Act 1995 as it contains “a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting”.

6.1 DISPOSAL OF BOGIE TRAILER LG 2378

Forwarded under separate cover.

Integrated Planning Management Committee Recommendation/Resolution

RESOLUTION 12548

Moved Cr Marshall
Seconded Cr Stanton

That Council:

1. instruct the Chief Executive to put item GL E123059, Job P0006, dolly trailer-bogie LG 2378, Asset Code 1259, out for public auction, with a reserve price of \$X,XXX;
2. retain dolly trailer LG 10040;
3. not purchase the new dolly trailers Job E123059, items P0006 and P0007 listed in the 2016/2017 Budget; and,
4. keep the reserve price confidential until the disposal has been completed.

CARRIED 9/0

6.2 DISPOSAL OF WATER TANKER TRAILER LG 10010

Forwarded under separate cover.

Integrated Planning Management Committee Recommendation/Resolution

RESOLUTION 12549

Moved Cr Lloyd
Seconded Cr Clarke

That Council instruct the Chief Executive Officer to put item GL E123059, Job P0008, water tanker trailer LG 10010, Asset Code 1290 out for public auction, with a reserve price of \$X,XXX.

CARRIED 9/0

6.3 NEWDEGATE PARKS AND GARDENS TENDER ASSESSMENT

Forwarded under separate cover.

Cr Armstrong declared indirect financial interest in Item 6.3 Newdegate Parks and Gardens Tender Assessment with the nature of the association being he is the owner/director of P&L House Cladding Pty Ltd and is currently employed to carry out gardening/oval maintenance in the Newdegate Townsite as the gardening contractor.

Cr Armstrong left the meeting at 4.14 pm.

Resolution

RESOLUTION 12550

Moved Cr Walker
Seconded Cr Lloyd

That Council allow for Cr Armstrong to participate in the discussion and not the decision making procedures, as his interest is not significant and unlikely to influence his conduct in relation to the matter.

CARRIED 8/0

Cr Armstrong returned to the meeting at 4.15 pm.

The President read aloud decisions of Council to Cr Armstrong that he is able to participate in the discussion, but is not allowed to be in the decision making process.

Cr Armstrong left the meeting at 4.26 pm.

Integrated Planning Management Committee Recommendation/Resolution

RESOLUTION 12551

Moved Cr Lloyd
Seconded Cr Stanton

That Council:

1. award contract to 'Wazzas Complete Sheep Management', Mr Warren Shalders, for Request For Quotation 01/2016 Newdegate Parks and Gardens Maintenance, for a period of 2 years, at the standard rate of \$45 per hour (ex GST) with machinery, at \$55 per hour (ex GST) for call out with machinery, and at \$35 per hour (ex GST) without machinery;
2. award the contract to 'Wazzas Complete Sheep Management', Mr Warren Shalders, on condition that a schedule of works is provided within three (3) months of acceptance of contract. Failure to supply a schedule of works being breach of contract; and,
3. authorise the President and the Chief Executive Officer to apply the common seal on the contract document.

CARRIED 8/0

Note – Equipment belonging to Newdegate Golf Club is the tractor and slasher, permission of the Club President is required prior to using this equipment; and equipment belonging to Newdegate Recreation Centre is the Hustler Slasher Mower, Toro Reel Mower, Half Tonne Spreader and 800 litre Spray Tank with Boom and Wand.

Cr Armstrong returned to the meeting at 4.31 pm.

Resolution

RESOLUTION 12552

Moved Cr Chappell
Seconded Cr Stanton

That Council move out from behind closed doors at 4.31 pm.

CARRIED 9/0

Having opened the meeting to the public at 4.31 pm the President read aloud the decisions of Council.

7.0 CLOSURE

There being no further business, the Chairperson closed the meeting at 4.33 pm.

8.0 CERTIFICATION

I, Jeanette Frances De Landgraft, certify that the minutes of the meeting held on the 21 June 2017 as shown were confirmed as a true record at the meeting held on the 26 July 2017.

Shire President

Date