

Minutes of the Shire of Tammin Special Council Meeting held in Council chambers,
1 Donnan Street Tammin, on Monday 9 July 2012 commencing at 7.12pm.

1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Shire President Cr Uppill declared the meeting open at 7.12 pm and welcomed members and Graham Stanley Chief Executive Officer.

2. RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

ATTENDANCE

Cr S.A. Uppill	President
Cr R.J. Stokes	Member
Cr C.A. Crane	Member
Cr D.M. McCreery	Member
Graham Stanley	Chief Executive Officer

APOLOGIES

Cr M.D. Greenwood	Member
Cr S.J. Jefferies JP	Deputy President

LEAVE OF ABSENCE

Nil

3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

4. PUBLIC QUESTION TIME

There were no members of the public present during question time.

5. AGENDA ITEMS

- 5.1 Tender 02-2012 Design and Construct Steel Shed for New Shire Depot (TEND)
- 5.2 Arrangements for a Public Information Session Local Government Structural Reform (ORG-22)

6. CLOSURE OF MEETING

5. AGENDA ITEMS

5.1 Tender 02-2012 Design and Construct Steel Shed for New Shire Depot (TEND)

Author – Graham Stanley, CEO, 6 July 2012

DECLARATION OF INTEREST

Declared By	Position	Type of Interest	Details of Interest
Graham Stanley	CEO	Proximity	Lot 52, site of proposed Depot, is opposite CEO's Residence at 14 Russell Street

PREVIOUS REFERENCE

Item 13.1 19th April 2012.

BACKGROUND

Tenders for the design and construction of a steel shed with awning the proposed new Shire Depot on Lot 52 Tammin Wyalkatchem Road Tammin closed on Wednesday 11th April 2012. At the close of tenders 6 tenders had been received. A spreadsheet with details of the tenders received is attached to this report. The design was to be based on a concept drawing that was prepared last year but with a lean-to awning 7.5m x 30m to be constructed along the Western end of the shed. At the April meeting Council passed the following motion:

“MIN 42/12 MOTION – MOVED Cr Uppill seconded Cr Jefferies

That Council forms a working party to further evaluate the tenders for the proposed depot shed, determine where potential savings can be made and provide recommendations to Council.”

COMMENT

The various designs and specifications were considered by the working group and two tenders were deemed worthy of further investigation being from Auspex Steel and Wheatbelt Steel. Wheatbelt Steel is based in Northam and members of the panel were familiar with the quality of their work. Auspex Steel is based in Gnowangerup. A check with the Shire of Cuballing for whom Auspex Steel constructed an equestrian centre came up with glowing references both for the quality of the shed and design and the construction crew who erected the shed. Auspex's price is substantially better than any of the other tenderers and scoring of the tender submissions also indicates that Auspex should be the preferred tenderer.

FINANCIAL IMPLICATIONS

The proposed Depot was included in the 2011-12 budget costing \$400,000 which was to be funded using the 2010-11 Country Local Government Fund (CLGF) allocation of \$356,698 and \$43,302 from the 2011-12 allocation. An application was submitted to the Department of Regional Development and Lands (RDL) for CLGF allocation using a revised estimate of \$550,000 that was determined after further research on costs of constructing a depot to the design settled on by Council prior to the calling of tenders. Advice was later received from CLGF that the Shire would need to submit separate applications for each year's allocation. New applications were submitted showing the follow budgets:

Depot Stage 1

Shed & Lean-to	\$271,370
Concrete	\$71,280
Electrical	\$14,048
Building Approval Fees & Levies etc.	\$5,000

<u>Depot Stage 2</u>	
Power Connection	\$40,000
Water Connection	\$2,000
Office & Ablutions Construction	\$90,000
Electrical	\$5,952
Plumbing	\$10,000
Fence & Gates	\$26,450
Septics	\$10,000
Crossover Pipes	\$1,900
Bitumised Area	\$7,000

The Depot Stage 1 project will be funded by the 2010-11 CLGF allocation of \$356,698 plus \$5,000 being Council's contribution towards the Building fees and levies, some of which will be income to the Shire. The application for the Depot Stage 1 project has now been approved and the funding agreement signed and returned. Advice was received this week that the payment is being processed and the funds will shortly be deposited into the Shire's bank account. As we are now in the 2012-13 financial year and the project is a carryover from 2011-12 both the income and expenditure will be re-budgeted. Council can accept the tender and commit the expenditure on the understanding that provision will be made in the 2012-13 budget.

Advice from RDL is that once the Depot Stage 1 project is underway then the Depot Stage 2 Project will be assessed and the financial assistance agreement will be developed. Once it has been approved the funds can be accessed whilst Stage 1 is progressing effectively meaning that both projects will run in tandem.

The price submitted by Auspex Steel comes just within the budget for the shed but there is little scope for variation. As part of the investigations an indication was sought from the preferred tenderers on savings that might be achieved by reducing the number of sliding doors. Auspex's price made a slight deduction to the tender price whereas Wheatbelt Steel's price came down substantially but was still in excess of \$8,000 more than the Auspex tender price and could not be considered unless tenders were recalled.

POLICY IMPLICATIONS

Nil

STATUTORY ENVIRONMENT

The Local Government Act 1995 Section 3.57. Tenders for providing goods or services States:

- (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.*

The Local Government (Functions and General) Regulations 1995 state:

11. Tenders to be invited for certain contracts

- (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 \$100 000 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;*

- (b) *the supply of the goods or services is to be obtained through the Council Purchasing Service of WALGA;*
- (ba) *the local government intends to enter into a contract arrangement for the supply of goods or services where —*
 - (i) *the supplier is either —*
 - (I) *an individual whose last employer was the local government; or*
 - (II) *a group, partnership or company comprising at least 75% of persons whose last employer was that local government;*
 - (ii) *the contract —*
 - (I) *is the first contract of that nature with that individual or group; and*
 - (II) *is not to operate for more than 3 years;*
 - and*
 - (iii) *the goods or services are —*
 - (I) *goods or services of a type; or*
 - (II) *(in the opinion of the local government) substantially similar to, or closely related to, goods or services of a type, that were provided by the individual (or persons) whilst employed by the local government;*
- (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*
 - (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;*
- (d) *the contract is to be entered into by auction after being expressly authorised by a resolution of the council of the local government;*
- (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;*
- (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;*
- (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.*

Section 6.8 of the Local Government Act 1995 states:

6.8. Expenditure from municipal fund not included in annual budget

(1) A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —

(a) is incurred in a financial year before the adoption of the annual budget by the local government;

(b) is authorised in advance by resolution*; or

(c) is authorised in advance by the mayor or president in an emergency.

* Absolute majority required.

(1a) In subsection (1) —

additional purpose means a purpose for which no expenditure estimate is included in the local government's annual budget.

(2) Where expenditure has been incurred by a local government —

(a) pursuant to subsection (1)(a), it is to be included in the annual budget for that financial year; and

(b) pursuant to subsection (1)(c), it is to be reported to the next ordinary meeting of the council.

STRATEGIC PLAN IMPLICATIONS

Consistent with *Theme 4 Our Organisation 5) – Investigate need for and cost of a new depot.*

FUTURE PLAN IMPLICATIONS

The construction of a new depot was included in the Forward Capital Works Plan.

COMMUNITY CONSULTATION

Nil

STAFF RECOMMENDATION

That Council accepts the tender from Auspex Steel for the design and construction of a steel shed for the new Shire Depot.

Simple Majority Required

MIN 56/12 MOTION – MOVED Cr Uppill seconded Cr Crane

- 1 That Council accepts the tender from Auspex Steel for the design and construction of a steel shed for the new Shire Depot.
- 2 That timelines for the progress of the Shed be put into the Status Report

CARRIED 4/0

Reason for change to officer recommendation:

Council wishes to be kept updated on the progress of the project.

5.2 Arrangements for Public Information Session on Local Government Structural Reform (ORG-22)

Author – GP Stanley, CEO, 6 July 2012

DECLARATION OF INTEREST

Nil

BACKGROUND

The Shire of Tammin has been participating in a Regional Transition Group that is conducting investigations into the feasibility of the five member Councils in the Shires of Beverley, Cunderdin, Quairading, Tammin and York amalgamating to form one large council. Consultants DCA have been preparing a regional business plan to determine the merits of the proposal and that plan is nearing completion. The five member Councils have all agreed to conduct public information sessions to brief their communities of the proposal and to gather community input.

COMMENT

It is considered that an evening meeting possibly commencing at 7pm or 7.30pm is likely to attract the greatest attendance and participation. Shire President Uppill has suggested possible dates of 24th or 31st July. Another alternative that he has suggested is Thursday 26th July at 5.30pm or 7pm on after the Council Meeting. It is desirable that as many councillors as possible participate in the proposed information session therefore discussion should be held on a suitable date and time to hold it.

FINANCIAL IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

STATUTORY IMPLICATIONS

Nil

STRATEGIC PLAN IMPLICATIONS

Nil

FUTURE PLAN IMPLICATIONS

Nil

COMMUNITY CONSULTATION

The purpose of the proposed meeting is to inform and consult with our community.

STAFF RECOMMENDATION

That Council sets a date and time and other arrangements for the holding of a Community Information Session to brief the public of Tammin on current developments for local government structural reform and how Tammin may be affected.

Simple Majority Required

MIN 57/12 MOTION – MOVED Cr McCreery seconded Cr Stokes

That the proposed Community Information Session to brief the public of Tammin on current developments for local government structural reform and how Tammin may be affected be held in the Tammin Lesser Hall on Monday 30th July 2012 commencing at 7.00pm.

CARRIED 4/0

6. CLOSURE OF MEETING

There being no further business the President closed the meeting at 7.24 pm.

Tabled before the Ordinary Council Meeting on 26 July 2012

Cr S Uppill, President