



EAST PILBARA SHIRE COUNCIL

AGENDA

ORDINARY COUNCIL MEETING

NOTICE IS HEREBY GIVEN that an
ORDINARY Meeting of the Council will be held,
in Council Chambers, Marble Bar,
10.00 AM, FRIDAY, 23 SEPTEMBER, 2016.

Allen Cooper
CHIEF EXECUTIVE OFFICER



DISCLAIMER

No responsibility whatsoever is implied or accepted by the Shire of East Pilbara for any act, omission or statement or intimation occurring during Council or Committee Meetings. The Shire of East Pilbara disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council or Committee Meetings.

Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council or Committee Meeting does so at that person's or legal entity's own risk.

In particular and without derogating any planning application or application of a licence, any statement or intimation of approval made by any member or Officer of the Shire of East Pilbara during the course of any meeting is not intended to be and is not taken as notice of approval from the Shire of East Pilbara.

The Shire of East Pilbara warns that anyone who has any application lodged with the Shire of East Pilbara must obtain and should only rely on

WRITTEN CONFIRMATION

of the outcome of the application and any conditions attaching to the decision made by the Shire of East Pilbara in respect of the application.

Signed: _____
Allen Cooper
Chief Executive Officer

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1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

2 RECORD OF ATTENDANCES/APOLOGIES/LEAVE OF ABSENCE

2.1 ATTENDANCES

Councillors

Cr Lynne Craigie	Shire President
Cr Lang Coppin	Deputy Shire President
Cr Bidy Schill	Councillor
Cr Craig Hoyer	Councillor
Cr Gerry Parsons	Councillor
Cr Dean Hatwell	Councillor
Cr Michael Kitchen	Councillor

Officers

Mr Allen Cooper	Chief Executive Officer
Ms Sian Appleton	Deputy Chief Executive Officer
Mr Rick Miller	Director Technical and Development Services
Mrs Sheryl Pobrica	Executive Services Administration Officer

Public Gallery

2.2 APOLOGIES

Councillor Apologies

Cr Anita Grace	Councillor
Cr John Jakobson	Councillor
Cr Shane Carter	Councillor
Cr Jeton Ahmedi	Councillor

Officer Apologies

Nil

2.3 LEAVE OF ABSENCE

3 RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE

4 PUBLIC QUESTION TIME

5 PETITIONS/DEPUTATIONS/PRESENTATIONS

5.1 NEWMAN HEALTH SERVICE REDEVELOPMENT

Mr Ron Wynn, Regional Director and Mr Paul Aylward, Director of Projects from Government of Western Australia, WA Country Health Services will be providing a presentation on the redevelopment of the Newman Hospital.

5.2 ATLAS IRON LIMITED – CORUNNA DOWNS IRON ORE PROJECT

Mr Jeremy Sinclair, Chief Operating Officer and Mr Brendan Bow, Manager, Land Access, Heritage & Approvals from Atlas Iron Limited will be providing a presentation to Council regarding the Corunna Downs Iron Ore Project.

6 APPLICATIONS FOR LEAVE OF ABSENCE

7 CONFIRMATION OF MINUTES OF PREVIOUS COUNCIL MEETING

7.1 CONFIRMATION OF MINUTES

[Minutes August 26 2016 Council.DOCX](#)

OFFICER'S RECOMMENDATION

THAT the minutes of the Ordinary Meeting of Council held on 26 August 2016, be confirmed as a true and correct record of proceedings.

7.2 PILBARA REGIONAL COUNCIL (PRC) MINUTES 2 AUGUST 2016

OFFICER'S RECOMMENDATION

THAT the minutes of the Ordinary Pilbara Regional Council Meeting held on 2 August 2016, be accepted.

8 MEMBERS REPORT

8.1 ITEMS FOR RECOMMENDATION

8.2 ITEMS FOR INFORMATION

9 OFFICER'S REPORTS

9.1 CHIEF EXECUTIVE OFFICER

9.1.1 CHIEF EXECUTIVE OFFICER STATUS OF COUNCIL DECISIONS - AUGUST 2016

File Ref: CLR-4-5
Responsible Officer: Mr Allen Cooper
Chief Executive Officer
Author: Mrs Sheryl Pobrica
Executive Services Administration Officer
Proposed Meeting Date: 23 September 2016
Location/Address: N/A
Name of Applicant: N/A
Author Disclosure of Interest: Nil

REPORT PURPOSE

To inform of the action taken in relation to Council decisions.

BACKGROUND

Council requested to be informed of the progress and completion of previous decisions.

COMMENTS/OPTIONS/DISCUSSIONS

The status list of Council decisions is included.

STATUTORY IMPLICATIONS/REQUIREMENTS

Local Government Act 1995

Section 2.7

The role of council

- (1) *The council –*
 - (a) *directs and controls the local government's affairs; and*
 - (b) *is responsible for the performance of the local government's functions.*
- (2) *Without limiting subsection (1), the council is to –*
 - (a) *oversee the allocation of the local government's finances and resources; and*
 - (b) *determine the local government's policies.*

POLICY IMPLICATIONS

Nil.

STRATEGIC COMMUNITY PLAN

Goal 1 – Civic Leadership – Planned Actions

The Shire of East Pilbara seeks to deliver high quality corporate governance and demonstrate accountability to its constituents. All decisions are informed by community engagement – leading to the effective allocation of the Shire’s resources – that deliver optimum benefits to the community.

1.1 Efficient and effective local government

1.1.1 Ethical, accountable and transparent decision-making

RISK MANAGEMENT CONSIDERATIONS

In order to remain transparent and to facilitate timely and appropriate decision-making it is necessary that actions items be reviewed at each Council meeting.

FINANCIAL IMPLICATIONS

No financial resource impact.

VOTING REQUIREMENTS

Simple.

OFFICER'S RECOMMENDATION

THAT the Chief Executive Officer “Status of Council Decisions” – August 2016 be received.

COUNCIL MEETING DATE	ITEM NO	COUNCIL RESOLUTION	RESPONSIBLE OFFICER	ACTION TAKEN/ STATUS	ESTIMATED COMPLETION DATE
27 th May 2016	13.1	ORTHODONTIST SERVICE IN NEWMAN Cr Gerry Parsons asked if there is anything we can do about orthodontist service in Newman as current dentist is leaving? Mr Allen Cooper to follow up.	CEO	Letter sent 13.06.2016 Awaiting response. Verbal Report	In Progress

9.1.2 AFFIX COMMON SEAL TO EMPLOYMENT CONTRACT - DEPUTY CHIEF EXECUTIVE OFFICER

File Ref: ADM-1-1
Responsible Officer: Mr Allen Cooper
Chief Executive Officer
Author: Mr David Kular
Manager Human Resources
Proposed Meeting Date: 23 September 2016
Location/Address: N/A
Name of Applicant: N/A
Author Disclosure of Interest: Nil

REPORT PURPOSE

To seek approval to affix the common seal of the Shire of East Pilbara to the employment contract of the Deputy Chief Executive Officer.

BACKGROUND

The employment contract of Ms Sian Appleton, Deputy Chief Executive Officer, has been extended by a three year term from 1st October 2016 to 30th September 2019.

COMMENTS/OPTIONS/DISCUSSIONS

Nil.

STATUTORY IMPLICATIONS/REQUIREMENTS

Nil.

POLICY IMPLICATIONS

4.5 EXECUTION OF DOCUMENTS

Minute No: Item 9.1.3

Date: 27th June 2003

Objective

To allow for the proper execution of documents.

Policy

All documents validly executed will have the common seal affixed and the President and the Chief Executive Officer's attestations affixing the seal. Use of the common seal is to be recorded in the common seal register and must have the Council resolution number included and the date that the seal was applied.

STRATEGIC COMMUNITY PLAN

Nil.

FINANCIAL IMPLICATIONS

Resource requirements are in accordance with existing budgetary allocation.

VOTING REQUIREMENTS

Simple.

OFFICER'S RECOMMENDATION

THAT the common seal of the Shire of East Pilbara be affixed to the employment contract between the Shire of East Pilbara and Ms Sian Appleton, Deputy Chief Executive Officer, for a term of three years, from 1st October 2016 to 30th September 2019.

**9.1.3 AFFIX COMMON SEAL TO EMPLOYMENT CONTRACT - MANAGER
TECHNICAL SERVICES - RURAL**

File Ref: ADM-1-1
Responsible Officer: Mr Allen Cooper
Chief Executive Officer
Author: Mrs Kylie Bergmann
Coordinator Executive Services
Proposed Meeting Date: 23 September 2016
Location/Address: N/A
Name of Applicant: N/A
Author Disclosure of Interest: Nil

REPORT PURPOSE

To seek approval to affix the common seal of the Shire of East Pilbara to the employment contract of the Manager Technical Services – Rural.

BACKGROUND

The employment contract of Mr Oliver Schaer, Manager Technical Services – Rural, has been extended by a three year term from 12th October 2016 to 11th October 2019.

COMMENTS/OPTIONS/DISCUSSIONS

Nil.

STATUTORY IMPLICATIONS/REQUIREMENTS

Nil.

POLICY IMPLICATIONS

4.5 EXECUTION OF DOCUMENTS

Minute No: Item 9.1.3
Date: 27th June 2003

Objective

To allow for the proper execution of documents.

Policy

All documents validly executed will have the common seal affixed and the President and the Chief Executive Officer's attestations affixing the seal. Use of the common seal is to be recorded in the common seal register and must have the Council resolution number included and the date that the seal was applied.

STRATEGIC COMMUNITY PLAN

Goal 1 – Civic Leadership – Planned Actions

The Shire of East Pilbara seeks to deliver high quality corporate governance and demonstrate accountability to its constituents. All decisions are informed by community engagement – leading to the effective allocation of the Shire’s resources – that deliver optimum benefits to the community.

- 1.1 Efficient and effective local government
 - 1.1.1 Ethical, accountable and transparent decision-making
Responsible officer: DCEO
Timing: As appropriate

RISK MANAGEMENT CONSIDERATIONS

N/A

FINANCIAL IMPLICATIONS

Resource requirements are in accordance with existing budgetary allocation.

VOTING REQUIREMENTS

Simple.

OFFICER'S RECOMMENDATION

THAT the common seal of the Shire of East Pilbara be affixed to the employment contract between the Shire of East Pilbara and Mr Oliver Schaer, Manager Technical Services – Rural, for a term of three years, from 12th October 2016 to 11th October 2019.

9.2 DEPUTY CHIEF EXECUTIVE OFFICER

**9.2.1 DEPUTY CHIEF EXECUTIVE OFFICER STATUS OF COUNCIL DECISIONS
– AUGUST 2016**

File Ref: CLR-4-5
Responsible Officer: Ms Sian Appleton
Deputy Chief Executive Officer
Author: Mrs Sheryl Pobrica
Executive Services Administration Officer
Proposed Meeting Date: 23 September 2016

REPORT PURPOSE

To inform of the action taken in relation to Council decisions.

BACKGROUND

Council requested to be informed of the progress and completion of previous decisions.

COMMENTS/OPTIONS/DISCUSSIONS

The status list of Council decisions is included as an attachment to the agenda.

STATUTORY IMPLICATIONS/REQUIREMENTS

Local Government Act 1995
Part 2 Constitution of local government
Division 2 Local governments and councils of local governments
Section 2.7

- (1) The council –
 - (a) governs the local government's affairs; and
 - (b) is responsible for the performance of the local government's functions.
- (2) Without limiting subsection (1), the council is to -
 - (a) oversee the allocation of the local government's finances and resources; and
 - (b) determine the local government's policies.

POLICY IMPLICATIONS

Nil

STRATEGIC COMMUNITY PLAN

Goal 1 – Civic Leadership – Planned Actions

The Shire of East Pilbara seeks to deliver high quality corporate governance and demonstrate accountability to its constituents. All decisions are informed by community engagement – leading to the effective allocation of the Shire’s resources – that deliver optimum benefits to the community.

- 1.1 Efficient and effective local government
 - 1.1.1 Ethical, accountable and transparent decision-making
Responsible officer: DCEO
Timing: As appropriate

RISK MANAGEMENT CONSIDERATIONS

In order to remain transparent and to facilitate timely and appropriate decision-making it is necessary that review actions items at each Council meeting.

FINANCIAL IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple.

OFFICER'S RECOMMENDATION

THAT the Deputy Chief Executive Officer “Status of Council Decisions” Report for the month of August 2016 be received.

COUNCIL MEETING DATE	ITEM NO	COUNCIL RESOLUTION	DIRECTORATE	ACTION TAKEN/ STATUS	ESTIMATED COMPLETION DATE
11 December 2015	12.12	MARBLE BAR AQUATIC CENTRE CCTV Cr Michael Kitchin asked if the Marble Bar Aquatic Centre could get CCTV especially for the toddler's pool, so when the staff member is serving at the kiosk they can still easily monitor the area. Deputy Chief Executive Officer to follow up	DCEO	Quotes received and being assessed.	In Progress
26 August 2016	9.2.2	AFFIXING COMMON SEAL UNDER DELEGATED AUTHORITY - CLEANING CONTRACT EXTENSION	CPS		Completed
26 August 2016	9.2.3	NEWMAN HOUSE - AFFIXING THE SHIRE OF EAST PILBARA COMMON SEAL TO THE LEASE AGREEMENT WITH PUNTUKURNU ABORIGINAL MEDICAL SERVICES (PAMS)	CPS		Completed
26 August 2016	9.2.4	AWARD OF TENDER - RFT 11-2015/16 - SUPPLY & INSTALL ONE NEW 630KVA KIOSK SUB STATION	MAP		Completed
26 August 2016	9.2.5	FUNDING OF THE MARBLE BAR TOURIST ASSOCIATION AND OPERATIONS OF THE MARBLE BAR VISITOR CENTRE	MCW		Completed
26 August 2016	9.2.6	REPORT ON THE 2016 COMMUNITY SATISFACTION SURVEY	MCW		Completed
26 August 2016	9.2.7	COMMUNITY ASSISTANCE GRANTS ROUND 1 2016	MCW		Completed
26 August 2016	9.2.8	AMENDMENTS TO THE POLICY MANUAL	CG		Completed

**9.2.2 THE CHURCH OF CHRIST THE KING, MARBLE BAR CONSIDERATION
TO TAKE OWNERSHIP OR ENTER INTO PEPPERCORN LEASE**

File Ref: A200017
Attachments: [Christ the King Church.pdf](#)
[Inventory Christ the King Church.pdf](#)
Responsible Officer: Ms Sian Appleton
Deputy Chief Executive Officer
Author: Mr Warren Barker
Coordinator Building Services
Proposed Meeting Date: 23 September 2016
Location/Address: Reserve R37658
Name of Applicant: N/A
Author Disclosure of Interest: Nil

REPORT PURPOSE

For Council to consider taking possession of the Christ the King church in Marble Bar.

BACKGROUND

Council received a letter (attached) from the Bishop of Geraldton, The Most Rev. Justin Bianchini, of St. Xavier Cathedral, formally offering the Christ the King Church in Marble Bar to the Council in ownership or a peppercorn lease.

The letter confirms that the church is registered on the Municipal Inventory. The letter also explains that while they rely on their parishioners to maintain the church and that due to the falling numbers in Marble Bar, the maintenance of the church cannot be maintained and that the church is now becoming quite fragile.

COMMENTS/OPTIONS/DISCUSSIONS

The Church of Christ the King, Marble Bar, is constructed on Reserve Number R37658, Reserve Class C, LU1 Catchment and Vested in Shire of East Pilbara.

A State heritage Council search provided the following listings;
Statutory Heritage Listings – No listings

Other heritage Listings and Surveys:

Municipal Inventory – Adopted – 28 May 1999
Classified by the National Trust – Classified – 09 Feb 1998
RHP – Assessed-Below Threshold – Current – 28 May 1999

The Church of Christ the King was constructed on top of a hill overlooking the township of Marble Bar in 1941. The Church was designed in the shape of a cross, and built from timber and corrugated iron.

Over the years and through all types of weather, including cyclones, the original glass panelled french doors built into the front and sides of the Church have been replaced with heavy but functional doors. The two side sacristies and eventually the alter alcove were also lost to storms.

Significance

This building has aesthetic significance due to its prominent position and its simple design.

It has historic significance, having been built in 1941 due to the efforts of the first residential Catholic priest in the Pilbara, Father Edward Bryan.

It has a social significance in that it was an important part of the life of the Catholic parishioners in the Marble Bar area for many years.

Building Description

The timber framed building is clad in corrugated iron and has a corrugated iron roof. It has a medium gable pitched roof, with a timber cross located at the apex of the gable. Original fittings to the building have been replaced with more sturdy, functional fittings. A report in 1997 and attached to the State Heritage Council page stated that *"the basic structure is doorless, shapeless and structurally unsound, with roof and wall panels missing. It will soon be beyond rescue if repair work is not carried out"*.

Currently this building is in very bad disrepair due to climatic and general ageing conditions.

Looking from the outside the doors are boarded up and any external timberwork is rotting away. The internal of the building has extensive damage from white ants, thus leaving the building in a dangerous condition where parts could collapse.

The structure would require extensive reconstruction/restoration to consider being made available to the public

At the moment there is no real access to the building.

An access road would be required to be constructed followed by a carpark plus a compliant walkway to gain access to the building.

This project would become a very expensive exercise for council, and that is if it is possible to restore this building, and if it can be restored, the ongoing maintenance has also to be taken into account.

The officer's recommendation for this project would be that due to the cost factors it would not be a worthwhile project to continue with.

STATUTORY IMPLICATIONS/REQUIREMENTS

The structure will need to comply with all statutory building regulations, the Public Building Regulations and the Health Act.

POLICY IMPLICATIONS

The structure would need to be assessed and included in Council's building asset management plan and managed in accordance with Council's asset management strategy.

STRATEGIC COMMUNITY PLAN

Goal 1 – Civic Leadership – Planned Actions

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- 1.1 Efficient and effective local government
 - 1.1.1 Ethical, accountable and transparent decision-making
 - Responsible officer: DCEO
 - Timing: As appropriate

RISK MANAGEMENT CONSIDERATIONS

Should council proceed with the acquisition of this building then the risk to Council would be the significant financial impost, both in capital outlay and ongoing maintenance and upkeep with minimal recovery.

FINANCIAL IMPLICATIONS

Having reviewed the structure in its current state, indicative costs are expected to be:

Structural engineer, site visit and report	\$ 20,000.00
Heritage Architect, site visit, report and plans	\$ 20,000.00
Re-build Costs (worst case scenario)	\$450,000.00
Power, new connection and supply to building	\$ 90,000.00
Water	\$ 85,000.00
New access road and carpark	\$ 75,000.00
Project management costs	<u>\$ 30,000.00</u>
Re-build construction Total	\$770,000.00

Operating Expenditure

Cleaning	\$ 1,200.00
Power & Water	\$ 3,500.00
Consumables	\$ 1,500.00
Maintenance	<u>\$55,000.00</u>
General Operating Expenses Total	\$61,200.00

There are currently no resources allocated for this project and no money within the Building Reserves that could be used.

Therefore, should Council decide to commit to this project then Council would need to either secure funding by:

1. Taking a loan for the full value of the works, or
2. Identify a number of existing approved projects to be cancelled and those allocated funds redirected to this project.

VOTING REQUIREMENTS

Simple

OFFICER'S RECOMMENDATION

THAT Council

1. **Decline to take possession of the Christ the King church and advise the correspondent accordingly.**
2. **Council request the Bishop of Geraldton of St Xavier Cathedral to prepare a report on the cost of restoring the Church of Christ the King building in Marble Bar to its original state incorporating current legislative requirements prior to Council making a determination.**

9.2.3 RFT 01-2016/17 PROVISION OF AIR CONDITIONING WORKS

Attachments: RFT01-2016-17 Recommendation Report
CONFIDENTIAL

File Ref: LEG-13-6-01

Responsible Officer: Ms Sian Appleton
Deputy Chief Executive Officer

Author: Mr Ben Lewis
Manager Assets and Procurement

Proposed Meeting Date: 23 September 2016

Location/Address: N/A

Name of Applicant: N/A

Author Disclosure of Interest: Nil

REPORT PURPOSE

For Council to consider tenders for the provision of air-conditioning works, and to seek approval for the Chief Executive Officer to apply the common seal of the Shire of East Pilbara to the Contract for the successful tenderer.

BACKGROUND

Council at its January 2016 meeting resolved to award the air-conditioning contract to TRACS (Transit Refrigeration and Air-conditioning Services). However, since then, TRACS have closed their Newman branch and advised the Principal that they were unable to service the contract.

As a result the contract between the Shire of East Pilbara and Transit Refrigeration and Air-conditioning Services was terminated and the air-conditioning works were retendered.

COMMENTS/OPTIONS/DISCUSSIONS

The tender was advertised in the West Australian newspaper on Saturday, 6 August, 2016 and on the Shire's website. The tender was also advertised on the Tenderlink e-Tendering Portal.

Closing date for the tender was 10:00am on Tuesday, 6 September, 2016.

At the close of tender, four (4) tenders were received as follows:

Tenderer
Burke Air
Customer First Contracting (CFC)
Lend Lease
SEE Services

The documentation outlined the qualitative selection criteria with the associated weightings for the evaluation of the tenders as follows:

No.	Criteria	Weighting
1	Relevant Experience	25%
2	Skills and Experience of Key Personnel	15%
3	Methodology	5
4	Demonstrated Understanding	15%
5	Price Consideration	40%

Value for money and costing also formed part of the assessment and consideration. A full assessment of the tender submissions is attached under separate confidential cover.

The results of the tender assessment indicate that Customer First Contracting (CFC) is the most advantageous to Council, offering local knowledge, skills and demonstrated ability in this area.

STATUTORY IMPLICATIONS/REQUIREMENTS

Nil

POLICY IMPLICATIONS

4.5 EXECUTION OF DOCUMENTS

Minute No: Item 9.1.3

Date: 27th June 2003

Objective

To allow for the proper execution of documents.

Policy

All documents validly executed will have the common seal affixed and the President and the Chief Executive Officer's attestations affixing the seal. Use of the common seal is to be recorded in the common seal register and must have the Council resolution number included and the date that the seal was applied.



10.12 Purchasing and Tender Procedures

Responsible Directorate	Technical and Development Services
Responsible Officer	Chief Executive Officer Deputy Chief Executive Officer Director Technical and Development Services
File Number	TCH 1-7

Objective

1. To provide compliance with the *Local Government Act 1995* and the *Local Government (Functions and General) Regulations 1996* (as amended).
2. To set guidelines which must be followed when inviting tenders for works and services within the Shire.
3. To ensure consistency that purchasing activities integrate within all Shire of East Pilbara operational areas.

Purchase Procedures

NOTE: All Figures in this policy are exclusive of GST

The following procedures will be adhered to when purchasing items and other goods and services as per the adopted budget. All purchase orders are to be completed as set out below.

\$0 - \$50	Under direction from the authorised supervisor, petty cash may be utilised for purchases in this range.
\$51 - \$5,000	Under direction from the authorised supervisor, a purchase order book will be utilised without quotes necessarily being obtained.
\$5,001 - \$39,999	Under direction from the authorised supervisor, a purchase or other order will be utilised and three verbal or written quotes shall be obtained.
\$40,000 - \$149,999	Under direction from the authorised supervisor, and in consultation with the Chief Executive Officer, the Deputy Chief Executive Officer and/or the Director Technical and Development Services a purchase order will be utilised and three written quotes shall be obtained. In obtaining written quotations the Council Purchasing Service shall be utilised wherever practicable.



\$150,000 & greater	Under direction from the authorised supervisor tenders will be invited as follows. If work is allowed for in the budget a request for tender form is to be submitted to the Chief Executive Officer for approval. If the work is not allowed for in the budget permission to go to tender must be obtained from Council.
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Capital Expenditure

All capital purchase orders will be signed by the Chief Executive Officer, Deputy Chief Executive Officer or the Director Technical & Development Services with the exception of road construction and plant fleet which can be signed by Manager Technical Services – Rural.

Definition of a Capital Item for the purpose of the Shire of East Pilbara:

1. Any item budgeted as a capital item in the adopted budget;
2. Any item to be purchased, which involves the replacement of an existing asset through the sale, trade-in, write-off or disposal of an item on the fixed asset register.

Refer to the Accounting Policy in the Council's Policy Manual for the further treatment of non-current assets.

No item of a capital nature may be purchased unless included in the adopted budget, or if unbudgeted, has been approved by "absolute majority" of Council prior to the purchase of the item. (Council has no retrospective right of approval of purchase of non-budgeted items of capital).

In order to preserve the cash flow of the Shire, major items of budgeted capital expenditure should be deferred, where possible, until the second or third quarter of the financial year. However all capital orders must be raised by the 30 April to allow adequate time for payment by June 30 of each year. In all cases, the timing of the expenditure on major items of capital should be discussed and agreed with the Deputy Chief Executive Officer.

Orders for Goods & Services

Purchase orders must be made out and signed by authorised persons for all goods and services ordered for the Shire at the time that the order is placed. **Orders should never be raised retrospectively.**

The following staff may raise a purchase order in accordance with value procedures as previously set out in this clause to the maximum value of \$150,000. If the purchase is in excess of \$150,000 a requisition is to be authorised by the Chief Executive Officer prior to the order being issued:

1. Deputy Chief Executive Officer
2. Director Technical & Development Services
3. Manager Technical Services – Rural (road construction and plant only)



The following staff may raise a purchase order in accordance with value procedures as previously set out in this clause to the maximum value of \$30,000. If the purchase is in excess of \$30,000 a requisition is to be authorised by their supervisor prior to the order being issued;

1. Managers
2. Coordinator Property Services

The following staff may raise a purchase order in accordance with value procedures as previously set out in this clause to the maximum value of \$10,000.

1. Coordinators
2. Works Supervisor (Newman and Marble Bar)

If the purchase is in excess of \$10,000 a requisition is to be authorised by their supervisor prior to the order being issued.

Other officer's in line with relevant procedures will have authority to authorise purchases to the value of \$2,000.

Light Vehicle Purchases

The designated Fleet Officer is authorized to purchase light vehicles under \$150,000 utilising the WA State Purchasing Agreement and adhering to Council's budget decisions and Councils Light Vehicle Policy. Any vehicle incurring the luxury car tax will have to be approved by the Chief Executive Officer or the Deputy Chief Executive Officer.

Consultants Services

Services separately identified in the adopted budget to be at officer's discretion up to \$20,000.

Between \$20,001 and \$150,000 a Request For Quote procedure shall be utilised, in compliance with purchase thresholds.

A request for services, which it is envisaged, will exceed \$150,000 shall undergo the full tender process.

Light Vehicle Disposals

The preference for the disposal of light vehicles (less than \$150,000) is by public auction.

The reserve sale price is to be determined by the Manager Technical Services – Rural in conjunction with the Chief Executive Officer and/or the Director Technical and Development Services.

The following information sources will be utilised in determining the reserve sale price:

1. Valuation by the auction house.
2. Valuation from a recognised source ie: red book.
3. Internet research.
4. Past sales by auction house.



Disposals are to be completed within the same financial year, or within 3 months of receipt of a new vehicle, whichever is the sooner to maximise sales return

Regulatory Compliance

In the following instances public tenders or quotation procedures are exempt (regardless of the value of expenditure):

7. An emergency situation as defined by the Local Government Act 1995;
8. The purchase is under a contract of WALGA (Preferred Supplier Arrangements), Department of Treasury and Finance (permitted Common Use Arrangements), Regional Council, or another Local Government;
9. The purchase is under auction which has been authorised by Council;
10. The contract is for petrol, oil, or other liquid or gas used for internal combustion engines;
11. Any of the other exclusions under Regulation 11 of the Local Government (Functions and General) Regulations 1996 apply;
12. The purchase is under the Shire of East Pilbara Supplier Panel and is under \$30,000 exc GST.
13. The goods or services are obtained through a person registered on the Aboriginal Business Directory WA for contracts worth \$250,000 or less.
14. The goods or services are obtained through an Australian Disability Enterprise.

STRATEGIC COMMUNITY PLAN

Goal 1 – Civic Leadership – Planned Actions

The Shire of East Pilbara seeks to deliver high quality corporate governance and demonstrate accountability to its constituents. All decisions are informed by community engagement – leading to the effective allocation of the Shire’s resources – that deliver optimum benefits to the community.

- 1.1 Efficient and effective local government
 - 1.1.1 Ethical, accountable and transparent decision-making
Responsible officer: DCEO
Timing: As appropriate
 - 1.1.2 Continued strong financial management
Responsible officer: DCEO
Timing: 1 year
 - 1.1.3 Effective business management
Responsible officer: DCEO
Timing: 1-3 years

Goal 3 – Economic – Planned Actions

The Shire of East Pilbara seeks to support the economic development of its communities through the establishment of partnerships with industry, local businesses, government agencies and the tourism sector.

- 3.3 Provide adequate community infrastructure
 - 3.3.1 Ensure well managed and equitable provision of community infrastructure
Responsible officer: MBA
Timing: 1-5 years

RISK MANAGEMENT CONSIDERATIONS

The potential risk to council is that by not having a contract for these works would result in the maintenance reverting back to reactive works rather than proactive servicing which will save council money, not only in costly breakdowns and reduction in service levels, but will also prolong the usable life of the asset.

FINANCIAL IMPLICATIONS

Resource requirements are in accordance with existing budgetary allocation.

VOTING REQUIREMENTS

Absolute

OFFICER'S RECOMMENDATION

THAT Council

THAT Council:

- 1. Award Tender 01-2016/17 to Customer First Contracting (CFC) for the Provision of Air-conditioning Works.**
- 2. Approve the Chief Executive Officer to apply the common seal of the Shire of East Pilbara to the Contract between the Shire and Customer First Contracting (CFC) with respect to this Tender.**

9.2.4 COMMUNITY ASSISTANCE GRANTS SEPTEMBER 2016

Responsible Officer:	Ms Sian Appleton Deputy Chief Executive Officer
Author:	Mr Pip Parsonson Manager Community Wellbeing
Proposed Meeting Date:	23 September 2016
Location/Address:	N/A
Name of Applicant:	N/A
Author Disclosure of Interest:	Nil

REPORT PURPOSE

For Council to consider and make a decision on the Newman National Football League Community Assistance Grant funding application for the Round 1 of the 2016/2017 financial year.

BACKGROUND

The Shire of East Pilbara's Community Assistance Grants and Sponsorships are designed to promote community development and wellbeing within the East Pilbara local government area.

Grants are available for not-for-profit organisations involved in arts, culture, sports, recreation and social services. Limited support is also available to local educational institutions. Applicants must fit one of the following categories.

1. A not-for-profit community organisation providing a community service within the East Pilbara region where there is a demonstrated community need or benefit
2. An educational institution in the East Pilbara for award presentations only
3. A sporting association to assist with club development (eg. Coaching courses, governance training and or grant writing courses)
4. An organisation involved in cultural development within the East Pilbara

Applications for the Community Assistance Grant Number Three (3) can be made by clubs and community groups twice per year. Round One (1) opens on the 1st of July and closes on the 31st July and applications are assessed at the next scheduled Council Meeting. Round Two (2) opens on January 1st and closes on January 31st and applications are assessed at the next scheduled Council Meeting. Each application is eligible for a grant of up to \$6,000 in cash or in-kind contributions.

COMMENTS/OPTIONS/DISCUSSIONS

During Round 1, the Shire received eight (8) applications from community groups and sporting clubs, all of which based in the East Pilbara. However, due to an administrative error, only seven (7) applications were reviewed and submitted to Council for the August 2016 Council meeting. The Newman National Football League (NNFL) application was the excluded application. Due to the administrative error, the NNFL application for funding is now submitted to Council for consideration. A summary of the revised application follows.

Name of organisation		Newman National Football League			
Activity the organisation is seeking funding for		2017 Umpire, Coaches and Club Development Workshop			
Amount Requested \$ 5,000.00		Total Budget \$ 11,775.00			
Type of fund request		In kind <input type="checkbox"/>		Cash <input checked="" type="checkbox"/>	
Funding sought from other organisations		YES <input checked="" type="checkbox"/>		NO <input type="checkbox"/>	
If yes, amount funded from other organisation		\$ 1,575.00			
Previous funding from Shire of East Pilbara		YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	If yes, amount received and Year	2011, \$5,000
Funds Acquitted		YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	Comments:	
Outstanding Shire Debts		YES <input type="checkbox"/>	NO <input checked="" type="checkbox"/>	Comments:	
Does Application meet funding criteria?		YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	Comments:	
<input checked="" type="checkbox"/>	Not for profit community organisations providing a community service within the East Pilbara region where there is a demonstrated community need or benefit				
<input type="checkbox"/>	Educational institutions in the East Pilbara for award presentations only				
<input checked="" type="checkbox"/>	Sporting Associations to assist with club development (e.g. coaching courses, governance training and or grant writing courses).				
<input type="checkbox"/>	Organisations involved in cultural development within the Shire of East Pilbara				
Target Group of project outcome	Participants from the 4 Newman football clubs will be invited to attend the workshop. 15-20 Umpires and 8 Coaches are expected to attend.				
Description	The project will bring WA Country Football League trainers into Newman to run a development workshop for all 4 football clubs' coaches and umpires. As skilled, committed umpires have become difficult to source, this project will ensure the clubs are viable in 2017. The trainers will also facilitate sessions about running and sustaining a football club.				
Benefit to East Pilbara Community	The league provides the opportunity for the community to watch and be involved in football. This project will increase the sporting capacity in Newman.				
Purpose of Grant	The grant is to partially cover trainers' costs (fees, flights, accommodation and food) and other workshop costs (hire fees, promotion, training materials and umpire uniforms).				
Acknowledgement of SOEP	Banners and advertising.				

The overall Community Assistance Grant budget for 2016/17 is \$60,000. Approximately \$11,000 of the total amount needs to be set aside for the smaller Grant 1 and Grant 2 programs that are open year-round and approved by the CEO. The balance of \$49,000 then needs to be halved, to accommodate the two Grant 3 rounds approved by the full Council. This means there is approximately \$24,500 for each of the two rounds.

The total amount sought for Round 1 of the 2016/17 financial year was \$35,841, which was \$11,341 over the Round 1 allocation. In the August 2016 Council meeting, the total amount approved for Round 1 was \$24,500, leaving \$500 remaining in the Round 1 allocation.

To ensure there are sufficient funds for Round 2 applications, the following recommendation has been made for the NNFL grant application.

Organisation	Requested	Recommended	Comment
Newman National Football League	\$5,000	\$4,000	Applicant has confirmed the grant value may be reduced and the project may proceed.
Round 1 Spent	\$24,500	\$24,500	
Total	\$29,500	\$28,500	
Budget	\$25,000	\$25,000	
Balance	- \$4,500	- \$3,500	

While the resulting balance is in deficit, the allocated budget is a guide only and the deficit can be redressed in Round 2.

STATUTORY IMPLICATIONS/REQUIREMENTS

Nil.

POLICY IMPLICATIONS

6.6 COMMUNITY ASSISTANCE GRANTS

STRATEGIC COMMUNITY PLAN

Goal 2 – Social – Planned Actions

The Shire of East Pilbara seeks to foster harmonious communities that acknowledge a shared heritage; develop strong community connections, and have access to relevant and affordable community services and well-managed community infrastructure.

- 2.4.1 Promote diverse, harmonious and caring communities
Partnering With: Federal Government, State Government, Industry and NGO's

Responsible officer: MCW
Timing: 1-3 years

- 2.4.2 Build strong community groups, networks and governance
Partnering With: Federal Government, State Government, Industry and NGO's
Responsible officer: MCW
Timing: 1-5 years
- 2.4.4 Equity and opportunities for all
Partnering With: Federal Government, State Government, Industry, NGO's and
Indigenous groups
Responsible officer: MCW
Timing: 1-3 years

RISK MANAGEMENT CONSIDERATIONS

Should the Council choose not to endorse the Community Assistance Grant,
Council may be subject to some reputational risk within the Community.

FINANCIAL IMPLICATIONS

Resource requirements are in accordance with existing budgetary allocation.

VOTING REQUIREMENTS

Absolute.

OFFICER'S RECOMMENDATION

THAT Council approves the Community Assistance Grant for the Newman National Football League for a reduced cash contribution of \$4,000 for the 2017 Umpire, Coaches and Club Development Workshop.

**9.2.5 MODIFIED FORMS 4 AND 6 FOR USE WITH THE GRAFFITI AND
VANDALISM ACT 2016**

Attachments:	Forms 4 and 6 Graffiti Vandalism Act 2016.pdf
Responsible Officer:	Ms Sian Appleton Deputy Chief Executive Officer
Author:	Mrs Batsi Masaka Coordinator Governance
Proposed Meeting Date:	23 September 2016
Location/Address:	N/A
Name of Applicant:	N/A
Author Disclosure of Interest:	Nil

REPORT PURPOSE

For Council to adopt the modified Forms 4 and 6 as the approved forms for use under the Graffiti Vandalism Act 2016.

BACKGROUND

1. Reference is made to the Department of Local Government and Communities Circular No 18-2016 which advised Local Governments that the Graffiti Vandalism Act 2016 (GV Act) will become effective on 7 October 2016.
2. Council resolution is required for forms 4 and 6 to be adopted as the approved forms for use under the GV Act.

COMMENTS/OPTIONS/DISCUSSIONS

1. The Shire of East Pilbara is committed to ensure that it is legislatively compliant.
2. Under the GV Act, it is a requirement that objections to notices must be treated as if they were objections to a local government decision under Part 9 of the Local Government Act.
3. The objections must be lodged in the approved form and must be approved by local government.
4. Form 4 in Schedule 1 to the Local Government (Functions and General) Regulations 1996 can be used on condition that section 22 of the GV Act which is the head of power is endorsed on top and council resolution has been sought to approve the form.
5. Form 6 of Schedule 1 to the Regulations can be used to issue warrants provided that it has also been duly amended to incorporate the appropriate head of power under section 29 of the GV Act.

STATUTORY IMPLICATIONS/REQUIREMENTS

Schedule 1 to the Local Government (Functions and General) Regulations 1996

POLICY IMPLICATIONS

4.11 LEGISLATIVE COMPLIANCE

STRATEGIC COMMUNITY PLAN

Goal 1 – Civic Leadership – Planned Actions

The Shire of East Pilbara seeks to deliver high quality corporate governance and demonstrate accountability to its constituents. All decisions are informed by community engagement – leading to the effective allocation of the Shire’s resources – that deliver optimum benefits to the community.

1.1 Efficient and effective local government

1.1.1 Ethical, accountable and transparent decision-making

1.1.3 Effective business management

RISK MANAGEMENT CONSIDERATIONS

In order to avoid the risk of legislative non-compliance such as statutory breaches, Council is mandated to authorise the stipulated legislative requirements. This ensures lawful, proper and consistent decision making processes.

FINANCIAL IMPLICATIONS

No financial resource impact.

VOTING REQUIREMENTS

Simple.

OFFICER'S RECOMMENDATION

THAT Council adopts the modified Forms 4 and 6 as the approved forms for use under the Graffiti Vandalism Act 2016.

9.2.6 AUDIT COMMITTEE REPORT - 8 SEPTEMBER 2016

Attachments:	Minutes September 08 2016 Audit Committee docx
Responsible Officer:	Ms Sian Appleton Deputy Chief Executive Officer
Author:	Mr Andries Gertenbach Manager Corporate Services
Proposed Meeting Date:	23 September 2016
Location/Address:	N/A
Name of Applicant:	N/A
Author Disclosure of Interest:	Nil

REPORT PURPOSE

For Council to consider the recommendations of the Audit Committee.

BACKGROUND

The Audit Committee met on 8th September 2016 and the minutes of that meeting are attached.

COMMENTS/OPTIONS/DISCUSSIONS

Role of the Audit Committee:

As a requirement of the Local Government Act 1995, the Audit Committee was formed “to provide independent oversight of the financial systems of the local government on behalf of the Council. As such, the committee will operate to assist Council to fulfil its corporate governance, stewardship, leadership and control responsibilities in relation to the local government’s financial reporting and audit responsibilities.”

STATUTORY IMPLICATIONS/REQUIREMENTS

Refer to attached Audit Committee minutes.

POLICY IMPLICATIONS

Refer to attached Audit Committee minutes.

STRATEGIC COMMUNITY PLAN

Goal 1 – Civic Leadership – Planned Actions

The Shire of East Pilbara seeks to deliver high quality corporate governance and demonstrate accountability to its constituents. All decisions are informed by community engagement – leading to the effective allocation of the Shire’s resources – that deliver optimum benefits to the community.

1.1 Efficient and effective local government

- 1.1.1 Ethical, accountable and transparent decision-making
Responsible officer: DCEO
Timing: As appropriate
- 1.1.2 Continued strong financial management
Responsible officer: DCEO
Timing: 1 year
- 1.1.3 Effective business management
Responsible officer: DCEO
Timing: 1-3 years

RISK MANAGEMENT CONSIDERATIONS

Refer to attached Audit Committee minutes.

FINANCIAL IMPLICATIONS

Resource requirements are in accordance with existing budgetary allocation.

VOTING REQUIREMENTS

Simple.

OFFICER'S RECOMMENDATION

THAT Council consider the following recommendations as presented by the Audit Committee.

AUDIT COMMITTEE RECOMMENDATION 1

THAT Council accepts the Shire of East Pilbara report on the Review of Risk Management, Legislative Compliance and Internal Controls and endorse the Improvement Plan contained therein.

AUDIT COMMITTEE RECOMMENDATION 2

THAT Council consider and accept the Financial Management Review as conducted by Moore Stephens as presented in accordance with paragraph 5(2) of the Local Government (Financial Management) Regulations 1996.

9.2.7 3.7 SELF SUPPORTING LOANS POLICY

File Ref: FIN-10-12
Responsible Officer: Ms Sian Appleton
Deputy Chief Executive Officer
Author: Mr Andries Gertenbach
Manager Corporate Services
Proposed Meeting Date: 23 September 2016
Location/Address: N/A
Name of Applicant: N/A
Author Disclosure of Interest: Nil

REPORT PURPOSE

The purpose of this report is to consider amendments to the Self Supporting Loans Policy to bring them in line with the recommendation contained in the Risk Management, Legislative Compliance and Internal Controls Improvement Plan.

BACKGROUND

The Self Supporting Loans Policy was adopted in June 2003 and has not been amended since.

Moore Stephens were appointed to do the Local Government (Audit) Regulations 1996 regulation 17 review and as a result they made a recommendation that the Self Supporting Loans Policy should be amended to make it clear that approval of self supporting loans was entirely at the discretion of the council.

COMMENTS/OPTIONS/DISCUSSIONS

The amendment to the policy will reflect the recommendation that wording be included to make it clear that approval of self supporting loans is entirely at the discretion of council.

STATUTORY IMPLICATIONS/REQUIREMENTS

Nil

POLICY IMPLICATIONS

3.7 SELF SUPPORTING LOANS

Policy

Each request from a local organisation or club within the Shire of East Pilbara for a self-supporting loan shall be accompanied by:

1. Sketch plans and details of the proposed development for which the loan funds are required

2. Financial statements for the past three years
3. Cash flow projections for the coming three years
4. Details of present and planned membership

Each request for a self-supporting loan will be considered on its own merits, and if deemed necessary, the organisation will be asked to provide guarantors or other acceptable security.

In all cases where Council approves the granting of a self-supporting loan, a loan contract document must be signed by the organisation prior to release of the self-supporting loan monies.

***It should be noted that approval of self-supporting loans is entirely at the Council's discretion.**

STRATEGIC COMMUNITY PLAN

Goal 1 – Civic Leadership – Planned Actions

The Shire of East Pilbara seeks to deliver high quality corporate governance and demonstrate accountability to its constituents. All decisions are informed by community engagement – leading to the effective allocation of the Shire's resources – that deliver optimum benefits to the community.

- 1.1 Efficient and effective local government
 - 1.1.1 Ethical, accountable and transparent decision-making
Responsible officer: DCEO
Timing: As appropriate
 - 1.1.2 Continued strong financial management
Responsible officer: DCEO
Timing: 1 year
 - 1.1.3 Effective business management
Responsible officer: DCEO
Timing: 1-3 years

RISK MANAGEMENT CONSIDERATIONS

The proposed outcome of this report is in line with recommendations to minimise risk.

FINANCIAL IMPLICATIONS

No financial resource impact.

VOTING REQUIREMENTS

Absolute.

OFFICER'S RECOMMENDATION

THAT Council adopt the changes to the Self Supporting Loans Policy as presented

3.7 SELF SUPPORTING LOANS

Policy

Each request from a local organisation or club within the Shire of East Pilbara for a self-supporting loan shall be accompanied by:

1. Sketch plans and details of the proposed development for which the loan funds are required
2. Financial statements for the past three years
3. Cash flow projections for the coming three years
4. Details of present and planned membership

Each request for a self-supporting loan will be considered on its own merits, and if deemed necessary, the organisation will be asked to provide guarantors or other acceptable security.

In all cases where Council approves the granting of a self-supporting loan, a loan contract document must be signed by the organisation prior to release of the self-supporting loan monies.

It should be noted that approval of self-supporting loans is entirely at the Council's discretion.

9.2.8 3.9 INVESTMENT POLICY

File Ref: FIN-10-12
Attachments: [3.9 Investment Policy Tracked.docx](#)
[3 9 Investment Policy Proposed docx](#)
Responsible Officer: Ms Sian Appleton
Deputy Chief Executive Officer
Author: Mr Andries Gertenbach
Manager Corporate Services
Proposed Meeting Date: 23 September 2016
Location/Address: N/A
Name of Applicant: N/A
Author Disclosure of Interest: Nil

REPORT PURPOSE

The purpose of this report is to consider amendments to the Investments Policy to bring them in line with the recommendation contained in the interim audit.

BACKGROUND

The Investment Policy was adopted in July 2009 and has not been amended since.

Moore Stephens were appointed to do the annual audit for the Shire and as a result of their Interim Audit they made a recommendation that the Investments Policy should be amended to bring it into line with Regulation 19C of the Local Government (Financial Management) Regulations 1996.

COMMENTS/OPTIONS/DISCUSSIONS

The amendments to the Policy will bring it into line with Regulation 19C of the Local Government (Financial Management) Regulations 1996 to clarify the restrictions contained in that regulation.

Attached to this report is a copy of the policy with the changes tracked to enable elected members to view the changes and there is also a document which shows what the proposed policy will look like when adopted.

STATUTORY IMPLICATIONS/REQUIREMENTS

Nil

POLICY IMPLICATIONS

3.9 INVESTMENT POLICY – WILL BE AMENDED AS PER ATTACHED DOCUMENT

STRATEGIC COMMUNITY PLAN

Goal 1 – Civic Leadership – Planned Actions

The Shire of East Pilbara seeks to deliver high quality corporate governance and demonstrate accountability to its constituents. All decisions are informed by community engagement – leading to the effective allocation of the Shire's resources – that deliver optimum benefits to the community.

- 1.1 Efficient and effective local government
 - 1.1.1 Ethical, accountable and transparent decision-making
Responsible officer: DCEO
Timing: As appropriate
 - 1.1.2 Continued strong financial management
Responsible officer: DCEO
Timing: 1 year
 - 1.1.3 Effective business management
Responsible officer: DCEO
Timing: 1-3 years

RISK MANAGEMENT CONSIDERATIONS

The proposed outcome of this report is in line with recommendations to minimise risk.

FINANCIAL IMPLICATIONS

No financial resource impact.

VOTING REQUIREMENTS

Absolute.

OFFICER'S RECOMMENDATION

THAT Council adopt the changes to the Policy – 3.9 – Investments Policy as attached and presented.

9.2.9 3.1 - ACCOUNTING POLICIES UPDATE

File Ref:	F-10-12
Attachments:	3.1 Accounting Policies Current 3.1 Accounting Policies Amended.docx
Responsible Officer:	Ms Sian Appleton Deputy Chief Executive Officer
Author:	Mr Andries Gertenbach Manager Corporate Services
Proposed Meeting Date:	23 September 2016
Location/Address:	N/A
Name of Applicant:	N/A
Author Disclosure of Interest:	Nil

REPORT PURPOSE

The purpose of this report is to consider amendments to the Accounting Policies to bring them in line with the recommendation contained in the Risk Management, Legislative Compliance and Internal Controls Improvement Plan.

BACKGROUND

The Accounting policies were adopted in June 2003 and have been amended in July 2012 and June 2013.

Moore Stephens were appointed to do the Local Government (Audit) Regulations 1996 regulation 17 review and as a result they made a recommendation that the Accounting Policies were to be amended to remove reference to the Financial Statements from them as this not form part of the policies.

COMMENTS/OPTIONS/DISCUSSIONS

The amendments to the Accounting Policies are not about the policies themselves but about removing reference to the Annual Financial Statements which appears in different areas of the policies.

As the amendments are fairly complicated and to most accurately achieve the required result, all of the content of the original policy were removed and the most current accounting policies inserted.

Copies of the current policy and the proposed policy are attached to this report for comparison purposes if required.

STATUTORY IMPLICATIONS/REQUIREMENTS

Nil

POLICY IMPLICATIONS

3.1 ACCOUNTING POLICIES WILL BE AMENDED

STRATEGIC COMMUNITY PLAN

Goal 1 – Civic Leadership – Planned Actions

The Shire of East Pilbara seeks to deliver high quality corporate governance and demonstrate accountability to its constituents. All decisions are informed by community engagement – leading to the effective allocation of the Shire’s resources – that deliver optimum benefits to the community.

- 1.1 Efficient and effective local government
 - 1.1.1 Ethical, accountable and transparent decision-making
Responsible officer: DCEO
Timing: As appropriate
 - 1.1.2 Continued strong financial management
Responsible officer: DCEO
Timing: 1 year
 - 1.1.3 Effective business management
Responsible officer: DCEO
Timing: 1-3 years

RISK MANAGEMENT CONSIDERATIONS

The proposed outcome of this report is in line with recommendations to minimise risk.

FINANCIAL IMPLICATIONS

No financial resource impact.

VOTING REQUIREMENTS

Absolute.

OFFICER'S RECOMMENDATION

THAT Council adopt the amended Policy 3.1 - Accounting Policies as attached and presented.

9.2.10 FINANCIAL MANAGEMENT REVIEW

File Ref: LEG-21-1
Attachments: [FMR report Shire of East Pilbara Signed pdf.pdf](#)
Responsible Officer: Ms Sian Appleton
Deputy Chief Executive Officer
Author: Mr Andries Gertenbach
Manager Corporate Services
Proposed Meeting Date: 23 September 2016
Location/Address: N/A
Name of Applicant: N/A
Author Disclosure of Interest: Nil

REPORT PURPOSE

For Council to consider and accept the Financial Management Review conducted by Moore Stephens on behalf of the Chief Executive Officer.

BACKGROUND

The Chief Executive Officer is required to undertake a review of the financial management systems and procedures for the local government at least once every four years.

The last report was completed by UHY Haines Norton in 2012.

A copy of the report completed by Moore Stephens is attached.

COMMENTS/OPTIONS/DISCUSSIONS

The review was completed for the period 1 July 2015 to 30 May 2016. The conclusion of the Independent Reviewer's report reads:

"Based on our work described in this report (which is not an audit), nothing has come to our attention to indicate the Shire of East Pilbara has not established and maintained, in all material respects, appropriate and effective management systems and procedures during the period covered by our review being 1 July 2015 to 30 May 2016."

STATUTORY IMPLICATIONS/REQUIREMENTS

Local Government (Financial Management) Regulations 1996 paragraph 5 (2) states:-

The Chief Executive Officer is to:

(c) undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the Local Government regularly (and not less than once in every 4 financial years) and report to the Local Government the results of the reviews.

POLICY IMPLICATIONS

Nil.

STRATEGIC COMMUNITY PLAN

Goal 1 – Civic Leadership – Planned Actions

The Shire of East Pilbara seeks to deliver high quality corporate governance and demonstrate accountability to its constituents. All decisions are informed by community engagement – leading to the effective allocation of the Shire’s resources – that deliver optimum benefits to the community.

- 1.1 Efficient and effective local government
 - 1.1.1 Ethical, accountable and transparent decision-making
Responsible officer: DCEO
Timing: As appropriate
 - 1.1.2 Continued strong financial management
Responsible officer: DCEO
Timing: 1 year
 - 1.1.3 Effective business management
Responsible officer: DCEO
Timing: 1-3 years

RISK MANAGEMENT CONSIDERATIONS

This report is part of ensuring that risk matters are reviewed periodically.

FINANCIAL IMPLICATIONS

Resource requirements are in accordance with existing budgetary allocation.

VOTING REQUIREMENTS

Simple.

AUDIT COMMITTEE RECOMMENDATION

THAT Council consider and accept the Financial Management Review as conducted by Moore Stephens as presented in accordance with paragraph 5(2) of the Local Government (Financial Management) Regulations 1996.

9.2.11 RISK MANAGEMENT, LEGISLATIVE COMPLIANCE AND INTERNAL CONTROLS, AUDIT (REG 17) REVIEW

File Ref:	LEG-19-1
Attachments:	Shire of East Pilbara Audit Reg 17 Review 2016 FINAL.pdf
Responsible Officer:	Ms Sian Appleton Deputy Chief Executive Officer
Author:	Mr Andries Gertenbach Manager Corporate Services
Proposed Meeting Date:	23 September 2016
Location/Address:	N/A
Name of Applicant:	N/A
Author Disclosure of Interest:	Nil

REPORT PURPOSE

To provide to the Audit Committee the results of the Audit Regulation 17 review of the Shire of East Pilbara's Risk Management Framework (RMF), Legislative Compliance Framework (LCF) and Internal Controls carried out by Moore Stephens and to recommend to the Council that the report be accepted and the Improvement Plan contained therein be endorsed.

BACKGROUND

The Local Government (Audit) Regulations 1996, Regulation 17 requires that a local government is to undertake a review of the appropriateness and effectiveness of its systems and procedures in regard to Risk Management, Legislative Compliance and Internal Control Frameworks at least every two calendar years.

A review was carried out by RSM Bird Cameron and presented to Council at the 24 October 2014 Ordinary Council meeting.

The statutory deadline for the next review is 31 December 2016 and as a result Moore Stephens were appointed to carry out the review and the report is now ready to be presented.

COMMENTS/OPTIONS/DISCUSSIONS

Moore Stephens were engaged to undertake this review and then report to the Chief Executive Officer on the adequacy and effectiveness of the Shire's existing RMF, LCF and Internal Control Frameworks.

The assessment was to be carried out with a view to identifying areas that may require improvement and then detail these in an Improvement Plan.

The scope of the review encompassed all aspects of the Shire's operations including the following broad categories:-

- Management
- Financial
- Compliance
- Technology
- Infrastructure and Assets
- Human Resources
- Contractual
- Security
- Economic/Political

Following interviews and enquiries conducted with key staff within the Shire and interrogation of relevant documentation, Moore Stephens have identified a number of opportunities for improvements in the above frameworks.

RISK MANAGEMENT

- *The uniform implementation of the documented risk management procedures across the organisation and business processes of Shire of East Pilbara;*
- *The inclusion of key risks affecting Council decisions within agenda items for Council consideration to help ensure strategic risks are considered, monitored and reported throughout the organisation; and*
- *The inclusion of risk management as a topic within the staff induction process to assist employees gain a common understanding of their role in the reporting and treatment of identified risks.*

LEGISLATIVE COMPLIANCE

- *That the staff induction process and Code of Conduct highlight the requirement to maintain a high level of legislative compliance and report identified breaches;*
- *The development of a risk based training matrix to ensure those senior staff with the responsibility for preventing, identifying and reporting breaches of legislation are offered relevant training to ensure their knowledge of legislative requirements is maintained; and*
- *That a concise legislative compliance register be maintained to enable monitoring and reporting of any legislative compliance breaches that are identified.*

INTERNAL CONTROL

- *The development of an Internal Control Policy promoting a risk based approach to the development and maintenance of internal controls to encourage the continual assessment of the appropriateness of controls throughout the organisation with new controls being identified and existing outdated controls discontinued.*
- *During our review, a limited number of internal control weaknesses were noted, these are discussed below along with suggested actions to:*
 1. *One instance of the amount shown on the Authorisation for EFT was manually changed with no counter signatures from authorising officers.*
Suggested Actions - That documented procedures be amended to require authorising officers to initial any amendments to the document they have authorised.
 2. *We noted instances where a consultant initially engaged in 2009 undertook works with no purchase order being issued. No quotations were available from other consultants for the provision of the same services.*
Suggested Actions - That the purchasing Policy be amended to address contract extension and 'scope creep'.

3. *We noted instances where the required supporting documentation and electronic authorisation were not available within the electronic records system. This matter was only identified within the new electronic system.*
Suggested Actions - That the electronic authorisation and records system be verified to ensure the integrity of electronic documents and the systems and process surrounding its use be documented.
4. *We noted instances where the Valuer General's Office was not advised of changes to the built area of properties, resulting in interim rates not being raised.*
Suggested Actions - That documented procedures and process be implemented to ensure the Valuer General's Office is notified once building approvals are issued.

The above findings and actions are included in Appendix D of the attached report and form the basis of an Improvement Plan to ensure that the systems and procedures are amended and improvements implemented.

STATUTORY IMPLICATIONS/REQUIREMENTS

Local Government (Audit) Regulations

Regulation 17. CEO to review certain systems and procedures

- (1) *The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to —*
- (a) *risk management; and*
 - (b) *internal control; and*
 - (c) *legislative compliance.*
- (2) *The review may relate to any or all of the matters referred to in subregulation (1) (a), (b) and (c), but each of those matters is to be the subject of a review at least once every 2 calendar years.*
- (3) *The CEO is to report to the audit committee the results of that review.*

POLICY IMPLICATIONS

4.11 LEGISLATIVE COMPLIANCE

4.12 RISK MANAGEMENT

STRATEGIC COMMUNITY PLAN

Goal 1 – Civic Leadership – Planned Actions

The Shire of East Pilbara seeks to deliver high quality corporate governance and demonstrate accountability to its constituents. All decisions are informed by community engagement – leading to the effective allocation of the Shire's resources – that deliver optimum benefits to the community.

- 1.1 Efficient and effective local government
- 1.1.1 Ethical, accountable and transparent decision-making
Responsible officer: DCEO
Timing: As appropriate
- 1.1.2 Continued strong financial management
Responsible officer: DCEO
Timing: 1 year

- 1.1.3 Effective business management
Responsible officer: DCEO
Timing: 1-3 years

RISK MANAGEMENT CONSIDERATIONS

This report is part of ensuring that risk matters are reviewed periodically.

FINANCIAL IMPLICATIONS

Resource requirements are in accordance with existing budgetary allocation.

VOTING REQUIREMENTS

Simple.

AUDIT COMMITTEE RECOMMENDATION

THAT Council accepts the Shire of East Pilbara report on the Review of Risk Management, Legislative Compliance and Internal Controls and endorse the Improvement Plan contained therein.

9.2.12 MONTHLY FINANCIAL REPORT - AUGUST 2016

Attachments:	August 2016 Financial Report.pdf August 2016 Variance Report.doc August 2016 Asset Variance Report.doc
Responsible Officer:	Mr Andries Gertenbach Manager Corporate Services
Author:	Mrs Candice Porro Senior Finance Officer
Proposed Meeting Date:	23 September 2016
Location/Address:	N/A
Name of Applicant:	N/A
Author Disclosure of Interest:	Nil

REPORT PURPOSE

To provide Councillors with a monthly financial statement on the operations of Council.

BACKGROUND

The attached 13-page report details the financial activities of the Council for the period 1 August 2016 to 31 August 2016 of the 2016/2017 financial year –

There are 4 sections of the monthly report:

1. An operating statement comparing income and expenditure to the adopted budget for each function of Council.
2. A more detailed schedule which breaks the operating statement down into the various operational sections and departments of Council.
3. A schedule detailing all expenditure for the year to date for individual capital items.
4. A statement of cash flows.

COMMENTS/OPTIONS/DISCUSSIONS

The Deputy Chief Executive Officer will provide an overview and explanation as required of how to interpret the financial statement at the meeting.

Reportable variations in accordance with accounting policies are as follows:

STATUTORY IMPLICATIONS/REQUIREMENTS

Local Government Act 1995
Part 6 Financial Management
Division 4 General financial provisions
Section 6.4(2)

“The financial report is to –

- (a) be prepared and presented in the manner and form prescribed; and*
- (b) contain the prescribed information.”*

Local Government (Financial Management) Regulations 1996
Part 4 Financial reports
Reg 34(1) -

“A Local Government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22 (1)(d), for that month in the following detail –

- (a) annual budget estimates ...*
- (b) budget estimates to the end of the month to which the statement relates;*
- (c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;*
- (d) material variances between the comparable amounts referred to in paragraphs (b) and (c); and*
- (e) the net current assets at the end of the month to which the statement relates.”*

POLICY IMPLICATIONS

3.1 ACCOUNTING POLICIES

STRATEGIC COMMUNITY PLAN

Goal 1 – Civic Leadership – Planned Actions

The Shire of East Pilbara seeks to deliver high quality corporate governance and demonstrate accountability to its constituents. All decisions are informed by community engagement – leading to the effective allocation of the Shire’s resources – that deliver optimum benefits to the community.

- 1.1 Efficient and effective local government
 - 1.1.1 Ethical, accountable and transparent decision-making
Responsible officer: DCEO
Timing: As appropriate
 - 1.1.2 Continued strong financial management
Responsible officer: DCEO
Timing: 1 year
 - 1.1.3 Effective business management
Responsible officer: DCEO
Timing: 1-3 years

RISK MANAGEMENT CONSIDERATIONS

This report is part of ensuring that risk matters are reviewed periodically.

FINANCIAL IMPLICATIONS

This report discloses financial activities for the period under review.

VOTING REQUIREMENTS

Simple.

OFFICER'S RECOMMENDATION

That the monthly financial statements for the period 1 August 2016 to 31 August 2016 of the 2016/2017 financial year as presented be received.

9.2.13 CREDITORS FOR PAYMENT

File Ref: FIN10-2

Attachments: [Schedule of Accounts Chq 1.pdf](#)
[Schedule of Accounts EFT 1.pdf](#)
[Schedule of Accounts Manual Cheque 1.pdf](#)

Responsible Officer: Ms Sian Appleton
Deputy Chief Executive Officer

Author: Mrs Jeanette Bessell
Finance Officer

Proposed Meeting Date: 23 September 2016

Location/Address: N/A

Name of Applicant: N/A

Author Disclosure of Interest: Nil

REPORT PURPOSE

Council endorsement of payment to creditors.

BACKGROUND

As per the attachment list, outlines payments made to creditors since the Council meeting on the 26TH AUGUST 2016.

COMMENTS/OPTIONS/DISCUSSIONS

FUND	VOUCHER	AMOUNT
EFT Payments	EFT# 34599 to EFT#34909	\$2,149,934.33
	Total	\$2,149,934.33
Cheque Payments	CHQ# 24125 to CHQ#24139	\$77,783.95
Manual Cheque Payments	CHQ# 274 to CHQ# 275	\$14,693.28
	Total	\$92,477.23
	GRAND TOTAL	<u>\$2,242,411.56</u>

Please note the computer system allows for only a limited field for the description of goods/services purchased, therefore the description shown on the attached Schedule of Accounts may not show the entire description entered for the goods/services purchased.

CANCELLED AND UNUSED CHEQUES:

UNUSED CHEQUES
CHQ# 24134

CANCELLED CHEQUES & EFTS

EFT#'S 34875 and 34897

STATUTORY IMPLICATIONS/REQUIREMENTS

Local Government (Financial Management) Regulations 1996

Part 2 – General financial management

Reg 11

- (1) *A local government is to develop procedures for the authorisation of, and the payment of, accounts to ensure that there is effective security for, and properly authorised use of –*
- (a) *cheques, credit cards, computer encryption devices and passwords, purchasing cards and any other devices or methods by which goods, services, money or other benefits may be obtained; and*
 - (b) *petty cash systems.*

Local Government (Financial Management) Regulations 1996

Part 2 – General financial management

Reg 12

- (1) *A payment may only be made from the municipal fund or the trust fund –*
- (a) *if the local government has delegated to the CEO the exercise of its power to make payments from those funds – by the CEO; or*
 - (b) *otherwise, if the payment is authorised in advance by a resolution of the council.*
- (2) *The council must not authorise a payment from those funds until a list prepared under regulation 13(2) containing details of the accounts to be paid has been presented to the council.*

POLICY IMPLICATIONS

Nil

STRATEGIC COMMUNITY PLAN

Nil.

RISK MANAGEMENT CONSIDERATIONS

Should the Council choose not to endorse the Creditors for Payments, Council may be subject to some reputational risk.

FINANCIAL IMPLICATIONS

Total expenses of \$2,242,411.56

VOTING REQUIREMENTS

Simple.

OFFICER'S RECOMMENDATION

THAT Council endorse the payments:

FUND	VOUCHER	AMOUNT
EFT Payments	EFT# 34599 to EFT#34909	\$2,149,934.33
	Total	\$2,149,934.33
Cheque Payments	CHQ# 24125 to CHQ#24139	\$77,783.95
Manual Cheque Payments	CHQ# 274 to CHQ# 275	\$14,693.28
	Total	\$92,477.23
	GRAND TOTAL	<u>\$2,242,411.56</u>

9.3 DIRECTOR TECHNICAL AND DEVELOPMENT SERVICES

**9.3.1 DIRECTOR TECHNICAL AND DEVELOPMENT SERVICES STATUS OF
COUNCIL DECISIONS - AUGUST 2016**

File Ref:	CLR-4-5
Responsible Officer:	Mr Rick Miller Director Technical and Development Services
Author:	Mrs Sheryl Pobrica Executive Services Administration Officer
Proposed Meeting Date:	23 September 2016

REPORT PURPOSE

To inform of the action taken in relation to Council decisions.

BACKGROUND

Council requested to be informed of the progress and completion of previous decisions.

COMMENTS/OPTIONS/DISCUSSIONS

The status list of Council decisions is included as an attachment to the agenda.

STATUTORY IMPLICATIONS/REQUIREMENTS

Local Government Act 1995
Part 2 Constitution of local government
Division 2 Local governments and councils of local governments
Section 2.7

- (1) The council –
 - (a) governs the local government's affairs; and
 - (b) is responsible for the performance of the local government's functions.
- (2) Without limiting subsection (1), the council is to -
 - (a) oversee the allocation of the local government's finances and resources; and
 - (b) determine the local government's policies.

POLICY IMPLICATIONS

Nil

STRATEGIC COMMUNITY PLAN

Goal 1 – Civic Leadership – Planned Actions

The Shire of East Pilbara seeks to deliver high quality corporate governance and demonstrate accountability to its constituents. All decisions are informed by

community engagement – leading to the effective allocation of the Shire’s resources – that deliver optimum benefits to the community.

- 1.1 Efficient and effective local government
- 1.1.1 *Ethical, accountable and transparent decision-making*

RISK MANAGEMENT CONSIDERATIONS

In order to remain transparent and to facilitate timely and appropriate decision-making it is necessary that actions items be reviewed at each Council meeting.

FINANCIAL IMPLICATIONS

No financial resource impact.

VOTING REQUIREMENTS

Simple.

OFFICER'S RECOMMENDATION

THAT the Director Technical and Development “Status of Council Decisions” Report for the month of August 2016 be received.

COUNCIL MEETING DATE	ITEM NO	COUNCIL RESOLUTION	DIRECTORATE	ACTION TAKEN/ STATUS	ESTIMATED COMPLETION DATE
16 December 2011	13.5	SIGNS – RECOGNITION ON THE DESERT ROADS Cr Lang Coppin	MDS-P	Refer to Information Bulletin	In Progress
28 September 2012	13.4	NEW ROAD LINKED TO LIGHT INDUSTRIAL AREA (LIA) – newman - Cr Shane	MDS-P	Refer to Information Bulletin	In Progress
28 August 2015	13.8	CARAWINE GORGE Cr Lang Coppin	MDS-P	Refer to Information Bulletin	In Progress
27 May 2016		BBQ AT NULLAGINE LOOKOUT Cr Bidy Schill commented that the BBQ at the Nullagine lookout is not working. Ms Sian Appleton to follow up.	MTS-R DTDS	<ul style="list-style-type: none"> • Location for townsite replacement BBQ being investigated; • Temporary signage at Lynas lookout installed; • Final signage to be installed when new BBQ is in place. • Need for BBQ to be assessed. 	Oct 2016
26 August 2016	13.2	TESTING OF DUST ELEMENTS Cr Shane Carter asked if it was possible for the Department of Health to test the dust, surrounding the town of Newman for particulates and if a report could be tabled at Council Manager Development Services – Health to follow up.	MDS-H CEO	CEO has sent correspondence, awaiting on a response.	Sept 2016
26 August 2016	13.4	NEWMAN AIRPORT LUGGAGE TROLLEY Cr Gerry Parsons asked if it was possible to get a couple of luggage trollies at Newman Airport as she has had requests from the community. Director Technical and Development Services to follow up.	MDA	Options and costings to be investigated	Sept 2016

**9.3.2 MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN BHP BILLTON
IRON ORE (BHPBIO) AND THE SHIRE OF EAST PILBARA ON THE
PROTECTION OF HUMAN HEALTH POSED BY THE RECREATIONAL
USE OF OPHTHALMIA DAM**

Attachments: [Ophthalmia dam MOU.pdf](#)
[Management Plan Ophthalmia Dam V10.pdf](#)

Responsible Officer: Mr Rick Miller
Director Technical and Development Services

Author: Mr Edmore Masaka
Manager Development Services - Health

Proposed Meeting Date: 23 September 2016

Location/Address: N/A

Name of Applicant: N/A

Author Disclosure of Interest: Nil

REPORT PURPOSE

To request council to endorse the MOU between BHPBIO and the Shire of East Pilbara on management of and the protection of human health posed by any recreational use of Ophthalmia dam.

BACKGROUND

In Western Australia there is no clear delineation for State or Crown land surrounding the responsibility to ensure the water quality is safe for members of the public to recreate. However, the current process typically involves a coordinated effort between the Department of Health WA (DoH) and the local government authority where the water body is located. With respect to Ophthalmia Dam, DoH is considered the primary coordinating and monitoring agency with the local government (Shire of East Pilbara) and other stakeholders such as BHPBIO being engaged to assist in collection of samples, inspections and other applicable management actions.

Ophthalmia dam has for years been a popular source of recreation for Newman residents, with a picnic area equipped with shed structures, toilets and BBQ facilities having been developed under a partnership with BHPBIO. This site has also become a major tourist attraction to the Newman town and surrounds. The Shire of East Pilbara is currently responsible for the maintenance of the picnic area and its ancillary infrastructure.

The DoH who are the regulator have advised BHPBIO and its partner to create a formalised management plan for Ophthalmia Dam to manage the recreational water bodies in accordance with the National Health and Medical Research Council (NHMRC) "*Guidelines for Managing Risks in Recreational Water* (2008). Currently the risk management approach to recreational water use of Ophthalmia Dam is fragmented.

COMMENTS/OPTIONS/DISCUSSIONS

Whilst BHP Billiton Iron Ore (BHPBIO) and the Shire of East Pilbara do not actively support or encourage usage of the Ophthalmia Dam for recreational activities, both parties recognise that residents of the township of Newman and visitors to the area do use the dam for some recreational water based activities and that it is not possible to effectively prohibit or enforce a prohibition on usage of the dam for recreational purposes, particularly having regard to its location and size.

To this end both parties embarked on a process to develop a Recreational Water Quality Management Plan (RWQMP) for the effective risk management of Ophthalmia dam.

Elected Members, (Councillors Craig Hoyer and Gerry Parsons), Director Technical and Development Services, Mr Rick Miller and Manager Development Services – Health, Mr Edmore Masaka, and BHP Billiton Iron Ore (BHPIO) staff have conducted several workshops and meetings where the attached RWQMP was developed. The draft has been positively reviewed by the DoH (regulator) as well as the DoW who are the regulators of the water catchment area in which the dam is located and recommendations made have been incorporated.

BHPIO also made a presentation to Council at the 26th August 2016 Council meeting about the Ophthalmia Dam Management Plan.

An MOU (attached) has been designed to ensure the roles and responsibilities of both parties are clearly defined as outlined in the RWQMP whose approach is to ensure that identified risks are eliminated where possible or controlled so far as reasonably practicable. The management plan is a live document which will be constantly reviewed and updated as and when found necessary.

STATUTORY IMPLICATIONS/REQUIREMENTS

Nil

POLICY IMPLICATIONS

Nil

STRATEGIC COMMUNITY PLAN

Goal 2 – Social – Planned Actions

The Shire of East Pilbara seeks to foster harmonious communities that acknowledge a shared heritage; develop strong community connections, and have access to relevant and affordable community services and well-managed community infrastructure.

RISK MANAGEMENT CONSIDERATIONS

The local government is under Section 26 of the Public Health Act 2016, authorised and directed to carry out within its district the provisions of this Act and the regulations, local laws, and orders made thereunder under. This includes human health risks posed by the recreational use of Ophthalmia dam falls. Failure to comply with this requirement would result in a statutory breach after which a statutory order

may be issued by the Executive Director Public Health to do so as per the provisions of Section 35 of the Public Health Act 2016.

FINANCIAL IMPLICATIONS

Resource requirements are in accordance with existing budgetary allocation.

VOTING REQUIREMENTS

Simple.

OFFICER'S RECOMMENDATION

THAT Council endorses the Ophthalmia dam Recreational Water Quality Management Plan (RWQMP) and the MOU between BHPBIO and the Shire of East Pilbara for the management of Ophthalmia dam and that it authorises the Chief Executive Officer to sign the MOU on behalf of council.

**9.3.3 PROPOSED LOCAL PLANNING POLICY NO12 NEWMAN ESTATE
DESIGN GUIDELINES**

File Ref:	PLN-2-7
Attachments:	Draft LPP 12 Newman Estate Design Guidelines
Responsible Officer:	Mr Rick Miller Director Technical and Development Services
Author:	Mr Roy Winslow Manager Development Services - Planning
Proposed Meeting Date:	23 September 2016
Location/Address:	Area bounded by Daniels Drive, Kalgan Drive, Great Northern Highway and Blanche Loop, Newman
Name of Applicant:	N/A
Author Disclosure of Interest:	Nil

REPORT PURPOSE

For Council to consider advertising a draft local planning policy relating to design guidelines for future housing in the 'Newman Estate'.

BACKGROUND

Newman Estate comprises 244 lots constructed in 2014-15 that are currently vacant. Prior to any of the lots being developed, it is prudent to ensure that future dwellings are built to an appropriate standard given the prominent location of the Estate at the entrance to Newman.

The developer of the Estate previously prepared a set of design guidelines that would have been enforced as a condition of sale on each of the lots. Due to the developer entering receivership there is a strong likelihood that the lots will be sold unencumbered by the guidelines. Under its Town Planning Scheme, Council has the ability to apply the guidelines as a local planning policy.

Shire officers have prepared the attached draft Local Planning Policy No.12 to act as the design guidelines for the Newman Estate. Public advertising of the draft Policy will be required prior to adoption should Council resolve to formally 'prepare' the Policy.

COMMENTS/OPTIONS/DISCUSSIONS

Policy Purpose

The purpose of the Policy is to provide design guidelines for the development of housing in the Newman Estate.

Policy Objectives

The key objectives of the Policy are to:

- Achieve a high quality standard of built form that reflects the location of the Estate at the entrance to Newman.
- Promote sustainability through residential design that is site and climate responsive to achieve thermal comfort.
- Maximise views of public spaces to improve security, whilst respecting individual privacy.
- Provide a process by which purchasers can have their building plans approved by the local government.

STATUTORY IMPLICATIONS/REQUIREMENTS

The ability to prepare a local planning policy is provided by Part 2, Division 2 of the *Deemed Provisions for Local Planning Schemes* (the Deemed Provisions). Clause 4 of the Deemed Provisions outlines the procedure for making a local planning policy.

Should Council resolve to 'prepare' the attached local planning policy, it is required to advertise the draft for public comment for a minimum 21 day period prior to considering to either proceed or not proceed with the policy.

The design guidelines are designed to complement the standard residential development requirements contained in the Residential Design Codes (R-Codes). The ability to supplement the R-Codes is permitted under Part 7 of the R-Codes.

POLICY IMPLICATIONS

9.2 EAST NEWMAN MASTER PLAN – LOCAL PLANNING POLICY NO. 1

10.10 ROAD VERGE DEVELOPMENT CRITERIA

10.13 USE OF NATIVE PLANTS, SHRUBS AND GRASSES

The draft Policy is drafted to complement the above Council policies.

STRATEGIC COMMUNITY PLAN

Goal 3 – Economic – Planned Actions

The Shire of East Pilbara seeks to support the economic development of its communities through the establishment of partnerships with industry, local businesses, government agencies and the tourism sector.

3.4 Land use and development control

3.4.1 Encourage the release of adequate amounts of housing, industrial and commercial land

Partnering With: State Government, Industry

Responsible officer: CEO

Timing: 1-5 years

3.4.2 Plan well for the future development of the Shire

Partnering With: State Government, Industry

Responsible officer: CEO

Timing: 1-5 years

Goal 4 – Environmental – Planned Actions

The Shire of East Pilbara seeks to effectively manage and maintain its iconic Pilbara environmental assets by reducing ecological footprints and developing clean, green towns.

4.2 Promote a sustainable environment

4.2.1 Cultivate clean green towns

Partnering With: State Government, Industry, Community

Responsible officer: MCW

Timing 1 year

4.2.2 Promote improved water management

Partnering With: Federal Government, State Government, Industry

Responsible officer: DTDS

Timing: 1-3 years

RISK MANAGEMENT CONSIDERATIONS

It is recommended that the draft Policy be made in accordance with the Deemed Provisions and Part 7 of the R-Codes. This will ensure there is no increase in risk to Council in carrying out its statutory obligations under the Planning and Development Act.

FINANCIAL IMPLICATIONS

Resource requirements are in accordance with existing budgetary allocation.

VOTING REQUIREMENTS

Simple.

OFFICER'S RECOMMENDATION

THAT Council

- 1. In accordance with clause 3 of the Deemed Provisions for Local Planning Schemes, prepare draft Local Planning Policy No.12 *Newman Estate Design Guidelines* as attached; and**
- 2. Instruct the Chief Executive Officer to carry out the advertising procedure for making a local planning policy for draft Local Planning Policy No.12 *Newman Estate Design Guidelines*, as required by clause 4 of the Deemed Provisions for Local Planning Schemes, prior to further consideration by Council.**

9.3.4 MOTOR GRADER REPLACEMENT

File Ref: P2829
Responsible Officer: Mr Rick Miller
Director Technical and Development Services
Author: Mr Oliver Schaer
Manager Technical Services - Rural
Proposed Meeting Date: 23 September 2016
Location/Address: N/A
Name of Applicant: N/A
Author Disclosure of Interest: Nil

REPORT PURPOSE

To consider price submissions for the replacement of Council's Motor Grader Plant 2829, 2008 Caterpillar 140M and to utilise the WALGA Preferred Supply Panel tender exemption to carry out the procurement process.

BACKGROUND

Council's Grader Fleet currently consists of four graders:

Plant No	Year	Make/Model
2742	2014	Komatsu GD655-5
2743	2012	Caterpillar 140M
2828	2015	Komatsu GD655-5
2829	2008	Caterpillar 140M

Plant 2829, 2008 Caterpillar 140M is the grader considered for replacement in this report in line with Council's adopted Plant Replacement Program and budget allocations for the 2016/2017 financial year.

Council's Plant Replacement Policy (10.8 Plant Replacement Policy) states that the preferred replacement period for Graders is 10,000 hours or 7 years. Plant has reached 9,581 hours and is 8 years old.

Quotes have been obtained utilising the WALGA Preferred Supply Panel for Plant and Equipment Contract No C023-11. The limitation of this contract is that it doesn't allow for the inclusion of a trade. As such, disposal needs to be conducted by a public process, either tender or public auction, and as such it is proposed to dispose of Council's current grader Plant 2829 by public auction in order to comply with this requirement.

Prices have been obtained from Westrac and Komatsu for the supply and delivery of the following:

1 x 2016 Caterpillar 140M Motor Grader
1 x 2016 Komatsu GD655-5 Motor Grader
1 x 2016 Caterpillar 12M Motor Grader

Due to the remote, isolated and extreme operating conditions it is essential that the graders are not only reliable but are also backed up by superior servicing and parts support hence the request for quotes has been limited to the suppliers that have a proven record in this area and have previously demonstrated that they are able and capable in providing the required back up and support necessary to support Council's graders. Both Caterpillar and Komatsu have service centres and field service staff at numerous locations throughout the Pilbara and as such are considered to be the most suitable for Council's operational support and backup.

COMMENTS/OPTIONS/DISCUSSIONS

The following table represents the three price submissions received for Council's consideration:

	Caterpillar 12M	Caterpillar 140M	Komatsu GD 655-5
Selling Price (ex GST)	\$365,170	\$398,670	\$374,617.17
Plus GST	\$36,517	\$39,867	\$37,461.72
Selling Price (Inc GST)	\$401,687	\$438,537	\$412,078.89
Engine	Caterpillar C7 183HP/213 VHP Plus	Caterpillar C7 183HP/233 VHP Plus	Komatsu SAA6D107E-1 183HP/203HP/221VHP
Maximum Torque	1052 N-m	1159 N-m	941 N-m
Tyres	17.5 R25	17.5 R25	17.5 R25
Blade	14 Foot	14 Foot	14 Foot
Blade Down Pressure:	11,739 kg	12,929 kg	8,920 kg
Blade Pull:	13,685 kg	14,405 kg	11,835 kg
Ripper			
Penetration Force:	9,199 kg	9,317 kg	9,202 kg
Pry Out Force:	11,641 kg	11,911 kg	13,020 kg
Cabin Noise Level	74dB(A)	74dB(A)	74dB(A)
Fuel Capacity	416L	416L	416L
Gross Vehicle Weight (Typically Equipped, as per Manufacturers Brochures)	18,400kg Front Axle: 5,090 kg Rear Axle: 13,310 kg	18,991kg Front Axle: 5,314 kg Rear Axle: 13,677 kg	18,520kg Front Axle: 5,371 kg Rear Axle: 13,150 kg
Warranty	60 months/6,000 hours Premium	60 months/6,000 hours Premium	60 months/6,000 hours Premium
Complementary Servicing	Not Offered	Not Offered	3 year/2000 Hours

Caterpillar 12M

Traditionally a smaller machine in terms of engine size, rims and blade however the new 12M has been upgraded to be identical to the previous model 140M (our current 2008 140M).

The 12M now features the same C7 engine along with larger diameter wheels, 14 foot blade etc. The only notable difference between the new 12M and new 140M is the engine horsepower range in the higher gears and a marginal weight difference.

Why the similarity between the two machines is not clear and when queried with the sales representative it was unknown. Given that there is a significant price difference between the 12M and 140M (\$33,500) and given that the two machines are virtually identical other than a few minor engine tweaks (the 140M has a higher horsepower range in the higher gears) and the weight difference of around 600kg to 900kg, the only explanation would be a market share decision from Caterpillar in order to place machines in line with their competitors.

The only downside that can be determined is that the market would still view the 12M as a smaller machine and as such determine future trade values accordingly.

Caterpillar 140M

The 140M is identical to the machine being replaced. The current model 140M has had a power upgrade in the higher gears. Caterpillar Graders are now fitted with the Cat Grade Control System. The cross slope system automatically controls elevation on the other end of the blade to maintain the target cross slope.

The 140M is the most powerful machine in terms of performance on paper which doesn't necessarily translate to performance on the ground. Operators have reported that the Caterpillar machines struggle in soft sandy conditions whereas the Komatsu is able to transfer power to the ground much more effectively.

The electronic operating and steering controls on the Caterpillar graders are prone to failures due to our remote, hot and dusty operating conditions.

Westrac servicing has been to a high standard and response times have been very good.

Komatsu GD655-5

The model on offer is identical to the machine purchased by Council last year and the year before.

Council's current two GD 655-5 graders have been operating well with no notable reliability/maintenance issues. Komatsu servicing has been to a good standard and the complementary 2,000 hours free servicing (excluding travel above 100km) has been advantageous.

Komatsu still has the traditional lever controls and steering wheel which is preferred by some operators. The steering wheel offers greater control when tramming particularly when travelling on sealed roads with regular public traffic.

The use of less electronics has an advantage in remote dusty operating environments. Additionally, the reverse fan function is an excellent addition in keeping the radiator free of dirt/dust thus improving machine operating temperatures.

We have had several operators on the Komatsu graders and all have reported that the Komatsu is noticeably bouncier (rougher) when grading and tramming compared to the Caterpillar.

The quoted price includes a cab pressuriser valued at \$10,347.24 in order to provide greater cabin comfort to the operator by limiting dust intrusion to the cabin. Should this option not be required the cost can be deleted from the quoted price. It should be noted however that both of Council's current Komatsu graders have this option fitted with great results.

Conclusion

Both the Caterpillar M series and the Komatsu GD series are suitable for our operational requirements. Neither machine ticks all the boxes in terms of operator comfort and operational performance however both perform their primary function extremely well.

The majority of our operators prefer the Komatsu GD series due to the use of less electronics and the retention of the traditional steering wheel controls and levers vs the Caterpillar's use of all joy stick controls.

The Komatsu has a reverse fan function for the radiator which allows easy cleaning of the radiator additionally the Komatsu has the dual mode transmission (auto or manual mode) with a non-stall function which provides much greater control at slow operating speeds particularly in soft sandy conditions.

Whilst the Komatsu appears down on torque, blade pressure and pull based on the manufacturers documentation compared to the Caterpillar this is not noticeable on the ground particularly given the non-stall function at low speeds in soft sand where the Komatsu outperforms the Caterpillar.

In conclusion, based on operator feedback, demonstrated reliability and performance over the past two years from Komatsu as well as the gratis 2,000hr servicing the recommendation is to purchase the Komatsu GD655-5.

STATUTORY IMPLICATIONS/REQUIREMENTS

Part 3 - Functions of local governments (Division 3 - Executive functions of local governments) (Subdivision 6 - Various executive functions) 3.57 - Tenders for providing goods or services (pg 70) and Section 3.58 - Disposing of Property.

Quotes have been obtained utilising WALGA's Preferred Supply Panel for Plant and Equipment Contract C023-11

POLICY IMPLICATIONS

4.5 EXECUTION OF DOCUMENTS

Minute No: Item 9.1.3

Date: 27th June 2003

Objective

To allow for the proper execution of documents.

Policy

All documents validly executed will have the common seal affixed and the Shire President and the Chief Executive Officer's attestations affixing the seal. Use of the common seal is to be recorded in the common seal register and must have the Council resolution number included and the date that the seal was applied.



10.8 Plant Replacement Policy

Responsible Directorate	Technical and Development Services
Responsible Officer	Director Technical and Development Services
File Number	TCH 2-7

Objective

To outline Council's policy for the management of the minor and major plant and equipment, and the fleet of light, medium and heavy vehicles.

Policy

The categories of plant and vehicles are established to recognise the different operational and replacement requirements of the items.

The purpose of a replacement policy is to ensure that the items of plant and vehicles utilised by Shire staff:

1. meets safe operational needs
2. minimises the cost of maintenance and repairs
3. Is replaced at the appropriate time to minimise net changeover costs

The operation of plant and vehicles within the North-West of Western Australia incurs reduced service life when compared with the cooler and less harsh operating environment of the southern areas of the State.

The following table sets out the preferred replacement period of the various categories of plant and vehicles:

Category	Description	Replacement Period
Light Vehicles:	Utilities, Cars & 4WDs	80,000 km or 3 years
Light trucks:	2 ½ 214rgan up to 8 tonnes	80,000 km
Buses:	RPT Bus and any others	120,000 km
Rubbish Compactor Trucks:	Cab/Chassis truck Compactor Unit	80,000 km or 5 years 10 years
Heavy Trucks:	over 8 tonne	Every 250,000 km or 5 years
Trailers:	Operating capacity exceeding 6 tonne Operating capacity between 2 tonne and up to 6.0 tonne Up to 2 tonne	By Council Resolution, but not exceeding 15 years By Council Resolution, but not exceeding 10 years 7 years



	Caravans	7 years
Ride on Mowers	all sizes	1,000 hours or 4 years
Road Sweepers	Self-propelled Sweeper attachments	5,000 hours or 100,000 km 5 years
Light Plant – A	Tractors (up to 60 kW), Skid Steer Loaders and similar.	5,000 hours or 5 years
Light Plant – B	Backhoes	5,000 hrs. or 7 years
Heavy Plant -	Graders, Bulldozers, Tractors (over 60kW), Front End Loaders, Fork Lifts, Excavators and similar	10,000 hours or 7 years
Miscellaneous Equipment – A	Chainsaws, whipper-snippers	2 years
	Walk behind mowers	2 years
	Cement mixers	3 years
	Plate compactors, tampers	4 years
	Portable fire pumps, air compressors and similar	4 years
Miscellaneous Equipment – B	Welders, air compressors and similar	10 years
	Generators	5 years
Tractor and Skid Steer Loader attachments	Slashers, turf mowers, and similar	5 years

A review of the rolling 5-year replacement program will be prepared and considered as part of the annual Budget.

References			
Related Procedures	Nil		
Date Adopted by Council	27 June 2003	Item No	9.1.3
Review/Amendment Date	5 May 2006	Item No	
Next Review			



10.12 Purchasing and Tender Procedures

Responsible Directorate	Technical and Development Services
Responsible Officer	Chief Executive Officer Deputy Chief Executive Officer Director Technical and Development Services
File Number	TCH 1-7

Objective

1. To provide compliance with the *Local Government Act 1995* and the *Local Government (Functions and General) Regulations 1996* (as amended).
2. To set guidelines which must be followed when inviting tenders for works and services within the Shire.
3. To ensure consistency that purchasing activities integrate within all Shire of East Pilbara operational areas.

Purchase Procedures

NOTE: All Figures in this policy are exclusive of GST

The following procedures will be adhered to when purchasing items and other goods and services as per the adopted budget. All purchase orders are to be completed as set out below.

\$0 - \$50	Under direction from the authorised supervisor, petty cash may be utilised for purchases in this range.
\$51 - \$5,000	Under direction from the authorised supervisor, a purchase order book will be utilised without quotes necessarily being obtained.
\$5,001 - \$39,999	Under direction from the authorised supervisor, a purchase or other order will be utilised and three verbal or written quotes shall be obtained.
\$40,000 - \$149,999	Under direction from the authorised supervisor, and in consultation with the Chief Executive Officer, the Deputy Chief Executive Officer and/or the Director Technical and Development Services a purchase order will be utilised and three written quotes shall be obtained. In obtaining written quotations the Council Purchasing Service shall be utilised wherever practicable.



\$150,000 & greater	Under direction from the authorised supervisor tenders will be invited as follows. If work is allowed for in the budget a request for tender form is to be submitted to the Chief Executive Officer for approval. If the work is not allowed for in the budget permission to go to tender must be obtained from Council.
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Capital Expenditure

All capital purchase orders will be signed by the Chief Executive Officer, Deputy Chief Executive Officer or the Director Technical & Development Services with the exception of road construction and plant fleet which can be signed by Manager Technical Services – Rural.

Definition of a Capital Item for the purpose of the Shire of East Pilbara:

1. Any item budgeted as a capital item in the adopted budget;
2. Any item to be purchased, which involves the replacement of an existing asset through the sale, trade-in, write-off or disposal of an item on the fixed asset register.

Refer to the Accounting Policy in the Council's Policy Manual for the further treatment of non-current assets.

No item of a capital nature may be purchased unless included in the adopted budget, or if unbudgeted, has been approved by "absolute majority" of Council prior to the purchase of the item. (Council has no retrospective right of approval of purchase of non-budgeted items of capital).

In order to preserve the cash flow of the Shire, major items of budgeted capital expenditure should be deferred, where possible, until the second or third quarter of the financial year. However all capital orders must be raised by the 30 April to allow adequate time for payment by June 30 of each year. In all cases, the timing of the expenditure on major items of capital should be discussed and agreed with the Deputy Chief Executive Officer.

Orders for Goods & Services

Purchase orders must be made out and signed by authorised persons for all goods and services ordered for the Shire at the time that the order is placed. **Orders should never be raised retrospectively.**

The following staff may raise a purchase order in accordance with value procedures as previously set out in this clause to the maximum value of \$150,000. If the purchase is in excess of \$150,000 a requisition is to be authorised by the Chief Executive Officer prior to the order being issued:

1. Deputy Chief Executive Officer
2. Director Technical & Development Services
3. Manager Technical Services – Rural (road construction and plant only)



The following staff may raise a purchase order in accordance with value procedures as previously set out in this clause to the maximum value of \$30,000. If the purchase is in excess of \$30,000 a requisition is to be authorised by their supervisor prior to the order being issued;

1. Managers
2. Coordinator Property Services

The following staff may raise a purchase order in accordance with value procedures as previously set out in this clause to the maximum value of \$10,000.

1. Coordinators
2. Works Supervisor (Newman and Marble Bar)

If the purchase is in excess of \$10,000 a requisition is to be authorised by their supervisor prior to the order being issued.

Other officer's in line with relevant procedures will have authority to authorise purchases to the value of \$2,000.

Light Vehicle Purchases

The designated Fleet Officer is authorized to purchase light vehicles under \$150,000 utilising the WA State Purchasing Agreement and adhering to Council's budget decisions and Council's Light Vehicle Policy. Any vehicle incurring the luxury car tax will have to be approved by the Chief Executive Officer or the Deputy Chief Executive Officer.

Consultants Services

Services separately identified in the adopted budget to be at officer's discretion up to \$20,000.

Between \$20,001 and \$150,000 a Request For Quote procedure shall be utilised, in compliance with purchase thresholds.

A request for services, which it is envisaged, will exceed \$150,000 shall undergo the full tender process.

Light Vehicle Disposals

The preference for the disposal of light vehicles (less than \$150,000) is by public auction.

The reserve sale price is to be determined by the Manager Technical Services – Rural in conjunction with the Chief Executive Officer and/or the Director Technical and Development Services.

The following information sources will be utilised in determining the reserve sale price:

1. Valuation by the auction house.
2. Valuation from a recognised source ie: red book.
3. Internet research.
4. Past sales by auction house.



Disposals are to be completed within the same financial year, or within 3 months of receipt of a new vehicle, whichever is the sooner to maximise sales return

Regulatory Compliance

In the following instances public tenders or quotation procedures are exempt (regardless of the value of expenditure):

7. An emergency situation as defined by the Local Government Act 1995;
8. The purchase is under a contract of WALGA (Preferred Supplier Arrangements), Department of Treasury and Finance (permitted Common Use Arrangements), Regional Council, or another Local Government;
9. The purchase is under auction which has been authorised by Council;
10. The contract is for petrol, oil, or other liquid or gas used for internal combustion engines;
11. Any of the other exclusions under Regulation 11 of the Local Government (Functions and General) Regulations 1996 apply;
12. The purchase is under the Shire of East Pilbara Supplier Panel and is under \$30,000 exc GST.
13. The goods or services are obtained through a person registered on the Aboriginal Business Directory WA for contracts worth \$250,000 or less.
14. The goods or services are obtained through an Australian Disability Enterprise.

STRATEGIC COMMUNITY PLAN

Nil

RISK MANAGEMENT CONSIDERATIONS

Full Operator Training is included in the purchase of a new machine. Replacement meets with Council's adopted Plant Replacement Program and budget allocations. Retention of existing machine would incur high maintenance costs as the machine is expected to require major overhauls as it reaches the 10,000 hour operational cycle. Disposal values will be greatly reduced as the machine ages and reaches the 10,000 hour threshold. Reliability and performance would be affected by the increased maintenance demands thus affecting service delivery.

FINANCIAL IMPLICATIONS

Resource requirements are in accordance with existing budgetary allocation.

The 2016/2017 Budget GL 129077 has an allocation of \$420,000 for the purchase of a new grader.

VOTING REQUIREMENTS

Simple.

OFFICER'S RECOMMENDATION

THAT

- 1. Council accepts the price submission from Komatsu for the supply and delivery of One (1) New 2016 plated Komatsu GD655-5 Motor Grader at the quoted price of \$412,078.89 (GST Inclusive).**
- 2. Plant 2829, 2008 Caterpillar 140M Motor Grader is disposed of at Public Auction.**
- 3. Approve the Chief Executive Officer to apply the common seal of the Shire of East Pilbara to the Contract between the Shire and Komatsu.**

9.3.5 RFT 02-2016/2017 SUPPLY OF CONCRETE WORKS

Attachments:	<u>RFT 02-2016-17 Recommendation Report.</u> <u>CONFIDENTIAL</u> RFT 02-2016-17- Map 1 and 2 for Agenda Item.pdf
Responsible Officer:	Mr Rick Miller Director Technical and Development Services
Author:	Mr Bhavesh Modi Manager Technical Services - Newman
Proposed Meeting Date:	23 September 2016
Location/Address:	N/A
Name of Applicant:	N/A
Author Disclosure of Interest:	Nil

REPORT PURPOSE

For Council to consider tender submissions for the provision of concrete works incorporating a number of streets of Newman town, in conjunction with the depot's 3-Year Plan for Newman Infrastructure Renewal and Preservation, and to seek approval for the Chief Executive Officer to apply the common seal of the Shire of East Pilbara to the Contract of the successful tenderer.

BACKGROUND

The concrete renewal works are to align with *the Shire of East Pilbara Strategic Community Plan 2013-2022 "Our Planned Actions- 3.3 "Provide Adequate Community Infrastructure"*.

A number of ageing and/or damaged concrete assets were identified by the depot staff during ground inspections throughout the year 2015, and incorporated in the depot's 3-Year Plan for Newman Infrastructure Renewal and Preservation, which are listed for renewal under this project and the relevant budget details are outlined further in this recommendation.

Furthermore, the budget, for this project, for the 2016-17 financial year were adopted at Council meet held on 24 July 2016 which included the following accounts;

GL	Description	Budget
129530	Newman Town Streets- Reseal (DGMRWA)	\$397,700
129573	Kerbing Program (Muni)	\$ 50,000
129574	Footpath Program (Muni)	\$200,000
Total Budget		\$647,700

It was required to advertise a tender to undertake the procurement for the services of Civil contractors for concrete renewal works for the Shire of East Pilbara.

The Shire advertised tender to seek services of a registered contractor/company to carry out concrete works, as per the Shire supplied specifications, which is including but not limited to the followings;

- The concrete work consists of renewal and/or installation of pathways of varying widths, connected pram crossings and extruded kerbing across various streets of Newman. The estimated quantities of kerbing and pathways are **2250 lineal metre and 2750 square metre**, respectively.

The request for tenders was advertised in the West Australian and the WALGA TenderLink e-Tendering Portal on 13th August 2016.

COMMENTS/OPTIONS/DISCUSSIONS

The contractors were requested to participate in a mandatory briefing meeting on Friday 26th August, 2016 which was attended by seven (7) contractors, including Argonaut Contracting, the Dowsing Family Trust, Jetline Kerbing Contractors, Axis Contracting, All state Kerbing and local contractors Land Lease Corporation Limited and Construction Site Solution with three of those contractors submitted their prices as mentioned just below.

The Shire of East Pilbara is committed to providing safe, adequate and efficient infrastructure that represents “value for money” to its residents and business community across the district.

In order to seek services of a registered contractor/company to carry out concrete works the Shire advertised tender and, on closing date Monday 5th September 2016, received three (3) tender submissions from the following companies:

The Dowsing Family Trust, Jetline Kerbing Contractors and Land Lease Corporation Limited.

The tender evaluation assessed each submission against a set of qualitative criteria being; Relevant Experience, Skills and Experience of Key Personnel, Methodology, Demonstrated Understanding which was then considered in conjunction with the submitted schedule of rates.

Confidential Tender Evaluation Report, including breakdown on quoted tender price and aggregated weighted scores by the evaluation panel are attached with this report

(Please find attached Confidential Tender Evaluation Report and relevant attachments).

Also, please find attached PDF Maps highlighted with streets that to be incorporated for the concrete works as listed below;

Map 1 and 2- Agenda Item for RFT 02-2016-17 Supply of Concrete Works

The supply of materials (concrete) will be coordinated by the contractor but the shire will be invoiced separately as it was deemed that the shire will get a better unit rate price from the shire’s only supplier. This cost is factored in to the overall costs and will be within budget estimates.

STATUTORY IMPLICATIONS/REQUIREMENTS

The requirements of the Local Government Act 1995 and the Local Government (Functions and General Regulations) 1996. Part 3 – Functions (Division 3 – Executive functions) 3.57 Tenders for providing goods or services.

POLICY IMPLICATIONS

4.5 EXECUTION OF DOCUMENTS

Minute No: Item 9.1.3

Date: 27th June 2003

Objective

To allow for the proper execution of documents.

Policy

All documents validly executed will have the common seal affixed and the Shire President and the Chief Executive Officer's attestations affixing the seal. Use of the common seal is to be recorded in the common seal register and must have the Council resolution number included and the date that the seal was applied.



10.12 Purchasing and Tender Procedures

Responsible Directorate	Technical and Development Services
Responsible Officer	Chief Executive Officer Deputy Chief Executive Officer Director Technical and Development Services
File Number	TCH 1-7

Objective

1. To provide compliance with the *Local Government Act 1995* and the *Local Government (Functions and General) Regulations 1996* (as amended).
2. To set guidelines which must be followed when inviting tenders for works and services within the Shire.
3. To ensure consistency that purchasing activities integrate within all Shire of East Pilbara operational areas.

Purchase Procedures

NOTE: All Figures in this policy are exclusive of GST

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Services separately identified in the adopted budget to be at officer's discretion up to \$20,000.

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The following information sources will be utilised in determining the reserve sale price:

1. Valuation by the auction house.
2. Valuation from a recognised source ie: red book.
3. Internet research.
4. Past sales by auction house.



Disposals are to be completed within the same financial year, or within 3 months of receipt of a new vehicle, whichever is the sooner to maximise sales return

Regulatory Compliance

In the following instances public tenders or quotation procedures are exempt (regardless of the value of expenditure):

7. An emergency situation as defined by the Local Government Act 1995;
8. The purchase is under a contract of WALGA (Preferred Supplier Arrangements), Department of Treasury and Finance (permitted Common Use Arrangements), Regional Council, or another Local Government;
9. The purchase is under auction which has been authorised by Council;
10. The contract is for petrol, oil, or other liquid or gas used for internal combustion engines;
11. Any of the other exclusions under Regulation 11 of the Local Government (Functions and General) Regulations 1996 apply;
12. The purchase is under the Shire of East Pilbara Supplier Panel and is under \$30,000 exc GST.
13. The goods or services are obtained through a person registered on the Aboriginal Business Directory WA for contracts worth \$250,000 or less.
14. The goods or services are obtained through an Australian Disability Enterprise.

STRATEGIC COMMUNITY PLAN

Goal 3 – Economic – Planned Actions

The Shire of East Pilbara seeks to support the economic development of its communities through the establishment of partnerships with industry, local businesses, government agencies and the tourism sector.

3.3 Provide adequate community infrastructure

RISK MANAGEMENT CONSIDERATIONS

Should the Council choose not to endorse the below recommendation, it could be deemed as an opportunity loss of engaging a well-known contractor with “value for money” offer. With that, the Council could miss this well planned and budgeted project incorporating renewal of its ageing and damaged concrete assets which community throughout Newman would not expect from the Council.

FINANCIAL IMPLICATIONS

Resource requirements are in accordance with existing budgetary allocation.

VOTING REQUIREMENTS

Simple.

OFFICER'S RECOMMENDATION

THAT Council

- 1. Award tender RFT 02-2016-17 for the provision of Supply of Concrete Works lump sum amount of \$230,400.00 Exclusive of GST to the Dowsing Family Trust for the 2016/17 Annual Works Program with the option of further works with two one year extensions as per the tendered Price Schedule and subject to satisfactory performance.**
- 2. Approve the Chief Executive Officer to apply the common seal of the Shire of East Pilbara to the Contract between the Shire and the Dowsing Family Trust with respect to this tender.**

- 10 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**
- 11 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY A DECISION OF COUNCIL**
- 12 CONFIDENTIAL MATTERS BEHIND CLOSED DOORS**
- 13 GENERAL BUSINESS**
- 14 DATE OF NEXT MEETING**
28th October 2016, Newman
- 15 CLOSURE**