



Minutes Certification

I certify that the Minutes of the 29th January 2019 Special Council Meeting were presented to the Council and confirmed at the 19th March 2019 Ordinary Council Meeting.

A handwritten signature in black ink, appearing to be "L Bonza", is written above a horizontal line.

Cr L Bonza
President



Minutes
Special Council Meeting
29th January 2019

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MINUTES of the SPECIAL Meeting of the Council to be
held in the Council Chambers at the Shire
Administration Office – Prinsep Street Norseman on
the 29th January 2019 commencing at 6.00pm

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1 Declaration of Opening and Announcement of Visitors.

The Shire President welcomed all in attendance and declared the meeting open at 6:00pm.

This Special Council Meeting will be video recorded to assist in the preparation of the minutes of the meeting.

The Shire of Dundas recognises the Ngadju and Mirning People as First Nations People in the Shire of Dundas, acknowledging them as traditional custodians and pay our respects to their Elders, past, present and emerging.

1.1 Attendance at meeting by Councillor AR Patupis.

The Shire President has been advised that Cr Patupis will be in Applecross, Western Australia when the meeting is held and have requested attendance by way of instantaneous telephone connection with other Councillors present at the meeting in accordance with Administration Regulation 14A.

Cr Patupis will be at 33 The Strand, Applecross WA 6153.

The Council must approve of the place that Cr Patupis is located as a "suitable place" that must be in a town site or other residential area at least 150 kilometres from where the meeting is being held.

Recommendation

That Cr Patupis be permitted to attend this meeting by way of instantaneous telephone connection from Applecross, Western Australia, on the basis that she is in a "suitable place" for the purpose of Administration Regulation 14A.

Moved: Cr Hogan

Seconded: Cr Wyatt

Resolution

That Cr Patupis be permitted to attend this meeting by way of instantaneous telephone connection from Applecross, Western Australia, on the basis that she is in a "suitable place" for the purpose of Administration Regulation 14A.

Carried by: Absolute Majority

For: 5

Against: 0

2 Declarations of Financial, Proximity, Impartiality Interests & Gifts Received.

Financial Interests:

Nil

Proximity Interests:

Nil

Impartiality Interests:

Nil

Gifts Received by Councillors:

As per the Shire of Dundas Code of Conduct section 3.4 Gifts, adopted by the Council on 21 October 2014 and reference to Regulation 34B of the Local Government (Administration) 1996.

Nil

3 Record of Attendance of Councillors / Officers and Apologies.

Cr LG Bonza	Shire President
Cr AR Patupis	Deputy Shire President
Cr JEP Hogan	
Cr BN Bayley	
Cr SM Warner	
Cr VL Wyatt	
Peter Fitchat	Chief Executive Officer
Gihan Kohobange	Deputy Chief Executive Officer
Pania Turner	Manager of Community Development
Peter Crawford	Manager of Works and Services
Sonya Ellison	Senior Administration Officer

Public Gallery

Lynn Webb

4 Applications for Leave of Absence.

Nil

5 Public Question Time.

Nil

6 Petitions, Deputations or Presentations.

Lynn Webb, Chairperson Norseman Visitor Centre – advised Council the newly appointed Norseman Visitor Centre Manager is Leanne Jamieson.

7 Announcements by Presiding Member without Discussion.

Nil

8 Reports of Officers.**8.1 Planning, Development, Health and Building**

Agenda Reference & Subject	
8.1.1 - Application for Exploration Licence 63/1939 & 63/1941 Anderson Tenement Services PTY LTD on behalf of Kingmaker Exploration No 1 PTY LTD	
Location / Address	Shire of Dundas
File Reference	RV.VA.2
Author	CEO
Date of Report	14 th January 2019
Disclosure of Interest	Nil

Summary

Application for Exploration Licence 63/1939 & 63/1941 Anderson Tenement Services PTY LTD on behalf of Kingmaker Exploration No 1 PTY LTD as attached in the papers relating.

Background

The application was received from Anderson Tenement Services PTY LTD on behalf of Kingmaker Exploration No 1 PTY LTD on 11th January 2019, for exploration.

Application received:	11 th January 2019
Applicant:	Anderson Tenement Services PTY LTD
From or on behalf:	Kingmaker Exploration No 1 PTY LTD
Application date (DMIRS):	07/11/2019
Posted:	04/01/2019
Received:	11/01/2019
Objection date:	08/02/2019
Next Council workshop:	05/02/2019
Council meeting on the:	19/02/2019

Statutory Environment

Mining Act 1978
Mining Regulations 1981

Policy Implications

Council has no Policies in relation to this matter.

Financial Implications

None

Strategic Implications

Strategic Community Plan 2012-22 Strategy Theme 2 (A Thriving Community Local Economy and Economic Base) items 2-2.1, 2.2, 2.3, 2.4 Theme 3 (Natural & Built Environment) items 3.1, 3.2, 3.3, 3.4, 3.5.

Consultation

None

Comment

This application for Exploration Licence E 63/1939 & 63/1941 Anderson Tenement Services PTY LTD on behalf of Kingmaker Exploration No 1 PTY LTD as attached in the papers relating. For Councils information this application was received on the 11th January 2019 and objections close on the 8th February 2019. This application on E63/1941 is on the reserve that the Golf Links at Frazer Range is situated on approximately 120 kilometres from Norseman heading east on the Eyre Highway.

Voting Requirements

Absolute Majority

Officer Recommendation

That the Council of the Shire of Dundas submit an objection for the Exploration Licence E 63/1939 & 63/1941 Anderson Tenement Services PTY LTD on behalf of Kingmaker Exploration No 1 PTY LTD:

1. Until a commitment is reached that there will be no impact on current and future tourism activities on these tenements through their exploration activities.

Moved Cr Hogan
Seconded Cr Patupis

Resolution

That the Council of the Shire of Dundas submit an objection for the Exploration Licence E 63/1939 & 63/1941 Anderson Tenement Services PTY LTD on behalf of Kingmaker Exploration No 1 PTY LTD:

1. Until a commitment is reached that there will be no impact on current and future tourism activities on these tenements through their exploration activities.

Carried by: Absolute Majority For: 6 Against: 0

Agenda Reference & Subject	
8.1.2 - Application for Exploration Licence 63/1940-41, 43, 44, 45, 46 Typhon Minerals PTY	
Location / Address	Shire of Dundas
File Reference	RV.VA.2
Author	CEO
Date of Report	22 nd January 2019
Disclosure of Interest	Nil

Summary

Application for Exploration Licence 63/1940- 41, 43, 44, 45, 46 Typhon Minerals PTY LTD as attached in the papers relating.

Background

The application was received from Typhon Minerals PTY LTD 15th January 2019, for exploration.

Application received: 15th January 2019
 Applicant: Typhon Minerals PTY LTD
 From or on behalf: Nil
 Application date (DMIRS): 04/01/2019
 Posted: N/A
 Objection date: 08/02/2019
 Next Council workshop: Special Meeting
 Council meeting on the: 29/01/2019

Statutory Environment

Mining Act 1978
Mining Regulations 1981

Policy Implications

Council has no Policies in relation to this matter.

Financial Implications

None

Strategic Implications

Strategic Community Plan 2012-22 Strategy Theme 2 (A Thriving Community Local Economy and Economic Base) items 2-2.1, 2.2, 2.3, 2.4 Theme 3 (Natural & Built Environment) items 3.1, 3.2, 3.3, 3.4, 3.5.

Consultation

None

Comment

This application for Exploration Licence E 63/1940-41, 43, 44, 45, 46, Typhon Minerals PTY LTD as attached in the papers relating. For Councils information this application was received on the 15th January 2019 and objections close on the 8th February 2019. This application on E63/1940-41, 43 is on the reserve that the Golf Links at Frazer Range is situated on approximately 120 kilometres from Norseman heading east on the end of Southern Hills Road.

Voting Requirements

Absolute Majority

Officer Recommendation

That the Council of the Shire of Dundas submit an objection for the Exploration Licence E 63/1940-41,43,44, 45, 46 Typhon Minerals PTY LTD:

1. **Until an impact assessment is done and an agreement is reached for the maintenance on Southern Hills Road and Frasers Range Road; and**
2. **Until a commitment is reached that there will be no impact on current and future tourism activities on these tenements through their exploration activities.**

Moved Cr Bayley
Seconded Cr Warner

Resolution

That the Council of the Shire of Dundas submit an objection for the Exploration Licence E 63/1940-41,43,44, 45, 46 Typhon Minerals PTY LTD:

1. **Until an impact assessment is done and an agreement is reached for the maintenance on Southern Hills Road and Frasers Range Road; and**
2. **Until a commitment is reached that there will be no impact on current and future tourism activities on these tenements through their exploration activities.**

Carried by: Absolute Majority

For: 6

Against: 0

Agenda Reference & Subject	
8.1.3 - Application for General Purpose Lease G63/10 and 11 Audalia Resources Ltd	
Location / Address	Shire of Dundas
File Reference	RV.VA.2
Author	CEO
Date of Report	23 rd January 2019

Disclosure of Interest	Nil
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Summary

The application is for General Purpose Lease G63/10 and 11 Audalia Resources Ltd as attached in the papers relating.

Background

The application was received from Hetherington Exploration and Mining Title Services (WA) Pty Ltd acting on behalf of Audalia Resources Ltd on 21st January 2019, for exploration.

Application received: 21st January 2019
Applicant: Audalia Resources LTD
From or on behalf: Hetherington Exploration and Mining Title Services (WA) Pty Ltd
Application date (DMIRS): 16/01/2019
Posted: N/A
Objection date: 20/02/2019
Next Council workshop: Special Meeting
Council meeting on the: 29/01/2019

Statutory Environment

Mining Act 1978
Mining Regulations 1981

Policy Implications

Council has no Policies in relation to this matter.

Financial Implications

None

Strategic Implications

Strategic Community Plan 2012-22 Strategy Theme 2 (A Thriving Community Local Economy and Economic Base) items 2-2.1, 2.2, 2.3, 2.4 Theme 3 (Natural & Built Environment) items 3.1, 3.2, 3.3, 3.4, 3.5.

Consultation

None

Comment

The application is from Hetherington Exploration and Mining Title Services (WA) Pty Ltd, acting on behalf of Audalia Resources Ltd, as attached in the papers relating. For Councils information this application was received on the 21st January 2019 and objections close on the 20th February 2019. This application for General Purpose Lease G63/10 and 11, is South of Lake Medcalf, situated approximately 88 kilometres South West and 48 kilometres South of Pit 7 on the Hyden-Norseman Road. We will need to establish an impact assessment and a maintenance agreement, as with other Mining Companies and Council, working on maintenance and other projects on this road. We also need confirmation of where the access road to this lease area will start, as Disappointment Rock is one of our tourist destinations, and establish if this will be impacted.

Voting Requirements

Absolute Majority

Officer Recommendation

That the Council of the Shire of Dundas submit an objection for the for General Purpose lease G63/10 and 11 from Hetherington Exploration and Mining Title Services (WA) Pty Ltd, acting on behalf of Audalia Resources Ltd until;

1. An impact assessment is complete, and an agreement is reached for the maintenance on the Hyden-Norseman Road and,
2. A commitment is made that there will be no impact on current and future tourism activities on these tenements through their exploration activities.

Moved Cr Bayley
Seconded Cr Wyatt

Resolution

That the Council of the Shire of Dundas submit an objection for the for General Purpose lease G63/10 and 11 from Hetherington Exploration and Mining Title Services (WA) Pty Ltd, acting on behalf of Audalia Resources Ltd until;

1. An impact assessment is complete, and an agreement is reached for the maintenance on the Hyden-Norseman Road and,
2. A commitment is made that there will be no impact on current and future tourism activities on these tenements through their exploration activities.

Carried by: Absolute Majority For: 6 Against: 0

8.2 Engineering and Works

Nil

8.3 Members and Policy

Nil

8.4 Administration, Finance and Community Service

Agenda Reference & Subject	
8.4.1 – Awarding of Tender – Awarding of Refurbishment and Construction Tender for Woodlands Cultural, Community and Visitor Centre Norseman	
Location / Address	Shire of Dundas
File Reference	CP.DC.2
Author	Pania Turner / Gihan Kohobange
Date of Report	29 th January 2019
Disclosure of Interest	Nil

Summary

For the Council of the Shire of Dundas to consider the awarding of a contract for the Refurbishment and Construction Tender for Woodlands Cultural, Community and Visitor Centre Norseman

Background

The Woodlands Centre project has been part of the Shire of Dundas forward planning for several years with the building having been purchased during 2014/15. The project will form part of the development of a "precinct" on the Coolgardie- Esperance road (Prinsep Street when traveling through Norseman) creating an interest and destination point to both travellers and local community. On completion the Woodlands Cultural Community and Visitor Centre the project will add to the economic and social diversity of Norseman and the Shire of Dundas.

At the May 2018 Special Meeting of the Council, Council have resolved to:

"That the Council of the Shire of Dundas,

- 1. Note the project review report compiled by GFG Consulting;**
- 2. The CEO to present in consultation with the Visitor Centre and the Woodlands Cultural, Community and Visitors Centre Advisory Group, a well-defined and costed operating model for the Woodlands Cultural, Community and Visitor Centre, for the Council's consideration, before the development application of the project is presented to the Council;**
- 3. Approve the scope of the project as outlined under "Option 1" in the project review report given in papers relating subject to a maximum total project cost of \$2.5 million; and**
- 4. Delegate authority to the CEO, in consultation with Council, to make required changes to the design attached to Option 1 to further improve the functionality of the centre and to achieve cost savings."**

At the 8th November 2018 Special Meeting of the Council, Council resolved to:

"That the Shire of Dundas Council approve the Selection Criteria and designated Weighting Percentages for the Woodlands Cultural, Community and Visitor Centre Building and Construction Tender Document as presented in the Officer's report."

The tender for this project has now closed allowing for a more accurate set of costings which take into account tenderer submissions.

Statutory Environment

If a local government is proposing to enter into a contract for the supply of goods or services and the value of that contract exceeds \$150,000 excluding GST, it is required to call for tenders. There is an exemption to this requirement if the goods or services are purchased using the WALGA Preferred Supplier Panel.

Policy Implications

Complies with Policy F-3 Purchasing Policy

Financial Implications

Costs for this project have been sourced from three major funding bodies, to a total of \$2.45million

Strategic Implications

Strategic Community Plan,

Theme 1: A thriving local economy and economic base.

2.1 Opportunity for Economic Diversification

A vibrant economy that includes and supports opportunities for mining industry, creative and cultural industries, tourism shopping and business.

Theme 3: Natural & Built Environment

3.4 Enhancement of natural tourist destinations

Development of the Great Western Woodlands that maintains the overall natural beauty of the area however still provides opportunities for tourism and other uses.

Consultation

GFG Consultants, CEO, Works Manager and Local Content Adviser (GEDC)

Comment

All submissions have put project costs over the pre-approved option one.

GFG consultants were appointed to manage the tender on behalf of the Shire. The Tender was advertised in the West Australian newspaper on 02 December 2018 and the tender period closed at 12pm on 21 December 2018. 4 addendums were issued on the:

- 5/12/2018. Response to Tenderer's RFIS
- 10/12/2018. Tender submission date has been extended from 5pm 17th December 2018 to 12 noon 21st December 2018.
- 11/12/2018. Response to Tenderer's RFIS
- 18/12/2018. Response to Tenderer's RFIS

Three (3) tender submissions in total were received by the submission deadline. One late tender submission was not accepted. Assessed submissions were from:

- Pindan,
- Devlyn Construction, and
- Cooper and Oxley.

The tender assessment process for each submitted tender was conducted by the tender assessment panel appointed by the CEO checking against the various compliance criteria in the RFT including confirmation that the tender was received by the deadline. GFG Consultants and local content advisor of GEDC have done their own tender assessments. Each tender assessment report is given in confidential papers relating.

As per the tender assessment reports given in papers relating, respective tenders have been ranked as below against price and compliance criteria.

Average Weighted Score and Ranking

Tenderer	Price (out of 50)	Non-Price (out of 50)	Total (out of 100)	Rank
Devlyn Construction	48.33	24.51	72.84	1
Cooper & Oxley	40.99	24.71	65.70	2
Pindan	35.67	26.79	62.47	3

Recommendation of the Tender Panel consisting is to award the contract to tenderer who have achieved the highest total score.

Estimated cost of this contract will create a cost overrun in this project compared to the initial budget approved by the Council.

The initial budget prepared by Glen Flood Group (project managers) using current and projected building market and adjusting scope and design to meet address Council concerns.

The revised budget indicates a funding gap of \$ 330,000, including a provision for any contingencies equal to a 10% of the acceptable tender price (contingency provision of \$192,261). GFG have confirmed that with all current information there are no critical unknown factors (critical assumptions) around the finalised design of the new building. Hence, if the Council is happy with the proposed costings for creative elements and interpretive items, then there will be a very low possibility for the projected cost overrun to escalate further in the future. However, always there is an uncertainty involved with this type of project and this assessment has only been made based on best possible information available at this point in time.

Council should be aware that the creative and interpretive elements are dynamic, that is they are reviewed, developed and updated as the Centre moves into the future; ensuring continuity of cultural and heritage elements, to entice ongoing interested and engagement.

The Shire may be able to explore more options to further funding and corporate partnership opportunities to address some of the overrun. Council should also be mindful that at this stage their contribution sits around 13% (including the contingency provision of 10% of the preferred tender price, without the contingency provision 7%) of the total project cost, this is a low investment in consideration of the funding contributions. However, in comparison to the available financial resources of the Shire, even a 13% contribution is significant.

In making a decision regarding the Woodlands Cultural, Community and Visitors Centre Project Council may consider the follow three options and choose which one they will accept.

Option 1:

That the Council of the Shire of Dundas award the contract for the Refurbishment and Construction Tender for Woodlands Cultural, Community and Visitor Centre Norseman to

Considerations:

- If Council agrees with the finalised scope (mainly with creative elements, murals and interpretive elements), the projected cost overrun would approximately be \$330,000 as mentioned above. However, any corporate support, or additional funding streams have not been factored into this projected cost overrun.
- The costing does not account for negotiation with the successful tenderer before signing contracts for further cost savings.
- The Council will be able to accommodate this funding contribution through 2018/19 and 2019/20 operational budgets making savings elsewhere (approximately \$165,000 contribution from each year).
- Pulling funds from reserve accounts or further borrowing may not be appropriate in the current economic environment.
- If Council approves this tender any additional cost that has not be supported by external funding will have to be met by Council.
- Council may consider uncertainty around collecting rates on time from a key mining company and impact that could have on this project as well as other works programmes of the Shire.

Option 2:

That the Council of the Shire of Dundas re-tenders the Refurbishment and Construction Woodlands Cultural, Community and Visitor Centre Project.

Considerations:

- This will cause a 2-3-month delay in project competition which will impact funding obligations and the credibility of the Shire.
- There is no guarantee that tenderer submissions will come in at lower costings or that the Council will receive any tender submissions.

- There will be a cost for the re-tender process approximately \$10,000. However, if any change is to be factored into the current design, re-tender cost could be very significant.
- Any change of scope to the design to reduce costs may impact funding agreements.
- Any change in scope may alter the design and this may cause additional design cost and cannot be costed until new layout and scope is finalised.

Option 3:

That the Council of the Shire of Dundas withdraws support for the Woodlands Cultural, Community and Visitor Centre Project, ceasing to go ahead with the project.

Considerations:

- All funds received up to date amounting to \$1.2million, which will be required to be returned to the respective funding bodies.
- The Shire will not be able to recover any portion of \$202,000 (without purchase cost of the building) incurred to date in relation to this project.
- \$193,000 invested in 2015/16 in purchasing the old Camel Café, will not see a return of investment if at this time, if the Shire decide not to go ahead with this project.
- The loss of \$2.5million funding opportunity into the Shire of Dundas community.
- The potential for Shire of Dundas project credibility to be impacted.

Voting Requirements

Absolute Majority

Officer Recommendation:

That the Council of the Shire of Dundas award the contract for the Refurbishment and Construction Tender for Woodlands Cultural, Community and Visitor Centre Norseman to:

- 1) Devlyn Construction to a maximum of \$1,922,610 excluding GST;
- 2) Delegate authority to the Chief Executive Officer to liaise with Devlyn Construction for further cost savings before formalising the contract; and
- 3) Council approve revised budget of \$2,860,277 with a 10% contingency on contract value excluding GST.

Moved Cr Bayley
Seconded Cr Warner

Resolution


That the Council of the Shire of Dundas award the contract for the Refurbishment and Construction Tender for Woodlands Cultural, Community and Visitor Centre Norseman to:

- 1) Devlyn Construction to a maximum of \$1,922,610 excluding GST;
- 2) Delegate authority to the Chief Executive Officer to liaise with Devlyn Construction for further cost savings before formalising the contract; and
- 3) Council approve revised budget of \$2,860,277 with a 10% contingency on contract value excluding GST.

Carried by: Absolute Majority For: 6 Against: 0

9 Closure of Meeting

There being no further business the Shire President thanked all those in attendance and declared the meeting closed at 6:06pm.


19.03.19