



**Minutes
Special Council Meeting
5th September 2017**

MINUTES for a Special Meeting of the Council
held in the Council Chambers at the Shire
Administration Office – Prinsep Street Norseman on
the 05th September 2017 commencing at 4.00pm

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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 4:00pm.

This Council meeting is being held on the traditional lands of the Ngadju people and I wish to acknowledge them as traditional owners and pay my respects to their elders, past and present.

The Chief Executive Officer read aloud the disclaimer that is on the front page of the agenda.

The Shire President read aloud the following Affirmation of Civic Duty and Responsibility.

I make this affirmation in good faith on behalf of Elected Members and Officers of the Shire of Dundas. We collectively declare that we will duly, faithfully, honestly, and with integrity fulfil the duties of our respective office and positions for all the people in the district according to the best of our judgement and ability. We will observe the Shire's Code of Conduct and Standing Orders to ensure the efficient, effective and orderly decision making within this forum.

2 Declarations of Financial, Proximity and Impartiality Interests.

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 J Best	Shire President
Cr L Webb	Deputy Shire President
Cr JEP Hogan	
Cr L Bonza	
Cr R Patupis	

Doug Stead	Chief Executive Officer
Gihan Kohobange	Deputy Chief Executive Officer

Public Gallery

Bonnie Vicensoni, Jammie-Lee Bennett

4 Application for Leave of Absence.

Nil

5 Public Question Time.

Nil

6 Petitions, Deputations or Presentations.

Nil

7 Announcements by Presiding Member without Discussion.

Nil

8 Members and Policy

Agenda Reference & Subject	
8.1 – Review of Local Government Act 1995	
Location / Address	Shire of Dundas
File Reference	GR.LO.4
Author	Gihan Kohobange
Date of Report	01 September 2017
Disclosure of Interest	Nil

Summary

The Minister for Local Government has initiated a review of the Local Government Act 1995. WALGA has called for submissions from individual Local Governments to be endorsed by Council and forwarded to WALGA by 8th September 2017.

Background

The Minister for Local Government has advised that a review of the Local Government Act 1995 will be undertaken during 2017 and 2018 with a target date for a Bill of 2019.

The Minister's office has advised that there may be some flexibility as to what issues are to be considered in stage 1 or stage 2. Based on this the Association will consult the sector on all potential Act amendment issues this year.

The Minister has advised of the following issues that he is tabling for consideration:

Phase 1- Modernising Local Government

2017 consultation, 2018 legislation tabled

- Improving behaviour and relationships
- Making information available online
- Restoring public confidence
- Regional Subsidiaries
- Reducing red tape

Phase 2: 'Services for the community'

2018 consultation, 2019 legislation tabled

- Increasing Participation in Local Government Elections
- Strengthening public confidence in local government elections
- Increasing community participation
- Enabling Local Government Enterprises
- Improving financial management

Statutory Environment

Changes to the Local Government Act 1995

Policy Implications

Will have an impact on some of the Shire's policies

Financial Implications

Some of the changes proposed have financial implications

Strategic Implications

No major impact on the Shire's long-term strategic plans.

Consultation

CEO, Councillors

Comment

WALGA has produced a Discussion Paper that is structured around each section of the Act. This Discussion Paper draws on a number of resources upon which WALGA's proposals for Act amendments are based. These resources represent long-standing positions on Act amendments that were developed by the Sector and Sector representatives.

It also includes under Executive Officer Comment an extract of the discussion at the GVROC CEOs Group Meeting on 14 July 2017 in relation to the Review of the Local Government Act.

This is an opportunity for the Shire to help to shape the legislation that guides the industry.

The Shire of Dundas proposals for the proposed submissions by WALGA regarding the review of the Local Government Act 1995 are included in the papers relating.

Voting Requirements

Simple Majority

Officer Recommendation

That the Shire of Dundas endorse the proposals for the proposed submissions by WALGA regarding the review of the Local Government Act 1995 as included in the papers relating.

Moved Cr Webb
Seconded Cr:

The recommendation was lost due to lack of a Secunder.

Council Procedural Motion

That the Council of the Shire of Dundas resolve to lay the matter on the table for further discussion.

Moved Cr Bonza
Seconded Cr Patupis

Carried by: Simple Majority

For: 4

Against 0

9 Engineering and Works.

Agenda Reference & Subject	
9.1 Awarding of Tender - Supply and Deliver Crushed Rock Roadbase and Sealing Aggregate to Norseman Aerodrome	
Location / Address	Shire of Dundas
File Reference	FM.TE.2
Author	Gihan Kohobange
Date of Report	01 September 2017
Disclosure of Interest	Nil

Summary

For the Council of the Shire of Dundas to consider the awarding of a contract to Supply and Deliver Crushed Rock Roadbase and Sealing Aggregate to Norseman Aerodrome.

Background

Council have approved the commencement of phase 2 of the Airstrip Upgrade project. WML Consultants, the engineering consultants for this project has completed the project design including alignment, material specification and seal design.

The approved design requires pavement construction materials to be produced and brought to site to enable construction of the runway upgrade. Materials required include sub-base, base course and sealing aggregate material.

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

The cost of crushed rock road-base and sealing aggregate forms part of the budget prepared for this project and the estimated cost represents more than 50% of the overall project cost.

Strategic Implications

The Shire's Strategic Plans include the upgrade of the Norseman airstrip as an all-weather access airstrip to manage emergency services.

Consultation

WML Consultants, CEO and Works Manager

Comment

WML consultants were appointed to manage this tender on behalf of the Shire. The Tender was advertised in the West Australian newspaper on 05 August 2017 and the tender period closed at 2pm on 21 August 2017. An addendum was issued on 10 August 2017 amending project timing, delivery rates and scheduled quantity of base course. Tenders were received electronically by WML Consultants via its secure online tender box e-mail facility.

Three (3) tender submissions were received in total from Central Norseman Gold (CNG), MLG Oz and Hampton Transport. The tender opening was conducted at WML's Kalgoorlie office and was attended by a representative from the Shire of Dundas. The completed tender register as well as each of the received priced schedules were signed by the Shire representative and WML representative.

The tender assessment process for each submitted tender was conducted by WML checking against the various compliance criteria in the RFT including confirmation that the tender was received by the deadline and that a signed copy of the Form of Tender was included as well as proof of the required insurances.

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

Price

Tenderer	Tendered Price (adjusted)	Tendered Price (adjusted) Reduced for RPP	Tendered Price excluding Aggregate (adjusted)
Central Norseman Gold	\$ 1,336,290 (*)	\$1,286,290	\$1,336,290
MLG Oz	\$ 1,642,830	\$1,601,759	\$ 1,550,470
Hampton Transport	\$ 1,979,730	\$1,930,236	\$ 1,829,190

(*) CNG price adjusted to include QA testing and Mining Royalty

Compliance criteria

Tenderer	Total Weighted Score
MLG Oz	66.5
Hampton Transport	65.0
Central Norseman Gold Corp	45.5

Recommendation of the WML is to award the contract to MLG, 2nd lowest price and highest compliance score. Central Norseman Gold (lowest price) has failed to provide any assurance about the compliance with minimum sampling and testing requirements.

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

The initial budget has been prepared by The Civil Group (previous engineering consultants) under the assumption that the Shire will be able to source -300mm mullock at no cost from Westgold mine site situated in Higginsville. Afterward this assumption was proved to be not realistic (having received oversize mullock, + 400mm) requiring the Shire to revisit the required pavement construction material.

Further, it was not considered in the original budget any provision for payment of royalties in sourcing material. The Department of Mining and Petroleum has confirmed that the royalties are payable on the materials that the Shire may source from any mining company. This has resulted in additional cost of \$235,000 to this project.

Considering above factors, the revised budget indicates a funding gap of \$ 1,061,943 without any provision for contingencies.

The Shire may be able to explore more options to further reduce the cost associated with the supply and deliver of crushed rock road-base and sealing aggregate outside of the scope of this tender.

Voting Requirements

Simple Majority

Officer Recommendation

For councillors discussion and resolution.

Moved Cr: Bonza

Seconded Cr: Webb

Cr. Hogan entered the Council Chambers at 4:10 pm.

Resolution

That the Council of the Shire of Dundas resolve not to award the tender on the basis of expected significant cost overrun and to review options available to reduce the estimated cost of the project.

Carried by: Simple Majority

For: 5

Against 0

10 Closure of Meeting

There being no further business the Shire President declared the meeting closed at 4.30 pm.