



Ordinary Council Meeting
Minutes
22 February 2018

CONFIRMATION OF MINUTES

I hereby certify that the Minutes of the Ordinary Council Meeting held on 22 February 2018 are a true and accurate record of the proceedings contained therein.

.....
Mr Matthew Niikkula
Shire President

.....
7/3/2018

Dated

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ORDINARY COUNCIL MEETING MINUTES

Our Vision

To support and develop a vibrant, welcoming community that embraces its past, values its present and plans for a sustainable future

Our Purpose

To responsibly provide governance for the whole community in the best interest of current and future generations

Our Strategic Objectives

- To provide sustainable management of the organisation
- To consistently apply the principles of Good Governance
 - To communicate effectively
 - To promote socioeconomic development
 - To value our environment and heritage

1. DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

The Shire President declared the meeting open at 4.00pm and welcomed the gallery.

The Shire President acknowledged the aboriginal people both past and present, as the traditional custodians of the land on which we meet.

The Shire President advised the gallery in adhering to both the *Local Government Act 1995*, and the Shire of Exmouth Meeting Procedures Local Law 2015, it is an offense to record the proceedings of this meeting and asked the gallery to switch off any recording devices, including phones.

He went on to advise the gallery the meeting will be recorded by the Executive Secretary for the purpose of compiling an accurate record of the minutes only; and the recording will be erased once they are confirmed.

The Shire President welcomed the newest member of the Executive team, Mr Kevin Wilson, Executive Manager Corporate Services.

2. RECORD OF ATTENDANCE, APOLOGIES AND APPROVED LEAVE OF ABSENCE

Councillor M (Matthew) Niikkula	Shire President
Councillor G (Gary) Mounsey	Deputy Shire President
Councillor B (Ben) Dixon	

Councillor H (Heather) Lake	
Councillor M (Mark) Lucas	
Mr C Woods	Chief Executive Officer
Mr M Bird	Executive Manger Commercial and Community
Mr K Wilson	Executive Manager Corporate Services
Mrs M Head	Minute Clerk

GALLERY 5

APOLOGIES Nil

LEAVE OF ABSENCE Councillor G (Gavin) Penfold
Mr K Woodward Deputy Chief Executive Officer

3. **RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

Nil

4. **PUBLIC QUESTIONS TIME**

In accordance with section 5.24 of the *Local Government Act 1995*, a 15 minute public question time is made available to allow members of the public the opportunity of questioning Council on matters concerning them.

Council Consideration Towards Public

When public questions necessitate resolutions of Council, out of courtesy and at the President discretion the matter is to be dealt with immediately to allow the public to observe the determination of the matter (obviates the need for the public to wait an undetermined period of time).

When a matter is listed on the Agenda and member/s of the public are in attendance to observe the determination of the matter, out of courtesy and at the discretion of the President the matter is to be brought forward on the agenda and dealt with immediately to allow the public to observe the determination of the matter (again this obviates the need for the public to wait an indeterminate period of time).

11 . Minutes, content of (Act s. 5.25(1)(f))

The content of minutes of a meeting of a council or a committee is to include —

- (e) a summary of each question raised by members of the public at the meeting and a summary of the response to the question;***

Question received from Brian Mortiss

Reid Street and Maley Street intersection is still not sealed after works completed. Not finished safely.

Question will be taken on notice for Mr Keith Woodward, Deputy Chief Executive Officer and provide an answer.

The Shire President closed public question time.

5. DECLARATIONS OF INTEREST

Item/Description	Name	Type of Interest	Nature of Interest	Extent of Interest
12.2.5 RFT 1-2018 Provision of Trade Services Maintenance Works	Keith Woodward Deputy Chief Executive Officer	Financial	I have financial interest in the matter as my child who lives with me has a reasonable expectation that he may be employed (apprentice) by one of the contractors who have submitted a tender. My child completed their secondary education in October 2017.	I am the reporting officer not the decision maker. I will not be attending the 22 February 2018 Council Meeting.
12.2.5 RFT 1-2018 Provision of Trade Services Maintenance Works	Matthew Niikkula Shire President	Financial	One or more of the tenderers purchases from me so the awarding of this contract will result in financial gain or loss to myself personally.	Not seeking approval, will be excluded from the debating and voting.

6. APPLICATIONS FOR LEAVE OF ABSENCE

The *Local Government Act 1995* (Section 2.25) provides that a Council may, by resolution, grant leave of absence to a member for Ordinary Council Meetings. A member who is absent, without first obtaining leave of the Council, throughout three consecutive Ordinary meetings of the Council is disqualified from continuing his or her membership of the Council.

Disqualification from membership of the Council for failure to attend Ordinary Meetings of the Council will be avoided so long as the Council grants leave prior to the member being absent. The leave cannot be granted retrospectively. An apology for non attendance at a meeting is not an application for leave of absence.

The Shire President advised a request for leave of absence had been received from Councillor Dixon for the March Ordinary Council Meeting.

COUNCIL RESOLUTION

ITEM 6

Res No: 01-0218

MOVED: Cr Mounsey

SECONDED: Cr Lake

That Council approve Councillor Dixons' request for a leave of absence from the March Ordinary Council Meeting.

CARRIED 5/0

7. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

That the Minutes of the Ordinary Meeting of the Shire of Exmouth held on the 21 December 2017 be confirmed as a true and correct record of proceedings.

COUNCIL RESOLUTION

ITEM 7

Res No: 02-0218

MOVED: Cr Mounsey

SECONDED: Cr Dixon

That the Minutes of the Ordinary Meeting of the Shire of Exmouth held on the 21 December 2017 be confirmed as a true and correct record of proceedings.

CARRIED 5/0

8. ANNOUNCEMENTS/REPORTS OF ELECTED MEMBERS

Date	Activity	Councillor					
		Cr Niikkula	Cr Dixon	Cr Lake	Cr Lucas	Cr Mounsey	Cr Penfold
29/12/17	Spoke with Andre Paulino at Main Roads in Carnarvon 99410777. Re: NW Coastal Highway signage and rotunda at Exmouth turn-off near Minilya. Moves to remove rotunda from current location. Replacement options need to be submitted for consideration. Believed to have been an ECC project initially. Spoke with Peter ELISS, Main Roads Karratha re: current Exmouth information sign/shelter on N.W Coastal Highway just North of Burkett Rd junction.			✓			
15/01/18	Spoke with Neil McGlenn re: Pilbara Small Business offer to address Exmouth Visitor Centre staff.			✓			
16/01/18	Prepared CV for NCWHAC – submitted to Tegan Gourlay. Awaiting approval of my committee position from Minister.			✓			
17/01/18	Meeting with CEO and all Councillors regarding Ningaloo Aquarium Solutions.	✓	✓	✓		✓	✓
24/01/18	Meeting with Odile May, Gascoyne Development Commission.			✓			✓
26/01/18	Attended Citizenship Ceremony and Citizen Award presentation on Australia Day at the Paltridge Memorial Swimming Pool.			✓			
29/01/18	Meeting with Stephen Alexander re: Ningaloo Foundation Initiative.	✓		✓	✓		

Councillor Lucas made special mention of Sharleen Nunn who sadly passed on the 21 February. Sharleen was a past employee of the Shire of Exmouth and was employed for approximately 5 years in many roles such as Ranger, Pool Duty Officer, Finance Officer and Records Officer. The Shire Staff and Councillors offer sincere condolences to Sharleen's family and friends.

Councillor Mounsey acknowledged the efforts by Shire staff who arranged the recent Australia Day Citizenship ceremony during the celebrations at the Paltridge Memorial Swimming Pool. He also extended his congratulations to all award recipients.

Councillor Mounsey also attended a Cruise Ship Committee meeting last week with Matt Bird Executive Manager Commercial and Community.

Shire President also attended the opening of the second stage of the Exmouth Boat Harbour upgrade with Hon Rita Saffioti, Minister for Transport; Planning; Lands.

9. ANNOUNCEMENTS BY THE PRESIDING PERSON WITHOUT DISCUSSION

It has been a busy couple of months since our last meeting on the 21st December, and the Shire has been actively reviewing and checking all of its policies and procedures to ensure we are compliant with the Act and regulations of Local Government. An Independent Auditor was commissioned last year to assess the performance and compliance of the Exmouth Shire. They provided a report highlighting in excess of 20 deficiencies relating to compliance throughout 2016, stating that *"Compliance was LOW with an apparent lack of focus on compliance"*. They also provided recommendations for achieving "Best Practice". Through our quest to provide "Open, honest, transparent and efficient governance, the Executive team has implemented the majority of these recommendations, and started a review and audit of all operations to highlight any deficiencies. They are working on providing Council with detailed business plans, highlighting any efficiencies for our ratepayers and giving us a true snapshot of exactly where Shire is at... warts and all.

This has been a HUGE undertaking, and I would personally like to thank, on behalf of Council, the outstanding effort made by the executive team. Namely our Deputy CEO, Mr Keith Woodward, who is unfortunately not here today. Keith has done such a remarkable job of overhauling our compliance deficiencies, that the latest audit report has stated *"The Standard of compliance overall is much improved. There were only 3 items of non-compliance or Partial non-compliance in the total 94 items included in the Compliance Return"*, and now, since THAT report, the last 3 have been remedied and the Shire of Exmouth is now operating compliant and "best practice".

But there is still a lot to do.

As new councillors, SO keen to repay the community for the faith provided in us, we are constantly undertaking training in all facets of Local Government. Through negotiations with Department of Local Government, we are receiving these trainings at almost no expense to our ratepayer, arming your councillors with the right tools to do a good job. Next week we will all be receiving intensive training on both "Understanding Financial Reports and Budgets" and "Integrated Strategic Planning". These trainings, will be crucial

in aiding Council to formulate and adopt our first budget in the coming months, and implement plans to carry our wonderful town into the future.

These are exciting times for Exmouth, with many challenges and opportunities just around the corner, and the overwhelming support our councillors are receiving from our community reaffirms our desire to work together to obtain the best outcomes for us all.

10. PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS

Nil

11. MATTERS ARISING FROM COMMITTEES OF COUNCIL

Nil

The following recommendations 12.2.1, 12.4.1, 12.4.2, 12.5.1, 12.5.2, 12.5.3 and 12.5.4 where adopted en bloc.

MOVED: Cr Niikkula
SECONDED: Cr Mounsey

12. REPORTS OF OFFICERS

DEVELOPMENT SERVICES

12.2.1 POLICY – 2.12 REGIONAL PRICE PREFERENCE

File Reference:	CM.PO.6
Responsible Officer:	Deputy Chief Executive Officer
Date of Report:	8 February 2017
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	1. Policy 2.12 Regional Price Preference Policy

PURPOSE

The purpose of this report is to recommend the revision of Policy 2.12, Regional Price Preference and to begin the advertising process required to adopt the amended policy (refer Attachment 1)

BACKGROUND

In February 2000, the *Local Government (Functions and General) Regulations 1996* were amended to allow non-metropolitan local governments to offer a price preference to regional suppliers when deciding which quotation or tender to accept. A price preference can only be applied if a local government has adopted a regional price preference policy.

COMMENT

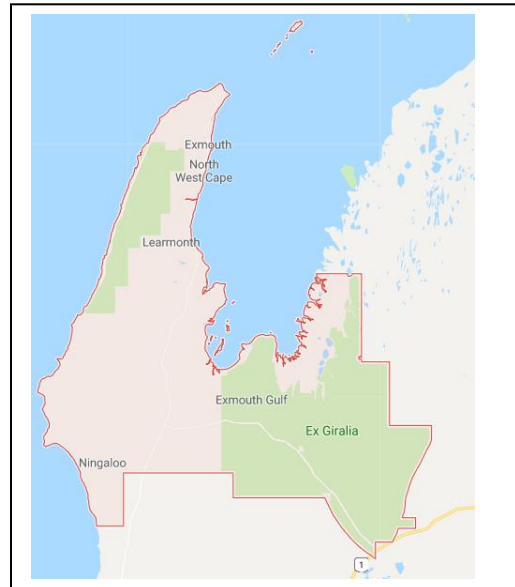
The proposed policy will give guidance to the Council and staff in relation to the provision of a preference to local suppliers when a purchasing decision is made. The policy will allow a quoted or tendered price from a 'Local Business/Contractor' to be reduced for the purposes of comparison with submissions from outside the region, in most instances to a maximum price reduction of \$50,000.00.

In line with the Regulation 24D(1)(c), the policy provides up to a maximum price reduction of \$500,000.00, if the Council is seeking tenders for the provision of goods or services for the first time, due to those goods or services having been, until then, undertaken by the Council. This might relate to road construction services as an example.

The aim is to stimulate economic activity and growth in the defined regional pricing area by giving added weight to the use of competitive local businesses in supplying goods, services and works purchased or contracted on behalf of the Shire. Under the proposed policy, a price preference will

apply to quotations of \$5,000 value or greater and all tenders invited by the Shire of Exmouth. Setting a regional price preference may result in a higher priced goods or services being sourced than would otherwise be the case.

This policy does not provide that a local provider who supplies the lowest quote after the price preference has been taken into account will automatically be selected. There are a range of factors taken into account when determining the appropriate supplier of goods.



A 'Local Business/Contractor' is defined in this policy as being a business with a permanent office in the Prescribed Area for at least six months prior to bids being sought. The business must have permanent staff based in the Prescribed Area and bidding and management/delivery of the majority of the contract outcomes will be carried out from the business location in the Prescribed Area.

Examples of how this policy will operate are shown below:

Example 1

Consider a scenario where the following three tenders to supply goods or services, are received, with a 10% rate of preference.

- Tender 1 is from a tenderer based within the Prescribed Area (as defined by the Council in its policy).
- Tender 2 is from a metropolitan based firm and uses goods and services sourced from the metropolitan area.
- Tender 3 is from a metropolitan based firm but uses \$50,000.00 worth of goods and services sourced from the Prescribed Area.

Tenders Received	Price of Tender	Price Reduction at 10% rate of reference	Adjusted price used for evaluation purposes
Tender 1	\$100,000.00	\$10,000.00 (10% of \$100,000.00)	\$90,000.00 (i.e. \$100,000.00 less \$10,000.00)
Tender 2	\$95,000.00	No preference applicable	\$95,000.00
Tender 3	\$97,500.00	\$5,000.00 (10% of \$50,000.00)	\$92,500.00 (i.e. \$97,500.00 less \$5,000.00)

As can be seen from the table, in terms of price, the tender from the regional tenderer (Tender 1) is the most advantageous once the preference has been applied.

Example 2

This example highlights how the maximum price reduction affects the assessment of tenders. The following is a scenario where tenders are called to supply construction (building) services (based on a 5% rate of preference).

- Tender 1 is from a tenderer based within the Prescribed Area.
- Tender 2 is from a metropolitan based firm that sources materials from the metropolitan area.

Tenders Received	Price of Tender	Price Reduction at 5% rate of Reference	Adjusted price used for Evaluation purpose
Tender 1	\$1,200,000.00	Less 5% of \$1,200,000.00 = \$60,000.00. However the maximum price reduction is limited to \$50,000.	\$1,150,000.00 (i.e. \$1,200,000.00 less \$50,000.00)
Tender 2	\$1,145,000.00	No preference applicable	\$1,145,000.00

In this case, in terms of price alone, Tender 2 is the most advantageous.

CONSULTATION

Nil

STATUTORY ENVIRONMENT

Local Government Act 1995

Local Government (Functions and General) Regulations 1996.

Regulations 24 A to G provide that a local government located outside the metropolitan area may give a regional price preference to a 'regional' tenderer and specifies the process for implementing this. Statewide public notice must be given of the intention to have a price preference policy. The applicable region needs to be defined in the policy, which must be (or include) the entire district of the local government.

A policy cannot be adopted by a local government until it has considered all submissions that are received and, if that consideration results in significant changes to the proposed policy, then the local government must again give Statewide public notice of the altered policy. An adopted policy cannot be applied until the local government gives Statewide notice that it has adopted that policy.

Regulation 24B (2) states that:

'(2) A supplier of goods or services who submits a tender is regarded as being a regional tenderer for the purposes of this Part if—

(a) that supplier has been operating a business continuously out of premises in the appropriate region for at least 6 months before the time after which further tenders cannot be submitted; or

(b) some or all of the goods or services are to be supplied from regional sources.'

Regulation 24D states that:

'(1) A preference may be given to a regional tenderer by assessing the tender from that regional tenderer as if the price bids were reduced by—

- (a) *up to 10% — where the contract is for goods or services, up to a maximum price reduction of \$50 000; or*
 - (b) *up to 5% — where the contract is for construction (building) services, up to a maximum price reduction of \$50 000; or*
 - (c) *up to 10% — where the contract is for goods or services (including construction (building) services), up to a maximum price reduction of \$500 000, if the local government is seeking tenders for the provision of those goods or services for the first time, due to those goods or services having been, until then, undertaken by the local government.*
- (2) *Although goods or services that form a part of a tender submitted by a tenderer (who is a regional tenderer by virtue of regulation 24B(2)(b)) may be—*
- (a) *wholly supplied from regional sources; or*
 - (b) *partly supplied from regional sources, and partly supplied from non- regional sources, only those goods or services identified in the tender as being from regional sources may be included in the discounted calculations that form a part of the assessments of a tender when a regional price preference policy is in operation.*
- (3) *Despite subregulation (1), price is only one of the factors to be assessed when the local government is to decide which of the tenders it thinks would be most advantageous to that local government to accept under regulation 18(4).'*

In line with Section 24E of the Local Government (Functions and General) Regulations 1996 it is recommended that Statewide public notice be given of the intention to adopt the Regional Price Preference Policy.

POLICY IMPLICATIONS

This report recommends the adoption of a new policy.

FINANCIAL IMPLICATIONS

Under the proposed policy, a price preference will apply to quotations of \$5,000 value or greater and all tenders invited by the Shire of Exmouth. Setting a regional price preference may result in a higher priced goods or services being sourced than would otherwise be the case. This may result in the Shire paying a higher price for goods and services.

STRATEGIC IMPLICATIONS

This item is relevant to the Councils approved Strategic Community Plan 2011-2021 and Corporate Business Plan 2016-2020.

Economic:	1	<u>To be a diverse and innovative economy with a range of local employment opportunities.</u>
	1.1	<i>To increase the number of local businesses, industries and services that will provide a range of employment opportunities for the people of Exmouth.</i>
	1.2	<i>Planned and balanced economic growth.</i>
Civic Leadership:	4	<u>To work together as custodians of now and the future.</u>
	4.2	<i>A local government that is respected, professional, trustworthy and accountable.</i>
	4.3	<i>To be strong advocates representing the region's interests.</i>

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION**ITEM 12.2.1**

That Council authorise Prescribed Area: The local government area of Exmouth be adopted for advertising purposes; and Pursuant to Section 24E of the *Local Government (Functions and General) Regulations 1996*, State-wide public notice be given of the intention to adopt revised Policy 2.12 - Regional Price Preference as detailed in Attachment 1.

COUNCIL RESOLUTION**ITEM 12.2.1****Res No: 03-0218****MOVED: Cr Niikkula****SECONDED: Cr Mounsey**

That Council authorise Prescribed Area: The local government area of Exmouth be adopted for advertising purposes; and Pursuant to Section 24E of the *Local Government (Functions and General) Regulations 1996*, State-wide public notice be given of the intention to adopt revised Policy 2.12 -Regional Price Preference as detailed in Attachment 1.

**CARRIED 5/0
EN BLOC**

CORPORATE SERVICES

12.4.1 FINANCIAL STATEMENTS FOR PERIOD ENDING 31 DECEMBER 2017 AND 31 JANUARY 2018

File Reference:	FM.FL.0
Responsible Officer:	Executive Manager Corporate Services
Date of Report:	8 February 2018
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	<ol style="list-style-type: none">1. Monthly Financial Report as at 31 December 20172. Monthly Financial Report as at 31 January 2018

PURPOSE

That Council receives the financial reports for the financial periods ending 31 December 2017 and 31 January 2018.

BACKGROUND

The provisions of the *Local Government Act 1995* and associated Regulations require a monthly financial report is presented at an ordinary meeting within 2 months of the period end date.

COMMENT

Council has not resolved any variations to the 2017/18 Annual Budget since its adoption and any variations to year to date are to be addressed at the mid-year 2017/18 Budget Review.

The 2016/2017 financials are currently undergoing audit. The net current asset position will be confirmed upon the completion of the audit.

CONSULTATION

Nil

STATUTORY ENVIRONMENT

Sections 6.4 of the *Local Government Act 1995* provides for the preparation of financial reports.

In accordance with Regulation 34 (5), a report must be compiled on variances greater than the materiality threshold adopted by Council of \$10,000 or 10% whichever is greater. As this report is composed at a program level, variance commentary considers the most significant items that comprise the variance.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

This item is relevant to the Councils approved Strategic Community Plan 2011-2021 and Corporate Business Plan 2016-2020.

- Civic Leadership: 4 To work together as custodians of now and the future.
4.2 *A local government that is respected, professional, trustworthy and accountable.*

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION**ITEM 12.4.1**

That Council receives the Financial Report for the financial periods ending 31 December 2017 and 31 January 2018.

COUNCIL RESOLUTION**ITEM 12.4.1**

Res No: 04-0218

MOVED: Cr Niikkula

SECONDED: Cr Mounsey

That Council receives the Financial Report for the financial periods ending 31 December 2017 and 31 January 2018.

**CARRIED 5/0
EN BLOC**

12.4.2 LIST OF ACCOUNTS FOR PERIOD ENDING 31 DECEMBER 2017 AND 31 JANUARY 2018

File Reference:	FM.FI.0
Responsible Officer:	Executive Manager Corporate Services
Date of Report:	8 February 2018
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	1. List of Accounts for period ending 31 December 2017 2. List of Accounts for period ending 31 January 2018

PURPOSE

To advise Council of payments made since the previous Ordinary Council Meeting.

BACKGROUND

It has been customary practice that whilst being a leader in the community, we meet our terms of credit as established between suppliers and aspire to obtain discounts where practicable. Payments have been approved by authorised officers in accordance with agreed delegations and policy frameworks.

COMMENT

Council has given delegated authority that allows the Chief Executive Officer to approve payments from Council's bank accounts either via cheque or through electronic lodgement.

December Payments

Municipal Fund	totalling \$633,968.19 Incorporating cheques, direct debits, transfers and credit card purchases.
Trust Fund	totalling \$0, incorporating transfers.

Total December Payments: \$633,968.19

January Payments

Municipal Fund	totalling \$1,021,321.75 Incorporating cheques, direct debits, transfers and credit card purchases.
Trust Fund	totalling \$2,780.00, incorporating transfers.

Total January Payments: \$1,024,101.75

CONSULTATION

Nil

STATUTORY ENVIRONMENT

Payments are to be made in accordance with Part 6, Division 4 of the *Local Government Act 1995* and as per the *Local Government (Financial Management) Regulations 1996*. Payments are to be

made through the municipal fund, trust fund or reserve funds. Payments are to be in accordance with approved systems as authorised by the Chief Executive Officer.

POLICY IMPLICATIONS

Staff are required to ensure that they comply under Council Policy 2.10 – Purchasing Policy and 2.17 – Regional Price Preference Policy (where applicable) and that budget provision is available for any expenditure commitments.

FINANCIAL IMPLICATIONS

Payments are made under delegated authority and are within defined and approved budgets. Payment is made within agreed trade terms and in a timely manner.

STRATEGIC IMPLICATIONS

This item is relevant to the Councils approved Strategic Community Plan 2011-2021 and Corporate Business Plan 2016-2020.

- Civic Leadership: 4 To work together as custodians of now and the future.
 4.2 *A local government that is respected, professional, trustworthy and accountable.*

VOTING REQUIREMENTS

Simple Majority

OFFICER'S RECOMMENDATION

ITEM 12.4.2

That Council pursuant to Sections 6.7 and 6.9 of the *Local Government Act 1995* receives the report of payments made from the Municipal and Trust bank accounts during the months of December 2017 (*totalling \$633,968.19*) and January 2018 (*totalling \$1,021,321.75*).

COUNCIL RESOLUTION

ITEM 12.4.2

Res No: 05-0218

MOVED: Cr Niikkula

SECONDED: Cr Mounsey

That Council pursuant to Sections 6.7 and 6.9 of the *Local Government Act 1995* receives the report of payments made from the Municipal and Trust bank accounts during the months of December 2017 (*totalling \$633,968.19*) and January 2018 (*totalling \$1,021,321.75*).

**CARRIED 5/0
EN BLOC**

ITEMS FOR INFORMATION ONLY

Responsible Officer: Chief Executive Officer

Disclosure of Interest: Nil

PURPOSE

To advise Council of the information items for January 2018.

VOTING REQUIREMENTS

Simple Majority.

OFFICER'S RECOMMENDATION

ITEM 12.5

That Council note the following information items:

- 12.5.1 Register of Documents Stamped with the Shire of Exmouth Common Seal.
 - 12.5.2 Concessions on Fees for Council Facilities for January 2018
 - 12.5.3 Building Decisions Issued up to 31 January 2018
 - 12.5.4 Planning Decisions Issued up to 31 January 2018
-

COUNCIL RESOLUTION

ITEMS 12.5.1 – 12.5.4

Res No: 06-0218

MOVED: Cr Niikkula

SECONDED: Cr Mounsey

That Council note the following information items:

- **12.5.1 Register of Documents Stamped with the Shire of Exmouth Common Seal.**
- **12.5.2 Concessions on Fees for Council Facilities for January 2018.**
- **12.5.3 Building Decisions Issued up to 31 January 2018.**
- **12.5.4 Planning Decisions Issued up to 31 January 2018.**

**CARRIED 5/0
EN BLOC**

12.5.1 Register of Documents Stamped with the Shire of Exmouth Common Seal

Responsible Officer: Chief Executive Officer

Disclosure of Interest: Nil

PURPOSE

To advise Council of documents, as listed below, that have been stamped with the Common Seal of the Shire of Exmouth since the last meeting.

DATE	DOCUMENT
Nil	

12.5.2 CONCESSIONS ON FEES FOR COUNCIL FACILITIES

Responsible Officer: Executive Manager Commercial and Community

Date of Report: 7 February 2018

PURPOSE

To provide Council with a summary of all concessions on fees for Council's facilities and services under Section 4.1 of the *Register of Delegations of Authority from Council to the CEO and Other Officers* since the last Ordinary Council Meeting.

NAME	REASON	AMOUNT
Exmouth Toy Library	Hire of meeting room 19/1/18 from 9am to 4pm for Stock Take and cleaning of toys	\$34.75
Centacare Family Services	Advertising on Shire noticeboard for 26 x weeks for Stationery/Uniform assistance for financially disadvantaged and Financial/Family Counselling	\$84.50
Centacare Family Services	Advertising on Shire noticeboard for 24 x weeks for Parents group weekly meeting from 8/2/18 9am to 11am weekly	\$78.00

12.5.3 BUILDING DECISIONS

Responsible Officer: Deputy Chief Executive Officer

Date of Report: 31 January 2018

PURPOSE

To provide Council with the building licence and building certificate applications and approvals made under Delegation pursuant to the *Building Act 2011* up to 31 January 2018.

App #	Date Rc'd	Lot	Property Address	Description	Decision	Decision Date
17/84	14/09/17	102	23 Ingram Street	Roof on shed	Approved	7/12/17
17/106	16/11/17	947	16 Griffiths Way	Sea Container	Approved	7/12/17
17/110	23/11/17	R27288	National Park	Relocation of Building	Approved	6/12/17
17/111	28/11/17	47	3 Searaven Crescent	Fence	Pending	
17/112	30/11/17	1349	40 Tambor Drive	Deck	Approved	8/12/17
17/113	6/12/17	73	43 Kennedy Street	Steel framed carport	Pending	
17/114	6/12/17	26	13 Pelias Street	Addition/Alteration Steel framed Carport	Approved	12/12/17
17/115	6/12/17	26	13 Pelias Street	Patio Extension	Approved	12/12/17
17/116	7/12/17	1313	30 Tambor Drive	Steel Framed Shed	Approved	14/12/17
17/117	13/12/17	21	40 Mortiss Street	Residential Dwelling and Boundary Fence	Approved	22/01/18
17/118	14/12/17	669	61 Nimitz Street	Steel Framed Free Standing Gazebo	Approved	21/12/17
18/01	4/01/18	326	Minilya Road Exmouth	Steel Framed Dwelling	Approved	16/01/18
18/03	12/01/18	315	27 Gnulli Court	New Dwelling	Pending	
18/04	12/01/18	35	77 Maidstone Crescent	Addition Mezzanine Floor in Workshop	Approved	30/01/18

12.5.4 PLANNING DECISIONS

Responsible Officer: Deputy Chief Executive Officer

Date of Report: 31 January 2018

PURPOSE

To advise Council of the following planning decisions issued under delegation for the above period.

App #	Date Received	Lot	Property Address	Description	Decision	Decision Date
PA70/16	13/06/16	2	Yardie Creek Road	Additional Camping Sites	ON HOLD - Pending information from Applicant	
PA107/16	15/08/16	50	Murat Road	Barge Loading Facility	Approved	15/09/17
PA112/16	25/08/16	1586 & 1587	164 Lyndon Location	Nature Based Park - Exmouth Gulf Pastoral Station	ON HOLD - Pending information from Applicant	
PA44/17	28/02/17	831	7 Pelias Street	Storage Unit	ON HOLD - Pending information from Applicant	
PA45/17	28/02/17	141	7 Dugong Close	Dwelling	Processing – Pending Information from Applicant	
PA164/17	7/11/17	2	118 Learmonth Street	Outbuilding	Approved	21/12/17
PA168/17	23/11/17	148	23 Dugong Close	Change of Use	Approved	22/12/17
PA169/17	28/11/17	343	28 Kestrel Place	Fence	Approved	25/01/18
PA171/17	8/12/17	434	88 Madaffari Drive	Change of Use	Approved	08/02/18
PA173/17	14/12/17	53	7 Inggarda Lane	Proposed Dwelling	Approved	06/02/18
PA174/17	20/12/17	378	28 Corella Court	New Dwelling	Processing	
PA02/18	5/01/18	8	106 Madaffari Drive	New Dwelling	Processing	
PA05/18	10/01/18	308	Lot 308 Minilya Road	Alteration and Addition to Residence	Processing	
PA07/18	15/01/18	1359	9 Redfin Court	Change of Use	Processing	
PA10/18	19/01/18	501	Lot 501 Lefroy Street	Strata Subdivision	ON HOLD - Pending information from Applicant	
PA12/18	30/01/18	43	11 Searaven Crescent	Single Dwelling	Processing	

Permits Issued Under the *Local Government Act 1995*, Local Government Property Local Law.

App	Date Received	Description	Date Issued
PA110/17	03/07/17	Portable Sign	Processing
PA140/17	11/09/17	Juice Place	Processing
PA147/17	26/09/17	Concert at Federation Park	26/10/17
PA152/17	12/10/17	Change of use – Home Occupation	14/11/17
PA154/17	13/10/17	Community Markets	14/11/17
PA159/17	24/10/17	Community Markets	26/10/17
PA01/18	4/01/18	Property Permit	15/01/18
PA03/18	8/01/18	Permit for Activity on Thoroughfares - Trolleys	8/01/18
PA04/18	8/01/18	Permit for Activity on Thoroughfares - Trolleys	8/01/18
PA11/18	24/01/18	Cookie Dough Fundraiser	Processing

Statistics until 31 January 2018

Summary of Total Planning Application/Codes Variations	
Year	No. Applications
2011-2012	163
2012-2013	175
2013-2014	149
2014-2015	118
2015-2016	36

Permits issued for an Activity on Local Government Property	
Month	No. Applications
July	6
August	10
September	4
October	3
November	2

12.2.2 NEW POLICY - CODE OF CONDUCT

File Reference:	CM.PO.6
Responsible Officer:	Deputy Chief Executive Officer
Date of Report:	8 February 2018
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	1. Policy 1.27 - Code of Conduct

PURPOSE

The purpose of this report is to adopt new Council policy 1.27 - Code of Conduct, as stated in the *Local Government Act 1995* section 5.103 Codes of conduct;

- (1) *Every local government is to prepare or adopt a code of conduct to be observed by council members, committee members and employees.*

BACKGROUND

A code of conduct translates the principles of the *Code of Ethics* (personal integrity, relationships with others and accountability) and the Local Government (LG) Act into action and commitment for the Shire's Councillors and employees. It sets the minimum standard of behaviour expected from Councillors and employees when carrying out their daily duties. A code is also a practical tool to guide Councillors and employees' in accountable and ethical decision making that recognises the context in which the Shire operates and its integrity risks.

An effective code of conduct can build and sustain an ethical culture and contribute to the positive reputation of the wider public sector. It can 'set the tone' from the top, clearly articulating the Shire's commitment to the code and the requirement for Councillors and employees to comply.

COMMENT

The Shire's local government elected members and employees play an important role in the Exmouth community. This role includes the delivery of a diverse range of services from town planning, waste management and recreation facilities. While the roles of elected members and employees are different, both are essential to ensuring confidence in local government. Furthermore, officers, whether elected members, committee members or employees, must act – and be seen to act – with integrity. All have a responsibility to perform their duties in the public interest and make accountable and ethical decisions.

Codes of conduct communicate expected standards of conduct and integrity to all those in an organisation. Effective codes that are well communicated throughout the workplace contribute to building and sustaining a culture of integrity, and create a robust and transparent framework in which to operate, both of which are fundamental to good organisational performance and public confidence.

CONSULTATION

Public Sector Commission

Corruption and Crime Commission
Department of Local Government

STATUTORY ENVIRONMENT

Local Government Act 1995
Local Government (Administration) Regulations 1996
Local Government (Rules of Conduct) Regulation 2007
Shire of Exmouth Meeting Procedures Local Law 2015
Corruption and Crime Commission Act 2003
Criminal Code Act 1913
Public Sector Management Act 1994
Public Interest Disclosure Act 2003

POLICY IMPLICATIONS

Adoption of new Policy.

Compliance with Probity Audit undertaken by the Department of Local Government.

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

This item is relevant to the Council's approved Strategic Community Plan 2011-2021 and Corporate Business Plan 2016-2020.

- Civic Leadership: 4 To work together as custodians of now and the future.
4.1 *To be a collaborative community with the capacity to manage the current and future direction of Exmouth.*
4.2 *A local government that is respected, professional, trustworthy and accountable.*
4.3 *To be strong advocates representing the region's interests.*

VOTING REQUIREMENTS

Absolute Majority

OFFICER'S RECOMMENDATION

ITEM 12.2.2

That Council adopt new Policy 1.27 Code of Conduct dated 22 February 2018 as detailed in Attachment 1.

COUNCIL RESOLUTION

ITEM 12.2.2

Res No: 07-0218

MOVED: Cr Lucas

SECONDED: Cr Dixon

That Council adopt new Policy 1.27 Code of Conduct dated 22 February 2018 as detailed in Attachment 1.

Councillor Lake moved to amend the motion to defer the report (12.2.2, New Policy - Code of Conduct) to the next Ordinary Council meeting scheduled for the 22 March 2018.

MOVED: Cr Lake

SECONDED: Cr Mounsey

CARRIED 5/0

12.2.3 AMENDMENT TO PURCHASING POLICY 2.7

File Reference:	CM.PO.6
Responsible Officer:	Deputy Chief Executive Officer
Date of Report:	8 February
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	Nil

PURPOSE

The purpose of this report is to obtain Council approval to amend the Purchasing Policy 2.7, 10 October 2017 as recommended in the Compliance Audit Return 2017. The policy amendment is associated with purchasing thresholds and the amendment states:

- 1. The Chief Executive Officer and the Deputy Chief Executive Officer are authorised to approve purchase orders for the purchasing of goods and services and acquiring or disposing of any property to the value of \$150,000.*

BACKGROUND

The objectives of Council's Policy are:

- To provide Council with a formal written record of all policy decisions;
- To provide Shire staff with precise guidelines in which to act in accordance with Council's wishes;
- To enable the staff to act promptly in accordance with Council's requirements, but without continual reference to Council;
- To enable Councillors to adequately handle enquiries from electors without undue reference to the staff or the Council;
- To enable Council to maintain a continual review of Council Policy decisions and to ensure they are in keeping with community expectations, current trends and circumstances;
- To enable ratepayers to obtain immediate advice on matters of Council Policy.

In February 2017 the Department of Local Government recommended that Council adopt a new purchasing policy that accorded with the WALGA Model Purchasing Policy. Council adopted the revised purchasing policy on the 10 October 2017.

The Shire engaged Mr Gary Martin, Local Government consultant to complete the Compliance Audit Return 23 January 2018. Mr Martin recommended that Council set purchasing limits. What this means is that Council will set limits on the Chief Executive Officers and Officers purchasing amount. This is typical practice in Local Government for the purpose of efficient governance and service delivery. Matters associated with purchasing are well defined in the *Local Government Act 1995* and Regulations legislation.

It might be useful to clarify what 'legislation' means. Legislation consists of laws made by Parliament or by people who are given power by Parliament to make laws, such as the Governor. Broadly, there are two kinds of legislation:

Acts and Subsidiary Legislation

Acts

These are laws Parliament has enacted. Sometimes Acts are called 'Acts of Parliament'. Usually an 'Act' will have the word 'Act' in its title. Often Acts are called 'Primary Legislation' to distinguish them from subsidiary legislation.

Subsidiary Legislation

Legislation that fill in the details not covered by an 'Act' under which it is made. Not all 'Acts' require subsidiary legislation.

Subsidiary legislation. These are laws made by people using powers that Parliament, by means of its Acts, has given them. Sometimes these laws are called delegated legislation or subordinate legislation. The Governor is the person most often given power by WA's Acts to make subsidiary legislation.

Subsidiary legislation does not have the words 'subsidiary legislation' in its title. Subsidiary legislation has various names, which do appear in its titles, such as:

- regulations;
- local laws;
- by-laws;
- planning schemes; and
- rules.

The *Local Government Act 1995* and Regulations establishes purchasing protocols and control mechanisms. These statutes govern the LG purchasing actions. Therefore it is an offence for a Local Government Officer to manage and expend municipal funds in breach of the legislation. The Department of Local Government investigates breaches of the Act and if warranted refer the matter to the Public Sector Commission and or the Corruption and Crime Commission.

A general overview of Local Government purchasing legislation is tabled 1 below:

Table 1

Comment	Statutes
Council adopts the annual budget which incorporates particulars of expenditure.	<i>Local Government Act 1995</i> Part 6, Division 2, section 6.2 (1) During the period from 1 June in a financial year to 31 August in the next financial year, or such extended time as the Minister allows, each local government is to prepare and adopt*, in the form and manner prescribed, a budget for its municipal fund for the financial year ending on the 30 June next following that 31 August.

	<ul style="list-style-type: none"> (4) The annual budget is to incorporate — (a) particulars of the estimated expenditure proposed to be incurred by the local government;
<p>Expenditure of funds for the purpose of effective governance and the delivery of municipal services.</p> <p>The Officers will not expend funds unless the funds are disclosed in the annual budget or Council passes an absolute majority resolution.</p>	<p>Local Government Act 1995 Part 6, Division 2, section 6.8</p> <p><u>6.8. Expenditure from municipal fund not included in annual budget</u></p> <ul style="list-style-type: none"> (1) A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure — <ul style="list-style-type: none"> (a) is incurred in a financial year before the adoption of the annual budget by the local government; or (b) is authorised in advance by resolution*; or (c) is authorised in advance by the mayor or president in an emergency. <p><i>* Absolute majority required.</i></p>
Where expenditure exceed \$150,000.	<p>Local Government Act 1995 Part 3, Division 3, section 3.55</p> <p><u>3.57. Tenders for providing goods or services</u></p> <ul style="list-style-type: none"> (1) A local government is required to invite tenders before it enters into a contract of a prescribed kind under which another person is to supply goods or services. <p>Local Government (Functions and General) Regulations 1996, Part 4, Division 2, r.11</p> <p><u>11. When tenders have to be publicly invited</u></p> <ul style="list-style-type: none"> (1) Tenders are to be publicly invited according to the requirements of this Division before a local government enters into a contract for another person to supply goods or services if the consideration under the contract is, or is expected to be, more, or worth more, than \$150 000 unless subregulation (2) states otherwise.
To govern the LG Officers expenditure practices.	<p>Local Government (Functions and General) Regulations 1996, Part 4, Division 1, r.11A</p> <p><u>11A. Purchasing policies for local governments</u></p> <ul style="list-style-type: none"> (1) A local government is to prepare or adopt, and is to implement, a purchasing policy in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$150 000 or less or worth \$150 000 or less.

The advice provided by Mr Martin is referenced below and in Table 2, LG industry examples are disclosed for reference.

"In my Compliance report I raised the issue of a purchasing limit for consideration. I suggested the \$150,000 tender threshold as being appropriate. The following, clauses (b) and (d) may assist you. These sections clarify that the

Council needs to determine the appropriate limit. So, it is probably best managed through Council policy setting limits for the CEO for both accepting tenders and disposing of property, with the CEO then able to set lower thresholds for other employees through his new CEO Direction Manual.

5.43. Limits on delegations to CEO

A local government cannot delegate to a CEO any of the following powers or duties —

(a) any power or duty that requires a decision of an absolute majority or a 75% majority of the local government;

(b) accepting a tender which exceeds an amount determined by the local government for the purpose of this paragraph

(d) acquiring or disposing of any property valued at an amount exceeding an amount determined by the local government for the purpose of this paragraph;”

G Martin 31/1/2018

Table 2	Shire of Carnarvon	Shire of Shark Bay	City of Karratha	Shire of Leonora	Shire of Kojonup	Shire of Moora	Shire of Ravensthorpe	Shire of Ashburton
CEO			Unlimited	\$ 149,999.00	\$ 500,000.00	\$ 100,000.00		\$ 13,000,000.00
EM Corporate Services	\$ 99,999.00	\$ 50,000.00	\$ 150,000.00		\$ 20,000.00			\$ 100,000.00
Manager Finance	\$ 5,000.00	\$ 10,000.00	\$ 100,000.00					\$ 5,000.00
Senior Finance Officer	\$ 3,000.00	\$ 5,000.00				\$ 1,000.00	\$ 3,000.00	
Records Officer		\$ 5,000.00						
Customer Service Officer		\$ 5,000.00						\$ 2,499.00
EM Development Services	\$ 99,999.00		\$ 150,000.00					\$ 100,000.00
Manager Development Services					\$ 5,000.00	\$ 20,000.00		
Manager Works		\$ 50,000.00		\$ 25,000.00	\$ 20,000.00			
Works Coordinator	\$ 5,000.00					\$ 5,000.00	\$ 10,000.00	\$ 20,000.00
Manager Operations	\$ 25,000.00					\$ 20,000.00	\$ 75,000.00	\$ 50,000.00
Coordinator Asset Maintenance	\$ 15,000.00							\$ 20,000.00
Director, Strategic Projects & Infrastructure			\$ 150,000.00					
Manager Planning	\$ 5,000.00							
Coordinator, Ranger Services	\$ 3,000.00				\$ 5,000.00			\$ 2,499.00
Community Emergency Services Mgr.	\$ 5,000.00					\$ 1,000.00		\$ 5,000.00
Mechanic					\$ 10,000.00	\$ 5,000.00		
Building Maintenance Officer							\$ 7,500.00	\$ 5,000.00
Maintenance Officer						\$ 5,000.00		
Country Coordinator		\$ 25,000.00						
Asset's Coordinator		\$ 25,000.00						\$ 20,000.00
Manager Assets & Wastewater Services						\$ 5,000.00		
Town Service Coordinator		\$ 25,000.00						
Co-ordinator, Parks & Gardens	\$ 3,000.00							
Parks & Gardens Leading Hand						\$ 1,000.00		
Director, Community Services		\$ 50,000.00	\$ 150,000.00					\$ 100,000.00
Manager Community	\$ 5,000.00	\$ 10,000.00						\$ 2,499.00
Manager Regulatory & Community Services					\$ 20,000.00			\$ 100,000.00
Coordinator, Visitor Centre	\$ 3,000.00	\$ 10,000.00						\$ 2,499.00
Snr Librarian	\$ 3,000.00							\$ 5,000.00
Coordinator Youth Services	\$ 3,000.00							\$ 5,000.00
Manager Governance	\$ 5,000.00							
Coordinator, Organisational Dev.	\$ 3,000.00							
Manager, Regulatory Services	\$ 5,000.00							
Snr Executive Officer	\$ 3,000.00	\$ 10,000.00			\$ 2,000.00		\$ 3,000.00	\$ 2,499.00
Executive Support Officer	\$ 1,500.00				\$ 2,000.00			\$ 2,499.00
Supervisor Airport	\$ 3,000.00		\$ 50,000.00				\$ 10,000.00	\$ 50,000.00
IT Coordinator	\$ 5,000.00							
Manager, Civic Centre	\$ 10,000.00							\$ 50,000.00

COMMENT

The Officer has shown Council that the LG purchasing process is enshrined in legislation and that the resolution is based on independent advice and is typical to Local Government. The purpose of the policy amendment is effective and efficient governance and service delivery.

CONSULTATION

Local Governments

Mr Gary Martin

STATUTORY ENVIRONMENT

Local Government Act 1995, Part 2, Division 2, section 2.7

2.7. Role of council

The council —

- *governs the local government's affairs; and*
- *is responsible for the performance of the local government's functions.*

Without limiting subsection (1), the council is to —

- *oversee the allocation of the local government's finances and resources; and*
- *determine the local government's policies*

POLICY IMPLICATIONS

Purchasing Policy 2.7 - 10 October 2017

FINANCIAL IMPLICATIONS

As per policy

STRATEGIC IMPLICATIONS

This item is relevant to the Councils approved Strategic Community Plan 2011-2021 and Corporate Business Plan 2016-2020.

- Civic Leadership: 4 To work together as custodians of now and the future.
- 4.1 *To be a collaborative community with the capacity to manage the current and future direction of Exmouth.*
 - 4.2 *A local government that is respected, professional, trustworthy and accountable.*
 - 4.3 *To be strong advocates representing the region's interests.*

VOTING REQUIREMENTS

Absolute Majority

OFFICER'S RECOMMENDATION

ITEM 12.2.3

That Council authorise the following amendment to the Shire Purchasing Policy 2.7, 10 October 2017:

1. The Chief Executive Officer and the Deputy Chief Executive Officer are authorised to approve purchase orders for the purchasing of goods and services and acquiring or disposing of any property to the value of \$150,000.

COUNCIL RESOLUTION**ITEM 12.2.3****Res No: 08-0218****MOVED: Cr Lucas****SECONDED: Cr Lake**

That Council authorise the following amendment to the Shire Purchasing Policy 2.7, 10 October 2017:

- 1. The Chief Executive Officer and the Deputy Chief Executive Officer are authorised to approve purchase orders for the purchasing of goods and services and acquiring or disposing of any property to the value of \$150,000.**

CARRIED 5/0

12.2.4 MURAT ROAD CONSULTANCY PROJECT

File Reference:	CM.TE.2.2018
Responsible Officer:	Deputy Chief Executive Officer
Date of Report:	10 February 2018
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	1. CONFIDENTIAL Assessment Report – Murat Road Engineering Consultancy Report

PURPOSE

That Council award the Murat Road Engineering Consultancy Project as recommended in the confidential assessment report.

BACKGROUND

In 2016/2017 the Shire received a State Government Initiative grant for \$1,800,000. This grant is associated with improvement works on Murat Road from Preston Street to Reid Street.

The development of the project consists of 4 phases:

1. Geotechnical pavement and surface design, utilities and services, detailed design, drawings, reports, traffic management plans, tender documents and superintendents representative duties.
2. Advertise state-wide tender, assess tenders, Council resolution to award tender.
3. Construction and project management.
4. Closeout reports and audit.

In order of importance the general design concepts under analysis are:

1. Murat Road 2x4.5 lanes, plus 1.5m wide sealed shoulders. This would provide room for cyclist's with minimal additional infrastructure.
2. Redesign of the Murat Road/Preston Street corner and the Mortis Street intersection to manage articulated long vehicles.
3. Intersection street lighting.
4. Intersection redesign to accommodate additional road width at Gnulli Ct, Kestrel Pl, Corella Ct and Reid Street.
5. Road drainage improvements.
6. Partial construction of the Levee system interfacing and crossing Murat Road.

COMMENT

Refer to the confidential assessment report.

CONSULTATION

Western Australia Local Government Association (WALGA)
Main Roads WA

STATUTORY ENVIRONMENT

Local Government can procure engineering consultancy services through the WALGA Preferred Supply Panel. This acquisition process is permitted in the *Local Government Act 1995* (Functions and General) Regulation (s.3.57) "(b) the supply of the goods or services is to be obtained through the Council Purchasing Service of WALGA". Under the *Local Government (Functions and General) Regulations*, a tender exemption applies to WALGA's Preferred Supplier Contracts.

WALGA Preferred Supplier Program

- The WALGA preferred Supplier Program complies with the *Local Government Regulation 1996 (Function and General)*.
- Purchasing through WALGA means that you do not have to tender. A tender exemption applies to all of our Preferred Supplier Contracts. This saves on time, money and risks associated with tendering.
- All of our Contracts (WALGA) are established by procurement specialists using a rigorous public and compliant market process. WALGA preferred suppliers are pre-qualified to provide Members with the safeguard of a quality-assured process, legal compliance, probity, risk mitigation and security of supply.

Section 3.57 of the *Local Government Act 1995 and the Local Government Regulation 1996 (Function and General) Part 4, Division 2 section 11 (2) (b)*.

The tenders were managed through the *WALGA Preferred Supply Program* as referenced in the *Local Government Regulation 1996 (Function and General) Part 4, Division 2 section 11 (2) (b)* negating the requirements of *Local Government Regulation 1996 Part 4, Division 2 section 14*.

POLICY IMPLICATIONS

Council Purchasing Policy 2.7

FINANCIAL IMPLICATIONS

The Main Roads Grant is worth \$1,800,000. The Shire will receive \$1,400,000 in 2017/2018 and \$400,000 in 2018/2019. In addition the Department of Transport may be joining the project and funding design and construction road works on Mortiss Street and Neil Cove.

The confidential assessment report is provided to Council in Attachment 1.

STRATEGIC IMPLICATIONS

This item is relevant to the Councils approved Strategic Community Plan 2011-2021 and Corporate Business Plan 2016-2020.

- | | | |
|-------------------|-----|---|
| Economic: | 1 | <u>To be a diverse and innovative economy with a range of local employment opportunities.</u> |
| | 1.5 | <i>Maintain and improve Shire infrastructure.</i> |
| Civic Leadership: | 4 | <u>To work together as custodians of now and the future.</u> |
| | 4.2 | <i>A local government that is respected, professional, trustworthy and accountable.</i> |
| | 4.3 | <i>To be strong advocates representing the region's interests.</i> |

VOTING REQUIREMENTS

Absolute Majority

OFFICER'S RECOMMENDATION**ITEM 12.2.4**

That Council award the Murat Road Engineering Consultancy Project to (name to be inserted) as recommended in the confidential assessment report (Attachment 1).

COUNCIL RESOLUTION**ITEM 12.2.4**

Res No: **09-0218**

MOVED: **Cr Lucas**

SECONDED: **Cr Mounsey**

That Council award the Murat Road Engineering Consultancy Project to KCTT as recommended in the confidential assessment report (Attachment 1).

CARRIED 5/0

As the Shire President, Matthew Niikkula declared a financial interest in the following report he handed the Chair to the Deputy Shire President, Gary Mounsey and departed the Shire Chambers at 4.35pm.

12.2.5 RFT 1-2018 PROVISION OF TRADE SERVICES MAINTENANCE WORKS

File Reference:	CM.TE.1.2018
Responsible Officer:	Deputy Chief Executive Officer
Date of Report:	8 February 2018
Applicant/Proponent:	Nil
Disclosure of Interest:	Keith Woodward, Deputy Chief Executive Officer Matthew Niikkula, Shire President
Attachment(s):	1. CONFIDENTIAL WALGA Evaluation Report

PURPOSE

Council awards contracts for licensed plumbing and drainage repairs, licensed gas repairs, licensed electrical repairs, licensed air-conditioning repairs and servicing as recommended in the confidential evaluation report.

BACKGROUND

The West Australian Local Government Association (WALGA) on behalf of the Shire was requested to manage the RFT 1-2018 Provision of Trade Services. WALGA advertised, received and assessed the tender submissions independent of the Shire.

The WALGA technical scope as follows:

Undertaking of Provision of Trade Services Maintenance Works Request process in accordance with the following scope:

a) Procurement Planning

- Consultation meetings with the Shire of Exmouth to determine the procurement requirements and desired outcomes; and
- Establish appropriate criteria for the evaluation of tenders.

b) Request Development

- Review of the specification and price schedule received from the Shire of Exmouth for inclusion into the Request document;
- Preparation of the Request documents, including conditions of responding and selection of the appropriate proposed conditions of contract;
- Authorisation of documentation for release for sign off by the Shire of Exmouth;
- Lodgement of procurement activity on WALGA's e-tendering portals.

c) Request Open Period

- Manage enquiries and responses throughout the Request open period;
- Distribution of addendums and clarifications when required;
- Acceptance of tenders through WALGA's e-tendering portal.

d) Evaluation of Tenders

- Provision of Procurement Specialist to act as Evaluation Chairperson to lead the evaluation process and evaluate tenders;
- Management/collection of declaration of conflict of interest and confidentiality statements;
- Seek any further clarifications (if required);
- Perform all reference checks, if required;
- Conduct a value for money assessment to determine the most advantageous Tender;
- Preparation of an Evaluation Report (confidential) for presentation to the Shire; and
- Release of all documents related to the procurement process to the Shire.

COMMENT

The confidential evaluation report is included as Attachment 1.

Since 2011 the Shire has tendered the Shire's electrical and plumbing services. The purpose of this process was to ensure that the Shire managed the associated acquisition in accordance with the Local Government Act 1995, and that electricians and plumbing had the same opportunity via the competitive tender process and to ensure cost effective and efficient delivery of service.

Prior to this process, when an electrical or plumbing emergency or maintenance situation occurred Shire Officers would ring numerous contractors to find out who was available to respond immediately. Often the contractors were not in a position to respond immediately. If Officers were unable to contact a particular contractor due to their unavailability at the time, the officer would be questioned by the contractor who demanded that the officer provide justification as to why the officer did not contact them; these complaints often involved the Shire CEO and Councillors even though the Officers complied with the Shire Purchasing Policy. On occasion the situation would become so demanding that Officers would close the facility until specifications were formulated, quotation documents released and submissions assessed. This practice was detrimental to the community and particularly onerous when considering the minor works involved. Furthermore, the Shire found themselves in situations where multiple electrical and plumbing contractors worked on the same systems week in, week out. The contractors continually mentioned that the works done by the previous contractor were not to standard. This situation caused conflict between the multiple contractors with demands that the Shire adjudicate between parties.

CONSULTATION

Western Australian Local Government Association

STATUTORY ENVIRONMENT

Local Government Act 1995 Part 3, Division 3, section 3.55

3.57. Tenders for providing goods or services

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

Local Government (Functions and General) Regulations 1996, Part 4, Division 2, r.11

11. When tenders have to be publicly invited

(1) Tenders are to be publicly invited according to the requirements of this Division before a local government enters into a contract for another person to supply goods or services if the consideration under the contract is, or is expected to be, more, or worth more, than \$150 000 unless subregulation (2) states otherwise.

POLICY IMPLICATIONS

Policy 2.7 - Purchasing Policy

FINANCIAL IMPLICATIONS

As per Annual Shire Budget

STRATEGIC IMPLICATIONS

This item is relevant to the Councils approved Strategic Community Plan 2011-2021 and Corporate Business Plan 2016-2020.

- | | | |
|-------------------|-----|---|
| Economic: | 1 | <u>To be a diverse and innovative economy with a range of local employment opportunities.</u> |
| | 1.5 | <i>Maintain and improve Shire infrastructure.</i> |
| Civic Leadership: | 4 | <u>To work together as custodians of now and the future.</u> |
| | 4.2 | <i>A local government that is respected, professional, trustworthy and accountable.</i> |
| | 4.3 | <i>To be strong advocates representing the region's interests.</i> |

VOTING REQUIREMENTS

Absolute Majority

OFFICER'S RECOMMENDATION

ITEM 12.2.5

That Council award contracts as recommended in the confidential evaluation report included as Attachment 1:

1. Licensed plumbing and drainage repairs to _____
2. Licensed gas repairs to _____
3. Licensed electrical repairs to _____
4. Licensed air-conditioning repairs and servicing to _____

COUNCIL RESOLUTION**ITEM 12.2.5****Res No: 10-0218****MOVED: Cr Lucas****SECONDED: Cr Dixon**

That Council award contracts as recommended in the confidential evaluation report included as Attachment 1:

- 1. Licensed plumbing and drainage repairs to Exy Plumbing and Contracting.**
- 2. Licensed gas repairs to Exy Plumbing and Contracting.**
- 3. Licensed electrical repairs to Dagleish Enterprises (ERA Contractors).**
- 4. Licensed air-conditioning repairs and servicing to Network Power Solutions Pty Ltd.**

CARRIED 5/0

The Shire President returned to the Chambers at 4.39pm and took over the Chair of the meeting.

The Chief Executive Officer read the Council resolution to the Shire President.

13. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

14. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

Nil

15. MATTERS TO BE CONSIDERED BEHIND CLOSED DOORS

Nil

16. CLOSURE OF MEETING

The Shire President thanked everyone for their attendance and closed the meeting at 4.42pm.