



**SHIRE OF ASHBURTON**

**SPECIAL MEETING OF COUNCIL**

**MINUTES**

**Council Chambers, Community Recreation  
Centre, Tom Price**

**1 May 2013**

**SHIRE OF ASHBURTON**  
**SPECIAL COUNCIL MEETING**

Dear Councillor

Notice is hereby given that an Special Meeting of the Council of the Shire of Ashburton will be held on 1 May 2013 at Council Chambers, Community Recreation Centre, Tom Price commencing at 9:00 am with telephone links to the Onslow Multi-Purpose Centre, and the Conference Room, City of Kalgoorlie Boulder, pursuant to Section 5.25 (1) (ba) of the *Local Government Act 1995*.

The business to be transacted is shown in the Agenda.

Frank Ludovico  
**A/CHIEF EXECUTIVE OFFICER**

**DISCLAIMER**

*The recommendations contained in the Agenda are subject to confirmation by Council. The Shire of Ashburton warns that anyone who has any application lodged with Council must obtain and should only rely on written confirmation of the outcomes of the application following the Council meeting, and any conditions attaching to the decision made by the Council in respect of the application. No responsibility whatsoever is implied or accepted by the Shire of Ashburton for any act, omission or statement or intimation occurring during a Council meeting.*

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**1. DECLARATION OF OPENING**

The Commissioner declared the meeting open at 9.00 am.

**2. ANNOUNCEMENT OF VISITORS**

There were no visitors in attendance at the three locations.

**3. ATTENDANCE**

**3.1 PRESENT**

**Conference Room, City of Kalgoorlie Boulder 577 Hannan Street, Kalgoorlie**

Mr R Yuryevich Commissioner

**Council Chambers, Recreation Centre, Central Road, Tom Price**

Mr F Ludovico	A/Chief Executive Officer
Ms F Keneally	Executive Manager, Operations
Ms A O'Halloran	Executive Manager, Strategic & Economic Development
Ms D Wilkes	Executive Manager, Community Development
Mrs L Hannagan	A/Executive Manager, Corporate Services
Mr K Pearson	A/Executive Manager, Technical Services
Ms J Smith	Executive Officer CEO

**Onslow Multi-Purpose Centre, Cnr of McGrath & Hooley Avenue, Onslow**

Kate Redden Customer Services Officer

Mr Keith Pearson was not in attendance at the commencement of meeting.

**3.2 APOLOGIES**

There were no apologies.

**3.3 APPROVED LEAVE OF ABSENCE**

There were no approved leave of absences.

**4. ANNOUNCEMENTS BY THE PRESIDING PERSON WITHOUT DISCUSSION**

There were no announcements by the Presiding Person.

**5. DECLARATION BY MEMBERS**

That the Commissioner has given due consideration to all matters contained in the Agenda presently before the meeting.

**5.1 DECLARATION OF INTEREST**

**Councillors to Note**

A member who has a Financial Interest in any matter to be discussed at a Council or Committee Meeting, that will be attended by the member, must disclose the nature of the interest:

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- (a) In a written notice given to the Chief Executive Officer before the Meeting  
or;
- (b) At the Meeting, immediately before the matter is discussed.

A member, who makes a disclosure in respect to an interest, must not:

- (c) Preside at the part of the Meeting, relating to the matter or;
- (d) Participate in, or be present during any discussion or decision-making procedure relative to the matter, unless to the extent that the disclosing member is allowed to do so under Section 5.68 or Section 5.69 of the Local Government Act 1995.

### **NOTES ON FINANCIAL INTEREST (FOR YOUR GUIDANCE)**

The following notes are a basic guide for Councillors when they are considering whether they have a Financial Interest in a matter.

I intend to include these notes in each agenda for the time being so that Councillors may refresh their memory.

1. A Financial Interest requiring disclosure occurs when a Council decision might advantageously or detrimentally affect the Councillor or a person closely associated with the Councillor and is capable of being measure in money terms. There are exceptions in the Local Government Act 1995 but they should not be relied on without advice, unless the situation is very clear.
2. If a Councillor is a member of an Association (which is a Body Corporate) with not less than 10 members i.e. sporting, social, religious etc), and the Councillor is not a holder of office of profit or a guarantor, and has not leased land to or from the club, i.e., if the Councillor is an ordinary member of the Association, the Councillor has a common and not a financial interest in any matter to that Association.
3. If an interest is shared in common with a significant number of electors or ratepayers, then the obligation to disclose that interest does not arise. Each case needs to be considered.
4. If in doubt declare.
5. As stated in (b) above, if written notice disclosing the interest has not been given to the Chief Executive Officer before the meeting, then it **MUST** be given when the matter arises in the Agenda, and immediately before the matter is discussed.
6. Ordinarily the disclosing Councillor must leave the meeting room before discussion commences. The **only** exceptions are:
  - 6.1 Where the Councillor discloses the **extent** of the interest, and Council carries a motion under s.5.68(1)(b)(ii) or the Local Government Act; or
  - 6.2 Where the Minister allows the Councillor to participate under s.5.69(3) of the Local Government Act, with or without conditions.

## 6. BUSINESS

### 6.1 AWARD OF CONTRACT 04/13 - PROVISION OF BITUMINOUS AND ASPHALT SUPPLY AND SERVICES FOR ONSLOW AERODROME AND ASSOCIATED WORKS

**MINUTE:** 8

**FILE REFERENCE:** AS.TE.4.13

**AUTHOR'S NAME AND POSITION:** Fiona Keneally  
Executive Manager, Operations

**NAME OF APPLICANT/RESPONDENT:** Not Applicable

**DATE REPORT WRITTEN:** 28 April 2013

**DISCLOSURE OF FINANCIAL INTEREST:** The author has no financial interest in the proposal.

**PREVIOUS MEETING REFERENCE:** Agenda Item 6.1, (Minute No: 7), Special Meeting of Council 21 March 2013  
Agenda Item 14.1, (Minute No: 11466), Ordinary Meeting of Council 13 March 2013

#### **Summary**

The Shire is currently undertaking the Onslow Aerodrome Redevelopment including construction of a new 1900m airstrip to CASA Code 3C requirements.

The construction of the runway requires extensive bituminous and asphalt works to complete the project.

The evaluation criteria for the Provision of Bituminous and Asphalt Supply and Services for Onslow Aerodrome and Associated Works was approved at the 21 March 2013 Special Meeting of Council and quotes were sought through WALGA preferred suppliers.

Three proposals were received. Following review and assessment of the quotes it is recommended that Boral Resources (WA) Ltd be awarded the quote for the Provision of Bituminous and Asphalt Supply and Services for Onslow Aerodrome and Associated Works.

#### **Background**

Provision of the required quantities of construction water for the Onslow Aerodrome Redevelopment has been problematic due to the shortage of available freshwater in the vicinity. The construction of the runway embankment has been undertaken with the use of salt water.

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ARRB Group Ltd (ARRB) was engaged to assist the Council to seek possible salt mitigation measures, gain a full understanding of the long term effects that the use of salt water, local climate and surrounding environment may have on the Aerodrome construction site and whether the use of salt water as construction water is a suitable pavement construction alternative.

Council received and endorsed the ARRB Contract Report – The Use of Seawater in Onslow Aerodrome Pavement Construction at the 21 March 2013 Special Meeting of Council. The same Special Meeting of Council also endorsed the construction of the aerodrome runway pavement using sea water along with the evaluation criteria outlined below for the Provision of Bituminous and Asphalt Supply and Services for Onslow Aerodrome and Associated Works.

### **Comment**

Price proposals were sought through the tender-exempt, WALGA Preferred Supplier Contract utilising the E-Quote system. All eight approved asphalt and bitumen vendors were notified of the request. Three responses were received.

The proposal required vendors to submit a schedule of rates for the provision of bituminous and asphalt supply and services. It also required the submission of proposed materials and products that complied with the specification. The General Conditions of Contract shall be AS4000. A best value for money approach was applied to the evaluation.

Several options and products were being considered at the time of the request due to ongoing laboratory testing and uncertainty of product price and availability in remote locations such as the Pilbara. Finalisation of the bituminous and asphalt design is nearing completion. Vendors were requested to provide rates for three prime options and three asphalt binder options.

A polymer modified binder (PMB) is the recommended option for the asphalt mix, however there was concern that this might have been unaffordable to the project. Austroads A35P and A10E are the two polymer modified binders being considered. A C320 binder was also nominated to be considered if the polymer modified binder was unaffordable to the project however this is not a preferred option as it is the least suitable product for the application.

PMB asphalt applications are used to;

- Improve deformation resistance
- Improve fatigue and crack resistance
- Improved aggregate retention
- Improve resistance to high traffic stresses
- Improved stiffness

ARRB recommend A35P as the ideal choice for the project. The A10E is very similar to the polymer modified binder specified for the waterproofing seal and the C320 is a commonly used non-modified binder often specified in normal road works.

The evaluation panel consisted of Fiona Keneally, Allan Monson and Michelle Tovey.

Evaluation of the non-price criteria resulted in equivalent scores for both Downer EDI and Boral Resources (WA) Ltd (Boral).

Evaluation of price criteria considering all options is attached.

**ATTACHMENT 6.1A**

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It is evident from the attachment that the lowest quoted rates for a polymer modified binder asphalt (A10E) are affordable when compared to the lowest quoted rates for a C320 binder asphalt, regardless of the selection of prime options. Lowest rates for the preferred A35P only exceed lowest C320 rates by margins up to 10%.

Therefore further evaluation was on the basis of the following three prime, waterproofing seal and PMB asphalt combinations –

Option 1 (ARRB Preferred) - SAMI Prime K2/P (or equivalent) @ 0.3L/m<sup>2</sup> and PMB Class A35P to Austroads AGPT/T190.

**ATTACHMENT 6.1B**

Option 2 - SAMI Prime K2/P (or equivalent) @ 0.3L/m<sup>2</sup> and PMB Class A10E to Austroads AGPT/T190.

**ATTACHMENT 6.1C**

Option 3 - SAMI Prime K2 (or equivalent) @ 1.2L/m<sup>2</sup> and PMB Class A10E to Austroads AGPT/T190.

**ATTACHMENT 6.1D**

Based on the evaluation criteria on PMB asphalt it is recommended the contract be awarded to Boral Resources (WA) Ltd.

### **Consultation**

Kim Neaylon – National Technical Leader – Surfacing (Pavements and Surfacing) ARRB Group  
A/Chief Executive Officer  
Executive Manager – Strategic and Economic Development  
Capital Works Manager

### **Statutory Environment**

Local Government Act 1995, S3.57 Tenders for providing goods or services  
Local Government (Functions and General) Regulations 1996 – Part 4; Division 2; Reg 11(2)  
(b)

### **Financial Implications**

The recommended contract amount exceeds the Project approved estimate (bituminous and asphalt component) of \$5,043,049.00 (Ex GST) however adoption of the recommended asphalt mix will improve the whole of life costs of the aerodrome runway assets.

Council endorsed the recommendations of the anticipated cost of salt mitigation measures at the Special Meeting of Council 21 March 2013, with the additional funding to undertake the revised runway works to be sought through negotiation with the Onslow Social Infrastructure Working Group (OSIWG). The matter has been discussed at recent OSIWG meetings resulting in the informal agreement of the additional costs, pending formal contractor proposals.



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This formal process can now be undertaken given firm contractor rates.

A 10% contingency should be delegated to the Chief Executive Officer for execution of the awarded contract for possible provisional items arising from:

- Standby due to dryback variances.
- Delays due to weather, pavement construction.
- Variation in binder quantities pending final mix design.
- Variance to application rates due to finished base course properties and conditions.
- Additional asphalt quantities due to variances in surface levels and textures.

### **Strategic Implications**

Shire of Ashburton 10 Year Community Strategic Plan 2012-2022

Goal 04 – ‘Distinctive and Well Serviced Places’

Objective 01 – Quality Public Infrastructure

Objective 02 – Accessible and Safe Towns

Objective 03 – Well Planned Towns

### **Policy Implications**

FIN04 - Buy Local – Regional Price Preference Policy

FIN12 – Purchasing and Tender Policy

FIN14 – Tender Assessment Criteria Policy

D001 – Delegation to CEO

**Voting Requirement**

Absolute Majority Required

Keith Pearson entered the meeting at 9.03 am.

**Council Decision**

**MOVED: R Yuryevich**

**That Council:**

- 1. Award the Contract 04/13 Provision of Bituminous and Asphalt Supply and Services for Onslow Aerodrome and Associated Works, option 1C 3B to Boral Resources (WA) Ltd to a value not exceeding \$5,781,313.00 (excluding GST).**
- 2. Authorise the Commissioner and Acting Chief Executive Officer to execute the relevant contract documentation and affix the Shire's Common Seal to the contract.**
- 3. Delegate a provisional contingency to the Acting Chief Executive Officer for the execution of the awarded contract to a value not exceeding \$578,130.00 (excluding GST), and the use of the contingency be reported back to Council as an Agenda Item each month.**

**CARRIED BY ABSOLUTE MAJORITY 1/0**

**REASON FOR CHANGE OF RECOMMENDATION:**

**To clarify the tender option being awarded.**

**To provide reporting to Council on the extent the contract contingency used.**

**6.2 ENDORSEMENT OF THE MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE SHIRE OF ASHBURTON AND ONSLOW SALT PTY LTD DEFINING LAND USE AND ASSET ACCESS ON ADJOINING AND OVERLAPPING LEASES / LAND TO FACILITATE THE DIVERSION OF THE ONSLOW TOWN WATER MAIN**

**MINUTE:** 9

**FILE REFERENCE:** TR.AT.01.01

The A/Chief Executive Officer reported that as discussions with Water Corporation had not concluded an item had not been developed for Council consideration.

**Voting Requirement**  
Simple Majority Required.

**Council Decision**

**MOVED:** R Yuryevich

**That Council refer the matter of "Endorsement of the Memorandum of Understanding (MOU) between the Shire of Ashburton and Onslow Salt Pty Ltd Defining Land Use A]and Asset Access on adjoining and overlapping Leases/Land to facilitate the diversion of the Onslow Town Water Main" to a future Council Meeting when all details have been received.**

**CARRIED 1/0**

### 6.3 TENDER RFT 01/13 DEMOLITION OF BUILDINGS

**MINUTE:** 10

**FILE REFERENCE:** AS.TE.01.13

**AUTHOR'S NAME AND POSITION:** Lisa Hannagan  
A/Executive Manager, Corporate Services

**NAME OF APPLICANT/RESPONDENT:** Not Applicable

**DATE REPORT WRITTEN:** 26 April 2013

**DISCLOSURE OF FINANCIAL INTEREST:** The author has no financial interest in the proposal.

**PREVIOUS MEETING REFERENCE:** Agenda Item 11.1 (Minute No. 11479) – Ordinary Meeting of Council 10 April 2013

#### **Summary**

The Onslow Administration/Library/Hall suffered catastrophic damage by fire on Sunday 13 January 2013.

GHD assessed the structural integrity of the building and determined that the building is irreparable. Quotations were called in February 2013 for the demolition of the building and the two quotations received were in excess of \$100,000.

Tender RFT01/13 was called on 30 March 2013 and closed on 19 April 2013. Five tenders were received by the Shire.

#### **Background**

The Onslow Administration/Library/Hall suffered catastrophic damage by fire on Sunday 13 January 2013.

GHD assessed the structural integrity of the building and determined that the building is irreparable. Quotations were called in February 2013 for the demolition of the building and the two quotations received were in excess of \$100,000.

The Onslow Administration/Library/Hall is currently an eyesore in Onslow. While the property has been made secure from a safety perspective, the look and smell of the building are detrimental to the amenity of Second Avenue and the site must be demolished and cleaned as a priority.

It is not known at this stage whether Council will determine to rebuild on the same location or build at another location. No recommendation has been made at this point in time. What is known is that the existing site must be cleared and left in a clean and secure state until such time as a recommendation is prepared and a decision made.

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### Comment

The Shire is fully insured by LGIS for the cost of demolition. An amount of up to \$470,000 (10% of the insured value of the building) is set aside for this purpose.

A summary of the Qualitative Selection Criteria evaluation is shown below and the full tender evaluation is attached in the Agenda Attachment document.

<b>Tenderer</b>	<b>Archer Builders</b>	<b>Keystart Construction</b>	<b>NTC Contracting</b>	<b>McMahon Services</b>	<b>JBW Building Services</b>
Relevant Experience (10%)	9/10	0/10	5/10	10/10	7/10
Key Personnel (10%)	9/10	0/10	5/10	10/10	7/10
Past Company Performance (10%)	9/10	0/10	5/10	10/10	7/10
Resources/Personnel (5%)	5/5	0/5	0/5	5/5	3/5
Plant, Equipment & Materials (5%)	5/5	0/5	5/5	5/5	3/5
Methodology & Risk Management (10%)	10/10	0/10	2/10	10/10	8/10
Quoted Price (inc GST)	\$208,788.80	\$226,930.00	\$237,699.50	\$236,375.00	\$448,854.00
Price (50%)	50/50	46/50	39/50	38/50	13/50
Total (100%)	93/100	46/100	61/100	88/100	48/100

The tender evaluation was conducted by:

Ross Smith, Technical Services Support Officer  
 Brian Cameron, Building Services Manager  
 Lisa Hannagan, A/Executive Manager Corporate Services

### ATTACHMENT 6.3

### Consultation

A/Chief Executive Officer  
 A/Executive Manager, Technical Services  
 Ross Smith, Engineering Technical Support Officer

### Statutory Environment

Local Government Action 1995, s3.57 – Tenders for providing goods and services.

### Financial Implications

The Shire of Ashburton is fully insured by LGIS for the demolition of the fire damaged property and there is no financial implication in relation to accepting the recommended tender.

### Strategic Implications

Shire of Ashburton 10 Year Community Strategic Plan 2012-2022  
 Goal 5 – Inspiring Governance

### Policy Implications

FIN14 - Tender Assessment Criteria  
 FIN04 Buy Local – Regional Price Preference Policy

**Voting Requirement**

Simple Majority Required

**Council Decision**

**MOVED: R Yuryevich**

**That Council:**

- 1. Award Tender RFT01/13 Demolition of Buildings in Onslow to Archer Builders Pty Ltd for the sum of \$208,789.00 (inc GST); and**
- 2. Authorise the Commissioner and Acting Chief Executive Officer to execute the relevant contract documentation and affix the Shire's Common Seal to the contract.**

**CARRIED 1/0**

**7. NEXT MEETING**

The next Ordinary Meeting of Council will be held on 8 May 2013, at the Onslow Multi-Purpose Centre, Cnr McGrath Road and Hooley Avenue, Onslow, commencing at 1.00 pm.

**8. CLOSURE OF MEETING**

The Commissioner closed the meeting at 9.16 pm.