



Shire of Ashburton
Special Council Meeting
Agenda
(Public)

Council Chambers, Onslow Shire Complex, Second Avenue
Onslow
(and via Electronic Means)

25 October 2021

7:00pm



**Shire of Ashburton
Special Council Meeting**

Please be advised a Special Council Meeting will be held at 7:00pm on Monday 25 October 2021 at Council Chambers, Onslow Shire Complex, Second Avenue, Onslow.

A handwritten signature in blue ink, reading 'Nathan Cain', is positioned below the text.

N Cain
A / Chief Executive Officer
22 October 2021

Disclaimer

Recommendations and resolutions contained in this document are subject to confirmation by Council. The Shire of Ashburton warns anyone who has an 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 Council in respect of the application. No responsibility whatsoever is implied, or accepted, by the Shire of Ashburton for any act, omission, statement, or intimation occurring during a Council meeting.

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1 Declaration of opening

The Presiding Member declared the meeting open at 7:00pm and moved the following recommendation –

Shire President Recommendation

That with regards to the attendance requirements for the meeting to be conducted, as per the *Local Government (Administration) Regulations 1996* Regulation 14A, Council, by an Absolute Majority –

- a Approves the attendance by attendees via telephone or electronic means, noting each attendee is in instantaneous communication with each person present at the meeting, and
- b Approves the locations, as chosen by each of the attendees, as being suitable to conduct the business of the meeting.

1.1 Acknowledgement of country

As representatives of the Shire of Ashburton Council, we respectfully acknowledge the local Indigenous people, the traditional custodians of this land where we are meeting upon today and pay our respects to them and their elders past, present and emerging.

2 Announcement of visitors

To be advised at the meeting.

3 Attendance

3.1 Present

Elected members

Cr K White	Shire President Onslow Ward
Cr M Lynch	Deputy Shire President, Tom Price Ward
Cr L Rumble	Paraburdoo Ward
CR A Sullivan	Paraburdoo Ward
Cr J Richardson	Tablelands Ward
Cr R de Pledge	Ashburton Ward
Cr T Mladenovic	Tom Price Ward
Cr A Smith	Tom Price Ward

Employees

K Donohoe	Chief Executive Officer
N Cain	Director Corporate Services
C McGurk	Director Projects and Procurement
A Furfaro	Governance Officer

Guests

To be informed at the meeting.

Members of the public

To be informed at the meeting.

Members of the media

To be informed at the meeting.

3.2 Apologies

To be informed at the meeting.

3.3 Approved leave of absence

To be informed at the meeting.

4 Question time

4.1 Response to previous questions taken on notice

Nil

4.2 Public question time

(Only questions relating to the contents of the Agenda)

5 Applications for leave of absence

Nil

6 Declaration by members

6.1 Due consideration by Councillors to the agenda

Councillors note they have given due consideration to all matters contained in this agenda.

6.2 Declarations of interest

A member who has an Impartiality, Proximity or Financial interest in any matter to be discussed at this meeting must disclose the nature of the interest either in a written notice, given to the Chief Executive Officer, prior to the meeting, or at the meeting immediately before the matter is discussed.

A member who makes a disclosure in respect to an interest must not preside at the part of the meeting which deals with the matter, or participate in, or be present during any discussion or decision-making process relative to the matter, unless the disclosing member is permitted to do so under Section 5.68 or Section 5.69 of the *Local Government Act 1995*.

The following declarations of interest are disclosed –

Item 11.4 “More than Mining” Campaign – Request for Council Support

Declarant	Cr L Rumble
Declaration of Interest	Financial - I am elected member of council and rate payer who has share in Rio Tinto.
Declarant	Cr M Lynch
Declaration of Interest	Financial – I am an employee in the “Mining” industry.
Declarant	Cr A Sullivan
Declaration of Interest	Financial – I am an employee of Rio Tinto and I hold shares above the nominated amount with Rio Tinto.
Declarant	Cr T Mladenovic
Declaration of Interest	Indirect Financial – I am provided housing by Rio Tinto and my employer is partly funded by Rio Tinto.
Declarant	Cr A Smith
Declaration of Interest	Indirect Financial – My husband is an employee of Rio Tinto and a share holder with less than \$10,000.

Item 15.1 Award of RFT 10.21 Construction only of Tom Price Childcare and Combined Emergency Services, Tom Price

Declarant	Cr L Rumble
Declaration of Interest	Financial – Elected member of Council and has Rio Tinto Shares.
Declarant	Cr M Lynch
Declaration of Interest	Indirect Financial – I am an employee and tenant of Rio Tinto. I am paid a salary by Pilbara Iron.
Declarant	Cr A Sullivan
Declaration of Interest	Financial – I am an employee of Rio Tinto and I hold shares above the nominated amount with Rio Tinto.
Declarant	Cr T Mladenovic
Declaration of Interest	Indirect Financial – I am provided housing by Rio Tinto and my employer is partly funded by Rio Tinto. My employer has also been awarded the operational Tender for the Childcare Centre.
Declarant	Cr A Smith
Declaration of Interest	Indirect Financial – My husband is an employee of Rio Tinto and a shareholder with less than \$10,000.

7 Announcements by the Presiding Member and Councillors without discussion

Nil

8 Petitions / Deputations / Presentations

8.1 Petitions

Nil

8.2 Deputations

Nil

8.3 Presentations

Nil

9 Confirmation of minutes

Nil

10 En bloc resolutions

10.1 Agenda items adopted en bloc

To be advised at the meeting.

11 Office of the Chief Executive Officer reports

11.1 “More than Mining” Campaign - Request for Council Support

File reference	ED216
Author’s name	N Cain
Author’s position	A / Chief Executive Officer
Author’s interest	Nil
Authorising officer’s name	N Cain
Authorising officer’s position	A / Chief Executive Officer
Authorising officer’s interest	Nil
Name of applicant / respondent	Not applicable
Date report written	8 August 2021
Previous meeting reference	Not applicable

Summary

Brendon Grylls (from Brendon Grylls Group) recently raised the matter of fringe benefits tax reform with the Chief Executive Officer, on behalf of a consortium of regional local government authorities, to discuss potential reforms to Fringe Benefits Taxation policy to be spearheaded by the “More than Mining” campaign.

This Agenda Item serves to inform Council of the campaign.

Council is requested to pledge financial support towards the campaign.

Background

On Thursday 29 July 2021 the Chief Executive Officer discussed with Brendon Grylls (from Brendon Grylls Group), who is representing a consortium of regional local governments, Council’s possible support to the “More than Mining” campaign.

The “More than Mining” campaign is targeted at changing taxation policy to enable people living in regional mining towns and cities to be independent of resource-sector employers for housing and liveability.

The campaign seeks to encourage, where possible, people to buy property and relocate into towns which are predominantly driven by the boom-bust property investment cycle typical of historical mining life cycles.

The “More than Mining” campaign is targeting housing affordability support to individuals, as shown in the attached presentations, which is intended to:

- Incentivise regional relocation,
- Stabilise population churn,
- Normalise living costs, and
- Support local small business prosperity.

Attachment 11.1A

Attachment 11.1B

To date, the following organisations have supported the campaign:

- Karratha and Districts Chamber of Commerce and Industry,
- City of Karratha,
- Shire of East Pilbara,
- City of Kalgoorlie-Boulder,
- Shire of Coolgardie,
- Shire of Leonora,
- Isaac Regional Council,
- Mount Isa City Council,
- Broken Hill City Council, and
- Australian Mining Cities Allowance.

The “More than Mining” tax reform proposes to expand Fringe Benefits Taxation concessions from 50% to 100% for individuals in regional mining communities allowing people to buy a house, or rent a house, with pre-tax dollars.

It is intended with a lower tax bill, people can be more confident in a decision to buy a house, or save up faster, and be protected from cyclical rent spikes.

The increase in Fringe Benefits Tax concessions will make it easier financially for residents to live in mining towns and cities longer, slowing population churn and stabilising the demand for housing in the regions, which is likely to smooth out the boom-bust impacts on property values.

Council has been requested to join with other local governments and make a financial pledge to the campaign of between \$30,000 to \$35,000 to assist in research, submission finalisation, marketing, and publicity.

Comment

It is difficult to ascertain the exact return-on-investment regarding the financial pledge.

Of note, however, is the link between this campaign and the “yet-to-be-formally-adopted” Staff Accommodation Strategy for the Shire. The following is an extract from the Council Agenda Item relating to the adoption of the Staff Accommodation Strategy:

The Shire has maintained a staff level of approximately 180 employees for the last five years, with staff located in various locations. Of the 100 properties accommodating staff, 56 are owned by the Shire, 29 are Rio Tinto properties (managed by Sodexo), 13 are private rentals and 1 is rented from the Housing Authority. 46% of staff receive no assistance for housing from the Shire, they instead benefit from spousal accommodation provisions. Should a change of circumstances occur in the spouse’s employer the Shire is not currently able to offer these staff accommodation, further exacerbating the housing provisions. Recruitment of staff continues to be impacted by limited or inadequate housing stock.

Additionally, the Staff Accommodation Strategy highlights the challenges of accommodation within the Shire, and not simply for Shire staff:

Housing and Land Shortage

Access to housing for staff, as well as other essential workers, is a very real problem – particularly in Tom Price. In Tom Price and Paraburdoo, most of the staff housing stock is owned by Rio Tinto, which provides an additional layer of complexity. Anecdotal reports suggested essential services have been delayed or deferred (such as banking services, post office workers and doctors) because suitable accommodation has not been made available.

There also continues to be a lack of private developer interest and shortage of developable land in Tom Price, which was identified through the Royalties for Regions program several years ago. This is an issue that has not yet been resolved.

Mining Towns

Mining Towns come with their own unique set of challenges. As predominately single economy towns, the housing supply is vulnerable to external factors, such as commodity prices. This impacts directly on house prices – which are well above the State Average.

One size does not fit all

Each Town has its own unique challenges and requires a very different approach.

Tom Price is well established but land locked. Most of the housing is 40 years old and nearly 80% is owned by Rio Tinto Houses are very hard to source, particularly given the current resource boom.

Onslow on the other hand, is a small town that has seen exponential growth in recent years, which is forecast to continue.

High Costs

Being located above the 26th parallel directly attributes to a higher-than-average expense – both in terms of building costs, on-going maintenance, and operational expenses (for power etc.).

On the face of it the “More than Mining” campaign targets some of the challenges associated with housing issues in regional communities driven by the resources-sector and is likely to support mining companies to better resource their operations using local resources.

Coupled with the relatively low-cost commitment, Shire officers believe this is noteworthy campaign to support as, if successful, the investment into the Shire is likely to increase and employee turnover decrease.

Consultation

Chief Executive Officer
Director Corporate Services

Statutory environment

Local Government Act 1995

Section 5.56 (Role of Council)

The Council is to govern the local government's affairs, oversee the local government's finances and resources, and determine the local government's policies.

Section 3.1 (General function)

The general function of a local government is to provide for the good government of persons in the district.

Financial implications

Council is being requested to pledge between \$30,000 and \$35,000 towards the ore than Mining” campaign. The proposed 2021-2022 Annual Budget has advocacy funding for instances such as this.

Strategic implications

Shire of Ashburton Strategic Community Plan 2017-2027 Living Life (2019 Desktop Review)

Goal 2 Economic Prosperity
 Objective 2 Enduring partnerships with industry and government
 Strategic Direction Partner with industry and government to target their investment in stimulating more diversified business and economic development to benefit communities and the local economy.

Risk management

Risk has been assessed based on the Officer Recommendation.

Risk	Risk Likelihood	Risk Impact / Consequence	Risk Rating	Principal Risk Theme	Risk Action Plan
Council does not support the campaign and is perceived as not assisting the community to invest and grow.	Possible (3)	Moderate (3)	Moderate (9)	<u>Reputation</u> Substantiated, public embarrassment, moderate impact on community trust or moderate media profile.	Provide Council with adequate information to make an informed decision.
The “More than Mining” campaign is not successful.	Possible (3)	Minor (2)	Moderate (6)	<u>Financial Impact</u> \$10,000 to \$100,000	Very little can be done to mitigate this from occurring. Council is encouraged to spread the word to political advocates.

The following Risk Matrix has been applied:

Risk Matrix						
Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

Adoption of this item has been evaluated against the Shire of Ashburton's Risk Management Policy CORP5 Risk Matrix.

The perceived level of risk is "Moderate" because of the potential for negativity in the community. A successful campaign, which may make a difference for mining communities, is seen as an opportunity.

Policy implications

There are no known policy implications.

Voting requirement

Simple majority

Councillor interest declarations

Cr L Rumble	-	Financial
Cr M Lynch	-	Financial
Cr A Sullivan	-	Financial
Cr T Mladenovic	-	Indirect Financial
Cr A Smith	-	Indirect Financial

Additional

Due to a lack of quorum at previous meetings, this item has been re-presented for Council's consideration.

Officer recommendation

That with respect to the “More than Mining” Campaign - Request for Council Support, Council,

- a Supports the “More than Mining” campaign, targeting taxation reform, which is intended to assist to:
 - i Incentivise regional relocation,
 - ii Stabilise population churn,
 - iii Normalise living costs,
 - iv Support local small business prosperity, and
- b Pledges up to \$35,000 to the campaign to assist in research, submission finalisation, marketing, and publicity.

12 Corporate Services reports

Nil

13 People and Place reports

Nil

14 Infrastructure Services reports

Nil

15 Projects and Procurement reports

15.1 Award of RFT 10.21 Construction Only of Tom Price Childcare and Combined Emergency Services, Tom Price

File reference	POI.0400 CM10.21
Author's name	C McGurk
Author's position	Director Projects and Procurement
Author's interest	Nil
Authorising officer's name	N Cain
Authorising officer's position	A / Chief Executive Officer
Authorising officer's interest	Nil
Name of applicant / respondent	Not Applicable
Date report written	6 October 2021
Previous meeting reference	Agenda Item 16.3 (Minute 14/2021) Council Meeting 16 February 2021

Summary

Council has included in the 2021-2022 Annual Budget the construction of a Childcare Centre and a Combined Emergency Services Centre in Tom Price.

Five (5) tenders, all conforming, were received in response to RFT 10.21 Construction of Tom Price Childcare and Combined Emergency Services, Tom Price. The evaluation panel has completed the assessment of the conforming submissions and provided a recommendation.

Council is requested to authorise the engagement of the recommended contractor for the Construction Only of the Tom Price Childcare and Combined Emergency Services facilities in line with the capital works program for 2021-2022.

Confidentiality

An attachment to this report is confidential in accordance with section 5.23 of the *Local Government Act 1995* because it deals with –

“a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting.”

Background

Request for Tender (RFT) *RFT 10.21 - Construction of Tom Price Childcare and Combined Emergency Services, Tom Price, WA* was issued via the Shire’s e-tendering portal (known as Tenderlink) on Saturday 14 August 2021 and closed on Tuesday 14 September 2021 at 2:00 pm. The Tender was advertised via state-wide public notice in *The West Australian* newspaper from Saturday 14 August 2021. RFT 10.21 was undertaken in accordance with the *Local Government Act 1995* to invite suitably registered, qualified, and experienced contractors to submit bids to enter a Contract for the RFT 10.21, in accordance with the tender brief as detailed below:

The Shire of Ashburton seeks tender submissions from suitably registered, qualified, and experienced Contractors for the works associated with construction of Tom Price Childcare Centre and the Combined Emergency Services buildings, at Lots 19 and 20 South Road, Tom Price, WA.

The Scope of Works is divided into two separable portions, summarised as follows:

- *Separable Portion 01: Tom Price Childcare (TPCC), Lot 19: The new single storey facility will be able to accommodate ninety-six (96) children and 19 staff members, including dedicated Indoor and Outdoor Play Areas, a maintenance shed and 24 bay car park.*
- *Separable Portion 02: Combined Emergency Services (CES), Lot 20: The new single storey facility will accommodate the relocation of the existing State emergency Service (SES) and the Bush Fire Brigade (BFB), services in Tom Price. The works include offices, appliance bays, a training tower, parking, BBQ area, relocation of an existing container and dome structure and various external works.*

Comment

The Qualitative Criteria was approved prior to the advertisement of the RFT. Each Criterion was given the following weightings and included within the RFT document.

Criteria		Weighting
(a)	Relevant Company Experience and Performance	15%
(b)	Key Personnel	15%
(c)	Resources / Plant / Equipment	5%
(d)	Methodology / Programme / Quality and OHS Systems / Risk Management	15%
(e)	Price	50%

Each Panel Member individually assessed the Qualitative Criteria responses of the Tender submissions.

The submissions were assessed against the Qualitative Criteria and each Criterion was given a score in accordance with the Evaluation Guide contained within the Evaluation Spreadsheets.

A rating scale of zero-to-ten (0 - 10) was used for evaluating the Tender submissions in accordance with the Qualitative Criteria, with 0 being lowest and 10 being highest.

The evaluation and recommendation report, including the overall evaluation scores and rankings, is attached.

Confidential Attachment 15.1A

The evaluation of the submissions received against the quantitative and qualitative criteria resulted in the rankings (in order of priority) as shown below –

1. Emirge Pty Ltd
2. Cooper and Oxley Pty Ltd
3. Decmil Australia Pty Ltd
4. Mitie Construction Pty Ltd
5. Devlyn Australia Pty Ltd

A probity audit undertaken on the process identified there were no probity issues for note.

Consultation

Executive Leadership
Team Assessment Panel
Procurement Department

Statutory environment

Local Government Act 1995

3.57. Tenders for providing goods or services

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

(2) Regulations may make provision about tenders.

Local Government (Functions and General) Regulation 1996 Pt.2 Div.2

Division 2 — Tenders for providing goods or services (s. 3.57)

11. When tenders must be publicly invited

(1) Tenders are to be publicly invited according to the requirements of this Division before a local government enters 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 \$250 000 unless sub regulation (2) states otherwise.

Financial implications

The 2021-2022 Annual Budget provision for both projects combined is \$9,408,000.00.

The recommended contractor (Emirge Pty Ltd) has submitted a fixed lump sum price of \$8,493,439.50 (ex GST) as per the Price Schedule contained in RFT 10.21 and represents the most advantageous and best value for money submission.

Funding bodies for these facilities includes, amongst others, the Shire, the State Government and Rio Tinto Iron Ore.

Strategic implications

Shire of Ashburton Strategic Community Plan 2017-2027 Living Life (2019 Desktop Review)

Goal 1	Vibrant and Active Communities
Objective 2	Sustainable services, clubs, associations, and facilities

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Strategic Direction Prepare plans, programs, and schedules to provide cost effective access and optimisation of existing community facilities – and provide new or upgraded facilities to accommodate future needs.

Goal 4 Quality Services and Infrastructure

Objective 1 Quality Public Infrastructure

Strategic Direction Provide and maintain affordable infrastructure to serve the current and future needs of the community, environment, industry, and business.

Risk management

Risk has been assessed based on the Officer Recommendation.

Risk	Risk Likelihood	Risk Impact / Consequence	Risk Rating	Principal Risk Theme	Risk Action Plan
Council does not approve the recommendation to award the tender.	Possible (3)	Moderate (3)	Moderate (9)	Substantiated, public embarrassment, moderate impact on community trust or moderate media profile	Provide sufficient information for informed decision making.
Council approves the recommendation to award the tender and the tenderer cannot complete the works due to financial matters.	Possible (3)	Major (4)	High (12)	\$1million to \$5 million	Mitigated by the appointment of a Project Management Consultant with the specialised skills to run multiple projects to deliver Council's adopted Capital Works Program.
Council approves the recommendation to award the tender and the tenderer cannot complete the works to time.	Major (4)	Major (4)	High (16)	Exceeds deadline by 20% of project timeline	Mitigated by the appointment of a Project Management Consultant with the specialised skills to run multiple projects to deliver Council's adopted Capital Works Program.

The following Risk Matrix has been applied:

Risk Matrix						
Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

Adoption of this item has been evaluated against the Shire of Ashburton's Risk Management Policy CORP5 Risk Matrix.

This item has been evaluated against the Shire of Ashburton's Risk Management Policy CORP5 Risk Matrix.

The perceived level of risk is "Moderate to High" risk and will be mitigated by the appointment of a Project Management Consultant with the specialised skills to run multiple projects to deliver Council's adopted Capital Works Program.

Policy implications

AMP 01 Asset Management Policy
FIN12 Purchasing Policy

Voting requirement

Simple majority

Councillor interest declarations

Cr L Rumble	-	Financial
Cr M Lynch	-	Financial
Cr A Sullivan	-	Financial
Cr T Mladenovic	-	Indirect Financial
Cr A Smith	-	Indirect Financial

Additional

Due to a lack of quorum at previous meetings, this item has been re-presented for Council's consideration.

Officer recommendation

That with respect to the award of RFT 10.21 Construction of Tom Price Childcare and Combined Emergency Services, Tom Price, Council,

- a Notes the Evaluation Report, as included at Confidential Attachment 15.1A,
- b Accepts the submission from Emirge Pty Ltd, for RFT 10.21 Construction of Tom Price Childcare and Combined Emergency Services, Tom Price, for the tendered fixed lump sum price of \$8,493,439.50 (ex GST), as being the most advantageous and best value for money, and
- c Authorises the Chief Executive Officer to negotiate and engross the contract, with or without minor modification, with Emirge Pty Ltd based on their submitted and accepted submission.

16 Councillor agenda items / notices of motions

Nil

17 New business of an urgent nature introduced by Council decision

Nil

18 Confidential matters

Nil

19 Next meeting

The next Ordinary Council Meeting will be held at 1:00pm on Tuesday 16 November 2021 at Ashburton Hall – Ashburton Avenue, Paraburdoo.

20 Closure of meeting

There being no further business, the Presiding Member closed the meeting at X:XXpm.