



SHIRE OF ASHBURTON

**SPECIAL MEETING OF COUNCIL
MINUTES**

&

**Council Chambers, Onslow Shire Complex, Second
Avenue, Onslow**

Via Teleconference

- 1. Council Chambers, Recreation Centre, Central Road,
Tom Price**
- 2. Paraburdoo Library, Ashburton Avenue, Paraburdoo**
- 3. 66 Fifth Avenue, Wittenoom (place of residence)**
- 4. Unit 6/7 Fogerthorpe Crescent, Maylands (place of
residence)**

26 July 2018

7.00 pm

SPECIAL MEETING OF COUNCIL 26 JULY 2018

SHIRE OF ASHBURTON
SPECIAL MEETING OF COUNCIL

The Chief Executive Officer recommends the endorsement of these minutes at the next Ordinary Meeting of Council.

CEO: _____

Date: 27/06/2018

These minutes were confirmed by Council as a true and correct record of proceedings by the Special Meeting of Council held on 26 July 2018.

Presiding Member: _____

Date: __/__/2018

DISCLAIMER

The resolutions contained in the Minutes 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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UNCONFIRMED MINUTES

1. DECLARATION OF OPENING

The Presiding Member declared the meeting open at 7.02 pm.

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 all their elders both past and present.

2. ANNOUNCEMENT OF VISITORS

3. ATTENDANCE

3.1 PRESENT

Elected Members:	Cr K White	Shire President, (Presiding Member)	Council Chambers, Onslow
	Cr L Rumble	Onslow Ward Deputy Shire President, Paraburdoo Ward	Paraburdoo Library
	Cr P Foster	Tom Price Ward	Council Chambers, Tom Price
	Cr M Lynch	Tom Price Ward	Council Chambers, Tom Price
	Cr D Diver	Tom Price Ward	Council Chambers, Tom Price
	Cr L Thomas	Tableland Ward	66 Fifth Avenue, Wittenoom
	Cr M Gallanagh	Pannawonica Ward	Unit 6 / 7, Fogerthorpe Crescent, Maylands
Staff:	Mr R Paull	Chief Executive Officer	Council Chambers, Onslow
	Mr J Bingham	Director Corporate Services	Council Chambers, Tom Price
	Ms A Serer	Director Strategic & Community Development	Council Chambers, Tom Price
	Ms L Reddell	Director Development & Regulatory Services	Council Chambers, Onslow
	Mr I Hamilton	Director Infrastructure Services	Council Chambers, Tom Price
	Ms J Smith	Executive Officer	Council Chambers, Tom Price
	Ms R John	Library Officer	Paraburdoo Library
Guests:	Nil		

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Members of Public:	There were no members of the public in attendance at the commencement of the meeting.	
Member of Media:	There were no members of the media in attendance at the commencement of the meeting.	

3.2 APOLOGIES

Cr D Dias

Paraburdoo Ward

3.3 APPROVED LEAVE OF ABSENCE

There were no approved leave of absences.

4. PUBLIC QUESTION TIME

There were no public questions.

5. DECLARATION BY MEMBERS

5.1 DUE CONSIDERATION BY COUNCILLORS TO THE AGENDA

All Councillors in attendance noted that they had given due consideration to all matters contained in the Agenda presently before the meeting.

5.2 DECLARATIONS OF INTEREST

Councillors to Note

A member who has an Impartiality, Proximity or 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:

(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 DECLARING INTERESTS (FOR YOUR GUIDANCE)

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

These notes are included 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

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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.

Declarations of Interest provided:

Item Number/ Name	Type of Interest	Nature/Extent of Interest
7.1 ADOPTION OF 2018/19 BUDGET		
Cr White	Indirect Financial	The nature of my interest is I am a member of the Onslow Sports Club, I am also a committee member for the Onslow Visitors Centre. The extent of my interest is indirect financial.
7.2 AWARD OF RFT 009.18 – CONSTRUCTION OF ONSLOW SPORT CLUB AND V SWANS OFFICES, ONSLOW		
Cr White	Indirect Financial	The nature of my interest is I am a member of the Onslow Sports Club, I am also a committee member for the Onslow Visitors Centre. The extent of my interest is indirect financial.
Chantelle Bryce	Impartiality	The nature of my interest is my partner Cameron McGurk is a financial member of the Onslow Sports Club. The extent of my interest is impartiality.

6. ANNOUNCEMENTS BY THE PRESIDING MEMBER WITHOUT DISCUSSION

There were no announcements without discussion by the Presiding Member for this meeting.

7. BUSINESS

Cr White has declared an indirect financial interest in this item.

7.1 ADOPTION OF 2018/19 BUDGET

MINUTE: 37/2018

FILE REFERENCE:	GV04
AUTHOR'S NAME AND POSITION:	John Bingham Director Corporate Services
AUTHORISING OFFICER AND POSITION:	Rob Paull Chief Executive Officer
NAME OF APPLICANT/RESPONDENT:	Not Applicable
DATE REPORT WRITTEN:	23 July 2018
DISCLOSURE OF FINANCIAL INTEREST:	The author and authorising officer have no financial, proximity or impartiality interests in the proposal.
PREVIOUS MEETING REFERENCE:	Agenda Item 7.1 (Minute No. 35/2017) – Special Meeting of Council 30 August 2017

Summary

The Annual Budget for the year ended 30 June 2019 has been workshopped in conjunction with Ordinary Meetings of Council (OMC) held in May and July 2018.

The Statutory form of the Budget has now been finalised, taking into account Council's input at these workshops. The document is now submitted to Council for formal adoption.

Background

The 2018/19 Annual Budget has been prepared based on the principles contained in the Long Term Financial Plan (LTFP) and Corporate Business Plan as well as taking into account substantive matters raised in Council workshops at its May and July 2018 OMC. This includes formulation of the Forward Capital Works program as well as review of expenditure and efficiency measures.

After consideration of its Rating Strategy the 2018/19 proposed differential rates were approved by Council on 19 June 2018 and advertised for 21 days inviting submissions and comment.

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One submission was received and a report addressing issues raised was presented to Council at its OMC held on 18 July 2018. Subsequently the advertised rates in the dollar were adopted at 2% increase.

Comment

The budget has been prepared to include information required by the Local Government Act 1995, Local Government (Financial Management) Regulations 1996 and Australian Accounting Standards. The main features include the following:

The 2018/19 Capital Works program totalling \$70.2M features:

- Commencement of the new Tom Price Child Care Facility \$5.1M;
- Upgrade to the Onslow Sports Club Complex \$1.55M;
- Construction of the Class IV Waste Facility in Onslow \$11.6M;
- Completion of the Paraburdoo Community HUB \$9.5M;
- Roadworks of \$30.2M including;
 - Western Australia National Disaster Relief and Recovery Arrangements (WANDRRA) program of \$19.7M; and
 - Renewals and Re-Sheeting works totalling \$10.5M.
- 17 x Recreation and Culture projects for \$2.3M including;
 - Caravan Park upgrade in Pannawonica;
 - New Events Trailer for Pannawonica;
 - New Paraburdoo Dog Exercise Yard;
 - Upgrade to BBQs in Tom Price;
 - New Shed for Golf Buggies at Golf Club in Tom Price;
 - Upgrade to Goods Shed in Onslow; and
 - Upgrade to Community Garden in Onslow.
- Onslow Airport \$2.5M including Solar Farm upgrade and Runway renewal.

Another feature of this Budget is efficiency gains and service improvements made across the following areas:

- Reductions in consultancy costs of \$300,000;
- Reductions in telecommunication costs of \$50,000 to \$100,000;
- Extension of Plant and Equipment utility by deferring replacements and reducing cost of \$500,000;
- Update to the 2018 Workforce Plan to reduce excess staffing capacity and develop housing policy to enhance staff retention;
- Policy reviews including improvements to purchasing practices and investments;
- Engagement with local suppliers;

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- Independent review of Shire's Governance and Health;
- Development of comprehensive Asset Management Plans;
- Installation of sub-meters to track electricity costs with contractual third parties;
- Upgrades to Waste facilities including new weighbridge, landfill cells and onsite plant;
- Improvement to Airport runway, facilities and construction of hanger;
- Upgrade to pools to improve safety and service levels;
- Upgrade to sports facilities including bowling clubs, squash courts and cricket pitches;
- Additional rest stops for trucks;
- Enhancements to tourist attractions including information bays;
- Renovations to senior citizens units;
- Underground Power installation to town-site;
- Town-site lighting upgrade;
- Town-site shade structure upgrade; and
- Road works and maintenance including installation signage and traffic control devices.

Finally the *My Council* Financial Health Index (FHI) is forecast to remain stable at or around the benchmark rating of 70. In 2015/16 the FHI slipped back due to the Operating Surplus and Asset Sustainability ratios performing below standard:

- Operating Surplus Ratio – a measure to which own source revenues raised cover operational expenses. With grant funding prominent and depreciation expense high due to Infrastructure revaluations resulting in high values this ratio will be challenged to improve unless efficiencies are found in operating expenditure and / or rates increase by more than 2% (per comments in the LTFP). Also Fees and Charges would need to be maintained at a stable level as a contributor to the Shires own source revenue total.
- Asset Sustainability – a measure of the extent to which assets managed by the Shire are being replaced as they reach the end of their useful life. Renewals need to be prioritised to improve this ratio by placing limits on asset expansion i.e. renewals prioritised.

Financial performance for 2016/17 resulted in similar ratings as 2015/16 with 2017/18 ratios yet to be finalised.

The 2018/19 budget has been drafted in consideration of the FHI ratios.

The 2018/19 Budget is shown as Attachment 7.1 and contains:

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- Statutory Budget (with Statement of Objects and Reasons);
- Detailed Budget by Directorate at Job Level;
- Capital Expenditure Schedule; and
- 2018/19 Schedule of Fees and Charges.

ATTACHMENT 7.1

Consultation

Elected Members
Executive Management Team
Finance Team

Statutory Environment

Section 6.2 of the *Local Government Act 1995* requires that not later than 31 August in each financial year, or such extended time as the Minister allows, each local government is to prepare and adopt, (Absolute Majority required) in the form and manner prescribed, a budget for its Municipal Fund for the financial year ending on the next following 30 June.

The *Local Government Act 1995 [Section 5.63 (1) (b)]* specifically excludes the need for Elected Members to “Declare a Financial Interest” in imposing a rate, charge or fee.

The Section reads as follows:

*“5.63 (1) Sections 5.65, 5.70 and 5.71 do not apply to a relevant person who has any of the following interests in a matter –
(b) an interest arising from the imposition of any rate, charge or fee by the local government;”*

Additionally, the declaration provisions of the Act to not apply to Council business reimbursements or to Members sitting fees. Any other interest, be it Financial, Proximity or Impartiality must be declared.

Divisions 5 and 6 of the *Local Government Act 1995* refer to the setting of budgets and raising of rates and charges. The *Local Government (Financial Management) Regulations 1996* details the form and content of the budget. The 2018/19 Annual Budget as presented is considered to meet statutory requirements.

There is no legislative requirement to re-advertise differential rates, even if they are changed from the advertised figures.

Financial Implications

The 2018/19 Budget has been guided by the Long Term Financial Plan and provides for the following income and expenditure:

Operating Income	\$93,159,749
Operating Expenditure	\$53,342,748
Capital Income	\$17,480,970
Capital Expenditure	\$70,288,983
Gross Turnover	\$123,631,731

Strategic Implications

Shire of Ashburton 10 year Strategic Community Plan 2017-2027
Goal 5 – Inspiring Governance
Objective 1 – Effective Planning for the Future

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Risk Management

This item has been evaluated against the Shire of Ashburton's Risk Management Policy CORP5 Risk Matrix. The perceived level of risk is considered to be "Low".

Policy Implications

ELM10 Financial Sustainability Policy

Voting Requirement

Absolute Majority Required

Officers Recommendation

That Council, with respect to the 2018/19 Budget adopt the following:

1. For the purpose of yielding the deficiency disclosed by the proposed Municipal Fund Budget and pursuant to sections 6.32, 6.33, 6.34 and 6.35 of the *Local Government Act 1995*, Council impose the following differential general and minimum rates on Gross Rental and Unimproved Values:

Differential Rate Category	Rate in the \$	General \$	Lesser Minimum \$
GRV Residential / Community	\$0.100357	920.00	690.00
GRV Commercial / Industrial / Tourism	\$0.064633	1150.00	not applicable
UV Pastoral	\$0.060976	1150.00	not applicable
UV Mining / Industrial	\$0.369571	1150.00	not applicable
UV Tourism	\$0.165704	1150.00	not applicable

2. Pursuant to section 6.45 of the *Local Government Act 1995* and regulation 64(2) of the *Local Government (Financial Management) Regulations 1996*, Council adopt the following due dates for the payment or rates by instalments:

- Option 1
 - Payment in full by a single instalment, due Wednesday 12 September 2018.
- Option 2
 - 1st instalment due Wednesday 12 September 2018.
 - 2nd instalment due Monday 12 November 2018.
- Option 3
 - 1st Instalment due Wednesday 12 September 2018.
 - 2nd Instalment due Monday 12 November 2018.
 - 3rd Instalment due Friday 18 January 2019.
 - 4th Instalment due Friday 22 March 2019.

3. Pursuant to section 6.45 of the *Local Government Act 1995* and regulation 67 of the *Local Government (Financial Management) Regulations 1996*, Council adopt an instalment administration charge where the owner has elected to pay rates (and service charges) through an instalment option of \$14.50 for each instalment after the initial instalment is paid.

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4. Pursuant to section 6.45 of the *Local Government Act 1995* and regulation 68 of the *Local Government (Financial Management) Regulations 1996*, Council adopt an interest rate of 5.5% where the owner has elected to pay rates and service charges through an instalment option.
5. Pursuant to section 6.51 (1) and subject to section 6.51 (4) of the *Local Government Act 1995* and regulation 70 of the *Local Government (Financial Management) Regulations 1996*, Council adopt an interest rate of 11% for rates (and service charges) and costs of proceedings to recover such charges that remains unpaid after becoming due and payable.
6. Rates Concessions, Rates Waivers and Debt Waivers
 - 6.1 Pursuant to section 6.47 of the *Local Government Act 1995*, provide a 100% waiver to properties leased to Not for Profit Community Groups, subject to it being provided for in their lease or being previously waived / applied in the 2018/19 financial year.
 - 6.2 Pursuant to section 6.12 (1) (b) of the *Local Government Act 1995*, provide debt waiver to the lessee of the early Child Learning Centre in Onslow, subject to fulfilment of clause 1.1 of the special conditions of Schedule 2 of their lease.
7. Pursuant to section 6.13 of the *Local Government Act 1995* and regulation 19A of the *Local Government (Financial Management) Regulations 1996*, Council adopt an interest rate of 11% for any amount of money (other than rates and service charges) owing to the Local Government that remains unpaid after becoming due and payable.
8. Councillor Allowances
 - 8.1 Pursuant to section 5.99 of the *Local Government Act 1995* and regulation 30 of the *Local Government (Administration) Regulations 1996*, Council adopt the following annual fees for payment of elected members in lieu of individual meeting attendance fees:

• President	\$30,841 p.a.
• Councillor's	\$23,000 p.a.
 - 8.2 Pursuant to section 5.99A of the *Local Government Act 1995*, Council adopts the following annual local government allowance for elected members:
 - Information and Communications Technology (ICT) Allowance \$500 p.a.
 - 8.3 Pursuant to section 5.99A of the *Local Government Act 1995*, Council and regulation 32 of the *Local Government (Financial Management) Regulations 1996*, Council adopt the following annual local government allowance for elected members:
 - Child Care – the actual cost per hour or \$25 per hour, whichever is the lesser amount.
 - 8.4 Pursuant to section 5.99A of the *Local Government Act 1995* regulation 31 of the *Local Government (Financial Management) Regulations 1996*, Council adopt the following annual local government allowance for elected members:

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- Travelling Expenses rate applicable to the reimbursement of travel and accommodation costs in the same or similar circumstances under the Public Service Award 1992 issued by the Western Australian Industrial Relations Commission as at the date of the current determination of the Salaries and Allowances Tribunal on Local Government Elected Council Members.

8.5 Pursuant to section 5.98 (5) of the *Local Government Act 1995*, Council adopt the following annual local government allowance to be paid in addition to the annual meeting allowance:

- President \$62,727 p.a.

8.6 Pursuant to section 5.98A of the *Local Government Act 1995*, Council adopt the following annual local government allowance to be paid in addition to the annual meeting allowance:

- Deputy President \$15,682 p.a.

9. Pursuant to section 6.16 of the *Local Government Act 1995*, Council adopt the Fees and Charges as previously approved by the Council at the Ordinary Council Meeting of June and July with the following amendments:

- Infrastructure Services
 - Onslow Airport
 - Passenger Screening Fee from \$20.40 to \$35.50.
- Strategic and Community Services
 - Visitor Centre
 - Business Card Advert in Holiday Planner Brochure from \$188.20 to \$152.60;
 - Strip Advert in Holiday Planner Brochure from \$152.60 to \$188.20; and
 - Photocopying A3 – B &W per page from \$0.70 to \$1.40.
 - Commercial Leases
 - Bond with Alcohol from \$1,020 to \$1,000;
 - Bond without alcohol from \$510 to \$500; and
 - Key Bond \$102 to \$100.

10. In accordance with Regulation 34(5) of the *Local Government (Financial Management) Regulation 1996*, Council adopt the following materiality thresholds:

Condition

- Actual variances to Budget up to 5% of Budget
- Actual variances to Budget up to 10% of Budget

- Actual Variance exceeding 10% and a greater value than \$20,000.

Action

- Don't Report
- Use Management Discretion
- Must Report

11. In accordance with Section 6.11 of the *Local Government Act 1995*, Council amend the purpose of the Onslow Aerodrome Reserve from providing funds for the upgrading and modification to the Onslow Aerodrome to include the transfer of annual operating surpluses / deficits:

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New purpose of the Onslow Aerodrome Reserve – to provide reserve funds for operational surpluses and deficits as well as the upgrading and modification to the Onslow Aerodrome.

Officers Revised Recommendation and Council Decision

MOVED: Cr L Rumble

SECONDED: Cr P Foster

That Council, with respect to the 2018/19 Budget adopt the following:

1. **Accept the following modifications to ATTACHMENT 7.1 (as referred tin the Officer’s report) as follows:**
 - a. **Add a Capital Expenditure item for the Vic Hayton Pool - Retiling and Re-surfacing for \$120,000;**
 - b. **Add an Operational Expenditure item for the Passion of the Pilbara Festival for \$150,000;**
 - c. **Add an Operational Income item for the Passion of the Pilbara Festival for \$150,000;**
 - d. **Change the Capital Expenditure description and amount for the Shed for Golf Buggies at Golf Club in Tom Price to Repairs to Indoor Cricket Facility and from \$120,000 to \$100,000;**
 - e. **Remove the Reserve Transfer To of \$100,000 for the Joint Venture Housing Reserve;**
 - f. **Reduce the Operational Expenditure of Works Program / Footpath Maintenance from \$197,821 to \$22,000;**
 - g. **Increase the Operational Expenditure of the Donations-Operations of Onslow Visitor Centre from \$55,000 to \$60,000 (GL- 111349270);**
 - h. **Add a Capital Expenditure item for a Multipurpose Plant Trailer for \$22,000;**
 - i. **Add an Operational Expenditure item for Contract Services (GL- 10516430) from \$10,000 to \$50,000; and**
 - j. **Increase the Reserve Transfer To Plant Reserve from \$8,753 to \$107,574.**

2. **For the purpose of yielding the deficiency disclosed by the proposed Municipal Fund Budget and pursuant to sections 6.32, 6.33, 6.34 and 6.35 of the *Local Government Act 1995*, Council impose the following differential general and minimum rates on Gross Rental and Unimproved Values, all subject to receiving formal approval for the application to impose the above differential general and minimum rates from the Minister for Local Government, Sport and Cultural Industries or his delegate:**

Differential Rate Category	Rate in the \$	General \$	Lesser Minimum \$
GRV Residential / Community	\$0.100357	920.00	690.00
GRV Commercial / Industrial / Tourism	\$0.064633	1150.00	not applicable
UV Pastoral	\$0.060976	1150.00	not applicable
UV Mining / Industrial	\$0.369571	1150.00	not applicable
UV Tourism	\$0.165704	1150.00	not applicable

3. Pursuant to section 6.45 of the *Local Government Act 1995* and regulation 64(2) of the *Local Government (Financial Management) Regulations 1996*, Council adopt the following due dates for the payment or rates by instalments:
- Option 1
 - Payment in full by a single instalment, due Wednesday 12 September 2018.
 - Option 2
 - 1st instalment due Wednesday 12 September 2018.
 - 2nd instalment due Monday 12 November 2018.
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4. Pursuant to section 6.45 of the *Local Government Act 1995* and regulation 67 of the *Local Government (Financial Management) Regulations 1996*, Council adopt an instalment administration charge where the owner has elected to pay rates (and service charges) through an instalment option of \$14.50 for each instalment after the initial instalment is paid.
5. Pursuant to section 6.45 of the *Local Government Act 1995* and regulation 68 of the *Local Government (Financial Management) Regulations 1996*, Council adopt an interest rate of 5.5% where the owner has elected to pay rates and service charges through an instalment option.
6. Pursuant to section 6.51 (1) and subject to section 6.51 (4) of the *Local Government Act 1995* and regulation 70 of the *Local Government (Financial Management) Regulations 1996*, Council adopt an interest rate of 11% for rates (and service charges) and costs of proceedings to recover such charges that remains unpaid after becoming due and payable.
7. Rates Concessions, Rates Waivers and Debt Waivers
- 7.1 Pursuant to section 6.47 of the *Local Government Act 1995*, provide a 100% waiver to properties leased to Not for Profit Community Groups, subject to it being provided for in their lease or being previously waived / applied in the 2018/19 financial year.
- 7.2 Pursuant to section 6.12 (1) (b) of the *Local Government Act 1995*, provide debt waiver to the lessee of the early Child Learning Centre in Onslow, subject to fulfilment of clause 1.1 of the special conditions of Schedule 2 of their lease.
8. Pursuant to section 6.13 of the *Local Government Act 1995* and regulation 19A of the *Local Government (Financial Management) Regulations 1996*, Council adopt an interest rate of 11% for any amount of money (other than rates and

service charges) owing to the Local Government that remains unpaid after becoming due and payable.

9. Councillor Allowances

9.1 Pursuant to section 5.99 of the *Local Government Act 1995* and regulation 30 of the *Local Government (Administration) Regulations 1996*, Council adopt the following annual fees for payment of elected members in lieu of individual meeting attendance fees:

- President \$30,841 p.a.
- Councillor's \$23,000 p.a.

9.2 Pursuant to section 5.99A of the *Local Government Act 1995*, Council adopts the following annual local government allowance for elected members:

- Information and Communications Technology (ICT) Allowance \$500 p.a.

9.3 Pursuant to section 5.99A of the *Local Government Act 1995*, Council and regulation 32 of the *Local Government (Financial Management) Regulations 1996*, Council adopt the following annual local government allowance for elected members:

- Child Care – the actual cost per hour or \$25 per hour, whichever is the lesser amount.

9.4 Pursuant to section 5.99A of the *Local Government Act 1995* regulation 31 of the *Local Government (Financial Management) Regulations 1996*, Council adopt the following annual local government allowance for elected members:

- Travelling Expenses rate applicable to the reimbursement of travel and accommodation costs in the same or similar circumstances under the Public Service Award 1992 issued by the Western Australian Industrial Relations Commission as at the date of the current determination of the Salaries and Allowances Tribunal on Local Government Elected Council Members.

9.5 Pursuant to section 5.98 (5) of the *Local Government Act 1995*, Council adopt the following annual local government allowance to be paid in addition to the annual meeting allowance:

- President \$62,727 p.a.

9.6 Pursuant to section 5.98A of the *Local Government Act 1995*, Council adopt the following annual local government allowance to be paid in addition to the annual meeting allowance:

- Deputy President \$15,682 p.a.

10. Pursuant to section 6.16 of the *Local Government Act 1995*, Council adopt the Fees and Charges as previously approved by the Council at the Ordinary Council Meeting of June and July with the following amendments:

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 - Onslow Airport
 - Passenger Screening Fee from \$20.40 to \$35.50.
- Strategic and Community Services
 - Visitor Centre
 - Business Card Advert in Holiday Planner Brochure from \$188.20 to \$152.60;
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 - Photocopying A3 – B &W per page from \$0.70 to \$1.40.
 - Commercial Leases
 - Bond with Alcohol from \$1,020 to \$1,000;
 - Bond without alcohol from \$510 to \$500; and
 - Key Bond \$102 to \$100.

11. In accordance with Regulation 34(5) of the *Local Government (Financial Management) Regulation 1996*, Council adopt the following materiality thresholds:

Condition	Action
• Actual variances to Budget up to 5% of Budget	Don't Report
• Actual variances to Budget up to 10% of Budget Management Discretion	Use
• Actual Variance exceeding 10% and a greater value than \$20,000.	Must Report

12. In accordance with Section 6.11 of the *Local Government Act 1995*, Council amend the purpose of the Onslow Aerodrome Reserve from providing funds for the upgrading and modification to the Onslow Aerodrome to include the transfer of annual operating surpluses / deficits:

New purpose of the Onslow Aerodrome Reserve – to provide reserve funds for operational surpluses and deficits as well as the upgrading and modification to the Onslow Aerodrome.

13. That upon approval from the Minister for Local Government, Sport and Cultural Industries of the pending application to change method of valuation for Transient Workers Accommodation (TWA), direct the Chief Executive Officer (or authorised officer) to submit a report to Council for consideration of spot rating the TWA's as a rate revenue variation to the 2018/19 Budget.

CARRIED BY ABSOLUTE MAJORITY

7/0

Crs White, Rumble, Diver, Foster, Lynch, Gallanagh and Thomas voted for the motion

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Reason for change:

Part 1 - The Chief Executive Officer advised that modifications provided in Part 1(a)-(j) seek to address arrangements and matters either committed or appropriate for the operation of the Shire in 2018/19.

Part 2 – The Chief Executive Officer advised that the Shire has been advised by the Department of Local Government, Sport and Cultural Industries senior staff that the Shire's application to impose the differential general and minimum rates is compliant with Department policies and approval is imminent and likely before the end of the week. The CEO sought advice from a highly regarded local government consultant who advised that Council could proceed to adopt the Budget as provided.

Part 13 - The resolution seeks to provide direction to the Shire that spot rating of Transient Workers Accommodation as a rate revenue variation to the 2018/19 Budget is very important to Council.

UNCONFIRMED MINUTES

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Cr White has declared an indirect financial interest in this Item.
Chantelle Bryce has declared an impartiality interest in this Item.

7.2 AWARD OF RFT 09.18 - CONSTRUCTION OF ONSLOW SPORTS CLUB AND V SWANS OFFICES, ONSLOW

MINUTE: 38/2018

FILE REFERENCE:	CM09.18
AUTHOR'S NAME AND POSITION:	Chantelle Bryce Manager Facilities and Recreation Services
AUTHORISING OFFICER AND POSITION:	Anika Serer Director Strategic and Community Development
NAME OF APPLICANT/RESPONDENT:	Not Applicable
DATE REPORT WRITTEN:	23 July 2018
DISCLOSURE OF FINANCIAL INTEREST:	The author has an impartiality interest due to her partner being a member of the Onslow Sports Club. However, the authorising officer has no financial, proximity or impartiality interests in the proposal.
PREVIOUS MEETING REFERENCE:	Agenda Item 13.3 Minute No. (324/2018) Ordinary Meeting of Council 13 March 2018 Agenda Item 17.1 (Minute No. 258/2017) Ordinary Meeting Of Council 24 October 2017

Summary

Request for Tender (RFT) 09.18 for Construction of the Onslow Sports Club and V Swans Office, Onslow was issued via the Shire's e-tendering portal (TenderLink) and also advertised via state wide public notice in The West Australian Newspaper on Thursday, 14 June 2018 and closed on 20 Thursday, 5 July March 2018.

Five conforming tenders were received via TenderLink in response to RFT 09.18.

The report to Council addresses the assessment of the tender submissions and recommendation.

Background

The Onslow Sports Club Replacement Project is funded by the Onslow Community Development Fund from the Chevron-operated Wheatstone Project, and administered by Jobs, Tourism, Science and Innovation (JTSI).

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The development and delivery of the project is overseen by the governance body Onslow Social Infrastructure Working Group (SIWAG) comprising of JTSI, Chevron Australia Pty Ltd (CAPL) and Shire.

At the Ordinary Council Meeting held on 24 October 2017, Council approved the acquisition of transportable buildings and associated furniture from the Wheatstone Brolga Camp Onslow, with the intent to replace the existing Onslow Sports Club.

The transportable modules are temporarily located at the Old Onslow Airport Camp.

Shire officers engaged specialist consultants to develop a concept design for the Onslow Sports Club for endorsement by Council. Council endorsed a business case and concept design at the Ordinary Council Meeting held on 13 March 2018. Instruction to progress to final design and specification for a Construct Only Tender was issued to Whitehaus Architects and RSA Engineering for the construction plans. Final Design plans have been approved by Onslow Sports Club and SIWAG for RFT.

The RFT was advertised for the Onslow Sports Club and V Swans office refurbishment, including the demolition of the existing Onslow Sports Club, as separable portions. V Swans does not form part of the funding from JTSI, and had agreed to reimburse the Shire for any costs or contracts awarded for their work under this project.

The selection criteria was amended from that of the FIN12 Purchasing Policy to address the individual requirements and desired criteria for the project:

Criteria		Weighting
(a)	Key Personal and Subcontractors	20%
(b)	Relevant Past Company Performance	15%
(c)	Methodology, Program, Innovation, OHS Systems	15%
(d)	Price	50%

After an initial compliance assessment, all submissions were deemed compliant for further assessment. The evaluation panel then assessed the submissions against the selection criteria and value for money.

The Evaluation and Recommendation Report, including the scope, overall evaluation scores and rankings, is attached as a confidential item.

CONFIDENTIAL ATTACHMENT 7.2

Comment

The tender submissions have been assessed with the below scores and rankings. Complete details of the assessment are provided in **Confidential Attachment 7.2**.

Rank	Tenderer	Score (/100)
1	H&M Tracey	72.0
2	Karratha Building	64.4
3	Geraldton Building	58.2
4	GO2 Building	46.2
5	Munro Contracting	43.1

Following closure of the tender, the Shire was advised by V Swans that they had not been successful with obtaining funding for their portion of the works – Separable Portion 2.

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To ensure an equal comparison, the evaluation panel therefore focused on only Separable Portion 1 – Onslow Sports Club. All tenders for Separable Portion 1 received were all over the allocated budget of \$1,210,000 budget, remaining from \$330,000 up to \$985,505.18.

Consultation

Executive Management Team
Manager Facilities and Recreation Services
Project Manager – HQ Management, Kevin Pickering
Building Surveyor – Hendry Group, Brian Cameron

Statutory Environment

Local Government Act 1995 Section 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.
- (2) Regulations may make provision about tenders.

Local Government Act 1995 Section 5.23. Meetings generally open to public

- (2) If a meeting is being held by a council or by a committee referred to in subsection (1)(b), the council or committee may close to members of the public the meeting, or part of the meeting, if the meeting or the part of the meeting deals with any of the following —
- (c) 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;”

Local Government (Functions and General) Regulations 1996

- (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 sub-regulation (2) states otherwise.
- (2) Tenders do not have to be publicly invited according to the requirements of this Division if:
 - (a) the supply of the goods or services is to be obtained from expenditure authorised in an emergency under section 6.8(1)(c) of the Act; or
 - (b) the supply of the goods or services is to be obtained through the WALGA Preferred Supplier Program;

Financial Implications

The Shire of Ashburton has a committed funding from the Onslow Community Development Fund for the Onslow Sports Club Replacement which reflects in the 2017/18 budget of \$1.5 million. The recommended tender submission is within budget.

Over the course of several Ordinary Meetings in the 2017/18 financial year Council approved budget expenditure variations to the value of \$1,550,000 for the Onslow Sports Club Replacement project - October 2017 for \$100,000, March 2018 for \$300,000 and April 2018 for \$1,150,000 bringing the total budget variation amount to \$1,550,000. This expenditure was agreed to be funded from the Onslow Community Development Fund.

For the period ending 30 June 2018 expenditure of \$254,044.79, comprising actual expenditure of \$226,556.34 and outstanding orders of \$27,488.45, has been committed to the project. This report recommends a contract be awarded for RFT 09.18 to the value of \$1,462,076.56 bringing the total plus commitments for 2017/18 to \$1,792,076.56.

In addition consultancy and monitoring costs of \$159,659.21 will be required to complete the project.

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2017/18 Commitments	\$ 254,044.79
Contract Award for RFT 09.18 to H&M Tracey	\$1,462,076.56
Contingency for consultancy and monitoring	\$ 159,659.21
Total Project Costs	\$1,875,780.56

Strategic Implications

Shire of Ashburton 10 Year Community Strategic Plan 2017-2027

Goal 4 – Quality Services and Infrastructure

Objective 01 – Quality Public Infrastructure

Objective 03 – Distinctive and Well-Functioning Towns

Risk Management

This item has been evaluated against the Shire of Ashburton's Risk Management Policy CORP5 Risk Matrix. The perceived level of risk is considered to be "High". The high level of risk is being driven by the high compliance requirements and the timing of several project schedules. It is considered that the likelihood of a risk event occurring is "Unlikely" but it will be managed by specific monitoring and response procedures, overseen by the relevant Senior Managers.

Policy Implications

Policy FIN12 Shire of Ashburton Purchasing Policy. This Policy outlines how the Shire of Ashburton will deliver best practice in the purchasing of goods, services and works that align with the principles of transparency, probity and good governance whereby establishing efficient, effective, economical and sustainable procedures in all purchasing activities. This Policy was used to undertake the procurement process through a publically advertised RFT.

Voting Requirement

Absolute Majority Required

Officers Recommendation and Council Decision

MOVED: Cr L Thomas

SECONDED: Cr L Rumble

That with respect to Tender RFT 09.18 – Construction of Onslow Sports Club and V Swans Office, Onslow, Council:

- 1. Resolve that Report ATTACHMENT 7.2 is confidential in accordance with s5.23 (2) the Local Government Act because it deals with matters affecting s5.23 (2) *“(c) 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;”***
- 2. Note the attached Evaluation Report, CONFIDENTIAL ATTACHMENT 7.2;**
- 3. Award the contract for RFT 09.18 Separable Portion 1 Only to H&M Tracey for \$1,462,076.57 exclusive of GST;**
- 4. Authorise the Chief Executive Officer to enter into a contract with the appointed Contractor;**
- 5. Authorise the Chief Executive Officer to manage the Contract, including variations, providing the variation is necessary in order for the goods or**

services to be supplied and does not change the scope of the contract and managed within the overall budget for the project; and

6. **Approve Budget variations for the 2018/19 Budget as outlined below:**
- a. **Increase Expenditure Account 113261, by \$71,735.77 from \$1,550,000 to \$1,621,735.77; and**
 - b. **Decrease Infrastructure Reserves Account 130100, by \$71,735.77 from \$879,701 to \$807,965.23.**

CARRIED BY ABSOLUTE MAJORITY

7/0

Crs White, Rumble, Diver, Foster, Lynch, Gallanagh and Thomas voted for the motion

8. NEXT MEETING

The next Ordinary Meeting of Council will be held on 14 August 2018, at the Council Chambers, Onslow Shire Complex, Second Avenue Onslow, commencing at 1.00 pm.

9. CLOSURE OF MEETING

There being no further business to discuss the Presiding Member closed the meeting at 7.17 pm.